

Notice of Meeting and Agenda



Midlothian Council

Venue: Council Chambers,
Midlothian House, Dalkeith, EH22 1DN

Date: Tuesday, 12 February 2019

Time: 11:00

Director, Resources

Contact:

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Further Information:

This is a meeting which is open to members of the public.

Recording Notice: Please note that this meeting will be recorded. The recording will be publicly available following the meeting. The Council will comply with its statutory obligations under the Data Protection Act 1998 and the Freedom of Information (Scotland) Act 2002.

1 Welcome, Introductions and Apologies

2 Order of Business

Including notice of new business submitted as urgent for consideration at the end of the meeting.

3 Declaration of Interest

Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

4 Deputations

5 Minutes

Minute of Meeting of Midlothian Council of 18 December 2018 submitted for approval as a correct record.

Minutes of Meetings for noting, information and consideration of any recommendations contained therein - Minute Volume attached

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6 Questions to the Council Leader

None

7 Motions

None

8 Public Reports

- | | | |
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| 8.1 | Financial Monitoring 2018-19 - Report by Head of Finance and Integrated Service Support | 7 - 36 |
| 8.2 | Reserves Strategy - Report by Head of Finance and Integrated Service Support | 37 - 62 |
| 8.3 | Financial Strategy 2019-2020 including projections to 2022-23 - Report by Head of Finance and Integrated Service Support | 63 - 220 |
| 8.4 | Housing Revenue Account Revenue Budget and Capital Plan - Report by Head of Finance and Integrated Service Support | 221 - 228 |

8.5	Treasury Management and Investment Strategy - Report by Head of Finance and Integrated Service Support	229 - 250
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8.10	Midlothian Integration Joint Board Strategic Plan 2019-22 - Report by Joint Director, Health and Social Care	291 - 380
8.11	New Primary School in Easthouses - Report by Director, Education, Communities and Economy (TO FOLLOW)	

9 Private Reports

9.1	Rosewell Community Hub Update - Report by Director, Resources.doc	
	<ul style="list-style-type: none"> • 4. Information relating to any particular applicant for, or recipient or former recipient of, any financial assistance provided by the authority. • 6. Information relating to the financial or business affairs of any particular person (other than the authority). 	
9.2	Premises at the former Bonnyrigg Leisure Centre - Bright Sparks - Report by Chief Executive	
	<ul style="list-style-type: none"> • 8. The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services. 	
9.3	Millerhill Low Carbon District Heating Project - Report by Head of Property and Facilities Management	
	<ul style="list-style-type: none"> • 6. Information relating to the financial or business affairs of any particular person (other than the authority). 	
9.4	Licensing of Permanent Residential Caravan Sites - Report by Director, Education, Communities and Economy	
	<ul style="list-style-type: none"> • 6. Information relating to the financial or business affairs of any particular person (other than the authority). 	

10 Date of Next Meeting

The next meeting will be held on 26 March 2019.

Midlothian Council Minute Volume



**Presented to the Meeting
of Midlothian Council
on Tuesday, 12 February 2019**

1 Minutes of Meetings submitted for Approval

Midlothian Council 18 December 2018 1 - 24

2 Minutes of Meetings submitted for Consideration

Approved Minutes for Noting, Information and Consideration of any recommendations contained therein

Performance Review and Scrutiny 30 October 2018 25 - 30

Planning Committee 20 November 2018 31 - 42

General Purposes Committee 20 November 2018 43 - 52

Cabinet 27 November 2018 53 - 62

Local Review Body 27 November 2018 63 - 68

Audit Committee 11 December 2018 69 - 78

Community Asset Transfer Committee 11 December 2018 79 - 82

3 Minutes of Meetings submitted for Information

Approved Minutes of Outside Organisations to which Council appoints representatives

None

Seminars

Capital Investment Strategy - 18 September 2018 83 - 86

Creating a World-Class Education System through Excellence and Equity - Attainment and Achievement 2018 - 4 December 2018 87 - 90

Financial Monitoring 2018/19 – General Fund Revenue

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

The purpose of this report is to provide Council with information on performance against revenue budget in 2018/19 and details of the material variances.

2 Background

2.1 Budget Performance

The projected budget performance figures shown in appendix 1 result in a net overspend of £0.202 million for the year which is 0.10% of the revised budget and a £0.096 million improvement on the position reported to Council on 12th November 2018.

While this is an improvement on the quarter 2 position work continues to secure further improvement. The non-essential vacancy freeze and the moratorium on non-essential spend remain in place.

Although a small net overspend is reported, the Chief Executive is clear in her message that to overspend is an unacceptable position. As a result, the Chief Executive has instructed Directors and Heads of Service to deliver within their set Directorate budgets. Appendix 2 provides information on the service specific mitigating actions which are being progressed with the aim of further reducing the projected overspend.

As recommended in the August report a Financial Monitoring 2018/19 Recovery Plans report was prepared and presented to Council on 2nd October. This laid out:

- A net reduction of £0.270 million in the General Fund Balance as a consequence of a supplementary estimate for Christmas Lights and the likelihood of the 2018/19 pay award exceeding existing budget by approximately £0.200 million;
- An adjustment to Quarter 1 projections of £0.370 million for Planning and Building Warrant Fees; and
- A detailed recovery plan with actions to reduce the projected overspend at quarter 1 by £2.636 million.

The latest assessment of delivery on recovery plan actions indicates that £2.256 million of this will be achieved in 2018/19 and this is covered in more detail throughout the additional information column in appendix 2. This figure includes full recovery of the Adult Social Care variance that is shown in detail at appendix 2.

Alongside delivery of the approved recovery plan there is also evidence in quarter 3 projections that spend is reducing as a consequence of only filling essential vacancies and avoiding non-essential spend.

Risks remain in delivering some of the recovery plan actions and further updates on delivery will be provided in the final Financial Monitoring Reports for 2018/19.

The main areas of variance projected at quarter 3 are outlined below:

Demand Led Pressures totalling £1.920 million:

- Delegated Adult Social Care services, particularly the Community Care Resource Panel and in Home Care packages. They are currently projected to overspend by £1.044 million but this can be volatile given the fluidity of demand and potential high value of individual packages of care;
- Additional running costs for Care Homes for Older people of £0.054 million;
- Residential Placements in Children's Services of £0.653 million, and
- Bed and Breakfast budgets for Homeless clients. An overspend of £0.169 million is currently projected.

This is a reduction of £0.136 million from that reported in Quarter 2, mainly relating to costs in Children's Services.

Other pressures totalling £3.158 million including:

- Insurance settlements in excess of budget by £0.250 million as a consequence of the unusually high volume of claims during the severe winter;
- a projected £2.420 million slippage in delivering the package of £9.356 million of transformational, operational and service cost reductions and income generation measures as evidenced in detail in Appendix 2; and
- Price inflation and policy related pressures on energy spend of £0.488 million.

These are partly offset by some favourable movements totalling £4.610 million including the impact of the MIJB recovery plan as follows:

- External advice from the Council's Treasury consultants recommended that the Council consider revising the methodology used to apportion costs associated with external borrowing. This results in a £1.269 million underspend in loan charges;
- Schools are projected to underspend by £0.284 million after allowing for carry forwards of a maximum of 1% in accordance with current Devolved School Management rules;
- A continued growth of properties in Midlothian will generate an improvement on budget of £0.442 million for Council Tax Income;

- One-off Scottish Government Grant funding of £0.149 million to partially offset costs associated with the severe winter;
- Planning and Building Warrant fee income of £0.555 million;
- The impact of vacant posts across the Council of £0.963 million; and
- The impact of the MIJB recovery plan of £0.276 million;
- The impact of the recovery plan actions for Roads and Building Maintenance of £0.672 million.

Detailed information on material variances is contained in appendix 2 which identifies each variance, explains why it happened, outlines what action is being taken to control variances and details the impact of that action.

2.2 Delegation of resources to Midlothian Integration Joint Board

The approved budget provided for the allocation of £39.750 million to the Midlothian Integration Joint Board (MIJB) for the provision of delegated services. In addition there have been minor movements which increase the budget by £0.027 million and which results in a projected revised allocation to the Board of £39.777 million.

The projected outturn reflects the impact of the MIJB recovery plan which indicates that spend can be contained within the revised budget of £39.777 million in accordance with the Integration Scheme.

The Chief Officer of the MIJB is leading on a recovery plan which has been approved by the MIJB.

2.3 Council Transformation Programme

Council approved utilisation of £7.718 million of General Fund Reserve to fund costs associated with the ongoing transformation programme.

At the report date £5.397 million has been applied in prior years and a further £1.424 million is projected to be applied in 2018/19 which includes £0.700 million of one-off severance costs associated with the 2017 Voluntary Severance Scheme. There are commitments of £0.592 million identified for future years. This leaves £0.305 million as uncommitted.

2.4 Early Years Expansion

A detailed report on progress and plans for Early Years Expansion was presented to Council on 26th June 2018. The challenges of matching the profile of ring-fenced Scottish Government revenue grant with spend on essential expansion activities particularly relating to increasing the number of Modern Apprentices along with a more balanced offer of 1,140 hours places across partner provider nurseries and childminders were highlighted. Council agreed that the Scottish Government were to be approached to consider a re-profile of £0.898 million of the ring-fenced grant between 2019/20 and 2018/19 and also if that request was declined that consent was sought for the Council to

fund additional funded expenditure from reserves in 2018/19 that could be matched from ring-fenced grant in 2019/20.

The Scottish Government consented to the latter and this is reflected in section 2.5 below as a utilisation of reserve in 2018/19 and a consequent enhancement in 2019/20.

2.5 General Fund Reserve

The projected balance on the General Fund as at 31 March 2019 is as follows:

	£ million	£ million
Reserve as at 1 April 2018		10.777
Less earmarked reserves utilised in 2018/19		(4.425)
General Reserve at 1 April 2018		6.352
<i>Planned movements in reserves</i>		
Planned Enhancement	0.190	
Supplementary Estimates	(0.454)	
Council Transformation Programme Costs (section 2.3)	(1.424)	
Pay Award in Excess of Budget (supplementary estimate to be approved)	(0.450)	
Early Years expansion (Section 2.4)	(0.898)	
Other	0.497	
		(2.539)
Overspend per appendix 1		(0.202)
Devolved School Management carry forward		0.384
General Fund Balance at 31 March 2019		3.995

An element of the General Fund is earmarked for specific purposes and this is shown below:

	£ million
General Fund Balance at 31 March 2019	3.995
<i>Earmarked for specific purposes</i>	
Budgets earmarked for Council Transformation	(0.897)
Enhancement to Reserves earmarked for training	(0.190)
Devolved School Management carry forward	(0.384)
General Reserve at 31 March 2019	2.524
Early Years Ring-fenced grant – approved enhancement in 2019/20	0.898
General Reserve at 1 April 2019	3.422

The pay award for Local Government workers has amended to 3.5% for 2018/19 and this is currently being considered by the employee side. The approved budget provided for 3% and the additional cost projected as £0.450 million. This report presents the additional cost as a movement in the General Fund Reserve as presented above, rather than an in-year variance against budget. Council are asked to approve this approach in recommendation 4 (d).

The projected uncommitted General Fund Reserve at 31 March 2019 is £2.524 million which increases to £3.422 million after adjusting for

Early Years Expansion re-profiling. This is £0.353 million higher than projected at quarter 2.

A prudent level of uncommitted reserves is seen to be between 2% and 4% of net expenditure which equates to between approximately £4 million and £8 million. The General Reserve of £3.422 million projected is considerably below the minimal level and there will also be additional one-off costs associated with service transformation and workforce reduction which could further reduce the available reserve.

There is also a risk that the reserve is required as a buffer to offset further slippage in the achievement of planned savings or cost control measures.

3 Report Implications

3.1 Resource

The projected performance against budget set out in this report presents the initial projections for the year. Work continues within the Directorates to reduce projected overspends and to progress the delivery of approved savings.

Whilst this report deals with financial issues there are no financial implications arising directly from it.

3.2 Risk

Section 95 of the Local Government (Scotland) Act 1973 requires all Local Authorities in Scotland to have adequate systems and controls in place to ensure the proper administration of their financial affairs.

The assessment of performance against budgets by services is underpinned by comprehensive financial management and budgetary control arrangements. These arrangements are central to the mitigation of financial risk.

Ensuring that adequate systems and controls are in place minimises the risk of significant variances arising, and where they do arise they help to ensure that they are identified and reported on and that appropriate and robust remedial action is taken. The primary purpose of this report is to provide an assessment of performance for the full year based on activity in the first quarter of the year. The material variances detailed in appendix 2 highlight that the financial management and budgetary control arrangements require continual review and enhancement if financial risk is to be effectively mitigated during the year.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

3.4 Impact on Performance and Outcomes

The decisions taken to balance the budget will have fundamental implications for service performance and outcomes. The Council's Transformation Programme aims to minimise the impact on priority services.

3.5 Adopting a Preventative Approach

The proposals in this report do not directly impact on the adoption of a preventative approach.

3.6 Involving Communities and Other Stakeholders

No consultation was required.

3.7 Ensuring Equalities

There are no equality implications arising directly from this report.

3.8 Supporting Sustainable Development

There are no sustainability issues arising from this report.

3.9 IT Issues

There are no IT implications arising from this report.

4 Recommendations

It is recommended that Council:

- a) Note that work continues to secure further improvement in the financial position and that the non-essential vacancy freeze and the moratorium on non-essential spend remain in place;
- b) Note that the Chief Executive has instructed Directors and Heads of Service to deliver within their set Directorate budgets;
- c) Consider the financial position, particularly the low projected General Fund Reserve, in the context of the Financial Strategy report on today's agenda;

- d) Approve a supplementary estimate of £0.450 million reflecting the additional cost of the proposed Local Government Workers pay award of 3.5%; and
- e) Otherwise note the contents of the report.

22nd January 2018

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Background Papers:

MIDLOTHIAN COUNCIL

Appendix 1

GENERAL FUND OVERVIEW 2018/19

Function	Revised Budget Expenditure	Revised Budget Income	Revised Budget Net £	Projected Outturn £	(Underspend) / Overspend £
Management and Members	1,827,594	(31,590)	1,796,004	1,846,004	50,000
<u>Education Communities and Economy</u>					
Childrens Services	15,415,173	(82,999)	15,332,174	15,623,174	291,000
Communities and Economy	5,313,461	(1,771,414)	3,542,047	2,885,047	(657,000)
Education	98,331,697	(5,479,162)	92,852,536	92,507,536	(345,000)
<u>Health and Social Care</u>					
Midlothian Integration Joint Board - Adult Social Care - Delegated	56,324,749	(16,548,231)	39,776,518	39,776,518	0
Midlothian Integration Joint Board - Adult Social Care - Non-delegated	812,202	0	812,202	854,202	42,000
Customer and Housing Services	36,289,984	(25,713,742)	10,576,242	11,043,242	467,000
<u>Resources</u>					
Commercial Operations	16,574,512	(2,346,723)	14,227,789	14,083,789	(144,000)
Finance and Integrated Service Support	10,760,700	(368,183)	10,392,517	10,912,517	520,000
Properties and Facilities Management	20,654,153	(7,869,052)	12,785,101	14,002,101	1,217,000
Lothian Valuation Joint Board	550,551	0	550,551	550,551	0
Central Costs	783,058	0	783,058	1,114,058	331,000
Non Distributable Costs	1,338,436	0	1,338,436	1,338,436	0
GENERAL FUND SERVICES NET EXPENDITURE	264,976,269	(60,211,095)	204,765,174	206,537,174	1,772,000
Loan Charges	7,060,000	0	7,060,000	5,791,000	(1,269,000)
Investment Income	0	(406,420)	(406,420)	(406,420)	0
Savings Targets	-290,000	0	(290,000)	0	290,000
Allocations to HRA, Capital Account etc.	-5,015,808	0	(5,015,808)	(5,015,808)	0
	266,730,461	(60,617,515)	206,112,946	206,905,946	793,000
less Funding:					
Scottish Government Grant	0	(154,469,736)	154,469,736	154,618,736	(149,000)
Council Tax	0	(47,319,000)	47,319,000	47,761,000	(442,000)
Utilisation of Reserves	266,730,461	(262,406,251)	4,324,210	4,526,210	202,000

Item 8.1

Financial Monitoring 2018/19 – General Fund Revenue – Material Variances**Management and Members**

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Employee Costs	One-off costs.	20	27	50	
Gross Overspend		20	27	50	

Education, Communities and Economy**Children's Services**

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Residential and Day Education Placements	The requirement for residential placements was higher than anticipated and provided for in the budget.	884	873	653	<p>This represents a 19% overspend on the Multi Agency Resource Group (MARG) budget of £3.4 million.</p> <p>Placements that go through MARG can be extremely expensive and of uncertain timing. Because of this it is likely that this forecast will change through the course of the year.</p> <p>The majority of this overspend relates to an individual case and it is hoped that a longer term and more economical solution will be in place from April.</p> <p>The MARG group continues to challenge new demand to keep costs under control and has recently been successful in its work to progress children in secure placements to allow them to move to other forms of care.</p>
Non-Residential services	Forecast overspend on respite, direct payments and taxi services commissioned	84	62	97	Demand outstrips budget. Overspends are being reviewed in detail.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
commissioned and provided for children with and without disabilities	for children with disabilities due to higher than anticipated levels of demand for these services.				This has been reported to Cabinet and support to 18+ is not funded.
	Forecast overspend on respite, taxi and day care services commissioned for children without disabilities.	40	12	(9)	
	Forecast overspend on rent and allowances for Throughcare and Aftercare clients.	57	130	141	
	Forecast variance on all other services commissioned for clients.	16	(36)	(6)	
Gross Overspend		1,081	1,041	876	
<i>Offset by:</i>					
Family Placements	The number of children in foster care placements has fallen since 2017/18. In addition three placements previously with expensive external agencies have moved to Midlothian Carers resulting in a significant saving. Unbudgeted income has been received for the provision of adoption placements to another local authority.	(217)	(274)	(286)	The reduction of children coming into care is as a result of a significant and successful piece of work over the past year (PACE) supported by the Scottish Government and CELCIS. Ongoing work in this area will continue and learning shared with other local authorities across Scotland. Work goes on with neighbouring local authorities regarding Foster Care recruitment and placements.
Vacancies and performance factor	There is a forecast underspend mainly resulting from maternity leave within the Early Intervention and Prevention service and vacant day-time posts in the residential units.	(76)	(212)	(209)	The service plans to recruit to vacancies created by staff returning from maternity leave on reduced hours.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Children's Services budget.	0	(36)	(90)	No impact on frontline service.
Net Overspend		788	519	291	

Communities and Economy

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
City Deal and Borders Rail	There are ongoing commitments to large projects that exceed the approved budget.	0	75	115	Additional budget has been provided in 2019/20 for work required to progress the City Deal and the budget position for Borders Rail looking forward will be discussed by Council shortly.
Grants to External Organisations	The value of payments to external organisations exceeds budget. This was for grants to Visit Scotland and Business Commerce which were not provided for in the 18/19 budget.	63	63	63	This is offset by an underspend in Economic Development as shown below. The budget for Grants to external organisations will be considered as part of the Financial Strategy.
Approved Budget Savings	Council agreed a range of budget reductions for Communities and Economy. It is projected that there is slippage in delivery with fully delivery anticipated in 2019/20.	44	44	10	Overspends are offset in 2018/19 by vacancies elsewhere in the service as shown below.
Gross Overspend		107	182	188	
<i>Offset by:</i>					
Planning and Building Warrant Income	A significant spike in income during Q2 in addition to the £0.370 million identified in the recovery plan as a Q1 adjustment.	0	(521)	(555)	The Recovery Plan presented to Council on 2 nd October 2018 identified £0.370m of planning and building control income that was not included in Q1. Continued income levels in excess of target have been experienced and this has been reviewed during development of the 2019/20 budget.
Vacancies and Performance Factor	The number of vacancies across the service exceeds the performance factor.	(109)	(128)	(92)	There are vacancies in Economic Development, Planning and Trading Standards that are being held pending delivery of planned Service Reviews within Communities and Economy.
Planning Subscription	Annual Maintenance charges for 2018/19 that were accounted for in 2017/18.	0	(65)	(65)	One-off underspend in 2018/19.
European Social Fund Income	Income received in 2018/19 which contributes to the cost of Welfare Rights officers.	0	(35)	(35)	One-off in 2018/19.
Financial Discipline	Savings identified as part of 19/20 budget deliberations that have been achieved in 2018/19.	0	0	(72)	

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Landlord Registrations	Income exceeds budget.	0	0	(20)	Landlord registrations are renewed on a 3 yearly basis with a higher than average impact in 2018/19.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Service budget.	2	0	(6)	
Net Underspend		0	(567)	(657)	

Education

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Charging for Music Tuition	A projected under recovery on charging to schools for SQA music tuition.	87	87	153	The reduced uptake in SQA pupils, which is 31.8% lower than school year 2017/18 has resulted in the recharge to schools for music instructors reducing from a projected £203k to £137k. This will remain as an overspend in Q4.
	Additional income generated from the new charging policy for music tuition.	20	20	(5)	The projected overspend in the earlier part of the year has been reversed and projected income now exceeds targets.
School Estate Expansion	There are revenue commitments as a consequence of capital projects that have no approved revenue budget.	101	128	130	This will be addressed as part of developing the Financial Strategy with more rigorous work to ensure that all revenue consequences of Capital Expenditure are identified when Capital Budgets are being considered.
Inclusion Review savings	Council approved savings of £0.100 million in 2017/18. £0.030 million of these have been realised.	70	70	70	Work continues to identify options for further savings and following completion of this work it is anticipated that the overspend will reduce during Q4.
Lifelong Learning and Employability Income	Based on current contract levels within Employability and Accreditation there is an anticipated under recovery of income.	43	35	39	The Employability and Accreditation service within Lifelong Learning and Employability are continually bidding for new contracts. Income levels remain steady, but lower than budgeted. Overall, the LLE service is projected to underspend mainly due to vacancies which are reflected as part of the vacancies and performance factor projection shown below and also as a consequence of strict adherence to the moratorium on non-essential spend.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Hearing Services	Communication Support Workers required in schools that were not provided for in the 2018/19 budget.	0	90	106	Unbudgeted costs in 18/19 are offset by in-year savings due to vacancies and an over achievement of the performance factor within the Education service. This will be addressed as part of the ASN review in Q4 and is likely to reduce due to savings elsewhere. Due to the growing need for this service a budget will be provided in 2019/20 from elsewhere in the Education service.
Long-Term Absence and Maternity Cover	Budget is provided for Long-Term absence and Maternity cover. To date costs of £0.743 million in 18/19 exceed budget.	0	0	61	Under DSM rules cost associated with absences longer than 20 days are not incurred by schools and are funded centrally. In 2017/18 the full year cost was £0.811 million.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Service budget.	51	17	69	
Gross Overspend		372	447	623	
<i>Offset by:</i>					
Schools	Schools are projected to underspend by £0.533 million. Allowing for a 1% DSM carry forward of £0.384 million in accordance with current rules this leaves a net underspend of £0.149 million.	(725)	(314)	(284)	The £0.149 million projected underspend represents budgets allocated to schools under the DSM scheme in excess of the allowable 1% carry forward. The remaining underspend relates to NQT funding from the Scottish Government that has not yet been allocated to schools.
Vacancies and Performance Factor	There are a number of vacancies and part-vacancies across the Education service.	(106)	(354)	(542)	The Recovery Plan presented to Council on 2 nd October 2018 identified £107k of savings that could be achieved by not filling vacancies that existed for the duration of the financial year. In addition to posts identified in the recovery plan there are a number of other posts that are projected at Q3 to remain vacant. Management action is in place to minimise any impact on frontline service provision.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
PPP Contracts	The net impact of refunds and additional costs as a consequence of PPP contractual conditions shows a projected underspend of £0.142 million. This covers insurance arrangements, malicious damage costs, utilities costs, benchmarking of employee pay rates for PPP2 and inflationary changes.	0	(117)	(142)	The ongoing impact of contractual changes is reflected in the 2019/20 budget.
Net Underspend		(459)	(338)	(345)	

Health and Social Care

In accordance with the Integration Scheme the Midlothian Integration Joint Board is required to put in place a recovery plan to address the projected overspend. At this time the expectation is that action by the MIJB will address the overspend so no provision has been made for an additional budget allocation for services delegated to MIJB in respect of Adult Social Care. The variances are noted below for information but are not taken into account in calculating the Council's position.

Midlothian Integration Joint Board – Delegated

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Community Care Resource Panel	There are significant demands for services across all demographic profiles. There was also an underlying overspend in 2017/18 of £0.210 million. Whilst savings have been made against existing packages of care and support and good progress is being made in reviews of long-term cases, the number of young people coming through transitions with complex needs means that managing spend within budget remains challenging.	1,028	571	874	The budget amounts to around £32 million, is demand led and subject to demographic pressures. Individual packages of care are sometimes in excess of £0.100 million per annum and as a consequence projections in this area can be volatile. Projected spend on Care Home placements and Care at Home for Older People has increased. Within Learning Disabilities an increase in commitments includes the requirement to provide for costs in respect of an ordinary residence case which may now have to be paid.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
	Within this financial year it is estimated that additional costs could amount to £0.400 million with no uplift provided in the approved budget.				<p>Within the overall position there is a projected underspend within Older People's services which offsets the overspend within Home Care (as shown below).</p> <p>An element of new monies to support carers is being utilised to support respite availability.</p> <p>New fieldwork service arrangements will ensure ongoing reviews and focus on redesign of services.</p>
Home Care / Midlothian Enhanced Rapid Response and Intervention Team (MERRIT)	Additional employee costs due to the volume of care packages being provided. There is a shortage of external supplier capacity which results in continued pressure to address package of care requirements from our internal service. There is also high absence within the Complex team.	376	223	170	<p>This service supports the aspiration to shift the balance of care and support people to live in their own homes for as long as possible. The pressures on the budget are a reflection of the capacity issues within the external market, with additional demand currently being met by the internal home care service. A new model of care is being trialled with external providers to provide additional capacity.</p> <p>The IJB has agreed to non-recurring resource being allocated to pressures within home care during 2018/19 in advance of further transformational work in 2019/20 to redesign service delivery for care at home.</p>
Care Homes for Older People	Projected overspend on staffing due to the requirement to cover rotas, mainly at Newbyres Care Home.	228	186	54	This continues to show an improving position. Spend on both staffing and running costs continues to be scrutinised, and in particular, where possible, agency staff is kept to a minimum. Additional spend was incurred during the summer period due to levels of annual leave being taken. New annual leave processes are now in place to spread the impact more evenly over the year, and the locum bank is being developed to reduce agency staff spend.
Gross Overspend		1,632	980	1,098	
<i>Offset by:</i>					
Service User Income	Contributions from service users towards their care packages are higher than provided for in the budget.	(152)	(193)	(443)	Most charges are financially assessed and the level of income achieved is therefore dependant on the financial means of service users which can change over time. Projected income

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
					has increased across service user groups, an particularly in relation to care homes.
Learning and Development	Delivery of some training has slipped into 2019/20.	0	0	(73)	No impact on frontline service and offsets the cost of essential cover for front-line staff with mandatory training requirements.
Public Protection	Scottish Government Funding provided specifically for Adult Support and Protection requirements. Some spend relevant to this funding is in the form of care packages and is met from the Resource Panel budget.	(72)	(58)	(57)	This underspend offsets care and support costs related to protection issues.
Criminal Justice	An element of Scottish Government Funding is used to fund the management and administration of this service.	(70)	(70)	(66)	No impact on frontline service.
Joint Equipment Store / Aids and Adaptations	Demand during 2018/19 for both areas of spend is less than budgeted.	(56)	(30)	(26)	These are demand led budgets thus spend can be volatile.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Adult Social Care budget.	(85)	(100)	(157)	No impact on frontline service.
Net Overspend		1,197	529	276	
	MIJB Recovery Plan		(529)	(276)	
Adjusted Net Overspend		1,197	0	0	

Midlothian Integration Joint Board – Non-Delegated

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Community Safety	Posts deleted to deliver the savings target were filled until the end of June thus the full year saving has not been achieved.	49	37	42	The Community Safety retained team element has now transitioned into the redesigned Community Safety and Justice Team within Adult Social Care.
Net Overspend		49	37	42	

Customer and Housing Services

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Homelessness – Savings Target Unachieved	Proposals are proceeding to convert a property in Jarnac Court into temporary HMO accommodation and other initiatives are being investigated to reduce the requirement for Bed and Breakfast accommodation. These will not be in place this financial year resulting in a projected overspend against budget.	260	260	250	Spend on Bed and Breakfast will be reduced through this approach. In addition there is provision within the HRA Capital Plan for new build temporary accommodation. The Tenancy Support contract for prevention and support services is being reviewed for cost effective options.
Homelessness accommodation	Demand for placements exceeds budget.	246	203	169	The budget provided for an average 36 B and B places per week. Average occupancy is currently 54 places which is 6 less than Q1 and Q2. Out of area placements are no longer taking place which has reduced the projected cost. During Q3 localised work took place to reduce specific spend on B and B places.
Homelessness storage	Storage facilities provided for homeless households furniture and goods.	0	65	54	This cost was previously charged to homeless clients but recovery was negligible from vulnerable households and costs are now mainstreamed into the Homeless budget. The increase in the provision of temporary housing stock has also contributed to increase in demand relative to budget. During Q3 work was undertaken to appoint a new supplier for storage and removal of goods in relation to temporary accommodation. The new contract will reduce costs during the remainder of 18/19 and allow costs to be contained within budget in 19/20.
Housing – Savings Target unachieved	Savings proposals are being developed but will not be fully implemented in 2018/19.	57	57	57	It is planned to drive more Housing services on-line and through a range of digital services and platforms. Further transformation is required to develop and promote digital services to adopt a mobile first approach for online customers. Work to deliver this saving is likely to be part of corporate automation transformation or with regard to work around introduction of a choice-based letting model.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Revenues Service – Planned Savings	A Revenues service review is planned but will not deliver the full value of planned savings of £0.400 million in 2018/19. Additional one-off monies from DWP partially offsets this.	21	21	20	Shared Service options are being investigated. Revenues Service Review will begin in April 2019.
Gross Overspend		633	643	550	
<i>Offset by:</i>					
Customer Services Vacancies	There are still a number of posts to be filled following the recent review of the service, it is anticipated they will be filled imminently.	(80)	(68)	(58)	Management action is in place to minimise any impact on frontline service provision.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Customer and Housing Services budget.	4	(15)	(25)	
Net Overspend		557	560	467	

Resources

Commercial Operations

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Review of travel arrangements associated with the grey fleet.	A budget reduction of £150,000 in 2017/18 was approved but only partial savings are projected.	150	115	115	The Recovery Plan presented to Council on 2 nd October 2018 indicated that the projected overspend reported at Q1 could be reduced by £40k over the remainder of 2018/19. At Q3 it is anticipated that £35k of this will be delivered. Work continues on financial impact.
Street Lighting	Consumption and supply charges are similar to last year but distribution charges are considerably higher.	108	110	113	It is difficult to predict the impact this will have over the winter period when consumption is higher.
Land Services	A project identified on the work programme with a value of £300,000 has been delayed due to external factors.	0	0	79	The service is endeavouring to identify other works that can be accelerated.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Review of Sports Pitches	A budget reduction of £10,000 was approved in 2017/18 with a further £50,000 added in 2018/19.	60	60	30	Some savings have been achieved and consultation is ongoing.
Supplier Management	A savings target of £50,000 was approved. To date no savings have been delivered.	50	50	50	Services are exploring options to achieve this saving.
Savings Targets	Financial Discipline savings of £0.100 million were approved in setting the 2018/19 budget with £0.050 allocated to Commercial Operations. To date only a small element has been realised.	0	48	48	Projections at Q1 assumed that the target would be achieved in 2018/19. However, further examination indicated the most likely position is a marginal achievement of the target in 2018/19. Work will continue during 2018/19 to identify possible areas for further financial discipline.
Trade Waste Charges	An income generation target of £40,000 was approved for 2018/19. However, price increases have resulted in the customer base reducing and consequently less income being generated than expected.	27	29	32	The Recovery Plan presented to Council on 2 nd October 2018 identified a £10k reduction in the projected overspend at Q1 as a consequence of targeting existing and new customers to offer new and enhanced services. Projections at Q3 are based on the current customer base and they may move closer to budget over the remainder of the year if there are new customers or new charges.
Charge for Commercial Waste at Stobhill Community Recycling Centre	An income generation target of £35,000 was approved for 2018/19. Implementation has slipped but it is anticipated that charging will be in place during 2018/19 resulting in the target being partially met.	25	25	35	The Recovery Plan presented to Council on 2 nd October 2018 identified a £5k reduction in the projected overspend at Q1 as a consequence of targeting new customers. Projections at Q3 are based on current activity and they may move closer to budget over the remainder of the year.
Sales force spend to generate	An income budget of £25,000 was approved for 2018/19. To date no savings have been delivered.	25	25	25	Options are being explored and it is possible that part of the income target may be met in the latter part of the year.
Advertising on Council Vehicles	An income generation target of £15k was approved for 2018/19. There are interested parties but it is likely that this proposal will not now be implemented until 2019/20.	0	15	15	PIN notice response from advertisers being progressed for advertising on vehicles and site locations.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Commercial Services budget.	(20)	39	48	No impact on frontline service.
Gross Overspend		425	516	590	

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
<i>Offset by:</i>					
Roads Maintenance	Maintenance expenditure will be restricted to statutory repairs and those required as a consequence of a risk-based assessment.	0	(250)	(377)	The recovery plan presented to Council on 2 nd October 2018 explained that the workforce would concentrate on a statutory and risk-based approach to repairs. The current forecast reflects a best estimate of projected work subject to weather events in the latter part of the year.
Commercial Operations Service Review	A budget reduction of £250,000 was approved in 2017/18 and a further £150,000 was added in 2018/19. £229,000 has been realised to date leaving an outstanding target of £171,000. Staff vacancies have been offset against this target in the current year whilst reviews progress.	21	(124)	(109)	The Recovery Plan reported to Council on 2 nd October 2018 anticipated an improvement of £138k in the position reported at Q1 as consequence of freezing vacancies. A review at Q3 updates the impact of this to £130k.
Parking fines / parking charges	Income from parking fines and paid parking is anticipated to generate £88k more than provided for in the budget.	0	(88)	(76)	Decriminalised parking was introduced in the early part of the financial year. Projections are based on historic information and there is a risk that behavioural change may impact on income over the remainder of the year.
Waste Disposal Charges	Tonnages are lower than expected and prices associated with newly tendered contracts are lower than anticipated.	(50)	(54)	(172)	Volume of tonnage can be volatile.
Net Overspend / (Underspend)		396	0	(144)	

Finance and Integrated Service Support

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Employee Performance Factor	The performance factor for the service is £478,000. At this time predicted vacancies and other staffing variations will not fully offset this.	253	203	129	<p>The recovery plan presented to Council on 2nd October 2018 indicated that only filling critical posts would improve the projection at Q1 by £45k. Projections at Q3 have increased this figure to £124k.</p> <p>Strict control of vacancies remains in place, with recruitment continuing to be restricted to posts identified as critical. Contraction in the overall size of the workforce makes this target more challenging to achieve but work continues to secure all opportunities for further savings that arise.</p>
Integrated Service Support Review	<p>The ISS savings to be achieved in 2018/19 total £1.127 million, £347,000 from savings targets brought forward and a further £780,000 from an increase in the savings targets agreed as part of the 2018/19 budget.</p> <p>At this point savings of £557,000 have been secured with current plans projected to achieve a further £270,000 by the end of the financial year.</p>	157	300	300	<p>The recovery plan presented to Council on 2nd October 2018 indicated that planned ISS savings for 2019/20 could be accelerated to bring the 2018/19 position back within budget. A detailed assessment was subsequently undertaken which concluded that savings for the year are projected at £0.827 million. This will result in £0.300 million of the remaining target not being delivered in 2018/19 but it can be delivered early in 2019/20. Work continues to deliver the service change and savings attached to the review.</p>
Procurement Savings	A target of £0.350 million for procurement savings was set for 2017/18 which reflected slippage in targeted savings for previous years.	108	61	100	<p>The recovery plan presented to Council on 2nd October 2018 indicated that the procurement delivery plan would be prioritised in order to maximise opportunities to secure the remaining outstanding target. Projections at Q3 reflect an updated assessment of the likely realisation of savings. Two newly awarded tenders have seen cost reductions that cannot not be yet be translated into budget reductions. In addition savings have been secured on contracts which contribute to the Integrated Joint Board recover plan.</p>

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
					Continuing inflationary pressures are such that it is challenging to secure budget reductions as contracts are being re-tendered. Contract savings have also been made which impact on the Capital Account and the Housing Revenue Account.
Central Postages and printing costs	The volume of postages and printing exceeds budget.	69	10	(15)	The recovery plan presented to Council on 2 nd October 2018 indicated there would be a reduction of £70k from the projected spend at Q1 coming from more rigorous restrictions on staff access to printing and postage. Projections at Q3 reflect positive action and behavioural changes to support this.
Bank Charges	The shift towards electronic payments has led to increased transaction costs.	35	35	44	A review of bank charges is underway with the aim of negotiating lower rates with service providers. There has been a growth in the use of credit and debit cards, with a corresponding increase in charges.
Supplies and Services	Planned underspend on the non-staffing budget to offset shortfall in ISS Savings.	0	(100)	(38)	The recovery plan presented to Council on 2 nd October 2018 indicated a reduction in expenditure of £50k with expenditure limited to contractual obligations and critical service delivery. An assessment at Q3 concludes that the impact of this action will yield savings of £38k. Over the remainder of the year expenditure will continue to be restricted as outlined above to secure a greater underspend than that identified at Q3.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Finance and Integrated Service Support budget.	7	5	0	
Gross Overspend		629	514	520	

Properties and Facilities Management

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Energy Costs	<p>Price inflation for gas and electricity purchase exceeds what was provided for in the budget. For some sites price inflation for electricity is as much as 16% and gas is 25%.</p> <p>Council approved a saving of £140,000 in February 2018 as a consequence of a new heating policy. At Q1 it was anticipated that the policy would be implemented in time to generate savings in 2018/19, the majority of which would accrue during the winter months. A consultation exercise on the new policy is now underway thus implementation will be later than expected. It is now expected that no savings related to this will be achieved in 2018/19.</p> <p>Savings proposals were approved in 2017/18 for Salix energy projects (£25k) and introduction of energy management controls (£20k). It is projected that these targets will only be partially achieved in 2018/19.</p>	0	199	344	<p>Projected consumption in 2018/19 is marginally lower than anticipated.</p> <p>Scottish Procurement are currently projecting that wholesale prices for gas and electricity may increase by 10 – 14% in 2019/20. This is reflected in the 2019/20 budget.</p>
		0	140	140	
		0	40	40	
Janitorial Services	<p>Approved savings for Janitorial Services in 2018/19 totalled £347,000 involving merging staff with Leisure Staff and sharing Janitors in Primary Schools. Current proposals will deliver a full year saving of £294,000 with a part year saving in 2018/19 of £171,000.</p>	176	120	120	<p>A delay in recruiting to the new structure resulted in a few posts being vacant during Q2 thus reducing the projected overspend further than the £18k reported in the Recovery Plan presented to Council on 2nd October 2018.</p> <p>A merged role has been created and the facilities service review will further reduce staff costs during this financial year</p>

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
					and contribute to the Recovery Plan position. This is currently being monitored to ensure the appropriate staff cover is in place for evening and weekend facility opening. In the meantime vacancies have been frozen.
Non Domestic Rates	Charges have been incurred in 2018/19 for some land and buildings that were previously exempt.	0	108	120	These are additional charges outwith the control of the Council. The appropriateness of these charges is being reviewed with any ongoing charges reflected in future years' budgets.
Reduced Lifeguard cover	Proposals are still being developed so implementation will be delayed.	100	100	100	Reduction in lifeguard cover is a limited option, although the remit of coaches during swimming lessons may partially mitigate the projected overspend.
Closure of Newbattle Pool and Mayfield Leisure Centre	A £542,000 saving was approved in respect of the closure of the facilities. This was delayed pending opening of the new Newbattle Centre.	90	122	127	Demolition is complete at both premises but there is further clarity necessary on costs for 2018/19.
EWiM planned building closures	Evolving plans for buildings that were planned to be sold or demolished through approved EWiM projects have resulted in anticipated revenue savings not materialising.	80	98	149	The planned disposal has not occurred as other Council services continue to operate from or plan to redevelop these buildings and as a result cannot dispose of them. Unbudgeted costs in 2018/19 relate to Dundas Buildings, Eskdaill Court and Penicuik Town Hall. The Q2 position did not account for Non Domestic Rates at Dundas as it was expected that relief would be granted. Further work indicates this is unlikely to be the case.
Reduced Housing Voids Standards	No progress has been made in delivering this saving.	80	80	80	Costs properly chargeable to the Housing Revenue Account are being reviewed.
Concessionary Charging Policy	Council agreed to increase charges for over 60's using the Golden Years Scheme to the equivalent of the bronze rate for Tonezone. £100,000 was approved in respect of this scheme. The Golden Years pass price increase was initially implemented on a phased basis which led to a projected overspend in 2018/19.	76	25	24	Council on 2 nd October 2018 approved price increases effective from 1 st December 2018 which reduced the projected overspend shown at Q1.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Sport and Leisure income targets and group session charges.	As part of the 2018/19 budget Council approved an increase to income targets for Sport and Leisure. Based on uptake information for casual use and for group sessions it is projected there will be an under recovery of £89k in 2018/19.	62	102	89	There has been some improvement in uptake for group sessions. Initiatives to increase income have been launched such as reduced membership joining fees to attract greater footfall during the popular period following New Year.
Energy Costs – Energy Performance Contract	Council in June approved a proposal to enter into an Energy Performance Contract with a contractor to deliver energy conservation measures and cost savings. It is not anticipated that the planned saving of £60,000 will be delivered in 2018/19.	60	60	60	The project was appraised over a ten year period and there was a marginal net impact on the revenue budget during this period. Beyond ten years there are expected to be savings of approximately £150,000 per annum.
Property and Facilities Management Service Review	A budget reduction of £60,000 was approved in 2017/18 with a further £90,000 added in 2018/19. £93,000 has been achieved to date.	57	27	57	The review is ongoing. The recovery plan presented to Council on 2 nd October indicated that part year savings of £30k may be achieved through targeted VSER. It is not now anticipated that this will be delivered in 2018/19.
Maximise use of PPP schools	Budget savings of £50,000 have been approved. To date there have been no savings delivered.	50	50	50	Additional income is expected from the recently upgraded astro surface at Dalkeith Campus but will not be calculated by the PPP service provider, BAM, until the end of the financial year.
Supplier Management	A savings target of £50,000 was approved. To date savings have only been part delivered.	50	30	50	Options are being explored to deliver the remainder of this saving.
Savings Targets	Financial Discipline savings of £0.100 million were approved in setting the 2018/19 budget with £0.050 allocated to Property and Facilities Management. To date only a small element has been realised.	0	47	47	Projections at Q1 assumed that the target would be achieved in 2018/19. However, further examination at Q2 indicates the most likely position is a marginal achievement of the target in 2018/19. Work will continue during the remainder of 2018/19 to identify possible areas for further financial discipline.
Non-school catering	Income targets are projected to under achieve with a projected deficit of £72k for community cafes and £14k for vending and office services.	0	48	86	Whilst some of the cafes are generating a surplus income is falling short of targets. One café is running at a projected deficit of £33k.

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional information / Action taken
Wrap Around Care	An income proposal of £25,000 was approved for the provision of wrap around care during summer and Easter holidays. Proposals were not sufficiently developed to allow schemes to run during the summer break so this will not be achieved in 2018/19.	25	25	25	Planned implementation in 2019/20. Holiday camps have been advertised across channels for the February school holidays to generate income during 2018/19.
Other non-material variances		0	11	(5)	
Gross Overspend		906	1,432	1,703	
Repairs and Maintenance	Non HRA repairs will be restricted to wind, water-tight and emergency repairs for the remainder of 2018/19.	0	(300)	(295)	The recovery plan presented to Council on 2 nd October 2018 explained that the workforce would concentrate on housing projects rather than non-housing repairs.
Catering Staffing	The service have experienced difficulty in recruiting to vacant posts and retaining staff within the school catering service. There is currently a projected underspend of £191k in this area.	0	(193)	(191)	
Net Overspend		906	939	1,217	

Other

Description of Variance	Reason for Variance	Quarter 1 £000	Quarter 2 £000	Quarter 3 £000	Additional Information / Action taken
Central Costs	<p>The volume of public liability insurance claims rose considerable over the winter months and have resulted in settlements to claimants early in 2018/19 in excess of budget.</p> <p>Additional audit fee from EY for phase 1 work carried out in respect of their appointment by Audit Scotland as External Auditor associated with the investigation on Roads Contract management.</p> <p>Additional audit fees above those set out in the annual audit plan as a result additional time incurred by the audit team due to additional work being required to satisfy the audit objectives given the resultant increase in the risk profiles.</p> <p>Services commissioned from EY for Phase 2 investigative work.</p> <p>Services commissioned in accordance with Standing Order 19.2 to support investigations and associated costs.</p> <p>The Council has some shared interest in Shawfair with the City of Edinburgh Council and following a review of financial arrangements is due a share of net income.</p>	267	243	250	<p>Total claims made in Q4 in 2017/18 was 110 compared to 60 in 2016/17.</p> <p>One-off.</p> <p>One-off.</p> <p>One-off.</p> <p>One-off.</p> <p>One-off income.</p>
		27	39	39	
		0	10	10	
		52	52	72	
		45	80	112	
		(152)	(152)	(152)	

Loan Charges	Revised methodology for apportioning interest costs associated with external borrowing between General Fund and HRA has resulted in a considerably reduced cost to the General Fund.	(1,131)	(1,269)	(1,269)	External advice from the Council's Treasury consultants recommended that the Council consider revising the methodology used to apportion interest costs associated with borrowing. The rationale for this was founded upon the relative certainty of the HRA Capital Plan compared to the General Services Capital Plan and longer term borrowing decisions that have made in line with this.
Savings Targets	An outstanding target from previous years of £0.177 million for the Customer Services Transformation strand was carried forward into 2018/19. At this stage it is anticipated that £0.050 million of this will be achieved.	117	117	117	Options to deliver the remaining target are being explored.
	An additional target of £0.173 million for fees and charges was agreed in setting the 2018/19 budget. Implementation of this has slipped.	142	173	173	An update on progress will be provided at Q4.
Scottish Government Grant	Additional grant to partially offset costs associated with the severe winter.	(149)	(149)	(149)	One-off funding.
Council Tax Income	A continued growth in Band D equivalents results in a higher than budgeted Council Tax yield.	(250)	(500)	(442)	The continued growth in Band D equivalents is factored into Council Tax income budgets for future years.

Reserves Strategy

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

This report sets out a Reserves Strategy for consideration by Council.

The strategy provides an update to members on the financial reserves held by the Council and their purpose. Its aim is to ensure that the Council reserves position supports financial sustainability and provides clarity on the purpose and maintenance of useable reserves.

2 Background

At a national level the Accounts Commission, in its Local Government in Scotland: Financial Overview 2017/18 report, highlighted that it is important that councillors are aware how usable reserves are being used each year, especially where the cumulative scale of this is potentially significant to financial sustainability.

The report also highlighted that in the previous year's report the Commission had highlighted the risk for some Councils plans to use significant amounts of their reserves to manage funding gaps and that for 2017/18 although overall reserves have continued to reduce, no Council was using its reserves at a level that risks their financial sustainability in the next two to three years.

The Commission also highlight that they will continue to have an interest in how Councils set their reserves policy and utilise reserves as funding pressures continue in the coming years. This statement indicates that the Accounts Commission recognises that the utilisation of reserves to meet ongoing expenditure pressures represents a significant risk to the financial sustainability of Councils.

Turning to the Midlothian position, the Council maintains the following reserves which for accounting purposes are described as useable reserves:-

The General Fund Reserve which represents the accumulated surplus on the General Fund and is split between earmarked and non earmarked reserves. The former being held at the yearend for a specific purpose or to meet an existing commitment.

The HRA Balance, represents the accumulated surplus on the Housing Revenue Account. Other than a small contingency of £2.000 million the remainder of the HRA balance is held to support the committed investment in new Council housing and in sustaining the quality of the existing housing stock.

The Capital Fund, is operated under the terms of Schedule 3 to the Local Government (Scotland) Act 1975. Capital Receipts are credited to the fund and the fund can be used for defraying any expenditure of the authority to which capital is properly applicable, or in providing money for repayment of the principal of loans.

The Repairs and Renewal Fund, is also operated under the terms of Schedule 3 to the Local Government (Scotland) Act 1975 and to be used for the purpose of defraying expenditure to be incurred from time to time in repairing, maintaining, replacing and renewing any buildings, works, plant, equipment or articles belonging to the authority. The resource held in the Fund relate to the need to comply with proper accounting practice in respect of existing PPP, PFI and NPDM schemes.

Appendix 1 sets out the latest projection for 31 March 2019 for each of the above reserves and details the committed and uncommitted elements.

For completeness members should note that the Council also has the following unusable reserves which are maintained to comply with proper accounting practice. As they are unusable they are not considered further in this report.

- Capital Adjustment Account
- Revaluation Reserve
- Pension Reserve
- Employee Statutory Adjustment Account
- Financial Instruments Adjustment Account
- Available for Sale Financial Instruments Reserve

3 Current Position

The Chief Internal Auditors report on “Revenue Financial Budget Monitoring”, presented to Audit Committee on 29 January 2019, highlighted that:-

“General Fund Reserves have fallen sharply and £3.984M remains uncommitted as at 31 March 2018 which is just below the minimum prudent level. In the last three financial years 2016/17, 2017/18 and 2018/19 to Q2 reduction in reserves so far stem from a combination of factors, primarily:

Members approved the utilisation of £11.091m of reserves (including £6.448M to balance budgets, £1.446M to fund additional expenditure, £1.184M to support transformation, and £3.139M to fund VSER costs). Members have been unwilling to take potentially unpopular decisions which are necessary to balance the books in times of extreme financial difficulty”.

The latest projection for the General Fund Reserve is set out in the Financial Monitoring 2018/19 – General Fund Revenue report also on today’s agenda and is as follows:-

Table 1 – Projected General Fund Reserve 31 March 2019

	£ million
General Fund Balance at 31 March 2019	3.995
<i>Less Earmarked /Committed for specific purposes</i>	
Budgets earmarked for Council Transformation	(0.897)
Enhancement to Reserves earmarked for training	(0.190)
Devolved School Management carry forward	(0.384)
General Reserve at 31 March 2019	2.524
Early Years Ring-fenced grant – approved enhancement in 2019/20	0.898
General Reserve at 1 April 2019	3.422

At £3.422 million the General Reserve equates to 1.66% of net expenditure and so provides limited capacity to deal with unplanned cost pressures.

The latest projection for the HRA Balance is set out in the Housing Revenue Account Revenue Budget 2018/19 - 2019/20 and Capital Plan 2018/19 - 2023/24 report also on today's agenda. At 31 March 2019 the balance is expected to be £38.659 million with the majority held to support the committed investment in new Council housing and in sustaining the quality of the existing housing stock. Future year projections indicate that in the region of £2.000 million is uncommitted and represents a contingency for unforeseen costs etc.

In respect of the Capital Fund the projected balance at 31 March 2019 is £22.059 million. The strategy for the Capital Fund was set out in the Capital Strategy approved by Council on 13 November 2018. This provides for the planned utilisation of the Capital Fund and future capital receipts to support investment with the retention of a minimum balance for the Capital Fund of £5.000 million to provide for unforeseen capital investment needs. Members will also recollect that a recommendation of the November 2018 report was to "*note that there remains an affordability gap for general fund services over the ten year life of the plan and that work will continue to find ways to address this*".

The Repairs and Renewal Fund balance at 31 March 2018 was £2.889 million. This will be updated as part of the year end accounting for PPP etc. assets.

4 Issues Considered

As indicated the HRA balance is held to support the cost of committed investment in new social housing and maintaining the quality of the existing housing stock. It provides a small contingency for unplanned costs. The HRA investment plans are supported by a longer term financial model which projects the impact of Capital Investment, movement in other costs and the future years rent levels required to maintain the financial stability of the Housing Revenue Account. Accordingly the strategy for the HRA balance is to continue the current approach with no change required.

There are however a number of issues in respect of the General Fund reserve position which need to be considered:

- The need to maintain an adequate level of General Reserve to provide a contingency for unforeseen or unplanned costs and what might be considered a prudent level in the current financial context;
- The implications arising from the Integration of Health and Social Care. At 31 March 2018 the Midlothian Integration Joint Board held its own reserves of £0.900 million of which £0.656 million was classified as a general reserve;
- With an already low general reserve an alternative source of funding will be required to meet the expected one off costs associated with further service transformation and to meet the costs of severance for employees and the workforce changes.

As indicated above the Capital Strategy provided for the continuation of the current practice of crediting capital receipts into the Capital Fund and for their subsequent release to the capital account to defray capital expenditure, whilst maintaining a minimum balance of £5.000 million. The latest projections indicate that a further £5.265 million of capital receipts will be credited to the Capital Fund over the short term with a further £9.630 million over the remainder of the period covered by the Capital Strategy with in total £32.704 million planned to be utilised to fund capital expenditure.

On 10 December 2018 the Cabinet Secretary for Finance, Economy and Fair Work offered enhanced financial flexibility to that previously offered in relation to capital receipts. A copy of the letter confirming the scheme as included is appendix 2. The enhanced flexibility is not limited to severance costs, but also enables Councils to use capital receipts to fund the cost of projects designed to transform service delivery to reduce costs and/or reduce demand for services in future years.

The proposed new scheme will:-

- Permit capital receipts received in the years in which this flexibility is offered to be used to fund qualifying expenditure;
- Define qualifying expenditure as expenditure on any project that is designed to transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years;
- Permit set up and implementation costs of any new processes or arrangements to be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements will not be classified as qualifying expenditure;
- Continue to exclude the use of capital receipts to fund teacher severance costs;
- Require accountability and transparency in the use of capital receipts. A council will be required to present the projects that will be funded or part funded through the capital receipts to full Council and to publish their approved plans on their website. A council will also be required to report on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.

Examples of qualifying expenditure projects, will include, but are not limited to:

- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Service reconfiguration, restructuring or rationalisation;

- Expanding the use of digital approaches to the delivery of services or interactions between a local authority and the public; and
- Improving systems or processes.

Recognising local authorities need to plan for service transformation and include these in their medium term financial plans the Cabinet Secretary has made this financial flexibility available for four financial years, 2018/19 to 2021/22.

This scheme, together with the flexibility to meet non enhanced severance costs provides the Council with an alternative means to fund these costs, which in the absence of available reserves, would have needed to be met from the revenue budget of the year in question and as a consequence would have required further revenue budget reductions. Adopting this flexibility would also allow the uncommitted element, currently estimated to be £0.305 million, to be released back to the General Reserve so leaving £0.592 million to meet existing commitments for Council transformation.

By using the capital receipts flexibility in this way it is recognised that there will be less resources to support the capital investment plans set out in the Capital Strategy. It will result in the utilisation of the planned £5.000 million Capital Fund contingency and is reliant on the Council continuing to generate capital receipts. If severance and transformation costs exceed the available capital receipts received in any one year then this can be mitigated by making a transfer from the Capital Fund to meet the repayment of the principal of loans which is currently provided for in the Revenue Budget.

In respect of severance costs the flexibility offered by the Cabinet Secretary does not extend to the enhancement of any severance payments. The amendment approved by Council on 18 December 2018 in respect of VS/ER provides for a VS/ER scheme for which severance payments would be based on the statutory redundancy calculator so these would in the main qualify to be met from the capital receipts flexibility. However the Council's existing VS/ER policy still provides for an enhanced severance package where employees are undergoing a service review and are at risk of redundancy. These costs could not be met from the flexibility outlined above and in the absence of an adequate General Fund Reserve would fall to be met from the Revenue Account in year which given the severity of the 2019/20 grant settlement would require further budget saving measures to offset these costs. Accordingly a revised VS/ER policy in which severance payments are based on the statutory redundancy calculator is set out at appendix 3 for approval. The opportunity has also been taken to ensure that the revised VS/ER policy supports the delivery of the measures which require changes in the staffing establishment set out in the Financial Strategy report.

5 General Reserve Balance

The General Reserve balance, or contingency, is the level of reserve the Council should hold to meet unforeseen or unplanned costs. Historically a level of between 2% to 4% of next expenditure has been considered prudent. The projected General Reserve balance is currently projected to be £3.422 million at 31 March 2019 which equates to 1.66% of total net expenditure.

A survey carried out by the Directors of Finance section in the autumn of 2018 provided an insight into the level of reserves held across Scotland at that point in time and the extent to which these were held as a contingency. Of the 27 mainland Councils who responded 15 indicated an unallocated general fund balance of less than or equal to 2%, 9 were greater than 2% but less than or equal to 3%. Three held an unallocated General Reserve over 3%. The lowest level reported was 0.49%, the highest 4%. 6 Councils indicated an unallocated general fund balance in percentage term less or equal than that of Midlothian at that time.

Taking cognisance of the financial outlook, the messages in the Accounts Commission report and the insight into the reserves position of other Councils it is proposed to continue to adopt 2% of net expenditure as a prudent minimum General Reserve or contingency.

Traditionally net expenditure has been classified as the total net service expenditure met from government grant and Council Tax. This includes funding provided to the Midlothian Integrated Joint Board which as it now holds its own reserves leads to a degree of duplication. Accordingly it is recommended to exclude the resources allocated to the IJB when arriving at the value of the 2% of net expenditure to be held as a minimum reserve.

To provide ongoing financial resilience Council should not allow the General Reserve to fall below the agreed minimum. Accordingly where projections indicate that the minimum General Reserve balance will be breached an immediate recovery plan will need to be implemented to recover the position failing which the next available budget would also need to provide for the restatement of reserve position.

6 Overall Impact

Adopting the measures set out above as part of the Reserve Strategy would result in the following revised position at year end for General Fund.

Table 2 – Amended General Fund Reserve Position

	£ million
General Fund Balance at 31 March 2019	3.995
<i>Earmarked for specific purposes</i>	
Enhancement to Reserves earmarked for training	(0.190)
Devolved School Management carry forward	(0.384)
Committed Transformation Funds	(0.592)
Amended General Reserve at 31 March 2019	2.829
Early Years Ring-fenced grant – approved enhancement in 2019/20	0.898
General Reserve at 1 April 2019	3.727

The indicative budgeted net expenditure for 2019/20 is currently estimated to be £206 million of which £42.6 million is delegated to the IJB. Accordingly the minimum prudent level of reserves would equate to 2% of £163.4 million or £3.3

million. As the table indicates the projected level, reflecting the proposals in this report, would be slightly above the minimum.

7 Investment of Reserves

The Accounts Commission report referenced in section 2 of this report highlighted that Councils don't always have cash to support reserves and might need to borrow further.

At 31 March 2019, 13 Councils had significant cash or investments that could be used to support the reserves position and the Commission noted that spending reserves would reduce the cash or investments held. However the report also highlights that other Councils have chosen in the past to use their cash or investments to fund capital spending rather than take on further borrowing. This means that some Councils would need to borrow further over the longer term to provide the cash to spend on commitments identified in their reserves. This borrowing would increase their 'underlying' debt position.

The Treasury Management and Investment Strategy which is also on today's agenda sets out the proposed arrangement for Midlothian for the effective management of the funds held in reserves. The proposed strategy aims to cash back the reserves by using the investment vehicles permitted in the investment strategy. This approach allows the Council to secure a return on the value of these reserves which in turn benefits the Revenue Account and reduces the longer term risk to the financing of capital expenditure.

As identified in the Treasury report limiting investments to the Debt Management Office (the most secure investment) would limit returns and have an adverse impact on the Revenue Account.

8 Report Implications

8.1 Resources

Whilst this report deals with financial issues there are no financial implications arising directly from it.

8.2 Risk

Within any financial projections, there are a number of inherent assumptions in arriving at figures and budget provisions and therefore risks that may be faced if costs change or new pressures emerge.

Financial risks can be mitigated by having an effective Reserves Strategy that can minimise the financial shock of unplanned or unforeseen events and costs. The proposed Reserves Strategy and the adoption of the capital receipts flexibility scheme also provides resources to meet the costs associated with securing change in service provision and in the workforce.

The risk of limited capital receipts in any one year can be mitigated by approving the transfer of funds from the Capital Fund to repay loans and repayments so releasing the existing budget for these repayments to meet transformation costs.

The stringent requirements of the capital receipts scheme mitigate against the risk of limited resources being expended on projects that do not deliver the stated benefits.

The proposed changes to the VS/ER policy avoid the risk of incurring severance costs which would fall to be met from the already limited General Fund reserve. The changes also ensure all severance, whether through the 2019 VS/ER Scheme or through service reviews are offered on the same terms.

8.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

8.4 Impact on Performance and Outcomes

The Reserves Strategy is aimed at providing greater financial resilience and financial sustainability whilst still ensuring there are resources available to support the cost of delivering change in services and the workforce.

8.5 Adopting a Preventative Approach

Whilst the proposals in this report do not directly impact on the adoption of a preventative approach, an effective Reserves Strategy in turn allows resources to be prioritised.

8.6 Involving Communities and Other Stakeholders

Consultation, albeit limited given the time available, has taken place with Senior Officers and Trade Union representatives, mainly in relation to the revised VS/ER scheme.

Whilst understanding the changes proposed the Trade Unions representing the Local Government workforce have made representation that the existing VS/ER policy and the enhanced terms it provides for should be maintained for the foreseeable future.

As set out earlier the continuation of a policy which uses the enhanced redundancy calculator would prohibit the use of the capital receipts scheme to fund these costs, It is expected that the Local Government Trade Unions will make representations on the VS/ER Policy at the Joint Consultative Group meeting on 5 February 2019.

8.7 Ensuring Equalities

The Reserves Strategy is aimed at supporting financial sustainability and has been developed within the context of the Midlothian Single Plan, ensuring that resources are directed towards the key priorities of reducing the gap in learning, health and economic circumstance outcomes.

The Reserves Strategy together with the emerging proposals in the Financial Strategy will continue to reflect Midlothian Council's commitment to the ethos of the Equality Act 2010 with careful consideration of the interests of the most vulnerable in our communities through the preparation of equality impact assessments (EqIA) for all proposals.

A separate assessments has been published for the new VS/ER policy and EqIA for the strategy itself has been published alongside this report on the Committee Management System (CMIS) section of the Council website. The later demonstrates the Council's importance of having a Reserves Strategy to ensure the effective use and prioritisation of resources.

8.8 Supporting Sustainable Development

There are no direct sustainability issues arising from this report.

8.9 Digital Issues

There are no direct digital implications arising from this report.

9 Summary

This report sets out a Reserves Strategy for consideration by Council. The strategy provides an update to members on the financial reserves held by the Council. Its aim is to ensure that the Council's reserves position supports financial sustainability by ensuring clarity on the purpose and maintenance of reserves. The reserves position reflecting the recommendations in this report is also set out in Appendix 1.

10 Recommendations

Council is recommended to:-

- a) Note the need to maintain an adequate level of General Reserve to provide a contingency for unforeseen or unplanned costs and that in the current financial context approve the adoption of 2% of net expenditure (excluding resources delegated to the IJB) to be considered a minimum. This equates to £3.3 million;
- b) Agree that where projections indicate that the 2% minimum General Reserve balance will be breached an immediate recovery plan be implemented to recover the position, failing which the next available budget would need to provide for the restatement of reserve position;
- c) Agree that the capital receipts flexibility scheme be utilised as an alternative source of funding to meet the expected one off costs associated with further service transformation and to meet the costs of severance for employees;
- d) Agree that the £0.305 million which is the uncommitted element of funds earmarked for Council Transformation General Reserve and note the updated projection of available General Fund reserve is £3.727 million;
- e) Agree that if severance and transformation costs exceed the available capital receipts received in any one year then this can be mitigated by making a transfer from the Capital Fund to meet the repayment of the principal of loans

and delegate authority to action such a transfer to the Head of Finance and Integrated Service Support to action;

- f) Approve the revised VSER policy, in which severance payments are based on the statutory redundancy calculator, as set out in appendix 3;
- g) Otherwise note the contents of the report.

Date 31 January 2019

Report Contact:

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Appendix 1 – Current projected reserves position for 31 March 2019

Appendix 2 - Cabinet Secretary's letter regarding Capital Receipts Scheme

Appendix 3 - Revised VS/ER Policy

A: Existing Projected Useable Reserves 31 March 2019

	Total Reserve	Committed	Year End Flexibility	Uncommitted/Contingency Reserve
	£m	£m	£m	£m
General Fund Reserve	3.995	(1.087)	0.514	3.422
HRA Balance	38.659	(36.659)	0	2.000
Capital Fund	22.059	(17.059)	0	5.000
Repairs and Renewals Fund	2.889	(2.889)	0	0
Total Usable Reserves	67.602	(57.694)	0.514	10.422

B: Existing Projected Useable Reserves 31 March 2019

	Total Reserve	Committed	Year End Flexibility	Utilisation to fund change costs (a)	Uncommitted/Contingency Reserve
	£m	£m	£m	£m	£m
General Fund Reserve	3.995	(0.782)	0.514		3.727
HRA Balance	38.659	(36.659)	0		2.000
Capital Fund	22.059	(17.059)	0	(5.000)	0
Repairs and Renewals Fund	2.889	(2.889)	0		0
Total Usable Reserves	67.602	(57.389)	0.514	(5.000)	5.727

(a) Assumes full £5m is utilised.

Cabinet Secretary for Finance, Economy and Fair
Work
Derek Mackay MSP



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Councillor Gail Macgregor
COSLA Spokesperson for Resources
COSLA
Verity House
19 Haymarket Yards
Edinburgh
EH12 5BH

10 December 2018

Dear Gail,

Capital receipts flexibility

You wrote to me on 12 November seeking an extension of the financial flexibility to use capital receipts to meet severance costs arising from service redesign.

Despite continued UK Government real terms cuts to Scotland's resource budget, we have treated local government very fairly, and in the current financial year delivered a real terms boost in both revenue and capital funding.

However, I recognise the pressure on councils to make savings and to find ways to meet service demand more efficiently and effectively. Key to this are service transformation projects which seek to reduce costs or reduce demand, or both.

To support those projects I can confirm I am content to offer local government an enhanced financial flexibility to that previously offered in relation to capital receipts. The enhanced flexibility will not be limited to severance costs, but will also enable councils to use capital receipts to fund the cost of projects designed to transform service delivery to reduce costs and/or reduce demand for services in future years.

The new scheme I am proposing will:-

- Permit capital receipts received in the years in which this flexibility is offered to be used to fund qualifying expenditure;
- Define qualifying expenditure as expenditure on any project that is designed to transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years;

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

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www.gov.scot

- Permit set up and implementation costs of any new processes or arrangements to be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements will not be classified as qualifying expenditure.
- Continue to exclude the use of capital receipts to fund teacher severance costs.
- Require accountability and transparency in the use of capital receipts. A council will be required to present the projects that will be funded or part funded through the capital receipts to full Council and to publish their approved plans on their website. A council will also be required to report on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis

Examples of qualifying expenditure projects, will include, but are not limited to:

- Investment in service reform feasibility work, e.g. setting up pilot schemes
- Service reconfiguration, restructuring or rationalisation;
- Expanding the use of digital approaches to the delivery of services or interactions between a local authority and the public; and
- Improving systems or processes.

Recognising local authorities need to plan for service transformation and include these in their medium term financial plans I am making this financial flexibility available for four financial years, 2018-19 to 2021-22.

I hope that this enhancement of the previous flexibility as described above will increase councils' ability to deliver changes that will help them meet the financial challenges that they, like other parts of the public sector, face and to improve the services they provide to their communities. The guidance will issue in due course.



DEREK MACKAY

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot



Midlothian

Voluntary Severance/ Early Retirement Policy (VS/ER)

Voluntary Severance/Early Retirement Policy

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Presented to Council 12 February 2019

VOLUNTARY SEVERANCE/ EARLY RETIREMENT POLICY

1. Introduction

Like all public sector organisations, Midlothian Council faces significant financial pressures. This Voluntary Severance/Early Retirement (VS/ER) Policy is a strand of the Council's Policy for Managing Change (and teachers equivalent) and is one of the mechanisms used to help reshape the workforce and facilitate organisational changes that are required as a result of these financial pressures.

2. Aims

The Voluntary Severance/Early Retirement Policy has been designed to:

- Help avoid compulsory redundancies;
- Realise reductions in the budgeted staffing establishment;
- Align with the Council's Workforce Strategy and help facilitate service reviews;
- Ensure that VS/ER cases are treated fairly and are considered equitably against a set of appropriate criteria.

3. Scope

The Policy applies to all permanent employees of Midlothian Council with the exception of:

- Employees who have already resigned/given notice of a specified date for retirement;
- Employees who have already reached State Pension Age as defined by The Pensions Act 2014 (note this exclusion does not affect employees' statutory redundancy rights);
- Employees who are currently subject to formal procedures which may result in their dismissal (Managers must agree any such exclusions with HR).

For the purposes of this Policy, an employee on a fixed term contract is deemed permanent if they have four or more years' continuous service with Midlothian Council.

Only where the business case requirements have been met and a permanent recurrent financial saving is expected to be generated from an employee's departure, may a VS/ER offer be made and subsequently approved (see section 7 for further details).

Where an employee is in a redundancy situation and they either do not meet the requirements of this VS/ER policy or do not accept the VS/ER offer then they would be served notice of redundancy and leave the Council on statutory redundancy terms. This means that for those earning less than the statutory maximum amount a week's pay will reflect the lower figure of their actual contractual weekly earnings.

This policy refers to a figure of £508, which is the statutory redundancy amount for a maximum week's pay effective from 6 April 2018*. Whilst the statutory redundancy amount will change (normally each April) the £508 referred to in this report will not be updated when calculating voluntary severance payments.

Details on statutory redundancy entitlements can be found at:

<https://www.gov.uk/staff-redundant/redundancy-pay>

4. Employees in a Redundancy Situation

Where an employee finds themselves at risk of redundancy, and there is little or no prospect of finding suitable alternative employment, then an employee may be offered VS/ER as an alternative to statutory redundancy.

For the purposes of VS/ER there are two categories of employee determined by (a) the employee's age and (b) whether or not they are a member of the Lothian Pension Fund/Scottish Teachers Superannuation Scheme:

- a) For an employee who is either not in one of the two pension schemes noted above, OR has not already accessed their Local Government or Teacher's Scheme pension OR is unable to access their pension yet due to scheme rules, then a Voluntary Severance payment which is the greater of the actual weekly wage or £508 per week (pro rata to hours where part time) is payable;
- b) For an employee who is able to, or has already accessed their Local Government or Teacher's Scheme pension, a voluntary severance payment based on £508 per week (pro rata to hours where part time) is payable together with immediate access to pension where appropriate. The pension will include the payment of a lump sum retirement amount **and** an annual pension.

The Severance Calculator (detailed at Appendix 1) is used to determine the number of weeks' pay on which the voluntary severance payment is based. It provides for a maximum of 30 weeks' severance payment. In both cases above, the applicable weekly earnings figure is multiplied on the basis of the Severance Calculator.

5. Other Situations Where VS/ER May be Applicable

From time to time, the Council may decide to offer VS/ER to specific groups of staff in order to achieve workforce reductions. This may be at the commencement of a service review, at the discretion of the Head of Service or applied more widely as a VS/ER Scheme subject to approval by Council to do so. The terms would be the same as those set out in Section 4 and the decision making as set out in Section 7.

In addition an employee can at any time apply to their Head of Service (preferably after having had a discussion with their line manager) setting out a justification for them to leave through VS/ER. The terms would be the same as those set out in in Section 4 and the decision making remains as set out in Section 7.

6. Enhancement to Redundancy Pay (Statutory versus Voluntary VS/ER)

In comparison to VS/ER a statutory redundancy payment would be calculated on an employee's contractual weekly wage up to a maximum weekly of £508. (Dependant on the individual's circumstances they may also receive immediate access to their pension benefits.

The voluntary VS/ER scheme therefore represents an enhancement on statutory redundancy terms as follows:-

Earnings status	Pension scheme member	Amount to be used
earning less than £508 per week	no/yes	£508
earning greater than £508 per week	yes	£508
earning greater than £508 per week	no	weekly wage

Once VS/ER is approved, the employee will be informed of their leaving date which will take into account the relevant contractual notice period or result in a payment in lieu of notice.

Employee can request an earlier leaving date but in these circumstances there would be no payment made in lieu of notice.

7. Decision Making

All VS/ER cases will be considered by the relevant Head of Service, and require the approval of the Chief Executive, relevant Director and Head of Finance and Integrated Service Support.

Proposals regarding VS/ER arrangements for Chief Officers (The Chief Executive and Directors) will require Council approval. Proposals regarding Heads of Service will be subject to Cabinet approval. These arrangements are consistent with the authorisation levels for appointments to these posts as set out in the Council's Standing Orders.

In considering VS/ER cases consideration will be given to the following:

- **Business Need:** for example, the post can be deleted in full or in part from the establishment, or the VS/ER allows for another post elsewhere in the Council to be deleted through the redeployment of another employee to the post from which the VS/ER applicant vacates. The reduction in the establishment reflects the service workforce plans and cannot be delivered through alternative changes, for example reducing reliance on employees with fixed term contracts.
- **Affordability:** the cost of the VS/ER is cost-efficient, i.e. it results in a recurrent saving.

Therefore a financial assessment will be carried out for each case in order to:

- Identify the actual costs (including pension strain costs);
- Determine if these costs are affordable and can be met;
- Establish the financial and service benefits;
- Establish the risks associated with the changes and document how these will be adequately mitigated;
- Ensure that this is the most appropriate means to secure changes in the service workforce;
- Ensure that the payback of the cost is assessed and is considered affordable, and is assessed against the cost which would be incurred in a compulsory redundancy situation. The aim will be to minimise the payback period with the majority of VS/ER approvals delivering a payback of less than two years.

The costs will normally be met from reserves earmarked for this purpose or other resources as applicable and an appropriate budget adjustment made to reduce the service budget permanently.

The approval of the VS/ER will also result in a permanent change in the staffing establishment.

8. Multiple Contracts

For employees who have more than one contract VS/ER will usually cover all contracts with the result that the employee will leave the Council entirely. Exceptions can be considered for situations where the contracts are for different roles which do not require the same skill set nor are in the same area.

For example a Facilities Assistant who has two contracts, working in different buildings would be offered VS/ER for both contracts. Whereas a Support Assistant who is also a Sports Instructor may only be offered VS/ER for their Support Assistant contract.

Where an employee with multiple contracts is displaced from only one of these then they would still be entitled to the appropriate statutory redundancy terms for that contract.

In cases where multiple contracts exist Service Managers should seek advice from HR on the appropriate treatment.

Where employees are offered VS/ER or where statutory redundancy will apply to one, but not all contracts, each contract will be treated entirely separately, so that any redundancy calculation will be based on the length of service of the contract from which the employee is being made redundant.

9. Restrictions on Re-employment

Any employee who elects for VS/ER or who receives a statutory redundancy payment will not normally be re-employed in a similar capacity i.e. a role requiring the same skill set or working in the same area as the original post by Midlothian Council for a minimum period of twelve months from the date of termination of employment. Any employee considering a return to a different role within the twelve month period is advised to discuss re-employment with the Recruiting Manager or a member of HR Services.

As part of the VS/ER offer, employees may be required to commit to work a maximum of four separate days over a maximum of a three month period after leaving to assist with business continuity and transition. Where this applies it will be set out as part of the VS/ER offer and will be paid at a daily rate equivalent to the salary scale/point for the role the employee left.

Despite the restrictions noted above, should an employee secure further employment with the Council within four weeks of their employment ending through VS/ER or statutory redundancy, all payments arising from the termination must be repaid if the employee wishes to retain continuity of employment. This protects employees' service for annual leave, sick pay entitlement and any future redundancy provision.

Employees should also take cognisance of The Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 when considering VS/ER, or statutory redundancy terms and future employment. In summary, the provisions of the order are that if an employee who is under notice of redundancy receives an offer of a job from another Modification Order body before the termination of his or her employment and takes it up within 4 weeks of the end of the old employment, there will be no dismissal for redundancy payment purposes and as such termination payments may be withheld or liable to be repaid. If an employee is considering future employment when leaving under VS/ER or statutory redundancy terms he/she should take independent advice on the potential impact of the Modification Order.

10. Withdrawal of Offer

An employee who has accepted an offer of VS/ER will continue to be bound by the employment terms and conditions of Midlothian Council. Consequently there is an express requirement that they continue to meet all the standards required by the performance framework, the Code of Conduct and the standards of any professional body applicable to their employment

e.g. SSSC. Any failure to do so may result in the offer of VS/ER being withdrawn.

11. Appeal

There will be no right of appeal or recourse to the Resolution Procedure for local government workers or the Grievance Procedure – Teachers against a decision not to approve VS/ER under this Policy. Employee's rights of appeal in respect of statutory redundancy situations will be set out separately in the required redundancy notifications.

12. Review & Publication of Policies

This document shall be available to all staff through the corporate and schools intranet.

The Policy shall be reviewed from time to time to ensure best practice and continued compliance with legislation.

