

# Notice of Meeting and Agenda



## Midlothian Council

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

**Date:** Tuesday, 01 October 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.

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**1 Welcome, Introductions and Apologies**

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**2 Order of Business**

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

**3 Declaration of Interest**

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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**

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None

**5 Minutes**

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Minute of Meeting of Midlothian Council of 20 August 2019 submitted for approval as a correct record.

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

Minute Volume Index 5 - 6

**6 Questions to the Council Leader**

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None

**7 Motions**

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**7.1** Motion by Councillor Muirhead, seconded by Councillor Hackett 7 - 8

**7.2** Motion by Councillor Alexander, seconded by Councillor Parry 9 - 10

**8 Public Reports**

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**8.1** Medium Term Financial Strategy Update - Report by Head of Finance and Integrated Service Support 11 - 28

**8.2** Penicuik A701 School - Head of Property and Facilities Management 29 - 40

**8.3** Update on the Midlothian Early Action Partnership (MEAP) and the 100 Day Challenge - Report by Head of Children's Services 41 - 74

<b>8.4</b>	Publication of the Local Authority's Spending of over £500 - Report by Director, Resources	75 - 78
<b>8.5</b>	UK Exit from the European Union Update - Report by Risk Manager	79 - 84
<b>8.6</b>	Town Centre Capital Fund 2019/20 Projects - Report by Director, Education, Communities and Economy	85 - 100

## **9 Private Reports**

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(A) TO CONSIDER RESOLVING TO DEAL WITH THE UNDERNOTED BUSINESS IN PRIVATE IN TERMS OF PARAGRAPH 6 OF PART 1 OF SCHEDULE 7A TO THE LOCAL GOVERNMENT (SCOTLAND) ACT 1973 - THE RELEVANT REPORTS ARE THEREFORE NOT FOR PUBLICATION; AND

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

### **9.1** Mayfield Town Centre Regeneration Update - Report by Director, Education, Communities and Economy

- 6. Information relating to the financial or business affairs of any particular person (other than the authority).

### **9.2** Millerhill Low Carbon District Heating Project: Procurement Update - Report by Head of Property and Facilities Management

- 6. Information relating to the financial or business affairs of any particular person (other than the authority).

## **10 Date of Next Meeting**

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The next meeting will be held on Tuesday 12 November 2019 at 11.00 am





# Midlothian Council Minute Volume



**Presented to the Meeting  
of Midlothian Council  
on Tuesday, 01 October 2019**

## **1 Minutes of Meetings submitted for Approval**

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Midlothian Council 20 August 2019	3 - 18
Special Midlothian Council 10 September 2019	19 - 22

## **2 Minutes of Meetings submitted for Consideration**

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

Petitions Committee 19 March 2019	23 - 26
Local Review Body 16 April 2019	27 - 30
General Purposes Committee 14 May 2019	31 - 34
Police and Fire and Rescue Board 3 June 2019	35 - 40
Performance, Review and Scrutiny Committee 11 June 2019	41 - 48
Planning Committee 18 June 2019	49 - 56
Community Asset Transfer Committee 19 June 2019	57 - 62
Special Cabinet 25 June 2019	63 - 66
Business Transformation Steering Group 5 August 2019	67 - 70
Business Transformation Steering Group 19 August 2019	71 - 76
Business Transformation Steering Group 2 September 2019	77 - 80

## **3 Minutes of Meetings submitted for Information**

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

Midlothian Integration Joint Board 13 June 2019	81 - 90
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# Midlothian Council

## Labour Group

**Midlothian Council**  
**Tuesday 1 October 2019**

Midlothian Council  
Tuesday 1 October 2019  
Item No 7.1

### **Notice of Motion**

Midlothian Council Labour Group moves as follows:

Edinburgh and South East of Scotland City Region Deal Joint Committee –  
replace Cllr Milligan with Cllr Imrie

CoSLA Health and Social Care Board – replace Cllr Milligan with Cllr Russell

Moved:



**Councillor Jim Muirhead**

Seconded:



**Councillor John Hackett**





**SNP Group**

**Notice of Motion**

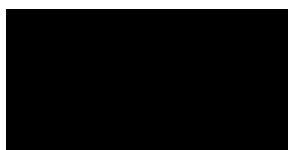
Midlothian Council congratulates Glasgow University my Alma Mater in making the “bold, moral and historic” first step in what is thought to be the first attempt by a British university to set up a programme of restorative justice.

Glasgow University discovered last year it had benefited financially from the transatlantic slave trade by between £16.7m and £198m in today's money. The pledge is to raise £20m for a joint centre for development research in the West Indies.

The final ceremony for the signing of this agreement took place on the 23rd of August, the International Day for the Remembrance of the Slave Trade and its Abolition commemorating the uprising in Santiago Domingo ( today Haiti and the Dominican Republic) that was the beginning, and would play a crucial role in the abolition of the transatlantic slave trade

Proposed By: Councillor Dianne Alexander

Seconded By: Councillor Kelly Parry



16 September 2019



## Medium Term Financial Strategy - Update

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

#### 1 Purpose of Report

The purpose of this report is to update Council on the Medium Term Financial Strategy and specifically the progress with recommendations since the last report on 25 June 2019.

#### 2 Background

On 25 June 2019, on a recommendation from the Business Transformation Steering Group, Council approved the following amendment:

- a) *Approve the first iteration of the Medium Term Financial Strategy as appended to the report and in doing so;*
  - i) *Specifically approve the resource allocation measures in respect of 2020/21 numbered 1 to 10, 12, 16, 17, 19, 20, 23, 24, 28, 30, 36a, 38, 39 and 41 to 43 in appendix 2 to the Medium Term Financial Strategy totalling £7.088 million;*
  - ii) *Agree in principle, subject to further engagement with communities, on the detail of the remaining resource allocation measures summarised in table 1 and as set out in appendix 2;*
  - iii) *Remit to the next meeting of BTSG to review and report back on the provision of music tuition;*
  - iv) *Instruct the Chief Executive to report back to Council on 1 October 2019 on remaining resource allocation measures;*
  - v) *Note all 6 of the elected members on the BTSG will participate in further engagement activity and;*
  - vi) *Instruct officers to fully develop (where necessary) at pace and also proceed to implementation at pace the approved measures;*
- b) *Delegate to the cross party Business Transformation Steering Group the next phase of the development of the Medium Term Financial Strategy, to identify measures to address the remaining budget gaps for 2021/22 and 2022/23 with further proposals reported back to Council on 1 October 2019;*
- c) *Note the position in respect of the Scottish Government Grant Settlement as set out in section 4.1 and note that Business Transformation Group endorsed the central planning assumption of a 2% per annum reduction in grant settlements at a national level;*
- d) *Note the key assumptions and budget gaps as set out in section 4.4 and endorse the key assumptions on which the budget is based;*

- e) *Note the continuing uncertainties and the potential impact as outlined in the differing scenarios as set out in section 4.5;*
- f) *Note that the first iteration of the Medium Term Financial Strategy sets out options which would support delivery of a balanced budget 2020/21 and which contributes to addressing the medium term financial challenge;*
- g) *Note the requirement to delegate resources to the Midlothian Integrated Joint Board and agree the Council advise the MIJB of the updated projections for later years as set out in table 5 and that discussions continue with officers of the MIJB to secure a sustainable strategy for the delivery of delegated services which can be delivered within the proposed resource allocation;*
- h) *Note the governance arrangements set out in section 6 and approve the proposed timetable set out in table 6 which provides for a update on the Medium Term Financial Strategy to Council on 1 October 2019;*
- i) *Note the severity of the financial challenge and also the risks as set out in section 7.2 and;*
- j) *Otherwise note the content of the report.*

At the time of writing, the Business Transformation Steering Group has met on four occasions since 25 June 2019 and will meet again on 30 September 2019 prior to Council. This report provides an update from these Business Transformation Steering Group meetings on:

- Proposals for further engagement with communities;
- A report back on music tuition;
- The position with the resource allocation measures approved in principle only;
- Progress with development and implementation of the approved measures; and
- Progress to date by Business Transformation Steering Group on the Medium Term Financial Strategy, specifically to identify measures to address the remaining budget gaps.

It also provides Council with an update on Scottish Government grant settlement and other key assumptions.



### **3 Update from Business Transformation Steering Group**

#### **3.1 Further Engagement with Communities**

On 19 August 2019 having heard from the Strategic Service Redesign Manager of the views of the Political Groups, Business Transformation Steering Group agreed to proceed with an online survey for the next phase of consultation but also make provision for residents who could not complete this online.

#### **3.2 Music Tuition**

On 19 August 2019 Business Transformation Steering Group considered an update on Music Tuition noting that the service will have a projected overspend of £225,000 and that a 'twin track' approach had been adopted for the music tuition program in line with the budget decision. Firstly to create a working group of parents, young people, staff and community members to explore increased uptake, sponsorship, fundraising and instrument donations. Secondly to find ways to reduce the projected overspend.

It was agreed that as the Education budget was reporting a net underspend that music tuition staff would not require to undergo a formal service review but the service would be closely monitored and that the Strategic Service Redesign Manager would continue to work with parents to look at different ways in delivering and promoting the service.

#### **3.3 Implementation Progress**

Work is ongoing, overseen by the Business Transformation Board, to develop and implement the approved resource allocation measures. At the BTB meeting on 28 August 2019 the service dashboards included progress updates for the Medium Term Financial Strategy measures which indicate the majority and at an early stage. At this point there is no change to the measures or the savings attached to them. The Business Transformation Board will provide a means to ensure proposals are fully developed and implemented at pace.

#### **3.4 Measures to Address the Remaining Budget Gap**

A number of the proposed resource allocation measures set out as part of the 25 June 2019 report were agreed in principle only. This report asks Council, on the recommendation of BTSG, to move the in principle decisions as shown in appendix 1 to full approval in order to enable officers to commence implementation.

Furthermore BTSG recommends that the remaining in principle decision, excluding the delivery of creative arts in a different way (in view of section 3.2) and free primary 4 swimming, as detailed in appendix 2 be subject of further consultation with communities.

Reflecting the BTSG recommendation the summary position would be as follows.

**Table 1: Summary of Resource Allocation Measures including BTSG recommendation – 1 October 2019**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Budget Gaps	<b>4.636</b>	<b>10.935</b>	<b>18.844</b>
<b>Approved 25/06/2019</b>			
Working With You, For You	0.540	0.540	0.540
Preventative and Sustainable	0.165	0.195	0.525
Efficient and Modern	3.306	4.714	5.122
Innovative and Ambitious	0.763	0.979	0.901
<b>Total</b>	<b>4.774</b>	<b>6.428</b>	<b>7.088</b>
<b>Recommendation 01/10/2019 (Appendix 1)</b>			
Working With You, For You	0.000	0.100	0.200
Preventative and Sustainable	0.000	0.000	0.000
Efficient and Modern	0.000	1.075	1.300
Innovative and Ambitious	0.000	0.510	0.810
<b>Total</b>	<b>0.000</b>	<b>1.685</b>	<b>2.310</b>
<b>Agreed in Principle (Appendix 2)</b>			
Working With You, For You	0.000	0.533	0.814
Preventative and Sustainable	0.075	0.120	0.120
Efficient and Modern	0.000	0.000	0.000
Innovative and Ambitious	0.000	0.000	0.000
<b>Total</b>	<b>0.075</b>	<b>0.653</b>	<b>0.934</b>
<b>Remaining Budget Gaps</b>	<b>(0.213)</b>	<b>2.169</b>	<b>8.512</b>

The new budget gap of £8.512 million for 2022/23 equates to 4% of projected net expenditure for 2022/23.

The Business Transformation Steering Group is continuing its consideration of resource allocation measures to address the remaining budget gap. At the time of writing it has received an overview of saving measures implements across Scotland for 2017/18 and 2018/19 together with examples from English Councils.

In their Annual Report for 2018/19 EY, the Council's appointed Auditor, in respect of financial sustainability, noting the following:

*"In July 2019, the Accounts Commission drew attention to the significant cumulative funding gap the Council had identified in the three years to 2022/23. The Council has made significant progress to address the financial*

*pressures, including the approval of a Medium Term Financial Strategy in June 2019. The remaining projected budget gap to 2022/23 has reduced from almost £19 million to £8.3 million.*

*Any failure to deliver savings in 2019/20 will result in the Council breaching the minimum level set out within it's Reserves Strategy. Collective political leadership is vital. All 18 elected members must work consistently together to agree and implement the additional savings required to underpin the Council's long term financial sustainability."*

Noting that Business Transformation Steering Group meets again 30 September 2019 a verbal update and or recommendations from that meeting will be provided to Council on 1 October 2019.

## **4 Principal Planning Assumptions**

### **4.1 Scottish Government Grant Settlement**

On 4 September 2019 the Chancellor of the Exchequer set out UK departmental spending plans for 2020/21. The plans indicate a £13.8 billion real terms growth in day to day departmental spending compared to the current year.

The Barnett consequential to Scottish Government amount to a £1.1 billion increase in resource departmental expenditure limits, which equates to 2.1% real terms growth.

The UK government's spending round report states that *"the settlements ensure that the devolved administrations have the means to grow the economy, spend more on public services and support people across Scotland, Wales and Northern Ireland"*.

On the face of it the UK settlement should provide the Scottish Government with increased spending power for 2020/21 and in turn give some flexibility to fund for a more beneficial settlement to local government. However other aspects of the Scottish budget will likely somewhat dampen any improvement in the relative position for local government.

Revisions to Scottish and UK income tax revenues lead to a negative reconciliation of £0.2 billion in relation to 2017/18 and this is applied in 2020/21 so reducing the Scottish budget by £0.2 billion.

Scottish Government has already committed to passing the Barnett consequential of extra NHS funding to the Scottish NHS. This accounts to £0.6 billion of the Barnett consequential.

For 2020/21 the Scottish Government has significant new commitments, which for local government alone amount to £0.5 billion <sup>(i)</sup> with further commitments set out in the Scottish Government programme for Scotland.

The Cabinet Secretary for Finance, Economy and Fair Work has stated that *“the UK spending round has failed to provide the certainty needed to prepare for the future of the Scottish budget.... Until we have a full UK budget we will not have the certainty we need to prepare for the future of the Scottish budget”*.

In summary the Barnett consequential of the UK spending round 2019 will boost the resources available to Scottish Government and despite the existing additional spending commitments there is the opportunity for the 2020/21 local government core settlement to be better than the current central planning assumption.

However given the continued uncertainty I would recommend that it is prudent to continue to plan on the basis of the central planning assumption with the opportunity to revisit the 2020/21 resource allocation measures once the actual settlement is known towards the end of this calendar year.

(i) [COSLA response: Local Government and Committee Council September 2019.](#)

## **4.2 Projected Net Cost of Services**

At this point there is no change in the projections from those reported on 25 June 2019. Work continues to review and update projections based on the latest information available in particular school rolls, care demographics and the deliverability of previous year's savings.

Details of the net cost of services are set out in Appendix 2.

## **4.3 Sensitivity Analysis**

Given the level of uncertainty for future year grant settlements, pay awards and Council Tax policy table 2 provides a sensitivity analysis reflecting the potential impact of different scenarios for these key aspects of the budget.

Two alternative grant settlement scenarios have been modelled. A cash flat settlement and a 4% reduction, both at a national level. Alternative pay awards for 2021/22 and 2022/23 of 2% and 4% have been modelled. In terms of Council Tax policy the alternatives modelled are a zero increase and a 3% increase.

These allow the calculation of a range of variable outcomes relative to the budget gap after approved resource allocation measures. There are set out below

- A cash flat grant scenario;
- A more negative scenario (4% grant reduction, 4% pay awards and no Council tax increase);
- A more positive scenario (cash flat grant reduction, 2% pay awards).

**Table 2: Sensitivity Analysis – 1 October 2019**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Grant settlement</b>			
Cash flat settlement	(3.104)	(6.210)	(9.317)
4% cash reduction	3.104	6.210	9.317
<b>Pay Inflation</b>			
2% Pay Awards	-	(1.723)	(3.507)
4% Pay Awards	-	1.723	3.507
<b>Council Tax</b>			
Zero increase	2.448	5.017	7.712
3% increase	0.915	1.875	2.881

Central Planning Assumption after BTSG Recommendation	<b>(0.213)</b>	<b>2.169</b>	<b>8.512</b>
Cash Flat Scenario Gaps	(3.317)	(4.041)	(0.805)
Negative Scenario Gaps	5.339	15.119	29.048
Positive Scenario Gaps	(3.317)	(5.764)	(4.312)

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.

## **5 Next Steps**

### **5a Further Proposals**

This report asks Council, on the recommendation of BTSG, to move the in principle decisions as shown in appendix 1 to full approval in order to enable officers to commence implementation and that the remaining in principle decision as detailed in appendix 2 be subject of further consultation with communities.

Council is also asked to reaffirm delegation to the cross party Business Transformation Steering Group the next phase of the development of the Medium Term Financial Strategy, namely to identify measures to address the remaining budget gaps for 2021/22 and 2022/23. In doing so Council is asked to also recommend that further proposals from BTSG are reported back to Council on no later than 17 December 2019.

