

Midlothian Council Minute Volume



**Presented to the Meeting
of Midlothian Council
on Tuesday, 23 March 2021**

1 Minutes of Meetings submitted for Approval

Midlothian Council 23 February 2021

3 - 16

2 Minutes of Meetings submitted for Consideration

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

Cabinet 1 December 2020

17 - 20

Audit Committee 8 December 2020

21 - 28

3 Minutes of Meetings submitted for Information

**Approved Minutes of Outside Organisations to which Council appoints
representatives**

No Minutes submitted for Information.

Minute of Meeting



Midlothian Council

Date	Time	Venue
23 February 2021	11.00 am	Virtual Meeting via MS Teams

Present:

Provost Smaill (Chair)	Depute Provost Russell
Councillor Milligan – Council Leader	Councillor Muirhead – Depute Council Leader
Councillor Alexander	Councillor Cassidy
Councillor Curran	Councillor Hackett
Councillor Hardie	Councillor Imrie
Councillor Johnstone	Councillor Lay-Douglas
Councillor McCall	Councillor Munro
Councillor Parry	Councillor Wallace
Councillor Winchester	

In attendance:

Dr Grace Vickers, Chief Executive	Kevin Anderson, Executive Director Place
Morag Barrow, Joint Director, Health and Social Care (1.15 pm to 2 pm)	Gary Fairley, Chief Officer, Corporate Solutions
Fiona Robertson, Executive Director Children, Young People and Partnerships (until 1.00 pm)	Derek Oliver, Chief Officer Place
Alan Turpie, Monitoring Officer	Mike Broadway, Democratic Services Officer
Verona MacDonald, Democratic Services Team Leader	Joan Tranent, Chief Officer Children's Services, Partnerships and Communities (for Item 8,4)

Also present:

Mrs Elizabeth Morton, Religious Representative to the Cabinet (until 12.37 pm)

1. Welcome and Apology for Absence

The Provost welcomed everyone to the meeting. Intimation of an apology for absence was made on behalf of Mr Bourne, Religious Representative to the Cabinet.

2. Order of Business

The Provost confirmed the order of business was as per the agenda circulated

3. Declarations of interest

None

4. Deputations

None received.

5. Minutes of Previous Meetings

5.1 The Minute of meeting of Midlothian Council of 15 December; Minute of the Special Meeting of Midlothian Council of 15 December, both 2020, and Minute of the Special Meeting of Midlothian Council of 19 January 2021 were unanimously approved and the Provost was authorised to sign as a true record of the meetings.

5.2 The following Minutes were previously circulated to Members for approval, noting, information and consideration of any recommendations contained therein:

Meeting	Date of Meeting
Audit Committee	12 October 2020
Business Transformation Steering Group	26 October 2020
Planning Committee	24 November 2020
Midlothian Integration Joint Board	8 October 2020
Midlothian Integration Joint Board	10 December 2020

6. Questions to the Leader of the Council

It was noted that 2 questions by Councillor Alexander had been circulated with the agenda as follows:-

- (i) I ask the Leader of the Council, given he has had no reply from the Ministry of Defence to his letter seeking reassurance sufficient contingency has been put in place to safeguard the people and land of Midlothian from contamination and harm, should there be a collision or other incident involving the transport of weapons of mass destruction, and their waste products through Midlothian; what contingency has the Leader put in place to safeguard the people and land of Midlothian should such an incident occur? Is the Leader sufficiently satisfied with the outcome that if such an incident did occur, Midlothian may be put into lockdown or worse for the foreseeable future?

The Leader summarised his response, and noted that the full response had been circulated prior to the meeting commencing (Appendix 1 hereto)

- (ii) Will the Council Leader join with the SNP group and congratulate Debora Kayembe on her election as the 54th Lord Rector of Edinburgh University. Debora, a Bonnyrigg resident, is the 3rd Woman and the 1st person of colour to hold the position - will the Council Leader therefore also agree that she is an asset and role model to Midlothian and thank her for her work and commitment to fight racism and stand up for equality.

The Leader responded by confirming he concurred with the content of the question from Councillor Alexander and was happy to congratulate Ms Kayembe.

7. Notices of Motion

Motion No.	Motion Title	Proposed by:	Seconded by:
7.1	To Know and Understand the origins of Racism, Sectarianism and other forms of discrimination	Councillor Alexander	Councillor Wallace
Motion:			
<p>The Motion was in the following terms:-</p> <p><i>“To know and understand the origins of Racism, Sectarianism and other forms of discrimination and its effects on the people of Scotland and beyond.</i></p> <p><i>The Council recognises that there is no place for racism, sectarianism or discrimination of any kind, and that further action must be taken to eliminate racial, and sectarian injustice and discrimination, and we recognise the objectives of the Black Lives Matter movement.</i></p> <p><i>That Council agrees to establish a cross party working group to review all street names, statues, symbols, and buildings in Midlothian to properly recognise their history and context in order to enlighten the people of Midlothian and beyond of their historical origin and the impact those origins are having on today’s society.</i></p> <p><i>Examine the curriculum across Midlothian’s education establishments to ensure that young people and their families are aware of our local history, and how it has the power, even here and now to divide communities. To ensure that from an early age pupils understand how the British Empire affected the lives of Scots, and those of many other nations in the past: and manifests itself today in the form of racism and sectarianism and other forms of discrimination.</i></p> <p><i>It is our duty to ensure that all residents are able to live their lives free from racism, sectarianism or discrimination of any form, and it is only by education, and society understanding where those divisions came from, and tacking them head on that discrimination can be stamped out”.</i></p>			
Summary of discussion			
<p>The Council heard from the Executive Director, Children, Young People and Partnerships with regard to provision for local history within the Curriculum for Excellence.</p> <p>Thereafter, Councillor Muirhead indicated his support for the Motion but moved a slight amendment – to remove the establishment of a cross party working group</p>			

and instead remit the matter to the existing cross party Education Advisory Group with an option of also having an Elected Members Briefing/Seminar. His amendment was seconded by Councillor Lay-Douglas. Councillors Alexander and Wallace indicated their agreement to the proposed amendment. Councillor Imrie suggested Mr Geoff Palmer be invited to attend and perhaps chair the Group. In response, Councillor Alexander confirmed she was happy for Mr Palmer to participate in the Group with the Group deciding what role he should play.