Voluntary Severance/Early Retirement Policy

Name of Document	VS/ER Policy
Author	HR Services
Policy Ownership	Head of Finance & ISS
Unit Responsible	HR Services
Approved by and date	Council 12 February 2019
Assigned Review Period	
Date of Next Review	
Policy Lead	Head of Finance and Integrated Service Support

Version	Version date	Authorised Officer	Amendment Details
1.1	08/05/2018	GF	-
2.1	12/02/2019	GF	Change to Enhancement

Appendix 1

Severance Calculator

Service (Years)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Age																				
18	1																			
19	1	1½																		
20	1	1½	2																	
21	1	1½	2	2½																
22	1	1½	2	2½	3															
23	1½	2	2½	3	3½	4														
24	2	2½	3	3½	4	4½	5													
25	2	3	3½	4	4½	5	5½	6												
26	2	3	4	4½	5	5½	6	6½	7											
27	2	3	4	5	5½	6	6½	7	7½	8										
28	2	3	4	5	6	6½	7	7½	8	8½	9									
29	2	3	4	5	6	7	7½	8	8½	9	9½	10								
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11							
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12						
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13					
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14				
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15			
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16		
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17	
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½	
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18	
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½	
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19	
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½	
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24	
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½	
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25	
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½	
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26	
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½	
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27	
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½	
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28	
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½	
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29	
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½	
61*[1]	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30	

61* [1] – The same figures should be used when calculating the redundancy payment for a person aged 61 and above

Financial Strategy 2019/20 (including projections to 2022/23)

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

This report provides Council with a further update on the Financial Strategy. It sets out measures to enable Council to determine Council Tax and set a balanced budget for 2019/20 at today's meeting (required to do so by 11 March 2019) in accordance with Section 93 of the Local Government Finance Act 1992 (as amended). It also includes projections for future years to 2022/23. This report sets out:-

- An update on the 2019/20 Scottish Government Grant settlement and future years grants prospects;
- Final budget projections for 2019/20 and updated projections for 2020/21 to 2022/23;
- A sensitivity analysis reflecting the potential impact of different pay and grant settlement scenarios;
- An update on the arrangements for the delegation of resources to the Midlothian Integration Joint Board;
- An update on the Change Programme and its impact on the projected budget shortfalls;
- Governance arrangements;
- An update on General Fund Reserves.

On the afternoon of 31 January 2019 Derek MacKay MSP, the Scottish Government's Cabinet Secretary for Finance, Economy and Fair Work confirmed a package of further measures covering local taxation and local government finance. A copy of the letter setting out these measures is included as appendix 13 to this report. Section 3 below gives an initial assessment of the impact for 2019/20.

2 Background

The core objective of the Financial Strategy is to secure the Council's financial sustainability during an ongoing period of financial constraint coupled with acute service demand pressures and increasing customer expectations.

The Financial Strategy is not only about balancing the budget, it provides a means to ensure as far as possible that the limited resources available to the Council are targeted on delivery of improved outcomes, particularly against the key priorities of:-

- Reducing the gap in learning outcomes
- Reducing the gap in health outcomes
- Reducing the gap in economic circumstances

The Midlothian Community Planning Partnership continues to prioritise the available resources, within the constraints of the budget settlements, towards the delivery of the partnerships key priorities and the Financial Strategy sets out for partners the parameters the Council is working within and provides a means to better facilitate the sharing of budget and resource planning information. The Financial Strategy and associated Change Programme are central to ensuring that the resources available to the Council and partners are directed towards the priorities set out in the Midlothian Single Plan.

The last Financial Strategy report was presented to Council on 18 December 2018 and provided an updated assessment of projections through to 2022/23. The report set out projected budget shortfalls of £9.591 million for 2019/20 rising to £39.797 by 2022/23. After the Change Programme and Council Tax increases the projected remaining budget gaps were £5.808 million for 2019/20 rising to £23.324 million by 2022/23.

This report focuses on 2019/20 in recognition of the requirement to determine Council Tax and set a balanced budget for the year ahead. However with a rapidly growing population and greater demand for services, this report also calls for a strategic step change in our financial planning, in the form of a proposal to bring forward to Council before the summer recess a Medium Term Financial Strategy (MTFS) which contains the measures necessary to secure balanced budgets covering the four years 2020/21 to 2023/24. Clearly the extent of the measures necessary to secure financial balance will be heavily dependent on the level of grant support expected to be available from Government, the extent to which these are ring fenced and the conditions attached to future years settlements.

This is an important step-change and one which will aim to provide greater certainty for the local communities we serve, as well as greater certainty for our employees. It will also provide sufficient time to implement the changes needed to deliver savings programmes, particularly as Council has experienced some slippage in delivering these savings in the current financial year. This also means that Council will not need to consider a full programme of savings each and every year at February Council but instead will have a medium term plan to deliver financial sustainability which also means that the risk of needing to draw on limited reserves to meet ongoing spending pressures is reduced.

3 Scottish Government Grant Settlement

The Scottish Government's grant settlement remains one of the most critical aspects of the financial projections in this report.

The package of further measures announced on 31 January 2019 covering local taxation and local government finance are set out in the letter from the Cabinet Secretary to Councillor Alison Evison, COSLA President which is attached to this report as appendix 13. This package of measures has secured the necessary support for the Government's budget bill to progress through the three parliamentary stages.

The letter includes details of the following changes to the 2019/20 local government grant settlement:-

- An increase in the core resource local government settlement of £90 million, of which Midlothian will receive £1.493 million;
- Greater flexibility on Council Tax with the flexibility to increase the Council up to 4.79% next year. The increase from the previous 3% maximum would raise an additional £0.871 million.

In addition Scottish Government has indicated that Council should now only have to make provision in their budgets to meet a smaller share of the increase in teachers' pension contributions with Government funding now expected to cover 79% of the increase. For Midlothian this change equates to £0.290 million.

Taken together the increase in core resources and clarification on teachers' pension funding reduce the budget shortfall set out in the Council report by £1.783 million to £9.739 million.

However members should note that the revised grant settlement still represents a cut in core funding (at a national level of approximately 1.5%) and after applying the full 4.79% Council Tax increase still requires the Council to make budget savings totalling at least £7.408 million to achieve a balanced budget.

A fuller assessment of the changes announced on 31 January 2019 will be provided to elected members in advance of the Council meeting and also published as a supplement to this report on the Council website.

The Cabinet Secretary for Finance, Economy and Fair Work set out the Scottish Government's budget for 2019/20 on 12 December 2018 with Finance Circular 8/2018, setting out individual Council grant allocations, subsequently published on 18 December 2018.

The total revenue funding provided nationally through the settlement for 2019/20 is £9,987 million and includes:-

- Baseline from 2019/20 of the full £170 million additional revenue investment announced at stage 1 of the Budget Bill for 2018/19;
- An additional £210 million to support the expansion in funded Early Learning and Childcare (ELC) entitlement to 1,140 hours by 2020;
- A further £40 million to support the expansion of Free Personal and Nursing Care for under 65's;
- £120 million to be transferred from the health portfolio to the Local Authorities in year for investment in integration, including the delivery of the Living Wage and uprating free personal care, and includes £12 million for school counselling services;
- The ongoing £88 million to maintain the pupil teacher ratio nationally and secure places for all probationers who require one under the teacher induction scheme;
- An indicative allocation of £3.3 million for Barclay implementation costs;
- £3 million for free sanitary products in public places.

Whilst the total revenue funding was presented as a slight increase of £163 million to the 2018/19 funding once the £400 million of new commitments included in the

settlement, much of which is ring-fenced, is taken into account the reality of the settlement for Local Government is a cut to core budget of £237 million or 2.4%. The settlement also comes with the expectation that Local Government will deliver certain specific commitments;-

- For 2019/20 there is a continued flexibility to increase Council Tax by up to a maximum of 3%;
- The total additional funding of £160 million allocated the Health and Social Care and Mental Health is to be additional to each Council's 2018/19 recurrent spending on social care and not substitutional;
- Maintaining the teacher pupil ratio at a national level and ensuring places for probationers.

The parliamentary process for the Scottish Government's Budget Bill provides for the stage 1 budget debate on 31 January, stage 2 on 6 February and the final stage 3 on 21 February 2019. As a member of a minority Government the Cabinet Secretary will need to secure the support of other MSP's in parliament to secure agreement of the budget. Given the timescales for this I will update Council as necessary if there are any changes which impact on the Council's position for 2019/20.

At 2.4% the cut to core funding is greater than the 2% central planning assumption set out in previous financial strategy reports which results in a worsening of the budget shortfalls from those previously reported.

Finance Circular 8/2018 sets out a total revenue allocation for Midlothian for 2019/20 of £162.730 million of which ring fenced grants account for £10.372 million giving a general grant of £152.358 million. Once the estimated share of non distributed funding and an estimate of funding for teachers pensions is taken account of the general grant for 2019/20 is estimated to be £155.630 million.

In terms of the later years on the basis of the information available from Government and independent sources the grant projections set out later in this report for these years continue to be based on a central planning assumption of a 2% per annum cash reduction at a national level. The lower scenario set out in section 6 assumes a cash reduction of 4% per annum with the upper scenario a cash flat position. The position at a national level is partly offset by the impact of the relative growth in the Midlothian population.

It is stressed that the grant settlement figures for 2019/20 are provisional ahead of the passage of the Budget Bill and will not be confirmed until the Local Government Finance (Scotland) Order 2019 is presented to the Scottish Parliament, which is scheduled for the end of February 2019.

The grant for 2020/21 to 2022/23 set out in table 1 remain projections, the actual figures being dependant on future budget decisions taken by Government. However they do provide Council with an assessment of the impact of the grant settlement on the Council's financial position. Critically they highlight the continuing severity of the challenge ahead, based on the Government's central scenario set out in their Medium Term Financial Strategy, for the term of the Council and the extent to which service provision will have to be transformed. As can be seen from the measures presented to achieve a balanced budget for 2019/20 a continued

shortfall in core grant funding will significantly impact on the ability to deliver non statutory services and result in an marked reduction in the level to which the Council can sustain statutory service provision.

4 Council Tax

The budget shortfalls set out in table 1 are based on the current Band D Council Tax of £1,283 and reflects the additional income from an increase in the number of properties.

The budget projections reflect the grant conditions which continue to limit the flexibility to increase Council Tax by up to 3%. For Midlothian a 3% per annum increase is estimated to generate £1.460 million for 2019/20 rising to £1.688 million in 2022/23 and would result in Band D Council Tax rising to £1,321 in 2019/20 and to £1,444 by 2022/23. An increase of over 3% would breach the terms of the grant settlement package and indications are that this would result in a less favourable settlement although the extent of any reduction is unknown.

Given the cut in core grant funding as set out in section 3 and the service pressures, particularly the acute demographic cost pressures in Education and Health and Social Care, set out in section 5 of this report, the Financial Strategy incorporates the full 3% increase for each year to increase the resources available to support these services and so contribute to reducing the projected budget shortfalls and Council is recommended to set a Band D Council tax of £1,321 for 2019/20 as set out in Appendix 1.

5 Cost of Services

The projected cost of services for future years is derived from the 2018/19 budget and the significant work undertaken to review the projections in light of the latest information available. In particular school rolls, care demographics and also the deliverability of savings incorporated in previous year's budgets with table 3 below setting out the principal movements from 18 December 2018.

Table 2 provides an analysis of the principle year on year budget changes which include the following key assumptions and cost drivers:

- Pay inflation based on the current offers in respect of the 2018/19 pay settlement and an increase in the provision made for 2019/20 onwards (representing the three year offer through to 2020/21) of a flat 3% for each year for all staff groups together with the cost of incremental pay progression;
- Changes in the Council's contribution towards employee pensions costs advised by Lothian Pension Fund and SPPA with the assumption that the increase of 5.2% in teachers' pension contributions from 2019/20, confirmed in the UK budget (£2.400 million per annum), which is now expected to be only partially (two thirds) offset by additional government funding (see further details below);
- Provision for the Devolved School Management allocation to schools based on the DSM scheme and indicative pupil numbers;
- Contractual inflation linked to existing contractual conditions, many of which mirror pay inflation assumptions;
- A provision for the future years costs of maintain pay levels for procured care services at or above the living wage;

- The impact of current demand for services;
- The demographic impact on the future demand for services;
- Borrowing costs related to the approved capital investment decisions based on future interest rate forecasts provided by the Council's Treasury Advisers;
- Any new government policy requiring budgetary growth will be fully funded through increased Scottish Government grant;
- Council Tax income continues to grow in line with previous trends and planned future housing growth.

In respect of additional grant funding to offset the increase in teachers' pension costs the Treasury had previously indicated that there would be no additional funding provided to Government departments for the element of the increase (one third) which was set out in the UK's 2016 budget. As such there would be no Barnett consequentials. In terms of the remainder the UK Treasury is currently undertaking an analysis of the impact of the change in the valuation, with a view to providing funding to ease the impact. However there is currently no confirmation as to the amount of funding although it has been clarified that Barnett consequentials will flow to the Devolved Administrations. COSLA officers also advise there are no consequentials included for this funding in the UK Autumn 2018 Budget and that this will be part of the UK Spring 2019 Budget. Accordingly government funding support to offset the increase does not form part of the Scottish Budget at this stage which causes significant uncertainty in setting the Council's budget for 2019/20. The budget projections now assume that only two thirds of the cost will be fully funded for 2019/20 and beyond.

The resultant projected service budgets through to 2022/23 reflecting the assumptions are set out in sections 3 to 5. These identify budget shortfalls as follows:-

Table 1: Budget Shortfalls 2019/120 to 2022/23 – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Cost of Services	215.808	225.588	234.228	244.539
Less: Council Tax	(48.656)	(49.656)	(50.656)	(51.656)
Less: Scottish Government Grant	(155.630)	(154.140)	(152.648)	(151.155)
Budget Shortfalls	11.522	21.792	30.924	41.728

Net expenditure on services is projected to increase by 6% in 2019/20 and by 20% by 2022/23 with a significant element of this required to support a growth population, particularly for 0-15 year olds and over 65's. The resultant budget shortfall in 2019/20 equates 5.4% of the net cost of services and the projections indicate this could rise to 17% by 2022/23.

As Council is aware, significant elements of the budget are either fixed or are challenging to change for a number of reasons including:-

- Historic decisions, for example, loan charges and unitary charge contractual payments;
- Specific conditions, for example the maintenance of the teacher pupil ratio; and

- Growing demand for services through demographic pressures.

These elements of the budget equate to £115 million in 2019/20 and are projected to rise to £150 million by 2022/23. Consequently the budget shortfall expressed as a percentage of the remainder of the budget equates to 11% for 2019/20 and has the potential to rise to 45% by 2022/23.

Whilst the projected cost of service provision, Council Tax and Scottish Government grant has been projected forward to 2022/23 these are very much indicative projections based on the assumptions set out in sections 3 to 5 and will inevitably change over the period. The projections and planning assumptions on which they are based will be updated and reported to Council as new information becomes available.

The main purpose of the projections for later years is to provide Council with an assessment of the key factors which influence income and expenditure and the overall impact these may have on the Council's financial position for future years. Critically they highlight the severity of the challenge ahead for the term of Council and the extent to which service provision will have to continue to be significantly transformed and or reduced.

Members should note that the projections are based on the continuation of the existing service delivery and funding arrangements for Local Government.

The budget shortfalls set out in table 1 arise for the following reasons:

Table 2: Analysis of Shortfalls – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Opening Shortfall	(0.200)	11.522	21.792	30.924
Pay Inflation and Salary Progression	5.820	5.394	5.368	5.553
Teachers' Pension increase	2.397	0.000	0.000	0.000
Contractual Inflation	0.997	0.896	0.910	0.925
Utilities	0.227	0.070	0.071	0.073
Demographics: Care	1.040	1.040	1.040	1.040
Demographics: School Rolls	2.194	2.375	2.375	2.375
ASN Increase	0.373	0.000	0.000	0.000
Demand pressures: Children	0.640	0.025	0.025	0.025
School Estate Investment	0.323	0.208	0.008	0.012
Waste Disposal Costs	(0.193)	0.000	0.112	0.129
Non Domestic Rates	0.452	0.128	0.131	0.134
Borrowing Costs	(0.937)	(0.123)	(0.007)	0.000
Scottish Government Grant	1.953	1.490	1.492	1.493
Scottish Government Grant – Teachers pension increase	(1.597)	0.000	0.000	0.000
Council Tax Income	(1.337)	(1.000)	(1.000)	(1.000)
Full year effect of 2018/19 savings	(1.180)	(0.355)	(1.329)	(0.000)
Other Movements	0.550	0.122	(0.064)	0.045
Totals	11.522	21.792	30.924	41.728

The principal movement from the figures set out in the 18 December 2018 report are as follows.

Table 3: Movement from 18 December 2018 to 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Shortfall 18 December 2018	9.591	19.861	28.993	39.797
Scottish Government Grant	0.464	0.464	0.464	0.464
Non Domestic Rates	0.120	0.120	0.120	0.120
Scottish Government Grant – Teachers pension increase	0.800	0.800	0.800	0.800
Pay Inflation	0.461	0.461	0.461	0.461
Other	0.086	0.086	0.086	0.086
Shortfall 12 February 2019	11.522	21.792	30.924	41.728

6 Sensitivity Analysis

Given the level of uncertainty for future year grant settlements and pay awards table 4 provides a sensitivity analysis reflecting the potential impact of different scenarios for these two key aspects of the budget.

Upper Scenario. This is a more optimistic scenario which assumes a 2% pay award for 2021/22 onwards across the board and cash flat grant settlements at a national level. All other assumptions remain as set out in section 3.

Cash Flat Grant Settlement Scenario. This scenario assumes cash flat grant settlements at a national level. All other assumptions remain as set out in section 3.

Lower Scenario. Is a more pessimistic scenario which assumes a 4% pay award beyond 2020/21 and reducing grant income based on a 4% cash reduction per annum at a national level for all years as set out in section 3.

Table 4: Sensitivity Analysis – 12 February 2019

	2020/21	2021/22	2022/23
	£m	£m	£m
Upper Scenario			
Central Assumption	21.792	30.924	41.728
2% Pay Awards	-	(1.723)	(3.507)
Cash flat settlement	(3.104)	(6.210)	(9.317)
Amended Shortfall	18.688	22.991	28.904

Cash Flat Scenario			
Central Assumption	21.792	30.924	41.728
Cash flat settlement	(3.104)	(6.210)	(9.317)
Amended Shortfall	18.688	24.714	32.411

Lower Scenario			
Central Assumption	21.792	30.924	41.728
4% Pay Awards	-	1.723	3.507
4% cash reduction in Grant	3.104	6.210	9.317
Amended Shortfall	24.896	38.857	54.552

These scenarios demonstrate the significance of the impact that changes from the central planning assumption for either government grant or pay inflation have on the projected budget shortfalls.

7 Midlothian Integration Joint Board

As part of the budget setting process the Council has to determine an allocation of resources to the Midlothian Integrated Joint Board (IJB) and in turn the IJB will need to consider if this represents a “fair and adequate” allocation of resources. For 2018/19 the allocation was £39.750 million.

The projected budget shortfalls set out earlier incorporate a provision for pay awards, inflationary uplifts and a sum for demographic cost pressures in respect of services delegated to the IJB. They are also predicated on the full share of the additional £160 million allocated to Health and Social Care and Mental Health being allocated to the IJB which equates to £2.426 million. The inflationary uplift for the IJB includes a provision of £0.168 million for the National Care Homes Contract uplift in 2019/20. As this also forms part of the commitments which are funded by the new monies allocation it can be removed from the inflationary uplift sums.

Following discussion at the Midlothian IJB and directly with the officers of the IJB, it was agreed that work would be undertaken to determine whether the IJB could manage with a reduction in their allocation in support of the Council’s overall challenging financial position whilst still delivering on the agreed outcomes within the Strategic Commissioning Plan. Therefore, opportunities have been identified that supports delivery of transformational savings as well as opportunities for additional income to be brought in to the IJB from outwith Council budgets. Accordingly the allocation for 2019/20 is reduced by £0.806 million. £0.056 million of this is predicated on Council agreeing to the increase in Telecare charges set out later in this report. In addition and reflecting the severity of the grant settlement a further efficiency target equating to 1.25% or £0.540 million has been reflected in the proposed allocation to the IJB.

The proposed allocation for 2019/20, which includes the aforementioned Scottish Government funded policy commitments on Living Wage, Carers Act, mental health and free personal care for under 65’s, represents an increase of 7.3% over 2018/19, which together with indicative allocations for future years is estimated to be as follows:-

Table 5: IJB allocations – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Previous Year's Allocation	39.750	42.652	44.691	46.780
Uplifts:				
Pay and inflation	0.950	0.999	1.049	1.100
Demographic Pressures	1.040	1.040	1.040	1.040
Share of £160 million new monies	2.426	0	0	0
	44.166	44.691	46.780	48.920
Less:				
Reduction in IJB Allocation	(0.974)	0	0	0
Efficiency Target (1.25%)	(0.540)	0	0	0
Proposed/Indicative Allocations	42.652	44.691	46.780	48.920

These updated projections have been shared with the Chair and Officers of the IJB and they have indicated that they would discuss with the IJB whether the allocation for 2019/20 represents a “fair and adequate” allocation of resources in the context of the Council’s overall budget position. The IJB next meets on 14 February 2019 and will formally consider the proposed allocation at that meeting.

This approach supports the IJB as it takes forward its own Financial Strategy within the context of the financial pressures and the available allocations anticipated to be available from both the Council and NHS Lothian.

8 Change Programme

8.1 Change Programme

The Change Programme supports the repositioning of services to ensure they have a greater emphasis on and achieve better outcomes for those most disadvantaged and vulnerable in the community. It focuses on reshaping service delivery as the most sustainable way to address the financial and service challenges and maintain financial sustainability and that provides a means to:-

- Realise service transformation and savings of the scale and magnitude required and to continue to deliver high quality statutory services by engaging staff, partners, stakeholders and citizens to determine the nature of service delivery, the level of service standards and the method of delivering these services;
- To perform successfully in this environment, the Council will require to forward plan for the period beyond known financial settlements, to prioritise the services to be delivered and to clearly identify those services which will no longer be funded or indeed provided or may be provided through alternative mechanisms or approaches; and
- To ensure that there is achievement of the outcomes and priorities of the Council and Community Planning Partners.

Against the backdrop of the cut in core funding, the Strategic Leadership Group has developed a range of measures for members’ consideration, aimed at securing a

balanced budget for 2019/20. This has been done within the constraints of the resources available and the statutory framework within which the Council operates.

A draft set of measures, which has focussed on the removal of a significant proportion of non-statutory services, from the Strategic Leadership Group to allow members to secure a balanced budget against the backdrop of the cut in funding for core services was presented to the Business Transformation Steering Group on 30 January 2019. BTSG members noted the measures and noted that they would form part of the final measures presented to Council on 12 February 2019. Both SLG and BTSG recognise the severity of the measures put forward, but in the absence of additional core funding or other options to generate revenue these represent the measures, however challenging, that are necessary to deliver a balanced budget.

These measures will fundamentally change how and what services are delivered by the Council with the cessation of a range of non statutory services and a necessary limitation in the extent to which statutory services can be provided.

The Change Programme presented today, as set out in Appendix 10, remains the same as that presented to BTSG.

8.2 Transformation Programme

The savings targets associated with the existing Transformation Programme are set out in table 6 below and detailed in appendix 2.

Table 6: Transformation Programme Savings (Cumulative) – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Entrepreneurial Council	0.098	0.343	0.418	0.418
Shared Service	0.000	0.025	0.025	0.025
Digital First	0.050	0.150	0.150	0.150
Integrated Service Support	0.500	0.500	0.500	0.500
Workforce	0.482	0.632	0.722	0.722
Totals	1.130	1.650	1.815	1.815

The proposals presented to Council on 13 February 2018 include additions to the Transformation Programme the current estimated impact of these is summarised in table 7 and detailed in appendix 3. Whilst these savings were not incorporated in the future years budget gaps approved by Council in February 2018 they still remain relevant and will need to continue to be part of the solution to address the budget challenge.

Table 7: Additions to Transformation Programme (Cumulative) – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Entrepreneurial Council	0.020	1.375	3.610	3.710
Enterprising with Communities	0.000	0.100	1.100	1.100
Shared Services	0.000	1.035	2.035	2.035
Digital Led Transformation	0.000	0.000	0.500	0.500
Additions to Programme	0.020	2.510	7.245	7.345

8.3 Capital Strategy

The projected future year's budgets include a provision for the loan charges which reflects the General Services Capital Plan and is governed by the Treasury Management and Investment Strategy.

An increase in the affordable borrowing from that set out in the Capital Strategy, or changes from the proposed Treasury Management and Investment Strategy, would inevitably lead to an increase in the projected budget shortfalls for later years. In the absence of any other funding support, this will in turn require further reductions in the service budgets.

8.4 Resource Allocation Changes - Operational

The budget projections set out in tables 1 and 2 already reflect the deliverable operational savings reported in previous year's budgets.

The Strategic Leadership Group has identified further opportunities to reduce costs and so realign service budgets. The current impact is summarised below with further information set out in appendix 4.

Table 8: Operational Savings (Cumulative) – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Operational Savings	1.025	1.061	1.015	1.015
Operational Savings	1.025	1.061	1.015	1.015

8.5 Resource Allocation Changes - Policy

The budget projections set out in tables 1 and 2 already reflect the deliverable policy related resource allocation changes approved in previous year's budgets.

In view of the challenging grant settlement from Scottish Government the Strategic Leadership Group has identified a range of measures to support Council in fulfilling its statutory obligation to set a balanced budget for 2019/20. These reduce expenditure and so realign service budgets within the context of the grant

settlement constrains and ring fencing of funds. The impact is summarised below with further information set out in appendix 5.

Table 9: Policy Savings Measures (Cumulative) – 12 February 2019

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Policy Savings	3.798	6.215	6.182	6.182
Policy Savings	3.798	6.215	6.182	6.182

8.6 Service Efficiency Targets

Recognising that the challenging financial settlement requires strict ongoing financial discipline and cost control it is necessary to set all services, with the exception of Children’s Services, a 1.35% efficiency target. This equates to £1.970 million for 2019/20 and would be allocated across services as detailed in appendix 6. In order to ensure the delivery of these targets it is recommended that authority is delegated to the Chief Executive, in consultation with the Leaders of the three Political Groups, to progress any non-operational measures necessary to achieve these efficiency targets.

8.7 Resource Allocation Changes Bottom-up/Cross Cutting Service Reviews

On 26 June 2018 Council agreed the arrangements for the reviews together with proposals for the first three phases.

Proposals which arose from the review of Land and Countryside total £0.205 million for 2019/20. In addition taking cognisance of the financial challenge a savings target of £0.250 million is proposed for in the Sport and Leisure Review for 2019/20 which is in addition to the specific policy proposals included in section 8.5.

Further details are set out in Appendix 7.

8.8 Resource Allocation Changes – Fees and Charges

An initial estimate has been made of the impact of a minimum increase of 3% per annum (which reflects pay inflation) across all fees and charges which the Council determines unless higher increases are agreed for specific services. The impact of which is set out below.

In addition, to generate an additional £0.056 million to support the delivery of Health and Social Care Services delivered by the Midlothian Integration Joint Board, a higher increase (equating to 70p per week) is proposed for telecare charges.

Table 10: Fees & Charges – 12 February 2019

	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m
General Increase 3%	0.150	0.300	0.450	0.600
Total Fees & Charges	0.150	0.300	0.450	0.600

8.9 Summary of Financial Strategy

The updated projections incorporating the impact of the various strands of the Financial Strategy set out above and a 3% per annum increases in Council Tax are set out in table 11 below.

Table 11: Financial Strategy 2019/20 to 2022/23 – 12 February 2019

Cumulative	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Budget Shortfall Table 1	11.522	21.792	30.924	41.728
Less: Change Programme				
IJB Allocation Table 5	(0.974)	(0.974)	(0.974)	(0.974)
IJB efficiency target	(0.540)	(0.540)	(0.540)	(0.540)
Transformation Programme 8.2				
- Existing Programme	(1.130)	(1.650)	(1.815)	(1.815)
- Additions to Programme	(0.020)	(2.510)	(7.245)	(7.345)
Less: Resource Allocation Changes				
- Operational 8.4	(1.025)	(1.061)	(1.015)	(1.015)
- Policy 8.5	(3.798)	(6.215)	(6.182)	(6.182)
- Efficiency Targets 8.6	(1.970)	(1.970)	(1.970)	(1.970)
- Bottom Up/Cross Cutting Reviews 8.7	(0.455)	(0.540)	(0.540)	(0.540)
- Fees and Charges General 8.8	(0.150)	(0.300)	(0.450)	(0.600)
Council Tax Increase of 3%	(1.460)	(2.993)	(4.602)	(6.290)
Remaining Budget Gap	-	3.039	5.591	14.457
Upper Scenario	-	(0.065)	(2.342)	1.588
Cash Flat Scenario	-	(0.065)	(0.619)	5.095
Lower Scenario	-	6.143	13.524	27.236

The projections for later years will be continually updated to take cognisance of the prospects for future years grant and pay settlements and demographic changes recognising the critical impact these issues have on the Financial Strategy and the projected budget position.

The savings associated with the measures set out in the Change Programme have been verified based on the information provided by Heads of Service and by reference to the assumptions on which the measures are based. In bringing forward measures for their Services, Directors and Heads of Service have assessed the risk associated with the delivery and the timing of delivery of the changes. Once measures are approved the responsibility and accountability for delivery rests with officers across the three Directorates. Robust monitoring arrangements will be in place in order to check progress with the delivery of the measures approved. Members should note that Heads of Service are currently developing plans for the

1.35% efficiency targets and the measures that will inform the delivery of the £0.250 million target attached to the bottom up review of Sport and Leisure. Accordingly members should note that at this time there is a higher level of risk currently attached to the £1.970 million and £0.250 million.

It is stressed however that ultimately the achievement of savings will be dependent on decisions taken by Council.

9 Governance and Timetable

Each element of the Financial Strategy continues to have governance in place to ensure the timely delivery of the work stream. All resource allocation measures from SLG have been reported through Business Transformation Steering Group. Responsibility for setting Council Tax, determining budgets and approving savings etc. remains, with Council.

Council has a duty as set out in Section 93 of the Local Government Finance Act 1992 (as amended) to set its Council Tax and a balanced budget for the following financial year commencing 1 April by 11 March. The timetable approved by Council supported the delivery of the Financial Strategy and specifically the determination of the 2019/20 budget and Council Tax levels at today's meeting.

Members should also note that in terms of Section 112 of the Local Government Finance Act 1992 (as amended) it is an offence for members to participate in any vote in respect of setting Council Tax where the member has unpaid Council Tax. Accordingly members present will be required to disclose at the start of today's meeting the fact if this section of the act applies to them and subsequently not vote on any question with respect to the matter.

10 Reserves Update

The third quarter Financial Monitoring reports are presented elsewhere on today's agenda as is a proposed Reserve Strategy.

11 Report Implications

11.1 Resources

Whilst this report deals with financial issues there are no financial implications arising directly from it.

11.2 Risk

Within any financial projections, there are a number of inherent assumptions in arriving at figures and budget provisions and therefore risks that may be faced if costs change or new pressures emerge.

The following key risks and issues are highlighted in the context of this report:

- The economic outlook and decision by Scottish Government on future years grant settlements and grant distribution;

- Not achieving Early Years expansion of 1,140 hours and Scottish Government reclaiming funding;
- Given the nature of the savings options incorporated in the budget measures the increase risk of non-delivery or late delivery of planned savings, including those arising from reductions in the staffing establishment;
- The risk to service provision and service users associated with a continued decline in available resources to fund services;
- Outstanding pay award settlements and the implications of the National Living Wage for external service providers;
- The uncertainty regarding Government funding to meet the increased cost of teachers pensions;
- Actual school rolls exceeding those provided for in the budget;
- Learning Estate Strategy for schools being underfunded to meet statutory functions;
- The impact of the wider economic climate on range of factors including: inflation, interest rates, employment, tax and income levels and service demands;
- Cost pressures, particularly demographic demand, exceeding budget estimates;
- The impact of Universal Credit, and potential pension changes;
- The costs of implementation of national policies varying from the resources provided by Government;
- Potential liabilities arising from historic child abuse; and
- Unplanned capital investment requirements and associated cost.

The Financial Strategy aims to mitigate a number of these risks by setting out the key assumptions on which forward plans are based, and through the Change Programme activities, setting out the early identification of future saving measures.

The projections set out in this report highlight the severity of the challenge ahead for the term of this Council and the extent to which service provision will have to be significantly transformed and or reduced.

The work to bring forward and implement a comprehensive Change Programme is critical to enable Council to address the projected budget gaps and in securing financial sustainability.

The severity of the challenge is such that Council will require to approve a range of measures which not only achieves a balanced budget for 2019/20 but which will also contribute to reducing future years budget shortfalls. The risk of not doing so would be the potential elimination of available reserves and so severely limiting the Council's ability to deal with unforeseen or unplanned events.

11.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

11.4 Impact on Performance and Outcomes

The Financial Strategy facilitates decision on how Council allocates and uses its available resources and as such has fundamental implications for service performance and outcomes. The budget projections indicate that in 2022/23 the Council will have available in the region of £200 million for the provision of services and the pursuit of key outcomes as set out in the Single Midlothian Plan.

11.5 Adopting a Preventative Approach

Whilst the measures in this report do not directly impact on the adoption of a preventative approach, an effective Financial Strategy in turn allows resources to be prioritised to support prevention.

11.6 Involving Communities and Other Stakeholders

Shaping our Future consultation was launched in November 2018. This had a focus on informing the community and other stakeholders of the financial and service challenges and provides a means to consult on the allocation of resources.

A suite of information was prepared and published on the Council website to support engagement activity. Initial engagement sessions took place in early December with representatives from Community Councils and the Voluntary Sector with further sessions with Headteachers and Service Managers in late January.

This engagement activity ran until late January and the feedback from this activity together with the feedback from previous budget consultations is intended to help to inform 2019/20 budget decisions. Given the continuing financial challenge engagement activity continues.

An overview of feedback from the engagement activity is set out in appendix 11. A draft of this overview together with a detailed report was prepared and made available to all members on 30 January 2019 and the draft overview report was also on the agenda for the Business Transformation Steering Group on 30 January 2019.

In addition, there has been and continues to be engagement with the recognised Trade Unions on the Council's financial position and service challenges. Officers have met regularly with Trade Union colleagues to consult with them on the financial outlook and budget measures. It is expected that the Trade Unions will also seek a further update at the Joint Consultative Group meeting on 5 February 2019.

11.7 Ensuring Equalities

The Financial Strategy and the resource allocation measures which will support financial sustainability have, as far as the constraint on resources allows, being developed within the context of the Midlothian Single Plan, ensuring as far as possible that resources are directed towards the key priorities of reducing the gap in learning, health and economic circumstance outcomes.

The Financial Strategy measures will continue as far as is possible to reflect Midlothian Council's commitment to the ethos of the Equality Act 2010 with careful consideration of the interests of the most vulnerable in our communities through the preparation of equality impact assessments (EqIA) for all measures.

Copies of the individual assessments have been published alongside this report on the Committee Management System (CMIS) section of the Council website and an updated overarching EqIA is also set out in appendix 12. What the EqIAs continue to demonstrate is the Council's undertaking to clearly identify when the most vulnerable may be affected by budget measures, and to work to develop where possible mitigating actions to reduce any further negative impacts where it is possible to do so with the resources at the Council's disposal. The mitigating actions will form part of the implementation of changes when approved.

In addition, these actions underline the Council's commitment in its Midlothian Equality Plan 2017 – 2021 to tackle inequality and promote inclusion within the limitations of the resources available. These actions also will allow the Council to plan and deliver services which meet the needs of our diverse communities and respond to the changes ahead.

11.8 Supporting Sustainable Development

There are no direct sustainability issues arising from this report.

11.9 Digital Issues

There are no direct digital implications arising from this report.

12 Summary

This report provides:-

- An update on the 2019/20 Scottish Government Grant settlement and future years grants prospects;
- Final budget projections for 2019/20 and updated projections for 2020/21 to 2022/23;
- A sensitivity analysis reflecting the potential impact of different pay and grant settlement scenarios;
- An update on the arrangements for the delegation of resources to the Midlothian Integration Joint Board;
- An update on the Change Programme impact on the projected budget shortfalls;
- Governance arrangements;
- An update on General Fund Reserves.

13 Recommendations

Council is recommended to:-

- a) Note the position in respect of the Scottish Government Grant Settlement for 2019/20 as set out in section 3;
- b) Note the current projected cost of services, key assumptions and resultant budget shortfalls as set out in section 5 and endorse the key assumptions on which the budget projections are based;
- c) Note that given the level of available contingent reserves it is not considered prudent for Council to meet additional spending pressures from the contingent reserve or to use the contingent reserve as part of the strategy to secure a balanced budget for 2019/20;

- d) In line with the provisions of the Grant Settlement package set a Band D Council Tax of £1,321 for 2019/20 as set out in appendix 1;
- e) Note the continuing uncertainties and the potential impact as outlined in the differing scenarios as set out in section 6;
- f) Approve the allocation of £42.652 million to the Midlothian Integrated Joint Board for 2019/20 in respect of delegated services and approve the increase to telecare charges;
- g) Consider the Change Programme measures as set out in section 8 and:-
 - I. Approve the savings measures associated with the additions to the Transformation Programme as set out in appendix 3;
 - II. Note the operational savings summarised in appendix 4;
 - III. Approve the policy savings measures as set out in appendix 5;
 - IV. Approve a 1.35% efficiency target for all services, with the exception Children's Services as detailed in appendix 6 and delegate authority to the Chief Executive, in consultation with the leaders of the three Political Groups to progress any non-operational measures necessary to achieve these efficiency targets;
 - V. Approve the Bottom Up Review savings as detailed in Appendix 7;
- h) Note the additional income anticipated from fees and charges as set out in section 8.7 and approve the general uplift of 3% together with the resultant detailed charges set out in appendix 8;
- i) Subject to any amendments for the decisions taken at items d), f) and g) I , III, IV and V approve the resultant 2019/20 service budget as set out in appendix 9;
- j) In considering the recommendations also consider the contents of the overview of feedback from engagement activity set out in appendix 11 and the overarching EQIA set out in appendix 12;
- k) Note the acute financial pressures for future years and also the risks as set out in section 11.2;
- l) Recognising the impact of a rapidly growing population and greater demand for services, this report also calls for a strategic step change in our financial planning, in the form of a proposal to bring forward to Council before the summer recess a Medium Term Financial Strategy (MTFS) which contains a planned and balanced budgets covering the four years 2020/21 to 2023/24;
- m) Otherwise note the contents of the report.

Date 31 January 2019

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- Appendix 1 - Council Tax
- Appendix 2 – Existing Transformation Programme
- Appendix 3 - Additions to Transformation Programme
- Appendix 4 - Operational savings
- Appendix 5 - Policy Measures
- Appendix 6 – Efficiency Targets
- Appendix 7 – BUR
- Appendix 8 - Fees and Charges
- Appendix 9 - Proposed 2019/20 Service Budgets
- Appendix 10 - Change Programme
- Appendix 11 - Engagement Feedback
- Appendix 12 - Overarching EQIA
- Appendix 13 - Letter setting out changes to the Local Government settlement

MIDLOTHIAN COUNCIL

Council Tax for Financial Year 2019/20

This statement gives details of the 2019/20 Council Tax payable in respect of a chargeable dwelling in each of the valuation bands specified in Section 74(2) of the Local Government Finance Act 1992 determined in accordance with Section 74(1) of the Act (as amended)
Based on Band D Council Tax of £1,321.

Band	Range of Values		Band D Proportion	Council Tax £
	From £	To £		
A	-	27,000	240/360	880.66
B	27,001	35,000	280/360	1,027.44
C	35,001	45,000	320/360	1,174.22
D	45,001	58,000	360/360	1,321.00
E	58,001	80,000	473/360	1,735.64
F	80,001	106,000	585/360	2,146.62
G	106,001	212,000	705/360	2,586.95
H	212,001	upward	882/360	3,236.44

REVENUE BUDGET 2019/20 SUMMARY

Service Function	Budget 2019/20 £
Management and Members	1,776,587
<u>Education Communities and Economy</u>	
Children's Services	15,795,457
Communities and Economy	3,024,584
Education	94,011,873
<u>Health and Social Care</u>	
Adult Social Care - IJB	42,652,073
Adult Social Care – Non IJB	405,798
Customer and Housing Services	10,167,866
<u>Resources</u>	
Commercial Operations	12,129,025
Finance and Integrated Service Support	10,199,484
Properties and Facilities Management	13,127,792
Lothian Valuation Joint Board	545,551
Centrally Held Budget Provisions	(129,792)
Non Distributable Costs	1,338,436
GENERAL FUND SERVICES NET EXPENDITURE	205,044,734
Loan Charges	6,123,494
Investment Income	(406,420)
Allocations to HRA, Capital Account etc.	(5,015,808)
NET EXPENDITURE	205,746,000
(Enhancement) /Utilisation of Reserves	0
Scottish Government Grant	155,630,000
Council Tax	50,116,000
TOTAL FUNDING	205,746,000

CHANGE PROGRAMME OVERVIEW
FINANCIAL STRATEGY REPORT 12 FEBRUARY 2019 - APPENDIX 2
TRANSFORMATION PROGRAMME

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Finance

CUMULATIVE

Strand	Serv	No.	Proposal	Y/N	Year 1	Year 2	Year 3	Year 4
					2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Entrepreneurial Council	EDUC	1.3	Review Early Years Contracts	N	0.053	0.053	0.053	0.053
Entrepreneurial Council	CO	27	Increase training offer - increase income Risk Management	N	0.000	0.025	0.025	0.025
Entrepreneurial Council	CO	28	Sales Force Spend to Generate	N	0.000	0.175	0.225	0.225
Entrepreneurial Council	PFM	9	Café Service Social Enterprise/Branding	N	0.020	0.040	0.040	0.040
Entrepreneurial Council	PFM	20	Wrap around care provision - holiday club	N	0.025	0.050	0.075	0.075
Entrepreneurial Council			Total		0.098	0.343	0.418	0.418
Shared Services	PFM	6	Sharing Catering management with neighbouring LAs	N	0.000	0.025	0.025	0.025
Shared Services			Total		0.000	0.025	0.025	0.025
Digital Lead	CHS	4	Libraries Service	N	0.050	0.150	0.150	0.150
Digital Lead			Total		0.050	0.150	0.150	0.150
Integrated Service Support	FISS	4	Service Improvement Plans/Business Processes/Service Reduction	N	0.500	0.500	0.500	0.500
Integrated Service Support			Total		0.500	0.500	0.500	0.500
Workforce	EXE	1	Senior Management Team Review and Reduction	N	0.200	0.200	0.200	0.200
Workforce	EDUC	1.1	Reduce Learning Assistants by 10%	N	0.132	0.132	0.132	0.132
Workforce	FISS	5	Remove Regular Car Allowance	N	0.100	0.200	0.265	0.265
Workforce	FISS	6	To remove Lease Car Scheme and the cessation of Employee Retention Allowances	N	0.050	0.100	0.125	0.125
Workforce			Total		0.482	0.632	0.722	0.722
Childrens Services	CS	1	Childrens Services Review	N	0.000	0.000	0.000	0.000
Childrens Services			Total		0.000	0.000	0.000	0.000
			Total		1.130	1.650	1.815	1.815

CHANGE PROGRAMME OVERVIEW
 FINANCIAL STRATEGY REPORT 12 FEBRUARY 2019 - APPENDIX 3
 ADDITIONS TO TRANSFORMATION PROGRAMME

			Verified & Agreed by Finance	CUMULATIVE			
Strand	Serv	No. Proposal	Y/N	Year 1	Year 2	Year 3	Year 4
				2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Digital Lead	FISS	3 Digital by Default across Council		0.000	0.000	0.500	0.500
Digital Lead		Total		0.000	0.000	0.500	0.500
Entrepreneurial Council	CW	3 Entrepreneurial Council	N	0.000	0.500	1.000	1.000
Entrepreneurial Council	CO	32 Provide Taxi Testing Service at Hopefield	N	0.000	0.060	0.060	0.060
Entrepreneurial Council	PFM	1 Building Services Company	N	0.000	0.250	0.610	0.610
Entrepreneurial Council	PFM	3 Construction and Design Service Consultancy	N	0.000	0.190	0.190	0.190
Entrepreneurial Council	PFM	4 Income from Professional Consultancy	N	0.000	0.050	0.050	0.050
Entrepreneurial Council	PFM	8 Expand Catering/Function Service	N	0.020	0.025	0.030	0.030
Entrepreneurial Council	PFM	12 Property Company	N	0.000	0.000	0.240	0.240
Entrepreneurial Council	PFM	13 Renewable Sources of Energy	N	0.000	0.000	0.280	0.280
Entrepreneurial Council	PFM	16 Community run 'Pure Gymn'	N	0.000	0.000	0.200	0.200
Entrepreneurial Council	PFM	22 Selling Services	N	0.000	0.050	0.050	0.050
Entrepreneurial Council	PFM	23 Destination Hillend	N	0.000	0.250	0.900	1.000
Entrepreneurial Council		Total		0.020	1.375	3.610	3.710
Enterprising with Communities	CW	1 Co Production Community Engagement	N	0.000	0.000	1.000	1.000
Enterprising with Communities	PFM	21 Transfer all halls and pavillions to community groups	N	0.000	0.100	0.100	0.100
Enterprising with Communities		Total		0.000	0.100	1.100	1.100
Shared Services	CW	2 Shared Services	N	0.000	1.000	1.000	1.000
Shared Services	FISS	7 Shared Service	N	0.000	0.000	1.000	1.000
Shared Services	PFM	14 PPP Shared management with other LA	N	0.000	0.035	0.035	0.035
Shared Services		Total		0.000	1.035	2.035	2.035
		Total		0.020	2.510	7.245	7.345

CHANGE PROGRAMME OVERVIEW
FINANCIAL STRATEGY REPORT 12 FEBRUARY 2019 - APPENDIX 4
OPERATIONAL SAVINGS

Verified &
 Agreed by
 Finance

CUMULATIVE

Strategic Theme	Serv	No.	Proposal	Y/N	Year 1	Year 2	Year 3	Year 4
					2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Operational Workforce	EDUC	1	Central Education Staff		0.103	0.103	0.103	0.103
Operational Workforce	CS	2	Childrens Services Staffing		0.100	0.100	0.100	0.100
Operational Workforce	CO	3	Early Years Funding towards Countryside Ranger Service		0.020	0.020	0.020	0.020
Operational Workforce			Total		0.223	0.223	0.223	0.223
			Total		0.223	0.223	0.223	0.223

CUMULATIVE

Strategic Theme	Serv	No. Proposal	Y/N	Year 1	Year 2	Year 3	Year 4	Total	FTE
				2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m		
EDUCATION, COMMUNITIES & ECONOMY									
CHILDREN SERVICES									
Operational Costs	CS	2 Termination of Action Group Contract	Y	0.201	0.201	0.201	0.201	0.201	0.00
		Sub Total		0.201	0.201	0.201	0.201	0.201	0.00
EDUCATION									
Operational Costs	ED	11 Reduce Early Years Budget	Y	0.038	0.038	0.038	0.038	0.038	0.00
Operational Costs	ED	17C Reduction in PAVE Service		0.036	0.043	0.043	0.043	0.043	0.40
Operational Workforce	ED	18 Remove the Management Information Officer Post LLE	Y	0.010	0.021	0.021	0.021	0.021	0.50
Operational Workforce	ED	20 Secondment temporary savings from LLE	Y	0.078	0.046	0.000	0.000	0.000	1.00
Operational Workforce	ED	24 Reduce Resource Planning Team budget reduction		0.032	0.032	0.032	0.032	0.032	1.00
Operational Costs	ED	26 Removal of EY joint funding of NHS Health Manager post for GIRFEC Board		0.033	0.033	0.033	0.033	0.033	0.50
Operational Costs	ED	28 Transfer cost of EY QIO to EY expansion		0.071	0.071	0.071	0.071	0.071	1.00
Operational Workforce	ED	29 Central staff reduction		0.068	0.068	0.068	0.068	0.068	1.50
		Sub Total		0.366	0.352	0.306	0.306	0.306	5.90
COMMUNITIES AND ECONOMY									
Operational Workforce	CE	3 Social Inclusion Budget	Y	0.010	0.010	0.010	0.010	0.010	0.00
Operational Workforce	CE	4 Staff Travel	Y	0.020	0.020	0.020	0.020	0.020	0.00
Operational Workforce	CE	5 Misc Supplies & Services	Y	0.016	0.016	0.016	0.016	0.016	0.00
Operational Workforce	CE	6 Third Party Payments	Y	0.020	0.020	0.020	0.020	0.020	0.00
Operational Workforce	CE	7 Communities Team - Grade 8 post	Y	0.024	0.047	0.047	0.047	0.047	1.00
Operational Workforce	CE	8 WRO post grade 9	Y	0.026	0.053	0.053	0.053	0.053	1.00
Operational Workforce	CE	Sub Total		0.116	0.166	0.166	0.166	0.166	2.00
RESOURCES									
COMMERCIAL OPERATIONS									
Operational Costs	CO	7 Reduce out of hours call outs	N	0.030	0.030	0.030	0.030	0.030	0.00
		Sub Total		0.030	0.030	0.030	0.030	0.030	0.00
FINANCE AND INTEGRATED SERVICE SUPPORT									
Operational Workforce	FISS	20A Policy and Scrutiny Team	N	0.040	0.040	0.040	0.040	0.040	1.00
Operational Costs	FISS	40 Communications Team	N	0.035	0.035	0.035	0.035	0.035	1.00
		Sub Total		0.075	0.075	0.075	0.075	0.075	2.00
PROPERTY & FACILITIES MANAGEMENT									
Operational Costs	PFM	20 Review Campus Facility Service	N	0.014	0.014	0.014	0.014	0.014	0.42
		Sub Total		0.014	0.014	0.014	0.014	0.014	0.42
		TOTAL		0.802	0.838	0.792	0.792	0.792	10.32

DIRECTORATE SUMMARY 2019/20 BUDGET SAVINGS PROPOSALS APPENDIX 5		CUMULATIVE				
		Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	FTE
EDUCATION, COMMUNITIES & ECONOMY						
	Children's Services	0.143	0.190	0.190	0.190	4.80
	Education	1.201	2.212	2.222	2.222	64.88
	SUB TOTAL	1.344	2.402	2.412	2.412	69.68
HEALTH AND SOCIAL CARE						
	Customer and Housing Services	0.073	0.173	0.173	0.173	7.16
	Non Delegated	0.371	0.742	0.742	0.742	3.50
	SUB TOTAL	0.444	0.915	0.915	0.915	10.66
RESOURCES						
	Commercial Operations	0.790	1.006	1.028	1.028	8.75
	Finance & ISS	0.200	0.250	0.261	0.261	9.00
	Property & Facilities	1.020	1.642	1.566	1.566	59.06
	SUB TOTAL	2.010	2.898	2.855	2.855	76.81
	TOTAL	3.798	6.215	6.182	6.182	157.15

EDUCATION, COMMUNITIES & ECONOMY
2019/20 BUDGET SAVINGS PROPOSALS
APPENDIX 5A

Verified &
Agreed by
Finance

CUMULATIVE

KEY	No.	Proposal	Y/N	Year 1	Year 2	Year 3	Year 4	Total	FTE
				2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m		
CHILDREN'S SERVICES									
WF	1	Reduction in Early Intervention and Prevention services by 20%	Y	0.143	0.190	0.190	0.190	0.190	4.80
		Total		0.143	0.190	0.190	0.190	0.190	4.80
EDUCATION									
WF	10	Reduce Central Education Management Staff	Y	0.096	0.148	0.148	0.148	0.148	2.00
P	12	Creative Arts Team Reduction	Y	0.150	0.240	0.240	0.240	0.240	11.20
P	13	Move to statutory consultation on Glencorse Primary School	Y	0.000	0.000	0.000	0.000	0.000	0.00
P	13A	Move to statutory consultation for Denominational Review		0.000	0.000	0.000	0.000	0.000	0.00
P	14	Stop Free Primary 4 School Swimming	Y	0.033	0.053	0.053	0.053	0.053	0.48
P	15	Redesign of Devolved School Management	Y	0.038	0.361	0.361	0.361	0.361	8.00
WF	17A	LLE Service reduction	Y	0.046	0.067	0.067	0.067	0.067	3.50
WF	17B	Reduction in Adult Learning LLE Workforce		0.047	0.047	0.047	0.047	0.047	0.20
P	17D	Youth Work reductions in LLE		0.057	0.057	0.057	0.057	0.057	1.00
F&C	19	Reduce Subsidy from School Lets	Y	0.015	0.049	0.059	0.059	0.059	0.00
P	21	Reduce the budget on School Transport		0.047	0.076	0.076	0.076	0.076	0.00
P	23	Reduction in Educational Psychologist Service		0.020	0.070	0.070	0.070	0.070	0.00
P	25	Employ fewer Learning Assistants by 5% for ASL pupils		0.121	0.194	0.194	0.194	0.194	8.50
P	27	Reduce LLE to only statutory provision		0.531	0.850	0.850	0.850	0.850	30.00
		Total		1.201	2.212	2.222	2.222	2.222	64.88
Education, Communities & Economy Total				1.344	2.402	2.412	2.412	2.412	69.68

RAG Rating:

RAG SI – Service Impact

RAG D – Delivery of the saving

KEY (Strategic Theme):

DL/DLF – Digital Led/Digital Led Future Savings

ISS – Integrated Service Support

OC – Operational Costs

OWF – Operational Workforce

SS/SSF – Shared Service/Shared Service Future Saving

WF - Workforce

P - Policy

F&C - Fees & Charges

BUR - Bottom up Review

HEALTH AND SOCIAL CARE 2019/20 BUDGET SAVINGS PROPOSALS APPENDIX 5B			Verified & Agreed by Finance	CUMULATIVE					
KEY	No.	Proposal	Y/N	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	Total £m	FTE
CUSTOMER & HOUSING SERVICES									
P	1	Non Hub Libraries	N	0.073	0.173	0.173	0.173	0.173	7.16
		Total ex HRA		0.073	0.173	0.173	0.173	0.173	7.16
COMMUNITY JUSTICE									
P	6	Removal of Community Safety Team	N	0.090	0.180	0.180	0.180	0.180	3.50
P	7	Cessation of Midlothian Community Policing Team	N	0.281	0.562	0.562	0.562	0.562	0.00
		Total		0.371	0.742	0.742	0.742	0.742	3.50
Health & Social Care Total - ex IJB and HRA				0.444	0.915	0.915	0.915	0.915	10.66

RAG Rating:

RAG SI – Service Impact

RAG D – Delivery of the saving

KEY (Strategic Theme):

DL/DLF – Digital Led/Digital Led Future Savings

ISS – Integrated Service Support

OC – Operational Costs

OWF – Operational Workforce

SS/SSF – Shared Service/Shared Service Future Saving

WF - Workforce

P - Policy

F&C - Fees & Charges

BUR - Bottom up Review

RESOURCES

2019/20 BUDGET SAVINGS PROPOSALS

APPENDIX 5C

Verified & Agreed
by Finance

CUMULATIVE

KEY	No. Proposal	Y/N	Year 1	Year 2	Year 3	Year 4	Total	FTE
			2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m		
BUR	COMMERCIAL OPERATIONS							
P	1 School Crossing Guides (option 2)	N	0.070	0.105	0.105	0.105	0.105	4.00
P	3 Reduce road maintenance spending on gully cleaning	N	0.050	0.050	0.050	0.050	0.050	0.00
P	4 Reduce road maintenance spending	N	0.150	0.150	0.150	0.150	0.150	0.00
F&C	6 Introduce and/or increase car park charges	N	0.000	0.066	0.066	0.066	0.066	0.00
P	8 Removal of support for bus travel	N	0.113	0.125	0.125	0.125	0.125	0.00
P	9 Removal/Reduction of Community Transport funding	N	0.210	0.313	0.313	0.313	0.313	0.00
P	10 Stop all support to Galas and events	N	0.044	0.044	0.044	0.044	0.044	0.00
P	15 Close Penicuik Recycling Centre	N	0.078	0.078	0.100	0.100	0.100	2.75
P	16 Taxi Card Cessation	N	0.045	0.045	0.045	0.045	0.045	0.00
P	17 Close Vogrie Golf Course	N	0.030	0.030	0.030	0.030	0.030	2.00
P	17A Extend the collection frequencies of the residual waste	N	0.000	0.000	0.000	0.000	0.000	0.00
	Total		0.790	1.006	1.028	1.028	1.028	8.75
	FINANCE & INTEGRATED SERVICE SUPPORT							
ISS	18 Service Improvement Plans/Business Processes/Service Reduction	N	0.200	0.250	0.250	0.250	0.250	9.00
P	19 Contact for Webcasting in Chamber not renewed	N	0.000	0.000	0.011	0.011	0.011	0.00
	Total		0.200	0.250	0.261	0.261	0.261	9.00
	PROPERTY & FACILITIES MANAGEMENT							
P	21 Close Public Toilets	N	0.051	0.067	0.067	0.067	0.067	1.07
P	27 Cleaning Schools reduced by 20%	N	0.167	0.335	0.335	0.335	0.335	13.02
P	28 Cleaning non-Education Buildings reduced by 40%	N	0.033	0.065	0.065	0.065	0.065	2.79
P	29 PPP closed during holidays		0.018	0.022	0.022	0.022	0.022	0.000
P	30 Non-housing maintenance	N	0.300	0.300	0.300	0.300	0.300	12.00
P	31 Standalone Leisure Centres closed - Danderhall LC	N	0.122	0.076	0.000	0.000	0.000	4.30
P	32 Standalone Leisure Centres closed - Gorebridge LC	N	0.090	0.108	0.108	0.108	0.108	5.00
P	33 Standalone Leisure Centres closed - Newtongrange LC	N	0.050	0.119	0.119	0.119	0.119	3.67
P	34 Sports Development - removal of Healty Lifestyle Development Team	N	0.127	0.251	0.251	0.251	0.251	6.66
P	35 Stop Active Schools	N	0.000	0.131	0.131	0.131	0.131	7.30
P	36 Stop free swimming during holidays	N	0.017	0.017	0.017	0.017	0.017	0.00
P	37 Management Team	N	0.045	0.151	0.151	0.151	0.151	3.25
	Total		1.020	1.642	1.566	1.566	1.566	59.06
	Resources Total		2.010	2.898	2.855	2.855	2.855	76.81

RAG Rating:

RAG SI – Service Impact

RAG D – Delivery of the saving

KEY (Strategic Theme):

DL/DLF – Digital Led/Digital Led Future Savings

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F&C - Fees & Charges

BUR - Bottom up Review

MIDLOTHIAN COUNCIL

REVENUE BUDGET 2019/20 - EFFIECIENCY TARGET- APPENDIX 6

Function	1.35% Efficiency Reduction £
Management and Members	24,000
<u>Education Communitis and Economy</u>	
Childrens Services	0
Communities and Economy	41,000
Education	1,279,000
<u>Health and Social Care</u>	
Adult and Social Care - IJB	0
Adult and Social Care - Non-IJB	6,000
Customer and Housing Services	138,000
<u>Resources</u>	
Commercial Operations	165,000
Finance and Integrated Service Support	139,000
Property and Facility Management	178,000
GENERAL FUND SERVICES NET EXPENDITURE	1,970,000

RESOURCES
2019/20 BUDGET SAVINGS PROPOSALS - APPENDIX 7
BOTTOM UP REVIEWS

**Verified &
 Agreed by
 Finance**

CUMULATIVE

Service	KEY	No.	Proposal	Y/N	Year 1	Year 2	Year 3	Year 4	Total	FTE
					2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m		
CO	BUR	11	Close Buccleuch Bowling Green, Dalkeith	N	0.025	0.025	0.025	0.025	0.025	1.00
CO	BUR	12	Reduce grass cutting standards	N	0.075	0.150	0.150	0.150	0.150	4.50
CO	BUR	13	Reduce shrub bed maintenance	N	0.025	0.045	0.045	0.045	0.045	1.50
CO	BUR	14	Maximise Income from Vogrie Estate	N	0.070	0.070	0.070	0.070	0.070	4.00
PFM	BUR	39	Sport and Leisure	N	0.250	0.250	0.250	0.250	0.250	TBC
			Total		0.445	0.540	0.540	0.540	0.540	11.00

Fees and Charges register 2019-20

Appendix 8

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Updated: 29th January 2019

Note: Actual % increases will vary due to roundings.

Customer and Housing Services

Library Service and Misc.							
Overdue fines	Apr-18	£0.15	3.00%	£0.15	Apr-19	Charges determined by cost analysis and benchmarking with other local authorities.	
Requests	Apr-18	£0.00	3.00%	£0.00	Apr-19		
CD Hire	Apr-18	£0.35	14.00%	£0.40	Apr-19		
DVD (fiction) per day	Apr-18	£1.20	8.00%	£1.30	Apr-19		
Printing (black and white)	Apr-18	£0.10	0.00%	£0.10	Apr-19		Harmonised charge across all Council services/outlets.
Printing (colour)	Apr-18	£0.60	0.00%	£0.60	Apr-19		
Photocopies (A4 black and white) per sheet	Apr-18	£0.10	0.00%	£0.10	Apr-19		
Photocopies (A3 black and white) per sheet	Apr-18	£0.20	0.00%	£0.20	Apr-19		
Photocopies (A4 colour) per sheet	Apr-18	£0.60	0.00%	£0.60	Apr-19		
Photocopies (A3 colour) per sheet	Apr-18	£1.10	0.00%	£1.10	Apr-19		
Laminating (A4 per sheet)	Apr-18	£0.60	0.00%	£0.60	Apr-19		
Laminating (A3 per sheet)	Apr-18	£0.60	3.00%	£0.60	Apr-19		
Lost Membership card	Apr-18	£1.20	8.00%	£1.30	Apr-19		
Lost Membership card (under 12s)	Apr-18	£0.00	0.00%	£0.00	Apr-19		
Fax Sending (UK per sheet)	Apr-18	£1.50	6.00%	£1.60	Apr-19		Maximum £4.50
Fax Sending (Europe per sheet)	Apr-18	£2.00	5.00%	£2.10	Apr-19		Maximum £6.50
Fax Sending (International per sheet)	Apr-18	£2.50	8.00%	£2.70	Apr-19		Maximum £7.50
Fax Receiving - all	Apr-18	£1.50	3.00%	£1.60	Apr-19		
Use of image for publication per image (Commercial)	Apr-18	£29.00	20.00%	£35.00	Apr-19		
Use of image for publication per image (Academic)	Apr-18	£18.00	5.00%	£19.00	Apr-19		
Use of image for publication per image (Local History Societies)	Apr-18	£0.00	3.00%	£0.00	Apr-19	Work in Partnership	
USB Flash drives - Determined by cost	Apr-18	£6.00	3.00%	£6.20	Apr-19		
Scotland People Vouchers	Apr-18	£5.80	0.00%	£5.80	Apr-19	Statutory charge	
Scotland people Vouchers	Apr-18	£7.00	0.00%	£7.00	Apr-19	Statutory charge	

Registrars

Marriage Notice Forms	Apr-18	£30.00	0.00%	£30.00	Apr-19	Statutory charge	
Civil Partnership Registration Notice Forms	Apr-18	£30.00	0.00%	£30.00	Apr-19	Statutory charge	
Marriage/Civil Partnership Certificate	Apr-18	£10.00	0.00%	£10.00	Apr-19	Statutory charge	
Civil Marriage Fee - in office	Apr-18	£55.00	0.00%	£55.00	Apr-19	Statutory charge	
Civil Partnership Ceremony Fee - in office	Apr-18	£55.00	0.00%	£55.00	Apr-19	Statutory charge	
Religious Marriage	Apr-18	£70.00	0.00%	£70.00	Apr-19	Statutory charge	
Civil Partnership Registration (no ceremony) - in office	Apr-18	£125.00	0.00%	£125.00	Apr-19	Statutory charge	
Civil Marriage Registration - (ceremony) - in office - no quests	Apr-18	£125.00	0.00%	£125.00	Apr-19	Statutory charge	
Civil Ceremony (Saturday) - in office	Apr-18	£295.00	3.00%	£305.00	Apr-19	Includes statutory charges of £125.00	
Civil Marriage - in office	Apr-18	£250.00	3.00%	£260.00	Apr-19	Includes statutory charges of £125.00	
Civil Partnership Ceremony - in office	Apr-18	£250.00	3.00%	£260.00	Apr-19	Includes statutory charges of £125.00	
Civil Marriage - at venue	Apr-18	£370.00	3.00%	£380.00	Apr-19		
Civil Partnership - at venue	Apr-18	£370.00	3.00%	£380.00	Apr-19		
Non Refundable Booking Fee	Apr-18	£45.00	22.00%	£55.00	Apr-19	Cost analysis taken place to determine increase in addition to stated fee.	
Marriage/Civil Partnership Rehearsal - in office	Apr-18	£53.00	3.00%	£55.00	Apr-19		
Marriage/Civil Partnership Rehearsal - at venue	Apr-18	£110.00	3.00%	£115.00	Apr-19		
Birth, Death, Marriage, Civil Partnership Extracts at time of registration	Apr-18	£10.00	0.00%	£10.00	Apr-19	Statutory charge	
Birth, Death, Marriage, Civil Partnership Extracts after one month of registration	Apr-18	£16.00	0.00%	£16.00	Apr-19	Includes Statutory charge £10.00	
Postage charge for Birth, Death, Marriage, Civil Partnership Extracts after one month of registration	Apr-18	£1.00	0.00%	£1.00	Apr-19	Standard postage charge	
Birth, Death, Marriage, Civil Partnership Extracts after one month of registration - Priority Service	Apr-18	£21.00	0.00%	£21.00	Apr-19	Includes Statutory charge £10.00	
Public Holiday and Sunday Charge at Venue	Apr-18	£55.00	9.00%	£60.00	Apr-19		
Citizenship Ceremony (if individual ceremony requested)	Apr-18	£63.00	3.00%	£65.00	Apr-19	Statutory charge	
Civil Partnership to a Same Sex Marriage Conversion	Apr-18	£32.00	3.00%	£33.00	Apr-19	Statutory charge	
Risk Assessment undertaken by Registrar	Apr-18	£53.00	3.00%	£55.00	Apr-19		
Baby naming ceremony	Apr-18	£263.00	0.00%	£263.00	Apr-19	No increase due to low volumes.	
Renewal of vows	Apr-18	£263.00	0.00%	£263.00	Apr-19		

Adult and Social Care

Resources and Adult Care							
Homecare Charges per hour	Apr-18	£11.30	3.00%	£11.60	Apr-19	Financial assessment determines cost with a maximum charge.	
Housing Support per hour	Apr-18	£11.30	3.00%	£11.60	Apr-19		
Telecare and Community Alarms (per week)	Apr-18	£3.15	22.00%	£3.85	Apr-19	See Financial Strategy service proposal.	
Day Centre Meals (Cherry Road/CAT)	Apr-18	£2.30	0.00%	£2.30	Apr-19	Financial assessment determines cost with a maximum charge.	
Care Home Charges	Apr-18	n/a	n/a		Apr-19	Financial assessment required, set in accordance with Scottish Government Guidance Annually in March.	
Day Centre Charges (Highbank - meals, per day)	Apr-18	£3.70	3.00%	£3.70	Apr-19		
Transport - Highbank	Apr-18	£3.50	3.00%	£3.60	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Updated: 29th January 2019

Note: Actual % increases will vary due to roundings.

Transport - all other (per journey)	Apr-18	£1.00	0.00%	£1.00	Apr-19		
Adult day centre (per day)	Apr-18	£3.00	0.00%	£3.00	Apr-19	Financial assessment determines cost with a maximum charge.	

Education

Arts and Creativity							
Instrumental Tuition (per Academic year)	Aug-18	£205.50	0.00%	£205.50	Aug-19		
Instrumental Tuition (Spring and Summer terms)	Aug-18	£137.00	0.00%	£137.00	Aug-19		
Instrumental Tuition (Summer term only)	Aug-18	£68.50	0.00%	£68.50	Aug-19		

Beeslack High School - Classes

Other evening/interest only class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Cake decorating/per class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Dressmaking/per class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Language Classes/per class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Jewellery Making/per class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Upholstery/per class	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Highers 3 terms							
Adult Evening Classes	Aug-18	£210.00	0.00%	£210.00	Aug-19	No increases to align with LLE charges.	
Concession - pupils/students/retired	Aug-18	£105.00	3.00%	£110.00	Aug-19	Increased to align with LLE charges.	
Exam Fee	Aug-18	£37.50	0.00%	£37.50	Aug-19	Statutory charge - set by SQA	

Lifelong Learning & Employability classes (including Lasswade evening classes)

Code A Highers	Aug-18	£210.00	0.00%	£210.00	Aug-19	No increase to support attainment	All evening classes are now aligned to same fee structure across LLE, Lasswade HS and Beeslack HS.
Code A (Under 18/DLA)	Aug-18	£105.00	0.00%	£105.00	Aug-19	No increase to support attainment	
Code A (Retired)	Aug-18	£150.00	3.00%	£155.00	Aug-19		
Code A (Concession)	Aug-18	£42.00	0.00%	£42.00	Aug-19		
Code C - 10 weeks at 2 hours	Aug-18	£72.00	3.00%	£74.00	Aug-19		
Code C (Under 18/DLA)	Aug-18	£36.00	3.00%	£37.00	Aug-19		
Code C (Retired)	Aug-18	£40.00	3.00%	£41.00	Aug-19		
Code C (Concession)	Aug-18	£20.00	0.00%	£20.00	Aug-19	No increase to recognise poverty agenda.	
Code F 10 weeks at 1 hour	Aug-18	£40.00	0.00%	£40.00	Aug-19	No increases proposed to align 10 hour courses with charges for 20 hour courses.	
Code F (under 18/DLA)	Aug-18	£20.00	0.00%	£20.00	Aug-19		
Code F (Retired)	Aug-18	£25.00	0.00%	£25.00	Aug-19		
Code F (Concession)	Aug-18	£15.00	0.00%	£15.00	Aug-19		
Code G - weekend or half day provision 4 hours in total	Aug-18	£27.00	3.00%	£28.00	Aug-19		
Code G (Under 18/DLA)	Aug-18	£27.00	3.00%	£28.00	Aug-19		
Code G (Retired)	Aug-18	£27.00	3.00%	£28.00	Aug-19		
Code G (Concession)	Aug-18	£27.00	-63.00%	£10.00	Aug-19	Charges reduced to support attainment	

Beeslack High School - Leisure

Tennis Courts/per hour	Aug-18	£14.20	3.00%	£14.60	Aug-19	Increases applied to harmonise with Leisure services.	
Swimming pool/per hour (weekdays)	Aug-18	£34.70	0.00%	£34.70	Aug-19		
Swimming pool/per hour (weekends)	Aug-18	£67.00	0.00%	£67.00	Aug-19		
Leisure Swim/per hour	Aug-18	£3.60	3.00%	£3.70	Aug-19		
Swimming instruction/per hour - adults	Aug-18	£5.30	3.00%	£5.50	Aug-19		
Swimming instruction/per hour - children	Aug-18	£5.30	3.00%	£5.50	Aug-19		
NPLQ/per course	Aug-18	£247.75	3.00%	£255.00	Aug-19		
Summer Activities per session	Aug-18	£5.50	3.00%	£5.60	Aug-19		
Fun Athletics/per hour	Aug-18	£5.50	3.00%	£5.60	Aug-19		
Yoga/per 2 hours	Aug-18	£7.15	3.00%	£7.30	Aug-19		

Communities & Economy

Planning and Building Control							
Letter of Comfort (building warrant obtained, completion certificate not obtained)	Apr-18	£188.00	3.00%	£193.00	Apr-19		
Letter of Comfort (no building warrant obtained)	Apr-18	£330.00	3.00%	£340.00	Apr-19		
Search building standards electronic and paper records for single entry relating specifically to the work detailed on application form (Standard)	Apr-18	£34.00	3.00%	£35.00	Apr-19		
Search building standards electronic and paper records for single entry relating specifically to the work detailed on application form (Express)	Apr-18	£100.00	3.00%	£103.00	Apr-19		
Copy of document, plan, etc. from Part 2 of the Building Standards Register held electronically or within a file (No drawings provided) - (Standard)	Apr-18	£34.00	3.00%	£35.00	Apr-19		
Copy of document, plan, etc. from Part 2 of the Building Standards Register held electronically or within a file (No drawings provided) - (Express)	Apr-18	£100.00	3.00%	£103.00	Apr-19		
Copy of document, plan, etc. from Part 2 of the Building Standards Register held electronically or within a file (drawings provided) - (Standard)	Apr-18	£78.00	3.00%	£80.00	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Updated: 29th January 2019

Note: Actual % increases will vary due to roundings.

Copy of document, plan, etc. from Part 2 of the Building Standards Register held electronically or within a file (drawings provided) - (Express)	Apr-18	£233.00	3.00%	£240.00	Apr-19		
Request for written confirmation from Building Standards that a proposal is exempt from the Standards or exempt from requiring Building Warrant	Apr-18	£56.00	3.00%	£58.00	Apr-19		
Costs involved in administering on site works following issue of a dangerous or defective building notice. (surveyor/administrative charge)	Apr-18	£66.00	3.00%	£68.00	Apr-18		
Planning Application Fees (variable according to development size)	Apr-18	n/a	n/a	n/a	n/a	Minimum charge £202.00 - Maximum charge £20,055. Set by Scottish Government.	
Permission to Display an Advertisement	Apr-18	£202.00	0.00%	£202.00	n/a	Set by Scottish Government	
Property Enquiry	Apr-18	£90.00	0.00%	£90.00	Apr-19	Costs in line with other local authorities	
Admin Fee (missive)	Apr-18	£263.00	0.00%	£263.00	Apr-19	Set by Scottish Government regulations	
Admin Fee (renewal)	Apr-18	£188.00	0.00%	£188.00	Apr-19	Set by Scottish Government regulations	
Survey Fee	Apr-18	£225.00	0.00%	£225.00	Apr-19	Set by Scottish Government regulations	
Management Fee	Apr-18	£375.00	0.00%	£375.00	Apr-19	Set by Scottish Government regulations	
Management Fee	Apr-18	£525.00	0.00%	£525.00	Apr-19	Set by Scottish Government regulations	

Landlord fees							
Landlord Registration Fee - Principal (3 years)	Apr-18	£55.00	0.00%	£55.00	Apr-19	Statutory charge	
Landlord Registration Fee - Property (3 year per property)	Apr-18	£11.00	0.00%	£11.00	Apr-19	Statutory charge	
Landlord Registration Fee - Agent (3 years)	Apr-18	£55.00	0.00%	£55.00	Apr-19	Statutory charge	
Landlord Registration Fee - Charity (3 years)	Apr-18	£0.00	0.00%	£0.00	Apr-19	Statutory charge	
Landlord Registration Fee - HMO (3 years)	Apr-18	£0.00	0.00%	£0.00	Apr-19	Statutory charge	
Landlord Registration Fee - Multiple LA (3 years)	Apr-18	£27.50	0.00%	£27.50	Apr-19	Statutory charge	
Landlord Registration Fee - Multiple LA (3 years per property)	Apr-18	£11.00	0.00%	£11.00	Apr-19	Statutory charge	
Late Registration Fee - (3 years)	Apr-18	£110.00	0.00%	£110.00	Apr-19	Statutory charge	
Late Registration Fee - Charity (3 years)	Apr-18	£55.00	0.00%	£55.00	Apr-19	Statutory charge	

Environmental Health							
Rats/Mice treatment to eradicate	Apr-18	£73.00	20.00%	£87.00	Apr-19	Charge increased due to the complexity involved in the treatment to ensure it is successful.	Cost of treatment will involve a minimum of three visits to site (unless the first visit finds that a treatment is not actually required)
Wasps - initial visit	Apr-18	£46.00	9.00%	£50.00	Apr-19	Increases applied to ensure cost recovery.	
Wasps - subsequent wasp nest treatment/additional nests	Apr-18	£10.00	3.00%	£10.50	Apr-19	Charge is for each additional nest within the property curtilage treated during the same visit. E.g. if three nests within curtilage of property =initial cost of £ 50.00 + £10.50 (2nd nest) + £10.50 (3rd nest) totalling £71.00. If one nest found to be dead and no insecticide required then refund £10.50 in full.	To note: no additional cost if retreat of same nest(s) required.
Fleas - per visit	Apr-18	£46.00	9.00%	£50.00	Apr-19	Increases applied to ensure cost recovery	
Insects - per visit (other than bedbugs, fleas or cockroaches)	Apr-18	£46.00	9.00%	£50.00	Apr-19	Increases applied to ensure cost recovery	
Bedbugs	Apr-18	£100.00	50.00%	£150.00	Apr-19	This charge is required to be increased due to the complexity involved in the treatment to ensure it is successful.	Bedbug treatments are minimum of three visits so cost increased to cover costs.
Cockroaches	Apr-18	£100.00	50.00%	£150.00	Apr-19	Charge increased due to the complexity involved in the treatment to ensure it is successful - The standard approach is the pest control officer will visit and treat with initial treatment plus two follow up treatments. Charge in line with bedbugs and ensures service costs will be met.	
Licence fees for animal boarding, dog breeding, dangerous wild animals and pet shops	Apr-18	£116.00	3.00%	£120.00	Apr-19		Note this charge is exclusive of Vets fees (at first licence or in event of complaint/compliance concerns where specialist report required at renewal of licence). Vet fees vary and are 100% recovered.
Riding establishments	Apr-18	£116.00	3.00%	£120.00	Apr-19		This annual licensing fee is exclusive of Vets fees. Vet fees vary and are 100% recovered.
Immigration certificates	Apr-18	£77.00	30.00%	£100.00	Apr-19	Ensures service costs are met. Non statutory item.	
Fast track Immigration certificate - required within 4 working days of request (50% surcharge on usual fee)	Apr-18	£115.50	30.00%	£150.00	Apr-19		
Food export certificate	Apr-18	£30.00	3.00%	£31.00	Apr-19	Manufacturers require export certificates in specific circumstances.	
Pest control advisory visit only (regarding rodents/wasps/undefined insects).	Apr-18	£25.00	32.00%	£33.00	Apr-19	Ensures cost of the service are met. If treatment subsequently undertaken this charge will not contribute to the cost of treatment.	If it is ascertained that treatment is needed the advisory visit and treatment will require to be paid for separately.
Pest control visit - no rodenticide / insecticide treatment used	Apr-18	£25.00	32.00%	£33.00	Apr-19	New fee will allow a retained charge of £33.00 if treatment booked however not required. To note: the rest of the fee would be refunded. This applies to all pests.	Customer will be made aware of these conditions upon initial booking/enquiry.
Pest control visit - cancellations	Apr-18	£25.00	32.00%	£33.00	Apr-19	New fee will allow a retained charge of £33.00 for treatment where reasonable attempts to contact the requester via the contact information provided are unsuccessful or where pre arranged appointments are not kept by the requester. Fee required to cover attendance costs.	Customer will be made aware of these conditions upon initial booking/enquiry.