## 5b Midlothian Integration Joint Board

The position remains as reported on 25 June 2019. The Midlothian Integrated Joint Board (IJB) has still to consider the update projections and meantime dialogue continues with the Chief Officer and Chief Financial Officer of the IJB.

## 6 Governance and Timetable

Each element of the Medium Term Financial Strategy will continue to have clear governance in place to ensure the timely delivery of the work stream. All budget proposals continue to be reported through Business Transformation Steering Group and then to Council as appropriate. 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 proposed timetable set out in Table 3 would support the determination of the 2020/21 budget and Council Tax levels before the statutory date and specifically do so in the context of an approved Medium Term Financial Strategy.

**Table 3: Timetable – Key Events**

Date *	Event	Action
1 October 2019	Council	<ul style="list-style-type: none"><li>• BTSG to recommend to Council further measures for the MTFS.</li><li>• Approval of further of resource allocation measures.</li></ul>
late December 2019	Grant Settlement	<ul style="list-style-type: none"><li>• Assessment of grant settlement implications on budget.</li></ul>
17 December 2019	Council	<ul style="list-style-type: none"><li>• Consideration of update report.</li><li>• Report back from BTSG.</li></ul>
11 February 2020	Council	<ul style="list-style-type: none"><li>• Consideration of grant settlement report.</li><li>• Recommendations to set Council Tax and determine a budget for 2020/21.</li></ul>

*\*. Interim reports will be presented to Council as necessary.*

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 at the Council meeting on 11 February 2020 members would be required to disclose the fact if this section of the act applies to them and subsequently not vote on any question with respect to the matter.

## **7 Report Implications**

### **7.1 Resources**

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

### **7.2 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;
- The budget reductions attached to a number of the high value resource allocation measures set out in the Medium Term Financial Strategy which are at an early stage of development. To mitigate these risks all measures need to be fully developed and at pace, the budget impact fully assessed and implementation plans agreed by early autumn 2019;
- Given the nature of the savings measure incorporated in the Medium Term Financial Strategy 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;
- Actual school rolls exceeding those provided for in the budget;
- Learning Estate Strategy for schools being underfunded to meet statutory functions;
- Not achieving Early Years expansion of 1,140 hours and Scottish Government reclaiming funding;
- 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;
- Unplanned capital investment requirements and associated cost; and
- Ability to continue to meet the expectations of our communities within a period of fiscal constraint.



The Medium Term 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 resource allocation measures, 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 development of a Medium Term Financial Strategy is critical to enable Council to address the 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 2020/21 but which will addressed the projected medium term challenge. 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.

### **7.3 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

### **7.4 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 £215 million for the provision of services and the pursuit of key outcomes as set out in the Single Midlothian Plan.

### **7.5 Adopting a Preventative Approach**

An effective Medium Term Financial Strategy will support the prioritisation of resources to support prevention.

### **7.6 Involving Communities and Other Stakeholders**

As reported on 25 June 2019, a community consultation exercise was carried out during April and May 2019. The consultation plan was co-designed with representatives from the third sector, the local business community and the Midlothian Federation of Community Councils.

The comments and suggestions received during April/May 2019 were in addition to the 2000+ responses received during the 2019/20 budget consultation held between October 2018 and January 2019.



Business Transformation Steering Group has agreed to utilise an online summary to facilitate consultation on the finalisation of the Medium Term Financial Strategy.

In addition, there has been and will continue to be engagement with the recognised Trade Unions on the Council's financial position and the development of the Medium Term Financial Strategy.

## **7.7 Ensuring Equalities**

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

The Medium Term Financial Strategy 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.

Individual assessments of the resource allocation measures were published on 25 June 2019.

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.

## **7.8 Supporting Sustainable Development**

There are no direct sustainability issues arising from this report and we will work to mitigate any sustainability issues which arise as a consequence of the measures set out in the Medium Term Financial Strategy.

## **7.9 Digital Issues**

The adoption of digital solutions is a central strand of the Medium Term Financial Strategy.

## **8 Summary**

This report provides an update on the Medium Term Financial Strategy.

## **9 Recommendations**

BTSG recommends Council to:-

- a) Note the work undertaken by Business Transformation Steering Group between 25 June 2019 – 16 September 2019;

- b) To move the in principle decisions as shown in appendix 1 to full approval in order to enable officers to commence implementation;
- c) That the remaining in principle decision as detailed in appendix 2 be subject of further consultation with communities;
- d) To reaffirm delegation to the cross party Business Transformation Steering Group the next phase of the development of the Medium Term Financial Strategy, namely to identify measures to address the remaining budget gaps for 2021/22 and 2022/23 and in doing so Council is asked to also recommend that further proposals from BTSG are reported back to Council on no later than 17 December 2019; and
- e) Otherwise note the update.

**19 September 2019**

**Report Contact:**

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Appendix 1 - BTSG RECOMMENDATION TO APPROVE MEASURES AGREED IN PRINCIPLE ONLY

Appendix 2 - BTSG RECOMMENDATION FOR FURTHER CONSULTATION

Appendix 3 - NET COST OF SERVICES

## MTFS - BTSG RECOMMENDATION TO APPROVE MEASURES AGREED IN PRINCIPLE ONLY - 01 10 2019

Strand	Service	No. Proposal	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	FTE
Efficient and Modern	EDUCATION	11 Achieve revenue savings from the implementation of the Learning Estate Strategy	0.000	0.375	0.600	10.00
Efficient and Modern	EDUCATION	14 Bring Early Years funding into base budget allocation following the 1140 expansion in 2020	0.000	0.500	0.500	14.00
Efficient and Modern	CHS	18 Work with communities in order to encourage CAT of Non-Hub Libraries Services	0.000	0.200	0.200	7.70
<b>Efficient and Modern Total</b>			<b>0.000</b>	<b>1.075</b>	<b>1.300</b>	<b>31.700</b>
Innovative and Ambitious	PFM	21 Building Services Company	0.000	0.000	0.250	0.00
Innovative and Ambitious	PFM	22 Industrial Estate Expansion	0.000	0.100	0.100	0.00
Innovative and Ambitious	CO	25 Income Generation - Taxi Testing Service	0.000	0.060	0.060	0.00
Innovative and Ambitious	PFM	26 Income Generation - Vogrie Functions / Indoor Flexible market	0.000	0.050	0.100	0.00
Innovative and Ambitious	PFM	27 Income Generation Sport & Leisure	0.000	0.300	0.300	0.00
<b>Innovative and Ambitious Total</b>			<b>0.000</b>	<b>0.510</b>	<b>0.810</b>	<b>0.00</b>
One Council: Working with you , for you	P&FM	32				
		33 Work with Communities in order to establish more CAT arrangements for the management of halls and pavilions to community groups	0.000	0.100	0.200	0.00
<b>One Council: Working with you , for you Total</b>			<b>0.000</b>	<b>0.100</b>	<b>0.200</b>	<b>0.00</b>
<b>Total</b>			<b>0.000</b>	<b>1.685</b>	<b>2.310</b>	<b>31.70</b>

## MTFS - BTSG RECOMMENDATION FOR FURTHER CONSULTATION - 01 10 2019

Strand	Service	No. Proposal	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	FTE
One Council: Working with you , for you	P&FM	34 Work with Communities in order to establish a sustainable solution/CAT for Gorebridge Leisure Centre	0.000	0.108	0.108	5.00
One Council: Working with you , for you	P&FM	35 Work with Communities in order to establish a sustainable solution/CAT for Newtongrange Leisure Centre	0.000	0.119	0.119	3.58
One Council: Working with you , for you	CO	36 Work with Communities in order to establish a sustainable solution/CATfor Buccleuch Bowling Club	0.000	0.025	0.025	1.00
One Council: Working with you , for you	H&SC	37 Reduce funding to the Midlothian Community Policing Team	0.000	0.281	0.562	0.00
<b>One Council: Working with you , for you Total</b>		<b>Total</b>	<b>0.000</b>	<b>0.533</b>	<b>0.814</b>	<b>9.58</b>
Preventative and Sustainable	EDUCATION	40 Grow walking buses and cycling schemes in order to bridge the gap between 2-3 miles transport for Secondary pupils	0.075	0.120	0.120	0.00
<b>Preventative and Sustainable Total</b>		<b>Total</b>	<b>0.075</b>	<b>0.120</b>	<b>0.120</b>	<b>0.00</b>
		<b>Total</b>	<b>0.075</b>	<b>0.653</b>	<b>0.934</b>	<b>9.58</b>

## Appendix 3 - Net cost of services

**Table A: Budget Gaps 2020/21 to 2022/23 after 12 February 2019 decisions – 1 October 2019**

	2020/21	2021/22	2022/23
	£m	£m	£m
Net Cost of Services	214.704	223.080	233.191
Less: Council Tax	(54.435)	(58.004)	(61.699)
Less: Scottish Government Grant	(155.633)	(154.141)	(152.648)
<b>Budget Gaps</b>	<b>4.636</b>	<b>10.935</b>	<b>18.844</b>

The budget gap in 2020/21 equates 2.2% of the net cost of services and the projections indicate this could rise to 8% 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 2020/21 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 4.6% for 2020/21 and has the potential to rise to 23% by 2022/23.

Whilst the 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 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 at this time are 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 gaps set out in table A arise for the following reasons:

**Table B: Analysis of Budget Gaps – 1 October 2019**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Opening Gap	<b>0.000</b>	<b>4.636</b>	<b>10.935</b>
Pay Inflation and Salary Progression	5.394	5.368	5.553
Contractual Inflation	0.896	0.910	0.925
Utilities	0.070	0.071	0.073
Demographics: Care	1.040	1.040	1.040
Demographics: School Rolls	2.375	2.375	2.375
Demand pressures: Children	0.025	0.025	0.025
School Estate Investment	0.208	0.008	0.012
Waste Disposal Costs	0.000	0.112	0.129
Non Domestic Rates	0.128	0.131	0.134
Borrowing Costs	(0.123)	(0.007)	0.000
Scottish Government Grant	1.490	1.492	1.493
Council Tax Income - Properties	(1.000)	(1.000)	(1.000)
Council Tax Income – 4.79%	(2.448)	(2.569)	(2.695)
Full year effect of previous savings	(3.541)	(1.593)	(0.200)
Other Movements	0.122	(0.064)	0.045
<b>Closing Gap</b>	<b>4.636</b>	<b>10.935</b>	<b>18.844</b>

Reflecting the BTSG recommendation outlined in this report, the summary position would be as follows:

**Table C: Summary of Resource Allocation Measures including BTSG recommendation – 1 October 2019**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Budget Gaps	<b>4.636</b>	<b>10.935</b>	<b>18.844</b>
<b>Approved 25/06/2019</b>			
Working With You, For You	0.540	0.540	0.540
Preventative and Sustainable	0.165	0.195	0.525
Efficient and Modern	3.306	4.714	5.122
Innovative and Ambitious	0.763	0.979	0.901
<b>Total</b>	<b>4.774</b>	<b>6.428</b>	<b>7.088</b>
<b>Recommendation 01/10/2019 (Appendix 1)</b>			
Working With You, For You	0.000	0.100	0.200
Preventative and Sustainable	0.000	0.000	0.000
Efficient and Modern	0.000	1.075	1.300
Innovative and Ambitious	0.000	0.510	0.810
<b>Total</b>	<b>0.000</b>	<b>1.685</b>	<b>2.310</b>
<b>Agreed in Principle (Appendix 2)</b>			
Working With You, For You	0.000	0.533	0.814
Preventative and Sustainable	0.075	0.120	0.120
Efficient and Modern	0.000	0.000	0.000
Innovative and Ambitious	0.000	0.000	0.000
<b>Total</b>	<b>0.075</b>	<b>0.653</b>	<b>0.934</b>
<b>Remaining Budget Gaps</b>	<b>(0.213)</b>	<b>2.169</b>	<b>8.512</b>





**Penicuik A701 School****Report by Garry Sheret, Head of Property and Facilities Management****1 Purpose of Report**

The Purpose of this report is to notify members of Midlothian Council's success in obtaining commitment from Scottish Government to contribute funding support for a replacement school for Beeslack at the A701 site.

This report seeks governance from Council to establish a project team to develop the proposals further to allow the details of the design, cost and programme to be put in place.

**2 Background**

On the 4 July 2019, Dr Mary Smith' Director of Education and Communities' received a letter from Claire Hicks, Deputy Director, and Learning Directorate at Scottish Government. This letter was sent to all 32 local authorities inviting each authority to identify their priority project for funding support under the New Schools Investment Programme. A copy of the letter from Scottish Government is attached in **Appendix A**.

Due to the advanced status of Midlothian's Learning Estates Strategy, Midlothian Council were well positioned to respond to this invitation for funding. Out of 32 authorities 10 advised Scottish Government that they were not in a position to provide a priority project. 22 authorities submitted priority projects with 11 projects being successfully granted funding support.

Midlothian Council's submission for a replacement Beeslack (A701 School) was one of the 11 projects to be confirmed as being granted funding support. A copy of the letter from the Director of Education and Communities which outlines Midlothian Council's submission to government is attached in **Appendix B**.

As can be seen from the letter due to the learning estates strategy Midlothian Council officers were able to outline to Government a long term strategy and vision for the learning and teaching facilities in Penicuik.

The letter outlined the following strategy & vision for Penicuik which is in line with the learning estates strategy presented to Council previously:-

Once the A701 facility was complete children from Penicuik High School would be temporarily relocated to the old Beeslack Community High School building to enable Penicuik High School to be refurbished / replaced in part. The Beeslack Community High School (A701 School) provides us with a fantastic opportunity to improve the learning estate across Penicuik. On completion of the work at Penicuik High School the children would return to Penicuik High School allowing the existing Beeslack High School site to be master planned for much needed housing, returning a generous capital receipt to Midlothian Council which would be used to support the Council's significant capital investment plans.

The letter outlined the A701 project vision as:-

The replacement of Beeslack Community High School (A701 School) would allow Midlothian Council to build a new learning campus immediately adjacent to Edinburgh University's Easter Bush Campus. This new campus would become a specialist learning facility operated by Midlothian Council in partnership with Edinburgh University. This facility would not only support education delivery in the local area but act as knowledge centre and training campus to support and improve education delivery across Scotland. Our partnership with Edinburgh University would look to develop a knowledge base across building design, curriculum design and teaching methods that would be used to influence the wider programme and teaching content / delivery across Scotland. The impact of this project is wide ranging, and we have provided background papers in support of our application **(NB. these supporting papers are available to members in the members lounge).**

The letter identified the following strategic objectives from the project:-

In summary we believe the replacement of Beeslack Community High School (A701 School) creates the opportunity for the following strategic outcomes:-

1. The project would be the first phase in delivering an improved high school education campus in Penicuik.
2. Working in partnership with SFT / Scottish Government and University of Edinburgh we have an opportunity to develop a research base which will support both the programme and education in general with a continuous improvement model underpinned by solid research. This research would help to refine building design, STEM Curriculum and teaching methods (Three core areas).
3. In addition to the research outcomes the partnership with SFT / Scottish Government and University of Edinburgh will go on to support training and continuous improvement of each of the three core areas. As set out in our vision paper we aspire to teachers from across Scotland being able to attend the campus to be given the new STEM curriculum packs and shown the methods of teaching to support delivery of these packs in a controlled environment supported by staff from both the university of Edinburgh and Midlothian Council.
4. The project will act as the catalyst to economic development of the Straiton Corridor and we would be delighted to discuss this opportunity in more detail with economic development colleagues in Scottish Government.
5. The project will build on the success of the other community schools delivered across Midlothian Council's estate to deliver a facility that responds to the needs to our communities for now and the future.
6. We believe that working in partnership with the Edinburgh University's Carbon Institute, Midlothian Council can deliver low carbon solutions which are affordable and will help to inform the balance of the programme.
7. We believe we are at the forefront of digital enabled learning across Scotland through our Digital Centre of Excellence at Newbattle. We believe this project has the opportunity to build on this expertise to create a knowledge base / training facility to benefit Scotland as a whole.

Finally the letter outlined the Council's agreement to work together with Scottish Government and SFT to develop the new shared funding approach.

## 4 Report Implications

### 4.1 Resource

At this early inception stage the full resource implications of the project are not yet known. The funding model is a new mechanism which has been put in place by Scottish Government and the intention of the first 11 projects is to provide working examples of the funding mechanism which will go on to inform future projects.

It is however important that this initial report seeks governance to commence with the initial phase of the project supported by a project team with the experience to lead on this type of development.

To ensure that sufficient short term progress can be made it is requested that Council approve a provision of £0.500 million within the General Services Capital Plan to assist in the initial development of this project to enable a further report to be brought back to Council covering the key aspects of Design strategy, Outline budget and programme.

The structure of the latest round of Schools for the Future Funding has still to be fully developed but in summary Government are committing to funding the equivalent of 50% of the capital cost of the project. The funding mechanism is somewhat complicated given Government's aim to ensure that their contribution is only counted against the Government Revenue Department Expenditure Limit (R-DEL).

The mechanism adopted will require the Council to fully fund 100% of the capital expenditure through prudential borrowing with Government providing additional revenue funding over a 25 year period once the School is operational so in effect meeting the repayment of the borrowing associated with the 50% share.