Decision

There being no-one otherwise minded, the Motion as amended was unanimously approved.

Action

Executive Director, Children, Young People and Partnerships

Motion No.	Motion Title	Proposed by:	Seconded by:
7.2	Awareness of Scotland Excel	Councillor Johnstone	Councillor Alexander
<p>The Motion was in the following terms:-</p> <p><i>“Council recognises that to have local businesses registered with Scotland Excel gives our local businesses the opportunity to provide services and goods not only to Midlothian Council but also to neighbouring Councils and beyond. It would provide the Council with excellent service on our doorstep, reduce our carbon footprint, boost our economy, and provide much needed employment for our communities.</i></p> <p><i>It is therefore proposed that all businesses within Midlothian are made aware of Scotland Excel and where appropriate encouraged to join”.</i></p>			
Summary of discussion			
Councillor Johnstone spoke to the terms of the Motion which was seconded by Councillor Alexander.			
The Chief Officer Place provided some background information as to the channels of assistance presently in place to help local businesses to grow.			
Decision			
The Motion was unanimously approved.			

8. Reports

Report No.	Report Title	Report by:
8.1	Resignation of Councillor Baird	Chief Executive
The Chief Executive spoke to the terms of a report which advised of the resignation of Councillor Baird.		
Decision		
The Council agreed to note the resignation of Councillor Baird with effect from 7 February 2021.		
Action		
Chief Executive		

Report No.	Report Title	Report by:
8.2	Casual Vacancy Ward 5 Midlothian East Arrangements for By-Election	Chief Executive
Outline of report and summary of discussion		
The Chief Executive spoke to the terms of a report which advised of the arrangements by the Returning Officer, for the By-Election to fill the casual vacancy which has arisen in Electoral Ward 5 – Midlothian East, following the resignation of Councillor Kenneth Baird and sought approval of the financial arrangements in this regard.		
Decision		
The Council agreed to <ul style="list-style-type: none"> (a) note, for its interest, the arrangements for the forthcoming Midlothian Council By-Election for the Electoral Ward No 5 - Midlothian East to be held on Thursday, 25 March 2021; and (b) authorise the Chief Executive, as Returning Officer, to make the appropriate financial arrangements and payments for this By-Election 		
Action		
Chief Executive		

Report No.	Report Title	Report by:
8.3	Standing Order 19.2 Decisions	Chief Executive
Outline of report and summary of discussion		
The Chief Executive spoke to the terms of the report which advised of the decision taken at the meeting of the Leaders' Group on 11 January 2021 in terms of Standing Order 19.2.		
Decision		
The Council noted the terms of the report.		
Action		
Chief Executive		

Report No.	Report Title	Report by:
8.4	Proposed Therapeutic Residential Service	Chief Officer Children's Services, Partnerships and Communities
Outline of report and summary of discussion		
The Council heard from the Chief Officer Children's Services, Partnerships and Communities who spoke to the terms of a report which outlined the proposal for the purchase and development of a local, therapeutic residential care home to accommodate distressed and traumatised children aged 5 -12 years.		
Thereafter, Councillor Alexander suggested there was a need to have an Elected Member Seminar to discuss preventative measures. Councillor Lay Douglas indicated her support for the proposal contained within the report and also expressed her gratitude to foster parents. Councillor Muirhead was heard in agreement with Councillor Lay-Douglas and moved the recommendations of the report.		
After further brief contributions from Councillors Parry and Curran, the Council unanimously agreed to the recommendations of the report and approved the holding of a Seminar.		

Decision
The Council agreed the:- <ul style="list-style-type: none"> (a) rationale for the proposed service; (b) capital funding required to develop the resource; (c) development of a project team and plan and (d) approved the holding of a Seminar for Elected Members, the timescale for which to be determined by the Chief Officer
Chief Officer Children's Services, Partnerships and Communities

Report No.	Report Title	Report by:
8.5	Rent Setting Strategy 2019-20 – 2021-22	Executive Director Place
Outline of report and summary of discussion		
<p>The Executive Director Place spoke to the terms of a report regarding whether to defer the planned 3% rent increase, due to be implemented on 1 April 2021, for one year, being the final year of the current Rent Setting Strategy.</p> <p>Councillor Curran advised the economic impact of Covid-19 was yet to be seen and it would be wrong to proceed with the rent increase. Councillor Johnstone enquired as to the financial impact to the Council of not proceeding with the planned increase. Mr Anderson responded by referencing the page in the report and confirmed the housing revenue account could sustain the deferral. He further drew attention to the intention to bring a report to the March meeting regarding a new Rent Setting Strategy. Councillor Hardie was heard in agreement with Councillor Curran and advised the decisions made and included in the Medium Term Financial Strategy were prior to the pandemic and would need to be reviewed due to the different economic climate. Councillor Parry suggested the net underspend in the housing revenue account could be used to compensate for the loss of rent revenue. In response, Mr Anderson confirmed this could be included in the Rent Strategy report before Council in March.</p>		
<p>The Council agreed to:-</p> <ul style="list-style-type: none"> a) defer the planned rent increase, which is the final year of the current Rent Setting Strategy 2019-20 – 2021-22, due to be implemented from 1 April 2021 and; b) noted the intention to bring before the March meeting, a report regarding a new Rent Setting Strategy 		
Action		
Executive Director Place		

Report No.	Report Title	Report by:
8.6	COVID-19 Financial Update	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
<p>The Council heard from the Chief Officer Corporate Solutions who spoke to the terms of a report which provided an update specifically on the financial and funding aspects arising from the COVID-19 pandemic and complemented the financial monitoring reports also on the agenda. He advised the financial position remained fluid as the impact and consequences of the pandemic both for Council services and for communities across Midlothian continues to evolve.</p>		

Councillor Parry queried the recommendation contained in the report regarding referring to Group Leaders and suggested this should read Business Transformation Steering Group. Councillor Milligan noted the impact on business across the district such as the licensed trade and Gala Day Committees who have been unable to use licences and requested a report to the March meeting on this. He clarified he was not seeking to reverse charges levied but whether licences not yet expired could be extended for another year. In response, Mr Fairley advised due to the short gap between the February and March meetings of the Council, this may not be feasible but he would endeavour to provide this information to Council as soon as possible.