Trading Standards							
Petroleum Licence (up to 2,500 litres)	Apr-18	£42.00	0.00%	£42.00	Apr-19	Statutory charge	New charges usually set in April, but no increases in past couple of years.
Petroleum Licence (2,500-50,00 litres)	Apr-18	£58.00	0.00%	£58.00	Apr-19	Statutory charge	

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
<i>Updated: 29th January 2019</i>							
Petroleum Licence (over 50,000 litres)	Apr-18	£120.00	0.00%	£120.00	Apr-19	Statutory charge	
Petroleum Licence (Transfer of licence)	Apr-18	£8.00	0.00%	£8.00	Apr-19	Statutory charge	
Explosives Store Licence (Initial application)	Apr-18	£178.00	0.00%	£178.00	Apr-19	Statutory charge	
Explosives Store Licence (Renewal)	Apr-18	£83.00	0.00%	£83.00	Apr-19	Statutory charge	
Explosives Store Registration (Initial Registration)	Apr-18	£105.00	0.00%	£105.00	Apr-19	Statutory charge	
Explosives Store Registration (Renewal)	Apr-18	£52.00	0.00%	£52.00	Apr-19	Statutory charge	
Explosives Store Registration (Variation)	Apr-18	£35.00	0.00%	£35.00	Apr-19	Statutory charge	
Weights and Measures Equipment Test Fees (weights fee)	Apr-18	£7.00	3.00%	£7.00	Apr-19		For other weights
Weights and Measures Equipment Test Fees (weights fee)	Apr-18	£9.30	3.00%	£9.50	Apr-19		For weights exceeding 5kg or not exceeding 500mg
Weights and Measures Equipment Test Fees (length fee)	Apr-18	£9.70	3.00%	£10.00	Apr-19		
Weights and Measures Equipment Test Fees (liquid capacity measure fee)	Apr-18	£27.30	3.00%	£28.00	Apr-19		
Weights and Measures Equipment Test Fees (certificate)	Apr-18	£39.40	3.00%	£40.00	Apr-19		
Weights and Measures Equipment Testing (hourly rate)	Apr-18	£76.00	3.00%	£78.00	Apr-19		

Note: Actual % increases will vary due to roundings.

Property & Facilities Management

Healthy Living Services

Harmonised pitches Charges - ALL Midlothian Facilities per hour - Standard Charge

11 a-side grass pitch	Aug-18	£17.00	15.00%	£20.00	Aug-19	As agreed by cross party working group for 18-19. Charges will be increased by 15% over next 3 years.	
7-a-side grass pitch	Aug-18	£10.00	15.00%	£11.00	Aug-19		
Off pitch training area - grass	Aug-18	£14.00	15.00%	£16.00	Aug-19		
11-a-side 3G pitch	Aug-18	£36.00	15.00%	£41.00	Aug-19		
7-a-side 3G pitch	Aug-18	£30.00	15.00%	£35.00	Aug-19		
5-a-side 3G pitch	Aug-18	£24.00	15.00%	£28.00	Aug-19		
11-a-side astro turf pitch	Aug-18	£15.00	15.00%	£17.00	Aug-19		
7-a-side astro turf pitch	Aug-18	£12.00	15.00%	£14.00	Aug-19		
Changing Rooms for matches only	Aug-18	£17.50	15.00%	£20.00	Aug-19		

Harmonised Hall Charges - ALL Midlothian Facilities per hour - Standard Charge

Class rooms/meeting rooms (0 - 60 sqm)	Aug-18	£11.30	3.00%	£12.00	Aug-19	Concessions will be applied in accordance with the Concessions Policy.	
Small Hall (61 - 300 sqm)	Aug-18	£24.30	3.00%	£25.00	Aug-19		
Medium Hall (301 - 600sqm)	Aug-18	£41.60	3.00%	£43.00	Aug-19		
Large Hall (601 + sqm)	Aug-18	£83.20	3.00%	£86.00	Aug-19		

Tonezone Membership

Platinum:

Individual	Aug-18	£48.30	0.00%	£48.30	Aug-19	No increases, charges for memberships already in line with competitor pricing.	
Individual: 12 months for the price of 10 months	Aug-18	£483.00	0.00%	£483.00	Aug-19		
Joint	Aug-18	£85.40	0.00%	£85.40	Aug-19		
Joint: 12 months for the price of 10 months	Aug-18	£854.00	0.00%	£854.00	Aug-19		
Corporate	Aug-18	£39.00	0.00%	£39.00	Aug-19		
Corporate: 12 months for the price of 10 months	Aug-18	£390.00	0.00%	£390.00	Aug-19		
Student	Aug-18	£28.60	0.00%	£28.60	Aug-19		
Student 12 months for the price of 10 months	Aug-18	£286.00	0.00%	£286.00	Aug-19		
Junior	Aug-18	£24.20	0.00%	£24.20	Aug-19		
Junior: 12 months for the price of 10 months	Aug-18	£242.00	0.00%	£242.00	Aug-19		

Gold:

Individual	Aug-18	£44.50	0.00%	£44.50	Aug-19	No increases, charges for memberships already in line with competitor pricing.	
Individual: 12 months for the price of 10 months	Aug-18	£445.00	0.00%	£445.00	Aug-19		
Joint	Aug-18	£79.10	0.00%	£79.10	Aug-19		
Joint: 12 months for the price of 10 months	Aug-18	£791.00	0.00%	£791.00	Aug-19		
Corporate	Aug-18	£34.60	0.00%	£34.60	Aug-19		
Corporate: 12 months for the price of 10 months	Aug-18	£346.50	0.00%	£346.50	Aug-19		
Student	Aug-18	£26.00	0.00%	£26.00	Aug-19		
Student:12 months for the price of 10 months	Aug-18	£260.00	0.00%	£260.00	Aug-19		
Junior	Aug-18	£22.50	0.00%	£22.50	Aug-19		
Junior: 12 months for the price of 10 months	Aug-18	£224.00	0.00%	£224.00	Aug-19		

Silver:

Individual	Aug-18	£34.60	0.00%	£34.60	Aug-19	No increases, charges for memberships already in line with competitor pricing.	
Individual: 12 months for the price of 10 months	Aug-18	£346.50	0.00%	£346.50	Aug-19		
Joint	Aug-18	£62.00	0.00%	£62.00	Aug-19		
Joint: 12 months for the price of 10 months	Aug-18	£618.50	0.00%	£618.50	Aug-19		
Corporate	Aug-18	£27.80	0.00%	£27.80	Aug-19		
Corporate: 12 months for the price of 10 months	Aug-18	£278.00	0.00%	£278.00	Aug-19		
Student	Aug-18	£23.60	0.00%	£23.60	Aug-19		
Student: 12 months for the price of 10 months	Aug-18	£236.00	0.00%	£236.00	Aug-19		
Junior	Aug-18	£21.30	0.00%	£21.30	Aug-19		
Junior: 12 months for the price of 10 months	Aug-18	£213.00	0.00%	£213.00	Aug-19		

Bronze:

Individual	Aug-18	£31.20	0.00%	£31.20	Aug-19	No increases, charges for memberships already in line with competitor pricing.	
Individual: 12 months for the price of 10 months	Aug-18	£312.00	0.00%	£312.00	Aug-19		
Joint	Aug-18	£55.60	0.00%	£55.60	Aug-19		
Joint: 12 months for the price of 10 months	Aug-18	£556.50	0.00%	£556.50	Aug-19		
Corporate	Aug-18	£25.40	0.00%	£25.40	Aug-19		

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<i>Updated: 29th January 2019</i>							<i>Note: Actual % increases will vary due to roundings.</i>
Corporate: 12 months for the price of 10 months	Aug-18	£254.00	0.00%	£254.00	Aug-19		
Student	Aug-18	£18.90	0.00%	£18.90	Aug-19		
Student: 12 months for the price of 10 months	Aug-18	£189.00	0.00%	£189.00	Aug-19		
Junior	Aug-18	£17.90	0.00%	£17.90	Aug-19		
Junior: 12 months for the price of 10 months	Aug-18	£178.50	0.00%	£178.50	Aug-19		
Active Golden Years:							
Individual	Aug-18	£20.80	0.00%	£20.80	Aug-19	No increases, charges for memberships already in line with competitor pricing.	
Individual: 12 months for the price of 10 months	Aug-18	£208.00	0.00%	£208.00	Aug-19		
Joint	Aug-18	£33.50	0.00%	£33.50	Aug-19		
Joint: 12 months for the price of 10 months	Aug-18	£333.50	0.00%	£333.50	Aug-19		
Teenzone:							
Individual	Aug-18	£16.80	3.00%	£17.00	Aug-19	Benchmarked with other competitors and authorities.	
Individual: 12 months for the price of 10 months	Aug-18	£167.50	3.00%	£170.00	Apr-19		
Joining fee:							
Individual	Aug-18	£31.90	0.00%	£31.90	Aug-19	No increases, charges already in line with competitor pricing.	
Joint	Aug-18	£44.70	0.00%	£44.70	Aug-19		
Student/Junior/Teenzone	Aug-18	£11.30	0.00%	£11.30	Aug-19		
Access to Midlothian Card							
Access to Midlothian Card - 6 months	Aug-18	£74.40	3.00%	£76.00	Aug-19		
Access to Midlothian Card - 12 months	Aug-18	£126.50	3.00%	£130.00	Aug-19		
Access to Midlothian Administration(for those who do not have a card)	Aug-18	£4.70	3.00%	£5.00	Aug-19		
Access to Midlothian Administration(for those who do not have a card) concession	Apr-18	£4.70	3.00%	£5.00	Aug-19		
Leisure Centre facilities							
Swim	Aug-18	£4.60	3.00%	£4.70	Aug-19		
Swim (concession)	Aug-18	£2.40	3.00%	£2.50	Aug-19		
Family Swim	Aug-18	£12.60	3.00%	£13.00	Aug-19		
Swimming (Adult) Private Lesson	Aug-18	£12.60	3.00%	£13.00	Aug-19		
Swimming Lesson - per lesson	Aug-18	£7.30	3.00%	£7.50	Aug-19		
Swimming Lesson - per lesson (concession)	Aug-18	£5.40	3.00%	£5.60	Aug-19		
Swimming Lesson - per lesson Discounted rate for additional child (must be a sibling)	Aug-18	£6.40	3.00%	£6.60	Aug-19		
Swimming Lesson - per lesson Discounted rate for additional child(must be a sibling) concession	Aug-18	£4.90	3.00%	£5.00	Aug-19		
Adult Clubs and Private Hire (Pool Parties) per lane (25m)	Aug-18	£18.90	3.00%	£19.50	Aug-19		
Schools and Junior Clubs (leisure) per lane (25m)	Aug-18	£13.00	3.00%	£13.50	Aug-19		
School - full pool - charge - Adults fee paying classes	Aug-18	£36.50	3.00%	£37.50	Aug-19		
School - full pool - charge - Adults fee paying classes (concession)	Aug-18	£21.80	3.00%	£22.50	Aug-19		
Health Suite	Aug-18	£7.30	3.00%	£7.50	Aug-19		
Health Suite (concession)	Aug-18	£4.20	3.00%	£4.30	Aug-19		
Fitness Suite	Aug-18	£7.00	3.00%	£7.20	Aug-19		
Fitness Suite (concession)	Aug-18	£4.20	3.00%	£4.30	Aug-19		
Sauna	Aug-18	£5.40	3.00%	£5.60	Aug-19		
Sauna (concession)	Aug-18	£3.40	3.00%	£3.50	Aug-19		
Swim + Health suite or sauna	Aug-18	£8.40	3.00%	£8.70	Aug-19		
Swim + Health suite or sauna (concession)	Aug-18	£5.00	3.00%	£5.20	Aug-19		
Badminton (per person per hour)	Aug-18	£5.50	3.00%	£5.70	Aug-19		
Badminton (per person per hour) (concession)	Aug-18	£2.70	3.00%	£2.80	Aug-19		
Squash Court	Aug-18	£10.00	0.00%	£10.00	Aug-19		
Squash Court (concession)	Aug-18	£5.30	3.00%	£5.50	Aug-19		
Table Tennis (per person per hour)	Aug-18	£3.20	3.00%	£3.30	Aug-19		
Table Tennis (per person per hour) (concession)	Aug-18	£2.70	3.00%	£2.80	Aug-19		
Water Polo Lesson - a lesson	Aug-18	£5.60	3.00%	£5.80	Aug-19		
Carpet Bowls per person per hour	Aug-18	£3.20	3.00%	£3.30	Aug-19		
Carpet Bowls per person per hour (concession)	Aug-18	£2.70	3.00%	£2.80	Aug-19		
Bowling - per person per hour - outdoor	Aug-18	£3.60	3.00%	£3.70	Aug-19		
Bowling - per person per hour - outdoor (concession)	Aug-18	£2.00	0.00%	£2.00	Aug-19		
Bowling - per person per season - outdoor	Aug-18	£61.20	3.00%	£63.50	Aug-19		
Bowling - per person per season - outdoor (concession)	Aug-18	£32.70	0.00%	£32.70	Aug-19		
Bowling - per person per round - outdoor	Aug-18	£2.00	0.00%	£2.00	Aug-19		
Bowling - per person per round - outdoor (concession)	Aug-18	£1.40	0.00%	£1.40	Aug-19		
Tennis (Artificial Grass)	Aug-18	£4.80	3.00%	£5.00	Aug-19		
Tennis (Artificial Grass) concession	Aug-18	£2.90	3.00%	£3.00	Aug-19		
Crèche per hour	Aug-18	£3.10	3.00%	£3.20	Aug-19		
Changing only	Aug-18	£3.10	3.00%	£3.20	Aug-19		
Changing only concession	Aug-18	£2.95	3.00%	£3.00	Aug-19		
Holiday Sports Coaching Course (5days)	Aug-18	£129.50	3.00%	£133.00	Aug-19		
Kitchen (per occasion) excludes schools	Aug-18	£40.40	3.00%	£42.00	Aug-19		
Midlothian Gymnastics Academy Shared Use	Aug-18	£22.00	3.00%	£23.00	Aug-19		
Midlothian Gymnastics Academy Sole Use	Aug-18	£44.00	3.00%	£45.00	Aug-19		
Midlothian Gymnastics Academy Squad Use	Aug-18	£25.20	3.00%	£26.00	Aug-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Midlothian Gymnastics Academy Individual	Aug-18	£6.00	0.00%	£6.00	Aug-19		
Midlothian Gymnastics Academy Individual concession	Aug-18	£5.10	3.00%	£5.30	Aug-19		
Soft Play Area	Aug-18	£40.00	0.00%	£40.00	Aug-19		
Hire per session - Set of Bowls	Aug-18	£3.00	0.00%	£3.00	Aug-19		
Hire per session - Set of Bowls concession	Aug-18	£1.70	3.00%	£1.80	Aug-19		
Hire - Bowles Locker (per season)	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Hire - Bowles Locker (per season) concession	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Hire per session - Tennis Racket	Aug-18	£7.20	3.00%	£7.40	Aug-19		
Hire per session - Tennis Racket concession	Aug-18	£1.70	3.00%	£1.75	Aug-19		
Hire Tennis/Golf Balls (each)	Aug-18	£0.60	3.00%	£0.60	Aug-19		
Hire Tennis/Golf Balls (each) concession	Aug-18	£0.60	3.00%	£0.60	Aug-19		
Hire Badminton Racket	Aug-18	£2.60	3.00%	£2.70	Aug-19		
Hire Badminton Racket concession	Aug-18	£1.70	3.00%	£1.80	Aug-19		
Hire Table Tennis Bat	Aug-18	£2.60	3.00%	£2.70	Aug-19		
Hire Table Tennis Bat concession	Aug-18	£1.70	3.00%	£1.80	Aug-19		
Hire Squash Racket	Aug-18	£2.60	3.00%	£2.70	Aug-19		
Hire Squash Racket concession	Aug-18	£1.70	3.00%	£1.80	Aug-19		
Hire Indoor Football	Aug-18	£3.00	0.00%	£3.00	Aug-19		
Hire Indoor Football concession	Aug-18	£1.70	3.00%	£1.80	Aug-19		
Hire Amplifying Equipment (Halls and Centres)	Aug-18	£19.30	3.00%	£20.00	Aug-19		
Hire Amplifying Equipment (Halls and Centres) concession	Aug-18	£19.30	3.00%	£20.00	Aug-19		
Penicuik Town Hall Lesser Hall PA/ Hire per hour	Aug-18	£17.20	3.00%	£17.80	Aug-19		
Penicuik Town Hall Lesser Hall PA/ Hire per hour concession	Aug-18	£16.30	3.00%	£17.00	Aug-19		
Penicuik Town Hall Cowan Hall PA/Effect Light Hire per hour	Aug-18	£44.40	3.00%	£46.00	Aug-19		
Penicuik Town Hall Cowan Hall PA/Effect Light Hire per hour concession	Aug-18	£24.90	3.00%	£26.00	Aug-19		
Hire Inflatable within Centre	Aug-18	£40.00	0.00%	£40.00	Aug-19	Inline with soft play area prices	
Hire Music Centre	Aug-18	£14.80	3.00%	£15.00	Aug-19		
Hire Music Centre concession	Aug-18	£7.40	3.00%	£7.60	Aug-19		
Centre Group Session	Aug-18	£5.40	3.00%	£5.60	Aug-19		
Centre Group Session (concession)	Aug-18	£3.90	3.00%	£4.00	Aug-19		
Soft Play per child per hour	Aug-18	£4.20	3.00%	£4.30	Aug-19		
BTS class/ Premium class	Aug-18	£6.40	3.00%	£6.60	Aug-19		
BTS class/ Premium class (concession)	Aug-18	£4.90	3.00%	£5.00	Aug-19		
Exercise Class	Aug-18	£5.70	3.00%	£5.80	Aug-19		
Exercise Class (concession)	Aug-18	£3.90	3.00%	£4.00	Aug-19		
Exercise Class with Equipment	Aug-18	£5.90	3.00%	£6.00	Aug-19		
Exercise Class with Equipment (concession)	Aug-18	£4.10	3.00%	£4.20	Aug-19		
Aquafit Class/ Water based Aerobics	Aug-18	£5.70	3.00%	£5.90	Aug-19		
Aquafit Class/ Water based Aerobics (concession)	Aug-18	£3.90	3.00%	£4.00	Aug-19		
NPLQ/per course	Aug-18	£248.00	3.00%	£255.00	Aug-19		
NPLQ/per course (concession)	Aug-18	£215.00	3.00%	£221.00	Aug-19		
Tonezone Induction	Aug-18	£17.30	3.00%	£18.00	Aug-19		
Tonezone Induction (concession)	Aug-18	£11.50	3.00%	£12.00	Aug-19		

Snowsports Centre

Ski/Snowboarding Instruction							
Open Fast Track Skiing/Snowboarding (2 hours)	Aug-18	£33.00	0.00%	£33.00	Aug-19	Costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Open Fast Track Skiing/Snowboarding (2 hours) concession	Aug-18	£22.50	3.00%	£23.00	Aug-19		
Open Learn to ski/snowboard in a day (over 8's) (5 hours)	Aug-18	£100.00	0.00%	£100.00	Aug-19		
Open taster 4/5/6 year olds (1 hour) concession	Aug-18	£11.20	3.00%	£11.50	Aug-19		
Race Training Group ski or snowboard with poles (1 hour)	Aug-18	£180.00	0.00%	£180.00	Aug-19		
Race Training Group ski or snowboard with poles (1 hour) concession	Aug-18	£129.00	1.00%	£130.00	Aug-19		
LSRA trainee - 1.5 hour session, concession	Aug-18	£11.60	3.00%	£12.00	Aug-19		
LSRA warm up (per hour), Concession	Aug-18	£3.90	3.00%	£4.00	Aug-19		
Private Ski/ Snowboarding Group (1 hours)	Aug-18	£155.00	0.00%	£155.00	Aug-19		
Private Ski/ Snowboarding Group (1 hours), concession	Aug-18	£108.00	2.00%	£110.00	Aug-19		
Private Ski/ Snowboarding Group (1.5 hours)	Aug-18	£200.00	0.00%	£200.00	Aug-19		
Private Ski/ Snowboarding Group (1.5 hours), concession	Aug-18	£140.00	3.00%	£144.00	Aug-19		
Private Ski/ Snowboarding Group (2 hours)	Aug-18	£230.00	0.00%	£230.00	Aug-19		
Private Ski/ Snowboarding Group (2 hours), concession	Aug-18	£155.00	3.00%	£160.00	Aug-19		
Private Lesson - 1 Hour (1 person)	Aug-18	£49.50	1.00%	£50.00	Aug-19		
Private Lesson - 1 Hour (1 extra person) + £15.00	Aug-18	£64.50	1.00%	£65.00	Aug-19		
Private Lesson - 1 Hour (2 extra persons Max) + £30.00	Aug-18	£79.50	1.00%	£80.00	Aug-19		
Private Lesson - 1.5 Hours (1 Person)	Aug-18	£70.00	0.00%	£70.00	Aug-19		
Private Lesson - 1.5 Hours (1 extra person) +£20.00	Aug-18	£90.00	0.00%	£90.00	Aug-19		
Private Lesson - 1.5 Hours (2 extra persons Max) +£40.00	Aug-18	£110.50	-0.50%	£110.00	Aug-19		
Private Lesson - 2 Hours (1 Person)	Aug-18	£86.00	0.00%	£86.00	Aug-19		
Private Lesson - 2 Hours (1 extra person) +£22.00	Aug-18	£108.00	0.00%	£108.00	Aug-19		
Private Lesson - 2 Hours (2 extra persons Max) +£44.00	Aug-18	£129.50	1.00%	£130.00	Aug-19		
Family Lesson - 1.5 Hours (2 Adult + 2 Junior)	Aug-18	£112.50	2.00%	£115.00	Aug-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
<i>Updated: 29th January 2019</i>							
<i>Note: Actual % increases will vary due to roundings.</i>							
Family Lesson - One extra junior, maximum add on.	Aug-18	£132.50	2.00%	£135.00	Aug-19		
Adult ski and snowboarding course (4 days x 2 hour sessions)	Aug-18	£100.50	0.00%	£100.50	Aug-19		
Junior Ski or Snowboard Camp (5 days x 2.5 hour sessions)	Aug-18	£103.50	3.00%	£106.00	Aug-19		
Junior Ski or Snowboard school (4 days x (3 hour sessions)	Aug-18	£103.50	3.00%	£106.00	Aug-19		
Kinder Ski School (4 x 1 hour sessions for ages 4/5)	Aug-18	£52.50	1.00%	£53.00	Aug-19		
Kinder Ski Camp (5 x 1 hour sessions for ages 4/5)	Aug-18	£65.50	1.00%	£66.00	Aug-19		
Super sliders Class/Sunday sliders/Super racers (2hrs)	Aug-18	£13.10	3.00%	£13.50	Aug-19		
Mini Sliders (1 hr)	Aug-18	£6.70	4.00%	£7.00	Aug-19		
Ladies Morning (1.5hrs)	Aug-18	£15.10	0.00%	£15.10	Aug-19		
Freestyle Academy (2hrs)	Aug-18	£13.00	0.00%	£13.00	Aug-19		
Slope fee for BASI course (per day)	Aug-18	£10.00	50.00%	£15.00	Aug-19		
LSR booking & Administration Fee	Aug-18	£65.00	3.00%	£67.50	Aug-19		
Performance workshops (ski touring/all mountain)	Aug-18	£50.00	3.00%	£52.00	Aug-19		
Practice Skiing/Snowboarding							
Nursery Slope (price for first hour)	Aug-18	£7.80	3.00%	£8.00	Aug-19	Costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Nursery Slope (price for first hour) concession	Aug-18	£5.20	2.00%	£5.30	Aug-19		
Nursery Slope (price for additional hour)	Aug-18	£4.00	0.00%	£4.00	Aug-19		
Nursery Slope (price for additional hour) concession	Aug-18	£3.00	0.00%	£3.00	Aug-19		
Main Slopes (price for first hour)	Aug-18	£12.80	3.00%	£13.00	Aug-19		
Main Slopes (price for first hour) concession	Aug-18	£8.40	3.00%	£8.60	Aug-19		
Additional hour/post lesson/Instruction (not available to schools programme customers)	Aug-18	£5.80	3.00%	£6.00	Aug-19		
Additional hour/post lesson/Instruction (not available to schools programme customers) - concession	Aug-18	£4.00	0.00%	£4.00	Aug-19		
Slope day ticket	Aug-18	£24.40	3.00%	£25.00	Aug-19		
3 Month Season Ticket (3 months from date of purchase)	Aug-18	£242.00	3.00%	£249.00	Aug-19		
3 Month Season Ticket (3 months from date of purchase) concession	Aug-18	£157.00	3.00%	£161.00	Aug-19		
Chairlift							
1 Return Journey	Aug-18	£3.30	3.00%	£3.40	Aug-19	Costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Special Family Ticket (2 adults, 2 children)	Aug-18	£8.00	0.00%	£8.00	Aug-19		
Paraglide (per 5 journeys)	Aug-18	£8.00	0.00%	£8.00	Aug-19		
Events							
Entry Peak time	Aug-18	£15.90	2.00%	£16.20	Aug-19	All event costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Entry off peak time	Aug-18	£12.00	0.00%	£12.00	Aug-19		
BUDS entry fee	Aug-18	£18.60	1.00%	£18.80	Aug-19		
Slalom poles	Aug-18	£120.00	3.00%	£125.00	Aug-19		
Race Timing Facilities	Aug-18	£110.00	3.00%	£115.00	Aug-19		
Hire freestyle rails	Aug-18	£160.00	3.00%	£165.00	Aug-19		
First aider	Aug-18	£58.00	3.00%	£60.00	Aug-19		£60.00 with multiplier between 0.75 and 3.0
Race timing facilities operator	Aug-18	£58.00	3.00%	£60.00	Aug-19		
Course setter – per hour	Aug-18	£58.00	3.00%	£60.00	Aug-19		
Race Control (start) official – per hour	Aug-18	£58.00	3.00%	£60.00	Aug-19		
Meeting Room - per hour	Aug-18	£15.80	3.00%	£16.00	Aug-19		
General Admission Fee – per person	Aug-18	£3.10	3.00%	£3.20	Aug-19		
General Admission Fee – per person (pre sale)	Aug-18	£2.60	3.00%	£2.70	Aug-19		
Booking & Administration Fee – major event	Aug-18	n/a	n/a	n/a	Aug-19	Charge varies - min charge of £275.00 max charge of £1000.00	
Full Centre event hire	Aug-18	n/a	n/a	n/a	Aug-19	Price on application	
Bar Pitch	Aug-18	n/a	n/a	n/a	Aug-19	Charge varies - min charge of £275.00 max charge of £515.00	
Additional Bar Pitch	Aug-18	n/a	n/a	n/a	Aug-19	Charge varies - min charge of £110.00 max charge of £260.00	
Catering Pitch	Aug-18	n/a	n/a	n/a	Aug-19	Charge varies - min charge of £270.00 max charge of £515.00	
Additional Catering Pitch	Aug-18	n/a	n/a	n/a	Aug-19	Charge varies - min charge of £110.00 max charge of £260.00	
Photocopying/printing per sheet	Aug-18	£0.10	0.00%	£0.10	Aug-19		
Education Ski Charges							
Schools Tuition – Midlothian 1.5 hours per pupil	Aug-18	£6.40	0.00%	£6.40	Aug-19	No increase to encourage school uptake	
Schools Tuition – Midlothian (After School) 1.5 hours per pupil	Aug-18	£6.60	29.00%	£8.50	Aug-19		
Schools Tuition – Non Midlothian 1.5 hours per pupil	Aug-18	£8.10	0.00%	£8.10	Aug-19		
Schools Tuition – Non Midlothian (After School) 1.5 hours per pupil	Aug-18	£9.00	0.00%	£9.20	Aug-19		
3 hour session per pupil – Midlothian	Aug-18	£9.75	0.00%	£9.75	Aug-19	No increase to encourage school uptake	
3 hour session per pupil - Non Midlothian	Aug-18	£12.10	0.00%	£12.10	Aug-19		
Teachers In-Service Course – per hour	Aug-18	£8.10	0.00%	£8.10	Aug-19		
 tubing							
Tubing Parties/person Junior (4-12 year olds)	Aug-18	£12.80	2.00%	£13.00	Aug-19	Costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Tubing parties/person	Aug-18	£14.80	2.00%	£15.00	Aug-19		
Pay n play tubing (1 hour) (Junior)	Aug-18	£8.40	2.00%	£8.60	Aug-19		
Pay n play tubing (1 hour) (Adult)	Aug-18	£10.40	2.00%	£10.60	Aug-19		
Pay n play tubing (hour) (2 Adults+ 3 Juniors)	Aug-18	£40.00	2.00%	£41.00	Aug-19		
Miscellaneous Charges							
Notice board advertising – per item, per month	Aug-18	£8.00	0.00%	£8.00	Aug-19	Costs determined by charging exercise to analyse sales volumes and demand - increases applied accordingly.	
Replacement locker key	Aug-18	£3.00	0.00%	£3.00	Aug-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
Updated: 29th January 2019							Note: Actual % increases will vary due to roundings.
Shadowing (shadow 35 hours)	Aug-18	£55.00	0.00%	£55.00	Aug-19		
Catering Services							
School Meals							
School Meals (primary schools)	Aug-18	£2.00	5.00%	£2.10	Aug-19	Increased by 0.10 annually as part of previous budget.	
School Meals (high schools)	Aug-18	£2.20	5.00%	£2.30	Aug-19		
School Meals (adult meals)	Aug-18	£2.75	5.00%	£2.85	Aug-19		
Bonnyrigg District Heating Scheme							
Monthly heating charge	Mar-13	£83.79	0.00%	£83.79	n/a	Charges frozen at present. Review of this service to take place in 2019.	
Commercial							
Landscaping & Countryside Services							
Interment Fees (Residents)							
Stillborn Child	n/a	£0.00	0.00%	£0.00	n/a		
Child under 5 years	Apr-18	£200.00	14.00%	£230.00	Apr-19	Increases allow the charges to be set at the Scottish average. A 50% surcharge will apply to all interments which take place on a Saturday/Midlothian Council Public Holiday.	
Child age 5 up to 18 years	Apr-18	£435.50	14.00%	£500.00	Apr-19		
Person over 18 years	Apr-18	£725.00	14.00%	£827.00	Apr-19		
Person over 18 years (Tues, Wed and Thurs before 10.30am)	New	£0.00	0.00%	£699.00	April	A 15% discounted rate has been applied for burials taking place on a Tuesday, Wednesday and Thursday before 10.30am.	
Casket of Ashes	Apr-18	£249.00	14.00%	£284.00	Apr-19		
Casket of Ashes (Depth of 4 feet or deeper)	Apr-18	£725.00	14.00%	£827.00	Apr-19		
Body Organ (for Burial)	n/a	£0.00	0.00%	£0.00	n/a		
Interment Fees (Non Residents)							
Stillborn Child	Apr-18	£109.50	14.00%	£125.00	Apr-19	Increases allow the charges to be set at the Scottish average. A 50% surcharge will apply to all interments which take place on a Saturday/Midlothian Council Public Holiday.	
Child under 5 years	Apr-18	£295.00	14.00%	£336.00	Apr-19		
Child age 5 up to 18 years	Apr-18	£655.00	14.00%	£747.00	Apr-19		
Person over 18 years	Apr-18	£1,075.00	14.00%	£1,225.00	Apr-19		
Casket of Ashes	Apr-18	£370.50	14.00%	£422.00	Apr-19		
Casket of Ashes (Depth of 4 feet or deeper)	Apr-18	£1,075.00	14.00%	£1,225.00	Apr-19		
Body Organ (for Burial)	n/a	£0.00	0.00%	£0.00	n/a		
Purchase of Lair (Residents)							
Baby Area (Loanhead and Cockpen)	n/a	£0.00	14.00%	£0.00	n/a		
Cremation Lair (Loanhead and Cockpen)	Apr-18	£389.90	14.00%	£445.00	Apr-19	Increases allow the charges to be set at the Scottish average. A 50% surcharge will apply to all interments which take place on a Saturday/Midlothian Council Public Holiday.	
Lair	Apr-18	£760.00	14.00%	£866.00	Apr-19		
Woodland Lair (Cockpen and Rosewell)	Apr-18	£1,696.50	14.00%	£1,934.00	Apr-19		
Issue of Duplicate Lair Certificate	Apr-18	£90.00	14.00%	£103.00	Apr-19		
Transfer of Lair Certificate	Apr-18	£90.00	14.00%	£103.00	Apr-19		
Purchase of Lair (Non Residents)							
Baby Area (Loanhead and Cockpen)	n/a	£0.00	14.00%	£0.00	n/a		
Cremation Lair (Loanhead and Cockpen)	Apr-18	£585.00	14.00%	£667.00	Apr-19	Increases allow the charges to be set at the Scottish average over a three year period.	
Lair	Apr-18	£1,145.00	14.00%	£1,305.00	Apr-19		
Woodland Lair (Cockpen and Rosewell)	Apr-18	£2,550.00	14.00%	£2,907.00	Apr-19		
Issue of Duplicate Lair Certificate	Apr-18	£135.00	14.00%	£154.00	Apr-19		
Transfer of Lair Certificate	Apr-18	£135.00	14.00%	£154.00	Apr-19		
Foundations for the Erection of a Monument (All)							
Up to and including 3' (900mm)	Apr-18	£110.00	14.00%	£125.00	Apr-19	Increases allow the charges to be set at the Scottish average. A 50% surcharge will apply to all ground preparations for a foundation which takes place on a Saturday/Midlothian Council Public Holiday and after 12 noon on a Friday.	
Over 3' (900mm)	Apr-18	£210.00	14.00%	£240.00	Apr-19		
Kerb Markers etc. which do not require a foundation	Apr-18	£110.00	14.00%	£125.00	Apr-19		
Loanhead (New) Cemetery Plaques & Kerb markers (All)							
Plaque - Baby Garden	Apr-18	£182.00	0.00%	£182.00	Apr-19	A 50% surcharge will apply to all ground preparations for a foundation which takes place on a Saturday/Midlothian Council Public Holiday.	
Plaque - Cremation Garden	Apr-18	£217.00	0.00%	£217.00	Apr-19		
Kerb Markers etc. which do not require a foundation	Apr-18	£709.00	0.00%	£709.00	Apr-19		
Cockpen New Cemetery							
Plaque - Memorial wall	Apr-18	£217.00	0.00%	£217.00	Apr-19		
Plaque - Baby Garden	Apr-18	£182.00	0.00%	£182.00	Apr-19		
Exhumation							
Exhumation	Apr-18	£3,000.00	0.00%	£3,000.00	Apr-19		
Dean Burn Allotments							
Allotment Rental	Apr-18	£97.90	3.00%	£100.00	Apr-19		
Allotment Rental (concession)	Apr-18	£49.00	3.00%	£50.00	Apr-19		
Green Fees and Events							
Green Fees - Adult (Weekdays)	Apr-18	£10.00	3.00%	£10.30	Apr-19		
Green Fees - Adult (Weekend)	Apr-18	£11.00	3.00%	£11.30	Apr-19		
Green Fees - Child (Weekdays)	Apr-18	£3.90	3.00%	£4.00	Apr-19		
Green Fees - Child (Weekend)	Apr-18	£5.70	3.00%	£5.85	Apr-19		
Green Fees - Resident (Senior Citizen - Weekday)	Apr-18	£6.70	3.00%	£6.90	Apr-19		
Green Fees - Non Resident (Senior Citizen - Weekday)	Apr-18	£6.70	3.00%	£6.90	Apr-19		
Green Fees - Senior Citizen (All Weekend)	Apr-18	£6.70	3.00%	£6.90	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Green Fees - Access to Midlothian Cardholder	Apr-18	£0.00	3.00%	£6.90	Apr-19		
Golf Season Ticket - Adult	Apr-18	£199.00	3.00%	£205.00	Apr-19		
Golf Season Ticket - Senior Citizen	Apr-18	£169.00	3.00%	£174.00	Apr-19		
Golf Season Ticket - Child	Apr-18	£66.99	3.00%	£69.00	Apr-19		
Fire pit	New	New	n/a	£70.95	Apr-19		
Barbeques - up to 15 people	Apr-18	£19.90	25.00%	£24.95	Apr-19	Cost increased to cover service provision.	
Barbeques - 16 - 30 people	Apr-18	£32.80	10.00%	£35.95	Apr-19		
Barbeques - 31 - 45 people	Apr-18	£47.90	10.00%	£49.95	Apr-19		
Barbeques - 46 - 60 people	Apr-18	£64.50	10.00%	£69.95	Apr-19		
Events field - per hour	Apr-18	£27.50	10.00%	£29.95	Apr-19		
Events field - per day (up to 100 people)	Apr-18	£165.00	10.00%	£179.95	Apr-19		
Events field - per day (100 - 1000 people)	Apr-18	£300.00	10.00%	£330.00	Apr-19		
Events field - per day (1000 plus people)	Apr-18	£500.00	10.00%	£550.00	Apr-19		
Events field - per weekend (up to 100 people)	Apr-18	£302.50	10.00%	£335.00	Apr-19		
Events field - over night (up to 100 people)	Apr-18	£330.00	10.00%	£365.00	Apr-19		
Fairgrounds - up to 10 shows/stands per day	Apr-18	£65.00	10.00%	£69.95	Apr-19	Charges are aligned with average prices charged by other authorities.	
Fairgrounds - up to 10 shows/stands per week	Apr-18	£439.00	10.00%	£483.00	Apr-19		
Fairgrounds - up to 10 shows/stands admin fee	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Fairgrounds - up to 10 shows/stands surety	Apr-18	£887.70	10.00%	£975.00	Apr-19		
Fairgrounds - 11 - 20 shows/ stands per day	Apr-18	£125.00	10.00%	£138.00	Apr-19		
Fairgrounds - 11 - 20 shows/stands per week	Apr-18	£865.90	10.00%	£955.00	Apr-19		
Fairgrounds - 11 - 20 shows/stands admin fee	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Fairgrounds - 11 - 20 shows/stands surety	Apr-18	£1,775.40	10.00%	£1,950.00	Apr-19		
Fairgrounds - over 20 shows/stands per day	Apr-18	£299.00	10.00%	£330.00	Apr-19		
Fairgrounds - over 20 shows/stands per week	Apr-18	£2,101.00	10.00%	£2,315.00	Apr-19		
Fairgrounds - over 20 shows/stands admin fee	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Fairgrounds - over 20 shows/stands surety	Apr-18	£2,500.00	10.00%	£2,750.00	Apr-19		
6m x 6m Marquee	New	New	n/a	£250.00	Apr-19		
6m x 12m Marquee	New	New	n/a	£350.00	Apr-19		
Staging - per section	New	New	n/a	£30.00	Apr-19		
Canopy - to cover stage on small legs	New	New	n/a	£100.00	Apr-19		
Large generator & leads	New	New	n/a	£60.00	Apr-19		
Small Generator	New	New	n/a	£30.00	Apr-19		
PA System	New	New	n/a	£25.00	Apr-19		
Tables - Each	New	New	n/a	£2.00	Apr-19		
Folding chairs - each	New	New	n/a	£1.00	Apr-19		
Crowd control barriers - Each	New	New	n/a	£1.50	Apr-19		
Cones - Each	New	New	n/a	£1.00	Apr-19		
Vogrie Car Park (all day)	Apr-18	£2.00	0.00%	£2.00	Apr-19		
Vogrie Car Park season ticket	Apr-18	£75.00	0.00%	£75.00	Apr-19		
Circus Less than 1200 sq. metres daily	Apr-18	£150.00	10.00%	£165.00	Apr-19	Charges are aligned with average prices charged by other authorities.	
Less than 1200 sq. metres weekly	Apr-18	£750.00	10.00%	£825.00	Apr-19		
Less than 1200 sq. metres Admin	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Less than 1200 sq. metres Surety	Apr-18	£807.00	10.00%	£887.00	Apr-19		
Circus Between 1201 and 1400 sq. metres Daily	Apr-18	£165.00	10.00%	£180.00	Apr-19		
Between 1201 and 1400 sq. metres Weekly	Apr-18	£1,100.00	10.00%	£1,200.00	Apr-19		
Between 1201 and 1400 sq. metres Admin	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Between 1201 and 1400 sq. metres Surety	Apr-18	£1,614.00	10.00%	£1,800.00	Apr-19		
Circus Over 1400 sq. metres daily	Apr-18	£275.00	10.00%	£300.00	Apr-19		
Over 1400 sq. metres weekly	Apr-18	£1,650.00	10.00%	£1,800.00	Apr-19		
Over 1400 sq. metres Admin	Apr-18	£108.90	10.00%	£120.00	Apr-19		
Over 1400 sq. metres Surety	Apr-18	£3,229.00	10.00%	£3,550.00	Apr-19		
Vogrie House overnight rental	Apr-18	£500.00	0.00%	£500.00	Apr-19	No increases as low level of demand.	
Hire of public park/large open space for general recreation activities e.g. outdoor exercise classes, outdoor theatre, community events (per hour)	Apr-18	£7.20	3.00%	£7.40	Apr-19	Charges in line with average prices charged by other authorities.	
Hire of public park/large open space for general recreation activities e.g. outdoor exercise classes, outdoor theatre, community events per half day (4hours)	Apr-18	£27.40	3.00%	£28.00	Apr-19		
Hire of public park/large open space for general recreation activities e.g. outdoor exercise classes, outdoor theatre, community events (Full day hire)	Apr-18	£53.60	3.00%	£55.00	Apr-19		
Hire of public park/large open space for general recreation activities e.g. outdoor exercise classes, outdoor theatre, community events (Annual Pass)	Apr-18	£375.00	3.00%	£386.00	Apr-19		
Hire of public park/large open space for events that involve erecting structures, such as marquees, staging, etc. (Half day hire)	Apr-18	£55.80	3.00%	£57.00	Apr-19		
Hire of public park/large open space for events that involve erecting structures, such as marquees, staging etc. (Full day hire)	Apr-18	£110.90	3.00%	£114.00	Apr-19		
Outdoor learning half day	Apr-18	£110.00	3.00%	£113.00	Apr-19		
Outdoor learning full day	Apr-18	£190.00	3.00%	£195.00	Apr-19		
Search fee (burials)	Apr-18	£18.00	3.00%	£18.54	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
<i>Updated: 29th January 2019</i>							
Ranger Led Events Adult Silver	Apr-18	£5.00	0.00%	£5.00	Apr-19	No increases to be applied as recently introduced.	<i>Note: Actual % increases will vary due to roundings.</i>
Ranger Led Events Child Silver	Apr-18	£3.00	0.00%	£3.00	Apr-19		
Ranger Led Events Adult Gold	Apr-18	£7.50	0.00%	£7.50	Apr-19		
Ranger Led Events Child Gold	Apr-18	£4.50	0.00%	£4.50	Apr-19		
Walking Festival Adult	Apr-18	£7.50	0.00%	£7.50	Apr-19		
Walking Festival Child	Apr-18	£5.00	0.00%	£5.00	Apr-19		
Talks per hour	Apr-18	£25.00	0.00%	£25.00	Apr-19		
Schools and groups i.e. Brownies, Guides. per person (1.5 hours) (Midlothian based)	Apr-18	£1.00	0.00%	£1.00	Apr-19		
Schools and groups i.e. Brownies, Guides. per person (1.5 hours) (Non Midlothian based)	Apr-18	£3.00	0.00%	£3.00	Apr-19		
Resource box Hire	Apr-18	£5.00	0.00%	£5.00	Apr-19		
LLE positive destination - Groups per day (5 hours)	Apr-18	£100.00	0.00%	£100.00	Apr-19		
Corporate groups - conservation tasks - for equipment	Apr-18	£500.00	0.00%	£500.00	Apr-19		

Road Services								
Permits								
Property Enquiries	Apr-18	£47.00	3.00%	£48.00	Apr-19	Charges increased by inflation. Already inline with national average charged by other authorities.		
Property Enquiry adoption plan	Apr-18	£5.00	0.00%	£5.00	Apr-19			
Tables and Chairs up to 12 months (new application)	Apr-18	£158.00	3.00%	£163.00	Apr-19			
Tables and Chairs up to 12 months (renewal)	Apr-18	£105.00	3.00%	£108.00	Apr-19			
Tables and Chairs up to 6 months (new application)	Apr-18	£105.00	3.00%	£108.00	Apr-19			
Tables and Chairs up to 6 months (renewal)	Apr-18	£74.00	3.00%	£76.00	Apr-19			
Accident Data Retrievals	Apr-18	£26.00	3.00%	£27.00	Apr-19			Initial charge of £27.00 plus additional £27.00 per km, based on unit cost of staff time.
Temporary Traffic Regulation Order up to 5 days	Apr-18	£420.00	3.00%	£433.00	Apr-19			
Temporary Traffic Regulation Order up to 5 days (Amendment request after permit processed or extension to issued permit)	Apr-18	£420.00	3.00%	£433.00	Apr-19			
Temporary Traffic Regulation Order over 5 days + legal notice	Apr-18	£788.00	3.00%	£812.00	Apr-19			
Temporary Traffic Regulation Order over 5 days + legal notice (Amendment request after permit processed or extension to issued permit)	Apr-18	£788.00	3.00%	£812.00	Apr-19			
Temporary Traffic Signals 2 way - non public utility	Apr-18	£79.00	3.00%	£82.00	Apr-19			
Temporary Traffic Signals 2 way - non public utility (Amendment request after permit processed or extension to issued permit)	Apr-18	£79.00	3.00%	£82.00	Apr-19			
Temporary Traffic Signals 3 way and over	Apr-18	£79.00	3.00%	£82.00	Apr-19			
Temporary Traffic Signals 3 way and over (Amendment request after permit processed or extension to issued permit)	Apr-18	£79.00	3.00%	£82.00	Apr-19			
Cabin / Storage container	Apr-18	£131.00	3.00%	£135.00	Apr-19			
Cabin / Storage container (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Crane	Apr-18	£84.00	3.00%	£87.00	Apr-19			
Crane (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Excavations Minor Works up to 3 working days	Apr-18	£200.00	3.00%	£206.00	Apr-19			
Excavations Minor Works up to 3 working days (Early start request)	Apr-18	£400.00	3.00%	£412.00	Apr-19			
Excavations Minor Works up to 3 working days (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Excavations Standard Works 4 -10 working days	Apr-18	£225.00	3.00%	£232.00	Apr-19			
Excavations Standard Works 4 -10 working days (Early start request)	Apr-18	£450.00	3.00%	£464.00	Apr-19			
Excavations Standard Works 4 -10 working days (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Excavations - Major Works over 10 working days	Apr-18	£263.00	3.00%	£271.00	Apr-19			
Excavations - Major Works over 10 working days (Early start request)	Apr-18	£525.00	3.00%	£540.00	Apr-19			
Excavations - Major Works over 10 working days (Amendment request after permit processed or extension to issued permit)	Apr-18	£525.00	3.00%	£540.00	Apr-19			
Footway Crossing up to 3 working days	Apr-18	£90.00	3.00%	£93.00	Apr-19			
Footway Crossing up to 3 working days (Amendment request after permit processed or extension to issued permit)	Apr-18	£90.00	3.00%	£93.00	Apr-19			
Hoarding	Apr-18	£131.00	3.00%	£135.00	Apr-19			
Hoarding (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Hoist Access Tower	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Hoist Access Tower (Amendment request after permit processed or extension to issued permit)	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Materials/Road Occupation	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Materials/Road Occupation (Amendment request after permit processed or extension to issued permit)	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Mobile Crane	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Mobile Crane (Amendment request after permit processed or extension to issued permit)	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Scaffolding	Apr-18	£137.00	3.00%	£141.00	Apr-19			
Scaffolding (Amendment request after permit processed or extension to issued permit)	Apr-18	£53.00	3.00%	£55.00	Apr-19			
Skip	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Skip (Amendment request after permit processed or extension to issued permit)	Apr-18	£47.00	3.00%	£48.00	Apr-19			
Access Protection Marking	Apr-18	£74.00	3.00%	£76.00	Apr-19		VAT applied to £76.00 charge	
Transport Scotland Act Violations	Apr-18	£120.00	0.00%	£120.00	Apr-19	Statutory charge	Paid 30 plus days	
Transport Scotland Act Violations	Apr-18	£80.00	0.00%	£80.00	Apr-19	Statutory charge	Paid within 29 days (discounted).	
Utility Company Charges Sample Inspection	Apr-18	£36.00	0.00%	£36.00	Apr-19	Statutory charge		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
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Updated: 29th January 2019

Note: Actual % increases will vary due to roundings.

Utility Company Charges Defect Inspection	Apr-18	£36.00	0.00%	£36.00	Apr-19	Statutory charge	
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Travel and Fleet Services

Passenger Transport							
Blue Badges	Apr-18	£20.00	£0.00	£20.00	Apr-19	Statutory cap is £20	
Lost School Bus Pass	Apr-18	£10.00	£0.00	£10.00	Apr-19	Limited uptake	
Non-entitled Travel School Bus Pass	Apr-18	£235.00	£0.00	£235.00	Apr-19		

Waste Services

Trade Residual Waste and Charities							
240 litre 1 per fortnight (Residual)	Apr-18	£152.00	10.00%	£167.00	Apr-19	Charges increased to align recycling and residual waste over a 3 year period. The impact of increasing charges will be monitored and subject to change should income fall below target.	
240 litre 1 per week (Residual)	Apr-18	£304.00	10.00%	£334.00	Apr-19		
240 litre 2 per week (Residual)	Apr-18	£607.00	10.00%	£668.00	Apr-19		
360 litre 1 per fortnight (Residual)	Apr-18	£206.00	10.00%	£227.00	Apr-19		
360 litre 1 per week (Residual)	Apr-18	£411.00	10.00%	£452.00	Apr-19		
360 litre 2 per week (Residual)	Apr-18	£821.00	10.00%	£903.00	Apr-19		
660 litre 1 per week (Residual)	Apr-18	£676.00	10.00%	£744.00	Apr-19		
660 litre 2 per week (Residual)	Apr-18	£1,352.00	10.00%	£1,487.00	Apr-19		
1100 litre 1 per week (Residual)	Apr-18	£1,063.00	10.00%	£1,169.00	Apr-19		
1100 litre 2 per week (Residual)	Apr-18	£2,125.00	10.00%	£2,338.00	Apr-19		
Ro-Ro box 1 per week (Residual)	Apr-18	£10,853.00	10.00%	£11,938.00	Apr-19		
Ro-Ro box 2 per week (Residual)	Apr-18	£21,705.00	10.00%	£23,876.00	Apr-19		
240 litre 1 per fortnight (Charity)	Apr-18	£100.00	10.00%	£110.00	Apr-19		
240 litre 1 per week (Charity)	Apr-18	£199.00	10.00%	£219.00	Apr-19		
240 litre 2 per week (Charity)	Apr-18	£399.00	10.00%	£439.00	Apr-19		
360 litre 1 per fortnight (Charity)	Apr-18	£127.00	10.00%	£140.00	Apr-19		
360 litre 1 per week (Charity)	Apr-18	£253.00	10.00%	£278.00	Apr-19		
360 litre 2 per week (Charity)	Apr-18	£506.00	10.00%	£557.00	Apr-19		
660 litre 1 per week (Charity)	Apr-18	£387.00	10.00%	£426.00	Apr-19		
660 litre 2 per week (Charity)	Apr-18	£774.00	10.00%	£851.00	Apr-19		
1100 litre 1 per week (Charity)	Apr-18	£687.00	10.00%	£746.00	Apr-19		
1100 litre 2 per week (Charity)	Apr-18	£1,177.00	10.00%	£1,295.00	Apr-18		

Recycling Bins							
240 litre 1 per fortnight	Apr-18	£92.00	40.00%	£129.00	Apr-19	Charges increased to align recycling and residual waste over a 3 year period. The impact of increasing charges will be monitored and subject to change should income fall below target.	
240 litre 1 per week	Apr-18	£185.00	40.00%	£259.00	Apr-19		
360 litre 1 per fortnight	Apr-18	£131.00	37.00%	£179.00	Apr-19		
360 litre 1 per week	Apr-18	£262.00	37.00%	£359.00	Apr-19		
660 litre 1 per week	Apr-18	£455.00	32.00%	£600.00	Apr-19		
1100 litre 1 per week	Apr-18	£736.00	30.00%	£957.00	Apr-19		

Bin Lease Charge							
240 bin	Apr-18	£13.00	10.00%	£14.00	Apr-19	Charges increased to align recycling and residual waste over a 3 year period. The impact of increasing charges will be monitored and subject to change should income fall below target.	
360 bin	Apr-18	£23.00	10.00%	£25.00	Apr-19		
660 bin	Apr-18	£136.00	10.00%	£150.00	Apr-19		
1100 bin	Apr-18	£141.00	10.00%	£155.00	Apr-18		

Other waste charges							
Bulky Uplift	Apr-18	£25.00	3.00%	£26.00	Apr-19		
Garden Waste uplift per bin per year	Apr-18	£35.00	0.00%	£35.00	Apr-19	New service starting in 2019	

Finance and ISS

Civic Government							
Taxi Driver 1st Application	Apr-18	£96.00	3.00%	£99.00	Apr-19	1. Application and renewal fees for licences should reflect cost to the Council of processing the same which limits the ability to increase fees. 2. Where applicants can apply for 1, 2 or 3 year licences, fees for 2 and 3 year licences are based on 95% and 90% of cost of 1 year licence respectively.	
Taxi Driver Licence Renewal 1 year	Apr-18	£46.00	3.00%	£47.00	Apr-19		
Taxi Driver Licence Renewal 2 years (2 x £47.00 - 5%)	Apr-18	£88.00	3.00%	£91.00	Apr-19		
Taxi Driver Licence Renewal 3 years (3 x £47.00 - 10%)	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Private Hire Car Driver 1st Application	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Private Hire Car Driver Licence Renewal 1 year	Apr-18	£46.00	3.00%	£47.00	Apr-19		
Private Hire Car Driver Licence Renewal 2 years (2 x £47.00 - 5%)	Apr-18	£88.00	3.00%	£91.00	Apr-19		
Private Hire Car Driver Licence Renewal 3 years (3 x £47.00 - 10%)	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Private Hire Car Licence (application) (1st fee)	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Private Hire Car Licence (application) (2nd fee) (Inc cost of plates)	Apr-18	£300.00	3.00%	£319.00	Apr-19		
Private Hire Car Licence Renewal	Apr-18	£320.00	3.00%	£330.00	Apr-19		
Taxi Licence (application) (1st fee)	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Taxi Licence (application) (2nd fee)	Apr-18	£310.00	3.00%	£320.00	Apr-19		
Taxi Licence Renewal (Inc cost of plates)	Apr-18	£320.00	3.00%	£330.00	Apr-19		
Special Events (application) (1st fee)	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Special Events (application) (2nd fee)	Apr-18	£300.00	3.00%	£319.00	Apr-19		
Special Events Renewal (Inc cost of plates)	Apr-18	£320.00	3.00%	£330.00	Apr-19		
Window Cleaner Licence 1 year (application)	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Window Cleaner Renewal Licence 1 year	Apr-18	£46.00	3.00%	£47.00	Apr-19		
Window Cleaner Renewal Licence 2 years (2 x £47.00 - 5%)	Apr-18	£88.00	3.00%	£91.00	Apr-19		
Window Cleaner Renewal Licence 3 years (3 x £47.00 - 10%)	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Street Trader Licence (application) (Incl Vehicles)	Apr-18	£150.00	3.00%	£155.00	Apr-19		
Street Trader Licence (Renewal) (Incl Vehicles)	Apr-18	£119.00	3.00%	£123.00	Apr-19		
Street Trader Licence (Renewal) (Two Years) (Incl Vehicles)	Apr-18	£171.00	3.00%	£176.00	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
Updated: 29th January 2019							
Note: Actual % increases will vary due to roundings.							
Street Trader Licence (Renewal) (Three Years) (Incl Vehicles)	Apr-18	£243.00	3.00%	£250.00	Apr-19		
Wheelite Bin Cleaner Licence (application) (less examination element)	Apr-18	£134.00	3.00%	£138.00	Apr-19		
Wheelite Bin Cleaner Licence (Renewal) (less examination element)	Apr-18	£97.00	3.00%	£100.00	Apr-19		
Wheelite Bin Cleaner Licence - Renewal (two years)	Apr-18	£160.00	3.00%	£165.00	Apr-19		
Wheelite Bin Cleaner Licence (Renewal) (three years)	Apr-18	£228.00	3.00%	£235.00	Apr-19		
Wheelite Bin Cleaner - Employee (application)	New	New	n/a	£71.00	Apr-19		
Wheelite Bin Cleaner - Employee Renewal (one year)	New	New	n/a	£47.00	Apr-19		
Wheelite Bin Cleaner - Employee Renewal (two years)	New	New	n/a	£91.00	Apr-19		
Wheelite Bin Cleaner - Employee Renewal (three years)	New	New	n/a	£129.00	Apr-19		
Other Street Trader Licence (application) (no inspection)	Apr-18	£69.00	3.00%	£71.00	Apr-19		
Other Street Trader Licence (Renewal) (no inspection)	Apr-18	£46.00	3.00%	£47.00	Apr-19		
Other Street Trader Licence Year 2 (no inspection) -5%	Apr-18	£88.00	3.00%	£91.00	Apr-19		
Other Street Trader Licence Year 3 (no inspection) -10%	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Public Entertainment Licence (3 years) Capacity under 1,000	New	New	n/a	£262.00	Apr-19	Proposed scaled fees to reflect more equitable charging system	
Public Entertainment Licence (3 years) Capacity 1,001 - 5,000	New	New	n/a	£524.00	Apr-19		
Public Entertainment Licence (3 years) Capacity 5,001 - 10,000	New	New	n/a	£1,048.00	Apr-19		
Public Entertainment Licence (3 years) Capacity over 10,000	New	New	n/a	£2,096.00	Apr-19		
Public Entertainment Licence Renewal (3 years) Capacity under 1,000	New	New	n/a	£164.00	Apr-19		
Public Entertainment Licence Renewal (3 years) Capacity under 1,000	New	New	n/a	£328.00	Apr-19		
Public Entertainment Licence Renewal (3 years) Capacity 1,001 - 5,000	New	New	n/a	£656.00	Apr-19		
Public Entertainment Licence Renewal (3 years) Capacity over 10,000	New	New	n/a	£1,312.00	Apr-19		
Public Indoor Sports Entertainment Licence (3 years)	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Public Indoor Sports Entertainment Licence Renewal (3 years)	Apr-18	£159.00	3.00%	£164.00	Apr-19		
Public Indoor Sports Entertainment Licence - Variation	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Metal Dealer Licence (3 years)	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Metal Dealer Licence Renewal (3 years)	Apr-18	£159.00	3.00%	£164.00	Apr-19		
Second Hand Dealer Licence (3 years)	Apr-18	£282.00	3.00%	£290.00	Apr-19		
Second Hand Dealer Licence Renewal (3 years)	Apr-18	£180.00	3.00%	£185.00	Apr-19		
Second Hand Car Dealer Licence (3 years)	Apr-18	£282.00	3.00%	£290.00	Apr-19		
Second Hand Car Dealer Licence Renewal (3 years)	Apr-18	£181.00	3.00%	£185.00	Apr-19		
Market Operator Licence (3 years)	Apr-18	£282.00	3.00%	£290.00	Apr-19		
Market Operator Licence Renewal (3 years)	Apr-18	£181.00	3.00%	£186.00	Apr-19		
Late Hours Catering Licence (3 years)	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Late Hours Catering Licence Renewal (3 years)	Apr-18	£159.00	3.00%	£164.00	Apr-19		
Tattooing/Skin Piercing Licence (3 years)	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Tattooing/Skin Piercing Licence Renewal (3 years)	Apr-18	£159.00	3.00%	£164.00	Apr-19		
Hire Car Booking Office Licence (first application)	Apr-18	£268.00	3.00%	£276.00	Apr-19		
Hire Car Booking Office Licence (renewal)	Apr-18	£268.00	3.00%	£276.00	Apr-19		
Knife Dealers Licence (3 years)	Apr-18	£276.00	3.00%	£284.00	Apr-19		
Knife Dealers Licence Renewal (3 years)	Apr-18	£176.00	3.00%	£181.00	Apr-19		
Vanison Dealer Licence Application (3 years)	New	New	n/a	£262.00	Apr-19		
Vanison Dealer Licence Renewal (3 years)	New	New	n/a	£164.00	Apr-19		
Cosmetic Ear Piercing Licence (3 years)	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Cosmetic Ear Piercing Licence Renewal (3 Years)	Apr-18	£125.00	3.00%	£129.00	Apr-19		
Houses in Multiple Occupation Licence (application) [up to 5 persons]	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Houses in Multiple Occupation Licence Renewal [up to 5 persons]	Apr-18	£159.00	3.00%	£164.00	Apr-19		
Houses in Multiple Occupation Licence (application) [between 6 and 10 persons]	Apr-18	£324.00	3.00%	£334.00	Apr-19		
Houses in Multiple Occupation Licence Renewal [between 6 and 10 persons]	Apr-18	£200.00	3.00%	£206.00	Apr-19		
Houses in Multiple Occupation Licence [more than 10 persons]	Apr-18	£410.00	3.00%	£422.00	Apr-19		
Houses in Multiple Occupation Licence Renewal [more than 10 persons]	Apr-18	£256.00	3.00%	£264.00	Apr-19		
Itinerant Metal Dealer Licence	Apr-18	£95.00	3.00%	£98.00	Apr-19		
Itinerant Metal Dealer Licence Renewal	Apr-18	£95.00	3.00%	£98.00	Apr-19		
Sex Shop Licence Application (application) 1 year	Apr-18	£198.00	3.00%	£204.00	Apr-19		
Sex Shop Licence Renewal (3 years)	Apr-18	£351.00	3.00%	£362.00	Apr-19		
Temporary Public Entertainment Licence Capacity under 1,000	New	New	n/a	£117.00	Apr-19	Proposed scaled fees to reflect more equitable charging system.	
Temporary Public Entertainment Licence Capacity 1,001 - 5,000	New	New	n/a	£234.00	Apr-19		
Temporary Public Entertainment Licence Capacity 5,000 - 10,000	New	New	n/a	£468.00	Apr-19		
Temporary Public Entertainment Licence Capacity over 10,000	New	New	n/a	£936.00	Apr-19		
Second Hand Dealers Register	Apr-18	£88.00	3.00%	£91.00	Apr-19	Discretionary charge	
Second Hand Dealers log book	Apr-18	£11.00	0.00%	£11.00	Apr-19	Discretionary charge	
Replacement Private Hire Car Disc	Apr-18	£27.00	3.00%	£28.00	Apr-19	Discretionary charge	
Replacement Private Hire Car Plate	Apr-18	£27.00	3.00%	£28.00	Apr-19	Discretionary charge	
Replacement Private Hire Car Bracket for Plate	Apr-18	£27.00	3.00%	£28.00	Apr-19	Arrangements to fit plates etc are being reviewed and these fees may require to be amended during 2019/20 to reflect changes in cost to the Council.	
Replacement Taxi Plate - Front	Apr-18	£52.00	3.00%	£54.00	Apr-19	Discretionary charge	
Replacement Taxi Plate - Rear	Apr-18	£52.00	3.00%	£54.00	Apr-19	Discretionary charge	
Replacement Taxi Plate - Internal	Apr-18	£52.00	3.00%	£54.00	Apr-19	Discretionary charge	
Copy Licence	Apr-18	£52.00	3.00%	£54.00	Apr-19	Discretionary charge	
Copy Identification Card	Apr-18	£52.00	3.00%	£54.00	Apr-19	Discretionary charge	
Taxi Adjust Licence Change of Vehicle : inspection Required (includes cost of plates)	Apr-18	£71.00	3.00%	£73.00	Apr-19		
Taxi Adjust Licence Change of Vehicle : No Inspection Required (includes cost of plates)	Apr-18	£32.00	3.00%	£33.00	Apr-19		
Private Hire Car Adjust Licence Change of Vehicle (insp/inc plates)	Apr-18	£71.00	3.00%	£73.00	Apr-19		
Private Hire Car Adjust Licence Change of Vehicle (no insp/inc plates)	Apr-18	£32.00	3.00%	£33.00	Apr-19		
Exemption - Metal Dealers only	Apr-18	£83.00	3.00%	£85.00	Apr-19		
Cherished Registration Plate	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Certified Extract of Register	Apr-18	£27.00	3.00%	£28.00	Apr-19	Discretionary charge	
Copy of Register	Apr-18	£88.00	3.00%	£91.00	Apr-19	Discretionary charge	
Re-inspection Charge (Taxi and Private Hire Car)	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Cancellation of Inspection Appointment (Taxi and Private Hire Car)	Apr-18	£92.00	3.00%	£95.00	Apr-19		
Post Red Sticker Examination (Taxi and Private Hire Car)	Apr-18	£48.00	3.00%	£50.00	Apr-19		
Taxi Advertisement - Internal	Apr-18	£19.00	3.00%	£20.00	Apr-19		
Taxi Advertisement - External	Apr-18	£49.00	3.00%	£50.00	Apr-19		
Taxi Advertisement - Superside	Apr-18	£58.00	3.00%	£60.00	Apr-19		
Taxi Advertisement - Full Livery	Apr-18	£100.00	3.00%	£103.00	Apr-19		

Description of charge	Last Revised	Current charge	Increase (%)	New proposed charge	Proposed Start date	Comments	Notes
<i>Updated: 29th January 2019</i>							<i>Note: Actual % increases will vary due to roundings.</i>
Private Hire Car Advertisement	Apr-18	£49.00	3.00%	£50.00	Apr-19		
Private Hire Car - prebooked door sign	New	New	n/a	£12.00	Apr-19	Discretionary Charge	
Hypnotism (not theatre or public entertainment venue)	Apr-18	£114.00	3.00%	£117.00	Apr-19		
Performing Animals	Apr-18	£64.00	3.00%	£66.00	Apr-19		
Zoo (inspection costs to be borne by applicant)	Apr-18	£56.00	3.00%	£58.00	Apr-19		
Cinema 1 year	Apr-18	£254.00	3.00%	£262.00	Apr-19		
Cinema Occasional	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Cinema Transfer	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Taxi Wheelchair exemption certificate	Apr-18	£25.00	3.00%	£26.00	Apr-19	For duration of licence or temporary period as determined.	
Topographical Test 2nd Resit onwards	Apr-18	£66.00	3.00%	£68.00	Apr-19		
Variation of Taxi/PH car licence to fit forward facing cameras	New	n/a	n/a	£57.00	Apr-19		
Variation of Taxi/PH car licence to fit safety cameras	New	n/a	n/a	£57.00	Apr-19		
Material Change in Circumstances	Apr-18	£52.00	3.00%	£54.00	Apr-19		
Request to vary conditions	New	n/a	n/a	£54.00	Apr-19		

Street name and numbering							
Naming of a new street	Apr-18	£250.00	20.00%	£300.00	Apr-19	With the exception of the charge for single developments all other charges are services aimed at property developers.	
Naming/Numbering of New Properties or Alterations to existing buildings: 1 property	Apr-18	£75.00	33.00%	£100.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 2 - 5 properties	Apr-18	£200.00	25.00%	£250.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 6-10 properties	Apr-18	£300.00	16.00%	£350.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 11-20 properties	Apr-18	£450.00	11.00%	£500.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 21-50 properties	Apr-18	£700.00	7.00%	£750.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 51-100 properties	Apr-18	£950.00	5.00%	£1,000.00	Apr-19		
Naming/Numbering of New Properties or Alterations to existing buildings: 101 plus properties (Plus additional £45 per plot)	Apr-18	£1,200.00	16.00%	£1,400.00	Apr-19		
Allocation of a house name or renumbering/change of address	Apr-18	£75.00	33.00%	£100.00	Apr-19		



Change Programme

Addressing the Financial Challenge for 2019/20

Midlothian Council

12 February 2019

V6 31/01/19

Overview/Contents

The scale of the financial challenge facing the public sector continues to grow. The impact of the anticipated funding cuts on Council services across Midlothian will be substantial – as the fastest growing local authority in Scotland we are faced with the challenges of a rapidly growing and ageing population together with the increasing demand for services that this will bring.

Savings delivered to date have been achieved through a series of service reviews, reducing the number of managers and staff we employ, reducing our offices and other property needs and changing the way we purchase services. However, continuing with changes like these will not be enough on their own to address the financial challenge.

As reported to Council the reduction in government funding for next financial year, 2019/20 contributes to a budget shortfall for the Council of £11.522 million. Based on current estimates, this is expected to reach £41.728 million by 2022/23. In responding to this challenge the Council has developed a change programme incorporating a number of initiatives aimed at bridging this shortfall. This includes increasing Council Tax by the maximum of 3% per annum currently permitted by Scottish Government as part of the grant settlement.

This pack provides an overview of the proposed measures which require to be made to address the budget challenge for 2019/20 and the projected budget shortfalls for future years as part of the Council's strategy to maintain financial sustainability.

The finalised measures set out in this document have been developed across all Council services and work will continue across the Council to bring forward a robust medium term financial strategy to be presented to Council in June 2019.

A public consultation on Midlothian Council's Spending Choices for 2019/20 was held over ten weeks from 6 November 2018 to 18 January 2019. Respondents identified 5 Top spending priorities:

1. Education
2. Social Care/Elderly
3. Roads
4. Health
5. Children and Families

This followed a wider consultation on more detailed savings measures for 2018/19 to 2021/22, which took place over an eight-week period from 16 October to 14 December 2017.

The measures presented in this report are non-statutory functions which the Council can no longer afford to deliver given the acute financial position and rapid demographic growth.

The measures presented will reduce the workforce by 168.15 fte as follows:

Education, Communities and Economy: 69.69 fte (4.8 CS, 64.88 Education)
Adult Health and Social Care: 10.66 fte
Resources: 87.23 fte (19.75 CO, 9 FISS, 59.06 PFM)

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Strategic Overview

Midlothian Council delivers its priorities through the Community Planning Partnership (CPP) and the Single Midlothian Plan (SMP). The measures set out in this pack are as far as possible aligned to focus available resources on these priorities. The top three priorities in the SMP are as follows:

- Reducing the gap in learning outcomes
- Reducing the gap in health outcomes
- Reducing the gap in economic circumstances

The Council continues to face unprecedented challenges as the fastest growing local authority in Scotland, constrained funding combined with demographic and other cost pressures associated with Midlothian's current and projected growth. In addition, managing the impact of a number of government policy and legislative changes places additional demands and reinforces the urgent need to change the way the council operates and the services provided.

Four key principles underpin the CPP and our approach to service delivery – preventive intervention, co-production and capacity building and localising / modernising access to services. Opportunities to reflect and adopt these approaches were a key consideration for Heads of Service in development of the measures and in addition clarity of direction on the following will also inform the available saving options going forward:

- Asset Rationalisation
- Workforce Profile and Plans
- Alternative models of service delivery
- Shared Services

In addition to the agreed priorities and approaches the Council will also focus on reducing the gap between outcomes for residents living in parts of the county which for many years have shown a significant gap between their outcomes and the average outcomes for Midlothian and Scotland as a whole. The areas targeted are Dalkeith Central/Woodburn; Mayfield/Easthouses and Gorebridge.

A key requirement from this document and the development of the medium term financial strategy and scrutiny that will follow is the need to clearly articulate the change programme in the context of the Council's future strategic direction and resource priorities. This will provide a robust and cohesive approach to leadership which drives transformational and sustainable change to better respond to both current and future challenges and ensures delivery of the fastest growing local authority's vision of 'a great place to grow'.

Strategic Overview

Incorporating the measures into the change programme will result in the following position:-

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Budget Shortfall 12 February 2019	11.522	21.792	30.924	41.728
Less: Change Programme				
IJB Allocation	(0.974)	(0.974)	(0.974)	(0.974)
IJB Efficiency Target	(0.540)	(0.540)	(0.540)	(0.540)
Transformation Programme				
• Existing Programme	(1.130)	(1.650)	(1.815)	(1.815)
• Additions to Programme	(0.020)	(2.510)	(7.245)	(7.345)
Less: Resource Allocation Changes				
Operational	(1.025)	(1.061)	(1.015)	(1.015)
Service Measures	(3.798)	(6.215)	(6.182)	(6.182)
Efficiency Targets (ex IJB and CS)	(1.970)	(1.970)	(1.970)	(1.970)
Bottom-up/Cross Cutting Reviews	(0.455)	(0.540)	(0.540)	(0.540)
Fees and Charges General	(0.150)	(0.300)	(0.450)	(0.600)
Council Tax Increase of 3%	(1.460)	(2.993)	(4.602)	(6.290)
Remaining Budget Gap	-	3.039	5.591	14.457

The Change Programme summarised above secures a balanced budget for 2019/20.

For later years further work is required to review and bring forward measures in respect of the following areas

- A robust Medium Term Financial Strategy
- The inclusion of a Disability Service Review as part of the next steps for Children's Services Review
- Efficiencies secured through the Learning Strategy Estate, wider property asset management and asset rationalisation
- A master plan for the Vogrie estate and potential income opportunities it creates
- A further review of the approaches to and resources committed to transportation of people, both clients and staff
- A broader review of the concessions policy for future consideration
- Workforce, recognising that employee costs are by far the largest element of the budget.
- The conditions attached to grant settlements, including the implications of maintaining the pupil teacher ratio and of restricting Council tax increases to 3% per annum.

The change programme will be continually updated to take cognisance of the emerging position for future years grant settlements and demographic changes, recognising the critical impact both of these issues have on the Financial Strategy and the projected budget position.

Directorate Overview

This section seeks to provide a strategic narrative and direction of travel for each of the current directorates.

EDUCATION, COMMUNITIES AND ECONOMY

1. Education Service

We aspire to deliver a world-class education system through equity and excellence. Our vision is to provide the highest quality inclusive education and learning for all individuals and families in Midlothian. To realise this vision we will:

- give all our children the best possible start in life, providing a nurturing and inclusive learning environment;
- ensure that every young person has the opportunity to be a successful learner, confident individual, responsible citizen and an effective contributor;
- support adult returners to achieve their potential and secure positive outcomes including employment;
- work with our communities to promote high expectations which deliver the best educational outcomes for all learners;
- celebrate diversity, reduce inequalities and remove barriers to learning.

Linked to our aspirations to deliver a world class education is to ensure that we are building capacity for the expected growth in Midlothian recognising that Midlothian is the fastest growing local authority in Scotland. This will be achieved through the development and implementation of the Learning Estate Strategy which was presented to Council in September 2017 and is currently being updated to form part of the Capital Plan.

Our service consists of the following teams;

- **Early Learning and Childcare:**
- **School Years:**
- **The Education Leadership Team:**
- **Additional Support Needs:**
- **Learning Technology Team:**
- **Educational Psychology Service:**

2. Children's Services

Children's Services has undergone a total service review with the new service implemented in April 2017. The new structure is not locality based but created through a desire to transform how we currently work with children and their families. We were driven by a desire to achieve greater efficiency both in working practices and use of resources. Our service vision is to improve families' lives by giving them the support they need, when they need it. Our aspiration is to have a workforce that is flexible and creative in its working. Our approach is outcome focused through our person centred planning and working in multi disciplinary teams with an emphasis on developing positive relationships. The Service consists of the following teams;

- **Early Intervention and Prevention Teams:**
- **Practice Teams 0-12 and 12+ :**
- **Early Intervention and Prevention Development Officers:**
- **Midlothian Residential Services:**
- **Family Placement Team:**
- **Kinship Care:**
- **Corporate Parenting:**
- **Hawthorn Children's Centre:**

Directorate Overview

- **Independent Reviewing Officers:**

In addition to these services provided directly by the Council, a range of services are also purchased through the Independent Sector; this includes agencies such as 'Who Cares? Scotland' who provide advocacy, advice and support to vulnerable Looked After and Accommodated Children; Children 1st who provide support to our young carers, and also work intensively for a short period of time with children and young people affected by parental substance misuse; Barnardo's offer respite and support services to children and young people with additional support needs.

The outcome focussed approach is supported by a range of teams within the Council including finance, legal services, procurement, planning, performance management, staff training and development and Organisational Development/Human Resources.

3. Communities and Economy

The overarching aim of the Communities and Economy Service is to support, protect and develop the communities in Midlothian through:-

- Providing for optimal social, economic and physical environments for those communities;
- Growing the Midlothian economy through supporting new and expanding businesses, attracting inward investment and promoting key employment sectors;
- Acting as a key driver in the development of our most disadvantaged communities; and
- Maintaining high standards of public health, consumer confidence and public safety.

The Communities and Economy Service comprises the following functions:

- **Building Standards:**
- **Communities:**
- **Economic Development**
- **Environmental Health:**
- **Planning:**
- **Trading Standards:**

HEALTH AND SOCIAL CARE

1. HEALTH AND SOCIAL CARE

1.1 Why is Transformation Necessary?

There are three major continuing challenges in the delivery of health and social care services in Midlothian:

- **Growing and Ageing Population:** The population is growing rapidly - a 26% increase is predicted by 2039. The number of people over 75 years will double over the next 20 years. People with long term disabilities and complex health conditions are living much longer. Whilst these are positive outcomes, it will place increased demand on local care services.
- **Financial Pressures:** Despite growing demand, social care and health are facing real cuts in budgets. The significance of this challenge was recognised by Scottish Government with additional ring-fenced social care funding to Local Authorities being allocated in the draft budget for 2019/20; in Midlothian this is £2.4m however it relates to a range of policy commitments that require to be delivered.
- **Workforce Pressures:** Despite changes to terms and conditions such as guaranteed hours and the Living Wage, recruitment and retention is a growing

Directorate Overview

problem, particularly in the field of care at home. This is a high risk area with many people in need of social care support not receiving it in a timely manner during 2018-19.

1.2 National Solution-Integration

Scottish Government was sufficiently concerned about the long term sustainability of health and social care, to legislate, in 2014, for the establishment of new Integration Authorities. The objective, consistent with the Christie Report, was to put organisational arrangements in place which would make it more possible to shift the emphasis to community based services and to give much greater priority to prevention and addressing inequality. This has been a major change in the governance of health and care services and these arrangements are now fully in place in Midlothian. The integration agenda within Midlothian continues to mature and good progress is being made but there is still further work to be done.