At a national level the £1 billion of headline investment by the Government equates to a grant to Councils of £40 million per annum over a 25 year period.

Officers have been provided with a working copy of the SFT funding model spreadsheet which is being used to determine the financial implications and impact on the revenue budget of the project during both the construction phase and once the Government Grant becomes payable. The implications will be reflected in future reports regarding the A701 School, the Capital Strategy refresh and in turn the Council's Medium Term Financial Strategy.

There will also be additional revenue costs associated with the replacement school which will need to be assessed during the early stages of the project development.

### 4.2 Risk

It is necessary to highlight to Council the following key risks:-

#### **Budget / Funding**

Until such time as the outline budget and funding parameters have been established this remains a risk to the project. This cannot be resolved until such time as the funding model has been developed.

#### **Procurement Strategy**

Procurement is a risk to this project until such time as a procurement strategy is in place. This is one of the first tasks that the project team will undertake is to write a procurement strategy for the project.

## Planning Risk

The proposed site does not have outline planning consent and therefore this remains a risk to the project until such time as outline planning is in place. The project team will consider strategies to be put in place to mitigate this risk.

### 4.4 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

### 4.5 Key Priorities within the Single Midlothian Plan

This project supports the provision of suitable infrastructure in response to the learning estates strategy.

### 4.6 Impact on Performance and Outcomes

This work is a part of the Single Midlothian Plan's key priority of providing fit for purpose community schools to present every child with the opportunity to attend the school which serves their community and supports improvement in pupil attainment and achievement.

### 4.7 Adopting a Preventative Approach

Providing fit for purpose community schools to provide every child the opportunity to attend the school which serves their community supports the preventative approach by improving achievement and attainment of pupils and increasing their prospects of progressing onto positive destinations.

The project meets the following national and local outcomes and objectives:-

- National Outcome 04: Our Young people are successful learners, confident individuals, effective contributors and responsible citizens
- National Outcome 05: Our children have the best start in life and are ready to succeed.
- National Outcome 10: We live in well-designed places where we are able to assess the amenities and services we need
- National Outcome 15: Our public services are high quality, continually improving, efficient and responsive to local people's needs.
- Divisional Priority 1: Provide increased access to Education and Communities facilities and resources through the Divisional Estate Asset Management Plan.
- Divisional Priority 6: We aim to give children the best start in life and improve life chances of children, young people and families.
- Divisional Priority 7: provide opportunities for people to develop skills for learning, life and work with a continuous focus on literacy, numeracy, health and wellbeing.
- Divisional priority 11: Raise the profile of our services, people and communities through celebrating our achievements and successes.

#### **4.8 Involving Communities and Other Stakeholders**

This proposed project will involve significant stakeholder consultation. The appointment of the project team will allow a stakeholder consultation / engagement strategy to be developed.

#### **4.9 Ensuring Equalities**

At present no EQIA is in place for the project. The appointment of a project team will allow a suitable EQIA to be developed.

#### **4.10 Supporting Sustainable Development**

The proposal looks to create a sustainable learning estate within the Penicuik area in support of the Learning Estates Strategy.

#### **4.11 Digital Services Issues**

Digital Services implications are not yet known however these will be developed in consultation by project board / team once they are in place.

### **5 Recommendations**

It is recommended that Council:-

1. Note the Scottish Government's Commitment to fund the Beeslack A701 school project.
2. Note the content of the funding application letter and the strategic objectives contained therein.
3. Note the emerging funding model from Scottish Government and that further work is required to ascertain the financial implications for the Council and that a further report setting out the detail of the new funding model and its implications will be brought to Council as soon as the final details become clear.
4. Approve an initial capital expenditure budget for the development of the project in the General Services Capital Plan of £0.500 million in 2019/20.

#### **Report Contact:**

**Garry Sheret**                      **Tel No 0131 561 5249**

**E-mail** [Garry.Sheret@midlothian.gov.uk](mailto:Garry.Sheret@midlothian.gov.uk)

#### **Background Papers:**

Midlothian Council  
Midlothian House  
Buccleuch Street  
Dalkeith  
EH22 1DJ

Chief Executive  
Dr Grace Vickers

Midlothian

05 August 2019

**Private & Confidential**

Ms Clare Hicks  
Deputy Director  
Learning Directorate  
Scottish Government  
Victoria Quay  
EDINBURGH  
EH6 6QQ



Dear Ms Hicks

**A World-Class Centre of Excellence in STEM**

We thank you for your letter dated 04 July 2019 inviting local authorities to bring forward submissions for the initial phase of the Scottish Government's latest £1 Billion Schools Investment Programme.

Midlothian Council is ideally placed to support this initial phase of projects. In line with Government, Midlothian Council has developed its own Learning Estate Strategy which sets out the principles for our learning estate up to 2047. I attach a copy of our Learning Estate Strategy and confirm that this strategy has been approved by Council in May 2019 and is a core strand of the Council's approved Capital Strategy.

As you know we recently opened the Newbattle Digital Centre of Excellence and even in a short space in time this has shown to be innovative and sector leading attracting investment from university, college and the business sector. Midlothian Council has invested a significant amount of funding to ensure the Centre of Excellence continues to thrive. This proposal for the A701 is to create a Centre of Excellence in STEM in partnership with the University of Edinburgh adjacent to the Easter Bush Campus. We would like to propose Beeslack Community High School (A701 School) as our project for funding during the initial phase. We believe the strategic nature of this project is not only of local, but of national importance. This project, a Centre of Excellence in STEM education, in partnership with the University of Edinburgh, has the ability to significantly influence the wider programme delivery and STEM education in particular.

The site identified for the relocation of Beeslack Community High School, on the A701 Corridor, is immediately adjacent to the world renowned University of Edinburgh Easter Bush Campus and will provide the best possible location for a learning campus, drawing together the growing communities of Loanhead, Bilston, Roslin and Auchendinny.

This new campus would become a specialist learning facility operated by Midlothian Council in partnership with the University of Edinburgh. It will not only support education delivery in the local area but become a knowledge sharing school to support and improve education delivery across Scotland. Our partnership with the University of Edinburgh will look to





develop excellence in building design, curriculum design and pedagogy, which will influence learning and teaching across Scotland. The impact of this project is wide ranging, we have therefore attached the following paper in support of our application:-

- Copy of the project Flow chart which sets out in a diagrammatic manner the extent of the project.

We are currently in very positive discussions with our colleagues in the University of Edinburgh to look at how our partnership can be extended for the Beeslack Community High School (A701 School) and we will share further details with you in September.

Once this facility is delivered, children from Penicuik High School would temporarily relocate to the current Beeslack Community High School building, enabling Penicuik High School to be refurbished / replaced in part. The site at Penicuik is very constrained and would not allow the refurbishment / replacement works required to be undertaken with the children remaining on the same site. The Beeslack Community High School (A701 School) provides us with a unique opportunity to improve the learning estate across Penicuik. On completion of the work at Penicuik High School the children would return there, allowing the existing Beeslack High School site to be developed for much needed mixed tenure housing to meet growth demand in the area, returning a generous capital receipt to Midlothian Council which we would intend to use to reduce any debt for both the projects.

As can be seen from Midlothian Council's Learning Estate Strategy, we are making significant investment in our learning estate, however the projects at Beeslack Community High School (A701 School) and Penicuik High School have been identified within this document as projects that would not be possible to take forward unless we have specific funding support from Government. We appreciate that only one project is likely to be funded at this stage which is why we have made this application specifically for Beeslack Community High School. It is anticipated that Government would look favourably on future funding applications for Penicuik High School refurbishment.

### **Strategic Outcomes**

In summary, we believe the replacement of Beeslack Community High School (A701 School) creates the opportunity for the following strategic outcomes:

1. The project would be the first phase in delivering an improved high school education campus in the Penicuik area.
2. Working in partnership with SFT / Scottish Government and the University of Edinburgh we have an opportunity to develop a research base which will support both the programme and education in general, with a continuous improvement model underpinned by solid research. This research would help to refine building design, STEM Curriculum and pedagogies (Three core areas).
3. In addition to the research outcomes, Midlothian, in partnership with SFT / Scottish Government and the University of Edinburgh, will engage with teachers from across Scotland, face to face and through our Shared Learning Spaces digital solutions, developing the STEM curriculum and pedagogies.
4. The project will act as the catalyst to economic development of the Straiton Corridor and we would be delighted to discuss this opportunity in more detail with economic development colleagues within the Scottish Government.
5. The project will build on the success of the other community schools delivered across Midlothian Council's estate to include a facility that responds to the needs of our communities for now and the future.

6. We believe that working in partnership with academia, Midlothian Council can deliver low carbon solutions that are affordable and will help to inform the rest of the Scottish Government's Schools Investment programme.
7. We believe we are at the forefront of digital enabled learning across Scotland through our Digital Centre of Excellence at Newbattle and this project provides the opportunity to build on expertise to create a knowledge sharing school to benefit Scotland as a whole.
8. We believe this proposal builds on the Scottish Governments' vision which supports excellence and equity for all.

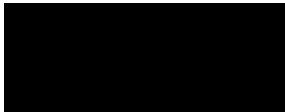
**Shared Investment Approach**

Midlothian Council is happy to confirm our commitment to actively working with SFT / Scottish Government to take forward the development work relative to the shared investment approach. Our previous experience has shown that we deliver high quality innovative projects and this puts us in a position to develop this approach in a constructive manner.

In conclusion, we welcome the opportunity to discuss our proposals in more detail with you and your team. Midlothian Council remains committed to the improvement of our learning estate and we believe the opportunity that this project creates will have a significant impact on the wider programme and Education in general.

We look forward to hearing from you.

Yours sincerely



**Dr Grace Vickers**  
Chief Executive  
[lorraine.brown@midlothian.gov.uk](mailto:lorraine.brown@midlothian.gov.uk)

Encl.

- Learning Estate Strategy 2017 – 2047
- Learning Estate Strategy Update report 7 May 2019
- Project Flow Chart



**Learning Directorate**

Workforce, Infrastructure and Reform Division

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E: [clare.hicks@gov.scot](mailto:clare.hicks@gov.scot)**Scottish Government**  
Riaghaltas na h-Alba  
gov.scot

Local Authority Chief Executives

CC: LA Directors of Finance / Directors of Education / COSLA officers

Sent by email on Thursday 4 July

Dear Chief Executive

**New Schools Investment Programme**

In November 2018, the Deputy First Minister announced his intention to publish a new Learning Estate Strategy which would be co-produced with local government and other strategic partners. Working collaboratively, the Scottish Government and local government partners have agreed a principles-based strategy which we anticipate publishing in September 2019. The Learning Estate Strategy was agreed by COSLA Leaders at their meeting in April 2019. Our collective vision is “a Learning Estate which supports Excellence and Equity for all”.

At the same time, the Deputy First Minister also set out his plans for a new shared investment programme, to be supported by a £1bn Scottish Government investment package, which builds on the successes of the Scotland's Schools for the Future programme. Over recent months significant work has been undertaken with COSLA and local government representative bodies to support the development of this new programme.

It is our intention to announce an initial phase of projects to be supported by the new investment programme around the time of the publication of the Learning Estate Strategy and to seek COSLA Leaders further agreement to this at their August meeting. This small initial phase of projects will seek to demonstrate the principles of the strategy. Working with the Scottish Government and the Scottish Futures Trust, the projects will also take forward the next stage of development activity to inform future phases of the investment programme.

Through engagement with COSLA, it is recognised that local authorities are at different stages of developing their own learning estate strategies and associated investment plans. With that in mind, the Scottish Government is seeking to announce a further larger phase of investment within 12 months of the first announcement to allow sufficient time for local development activities and decision making.

This letter sets out the strategic outcomes of the new investment programme as agreed with COSLA Leaders, outlines the shared investment approach, and requests that each local authority provide a brief update to the Scottish Government on the status of its current learning estate strategy and associated investment plans.

In line with all previous phases of the Schools for the Future programme, project selection will rest with Scottish Ministers. We anticipate this will apply to the small initial phase and the wider programme, however we are in discussion with COSLA officers regarding the governance and decision making for both this phase and the wider programme.

The Scottish Futures Trust will continue to coordinate, facilitate and manage the delivery of the investment programme.

## **Strategic Outcomes**

Consistent with the principles of the forthcoming Learning Estate Strategy, Scottish Ministers are seeking to invest in projects which connect people, places and learning, deliver improved outcomes for all, and enable sustainable and inclusive economic growth.

In particular, investment will be focused on sustaining and improving the condition and suitability of the learning estate, establishing links across the learner journey where appropriate, and supporting sustainable estate planning and improved stewardship.

The investment programme is being designed to deliver high quality, suitable, sustainable, low carbon, digitally enabled learning environments. By working collaboratively, together we will achieve our common goals.

The national investment programme is intended to augment, not replace, local authorities' own investment plans. Scottish Ministers would anticipate that every local authority will continue to invest in its wider learning estate, in line with the significant local investment which has been undertaken in recent years.

It is recognised that demographic changes can impact upon need across the learning estate. With that in mind, Scottish Ministers are open to considering projects which are responding to these demographic changes particularly where there is a clear linkage to sustainable and inclusive economic growth and / or there is an associated link to sustaining and improving the condition of the local authorities wider learning estate.

## **Shared Investment Approach**

All local authorities will be eligible to benefit from the new investment programme to sustain or improve the condition of their learning estate.

Each local authority must provide a commitment to deliver a new / refurbished school that will achieve and maintain 'A' good or 'B' satisfactory category condition throughout a minimum of a 25-year period.

To support this investment the Scottish Government has set out a funding package which seeks to align the funding commitment across primary, secondary and additional support needs (ASN) sectors. Previously there was a difference between the secondary sector and the primary / ASN sector. The alignment of the funding commitment recognises that many local authorities are investing in multi-sectoral projects:

Previous Programme			New Programme		
Primary	Secondary	ASN	Primary	Secondary	ASN
50%	66.6%	50%	50%	50%	50%

Funding made available through the previous programme supported the like for like replacement of existing capacity where required. While capacity growth has been supported locally through other mechanisms such as developers (or Section 75) contributions it is recognised that some local authorities have been unable to secure sufficient funding to progress and / or fully fund development. On a project by project basis where a local authority can evidence that it has maximised other sources of funding prior to seeking investment through the programme, proposals that respond to population growth or tackle capacity issues in an efficient and effective way may be considered for inclusion in the new programme.

An outcomes based funding model has been developed to take forward this programme of investment. You will have received details of the model from your finance colleagues, who have been engaged through workshops facilitated by COSLA. It is recognised that the model has been developed in a theoretical space and is yet to be tested on specific projects. Part of the intention to launch a small first phase is to facilitate further development of this funding model in a practical manageable way. As part of the initial phase, local authorities will be required to actively work with Scottish Government and the Scottish Futures Trust to take forward this development work. There will be a particular focus on developing the scope, delivery and monitoring arrangements associated with the outcomes approach including the approach to FM and lifecycle. The Scottish Government remains in active dialogue with COSLA concerning all these matters.

### Request for Status Update

As noted earlier, the Scottish Government is seeking to announce an initial phase of projects to be supported by the new investment programme around the time of the publication of the Learning Estate Strategy.

Whilst recognising that this initial phase of projects is intended to be small, and will be followed by a larger phase of investment within 12 months, it is important that there is a comprehensive current understanding of local authorities' own plans to support decision making.

It would be appreciated if you could provide a short status update setting out how your authority is developing its local learning estate strategy and associated investment plans. If the local authority has identified a priority project(s) for investment, that is supported with an approved financial commitment, please identify the project(s) in your update and outline how the proposal is responding to the strategic outcomes outlined above.

Responses should be submitted by email or letter to myself at the Scottish Government by **5 August 2019** if this deadline causes significant issues then please get in touch. We anticipate, on this basis that COSLA will be in a position to provide an update to COSLA Leaders in late August ahead of the formal launch of the Learning Estate Strategy and an announcement of an initial phase of investment. Further contact will be made seeking further submissions prior to any subsequent phase of investment. If you have any queries please contact me on 0131 244 0950, or Andy Dailly,

Head of School Building, on 0131 244 7866 or [Andrew.Dailly@gov.scot](mailto:Andrew.Dailly@gov.scot) or Sarah Watters, COSLA on 0131 474 9329 or [sarah@cosla.gov.uk](mailto:sarah@cosla.gov.uk)

Yours faithfully

Clare Hicks  
Deputy Director  
Learning Directorate

## **Update on the Midlothian Early Action Partnership (MEAP) and the 100 Day Challenge**

**Report by Joan Tranent, Head of Children's Services and Interim Head of Education**

### **1. Purpose of Report**

This report provides Council with an update on the Midlothian Early Action Partnership's (MEAP) '100 Day Challenge'.

### **2. Background**

**2.1** In 2018, Midlothian Community Planning Partners were awarded funding over five years from the National Lottery Early Action System Change Fund; the *Midlothian Early Action Partnership* (MEAP) project was established to effect system change so that children, young people and young adults get timely and appropriate mental health support. The proposal responded to perceived weaknesses in community-based support and prevention, and pressures on those services providing high-support interventions.