Decision

The Council:-

- (a) noted the update provided in section 4 of the report of funding provided/projected to be provided by the Scottish Government to support local government's response to COVID-19 and the current position in respect of funding and financial flexibilities;
- (b) agreed to delegate to the Chief Officer Corporate Solutions, in consultation with the Business Transformation Steering Group, approval to apply the financial flexibilities as required, based on the actual outturn position at the year end and an assessment of continued Covid-19 financial pressures for 2021/22;
- (c) noted the update provided in section 6 of the report of the additional expenditure and loss of income projected to be experienced by the Council as a consequence of the pandemic. The net impact of which is incorporated in the Financial Monitoring update elsewhere on the agenda;
- (d) noted the material assumptions on which the reported position is predicated, including a revised estimate of funding from the income loss scheme, that education recovery costs will be contained within Scottish Government funding and other flexibilities and that Council Tax collection rates are sustained and;
- (e) agreed a report as to whether licences granted by the Council which have not expired could be extended for another year come before the Council for consideration as soon as possible.

Action

Chief Officer Corporate Solutions

Report No.	Report Title	Report by:
8.7	Financial Monitoring General Fund Revenue	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
<p>The Council heard from the Chief Officer Corporate Solutions who spoke to the terms of a report which provided information on the projections of performance against service revenue budgets in 2020/21 and detailed material variances against budget. He noted that during consideration of Item 8.6 Financial Monitoring 2020/21 General Fund Revenue on 17 November 2020, the Council agreed a review of the deliverability of savings targets for the current year as a consequence of the pandemic be progressed and reflected in the next monitoring report.</p> <p>Thereafter, Councillor Parry thanked staff involved in winter maintenance but advised there was a general feeling the service provided had been inadequate. She suggested an audit be carried out to include the use, location and filling of grit bins. In response, the Chief Officer Place advised a review was already underway.</p>		

He provided Members with a summary of how the winter maintenance service had been enhanced in terms of staff numbers, employing private contractors and also assisted in some areas by members of the public. He advised upkeep of the current number of grit bins was manageable for the number of permanent staff in the service. Councillor Hackett welcomed the review under way and noted the desire by some communities to be more involved. Further contributions were made by Councillor Hardie who mentioned discussions he had had with Mr Oliver regarding the use of new technology and getting developers to install grit bins in new housing developments and Councillor Milligan who advised it would be helpful for Elected Members to know the number of staff or the resource required to provide an enhanced level of service.

Decision

The Council noted the terms of the report including:-

- (a) the projected financial position and the work which is in place to secure improvement;
- (b) noted (as agreed by Council on 17th November 2020) the review of the deliverability of savings targets for the current year as a consequence of the pandemic had been completed with no net impact on Reserves;
- (c) during quarter 4 a review of budgets carried forward from 2019/20 into 2020/21 will take place with a view to releasing some of them

Action

Chief Officer Corporate Solutions

Sederunt: At 1.01 pm the Provost advised of a 15 minute comfort break and asked Members to return at 1.15 pm. The meeting resumed at 1.15 pm with the same Elected Members present

Report No.	Report Title	Report by:
8.8	Housing Revenue Account Revenue Budget and Capital Plan 2020-21	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
<p>The Chief Officer Corporate Solutions spoke to the terms of a report which provided a summary of expenditure and income to 18th December 2020 for the Capital Plan and a projected outturn for both the Housing Revenue Account (HRA) and Capital Plan for 2020/21.</p> <p>Councillor Parry enquired about the Mortgage to Rent Scheme and MacNeill Terrace entries at Appendix C to the report. Mr Fairley advised the Mortgage to Rent Scheme is funded by the Scottish Government and is governed by applications received and therefore funds are ring-fenced. The Executive Director Place advised there had not been any applications over the last 3 years. He further advised of his intention to share the housing options paper and take up any enquiries individually with Elected Members.</p>		
Decision		
The Council noted the content of the report.		
Action		
Executive Director Place; Chief Officer Corporate Solutions		

Report No.	Report Title	Report by:
8.9	Treasury Management and Investment Strategy 2021-22 and Prudential Indicators	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
The Council heard from the Chief Officer Corporate Solutions who spoke to the terms of a report marked “to follow” on the agenda but circulated separately in advance of the meeting. The report provided an update on the implementation of the Treasury Management and Investment Strategy 2020-21 (TMIS) and made recommendations to facilitate consideration of the 2021-22 Strategy, specifically the Treasury Management and Annual Investment Strategies for 2021-22, the Prudential Indicators contained therein and the approach to the statutory repayment of loans fund advances.		
Decision		
The Council:- (a) noted that there were no changes proposed to the Treasury Management and Investment Strategy (TMIS) for 2021/22 other than to:- (i) reflect the Council’s decision to invest in the Energy Services Company (ESCO); (ii) update the Prudential Indicators (the 3 key prudential indicators relating to external borrowing as outlined in Section 4, and the remaining indicators as outlined in Appendix 2) to reflect the revised capital plans; and (iii) retain the current approach for the repayment of loans fund advances; (b) noted that a draft of the Treasury Management and Investment Strategy 2021/22 was considered at the Treasury Management Briefing session for all Elected Members and Members of the Audit Committee on Wednesday 17 February 2021, and the recommended changes arising from that session were reflected in the report and; (c) approved the Treasury Management and Investment Strategy for 2021/22		
Action		
Chief Officer Corporate Solutions		

Report No.	Report Title	Report by:
8.10	General Services Capital Plan 2020-21 Quarter 3 Monitoring and 2021-22 to 2024-25 Budgets	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
The Chief Officer Corporate Solutions spoke to the terms of a report which provided an update of the General Services Capital Plan (incorporating information on further additions for approval) – Section 3; the projected performance against budget for 2020-21 – Section 4; forecasted expenditure and income for 2020-21 through to 2023-25 – Section 5 and an update on the capital fund – Section 6. Councillor Milligan requested a further report on how to deal with the condition of the road network. The Chief Officer Place advised of current discussions with suppliers of new technology, the outcome of which would be reported to a future meeting.		
Decision		
The Council approved the:- (a) addition of the following projects to the General Services Capital Plan as outlined in Section 3.1 of the report:-		