1.3 Service Transformation

The scale of the challenge is such that fundamental changes to health and care are needed with the emphasis moving from

- **Failure Demand to Prevention**
- **Treatment and Support to Recovery and Rehabilitation**
- **Reactive to Anticipatory Care**
- **Hospital and Care Homes to Community Based Services**
- **Individual Practitioner to Team Working**

An underlying theme to these shifts in approach is that of enabling people to access universal services, such as good quality housing; employment; and social opportunities, rather than have a continuing dependence upon health and care services.

While the current financial context is more serious than anything faced previously by the Public Sector, there has been a culture of transformation in Midlothian Adult Care Services; through commissioning, restructuring and service redesign annualised savings of £5.35m was achieved between 2008 and 2015

1.4 Governance

In line with the Public Bodies Act (2014) the Council has delegated the Adult Care functions to the Midlothian Integration Joint Board. The strategic planning and financial planning for these functions is now the responsibility of the IJB. The Council will decide the totality of the budget to be allocated to the IJB for Adult Care functions, and it is clear that these budgets will be reduced from their current level in line with the overall reduction in resources available to the Council. The governance around the planning of the efficiencies to be applied to these budgets rests with the IJB and discussions have been held with the IJB as to how this process will be managed. On an operational level, where the Council is able to design and deliver more efficient ways of providing services in line with Best Value and Financial Discipline, it should do so providing these changes are in line with the IJB Strategic Plan.

1.5 Financial Strategy

The key feature of integration is the direct control of one body over the health and care budgets. This is intended to ensure that moves across the system to achieve the shifts outlined above. Strengthening community based services by moving resources from care homes and hospitals will take time. In view of this the more immediate focus is upon making the most effective use of existing resources within social care. A new programme board- *Realistic Care Realistic Expectations*-was established in December 2016 with the very ambitious objectives of eliminating the projected overspend of £1.4m in 2017-18 and contributing a further £1.55m savings by March 2018, which was achieved.

Directorate Overview

Building on this work, a further ambitious programme of transformation was set out for 2018/19 which focused on improving the efficiency and effectiveness of services. This includes a review of learning disability services, development of a care home strategy, improving services for carers, review of the community justice service and the transformation of care at home delivery. There has been good progress made against these key areas of service development and this will be continued in to 2019/20.

Our continued effectiveness is entirely dependent upon the workforce within the Council and in independent and voluntary social care organisations. Alongside a strengthened approach to staff and team development, much more emphasis is now being given to the development of a cross-sector Midlothian Workforce Plan to improve recruitment and retention in all areas of health and care.

Critical to the success of these planned changes is gaining consensus with the Midlothian public. Communication and engagement is already given a strong emphasis with quarterly newsletters on integration; regular public meetings –the *Hot Topics Forum*; and more recently a specific programme of work in relation to Primary Care, supported by our Primary Care Improvement Plan. Ongoing effective and extensive communication with our customers and local communities will be vital.

1.6 Service Redesign

There are many areas of service transformation planned and underway in transformation and these are described in the Realistic Care, Realistic Medicine transformation programme. Alongside this operational document, the development of the Strategic Commissioning Plan 2019-2022 sets out the medium to long term vision for improving the health and wellbeing of our population and our communities.

A key factor, as noted above, will be a shift in the way that services are delivered and correspondingly how resources will be invested across health and social care:

- Prevention – good physical and mental health
- Recovery and Reablement
- Self-management and peer support
- Anticipatory care and planning for emergencies
- Community based services (e.g. Hospital at Home)
- Team working at local level
- Improving quality and access
- Community planning (i.e. housing, income, transport)
- Support for carers and families

We remain committed to the ethos of ensuring people are able to live at home or a homely setting and further investment in extra-care housing and amenity housing will ensure that we can continue to support people at home for as long as possible.

There remain significant challenges within health and social care, with too many people still having extended stays in hospital beds due to lack of care packages, driven by workforce shortages and service quality issues. A key area of development in 2019/20 will be to create a safe and sustainable care at home service across Midlothian, working closely with service users, families and our partner providers to rethink and redesign service delivery.

1.7 COMMUNITY SAFETY

Following a significant reduction in the Community Safety service, the remaining team have been working hard to meet the commitment towards a *Safer Midlothian*. The work of the Resolution Service has been key in adopting an early intervention approach by helping to

Directorate Overview

resolve small scale problems to the benefit of those concerned, avoiding an escalation to a bigger issue. This has been further supported through council tenancy problems being integrated within the roles of Council Housing staff who are working closely with Community Action Police Teams.

2. CUSTOMER AND HOUSING SERVICES

New challenges are emerging which place greater emphasis on integration, co- production and customer engagement while responding appropriately to individual or collective needs and capabilities in delivering the range of customer and housing services. Service Reviews have implemented new ways of working designed by the respective teams and had positive impacts on performance and outcomes.

In this transformational approach we have become more efficient and at the same time delivered changes resulting in improvements to work practice, the services we deliver and the quality of life experienced in our communities.

2.1 HOUSING AND HOMELESSNESS

The critical role of access to good quality housing in supporting the wellbeing of the general population is reflected in the commitment to an expanded and accelerated programme of Council house building. The recent agreement by Council of the Rapid Rehousing Transition Plan will further support our commitment to addressing homelessness through a Housing First approach. These developments are alongside the opening of Pentland House homeless accommodation with plans to develop a similar facility in Dalkeith nearing completion.

2.3 CUSTOMER SERVICES

These services are subject to an ongoing service review process with the objective of reshaping to achieve financial savings whilst also seeking to improve access. There has already been a significant redesign of, for example, local libraries now undertaking a number of functions. Further transformation is required in Revenues, Libraries and Customer Services and these are now being progressed.

There is a need to focus driving more customer activity onto the digital platform and there are opportunities for more Council services to be directed to this approach, resulting in increased efficiencies and improved customer pathway. This will entail developing new models by working in close partnership with local communities, referred to as “co-production”, which will be critical to achieving successful and sustainable transformation. There are a number of developments through automation that can be supported through Customer Services that will lead to significant changes in how the Council plans and delivers existing and future services.

RESOURCES

As stated in the strategic narrative, the Council’s financial strategy over the next five years requires a move towards increasing financial sustainability and the adoption of a range of strategic approaches to achieve this. Whilst progressing service initiatives in line with existing plans, continuing to deliver financial savings against the budget, and maintaining robust financial discipline, the direction for Resources Directorate will focus on the following strategic approaches:

Directorate Overview

- Investing in new ways of working alongside sharing services to secure economies of scale with willing and like minded partners to provide further opportunities to reduce service operating costs.
- Increasing income generation and growth opportunities to maximise external income and fees and charges, including commercial contracts, works, services and consultancies.
- Refocusing resources and workforce planning activities to better respond to the Council's key priorities and outcomes.
- Transitioning to digital solutions, where appropriate, adopting standardisation, simplification and a sharing approach to achieve maximum efficiency and effectiveness and securing greater automation where appropriate.
- Ensuring effective delivery of statutory services.
- Rationalisation and maximising the use of all assets including the utilisation of Premises, Land, Digital Assets and Plant/Vehicles.
- Redesigning and future proofing services to limit the impact of demographic pressures created by a growing Midlothian.
- Develop a Workforce Strategy which enables the significant transformational change and which supports the achievement of the emerging workforce plans.

This section seeks to provide a strategic narrative and direction of travel for each of the three service areas.

1. Commercial Operations

In support of the Council's strategic approaches Commercial Operations will progress the following key transformational projects aimed at maximising the use of assets and creating flexibility across the workforce:

- Develop the Street Scene/Neighbourhood model of service delivery to provide key frontline services in the communities
- Maximise the utilisation of the Council's fleet and passenger transportation arrangements (including third sector providers) by reducing costs and contributing to the environmental agenda and reducing the carbon footprint
- Seeking commercialisation opportunities and trading with a wide range of organisations including the Private Sector and public sector partners
- Reducing the volume of waste managed and maximise recycling from all sectors with a clear focus on Municipal Premises
- Developing community participation opportunities with local organisations and groups

2. Finance and Integrated Service Support

In support of the strategic approaches outlined Finance and Integrated Service Support will progress the following key transformational activities, specifically aimed at maximising the use of technology and significantly reducing the staffing establishment:

- Exploit the use of digital technology and services to redesign services, investing in solutions to deliver efficiencies
- Ensure the Council's Digital Foundations are fit for purpose and delivered as cost effectively as possible. Maximising utilisation of digital assets including software and systems functionality
- Supporting robust financial discipline and robust supplier contract management and monitoring
- Reducing the cost of "back office transactions" through automation, simplifying, standardising and sharing business processes and systems across the Council

Directorate Overview

- Maintaining the capacity and capability to support the delivery of transformational change across all services

3. Property and Facilities Management

In support of the strategic approaches outlined Property and Facilities Management will progress the following key transformational projects:

- Exploring opportunities for partnering arrangements with public and private sector organisations
- Maximising the utilisation of the Council's property and land portfolio including progressing sites for the building of additional Social Housing
- Commercialisation opportunities and trading with a wide range of organisations including the Private Sector and public sector partners
- Minimising the level of subsidy across facility services with a particular emphasis on Sport and Leisure and Facilities Services
- Introduce renewable sources of energy production to reduce utilities costs and the carbon tax

In addition to the strategic journey across the Directorate all services will continue to contribute to environmental responsibilities, providing opportunities for young people, supporting the economic growth of Midlothian, working in partnership with Communities and Voluntary Organisations.

Transformation Programme

Midlothian Council, along with all local authorities, has experienced and will continue to experience significant financial challenges. By adopting a transformation approach, we have become more efficient and at the same time we have delivered changes which result in improvements to the way we work, the services we deliver and the quality of life experienced by local people. These changes are evidenced in the delivery of new affordable homes, new schools, improved recycling rates, improved positive destinations for school leavers and the arrival of the Borders railway. In addition we have successfully delivered significant changes and improvements in services to protect children and vulnerable adults. All of this has been achieved despite resource constraints.

In response to the changing context the Transformation Programme has been subject to regular review and change and the following strands make up the current programme:

- **Services with Communities**
- **Entrepreneurial Council**
- **Digital Customer**
- **Shared Services -**

The **Integration of Health and Social Care Transformation** is also reported for information purposes via the Council's Business Transformation Board and Steering Group.

Delivery of the financial savings element of the programme has been and will continue to be a key contributor to the wider change programme aimed at addressing the projected budget shortfalls.

Recognising the need to invest to secure sustainable change the Council has approved utilisation of Reserves to fund costs associated with the transformation programme. The templates, where appropriate, have been noted to identify a link to the relevant strategic/transformational theme.

A strategic narrative for each of the key transformational components follows:

1. Services with Communities

As noted earlier the financial challenge ahead required Midlothian Council to think differently about how we engage and work with our communities.

Midlothian Council needs our communities to help us deliver our ambition of Midlothian - Great Place to Grow. We need to engage communities in the financial challenge ahead and where we plan to withdraw or reduce service delivery, we need to ensure we include them in that discussion and ask what can they do to assist in their own Communities. Volunteering can be a powerful driver of personal, social, economic, cultural and environmental change; in Midlothian we have a strong track record of active volunteering across the voluntary, public and private sectors. This involves large numbers of dedicated volunteers of all ages and a wide variety of volunteering activities such as countryside activities, community gardens, lunch clubs and cafés, health and wellbeing activities and sports clubs, galas and events, community hospital volunteers and broader befriending and mentoring activities.

Levels of volunteering activity in Midlothian are generally higher than the Scottish average. Volunteering brings significant benefits for both the volunteer and the individuals that are supported. It is an important activity that serves to integrate people and communities through the shared experiences that it generates. With around 30% of Midlothian residents engaged in some form of volunteering, it is clear that many services and recreational activities would cease to function or be seriously curtailed without the commitment and input

Transformation Programme

of local volunteers. We need to do more, however, to maximise the potential of volunteering to act as a positive force for change in Midlothian building on the existing powerful base.

As a Council we need to be honest and engage our community as we go ahead and this is possible if we rethink our approach to working with communities. All of this fits with the established Christie Commission principles of building up the capacity of communities to work with the public sector in the delivery of particular services, and which is given legislative power through the legislative requirement to include communities in the decision making process through the Community Empowerment Act under which communities are active participants in the decisions made which affect their communities.

2. Entrepreneurial Council

A key focus going forward will be contributing to the overall Midlothian economy by developing, delivering and providing a range of high quality, value for money entrepreneurial (commercial) services in partnership with

- Local Companies
- Other Public Bodies
- Residents and Householders
- Private developers
- Other organisations

This transformational component will be taken forward with the following deliverables in mind:

- To generate financial surplus for reinvestment within services and/or to support other Council priority services.
- To maximise the use of the workforce, buildings, vehicles, equipment and digital assets in providing services.
- To develop the skills of the workforce to enhance their jobs and to allow access to new markets.
- To develop and explore partnerships initially within and in the future build on partnering arrangements beyond Midlothian.
- To optimise and spread fixed costs over a greater cost base.

In line with challenges previously identified the requirement to become more commercial is driven by a need to respond to:

- The unprecedented level of funding cuts facing the Council and Public Sector.
- The significant impact of funding cuts on non statutory services currently provided by the Council.
- The need to develop working partnerships with Midlothian companies and other organisations.
- The need to develop staff and managers and the requirement to retain a critical employee mass to ensure the continuity of essential services.

In order to build on the commercial activity and work undertaken to date by the Council it will be necessary to:

- Enable, develop and support a commercial culture with a focus on the customer or the client (not always Council).
- Concentrate and focus on core commercial activities and undertake a review of non commercial functions.
- Establish a team of key staff to assess identify and exploit opportunities using a range of skills and services.

Transformation Programme

- Enable the “sales force team” to explore and develop new ideas and opportunity for business.
- Explore opportunities that incentivise staff to excel and exceed expectations.

Entrepreneurial and commercial endeavours should be underpinned by a robust governance framework and developed and supported with an appropriate business case and professional and technical advice. Whilst entrepreneurial activities will align with council aims and values, elected member support and buy in will be key to successful delivery.

3. Digitally-led transformation/Customer Service

Council customers expect excellence and modernity; the ability to self-serve in a digital age is now a basic requirement.

Our world is evolving very quickly with the rate of change being so fast that concepts that were unimaginable a few years ago such as artificial intelligence and robotics are now becoming commonplace.

Midlothian Council needs an innovative approach to meeting our customers’ needs and technology plays a pivotal role in allowing us to re-imagine and redesign how we deliver services to our customers.

An immediate objective is to procure a modern-day Customer Service Platform composed of the essential components and services linked together accordingly to create a foundation for customer self-service.

Once the basic platform is in place, services can be redesigned in an agile fashion to meet aspirations of our customers, while also providing efficiencies for Midlothian Council staff. Customer self-service can help deliver some key services without customers dealing directly with a member of staff and could truly transform the way the Council deliver services. We already have a well-managed public facing website and SOCITM awarded our site four stars.

Midlothian is one of only four councils in Scotland to achieve this accolade. Our Web Team, 50 Content Editors and council employees, generally ‘get it’ and already we have been able to transform how our customers interact with the council. We have successfully accessed simple services online already e.g. apply for ski lesson at Hillend, find bin collection dates, report a pothole, request a bulky uplift etc. and our citizens access our site at an ever-growing rate.

We can be a leader in the delivery of online services and there is still significant potential to transform the way we work.

4. Shared Services

The shared service element for transformation will be informed by a number of key principles previously identified for Shared Services and Collaborative Working by CIPFA in 2010 as follows:

- Service sharing and collaborative working, where they are relevant, will normally be used in combination with other methods, such as system thinking and process redesign.
- Making shared services happen will demand leadership and drive from those at the top of the organisation, this means senior executives and elected members.

Transformation Programme

- Partners need to understand where they are – in cost and performance terms – before embarking on change, and benchmark with peer organisations. This will provide an early assessment of the scale of opportunity.
- There is no 'right' option for or pathway into service sharing. Some organisations will choose to collaborate in a range of different partnerships where different services feature in each case, others will instead decide to work in more broadly based relationships, sharing a wide range of services with just a fixed group of other bodies.
- Collaboration models and vehicles will vary from case to case. In some instances this may mean working with organisations from other sectors, including commercial bodies. Legal requirements, among other things, will determine which model/vehicle is best suited to carry any partnership forward.
- In sharing services, the underlying processes will usually need to be simplified and standardised before they are consolidated in a single shared service. In doing this, processes will be redesigned on an 'end-to-end' basis, with 'process owners' taking responsibility across the whole service in question.
- Parties to the collaboration may need to migrate to a common technology platform (for instance, a finance or HR system), to remove the complexity and inefficiency that multiple systems might cause.
- Not every process or service will be open to sharing. Much will depend on the strategic significance of the service in question and the need for it to be tailored to local requirements.
- Processes and services that are shared will tend to be either;
 - 'transactional' or 'rules-based' – involving standard, repetitive activities (such as processing invoices or accounting journals) that can be grouped together for processing efficiency; or
 - 'competency-based'. In the latter case the work in question is likely to be brought together as part of a centre of expertise, which may allow for a range of specialist skills to be combined as part of a single unit e.g. Technical Services
- While there is a range of risks and legal issues to be addressed in sharing services, given political will and the willingness to invest resources, these can be dealt with in a managed way. They should not be seen as insurmountable barriers to change .

Savings - Summary

DIRECTORATE SUMMARY 2019/20 BUDGET SAVINGS MEASURES

CUMULATIVE

	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	FTE
EDUCATION, COMMUNITIES & ECONOMY					
Children's Services	0.143	0.190	0.190	0.190	4.80
Education	1.201	2.212	2.222	2.222	64.88
SUB TOTAL	1.344	2.402	2.412	2.412	69.68
HEALTH AND SOCIAL CARE					
Customer and Housing Services	0.073	0.173	0.173	0.173	7.16
Non Delegated	0.371	0.742	0.742	0.742	3.50
SUB TOTAL	0.444	0.915	0.915	0.915	10.66
RESOURCES					
Commercial Operations	0.985	1.296	1.318	1.318	19.75
Finance & ISS	0.200	0.250	0.261	0.261	9.00
Property & Facilities	1.270	1.892	1.816	1.816	59.06
SUB TOTAL	2.455	3.438	3.395	3.395	87.81
TOTAL*	4.243	6.755	6.797	6.842	168.15
*Total includes the figures shown for Bottom-up Service Review Templates	0.445	0.540	0.540	0.540	11.00

Savings - Summary

EDUCATION, COMMUNITIES & ECONOMY 2019/20 BUDGET SAVINGS MEASURES	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	Total £m	FTE
CHILDREN'S SERVICES						
Reduction of Early Intervention and Prevention services by 20%	0.143	0.190	0.190	0.190	0.190	4.80
Total	0.143	0.190	0.190	0.190	0.190	4.80
EDUCATION						
Reduce Central Education Management Staff	0.096	0.148	0.148	0.148	0.148	2.00
Creative Arts Team Reduction	0.150	0.240	0.240	0.240	0.240	11.20
Move to statutory consultation on Glencorse Primary School	0.000	0.000	0.000	0.000	0.000	0.00
Move to statutory consultation for Denominational Review	0.000	0.000	0.000	0.000	0.000	0.00
Stop free Primary 4 school swimming	0.033	0.053	0.053	0.053	0.053	0.48
Redesign of Devolved School Management (DSM)	0.038	0.361	0.361	0.361	0.361	8.00
LLE service reduction	0.046	0.067	0.067	0.067	0.067	3.50
Reduction in Adult Learning LLE Workforce	0.047	0.047	0.047	0.047	0.047	0.20
Youth Work reductions in LLE	0.057	0.057	0.057	0.057	0.057	1.00
Reduce subsidy for school lets (ASC)	0.015	0.049	0.059	0.059	0.059	0.00
Reduce budget on School Transport	0.047	0.076	0.076	0.076	0.076	0.00
Reduction in Educational Psychologists	0.020	0.070	0.070	0.070	0.070	0.00
Employ fewer Learning assistants for ASL pupils	0.121	0.194	0.194	0.194	0.194	8.50
Reduce LLE to only statutory provision	0.531	0.850	0.850	0.850	0.850	30.00
Total	1.201	2.212	2.222	2.222	2.222	64.88
Education, Communities & Economy Total	1.344	2.402	2.412	2.412	2.412	69.68

Savings - Summary

	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	Total £m	FTE
HEALTH AND SOCIAL CARE						
2019/20 BUDGET SAVINGS MEASURES						
CUSTOMER & HOUSING SERVICES						
Non Hub Libraries	0.073	0.173	0.173	0.173	0.173	7.16
Total ex HRA	0.073	0.173	0.173	0.173	0.173	7.16
COMMUNITY JUSTICE						
Removal of Community Safety Team	0.090	0.180	0.180	0.180	0.180	3.50
Cessation of Midlothian Community Policing Team	0.281	0.562	0.562	0.562	0.562	0.00
Total	0.371	0.742	0.742	0.742	0.742	3.50
Health & Social Care Total - ex IJB and HRA	0.444	0.915	0.915	0.915	0.915	10.66

Savings - Summary

RESOURCES 2019/20 BUDGET SAVINGS MEASURES	Year 1	Year 2	Year 3	Year 4	Total £m	FTE
	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m		
COMMERCIAL OPERATIONS						
School Crossing Guides (option 2)	0.070	0.105	0.105	0.105	0.105	4.00
Reduce road maintenance spending on gully cleaning	0.050	0.050	0.050	0.050	0.050	0.00
Reduce road maintenance spending	0.150	0.150	0.150	0.150	0.150	0.00
Introduce and/or increase car park charges	0.000	0.066	0.066	0.066	0.066	0.00
Removal of support for bus travel	0.113	0.125	0.125	0.125	0.125	0.00
Removal/Reduction of Community Transport funding	0.210	0.313	0.313	0.313	0.313	0.00
Stop all support to Galas and events	0.044	0.044	0.044	0.044	0.044	0.00
Close Buccleuch Bowling Green, Dalkeith (BUR)	0.025	0.025	0.025	0.025	0.025	1.00
Reduce grass cutting standards (BUR)	0.075	0.150	0.150	0.150	0.150	4.50
Reduce shrub bed maintenance (BUR)	0.025	0.045	0.045	0.045	0.045	1.50
Maximise Income from Vogrie Estate (BUR)	0.070	0.070	0.070	0.070	0.070	4.00
Close Penicuik Recycling Centre	0.078	0.078	0.100	0.100	0.100	2.75
Taxi Card Cessation	0.045	0.045	0.045	0.045	0.045	0.00
Close Vogrie Golf Course	0.030	0.030	0.030	0.030	0.030	2.00
Extend the collection frequencies of the residual waste	0.000	0.000	0.000	0.000	0.000	0.00
Total	0.985	1.296	1.318	1.318	1.318	19.75
FINANCE & INTEGRATED SERVICE SUPPORT						
Service Improvement Plans/Business Processes/Service Reduction	0.200	0.250	0.250	0.250	0.250	9.00
Contract for Webcasting in Chamber not renewed	0.000	0.000	0.011	0.011	0.011	0.00
Total	0.200	0.250	0.261	0.261	0.261	9.00
PROPERTY & FACILITIES MANAGEMENT						
Close Public Toilets	0.051	0.067	0.067	0.067	0.067	1.07
Cleaning Schools reduced by 20%	0.167	0.335	0.335	0.335	0.335	13.02
Cleaning non-Education Buildings reduced by 40%	0.033	0.065	0.065	0.065	0.065	2.79

Savings - Summary

PPP closed during holidays	0.018	0.022	0.022	0.022	0.022	0.000
Non-housing maintenance	0.300	0.300	0.300	0.300	0.300	12.00
Standalone Leisure Centres closed - Danderhall LC	0.122	0.076	0.000	0.000	0.000	4.30
Standalone Leisure Centres closed - Gorebridge LC	0.090	0.108	0.108	0.108	0.108	5.00
Standalone Leisure Centres closed - Newtongrange LC	0.050	0.119	0.119	0.119	0.119	3.67
Sports Development - removal of Healthy Lifestyle Development Team	0.127	0.251	0.251	0.251	0.251	6.66
Stop Active Schools	0.000	0.131	0.131	0.131	0.131	7.30
Stop free swimming during holidays	0.017	0.017	0.017	0.017	0.017	0.00
Management Team	0.045	0.151	0.151	0.151	0.151	3.25
Sport & Leisure Bottom-up Service Review (<i>BUR</i>)	0.250	0.250	0.250	0.250	0.250	
Total	1.270	1.892	1.816	1.816	1.816	59.06
Resources Total	2.455	3.438	3.395	3.395	3.395	87.81

BUR – Bottom-up Service Review

Savings Templates

Directorate	Education, Communities and Economy	
Service Area	Children's Services	
Measure	Reduction in Early Intervention and Prevention services by 20%	
Strategic Theme	Workforce	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y/N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.143	0.047	0.000	0.000	0.190
Cumulative savings	0.143	0.190	0.190	0.190	0.190
FTE staff impact	4.8	0	0	0	4.8

Description of Savings Measure

Children and Family Practitioners are not a statutory requirement however the work they do supports the vision of children's services by improving families lives by giving them the support they need when they need it. In essence this means that we are able to identify families in need of support at a much earlier point of contact and thereby prevent issues escalating.

If we were to reduce the staffing compliment by 20% this would invariably lead to a real challenge within the service. We would not be able to meet all the current demands and the threshold for intervening would be raised resulting in a reduction of the early intervention and preventative work. We have already reduced the FTE by 3 workers by not advertising their posts, therefore further reductions of 4.8 workers would result in one part of the service having no early intervention and preventative support.

The impact this could have on our partner agencies such as education and health should not be underestimated, as the expectation would be that they would have to manage referrals at a lower level.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA

Mitigating Factors:

Education would be encouraged but could not be instructed to use PEF funding for their own family support workers to undertake referrals at a lower level. Currently there is no evidence that supports PEF funding being utilised for family support workers reducing referrals into children's services. Referrals are currently increasing and as the population with Midlothian increases there is little likelihood that a reduction in referrals shall happen within the near future.

The Scottish Government has pledged to increase the provision of free early learning and childcare provision to 1140 hours per year by 2020, for children who are 3 or 4 years old, as well for 2 year olds whose parents/carers are on qualifying benefits and are eligible for the 600 hours free entitlement through the Children & Young People's Act 2014.

The national GIRFEC principles of early intervention and prevention would not be applied within Midlothian as children services would only deal with high tariff statutory work.

Other than advising our partner agencies that we were ceasing to have children and family practitioners there is very little mitigating factors that would reduce the impact on the service. The impact on children's services would almost certainly result in an increase

in child protection work and more children being accommodated which in turn would result in more children and young people being accommodated out-with Midlothian due to increase demand.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduce Central Education Management Staff	
Strategic Theme	Workforce Savings	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.096	0.052	0.000	0.000	0.148
Cumulative savings	0.096	0.148	0.148	0.148	0.148
FTE staff impact	2.0				2.0

Description of Savings Measure
<p>This measure is to reduce the complement of staff across the Central Education Teams, including one School Group Manager (SGM) and one Grade 10 post in Communities / Life Long Learning and Employability (LLE).</p> <p>The SGM post is currently a temporary saving as the acting Head of Education's substantive post has not been backfilled since August 2018. A permanent saving can be made by reducing the number of SGM's from five to four, which may require a service review. This would not be implemented on a permanent basis until the Council-wide management review has been concluded.</p> <p>The saving of a Grade 10 post will require a review of the management structure of the LLE and Communities teams.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The effect of the SGM measure is that direct support to schools will be reduced and some areas of the curriculum will not be supported. Aim is to offer leadership opportunities to future school leaders in line with the empowerment agenda from the Scottish Government. School inspections could be poorer in terms of gradings.</p> <p>The Grade 10 measure will result in less support for some of the Communities / LLE functions. Some of the workload would be shared between remaining managers (3). A revised Community Learning & Development Plan would be required for 2019/20.</p> <p>A revised Education Service Plan would also be required for 2019/20 to reflect the reduction in what can be delivered by both Schools Group Managers post and the reduction in Grade 10 post.</p>

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Creative Arts Team Reduction	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.150	0.090	0.000	0.000	0.240
Cumulative savings	0.150	0.240	0.240	0.240	0.240
FTE staff impact	11.2				11.2

Description of Savings Measure
<p>This measure is to stop delivering Creative Arts provision across Midlothian from August 2019, as this is not a statutory service. This would mean that pupils will still get Creative Arts provision within their school as part of their mainstream curriculum like other subject areas but additional instruction in music, dance and drama would no longer be provided.</p> <p>The measure is to remove the delivery of instrumental music offer to all and only provide this for SQA pupils for Higher and Advanced Higher Music. This will reduce the required complement of music instructors by approximately 9.4 FTE. Reductions would also be made in the central support of dance development for secondary schools, support for Primary Drama and Music Instruction Management.</p> <p>All instruction for SQA Music would continue to be recharged to schools at a cost of £700 per pupil per instrument, this recharge was introduced in 2018/19.</p> <p>The 2018/19 budget for Instrumental Music was set on the basis of a similar number of pupils taking weekly music lessons as in 2016-17. However the numbers taking up music tuition are much lower this year resulting in this budget being overspent, estimated shortfall on a full year basis of approximately £150k. If this measure is not progressed the Music Service will in any event need to be reshaped so that it operates within the net annual budget of £211K set by Council in 2018. This would entail a full review of the Creative Arts team and their work - including arts development, dance development, Instrumental Music Service and the externally funded Youth Music Initiative (YMI).</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Some pupils will not be able to progress to Higher or Advanced Higher Music and for all other music tuition parents will need to seek and pay for their own instructors. This would be the same as other subject areas whereby we do not provide progression in S6 or in PE where additional activities have to be done outside of school. The number of entries for SQA Music may reduce.</p>

Review 25 staff members affected (16 FTE). Consultation with staff and unions will be required. This would need to begin in January 2019 with staff and unions and would need to be completed by May 2019 to allow for redeployment etc. at that time. The saving would be from August 2019.

Usher Hall performances would be unlikely to take place.

Reconsider how the Youth Music Initiative (YMI) income (£112k) would be used to support more specific areas for Primary music projects.

A revised model of delivery of music instruction for SQA would be devised, which may reduce the number of instruments.

Management of Music Instructors and bidding for additional monies including YMI would be carried out by a Manager with reduced management time.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Move to Statutory Consultation for Glencorse Primary School	
Strategic Theme	Policy	
Measure (requires Council Approval)		
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.000	0.000	0.000	0.000	0.000
Cumulative savings	0.000	0.000	0.000	0.000	0.000
FTE staff impact					

Description of Savings Measure
<p>It is proposed to move to a statutory consultation on the closure of Glencorse Primary School due to the consistently low numbers of pupils attending over the last 3 years. The school roll has fallen from 29 pupils in 2015 to 15 pupils in 2018. Parents resident in the school's catchment area are opting to put in placing requests to other nearby schools. In 2018/19 all 14 Primary 1 pupils registered at Glencorse made placing requests out and are attending other Midlothian primary schools. Glencorse has no P1 aged pupils attending this year.</p> <p>Closing the school would save £120,000 on staffing. The potential to reuse the building for Early Years Expansion or sell the building could contribute to closing the gap in capital funding required for the Learning Estate.</p> <p>Saving would be made in 2021/22.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>A full consultation on school closure would need to take place and we would need to allow 2 years for this to take place (to allow due process if the measures are called in).</p> <p>If the closure goes ahead staff will be redeployed appropriately to other schools to fill vacancies/as vacancies arise. Children already attending the school would need to be transitioned to other local schools who have capacity.</p>

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Move to Statutory Consultation for Denominational Review	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.000	0.000	0.000	0.000	0.000
Cumulative savings	0.000	0.000	0.000	0.000	0.000
FTE staff impact					

Description of Savings Measure
<p>It was agreed at Council in 2015 to undertake consultation on the development of a strategy for denominational school provision across Midlothian. There are 7 denominational primary schools and one secondary school in Midlothian, all of which are Roman Catholic. To date, we have undertaken some initial discussions with the Head Teachers and representatives of the Roman Catholic Church. This proposal requests that we move to formal consultation which will include parents/carers, children and young people as well as local communities, then, should the outcome of this consultation be a decision to close school(s), move to statutory consultation on the closures. The closure of certain school(s) would achieve savings.</p> <p>Under the Education Scotland Act the provision of Roman Catholic education is a formal requirement of any local authority.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Analysis of school rolls shows that some of our Roman Catholic schools are at capacity or near capacity but that the numbers of Roman Catholic children attending them is reducing. The total capacity of these schools is considerably higher than the number of Roman Catholic children attending them. Also, it has proved difficult to recruit Head Teachers, senior staff and teachers for Roman Catholic schools as they require approval by the Roman Catholic Church. Within Midlothian we currently have two Roman Catholic Head Teachers who have shared headships covering 4 of the primary schools.</p> <p>There are a range of possible outcomes from the consultation, including retaining the status quo or reducing the number of schools, which could mean the closure of some schools.</p> <p>Following the conclusion of the strategy consultation it may be decided to proceed with the closure of some schools and to commence statutory consultation(s), including public meetings and the involvement of HM Inspectors of Education. If the decision following a</p>

statutory consultation is the closure of a school the council must notify the Scottish Government, who have the power to call in the decision. We would need to allow 2 years to follow HM Inspector of Education's process and to allow due process if the measures are 'called in'.

If a closure goes ahead staff will be redeployed appropriately to other schools to fill vacancies/as vacancies arise. Children already attending the affected schools would need to be transitioned to other schools with capacity.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Stop free Primary 4 school swimming	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.033	0.020	0.000	0.000	0.053
Cumulative savings	0.033	0.053	0.053	0.053	0.053
FTE staff impact	0.48	0	0	0	0.48

Description of Savings Measure
<p>The measure would be to remove the provision of primary school swimming from the curriculum from August 2019, as this not a statutory requirement. The Learn to Swim programme which currently operates over the summer holidays would be offered to all pupils who cannot swim and would otherwise have benefitted from school swimming lessons.</p> <p>Currently swimming is provided for free to all primary 4 pupils across the authority, in blocks of 12 weeks with lesson periods of forty minutes.</p> <p>There is a budget for staffing of £22k, to fund 2 mornings per week of teaching staff and 1,216 hours of swimming instructors. Transport costs are £41k per annum.</p> <p>Budget of £10k for instructors would be transferred to supplement the Learn to Swim summer programme (if still operating). Otherwise this could be a saving of another £10,000.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>This change will need to be communicated clearly to parents of all pupils entering into Primary 4 in school session 2019/20. The provision of Primary School swimming is not a statutory requirement.</p> <p>Swimming will continue to be part of the secondary school physical education curriculum.</p> <p>Consultation with schools, staff and unions would be required. This would need to begin in January 2019 with schools and then redeploy staff through SNCT for teachers and the Council redeployment policy.</p>

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Redesign of Devolved School Management	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.038	0.323	0.000	0.000	0.361
Cumulative savings	0.038	0.361	0.361	0.361	0.361
FTE staff impact	8				8

Description of Savings Measure
<p>Teaching staff allocations for all schools under DSM were reviewed in 2018. Council agreed in February 2018 to remove 19.2 FTE teachers to deliver the £500,000 saving as of August 2019. This will be done by:</p> <ul style="list-style-type: none"> removing allocations to Primary Schools for visiting specialist teachers and short term teacher absence (reduce by 9.9 FTE overall); reduce the roll related formula for allocation of teachers to Secondary Schools from 0.0543 to 0.0526 per pupil (reduce by 9.3 FTE overall). <p>This measure is to make a further reduction of teachers which delivers another £38,000 saving in 2019/20 and delivers £323,000 in 2020/21, which equates to a further 8 FTE Teachers.</p> <p>The saving will be delivered by not filling a number of vacancies, no teachers will lose their jobs.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Possible reduction in schools' internal teacher absence cover budget which could result in Head Teachers and Depute Head Teachers teaching more and therefore time for school management and improvement would be reduced.</p> <p>This reduction in teachers may; increase the pupil teacher ratio further; affect the maintenance of teacher numbers and may mean that Midlothian does not in future employ the requisite number of newly qualified teachers, which could lead to the Council being fined by the Scottish Government. Current academic year 2018/19 Midlothian's pupil teacher ratio is 14 (not including PEF funded teachers) which last year was the third highest nationally.</p> <p>There will be a reduced offer in the curriculum for senior pupils due to fewer teachers, so some Advanced Higher classes in particular will not be able to run. Schools will need to adapt their curriculum accordingly.</p>

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	LLE Service reductions	
Strategic Theme	Workforce reduction	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.046	0.021	0.000	0.000	0.067
Cumulative savings	0.046	0.067	0.067	0.067	0.067
FTE staff impact	3.5				3.5

Description of Savings Measure
<p>1 FTE Grade 7 adult and family learning (currently a vacancy) saving is £38,915. This can be delivered for full year as post is unoccupied</p> <p>1 FTE Grade 7 Vocational learning /Accreditation (ESF/ Funding). This may not be a full year saving as the post holder is a permanent employee, and they are currently off long term sick. The part year saving would be £21,306 and full year saving would be £42,613</p> <p>0.5 FTE Grade 6 Positive destinations team (School Work Experience). This is currently a vacant post, but has been being covered by Youth work staff. Saving from reducing from 1 FTE to 0.5 fte would be £ 16,792</p> <p>1 FTE Grade 2-4 Admin Trainee post (vacant at end of March 2018). Saving would be £28,767</p> <p>Total savings from reductions in posts £127,000</p> <p>As a result of these reductions in posts the income target for Employability and Accreditation would need to be reduced.</p> <p>Reduce Income target in Employability and accreditation £(60,000)</p> <p>Net savings is £127,000 less £60,000 equals £67,000</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Reduce Adult and family learning staffing by 1 x Grade 7 Lifelong Learning and Employability (LLE) Worker</p> <p>This is currently a vacancy so will not impact on existing staff. However, this will result in a reduction of staff in the Lasswade and Penicuik cluster areas and, as a result, the number of courses and family learning opportunities will be reduced in these areas.</p> <p>There is a danger that the service will not be considered by HMle to meet the statutory requirements to deliver “an adequate and effective level of service” as set out in the Education Act 2013 and 3 year Learning and Development Plan for Midlothian 2018-2021.</p>

A revised Education Service Plan would also be required for 2019/20.

Reduction of School Work experience post

Midlothian Training Services (MTS)/LLE have delivered the School Work Experience Programme (SWEP) has been centrally co-ordinated by MTS/LLE in partnership with the Midlothian Schools.

There would have to be a new model of delivery of schools considered.

The measure would continue to allow a central coordination of this for a reduced number of pupils. This would need to be reviewed.

This would mean we are achieving part of the recommendations. The Commission for Developing the Young Workforce report is the basis for Scottish Government's employability strategy for young people up to 2021.

Reduce G2-G4 Trainee Post

The current post holder is on secondment and does not want to return to this post. So there is no impact on staff.

However, the reduction in trainee posts will impact across the service as they deliver group work in all teams as well as providing admin support to local geographic teams. This reduction will reduce the capacity to deliver adult learning and youth work.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduction in Adult Learning LLE Workforce	
Strategic Theme	Workforce	
Measure (requires Council Approval)	YES	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.047	0.000	0.000	0.000	0.047
Cumulative savings	0.047	0.047	0.047	0.047	0.047
FTE staff impact	0.2				

Description of Savings Measure	
OTHER LL&E BUDGET REDUCTIONS	
Reduce sessional adult learning budget from August	£25,000
Full year could only be achieved by closure of many adult learning groups in April 2019	
Reduce ESOL Grade 8 (reduce post by 1 day per week)	£8,299
This is achievable as person in post only working 4 days	
Remove sessional budget from Employability and accreditation team	£7,000
Loss of sessional staff for welding workshop	
Reduce allowances paid to focus participants by	£7,000
Historic social work payments being stopped.	
This is in addition to other savings proposed.	

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Reduction in Adult Learning sessional budget</p> <p>As a result, the number of community based adult learning classes will reduce across the authority as the majority of resources will be targeted in priority geographic areas.</p> <p>First step courses, including literacy, numeracy and English for Speakers of Other Languages (ESOL) may not be offered free of charge until May to target those who are returning to education and employment or with very low confidence and skills including digital skills. It will also reduce some capacity to respond to requests to work with specific target groups e.g. vulnerable families, those with disabilities or involvement in criminal justice etc.</p> <p>This reduction will also impact on the social isolation, health and wellbeing of a variety of groups including older people. This could lead to an increase in referrals to adult services,</p>

health service etc. and some older people will become less engaged within their local communities.

This will also impact on the range of opportunities on the paid adult learning programme. The target of 120 classes offered annually will reduce to 70 (Community Learning and Development Regulations/Improving Opportunities Midlothian Plan) and the reduced sessional budget will be used to employ specialist tutors to deliver qualifications for people of working age to meet our target of increasing the number of adults with qualifications at all levels and supporting those who wish to move into employment, learning or training and/or secure better paid jobs. Other curriculum subjects such as creative arts, health and wellbeing, digital skills, child development etc. which are used as first step learning opportunities and largely benefit older people, parents/carers and adult returners will be impacted and opportunities will not be offered in all geographic areas.

The biggest impact of the sessional budget cut will be in the delivery of adult literacy and numeracy classes where we employ specialist tutors to run small, learner centred programmes. This will impact on the most vulnerable adults who have literacy and numeracy difficulties. An increasing number of volunteers already provide additional one to one support in this group setting but we will be unable to support them as resources decrease. This will also impact on support for Midlothian Council staff which we currently provide free of charge in venues such as Stobhill and for care workers and childcare workers who need additional literacy and numeracy support to sustain their employment.

There is a concern that the service will not be considered by HMLe to meet the statutory requirements to deliver “an adequate and effective level of service” as set out in the Education Act 2013 and 3 year Learning and Development Plan for Midlothian 2018-2021.

A revised Education Service Plan would also be required for 2019/20.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Youth Work reductions in LLE	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.057	0.000	0.000	0.000	0.057
Cumulative savings	0.057	0.057	0.057	0.057	0.057
FTE staff impact	1.0				

Description of Savings Measure
YOUTH WORK CLOSURES
Total saving of £57,000 by
Non – filling of grade 5 youth work vacancy in Woodburn area, £32,412
Reduce sessional youth work budget by closure of the youth clubs from April 2019 - £25,000

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The grade 5 post is a vacancy, so will be a full year saving as of April 2019. This reduction would mean that there would be no future delivery in the West of the county which has been supporting the West of Midlothian.</p> <p>The reduction in youth work budget will impact on sessional staff contracts which will stop. Notice will have to be given to affected staff.</p> <p>All youth work activities within Midlothian for primary school age children will stop. This will include Under 12 youth work that is currently available in every academic cluster. This work is predominantly early intervention work, targeted to young people as part of the transition package from P6/7 to secondary. Some of this work may continue using Pupil Equity Funding (PEF) from schools depending on their priorities.</p> <p>Senior Youth work in the west of the authority will be stopped. Priority will be given to young people who are engaging in risk taking behaviour within the targeted areas of Midlothian which is deemed to be in the Newbattle and Dalkeith areas. Currently 765 young people per week engage from the west side of Midlothian, who would no longer receive a service, due to re-prioritising.</p> <p>Only specific targeted youth work for 12 to 16 year old young people will continue, and this will be 1 senior youth club in the Dalkeith and Newbattle Area.</p>

The new Danderhall and Shawfair area youth clubs will not be pursued.

No young mum employability learning within the authority. Currently offering 12 spaces per year. Attendance at this groups can count towards a positive destination, and this could result in 12 young people possibly not being deemed to be in a positive destination.

There will be a reduction of early intervention work of around 26 young people per year throughout the authority. This may result in a reduction of young people in a positive destination of around 8 per school for Lasswade, Beeslack and Penicuik Schools.

Midlothian will not meet the target set of 5% increase of youth awards and accreditation annually. The target will need to be adjusted in next year's service plan.

The commitment by Positive Destinations Team will no longer be able to meet the requirements set out by the Type Two Diabetic Strategy (T2DS) agreement of November 2018, as there will not be the staff to do this work.

There is always a concern that the service will not be considered by HMIE to meet the statutory requirements to deliver "an adequate and effective level of service" as set out in the Education Act 2013 and 3 year Learning and Development Plan for Midlothian 2018-2021.

There will be a greater impact on children and young people from this saving if the PAVE reductions are also taken.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduce subsidy for School Lets	
Strategic Theme	Fees and Charges	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.015	0.034	0.010	0.000	0.059
Cumulative savings	0.015	0.049	0.059	0.059	0.059
FTE staff impact	none				

Description of Savings Measure
<p>Currently charitable, voluntary and non-profit making out of school care providers benefit from a 95% discount on let fees, so pay only 5% of the full let charge for the use of council buildings.</p> <p>It was previously proposed to reduce the discount to 50%, which was rejected by Council.</p> <p>Each out of school care service currently paying only 5% of the full charge, pays no additional overheads which means that they are receiving lighting, heating, etc. for free.</p> <p>This measure would increase the let charge to 8.7% of the full let charge in 2019/20 with further increase to 15% in 2020/21, i.e. a discount rate of 91.3% and 85% respectively. The increase in the first year is less than the second year so that the proportionate year on year increase for the out of school care providers is approximately the same at around 73%, thereby levelling out the increase in fees to the providers and hence to families. Were the increase to be applied at 5% each year the let fees to out of school care providers would double in the first year then increase by half in the second year. Note that the let fees change with effect from August rather than from the start of the financial year in April.</p> <p>Note also that the discount would apply to the let fee charges in force in the appropriate year, i.e. including any annual uplift. For example if the let fee was £10 in 2019/20 OSC would be charged 8.7% of this, if a 5% annual uplift were applied in 2020/21 the let fee would be £10.50 and OSC would be charged 15% of this.</p> <p>This measure would require alteration to the council's Corporate Charging Strategy, moving charitable/voluntary/non-profit making out of school care providers (out of school care, after school clubs and holiday clubs) out of category 2 into a new category, and setting the phased-in discount rate. Thereafter the new rates would be applied to the annual bills issued centrally by the council.</p> <p>Achievement of the forecast savings/income is assessed as amber. The calculation of the increase in fees to families show a small increase per child per week however the Midlothian After School Club Network reports significant challenges to long-term sustainability of providers if the rate becomes higher than 10% of the let fees. The risks to achieving the saving are explored in more detail later in this measure.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA

December Council approved a new Out of School Care Policy, developed in partnership with Midlothian After School Club Network (MASCN).

The provision of quality, affordable out of school care supports the delivery of two of the GIRFEMC outcomes for 2017/18 to 2019/20:

- Children and young people are supported to be healthy, happy and reach their potential
- Inequalities in learning outcomes have reduced

While also contributing to Sustainable Growth outcomes such as:

- Midlothian is an attractive place to live, work and invest in

Impact

Note that the figures below include the 5% uplift in fees and charges for 2018/19 but have not included any annual uplift for future years.

The OSC providers benefiting from the category 2 concession on let charges are by definition charitable, voluntary or non-profit making organisations and unless efficiencies can be achieved any increase in let fees will be passed on to families.

This measure would increase the income to the council from let fees from £29.6k per annum in 2018/19 to £88.7k per annum from 2020/21 (academic years). With around 1,500 children registered with OSC in Midlothian this represents an average increase of less than £40 per child per year. The actual increase for each child will vary considerably depending on the numbers of hours per week term time and the number of days of holiday club they attend. Recent research commissioned by MASCN found that 28% of responding families had two children attending OSC and less than 2% more than two children. Most OSC providers offer a sibling discount.

Each 5% of the let fee levied on OSC is £29.6k per annum. Divided by 39 weeks (term time) this is £759 per week across all OSC. Therefore if only half of the registered children attend each week then each 5% of the let fee equates to £1 extra per child per week. This is also a high estimate as the £30k let fee includes all holiday lets for holiday clubs. Extrapolating this high estimate to the full additional 10% to be levied from 2020/21 gives an increase of £2.00 per child per week term time. Almost all families should receive some form of financial support for their childcare costs, for example Tax Free Childcare pays 20% (£0.40 of £2.00), or Universal Credit pays 85% (£1.70).

MASCN advise that providers could absorb an increase to 10% of the full let fees (90% discount) through efficiencies and partnership working, however they report that any greater increase could lead to significant challenges for long-term sustainability, with as many as four out of the eight providers at seriously high risk of closing if the let fees increase to 15% (85% discount). The full letter from MASCN is attached to this savings measure.

It remains to be seen whether the existing charitable and voluntary OSC providers in Midlothian amalgamate in order to benefit from economies of scale, or if private providers will meet any shortfall in capacity, potentially by letting rooms in council premises where they would pay the full let fee. MASCN advise that there are not significant savings to be made by amalgamation or mergers between clubs.

There are a number of risks to the calculated increase in income to the council:

- OSC services may reduce the number or size of rooms or hours of lets (this may reduce the number of places available)
- Families may reduce the number of OSC hours they use, or stop using OSC, which may reduce the sustainability of the services
- There may be a wider impact upon Midlothian's economy if families' ability to train, gain qualifications or hours of work are reduced through an increase in childcare fees or reduction in capacity
- The let fees total includes lets of pavilions, which may be subject to Community Asset Transfer
- Providers will have increases in other running costs, such as sustaining the living wage and inflation

Potential mitigating factors are:

- The survey of families using OSC found that only half of respondents received financial assistance with childcare costs, when in fact almost all should be receiving at least 20%. As a result of the enhanced guidance and signposting by OSC services that will commence shortly a greater proportion of families will claim the financial support to which they are entitled, which will, to an extent, offset any increase in childcare fees
- The engagement of Midlothian Voluntary Action by MASCN to provide business planning support will strengthen providers' sustainability
- The Childcare and Workforce Development Officer currently supports OSC providers, and supported them through the phased introduction of the equalisation of fees and charges that commenced in 2014/15. If this measure is taken forward, it is recommended that this support be continued.
- The Family and Childcare Trust's Childcare Survey 2017 reports the average after school club cost in Scotland as £55.77, higher than the average in Midlothian at that time of £51.14. Similarly the average cost for a week's holiday club across Scotland is £124.43, higher than in Midlothian at £97.19.
- Should OSC services in receipt of a discount withdraw from a council building, private providers may take up lets in schools, paying full let fees
- Previous research found that the charges by private providers were not substantially different to the category 2 providers who use Midlothian Council premises

EqIA

The EqIA found that, while an increase in fees will be offset to an extent, for some families, by an increase in tax free childcare, childcare vouchers, tax credits, Council Tax Reduction or Universal Credit, the reduction in discount has a potentially greater impact on children from lone parent families, most often female, where the parent/carer is training, studying or in low-paid employment.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduce the budget on School Transport	
Strategic Theme	Policy cost reduction	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.047	0.029	0.000	0.000	0.076
Cumulative savings	0.047	0.076	0.076	0.076	0.076
FTE staff impact	none				none

Description of Savings Measure

The council's policy on home to school transport sets out that a pupil may receive free transport if they attend their catchment school and their home address is more than two miles from the school based on the shortest safe walking distance. A pupil may also receive free transport if the council has placed them in a non-catchment school due to a catchment school being full.

A pupil will not receive free transport if they attend a non-catchment school as a result of a placing request being granted.

Where a school bus is not full, the unused capacity is made available to other, "non-entitled" pupils.

Total expenditure on home to school transport in 2017/18 was £2.265m: primary £0.283, secondary £1.089m and ASN £0.893m. The total budget for 2018/19 is £2.466m.

Jointly with the Transport Team we propose to no longer provide buses to transport pupils residing in Eskbank and Easthouses from home to school, as there is now a safe walking route to school available. Based on current costs this would save £53,650 per school year.

Other savings can be made by looking at the sizes and numbers of buses required to service essential routes. This will include further reduction in the number of buses providing transport from Mayfield and Easthouses. This would affect some pupils attending St David's High School who currently take up places, where available, on buses to the Dalkeith School Campus. An estimated additional saving of £22,600 for the 2019/20 school year has been included here.

The Transport Team, who will be responsible for the delivery of this saving, will shortly confirm the contracts to be terminated. They have confirmed that the bus operators require 4 weeks' notice, no compensation will arise as this is written into contract terms and conditions. Any reductions in transport may increase traffic at schools as more parents/carers will drop pupils off.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or

community planning outcomes. Include EQUiA

Appropriate consultation will be undertaken with parents/carers and schools of affected pupils. We will review our current transportation policy to make sure it reflects these changes. Families will be encouraged to walk to school as part of encouraging and improving health benefits.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduction in Educational Psychologist Service	
Strategic Theme	Policy cost reduction	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.020	0.050	0.000	0.000	0.070
Cumulative savings	0.020	0.070	0.070	0.070	0.070
FTE staff impact	0				

Description of Savings Measure
<p>Carry out a service review of Educational Psychologists alongside consideration of a shared service with another local authority to be explored.</p> <p>This service currently consists of 6.8fte including the Principal Educational Psychologist. Total cost of staffing is £494,529.</p> <p>Any service review would need to take place after December 2019 as 2 staff members are currently on maternity leave.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Any reduction may mean an increase in referrals to Additional Support for Learning (ASL) Tribunals and out of authority placements, due to reduced number of assessments being made by Educational Psychologist for places or support in schools. This would lead to increased costs. As the fastest growing Local Authority we also have an increase in those with additional needs, as reported to Cabinet in 2018, 26.53% of pupils have additional support needs against the Scottish average of 24.89%.</p> <p>A consultancy service general means a limited service that offers advice to staff only and not visits.</p> <p>Support for behaviours in schools will be reduced. This may increase the number of exclusions and out of authority placements as advice and training around behaviour supports, mental health and Adverse Childhood Experiences are the biggest challenges for schools currently as indicated in the completed staff survey of November 2018.</p> <p>Less focus on mental wellbeing and absences, which the Principal Educational Psychologist currently leads on. This could mean absence figures increase across schools.</p> <p>Caseloads for Educational Psychologists are already high and work will have to be prioritised.</p>

This would require a full service review including staff and union consultation. The timescale for any service review and hence realising the saving would be challenging as 2FTE are currently on maternity leave.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Employ fewer Learning assistants for ASL pupils across schools.	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Partially

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.121	0.073	0.000	0.000	0.194
Cumulative savings	0.121	0.194	0.194	0.194	0.194
FTE staff impact	8.5				

Description of Savings Measure
<p>This saving would begin in August 2019.</p> <p>The saving proposed amounts to around 306 hours per week which would mean a reduction of approximately 8.5fte. This will require some fixed term contracts to be stopped and in some cases a redeployment or reduction in hours for staff.</p> <p>To prevent this reduction having a negative impact upon pupils' outcomes we will have to ensure that the quality of learning assistant support provided by the remaining staff members is consistent and the work with the most vulnerable is prioritised. The training is challenging when many of these staff are on fixed term contracts.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>As the fastest growing Local Authority we also have an increase in the number of pupils with additional needs. Within Midlothian 26.53% of all pupils have an additional support for learning need, this is above the national average of 24.89% .</p> <p>Any reduction in learning assistant hours could mean a rise in the number of recorded violent incidents. This could increase both teacher and other staff absence due to challenges of supporting pupils with additional needs in class.</p> <p>It is likely that pupil absences will increase in schools due to pupils feeling unsupported or parents refusing to send pupils to school as a result of the lack of support.</p> <p>More referrals could be made for placements in provisions and out of authority placements may be sought, including requests for home schooling due to parental perception of lack of support.</p> <p>As learning assistants support a range of learners then Curriculum for Excellence (CfE) levels for numeracy and literacy, which have been on the rise in Midlothian, may reduce as teachers will spend more time on behaviour management issues. This may have an impact on exclusions and out of authority placements.</p>

The biggest challenges for schools currently is behaviour issues as indicated in the completed staff survey of November 2018.

This will not require a service review, but will involve clear communication to affected staff, unions and school leaders.

Directorate	Education, Communities and Economy	
Service Area	Education	
Measure	Reduce Lifelong Learning and Employability (LLE) to only statutory provision	
Strategic Theme	Policy cost reduction	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.531	0.319	0.000	0.000	0.850
Cumulative savings	0.531	0.850	0.850	0.850	0.850
FTE staff impact	30 FTE				

Description of Savings Measure
<p>The proposed saving would remove most of the Lifelong Learning and Employability (LLE) service, less savings already proposed in other budget measures.</p> <p>The amount of full year budget savings would amount to circa £850k. The above savings are based on savings from August 2019. This would affect 30 fte of staff, mainly permanent staff.</p> <p>The remaining model would leave a budget of £850k to deliver a low end adequate and efficient service in terms of the Community Learning and Development regulations for youth work, adult learning including literacy, numeracy and ESOL.</p> <p>A full service review would be required and priority given to meeting the Community Learning and Development regulations of an 'adequate and efficient' service and achieving the outcomes in the Midlothian Single Plan.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The LLE Service comes under the Community Learning and Development Regulations, so it is imperative that we deliver an adequate and efficient service.</p> <p>LLE service directly contributes to addressing key inequalities prioritised by the Community Planning Partnerships ;</p> <ul style="list-style-type: none"> • Inequalities for Learning and Attainment • Economic inequalities • Health inequalities • GIRFEC, Community Safety and Sustainable Growth <p>The purpose of the LLE service is to improve the life chances for people of all ages through the development of skills for learning, life and work. This means helping local people secure jobs, improve their qualifications and take part in activities which help them stay involved in their community and not become isolated;</p>

- LLE is focused on supporting care experienced young people and those at risk of negative outcomes.
- LLE is also supporting individuals and families through adult/family learning. We support families to improve their economic circumstances through helping adults secure employment, improve qualifications and secure higher paid employment.
- LLE is supporting people of all ages to take part in their community and reduce social isolation

Impact include:

- LLE may not meet their statutory duty for youth work, adult learning due to a reduced service, even with the best efforts to make the service efficient and adequate.
- There may be an increased number of young people not achieving a positive destination.
- There is likely to be no awards for Duke of Edinburgh or wider achievement awards
- There could be fewer adult job seekers securing employment due to lack of support from LLE. Fewer adults may secure qualifications to help them secure a job due to loss of expertise and staff capacity to run opportunities.
- Income targets will not be met or set going forward for this service area.
- The funding from schools to PAVE impacts on the schools budget and may mean that more pupil's needs are not met. This is a direct cost for schools and requires them to fund from existing resources.
- LLE staff and managers support schools to prepare for inspection and this would cease, this could result in some inspection grades being reduced.
- LLE supports Early Years family learning and this would likely cease.
- All vocational opportunities and programmes for school aged pupils would be stopped as this is not a statutory function.
- There is likely to be little or no external funding applied for. All income targets would be removed from this service area.
- This saving would reduce the number of young people and adults securing employment and gaining qualifications through services delivered by Lifelong Learning and Employability Services.
- We may fail to meet some of the 39 Developing Scotland's Young Workforce recommendations within the seven year programme.
- The commitment by Positive Destinations Team will no longer be able to meet the requirements set out by the Type Two Diabetic Strategy (T2DS) agreement of November 2018.
- All income targets will be removed.
- We may need to pay back monies given to us from European Social Fund (ESF) if we do not deliver on outcomes.
- Less support for Midlothian Council staff which we currently provide free of charge in venues such as Stobhill and for care workers and childcare workers who need additional literacy and numeracy support to sustain their employment.

These reductions will also impact on the social isolation, health and wellbeing of a variety of groups including older people, who make up a percentage of participants. This could lead to an increase in referrals to adult services, health service etc. and local people will become less engaged within their local communities.

There is a concern that the service will not be considered by HMle to meet the statutory

requirements to deliver “an adequate and effective level of service” as set out in the Education Act and 3 year Learning and Development Plan for Midlothian 2018-2021.

Statutory duties – Communities are required to have access to the Community Learning and Development support they need. This is underpinned by the requirement under the Education (Scotland) Act 1980 to “secure adequate and efficient provision” of Community Learning and Development in their area. This means there must be adequate provision of learning and development opportunities for young people, adults, families and communities to increase their life chances through the development of skills for learning, life and work.

A full service review would be required to ensure we meet the statutory function of ‘efficient and adequate’ service. Priority given to meeting the Midlothian Single Plan outcomes.

Directorate	Health and Social Care	
Service Area	Customer and Housing Services	
Measure	Closure of Non-Hub Libraries Services	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£	£	£	£	£
Incremental savings	0.073	0.100	0.000	0.000	0.173
Cumulative savings	0.073	0.173	0.173	0.173	0.173
FTE staff impact	7.16	7.16	7.16	7.16	7.16

Description of Savings Measure
<p>The savings offered are in relation to the closure of all non-hub libraries as follows:</p> <ul style="list-style-type: none"> - Dalkeith Library £73,260.70 (3.18FTE) - Gorebridge Library £50,612.51 (1.99FTE) - Newtongrange Library £49,255.21 (1.99FTE) <p>A figure for redundancy payments for 7.16 FTE staff impacted by the closures would be required therefore would reduce the total saving.</p> <p>It should be noted that £100k savings remain to be delivered by library services across 2020/21 to 2021/22 so closure of the remaining non-hub library at Roslin may be required as part of that saving, alongside other digital transformation works.</p> <p>It should be noted that Danderhall would remain as a non-hub library as a temporary provision until it moves into the new hub in August 2020.</p> <p>It should be noted that Midlothian Council have requested that work be undertaken to investigate the potential of introducing a post office into Newtongrange Library. A report will be presented to Council later in 2019 – this may mean that Newtongrange Library would remain open if the introduction of a post office was feasible. This would mean a reduction in the savings achievable.</p> <p>Libraries are currently supporting citizens to pay for the new Garden Waste Service – in the first week, Dalkeith Library alone has supported citizens to get online and to make 117 transactions and dealt with a further 125 enquiries with regard to the new service.</p> <p>If these libraries were closed, other support would need to be put in place, or citizens would need to travel to other libraries which remain open.</p> <p>Library Services are a statutory service for the local authority to ensure adequate provision only, although that is not defined in the legislation. That does not mean that they are not important to customer and other service users.</p> <p>It should be noted that the savings associated with this measure are related to full closure. If</p>

additional mobile library stops were required in these localities then additional funds may be required to purchase an additional mobile library at £100k capital and this would require 1FTE mobile library driver.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA

EQIA outcomes for Race, Sex, Sexual Orientation and Religion/Belief are monitored.

Library users from these localities would be expected to travel to one of the remaining 5 libraries across Midlothian in order to undertake key tasks such as accessing online services for the purposes of updating Universal Credit journals, access to the Internet, processing bus passes, receiving hearing aid batteries, accessing print and online resources, attending groups, events and support groups. It is generally expected that nationally citizens should have access to a library within a 1 mile travel distance from their home. If these closures are approved, then residents may have to travel to Newbattle or Lasswade Library in order to access services, if a mobile library service were not available.

The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.

Directorate	Health and Social Care	
Service Area	Community Justice	
Measure	Community Safety Team	
Strategic Theme	Policy Cost Reduction	
Measure (requires Council Approval)	Yes 6 month lead in time relative to Service Level Agreement	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.090	0.090	0.000	0.000	0.180
Cumulative savings	0.090	0.180	0.180	0.180	0.180
FTE staff impact	3.5				

Description of Savings Measure
<p>In developing a <i>Safer Midlothian</i> the responsibility for responding to community safety concerns will be on redefining the role of the community in helping itself resolve small scale problems, while council tenancy problems are integrated within the roles of Council Housing staff. The emphasis will be on a preventative approach with particular attention on substance misuse and domestic abuse.</p> <p>This will see the full dissolution of the community safety team. Including the removal of the Police seconded posts (i.e. analyst)</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The current measure is full withdrawal of a non- statutory service. Any staffing review would be conducted through the Organisational Change Policy and procedure to consult with employees scoped into the service</p> <p>Retention of the East Lothian Resolution Service is proposed as a Service Level Agreement has been negotiated which results in income from ELC for the resources to be funded. This may need to be reviewed</p> <p>The <i>Shaping our Future</i> public consultation exercise detailed the sustained reduction in crime and anti social behaviour in Midlothian and the service review measure received a positive response, however we will continue to monitor impact on vulnerable groups impacted as victims of crime or fear of crime or anti - social behaviour.</p>

Directorate	Health and Social Care	
Service Area	Community Justice	
Measure	Midlothian Community Policing Team	
Strategic Theme	Policy Cost Reduction	
Measure (requires Council Approval)	Yes 6 month lead in time relative to Service Level Agreement	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.281	0.281	0.000	0.000	0.562
Cumulative savings	0.281	0.562	0.562	0.562	0.562
FTE staff impact	0	0	0	0	0

Description of Savings Measure
<p>Midlothian Community Policing Teams - Historically the Council funded two Community Policing Teams which operated in Midlothian at a cost of £500,000 per annum.</p> <p>With a background of restricted resources and prospects which would remain challenging for an extended period of financial constraint a funding reduction equating to one of the Community Policing Teams was approved as part of the 2015/16 budget savings measures. This team was then reintroduced in 17/18 and current spend on the two teams is £562,570 per annum.</p> <p>Given the current financial situation this new measure would see the cessation of the funding leading to the withdrawal of both teams.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Tactical Police response to crime and ASB in Midlothian- Non statutory. Concentrating the efforts of all services on delivering integrated services to deliver results.</p> <p>Funding the posts out of local government and in the single Police service subsidises Police Scotland commitment to 1,000 extra police officers.</p> <p>These teams act as a tactical police response to crime and anti-social behaviour in Midlothian. With a reduced crime rate, the safeguarding of communities is effectively delivered by a range of partners also contributing to the Community Safety Partnership.</p>

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	<p>School Crossing Guides This is a non-statutory service and three options are put forward for consideration.</p> <p>Option 1 – cease the service altogether (52 posts)</p> <p>Option 2 – cease the service at controlled crossings (24 posts)</p> <p>Option 3 – cease the service at controlled crossings when the existing guide leaves (affects 24 posts)</p>	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings – option 1	0.219	0.000	0.000	0.000	0.219
Cumulative savings – option 1	0.219	0.219	0.219	0.219	0.219
Incremental savings – option 2	0.070	0.035	0.000	0.000	0.105
Cumulative savings – option 2	0.070	0.105	0.105	0.105	0.105
Incremental savings – option 3	unknown	unknown	unknown	unknown	unknown
Cumulative savings – option 3	unknown	unknown	unknown	unknown	unknown
FTE staff impact	4				

Description of Savings Measure
<p>The Council currently provides school crossing guides to assist children primarily to cross the roads on their journey to and from school. This is a non-statutory service. The options put forward include removing all school crossing guides, or removing those guides who operate at existing controlled crossings either at the same time or when the guide leaves the Council.</p> <p>Across Scotland there is a mixed picture with Councils generally leaving the service untouched with some (in the more rural locations (5 no)) reducing service provision. Four years ago the Council took the decision to remove crossing guides at lunchtimes (with two exceptions) and this was based on the fact that children were staying in school during this time.</p>

<p>Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA</p>

This would almost certainly lead to substantial concerns raised by parents/guardians of the pupils affected, and others e.g. the elderly or disabled. The EQUiA has not identified any further mitigation or issues. However, there is the option to replace guides with controlled crossings (where none exist) although this would have capital and ongoing revenue implications.

Communication would be through the schools directly to the parents/guardians affected. In addition there would be a need for wider information release.

The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	Reduce road maintenance spending on gully cleaning	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/20	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.050	0.000	0.000	0.000	0.050
Cumulative savings	0.050	0.050	0.050	0.050	0.050
FTE staff impact	Nil				

Description of Savings Measure
<p>This measure seeks to reduce the time when routine gully cleaning is carried out, further restricting this activity to reactive maintenance.</p> <p>The budget for routine road maintenance activities is set at £870k and includes grass cutting, weed killing, gully cleaning, minor jetpatcher repairs and other road related repairs. Historically this budget comes under pressure to adequately maintain the network.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By reducing the regular routine cleaning of gullies there is a likelihood of localised flooding occurring. A focus will remain on known areas susceptible to flooding to minimise the potential for flooding which may affect property or impact on the road network</p> <p>This would be communicated as part of the wider communication intimating service changes affected as part of the budget situation.</p>

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	Reduce road maintenance spending	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/20	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.150	0.000	0.000	0.000	0.150
Cumulative savings	0.150	0.150	0.150	0.150	0.150
FTE staff impact	Nil				

Description of Savings Measure
<p>This measure seeks to reduce the time resources available to carry out routine road maintenance. This will primary impact when routing gully cleaning is carried out, further restricting this activity to reactive maintenance, and the ability to carry our minor and pothole repairs.</p> <p>The budget for routine road maintenance activities is set at £870k and includes grass cutting, weed killing, gully cleaning, minor jetpatcher repairs and other road related repairs. Historically this budget comes under pressure to adequately maintain the network.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By reducing the regular routine cleaning of gullies there is a likelihood of localised flooding occurring. A focus will remain on known areas susceptible to flooding to minimise the potential for flooding which may affect property or impact on the road network with a focus on health and safety.</p> <p>If harsh weather is experienced the ability to maintain the network in a serviceable condition will be reduced.</p> <p>This would be communicated as part of the wider communication intimating service changes affected as part of the budget situation.</p>

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	Introduce and/or increase car park charges	
Strategic Theme	Fees & Charges	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/20	2022/23	Total
	£m	£m	£m	£m	£m
Incremental saving – no free hour	0.000	0.016	0.000	0.000	0.016
Incremental saving – other car parks	0.000	0.040	0.000	0.000	0.040
Incremental saving – Council car parks	0.000	0.010	0.000	0.000	0.010
Cumulative savings	0.000	0.066	0.066	0.066	0.066
FTE staff impact	Nil				

Description of Savings Measure
<p>This measure seeks to increase charges where they current apply and introduce charges where none currently exist.</p> <p>The Council has a cross party working group considering car parking and the associated charges. At this time the group have not advocated either introducing new charges or increasing existing charges to allow for a period of monitoring after the introduction of decriminalised parking enforcement.</p> <p>Part of the delay is to allow for consultation on the potential introduction of a residents parking scheme. As a consequence potential increased income is not envisaged until 2020/21.</p> <p>Income above is based on a prudent estimate of a 50% uptake.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>There is a balance to make currently between the needs of the Council (financial), the need for resident parking and the need to ensure that introducing further charges does not see vehicles being parked in other residential areas causing further issues including those of a road safety nature.</p> <p>Consultation would be carried out with affected local communities.</p> <p>Any changes to the charging regimes would be communicated more widely.</p>

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	Removal of support for bus travel	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.113	0.012	0.000	0.000	0.125
Cumulative savings	0.113	0.125	0.125	0.125	0.125
FTE staff impact	Nil				

Description of Savings Measure
<p>This measure would see the removal of grants that currently support bus service 101/102 (£9k), 51/52 (£18), 111 (£28k), and 339 (£70k).</p> <p>As a consequence the bus providers may remove the services in part or in entirety.</p> <p>The draft business plan from Lothian Buses seeks to protect and indeed enhance its “social dividend” which is around continuing to provide services where they are not commercially viable but are important to communities they operate in.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The service loss would be particularly felt by those on low incomes, the elderly and the disabled and may be the only way for these groups to lead a full life.</p> <p>If the Lothian Buses dividend came to fruition it would be considered prudent to use this to maintain the current service level and still achieve a saving overall. However, this will be challenging given Lothian Buses commitments to CEC in terms of its extra ordinary dividend to support the tram network.</p>

Directorate	Resources	
Service Area	Commercial Operations - Road Services	
Measure	Removal/Reduction of Community Transport funding	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.210	0.103	0.000	0.000	0.313
Cumulative savings	0.210	0.313	0.313	0.313	0.313
FTE staff impact	Nil				

Description of Savings Measure
<p>The Council provides grants to HcL (£104k) for Dial-a-Ride to provide individual transport for users unable to access main stream bus services due to the nature of their disability. HcL also operate Dial-a-bus (£61.5k) which offer scheduled services for trips to shopping locations to the same client group.</p> <p>LCTS provide group transport for various voluntary and disabled user groups across Midlothian and provide direct services to Midlothian Council (£106k). They also provide community bus scheduled services in areas not served by mainstream operators (£37k). In addition the Council provide and maintain two vehicles to LCTS and one vehicle to HcL.</p> <p>LCTS provide a Midas driver training service at a discounted rate to the Council.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Discussions are ongoing with the operators to ascertain if more efficient use can be made of both their own and the Council fleet.</p> <p>Removal of HcL service could mean that some users would not have access to public transport.</p> <p>Loss of LCTS would have a similar impact on transport for the voluntary sector and would impact on social work clients supported by Midlothian Council.</p> <p>Both the organisations involved would be communicated with in terms of any reductions. This in turn would be relayed to the users of these services.</p> <p>Discussions would also be held with colleagues in other services to agree any mitigation measures.</p>

Directorate	Resources	
Service Area	Commercial Operations - Land & Countryside	
Measure	Stop all support to Galas and events	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.044	0.000	0.000	0.000	0.044
Cumulative savings	0.044	0.044	0.044	0.044	0.044
FTE staff impact	Nil				

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>Staff currently assist at a variety of events across Midlothian which predominantly occur outside the normal working day. This includes galas and events in local towns and villages for example in Gorebridge, Newtongrange and Loanhead. Assistance includes the provision, erection and dismantling of marquees, staging and temporary fencing, generators and floral troughs. In addition, staff are engaged and support with litter pick-ups and clearance.</p> <p>Events are supported currently approximately 26 weekends a year. This support costs up to £34,000 per annum and a further £10,000 in grants.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Event organisers have come to rely on this support and have indicated previously that events may not take place without this support. Local galas attract a number of visitors to their event which will have a local economic benefit.</p> <p>Communication with groups could be undertaken at the annual meeting involving councillors and Gala committee staff.</p>

Directorate	Resources	
Service Area	Commercial Operations – Land & Countryside	
Measure	Close Buccleuch Bowling Green, Dalkeith	
Strategic Theme	Bottom-up Review	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.025	0.000	0.000	0.000	0.025
Cumulative savings	0.025	0.025	0.025	0.025	0.025
FTE staff impact	1				1

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>This measure is to close Buccleuch bowling green, Dalkeith's outdoor bowling green to future use. This would mean that no further maintenance on the green would be carried out other than occasional grass cutting for amenity purposes. The club has approximately 100 members and generally performs well in the local competitions.</p> <p>The building is used extensively by social work clients and it is proposed that this would remain open.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The bowling green has been used for many years by Dalkeith bowling club and currently has approximately 100 members. One option may be an asset transfer although there is no evidence that this would be taken up.</p> <p>Members could migrate to other local clubs but the local identity would be lost.</p> <p>Communication with the affected Dalkeith bowling club and any other users would be undertaken and include option for asset transfer.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p>

Directorate	Resources
Service Area	Commercial Operations – Land & Countryside
Measure	Reduce grass cutting standards
Strategic Theme	Bottom-up Review
Measure (requires Council Approval)	Yes
	Has the measure been presented to Council previously?