**2.2** Partners include Midlothian Council, NHS Lothian Central Services, Midlothian Health and Social Care Partnership, Midlothian Sure Start, Midlothian Third Sector Interface (Midlothian Voluntary Action), Midlothian Young People's Advice Service (MYPAS), and Midlothian Youth Platform (MYP). The target group of MEAP extends from children aged five years to young adults of 25 years, and so it firmly includes groups such as young parents, as well as encompassing both children's and adult services.

**2.3** Nesta and Healthcare Improvement Scotland's Improvement Hub (ihub) has supported MEAP to catalyse their efforts, testing ideas using Nesta's '100 Day Challenge' approach. 100 Day Challenges are intensive periods of action and collaboration. System and organisational leaders are supported to break down longer term strategies into challenges with measurable objectives. Frontline practitioners and citizens set ambitious goals, and develop and test creative solutions in real conditions. Appendix 1 provides an overview of Midlothian's 100 Day Challenge.

### **3. Report Implications**

#### **3.1 Resources**

No additional resources are required as a result of this report.

#### **3.2 Risk**

Operational risks are dealt with through the project's risk register.

Resources have been built into the project plans to ensure measures are established to prove the quality, impact and effectiveness of all 'tests of change'.

### **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 Key Priorities within the Single Midlothian Plan**

The aims of the Midlothian Early Action Partnership (MEAP) strongly align with the key priorities noted in the Single Midlothian Plan; in particular, the three-year (2017-2020) outcomes identified for GIRFEMC:

1. Children in their early years and their families are being supported to be safe, healthy, to learn and to be resilient.
2. All Midlothian children and young people are being offered access to timely and appropriate support.
3. Children and young people are supported to be healthy, happy and reach their potential.
4. Inequalities in learning outcomes have reduced.

### **3.5 Impact on Performance and Outcomes**

Working in a truly collaborative way has enabled us to solve challenges together and to provide greater insight into further collaborative working opportunities, to improve the mental health of children, young people and young adults.

### **3.6 Adopting a Preventative Approach**

All of the work of the Midlothian Early Action Partnership is focused on how we can move from a reactive to a proactive mental health system, focusing on skills-based programmes, preventive work, the identification of difficulties and targeted interventions.

### **3.7 Involving Communities and Other Stakeholders**

During the 100 Day Challenge, 175 children, young people, families and carers were involved; 42 team members and over 19 organisations participated.

The five-year project has a strong co-production orientation and will continue to reflect children's, young people and young adults' voices and stories, using these as a basis for action.

### **3.8 Ensuring Equalities**

There is no policy change as a result of this report however, the premise of the Early Action System Change fund is to tackle the root causes of inequality, by helping local organisations collaborate to make the shift to early action and system change, so that people have better lives.

### **3.9 Supporting Sustainable Development**

There are no sustainability issues with regard to this report.

### **3.10 IT Issues**

There are no IT issues arising from this report.

## **4 Summary**

Through the *Midlothian Early Action Partnership* (MEAP) project, three cross-system teams, each with a specific cohort focus area, were brought together to spend 100 days experimenting and testing their ideas. The challenge learning agenda was developed by the leadership group as part of the design work, and was based on their knowledge and experience, as well as responses to the Midlothian Youth Platform survey on mental health and wellbeing.

## **5 Recommendations**

- a) To note the commitment and willingness of people across services to work together, to make the shift to early action and system change, so that people have better lives.
- b) Further reports will be presented, to keep Midlothian Council updated on the progress of the Midlothian Early Action Partnership (MEAP) project.

10 September 2019

### **Report Contact:**

Dee Kieran  
Project Lead, Midlothian Early Action Partnership  
0131 270 5618  
dee.kieran@midlothian.gov.uk

### **Background Paper:**

**Appendix 1: Midlothian 100 Day Challenge Final Summary Report**





# Improving Children and Young People's Mental Health and Wellbeing in Midlothian 100 Day Challenge Summary Report

January - June 2019

# Overview of Midlothian's 100 Day Challenge to improve mental health and wellbeing for children, young people, families and carers

# Introduction and context

*“We worked alongside people with lived experience, their insight and feedback really focussed my mind on why we are doing this.”*

*Team member*

## A community-centred approach for children and young people's mental health and wellbeing in Midlothian

Midlothian Community Planning Partnership successfully bid for £800,000 of Lottery Funding for a 5 year transformation programme - the **Midlothian Early Action Partnership** (MEAP) - to deliver an evidence-based redesign of the current children and young people mental health and wellbeing system, with a focus on multi-agency input and prevention.

The partnership with Nesta and Healthcare Improvement Scotland's Improvement Hub (ihub) has supported Midlothian to catalyse their efforts to test ideas to improve the mental health and wellbeing of children and young people, using Nesta's '100 Day Challenge' methodology.

The challenge learning agenda was developed by the leadership group as part of the design work, and was based on their knowledge and experience, as well as responses to the Midlothian Youth Platform survey on mental health and wellbeing. Three cross-system teams, each with a specific cohort focus area, were brought together to spend 100 days experimenting and testing their ideas.



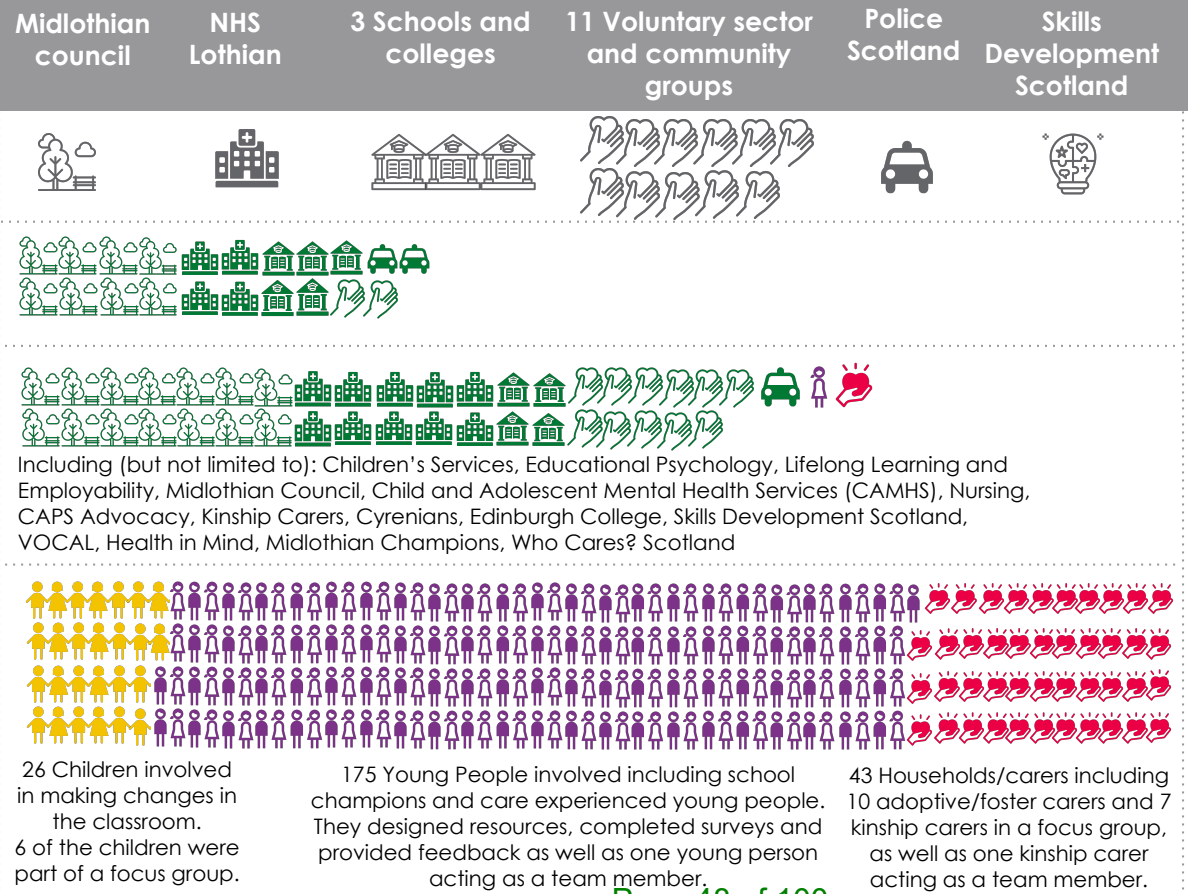
# Who was involved?

19  
organisations

21  
local leaders  
incl. elected  
members

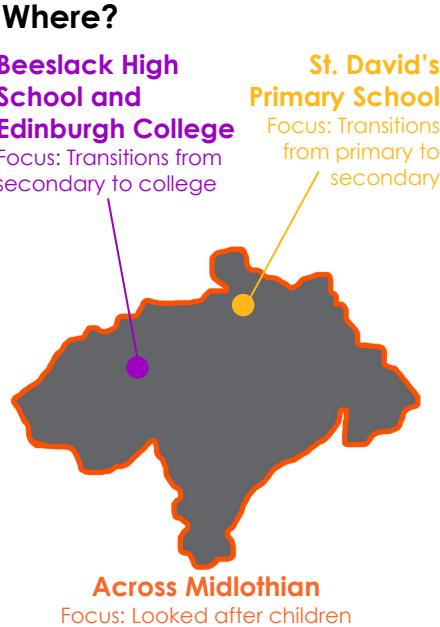
42  
team members

175  
children and  
young people,  
family and  
carers involved



**Key:**

- Organisations
- Professionals
- Young people (Ages 13 - 18)
- Children (Ages 9-10)
- Households/carers



# Involving children, young people, families and carers: meaningful involvement as an underpinning theme

## EXPLORATION PHASE August - September 2018

Looked After Children Midlothian Champions group data about what is important to them.



Midlothian children and young people survey, designed by young people.



Pre-August 2018  
Children and young people consulted and engaged as part of the Big Lottery funding application

## PREPARATION PHASE September - December 2018

Involvement strategy workshop for team sponsors and involvement leads.

- Focus population
- Focus areas
- Midlothian youth participation
- Governance and consent

Seeking outside opinion and expertise on how to involve children and young people as meaningfully as possible:

- Service design expertise from HIS
- Co-production experience at Nesta and cross-organisational local expertise

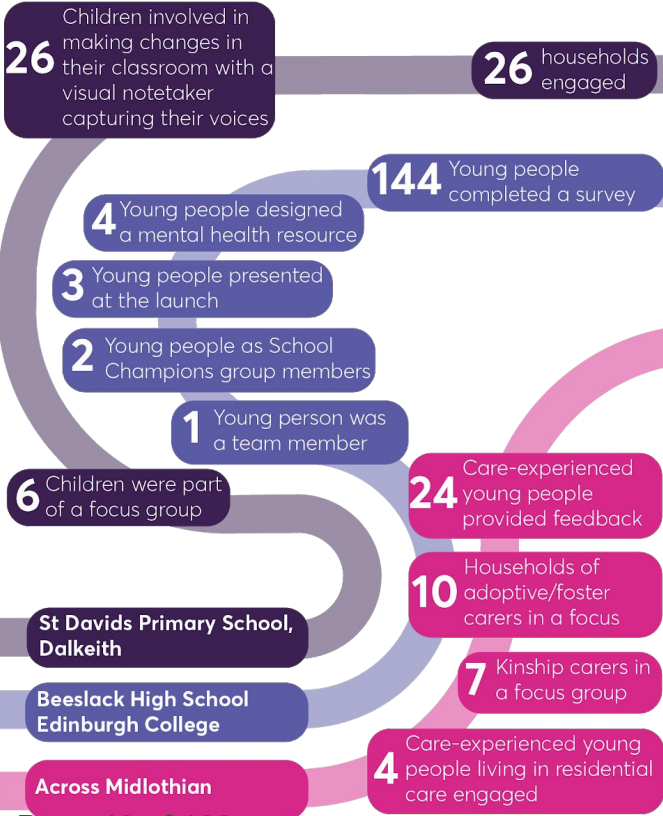
Develop a common language, establish a starting focus for each team.

- Focus areas:

  - 1. Reducing stigma
  - 2. Improving access
  - 3. Building knowledge
- Focus Populations:

  - 1. Primary to secondary
  - 2. Secondary to college
  - 3. Looked after children

## 100 DAY CHALLENGE January - May 2019



## SUSTAINABILITY PHASE June 2019 onwards

Leadership commitment to:

- Gather views and involve pupils in classroom changes from nursery to P7
- Continue engaging young people
- Spread mental health (MH) first aid training
- Work with young people to deliver PSE sessions on MH
- Establish and test a carer support network
- Work with young people to design a new quiet space in their residential home



# What happened during the 100 days?

*Summary of achievements and the journey travelled by each team*

# Highlights of progress and impact from the 100 days

1. Team Refreshers

2. Team C.A.K.E

3. Team CLAN

Reducing stigma and improving cultural perceptions of services

Upskilling and building knowledge and confidence amongst children, young people and trusted adults

Increasing access and availability of [early intervention] services

**Test a new co-design/involvement approach to PSE classes in school with a focus on building understanding and reducing stigma around mental health:**

2 mental health-focused PSE sessions tested with S3 pupils at Beeslack, with average 59% agreement that knowledge of their own mental health increased as a result

**Empower young people in residential homes:**

- Engaged with over half of young people living in residential care and a further 24 care experienced people to understand what they would like to see change
- Team working with leadership on next steps to create a quiet space in residential care homes
- Police and residential care are developing a shared training offer to build mutual understanding of corporate parenting

**Build confidence and knowledge in trusted adults so that they can better support young people:**

- Trained 97 trusted adults in Mental Health First Aid
- 100% agreed their confidence to support young people increased

**Build resilience to change amongst P6 pupils:**

- Workshop to engage 26 pupils in a P6 class, using the CIRCLE Framework
- Quiet space created together in the classroom
- Noticeable change in the behaviour of the class following changes implemented as a result
- School Nursing, Cyrenians and CAMHS staff involved in running a workshop to help P6 pupils identify personal coping strategies
- 26 children created their own personalised emotional wellbeing toolboxes

**Develop new approaches to CAMHS consultations for kinship carers:**

- Focus group for carers about access to support
- Identified need for CAMHS consultations dedicated to kinship carers
- **4 new test sessions** are booked in for kinship carers to consult **CAMHS**



**nesta** Health Lab

"We have changed our classroom, we have respect for each other."

[illegible]



# Team Refreshers: the journey travelled...

"What a difference, [the class] are so settled now."

**Primary dining staff member**

"The team has started talking about us as named people vs. just organisations - showing the relationships that are being built."

**"The whole class has changed."**

P6 pupil

To achieve their mission, the team took a **multi-agency, holistic and partnership approach** focused on supporting children early and enabling them to cope better with change. Their approach involved a number of different professionals, including: **Teaching, Educational Psychology, Speech and Language Therapy, Play Therapy, Cyrenians, School Nursing and CAMHS**, who implemented changes together with pupils.

The team identified that a particular class was struggling one year ahead of their transition to secondary school and focused most of their efforts on testing approaches in partnership with these pupils.



The team used the CIRCLE Framework and a visual note taker to gather children's views about what they needed to change in their classroom to improve their wellbeing and ability to cope with change and transition.

Ideas tested included: personalised emotional wellbeing toolboxes and a quiet space within the classroom developed by the children.

**The team are now planning to scale the approach across the whole school during the academic year of 2019/20 as a wider test of change.**



## Ideas tested

Ran a workshop with 26 pupils in a P6 class, using the CIRCLE Framework to make changes together to the learning environment and improve pupils' emotional wellbeing.