<ul style="list-style-type: none"> i. residential house for 5-12 year olds with a provisional capital expenditure budget of £0.700 million in the General Services Capital Plan, subject to (a) a suitable property/site being identified, and (b) a financial appraisal showing a spend to save position, being agreed and approved at a subsequent meeting of Capital Plan & Asset Management Board; ii. digital learning provision with a provisional capital expenditure budget of £10.500 million, subject to approval by Capital Plan and Asset Management Board; iii. extra care facility – hub element: A provisional capital expenditure budget of £2.240 million, subject to approval by Capital Plan and Asset Management Board; <ul style="list-style-type: none"> (b) inclusion of the Millerhill Park project, as outlined in Section 3.2 of the report, to be added to the General Services Capital Plan; (c) revision of the Learning Estate Strategy projects in Section 3.3 to be added to the General Services Capital Plan in principle, with the establishment of an approved design development budget of £0.503 million, each to be subject to a Gateway Review report to be presented to Capital Plan & Asset Management Board in order to receive a recommendation for full approval in the General Services Capital Plan and; (d) revised expenditure and funding levels in the General Services Capital Plan 2020/21 to 2024/25 (as shown in Appendices 1 and 2).
Action
Chief Officer Corporate Solutions; Chief Officer Place

Report No.	Report Title	Report by:
8.11	Medium Term Financial Strategy 2021-22	Chief Officer Corporate Solutions
Outline of report and summary of discussion		
<p>The Council heard from the Chief Officer Corporate Solutions to spoke to the terms of a report which noted the approval of the Medium Term Financial Strategy (MTFS) in June 2019 was an important step-change and one that provided greater certainty for local communities and employees. He advised it had allowed the Council to shift from having to consider savings each and every year at February Council meetings to planning for the medium term and in turn securing continued financial sustainability. He noted the approval of the MTFS and, on the recommendation of the Business Transformation Steering Group, the subsequent approval of the 2020/21 budget ensured that the Council secured a strategic budget which invested in Midlothian to help it fulfil its potential to be a great place to grow.</p> <p>Councillor Hardie advised he had proposed a freeze in Council Tax last year and was happy it was being proposed this year. He asked whether the Council had enquired about a repayment holiday from the Public Loans Fund. In response Mr Fairley advised COSLA had engaged with the Scottish Government regarding this and been advised any flexibility relates only to Covid and could not be used to achieve a freeze in Council Tax.</p> <p>Councillor Milligan noted the recommendations had been unanimously agreed by the Business Transformation Steering Group and formally moved approval. Councillor Parry whilst seconding the motion, queried whether the MTFS was still fit for purpose. She further mentioned an email received on 22 February 2021 from Age Scotland regarding appointing an Older Persons Champion. She asked that the request be placed on an agenda at the most appropriate time but not</p>		

necessarily the next meeting. This was seconded by Councillor Milligan. In reply to Councillor Parry's query about the MTFs, the Chief Officer Corporate Solutions advised the MTFs was never meant to be a static document but had put the Council in a good position. He referred to Section 7 of the report which covered adapting and interventions required in the year ahead. He further advised of the intention to revise the MTFs and bring it before the Council meeting following the Local Government Election in May 2022 for consideration.

The Provost having noted the foregoing, thanked Mr Fairley and the finance team.

Decision

The Council unanimously

- (a) agreed to freeze fees and charges determined by the Council at the 2020/21 levels in recognition of the unique pressures created by the pandemic and to help protect household incomes;
- (b) noted the update in respect of Scottish Government grant, individual Council Grant settlements and the net cost of services;
- (c) approved the 2021/22 service budgets as set out in appendix B including approval of an allocation of £47.724 million to the Midlothian Integration Joint Board for 2021/22 in respect of delegated services;
- (d) as a consequence of recommendations (a) and (c), and to achieve a balanced budget, retain a Band D Council Tax of £1,409 for 2021/22 as set out in appendix C;
- (e) delegated authority to the Chief Officer Corporate Solutions to apply any additional funding included in the Local Government Finance (Scotland) Order 2021 on the basis outlined in section 5 of the report;
- (f) considered and noted the overarching EQIA published alongside this report and;
- (g) agreed that at the most appropriate time, a report regarding the request from Age Scotland to appoint an Older Persons Champion, be considered.

Action

Chief Officer Corporate Solutions

Report No.	Report Title	Report by:
8.12	Town Centre Capital Fund 2020-21 Capital Allocations	Chief Officer Place
The Chief Officer Place spoke to the terms of a report which provided detail on, and sought approval for, the recommended internal projects that Midlothian Council will fund from the £331,000 allocation from the second funding round of the Scottish Government's Town Centre Capital Fund.		
Decision		
As outlined in the report, the Council unanimously agreed:-		
<ul style="list-style-type: none"> (a) the recommended projects for the Town Centre Capital funding approval; and (b) the suggested process for project governance and reporting 		
Action		
Chief Officer Place		

APPENDIX 1 (referred to in Item 6)

The MOD, in its Local Authority and Emergency Services Information Edition 11 document, lists Midlothian as one of the local authority areas through which Defence Nuclear Material may travel through or fly over.

Midlothian Council is not notified of timings or routes, although Police Scotland will be notified (as may the Scottish Fire & Rescue Service). For security reasons, the MOD does not share details of individual movements more widely.

The MOD has arrangements in place to ensure the safety and security of road convoys. There has never been an incident with one of these convoys posing a radiation hazard and events leading to a release of radioactive material are assessed by them as being highly unlikely. Nevertheless, the MOD maintains a response organisation and contingency plans. The MOD are aware of the roles of the emergency services and Local and Health Authorities and, in the event of an incident, will link in with the emergency services. Note: There is no risk of an “atomic bomb” type of explosion.

In the response phase of a major incident/major emergency, Police Scotland will have a lead coordinating role.

The principle of Integrated Emergency Management (adopted by all resilience partners) is that arrangement should be flexible and adaptable to deal with a range of consequences rather than causes.

Midlothian Council is an active member of the East of Scotland Regional Resilience Partnership and the Lothian and Borders Local Resilience Partnership and works with partners to develop generic response and communication arrangements, supplemented by as multi-agency sub groups, such Care for People. These arrangements have been operating throughout the pandemic so are well established and well utilised.