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.075	0.075	0.000	0.000	0.150
Cumulative savings	0.075	0.150	0.150	0.150	0.150
FTE staff impact	4.50				4.50

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>This measure concerns all rural and urban grass cutting which has a total cost of circa £440,000 per annum.</p> <p>Currently rural verges are cut twice per year at a cost of circa £80,000. This is restricted to one metre from the road edge and is largely to ensure visibility is maintained and the road width is not reduced. It is not proposed that this is reduced.</p> <p>Urban areas are generally in towns and villages adjacent to housing. Currently cuts are twelve times per year. To reduce this to make significant savings would require a significant change to three cuts per year in a number of areas (not all). This would lead to a significant deterioration in the built environment (long grass, excess litter, dog fouling and fly tipping).</p> <p>There would be a requirement to change grass cutting machinery further at a capital cost of circa £171,000.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>There would be a significant impact on the built environment with a similar rise in complaints. Whilst efforts would continue to have communities take on grounds maintenance responsibilities this is proving to be a very slow process currently with minimal uptake.</p> <p>Communication would be carried out with local communities more widely to advise of the change in grounds maintenance standards together with an offer to work with local communities to mitigate the effects.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p>

Directorate	Resources	
Service Area	Commercial Operations – Land & Countryside	
Measure	Reduce shrub bed maintenance	
Strategic Theme	Bottom-up Review	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.025	0.020	0.000	0.000	0.045
Cumulative savings	0.025	0.045	0.045	0.045	0.045
FTE staff impact	1.50				1.50

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>There are a significant number of shrub beds generally in urban areas. These have been put in place for a variety of reasons including general landscape value, to protect a particular area from parking or to discourage anti-social use. The cost of maintenance is circa £180,000. Through a combination of reduced maintenance and removal a reduction of 20% of the overall cost is achievable</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>There will be a general deterioration in the built environment where standards are reduced. Where shrub beds are removed they will be replaced with grass which will have an ongoing maintenance need. Any further changes would result in significantly increased impact on the built environment and potential safety concerns e.g. at sightlines. It is inevitable that there would be an increase in complaints received.</p> <p>Communication would be carried out with local communities more widely to advise of the change in grounds maintenance standards together with an offer to work with local communities to mitigate the effects.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Commercial Operations – Land & Countryside	
Measure	Maximise Vogrie Estate Income	
Strategic Theme	Bottom-up Review	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.070	0.000	0.000	0.000	0.070
Cumulative savings	0.070	0.070	0.070	0.070	0.070
FTE staff impact	4				

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>As part of another measure the closure of the golf course has been put forward. The total cost of maintaining Vogrie is circa £200,000. The annual income received from a variety of sources is approximately £100,000 per annum. Closing the golf course gives a £30,000 saving which leaves the £70,000 shown above.</p> <p>The initial focus of this measure should be on maximising the income generated to cover costs.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Vogrie is a fields in trust and as such the closure of this site would require the Council to nominate a similar park for approval. In addition there are the girl guides/brownies who have facilities in the site. There may be substantial costs in providing an alternate field in trust.</p> <p>Closure of the site would also impact on the ability to consider the wider use of the site e.g. octi lodges, hotel, which is currently being investigated. Notice would also have to be given to the café operators.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p>

Directorate	Resources
Service Area	Commercial Operations
Measure	Close Penicuik Recycling Centre
Strategic Theme	Policy
Measure (requires Council Approval)	Yes
	Has the measure been presented to Council previously?
	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.078	0.000	0.022	0.000	0.100
Cumulative savings	0.078	0.078	0.100	0.100	0.100
FTE staff impact	2.75	0	0	0	2.75

Description of Savings Measure
<p>Waste Services are reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>Within the draft waste strategy there are a range of options listed for consideration; Closure of the facility, retention of the facility, upgrading of the facility, moving to a new purpose built site</p> <p>If the facility was to be closed the Council would save £78,000 of staff costs initially with staff transferring to Stobhill where there are current vacancies. Current users of the site would be directed to Stobhill.</p> <p>Due to the need to retain a depot facility at Penicuik for Land & Countryside staff, closure of the site will be delayed till the proposed Hopefield depot facility is available (late 2020, early 2021). These additional savings amount to £22,000.</p> <p>Alternatively the site could close but this would lead to additional costs of approx. £33,000 (staffing, vehicles costs, repairs) subject to welfare facilities in the Penicuik area being identified.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Current users of the site would be required to bring their waste to Stobhill which would result in additional journeys on the road network and inconvenience to users. There is a potential for contamination in the bins and a potential increase in fly tipping. The closure of the site would be communicated widely to existing users.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p>

Directorate	Resources	
Service Area	Commercial Operations	
Measure	Taxi Card Cessation	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.045	0.000	0.000	0.000	0.045
Cumulative savings	0.045	0.045	0.045	0.045	0.045
FTE staff impact	0	0	0	0	0

Description of Savings Measure
<p>Removal of all support for the taxi card system.</p> <p>Taxi card was closed to new applicants with effect from April 2015. It had been envisaged that this would lead to a gradual reduction in spend. However this has not occurred to date. This is a non-statutory service.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Loss of the taxi card system would have a financial impact on users of the service. For journeys up to £5 users get a £2 discount. For a journey over £5 a £3 discount is applied. Users are entitled to up to 104 journeys per year. Maximum potential exposure is in excess of £300,000.</p>

Directorate	Resources	
Service Area	Commercial Operations	
Measure	Close Vogrie Golf Course	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.030	0.000	0.000	0.000	0.030
Cumulative savings	0.030	0.030	0.030	0.030	0.030
FTE staff impact	2	0	0	0	2

Description of Savings Measure
<p>Land & Countryside Services were reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>Despite best endeavours Vogrie Golf course continues to operate at a deficit. During 2018 the Council has trialed foot golf running in parallel but this has not taken off despite the very good summer weather experienced.</p> <p>There are other suitable venues in Midlothian to cater for golfing needs.</p> <p>Closure of the golf course would allow for alternate uses to be explored for this area.</p> <p>The savings are a combination of staffing, vehicle/plant and materials.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Work is ongoing to determine what future role the Vogrie Estate may have including the siting of octi lodges. The closure of the golf course at this stage would not heavily impact on the potential to re-open it in future if that was offered as part of a wider series of attractions in the site.</p> <p>There are alternate facilities for golfers in Midlothian. The closure of the golf course would be communicated to users as required with a relatively short notice period.</p> <p>Potential for staff to be re-located and work with the income generating teams. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p>

Directorate	Resources	
Service Area	Commercial Operations – Waste Services	
Measure	Extend collections frequency of residual waste	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.000	0.000	0.000	0.000	0.000
Cumulative savings	0.000	0.000	0.000	0.000	0.000
FTE staff impact	0	0	0	0	0

Description of Savings Measure
<p>Waste Services are reviewed in the programme of Cross Cutting Service Reviews ensuring the approach of the Delivering Excellence Framework to consider service priorities, service improvement in transformation and efficiency savings that can be quantified.</p> <p>Work is currently being carried out to determine the resources (vehicle and staff) required to carry out residual waste collections with the following variations; Direct delivery to Millerhill, bulk at Stobhill and transfer to Millerhill, collections over four and five working days, twice weekly, three weekly, four weekly.</p> <p>In addition the collection arrangements for other waste streams is being considered. No savings are attributed to this measure as the best case scenario would be that no additional resources are required (i.e. no increased cost) due to the exceptional house growth in Midlothian and the need to accommodate this.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The intention is to map the resources required to carry out the various waste collection services given each scenario. Service users will still be able to enjoy the benefits of a full collection service however extending collection frequencies will require users to fully embrace each of the collections offered to divert waste from the residual waste bin.</p> <p>Mitigating measures will require to be considered to address high needs e.g. large families.</p> <p>Discussions with staff and trade unions would be undertaken before any changes were introduced albeit staff are involved in the route design process.</p> <p>Any changes would be widely communicated to users together with revised collection calendars and advice being made available in terms of recycling etc.</p>

Directorate	Resources	
Service Area	Finance and Integrated Service Support	
Operational Measure	Service Improvement Plans/Business Processes/Service reduction	
Strategic Theme	ISS	
Measure (requires Council Approval)	No	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.200	0.050	0.000	0.000	0.250
Cumulative savings	0.200	0.250	0.250	0.250	0.250
FTE staff impact	9	0	0	0	9

Description of Savings Measure
<p>Continuation of the redesign of services and removal of activities which do not add value or support the delivery of the Councils priorities alongside implementation of automation opportunities. This will result in a reduction in the employee costs base. The aim is to secure a longer term reduction in administration / support roles:</p> <p>Service currently operates with 200 full time admin and support posts with existing savings targets across 2018/19 and 2019/20 of £1m reducing by circa 37 fte. This further reduction equates to a reduction of 9 fte posts</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Still to be more fully assessed but would be progressed to minimise impact on service delivery as we automate work and seek Digital solutions to support service provision and so focus resources on Strategic Priorities.</p> <p>Savings are part of a process of continual review of service provision as we seek to secure operational efficiencies and redesign services in response to the financial challenge. A large proportion of these savings will be as a consequence of adoption of digital solutions which reduce the level of human intervention required to process transactions and deliver services both internally and externally</p> <p>Initial EQIA in place.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Democratic Services	
Measure	Webcasting in Chamber Contract not renewed	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	No

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.000	0.000	0.011	0.000	0.011
Cumulative savings	0.000	0.000	0.011	0.011	0.011
FTE staff impact	0	0	0	0	0

Description of Savings Measure
<p>The Council has a current contract with Public-I Group for the webcasting facilities within the chamber that currently supports webcasting of both the Council and Planning meetings for a maximum of 30 hours per year. The final period covered for the 5 year term of the contract is for the period 08/2/20 to 07/02/21 resulting in any potential saving arising from not renewing the contract being realised in 2021/22.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Removal of the webcasting facility would result in the only means of video recording the meetings in the Chamber thus meaning a withdrawal of the method some members of the public including Community Councils and the media now use to keep up-to-date with Council decisions/engage with the Council. There is a separate system for voice or audio recording which is very old and is not supported by IT or an external supplier.</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Close Public Toilets	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	Y

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.051	0.016	0.000	0.000	0.067
Cumulative savings	0.051	0.067	0.067	0.067	0.067
FTE staff impact	1.07	0	0	0	1.07

Description of Savings Measure
<p>Closure of the 5 Public Toilets across Midlothian. The residents and visitors of Midlothian would still be able access toilet facilities within our Public buildings such as Penicuik Centre, Lasswade Centre, Newbattle Centre, Loanhead Centre and Dalkieth Art Centre.</p> <p>In the first year there would be a one off capital cost for the demolition of the buildings.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By closing these facilities this may lead to criticism of the Council.</p> <p>Due to the ability to transfer staff between locations, it is hoped that employees will be able to be accommodated elsewhere through normally occurring vacancies. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Reduce the Cleaning Service in non PPP Schools by 20%	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.167	0.168	0.000	0.000	0.335
Cumulative savings	0.167	0.335	0.335	0.335	0.335
FTE staff impact	13.02	0	0	0	13.02

Description of Savings Measure
<p>To reduce the Cleaning Service in non PPP Schools by 20%.</p> <p>Cleaning could still be carried out 5 days per week, however the cleaning specification could be reduced. There would be a full clean of the schools carried out on a Monday, Wednesday and Friday. On a Tuesday and Thursday all that would be carried out is emptying buckets, clean the toilets and clean the floors.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By reducing this service the cleanliness in the schools would drop and with having reduced staff Facility Services would not be able to respond as quickly to deal with these situations.</p> <p>The Council would come under criticism from parents and the amount of complaints to the Council would increase.</p> <p>Due to the amount of staff effected by this measure the ability to transfer staff to other locations through normally occurring vacancies would not be an option. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Reduce the Cleaning Service in non-Education Buildings by 40%	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.033	0.032	0.000	0.000	0.065
Cumulative savings	0.033	0.065	0.065	0.065	0.065
FTE staff impact	2.79	0	0	0	2.79

Description of Savings Measure
<p>To reduce the Cleaning Service in non-Education Establishments by 40%. These buildings would include Belmains Depot, Penicuik Town Hall, Cherry Road, Fleet Services, Vogrie House, Newbattle Community Centre, Croft Street, Fushiebridge Depot and Stobhill Depot.</p> <p>Cleaning would still be carried out 5 days per week, however the cleaning specification would be reduced similar to Dalkeith Office Campus.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By reducing this service the standard of cleanliness in these units would drop severely. Due to the nature of Services running from some of these building this may cause a Health & Safety risk. This would also lead to complaints from the staff and building users.</p> <p>Due to the amount of staff effected by this measure the ability to transfer staff to other locations through normally occurring vacancies would not be an option. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	PPP Measures	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.018	0.004	0.000	0.000	0.022
Cumulative savings	0.018	0.022	0.022	0.022	0.022
FTE staff impact	0				0

Description of Savings Measure
<p>Dalkeith Schools Community Campus (DSCC) – Currently the schools have sole use of leisure facilities throughout the school day. Better utilisation of the swimming pools and gym could be made by timetabling public access during the school day. Public could be allocated say 30% of the school week and primary school swimming lessons could be allocated 10% of the school week. Public could be allocated say 40% access to the gym through the school week. Swimming Pools and Gym are well utilised in the evenings. Taking into account additional BAM leisure staff costs to cover this public access, this would result in an estimated £7,000 in third party income share.</p> <p>DSCC – MCFM cleaning costs are not competitive with BAM FMs and hence have not won cleaning tenders, however, if MCFM were to provide the cleaning service it would result in a higher unitary charge but the cleaning costs would come back into the council (similar to PPP2 Schools).</p> <p>PPP2 Primary Schools – Remove non-sessional staff from schools, allowing closure over school holiday periods. This would result in a reduced utilities costs of £30,000.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>DSCC Public use of the leisure facilities during the school day would have a negative impact on staff car parking, which is already insufficient. Leisure staff costs throughout the school day would be incurred – i.e. swimming pool life guards.</p> <p>Impact on schools current flexible use of the swimming pool facilities.</p> <p>Increased security and child protection risk with members of the public utilising facilities throughout the school day.</p>

Risk of penalty deductions from BAM FM if MCFM cleaning does not meet service specification.

PPP2

Closing facilities out with school term times would result in facilities not being available for third party child care clubs. Increased Early years provision may result in facilities having to be open during non-term times.

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Stop all non-essential repairs to Non-Housing	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.300	0.000	0.000	0.000	0.300
Cumulative savings	0.300	0.300	0.300	0.300	0.300
FTE staff impact	12	0	0	0	12

Description of Savings Measure
<p>Stop all non-essential repairs to all non-housing properties. Move to a wind/watertight and serviceable service. Works would have to include all statutory and H&S elements as still being covered.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The figure assessed may be difficult to maintain due to an ageing property portfolio in some areas and as the condition of some buildings will deteriorate leaving a larger repair bill in the longer term.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Close Non-Hub Leisure Centre Danderhall Leisure Centre	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.122	-0.046	-0.076	0.000	0.000
Cumulative savings	0.122	0.076	0.000	0.000	0.000
FTE staff impact	4.3	0	0	0	4.3

Description of Savings Measure				
Midlothian Councils measure to consider the removal of non-statutory services could involve the closure of the Danderhall Leisure Centre.				
Closure of non-Hub style leisure centres still leaves Midlothian's citizens with modern fit for purpose facilities spread throughout the county in Penicuik, Lasswade, Loanhead, Dalkeith and Newbattle. Each of these centres has a full range of classes and facilities including swimming pools.				
Figures used below are from 2017 2018 Actual budgets				
Centre	Income	Total costs including Capital and Capital Financing	Total costs excluding Capital and Capital Financing	Usage
Danderhall	£ 82,886	£308,508	£254,103	45,281
This site is not part of a combined use Hub building, has limited / outdated facilities in comparison and as a result is not as well used. Sport and Leisure staff have worked on keeping these facilities popular by introducing clubs and activities.				
In the first year there would be a one off capital cost for the demolition of the buildings and decanting the re-usable equipment amounting to approximately £50,000.				
The closure of this facility would mean an overall staff reduction of 4.3 FTE.				

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
The majority of the 45,000 visits per year would be able to be accommodated within the Sport Hub buildings remaining.
Due to the ability to transfer staff between centres, it is hoped that the 4.3 FTE employees will be able to be accommodated elsewhere through normally occurring vacancies. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with

employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Close Non-Hub Leisure Centres Gorebridge Leisure Centre	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.090	0.018	0.000	0.000	0.108
Cumulative savings	0.090	0.108	0.108	0.108	0.108
FTE staff impact	5.0	0	0	0	5.0

Description of Savings Measure														
<p>Midlothian Councils measure to consider the removal of non-statutory services could involve the closure of the Gorebridge Leisure Centre.</p> <p>Closure of non-Hub style leisure centres still leaves Midlothian's citizens with modern fit for purpose facilities spread throughout the county in Penicuik, Lasswade, Loanhead, Dalkeith and Newbattle. Each of these centres has a full range of classes and facilities including swimming pools.</p> <p style="text-align: center;">Figures used below are from 2017 2018 Actuals</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Centre</th> <th style="text-align: right;">Income</th> <th style="text-align: right;">Total costs including Capital and Capital Financing</th> <th style="text-align: right;">Total costs excluding Capital and Capital Financing</th> <th style="text-align: right;">Usage</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Gorebridge</td> <td style="text-align: right;">£ 109,291</td> <td style="text-align: right;">£442,425</td> <td style="text-align: right;">£319,516</td> <td style="text-align: right;">31,945</td> </tr> </tbody> </table> <p>This site is not part of a combined use Hub building, has limited / outdated facilities in comparison and as a result is not as well used. Sport and Leisure staff have worked on keeping these facilities popular by introducing clubs and activities.</p> <p>In the first year there would be a one off capital cost for the demolition of the buildings and decanting the re-usable equipment amounting to approximately £50,000.</p>					Centre	Income	Total costs including Capital and Capital Financing	Total costs excluding Capital and Capital Financing	Usage	Gorebridge	£ 109,291	£442,425	£319,516	31,945
Centre	Income	Total costs including Capital and Capital Financing	Total costs excluding Capital and Capital Financing	Usage										
Gorebridge	£ 109,291	£442,425	£319,516	31,945										

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The majority of the 31,945 visits per year would be able to be accommodated within the Sport Hub buildings remaining.</p> <p>Due to the ability to transfer staff between centres, it is hoped that 4.14 FTE employees will be able to be accommodated elsewhere through normally occurring vacancies. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with</p>

employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Close Non-Hub Leisure Centres Newtongrange Leisure Centre	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.050	0.069	0.000	0.000	0.119
Cumulative savings	0.050	0.119	0.119	0.119	0.119
FTE staff impact	3.67	0	0	0	3.67

Description of Savings Measure														
<p>Midlothian Councils measure to consider the removal of non-statutory services could involve the closure of the Newtongrange Leisure Centre.</p> <p>Closure of non-Hub style leisure centres still leaves Midlothian's citizens with modern fit for purpose facilities spread throughout the county in Penicuik, Lasswade, Loanhead, Dalkeith and Newbattle. Each of these centres has a full range of classes and facilities including swimming pools.</p> <p>Figures used below are from 2017 2018 Actuals</p> <table border="1"> <thead> <tr> <th>Centre</th> <th>Income</th> <th>Total costs including Capital and Capital Financing</th> <th>Total costs excluding Capital and Capital Financing</th> <th>Usage</th> </tr> </thead> <tbody> <tr> <td>Newtongrange</td> <td>£ 165,912</td> <td>£ 404,413</td> <td>£ 168,375</td> <td>23,677</td> </tr> </tbody> </table> <p>This site is not part of a combined use Hub building, has limited / outdated facilities in comparison and as a result is not as well used. Sport and Leisure staff have worked on keeping these facilities popular by introducing a boxing style gym and activities.</p> <p>In the first year there would be a one off capital cost for the demolition of the buildings and decanting the re-usable equipment amounting to approximately £50,000.</p>					Centre	Income	Total costs including Capital and Capital Financing	Total costs excluding Capital and Capital Financing	Usage	Newtongrange	£ 165,912	£ 404,413	£ 168,375	23,677
Centre	Income	Total costs including Capital and Capital Financing	Total costs excluding Capital and Capital Financing	Usage										
Newtongrange	£ 165,912	£ 404,413	£ 168,375	23,677										

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The majority of the 31,945 visits per year would be able to be accommodated within the Sport Hub buildings remaining.</p> <p>Due to the ability to transfer staff between centres, it is hoped that the 3.58 FTE employees will be able to be accommodated elsewhere through normally occurring vacancies. The staffing impact will be conducted through the Council's Policy for Managing Change, to</p>

consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Remove Healthy Lifestyle Development Team	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.127	0.124	0.000	0.000	0.251
Cumulative savings	0.127	0.251	0.251	0.251	0.251
FTE staff impact	6.66	0	0	0	6.66

Description of Savings Measure				
Midlothian Councils measure to consider with the removal of non-statutory services could involve the removal of the underfunded parts of the Healthy Living Team and the services they provide to the communities of Midlothian.				
Football Development Rugby Development Ski Development Community Recreation Sport Development				
Figures used below are from 2017 2018 Actual budgets				
Service	Income (incl. Ex Funding)	External Funding	Total costs	Cost to Council
Football Development	£37,554	£5,000	£43,508	
Rugby Development	£22,431	£10,000	£58,960	
Community Recreation	£0.00	£0.00	£184,688	
Sport Art Play Development	£8,329	£0.00	£40,060	
Totals	£68,314	£15,000	£327,216	£243,902

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
Healthy Lifestyle Development Team
<u>Community Sports Hubs and Sports Shed – (Costs covered)</u>
The Sports Shed provides an environment for socially isolated men to get active, to learn new

sports and develop friendships through sport and physical activity with other people who are in a similar situation.

Summer Sport Food and Fun programme - 150 children and 84 families from areas of deprivation attended 2 week summer programme designed to provide healthy meals and activity during the holidays.

100+ sports clubs across 4 Community Sports Hubs meeting 16 times per year in total.

Promotion of 100+ Sports Clubs via 10,000 Local Guide's to Sport distributed to local community including incoming new residents.

Support for grants to Sports Clubs & other organisations.

Partners

Include sportscotland funding partnership £35,274 for Community Sports Hub project plus additional Go Live Get Active funding sportscotland spirit of the games funding £3,100.

Ageing Well – (Costs covered)

This Programme provides physical activity opportunities for the 50+ age group.

55 volunteers deliver 30 weekly classes/activities receiving 15,000+ participant visits per year.

Volunteers receive training in first aid, activity specific skills e.g. Walk Leader training, fitness testing, behaviour change approaches and equalities. 6,600 participant walking visits per year across Midlothian county area increasing exposure to accessible routes and promoting sustainable travel.

Over 40 sessions per week delivered.

18 different activities per week delivered.

Takes place within 20 different venues across the county giving 20,000 participant visits per year. Additional activities including:

Annual Senior Olympic Games for Care Home and Sheltered Housing residents.

Annual "Walk the Line" walking event from Penicuik to Dalkeith circa 300 people.

High School intergenerational events and activities, Functional Fitness Tests, Talks to Community Groups. Team of over 50 volunteers from the communities of Midlothian assist with the Ageing Well project.

Partners

Service Level Agreement with NHS Lothian Health Promotion Service (£23,048 pa) and Integrated Care Fund investment (£18,000) to deliver Ageing Well project.

Midlothian Active Choices - (Costs covered)

Reach and Impact

With over 1,000 referrals per year from Midlothian residents with long term conditions who are supported to become more physically active to reduce their health inequalities.

28 supported activities provided each week across the county.

Reduced rate access to leisure facilities provided as part of programme.

69 young people with mental health issues supported into physical activity to improve their health and wellbeing.

Partners

NHS Integrated Care Fund investment (£40,000 p.a.) to provide MAC Programme.

Referrals from Health Professionals, Social Work, Criminal Justice Team, MELDAP, VOCAL, Job Centre, Women's Aid, British Red Cross, CAMHS, Health in Mind, Children 1st, LEAP, Thistle Foundation, Ageing Well.

Get Moving with Counterweight - (Costs covered)

Get moving with counterweight adult weight management programme supports people to make small changes to their diet and lifestyle to help you them manage their weight and assist them to become more active.

There are over 100 participants per year provided with weight management programme, including specific programmes for VOCAL carers and Midlothian Council staff.

Partners

Service Level Agreement with NHS Lothian Weight Management Services (£5,606 pa) to

deliver a minimum of eight programmes per year. Referrals from Consultants, GPs and Practice Nurses.

Football Development:

Reach Impact

Over 200 players (12-16yrs) participating in facilitated five-a-side football games in their community in the evening.

Partners

Service Level Agreement with Scottish Football Association (£5,000 p.a.) for Sports Development Officer (football).

Early Years Programme (18mths - 2yrs) - 72 players across 6 sessions each week.

Mini-Kickers Programme (3-5yrs) - 160 players across 14 sessions each week.

P6/7 Festivals - 20 festivals per year giving 2000 player opportunities.

Soccer Centre (5-12yrs) - 300 players across 24 sessions each week.

Claire Emslie girl's only sessions - 100 players across 8 sessions each week.

Holiday Programmes - 300 player spaces across 10 weeks of holiday camps.

Football Disability 150 players participating in 3 events per year.

Football performance pathway 80 boys (10-12yrs) and 50 girls (9-14yrs) receive 30 performance coaching sessions per year and 2 tournaments against neighbouring county teams.

4 student work placement places per High School available each year - 24 spaces p.a.

16 Coaching education Courses per year with 455 coach places available.

4 Player Pathway Workshops delivered per year with 200 places available.

Partners

Service Level Agreement with Scottish Football Association (£5,000 p.a.) for Sports Development Officer (football).

Local football clubs, local businesses, Community Police Officers, High Schools.

Rugby Development:

Reach Impact

2,141 primary school pupils received 6 weeks of curricular rugby coaching in a year.

980 primary school pupils attended cluster wide rugby festivals playing games against other schools.

695 primary school pupils received rugby coaching as part of their School's "Health Week".

630 secondary school pupils received at least 4 weeks of rugby coaching across the year.

P7 Transition Support - 515 pupils received up to 6 sessions as part of transition process to High School.

Youth Coaching Course - 51 Senior pupils received 6 session course of fundamental coaching skills and practices.

Scottish Rugby Tier 4 development series - 6 events per year to expose developing players and teams to competitive fixtures.

Rugby Development Officer Club Visits - 24 per year to support coaches and players.

Rugby Club CPD - 13 sessions per year with 117 Coach places available.

4 student work placement places per High School available each year - 24 spaces p.a.

Partners

Service Level Agreement with Scottish Rugby (£10,000 pa) for Rugby Development Programme.

Athletics Development: Curricular Participation

Reach Impact

4 week programme delivered to 1,200 P2/3 Pupils across Midlothian Schools.

Skiing Development: Curricular Participation

Reach Impact

6 week Learn to Ski programme delivered to 953 P5/6 pupils from 30 primary schools.

Swimming Development: Learn to Swim Programmes

Reach Impact

Curricular Swimming Lessons - 13 week programme provided for every P4 pupil, all primary schools currently participate.

Leisure Centre Learn to Swim Programme - 180 sessions available per week, 1,000+ children and adults currently enrolled.

Inclusive Swimming - 5 sessions available 39 weeks per year with 47 people with a disability currently attending.

National Pool Lifeguard Qualification - 6 courses delivered per year giving 56 available spaces per year.

Swim Teacher Training - Continuous teacher development and in-house delivery of training.

Get Going - Child Healthy Weight Programme - (Costs covered)

Reach Impact

Over 24 children and their families provided with health and wellbeing programme to tackle healthy weight.

Partners

Service Level Agreement with NHS Lothian Public Health (£21,000 pa) to deliver a minimum of 4 programmes per year.

Referrals from Consultants, GPs, Practice Nurses, Schools, Social Work & Parents.

Pathway / Strategy

It is highly unlikely that the staff would be accommodated within the remaining Hub sites.

Pathway / Strategy

Midlothian Physical Activity Sport and Health Strategy 2018 TO 2023, Sport and Leisure Business Plan 2018 / 2019, sportscotland National Plan, Health and Social Care Strategic Plan, Joint Older People's Strategy. NHS Lothian Weight Management Pathway, Lothian Cardiac Rehabilitation Pathway, Lothian Stroke Rehabilitation Pathway, Pulmonary Rehabilitation Pathway, Physiotherapy Rehabilitation Pathway.

National Weight Management and Diabetes Prevention Strategy, Scottish Mental Health Strategy, Health and Social Care Strategic Plan. Joint Older People's Strategy. Scottish Football Association, One National Plan - Football for All, Scottish Rugby National Strategy.

The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Remove Active Schools Team	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.000	0.131	0.000	0.000	0.131
Cumulative savings	0.000	0.131	0.131	0.131	0.131
FTE staff impact	7.30	0	0	0	7.30

Description of Savings Measure
<p>Midlothian Councils measure to consider the removal of non-statutory services could involve the removal of the Active Schools Team.</p> <p>Active Schools is a national programme that is currently delivered across all 32 local authorities within Scotland. The programme is primarily funded by sportscotland (75%) who work in partnership with Midlothian Council who fund the remainder (25%).</p> <p>The Active Schools programme in Midlothian aims to help school aged children and young people get active, stay active and experience the physical, mental and emotional benefits on their health and wellbeing.</p> <p>Participation</p> <p>Participant Sessions have had a steady increase, year on year, with a total rise of 21% in seven years (2011 = 72,341, 2018 = 100,528)</p> <p>33% of Midlothian school pupils are engaged in regular sport/physical activity sessions through Active Schools (2018 = 4,202 distinct participation from total school roll of 12,640 pupils).</p> <p>Activities</p> <p>In 2017-18 Active Schools coordinated 5,985 extra-curricular club sessions across 33 different sports/activities, for Midlothian P1-S6 pupils.</p> <p>The range of sports and activities available through Active schools is continually being evaluated. This ensures the service provision is vast; meets the needs of our pupils; and, in particular, engages those 'hard to reach' groups.</p> <p>In 2017/18 new activities like Parkour, Yoga and Mindfulness were available, to also improve mental health and wellbeing.</p> <p>Events</p> <p>Active Schools deliver 27 primary, secondary and ASN events over the academic year, with approximately 3,400 pupils attending.</p> <p>Successful partnerships with Scottish Governing Bodies and local clubs supports this delivery through training opportunities for staff/coaches/senior pupils, training resources, support with officiating events, offering sport taster sessions prior to the event, and providing a pathway for pupils wishing to continue participation from school event to club.</p> <p>Pathways</p> <p>Creating effective pathways from school to club is fundamental in the development of Active Schools opportunities. Active Schools work with local clubs, coaches and volunteers to offer extra-curricular active opportunities at school. Pupils attending will then be signposted to be</p>

able to take this opportunity further within a local community club setting. In addition, Active Schools also support this pathway with the promotion of community club opportunities through club promotion, incentive programmes, taster sessions, Health and Wellbeing Campaigns, holiday programmes and events. There has been a **147% increase in links from school sport to local community clubs** (2011 = 201, 2018 = 496).

Service	Income	Total costs	2018 Actual budgets Cost to council	Usage 2018
Active Schools Team	£ 254,105	£363,797	£109,692	100,528 Participant sessions

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA

33% of Midlothian school pupils were engaged in regular sport/physical activity sessions through Active Schools in 2018. In 2018, there was an uptake of 4,202 distinct participation from a total school roll of 12,640 pupils. In 2017 / 2018 there were 5,985 extra-curricular club sessions across 33 different sports/activities, for Midlothian P1-S6 pupils. Active Schools deliver 27 primary, secondary and ASN events over the academic year, with approximately 3,400 pupils attending. These sessions and activities would not be accommodated by the schools service therefore there would be a major void left in this provision if the Active Schools Team were removed.

It is highly unlikely that the staff would be accommodated within the remaining Hub sites.

In addition the Active Schools delivery plan continues to provide wider outcomes by supporting local and national priorities.

- Active Scotland Framework
- Raising the Bar (Sportscotland Corporate Plan 2015-2019)
- Single Midlothian Plan
- GIREMC
- Midlothian Physical Activity Sport and Health Strategy 2018-2023
- Midlothian Sport and Leisure Service Plan

For example, the Active Schools service supports the 6 Midlothian Physical Activity Sport and Health Strategy goals as follows:

Goal 1-Increase the number of people of all ages participating in active travel, active recreation and sport

1.1 Provide opportunities for people of all ages to be physically active.

- Active Schools programme for Early years to S6
- Volunteers include young people, parents/carers, grandparents, community coaches/clubs

1.2 Increase participation amongst under-represented groups including young women, people with a disability, adults in later life and the socio-economic disadvantaged.

- Active Schools monitor and track participation (by year group/gender/target groups/free school meals/ASN)
- Targeted and focused programme tailored for each individual school in response to their needs
- School to club links to ensure pathways into community sport to further increase participation

1.3 Working in partnership with NHS Lothian continue to develop programmes targeting older adults, people with long term conditions (LTC) and adults and children with weight management problems.

- Link NHS programmes including Get Going
- Focus on Health and Wellbeing in schools through Active Schools programme

1.4 Reduce inequality by removing barriers to participation for the target groups identified in this strategy.

- Ongoing monitoring and evaluation to ensure any barriers are identified and reduced/removed
- Link with PEF/Home School Practitioners
- Activities are free or at minimum cost. Costs removed altogether if identified as a barrier to participation

1.5 Encourage sustainable active travel.

- Support Active Travel agenda
- Support and promote Bikeability, Walk to School Weeks and other initiatives

1.6 Support and promote health and well-being in the workplace.

- Active Schools closely integrates with and enhances schools' Health and Wellbeing policy (e.g. Health Fairs, Health Weeks, Sports Councils, Parent Councils, Family Forums, Young Ambassadors, pupil leadership programmes, partnerships with external agencies etc)

Goal 2- Work with schools and community groups to develop and support lifelong opportunities for lifelong participation in physical activity and sport for all

2.1 Provide Opportunities for the early years (3-8 years old) to be physically active.

- Active Schools provide extra-curricular activities, before, during and after school in every primary school in Midlothian.
- Clubs provided at a subsidised cost to make sport accessible to all pupils.
- Provide competitive events opportunities through our annual Active Schools Events calendar.

2.2 Ensure that all primary and secondary schools are providing opportunities for all pupils to be active.

- A coordinator for every primary school and secondary school in Midlothian.
- Ensure physical activity and extra-curricular opportunities are offered termly and imbedded in the schools' health and wellbeing priorities.
- Provide training for staff and senior pupils- enable them to offer high quality sporting opportunities to all ages and abilities.
- Monitor and evaluate levels of participation termly via ASMO and **sportscotland** School Sport Award - developmental tool that provides schools with the framework for assessment and continual development in sport and physical activity.

2.3 Develop an integrated approach across PE, school sport and sport in the wider community.

- Work with the PE department to offer:
 - Sporting competition
 - Training opportunities for pupils and staff
 - Club taster sessions
 - Young Ambassadors
 - Competition Organiser Training
 - YDance
 - Club Golf
 - Bikeability
- PEPASS - brings together primary and secondary PE deliverers alongside Active Schools to create joint up approach to sport.

2.4 Develop strong partnerships between schools and community clubs to encourage lifelong participation in physical activity and sport

We link closely with the local community clubs to offer a range of high quality extra-curricular clubs and taster sessions within schools. We have both formal and informal links with Midlothian clubs, recorded termly in our Club Links data.

- Clear/ measurable pathway from school to sport in a community setting.
- Club coaches are directly involved in the delivery of Active Schools sessions and have an excellent working relationship with coordinators.
- Pupils have continuity of deliverer from school to club

2.5 Ensure physical activity and sports clubs are supported in their planning, education and development

- Active schools provide an opportunity for clubs to come into contact with a large demographic of pupils.
- Work with the Community Sport Hubs to share good practice/support clubs.

Goal 3- Develop facilities and the built and natural environment to encourage increased participation in physical activities.

3.2 Regularly review customer satisfaction with quality of facilities and services, pricing and programming.

- Surveys take place on an ongoing basis to obtain the views of both parents, pupils and staff to enable us to shape our service to have the most impact.

3.5 Increase opportunities for walking, cycling and horse-riding

- We facilitate the delivery of Cycling Scotland's Bikeability initiative where all pupils are given the opportunity to develop their bike skills and cycle safely on the road.
- External funding is sourced to fund a bikeability coordinator who works closely to oversee the programme in conjunction with the Active Schools Team.
- We also support the annual school cycling festival and training for school staff and parents to deliver the bikeability project.

Goal 4- Grow and develop the physical activity and sport workforce

4.1 Support coach development and education

- Organise a training calendar which provides training opportunities for coaches e.g in March we ran a UK Disability Inclusion Training course which was attended by many of our coaches.

- Bikeability training course run twice per year and this includes opportunities for parent volunteers, teachers or other local coaches to attend free of charge to gain a nationally recognised qualification.
- YA programme within the high schools support young adults to gain experience and qualifications within their role as a young leader. The active schools coordinators guide, mentor and offer support to the young people through their early coaching experiences.
- The active Midlothian website acts as a hub to help promote and advertise up and coming training opportunities for coaches.

4.2 Contribute to the employability of senior pupils.

- Included in our training calendar are opportunities for senior pupils, we offer sport specific training which introduces pupils to coaching and general training.
- We work closely with schools and National Governing Bodies to offer curriculum time training, e.g sports leaders/sport and recreation students provided with sport specific training and training such as first aid and Competition Organisers Training.
- In addition to training courses, we provide many leadership opportunities such as Young Ambassadors, Sports Councils, senior pupils volunteering/supporting Active Schools events and festivals.

4.3 Support the growth of volunteers and coaches in partnership with Midlothian Volunteering.

- Training opportunities are open to coaches, volunteers, school staff and senior pupils.
- We meet and work closely with volunteers to support them as individuals, this may entail organising for them to support a coach until they are confident to deliver themselves, find a role which does not involve delivering or letting them know of any training opportunities they have expressed an interest in.

4.4 Recognise, promote and reward the contributions of the coaches and volunteers within the physical activity and sport sector.

- Active Schools Newsletter
- Active School twitter accounts, supporting the Sports Scotland national promotion for sport through tweets and retweets.
- Promoting their community clubs, also provides a pathway in sport for pupils attending Active Schools classes
- Nominate our volunteers for Midlothian Sport Awards – winner in 2018 was an Active Schools nomination
- Active schools support, Sports Personality of the Year Award, within several of the high schools pupils are recognised for sporting achievements, coaching achievements and volunteering.
- Active schools website is updated regularly with good news stories and sporting event reports, recognition for all club or event volunteers.

Goal 5- Work with internal and external partners to increase participation in physical activity and sport.

5.1 Work with internal and external partners to link the benefits of physical activity and sport to the priority outcomes detailed in the Single Midlothian Plan

- Midlothian Active Schools Team work with all 32 Midlothian Primary Schools, all 6 Secondary Schools & Saltersgate ASN School very closely to provide more and higher quality opportunities to take part in sport and physical activity before school, during lunchtime and after school. Active Schools Midlothian work closely with the

Midlothian Sport & Leisure Team, SGB's and local sports clubs/coaches to develop effective pathways between schools and sports clubs in the local community.

- Active Schools Midlothian also provide a variety of curriculum time opportunities designed to support an increase in Midlothian School pupil physical activity levels; a vast annual sports festival calendar, ad-hoc sports taster sessions, young leadership qualifications, Bikeability (cycle training), transition events and more.
- Coordinators work closely with parents, schools staff, home school practitioners and pupils to provide opportunities that reflect young people's interests, addressing barriers to participation with a particular focus on age, disability, gender and socio economic disadvantage to ensure Active Schools are supporting the Single Midlothian Plan GIRFEMC Health & Well-being Outcomes, IOM Inequality & Health Outcome, IOM Positive Destination outcomes.
- Active Schools Midlothian are committed to supporting schools to raise attainment through sport

5.2 Develop partnership working with neighbouring local authority providers to share best practice.

- To ensure best practice and shared practice, Active Schools Midlothian attend an annual networking event, organised by SportsScotland. This event brings together coordinators from Midlothian, East Lothian, Edinburgh, The Scottish Borders & West Lothian. The SportsScotland Partnership Manager attends 6 weekly Team meetings to share best practice from neighbouring authorities and authorities further afield. Active Schools Midlothian also have access to SportsScotland centrastore which is a best practice toolkit.

5.4 Implement information systems to monitor and evidence performance, inform decision making, and prioritise resources.

- Report on extra-curricular participation opportunities & levels at the end of each school term and each school year. The data gathered takes the form of both quantitative statistical data and also qualitative data evidencing additional activities that are not captured statistically.
- We encourage all schools to apply for a SportsScotland School Sport Award. This National initiative is designed to inspire schools to continuously improve PE and school sport opportunities by:
 - Encouraging reflection
 - Putting young people at the forefront of the decision making and planning of PE and sport in their school
 - Helps schools to increase young people's opportunities and engagement in PE & school sport
 - Helps schools to put PE & school sport at the heart of their planning, practice and ethos
 - Recognise and celebrate successful PE & school sport models

Active Schools Midlothian have also developed, in partnership with Midlothian IT department, an extract of SEEMIS, specifically developed with a view to obtaining distinct participation figures and targeting 'hard to reach groups' to assist in addressing barriers to participation. Active Schools Midlothian also develop a variety of consultations with parents, pupils and staff to inform decision making and prioritise resources.

Goal 6- Raise the profile and public awareness of the importance of physical activity and opportunities to participate.

6.3 Promote physical activity and sport as a fun and not necessarily competitive pastime
All Active School opportunities are fully inclusive regardless of ability and we continually promote these opportunities, using the following platforms:

- Active Schools Newsletter

- Active Schools Termly Programme
- Active Schools Twitter
- Active Schools Noticeboards
- Information into school newsletters / School websites
- Active Schools Website
- Active Schools Events / Club promotion / flyers
- Promotion via school assemblies
- Promotion via school parent evenings
- School Sports Council

Active Schools also run an extensive events programme where we actively promote fair play, fun & sportsmanship. The emphasis on all our events is participation and fun to ensure that pupils have a positive experience.

6.4 Raise awareness of the wide range of physical activity and sporting opportunities available in Midlothian.

Active Schools works in partnership with 55 amount of clubs in the local community & Midlothian leisure facilities. We work with and promote these sporting opportunities throughout Midlothian again through the platforms

Pathway / Strategy

This links with sportscotland National Plan, Midlothian Physical Activity Sport and Health Strategy 2018 to 2023.Sport and Leisure Business Plan 2018 2019.

The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Remove Free Swimming for Midlothian School children during school holiday periods	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental income/savings	0.017	0.000	0.000	0.000	0.017
Cumulative income/savings	0.017	0.017	0.017	0.017	0.017
FTE staff impact	0	0	0	0	0

Description of Savings Measure																				
<p>As part of Midlothian Councils measure to consider the removal of non-statutory services Sport and Leisure have identified a potential income generation suggestion. To remove the free swimming for all school children during school holiday periods that is in place at present. The table below highlights usage and loss of income associated with the free swimming scheme introduced by Council.</p> <table border="1"> <thead> <tr> <th>year</th> <th>usage</th> <th>cost of swim</th> <th>Income lost to council</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>9964</td> <td>£2.10</td> <td>£20,924</td> </tr> <tr> <td>2016</td> <td>9426</td> <td>£2.10</td> <td>£19,794</td> </tr> <tr> <td>2017</td> <td>8954</td> <td>£2.30</td> <td>£20,594</td> </tr> <tr> <td>2018</td> <td>10,426</td> <td>£2.40</td> <td>£25,022</td> </tr> </tbody> </table> <p>Income that would be identified over the next four year period would be in excess of £100,000.</p>	year	usage	cost of swim	Income lost to council	2015	9964	£2.10	£20,924	2016	9426	£2.10	£19,794	2017	8954	£2.30	£20,594	2018	10,426	£2.40	£25,022
year	usage	cost of swim	Income lost to council																	
2015	9964	£2.10	£20,924																	
2016	9426	£2.10	£19,794																	
2017	8954	£2.30	£20,594																	
2018	10,426	£2.40	£25,022																	

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Children will have to pay for their swimming during school holidays however the cost for a child swim is £2.40 per session and Sport and Leisure services believe that this shows great value for money in today's Leisure market place..</p>

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Remove Management Function	
Strategic Theme	Policy	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Resource Saving	0.045	0.106	0.000	0.000	0.151
Cumulative Resource Saving	0.045	0.151	0.151	0.151	0.151
FTE staff impact	3.5	0	0	0	3.5

Description of Savings Measure															
<p>As part of Midlothian Councils measure to consider with the removal of non-statutory services sport and leisure have identified a potential staff resource saving.</p> <p>The management support for the following areas would not be required if only the statutory service was provided e.g. the Four Sports Hubs at Penicuik, Loanhead, Lasswade and Newbattle Community Campus.</p> <p>One Area Manager would be required to provide management support to the four sites and a link to a more senior officer within the Council for reporting and strategic purpose.</p> <p style="text-align: center;">Figures used in this table are from the 2017 2018 Ledger</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Post</th> <th>FTE</th> <th>Salary</th> </tr> </thead> <tbody> <tr> <td>Healthy Living Manager</td> <td>1</td> <td>£77,820</td> </tr> <tr> <td>Area Operations Managers</td> <td>2</td> <td>£123,529</td> </tr> <tr> <td>Recreation Officer</td> <td>0.5</td> <td>£20,768</td> </tr> <tr> <td>Total</td> <td>3.5</td> <td>£222,117</td> </tr> </tbody> </table> <p>Staff saving that would be identified over the next four year period would be in excess of £1,218,996.</p>	Post	FTE	Salary	Healthy Living Manager	1	£77,820	Area Operations Managers	2	£123,529	Recreation Officer	0.5	£20,768	Total	3.5	£222,117
Post	FTE	Salary													
Healthy Living Manager	1	£77,820													
Area Operations Managers	2	£123,529													
Recreation Officer	0.5	£20,768													
Total	3.5	£222,117													

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The impact on service would mean a lack of strategic direction and operational control that may lead to a reduced service function and reduced income from centres. Operational support for remaining leisure sites would be lost. Business planning and strategic planning would be lost including marketing and promotion of the Tonezone product.</p> <p>It's highly unlikely that these posts could be absorbed within the service. The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with</p>

employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place

Directorate	Resources	
Service Area	Property and Facilities Management	
Measure	Sports & Leisure	
Strategic Theme	Bottom-up Review	
Measure (requires Council Approval)	Yes	
	Has the measure been presented to Council previously?	N

Forecast Savings	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m
Incremental savings	0.250	0.000	0.000	0.000	0.000
Cumulative savings	0.250	0.250	0.250	0.250	0.250
FTE staff impact	TBC	TBC	TBC	TBC	TBC

Description of Savings Measure
Sport & Leisure Services are scheduled in the programme of Cross Cutting Service Reviews ensuring that the approach of the Delivering Excellence Framework will consider service priorities, service improvement in transformation and efficiency savings that can be quantified.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The closure of facilities would have a direct impact on the majority of the 473,600 visits per year.</p> <p>Clubs and organisations would no longer be able to survive as alternative facilities are not available within Midlothian to match demand.</p> <p>Health and wellbeing of Midlothian's citizens would be affected and supported NHS initiatives would cease to operate due to lack of facilities.</p> <p>Staff may be redundant where there no alternative facilities to transfer to.</p> <p>An EQIA is provided for the specific saving measure although EQIA outcomes for Race, Sex, Sexual Orientation and Religion/Belief are monitored.</p> <p>The staffing impact will be conducted through the Council's Policy for Managing Change, to consult with employees scoped into the service and management reviews. Formal consultation with affected staff and representative unions would take place.</p> <p>VSER or redundancy costs have not been accounted for meantime.</p>

Item 8.3

2019/20

Spending Choices

Findings of the public consultation on Midlothian Council's Spending Choices

Summary Report - January 2019

www.midlothian.gov.uk/spendingchoices



The consultation

A public consultation on Midlothian Council's Spending Choices for 2019/20 was held over ten weeks from 6 November 2018 to 18 January 2019. This followed a wider consultation on more detailed savings proposals for 2018/19 to 2021/22, which took place over an eight-week period from 16 October to 14 December 2017.

Responses to both consultations were received from residents, community groups, businesses, external organisations, partner organisations, employees and other stakeholders. These took the form of emails, letters, public comment forms, online survey responses, social media comments, public petitions and comments received at community engagement meetings.

For the 2018/19 consultation, most respondents completed the online survey form available on the council's website. Two engagement meetings were also held with community organisations in December 2018 (appendix 2) and consultations held with employees, trades union, and community representatives.

Consultation responses 2018/19

Single and multiple comments contained in emails, electronic survey forms and social media comments

Number of individuals submitting written responses	380
Number of individual comments and suggestions received in 2018/19 (multiple comments/ ideas from some respondents)	1,900+

Consultation responses 2017/18

Single and multiple comments contained in emails, electronic survey forms, letters, comment sheets and social media comments

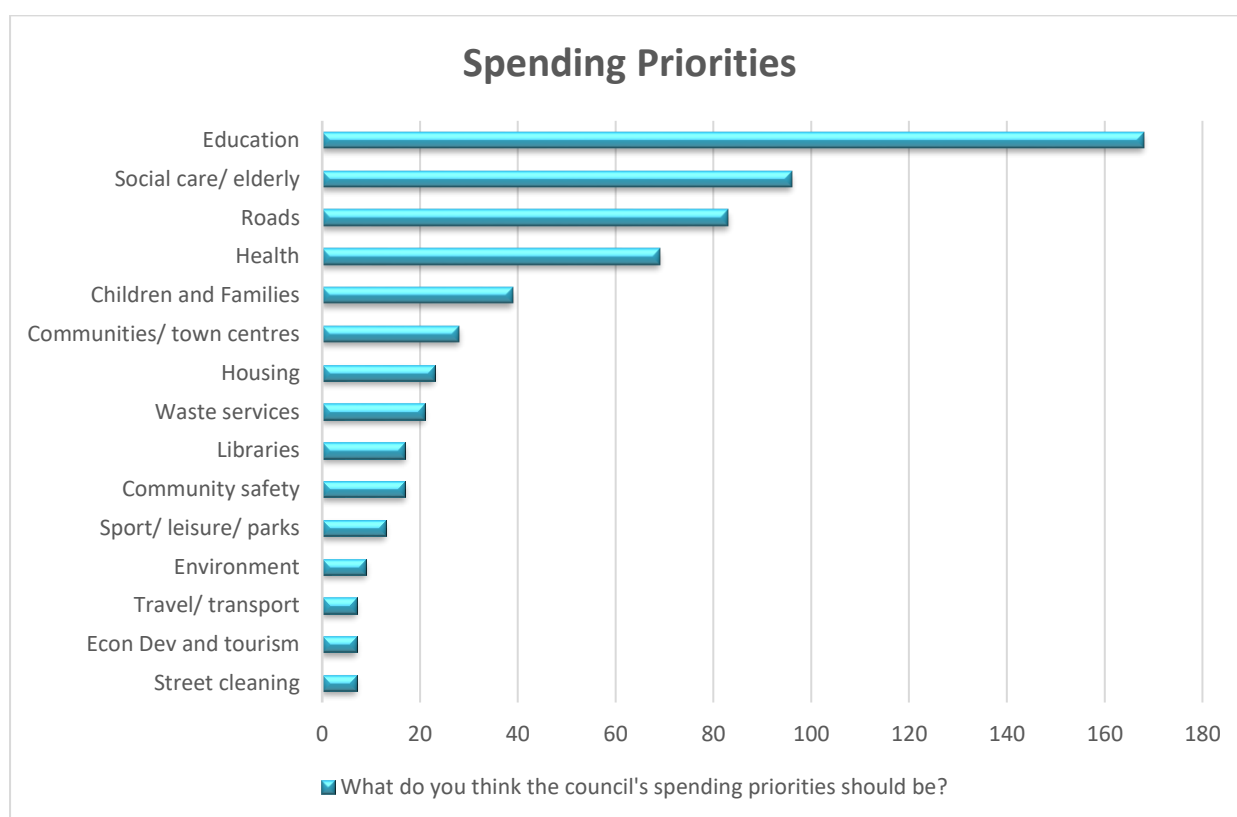
Number of individuals submitting written responses 2017/18	820
Number of individual comments and suggestions received in 2017/18 (multiple comments/ ideas from some respondents)	2000+

Survey responses

Full details of the response to the online survey are contained in appendix 1, 'Our Spending Choices 2019/20' Survey.

1. Spending Priorities

The 2018/19 survey asked respondents what they thought the council's spending priorities should be. Half of all those who took part in the online survey said that education should be the top priority, followed by social care/ services for the elderly and vulnerable. Roads maintenance and infrastructure was the third top priority.



2. What could we do differently to save money?

A wide range of comments (306) were received. Many of these called for savings in management costs, cutting councillor costs, cutting staffing costs, improved efficiency, less bureaucracy, cutting out waste and unnecessary expenditure. Shared and merged services with other councils and other organisations and streamlining of departments were also suggested. A number of respondents also called for greater use of digital and technological solutions and energy saving to cut costs.

3. Are there services that we could reduce?

A large number answered 'No, None or Not sure' or expressed the view that services had already been cut enough or that more money needed to be spent. Some called for a reduction on staffing and management costs. Other suggestions were wide ranging with no common theme developing.

4. Could communities do more to help deliver services?

There were mixed views on this, with some suggesting that community groups and businesses could do more and others saying that it is the council's responsibility to deliver services. Some suggested that communities could only do more if provided with the appropriate funding, other resources or support. Examples of the positive contribution made by community groups and volunteers were also cited by a number of respondents.

5. What services, if any, should we stop providing?

Again, the majority of respondents answered 'None, Not sure' or similar. A few suggested that support for Christmas lights and gala days could be stopped or funded from elsewhere, or that charges should be introduced for some services.

6. Do you have any other ideas that would help us bridge our budget gap?

Reducing staffing and management costs; increasing charges for some services, improving energy efficiency again featured. Some called for an increase in council tax or looking at new opportunities for income generation.

7. Other comments

A wide range of comments were received, many reiterating points made earlier in the survey. A large number of these responses related to local issues, questions and concerns and suggested new or improved facilities and services for their local areas.

2017/18 consultation

The following is a summary the key findings from the previous public consultation, carried out in 2017/18, in the run up to the 2018/19 budget meeting.

- **Libraries**

Significant opposition to the proposal to shut libraries was reflected in the number of comments from individuals and local groups (over 200); and the strength of feeling expressed in these comments and the number of signatories to the external petition (1,922 signatories as at 18 January 2018). A number of concerns and questions on library closures were also raised at all 5 of the community consultation meetings and at the Young People consultations held in late 2017. Group submissions against library closures were also received from the Chartered Institute of Library and Information Professionals in Scotland (CILIP); The Scottish Library & Information Council (SLIC) and Literature Alliance Scotland.

- **Education**

219 comments were received on a range of issues relating to the education proposals set out in the run-up to the 2018/19 budget. More than 60 of these related to concerns about After School Care fees (with many of these coming in the form of emails from parents and carers with responses coordinated through Loanhead After School Club). This was also raised as a concern at some of the community consultation meetings.

The proposal to cut Learning Assistants was also strongly opposed in a number of responses (50+). The proposal to introduce charges for Instrumental Music Tuition attracted over 30 comments in opposition and has also attracted a very large number of signatories to the external online petition (2,755).

- **Street cleaning, waste collection and disposal**

Of 247 comments received on waste services in 2017/18, many concerns related to the proposal to close Penicuik Recycling Centre, with over 75 strongly opposed. A large number of respondents also raise concerns about the potential increase in fly tipping as a result of this and other proposals to alter collection frequencies or charge for certain services. Fly tipping, and the potential for more of it, was also raised as a concern at some of the community engagement meetings.

- **Removal of School Crossing Service**

A paper petition signed by 407 people from the Mayfield area was received in opposition to the proposal to remove the non-statutory school crossings service. Opposition to this cut was expressed in 24 of the responses received.

- **Roads maintenance and street lighting**

Of 88 respondents, almost all were strongly opposed to cuts to the roads maintenance, winter maintenance and street lighting budgets.

- **Transport and travel**

Specific and strongly felt concerns about the possible loss of supported bus services were raised by over 50 individual respondents and in group responses. Cutting supported bus grants/ ring and go/ taxi card was raised as a concern by representatives of a number of community groups at 2017/18 community consultation events. The impact of this and other proposed savings on vulnerable members of society was raised in these meetings and was reflected in a number of the comments under transport, communities and general comments.
- **Communities and economic development**

Possible cuts in support to the voluntary sector was a key issue at the consultation meetings and the impact of this and other savings proposals on more vulnerable members of the community was a recurring theme in the individual written responses and submissions from community groups (79 relating to communities and economic development).
- **Environmental health and trading standards**

Of 26 comments received, most were concerned about cuts to the noise nuisance and pest control service.
- **Parks and open spaces**

There were mixed views on the proposals to cut the provision of floral displays and shrub beds in the 97 responses received although most are opposed to the proposals. The majority, although not all comments on the proposal to cut support to gala days, are opposed to it.
- **Council Tax**

Around 34 of the 56 comments received on Council Tax said that Council Tax should go up with only three or four respondents raising concerns about any increase.
- **Staffing/ management/ councillors**

Of 107 comments received, most supported cuts to senior management roles/ pension costs/ car leasing/ councillor costs and expenses. A number suggested that there should be reductions in management/ senior officer posts greater than those already included in the savings proposals.
- **Town centres/ town and village impact**

Some of the comments made it clear that some communities are feeling much harder hit than others as a result of the proposals, particularly Penicuik and Newtongrange.
- **Health and social care**

17 comments were received, most of these recognising the difficult financial challenge and the need to maintain support for adult social care services.
- **Children's services**

16 comments were received, all opposed to a reduction in early intervention and prevention services.

- **Property and facilities management**
Wide-ranging comments (99) were received, with a number concerned about the proposed changes to the schools meal service and others raising concerns about the proposals to share janitorial services and to transfer the running of local facilities to community groups.
- **Sport and leisure**
The proposal to reduce lifeguard cover was a matter of concern for many of the 81 respondents, as were the proposals to reduce astro and grass pitches and to increase charges.
- **Income generation/ money saving**
The suggestion that more should be done to increase developer contributions featured in a number of the written responses and was a recurring theme at the community engagement meetings. Shared services with other local authorities also received support in the written comments. Most of the ideas for money saving and income generation were fairly 'low level', are already proposed or are being implemented – e.g. increase advertising income, reduce printing and postage costs, reduce admin costs.
- **Community safety/ CCTV**
Of the 38 submissions, there was opposition from around 20 to the proposal to stop CCTV maintenance and 17 are opposed to the withdrawal of the Community Safety service. An employee submission can also be found in the scanned documents (group submissions) circulated to councillors.
- **Housing and homelessness**
Of 28 submissions, a number raised concerns about the amount of new house building in the area. Others supported the proposal to withdraw B&B provision and to examine the proposal for a shared service option to integrate Housing Services.
- **Revenues and Benefits**
2 of the 9 submissions received supported the shared services proposal. The other 7 comments cover a range of issues.

Communications and Marketing
24 January 2019

T: 0300 244 4000
E: scottish.ministers@gov.scot

Councillor Alison Evison,
COSLA President
Verity House
19 Haymarket Yards
Edinburgh
EH12 5BH

Copy to: Leaders of all Scottish local authorities

31 January 2019

Dear Alison,

I have listened carefully to the points you and other Leaders have raised with me following our consultation, and most recently in our meeting on 30 January, on the terms of the local government settlement and the issues you have sought to resolve as being important to you. The Scottish Greens have also raised many similar points in my discussions with them to secure support for the Budget.

In the Budget Bill Stage 1 debate in Parliament today I announced a package of further measures covering local taxation and local government finance which I consider will be the biggest empowerment of local authorities since devolution. I write now to confirm the details.

The Scottish Government has committed to make a number of changes to local government taxation between now and the end of this Parliament and clearly COSLA will have a key role as that works unfolds. These potential changes include:

- To consult, in 2019, on the principles of a locally determined tourist tax, prior to introducing legislation to permit local authorities to introduce a **transient visitor levy**, if it is appropriate for local circumstances;
- To support an agreed amendment from the Scottish Greens to the Transport (Scotland) Bill that would enable those local authorities who wish to use such a power, to introduce a **workplace parking levy**. Scottish Government support will be contingent on the exclusion of hospitals and NHS properties; and
- To devolve Non-Domestic Rates **Empty Property Relief** to local authorities in time for the next revaluation.

Both the Scottish Government and the Greens also supported the recommendation of the Commission on Local Tax Reform, which was co-chaired by the then COSLA President, that the present council tax system must end.

In order to make progress the Scottish Government will convene cross-party talks on its replacement with a view to publishing legislation, should cross-party agreement on a replacement be reached, by the end of this Parliament, with that legislation taken forward in the following Parliament.

While the Scottish Government maintains the position that money for education, social care and early learning and child care are core functions of local government, we have listened to the arguments that local government requires increased funding and flexibility for the 'core' local government settlement.

I have, therefore, agreed to make the following changes:

- An increase in the core resource local government settlement of £90 million;
- Continue to provide an earmarked £160 million from the Scottish Government for health and social care investment to support social care and mental health services – including those under the direction of Integration Authorities– whilst, as part of this package, allowing local authorities the flexibility to offset their adult social care allocations to Integration Authorities in 2019-20 by 2.2% compared to 2018-19, i.e. by up to £50 million across all local authorities to help them manage their own budgets
- Provide, as you have requested, local authorities with the flexibility to increase the Council tax by 3% in real terms, which equates to 4.79% next year.
- Bringing forward a three year funding settlement for local government from 2020-21 budget onwards; and to develop a rules based framework for local government funding in partnership with COSLA that would be introduced for the next Parliament.

Taken together, this enhanced package offers up to £187 million of increased funding and flexibility to local authorities.

In addition to this, and subject to the successful outcome of negotiations with teachers, the Scottish Government will fully fund its contribution to the cost of the Teachers' Pay deal, providing local authorities with the additional funding required to meet our share of the pay offer.

At our meeting on 30 January I also undertook to follow up and confirm the position on two further points.

Firstly, Local authorities, along with other public bodies, will face increased costs as a result of changes made by the UK Government to employer contributions for public sector pensions, including for Teacher pensions. The UK Government has committed to part fund these costs.

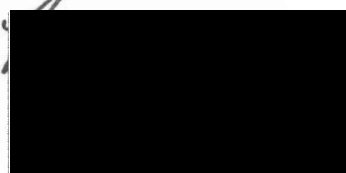
Local authorities were assuming a shortfall of 33% in the funding for these costs. Scottish Government analysis is that this shortfall is likely to be closer to 21%. This difference amounts to around £15 million for local authorities which they should no longer have to budget for.

We will not have formal confirmation of the impact of these changes to the Scottish Budget until the UK Spring Statement on 13 March 2019. However, we are committed to continue to press the UK Government to meet the full cost of these changes to avoid damaging impacts on the delivery of public services across Scotland. The Scottish Government will, however, commit to pass on to local government the consequential that we receive towards the employers' cost increase for local government Teachers' Pension schemes.

Secondly, I can confirm that I intend to bring forward as early as I can (early in the new financial year) changes to legislation which will allow Councils to vary loans fund repayments for advances made before 1 April 2016. Changes to repayments must be based on prudent principles and we will work with COSLA and Audit Scotland to reach a solution.

Throughout the Budget negotiations, I have endeavoured to engage constructively and openly with COSLA. As a result of the continuing UK austerity cuts forced upon us I know local authorities, along with the rest of the public sector, are still facing some difficult financial challenges, but I hope that you can recognise and welcome the significant package of additional measures I have confirmed today, which I truly do consider will be the biggest empowerment of local authorities since devolution.

Set out in the Appendix to this letter are details of the additional allocations to individual local authorities, through the normal formula distribution for the additional £90 million, to be spent at the discretion of individual councils. Subject to Parliamentary approval in the final stages of the Budget Bill, these sums will be added to the Local Government Finance (Scotland) Order 2019 to be presented to Parliament later in February.

A large black rectangular redaction box covering the signature of Derek Mackay.

DEREK MACKAY

Local Authority	Additional Stage 1 Allocation: Core Grant
	£m
Aberdeen City	3.161
Aberdeenshire	4.352
Angus	1.967
Argyll & Bute	1.626
Clackmannanshire	0.834
Dumfries & Galloway	2.678
Dundee City	2.503
East Ayrshire	2.051
East Dunbartonshire	1.874
East Lothian	1.719
East Renfrewshire	1.787
Edinburgh, City of	7.038
Eilean Siar	0.691
Falkirk	2.600
Fife	6.165
Glasgow City	9.969
Highland	4.228
Inverclyde	1.355
Midlothian	1.493
Moray	1.543
North Ayrshire	2.398
North Lanarkshire	5.702
Orkney	0.637
Perth & Kinross	2.477
Renfrewshire	2.941
Scottish Borders	1.990
Shetland	0.719
South Ayrshire	1.890
South Lanarkshire	5.388
Stirling	1.585
West Dunbartonshire	1.576
West Lothian	3.063
Scotland	90.000

Housing Revenue Account Revenue Budget 2018/19-2019/20 and Capital Plan 2018/19-2023/24

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

The purpose of this report is to provide Council with:-

- A summary of expenditure and income to 21st December 2018 for the Capital Plan and a projected outturn for both the Housing Revenue Account (HRA) and Capital Plan for 2018/19;
- An update on the Revenue Budget for 2019/20;
- An Update on the Capital Plan for 2019/20-2023/24.

2 Background

2.1 Capital Plan 2018/19

The Capital Plan reported to Council on 13th November 2018 allowed for investment of £15.803 million in 2018/19. Delays in the tendering process and various remediation works for Phase 2 and Phase 3 of New Social Housing means investment now required is £14.738 million, as shown in appendix 1.

The Capital Plan Budget has been revised to reflect the current profile of spend and there are no material variances to be reported at this stage.

2.2 Revenue Account 2018/19

The underspend reported to Council on the 13th November 2018 was £0.259 million. This underspend is now £0.311 million, as shown in Appendix 2. The increase is mainly due to:-

- Reactive repairs which have continued to decrease due to continuing capital investment works resulting in an increase in the underspend of £0.131 million;
- A reduction in the Central Administration charge which now reflects approved budget savings in the General Fund resulting in an underspend of £0.156 million;

Offset by:-

- Revising the method of calculation for irrecoverable rents due to Universal Credit resulting in an increase of £0.220 million.

The HRA reserve balance is projected to be £38.659 million at 31st March 2019. The longer term financial projections demonstrate that

the majority of this will be required to finance existing investment commitments to 2033/34.

2.3 Capital Plan 2019/20-2023/24

The Housing Revenue Account Capital Plan, approved on 13th February 2018 allowed for investment of £213.380 million for Phase 2 to Phase 4 of New Social Housing including the Newbyres Crescent rebuild. Spend to 31st March 2018 is £42.171 million and projected spend for 2019/20 to 2023/24 is £165.524 million.

The approved 3% rent increase per annum for 2019/20 – 2021/22 and the longer term assumption of 2% continues to support current investment in New Social Housing and also in existing stock as well as £6 million investment in Temporary Accommodation and £10 million for Environmental and Fire Safety improvements with reserves falling to a contingent level of £2.083 million in 2033/34.

The HRA Capital Plan is detailed in appendix 3 and has been amended to reflect the latest estimated costs of ongoing and planned projects. There are no material changes to these.

2.4 Revenue Expenditure

The HRA revenue model has been updated and projected forward to 2033/34 and reflects the revised Capital plan as well as the following key assumptions:

- The borrowing cost of the capital investment detailed in appendix 1 together with estimated investment in existing properties over the remaining years of the projection;
- The impact on rental income stream as a result of the implementation of Universal Credit;
- Projected provision for inflation over future years as per GDP Deflator and BCI Tender Prices Index;
- The longer-term requirement that the rents for new build properties will converge with that of the existing stock.

These together with a number of other minor adjustments to the previous financial projections confirm that the HRA can support the existing investment plans.

The revised revenue budget for 2019/20 is detailed in appendix 4.

3 Report Implications

3.1 Resource

There are no direct resource implications arising from this report.

3.2 Risk

The principal risks are around the issue of affordability, ensuring that the investment in new build and the existing stock can be made without having to impose unacceptable increases on weekly rents.

Whilst the HRA reserve balance is projected to be £38.659 million at 31 March 2019, the longer term financial projections demonstrate that the majority of this will be required to finance existing investment commitments.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

3.4 Impact on Performance and Outcomes

This report links to the Corporate Priority 1a. "Provide quality, affordable housing including increasing homelessness accommodation".

3.5 Adopting a Preventative Approach

There are no issues arising directly from this report.

3.6 Involving Communities and Other Stakeholders

No external consultation has taken place on this report.

3.7 Ensuring Equalities

There are no equality issues arising directly from this report.

3.8 Supporting Sustainable Development

There are no sustainability issues arising from this report.

3.9 IT Issues

There are no IT issues arising directly from this report.

4 Summary

The summarised projected financial performance for 2018/19 is:

- Capital Expenditure of £14.738 million;
- A net underspend of £0.311 million on the Revenue Account;
- The HRA reserve at 31st March 2019 is projected of £38.659 million.

The HRA Capital Plan 2019/20-2023/24 provides for

- £165.524 million for Phases 2-4 of New Social Housing ;
- £61.324 million for investment in existing stock and provision of temporary accommodation.

The Revenue Budget reflects

- An update of the Financial model;
- A projected HRA reserve of £43.111 million at 31st March 2020, which will be required to finance the majority of the existing investment commitment and is projected to reduce to £2.083 million at 31st March 2034.

5 Recommendations

Council is recommended to note the contents of this report.

Date 17th January 2019

Report Contact:

Name Lisa Young Tel No 0131-271-3111

lisa.young@midlothian.gov.uk

Background Papers: HRA Capital Plan and Revenue Budget

HOUSING REVENUE ACCOUNT CAPITAL PLAN 2018/19

	Revised Budget	Actuals to Date	Projected Outturn	Item 8.4 Variation (Under)/Over
	£'000	£'000	£'000	£'000
FUNDING				
Net Receipts from Sales	24	24	24	0
Grants				
-Incentivising New Build	2,708	1,867	2,708	0
-Mortgage to Rent	258	154	258	0
-Buy Backs Funding	480	0	480	0
Council Tax on Second Homes	88	0	88	0
Developer Contributions	284	284	284	0
Borrowing Required	10,896	4,046	10,896	0
TOTAL AVAILABLE FUNDING	14,738	6,375	14,738	0

APPROVED EXPENDITURE	£'000	£'000	£'000	£'000
New Build Houses Phase 1	102	3	102	0
New Build Houses Phase 2	2,054	364	2,054	0
New Build Houses Phase 3	3,631	716	3,631	0
Buy Backs	2,440	1,549	2,440	0
Aids & Adaptations	410	169	410	0
Homelessness - Mortgage to Rent	235	110	235	0
Homelessness - Temporary Accommodation Prov	117	6	117	0
Scottish Housing Quality Standard				
-Upgrade Central Heating Systems	1,432	565	1,432	0
-SHQS Repairs	4,317	2,893	4,317	0
Total Expenditure	14,738	6,375	14,738	0

MIDLOTHIAN COUNCIL

HOUSING REVENUE ACCOUNT 2018/19

Appendix 2

	Revised Budget	Projected Outturn	Variation (Under)/Over
Average No of Houses	6,864	6,907	43
	£000's	£000's	£000's
Repairs and Maintenance			
General Repairs	6,199	5,801	(398)
Decant/Compensation	59	57	(2)
Grounds Maintenance	631	634	3
	6,889	6,492	(397)
Administration and Management	5,016	4,860	(156)
Loan Charges	10,618	10,372	(246)
Other Expenses	2,543	2,977	434
TOTAL EXPENDITURE	25,066	24,701	(365)
Rents			
Houses	27,993	27,945	48
Garages	584	584	0
Others	975	969	6
TOTAL RENTS	29,552	29,498	54
NET EXPENDITURE/(INCOME)	(4,486)	(4,797)	(311)
BALANCE BROUGHT FORWARD	(33,862)	(33,862)	0
BALANCE CARRIED FORWARD	(38,348)	(38,659)	(311)

HOUSING REVENUE ACCOUNT CAPITAL PLAN 2019/20 - 2023/24

	Proposed Budget 2019/20 £'000	Proposed Budget 2020/21 £'000	Proposed Budget 2021/22 £'000	Proposed Budget 2022/23 £'000	Proposed Budget 2023/24 £'000
FUNDING					
Grants					
-Incentivising New Build	3,121	12,950	2,259	9,139	0
-Mortgage to Rent Subsidy	114	114	114	114	114
-Buy Backs Funding	800	800	800	320	0
Council Tax on Second Homes	90	92	94	96	98
Developer Contributions	1,382	0	0	0	0
Borrowing Required	49,012	78,330	48,431	10,575	7,889
TOTAL AVAILABLE FUNDING	54,519	92,286	51,698	20,244	8,101

APPROVED EXPENDITURE	£'000	£'000	£'000	£'000	£'000
New Build Houses Phase 2	15,636	21,203	0	0	0
New Build Houses Phase 3 & 4	19,028	58,703	39,317	11,637	0
Buy Back Properties	2,600	2,600	2,600	1,027	0
Aids & Adaptations	420	431	442	453	464
Homelessness - Mortgage to Rent	224	224	224	224	224
Bonnyrigg District Heating Scheme Boiler	1,300	0	0	0	0
Environmental and Fire Safety Improvements	2,000	2,000	2,000	2,000	2,000
Temporary Accommodation Provision	1,889	2,000	2,000	0	0
Scottish Housing Quality Standard					
-Upgrade Central Heating Systems	1,536	1,590	1,629	1,417	1,927
-Future Works	9,886	3,535	3,486	3,486	3,486
Total Expenditure	54,519	92,286	51,698	20,244	8,101

MIDLOTHIAN COUNCIL

HOUSING REVENUE ACCOUNT 2019/20

Appendix 4

	2019/20 Revised Budget
Average No of Houses	6,962
	£000's
Repairs and Maintenance	
General Repairs	5,993
Decant/Compensation	82
Grounds Maintenance	654
	<hr/> 6,729
Administration and Management	4,998
Loan Charges	12,038
Other Expenses	3,135
TOTAL EXPENDITURE	<hr/> 26,900 <hr/>
Income	
Houses Rents	29,610
Garages Rents	613
Other Income	1,129
TOTAL RENTS	<hr/> 31,352 <hr/>
NET EXPENDITURE/(INCOME)	(4,452)
BALANCE BROUGHT FORWARD	(38,659)
BALANCE CARRIED FORWARD	<hr/> (43,111) <hr/>

Treasury Management and Investment Strategy 2019/20 & Prudential Indicators

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

The purpose of the report is to seek the agreement of Council to the Treasury Management and Annual Investment Strategies for 2019/20 and the Prudential and Treasury indicators contained therein.

2 Treasury Management & Investment Strategy 2019/20

2.1 Current Loan and Investment Portfolio

The Council's current loan and investment portfolio, as at 11 January 2019, is shown in tables 1 and 2 below:-

Table 1: Current Loan Portfolio as at 11 January 2019

Loan Type	Principal Outstanding £000's	Weighted Average Rate
PWLB Annuity	674	8.90%
PWLB Maturity	187,224	3.73%
LOBO	20,000	4.51%
Forward Starting Loans	19,643	2.68%
Temporary Market Loans	2,500	0.65%
Salix Loans	794	0.00%
Total Loans	230,835	3.68%

Table 2: Current Investment Portfolio as at 11 January 2019

Investment Type	Principal Outstanding £000's	Weighted Average Rate
Bank Call Accounts	0	n/a
Money Market Funds	9,379	0.77%
Bank Notice Accounts	49,985	0.95%
Other Local Authorities	15,000	1.00%
Total Investments	74,364	0.93%

2.2 Borrowing Requirement 2018/19 to 2022/23

The Council's capital plans contain projections of capital expenditure and income over the forthcoming financial years. Any expenditure not financed directly by income, requires funding through borrowing.

The projected borrowing requirement arising from the Council's Capital Plans, and the maturing long-term loans that require to be refinanced, over the period 2018/19 to 2022/23 is shown in table 3 below:-

Table 3: Total Borrowing Requirement over the period 2018/19 to 2022/23

	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	Total £000's
Capital Expenditure						
General Services	28,388	45,373	64,607	38,154	28,180	204,699
HRA	14,738	54,519	92,286	51,698	20,244	233,485
Total Capital Expenditure	43,126	99,892	156,893	89,852	48,424	438,184
Total Available Financing	-30,073	-30,558	-50,129	-34,010	-25,271	-170,041
Principal Debt Repayments	-8,337	-8,241	-9,722	-11,452	-12,676	-50,428
Capital Expenditure less available Financing	4,715	61,093	97,042	44,390	10,477	217,713
Maturing Long-term Loans	10,452	9,201	9,282	1,534	1,554	32,023
Total Borrowing Requirement	15,167	70,294	106,324	45,924	12,031	249,740
Borrowing secured	-10,000	0	0	0	0	-10,000
Total Remaining Borrowing Requirement	5,167	70,294	106,324	45,924	12,031	239,740

2.3 Borrowing Strategy for remainder of 2018/19 and 2019/20

The current low Bank of England base rate level of 0.75% and the expectation that any base rate rises will follow a shallow upward trajectory in the short-medium term, means that continued utilisation of temporary borrowing within the Council's overall loan portfolio would continue to provide a cost-effective solution to the Council. The quantum of this will continue to be assessed against the backdrop of potential long term costs if the opportunity is missed to take PWLB loans at historically low medium-long term rates, particularly given the projected gradual rise in PWLB rates.

Long-term borrowing rates from the Debt Management Office's (DMO) Public Works Loans Board (PWLB) are currently sitting at, or close to, historical lows. Whilst the Council has already secured long-term borrowing for financial year 2018/19, as can be noted from Table 3 above the Council has a significant borrowing requirement across the forthcoming 4 financial years (2019/20 to 2022/23).

Part of this borrowing requirement has already been secured through the Council's two forward dealt loans. These involved the Council committing to draw down two £10 million loans at fixed interest rates that were priced against historically low borrowing rates, with minimal cost of carry and allowed the Council to hedge against future borrowing rate movements, thereby representing an extremely viable alternative to traditional PWLB borrowing and adding certainty to the Council's loan portfolio. The first of these two loans was drawn on 29 June 2017 and the second drawn on 15 November 2018, with both of

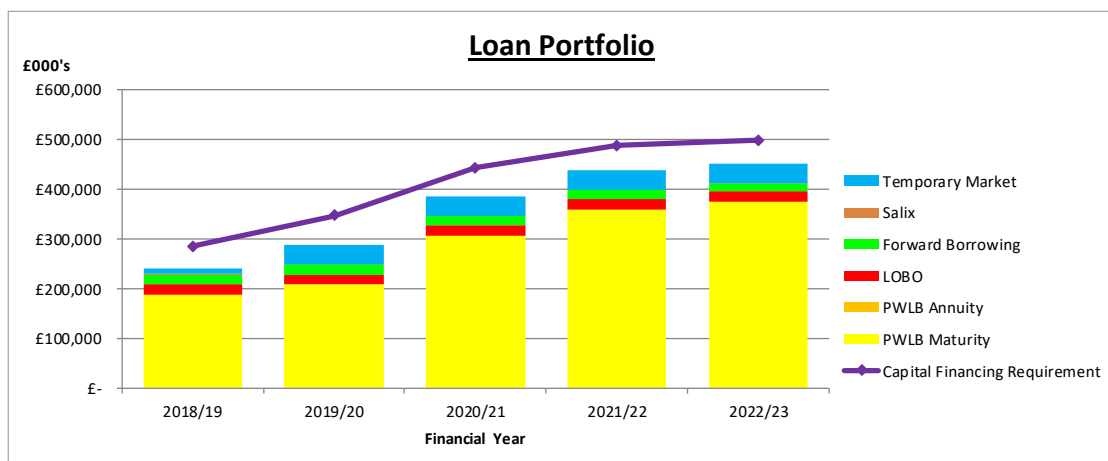
these dates matched to two £10 million PWLB loans maturing on the same dates.

It is expected that the majority of the remaining borrowing requirement to fund capital expenditure incurred in 2019/20 and 2020/21 shall be sourced from a blend of internal borrowing, further temporary borrowing and by locking in to longer term PWLB borrowing to manage longer term risk for the loan portfolio. However, the opportunity continues to exist to consider further loans on a 'forward dealing' basis, and officers will continue to explore the viability of these loans throughout the remainder of 2018/19 and into 2019/20.

Officers will ensure that any loans taken are drawn to match the existing maturity and projected capital expenditure profiles as closely as possible, that proposed interest rates continue to sit below forward interest rate projections, and that the overall borrowing remains within the Authorised Limit of £524.349 million proposed below.

Any other borrowing undertaken in advance of need would be supported by a business case which will appraise the anticipated savings in borrowing costs (from expected increases in rates later in the year / in forthcoming years) against the carrying cost associated with borrowing in advance of need.

The Council's projected loan portfolio over the period 2018/19 to 2022/23 is shown in graphical format below.



2.3 Investment Strategy

The position on potential investment opportunities remains broadly as reported to Council in the Treasury Management Mid-Year Update report on 13 November 2018.

The investment environment within which the Council seeks to invest its cash reserves remains challenging, with the continued scrutiny over the creditworthiness of counterparties resulting in an ever tighter counterparty list. At the same time, the low 0.75% Bank of England base rate dictates low returns of typically c. 1% for a 12 month fixed term deposit.