Supported children to create personalised  
**Emotional Wellbeing Tool Boxes**



Engaged differently with  
**parents**



Identifying the impact of the Newbattle Empowering Families Partnership on **CAMHS referrals**

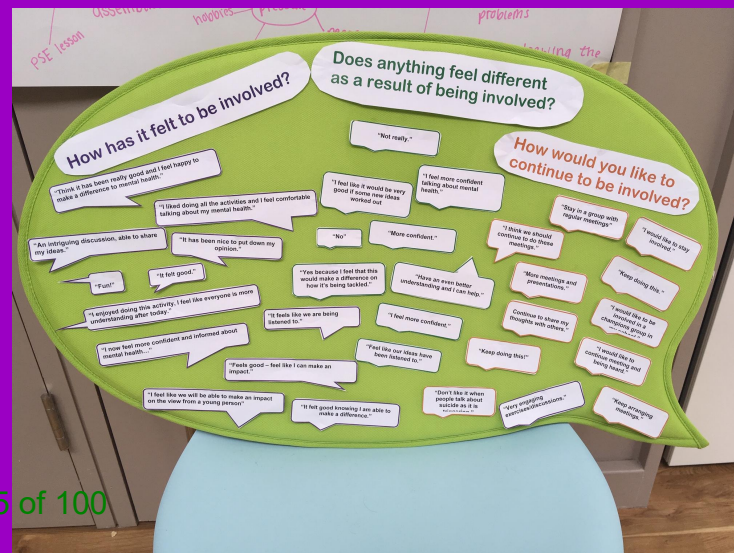
Activities and impact	Next steps and commitments
<ul style="list-style-type: none"> <li>• Ran a workshop with 26 pupils in a P6 class, using the CIRCLE Framework to agree changes to the environment. A graphic note taker was brought in to capture voices in an engaging way</li> <li>• Changes made made by pupils and staff together include:               <ul style="list-style-type: none"> <li>◦ New 'quiet space' pupils can go to if they are feeling stressed or overwhelmed. Design of this space was led by pupils, when previously it would have been led by teachers.</li> <li>◦ "We are making the things from the [action plan] poster come true and we are fulfilling our wishes and it is making everyone a lot happier because we are seeing it come true."- P6 Pupil</li> </ul> </li> <li>• School Nursing and CAMHS staff ran <b>1 workshop</b> with P6 pupils to help them identify coping strategies               <ul style="list-style-type: none"> <li>◦ Children created their own personalised Emotional Wellbeing Tool Boxes</li> <li>◦ "I think it is good to have your own stuff to help make it easier to learn and when things are tough." (P6 Pupil)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• St David's Primary School will use Pupil Equity Funding (PEF) during academic year 2019-20 to scale up the CIRCLE approach across the school from nursery to P7, and protect multi-agency staff time</li> <li>• The impact of this will be tracked and measured and used to inform future scaling of the approach</li> <li>• Toolboxes will be adapted and integrated into other initiatives (at other ages in primary school) such as the Headstrong programme</li> </ul>
<ul style="list-style-type: none"> <li>• School Nurse engaged <b>26 households</b> to share the work that had been taking place in the class as part of the 100 Day Challenge               <ul style="list-style-type: none"> <li>• Parents noticed the difference over the course of the 100 days, with one parent saying <b>"Thank you for getting my little boy back."</b></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The leadership group will be taking the work and recommendations from the team to the GIRFEC board to be integrated into their priorities</li> </ul>
<ul style="list-style-type: none"> <li>• Gathered data from local GP surgeries, CAMHS and Empowering Families Partnership (EFP) to evidence the impact on CAMHS referrals of pooling PEF funding and providing specialist support through EFP</li> </ul>	<ul style="list-style-type: none"> <li>• Share the evidence gathered with local decision makers to inform future services.</li> </ul>

# Team CAKE (Confidence, Awareness, Knowledge, Enthusiasm)

**Team mission:** To achieve a 75% increase in confidence among trusted adults to support young people with their mental health within a specific High School, and a 60% increase in awareness and knowledge about mental health and what is available among young people within the school Senior Phase - both relative to a baseline collected at the start of the 100 Day Challenge.

"It felt good knowing I am able to make a difference."

Secondary school student





## Ideas tested:



**Gathered feedback from young people** about what they want



**Trained trusted adults in Mental Health First Aid**



Established and linked **peer support champions groups at** Beeslack High School and Edinburgh College



Developed and delivered mental health-focused content in **PSE sessions**



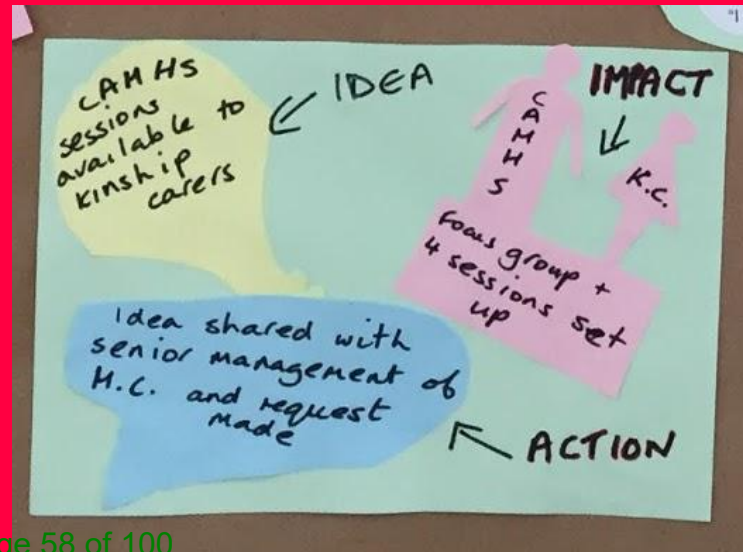
Created **new ways for young people to self-identify as needing mental health support** and increase awareness of what support is available

Activities and impact	Next steps and commitments
<ul style="list-style-type: none"> <li>Developed a survey to understand what mental health support young people want and gathered <b>144 responses</b> from young people at Beeslack High School and Skills Development Scotland</li> </ul>	<ul style="list-style-type: none"> <li>Team intend to continue collecting data to compare how views are changing through their interventions</li> <li>Council is committed to continue engaging young people through surveys and scope partnership opportunities for support with this</li> </ul>
<ul style="list-style-type: none"> <li>Trained <b>97 trusted adults</b> (incl. teachers; Skills Development Scotland staff, parents and carers)               <ul style="list-style-type: none"> <li><b>100% agreed</b> that their confidence to support young people's mental health increased as a result of the training</li> </ul> </li> <li>Purchased 150 wristbands to indicate trained trusted adults</li> </ul>	<ul style="list-style-type: none"> <li>Training will continue in the immediate future, and the case will be made for Midlothian to be a pilot site for new, Scotland-specific training</li> <li>Funding will be sourced to continue the roll out of the 'here to hear' wristbands</li> </ul>
<ul style="list-style-type: none"> <li>Grew the groups to <b>14 pupils</b> and established a new relationship between the college and the high school</li> </ul>	<ul style="list-style-type: none"> <li>The connections between the two champions groups will develop as they work together moving forward</li> </ul>
<ul style="list-style-type: none"> <li>Delivered <b>2 mental health-focused PSE sessions for 35 S3 pupils</b> in partnership with Scottish Youth Parliament               <ul style="list-style-type: none"> <li>Average of <b>59%</b> pupils said their <b>knowledge</b> of their own mental health had increased following the sessions</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Further testing of this idea, supported by the Youth Engagement Officer in Midlothian Voluntary Action CVS will be carried out to gather more impact data</li> </ul>
<ul style="list-style-type: none"> <li>A link to information on available mental health and well-being support will be added to college application form</li> <li>Purchased <b>1 postbox</b> for Beeslack pupils to reach out for help from guidance teachers</li> <li><b>14 young people</b> involved in co-designing an engaging video and memes resource for social media</li> </ul>	<ul style="list-style-type: none"> <li>Sponsors have committed to help team scope how their recommended activities and costs can be sustained</li> <li>The leadership group will be taking the team's work and recommendations to the GIRFEC board to be integrated into their priorities</li> </ul>

# Team CLAN (Commit, Listen, Act, Nurture)

**Team mission:** to ensure that wherever possible care experienced children, young people, their families and carers feel supported and involved in ongoing service development and redesign across Midlothian services for mental health and wellbeing.

"I've always worked with [other team member who is also a carer], but not like this - and it's been brilliant."





# Team CLAN: the journey travelled...

"I wasn't brave enough to share my idea at Day 0, but by Day 50 I was!" (Now at Day 100 this idea is being tested.)

**Kinship carer team member  
on their idea for kinship carer  
CAMHS appointments**

"I thought self-care was only talking about personal hygiene."

**Young person living in  
residential care**

**"I finally understood that it [the residential home] was someone's home; that we were walking into a young person's home... I now realise that sometimes we may have been making things worse..."**

Police officer team member

Team CLAN focussed on building new relationships between organisations to provide a more joined up and supportive experience for care-experienced children, young people, their families and carers. The team included representatives from: police, residential care, CAMHS, kinship care, psychology, social work, Who Cares? Scotland, Midlothian Champions and an Independent Reviewing Officer - all working together in a new way for the first time.

The team took time to design approaches to gather views and understand people's needs. **They listened to kinship, adoptive and foster carers, as well as young people living in residential homes, being looked after at home, and their carers, through: focus groups, 1:1 work with individual children, surveys and social media.**

The team remains motivated to keep testing their ideas and have plans in place to:

- **Upskill a core group of carers** with mental health first aid training to **develop a carer support network**
- Testing out a different approach to using CAMHS consultation sessions by providing **dedicated CAMHS time for kinship carers**
- **Police and residential care working together on a shared training offer** and developing their shared understanding of corporate parenting.



## Ideas tested:



**Empowered young people in residential homes**



**Understanding what carers want and need**



**Developing new approaches to CAMHS consultations for kinship carers**



**Changing the processes around Looked After Children at home reviews**

## Activities and impact

- Ran **2 sessions** with young people in residential care settings, engaging over half of young people in care in Midlothian
- Developed and shared a survey for young people with care experience through social media channels, reaching **24 care experienced young people**
  - Young people identified a need for a quiet space in residential homes to support wellbeing
  - Worked with police to develop a shared understanding of the corporate parenting role
- Consulted with children looked after at home, and their carers, through **direct 1:1 work** for a 'one size fits one' approach

- Developed a questionnaire and ran **2 focus groups** with carers from 10 adoptive and foster carer households and **7 kinship carers** and identified that:
  - Carers could benefit from increased understanding and awareness of mental health and wellbeing
  - Peer support is an opportunity to empower carers.

- Ran a **focus group** to hear from carers what support they need from CAMHS
  - Established they would value having sessions dedicated to kinship carers, rather than having to wait for a 1:1 consultation as part of the Midlothian kinship carer network

- Gathered feedback from carers and people with care experience re: approaches to Looked After Child Reviews:
  - Changed the process for contacting young people before the meetings
  - Meeting minutes and decisions made more accessible

## Next steps and commitments

The leadership team have committed to supporting the team to continue working together, offering protected time, so that they can explore:

- Redesign of physical space in residential homes to create a quiet space, and develop impact measures for this
- Co-designing new approaches to supporting young people in residential care
- Residential care staff and police are developing a shared training offer to increase understanding and consistency services of Midlothian's approach to corporate parenting

- The team are planning to establish a Carer Support Network, to help promote and enable carers through peer support
- Mental health first aid training to be provided for a core group of carers

**4 test sessions** agreed for kinship carers to consult CAMHS (June-November 2019)

**NHS Lothian** have committed to:

- Midlothian CAMHS team time used differently as part of a testing period up until November 2019

This continues to be an integral part of one of the team member's role and so will be taken forward by them beyond the end of the 100 days



# What's changed for team members?

## *Team's reflections on the progress and shifts made over the 100 days*

"Really liked the idea of piloting in small areas. Lightbulb moment to just DO!"

"The team has started talking about us as named people vs. just organisations - showing the relationships that are being built."

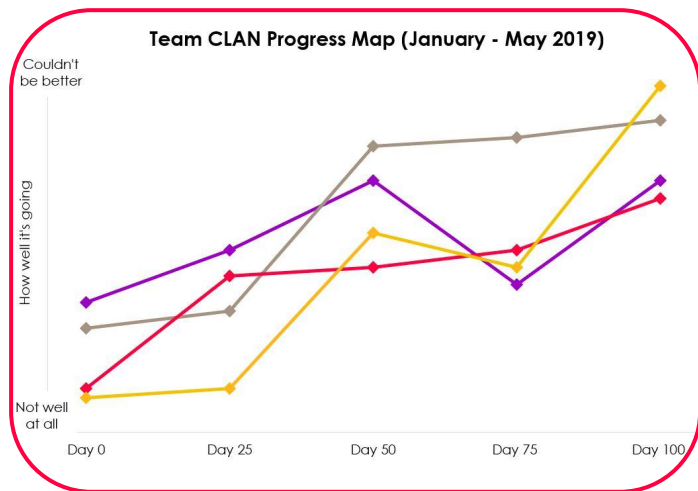
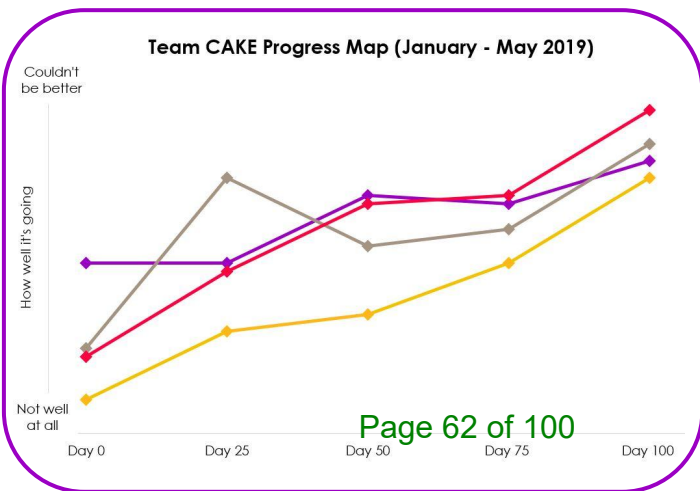
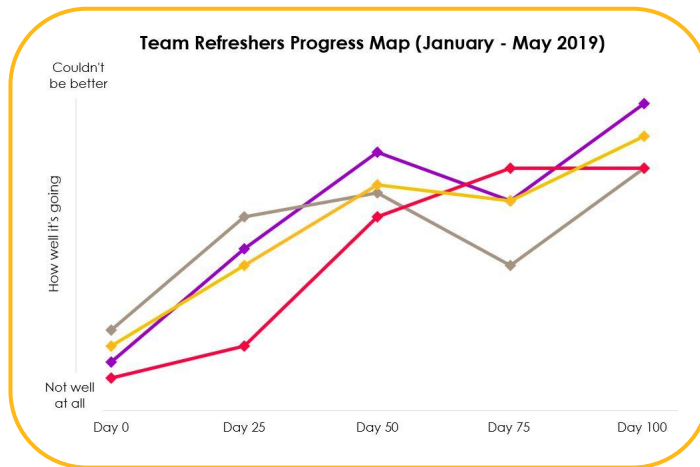
"It's amazing how easy it is to get things done when other people help."

# Impact on professionals

Throughout the programme teams reflected and self-reported on their progress across four key themes that were relevant to the longer-term needs and ambitions of the programme.

Each team's progress map demonstrates the 'ups and downs' of community-led change, and overall shows that all three teams became more confident that they were making progress in every area by the end of the 100 days.

## Team's self-assessed progress over the 100 Days

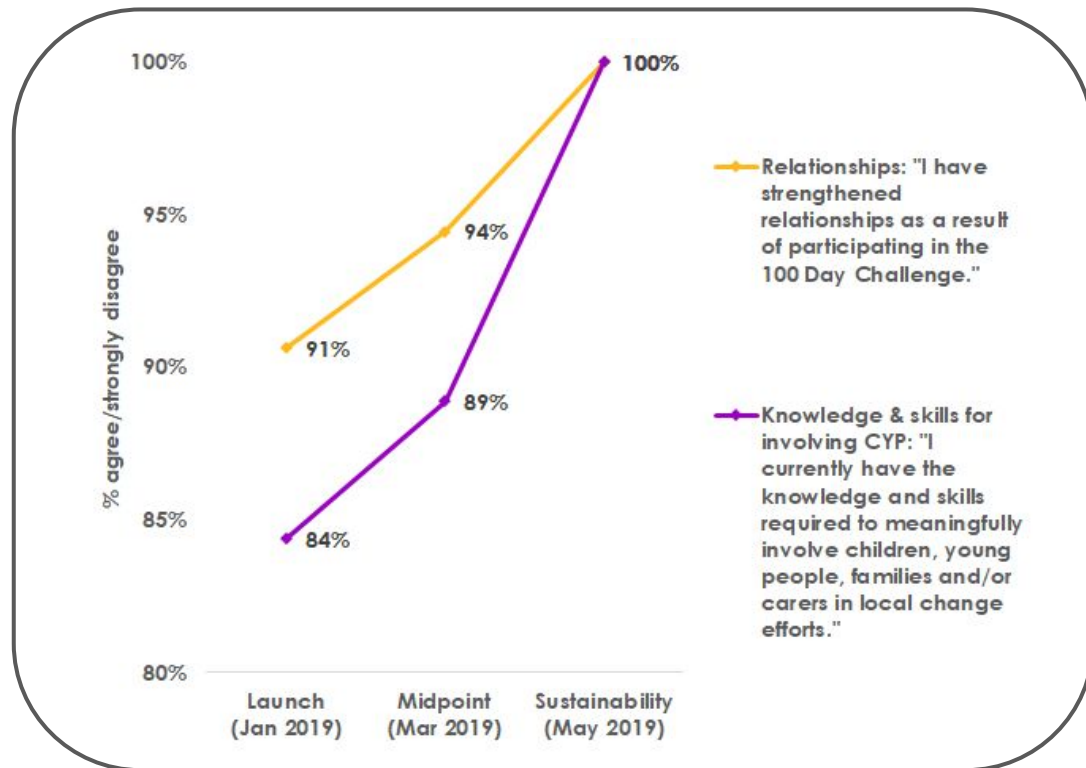


# Impact on professionals

Throughout the 100 days we asked team members to self-assess the impact the programme was having on their relationships and knowledge, skills and confidence to involve children and young people.

Both of these increased from the launch event at Day 0 to the Sustainability event at Day 100.

Team members said their relationships and knowledge and skills for involving children and young people have grown over the the 100 days



Launch response rate:  
73% (n=32)

Midpoint response rate:  
78% (n=18)

Sustainability Review response rate:  
92% (n=24)

# Impact on the system

Throughout the 100 Day Challenge events we asked team members questions to understand what impact taking part in the 100 days had on individuals, and how the Challenge was playing a role in improving children, young people, families and carers' mental health and wellbeing.