Midlothian Council has also implemented its own emergency management structures throughout the pandemic and for severe weather response (and smaller scale emergencies). This has also included our local Care for People Group, which has been strengthened as a result of an increased and wider reaching membership.

Whilst not entirely comparable, Midlothian Council, through involvement in the development of emergency plan and associated exercising for Torness Nuclear Power Station, is familiar with the potential consequences, range of countermeasures and the range of specialist advice required in relation to the release of radioactive material from that site.

References:

[Local authority and emergency services information - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

www.gov.scot/publications/road-transportation-of-defence-nuclear-material-in-scotland-preparedness-review

1. Background

It is assumed that the term “weapons of mass destruction” in the Question to Leader, refers to the transportation, by road, of Defence Nuclear Material (DNM).

DNM is the Ministry of Defence collective term for nuclear weapons and Special Nuclear Material (SNM).

The MOD document [“Local Authority and Emergency Services Information Edition 11”](#), defines SNM as comprising tritium, highly enriched uranium and plutonium (which are used in the production of nuclear weapons) as well as new and used submarine reactor fuel.

The responsibility for the road transportation of Defence Nuclear Material in Scotland lies with the UK Government, through the Ministry of Defence.

DNM movements are carried out by specially trained personnel and each crew will include a first aid team, technical specialists and equipment to monitor for radiological hazards. The convoys are escorted by the Ministry of Defence Police (MDP).

Local authorities are not provided with details of specific timings and routes of convoys. However, Police Scotland are advised in advance of a convoy being routed through their area, enabling them to provide information on any local traffic issues. The Police may also inform the Scottish Fire and Rescue Service.

2. Generic Resilience Arrangements in Scotland

Resilience in Scotland is based on the principle of Integrated Emergency Management (IEM) which recognises that the most effective preparation for any emergency rests on planning to develop flexible and adaptable arrangements for a range of consequences rather than specific causes.

There are three multi-agency Resilience Partnership areas within Scotland: East, North and West of Scotland. Midlothian Council is one of nine local authorities within the East of Scotland RRP, the others being Scottish Borders, East Lothian, West Lothian, City of Edinburgh, Fife, Falkirk, Clackmannanshire and Stirling. The partnership also includes the emergency services, Health Boards, military, SEPA, utilities, transport operators and the voluntary sector.

In the East of Scotland there are also three Local Resilience Partnerships (LRPs). Midlothian is in the Lothian and Borders LRP and the membership organisations are very similar to that of the RRP, though localised (eg the five local authorities and two Health Boards) and at a less senior level for routine business.

These Resilience Partnerships meet on a regular planning basis and will also stand up as required in response to a significant incident or emergency. Working relationships are well established and partners participate in a range of multi-agency training and exercising.

One of the core principles of meeting in response is that membership should adapt to ensure that the most appropriate people come together for that particular incident/emergency. Depending on the consequences, different skill sets and specialisations may be required.

Resilience Partnerships have been active throughout the course of the COVID-19 pandemic, with associated sub groups and work streams convened.

In addition to the above, each partnership will have their own major incident or major emergency arrangements and structures. Midlothian Council has a generic emergency management structure which has been initiated for the COVID-19 response, recent severe weather response and also smaller scale ad-hoc emergencies. Our Care for People Group has also been active throughout the pandemic, with membership widened and strengthened as a result.

Midlothian Council is also involved in the multi-agency planning and response in relation to any off-site incident at Torness Nuclear Power Station.

Scottish Government Preparedness Review

“Unready Scotland”, a report by Nukewatch, was published in 2017. As a result, a debate took place in the Scottish Parliament in May 2018 and the Scottish Government committed to carrying out a review of the consequence management planning, response and recovery aspects related to road transportation of DNM in Scotland. The review was led jointly by the Police and Fire Services Inspectorates carried out in collaboration with a number of others including SOLACE. A copy of the report from that is available [here](#). The key findings were:

- That the quality of the response arrangements in our regional resilience partnerships is high
- There is excellent collaboration between responders, on the principles of integrated emergency management
- There are strong plans in place for the key consequences of any such incident in keeping with responder plans for other emergencies. The generic consequence nature of our planning process should not be confused with a lack of plans for the cause of a specific incident. Local authorities are not required to have a specific emergency plan in respect of transportation of defence nuclear materials
- That the risk assessment and planning process is proportionate to the risk, which in the case of the transportation of defence nuclear material is extremely low. There is no risk of an ‘atomic bomb’ type of explosion
- The emergency services undertake on-going specialist training in respect of the transportation of defence nuclear material
- Learning points are focused on fine tuning the training, clearance and information sharing processes within and between agencies

Minute of Meeting



Cabinet

Date	Time	Venue
1 December 2020	11.00 am	Held via Microsoft Teams

Present:

Councillor Muirhead – Depute Convener	
Councillor Curran	
Councillor Imrie	
Councillor Hackett	

Religious Representatives:

Mrs Elizabeth Morton	
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1 Apologies

Apologies for absence had been received on behalf of Councillor Milligan (Convener) and Vic Bourne. In the absence of the Convener, Councillor Muirhead assumed the Chair for this meeting.

2 Order of Business

The Order of Business was as detailed within the Agenda.

3 Declarations of interest

No declarations of interest were received.

4 Minutes of Previous Meetings

The Minute of the Meeting of the Cabinet held on 20 October 2020 was submitted and approved as a correct record.