The Council currently has £64.985 million of investments with the following counterparties, which have the primary aim of cash backing the Council's reserves:-

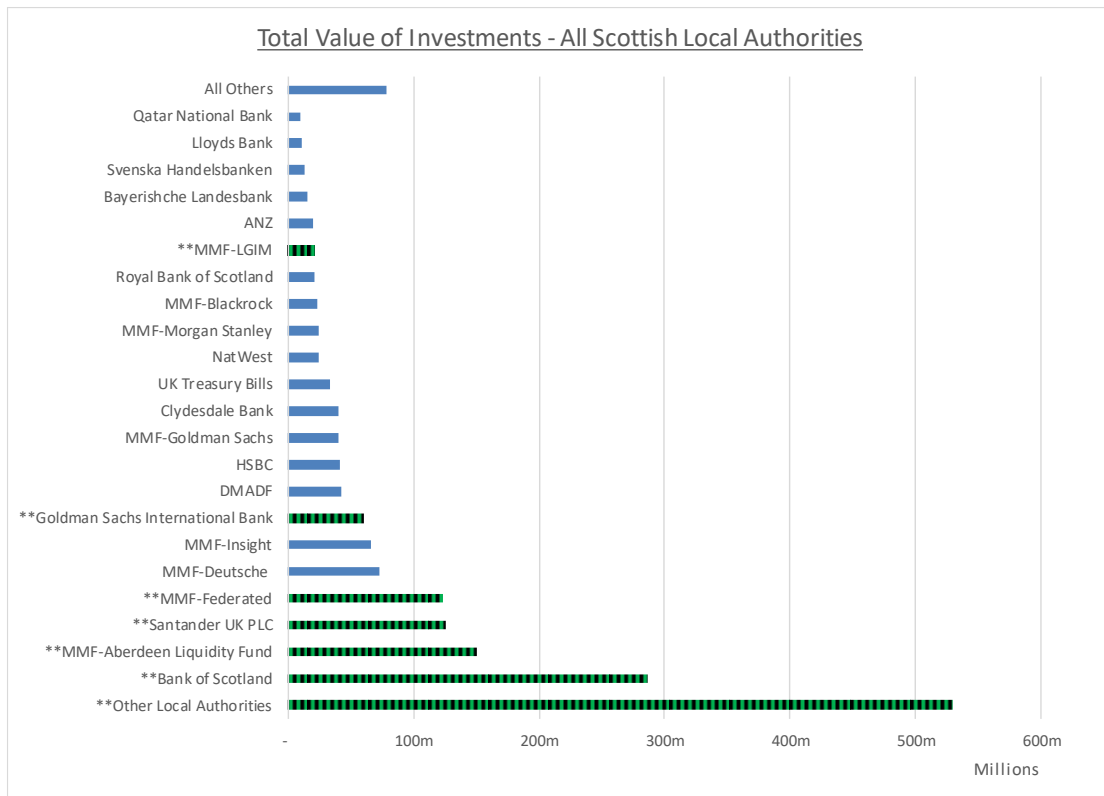
Counterparty	Amount £000's	Product	Security Long/Short Term Rating* (Colour)**	Liquidity	Yield
Bank of Scotland PLC	20,000	Notice account	A+/F1 (Orange)	175 days' notice	1.00%
Goldman Sachs International Bank	15,000	Notice account	A/F1 (Red)	185 days' notice	0.72%
Santander UK PLC	14,985	Notice account	A+/F1 (Red)	180 days' notice	1.10%
Warrington Borough Council	10,000	Fixed term deposit	AA (Yellow)	Start: 21/03/18 Maturity 23/03/20	1.00% Year 1 / 1.70% Year 2
Plymouth City Council	5,000	Fixed term deposit	AA (Yellow)	Start: 28/03/18 Maturity 30/03/20	1.00% Year 1 / 1.70% Year 2
Total	64,985				1.04%

* Credit Rating from Fitch

** Colour represents maximum recommended duration for investment per Link Asset Services, Treasury Solutions Credit Scoring methodology – see Appendix 1.

In addition, the Council currently holds £9.379 million in instant access accounts with Money Market Funds, earning a return as at the date of writing of 0.77%. These investments have the primary purpose of ensuring short-term liquidity for the Council in order to manage its day-to-day cashflow needs.

Attached below is a graph showing the total level of investments held by 31 of the 32 Local Authorities in Scotland. Counterparties that the Council currently have investments with are shown as a hatched bar and with a star next to the counterparty name.



Council officers, in conjunction with Link Asset Services will continue to review the range of investment options available to the Council, within the proposed Permitted Investments included as Appendix 1, in order to select only the most creditworthy counterparties to ensure the security of Council funds, and from that list select the range of investment products that offer best value to the Council's investment portfolio.

An alternative investment strategy would be to deposit funds directly with the UK Government's Debt Management Account Deposit Facility (DMADF). All deposits with the UK DMADF would be guaranteed by HM Government and therefore have a direct claim on HM Government / the equivalent of a sovereign double-A credit rating.

Rates payable by the DMADF range from 0.50% for an overnight deposit to 0.51% for a 6 month deposit.

Were the Council to switch the entirety of its £64.985 million deposits that are currently invested with other counterparties into DMADF 6 month deposits, this would result in a loss of income to the Council of £0.344 million per annum.

3 Prudential Indicators

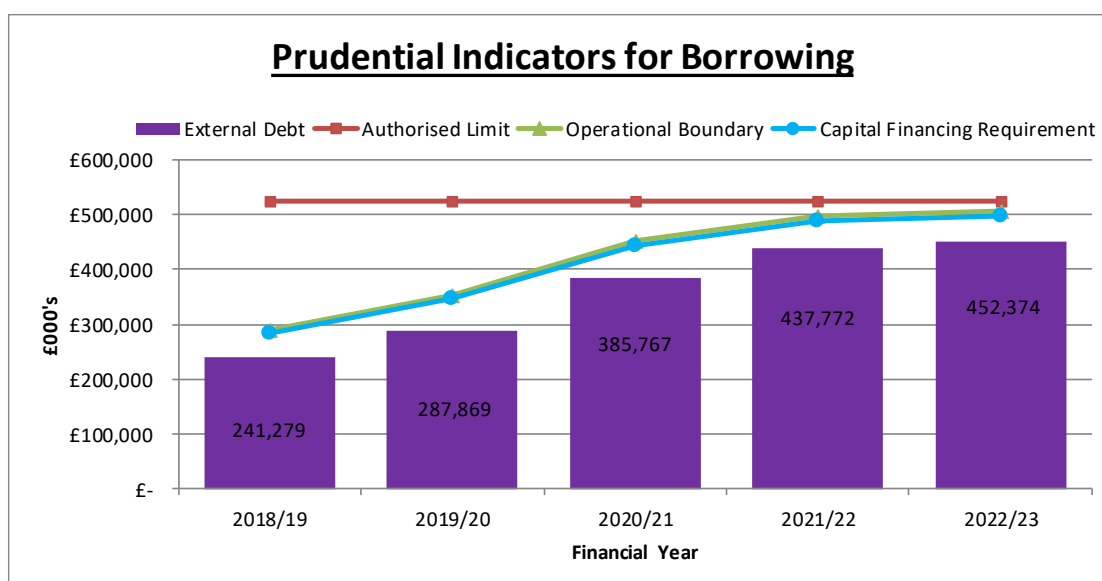
Prudential Code for Capital Finance in Local Authorities

The Prudential Code for Capital Finance in Local Authorities requires that Councils can demonstrate that their Capital Plans are affordable, prudent and sustainable, taking into account the financial provisions made in current and future revenue budgets; and that Treasury Management decisions are taken in accordance with good practice.

The Prudential Indicators that Councils need to consider relate to both actual, historic outcomes, and future estimated outcomes (covering the same period as the Council's Capital Plans), as follows:-

- Original indicators and actual outcomes for 2017/18;
- Revised estimates of the 2018/19 indicators; and
- Estimates of indicators for 2019/20 to 2022/23.

The Prudential Indicators required by the Code are listed individually in Appendix 2. The key indicators relating to external borrowing are shown in graphical format below.



The **Capital Financing Requirement (CFR)** denotes the Council's underlying need to borrow for capital purposes. The CFR includes borrowing arising as a result of the Council's Capital Plans, plus the long-term liability arising from the Council's two PPP contracts. The Underlying Borrowing Requirement strips out the latter of these (long-term liability arising from the two PPP contracts) from the CFR.

The **Authorised Limit for Borrowing** represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It is the expected maximum borrowing need with some headroom for unexpected movements.

The Authorised Limit for Borrowing has been calculated by taking the maximum value of the CFR over this year and the next 4 financial years (2019/20 to 2022/23), with the total forecast level of capital receipts and developer contributions added back to this figure (given the inherent uncertainty regarding the timing and value of these receipts/contributions). This is shown in table 4 below.

Table 4: Authorised Limit for Borrowing: Calculation

Authorised Limit	Amount £000's
CFR – General Services (31 March 2022)	169,981
CFR – HRA (31 March 2023)	327,985

Unrealised Capital Receipts & Developer Contributions 2018/19	218
Forecast level of Capital Receipts & Developer Contributions 2019/20 to 2022/23	26,166
Proposed Authorised Limit	524,349

Council is therefore asked to approve an adjustment to the authorised limit for borrowing to £524.349 million, if market conditions support this action. This would have the effect of securing lower costs for future years but care would be taken to ensure that the cost of carry from borrowing early is minimised and that the maturity structure of all debt is sufficiently robust to ensure that the CFR at 31 March 2023 remains achievable.

The authorised limit therefore reflects a level of borrowing which, while not desired, could be afforded but is not sustainable.

Statutory repayment of loans fund advances

Under Finance Circular 7/2016, Council is now required to set out its policy for the statutory repayment of loans fund advances prior to the start of each financial year. The repayment of loans fund advances ensures that the Council makes a prudent provision each year to pay off an element of the accumulated loans fund advances made in previous financial years.

A variety of options are provided to Councils so long as a prudent provision is made each year. The Council is recommended to approve the following policy on the repayment of loans fund advances:-

- For loans fund advances made before 1 April 2016, the policy will be to maintain the practice of previous years and apply what is termed “the Statutory Method”, with all loans fund advances being repaid by the annuity method.
- For loans fund advances made after 1 April 2016, the policy for the repayment of loans advances is proposed to continue to operate under the “Statutory Method” – i.e. loans fund advances will be repaid by the annuity method. This annuity rate that is proposed to be applied to the loans fund repayments is based on current interest rates and is currently 3.10%.

A review of the Loans Fund accounting arrangements is currently being undertaken which includes an assessment of the period over which Loans Fund advances are projected to be repaid. The final outcome of the review is expected to be presented to Council for approval in due course.

Capital Strategy

The 2017 Prudential Code introduced a new requirement for local authorities to produce an annual capital strategy, which is a high level

corporate document dealing with the key areas of strategic context, corporate priorities, capital investment ambition, available resources, affordability, capacity to deliver, risk appetite, risk management, and determining an appropriate split between non-financial, treasury management and commercial investments in the context of ensuring the long term financial sustainability of the authority, in appropriate detail so that members can properly assess the particular risks in this area.

Treasury Management Practices

The Head of Finance & ISS is responsible for updating Treasury Management Practices. These are reviewed on a regular basis and were reported as part of the Treasury Management Mid-Year Review Report 2017/18 presented to Council on 07 November 2017.

4. Report Implications

4.1 Resources

There are no direct resource implications arising from this report.

4.2 Risk

The strategies outlined in this report are designed to maintain the effectiveness of the overall risk management arrangements for Treasury activity. Providing the limits outlined in the strategies are observed they will support the controls already in place in the Treasury Management Practices within which the treasury function operates.

The Prudential Indicators contained in Appendix 2 maintain the effectiveness of the overall risk management of Capital Investment and Treasury Management.

4.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

4.4 Impact on Performance and Outcomes

The strategies to be adopted are an integral part of the corporate aim to achieve Best Value as they seek to minimise the cost of borrowing by exercising prudent debt management and investment. This in turn helps to ensure that the Council's capital expenditure is sustainable in revenue terms.

4.5 Adopting a Preventative Approach

The proposals in this report do not directly impact on the adoption of a preventative approach.

4.6 Involving Communities and Other Stakeholders

Although no external consultation has taken place, cognisance has been taken of professional advice obtained from Link Asset Services, the Council's appointed Treasury Consultants.

4.7 Ensuring Equalities

There are no equality issues arising from this report.

4.8 Supporting Sustainable Development

There are no sustainability issues arising from this report.

4.9 Digital Issues

There are no IT issues arising from this report.

5 Summary

The Treasury Management and Investment Strategies outlined in this document, and in the detailed document that has been placed in the Member's Library / uploaded to the Council's Committee Management System, have been formulated to comply with the revised Codes of Practice and relevant Regulations and provide the framework for achieving best value in the management of the Council's borrowing and investment portfolios.

6 Recommendations

It is recommended that the Council:-

- a) Approve the Treasury Management and Investment Strategy for the 2019/20 financial year, as detailed in Section 2 of this report;
- b) Approve the list of Permitted Investments outlined in Appendix 1;
- c) Adopt the Prudential Indicators contained in Appendix 2 of this report;
- d) Approve an adjustment to the Authorised Limit for Borrowing to £524.349 million (as shown in Section 3) if market conditions indicate that this is prudent;
- e) Note that the policy to repay loans fund advances made before 1 April 2016 will be to continue to use the 'Statutory annuity method';
- f) Note that the policy for the statutory repayment of loans fund advances made from 1 April 2016 will be to continue to use the 'Statutory annuity method' and that the current annuity rate applied is 3.10%;
- g) Note that work is continuing to take place regarding the Loans Fund Review and that an update to the 'Treasury Management

and Investment Strategy 2019/20 & Prudential Indicators' will be presented in due course if required.

Date:- 31 January 2019

Report Contact:-

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Background Papers:-

Appendix 1:- Permitted Investments

Appendix 2:- Prudential Indicators

Appendix 3:- Treasury Management & Annual Investment Strategy
Statement – 2019/20 Detailed – uploaded to Members Library
on the Committee Management System

Permitted Investments

Appendix 1 Item 8.5

The Council uses the Link creditworthiness service. This utilises credit ratings from the three main credit rating agencies – Fitch, Moody's and Standard & Poors, along with credit watches, outlooks, CDS spreads and country sovereign ratings in a weighted scoring system with an end product of a series of colour coded bands which indicate the relative creditworthiness of counterparties for investment.

These colour codes are used by the Council to determine the maximum suggested duration for investment with that counterparty. These are as follows:-

Link Asset Services Colour Code	Maximum Suggested Duration for Investment
Yellow	6 years*
Dark Pink	6 years**
Light Pink	6 years**
Purple	3 years
Blue	2 years***
Orange	2 years
Red	8 months
Green	120 days
No colour	Not to be used

* *Note the yellow colour category is for:- UK Government Debt, or its equivalent, Money Market Funds (MMF's), and collateralised deposits where the collateral is UK Government Debt*

** *Dark Pink for Ultra Short Dated Bond Funds with a credit score of 1.25; Light Pink for Ultra Short Dated Bond Funds with a credit score of 1.5*

*** *Only applies to nationalised or semi-nationalised UK banks*

Note that the maximum suggested durations listed above have been extended by 1 year (when compared to the suggested maximum durations provided by Link) for the Yellow, Dark Pink, Light Pink, Purple, Blue and Orange categories, to allow flexibility around these durations on the margins e.g. the placement of a 13 month fixed term deposit for a counterparty rated Orange or Blue. Equally, the maximum suggested duration for the Red category has been extended by a month to 8 months, and the maximum duration for the Green category has been extended by 20 days to 120 days, on the same basis. A thorough appraisal of the additional risk involved in extending the duration of any deposit (marginally) beyond the maximum suggested by Link, against any enhanced value to the portfolio, will be undertaken prior to the placement of any deposit.

1.1 Deposits

Investment Category	Minimum Credit Criteria	Liquidity risk	Market risk	Max %/£m of total investments	Max. maturity period
Debt Management Agency Deposit Facility	--	Term	No	100%	6 months
Term deposits – local authorities	--	Term	No	100%	5 years
Call accounts – banks and building societies	Green	Instant	No	100%	1 day
Term deposits / Notice Accounts – banks and building societies	Yellow Purple Blue Orange Red Green No Colour	Term	No	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 120 days Not for use
Fixed term deposits with variable rate and variable maturities: - Structured deposits	Yellow Purple Blue Orange Red Green No Colour	Term	No	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 120 days Not for use

1.2 Deposits with counterparties currently in receipt of government support / ownership

Investment Category	Minimum Credit Criteria	Liquidity risk	Market risk	Max %/£m of total investments	Max. maturity period
UK nationalised banks – Call accounts	Blue	Instant	No	100%	1 day
UK nationalised banks – Term Deposits / Notice Accounts	Blue	Term	No	100%	2 years
UK nationalised banks – Fixed term deposits with variable rate and variable maturities: - Structured deposits	Blue	Term	No	100%	2 years
Non-UK (high sovereign rated country) nationalised banks – Call accounts	Green	Instant	No	100%	1 day
Non-UK (high sovereign rated country) nationalised banks:- Term Deposits / Notice Accounts	Yellow Purple Blue Orange Red Green No Colour	Term	No	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 120 days Not for use
Non-UK (high sovereign rated country) nationalised banks:- Fixed term deposits with variable rate and variable maturities: - Structured deposits	Yellow Purple Blue Orange Red Green No Colour	Term	No	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 120 days Not for use

If forward deposits are made, the forward period plus the deal period equate to the maximum maturity period.

1.3 Collective investment schemes structured as Open Ended Investment Companies (OEICs)

Investment Category	Minimum Credit Criteria	Liquidity risk	Market risk	Max %/£m of total investments	Max. maturity period
Government Liquidity Funds	AAA	Instant	No	100%	1 day
Money Market Funds CNAV	AAA	Instant	No	100%	1 day
Money Market Funds LVNAV	AAA	Instant	No	100%	1 day
Money Market Funds VNAV	AAA	Instant	No	100%	1 day
Ultra Short Dated Bond Funds with a credit score of 1.25	AAA	T+1 to T+5	Yes	100%	1 day
Ultra Short Dated Bond Funds with a credit score of 1.5	AAA	T+1 to T+5	Yes	100%	1 week
Bond Funds	AAA	T+2 or longer	Yes	50%	2 days
Gilt Funds	AAA	T+2 or longer	Yes	50%	2 days

1.4 Securities issued or guaranteed by governments

Investment Category	* Minimum Credit Criteria	Liquidity risk	Market risk	Max %?£m of total investments	Max. maturity period
Treasury Bills	UK sovereign rating	Sale T+1	Yes	100%	50 years
UK Government Gilts	UK sovereign rating	Sale T+1	Yes	100%	50 years
Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail	UK sovereign rating	Sale T+3	Yes	100%	50 years
Sovereign bond issues (other than the UK govt)	AAA (or state your criteria if different)	Sale T+1	Yes	100%	50 years
Bonds issued by multilateral development banks	AAA (or state your criteria if different)	Sale T+1	Yes	100%	50 years

1.5 Securities issued by corporate organisations

Investment Category	* Minimum Credit Criteria	Liquidity risk	Market risk	Max % of total investments	Max. maturity period
Certificates of deposit issued by banks and building societies	Yellow Purple Blue Orange Red Green No Colour	Sale T+0	Yes	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 100 days Not for use
Commercial paper other	Yellow Purple Blue Orange Red Green No Colour	Sale T+0	Yes	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 100 days Not for use
Floating rate notes	Yellow Purple Blue Orange Red Green No Colour	Sale T+2	Yes	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 100 days Not for use
Corporate Bonds other	Yellow Purple Blue Orange Red Green No Colour	Sale T+2	Yes	100%	Up to 6 yrs Up to 3 yrs Up to 2 yrs Up to 2 yrs Up to 8 mths Up to 100 days Not for use

1.6 Other

Investment Category	Minimum Credit Criteria	Liquidity risk	Market risk	Max %/£m of total investments	Max. maturity period
Local authority mortgage guarantee scheme.	Blue	Term	No	50%	5 years
Loans to Third Parties	n/a	Term	No	£25m	20 years
Subordinated Debt Subscription to Newbattle Centre SPV	n/a	Term	No	£0.333m	25 years
Property Funds	n/a	T+4	Yes	50%	15 years

1. Prudential Indicators for Affordability

These indicators provide an indication of the impact of the capital investment plans on the Council's overall finances.

1.1 Estimates of Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Ratio of Financing Costs to Net Revenue Stream							
%	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Original	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
General Services	3.78%	3.17%	2.86%	3.04%	3.23%	3.33%	3.43%
HRA	34.14%	36.34%	37.26%	38.79%	45.31%	47.96%	52.10%

The figures above are based on the latest Capital Plans presented to Council.

1.2 HRA Ratios

The following indicator identifies the ratio of overall debt on the HRA account compared to annual house rent revenue.

Table 6: HRA Debt as a % of Gross Revenue							
	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
HRA debt £000's	£ 166,325	£ 163,857	£ 169,011	£ 213,062	£ 285,120	£ 326,047	£ 328,252
HRA revenues £000's	£ 26,399	£ 27,798	£ 27,945	£ 29,610	£ 31,080	£ 33,670	£ 35,538
Ratio of debt to revenues %	630%	589%	605%	720%	917%	968%	924%

The following indicator identifies the ratio of overall debt on the HRA account per HRA dwelling.

Table 7: HRA Debt per Dwelling							
	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
HRA debt £000's	£ 166,325	£ 163,857	£ 169,011	£ 213,062	£ 285,120	£ 326,047	£ 328,252
Number of HRA dwellings	6,917	6,985	6,907	6,962	7,194	7,528	£ 7,839
Debt per dwelling £	£ 24,046	£ 23,458	£ 24,470	£ 30,604	£ 39,633	£ 43,311	4187%

2. Prudential Indicators for Capital Expenditure

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Estimated Capital Expenditure

This indicator shows the gross capital spend included in the relevant capital plans.

Capital Expenditure						
	2017/18 Actual £000's	2018/19 Estimate £000's	2019/20 Estimate £000's	2020/21 Estimate £000's	2021/22 Estimate £000's	2022/23 Estimate £000's
General Services						
Resources	£ 8,127	£ 11,423	£ 16,273	£ 20,883	£ 11,913	£ 18,237
Education, Community & Economy	£ 8,647	£ 16,798	£ 25,203	£ 33,728	£ 15,905	£ 5,762
Health & Social Care	£ 170	£ 504	£ 4,605	£ 5,245	£ 1,565	£ 334
Business Transformation	£ 39	£ 35	£ 2	£ 5,885	£ 10,386	£ 4,801
Provision for Return of Contingencies	£ -	£ (372)	£ (710)	£ (1,134)	£ (1,615)	£ (954)
Total General Services	£ 16,984	£ 28,388	£ 45,373	£ 64,607	£ 38,154	£ 28,180
Total HRA	£ 10,572	£ 14,738	£ 54,519	£ 92,286	£ 51,698	£ 20,244
Combined Total	£ 27,556	£ 43,126	£ 99,892	£ 156,893	£ 89,852	£ 48,424

2.2 Financing of Capital Expenditure

This indicator shows how the Capital Expenditure forecasts are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital Expenditure and Available Financing					
	2018/19 Estimate £000's	2019/20 Estimate £000's	2020/21 Estimate £000's	2021/22 Estimate £000's	2022/23 Estimate £000's
Capital Expenditure					
General Services	£ 28,388	£ 45,373	£ 64,607	£ 38,154	£ 28,180
HRA	£ 14,738	£ 54,519	£ 92,286	£ 51,698	£ 20,244
Total	£ 43,126	£ 99,892	£ 156,893	£ 89,852	£ 48,424
Financed by:					
Capital receipts	£ 1,093	£ -	£ 1,100	£ -	£ -
Capital grants	£ 18,852	£ 18,554	£ 37,392	£ 19,005	£ 18,718
Capital reserves	£ 537	£ 1,900	£ 2,000	£ 10,694	£ 2,000
Developer/Other Contributions	£ 9,591	£ 10,104	£ 9,637	£ 4,311	£ 4,553
Net financing need for the year	£ 13,053	£ 69,334	£ 106,764	£ 55,842	£ 23,153

2.3 Estimated Capital Financing Requirement

This indicator measures the Council's maximum underlying need to borrow for capital purposes and other long term liabilities over the next three years.

Capital Financing Requirement (CFR)						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Capital Financing Requirement						
CFR – General Services	£ 116,391	£ 116,220	£ 133,262	£ 158,246	£ 161,709	£ 169,981
CFR – HRA	£ 163,857	£ 168,744	£ 212,795	£ 284,853	£ 325,780	£ 327,985
CFR – PFI Schemes	£ 53,406	£ 51,957	£ 50,386	£ 48,682	£ 46,834	£ 44,829
Total CFR	£ 333,654	£ 336,920	£ 396,442	£ 491,780	£ 534,322	£ 542,794
Movement in CFR	£ (100)	£ 3,266	£ 59,522	£ 95,338	£ 42,542	£ 8,472
Movement in CFR represented by						
Net financing need for the year (previous table)	£ 9,457	£ 13,053	£ 69,334	£ 106,764	£ 55,842	£ 23,153
Less Scheduled Debt Amortisation	£ (7,969)	£ (8,337)	£ (8,241)	£ (9,722)	£ (11,452)	£ (12,676)
Less PFI Finance Lease Principal Payments	£ (1,566)	£ (1,449)	£ (1,571)	£ (1,704)	£ (1,848)	£ (2,005)
Movement in CFR	£ (78)	£ 3,266	£ 59,522	£ 95,338	£ 42,542	£ 8,472

3. Prudential Indicators for Prudence

3.1 Net Borrowing Requirement

This indicator shows the amount of external borrowing required to finance the current debt outstanding on capital projects.

Net Borrowing Requirement						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
External Debt						
Debt at 1 April	£ 257,302	£ 241,031	£ 251,279	£ 318,732	£ 360,154	£ 424,571
Actual/Expected change in Debt	£ (16,271)	£ 10,248	£ 67,453	£ 41,422	£ 29,101	£ 23,053
Other long-term liabilities (OLTL)	£ 54,972	£ 53,406	£ 51,957	£ 50,386	£ 48,682	£ 46,834
Actual/Expected change in OLTL	£ (1,566)	£ (1,449)	£ (1,571)	£ (1,704)	£ (1,832)	£ (1,831)
Actual/Expected Gross Debt at 31 March	£ 294,437	£ 303,236	£ 369,118	£ 408,836	£ 436,105	£ 492,627
The Capital Financing Requirement	£ 333,654	£ 336,920	£ 396,442	£ 491,780	£ 534,322	£ 542,794
Under / (over) borrowing	£ 39,217	£ 33,684	£ 27,324	£ 82,944	£ 98,217	£ 50,167
Investments						
Cash & Cash Equivalents	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000	£ 10,000
Short-Term Investments	£ 64,985	£ 64,985	£ 64,985	£ 64,985	£ 64,985	£ 64,985
Total Investments	£ 74,985	£ 74,985	£ 74,985	£ 74,985	£ 74,985	£ 74,985

4. Prudential Indicators for External Debt

4.1 Operational Boundary

This is the limit beyond which external debt is not normally expected to exceed and will be the focus of day to day treasury management. Typically, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

For this Council:-

- the Operational Boundary for Borrowing has been calculated to equate directly to the value of the CFR for General Services and HRA combined, over the current financial year and the following 4 financial years (2018/19 to 2022/23); and
- the Operational Boundary for Other Long-Term Liabilities has been calculated to equate directly to the in-year CFR for Other Long-Term Liabilities, given the known contractual provisions for the repayment of debt within the Council's two PPP agreements.

Operational Boundary						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Operational Boundary - Borrowing	£ 280,248	£ 284,963	£ 346,056	£ 443,098	£ 487,488	£ 497,965
Operational Boundary - Other long term liabilities	£ 53,406	£ 51,957	£ 50,386	£ 48,682	£ 46,834	£ 44,829
Total	£ 333,654	£ 336,920	£ 396,442	£ 491,780	£ 534,322	£ 542,794

Should the Operational Boundary be breached, for example as a result of a decision taken to borrow in advance (should market conditions indicate that it is prudent to do so), this will be reported to Council at the next available opportunity.

4.2 Authorised Limit of Total External Debt

This indicator sets the limit for total external debt.

In an active Treasury Management policy it is sometimes prudent to borrow in advance of need if interest rates are expected to rise.

In order to continue to service the ongoing external debt and finance the current capital programmes the Council needs to increase its external borrowing to £523.188 million by 31 March 2023. Within the Capital Plans, there are assumptions regarding capital receipts and developer contributions which when applied to the Council's capital plans reduce the Council's borrowing requirements. However, the realisation of these capital receipts and developer contributions carry inherent uncertainty around both the timing and value of each receipt/contribution, given that they are largely dependent upon economic and market activity which are outwith the Council's control. Therefore, in order to calculate the Authorised Limit for Borrowing, these capital receipts and developer contributions have been added to the Capital Financing Requirement, to give the Council flexibility to fully borrow in advance of need (if market conditions support this action) should these receipts and contributions be unable to be realised in the short term. This therefore reflects a level of borrowing which, while not desired, could be afforded but is not sustainable.

Council is therefore asked to approve that, rather than restrict borrowing to £284.963 million for 2018/19, £346.056 million for 2019/20, £443.098 million for 2020/21, £487.488 million for 2021/22 and £497.965 million for 2022/23, that permission be granted to borrow up to the 2022/23 Authorised Limit for borrowing of £524.349 million as shown in the table below), if market conditions support this action.

Operational Boundary						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Operational Boundary - Borrowing	£280,248	£284,963	£346,056	£443,098	£487,488	£497,965
Operational Boundary - Other long term liabilities	£53,406	£51,957	£50,386	£48,682	£46,834	£44,829
Total	£333,654	£336,920	£396,442	£491,780	£534,322	£542,794

Adopting this approach will secure lower costs for future years but care will be taken to ensure that the cost of carry is minimised and that the maturity structure of all debt is sufficiently robust to ensure that the Capital Financing Requirement at 31 March 2023 remains achievable.

Authorised Limit						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000's	£000's	£000's	£000's	£000's	£000's
Authorised Limit - Borrowing	£524,349	£524,349	£524,349	£524,349	£524,349	£524,349
Authorised Limit - Other long term liabilities	£53,406	£51,957	£50,386	£48,682	£46,834	£44,829
Total Debt	£577,755	£576,306	£574,735	£573,031	£571,183	£569,178

Reconciliation of calculation of Authorised Limit for borrowing:-

Reconciliation of Authorised Limit for Borrowing	
	£000's
CFR - General Services at 31 March 2021	£169,981
CFR - HRA at 31 March 2022	£327,985
Capital Receipts 2018/19 unrealised to date	£-
Capital Receipts 2019/20 to 2022/23	£2,000
Developer/Other Contributions 2018/19 Unrealised to date	£218
Developer/Other Contributions 2019/20 to 2022/23	£24,166
Authorised Limit for Borrowing	£524,349

5. Prudential Indicators for Treasury Management

5.1 Upper limits on Fixed and Variable Interest Rates

This indicator limits the amount of external debt that may be held at fixed or variable rates. These limits are proposed to be as follows:-

Upper Limits on Exposure to Fixed and Variable Interest Rates 2019/20			
Interest rate exposures			Upper Limit
Limits on fixed interest rates based on gross debt			100.00%
Limits on variable interest rates based on gross debt			30.00%
Limits on fixed interest rates based on investments			100.00%
Limits on variable interest rates based on investments			100.00%

5.2 Maturity Structure of Borrowing

This indicator sets the upper and lower limits of the time scales within which external debt may be held.

The Treasury Management Code of Practice now requires that LOBO's with a call date in the next 12 months are classified as short-term borrowing rather than longer-term (10 year+) borrowing.

In addition, the Code also recommends that where an authority's debt is typically very long term (i.e. for a period of greater than 10 years), that authorities should break down the period in excess of 10 years into several ranges, for example 10 to 20 years, 20 to 30 years, etc.

With the above in mind, the proposed upper and lower limits for each maturity band are shown below, with the overall aim to ensure a spreading approach to avoid a cluster of high value loans maturing/requiring refinancing within a short period of time.

Maturity Structure of Borrowing 2019/20		
Maturity structure of fixed interest rate borrowing 2019/20	Lower	Upper
Under 12 months	0.00%	50.00%
12 months to 2 years	0.00%	50.00%
2 years to 5 years	0.00%	50.00%
5 years to 10 years	0.00%	50.00%
10 years to 20 years	0.00%	50.00%
20 years to 30 years	0.00%	50.00%
30 years to 40 years	0.00%	50.00%
40 years to 50 years	0.00%	50.00%
50 years and above	0.00%	50.00%
Maturity structure of variable interest rate borrowing 2019/20	Lower	Upper
<i>Under 12 months</i>	0.00%	30.00%
<i>12 months to 2 years</i>	0.00%	30.00%
<i>2 years to 5 years</i>	0.00%	30.00%
<i>5 years to 10 years</i>	0.00%	30.00%
<i>10 years to 20 years</i>	0.00%	30.00%
<i>20 years to 30 years</i>	0.00%	30.00%
<i>30 years to 40 years</i>	0.00%	30.00%
<i>40 years to 50 years</i>	0.00%	30.00%
<i>50 years and above</i>	0.00%	30.00%

5.4 Total Principal Sums Invested for Periods Longer than 365 Days

This indicator relates to the total level of investments held for periods longer than 365 days.

Principal Sums Invested for > 365 Days		
Limit		£70m

The current strategy as outlined in the body of these reports is to cash-back the Council's balance sheet reserves. It is expected that the majority of this will be in the form of 12 month fixed term deposits and/or certificates of deposit; however the Council currently have two fixed term deposits with other Local Authorities, with an original maturity period of 2 years, which offer security of funds along with a higher yield as a result of longer duration. With this in mind, the limit for principal sums invested for > 365 days has therefore been set at £70m to give the Council flexibility to extend the duration of deposits that are cash-backing the Council's reserves.

General Services Capital Plan 2018/19 to 2022/23

Report by Gary Fairley, Head of Finance and Integrated Service Support

1 Purpose of Report

The purpose of this report is to provide Council with:-

- An update of the General Services Capital Plan incorporating information on further additions to the Capital Plan for approval (Section 2);
- Information on the projected performance against budget for 2018/19 (Section 3);
- Forecast expenditure and income for the General Services Capital Plan for 2018/19 through to 2022/23 (Section 4)
- Update on the capital fund (Section 5).

2 Update of General Services Capital Plan for new projects

The General Services Capital Plan presented to Council on 18 December 2018 allowed, over the period 2018/19 to 2021/22, for expenditure of £187.298 million, funding of £121.602 million, and a total borrowing requirement of £65.696 million.

2.1 Projects presented at today's Council meeting for approval

The following projects, or amendment to existing project budgets, are being presented to Council on today's agenda for approval in the General Services Capital Plan:-

- **Rosewell Development Trust:-** Construction of new community hub in Rosewell by the Rosewell Development Trust. Total project expenditure budget of £2.185 million, funded by external grant contributions from Midlothian Council (£1.427 million), Big Lottery (£0.490 million) and The Robertson Trust (£0.227 million). Equates to capital expenditure budget for Midlothian Council of £1.468 million, funded by £0.884 million Regeneration Capital Grant Funding, £0.135 million Developer Contributions, £0.050 million Councillor Environmental Funding and £0.399 million prudential borrowing.
- **Easthouses Primary School:-** new 2-stream primary school with early years provision on site of former Newbattle High School. Capital expenditure budget of £12.392 million, partly replacing existing provision of £20.634 million for Area 23 Primary School (remaining expenditure budget of £8.242 million remaining for Dalkeith/Kippielaw Primary Schools). Funding of £9.642 million of developer contributions, £1.507 million of Early Years Capital Grant Funding and £1.234 million of prudential borrowing.

2.2 Revised expenditure and income budgets for new projects

The inclusion of the projects outlined in Section 2.1 above, if approved by Council today, will revise the overall levels of expenditure, funding and borrowing required over the period 2018/19 to 2022/23 as shown in table 1 below.

Table 1: General Services Capital Plan as approved 18 December 2018 including projects presented at today's Council meeting for approval

Item	2018/19 Budget £000's	2019/20 Budget £000's	2020/21 Budget £000's	2021/22 Budget £000's	Total Budget £000's
Expenditure	32,467	75,114	50,696	30,438	188,715
Funding	26,378	33,720	36,450	26,422	122,970
Borrowing Required	6,089	41,394	14,246	4,016	65,745

3 2018/19 Projection against budget

3.1 2018/19 Budget

The 2018/19 capital plan budget of £32.467 million, as reported above, has been rephased to £28.386 million (a decrease of £4.081 million) to account for updated expenditure profiles provided in the period, as shown in the table below:-

Table 2: Rephasing of project expenditure budgets

Project	Description of amendment to budget	Previous Budget £000's	Revised Budget £000's	Budget Movement £000's
Sacred Heart Primary Extension	Start of works on site delayed to March 2019	1,817	400	-1,417
Front Office – Hardware, Software & Services	Impact of prioritisation of Newbattle Digital Centre of Excellence has led to rephasing of other project budgets	910	150	-760
Early Years Projects	Budgets approved in principle in December Capital Plan report following adoption of projects included in Capita Strategy. Rephased in full into 2019/20 pending implementation of Early Years strategy	689	0	-689

Network, Software & Services	Reprioritisation of projects with corresponding rephasing of spend	740	150	-590
Digital Services – Corporate Solutions	Reprioritisation of projects with corresponding rephasing of spend	422	100	-322
Highbank Intermediate Care Reprovisioning	Demolition of existing Dundas Building offices will now take place in Summer 2019 to ensure no disruption to St. Mary's Primary School, with subsequent knock-on impact on programme	350	47	-303
Learning Estate Strategy – Woodburn Primary & Lasswade High School	Budgets approved in principle in December Capital Plan report following adoption of projects included in Capital Strategy. Rephased in full into 2019/20 pending detailed project appraisal	252	0	-252
Saltergate Phase III – Playground Alterations	Works now to be carried out over Summer 2019	261	9	-252
Online Payments & Services	Midlothian now undertaking project solely and without joint procurement with East Lothian with subsequent delay to procurement	228	0	-228
Cuiken Primary Extension	Delay to works commencing on site	588	390	-198
Recovery Hub	Completion date revised to early June 2019. Work has now commenced and is on target for this date.	533	340	-193
Footway & Footpath Upgrades	Spend in line with original budget rather than rephased planning assumption	302	477	+175
Street Lighting	Spend in line with original budget rather than rephased planning assumption	973	1,323	+350
Road Upgrades	Spend in line with original budget rather than rephased planning assumption	1,785	2,309	+524

Hopefield Primary School	Commencement on site by contractor earlier than planning assumption	750	1,500	+750
Others	Minor variances	4,226	3,550	-676
Total		14,826	10,745	-4,081

In line with this, the expected level of funding available to finance the plan has also been rephased and totals £26.378 million, a decrease of £1.703 million.

This reduces the projected in-year borrowing requirement from £6.089 million to £3.711 million. The projected performance against budget for 2018/19 is shown in table 3 below:-

Table 3: General Services Capital Plan Projected Performance against Budget 2017/18 – as at Quarter 3

Item	2018/19 Budget £000's	2018/19 Rephased Budget £000's	Actual To 9/12/18 £000's	2018/19 Projected Outturn £000's	2018/19 Variance £000's	2018/19 Carry Forward £000's
Expenditure	32,467	28,386	6,677	28,386	0	-4,081
Funding	26,378	24,675	7,098	24,675	0	-1,703
Borrowing Required	6,089	3,711	-421	3,711	0	

3.2 Expenditure

Expenditure to 9 December 2018 is £6.677 million with a projected expenditure outturn of £28.386 million, in line with the revised budget of £28.386 million.

At this stage it is anticipated that budgets for the projects detailed in Appendix 2 will be fully spent in the current year.

3.3 Funding

The funding available to finance the Capital Plan in 2018/19 is expected to total £24.675 million, in line with the revised budget of £24.675 million. Funding of £7.098 million has been received to 9 December 2018.

3.4 Borrowing

The budgeted level of borrowing for 2018/19 is £3.711 million. Based on the forecast expenditure and funding levels as noted above, the revised estimate of the level of borrowing required for 2018/19 is in line with budget at £3.711 million. The impact on the Council's borrowing costs is reflected in the Financial Monitoring 2018/19 General Fund Revenue report elsewhere on today's agenda.

4 Capital Plan 2019/20 to 2022/23

4.1 Rephasing

In addition to the rephasing of project expenditure and funding from 2018/19 to/from 2019/20 as reported in Section 3, expenditure and income forecasts covering the remainder of the period of the plan have been rephased to reflect the most recent information available from project managers and service leads. These expenditure and income forecasts are the budgets that project managers and service leads are working towards as targets.

However, it has been observed for a number of years that slippage, or “rephasing”, occurs beyond even these forecasts due to a variety of issues including but not limited to supply chain pressures, issues arising during the consultation process, and internal capacity issues.

In previous years’ General Services Capital Plan budget setting, a planning assumption was included to reflect this rephasing. This planning assumption took the projected expenditure forecasts from project managers and service leads and rephased the spend back by 35% i.e. moved 35% of in-year expenditure forecasts into the following financial year. Despite the inclusion of this rephasing assumption, the Plan in 2018/19 has still seen slippage from 2018/19 of £12.219 million (Quarter 1), £6.211 million (Quarter 2) and £4.081 million (Quarter 3). The financial year 2017/18 saw total slippage in expenditure budgets in the plan of £13.316 million and in 2016/17 total slippage of £6.801 million.

Based on this, the planning assumptions regarding rephasing have been re-analysed. The expenditure forecasts included in Table 4, Appendix 1 and Appendix 2 have the following rephasing assumptions applied (over and above the projected expenditure forecasts from project managers and service leads):-

- The previous planning assumption to rephase, into the following financial year, 35% of the expenditure budgets for the following Asset Management strands:-

Street Lighting;
Footways & Footpaths;
Road Upgrades; and
Property Upgrades

has been removed, based on current projected expenditure for 2018/19 for these asset management strands being in line with original, rather than rephased, budgets;

- The previous planning assumption to rephase, into the following financial year, 35% of the expenditure budgets for the Digital and

Vehicle Asset Management strands has been retained pending further review of these budgets;

- The planning assumption for all other projects that have not yet reached tender award / contractor on-site stage is to rephase, into the following financial year, expenditure by 45%.
- The planning assumption for all projects that are currently approved in principle (following adoption in the General Services Capital Plan on 18 December 2018 of provisional budgets for those projects approved in the Capital Investment Strategy by Council on 13 November 2018) is to rephase, into the following financial year, the 2019/20 budgeted expenditure by 80%, the 2020/21 budgeted expenditure by 60% and the 2021/22 budgeted expenditure by 45%. The more acute rephasing in earlier years is based on the requirement for each of these projects to present a business case to Council prior to formal adoption in the General Services Capital Plan.

It should be noted that Service Leads and Project Managers will still be monitoring their project expenditure budgets against the original budgeted expenditure forecasts they have provided. This information will be used to assist in-year and future year rephasing of project expenditure during quarterly General Services Capital Plan monitoring, outturn and future year budget setting reports.

4.2 Expenditure

In addition to the inclusion of new projects listed in section 2.1 and the rephasing of project expenditure as noted in section 3.1 and 4.1, the plan has also been extended by one year to cover the financial year 2022/23, with project expenditure budgets and asset management plan budgets updated accordingly. Expenditure budgets of £18.859 million in 2022/23 have been added to the plan (prior to the rephasing of project expenditure as noted in Section 4.1).

The forecast level of expenditure over the life of the plan therefore totals £204.699 million.

4.3 Funding

The planning assumption for the level of General Capital Grant funding from the Scottish Government over the period 2019/20 to 2021/22 was £32.075 million, as reported to Council in the General Services Capital Plan 2018/19 to 2021/22 report on 18 December 2018. The Local Government Finance (Scotland) Settlement 2019-20 (Finance Circular 8/2018) issued on 17 December 2018 provides for a decrease in the level of General Capital Grant in 2019/20 compared to the previous planning assumption.

This has resulted in an expected decrease in General Capital Grant in 2019/20 from the previous planning assumption of £11.764 million to £10.699 million. This includes the re-profiling reduction of £1.763 million applied in the 2016/17 capital grant allocation for Midlothian, with this now being paid in full in 2019/20.

The plan has also been extended by one year to cover the financial year 2022/23, with income budgets updated accordingly. Income budgets of £15.602 million in 2022/23 have been added to the plan.

Overall, the funding available to finance the planned expenditure therefore totals £132.245 million. A more detailed breakdown is shown in Appendix 1.

4.4 Borrowing

As a result of these revised expenditure and funding forecasts, the forecast level of borrowing over the period 2018/19 to 2022/23 is £72.454 million.

Table 4: General Services Capital Plan 2018/19 to 2022/23

Item	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Total Budget
	£000's	£000's	£000's	£000's	£000's	£000's
Expenditure	28,386	45,375	64,604	38,154	28,180	204,699
Funding	24,675	25,052	36,174	30,743	15,602	132,245
Borrowing Required	3,711	20,323	28,431	7,411	12,578	72,454

5. Capital Fund

The Capital Fund at the start of the 2018/19 financial year was £19.711 million. £7.694 million of this is currently earmarked to fund City Deal projects and £1.687 million to fund the Hopefield Primary project (utilising the insurance receipt).

£17.993 million of receipts from sales are expected to be transferred into the capital fund across the period 2018/19 to 2022/23. £7.000 million of the Capital Fund balance is earmarked to support the level of investment identified in the Capital Investment Strategy across the current life of the plan (18/19 to 22/23). In addition, a further £15.573 million is earmarked to support investment in 2023/24 and beyond. The remaining balance of £5.000 million as at 31 March 2023 is earmarked to fund business transformation costs.

6. Report Implications

6.1 Resource

The borrowing required to finance the planned investment in 2018/19 to 2022/23 is currently £72.454 million and is reflected in the medium term financial strategy.

6.2 Risk

The inherent risk in the Capital Plan is that projects will cost more than estimated thus resulting in additional borrowing. The monitoring procedures ensure that significant variations are reported at an early stage so that remedial action can be taken to mitigate this risk.

An additional risk is the timing of capital expenditure being delayed and the failure to deliver new assets and infrastructure on time. In addition, overly aggressive projections of expenditure being incurred may lead to borrowing being taken in advance of need. The rephasing assumptions outlined in Section 4.1 have been included in the plan to reflect a more realistic assessment of the timing of capital expenditure, based on historic evidence, and therefore mitigate the potential for borrowing to be taken in advance of need.

In developing the strategy and taking cognisance of the longer term affordability gap it is clear that a number of potential projects which are currently included will only be able to be progressed if they can be delivered on a spend to save basis (i.e. where income or cost savings more than offset the cost of funding the investment) or where they can be delivered on a cost neutral basis. In addition it will be challenging to progress potential additional projects such as Dalkeith town centre redevelopment and master planning proposals for Newtongrange and Stobhill unless these are on a spend to save basis.

6.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

6.4 Impact on Performance and Outcome

There are no issues arising directly from this report.

6.5 Adopting a Preventative Approach

There are no issues arising directly from this report

6.6 Involving Communities and Other Stakeholders

No external consultation has taken place on this report.

6.7 Ensuring Equalities

There are no equalities issues arising directly from this report.

6.8 Supporting Sustainable Development

There are no sustainability issues arising directly from this report.

6.9 Digital Services Issues

There are no Digital Services implications arising from this report.

7 Recommendations

Council is asked to:

- a) Approve the addition of the projects listed in Section 2.1 to be added to the General Services Capital Plan: (a) Rosewell Development Trust and (b) Easthouses Primary School
- b) Approve the revised expenditure and funding levels in the General Services Capital Plan 2018/19 to 2022/23 (as shown in appendices 1 and 2).

Date 31 January 2019

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Background Papers:

Appendix 1 – Summary General Services Capital Plan 2018/19 to 2022/23

Appendix 2 – Detailed General Services Capital Plan Expenditure 2018/19 to 2022/23

Appendix 1

Summary General Services Capital Plan 2018/19 to 2022/23

GENERAL SERVICES CAPITAL PLAN	2018/19	2019/20	2020/21	2021/22	2022/23	Total
2018/19 to 2022/23	Budget	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000
EXPENDITURE						
Resources	11,423	16,273	20,883	11,913	18,237	78,730
Education, Community & Economy	16,798	25,203	33,728	15,905	5,762	97,395
Health & Social Care	504	4,605	5,245	1,565	334	12,254
Council Transformation	35	2	5,882	10,386	4,801	21,106
Provision for return of contingencies	-372	-710	-1,134	-1,615	-954	-4,785
Total Approved Expenditure	28,386	45,375	64,604	38,154	28,180	204,699
FUNDING						
Government Grants	9,898	10,699	8,760	8,587	8,418	46,361
Government Grants - Early Years	2,527	2,584	8,888	2,226	727	16,952
Government Grants - Others	1,404	1,236	0	0	0	2,640
City Deal Funding (Scottish Government)	0	0	5,881	5,019	0	10,900
City Deal Funding (Capital Fund)	0	0	0	7,694	0	7,694
Receipts from Sales	3,098	5,265	0	7,490	0	15,853
Receipts from Sales transferred to Capital Fund	-3,098	-5,265	0	-7,490	0	-15,853
Transfer from Capital Fund to Capital Plan	537	1,900	2,000	3,000	2,000	9,437
Land Transfers from HRA Applied to Capital Plan	1,090	0	1,100	0	0	2,190
Developer Contributions - GSCP Committed	1,325	4,581	1,942	814	2,186	10,849
Developer Contributions - LES New	0	1,970	7,165	2,978	1,846	13,958
Developer Contributions - A701/702	862	0	425	425	425	2,137
Developer Contributions - Other Projects	614	165	0	0	0	779
Other Contributions	6,417	1,917	14	0	0	8,347
Total Available Funding	24,675	25,052	36,174	30,743	15,602	132,245
Approved Borrowing Required	3,711	20,323	28,431	7,411	12,578	72,454

Appendix 2

Detailed General Services Capital Plan Expenditure 2018/19 to 2022/23

GENERAL SERVICES CAPITAL PLAN	2018/19	2019/20	2020/21	2021/22	2022/23	Total
2018/19 to 2021/22	Budget	Budget	Budget	Budget	Budget	Spend
	£'000	£'000	£'000	£'000	£'000	£'000
RESOURCES						
Customer Services						
Newbattle Centre of Excellence	373	50	27	0	0	450
Business Applications	101	55	95	90	134	476
DS Corporate Solutions	100	156	259	241	254	1,010
Front Office - Hardware, Software & Services	150	652	875	661	435	2,774
Back Office - Hardware, Software & Services	547	259	428	520	868	2,623
Network, Software & Services	150	226	362	449	238	1,425
Schools - Hardware, Software & Services	376	496	750	754	1,036	3,412
Commercial Operations						
Street Lighting Upgrades	1,323	1,000	1,000	1,000	1,186	5,509
Footway & Footpath Network Upgrades	477	500	500	500	913	2,890
Road Asset Management Plan	2,309	1,501	1,500	1,500	2,443	9,253
Road Asset Management Plan - Additions	0	62	247	0	593	902
Millerhill Access Road / Site Services	0	0	0	0	0	0
Zero Waste Capital Contribution	0	0	7,380	0	0	7,380
Cycling, Walking & Safer Streets Projects	108	56	98	109	198	569
Footpath Lighting: Bonnyrigg Bypass to Gorton Road	44	0	0	0	0	44
B6482 Newbattle/Easthouses Road Cycleway	29	0	0	0	0	29
A6094: Bonnyrigg Bypass Cycleway & Toucan Crossing / R	26	0	0	0	0	26
Ironmills Park Steps	-1	4	3	0	0	6
New recycling facility - Penicuik	0	0	0	0	243	243
Vehicle & Plant Asset Management Plan	760	2,863	1,707	4,234	0	9,564
Vehicle & Plant Asset Management Plan - Additions	0	2,722	-657	-217	2,237	4,085
Electric Vehicles - Powerpoint Installation	0	0	0	0	0	0
Geogrid - Barleyknowe Lane	18	12	10	0	0	40
King George V Park Outdoor Fitness Equipment	4	0	0	0	0	4
Outdoor Play Equipment - Rosewell	3	25	21	0	0	49
Outdoor Play Equipment - Gorebridge	94	19	16	0	0	129
Arniston Park Synthetic Pitch	29	9	7	0	0	45
Cuiken Glen Paths & Woodland	228	0	0	0	0	228
Mauricewood Bing Cycling and Walking Path	109	0	0	0	0	109
A701 / Beeslack Bus Shelter	28	0	0	0	0	28
Mauricewood Road Bus Shelter	13	0	0	0	0	13
Riverside Park Paths & Woodland	0	17	14	0	0	30
Birkenside Grass Pitch Drainage	0	0	12	18	0	30
Open Spaces - Midlothian Wide Play Areas	0	0	0	0	338	338
Property & Facilities						
Stobhill Depot Upgrade	0	0	0	0	568	568
New Depot: EWiM Phase III	744	3,786	4,213	912	0	9,655
Property Asset Management Plan	1,406	1,350	1,000	1,000	1,186	5,942
Property Asset Management Plan - Additions	0	208	841	141	5,158	6,348
Midlothian House 3rd Floor Reconfiguration	0	0	0	0	0	0
Purchase of 7 Eskdail Court, Dalkeith	29	0	0	0	0	29
Purchase of 49 Abbey Road, Dalkeith	12	0	0	0	0	12
Hillend Freestyle Jump Slope Upgrade	0	0	0	0	208	208
Hillend Preparatory Works	60	0	0	0	0	60
32-38 Buccleuch Street Ground Floor Redevelopment	180	100	81	0	0	361
Leisure Management System (Legend)	161	4	0	0	0	165
Cashless Catering	25	25	0	0	0	50
Non-Domestic Energy Efficiency Projects	1,330	116	95	0	0	1,540
Salt Dome	77	0	0	0	0	77
TOTAL RESOURCES	11,423	16,274	20,883	11,913	18,237	78,730

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
EDUCATION, COMMUNITY AND ECONOMY	Budget	Budget	Budget	Budget	Budget	Spend
Early Years	£'000	£'000	£'000	£'000	£'000	£'000
Gorebridge Development Trust (EYG Funded)	0	0	0	0	0	0
Gorebridge Development Trust	116	0	0	0	0	116
Gorebridge Development Trust (EYG Funded)	38	0	0	0	0	38
Further Early Years Provisions inc. 1140 hours	0	0	0	0	0	0
Primary				0		
New Bilston Primary	100	26	0	0	0	126
New Gorebridge North Primary	125	61	0	0	0	186
Paradykes & Roslin Primaries Preparatory Works	0	0	0	0	0	0
Paradykes Primary Replacement	500	866	0	0	0	1,366
Roslin Primary Replacement	200	473	0	0	0	673
Former Hopefield Primary School	1,500	8,500	970	0	0	10,970
Inspiring Learning Spaces	35	0	0	0	0	35
New Danderhall Primary hub	750	5,737	7,443	2,765	422	17,117
Cuiken & Sacred Heart Primaries - Design Team	0	0	0	0	0	0
Cuiken Primary School Extension	390	840	743	45	0	2,019
Sacred Heart Primary School Extension	400	1,890	1,657	91	0	4,038
Lawfield Primary Extension	40	314	257	0	0	610
Easthouses Primary School	0	550	4,300	4,800	2,742	12,392
Secondary						
Lasswade High School inc. 2nd MUGA	0	0	0	0	0	0
Newbattle High School Preparatory Works	726	100	82	0	0	908
Newbattle High School - Future Extension	0	0	0	0	0	0
Beeslack Community High School Pitch	0	0	0	0	0	0
General						
Online Payments for Schools (Parent Pay)	58	5	4	0	0	67
Saltersgate Alterations Phase III - Playground Improvements	9	139	114	0	0	261
Saltersgate Phase IV - Internal Alterations	63	0	0	0	0	63
Modular Units - Session 2017/18	2,475	46	38	0	0	2,559
Modular Units - Session 2018/19	415	393	322	0	0	1,130
Early Years Additions						
Hawthorn Centre	0	515	2,062	0	0	2,577
Rosewell Primary School Alteration	0	74	295	0	0	369
Mount Esk Nursery School	0	307	1,227	0	0	1,533
Dalkeith primary school	0	170	1,019	510	0	1,699
Rosewell Primary School New Build	0	127	510	0	0	637
Easthouses primary school (Newbattle HS)	0	0	0	0	0	0
Gorebridge standalone (Beacon?)	0	274	1,097	0	0	1,371
Vogrie Park	0	40	160	0	0	200
Penicuik Estate	0	40	160	0	0	200
Catering kitchens	0	53	320	307	120	800
Settings' kitchens	0	9	56	54	21	140
Capital grants to partner providers	0	100	600	575	225	1,500
Learning Estate Strategy New						
Woodburn Primary extension (1 class plus)	0	127	507	0	0	634
Lasswade High - core facilities for 1600 pupils	0	378	1,510	0	0	1,888
Kings Park PS extension to 3 stream incl EY	0	489	2,932	1,466	0	4,887
Area 23 Primary School (Dalkeith/Easthouses)	0	327	2,942	3,800	1,103	8,171
Newtongrange refurb & expansion to 2 stream	0	0	202	580	227	1,009
Strathesk Primary one class extension	0	31	183	92	0	305
Children and Families						
Communities & Economy						
Rosewell Development Trust	122	713	583	0	0	1,418
Planning & Development						
Members Environmental Improvements	100	70	70	70	70	380
Public Sector Housing Grants	336	385	385	385	385	1,876
Contaminated Land	100	186	186	186	186	844
Borders Rail - Economic Development Projects	63	34	28	0	0	125
East High Street Public Realm & Burns Monument	4	0	0	0	0	4
Shawfair Town Centre Land Purchase	5,305	0	0	0	0	5,305
Track to Train	478	0	0	0	0	478
Gorebridge Connected	908	404	331	0	0	1,643
Penicuik THI	435	126	103	0	0	664
Mayfield Town Centre Regeneration	52	15	13	0	0	80
Participatory Budgets	50	270	320	180	261	1,080
A701 & A702 Works	904	0	0	0	0	904
TOTAL EDUCATION, COMMUNITY AND ECONOMY	16,798	25,203	33,728	15,905	5,762	97,395

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
HEALTH AND SOCIAL CARE	Budget	Budget	Budget	Budget	Budget	Spend
Adult & Social Care	£'000	£'000	£'000	£'000	£'000	£'000
Assistive Technology	100	78	78	78	78	410
Health & Social Care ICT	0	155	160	222	178	715
Travelling Peoples Site Upgrade	17	0	0	0	0	17
Homecare	0	30	25	0	0	55
Recovery Hub	340	269	220	0	0	829
Highbank Intermediate Care Reprovisioning	47	3,948	4,660	1,266	79	10,000
Customer & Housing Services						
Online Payments & Services	0	126	103	0	0	228
TOTAL HEALTH AND SOCIAL CARE	504	4,605	5,245	1,565	334	12,254
COUNCIL TRANSFORMATION						
Purchase to Pay	6	0	0	0	0	6
EWiM Phase 2	0	0	0	0	0	0
Online Housing Applications	-4	2	2	0	0	0
Corporate Telephony Services Upgrade	0	0	0	0	0	0
EWiM - Buccleuch House Ground Floor	33	0	0	0	0	33
Website Upgrade	0	0	0	0	0	0
City Deal	0	0	5,881	10,386	4,801	21,067
TOTAL COUNCIL TRANSFORMATION	35	2	5,882	10,386	4,801	21,106
PROVISION FOR RETURN OF CONTINGENCIES						
2.5% Provision over full capital plan	-372	-710	-1,134	-1,615	-954	-4,785
GENERAL SERVICES CAPITAL PLAN TOTAL	28,387	45,375	64,604	38,154	28,179	204,699

Voluntary Sector Grants 2019-2022, Contingency Fund

Report by Dr Mary Smith, Director Education, Communities and Economy

1.0 Purpose of Report

This report is requesting Council to note the allocation of the voluntary sector Contingency Fund for 2019-2020.

2.0 Background

2.1 On the 22 August 2018 Council approved a revised three years grants programme. The programme was informed by good practice from across Scotland, officers' experience of administering the existing grants programme and feedback from voluntary organisations.

2.2 Between August and October 2018 the grants programme was open for applications. A communication and engagement plan was delivered to ensure that as many groups as possible applied. As part of this process community groups were offered bespoke support to help them apply. Particular effort was made to ensure that groups that experience barriers were supported to apply.

2.3 The closing date for the new grants programme was 14 October 2018. After this the grant stream leads convened grants panels to assess the applications. All grants were scored carefully against the approved criteria. Where applicants applied for more than one grant, they were cross-referenced to ensure there was no duplication in their applications. Other due diligence checks were carried out such as assessing the level of funding the applicants already received from commissioned contracts from the Council.

2.4 Following the scoring process, a further report was submitted to Council on the 18 December 2018. The report provided a full breakdown of the three year grant allocations and recommended the introduction of a contingency fund on the following basis:

"The small and large grants budget for 2019/20 has an unallocated budget of £58,241. This paper proposes that the unallocated budget will be kept as a contingency fund for voluntary groups to access in exceptional circumstances.

This contingency fund will help safeguard voluntary organisations in exceptional circumstances and help sustain a vibrant voluntary sector in Midlothian. The decrease of grant funding across Scotland has made it increasingly challenging for the voluntary sector. Voluntary organisation's income and reserves have reduced making them less financially resilient. Requests for support would be considered by all the grant stream leads on a case-by-case basis and recommendations will be made to the Council Leader and Deputy Leader."

At the Council meeting, elected members debated the proposal and decided that grant stream leads engage with organisations who may not receive the grant they expect and in addition, that the decision making in relation to the allocation of this contingency fund be delegated to the Director, Education, Communities and Economy.

3.0 Allocation of the Contingency Fund

Following the Council meeting, grant stream leads assessed the applications and engaged with the organisations that had a particularly low level of award compared with the amount requested. Officers received representation from the voluntary organisations, and also collective representation from the Third Sector Interface. This representation has informed the allocation of the contingency fund.

In assessing the allocations, officers considered the following:

- Additional uplift will only be for 2019/20.
- Consideration be given to Large Grant applicants that received 30% or less of what they had applied for.
- This is not a new competitive grants process and consideration will only be given to applicants that received an award.
- Applicants that could have scored higher if they had applied to an alternative grants stream.
- The unintended consequence of the cumulative reduction in funding.
- Extent to which funding will further the outcomes of the grants programme.
- The positive impact the funding will make in reducing inequalities, promoting equalities and helping those most in need.

Following the assessment the following organisations will be offered an uplift for 2019/20:

- Lothian Veterans Centre
- Y2K
- Gorebridge Development Trust
- Beeslack Family Disabled Club

As part of the 2019/20 uplift organisations will need to agree to the terms of a community support agreement. This will include tailored support from officers to help the organisations develop a sustainable business model.

4.0 Report Implications

4.1 Resource

The total additional uplift is £52,557 as detailed below:

Organisation	2019/20 Requested	2019/20 Awarded	2019/20 Additional Uplift	2019/20 Total Award
Lothian Veterans Centre	£33,500	£10,000	£16,800	£26,800
Y2K	£33,500	£7,333	£19,467	£26,800
Gorebridge Development Trust	£33,000	£10,000	£6,500	£16,500
Beeslack Family Disabled Club	£23,589	£1,773	£9,790	£11,563

The remaining £5,684 will remain in the contingency fund. A full breakdown of the grant funding of the above organisations is included in **appendix 1** of this report.

4.2 Risk

The existing grants programme has been risk assessed and these risks are included in the Council's Risk Register. The new and existing grants programme is subject to internal audit that helps reduce the risks associated with managing the programme. The processes associated with awarding grants include robust risk assessment procedures to ensure compliance with 'Following the Public Pound' protocols.

The proposed contingency fund allocation will help mitigate against unintended consequence of a reduction in funding.

4.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

4.4 Key Priorities within the Single Midlothian Plan (SMP)

The SMP has directly informed the criteria of the revised three year grants programme. Applications benefiting from the contingency fund provision were assessed against the extent to which they further the priorities in the SMP.

4.5 Impact on Performance and Outcomes

By supporting the voluntary sector the grants recommendations will have a positive impact on the performance and outcomes of the council.

4.6 Adopting a Preventative Approach

The recommended grants will continue to support the voluntary sector to undertake preventative work by reducing inequalities, promoting healthy activities and supporting people into meaningful employment.

4.7 Involving Communities and Other Stakeholders

Between March and July 2018 a Grants Communication and Engagement plan was delivered to inform the new grants programme. The engagement included coverage in the local press, a social media campaign, an online survey, face-to-face meetings with elected members, senior officials, the Third Sector Interface, Community Councils and Community Planning Partners.

4.8 Ensuring Equalities

A full Integrated Impact Assessment was completed for the new grants programme. The assessment concluded that the revised three year grants programme will have a positive impact on equality groups across Midlothian. A further Integrated Impact Assessment on the proposed allocations report was presented to Council in December 2018. It is worth noting that the uplifts from the contingency fund were carefully assessed against the extent their programmes promote equalities.

4.9 Supporting Sustainable Development

The revised three year grants programme will help maintain a vibrant voluntary sector in Midlothian. With reductions in statutory funding, the voluntary sector has a key role in developing communities, reducing inequalities and supporting sustainable development.

5.0 Recommendations

5.1 It is recommended that Council notes:

- a. The financial uplifts to the four voluntary organisations for 2019-2020.
- b. That officers will work with these four organisation to support them to develop a sustainable business model beyond 2019/20.

Date 22 January 2019

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Appendix 1: Breakdown of Contingency Grant Funding

Organisation	YEAR 1 Requested	YEAR 2 Requested	YEAR 3 Requested	Total Requested	AWARDED YEAR 1	AWARDED YEAR 2	AWARDED YEAR 3	Total Amount Awarded	Requested v Awarded	Amended Request v Awarded	Additional uplift in 2019/20	Total Award 2019/20
<i>Lothian Veterans Centre</i>	£33,500	£33,500	£33,500	£100,500	£10,000	£10,000	£10,000	£30,000	30%	80%	£16,800.00	£26,800.00
<i>Y2K</i>	£33,500	£33,500	£33,500	£100,500	£7,333	£7,333	£7,333	£22,000	22%	80%	£19,466.67	£26,800.00
<i>Gorebridge Development Trust</i>	£33,000	£33,000	£33,000	£99,000	£10,000	£10,000	£10,000	£30,000	30%	50%	£6,500	£16,500.00
<i>Beeslack Family Disabled Club</i>	£23,127	£23,589	£24,063	£70,779	£1,773	£1,773	£1,773	£5,320	8%	50%	£9,790.08	£11,563.42
											£52,556.75	

Edinburgh and South East Scotland City Region Deal Update

Report by Dr Mary Smith, Director, Education, Communities and Economy

1.0 Purpose of Report

- 1.1 This report informs Council of the current progress being made to implement the Edinburgh and South East Scotland City Region Deal (ESESCRD), with particular attention to the projects and initiatives which will directly and indirectly benefit communities in Midlothian.

2.0 Background

- 2.1 Council has received regular reports since 2014 on the joint preparation with partner Councils of the City Deal ; specifically on 16 December 2014, 24 March 2015, 12 May 2015, 7 February 2017, 19 July 2017, 7 November 2017 and 26 June 2018. The key milestones have been the signing of the Heads of Terms by the partners in July 2017, and the formal signing of the City Deal itself by all partners and the UK and Scottish Governments in August 2018.

- 2.2 Previous reports have set out in detail the aims, objectives, financing and governance arrangements. In summary the ESESCRD is one of a number of such city deals throughout Britain, the primary aim being to boost investment in the relevant city deal region. The Edinburgh and South East Scotland region has elements of a strong economy but also areas of deprivation and decline; and therefore the overarching central aim is to grow the size and spread of the regional economy by accelerating growth, and to do so in a way that benefits all parts of the region including those more disadvantaged communities, thereby delivering inclusive growth across the region. The ESESCRD seeks to achieve this through five inter-related themes:

- Research, Development and Innovation to increase productivity and thereby increase levels of employment and income.
- Employability and Skills integrated programme to develop the workforce that is already mainly resident in the region to take the job opportunities provided by an expanding economy.
- Transport connectivity improvements to enable ease of travel across the region and particularly to maximise the accessibility of labour markets and training centres.
- Housing developments which can meet demand within the region, particularly in the affordable sector.
- Culture developments to reinforce the role and standing of Edinburgh as a major cultural centre which can provide region-wide benefits in key economic sectors such as tourism, and food and drink.

- 2.3** The ESESCRD partners are the six constituent councils of the region (City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian), together with the higher and further education sector, the business community and the third sector. Collectively these partners made the successful bid to the UK and Scottish Governments for city deal status, the agreement being signed in August 2018. The document signed by the partners and the Governments entitled “*City Region Deal : Accelerating Growth*” sets out the overall context and approach to ensuring inclusive growth, summarises the programmes of action within each of the key inter-related themes, and articulates the governance framework for overseeing and delivering the City Deal programme. More detailed supplementary documents cover financial matters and the details of projects and their individual programming.
- 2.4** The total level of investment in the ESESCRD is estimated to be around £1.3bn, to be spent over the 15 year period of the City Deal; though the intended and agreed financial plan is likely to result in most of the investment being made within the first 10 years. The £1.3bn comprises a total of £300m from the UK Government, £300m from the Scottish Government and a contribution of some £730m from the City Deal partners, broken down as follows:

Theme	Governments Contribution (£m)	Partners Contribution (£m)	Total (£m)
Research Development and Innovation	350	441	791
Employability and Skills	25	-	25
Transport	140	16	156
Housing	65	248	313
Culture	20	25	45
Total	600	730	1330

- 2.5** The governance arrangements set out in the ESESCRD comprise the Joint Committee which is the decision making body, supported and informed by a structure of advisory boards/groups, thematic advisory boards and project groups. The five thematic groups relate to the main City Deal themes as noted above. In addition there is the Regional Enterprise Council of business representatives as well as representatives from the third sector, higher/further education, Scottish Enterprise and Skills Development Scotland; as well as the Innovation Advisory Group, and the Higher and Further Education Group. An Executive Board comprising the six Council Chief Executives and a representative of the region’s universities and colleges co-ordinates the management, direction and output of these advisory boards/groups, and reports directly to the Joint Committee. The governance framework includes commitments on community engagement and partnership with the private and third sectors. It also commits to working closely with Government and its agencies to deliver a strong regional partnership.
- 2.6** The Joint Committee comprises the six constituent Council Leaders, and a representative from the university/college, business, and third sectors. The secretariat for this Committee, and for the overall management of the City Deal work is provided by the Project Management Office based in the City of Edinburgh Council offices.

- 2.7 Individual projects will require to be approved by the Joint Committee, and are required to adhere to a defined preparation process, comprising business case development, the final stages of which require approval of the Joint Committee following which formal Government approval will be sought to allow City Region Deal funds to flow to the project for its implementation.
- 2.8 Two particular assurances are provided for in the signed City Deal Agreement. The first is that, *“The Joint Committee will be the ultimate decision-making body for all City Region Deal activity.”* The document also states that, *“Each constituent partners’ decision making in relation to its own financial commitments are not subject to Joint Committee approval. The Joint Committee does however have a monitoring and assurance role with respect to City Region Deal funding to ensure that it is spent in line with the City Region deal objectives.”*

3.0 Current Progress

- 3.1 It is relevant to note that the City Deal is still in its early stages of operation and is within its first year of a 15 year programme. Accordingly, it is only now that the first few business cases are coming before the Joint Committee for approval. In terms of the governance framework the Joint Committee is established and has met twice. The Regional Enterprise Council held its first meeting in December 2018. The thematic groups for delivery of data driven innovation, and for skills and employability are established, whilst those for transport and housing are programmed to commence work in the next few months.
- 3.2 The establishment and operation of the Transport Appraisal Board (TAB) is particularly relevant to Midlothian. The City Deal Joint Committee is due to consider the establishment of that officer level Board at its meeting in March 2019, with the Board expected to be operational by the summer of 2019. The Joint Committee is to be recommended to appoint this Council’s Chief Executive to chair the TAB. Major agenda items for that Board will include the A720 Sheriffhall Junction Improvement, proposals at West Edinburgh, and the A701/A702 road scheme which forms part of the Easter Bush data driven innovation project. Membership of the Board, as defined in the City Deal agreement will comprise representation from the six constituent Councils, Transport Scotland and the existing regional transport body SESTran. In addition to the major projects noted above, the Board will also consider the transport elements of other City Region Deal projects, particularly in the Housing and Innovation themes. A further significant task for the Board will be to provide input at a regional level into national programmes including the Scottish Government’s National Transport Strategy, and Strategic Transport Projects Review 2.
- 3.3 As reported previously there are projects in the ESESCRD which will benefit Midlothian directly, as well as projects which through their nature, scope and proximity can be confidently expected to provide notable indirect benefits to Midlothian.
- 3.4 The current position of those projects which can be regarded as providing direct benefits to Midlothian is as follows:
- i) **A720 Sheriffhall Junction Improvement.** Members may be aware of progress to date on this scheme which is due to be implemented by Transport Scotland as trunk roads authority. A public consultation on route/junction options was undertaken by Transport Scotland in December 2016, and the draft orders for the preferred route are due to be published in 2019. As part of its City Deal funding commitment Scottish Government has allocated £120m for this scheme; and which is expected to cover the full costs of the project. At its meeting in December 2018 the Joint Committee expressed concern over the need to have a clear statement

from Transport Scotland on the programme timescale for this project. A meeting at officer level with Transport Scotland is currently being arranged, the result of which can be included in the overall report on transport to be submitted to the next meeting of the Joint Committee. Regular reports on the progress of this scheme can also be submitted to this Council.

- ii) **A701 Relief Road/A702 Link Road.** This is an integral part of the wider Easter Bush project within the Research, Development and Innovation theme. That project seeks to leverage existing world-class research institutes and commercialisation facilities to make Easter Bush a global location of Agritech excellence. This will involve a substantial amount of new development at Easter Bush as part of the ongoing programme of new and extended facilities by the University of Edinburgh and others in that area. For that development to have an acceptable level of strategic road access, it will require the implementation of the new A701 relief road/A702 link road as included in the Council's Midlothian Local Development Plan (2017). That road scheme has been agreed not only to ensure unconstrained road access to Easter Bush, but also to provide road capacity to accommodate additional demand arising from new housing developments in that A701 corridor, and to enable the existing A701 to become a dedicated route for public transport and a safer route for cyclists/pedestrians. Recently completed ground investigations along the proposed route option alignment, commissioned by the Council, show that there are no significant constraints. The next stage currently being undertaken is to commission work to prepare for the issue of a design and build contract later this year. The current projected date for completing the road scheme is 2022. Although the City Deal Easter Bush project includes the A701/A702 road scheme, the funding arrangements are identified separately in the business case. The total cost of the A701/A702 scheme is estimated at approximately £30m, comprising £20m for the new roads, and an estimated up to £10m for the revised junction of the A701 with the A720 City Bypass. Committed City Deal funding amounts to £10.9m, the remainder to come from developer contributions and the Council's capital budget. Discussions involving Transport Scotland, Council officers, and the University of Edinburgh are ongoing to agree the form of the new A701/A720 junction. These should be completed in time for the sign off of the Easter Bush business case by the City Deal Joint Committee in September 2019.
- iii) **Integrated Regional Employability and Skills (IRES).** This programme will operate across the whole region to support the primary inclusive growth ambitions of the City Deal. The overall programme was approved by the City Deal Joint Committee in December 2018, and has the following key elements:
- Accelerating inclusive growth through unlocking new talent pods for business, promoting fair work, and equipping disadvantaged citizens with the skills they need to succeed.
 - Removing the barriers to growth by putting in place intensive family supports and targeted skills development to help disadvantaged individuals access and progress in work.
 - Community benefits through procurement by integrating the approach to employer engagement and procurement that increases the value achieved from collective investments.
 - Targeted skills interventions that build workforce capacity and capability in the key City Deal employment sectors of data driven innovation, and housing construction/infrastructure.

- Social benefit through innovation through close working with the data driven innovation programmes to fully utilise the technological and employment opportunities that will be generated by the sector.

Within the overall IRES theme the Council has maintained and voiced a view that some provision be set aside for the development of further secondary school centres of excellence, similar to the digital centre within Newbattle High School. One potential opportunity would be for a science based centre of excellence within the A701 corridor in collaboration with the University of Edinburgh.

- iv) **Housing.** The regional housing programme aims to accelerate the delivery of affordable housing and housing across all tenures. One specific element of the programme is the commitment of £50m of City Deal funding from Scottish Government “to stimulate creative ideas, fresh thinking and innovation in the provision of housing” at seven strategic major development sites across the region, including Shawfair.
- v) **World Class Data Infrastructure Project.** This provides the enabling data infrastructure for the wider data driven information programme. Although a regional project, and not providing any notable amount of new jobs, the hardware element is to be provided at Easter Bush, and thereby reinforcing the significance of this location to the overall City Deal programme. Total budget for the project is approximately £110m.

3.5 The geographical position of Midlothian, close to Edinburgh and central within the City Deal area, means that it can be expected to benefit indirectly from other City Deal projects, including the new food and drink innovation campus at Craighall next to Queen Margaret University, the Usher Institute centre in Edinburgh for the development of innovative and financially sustainable models of health and social care, and transport improvements at West Edinburgh.

4.0 Report Implications

4.1 Resources

At its meeting in June 2016 the Council approved in principle to set aside up to £12m from the Capital Fund as a contribution to specific City Deal projects that would benefit Midlothian. The relevant parts of the City Deal Implementation Plan as reflected in the emerging Easter Bush business case identified a Council contribution of £4.7m towards the A701/A702 road scheme. In June 2018 Council was advised that this level of contribution could rise to about £7.0m once the more precise costs of the scheme are known, particularly in relation to the new A701/A720 junction. This is identified in the Council’s Capital Strategy.

In terms of revenue budget, Council has previously noted the requirement for contribution to the costs for the central Project Management Office, based in the offices of the City of Edinburgh Council, that Council being the named Accountable Body for the City Deal. City of Edinburgh Council has advised that partner contributions of £43k per annum are required for the discharge of operational, secretariat and financial management of the City Deal. Accordingly, and to account for any other relatively minor unforeseen costs, an allocation of £50k is provided in the revenue base budget for 2019/20. It is expected that this level of contribution will reduce after the first few years of the operation and implementation of the City Deal.