The question highlighted here was asked at each milestone event at Days 1, 50 and 100.



**91%** (n=22) of people at the Sustainability Review agreed that they **intend to use the learning generated through the 100 Day Challenge in other aspects of their work** (compared to 65% at the Launch event).

## What are people doing differently as a result of taking part in the 100 Day Challenge?

### Collaboration

"Improved collaboration with other partner agencies."

"Partnership working achieves better results, faster."

"Working in small sub-teams and setting realistic goals... has led to joint working."

### Involvement

"Partnership working with kinship community."

"Young people have been engaged with from the start and worked with collaboratively."

### 100 Day Challenge approach

"Really liked the ideas of piloting in small areas. Lightbulb moment DO!"

"Critical conversations with partners within protected time... Group not chaired or managed by one person, but facilitated."

"Being flexible, not being scared to jump in!"

# What next?

*Summary of considerations, commitments and next steps*

# Learning from the 100 days and questions to consider moving forward

## Reducing stigma and improving cultural perceptions of services

- Young people said that stigma is often still too great for them to self-identify as needing mental health support (e.g. on Edinburgh College application form). We need to provide additional signposting resources, developed alongside young people, to ensure they are breaking down 'stigma barriers' and reaching people in need of support → **how can we build on Team CAKE's work to reduce the stigma of mental health (e.g. through PSE sessions) and ensure young people's views continue to inform local change efforts in Midlothian?**

## Upskilling and building knowledge and confidence amongst children, young people and trusted adults

- Mental Health First Aid training for teachers and parents, and mental health PSE sessions developed for and by young people, have proven to be effective in building people's knowledge and confidence around mental health and wellbeing → **what do we need to do to ensure trusted adults, parents, carers, children and young people themselves continue to develop their skills, confidence and understanding of mental health and wellbeing?**
- Kinship carers have said they often don't feel equipped to support young people's mental health and wellbeing, and it takes too long for them to receive specialist support → **how can we make sure that the learning from the CAMHS trial is taken forward and that the carer support network happens?**
- Sometimes services may unintentionally impact upon the mental health and wellbeing of children and young people in a negative way → **how can we build on Team CLAN's work to develop a better shared understanding and approach to corporate parenting more broadly across Midlothian?**

## Increasing access and availability of [early intervention] services

- Helping children learn earlier than P7 about how to cope with transition will improve their experience and achieve noticeable improvements in behaviour → **how can we apply what Team Refreshers learned about primary school pupils' wants and needs more broadly across Midlothian?**
- Providing children with early multi-agency support at a universal level can help prevent children needing specialist support later on → **how can we measure the impact of the roll out of the CIRCLE approach across St David's next year, and use this learning to inform decision making about support across education in Midlothian?**

## Working together across disciplines and organisational boundaries

All of the teams reflected on the value of working together in a new way and the positive impact of these new relationships on their work with children and young people → **how can we build upon this and help people to make new connections to help them provide more joined up support to children and young people across Midlothian?**

# Agreed next steps for sustainability and spread

Teams presented their recommendations, evidence and requests to the leadership group at the 100 Day Sustainability Review event.

- Build upon the teams' learning around strengthening relationships and developing **structures to involve young people** in all future Midlothian transformation efforts.
- Pupil Equity Funding (PEF) will be used to **embed a multi-agency, holistic approach** across St David's Primary School during the next academic year. A clear **evaluation plan** will help make sure that information is gathered to help inform wider spread beyond the end of the next school year.
- Challenge teams are planning to keep meeting and working together to continue testing their ideas, strengthen relationships and help them **continue to better support children and young people in a more joined-up way**. The leadership team has committed to continue giving **protected time** for teams to work together.
- Develop a system wide measurement plan, that includes both qualitative and quantitative measures, and which allows space for the **'needle to go in the wrong direction temporarily, if we know we're doing the right thing'**.
- **Communicate the learning and successes** of the 100 Day Challenge at the Community Planning Partnership and GIRFEC boards, and reach out to key leaders across multiple levels of management regarding their role in supporting sustainability.
- Scope an opportunity for **teams to identify one key priority each, to be added to the GIRFEC board priorities to maintain the profile and momentum of the work and to support with scale and spread**.

The group will meet again on **18th June** to follow up on their actions and commitments and agree next steps.

For more information about the Midlothian 100 Day Challenge, please contact:

**Dee Kieran**

[dee.kieran@midlothian.gov.uk](mailto:dee.kieran@midlothian.gov.uk)

**People Powered Results team**

[peoplepoweredresults@nesta.org.uk](mailto:peoplepoweredresults@nesta.org.uk)

**Christine Owen**

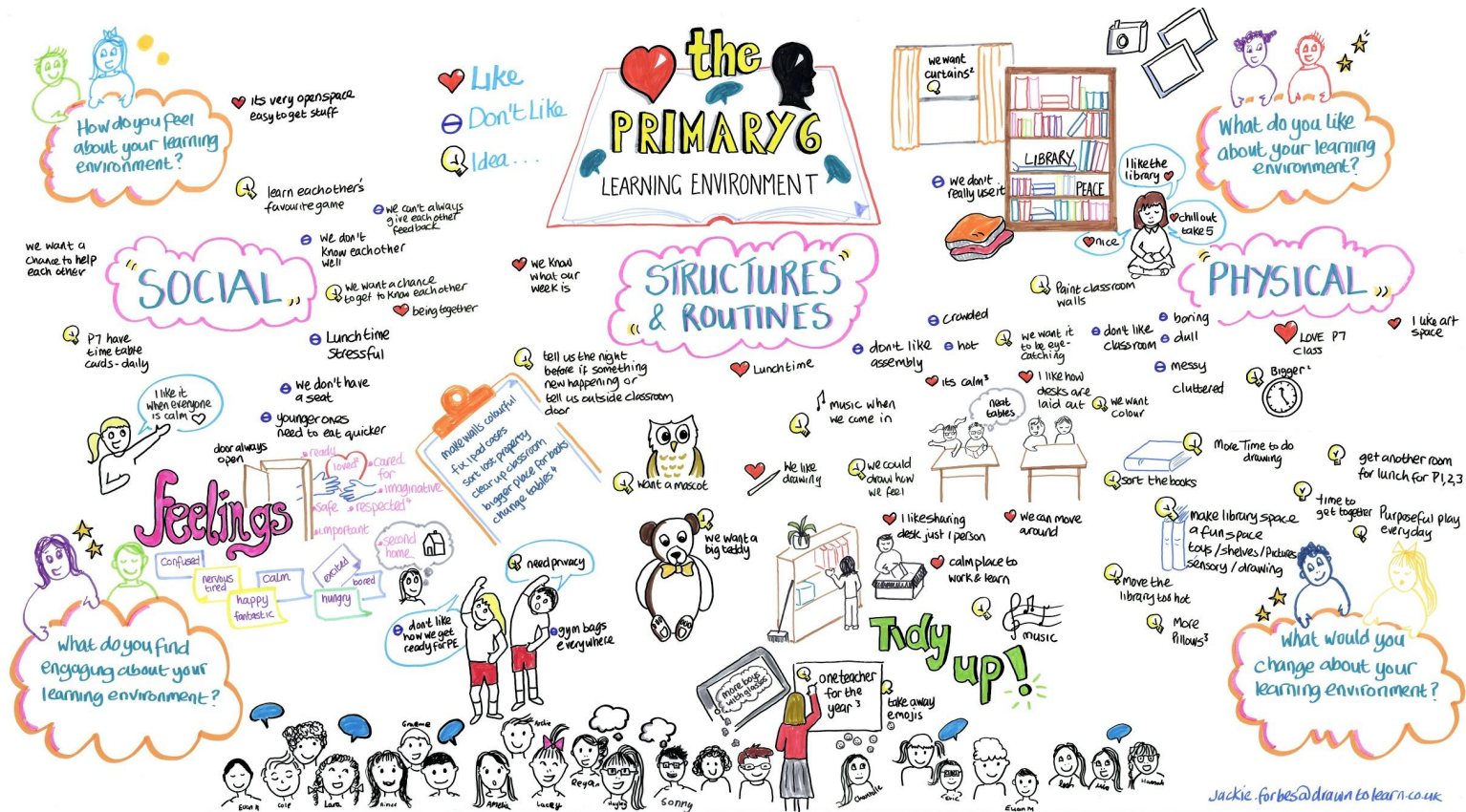
[christine.owen7@nhs.net](mailto:christine.owen7@nhs.net)

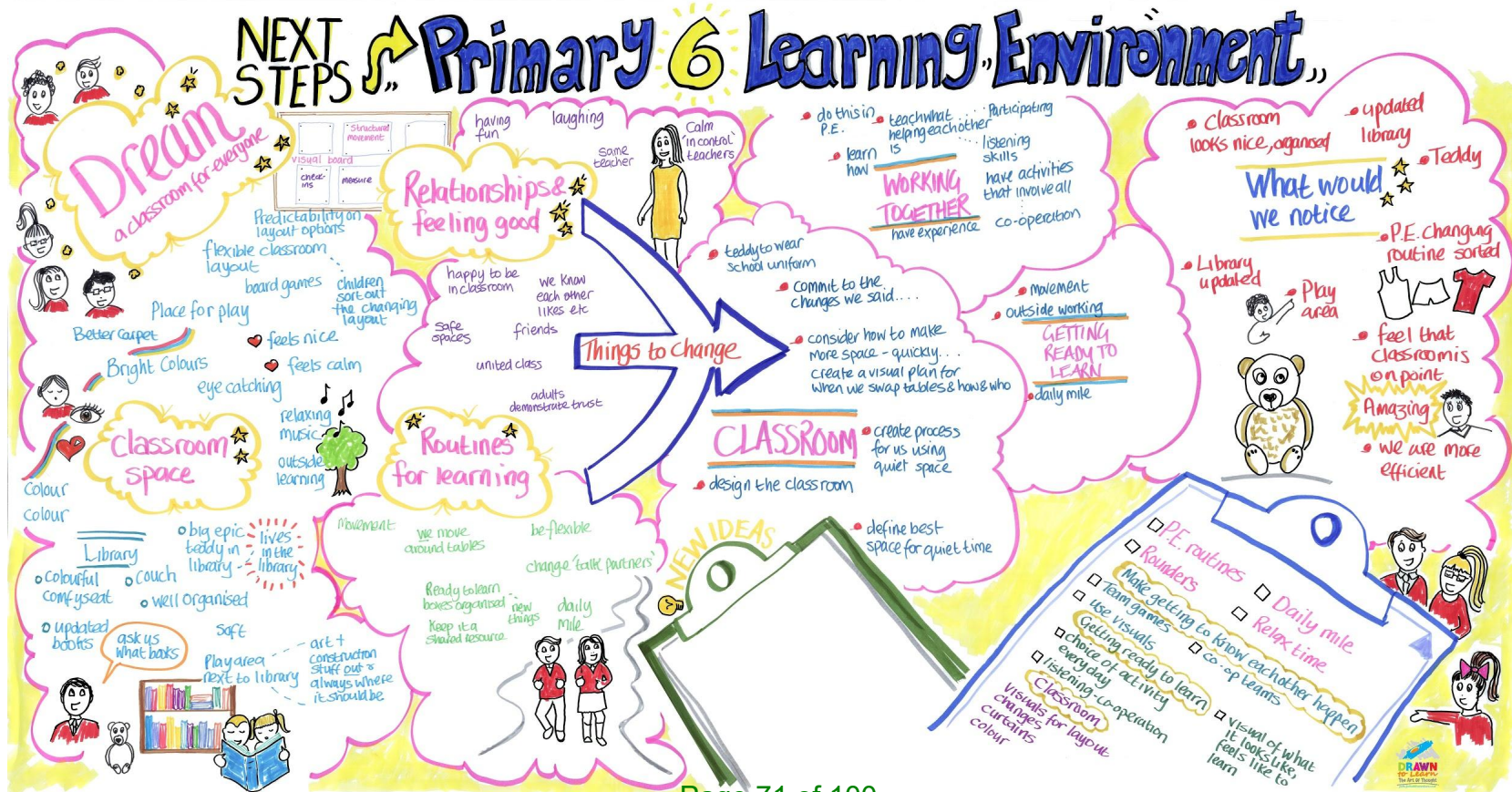




# Appendix

# Team Refreshers: Visual Notes - Whole Class Workshop



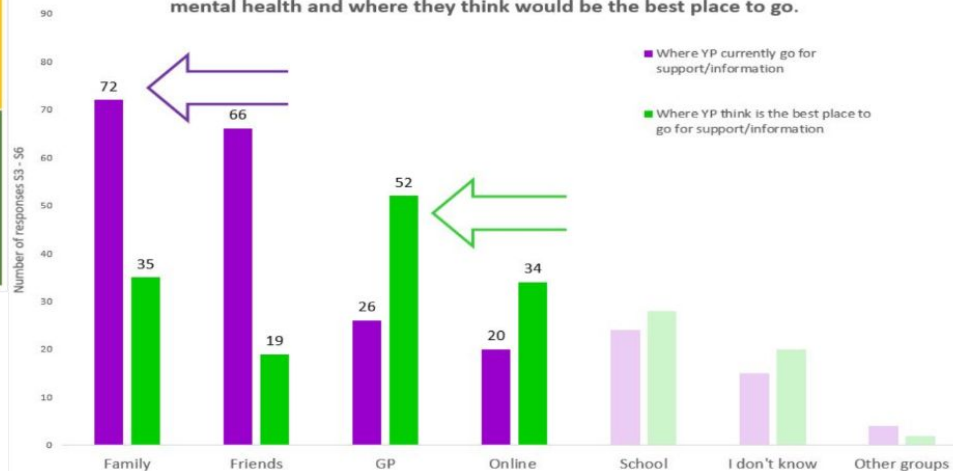


# Team CAKE: Young people survey results

What young people said they would like to see change

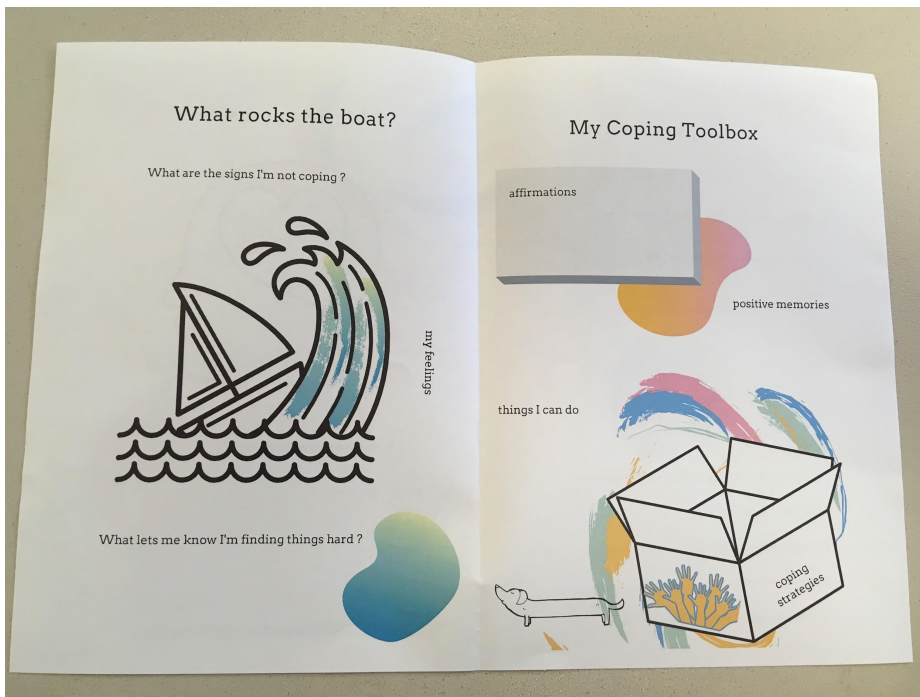
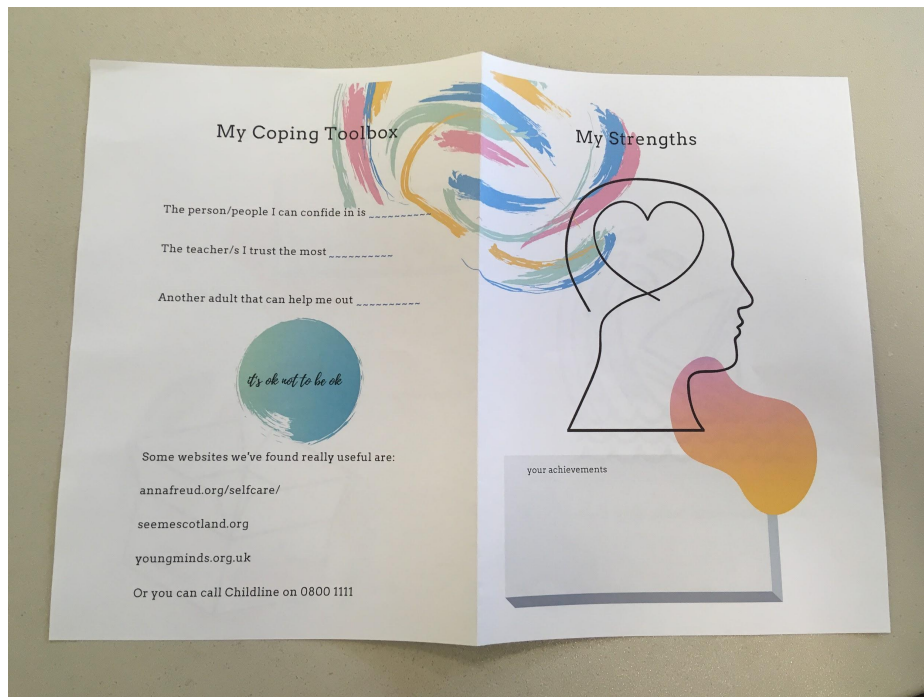


Difference between where young people go for information and support for their mental health and where they think would be the best place to go.