5. Reports

Agenda No.	Report Title	Presented by:
5.1	Third Statutory Biodiversity Report 2017-20	Derek Oliver
Outline of report and summary of discussion		
The report sought approval of the Third Statutory Biodiversity Duty Report 2017-20 for publication on the Council's website as well as being forwarded to the Scottish Government. The report advised that Biodiversity was the variety of life including plants, animals, micro-organisms and bacteria interacting with each other and the non-living environment to form living ecosystems, cleanse the air and water, pollinate crops, break down waste, control pests and diseases and regulate natural events. The report highlighted that the Wildlife and Natural Environmental (Scotland) Act 2011 required public bodies to publish a Biodiversity Report every 3 years that set out the actions taken in carrying out its Biodiversity duties. The Biodiversity Report was attached as an appendix. Derek Oliver was heard in amplification of the report after which there was a general discussion on this matter.		
Decision		
(a) To approve the appended report as the Council's Third Statutory Biodiversity Report 2017-20;		
(b) Agree to the publication of the Third Statutory Biodiversity Report on the Council's website as well as providing the Scottish Government with a copy; and		
(c) To refer the report to the Performance, Review and Scrutiny Committee for consideration.		
Action		
Chief Officer: Place		

Agenda No.	Report Title	Presented by:
5.2	Adult Health and Social Care Performance Report Quarter Two 2020/21	The Joint Director, Health and Social Care
Outline of report and summary of discussion		
The Adult Health and Social Care Performance Report Q2 2020/21 was submitted. The Joint Director, Health and Social Care highlighted the progress in the delivery of strategic outcomes and summary of the emerging challenges as detailed within the report and thereafter answered questions raised by Elected Members.		
Decision		
Noted the content of the report		

Agenda No.	Report Title	Presented by:
5.3	Children's Services, Partnership and Communities Performance Report Quarter Two 2020/21	Executive Director/Chief Officer, Children's Services, Partnerships and Communities
Outline of report and summary of discussion		
The Children's Services, Partnership and Communities Performance Report Quarter Two 2020/21 was submitted. The Executive Director as well as the Chief Officer Children, Young People and Partnerships highlighted the progress in the delivery of strategic outcomes and summary of the emerging challenges as detailed within the report and thereafter answered questions raised by Elected Members.		
Decision		
Noted the content of the report		

Agenda No.	Report Title	Presented by:
5.4	Corporate Solutions - Performance Report Quarter Two 2020/21	Executive Director: Place
Outline of report and summary of discussion		
The Corporate Solutions Performance Report Quarter Two 2020/21 was submitted. The Executive Director: Place highlighted the progress in the delivery of strategic outcomes and summary of the emerging challenges as detailed within the report and thereafter answered questions raised by Elected Members.		
Decision		
Noted the content of the report		

Agenda No.	Report Title	Presented by:
5.5	Education - Performance Report Quarter Two 2020/21	Executive Director: Children's Services, Partnerships and Communities
Outline of report and summary of discussion		
The Education, Performance Report Quarter Two 2020/21 was submitted. The Executive Director: Place highlighted the progress in the delivery of strategic outcomes and summary of the emerging challenges as detailed within the report and thereafter answered questions raised by Elected Members.		
Decision		
Noted the content of the report		

Agenda No.	Report Title	Presented by:
5.6	Place - Performance Report Quarter Two 2020/21	Executive Director: Place
Outline of report and summary of discussion		
The Place, Performance Report Quarter Two 2020/21 was submitted. The Executive Director: Place highlighted the progress in the delivery of strategic outcomes and summary of the emerging challenges as detailed within the report and answered questions raised by Elected Members.		
Decision		
Noted the content of the report.		

Agenda No.	Report Title	Presented by:
5.7	Midlothian Council Report Quarter 2 20/21	Chief Executive
Outline of report and summary of discussion		
The Midlothian Council Report Quarter Two 20/21 was submitted. The Chief Executive was heard in amplification of the report during which she sought approval to the proposal that the Q3 and Q4 reports were jointly submitted to Cabinet at the appropriate meeting thereby allowing the best use of Officers in the interim period particularly in view of the ongoing Covid-19 situation after which she answered questions raised by Elected Members.		
Decision		
(a)To agree that the Q3 and Q4 reports were jointly submitted to Cabinet at the appropriate meeting;		
(b)That this proposal also be considered at the forthcoming meeting of the Performance Review and Scrutiny Committee; and		
(c)To otherwise note the content of the report.		

Exclusion of Members of the Public

In view of the nature of the business to be transacted, the Cabinet agreed that the public be excluded from the meeting during discussion of the undernoted items, as contained in the Addendum hereto, as there might be disclosed exempt information as defined in paragraph 1 of Part I of Schedule 7A to the Local Government (Scotland) Act 1973:-

Agenda No	Report Title	Presented by:
6.1, 6.2 and 6.3	Education Appointment Committees	Executive Director: Place
Decision		
Noted the undernoted appointments:		
(a) That the post of Depute Head Teacher, Beeslack Community High School be offered to J. MacWhirter.		
(b) That the post of Head Teacher, Gore Glen Primary School be offered to A. Milne.		
(c) That the post of Head Teacher, Mayfield Primary School be offered to L Walker.		

The meeting terminated at 12.30pm.

Minute of Meeting



Audit Committee

Date	Time	Venue
Tuesday 8 December 2020	2.00 pm	Virtual Meeting by MS Teams

Present:

Mike Ramsay (Independent Chair)
Councillor Cassidy
Councillor Hardie
Councillor Milligan
Councillor Parry
Councillor Smaill
Mr Peter de Vink, Independent Member

In attendance:

Grace Vickers	Chief Executive
Kevin Anderson	Executive Director Place
Fiona Robertson	Executive Director Children, Young People and Partnerships
Gary Fairley	Chief Officer Corporate Solutions
Jill Stacey	Chief Internal Auditor
Stephen Reid	External Auditor, E.Y.
Chris Lawson	Service Manager, Waste, Risk and Resilience
Alan Turpie	Monitoring Officer
Myra Forsyth	Continuous Improvement Manager
Gordon Aitken	Democratic Services Officer

1. Welcome and Apology

The Chair, Mike Ramsay welcomed everyone to the meeting. An apology for absence was intimated on behalf of Councillor Muirhead.

2. Order of Business

It was noted the order of business was as per the agenda circulated.

3. Declarations of interest

No declarations of interest were received.

4. Minutes of Previous Meetings

- 4.1 The Minute of the meeting of 12 October 2020 was submitted and approved as a correct record having been proposed by Councillor Cassidy, seconded by Councillor Hardie.

With reference to the foregoing Minutes, it was noted that Councillor Smail had raised the issue of digital signatures with regard to contract valuations and whilst appreciating that this matter would be covered within a report by the Chief Officer: Corporate Solutions later on within today's Agenda, requested that this point be recorded within the Minutes of the meeting held on 12 October 2020.