4.2 Risk

Regular liaison with Transport Scotland will continue to ensure that the A720 Sheriffhall Improvement project is delivered within a reasonable timescale. Such liaison with Transport Scotland on the junction solution of the new A701 road with the A720 City Bypass will also continue to mitigate the risk of any delay to the Easter Bush business case sign off and implementation. Council officers will engage fully at all levels of the City Deal governance framework to ensure that Midlothian's interest and fair share of the City Deal benefits are secured. On a specific matter, whilst the overall terms relating to the road infrastructure element of the Easter Bush project are acceptable, attention will need to be paid to the profiling of the spending of the Council's financial contribution to be aware of any potential upfront borrowing costs which may be consequent on the profile of committed funding contributions from the Governments and developers.

4.3 Single Midlothian Plan and Business Transformation

- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth

4.4 Impact on Performance and Outcomes

The impact of City Deal investment through projects and initiatives can be assessed through a range of indicators included within the business cases and audit by others. For Midlothian, assessment can be made in relation to Single Midlothian Plan indicators.

4.5 Adopting a Preventative Approach

The fundamental aim of the City Deal is to achieve inclusive growth across the whole region, including the more disadvantaged communities, thereby arresting and reversing economic decline; particularly in the areas of skills, employability and housing.

4.6 Involving Communities and Other Stakeholders

Proposals for the A701/A702 roads scheme were subject to extensive public consultation through the preparation of the Midlothian Local Development Plan. The A720 Sheriffhall junction proposals were the subject of consultation by Transport Scotland in 2016.

The signed City Deal document states under community engagement,

“Throughout the process, engagement will take place with communities on projects and programmes. This will occur through existing statutory and informal community engagement structures, such as community planning, planning consultations and local authority budget engagement processes.”

4.7 Ensuring Equalities

At an overall collective level the City Deal partners have been engaging directly with the Equalities and Human Rights Commission to ensure that the terms of the City Deal ensure equalities; this is being co-ordinated through the Project Management Office. At Midlothian level an equalities assessment accompanied the report to Council in June 2018, and remains relevant.

4.8 Supporting Sustainable Development

Sustainable place making and a sustainable regional economy are two primary outcome targets of the City Deal.

4.9 IT Issues

None

5.0 Summary

5.1 It is important to recognise that the ESESCRD is still in its early stages of implementation. Business cases for the first of the projects are only now being agreed by the City Deal Joint Committee, following which the agreed funding from Governments will be released. Accordingly, it will be some time before the tangible benefits of City Deal investment will be realised. The primary governance arrangements are in place, with remaining elements due to become established over the next few months. There is a detailed implementation plan for the agreed projects and initiatives, and one of the early business cases to be approved is the overall programme for Integrated Regional Employability and Skills. The interests of Midlothian are being represented through the governance arrangements, and ensuring that it receives at least its proportionate share of the benefits.

6.0 Recommendations

6.1 It is recommended that Council:

- i) notes progress on the early stages of the implementation of the Edinburgh and South East Scotland City Region Deal;
- ii) notes the expected direct and indirect benefits to Midlothian which are expected to result from the terms of the City Region Deal;
- iii) notes the extent of the previously agreed Midlothian capital budget allocation and revenue budget commitment; and
- iv) requires further regular update reports on the progress of the City Deal as a whole, and on projects that are particularly relevant to Midlothian.

21 January 2019

Report Contact:

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Background Papers: None

Borders Railway Update

Report by Dr Mary Smith, Director, Education, Communities and Economy

1 Purpose of Report

- 1.1 This report provides Council with an update in respect of the Borders Railway. Primarily it informs Members of progress on projects and initiatives to ensure that the economic growth benefits to communities along the line and the wider Midlothian area are maximised. It also covers current and future operational arrangements for the rail service itself.

2 Background

- 2.1 The new Borders Rail line came into service in September 2015, linking Edinburgh (Waverley) with Tweedbank in the Scottish Borders. The line passed through Midlothian with services stopping at four new stations, these being Shawfair, Eskbank, Newtongrange and Gorebridge.
- 2.2 Council has previously received two comprehensive update reports, in December 2015 and September 2016, which provided information on current projects and initiatives; and which also recommended revenue and capital budget allocations (details on finance are set out in paragraph 7.1 of this report).
- 2.3 From the early inception of the project, and throughout its planning and implementation, it was recognised by the primary organisations involved that the economic, environmental and social benefits which could be secured from this major item of new transport infrastructure, are substantial. In order to provide a sound basis for action to maximise these benefits for communities in both Midlothian and Scottish Borders, a Borders Railway group (the 'Blueprint' group) of the major partner organisations was established in 2014, comprising the three Councils through which the line runs (City of Edinburgh, Midlothian and Scottish Borders), Transport Scotland, Scottish Enterprise, Scottish Government and VisitScotland, and later including ScotRail. In November 2014 that partnership group published a document "*Borders Railway – Maximising the Impact: A Blueprint for the Future*", in which it set out the following vision:

"By 2020 the benefits of better transport connectivity will continue to spread across Midlothian and the Scottish Borders. The region will have experienced significant economic and population growth from new and affordable housing, commercial and tourism development, a diversifying business base and new demand for learning and skills. Working in partnership with the business community, the challenge of delivering an ambitious programme of activity will have been met."

The document articulates this vision into three areas of activity to create and support:

*"Great Locations for Working and Investing
Great Communities for Living and Learning
Great Destinations to Visit"*

- 2.4** In order to provide some defined resource to realise these objectives, Scottish Government committed £10m towards relevant projects and initiatives, with the expectation that matched funding from other partners and the wider public and private sectors would be achieved.

3.0 Strategic Context for Midlothian

- 3.1** The vision and aims of the partner organisations as noted above remain relevant. They align closely with the strategic aims, objectives and direction of Midlothian Council as set out in its Single Midlothian Plan, Midlothian Local Development Plan, its Economic Development Strategy and other policy documents. In particular, the new rail line provides clear opportunities to contribute significantly to:

- Tackling inequalities in income and skills in our most disadvantaged communities, using the benefit of additional transport connectivity to attract new employment to the area, as well as providing much better access for the local economically active population to labour markets and education/training located within and beyond Midlothian;
- Improving the economy and environment of our town centres; and
- Using the additional accessibility afforded by the new line to boost tourism in terms of increasing visitor numbers to existing attractions, encouraging new attractions, and providing additional tourism accommodation.

4.0 Summary of Projects and Initiatives in Midlothian

- 4.1** The 'Blueprint' group of partner organisations has met regularly since 2014 to consider projects and initiatives which can most effectively take the opportunities offered by the advent of the new line rail line to address the objectives and outcomes identified in parts 2 and 3 of this report. There are a number of projects that are specific to Midlothian and others that relate to the whole rail corridor. Some projects are more advanced than others. The following is a summary of the current position on each of the projects that are relevant to Midlothian.

4.2 Gorebridge Connected:

Members may recall that Council considered a full report on this project in June 2018, and agreed the revised funding arrangements and related matters. The project has three elements:

- Hunter Square public realm heritage enhancement scheme;
- Redevelopment of the former Gorebridge railway station building to be a "Railway Café and Gallery; and
- The Link project which is a heritage enhancement project on Main Street, and a signage project connecting Hunter Square with the station and other locations.

The current position is that the Hunter Square enhancement is essentially complete. Council officers are currently in negotiation with Network Rail on the terms of the lease of the station building and, once concluded, the Council will sub-lease the building to Gorebridge Development Trust, which is due to open in 2020. As part of the Link project commemorative plaques have been erected in Main Street, with interpretation panels in preparation, and a new pedestrian access to the station will be created. The total investment package is £2.503m, which includes a direct grant of £1.038m from the Borders Rail Blueprint fund.

Projected outputs include:

- 160m² renovated cafe, gallery and office space in the station building;
- 100 visitors per week and providing 4-5 FTE jobs (paying at least living wage) in cafe/ gallery and 3 short term work placements/experience opportunities per year;
- The provision of 10-15 employment jobs in new office space;
- The footfall on Main Street to increase by at least 5%, supporting increased retail employment opportunities.

4.3 Borders Railway Masterplanning Programme: as part of its overall approach to regeneration and inward investment activity within the rail corridor the 'Blueprint' partners group identified and allocated £350,000 of Borders Railway Blueprint funding towards the preparation of four new masterplans; two within the Scottish Borders at Tweedbank and Galashiels and two in Midlothian, at Stobhill/Lady Victoria at Newtongrange and at Newtongrange Town Centre. Preparation of both of the Newtongrange masterplans is well advanced and has involved ongoing extensive consultations with the local community and other interested parties. A full report on each of these masterplans is due for reporting to Members at an early date. Projected outputs include the delivery of up to:

Stobhill/ Lady Victoria:

- 440 mixed tenure housing units
- 3400m² light industrial space
- 1100m² business/office space
- 4100m² commercial/retail space

Newtongrange Town Centre:

- 158 mixed tenure housing units
- 995m² community space
- 1000m² business/office space
- 763m² commercial/retail space

An independent estimate of the economic impact of the development of the Midlothian masterplans was carried out, and concluded the Masterplans could deliver up to £20.2 million Gross Value Added (GVA) and 447 jobs in Midlothian.

4.4 Newtongrange Track to Train: this is a project to regenerate Newtongrange station building is being undertaken by Apex Scotland, a body which assists ex-offenders and those at risk of offending to secure employment and training. The project, which is currently on site, comprises the refurbishment of the former station building adjacent to the new station at Newtongrange, for use as a café/bistro at ground floor level and rooms for community use at first floor. The facility has received funding of £934,000 from a range of sources and is due to open in Spring 2019. Expected outputs include:

- 380m² of community space renovated;
- Learning centre, IT suite, and flexible meeting space supporting social and community businesses;
- Employment initially for 6.5 FTE new posts, paid at the Living Wage;
- Provision of roles for ten trainees.

4.5 Mayfield Town Centre: although not directly on the railway line, the community of Mayfield can be regarded as being within the rail corridor. Since 2016 Council officers have been working with the community based In It Together Group which has undertaken significant engagement with the local community with a view to preparing proposals for the redevelopment of the centre of Mayfield. More

recently £40,000 Borders Rail funding matched by developer contributions has been confirmed which will enable this work to commence.

4.6 Dalkeith Town Centre Business Improvement District: the Blueprint partners group is supporting the establishment of business improvement districts at Galashiels and Dalkeith. The One Dalkeith body has been particularly active with support from the Council's Economic Development team, in undertaking engagement with town centre businesses, and a formal three month consultation period is currently being held; to be followed by the formal ballot to determine if a BID is to be created. (A BID is an arrangement under which town centre businesses agree to pay an additional levy on the rates to fund agreed measures and thereby increase the overall attractiveness of the town centre to shoppers and service users).

4.7 Midlothian and Borders Destination Development Project (MBTAG): tourism is one of the most significant business sectors in Midlothian, and shows steady year on year growth in line with national trends. The new rail line provides the opportunity for significant advances in the profile of the region, levels of visitors and the amount of tourist/visitor spend. This project builds on the results of a tourism audit and a tourism train experience market assessment, and is in two phases. The first phase which was completed in December 2018 and was supported by the Borders Railway Blueprint group and the Scottish Enterprise 'Destination Development Fund', was focussed on business to business activity and links to grow capacity in this region's tourism sector. Phase two, which is now underway and due to complete in September 2020, has a focus on encouraging and supporting tourism businesses to develop new products and experiences that can be marketed at international level as well as to domestic tour operators. In addition, the project includes the development of a sustained digital marketing campaign that promotes and profiles the products and visitor experience in Midlothian and the Borders supported by the LEADER programme. A total of £725,000 has been invested in the tourism sector via MBTAG. MBTAG outputs to date (to end August 2018):

Number of Businesses attending business events - 183

Number of businesses attending innovation workshops - 119

Number of businesses participating in Travel Trade development Programme - 51

Number of businesses participating in Product Awareness Trips - 184

Number of businesses exhibiting at Tourism Showcase - 79 (214 attendees)

Number of Tour Operators on product knowledge trip - 12

4.8 National Mining Museum of Scotland (NMMS): as a premier national visitor attraction the Museum has the opportunity to capitalise significantly on its location adjacent to the new rail line, just 20 minutes from Edinburgh City Centre. In order to achieve this the Museum has advised that it would benefit from some assistance in its preparation of a strategic development programme, specifically to commission studies and reports which can be the basis for a sustainable and robust platform for significant capital development projects. A total of £40k funding from the Borders Rail Blueprint and this Council has recently been approved and the work is due to commence in Spring 2019.

4.9 Access (Walking and Cycling) Development Project: This is one of the later projects to be undertaken and seeks to provide enhanced and new opportunities for walking and cycling in the Borders Rail corridor. It focuses on three strategic long distance routes and two local path networks, one of which is at Gorebridge. The first phase of the work comprises a feasibility study that has been fully funded (£30k) through a co-ordination project of the Tyne Esk and Scottish Borders LEADER. The implementation phase (Phase 2) is expected to receive funding from the Borders Railway Blueprint.

- 4.10 Business Incubator Network:** in 2017 the Blueprint partners group commissioned a feasibility study to assess the potential for a network of business incubator hubs to be established along the rail line corridor. The hubs would be flexible serviced work premises in Edinburgh, Midlothian and the Scottish Borders which could attract small businesses thereby supporting both business start-ups and employment growth. The report of the study found that there is a both demand for business incubation space along the rail corridor and a strong rationale for public sector intervention to support such provision, which could deliver up to 75 new FTE jobs which would generate £3.4m in net Gross Value Added (GVA) per annum. Over a ten-year period the value of the project is estimated at £18.6m in net GVA to the regional economy. The terms of the study report are being considered by the Blueprint partners group. To date, no funding has been allocated to pursue the implementation of business incubator hubs which would need capital investment commitments from the partners. There is the potential to link the project into the programmes of City Regional Deal investment to promote inclusive economic growth in the region.
- 4.11 Hotel Development Study:** in 2017 the Blueprint partners group commissioned a study on the potential for hotel development in Midlothian and Borders given the increased accessibility for tourists and business investment to the area. The results of the study showed clear potential in Midlothian for new budget hotels and suggested a range of sites, and limited opportunities for branded 3 and 4 star hotels. The report highlighted the potential for “luxury country house/castle” hotels, giving Vogrie House as a possible option; and also noted the potential for a variety of tourist accommodation forms at the Midlothian Snowsports Centre. The results of the study are useful in the overall context of tourism development activity (see para 4.7 above), and in relation to more specific development work in locations including Vogrie (see 4.12 below).
- 4.12 Vogrie Country Park:** linked to the Hotel Development Study, funding of £20k from the Borders Railway Blueprint and this Council has recently been approved for the commissioning of a feasibility study into the development opportunities at Vogrie House and Country Park. The focus of the study will be to examine the potential for establishing the site as a tourism and leisure visitor destination, including the potential for tourism accommodation. Work on the feasibility study is expected to commence in Spring 2019.

5.0 Promotion, Marketing and Branding

- 5.1** A major visitor marketing campaign has been delivered for the Blueprint Group by VisitScotland, with an investment of £500,000 over four years in a Borders Railway UK and International visitor marketing campaign to encourage growth in the visitor economy in Midlothian and the Scottish Borders. This included support for the Borders Railway opening celebrations in 2015 which achieved a global audience reach of 300 million.
- 5.2** Since then, the national tourism organisation has delivered a programme of seasonal UK campaigns with a focus on audiences in the north of England and international campaigns targeting potential visitors in the US, Canada and Germany. During the first three years of the line, over 145,000 website visits were generated as a result of paid media campaigns delivered in UK and international markets. A wide spread of product along the Borders Railway has been promoted in the campaign creatives, including Abbotsford, Rosslyn Chapel, Edinburgh Butterfly and Insect World, National Mining Museum of Scotland, Midlothian country parks and Borders abbeys.

5.3 At the same time, the attractiveness of the region as a location to do business has been highlighted through a joint inward investment project supported by Edinburgh City Council, Midlothian Council, and Scottish Borders Council. A dedicated inward investment manager was funded by the Blueprint to deliver a series of business events and an external marketing campaign and to promote the region under the banner 'More Connected'. Outputs included:

- 'More Connected' business marketing campaign:
 - Website - 24k users, 31k sessions
 - Case studies: 1,735 views
 - News: 12,850 views
 - More Connected specific pages: 3,525 views
- Food & Drink Showcase event
 - 30 Midlothian, Edinburgh & Borders F&D businesses exhibited.
 - Around 60 buyers attended.
- Business Breakfast event
 - 75 delegates registered attendance, with around 60 attending
- BQ Special -
 - 25,600 in print readers
 - 50,000 unique web visitors per month
 - 2.3m digital magazine viewers
- National media coverage
 - 22 pieces of coverage were generated in total.
- More Connected advertising
 - Scotsman Advert viewed 250,501 times, specifically by business audience

6.0 Refresh of the Blueprint Development Programme

6.1 Whilst the vision as set out in the 2014 'Blueprint for the Future' document remains relevant, and there has been good progress on addressing the stated objectives, it is appropriate to refresh that statement of intent. The refresh document, which is due for publication in Spring 2019, will highlight many of the successes of the economic development programme which capitalised on the new rail line, will note the operational service improvements planned by the rail operator, and will identify the activity which would secure further benefits to the communities along the line.

6.2 The revised document can therefore be used to support bids for further financial input into new projects and initiatives. In summary, the overall aim of the document will be to ensure the medium and long term sustainability of the economic, social and environmental benefits which have been achieved, together with a statement of further opportunities to support that commitment by the partner organisations.

7.0 Rail Service Operational Matters

7.1 In response to customer feedback surveys and research, Scotrail are taking positive steps to address key issues. This has seen the level of cancellations reduce towards the end of 2018 and improvements are expected to continue through early 2019, returning the service to normal levels. A compensation scheme is in place for those affected by delays and cancellations.

- 7.2** Since opening, ScotRail has been investing in increased capacity on the route. More carriages have been allocated to the route and the number of daily seats provided has increased from just under 9,000 at opening to more than 11,100 – an increase of 23%. December 2018 saw the start of the planned transition from the 2 carriage trains to more modern 3 carriage trains. By the end of 2019 almost all services will be operated by the more modern trains providing 12,600 seats per day, an increase of 40% since September 2015.
- 7.3** Supported by the Blueprint Group, Transport Scotland carried out independent research on the impact of Borders Railway in 2017. This showed Borders Railway was continuing to bring new homeowners, workers and visitors to the region. The key findings were:

Social and economic impact:

- Over 30% of respondents said that they did not previously make their current trip prior to the re-opening of the railway, suggesting the railway is enabling people to make new journeys and take up new opportunities.
- The re-opening of the Borders Railway has provided those without a car the means to access the stations along the line more quickly, enabling them to access without using a car or using a car for only a portion of the journey.
- There has been in-migration in both the Scottish Borders and Midlothian from surrounding areas, with the largest proportions moving from Edinburgh.
- 18% of those who moved employment stated that the re-opening of the line had been the main factor in their decision.
- 60% of all respondents indicated that the purpose of their journey was either a tourist day trip or overnight stay.
- Of these, 59% were travelling to Edinburgh and 41% were travelling to the Scottish Borders or Midlothian.
- 71% of tourists said that the Borders Railway had been a factor in their decision to make their current trip.

8.0 Report Implications

- 8.1** In December 2014, Council approved a budget allocation of £250k from the General Fund reserve to assist in the promotion of the Borders Railway. In December 2015 a further report to Council itemised the spending of this budget, and noted the benefits of continuing funding. Accordingly, a further allocation of £50k was agreed by Council to meet the Council's financial commitments to activities related to the promotion of economic development consequent on the opening of the new railway. In September 2016 following a further update report, Council approved a further supplementary estimate of £200k of which £150k was identified as the Council's match funding contribution to the preparation of the two masterplans at Stobhill and Newtongrange Town Centre. In addition, and in recognition of the emerging projects requiring capital funding contributions, Council approved a provisional budget allocation of £250k in the General Services Capital Plan.

In respect of the revenue budget allocation for 2018/19, there is projected to be an overspend in that part of the Economic Development budget, which covers Borders Railway. This can be balanced by a part of the substantial underspend in the Communities and Economy Service budget.

Of the original capital budget of £250k, £125K has been allocated to the Gorebridge Connected project, and a further £20K by way of a grant to the National Mining Museum of Scotland for the project referred to in paragraph 4.8 above. This leaves a budget of £105K available for allocation.

This investment by Midlothian Council has contributed to an investment of £9.6 million of Scottish Government funding to date, and a total investment of £29.5 million in Borders Railway projects.

The greater part of the Blueprint Partner Group budget of £10m has been allocated to projects and initiatives, with only £435k remaining. There is no time limit by which this remaining funding requires to be allocated. As noted above, the refresh of the 'Blueprint' programme provides the opportunity for a further bid for funding, the most likely source being Scottish Government. However, it is important to note that, as in the case of the previous £10m allocation, it would be expected that any Scottish Government contribution to a project would require matched funding from a non-government partner(s).

8.2 Risk

The commitment of the three Councils, together with other key partners, is yielding tangible benefits for communities along the line; and is becoming regarded as an exemplar in Scotland of how most effectively to maximise the economic, environmental and social benefits of a major element of new transport infrastructure. The important matter now is to ensure that those benefits are sustained and developed further. The maintenance and update of the website as part of a wider ongoing programme of promotion and marketing, the refreshed 'Blueprint' document, the continuing co-operative work amongst the key partners, and a focus on seizing development opportunities to increase employment and boost key sectors including tourism are all measures which can secure that medium and longer term sustainability.

8.3 Single Midlothian Plan and Business Transformation

As noted earlier in this report, the vision and aims of the 'Blueprint' programme align closely with the primary objectives of the Single Midlothian Plan and other Council policy documents. As the rail line passes through or close to some of Midlothian's most disadvantaged communities the opportunities can be realised to invest in projects that support the aims of the Single Midlothian Plan.

8.4 Impact on Performance and Outcomes

It is difficult to isolate in specific terms the direct impact of the new rail line and its related projects and initiatives. However, there is an overall pattern of development which has, at the very least, been accelerated by them. A number of measures can be looked at including numbers of new jobs (especially in the construction sector from the new housing allocations that are consequent on the new railway), town centre improvements, new facilities such as those at Newtongrange and Gorebridge stations, additional tourist day visitor numbers, levels of tourist accommodation, and levels of tourist/visitor spend.

8.5 Adopting a Preventative Approach

By aligning with the key objectives of the Single Midlothian Plan, the 'Blueprint' projects and initiatives either directly or indirectly support action to reduce inequalities in income, health and skills, especially in Midlothian's most disadvantaged communities.

8.6 Involving Communities and Other Stakeholders

The launch of the Borders Railway in September 2015 was centred on strong community and other stakeholder involvement; and that element has been at the forefront of the development of projects and initiatives thereafter. The nature of consultation and engagement has been dependent upon the type of individual project. For certain ones such as Gorebridge Connected and the Masterplans at Stobhill and Newtongrange town centre the community consultation has been extensive. For others the role of stakeholder partners has been primary, examples being the tourism development work of the Midlothian and Borders

Tourism Action Group and the Track2Train project run by Apex Scotland. Both elements are present at Dalkeith where the One Dalkeith group are undertaking extensive business and community engagement in preparing for the establishment of a Dalkeith Business Improvement District.

8.7 Ensuring Equalities

Although this report is not recommending any new policies or proposals, the scale and extent of the projects which it is covering is such that an equalities assessment is appended to this report; and which demonstrates that there are no adverse issues arising.

8.8 Supporting Sustainable Development

By acting as an alternative mode of transport to the private car, the Borders Railway makes a direct contribution to sustainable development. In addition, one of the primary aims of the associated economic development work is to provide for more jobs in local communities, thereby reducing the overall levels of commuting.

8.9 IT Issues

As noted above the maintenance and regular upgrade of the Borders Rail website will be an essential part of the overall ongoing drive to promote the benefits of the railway to a range of parties including inward investors, tourists/day visitors, and those seeking education/training and job opportunities that are readily accessible via the rail line.

9.0 Summary

9.1 The Borders Railway has now established itself as an essential transport link between Midlothian and Edinburgh to the north, and Scottish Borders to the south. After some initial operating issues the service is now running well, although capacity at peak times remains a concern. In respect of this issue the rail operator has a programme of investments to meet demand which is expected to arrive as new housing allocations are implemented. A well-structured and developed arrangement formed by the six key partners is delivering a range of projects and initiatives to achieve tangible economic, social and environmental benefits to the communities lying within the rail corridor. Meaningful consultation and engagement with those communities and key partners/stakeholders is an integral part of their delivery, many of which are still at an early stage. A critical requirement now is to see those projects through to a satisfactory conclusion, to ensure that the desired and intended benefits are sustained, and that further opportunities are sought and taken.

10.0 Recommendations

10.1 Council is recommended to:

- i) note the extent of progress on projects and initiatives in Midlothian and the wider Borders Railway corridor to maximise the benefits of the rail line to local communities;
- ii) require regular update reports on the further progress of those projects and initiatives; and
- iii) continue to engage with the Blueprint partners on corridor wide projects, branding and marketing, and the refresh of the Blueprint document.

23 January 2019

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Background Papers:

None.

Midlothian Integration Joint Board Strategic Plan 2019-22

Report by Allister Short Joint Director

1 Purpose of Report

This report seeks the agreement of Council to the proposed consultation response to the draft Strategic Plan compiled by the Midlothian IJB.

2 Background

2.1 Requirement to Complete a Strategic Plan

As required by the Public Bodies (Joint Working) Scotland Act 2014, all Integration Authorities must complete a Strategic Commissioning Plan outlining how they intend addressing the health and care needs in their partnership area for a three year period.

The regulations require partnerships to produce a three year plan although there is recognition that this will be a continual process, with plans being regularly updated to reflect changing need, new evidence about service impact and availability of resources. In Midlothian this has been achieved through the publication of annual delivery plans.

2.2 Development of Midlothian Plan

The Midlothian IJB undertook a comprehensive public and staff engagement exercise, in the spirit of co-production, during the latter half of 2018 involving written submissions, and individual and group discussions. The Consultation Findings Report details the responses to this exercise including feedback from a number of public events. The response to the survey was relatively high with over 1400 members of the public and almost 200 members of staff submitting questionnaires. While access to GPs was the most common concern raised, other issues of direct relevance to the Council included access to information; the importance of investing in frontline staff; and the cost and accessibility of leisure and recreation.

A Joint Needs Assessment has been compiled detailing the current and predicted health and wellbeing needs of the population. Concerns about the growing and ageing population have been recognised in numerous reports considered by Council in the past. Alongside this, the growing prevalence of long term health conditions has been considered. For instance, with increasing longevity comes the likelihood of developing cancer with the prediction that this will affect 1 in 2 people during their lifetime. Another key set of data of direct

interest to the Council relates to mental health with 19% of the population now receiving medication for anxiety or depression rising to 26% in some areas of deprivation. Mental health has also been an increasing issue of concern in Children's Services and Scottish Govt have just allocated additional monies to IJBs for school counselling.

The draft Strategic Plan (appendix 1) outlines the plans of the IJB for the coming three years. Once finalised the IJB will then issue Directions at least annually to both the Council and NHS Lothian. These Directions give instructions as to how the Council Adult Care Service and NHS Lothian should use the resources allocated by Midlothian IJB.

A key feature of the Plan to note is the increasing emphasis being placed upon prevention and early intervention. This reflects a key tenet of the Christie Report on the future of public services and indeed mirrors the Council's and the Community Planning Partnership's commitment to a focus on prevention alongside coproduction and localities.

Services such Sport and Leisure and Libraries have a significant role to play in promoting health and wellbeing although the Council's capacity to maintain these at the current levels may come under review given the severe financial pressures it faces. The Council's housing programme undoubtedly supports the objectives of the IJB given the clear contribution which good housing makes towards health and wellbeing, particularly the provision of extra care housing.

The IJB has no capital budget instead depending on NHS Lothian and Midlothian Council for capital developments. The planned investment in the Dalkeith Recovery Hub, due for completion in 2019, will make a major contribution to services in mental health, substance misuse and criminal justice.

There are no proposals in the Strategic Plan which contradict the overall objectives of the Council and, as such, there is no reason not to confirm support for the plan. However it is important to highlight that the Council's financial position make it possible that decisions will be have to be taken which may not be consistent with the IJBs ambition to strengthen prevention.

3 Report Implications

3.1 Resource

The IJB is allocated the budget by the Council for Adult Care services of approximately £40m alongside a budget of approximately £90m by NHS Lothian. The Council must manage this budget and apply it as instructed through annual Directions. The Council also employs and manages a social care workforce of around 500+ f. t. e. employees. The Council must consider whether the resources it has at its disposal are consistent with the direction of travel outlined in the IJB Strategic Plan.

3.2 Risk

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There is a need to ensure that the IJB Strategic Plan is consistent with both the Midlothian Single Plan and the Council Service Plans. Similarly the IJB Plan must take account of NHS Lothian plans particularly those which relate to Acute Hospitals and to any wider planning initiatives such as the regional approach to diabetes.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

3.4 Impact on Performance and Outcomes

The actions which flow from the Strategic Plan will be reflected in the Adult Health and Care Service Plan and in the relevant section of the Single Plan. These actions will be monitored through the established quarterly and six monthly reporting systems.

3.5 Adopting a Preventative Approach

Prevention is a key theme of the Plan and features in each section as a list of intended actions

3.6 Involving Communities and Other Stakeholders

The public and staff engagement programme described in Section 2.1 has ensured a high level of involvement.

3.7 Ensuring Equalities

The Plan, whilst applicable to the whole population, pays particular attention to the needs of older people and those with disability and long term health conditions. Following feedback, the plan will be amended and then subject to an integrated impact assessment.

3.8 Supporting Sustainable Development

Not applicable

3.9 IT Issues

The application of new technology is critical to the transformation of health and care services and this is highlighted in the Strategic Plan. This will require the involvement and support of Digital Services in both the Council and NHS Lothian.

4 Recommendations

A letter of full support for the Strategic Plan be issued by the Chief Executive whilst highlighting that, regrettably, the Council's own resource constraints may negatively impact on the ambitions of the IJB.

Date 18 January 2019

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Background Papers:

Appendix 1: Draft Strategic Plan

Consultation Findings Members Library

Joint Needs Assessment Members Library



Midlothian
Health & Social Care
Partnership

Strategic Plan

2019 - 2022



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Who we are

The Midlothian Health and Social Care Partnership is responsible for services that help you live well and get support when you need it. This includes all **community health and social care services for adults in Midlothian and some acute hospital-based services.**



**Midlothian
Health & Social Care
Partnership**

is responsible for



Unscheduled care in Hospitals (e.g. A&E, Minor Injuries, Acute wards)

Community Health Services (e.g. GPs, District Nurses, Dentists, Pharmacists, Mental Health services and the Community Hospital)

Health Visiting and School Nurses. (Most children's services remain the remit of the Getting it Right for Every Child Group)

Adult Health and Social Care (e.g. Social Work, Day Services, Care at Home, Allied Health Professionals)

Services for offenders to address the health and care needs that may be the root causes of offending. (Reducing offending remains the remit of the **Community Justice and Safety Partnership.**)

We also work in partnership with many voluntary and independent providers.

We are governed by the **Integration Joint Board** who are responsible for a budget of **£131million a year.**

Introduction

Living in a changing world

The delivery of Health and Social Care services has to change. Hospitals, GPs and Care at Home are struggling to manage the growing demand on their services. Change will take time and this plan explains what we will try to do to improve services for people in Midlothian over the next 3 years. This will mean developing new ways of working and also some difficult decisions will have to be made about services we can no longer provide. We want to make sure all changes are planned, transparent and made with the people who will affect them.

How we make decisions

We have based this plan on a number of different pieces of evidence:

- **Facts & Figures**

We use data and predictions about who will use our services in the future. This includes information on matters such as birth and death rates, life expectancy, smoking rates and hospital use.

- **Views of the Public & Staff**

We listen and act upon feedback about the services we provide in a variety of ways including:

- **User groups** e.g. Forward Mid, CAM (Carers Action Midlothian), MOPA (Midlothian Older People's Assembly), Neighbourhood Planning groups, People First, Access Panel, People's Equality Group, and Midlothian Voices.
- **User and Carer representatives** on planning groups and the Integration Joint Board.
- **Staff & Public consultations**

- **How well we are doing**

We measure our performance to see what is working well and what can be improved by looking at:

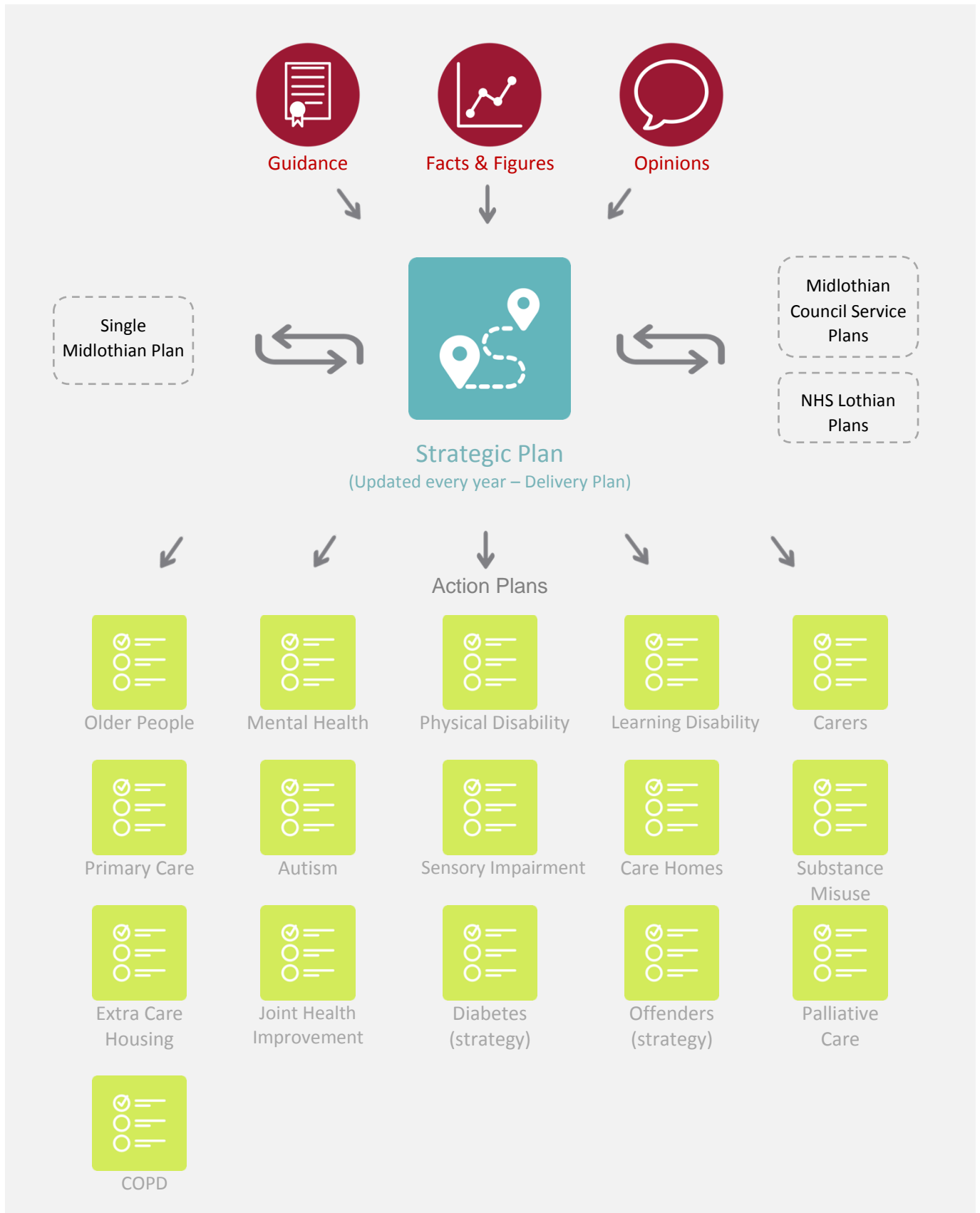
- **Our published annual performance report** including the National Health & Wellbeing Indicators
- **Quarterly reports** providing detailed information across a range of services.

- **Local Policies & Targets**

- **Financial Strategy**
- **Workforce Strategy**
- **Property Strategy**
- **Physical Activity Strategy**
- **Food Strategy**

What happens now?

The actions outlined in this strategy will form the basis of more detailed plans for client groups and key services. They also form the basis of the Directions we give to the NHS and Midlothian Council.



Our Vision, Values & Challenges

Our Vision

Everyone in Midlothian will have the right advice, care and support; in the right place; at the right time to lead long and healthy lives.

Our Values

We will achieve this ambitious vision by changing the emphasis of our services, placing more importance and a greater proportion of our resources on our key values.

This will not be achieved overnight; changes in the way in which health and care services are delivered take time to put in place.



Prevention:

You should be supported to take more responsibility for your health and wellbeing. We want to deal with the causes rather than the consequences of ill health wherever possible.



Independence, Choice & Control:

You should be able to manage your condition + control your support. We will support you to live independently at home and promote the principles of independent living and equality.



Support the person not just the condition:

Your support/treatment should consider key issues affecting your life as well as supporting you to manage your condition.



Recovery:

You should be supported to recover good health and independence as far as possible.



Coordinated Care:

Everyone who provides your care should be working together



Local:

Your support should be provided as close to your home as possible and you should only go to hospital if you really have to. Much of this support is provided by families, neighbours and your local community. We will work in partnership with unpaid carers, volunteers and communities.



Public Protection:

You should feel safe at home and in your community.



Equality:

You should not be disadvantaged due to your ability, ethnicity or caring responsibilities. We will do everything we can to reduce health inequalities and respect your dignity and human rights in the planning of health and social care.



Evidence based decisions:

Services will be commissioned based on identified need. We will listen to people who use our services, and the people who care for them, working together to develop the services that are right for them.



Quality:

We will provide the highest quality health and care services, with a very strong emphasis upon improving the quality of services, responding to user feedback and internal and external audit.

Our Challenges

A growing and ageing population

There are 90,090 people in Midlothian. We are the second smallest Local Authority in mainland Scotland but the fastest growing. 12,000 new houses will be built in the next 3 years. This will pose challenges for all our health and social care services whilst also changing the face of some of the local communities.

As people live for longer many more people will be living at home with frailty and/or dementia and/or multiple health conditions.

An increasing number of people live on their own, and for some this will bring a risk of isolation.

Higher Rates of Long-Term Conditions

Managing long-term conditions is one of the biggest challenges facing health care services worldwide, with 60% of all deaths attributable to them. Midlothian has a higher incidence than the national prevalence of cancer, diabetes, depression, hypertension and asthma. Older people are more susceptible to developing long-term conditions; most over 65s have two or more conditions and most over 75s have three or more conditions. (This is referred to as 'multiple morbidity')

People living in areas of multiple deprivation are at particular risk with, for example, a much greater likelihood of early death from heart failure. They are also likely to develop 2 or more conditions 10-15 years earlier than people living in affluent areas. It is estimated that people with long-term conditions are twice as likely to be admitted to hospital and have a longer length of stay accounting for 80% of all GP visits and for 60% of hospital admissions.

High rates of mental health needs

Many mental health problems are preventable, and almost all are treatable, so people can either fully recover or manage their conditions successfully and live fulfilling healthy lives as far as possible.

The incidence of mental health issues in Midlothian, while similar to the rest of Scotland, is a major concern for the Partnership. 19.7% of the population is on medication for anxiety, depression or psychosis. Living in poverty increases the likelihood of mental health problems but also mental health problems can lead to greater social exclusion and higher levels of poverty. People who have life-long mental illness are likely to die 15-20 years prematurely because of physical ill-health. The national Mental Health Strategy 2017-27 states that "Our guiding ambition for mental health is simple but, if realised, will change and save lives - that we must prevent and treat mental health problems with the same commitment, passion and drive as we do with physical health problems".

Our services are under pressure

People place a high value on being able to access effective health services when they need them. People expect to receive high quality care services when these are needed whether as a result of age, disability or long term health conditions. Yet the financial pressures on public services are severe with the difficulties facing national health services never far from the attention of the media. Locally the Council continues to face severe reductions in its overall budget but has sought to protect social care budgets from the level of cuts required in other services. There is no doubt that we need to do things differently: the traditional approach to delivering health and care services is no longer financially sustainable.

Our projections are that **unless significant changes are made to the way services are delivered Midlothian IJB will be overspent by £4m in 2021-22.**

Workforce Pressures are also having a significant impact. Two of the main areas of concern to the public in recent times have been difficulties in accessing primary care and not always receiving care at home despite being assessed as in need of the service.

Recruitment and retention is a growing problem in health and social care. There is a shortage of GPs; a significant proportion of District Nurses are nearing retirement; while care at home providers find it difficult to attract and keep care at home workers despite measures such as the Living Wage and guaranteed hours. The aging population means these pressures will almost certainly increase. There is a clear need to plan ahead and find alternative solutions to ensure services are able to meet people's needs.

Family and other unpaid carers have always been vital to enabling older people and those with disability or longer term health conditions to manage their lives. It is essential that the increased emphasis on care at home does not put intolerable pressure on family carers; this is a risk if we fail to address the workforce challenges.

"Healthcare is often spoken of as a cost to the state and society rather than an investment that generates returns for the individual, communities and the nation. The NHS and public health services are not a burden on our finances – they help to build our future. Moreover, the good health of our nation is the bedrock of our happiness and prosperity"

(2018 Report by Chief Medical Officer England)

Inequality across Midlothian

Inequalities are the unfair and avoidable differences in people's health across social groups and between different population groups.

Social determinants of health are the conditions in which we are born and in which we live and work. They can impact on our health and wellbeing and include:



Deprivation is the key determinant of these differences in people's health. Health and life expectancy both generally decline as deprivation levels increase. People living in Midlothian who are affected by poverty and social disadvantage have poorer health outcomes, are more likely to die at a younger age and are more likely to suffer ill-health than their neighbours with more resources.

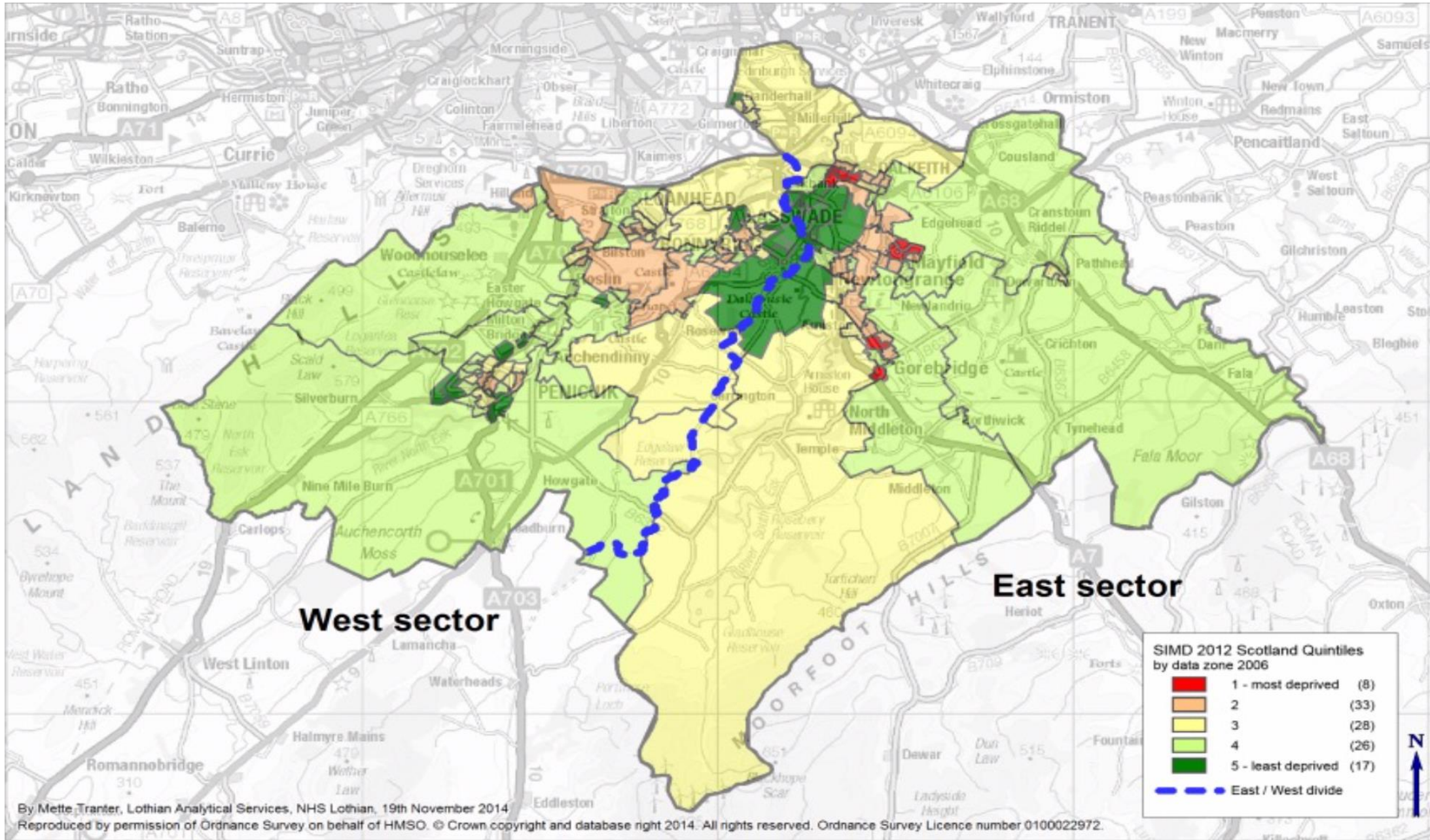
People also experience disadvantage through, gender, social position, ethnic origin, geography, age and disability. The Scottish Index of Multiple Deprivation (SIMD) 2016 is the Scottish Government's tool for identifying places experiencing deprivation. Rankings are relative not absolute. By identifying small areas where there are concentrations of multiple deprivation, policies and resources can be targeted at the places with greatest need. We are continuing to pay particular attention to the needs of people living in more deprived areas of Gorebridge, Mayfield and Woodburn.

The SIMD identifies areas NOT individuals. Not everybody living in a deprived area is deprived and not all deprived people live in deprived areas. The SIMD uses data relating to seven aspects of life. It measures deprivation and not affluence. Financial poverty is treated as just one aspect of deprivation

People living in some communities are more likely to be living in poorer health and to die younger with higher rates of cancer, stroke, diabetes and heart disease. There is little progress in reducing this. People with disabilities are more likely to have lower educational achievements, higher rates of poverty and poorer health outcomes.

Unpaid or family carers are more likely to have poorer health and there are at least 8,000 carers in Midlothian.

Figure 2.2: SIMD Datazone Quintiles by geography.



By Mette Tranter, Lothian Analytical Services, NHS Lothian, 19th November 2014
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Long Term Conditions

Realistic Care, Realistic Medicine
creates a more personalised
approach to the delivery of
health and social care

**What matters to you
rather than what is
the matter with you**

Managing long-term conditions is one of the biggest challenges facing health care services worldwide, with **60% of all deaths attributable to them.**

Midlothian has a higher than national average occurrence of cancer, COPD, diabetes, depression, hypertension and asthma.

In this plan we have highlighted the conditions that affect a significant number of people, however there are a wide range of other long term conditions for which we will continue to provide support. For example we will contribute to the Lothian implementation of national programmes such as the new out-patient care pathways for people diagnosed with coeliac disease, irritable bowel syndrome and inflammatory bowel disease.

Many people have more than one condition – this is known as Multiple Morbidity. Older people are more susceptible to developing long-term conditions; most over 65s have two or more conditions and most over 75s have three or more conditions.

Prevention

Many long term conditions are linked to lifestyle factors such as obesity and smoking. Much of our work will focus on supporting people to access support to achieve and maintain a healthy weight.



People told us that they wanted to maintain a healthy weight but wanted it to be easier to fit exercise into their lives. Some suggestions include:

- Exercise classes outside regular work hours
- Childcare facilities in gyms
- Better walking and cycling routes

Inequality

People living in areas of multiple deprivation are at particular risk with, for example, a much greater likelihood of early death from heart failure. They are also likely to develop two or more conditions 10-15 years earlier than people living in affluent areas.



People told us that some people face greater barriers to maintaining a healthy weight through a number of ways including:

- High cost of leisure centres
- Hard to find information if they can't access the internet
- Finding it hard to access groups without their own transport , especially after the loss of the taxicard

Mental Health

There is increasing recognition of the greater vulnerability to mental health problems for those living with long term health conditions.

Hospital Stays

It is estimated that people with long-term conditions are twice as likely to be admitted to hospital, have a longer length of stay and account for 80% of all GP visits and for 60% of hospital admissions.

Planning Ahead

We are placing more emphasis on supporting people to plan ahead as their conditions and circumstances change. This includes promoting the use of Power of Attorney, Anticipatory Care Plans and Emergency Plans for Carers.

Choice and Control

There is a growing view that people living with long term conditions should be supported to be more involved in decision-making, more in control of their own care and more confident about managing the impact of their conditions on their lives.

People felt that choice in support/treatment was limited. Reasons included:

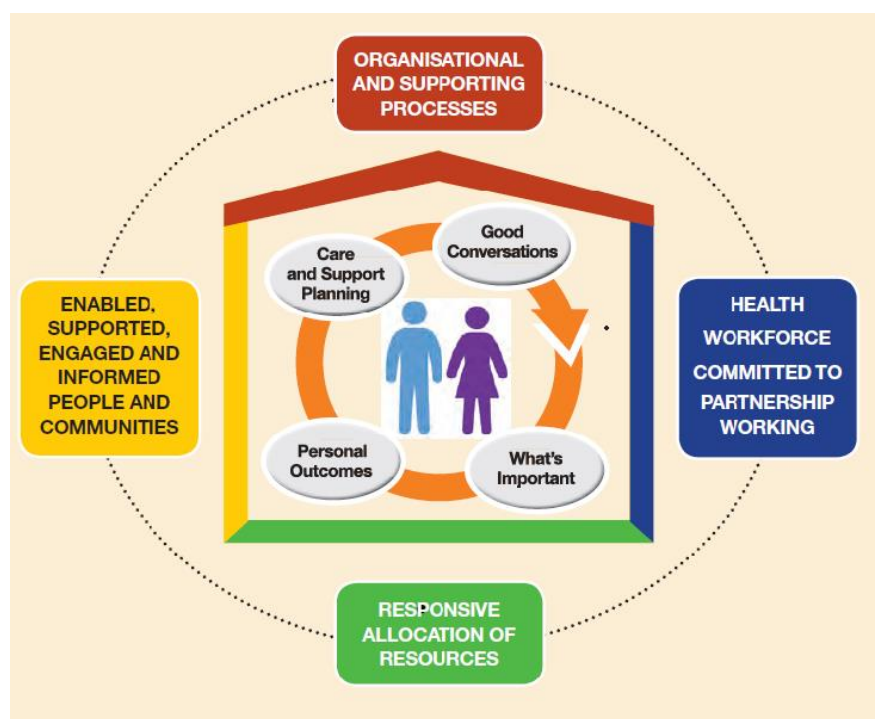
- There is a limited choice of services available – this is mainly due to budgets and lack of staff.
- People don't get enough time to talk to professionals about what matters to them.
- There is a need to improve information provision – with a mix of online and offline especially 1:1 support.



Person Centred Approach

One of the models we use for delivering person-centred, integrated care is the House of Care. This creates space for people to have 'a good conversation' on what is important to them and helps them recover or live well with their health conditions.

Using the image of a house helps us to appreciate how all the parts need to be in place, equally strong and joined up for this approach to be successful.



Key Actions

Cancer

- Reducing rates of smoking, supporting people to maintain a healthy weight and improving screening rates.
- Exploring ways to deliver treatments locally in particular chemotherapy.
- Promoting awareness of specialist help such as cancer treatment helpline and welfare rights.

COPD

- Reducing rates of smoking and supporting people to maintain a healthy weight.
- Supporting people to manage at home through improving access to the Community Respiratory Team and working with the Scottish Ambulance Service to support people in a crisis.
- Strengthening partnership working with MERRIT, Marie Curie and Edinburgh Community Respiratory team.

Neurological Conditions

- Improving housing options to support people to live in their own homes
- Working with the Astley Ainslie hospital to explore ways to deliver in-patient and out-patient services locally.
- Reviewing demand for services in light of introduction of free personal care for under 65s

Stroke

- Reducing rates of smoking and supporting people to maintain a healthy weight.
- Offering rehabilitation on discharge by working with community Allied Health Professionals in MCPRT and MERRIT to set up a Discharge to Assess model to get more patients home earlier.
- Reviewing our community based support by working with the Edinburgh Stroke Unit

Heart Disease

- Reducing rates of smoking and supporting people to maintain a healthy weight.
- Reviewing Community Based Support.

Diabetes and Obesity

- Supporting people to maintain a healthy weight, especially those with pre-diabetes.
- Reviewing services to ensure they meet the new Regional Framework

Sensory Impairment

- Improving awareness and understanding of sensory impairment among staff
- Detecting vision and hearing loss early through clinics and checks
- Providing services locally such as hearing aid maintenance clinics

Palliative Care

- Strengthening choice and control through Anticipatory Care plans, Power of Attorney arrangements and Adult Carer Support Plans.
- Improving services by training staff in care homes and consulting with families
- Reintroducing the Palliative Link Nurse role

Cancer

3,000

People live with cancer

National/Local Guidance:

- Beating Cancer: Ambition and Action (2016)
- National Health and Care Delivery Plan (2017-18)

Nearly one in two people will get cancer and advances in treatment mean that people live longer with cancer even if they are not 'cured'.

Well-being is more than clinical treatment. People affected by cancer have other concerns too and how we provide opportunities for these conversations is where we have focused our efforts. We have recently completed a successful pilot of the Transforming Care After Treatment programme to support people to live with the consequences of the diagnosis and treatment. People had time to talk and using a process called a 'Holistic Needs Assessment', we understood people's needs and practical issues such as work, family life and finances, as well as the impact treatment has in terms of fatigue, pain and coping emotionally. We will build on this learning to put in place more robust services for people with cancer as part of the Lothian Improving the Cancer Journey programme funded through Macmillan.

Services are currently delivered at the **Edinburgh Cancer Centre**, based at the Western General Hospital and to a lesser extent, the Royal Infirmary, with active follow up and support through Primary Care, Marie Curie Staff and the local community nursing service which provides care and support for people who are terminally ill.



The most common concerns for people who took part in the Transforming Care after Treatment Project were:

- Tired/exhausted or fatigued.
- Worry, fear or anxiety.
- Sleeping problems/nightmares.
- Exercise / activity.
- Memory / concentration.
- Sadness or depression.

“The biggest success of this project has been its ability to make us, as patients feel important and listened to.

The psychological effects have been immense”



514 people were diagnosed in 2016

Midlothian's cancer survival levels from all causes of cancer are **above the Scottish average**.

The gap between East and West Midlothian localities is narrowing. Those most vulnerable to health inequalities are often those less likely to participate in screening campaigns.

Most people requiring chemotherapy have to travel to the **Edinburgh Cancer Centre**.

Prevention & Early Intervention

- **Reduce smoking by:**
 - Making smoking cessation support easier to access by offering it at pharmacies.
 - Working with local secondary schools to prevent young people starting to smoke.
 - Developing links with the Midlothian Stop Smoking Service
 - **Maximise people's income by:**
 - Continuing to fund the Macmillan Welfare Rights Post to offer benefits advice.
 - Improving uptake of the Vocational Rehabilitation service to support people stay in work.
 - **Improve screening rates by:**
 - Providing outreach workers to target hard to reach groups for cervical and bowel cancer.
 - Strengthening screening of bowel cancer for people with learning disabilities.
 - **Support people to maintain a healthy weight by:**
 - Funding weight management groups
 - Offering 1:1 advice and support
 - Improving information on healthy eating and improving access to healthy food options.
 - Working with GP practices on raising discussions around a healthy weight and referring to the weight management service.
 - Supporting the Physical Activity Strategy
 - Working with the Community Planning Partnership to ensure the built environment and the food environment support healthy choices.
 - Investigating a weight management programme for people with a learning disability.
-

Planned Support, Treatment & Recovery

- **Deliver treatments locally by:**
 - Working with the Edinburgh Cancer Centre to explore, and if feasible, implement ways to deliver treatments locally in particular chemotherapy.
 - **Providing non clinical support by:**
 - Implementing the Improving Cancer Journey programme funded by Macmillan
-

Unplanned Support & Treatment

- **Promote awareness of specialist advice services such as the Cancer Treatment Helpline**

COPD

Chronic Obstructive Pulmonary Disease

2,700

People live with COPD

National/Local Guidance:

- iNICE Guidance.
- British Thoracic Society: Guidelines
- NHS Lothian: Guideline
- Scottish Government: COPD best practice guide

COPD is a lung disease that causes coughs and breathlessness and increased sputum. We have a higher prevalence of COPD than the rest of Lothian.

We are working towards providing greater support within the community and have set up the **Community Respiratory Team** for people who have presented to A&E twice or more in a year because of their COPD. The team help them manage better at home if possible and avoid hospital admission. In the future this team will also accept referrals from GPs for people who attend hospital frequently for their COPD.

The Pulmonary Rehabilitation Programme is a Lothian Wide physiotherapy led service for anyone with chronic lung disease and provides an exercise based programme with a large educational and self management component within the community. This service has been streamlined and strengthened with additional staff. We are looking to increase the number of venues it is offered to increase availability.

The services used telehealthcare to increase access, availability and uptake, especially for those in rural and remote areas. This service has been expanded and now provides additional occupational therapy, nutritional screening and first line nutritional support.



Feedback from GPs and patients on the advanced physiotherapy service is positive, complementing the coordination, input and improvement in care pathway between secondary care and primary care with their close links to the ward. GPs appear satisfied with our input and feedback during acute exacerbations, and happy with our care plans for patients.

“I have learned how to deal with panics, I no longer phone the ambulance straight away, I take my nebuliser first and try to do my breathing exercises”



17.8% of people smoke. This is lower than the rest of Scotland (19.6%).

The number and prevalence of COPD has been **increasing** over the last decade. Midlothian ranks 11th highest out of the 31 HSCP for COPD prevalence.

There are more people living with COPD in our areas of deprivation.

Prevention & Early Intervention

- **Reduce smoking by:**
 - Making smoking cessation support easier to access by offering it at pharmacies.
 - Working with local secondary schools to prevent young people starting to smoke.
 - Developing links with the Midlothian Stop Smoking Service
 - **Support people to maintain a healthy weight by:**
 - Offering 1:1 advice and support from dietetics where required, especially in relation to gaining or maintain weight
 - Improving information on healthy eating and improving access to healthy food options.
-

Planned Support, Treatment & Recovery

- **Support people to manage at home by:**
 - Improving access to the Community Respiratory Team e.g. linking it to other services in the community.
 - Expanding the Community Respiratory Team to take referrals from GPs for frequent hospital attenders.
 - Promote the Peer support group Breathe Easy.
 - **Strengthen partnership working with:**
 - Fatigue Anxiety Breathlessness class (FAB) at the Marie Curie Centre
 - Midlothian Enhanced Rapid Response Team (physiotherapy, occupational therapy, community care support and Hospital at Home team).
 - Edinburgh Community Respiratory Team at the Royal Infirmary.
-

Unplanned Support & Treatment

- **Support people to stay at home in a crisis by:**
 - Improving communication between the Scottish Ambulance Service and the Community Respiratory Team, to see if there is a way for the patients to be managed at home.

Neurological Conditions

5,300

People live with
Neurological Conditions
(Based on national prevalence rates)

National/Local Guidance:

- The Neurological Care Improvement Plan (2014-17).
- Healthcare Improvement Scotland Standards (2019)

Neurological conditions include. Epilepsy, seizures, chronic headache and migraine, Parkinson’s disease, multiple sclerosis, acquired brain injury, Huntington’s disease, dystonia, functional neurological symptoms, cerebral palsy, motor neurone disease and muscular dystrophy. Common symptoms include dizziness, seizures, paralysis, headache and sensory symptoms.

Neurological conditions are the most common cause of serious disability in Scotland.

Most services for people with a neurological condition are coordinated at a Lothian level. There are Lothian wide nurse and care adviser specialists for the main neurological conditions.

There are plans to reprovise the **Astley Ainslie hospital** in Edinburgh. This currently provides a range of services for people with neurological conditions. This will be an opportunity to increase our understanding of how neuro-rehabilitation services are used by Midlothian residents. The small prevalence rate makes it difficult to create a local response.



At present we do not have clear processes for engaging with service users with neurological conditions. We will consider the outcome of the national consultation being carried out in early 2019.

In addition we are putting in place a process for involving local service users in helping us plan services in light of the long term plan to replace the Astley Ainslie Hospital



There is a lack of good local data. It is estimated that 530 of the people with a neurological condition will be disabled by the condition.

Nationally it is estimated that 17% of GP consultations are for Neurological symptoms.

Prevention & Early Intervention

- Reduce the number of acquired Head Injuries
 - Support people to live in their own home by:
 - Strengthening the partnership between the Occupational Therapy Service and the Housing department to improve housing options.
-

Planned Support, Treatment & Recovery

- Deliver treatments locally by:
 - Working with the Astley Ainslie hospital and people living with a neurological condition to explore, and if feasible, implement ways to deliver in-patient and out-patient services locally.
 - Improve care and support by:
 - Reviewing services to ensure they meet the new Healthcare Improvement Scotland Standards.
 - Reviewing and strengthening the pathways for neurological conditions
 - Reviewing the approach to managing transitions from children's services
 - Reviewing demand for services in light of introduction of free personal care for under 65s
-

Unplanned Support & Treatment

- Provide Emergency respite when required.

Stroke

2,200

People are living with the effects of stroke

National/Local Guidance:

- SIGN Guideline 118 (2010)

A stroke occurs when the blood supply to part of the brain is compromised, often by a blood clot blocking an artery or a blood vessel rupturing, resulting in a bleed. The effects of a stroke may alter someone's ability to move, feel, think, communicate and function. There are hospital and community based stroke services that can support people to make the best possible recovery.

The risk of a stroke can be reduced through a healthy lifestyle:

- eating a healthy diet
- taking regular exercise
- drinking alcohol in moderation
- not smoking

Stroke is the third commonest cause of death and the most frequent cause of severe adult disability in Scotland. Approximately 20% of stroke patients die within 30 days and about 30% of survivors will be fully independent within three weeks, rising to nearly 50% by six months.



People mentioned wanting exercise to fit around their lifestyles. Suggestions included:

- Reducing the cost of leisure centres
- Having more classes/activities outwith working hours
- Providing childcare
- Improving walking and cycling routes



The raw prevalence rate for stroke/TIA in is **2.43 per 100 patients admitted to hospital**. This is **higher** than the Scottish average

76 stroke patients were discharged to their own homes between 1 Nov 2017 and 31 October 2018. This is a **drop** on previous figures.

Midlothian has an increasing stroke mortality rate in contrary to NHS Lothian and Scotland.

Prevention & Early Intervention

- **Reduce smoking by:**
 - Making smoking cessation support easier to access by offering it at pharmacies.
 - Working with local secondary schools to prevent young people starting to smoke.
 - Developing links with the Midlothian Stop Smoking Service
 - **Support people to maintain a healthy weight by:**
 - Funding weight management groups
 - Offering 1:1 advice and support
 - Improving information on healthy eating and improving access to healthy food options.
 - Working with GP practices on raising discussions around a healthy weight and referring to the weight management service.
 - Supporting the Physical Activity Strategy
 - Working with the Community Planning Partnership to ensure the built environment and the food environment support healthy choices.
 - Investigating a weight management programme for people with a learning disability.
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Planned Support, Treatment & Recovery

- **Offer rehabilitation on discharge by:**
 - Working with community Allied Health Professionals in MCPRT and MERRIT to set up a Discharge to Assess model to get more patients home earlier.
 - **Review our community based support by:**
 - Working with the Edinburgh Stroke Unit.
-

Unplanned Support & Treatment

- **Improve the transition between the hospital and home by:**
 - Involving patients and carers early in the rehabilitation process.
 - Involving patients, carers, primary care team, social services and allied health professionals in the pre-discharge process
 - Ensuring essential alterations to the patient's home are completed prior to discharge.

Heart disease

3,927

People live with Heart Disease

National/Local Guidance:

- Heart Disease Improvement Plan (2014).

Coronary heart disease happens when the heart's blood supply is blocked or interrupted by fatty substances in the coronary arteries. These arteries supply the heart muscle with oxygen-rich blood.

It is largely preventable. The main factors that increase the risk of developing Coronary Heart Disease are:

- Smoking
- High blood pressure and high blood cholesterol
- Diabetes
- Being physically inactive
- Being overweight or obese
- Family history of heart disease
- Ethnic background
- Sex - men are more likely to develop CHD at an earlier age than women.
- Age - the older you are, the more likely you are to develop CHD.

Although the number of people with coronary heart disease is decreasing in Scotland, it is still a leading cause of illness and mortality.



People mentioned wanting exercise to fit around their lifestyles. Suggestions included:

- Reducing the cost of leisure centres
- Having more classes/activities outwith working hours
- Providing childcare
- Improving walking and cycling routes



Early death from CHD varies across neighbourhoods. While there is a strong link between this and areas of deprivation (Dalkeith Gorebridge, Mayfield), particularly high rates are also seen in Newtongrange and Loanhead.

There has been a downward trend in both East and West Midlothian and the gap between the two localities is narrowing, however West locality shows consistently lower rates.

Prevention & Early Intervention

- **Reduce smoking by:**
 - Making smoking cessation support easier to access by offering it at pharmacies.
 - Working with local secondary schools to prevent young people starting to smoke.
 - Developing links with the Midlothian Stop Smoking Service
 - **Support people to maintain a healthy weight by:**
 - Funding weight management groups
 - Offering 1:1 advice and support
 - Improving information on healthy eating and improving access to healthy food options.
 - Working with GP practices on raising discussions around a healthy weight and referring to the weight management service.
 - Supporting the Physical Activity Strategy
 - Working with the Community Planning Partnership to ensure the built environment and the food environment support healthy choices.
 - Investigating a weight management programme for people with a learning disability.
 - Investigate the high rates of Heart Disease in areas such as Newtongrange and Loanhead.
-

Planned Support, Treatment & Recovery

- **Review our community based support.**
 - **Support people to achieve and maintain a healthy weight after diagnosis by:**
 - Ensuring the Physical Activity Strategy and other strategic developments, such as the food strategy, cater for the needs of people recovering from a period of ill health.
-

Unplanned Support & Treatment

- **Review provision of defibrillators**

Diabetes & Obesity

4,410

People have type 2 Diabetes

National/Local Guidance:

- A Healthier Future: Scotland's diet + healthy weight delivery plan.
- A Healthier Future: Type 2 Diabetes prevention, early detection and intervention framework.

Both obesity and Type 2 Diabetes impact on a person's health, wellbeing, employment and engagement in community life. Being overweight or obese is the main modifiable risk factor for Type 2 diabetes. A healthy diet and physical activity are important to avoiding Type 2 diabetes but it is important to look at environmental, financial and social barriers, not just individual lifestyle choices.

Diabetes care accounts for around 10% of all NHS expenditure. **If no changes are made to the way diabetes is treated by 2036, this will rise to around 17%.** This high level of investment emphasises the importance of preventing or reversing the condition.

People who live in more deprived areas tend to be most impacted. We need action that doesn't stigmatise people but supports them and recognises their experiences and challenges.

Midlothian Community Planning Partnership Board has agreed that Type 2 diabetes and weight management should be an objective of the Partnership. Community Planning Partnership commitment and leadership is necessary as a whole-system approach is required. Partners with an influence on services such as town planning, schools, colleges, workplaces, parks, licensing, homelessness, roads, adult learning, children's services, health, social care, private business and others have a role to play in this undertaking. A strategic, joined-up approach to what is a complex issue is required. The Midlothian Physical Activity, Sport and Health Strategy 2018-2023 will also be crucial.



People mentioned wanting exercise to fit around their lifestyles. Suggestions included:

- Reducing the cost of leisure centres
- Having more classes/activities outwith working hours
- Providing childcare
- Improving walking and cycling routes

"Family illness (nephew with T2 Diabetes is now blind, on kidney dialysis and has had legs amputated) was "a wakeup call"



People living in more deprived areas are more likely to experience type 2 diabetes, regardless of age or gender.

More men than women have type II diabetes.

While type 2 diabetes is most prevalent in people over 65, more younger people are being diagnosed.

Prevention & Early Intervention

- **Support people to maintain a healthy weight by:**
 - Funding weight management groups
 - Offering 1:1 advice and support
 - Improving information on healthy eating and improving access to healthy food options.
 - Working with GP practices on raising discussions around a healthy weight and referring to the weight management service.
 - Supporting the Physical Activity Strategy
 - Working with the Community Planning Partnership to ensure the built environment and the food environment support healthy choices.
 - Investigating a weight management programme for people with a learning disability.
 - **Work with people who have pre-diabetes by:**
 - Increasing access to weight management services
 - Identifying people with pre-diabetes and support them to avoid or delay the progression to type 2 diabetes.
 - Increasing resources for early intervention through redirecting services currently used within the acute hospital.
-

Planned Support, Treatment & Recovery

- **Improve care and support by:**
 - Reviewing services to ensure they meet the new Regional Framework
 - Consult with people with lived experience and service providers
 - **Provide appropriate accommodation**
 - Working with housing to provide accommodation for people who are severely obese.
-

Unplanned Support & Treatment

Sensory Impairment

5,656

People have hearing loss
(Based on national prevalence rates)

1,922

People have sight loss
(Based on national prevalence rates)

National/Local Guidance:

- British Sign Language (Scotland) Act 2015
- Midlothian British Sign Language Plan 2018-2024
- The Equality Act 2010
- See Hear Strategy 2014-24
- Midlothian See Hear Implementation Plan 2014-17

The ability to communicate effectively is a major factor in people being able to live independently and feel included. Technology offers new opportunities to access support; for instance contactSCOTLAND is a live, online, video relay system which facilitates communication between British Sign Language (BSL) users and public bodies/third sector organisations. Locally, we plan to reflect the long term aim of the Scottish Government – “to make Scotland the best place in the world for BSL users to live, work and visit”

There is a need to improve diagnosis; for instance it is estimated that 50% of sight loss is preventable or treatable-and eye tests are free and readily accessible. Deteriorating sight amongst older people can result in injury from falls. Deteriorating hearing can make social interaction more difficult and increase isolation and yet people delay addressing the problem for many years. People with learning disabilities are 10 times more likely to have some degree of sight lost, again not always recognised. Sensory impairment can remain hidden for people who have had a stroke or live with dementia. It is therefore essential to raise awareness, knowledge and understanding of sensory impairment amongst both professionals and the wider population. Also key, is to make services easily accessible for those requiring them ie local provision.



People mentioned more local delivery of services would be good - particularly for hearing impaired – Audiology services
“The services are frustrating. Mid Lothian people feel separated from the service.”

People also mentioned the need for awareness raising both for professionals and the wider community

“My GP was looking at my ears and she said your hearing is normal as now you have a hearing aid! That was unbelievable she said that. The GPs don't know about hearing loss.”



We do not have accurate information on the numbers of people with sight or hearing loss beyond the 2011 census

580 people are on the RNIB Blind Register. RNIB provided services to **151** people not on the register.

233 people are British Sign Language users (based on national prevalence rates)

Prevention & Early Intervention

- **Improve awareness and understanding of sensory impairment among staff by:**
 - Working with RNIB (Royal National Institute for the Blind) and Deaf Action to provide training
 - Creating sensory champions to provide specialist knowledge
 - **Detect any vision or hearing loss early by:**
 - Promoting the importance of regular checks
 - Provide hearing and vision checks to tackle hidden hearing loss e.g. in care homes
-

Planned Support, Treatment & Recovery

- **Provide services locally by:**
 - Continuing to run and promoting the hearing aid battery collection service, hearing aid battery pick up points and battery recycling in Midlothian libraries.
 - Developing the provision of local hearing aid maintenance clinics, utilising volunteers
 - Delivering Audiology clinics in Midlothian Community Hospital.
 - Reviewing peer support and if feasible creating group for people who lip read.
 - Promoting the RNIB's service at the Eye Pavilion through Optometrists and GPs.
-

Unplanned Support & Treatment

- **Improve understanding of who can help in a crisis by:**
 - Promoting the Leaflet 'Who to see instead of my GP'
 - Promoting High Street Optometrists as the 1st point of contact for eye related issues

Palliative Care

TBC

People require palliative care

National/Local Guidance:

- The Neurological Care Improvement Plan (2014-17).
- National Health and Social Care Delivery Plan (2016)
- Palliative and End of Life Care Partnership group Work plan

Palliative care aims to improve the quality of life of patients and their families facing the problems associated with any life limiting illness, through the prevention and relief of suffering by means of early identification and careful assessment and treatment of pain and other problems, physical, psychosocial or spiritual.

The national Health and Social Care Delivery Plan includes a requirement to double the end of life provision in the community by 2021 and reduce the numbers of people dying in hospital.



People mentioned the importance of creating an end of life plan with the person receiving care, their carers and relatives.

**“Any questions, concerns were answered...
Our concerns were met”**

“No conversation about religion “

People also mentioned the importance of being treated with dignity and respect by staff.

**“Carers treated dad with dignity, discretion
and respect”**

Patients and carers expressed their preference to die in their place of residence



87.4% of people spent their last six months of life at home or in a community setting.

100% of people who took part in the Family Perception of Care Questionnaire 2018 said that overall they were satisfied with the end of life care that was given to their family member.

Prevention & Early Intervention

- **Strengthen people's choice and control over their palliative care by:**
 - Completing Anticipatory Care Plans and Power of Attorney arrangements initially in all our care homes.
 - Completing Adult Carer Support Plans or Young Carer Statements, and providing information and advice on bereavement support services for carers
 - Completing Emergency Plans for carers in the event that they are unable to provide care
-

Planned Support, Treatment & Recovery

- **Improve services by:**
 - Training staff to develop more skills in palliative care e.g. video conference training in care homes
 - Introducing Palliative Care Champion role within each care home
 - Consult with bereaved families at Newbyres Care Home, Midlothian Community Hospital, District Nursing Service and other care homes.
 - Establishing links with the Improving Cancer Journey programme.
 - **Provide bereavement support to people by:**
 - Exploring one to one and group support provided by Marie Curie staff
 - Providing information
 - Extending programmes such as New Beginnings (a group programme for people who have experienced loss).
 - **Re-introduce the Palliative Link Nurse role within our wards at the Community Hospital and within our District Nursing service**
-

Unplanned Support & Treatment

- **Ensure carer involvement in discharge planning of cared-for person**
- **Strengthen nursing support to care homes to reduce admissions to hospital**
- **Strengthen Hospital at Home services if resources allow enabling people who are dying to remain at home**

Service User Groups

Realistic Care, Realistic Medicine means putting the person receiving health and social care at the centre of decisions about their care.

The strong emphasis of this strategy is to encourage and enable all services to place a higher priority on person-centred approaches. In practice this means adopting a starting position that people using health and care services should be considered equal partners in planning and monitoring their care arrangements. This is based on the belief that people and their families are experts in what is important to them and how services can best support them. It is no longer a case of doing things to people but with them.

This approach challenges the way in which our services are organised. For many years we have structured services to reflect the main issues which impact on people's health and wellbeing. These include delivering services for people who are old, people who have mental health needs and people who have life-long disabilities. **In practice people do not fit neatly into these categories.** Older people may well be more likely to experience frailty or dementia but these conditions affect younger people as well. People with learning disabilities may also experience other disabilities such as physical disability or sight difficulties. While any of us may experience mental health difficulties at some point in our lives people who misuse substances or are involved in the criminal justice system are also more likely to have mental health needs.

We work hard to ensure that there are strong links between our services.



Both members of public and staff mentioned the benefits of joined up working including more efficient working and sharing information. They however mentioned challenges including:

- Finding information about available services
- Waiting lists and differing opening hours/contact details for specialist services making accessing holistic care difficult
- Needing more time to discuss a person's outcomes and choices - to ensure all appropriate services are involved.

We know there are risks involved as a result of the way we are structured. Indeed the Government produced guidance a number of years ago titled "Mind the Gaps" which highlighted the risk that people do not experience services which recognise the complexity of the issues they are facing:

"There is a large group of men and women in our society with a mixture of mental health problems and problems arising from alcohol and substance misuse. Many lead troubled lives, seeking help from individual services, both voluntary and statutory, from time to time. But the individual's experiences and service components do not generally run smoothly."

Similarly we know that people with certain health conditions such as dementia or having had a stroke increases the likelihood of sensory impairment yet for many this remains a hidden problem. We are training some individuals in each service to act as 'Sensory Champions' to help reduce this risk.

We must organise our services in a way which enables the whole health and care system to operate smoothly. Older people's services ensure that when people need 24 hour care there are good quality care homes available. Learning Disability services ensure that staff are trained to respond to situations when people's behaviour becomes challenging. Effective services for people with mental health needs depend on staff with the right skills and experience to support them towards recovery.

Our challenge is how to combine a person-centred approach with also ensuring the right type of services and staff skills are available. This involves changing cultures, attitudes and skills across our services. A strong lead in this respect has been given by the Chief Medical Officer in Scotland in promoting Realistic Medicine



Both members of public and staff mentioned the positive outcomes that can be achieved through person centered care but many people mentioned challenges to achieving this including:

- Feeling rushed when speaking to professionals about their support/treatment
- A lack of resources which can make offering choice and control hard.
- Difficulty with practicalities such as information, transport, flexibility of care workers and funding that make accessing support hard.