## Team CAKE: Resource for young people



This personal mental health resource was developed by young people in S3 as part of their PSE sessions.



## **Publication of the Local Authority's Spending of Over £500.00**

### **Report by Director Resources**

#### **1 Purpose of Report**

This report is presented to update the Council on the request for publication online of the local authority's spending of over £500.00.

#### **2 Background**

##### **2.1 Council Motion**

At its meeting on 18 December, 2018 the Council considered and agreed the following motion.

*Midlothian Council recognises the importance of transparency and accountability. The Council applauds Local Government in England which has allowed scrutiny of local authority spending by publishing all spending of over £500 online, detailing both the supplier used and the reason for the spending. Council agrees that Midlothian should investigate adopting this approach whereby all payments to suppliers over £500 are published online. This will allow more effective public scrutiny of spending and help avoid waste.*

**2.2** English local authorities are required to publish expenditure via the Local Government Transparency Code 2015. The Local Government (Transparency Requirements) (England) Regulations 2015 regulates the Code. Councils in England are publishing the data either on a monthly or quarterly basis. There is no comparable requirement in Scotland.

**2.3** A subsequent report to Council on 26 March, 2019 advised elected members that relevant officers had reviewed the prospects of implementing the decision and Council agreed to progress any possible publication through existing systems to minimise cost implications.

#### **3 Purchasing Publication**

**3.1** The Purchase Ledger has been used to implement publication of all payments over £500.00 as this includes Purchase Cards.

**3.2** However, in publishing transactions for values greater than £500 to external suppliers or spend incurred in providing services, personal identifier information is not disclosed for GDPR Data Protection reasons. Consequently, it does not include:

- payments made to staff
- sensitive personal information, such as individual foster carer payments
- any payments which may reveal details about an individual
- internal charges between different parts of the Council

## **4 Report Implications**

### **4.1 Resource**

In progressing these actions to increasing openness and transparency they are being utilised within existing resources.

### **4.2 Risk**

In order to minimise risk relating to personal information we apply Section 38 of the Freedom of Information (Scotland) Act 2002 (FOISA) exemptions in any publication.

As part of our commitment to increase openness and transparency we review published payments made to individuals or sole traders, so that we are reducing risk and remove the supplier names to comply with GDPR, replacing with 'Redacted – Personal Data' from a software solution.

### **4.3 Policy**

#### **Strategy**

The promotion of the concept of transparency and accountability is in accordance with the Council's aims. This will help effective engagement and democratic accountability as local people and service users engage in consultation about what services they would like provided and how they would like them delivered.

#### **Consultation**

In publishing the local authority's available information of spending of over £500.00 the move will give local people the information they need to ask questions of how the council is managing the services they provide and their interest in how the Council manages the assets they hold. No specific consultation has taken place.

#### **Equalities**

There are no equalities issue or people impact

#### **Sustainability**

No sustainability issues



## **5 Recommendations**

Council is recommended to note the publication online of the local authority's spending of over £500.00 has been implemented.

**12 September, 2019**

**Report Contact:**

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## **UK exit from the European Union update for Council**

### **Report by Chris Lawson, Risk Manager**

#### **1 Purpose of Report**

The purpose of this report is to highlight the current national position in preparation for a no deal exit from the European Union and to set out the next steps Midlothian Council need to progress.

#### **2 Background**

##### **2.1 UK Government Position**

Following the UK referendum on membership of the European Union, the Government were given a mandate to secure the UK's departure from the European Union. The Prime Minister has committed to leaving the EU on the 31 October 2019, with or without an agreed deal. In response to this a cross party group of MP's took control of Parliamentary business on 2 September 2019 with the purpose of passing a bill which mandated the Prime Minister to seek an extension to the article 50 negotiation period if a deal has not been reached by 19 October 2019. The Bill has now received Royal Assent.

The default position will be for the UK to leave the EU without a deal on 31 October 2019. While the Prime Minister has stated he will comply with the law, he has also stated that he will not ask for an extension as required by the newly approved Bill. There is no guarantee the EU will agree to the 3 month extension as set out in the above Bill.

It is written into law that the UK will leave on 31 October 2019, however, it is possible that the deadline could be extended. The European Court of Justice has said the UK could even cancel Brexit altogether without the agreement of other member nations. At present there is no clear direction from the government on any outcome other than a no deal position.

"No deal" means the UK would have failed to agree a withdrawal agreement.

That would mean there would be no transition period after 31 October 2019, and EU laws would stop applying to the UK immediately.

##### **2.2 Guidance from UK Government**

In order to prepare all sectors for the UK's exit from the EU, the government had published a series of technical notices that set out information to allow businesses and citizens to understand what they would need to do in a 'no deal' scenario, so they could make informed plans and preparations.

The link below provides access to that collated list of the technical notices which includes supporting guidance.

<https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>.

Much of this guidance remains unchanged from that developed ahead of the original 29 March 2019 departure date.

The UK Government has published “Get ready for Brexit” guidance for individuals and businesses in order to assist with their preparations for Brexit. [https://www.gov.uk/brexit?qclid=EAlalQobChMIqLe\\_xe-05AIVjbHtCh3vOQ-bEAAYASAAEgIh0fD\\_BwE&qclsrc=aw.ds](https://www.gov.uk/brexit?qclid=EAlalQobChMIqLe_xe-05AIVjbHtCh3vOQ-bEAAYASAAEgIh0fD_BwE&qclsrc=aw.ds).

### 2.3 Guidance from Scottish Government

The Scottish Government have also set up a website with a range of advice to direct and support businesses to prepare for a no deal scenario. <https://www.prepareforbrexit.scot/>.

This site takes business owners through the process of assessing their preparedness for a no deal position and signposts a range of materials and support developed by Scottish Government and their partners: Highlands and Islands Enterprise, Business Gateway, Scottish Development International, Scottish Enterprise and Skills development Scotland.

Scotland Excel have produced a Brexit Statement which sets out potential impacts on labour, supply chain and currency in relation to a range of employment categories; Construction, Education, Facilities, Food, ICT, Social Care and Transport & Environment.

### 2.4 Scottish Resilience Preparations

Since mid-November 2018 the Scottish Resilience Partnership (SRP) Sub-Group for EU-exit Contingency Planning, has convened regularly to consider the civil contingencies aspects related to exiting the EU. While there was a suspension of this work after 29 March 2019, this work was re-established in mid-August 2019.

In particular, the more pressing contingency planning activities for a “no-deal” scenario, which could still be as soon as the end of October 2019, have been prioritised taking into account current planning assumptions. In terms of the structure for planning and mitigating risks, there is a logical sequence for the assessment and planning, which is summarised as follows:

- Assessment of the UK Planning Assumptions, leading to:
  - Development of the Scottish Planning Assumptions, leading to:
    - Category 1 Responders own Risk Assessment (Scottish Local Authorities submitted an aggregated response) which led to: Development of the Scottish Strategic Threat and Risk Assessment (STRA) leading to, prioritised mitigation.

To prepare for a no deal EU exit, arrangements have been put in place to have a national multi-agency co-ordination centre. This will directly support the operations within Scottish Government Resilience Room (SGoRR) and link with the Cabinet Office Briefing Room (COBR). The Council will be required to provide updates to the national co-ordination centre on a daily basis from 31 October 2019, although this could be stepped up in the event of significant impacts.

The local authority resilience community is represented directly within the SRP Sub-Group and since mid-August 2019 the representative has been liaising with members of the Local Authority Resilience Group for Scotland through twice weekly teleconferences, Midlothian Council has participated in these. Other professional bodies have also contributed to the ongoing risk assessment and mitigation work.

## **2.5 Midlothian Council preparations to date**

Midlothian Council first highlighted the risk associated with the UK's exit from the European Union in its Strategic Risk Management Report to the Council Management Team and the Audit Committee, both in November 2017. This risk has continued to be reported regularly to both since then.

During this period, Council have been presented with reports setting out potential impacts of the UK decision to leave the European Union, with the first of these reported on 29 August 2017.

During regular quarterly risk management reviews, Heads of Service have considered the potential impact of the aforementioned within their Services. The Council's Risk Manager requested that Heads of Service and Risk Management Group members assess the impact of a no-deal exit from the European Union, directing Services to UK government guidance noted above and offering support.

The statutory obligation on the Council to prepare for contingency arrangements is set out in the Civil Contingencies Act 2004 (Contingency Planning) (Scotland) Regulations 2005.

This legislation defines the key organisations responsible for ensuring the effective management of emergencies in Scotland. These are referred to as Category 1 and category 2 responders. Local Authorities are designated as Category 1 responders.

The legal duties placed on the Council as a Category 1 responder are as follows:

1. Duty to assess risk
2. Duty to maintain emergency plans
3. Duty to maintain business continuity plans
4. Duty to promote business continuity
5. Duty to communicate with the public
6. Duty to share information
7. Duty to co-operate.

### **3 Report Implications**

#### **3.1 Resource**

There are resource implications associated with this report in relation to preparatory arrangements, further assessment of impacts and preparing to work through national co-ordination arrangements and Midlothian Council has confirmed to Scottish Government that it will take up available resourcing support.

#### **3.2 Risk**

The Strategic Risk Profile report presented to CMT and Audit Committee has highlighted the risk. Further, more detailed assessment work, is now underway to ensure the current assessment and preparatory arrangements reflect the most up to date planning assumptions. CMT have established an EU Exit Working Group with the purpose of overseeing final Service and Council preparations for a no deal exit from the European Union.

#### **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 purpose of the Council's risk management approach is to support a level of risk awareness, to inform decision making and support the Council to deliver on its key outcomes by highlighting and taking steps to mitigate potential disruption to delivery of services.

There is significant potential for a no deal UK exit from the European Union to have far ranging impacts which have the potential to impact performance outcomes.

#### **3.5 Adopting a Preventative Approach**

The Risk Management approach being taken by the Council is founded on a preventative and, more generally, a risk aware decision making methodology.

#### **3.6 Involving Communities and Other Stakeholders**

This report has been formulated using current national planning assumptions and national and regional resilience partnership direction on the response to a no deal.

### **3.7 Ensuring Equalities**

There are no direct equalities issues arising from this report, more detailed impacts are likely to be identified as service no deal assessments are reviewed.

### **3.8 Supporting Sustainable Development**

Senior Managers must ensure the sustainability of the Council, which entails identifying, understanding and managing Strategic and Service level Issues, Risks and Opportunities.

### **3.9 IT Issues**

IT issues will be identified as part of the more detailed assessment work proposed.

## **4 Recommendations**

Council are invited to:

- a) Note the content of this report, subject to the outcome of the Governments on-going negotiations and the requirement on the Prime Minister to request an extension if no deal is in place by 19 October 2019.
- b) Note preparation, actions and scenario planning is being progressed based on available information.

## **5 Background Papers**

None

**Date:** 12 September 2019

**Report Contact:**

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## **Town Centre Capital Fund 2019/20 Projects**

### **Report by Mary Smith, Director Communities, Education & Economy**

#### **1. Purpose of Report**

- 1.1 The purpose of this report is to provide detail on the recommended projects seeking funding from Midlothian's £910k allocation from the Scottish Government's Town Centre Capital Fund.
- 1.2 This report was presented to the Capital Plan and Asset Management Board on 10 September 2019. The recommendations of which are reflected in the projects recommended in this report.
- 1.3 The report seeks approval for the recommended projects and the administration of the fund.

#### **2. Background**

- 2.1 In spring 2019 it was announced that each local authority in Scotland would receive a share from the Scottish Government's £50m Town Centre Capital Fund. The aim of the fund is to enable local authorities to stimulate and support place based economic investments which encourage town centres to diversify and flourish, creating footfall through local improvements and partnerships.
- 2.2 Midlothian's funding allocation is £910k. This must be committed and spent by March 2020, with all building works to complete by September 2020.
- 2.3 A report was submitted and approved by Cabinet in May 2019 which set out the process for promoting the fund and identifying suitable projects.
- 2.4 With assistance from the Council's Communication Team, a communication strategy was developed to raise awareness and encourage applications.
- 2.5 The application process formed two stages: (1) Expression of Interest (EOI) and (2) formal project application. Projects successful at stage one were shortlisted and invited to submit a fuller application for consideration.
- 2.6 To manage the process and as agreed at Cabinet in May 2019, a panel was formed comprising officers from Economic Development, Planning, Estates and the Communities Team. They were joined by a representative from the Third Sector Interface and the Chamber of Commerce representing business.

#### **3 Report Implications**

##### **Applications Received**

- 3.1 A total of 28 Expressions of Interest applications were received with a total request in excess of £3.5million. Projects represented a wide geographical spread and were from a range of applicants; third sector, charities, social enterprises, business organisations and the local authority.

- 3.2 A scoring framework was developed which underpinned the guidelines of the Scottish Government's Town Centre Capital Fund and aligned with local priorities.
- 3.3 From the initial 28 EOI's, the highest scoring 16 projects were invited to make full applications.
- 3.4 An application form was drafted based on the existing Large Grant Scheme the Council currently operates but with recognition of the national fund requirements.
- 3.5 All applicants were offered dedicated officer support to aid with the development of project proposals and a closing date of 31 August was set for the submission of applications.
- 3.6 A total of 14 applications were received with two choosing to withdraw. A full list of projects accompanies this report.
- 3.7 The panel reconvened in early September to score the 14 applications. Projects were assessed by a weighted scoring framework which considered the fund priorities along with the deliverability and sustainability of the project.
- 3.8 The fund guidelines state that decision making on how to spend the funding resides with the local authority. There is no requirement for bids or submission of proposals to be approved by Scottish Government.
- 3.9 Local Authority investment decisions should align with the 'Town Centre First Principle' and the 'Place Principle'. As such, it is expected that investment decisions are based on approaches which are collaborative and place based with a shared purpose.
- 3.10 Based on this scoring exercise the panel recommend the following highest scoring projects for funding approval. A fuller summary of the projects is included separately with this report.

#### 4. Project List

<b>Project &amp; Applicant</b>	<b>£</b>
Refurbishment of pavilion - Mayfield & Easthouses Development Trust	£49,097.10
Replacement of church hall roof - St Johns & Kings Park Church	£57,790.00
Dalkeith bus shelter replacement - Midlothian Council Transport Team	£25,000.00
Penicuik Town Hall - Midlothian Council, Communities and Economy	£381,756.67
Rosewell nursery expansion – Loanhead after school club	£100,000.00
Public disabled & level access - Dalkeith Country Park	£49,356.23
Hardengreen to Newtongrange Cycleway - Midlothian Council Resources	£247,000.00
<b>TOTAL</b>	<b>£910,000.00</b>

## **Reporting**

- 4.1 Funding is received from the Scottish Government quarterly, in advance: April 2019, July 2019, November 2019 and March 2020. Responsibility for the monitoring and reporting back to Scottish Government resides with the Council.
- 4.2 It is proposed that funding granted to applicant's mirror this payment pattern to enable funding to be paid quarterly and in advance following satisfactory receipt of progress reports fulfilling any external reporting requirements.
- 4.3 Reporting and audit requirements will align with the Council's existing Large Grant Scheme which has been subject to review from the Council's Internal Audit Team.
- 4.4 Any funding not spent within 2019/20 financial year will be reclaimed by the Scottish Government. The definition of 'spent' in this instance is contracts signed and/or tenders awarded. Projects then have a further six months to complete works.
- 4.5 The existing project team of senior officers supported by Midlothian Voluntary Action will continue to meet and support projects throughout the delivery period to ensure spend and targets remain on track.
- 4.6 It is recommended that in the instance any projects underspending against the approved amount, and to avoid funds being reclaimed by the Scottish Government, the project team will have the ability to redistribute funds within the existing approved projects in order to add value where required. The priority project in this instance will be Penicuik Town Hall due to the project not securing the full requested amount.

## **5. Resource**

- 5.1 The management and reporting of this fund will continue to be led by the Council's Economic Development Service in close liaison with Council colleagues. The existing officer group will continue to meet throughout the duration of project activity to ensure projects remain supported throughout delivery and reduce risk of underspend. A representative from the Council's Finance team will also join this group to ensure robust financial monitoring.
- 5.2 From the seven projects recommended for approval, the Council is the lead applicant on three of these. Whilst no Council match funding is required to enable the projects, delivery and management of the projects will come from the existing staff resource within each of the lead service areas.
- 5.3 One project, the Dalkeith bus shelter replacement, has a cost implication for removal of existing bus stop poles. This cost will be met from the Council's Transport and Fleet budget, as agreed at the Capital Plan and Asset Management Board on 10 September 2019.