- 4.2 The Action log was submitted and having received updates on various action points detailed therein, the Committee agreed in line with Action Point 7 that future Council reports with a financial element relevant to Audit Committee matters would continue to be circulated to Independent Members of the Committee.

5. Public Reports

Report No.	Report Title	Presented by:
5.1	Internal Audit Work to October 2020	Chief Internal Auditor
Outline of report and summary of discussion		
<p>The purpose of the report was to provide members with details of the recent work carried out by Internal Audit and the findings and recommended audit actions agreed by Management to improve internal controls and governance arrangements. The Internal Audit Annual Plan 2020/21 was approved by the Audit Committee on 10 March 2020. Internal Audit had carried out work associated with the delivery of the Plan to meet its objective of providing an opinion on the efficacy of the Council's risk management, internal control and governance.</p> <p>An Executive Summary of the final Internal Audit assurance reports issued, including audit objective, findings, good practice and recommendations (where appropriate), and the Chief Internal Auditor's independent and objective opinion on</p>		

the adequacy of the control environment and governance arrangements within each audit area, was shown in an Appendix to the report.

The Chief Internal Auditor was heard in amplification of the report after which there was a general discussion on the content of this report.

Decision

The Audit Committee agreed –

(a) To note the Executive Summaries of the final Internal Audit assurance reports issued;

(b) To note the Internal Audit Assurance Work in Progress and Internal Audit and Other Work

(c) To acknowledge the assurance provided on internal controls and governance arrangements in place for the areas covered by this Internal Audit work.

Action

Chief Internal Auditor

Report No.	Report Title	Presented by:
5.2	Internal Audit Mid-Term Performance Report 2020/21	Chief Internal Auditor

Outline of report and summary of discussion

The purpose of the report was to inform the Committee of the progress Internal Audit had made, in the first 6 months of the year to 30 September 2020, towards completing the Internal Audit Annual Plan 2020/21. It also summarised the statutory obligations for Internal Audit and requirements of the Public Sector Internal Audit Standards.

The Internal Audit Annual Plan 2020/21 that was approved by the Audit Committee on 10 March 2020 set out the audit coverage for the year utilising available Internal Audit staff resources to enable the Chief Internal Auditor, as the Council's Chief Audit Executive (CAE), to provide the statutory annual internal audit opinion regarding the adequacy and effectiveness of internal control within the Council.

The report provided details of the half yearly progress by Internal Audit with its programme of work and highlighted changes that required approval to reflect the changing risks arising from Covid-19.

The Chief Internal Auditor was heard in amplification of the report after which there was a general discussion on the content of this report.

Decision

The Committee agreed:

(a) To note the progress Internal Audit has made with activity in the Internal Audit Annual Plan 2020/21 by the mid-year point;

(b) To acknowledge the audit planning work undertaken to reassess potential changes in light of the Council response to the Covid-19 pandemic to reflect the changing risks arising from Covid-19; and

(c) To approve the revisions to the Internal Audit Annual Plan 2020/21.

Action
Chief Internal Auditor

Report No.	Report Title	Presented by:
5.3	Risk Management Update, Quarter 2 2020/21	Service Manager – Waste, Risk and Resilience

Outline of report and summary of discussion

The purpose of the report was to provide Committee with an update on the risk responses Midlothian Council has had to implement during quarter 2 2020/21 to respond to the current risk climate. The Service Manager – Waste, Risk and Resilience was heard in amplification of the report after which there was a general discussion on this during which it was noted:

- That a more detailed assessment of the likely impact of Brexit would be included within a report to be submitted to Council in the new year and that this information also be provided independently to members of the Audit Committee
- That a Briefing Session for elected Members to be held in the new year on the likely impact of Brexit also be extended to members of the Audit Committee

Decision

The Committee agreed:-

(a) To note that further details on the likely impact of Brexit would be provided to Committee in the new year;

(b) That members of the Audit Committee be invited to any Briefing Session to be held on the likely impact of Brexit; and

(c) To note the current risk landscape and organisational responses to the most significant risks prevailing at this time as contained within the report.

Action

Executive Director: Place

Report No.	Report Title	Presented by:
5.4	Annual Audit Plan – Update on External Audit Fees	Chief Officer Corporate Solutions

Outline of report and summary of discussion

The purpose of the report was to update Committee of the final position regarding audit fees for the year 2019/20. The report noted that the expected fee for each body, set by Audit Scotland, assumed that it had sound governance arrangements in place and operating effectively throughout the year, prepared comprehensive and accurate draft financial statements and met the agreed timetable for the audit.

It also noted that the expected fee assumed there was no major change in respect of the scope of work in the year and that fees could be agreed between the auditor

and audited body by varying the auditor remuneration by up to 10% above the level set, for example, where significant local issues required additional work to be undertaken.

The report advised that EY had outlined areas of additional audit focus this year which were likely to have an impact on the expected fee, including around the Council's review of loans fund accounting, PPP accounting, accounting for IFRS 16 and their follow up of findings within the Best Value Assurance Report. The audit plan noted that any fee variation would also depend on the progress made by the Council in addressing the matters raised in the 2018/19 Annual Audit Report and Best value Assurance report and that where further additional work is required, fees will be agreed with management and reported to the Audit Committee in the 2019/20 Annual Audit Report.

As outlined by EY in their Annual Audit Report, given the circumstances and to be pragmatic and flexible this year EY delayed the planned Best Value Follow up to the next financial year, subject to the planning arrangements being agreed for the 2020/21 audit. Accordingly the indicative additional fees of £12,600 associated with this work, which would have brought the total fee to £244,590, had also been deferred. The Chief Officer: Corporate Solutions was heard in amplification of the report after which there was a general discussion on this matter.

Decision

The Committee agreed:-

(a) To note the update on the position in respect of external audit fees for the year; and

(b) To thank EY for their Annual Audit Report.

Action

Chief Officer: Corporate Solutions

Report No.	Report Title	Presented by:
5.5	Annual Governance Statement – Financial Improvement Update	Chief Officer Corporate Solutions

Outline of report and summary of discussion

The purpose of this report was to provide a first update on financial related improvement actions as set out in the 2019/20 Annual Governance Statement which in turn enhanced compliance with the Council's Local Code of Corporate Governance. The Chief Officer Corporate Solutions was heard in amplification of the report during which he highlighted that significant progress had been made in terms of the improvement actions agreed and in addition noted that other improvement actions were agreed during the year in order to enhance compliance with the Local Code of Corporate Governance.