We have structured our plans according to established service user group categories and these are reflected in national policies including “Reshaping care for Older People”; “Mental Health Strategy 2017-27” and “The Keys to Life” (Scotland’s Learning Disability Strategy). However we will work hard to ensure that these services work effectively together through training and through developments such as the establishment of a Recovery Hub designed to enable closer working between mental health, substance misuse and criminal justice services

Key Actions

Older People

- Identify frail people and provide early intervention using both GP and health and social care data
- Strengthen the Ageing Well project to help reduce isolation and promote activity
- Strengthen systems to reduce numbers of people being delayed in hospital including a new discharge hub
- Improve the care planning system both to simplify and to involve service users more fully

Mental Health

- Reshape the rehabilitation pathway
- Enhance mental health services in Primary Care including the expansion of the Access Point
- Review the use of mental health older peoples beds in the Community Hospital and look to enhance community based supports
- Refresh the local suicide prevention plan

Physical Disability

- Plan for the implementation of changes to the Welfare Benefits system in Scotland
- Plan for the provision of free personal care for under 65s
- Contribute to the re-provision of Astley Ainslie Hospital including strengthening community based services
- Continue to strengthen the provision and accessibility of information about services and supports

Learning Disability

- Commission new build housing for people with learning disability using clustered models supported by TEC
- Fully implement a range of changes to the provision of day services including more local services and more age appropriate services
- Develop community based services using Positive Behavioural Support for people with complex care needs

Autism

- Introduce a "Guide to Autism
- Devise a mobile app to discover Midlothian through the eyes of people with complex needs.

Criminal Justice & Substance Misuse

- Providing people on Community payback Orders with recognised qualifications through Unpaid Work staff becoming registered trainers
- Improve services, especially for people with dual diagnosis of mental health and substance misuse, through the Recovery Hub
- Supporting families through the Safe and Together service by working with perpetrators
- Increase the role in treatment and support services of people with lived experience
- Increase employment opportunities for people in recovery by improving engagement in education, training and volunteering

Older People(65+)

16,667

People are over 65

National/Local Guidance:

- Reshaping care for Older People (2011)
- [Joint Strategy for Older People \(2016 – 2019\)](#)

People are living longer and the majority of older people live without any formal support. Many make a very significant contribution as volunteers, helping local organisations, participating in local government, providing unpaid care or being supportive grandparents. However old age does not come alone. There is a greater likelihood of developing long term health conditions.

People over 85yrs are at a greater risk of living with dementia. There is likely to be 2,800 people with dementia in 20 years-**double the number there are today**. Older people are also more vulnerable to sensory impairment. As is the case for the wider population, older people may experience mental health issues such as depression or have difficulties with alcohol or drug misuse. Older people can become isolated and often have to cope with bereavement of a loved one. Supporting older people to live well involves the contribution of a wide range of agencies.



People mentioned the difficulties they had accessing a GP. The older people's consultation event also noted an over reliance on GPs for advice or assistance including non-health matters.

“There was anger on the subject of GP appointments with some saying they are unable to get face to face appointments, even in an emergency.”

Both public and staff mentioned issues with care at home – in particular the difficulty offering flexible care arrangements.

People mentioned the need for information to be easily accessible – in particular the importance of a person being able to provide information and advice.



18.5% of people are over 65. This is a smaller population in comparison to Scotland.

The largest percentage increase for population between 1997-2017 was seen in the over 75s (+46.5%). It is predicted to increase by a further 40.6% by 2026

The life expectancy at birth is **77** years for men and **81** years for women. This is above the Scottish average.

20% of people over 65 volunteer in the community.

Prevention & Early Intervention

- Use GP data alongside Health and Social Care data to identify and contact people who would benefit from advice, guidance and support within their community
 - Develop a network of activities providing opportunities for people to make friends, be more active and more involved in their community
 - Investment in services that prevent admission to hospital or enables people to return home from hospital as quickly as possible.
 - Supporting unpaid carers
 - Growing the Ageing well project and providing opportunities in people's homes for people who are at risk from inactivity and social isolation.
 - Raise awareness of the flu jab and offer greater access to flu jabs
 - Enable people, organisations and services to establish local activities and meaningful things-to-do of interest that help people's health and wellbeing.
-

Planned Support, Treatment & Recovery

- Access to dental care for people over 75yrs and to domiciliary dental care for people who are housebound are issues which need to be considered by services
 - Work in partnerships with GP practices to build social prescription opportunities
 - Widen the 'Reablement' approach across care at home provider workforce
 - Introducing new policy, practice and guidance across services that are focused on improvement
 - Use data intelligently to provide information, guidance and support that enables people to live in their own homes and as independently as possible for as long as possible.
 - Improving our care assessments and care reviews by involving people more in their care plans and reducing unnecessary processes in the provision of care at home services.
 - Improving older people's experience of care services by setting clear quality and performance targets that include the views of people using services and significant people in their life
-

Unplanned Support & Treatment

- Strengthening our Midlothian Emergency Rapid Response Intervention Team (MERRIT) to better respond to falls and to provide a Hospital at Home Service.
- Reducing the length of time people are delayed in hospital when they are clinically well enough to return home.

Mental Health

17,470

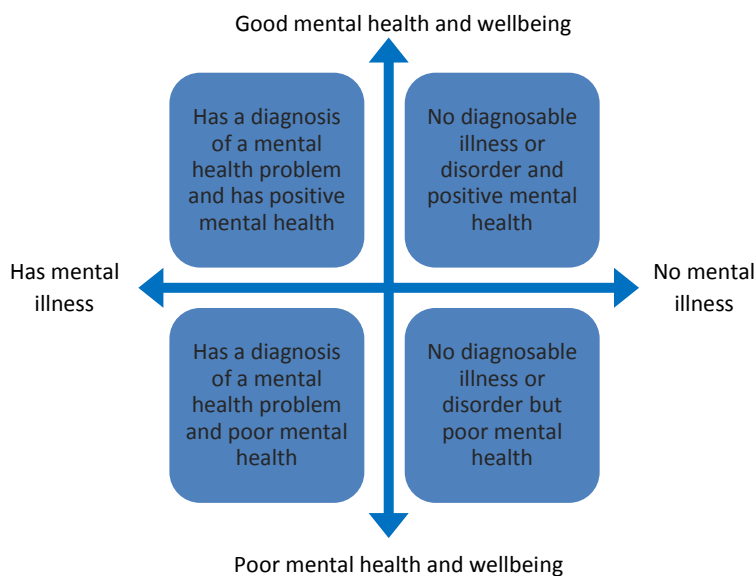
People are on medication for depression, anxiety and/or psychosis.

National/Local Guidance:

- National Mental Health Strategy (2017 – 2027)
- Every Life Matters Scotland’s Suicide Action Plan (2018)
- Good Mental Health For All (2016)

One in four of us will experience mental health difficulties at some time in our life. We know that these are not experienced evenly across the population and inequalities are largely determined by social and economic factors. It is important to think about staying and being well when we are planning and delivering services and supports. We also need to think about what happens to people who do not always have good mental health.

We use this model as a basis for planning, developing and reviewing an integrated and inclusive response to Mental Health & Wellbeing, consistent with national and local strategies, based on identified local needs.



The Mental Health Strategy identifies 4 areas for action:

- prevention and early intervention,
- access to treatment + joined up accessible services,
- people’s physical wellbeing
- rights information use and planning.

We will keep a focus on wellbeing and recovery, remembering individual’s strengths and things that keep them well, key priorities are employment, volunteering and peer support, utilising people’s lived experience and developing peer support. We will also focus on life journeys and transitions such as child to adult services and adult to older age services



There were several clear themes that came through in CAPS consultation events;

- Information on what’s available locally is difficult for people to keep up to date with.
- There is a need for more services for young people.
- Transport remains a barrier to people accessing services
- Opportunities for people and services to come together face to face are highly valued
- Continued efforts around communication and joined up working between services remains important.



19.7% of the population were prescribed drugs for depression, anxiety and/or psychosis in 2017. This is **increasing** and is higher for those living in our most deprived areas.

The number and rate of Midlothian patients with a psychiatric hospitalisation continues to be lower than the Scottish average.

Over the last 5 years there have been an average of 12.6 probable suicides per year, only a proportion of these have a diagnosed mental health diagnosis

Prevention & Early Intervention

- Utilise mental health supports including computerised Cognitive Behavioural Therapy, and web based information. Ensure Midspace is up to date, enhance community resources/social prescribing e.g. stress control.
 - Focus on physical health of people with mental health problems support access to existing community resources, physical activity, weight management, smoking cessation and screening
 - Refresh Midlothian's approach to Suicide Prevention in accordance with Every Life Matters
 - Interface with Midlothian Early Action Project – children and young people's mental health
 - Review practice for people with first episode psychosis and implement evidence based guidance for *Early Intervention in Psychosis* services, to help people to recover from a first episode of psychosis and to gain a good quality of life.
-

Planned Support, Treatment & Recovery

- Implement and evaluate *Wayfinder Grade 4 Support and Accommodation and rehabilitation pathway* including hospital in patient and transitional Grade 3 support (for people living in their own tenancy with staff providing visiting support.)
 - Review of Mental Health Older People's beds at Midlothian Community Hospital and enhancement of community supports
 - Implement and evaluate Individual Placement Support model to support employment opportunities for people with mental health problems
 - Utilise Action 15 funds to increase and expand Midlothian Access Point and support developments in Primary Care
 - Work in partnership to provide joined up and accessible services - particularly in relation to substance misuse.
 - Review Midlothian's residents access to specialist mental health services and ensure services are provided as locally as possible
 - Work to improve access to psychological therapies.
 - Utilise funds to provide paid peer support and develop peer support pathways
 - Review commissioned day supports and community activities
 - Ensure our requirement Royal Edinburgh Hospital beds is met - 1 low secure and 2 rehabilitation
 - Increase opportunities for psychological interventions for people over 65.
 - Increase Occupational Therapy capacity within community mental health teams.
 - In partnership with service users and collective advocacy group Midlothian Voices we will continue to review and remodel our supports and services to improve access to the right support and treatment.
-

Unplanned Support & Treatment

- Continue triage with Police Scotland and other emergency services.
- Strengthening Crisis and Out of Hours Care including Intensive Home Treatment Team
- Develop responses to distress - Distress Brief Interventions
- Expand Midlothian Access Point and pathways in Primary Care
- Develop local responses for people who frequently attend A&E.

Physical Disability

4,800

People between 16-64 have a physical impairment which affects their ability to undertake normal daily living tasks

National/Local Guidance:

- A Fairer Scotland for Disabled People (2016).
- Physical Disability Planning Group Action Plan (2016 – 2019)
- Equalities Act 2010
- UN Convention on the Rights of Persons with Disabilities 2016

The medical model defines a disabled person by their illness which requires to be managed by professionals. The social model however, states that the person is disabled, not by their impairment, but by barriers in society that make life harder e.g. attitudes or physical barriers such as inappropriate access to buildings. A disabled person is someone with a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. This includes people born with impairment, those who have suffered an injury and those whose disability has developed as a result of an illness

While Health and Social Care are key elements in supporting disabled people, we must work in partnership with Housing, Transport, other Council services and other public bodies, to ensure we remove the barriers which restrict and exclude disabled people. Disabled people can make a positive contribution, add talent, diversity and richness to our communities. Our job is to work together to remove the barriers. We need to ensure that all disabled people are supported to live and work in a place and in a way they choose.



Most people who received equipment were happy with it and that it increased their independence.

“The services I receive are essential to support me to continue to live independently but my dignity, control and choices must be respected”



370 specialist aids and major adaptation provisions were made between 2017- 2018 e.g. wet floor showers, stairlifts and ramps.

The number of people living with a physical disability is close to the Scottish average

4,517 people have a blue badge.

1,200 people are registered wheelchair users

Prevention & Early Intervention

- Ensure front line staff are trained to identify the support needs of both Disabled People and their carers following diagnosis.
 - Lobby for improved accessibility to facilitate an active lifestyle for Disabled People, making information widely available on the full range of services and activities available.
 - Work towards the provision of suitable respite facility in Midlothian for Disabled People under 65 years of age.
 - Plan for the implementation of changes to the Welfare Benefits System which have been devolved.
 - Plan and implement the arrangements for free personal care for people under 65 years.
 - Work with Edinburgh College and adult learning staff to support both Disabled People and local employers to improve support to increase the number of Disabled People in further education and employment.
 - Create an assembly of people with disability in Midlothian following the success of the Older People's annual assembly
-

Planned Support, Treatment & Recovery

- **Support people to live where they want by:**
 - Supporting people to move to suitable housing
 - Increasing the availability of suitable housing.
 - **Deliver treatments locally by:**
 - Working with the Astley Ainslie hospital to explore, and if feasible, implement ways to deliver in-patient and out-patient services locally.
 - Considering results of a new approach to multidisciplinary working that was tested in Penicuik to support people who are housebound to develop in new areas.
 - Supporting people with long term health conditions through the Wellbeing Service
-

Unplanned Support & Treatment

- **Improve access to medical treatments by:**
 - Working with GPs Dentists, Pharmacists and Opticians to improve accessibility of premises and of information.
- Promote and support the use of emergency care plans and Carer's cards.
- Familiarize people with the duty and out of hours Social Work services and access to emergency respite.

Learning Disability

1,772

People have a learning disability
(Based on national prevalence rates)

National/Local Guidance:

- Keys to Life (2013)
- Learning Disability and Redesign (2018)

The national strategy Keys to Life places an emphasis on human rights, tackling health inequality, and living an ordinary life with Individual, local solutions for people.

The prevalence rate is 5.8 per 1000. This is higher than the Scottish Average (5.2), which may be due to the presence of a large learning disability hospital, St Joseph's, which closed in the late 1990s when residents moved to houses located across the county. 40 to 50 of people have very Complex Care Needs and 628 receive social care services.

Key areas of service planning include

- addressing health inequalities such as obesity, sensory impairment and sexual health;
- supporting older people with life expectancy have increased significantly
- managing transitions from children's services including age-appropriate day services.
- Supporting individuals with complex needs in the community and preventing hospital admissions and delivering positive behavioural support services locally

More broadly the significant increase in funding of services to people with learning disability is not sustainable in light of the general financial position. This means we must review all care packages to determine if they remain appropriate, redesign day services and develop alternative housing models with a greater emphasis on shared support.



People mentioned 4 main areas of importance:

- **Housing** - There should be a better choice of housing which should be in the heart of communities and not segregated.
- **Feeling Safe** in their community is really important to people.
- **Staff** - Support staff should be well trained and know how to communicate. People want consistent support staff who know and listen to people.
- **Rights** - Support to take part in society and live an ordinary life. To be fully included in all areas of life and to be treated as equal citizens



Learning Disabilities is the highest area of spend based on client group and spend per head.

Approximately **66%** of adults with a learning disability live alone. This is higher than the Scottish average.

30 teenagers are known to Social Care who will need significant support over the next few years as they transition to adulthood.

Prevention & Early Intervention

- **Support people to stay healthy by:**
 - Improving opportunities for health and social care practitioners to work together
 - Running Health Fairs in 2019 and 2021 to bring together people with disabilities, service providers, and family and paid carers to inform health improvement activity and accessible information.
-

Planned Support, Treatment & Recovery

- **Strengthen services by:**
 - Reviewing day services understand the range of services we need to achieve positive outcomes and best value.
 - Redesigning, developing and/or commissioning services:
 - For young people - with pathways between services, education, and employment.
 - For Older People - based on maintaining friendships and keeping active.
 - For people with Dementia.
 - Tailoring and personalising experiences to support adults with complex learning disabilities and adults with autism
 - Discontinuing the use of day services out with Midlothian unless there is a clear reason.
 - **Supporting people to live in suitable accommodation by:**
 - Building on the expertise being developed at Teviot Court for individual tenancies for people with complex care needs with particular focus on community based and positive behavioural support.
 - Commissioning new build housing for people with a Learning Disability using clustered models, supported by Technology Enabled Care, in Bonnyrigg, Dalkeith, and Gorebridge. The first of these will be ready to move into during 2021.
-

Unplanned Support & Treatment

- **Avoid inappropriate hospital admission by:**
 - Developing robust community based services, incorporating skilled Positive Behavioural Support, for people with Complex Care needs including the 'Safe House' model.

Autism

918

People (adults and children)
have autism

National/Local Guidance:

- The Scottish Strategy for Autism 2018-2021
- Two Trumpets – Midlothian’s Autism Strategy

The Autism Strategy Group is a multi-agency and multi-disciplinary group that will oversee and sustain the collaborative efforts and collective knowledge of people with autism, families, and services that contributed to ‘Two Trumpets’, our Autism Strategy.

“Autism is a very complex condition, on a spectrum which encompasses all abilities from the highly articulate to others who need advocates to help express their needs. It is also life-long and, of course, as the person with autism ages their social and emotional needs change too. Many autistic people have their lives further complicated by mental health issues, learning disabilities and other challenges. When dealing with the day to day reality of autism the difficulties faced by autistic people and their families should not be underestimated; indeed at times they could hardly be over-stated.” Two Trumpets Autism Strategy.



People mentioned there is a gap in health and social activity for women with autism.

They also felt that young people with Autism have limited opportunity to socialise outside of school.

We should build on the unique skills of Midlothian people with autism and complex needs discovering Midlothian through their eyes.



There is no reliable data on the prevalence of Asperger’s Syndrome either nationally or locally due to variances in the definition.

32% of people with a diagnosis of autism also have a diagnosis of a learning disability.

The Midlothian prevalence of autism is consistent with that of Scotland.

Prevention & Early Intervention

- The 'Guide to Autism Services' will provide an accessible and easy way to find out about autism supports in Midlothian.
-

Planned Support, Treatment & Recovery

- We will place Boardmaker in local libraries to allow people and their families to access the resources to create their own timelines and symbols, with support from an experienced and trained staff.
 - The Local Area Coordinators will respond to highlighted gaps in health and social activity for people with Autism.
 - Autism specific coaching training is planned for all Midlothian Leisure coaches
 - Devise a mobile app to discover Midlothian through the eyes of people with complex needs. A team of software engineers will help support workers or parents find activity which relates to people's unique interests.
-

Unplanned Support & Treatment

Community Justice

4,500

Crimes and offences recorded by the police (2017/18)

National/Local Guidance:

- National Outcomes and Standards
- Midlothian Community Justice Outcome Improvement Plan

People who offend, or are at risk of doing so are much more likely to experience multiple and complex health issues. Frequent re-offenders often have complex needs that relate to their social circumstances, a history of abuse, mental health and addiction problems. More generally there is a strong link between offending and alcohol and drug misuse.

Partnership working will greatly benefit from the launch of the Recovery Hub in 2019.

The Scottish Government is likely to extend the presumption against short sentences to under twelve months.

This is positive but will create pressure on criminal justice social work.



People who had undertaken a community payback order felt they had helped the community, gained new skills and improved their attitude towards offending.

“I have learned new skills and done things I didn't know I was capable of”

Replies from a Community Justice Survey in 2017 showed people would like the unpaid work team to help less able/vulnerable people with gardening or landscaping for public places.

People also believed the work should involve talking to or providing for victims of crime.

Other ideas included helping people learn skills and a work ethic to help with future employability.



20% of all violent crimes had alcohol as a factor.

71% of offenders assessed by criminal justice social work had left school at the minimum leaving age. **70%** were unemployed

49% of offenders assessed by criminal justice social work said they were or had been the victim of violence within their families.

Prevention & Early Intervention

- **Supporting people at risk of offending by:**
 - Supporting women with complex needs through the Spring service
 - Providing people on CPOs with recognised qualifications through training Unpaid Work staff as registered trainers in. Health and Safety, First Aid, painting and decorating.
 - Offering holistic support to people in the Recovery Hub e.g. mental health, substance misuse and criminal justice.
-

Planned Support, Treatment & Recovery

- **Provide Peer support by:**
 - Employing a peer support worker for women through the substance misuse service that women on the Spring service will be able to access.
 - Employing a peer support coordinator to ensure peer support is available across substance misuse, mental health and criminal justice services.
 - **Providing specialised support by:**
 - Supporting families through the Safe and Together service. Criminal Justice will work with three perpetrators on a voluntary basis and the work will then be reviewed..
 - Supporting people affected by Domestic abuse through the Caledonian programme.
 - Supporting people convicted of sexual offending through the Moving Forward, Making Changes programme.
 - **Improve access to services by:**
 - Working together in the Recovery Hub for people who have overlapping mental health, substance misuse and offending issues.
-

Unplanned Support & Treatment

- **Support people due for release by:**
 - Ensuring health outcomes are met with a seamless prescriptions 'through the gate', registration with a GP and drug and alcohol treatment.
 - Enhancing information sharing between the SPS and other partners..
- **Support people at point of arrest by:**
 - Looking to extend funding for Fresh Start –Arrest Referral which supports individuals being held in the custody suite at Dalkeith Police Station.

Substance Misuse

345

People have alcohol related hospital admissions (2016/17)

National/Local Guidance:

- National Outcomes and Standards
- [Midlothian Community Justice Outcome Improvement Plan](#)

Alcohol misuse contributes to a wide range of health problems, deaths, hospital admissions, unintentional injuries and a range of diseases such as cancer.

The Midlothian rate of **530.6** per 100,000 hospital admissions is lower than the national rate of 685.2

From 2012-2016 there was an average of **15.39** alcohol related deaths.

In 2017 there were **19** drug related deaths. The majority of these were men with a long history of chaotic drug use who were not in contact with treatment or recovery services at the time of their deaths.

There are strong links between substance misuse and other services including mental health and criminal justice. This has been recognised in the move to establish a Recovery Hub for these services including health, social care and voluntary organisations.



People mentioned the importance of early intervention to ensure children living with parents who have experience substance misuse are supported.

They mentioned the importance of including people with lived experience in treatment and support services, and the importance of improving engagement in education, training and volunteering.

People felt that it would be helpful to ensure individuals who have dropped out of treatment were supported to reengage.



Alcohol-related death rates in the neighbourhoods with the most off-sales outlets were **2.4 times higher** than in neighbourhoods with the least”

Heroin, cannabis and diazepam were the drugs most often reported to have been used in the month prior to assessment at the treatment service

The highest drug user prevalence rates for males aged 25 to 34 years (7.14%).

Older males (aged 55-64) are identified as having problem alcohol use more than any other age group.

Prevention & Early Intervention

- Work with partners to develop evidence based educational interventions for all children and young people.
 - Focus on early intervention to ensure children living with parents who have experience of problematic substance use are safe and supported as part of the agenda to minimise the impact of Adverse Childhood Experiences [ACE's].
 - Increase the reach of the take-home Naloxone kits to those most at risk of overdose including those recently liberated from prison
-

Planned Support, Treatment & Recovery

- Carry out asset based Needs Assessment to ensure appropriate responses to the most at risk populations.
 - Increase the role in treatment and support services of people with lived experience including opportunities for peer volunteering, peer mentoring and employment.
 - Through the Recovery Hub provide improved arrangements for dual diagnosis for people with problematic substance use and mental health diagnosis.
 - Increase the range of treatment and recovery interventions available for individuals and their families delivered through the Recovery Hub.
 - Develop assertive outreach approaches to engage harder to reach groups including those most at risk of overdose.
 - As part of ROSC increase employment opportunities for people in recovery by improving engagement in education, training and volunteering.
 - Ensure that the quality of service provided to children, young people, adults and families reflects the standards of care and support defined in the National Quality Principles.
 - Work with partners to increase access to BBV testing and Hepatitis C treatment.
-

Unplanned Support & Treatment

- Develop interventions targeted at individuals presenting at an emergency service, A&E departments or social work centres with the aim of developing appropriate pathway to access treatment and recovery services.
- Ensure that there are systems in place to help individuals who have dropped out of treatment re-engage.

Resources

Realistic Care, Realistic Medicine recognises that a “one size fits all” approach to health and social care is not the most effective approach for either service users/patients or for Health and Care services

A sensible and practical idea of what can be achieved or expected.

Audit Scotland published their report “*Health and social care integration-Update on Progress*” in November 2018. They commented that Integration Authorities still have a lot of work to do to make sure that their use of resources matches their key priorities - **in particular how they intend to use their resources to make progress in providing sustainable, preventative and community based services**. Given the continuing pressure on public finances they pointed out that this planning would need to include how some existing services would have to cease or be reduced in scale.

In September 2018 we approved a 3 year Financial Strategy to describe how we intend to shift our use of resources in line with our vision and values.

Key changes in the ways we will use our resources:

Move from treating the causes rather than the consequences of ill health

Prevention is good for people and the utilisation of health and social care resources. Much preventative activity is delivered by partners within the broader Community Planning Partnership including employability support services, welfare rights, housing and leisure services.

The shift towards prevention will be greatly enhanced by enabling people to live in good quality housing suitable to their needs. Midlothian Council has an ambitious programme of house building which will support this objective. Alongside this we are continually exploring how best to harness new technology to increase the efficiency and effectiveness of our systems and to enable people to manage their health conditions and manage as independently as possible.



People told us they supported a move to supporting people to prevent illness as it could save money to spend on front line services. Suggestions included:

- Increasing support for isolated people through day centres and volunteers
- Supporting people to stay active, maintain a healthy weight by education, community health, food programmes and reducing the cost of leisure centres
- Regular Health MOTs or making it easier to access GPs to stop problems escalating,
- Making the environment more accessible
- Supporting self help.

Move from Hospital or Care Homes to Community Based Services

People wish to remain at home for as long as possible and only go into hospital if absolutely necessary. There is scope to provide more services in the community. We have committed to reduce occupied hospital bed days by 10% which would enable a significant transfer of resources to community services.

The health and social care system is entirely dependent on the daily contribution of thousands of family carers, friends and neighbours who support people in need whether as a result of age, ill-health, disability or isolation. The new Carers Act 2016 is the latest in a succession of policy and legislative measures introduced to ensure that carers are fully supported and recognised as equal partners in care.



People told us they valued the support they received at home but there were a number of challenges with this including:

- Availability of support workers to meet needs.
- The timing of assessment and care provision often takes too long and leads to people falling into crisis or needing long term care.
- The need to improve the working conditions for frontline staff.
- Support for unpaid carers.

Move from Treatment and Support to Recovery and Reablement

Emphasising recovery by providing more intensive support to enable people to recover as far as possible is reflected clearly in areas such as mental illness and substance misuse and a more proactive approach to rehabilitation is being adopted in areas such as stroke and in the delivery of care at home services.



People mentioned a variety of supports that helped them with recovery and reablement including:

- Peer support groups, Befriending, Volunteering, Local Area Coordinators. These helped people regain confidence and maintain social supports
- MERRIT and reablement were seen as positive resources but people mentioned a need to expand their services.
- Waiting lists for GPs and other services can make it hard to access support

Our resources are for the most part used to fund primary care, hospital services social care and services provided by voluntary and independent providers. Shifting our use of resources will require strong partnership working across these sectors of the Health and Social Care system.

Achieving significant changes in the way in which health and social care services are delivered will only succeed if we have the right skills and working conditions to enable the workforce to function in a way which reflects our key values and principles. We are now taking a longer term approach to planning our workforce requirements whilst also continuing to invest in training and development across the partnership.

Key Actions

Primary Care

- Expand workforce through pharmacists, physiotherapists, wellbeing workers and other disciplines
- Increase capacity in GP practices
- Implement the local Prescribing Action Plan

Social Care

- Develop more joined up services e.g. the recovery hub; locality work in Penicuik; and with learning disability
- Strengthen the approach to self-directed support
- Fully implement new policies such as Fair Access to Care and new legislation including the Carers Act

Hospitals

- Strengthen the pathway for people who present at acute hospital whose needs are more social in nature
- Increase the role of Hospital at Home
- Implement the new Discharge to Assess service

Carers

- Full implementation of provision of Adult Carer Support Plans
- Provision of respite care and short breaks
- Improve identification of 'hidden carers'

Workforce

- Enable all staff to work in a more person-centred way with a stronger focus on prevention and recovery
- Develop and implement forward looking action plans for each service area

Communities

- Develop a stronger locality based approach building on the work through the Penicuik Collaborative
- Continue to have a focus upon the three areas of deprivation in Woodburn, Mayfield and Gorebridge

Third Sector

- Explore the viability of establishing a Voluntary Sector Hub within health and social care
- Continue to develop stronger working relationships both operationally and in relation to service redesign

Housing & Property

- Investigate the options for the provision of a local care and repair service
- Continue to promote a planned approach to ensuring people live in the most appropriate accommodation
- Plan the development of a range of extra care housing schemes

Technology enabled care

- Improve our use of health and social care data to understand and respond to the needs of the population
- Introduce TEC systems to lessen the need to travel into hospital for clinics and appointments
- Use technology to help people, particularly those with learning disability, feel safe and secure overnight

Primary Care

National/Local Guidance:

- The GP Contract
- National Review of Primary Care Out of Hours Services

80

GPs

41

Nursing Staff

Primary care is the first point of contact with the NHS. Across our 12 practices GPs, Nurses and Reception Teams work together to provide care and support. Out of hours services via NHS 24 as well as Pharmacists, Opticians and Dentists are also all part of the primary care family.

Midlothian's population is growing and our workforce is changing. Nationally, 2018 saw a new General Medical Services Contract agreed in Scotland. This recognises that primary care is collaborative and that to safely manage work, how we use primary care is changing. The role of the GP as the 'Expert Medical Generalist' – someone who can help with a range of health issues- continues. But who else can help? Our reasons for contacting a practice are varied and we need to understand more about the other skilled professionals available and make sure that people see the most appropriate person.

Having a diverse team is becoming more familiar, such as Advanced Nurse Practitioners, Pharmacists and Advanced Physiotherapists and there are plans to introduce further roles, such as Primary Care Mental Health Nurses too. The community nursing workforce is also changing, with specific training on clinical decision making and prescribing in place. All of this means that the GP is not necessarily the automatic choice.

Widening the help available within primary care is a central part of our Improvement Plan. We value the expertise available, with staff able to safely offer care and meet the needs of a growing and ageing population, without necessarily having to see a GP. We have started to recruit staff with the right skills and who are working in a number of our GP practices already, and this will continue over the coming three years.



People can find accessing a GP hard. Common reasons include:

- Difficulties getting through on the phone
- No appointments outwith working hours
- Hard to book advance appointments

“Because of how difficult it is to see a GP, I have found it easier to wait until after business hours and phone NHS24. The phone is answered almost right away, a referral/appointment made and usually all completed within an hour, visit to out of hours included. Such a contrast to daytime hours where you can spend more than 100 attempts to get through for an appointment at the GPs and by the time you get through there is no availability”



600 000 appointments are offered every year

There are 12 G.P Practices. There are plans for the known pressure points - in the Shawfair development, South Bonnyrigg and Newbyres

£18m of the total £45m Community Health Partnership budget for NHS Services **is spent on prescribing**

20% of people (in Scotland) aged 75 years + are not registered with an NHS dentist.

Recruitment is a concern across General Practice and District Nursing.

Prevention & Early Intervention

- **Increase vaccinations by:**
 - Transferring clinics from practices e.g. travel clinic, and immunisations
-

Planned Support, Treatment & Recovery

- **Training staff at GP practices:**
 - Practice Managers and Reception Staff to help them signpost people safely and appropriately to the right member of the Primary Care Team;
 - Nursing staff who want to become Advanced Nurse Practitioners;
 - Partnership pharmacists to become independent prescribers
 - **Expanding the workforce in GP practices by:**
 - Wellbeing Practitioners available in all 12 GP practices;
 - Advanced Physiotherapy service to increase from 3 practices to all 12 practices;
 - Grow the number of practice-based pharmacists and pharmacy technicians so that all practices have support and pharmacists have an active patient facing role;
 - Work with four practices to develop a how best mental health nurses should work in primary care.
 - **Increasing Capacity in GP practices by:**
 - We have reviewed Practice Catchment areas collectively across Midlothian;
 - Opening a new clinic at Newtongrange and new premises at Loanhead;
 - Providing Financial Support for list size growth;
 - Developing a Policy on House Building so that we can secure financial contributions from new housing developments in Midlothian towards healthcare infrastructure costs
 - **Develop Community Treatment and Care Services for minor injuries and dressings, phlebotomy etc.;**
 - **Communicate plans and changes to the public;**
 - **Use data wisely to help us understand our population and help plan services;**
 - **Implement the Midlothian Prescribing Action Plan**
 - **Explore the viability of developing a community pain management service.**
-

Unplanned Support & Treatment

- **Strengthen Out of Hours services** by ensuring that our 'in hours' services are good quality and accessible in particular:
 - Ensuring staff in Care Homes and those providing palliative care are supported to work with families and have access to Anticipatory Care Plans. Improving nursing continuity with the change to 8am to midnight cluster district nursing cover.
 - Expanding the Access Point and providing a new service with mental health nurses working in GP practices for people with mental health problems and those in crisis.
 - Improving coordination of health and care services during evenings, overnight and at weekends through the Urgent Care Resource Hub.

Social Care Support

2,000

People have a care package

National/Local Guidance:

- Realistic Medicine
- Self Directed Support
- Fair Access to Care

We provide care packages for 2000 people. A further 900 people are in receipt of telecare alarm service only.

These services cost approximately £40m a year, either provided directly from the Council or from independent and voluntary sector providers funded by the Council.

The main services include:

- care homes for older people with 11 situated in Midlothian;
- care at home services;
- day support for people with learning disability and people with mental health needs;
- supported accommodation for people with learning disability.

Following the implementation of Self-Directed Support more people are exercising choice and control in relation to making arrangements for their care packages

Recent changes to the provision of social care services include the application of new policies such “Fair Allocation of Care” intended to ensure a more equitable allocation of services, and the implementation of the Carers Act



Both the public and staff mentioned a lack of resources that impacts on their ability to offer choice and control.

“homecare unable to provide suitable times due to demands. Not really a service to suit person but people need to fit service.”

“We would like to give choices, but we don't have the choices to give”



5,432 referrals were received by the Adult Social Care team in 2016/17

There are almost double the number of referrals for support for those aged 65+ compared to those under the age of 65.

Around **12,000** care at home visits are scheduled every week.

Between 2016-17 there was an almost **20% increase** in older people moving into a care home.

Prevention & Early Intervention

- **Reduce health inequalities by:**
 - Continue the awareness raising programmes so staff can take a more proactive role in addressing health inequalities
 - Maximising income
-

Planned Support, Treatment & Recovery

- **Support choice and control over treatment and support by:**
 - Exploring ways to strengthen the approach to self-directed support
 - **Consider opportunities for joint teams and interagency working by:**
 - Exploring ways of interagency working for people with learning disability
 - Learning from the Locality Project in Penicuik
 - Implementing the arrangements for mental health, substance misuse and offenders services in the Recovery Hub
 - **Explore options for supporting people at home by:**
 - Extending the use of technology.
 - **Integrate community and third sector organisations to provide holistic care, support, information and activities based on person's clinical needs and what is important to them outside of their medical condition(s)**
-

Unplanned Support & Treatment

- **Consider whether there is scope for a more joined up comprehensive out of hours service including social care**

Hospitals

240

Hospital beds under control of the IJB across all hospitals

National/Local Guidance:

- Ministerial Strategic Group for Health and Community Care

There are a number of hospitals for patients in Midlothian.

- **Midlothian Community Hospital:** continuing care and rehabilitation for elderly patients, Physiotherapy and occupational therapy, Out-patient department, GP Out-of-Hours service, X Ray Department
- **Royal Edinburgh:** Beds for patients with acute psychiatric and mental health needs, learning disabilities, dementia, alcohol problems and young people's mental health.
- **Astley Ainslie:** Rehabilitation services for adults with acquired brain injury, stroke, orthopaedic injuries, limb amputation, and progressive neurological disorders. Community Services for chronic pain, cardiac rehabilitation and angina. The South-East Mobility and Rehabilitation Technology (SMART) Centre
- **Royal Infirmary Edinburgh:** - 24hr A&E department, Surgical, medical and maternity
- **Western General** Regional centre for cancer, neuroscience and infectious diseases
- **St John's:** -Plastic Surgery

The IJB is responsible for working with Acute Hospitals and the other Lothian IJBs to manage some inpatient services, particularly for people whose admission was unplanned –referred to as **Unscheduled Care**. **This costs £17m a year**. It is vital that they are only used for people who really need to be in hospital. Community services must provide alternative services where possible and ensure that people can be discharged as soon as they are fit to do so. Pressures on care at home services; care homes; and extra care housing have reduced our ability to achieve this.

The importance of reducing reliance upon acute hospitals is reflected in the Government's key performance indicators for Integration Authorities –all of them relate to hospitals including, crucially, the balance of spend which is intended to shift from institutional care to community based services.



“Local support provided from areas such as the Midlothian Community Hospital. This could be for sensory loss and appointments to neuro support, cancer treatment. The local access could make a big difference to people's lives.”



Interventions to reduce the number and length of hospital stays include COPD, frailty, the Rapid Response Service (**1,397** emergency falls call outs (2017/18))and the Hospital at Home service (**2,751** 'virtual ward' bed days

A&E attendance rates have increased and are above the Scottish average. There are higher attendance rates from the East Locality. However the number of bed days occupied has reduced.

1 in 5 people are discharged within 3 days - most are delayed by **two weeks or more**. This is comparable to the Scottish average

Prevention & Early Intervention

- Fully implement the Community Respiratory Team project
 - Roll out the Frailty project designed to identify people at earlier stage and provide more proactive treatment and social support
-

Planned Support, Treatment & Recovery

- **Reduce delayed discharge rates by:**
 - Increasing the role of Hospital at Home
 - Establishing a void flat in Cowan Court for people awaiting suitable housing after hospital treatment
 - Reviewing how people access Highbank
 - Implementing the Discharge to Assess service with a core team of 6 staff and 8 health care assistants initially in the medicine for the elderly and the orthopaedic wards-
 - Fully implement the local discharge hub arrangement
 - **Increase capacity for rehabilitation and slow stream rehabilitation** in Midlothian Community Hospital through the use of 5 beds in Loanesk Ward
 - **Explore opportunities for specialist care and treatment to be delivered locally,** for example chemotherapy.
 - **Use technology for consultations where feasible, for example video links**
-

Unplanned Support & Treatment

- **Reduce unnecessary admission by:**
 - Improving the pathway for people who present at the Royal Infirmary whose needs are more social in nature including access to homelessness services and referral to the Health Inequalities Team

Carers

9,000

People are carers
(Statistical estimate –
based on 2011 census)

National/Local Guidance:

- The Carers (Scotland) Act (2016)
- Midlothian Carer strategy and action plan (2017 – 2019)

Unpaid carers fulfil wide-ranging, significant and valuable roles within our communities and economy; a role that statutory services cannot replicate. Within our communities there is an increasing number of people living with long-term health conditions, people are living longer, and mental wellbeing is a challenge for many. In addition, the re-design of health & social care services involves a cultural shift to support more people to be directly involved in their care and decisions that affect their health and wellbeing; promoting self-management of their conditions. We recognise that this shift relies on participation by patients, service-users and carers; and in many situations it is carers who take on this extra responsibility. It is vital that we recognise what carers do and the impact that their caring role can have on them. Services should offer support to carers and identify hidden carers. Individual and peer support; breaks from caring; advice with finances and their health and wellbeing; and future and emergency planning are issues which are key to contributing to carer support.

The Midlothian Carer's Strategy recognises and addresses issues faced by both young and adult carers. The Health & Social Care Partnership oversees services for adults, whilst Education and Children & Families Social Work services are the direct responsibility of Midlothian Council. The Carers Strategic Planning Group includes representatives from health and social care, VOCAL, organisations that provide carer support and from carers. .



People mentioned the importance of breaks from caring and the need for support to access these.

They also mentioned the challenges of living on a tight budget as a carer (relying on benefits), including transport issues and housing costs.

The impact of caring on carers own health and wellbeing, and relationships is also important – people mentioned the importance of access to carer support.



Unpaid carers contribute over £150million to the local health and care economy in labour terms

Less than half of carers say they have had time away from caring in the past year. More than a third say that they have never had time away

Carers who access support reported that the most common type of service was practical support including transport

32% of carers feel supported to continue in their caring role. This is below the Scottish average (37%)

Prevention & Early Intervention

- Work to improve early identification for carers within all health, education, social care and community services
 - Promote and improve uptake of Adult Carer Support Plans (ACSP) and Young Carer Statements (YCS)
 - Supporting and enabling carers to have breaks from caring
 - Supporting carers to improve their financial wellbeing
 - Work with local employers to improve carer awareness and links to Carer Positive.
-

Planned Support, Treatment & Recovery

- Ensure carers are supported to self-manage and self-direct their support
 - Early conversations around identification of future needs and planning for the future
 - Ensuring that support and services are in place to equip carers with the tools and skills to manage their caring role
-

Unplanned Support & Treatment

- Support carers to develop emergency plans
- Strengthen communication and system links between Adult Social Care and Primary care
- Ensure adequate support in place for carers in emergency or long-term, complex caring roles

Workforce

691

Staff in Adult Social Care

484

Staff in NHS Lothian (Midlothian)

National/Local Guidance:

- Integration Joint Board Workforce Planning Framework 2017

Our workforce is our most valuable asset. In this environment of transformational change, where new models of integrated working and new forms of commissioning are evident, investment in building strong values, strong effective working relationships, a shared culture, the right skills and knowledge and providing clear career pathways are all key elements of workforce planning.

Developing our culture of working closely together across all service sectors will result in better use of resources and improved experiences for people requiring services.

Our changing communities need a workforce to be flexible and responsive. To do so we need to work closely with our communities in a way which maximises and develops their talent and capacity as well.

We need continuous investment in our Workforce to ensure that we have the right skill, knowledge and experience to support good outcomes such as:

- investing in the SVQ Assessment centre resource to ensure frontline Care staff have the right knowledge and qualification and have invested in supporting Modern Apprentice
- investing in our Team Leaders through a Team Development programme
- providing good induction to new staff.
- creating new oppoprunities for school students in Foundation Apprenticeships, as part of encouraging a pathway for a career in Care.



People felt that the lack of staff was having a profound effect by:

- Increasing waiting times for support at home which could lead to people ending up in crisis.
- Lack of ability to offer choice and control over packages of care
- Frustration over inability to access a GP.

Both staff and public felt more should be done to support frontline care staff with suggestions including:

- Increasing pay (by diverting it from managers)
- Bringing care staff back 'in house'
- Allowing care staff more time with their patients.



Over **75%** of the workforce is female.

The highest proportion of the workforce have been in their job for **less than 2 years**

The largest percentage of the workforce fall within the age range **45-60**

We have known recruitment pressures in Care at Home, General Practice and District Nursing

Prevention & Early Intervention

- For all staff there will be a growing emphasis on
 - becoming more person-centred;
 - identifying and addressing health inequalities;
 - supporting people to recover
 - preventing ill health, or avoidable deterioration
-

Planned Support, Treatment & Recovery

- Creating a robust Care at Home service
 - Developing stronger community services in Mental Health and Criminal Justice working closely with Substance Misuse teams in the Recovery Hub planned to open in 2019
-

Unplanned Support & Treatment

- Reshaping Primary Care with a greater emphasis upon a multidisciplinary approach

Communities

24

Peer support groups

National/Local Guidance:

- Community Empowerment (Scotland) Act 2015

There are strong local communities and we must do more to harness the strengths they can bring to improving health and wellbeing. This will include establishing more effective communication channels and demonstrating a stronger commitment to working with voluntary organisations functioning in those localities. There are also related challenges for our local health and care services in finding ways to work more closely with volunteers and unpaid carers, recognising that they, rather than formal public services, are critical to the health and wellbeing of the Midlothian population. Midlothian is small geographically and in population terms however there are two localities, East and West Midlothian for planning and commissioning purposes. This reflects the requirement in the Public Bodies Act to designate a minimum of two localities.

A successful project in Penicuik, supported by national government, explored how to strengthen local joint working. We will now consider how best to replicate this multidisciplinary approach in other communities in Midlothian.

We will seek to strengthen our links with local communities through both Community Councils and Neighbourhood Planning Groups. Person centred care and support requires work across the Community Planning Partnership. Services delivering leisure, adult learning, domestic abuse and other services are important partners. Modifications to services outwith the Health & Social Care Partnership can impact on joint plans to improve outcomes for people and communities.



People felt that investing in communities might help save money through prevention.

Suggestions included:

- Healthy eating ideas in libraries
- Befriending schemes for people who are socially isolated
- Local groups and activities
- Increased community sport – in particular for the young and elderly
- Improving the accessibility of local buildings

“I would put more money into community health, food programmes, and support services of many kinds”



Around **29%** of adults are involved in formal volunteering.

13 data zones are within the most deprived 20% data zones in Scotland.

88% of people feel connected to friends and family

Prevention & Early Intervention

- **Reduce inequality by**
 - Targeting more services to certain areas of deprivation including Woodburn, Mayfield and Gorebridge such as the Recovery Hub and Grassy Riggs drop in.
-

Planned Support, Treatment & Recovery

- **Utilise existing communities to enhance services by:**
 - Bringing front line staff together. Key areas include mental health services, care homes, primary care, third sector organisations and people with lived experiences.
 - Continuing to test and where appropriate expanding local approaches such as the Penicuik Collaborative that brought together GPs, nurses, OTs, third sector organisations and day centres.
 - Exploring the possibility/viability of regular meetings with Neighbourhood Planning Groups and Community Councils
 - **Support Peer Support by:**
 - Increasing the voice of people with lived experience and community members in our service design and where feasible service delivery
 - Funding new peer support groups through MVA budget
 - Providing advice and support for peer support groups through MVA.
-

Unplanned Support & Treatment

- **Build on our previous experience of working with local communities during periods of bad weather to ensure vulnerable people receive the essential supports they require**

Third Sector

40

Number of organisations we
have contracts with

National/Local Guidance:

- The Community Empowerment Act

A requirement of Integration is that the Third Sector be fully involved in the planning and design of health and social care services as well as playing a central role in the delivery of services. A shift towards prevention and self-management is critical for the long-term sustainability of health and social care and third sector organisations have considerable expertise in promoting healthy lifestyles and enabling peer support. Their contribution cannot be overstated—they provide opportunities for physical activity, companionship and the pursuit of hobbies such as music or crafts. There 700 such organisations in Midlothian and some of these are able to attract additional funding from Trusts, Lottery funding etc. Midlothian Voluntary Action act as an umbrella body providing support and advice.

Third Sector Organisations also play a major role in providing a service user voice.

Third sector organisations participate in local joint planning groups, the Integrated Joint Board and the Strategic Planning Group.



People mentioned the need for better joint working – e.g. managing risk, flexible and longer term commissioning, collaboration in service redesign, involvement of communities in budget decisions and sharing information.

They also suggested improvements could be made with services including care at home, out of hours services and better use of technology for self-management

They mentioned the need to invest in low cost –high impact services as prevention is critical



The Health and Social Care Partnership has contracts with approximately 40 organisations

These contracts costs £14million a year. This is a third of the total Adult Social Care budget.

These organisations employ around 340 staff and have many volunteers.

Prevention & Early Intervention

- Address isolation through day services. local area coordination and befriending
 - Support physical activity through group activities-walking etc.
-

Planned Support, Treatment & Recovery

- **Enable self-management by:**
 - Providing individual work and peer support
 - Providing support following diagnosis of health conditions including dementia, cancer and frailty
 - Providing day time support and activities for people with learning disabilities and those with mental health needs
 - Providing 24hr care and support for people with learning disabilities
 - Promoting recovery for people with substance misuse issues and those with mental health needs
 - Providing support and advice people with sensory impairment
 - Providing support and information for unpaid carers
 - **Strengthen joint working by:**
 - Continuing close working in areas such as MERRIT, the Joint Dementia Team, GP Practices and Cherry Road Day Centre.
 - Continuing colocation of staff such as Deaf Action, RNIB, VOCAL and Red Cross who have a regular presence in the social work offices.
 - Running workshops with the Third sector and partnership staff to generate new ideas.
 - Developing a third sector hub.
 - **Improve the utilisation of community buildings**
-

Unplanned Support & Treatment

- Provide support following discharge from hospital

Housing & Property

370

Number of major adaptations
and specialist equipment provision
(2017/18)

National/Local Guidance:

- Housing (Scotland) Act 2001
- - Local Housing Strategy 2019
- - Midlothian's Strategic Housing Investment Plan
- - Midlothian's Rapid Rehousing Transition Plan
- - Joint Housing Delivery Plan for Scotland, 2015

There are 2 Extra Care Housing facilities. Cowan Court (Midlothian Council) and Hawthorn Gardens (Trust Housing Association). There is no Sheltered Housing provision and one 'very sheltered' accommodation (Viewpoint Housing). There is a waiting list of over 100 people for Extra Care Housing and over 450 for Retirement Housing. Over 50% of people waiting meet the criteria for Extra Care Housing, but most do not wish to move as they prefer to stay in their local area and compromise on accommodation that does not may not best suit their long term care needs.

Housing and Occupational Therapy work together to ensure a best practice approach to the provision and management of adaptations in Council tenancies, making best use of existing adapted properties, identifying housing solutions for people with complex or changing needs, identifying specific geographical areas of need for specialist housing and consulting on new build housing projects such as Extra Care and wheelchair accessible accommodation.

While Homelessness is not a delegated function to the IJB many people experiencing homelessness may also experience health and wellbeing challenges such as mental health, substance misuse or involvement in offending. Closer collaboration between Housing and Health and Care Services will enable a stronger approach to addressing homelessness and the health inequalities which arise.



Most people in receipt of equipment were happy with the support and it made a difference to their independence

There is a concern that timing of assessment, adaptation and housing moves take too long which leads to people falling into crisis. Occupational Therapy and adaptations could promote independence and to prevent further need.

Joint working with OT and Housing was raised as very important as many people felt there was a lack of suitable accommodation.

"The shower and other equipment provided has made a great difference to me living independent the whole process was carried out quickly and with me in mind thank you."



Council housing stock has been increasing. In 2017 there were **6,812** with plans to build another 1,000.

457 people were recorded as homeless (2016/17). This is 63 less than in the previous year.

The requirement for adaptations has increased significantly. This includes major adaptation works in owner occupied homes as well as council, Registered Social Landlord and private rented tenancies.

Prevention & Early Intervention

- Homelessness – Supporting people to access advice to avoid homelessness.
 - ‘Support to Move’ – A guide has now been published and offers a series of hints and tips for both professionals and their clients and families at each stage of moving house.
 - Develop a Housing Options brochure providing details of Amenity, Retirement, Wheelchair, Sheltered, Very Sheltered and Extra Care facilities.
 - Investigate Support to Move Service
 - Roll out training for staff on Housing Solutions to support staff to have earlier conversations about housing - focusing on staff who are often the first point of contact such as podiatrists and practice nurses.
-

Planned Support, Treatment & Recovery

- **Extra Care Housing -**
 - Gore Avenue in Gorebridge (12 fully wheelchair accessible bungalow units including 1 unit for intermediate care). Estimated completion spring / summer 2021.
 - Newmills Road Dalkeith (40 flats and 8 bungalows including 1 unit for intermediate care). Estimated completion late 2020/early 2021.
 - Health & Social Care are working with Housing to identify other areas of need.
 - Glenesk House site Eskbank – Viewpoint Housing Association - Planning approval currently being sought by Viewpoint HA for 30 flatted ECH new build facility in the grounds of Glenesk House, Eskbank.
 - Existing Housing Stock - identify properties for remodelling, particularly in areas where New Build opportunities are restricted.
 - **Intermediate Care Housing** - Flat at Cowan Court now leased, further provision will be included in each of the extra care housing sites. The aim is to have 4-5 in the area located in Dalkeith, Bonnyrigg, Penicuik, Gorebridge and Newtongrange.
 - **New Build** - sites will include an increasing percentage of wheelchair accessible and bariatric accommodation and accommodation with ground floor bedrooms.
 - **Investigate viability of a Care & Repair service.**
 - **Health & Social Care OT and Housing Partnership to create adaptation policy and identify housing solutions for specific identified cases with complex needs.**
 - **Work with developers of new housing developments and planning officers to ensure local communities benefit from developer contributions (section 75).**
 - **Explore digital solutions when designing new houses and facilities.**
-

Unplanned Support & Treatment

- Support people in homeless accommodation to access housing, health, social care, welfare rights and other support.
- Review service provision and make changes as appropriate.

Technology Enabled Care

1,700

Number of midcare alarms

National/Local Guidance:

- Scotland’s Digital Health and Social Care strategy (2018)

The traditional service model for health and social care will not be able to cope with the financial pressures and the ageing population. We must find new ways of supporting people and enabling them to stay well that are sustainable. Increasingly this will include redesigning services to embed and incorporate the right technologies to support new care models. This approach is in line with the wider impact of new technology in our day to day lives.

It is not simply about the right ‘kit’ but how the right care can be supported by technology. For example the delivery of better care can be facilitated by helping family members share information about the person for whom they are caring with one another as well as with health and social care staff; a simple smartphone or computer can support this but fundamentally the focus is supporting good communication

“Technology is neither good nor bad, it’s what you do with that makes the difference” Marc Benioff Salesforce.



“Increased use of equipment/technology would help the current care situation”

“Provide equipment to facilitate independence rather than a Package of Care.”



8,500 people may be supported with the Electronic Frailty Index

100 people have been involved in the community malnutrition service

5 practices are involved in the Scale-Up Blood Pressure project

Prevention & Early Intervention

- Provide early support and anticipatory care plans to people identified as frail using the eFrailty Index assessment within GP practice computer programmes.
 - Provide easily accessible information to the public and local services.
 - Use technology to monitor activity to explore risk of falls.
-

Planned Support, Treatment & Recovery

- **Support people to manage their long term conditions by:**
 - Providing shared overnight support to people with learning disabilities
 - Supporting people to monitor biometrics through Surgery Pods – in 6 practices/7 locations.
 - Training staff in care homes through videoconferencing.
 - **Replace existing analogue telecoms infrastructure with a digital one.**
 - **Promote self-help in the mental health field such as the use of computerised cognitive behavioural therapy.**
 - **Improve understanding of services by:**
 - Connecting health and social care data to help us understand the needs of the population and the effectiveness of services.
 - Sharing information between health and social care to enable more joined up care
-

Unplanned Support & Treatment

- Develop telehealth assessment/review by unscheduled GP care services in care homes with a pilot project planned with Drummond Grange care home

Appendix – Housing Contribution Statement

Housing's Contribution to Health and Social Care Integration in Midlothian

1. The role of the local housing sector in the governance arrangements for the integration of health & social care

1. The Chief Officer of the Integrated Joint Board is also managerially responsible for the Council's Housing Service. Through this role he is able to ensure that housing issues are recognised and addressed within the context of the Integrated Joint Board.
2. The Strategic Planning Group is able to establish strong links with housing through representation from both the RSL Sector and the Council's Housing Service.
3. Both the Chief Officer and the Chair of the IJB are members of the Community Planning Board and through this are able to influence decisions relating to housing as it relates to the objectives of the Integrated Joint Board.

2. Overview of the shared evidence base and key issues identified in relation to housing needs and the link with health & social care needs

The Housing Need and Demand Assessment (HNDA2) provides a robust evidence base for housing and sets out the total additional future housing estimate over a 20 year period within the six South East of Scotland (SESPlan) Local Authorities - City of Edinburgh, East Lothian, South Fife, Midlothian, the Scottish Borders and West Lothian. The HNDA2 informs the development of the Local Housing Strategy (LHS) and the SESPlan Development Plans (DPs) by providing accurate and reliable data enabling local authorities to develop long term strategic and robust views of housing need and demand. This includes households requiring specialist housing provision.

A shortage of housing and need for significant increases in the supply of housing is an issue for all local authority areas within the SESplan region.

Specifically, section 7.1 of the HNDA2 assesses the need and demand for specialist housing provision across the SESPlan area. It identifies three broad categories of housing need, covering six types of housing or housing related provision, to support independent living for as long as possible and enable people to live well and with dignity. Examples of specialist provision are shown in the table below:

Specialist Housing Provision – Categories of Need and Types of Housing	
Category of Housing Need	Type of Housing Provision
Property needs	Accessible and adapted housing
	Wheelchair housing
	Non-permanent housing e.g. for students, migrant workers, asylum seekers, refugees
Care and support needs	Supported provision e.g. care homes, sheltered housing, hostels and refuges
	Care / support services for independent living
Locational or land needs	Site provision e.g. sites / pitches for Gypsies / Travellers and sites for Travelling Show-people

Key Housing Points

Between 2001 -2011, the change in household numbers across the SESplan was 47,334 (9.3%) compared to 2,116 (6.0%) for Midlothian over the same period.

Between 2012 and 2037 the number of households is projected to increase for the SESplan area from 559,838 in 2012 to 700,389 in 2037, representing a 20% increase in households. For Midlothian, the number of households is projected to increase from 35,540 in 2016 to 43,312 in 2037, representing a 22% increase in households. This has significant implications for housing.

Older People

The health implications of an ageing population are likely to impact considerably upon housing and housing related services. From 2001 to 2011, the population aged 65 to 79 increased by 12.7% in Midlothian compared to 8.5% across the SESplan area. The population aged 80+ increased by 23.2% in Midlothian compared to 20.1% across the SESplan area during the same period.

For the period 2014 – 2039 it is projected that the percentage of people aged 75 and over in Midlothian will increase by 106%. This projection shows a rise from 6,566 people in 2014 to 13,542 by 2039.

Physical Disability and Long Term Illness

The Scottish House Condition Survey (SHCS) findings for 2014-2016 show that:

- 41% of households in Midlothian contain one or more long term sick or disabled persons.
- 53% of households where one or more of the members are long term sick or disabled are resident in social housing, 38% are in owner-occupied properties.
- Households containing pensioners comprised the highest percentage of households containing one or more long term sick or disabled (60%), followed by households with adults only with 40% and Families with 27%.
- 8% of households where one or more of the members are receiving care services are in social housing, 4% are in owner-occupied housing. Pensioners, with 12%, have the highest percentage of households where one or more of the members are receiving care services.

Disabled People

In Midlothian 15% of dwellings have some form of adaptation. In social housing this percentage rises to 30% whilst 9% of owner occupied housing have had an adaptation. When looking at household types it should be noted that 28% of pensioner households have had an adaptation carried out compared to 7% of family households and 13% of adult only households.

Homelessness

There are over 1,000 homeless households in Midlothian. In 2017/2018, 485 households were assessed as homeless in Midlothian. It is worth noting that the total number of Midlothian Council housing allocations in 2017/2018 was 313 (this figure includes lets to homeless households, those with health problems, the overcrowded etc). This means the demand for accommodation far exceeds the supply of affordable housing.

3. Shared outcomes and service priorities linking the Strategic Commissioning Plan and Local Housing Strategy

Midlothian Local Housing Strategy

The Local Housing Strategy sets out the key housing issues to be addressed across all tenures in Midlothian, and also sets the strategy for addressing homelessness, housing support, fuel poverty and energy efficiency/climate change.

The Local Housing Strategy's strategic vision for housing in Midlothian is that:

“All households in Midlothian will be able to access housing that is affordable and of good quality in sustainable communities.”

Development of the next Local Housing Strategy, covering the period 2019 – 2024 is currently underway. Key actions of the next Local Housing Strategy are likely to relate to the following housing issues:

- The supply of new housing
- Addressing homelessness.
- Housing quality.
- Health and housing
- Energy efficiency and fuel poverty

4. Overview of the housing related challenges going forward and improvements required

Key housing related challenges are closely related to the main challenges identified within the Strategic Plan 2018 – 2022. These are:

1. More people who are frail or have dementia are living for longer at home
2. People are living longer with multiple long term conditions
3. There has been little progress in reducing health inequalities
4. Our services are under pressure

More people who are frail or have dementia are living for longer at home

Most older people wish to remain living independently in their own home and housing providers in Midlothian are able to support this in several ways. Resourcing adaptations to housing is vital to ensure this as is providing suitable housing options for households who are unsuitably housed.

There are various existing sheltered housing and retirement housing complexes in Midlothian. There is also some amenity and wheelchair housing and many homes have been adapted to meet the needs of older people.

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Extra Care Housing is also provided for older people. This is more suited for older people with higher care needs and developing accommodation of this type is an important housing option which will reduce the reliance on hospital and care home provision. There are currently 2 Extra Care Housing facilities in Midlothian. Midlothian Council manage a 32 flat facility at Cowan Court Penicuik (28x1 bed and 4x2 bed). This was built in 2013, and is fully wheelchair accessible throughout and includes 1 x Intermediate care flat. All care and housing support provided by on-site staff and opt in meals service available for tenants 7 days per week.

There is also a development of 35 extra care flats managed by Trust Housing Association at Hawthorn Gardens, Loanhead. Originally built as sheltered accommodation, the service was remodelled to Extra Care in 2013. All care and support is provided by Trust's on-site staff team. Meals are provided as standard and included in the standard charges to tenants. Midlothian Council's Housing section have 100% nomination rights to all vacancies which arise and manage the waiting list for this facility as part of the nomination agreement.

Both Bield and Castlerock Edinvar Housing Associations have previously been engaged in discussion with Midlothian Council re the option to remodel specific identified sheltered complexes to Extra Care, however both have withdrawn from this process and have deregistered all their facilities to 'retirement' status (definition of 'retirement' being accommodation for people over the age of 60 with part time Housing Manager on site). This means that there is no longer any Sheltered Housing provision in Midlothian. Viewpoint Housing Association currently provide 'very sheltered' accommodation at their Glenesk House site, Avenue Road Eskbank

People are living longer with multiple Long Term Conditions

In Midlothian, 18% of the population are reported to have a limiting long term physical or mental health condition (12,744 people). Long term conditions are illnesses which require ongoing medical care, limit what a person can do and have a clear diagnosis.

In Midlothian, 42 adults are identified as having a learning disability and complex needs. A further 21 people are younger people who also have complex needs and are likely to need specialist housing provision now or in the near future. Health & Social Care and Housing recognise the need for a more proactive approach to providing sustainable and good quality housing for people with a Learning Disability in Midlothian as demand for housing increases and pressure on services grows. The pressures arise from a number of factors including population growth, an emerging generation of young people with new and more complex needs, and older people who are currently living with a relative or carer.

The two key elements of any successful support package are a suitably adapted environment alongside specialist support, and this can be difficult to coordinate without the right housing options. For people with the most complex needs the preferred model of support is provided within a core and cluster model, with flexibility built in to respond to changing needs. This type of model allows for flexibility to be built into care packages for people who typically would have their support provided on a 1:1 or 2:1 basis giving options to improve effectiveness and efficiency of Supported Living Services, including in relation to use of sleepovers.

For people with a more moderate Learning Disability any clustering arrangements can be more dispersed and often delivered within more mainstream housing within any given locality.

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To meet this need Midlothian Council has developed Teviot Court in Penicuik, a housing development which meets the specific needs of households with a learning disability and complex care needs. Following this Housing continues to work alongside Health & Social Care's Learning Disability colleagues to identify specific sites under the New Build programme suitable for consideration for purpose build Learning Disability accommodation, and are specifically looking at a development of around 12 units in Bonnyrigg. Housing will also continue to work in partnership with the Learning Disabilities team to identify and allocate mainstream properties to clients in cases where this type of accommodation meets required need.

Midlothian Council and other Registered Social Landlords have also adapted existing housing stock to meet the specific needs of householders with Long Term Conditions.

The need for specialist provision is likely to increase as the number of people with Long Term Conditions continues to rise.

There has been little progress in reducing Health Inequalities

It is very important that low income groups have access to good quality affordable housing in the community that they belong too. For many disadvantaged groups access to affordable housing will help to address health inequalities. Poor housing can lead to a range of health problems and lack of affordable housing will lead to some households being more at risk of poverty. While there has been significant investment in new housing in Midlothian with 3,102 additional affordable homes built in the past decade the number of households requiring new housing is projected to increase.

In addition, it is recognised that people living in the most deprived communities are more likely to have poorer physical and mental health throughout their lives. In addition, it is likely that in the most deprived areas, Midlothian Council and other Registered Social Landlords will have a significant number of tenants in these areas. Therefore, housing providers can play an important role in addressing health inequalities in areas of deprivation in particular. Actions to effectively address health inequalities include:

- Identifying and engaging with disadvantaged groups who are likely to experience health inequalities in their lives.
- Investment in new, good quality homes in the private sector and social rented sector.
- Preventing at risk households from becoming homeless and ensuring that homeless households are able to access settled accommodation which meets their needs.
- Empowering communities by, for example, working in a co productive way to achieve common goals to give people a greater say in how services are delivered in their area.
- Support local initiatives to increase training and employment opportunities.
- Providing welfare benefits advice
- Reducing the number of households living in fuel poverty by improving the energy efficiency of properties, sourcing cheaper energy options and providing support and advice services for those in fuel poverty or at risk of fuel poverty.

Our services are under pressure

It is acknowledged that financial pressures on the health service are severe and there are ways to ensure that housing services can assist in addressing some of these pressures. Housing and housing support providers can play a positive role in preventing hospital admissions and reducing

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the length of time that people stay in hospital. Approaches which could ease pressures on the NHS could be:

- Ensuring adaptations are progressed quickly to reduce the length of hospital stays.
- Ensuring that there is a supply of suitable adapted temporary accommodation which can be made available to reduce the length of hospital stays.
- Ensuring that new housing is suitable for easy to undertake and cost effective adaptations or reduce the costs involved, such as barrier free entry into houses.
- Providing housing support services to ensure that vulnerable households are supported to sustain their tenancies and are equipped with life skills to avoid acute medical services, such as emergency hospital admission for substance misuse.

A review of the 2012/13 major adaptation works illustrates a significant rate of spend in the private sector, with 47.8% of all spend on adaptations in owner occupied and private rented sectors identified as necessary works for older people. This is in comparison to 27.5% spent on Council tenancies and remaining 24.8% on Registered Social Landlord (RSL) tenancies. More up to date spend information, broken down by tenure is not available.

- Private sector (owners & private rented) 47.8%
- Council tenancies 27.5%
- Registered Social Landlord tenancies 24.8%

Table 1 and 2 shows the level of adaptations being undertaken in council housing and in the private sector in Midlothian in recent years. In terms of council housing, wet floor shower rooms and ramping were the most commonly required adaptations carried out.

Table 1: Council Housing Adaptations in Midlothian 2013/14-2016/17

	2013/14		2014/15		2015/16		2016/17		Total
	Spend	No	Spend	No	Spend	No	Spend	No	
Wet floor shower	£341,675	57	£367,701	63	£194,656	34	£50,427	8	162
Level access shower	£220,350	37	£0	0	£17,905	3	£6,052	1	41
Access ramp	£25,908	9	£0	0	£23,040	6	£6,202	3	18
Bathroom adaptation	£0	0	£0	0	£32,230	5	£12,215	2	7
Other	£0	0	£0	0	£6,885	2	£8,173	1	3
Total	£587,933	103	£367,701	63	£274,716	50	£83,068	15	231
	Total Spend £1,313,419				Total Adaptations			231	

Note: Other includes adaptation works to bedroom, electrical works – data for 2016/17 only covers six months of 2016/17 which is why figures are lower in this year.

Table 2, below, shows the level of investment, total number and types of adaptation works on housing in the private sector namely owner occupied and PRS housing between 2014/15 and 2016/17. Of the 257 adaptations that were completed during this period, the most types of works were level access showers (150) and Stairlifts (79). These works accounted for over 90% (£1.03 million) of the total £1.221 million adaptation budget during this period. Of the total private sector adaptation budget, 85% were to owner occupied housing compared with the remainder to households who rented privately.

Table 2: Private Sector Adaptations in Midlothian- 2013/14-2016/17

Private Works Type	Total - 2014/15			Total - 2015/16			Total - 2016/17		
	Spend	No	%	Spend	No	%	Spend	No	%

Level access shower	£307,995	60	64%	£248,861	46	55%	£268,772	44	55%
Bathroom adaptation	£0	0	0%	£10,952	2	2%	£64,723	5	6%
Access ramp	£14,451	4	4%	£1,646	1	1%	£8,421	3	4%
Stairlift	£71,448	27	29%	£77,886	31	37%	£58,911	21	26%
Other	£8,386	3	3%	£8,326	3	4%	£70,961	7	9%
Total	£402,281	94	100%	£347,671	83	100%	£471,788	80	100%

5. Housing-related actions which contribute to Health and Social Care Outcomes in Midlothian

New Housing Development

Midlothian's Local Plan provides a sufficient land supply to meet local needs, and all new housing being developed will meet modern building regulations which are designed to better meet particular needs. For example new build housing will have level access to ground floor accommodation and improved circulation spaces within homes.

Midlothian's Strategic Housing Investment Plan 2019/20 – 2023/24 has identified sites for the development of up to 2,202 new affordable homes during this period. These are being developed by the Council and other local Registered Social Landlords. A total of 239 specialist provision homes have been identified which is 11% of the total. However, a much higher number of homes than this is likely to be suitable for those with impaired mobility but not requiring specific adaptations.

- 81 homes are being planned as extra care housing
- 104 homes are being planned as amenity housing
- 12 homes are being planned for complex care needs
- 5 wheelchair houses are being planned
- 4 homes are being planned for bariatric accommodation
- 34 homes with level access shower rooms are being planned

Current Extra Care Housing Projects in Midlothian

Gore Avenue, Gorebridge (Midlothian Council)

- 12 fully wheelchair accessible bungalow units (10 x 1 bed and 2 x 2 bed) to be built.
- 2 x 2 bed units will be suitable for individuals with bariatric needs (weighing more than 25 stone).
- Care provision and housing support will be provided by a dedicated on site team of staff.
- Estimated completion summer 2021.

Newmills Road, Dalkeith (Midlothian Council)

- 40 flats and 8 bungalows to be built.
- Will include 2 bariatric bungalows.
- All care and housing support will be provided by a dedicated on site team of staff.
- Estimated completion 2021.

Glenesk House, Eskbank (Viewpoint Housing Association)

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- 30 extra care flats are proposed for development within the grounds of Glenesk House, Eskbank.
- Estimated completion autumn 2020.

Existing Midlothian Council Housing Stock

- Housing are currently working in partnership with Health & Social Care to identify properties potentially suitable for remodelling to core and cluster extra care housing.

Other Sites

- Health & Social Care are working with Housing to identify further areas for developing extra care housing.

Housing / Occupational Therapist Partnership

Health and Social Care staff meet with housing representatives on a quarterly basis to review the need for specialist provision and consider further provision where required in order to address emerging needs.

Current Areas of Work:

- New adaptation policy drafted by Health and social care occupational therapists in partnership with Housing Services.
- Improved partnership working and regular communication between Housing and Health & Social Care to identify suitable clients with priority for previously adapted properties.
- Regular communication between Housing and Health & Social Care to identify possible housing solutions for specific identified cases with complex needs.
- Ongoing input to the Housing New Build Plan – next phases of New Build sites will include an increased proportion of wheelchair accessible accommodation, ground floor accommodation with facilities such as level access showers, bariatric accommodation.
- Four staff from Health and Social Care and Housing are now qualified as trainers to run Housing Solutions training which is supported by iHub. The training is aimed at supporting all staff across health, housing and social care to have earlier conversations about housing and trying to prevent these discussions occurring too late.

Homelessness and Rapid Rehousing Transition Plan

Midlothian Council's 5 year Rapid Rehousing Transition Plan (RRTP) details the authority's plans to provide short and long term solutions to end homelessness and rough sleeping. It notes that there are over 1,000 homeless households in Midlothian and it can take many years for these households to access permanent housing. The Plan was submitted to the Scottish Government in December 2018 and will take a housing led approach towards rehousing people who have experienced homelessness; making sure they reach a settled housing option as quickly as possible. The Plan will also detail the approach intended to rapidly rehouse those with multiple and complex needs. Housing first is one model which will provide intensive support to individuals with the most complex needs by providing the individual with a tenancy and intensive support at the outset of their homeless application.

It is likely that existing strategic planning groups and structures will develop and review the Rapid Rehousing Transition Plan to ensure the correct resources collaborate towards early intervention and preventing negative outcomes and the demand for costly crisis services. In particular, housing staff will work in partnership with health and social care teams to implement the Health and Homelessness Action plan which is focused on ensuring that the health and wellbeing needs of this

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vulnerable group are being addressed. It will also support ways of working which can help prevent homelessness and ensure those with the most complex needs are able to access appropriate support for their needs.

Funding for fuel poverty and energy efficiency

There are various funding streams which support improved energy of housing stock, and which contribute to the reduction in fuel poverty. Whilst landlords and owners can be proactive in improving the energy efficiency of housing, the Scottish Government also funds several programmes which help improve energy efficiency or support households at risk of fuel poverty. The Home Energy Efficiency Programmes for Scotland: Area Based Schemes are designed and delivered by local authorities, targeting fuel poor areas, to provide energy efficiency measures to a large number of Scottish households while delivering emission savings and helping to reduce fuel poverty.

The Scottish Government's 'Warmer Homes Scotland Scheme' is specifically for vulnerable owner occupiers and tenants of private landlords who can access help to make their homes more energy efficient and reduce fuel bills.

The Energy Saving Trust manages delivery of the other Home Energy Efficiency Programmes for Scotland through the Home Energy Scotland hotline on behalf of the Scottish Government in partnership with a range of advice providers and the energy companies. They offer energy efficiency advice, information on low cost energy tariffs, and advice on income maximisation, as well as a wide range of energy efficiency measures.

Midlothian residents also currently benefit from a funding grant from the Big Lottery Fund. The environmental charity Changeworks will deliver the 'Canny Tenants' project until 2020 in Midlothian and the Scottish Borders in partnership with Eildon Housing Association, Melville Housing Association and Midlothian Council. Thanks to a £494,180 grant from the Big Lottery Fund, the project aims to bring about positive change for local people in the greatest need. This includes people who are in debt as well as older people and those who have been homeless or in the care system. A wide range of support is available ranging from home visits and budget management training, to help with using heating more efficiently and advice on cutting down on food waste

Intermediate Care Housing

Housing now work with Health and Social Care to provide intermediate care/ temporary accommodation for individuals who require:

- To await permanent offer of suitable housing from Midlothian Council;
- To await completion of adaptations / repairs / provision of specialist equipment in their existing property;
- To await provision of appropriate care package / support services at home;
- To provide a period of ongoing intermediate care and rehabilitation where other intermediate care facilities are assessed as inappropriate for the needs of the individual;
- To enable a period of assessment re an individual's level of care and support needs, and suitability for Extra Care Housing or other types of accommodation.

Further intermediate care flat provision has been will be included on future extra care housing sites, however work continues between Housing and H&SC to identify other potential properties throughout Midlothian which could be used for this same purpose. The aim is to ultimately have 4-5 in the area located in Dalkeith, Bonnyrigg, Penicuik, Gorebridge and Newtongrange, however

other areas will also be considered depending upon the suitability of any identified property.

Support To Move

- ‘Support To Move – A guide for people in Midlothian’ has now been published in conjunction between Health & Social Care and Housing and offers a series of hints and tips for both professionals and their clients and families at each stage of moving house, from deciding whether or not they want to move or stay, choosing the house that’s right for them, right through to planning and making the move. The guide is available on the Midlothian Council website and in all Midlothian Libraries.
- Work ongoing to develop a separate Housing Options brochure providing details of Amenity, Retirement, Wheelchair, Sheltered, Very Sheltered and Extra Care facilities in Midlothian.
- Support to Move Service – initial discussion has taken place around the viability of a Support to Move Service in Midlothian. One of the biggest challenges when encouraging people to consider a move to more suitable accommodation is simply the prospect of the planning, organising and actually moving itself.

Care & Repair Services

The principal objective of Care & Repair services operating in Scotland is to offer independent advice and assistance on adaptations, repairs and improvements to owners and private tenants who are over the age of 60 and provide the following core services.

- Information and advice on property related issues
- Major adaptations and repairs – assistance with identifying repairs and improvements, preparing specifications, obtaining quotes, and monitoring works
- Handyperson services – assisting with straightforward small repairs
- Small repairs service – assistance with small repairs that require more specialist skills and knowledge.

Midlothian currently has no Handyman or Care & Repair service and indeed is the only Local Authority in Scotland not have any such service.

Summary of key housing-related actions between 2019 and 2022

- Develop 1,000 new council houses in Midlothian, taking account of housing need and demographic changes.
- Develop at least 81 extra-care homes in Midlothian by 2022.
- Develop at least 101 new amenity houses in Midlothian by 2022.
- Develop 4 bariatric properties in Midlothian by 2022.
- Develop 12 units for households with learning disability and or complex care needs by 2022.
- Develop an increased number of new homes with adaptations for specialist provision by 2022.
- Support homeless households accessing housing first tenancies (approximately 15 per annum) for those households with complex needs.
- Continue to support improved health and wellbeing outcomes for homeless households by implementing the Health and Homeless Action Plan
- Increase the number of households accessing energy saving or fuel poverty advice and assistance schemes.
- Undertake feasibility study of delivering Care and Repair Services in Midlothian.
- Undertaken feasibility study of providing a Support to Move Service to provide advice and assistance to help households move to more appropriate housing.
- Deliver further Housing Solutions training sessions to Health and Social Care staff and other partner organisations.
- Increase the number of intermediate care properties by using 6 Midlothian Council properties for intermediate care.
- Ensure a reduction in major adaptations due to improved targeting of adaptations in appropriate housing.

COMMUNICATING CLEARLY

We are happy to translate on request and provide information and publications in other formats, including Braille, tape or large print.

如有需要我們樂意提供翻譯本，和其他版本的資訊與刊物，包括盲人點字、錄音帶或大字體。

Zapewnimy tłumaczenie na żądanie oraz dostarczymy informacje i publikacje w innych formatach, w tym Braillem, na kasecie magnetofonowej lub dużym drukiem.

ਅਸੀਂ ਮੰਗ ਕਰਨ ਤੇ ਖੁਸ਼ੀ ਨਾਲ ਅਨੁਵਾਦ ਅਤੇ ਜਾਣਕਾਰੀ ਤੇ ਹੋਰ ਰੂਪਾਂ ਵਿੱਚ ਪ੍ਰਕਾਸ਼ਨ ਪ੍ਰਦਾਨ ਕਰਾਂਗੇ, ਜਿਨ੍ਹਾਂ ਵਿੱਚ ਬਰੇਲ, ਟੇਪ ਜਾਂ ਵੱਡੀ ਛਪਾਈ ਸ਼ਾਮਲ ਹਨ।

Körler için kabartma yazılar, kaset ve büyük nüshalar da dahil olmak üzere, istenilen bilgileri sağlamak ve tercüme etmekten memnuniyet duyarız.

اگر آپ چاہیں تو ہم خوشی سے آپ کو ترجمہ فراہم کر سکتے ہیں اور معلومات اور دستاویزات دیگر شکلوں میں مثلاً بریل (تاییداً افراد کے لیے ابھرنے والے حروف کی لکھائی) میں، ٹیپ پر یا بڑے حروف کی لکھائی میں فراہم کر سکتے ہیں۔

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