## **6. Risk**

- 6.1 The fund is time limited with spend required within the existing financial year March 2020 and all works completed by September 2020. Any unspent funds will be reclaimed by Scottish Government after this time.

6.2 Deliverability has been a key factor considered by the assessment panel during the scoring process. Each project has provided detailed timescales and milestones within their project delivery plan. The existing officer group will continue to meet regularly to ensure all project spend and milestones remain within the external time frames provided. Any potential risks will then be identified at an early stage with any remedial actions undertaken as required.

6.3 Should any projects not proceed, any resultant unallocated grant would be reallocated to further projects in the pipeline as outlined in 4.6.

6.4 To ensure robust financial monitoring and governance, the existing reporting and audit requirements in place for the Council's Large Grant Scheme will be mirrored throughout this project. All external applicants will be required to accept these terms and conditions within their grant award.

#### 6.5 **Single Midlothian Plan and Business Transformation**

- ☐ 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

#### 6.6 **Key Priorities within the Single Midlothian Plan**

6.6.1 Funding is directly aimed at supporting the regeneration of Town Centres which is a key priority under the Sustainable Growth theme of the Single Midlothian Plan.

6.6.2 Monies will directly fund projects which support place based economic investments which encourage town centres to diversify and flourish.

6.6.3 And projects have been assessed in line with the priorities of the Single Midlothian Plan. Within each recommended project, the applicant has demonstrated the link with one or more of the local priorities of reducing inequalities in Health, Learning or Economic Circumstance and/or the priorities within their local neighbourhood plan.

#### 6.7 **Impact on Performance and Outcomes**

6.7.1 The funding has the potential to have significant impact on a range of economic outcomes within the Single Midlothian Plan. A robust monitoring system will be established in order to capture and report on this.

6.7.2 The fund has the potential to increase the attractiveness of Midlothian's town centres as a place to visit, work, live or invest in by providing services within towns and improving the connectivity to and between towns.

6.7.3 It offers opportunity to support the national inclusive growth agenda through: helping to support, attract or secure employment opportunities and/or public services within our towns.

### **Adopting a Preventative Approach**

- 6.8 Successful town centres are a key component of a thriving local economy and part of the Scottish Governments Inclusive Growth agenda. Having a vibrant and successful local town centre can help deliver key services, provide employment opportunities, attract tourism and encourage investment, all which has a positive impact on the local economy and its people.

### **Involving Communities and Other Stakeholders**

- 6.9 The opportunity to submit project proposals for this fund was an open and transparent process supported by a communication strategy.
- 6.10 A total of 28 proposals were received and considered from communities, third sector, businesses and public sector groups. Recommended projects are those that best fit with the fund guidelines, local priorities and that are deliverable within the timeframe.
- 6.11 Following a formal participation request from the Third Sector Interface, a representative from Midlothian Voluntary Action was involved throughout the project assessment stage. A representative from the Midlothian and East Lothian Chamber of Commerce was also involved to represent business.

### **Ensuring Equalities**

- 6.12 Projects were considered in line with fund guidelines which were developed aligned with local policy and priorities. This process was fully inclusive. Applicants were requested to demonstrate within their application that appropriate equality policies were in place.

### **Supporting Sustainable Development**

- 6.13 The nature of this fund is to support sustainable development and investment within Midlothian town centres. Project sustainability was a key criteria within the application process to ensure project viability.

### **IT Issues**

- 6.14 No IT Issues apparent at this stage.

## **7. Summary**

- 7.1 This report provides detail on the application and assessment process for considering projects for funding from Midlothian's allocation of the Scottish Government's Town Centre Capital Fund.
- 7.2 The report provides a breakdown of recommended projects for approval along with project costs.
- 7.3 The report suggests a process for ongoing administration, governance and reporting of the fund to ensure reporting requirements to the Scottish Government and internal Council procedure.

## 8. Recommendations

Cabinet is recommended to:

1. Consider and agree the recommended projects for funding approval.
2. Agree the suggested process for project governance and reporting.
3. Agree a project update report will be presented to spring Council meeting.

**16 September 2019**

**Report Contact:**

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1. Background Paper: Town Centre Capital Fund 2019/20 – Guidance Note
2. Cabinet Report May Town Centre Capital Fund
3. Appendix list of Projects & Project Summaries.

## TOWN CENTRE CAPITAL FUND APPLICATION GUIDELINES

### BACKGROUND

The Town Centre Capital Fund is new Scottish Government funding allocated to each Local Authority area in Scotland. The funding aims to help stimulate and support place based economic investments which encourage town centres to diversify and flourish, creating footfall through local improvements and partnerships.

It is expected this fund should contribute to transformative investments which drive local economic activities and re-purpose town centres to become more diverse, accessible, sustainable and enterprising places.

### WHAT CAN THE FUNDING BE USED FOR?

Funding is available for capital projects only. This means funds for new buildings and facilities including their repairs or refurbishment, physical improvements to town centre areas, pathways and spaces also the purchase of equipment including IT equipment.

Projects will be expected to demonstrate how they link with the themes of the Town Centre Action Plan: <https://www.gov.scot/publications/town-centre-action-plan-scottish-government-response/>

- **Town Centre Living:** Encouraging more people to live in town centres.
- **Vibrant Local Economies:** Creating an environment supportive for business.
- **Enterprising Communities:** Community based activities and events which help to increase the health, wealth and wellbeing of town centres.
- **Accessible Public Services:** Creating and accessing public facilities and services including sustainable travel and transport hubs.
- **Digital Towns:** Exploiting digital technology and promoting Wi-Fi infrastructure to enable access to information, data analytics, marketing opportunities, branding, and communication with the wider world.
- **Proactive Planning:** Sustainable, low-carbon and connected places which promote natural and cultural assets, designed in partnership with local communities and key stakeholders.

### HOW MUCH CAN I APPLY FOR?

Midlothian has been awarded a total amount of £910k.

There is no minimum or maximum funding awards, however due to the nature of the funding, we expect requests for funding to be over £10k.

There is no requirement to provide match funding however projects that are able to maximise funding by securing additional financial contributions will be considered favourably. In-Kind donations will also be considered.

Funds must be spent by 31/03/2020. Definition of “spent” is when construction work has started or contracts signed. The delivery of all works must be completed by 30/09/2020. Any unused funds will be reclaimed by Scottish Government.

## **WHO CAN APPLY**

Applications will be welcomed by local authority departments, public sector groups, charities, community, third sector, social enterprises and business groups/networks. Whilst Midlothian Council holds the funding, Council led applications will be submitted and assessed within the same framework as external applications.

Projects will be required to show evidence of consultation, collaboration and partnership working between community, business groups and relevant stakeholders as appropriate.

## **APPLICATION PROCESS**

Applicants should submit an Expression of Interest Form. This will capture basic details on the project, what you want to deliver, the partners you are working with and how much funding is requested.

Expressions of interest (EOI's) will be assessed by a panel who will determine if applications should progress to the next stage. Successful EOI's will be invited to progress to a 2nd stage application which will capture more detail of the project including detailed costs and what the outcomes or impact of the project will be.

## **FURTHER SUPPORT**

Scotland's Towns Partnership provide a range of information, research, guides and toolkits which may help you in your application or provide inspiration. <https://www.scotlandstowns.org/>

Applicants that are invited to progress to a stage 2 application process will also be provided with council officer support to help progress their project idea.

## **APPLICATION TIMESCALES**

- Expression of Interest to be submitted by 12pm Friday 28 June 2019.
- 2<sup>nd</sup> Stage Application to be submitted by 12pm Friday 30 August 2019.
- Recommended Projects prepared for Council Decision 10 September 2019.
- Project decision 1 October 2019.



## **Town Centre Capital Fund 2019/20**

### **Report by Dr Mary Smith, Director, Communities, Education and Economy**

#### **1. Purpose of Report**

- 1.1 The purpose of this report is to provide information in relation to the recently announced £50million Town Centre Capital Fund of which Midlothian has been awarded a £910k allocation.
- 1.2 The report seeks approval for both the governance of the fund and the mechanism for proposing and approving Midlothian based projects.

#### **2. Background**

- 2.1 In 2013 the Scottish Government published the Town Centre Action Plan. This was in response to their national review of town centres. The action plan focussed on national and local solutions, identifying a range of actions over key themes to encourage and stimulate activity across public, private and community sectors in order to help revitalise town centres.
- 2.2 The Town Centre Capital Fund is new ring fenced Scottish Government capital funding offered to each Local Authority in Scotland through the local authority capital settlement. The aim of this funding is to enable local authorities to stimulate and support place based economic investments which encourage town centres to diversify and flourish, creating footfall through local improvements and partnerships.
- 2.3 It is expected this fund should contribute to transformative investments which drive local economic activities and re-purpose town centres to become more diverse, accessible, sustainable and enterprising places.
- 2.4 Scottish Government guidelines request the fund should deliver against the themes of the Town Centre Action Plan. Those themes are:
  - Town Centre Living – footfall is key to achieving thriving, successful towns centre; and, the best footfall is residential for people who will use shops, services, and will care for its safety and security in the evenings.
  - Vibrant Local Economies – creating a supportive business environment including the involvement of Business Improvement Districts (BIDs) and other local partnerships.

- Enterprising Communities – social enterprise, services, arts and events; and, community empowerment and community based activities which increase the health, wealth and wellbeing of town centres.
- Accessible Public Services – creating and accessing public facilities and services, supported by economic, service and transport hubs.
- Digital Towns – exploiting digital technology and promoting Wi-Fi infrastructure to enable access to information, data analytics, marketing opportunities, branding, and communication with the wider world.
- And Proactive Planning – land reform and supporting the creation of sustainable, low-carbon and connected places which promote natural and cultural assets, designed in partnership with local communities and key stakeholders.

### **3 Report Implications**

#### **3.1 Details of Fund**

- 3.1.1** The Scottish Government have produced broad guidelines detailing how they would like Town Centre Capital Funding to be spent and reported on.
- 3.1.2** Funding will be paid to Local Authorities quarterly; in April 2019, July 2019, November 2019 and March 2020. Any funding not spent within 2019/20 financial year will be reclaimed by the Scottish Government.
- 3.1.3** ‘Spent’ has been defined as where the construction work has commenced or contracts signed. All works must be completed by six months into the next financial year 2020/21 or there is risk of funding being reclaimed.
- 3.1.4** Decision making on how to spend the funding resides with local authorities and there is no requirement for bids or submission of proposals to the Scottish Government for approval.
- 3.1.5** Local Authority investment decisions should align with the ‘Town Centre First Principle’ and the ‘Place Principle’. As such, it is expected that investment decisions are based on approaches which are collaborative and place based with a shared purpose.

#### **3.2 Local Action**

- 3.2.1** Given the time constraints on this funding, a project team representing interested Council departments was assembled. Represented on this group are senior officers from: Planning, Conservation and Environment, Communities, Estates and Economic Development.
- 3.2.2** The third sector is also represented on this group following an approved participation request from Midlothian Voluntary Action under the guidelines of the Community Empowerment Act.

### **3.3 Proposed Approach**

**3.3.1** To enable the Council to maximise the impact of the new Town Centre Capital Fund within the strict timeline associated within financial year 2019/20 to spend, and consider projects in a fair, open and collaborative way, the group have suggested a process for proposing and developing applications:

- This would take a co-ordinated communication exercise targeting communities, third sector and business groups to raise awareness of the funding opportunities and to invite expressions of interest.
- Expressions of interest would follow a similar format to those currently in place within Tyne Esk LEADER; capturing a basic understanding/overview of the project proposal along with an estimated cost. Council led applications would require to follow this format in the same way.
- It is recognised that some Midlothian town centres have received considerable investment via Conservation Area Regeneration (CARS) /Townscape Heritage Initiative (THI) funding whilst some towns had received limited or no investment. Projects from towns which have received limited investment will be encouraged.
- And projects which offer leverage by way of match funding/ additionality will be considered favourably.
- Capital projects can require considerable time for associated planning, studies, and consultations and for completion of works. A critical part of the criteria when considering proposals should therefore be the ability for projects to be deliverable within the timescales provided. Any funds unspent within these timescales will be reclaimed by the Scottish Government.
- Selection criteria will be developed which aligns with the Scottish Government fund guidelines and which takes recognition of local policy and priorities.
- Expressions of Interest will be considered by a steering group comprised of senior officers from Planning, Estates, Economic Development, Communities, and the third sector. The elected member with the Communities and Economy portfolio will also be invited to participate in this process.
- Projects that best fit the selection criteria will be shortlisted by the steering group. Projects will then require further developing to include detailed costings and consultation as required. Support will be offered by council officers in the case of any community led submissions.
- Developed projects will be resubmitted to the steering group for further consideration and to ensure viability.
- Recommended projects will be submitted to Council in October for final approval. Appropriate timescales will be applied to each stage of this process to ensure project delivery within the timeframe set by the Scottish Government.
- There will be no appeal process for unsuccessful applicants.

## **4. Resource**

**4.1** It is proposed that the management and reporting of this process and fund is led by the Council's Economic Development Service in close liaison with Council colleagues. However applicants will be offered support from officers across the council.

- 4.2** The Economic Development service have strong links to Scotland's Towns Partnership which are the Scottish Government funded national organisation providing practical support and guidance to support town centres and neighbourhoods including Business Improvement Districts. Support from this organisation will be of great value throughout this process. The service also have oversight of key strategic projects which this fund has the opportunity to complement.
- 4.3** Improving the sustainability and viability of Town Centres is of interest to not only the communities of Midlothian in which they are located, but also to the wider range of Council departments which provide a service to, or that are located within. It is envisaged that this fund and process will be cross service in approach, thereby ensuring quality proposals and maximising the additionality potential.
- 4.4** No Council funds are required to match this funding although efforts will be made to lever external funding opportunities where possible to enhance the impact and benefit of funding.

## **5. Risk**

- 5.1** As this funding is time limited with spend required this financial year 2019/20, one of the main risks is not agreeing an effective process and timescale for considering project proposals.

## **5.2 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

## **5.3 Key Priorities within the Single Midlothian Plan**

- The funding is directly aimed at supporting the regeneration of Town Centres which is a key priority under the Sustainable Growth theme of the Single Midlothian Plan.
- The monies will directly fund projects which support place based economic investments which encourage town centres to diversify and flourish.
- Projects have the potential to improve opportunities for the people of Midlothian. Public engagement will attempt to involve citizens in the design and delivery of their local services. Project proposals will be encouraged from all communities giving individuals and groups the opportunity to directly influence project spend and the third sector will have a key role in the decision making process.
- Community asset transfer proposals will also be duly considered as part of the process where requested.

#### **5.4 Impact on Performance and Outcomes**

- This new funding has the potential to have significant impact on a range of economic outcomes.
- Depending on the nature of the projects supported, the fund has the potential to increase the attractiveness of Midlothian's town centres as a place to work, live or invest in.
- It offers opportunity to support the national inclusive growth agenda through: helping to support, attract or secure employment opportunities and/or public services, and encourage business start-ups and growth.

#### **5.5 Adopting a Preventative Approach**

Successful town centres are a key component of a thriving local economy and part of the Scottish Governments Inclusive Growth agenda. Having a vibrant and successful local town centre can help deliver key services, provide employment opportunities, attract tourism and encourage investment, all which has a positive impact on the local economy and its people.

#### **5.6 Involving Communities and Other Stakeholders**

The opportunity to submit project proposals for this fund will be a fair, open and transparent process. Proposals will be considered from communities, third sector, businesses and public sector groups. Successful projects will be those which are best fit to the fund guidelines. The wider community and third sectors will be represented by a dedicated representative on the steering group and assessment panel.

The opportunity to allocate this funding following a Participatory Budgeting approach was considered by the group. However it was felt that this would be unachievable within the specified time restrictions. If additional town centre capital funding is released in the future then it is suggested to reconsider this approach.

#### **5.7 Ensuring Equalities**

Projects will be considered in line with fund guidelines which will be developed with consideration to local policy and priorities. This process will be inclusive.

#### **5.8 Supporting Sustainable Development**

The nature of this fund is to support sustainable development and investment within Midlothian town centres. This will be a key criteria when considering proposals to ensure project viability.

#### **5.9 IT Issues**

No IT Issues apparent at this stage.

## **6. Summary**

- 6.1** This report provides background on the new Town Centre Capital Fund of which Midlothian has been awarded a £910k allocation to be spent this financial year.
- 6.2** It summarises that decisions should be made in a collaborative manner, as underpinned by the key themes identified in the Town Centre Action Plan and in line with local policy and priorities.
- 6.3** The report suggests a process for proposing and approving capital projects which must be delivered in the current financial year or risk of funding being reclaimed by Scottish Government.

## **7. Recommendations**

Cabinet is recommended to:

- 1. Note the guidelines and timescales of the funding.
- 2. Agree the suggested process for project proposals and consideration.
- 3. Agree projects will be presented to October Council meeting for final approval.

**08 May 2019**

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Background Paper: Town Centre Capital Fund 2019/20 – Guidance Note