The report advised that compliant arrangements had now been put in place for 35 of the contracts which had expired. This included migrating the provision of services/commodities to national framework arrangements, through Scotland Excel, Scottish Government or other organisations who had already secured arrangements through extensive procurement exercises

The report also highlighted that whilst progress on the engagement with Scotland Excel had been hampered by the pandemic the Council was now seeking to conclude an arrangement aimed at securing the capacity and skills to take forward a range of key actions and also learning from the approach developed with Fife Council. The priority areas for this included:-

- To provide a route map to fully develop contract and supplier monitoring across all Council services to ensure that the Council can consistently demonstrate delivery of value for money.
- To undertake a strategic evaluation of the current arrangements, including capacity and skills, for Procurement and provide advice on the requirements needed to meet the Council's expectation in an effective and efficient manner going forward.
- Review the latest Scotland Excel PCIP assessment and re-evaluate the actions identified and develop a plan to secure improvement in preparation for the next PCIP assessment.
- Develop a Quality Assurance arrangement to ensure the necessary improvement actions are being implemented and to continuously improve this service area.

The report also noted that the Quarter 2 performance report confirmed that 29 of 39 internal/external audit actions in respect of Corporate Solutions were on target (20) or complete (9).

There followed a general discussion on this matter during which the following points were noted:

- That the 3 contracts referred to by Councillor Smaill which were no longer required had actually expired and therefore should have been removed from the list
- Concerns raised by Councillor Cassidy on the need to ensure a process that allowed a "bottom up" review of procedures to allow staff to have the opportunity to highlight potential areas of waste or improvement. In response to this point, the Chief Executive confirmed that the Council was currently working with nesta to explore such areas which would include receiving independent feedback from members of staff. The importance of the MAD Ideas Group as well as the Whistleblowing procedure were also highlighted as useful mechanisms for identifying potential savings/ staff feedback.
- That consideration would be given to extending existing arrangements for staff consultation to involve the cross party portfolio holders.

Decision

The Committee agreed:

- (a) To note the update on the financial related improvement actions as set out in the 2019/20 Annual Governance Statement which in turn enhanced compliance with the Council's Local Code of Corporate Governance; and
- (b) To note that further discussion would take place on potential methods of including elected members in staff consultation exercises.

Action
Executive Director: Place/ Chief Officer Corporate Solutions

Report No.	Report Title	Presented by:
5.6	Treasury Management Mid-Year Review Report 2020/21	Chief Officer Corporate Solutions

Outline of report and summary of discussion

The purpose of the report was to provide audit committee with the opportunity to consider the report before it was then presented to Council. The report informed members of the Treasury Management activity undertaken during the first half of 2020/21, the forecast activity for the second half of 2020/21 and an update to the Treasury and Prudential Indicators for 2020/21. The main points arising from treasury activity in the year to 30 September 2020 were:-

- Taking advantage of the historically low PWLB rates and the HRA discounted rate in the first half of the year, a new £15.000 million long term loan was sourced from PWLB on 28 April 2020 with a 46.5 year tenor at a fixed interest rate of 1.17%;
- Long term borrowing of £0.552 million matured, this being £0.319 million of Market Loans, £0.183 million of Salix loans and £0.020 million PWLB Annuities;
- Three short term investments beyond a duration of 1 year were placed:-
 - £13.000 million fixed term deposit for 2.5 years, placed with London Borough of Croydon on 3 April 2020, earning an interest rate return of 1.85% per annum;
 - £2.000 million fixed term deposit for 3 years, placed with Stoke on Trent City Council on 6 April 2020, earning an interest rate return of 1.60% per annum;
 - £15.000 million fixed term deposit for 2 years, placed with London Borough of Waltham Forest on 30 April 2020, earning an interest rate return of 1.25% per annum;
- One short-term investment of £30.000 million with Bank of Scotland matured on 26 June 2020. This short-term investment was originally placed on 26 June 2019 for a period of 1 year at a fixed interest rate of 1.25%;
- The Scottish Government provided upfront funding to local authorities to support a range of grant schemes, in particular schemes to support local businesses. This, in addition to advanced Revenue Support Grant payments and Early Years Capital Grant payments in the spring/summer, has resulted in a large increase in investment balances and the level of temporary borrowing reduced to nil;
- The average interest rate earned on external investments was 1.05%, exceeding the benchmark rate of 0.41%.

The Chief Officer: Corporate Solutions was heard in amplification of the report after which there was a general discussion on this matter during which both Councillor Smaill and Peter de Vink raised concerns over the £13.000 million fixed term

deposit for 2.5 years, placed with London Borough of Croydon on 3 April 2020 referencing that the Chief Financial Officer of the Council has issued a S114(3) Notice. It was the view of both Councillor Smaill and Peter de Vink that a suspension of further investments with approved counterparties as detailed in the permitted investment schedule be put in place until a review of this decision had been carried out.

The Chief Officer: Corporate Solutions advised that whilst London Borough of Croydon had issued two section 114(3) notices, there was no evidence to suggest that the deposit placed with Croydon was at risk. The Chief Officer, Corporate Solutions reiterated that counterparty risk is very low for deposits placed with other local authorities as this is considered UK Government debt and there was no risk to value.

In summing up the Chair stated that the Treasury Management report be amended to comment further on the Croydon situation and to remove the request for the changes to the authorised limit for borrowing before it goes to Council as the recommendations of the Committee

Decision

The Audit Committee agreed:

- (a) To note the report and the treasury activity undertaken in the period to 30 September 2020, as outlined in Section 5, subject to additional information in respect of the fixed term deposit with Croydon being included before the report was presented to Council
- (b) To note the forecast activity during the second-half of the year as outlined in Section 6; and
- (c) That the changes to the authorised limit for borrowing as detailed within Section 7 of this report be removed before being presented to Council.

Action

Chief Officer: Corporate Solutions

6. Private Reports

No private reports were submitted.

7. Date of Next Meeting

The next meeting will be held on Tuesday 26 January 2021 at 11am

The meeting terminated at 1.15pm.