

Notice of Meeting and Agenda



Midlothian Council

Venue: Council Chambers - Please Note this is a Special Midlothian Council Meeting,

Date: Tuesday, 31 January 2023

Time: 11:00

Executive Director : Place

Contact:

Clerk Name: Democratic Services

Clerk Telephone:

Clerk Email: democratic.services@midlothian.gov.uk

Further Information:

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

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1 Welcome, Introductions and Apologies

2 Order of Business

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

3 Declaration of Interest

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

4 Deputations

No items for discussion

5 Minutes

No items for discussion

6 Questions to the Council Leader

No items for discussion

7 Motions

No items for discussion

8 Public Reports

- 8.1** Medium Term Financial Strategy - 2023/24 to 2027/28 - Report by Acting Chief Financial Officer. 3 - 100

9 Private Reports

No items for discussion

10 Date of Next Meeting

The next scheduled meeting of Midlothian Council will be held on Tuesday 21 February 2023 at 11.00am.

Medium Term Financial Strategy – 2023/24 to 2027/28

Report by David Gladwin, Acting Chief Financial Officer

Report for Decision

1 Recommendations

- a) Note that the work of The Business Transformation Steering Group (BTSG) will continue to consider savings measures necessary to support delivery of a balanced budget for 2023/24 before any policy measures are presented to Council;
- b) Note that the financial outlook remains challenging for this term of Council;
- c) Note the recommendation of the external Auditor that, *“as a matter of urgency, officers and elected members need to work together to develop and agree the medium-term financial strategy and progress the Council’s transformation plans”*.
- d) Note the latest position on Scottish Government funding for Local Authorities and the associated grant settlement for Midlothian Council;
- e) Note the update in respect of fiscal flexibilities;
- f) Note that the projected budget gap for 2023/24 is £14.481 million rising to a projected £26.575 million by 2027/28;
- g) Note the savings proposals of £7.285 million rising to £16.021 million in 2025/26;
- h) Note that the remaining budget gap, if all savings proposals presented are approved, of £7.196 million in 2023/24 rising to £10.554 million in 2027/28;
- i) Approve the commencement of a period of public consultation on proposed savings measures;
- j) Note the outcomes from the high level budget consultation; and
- k) Otherwise, note the remainder of the report.

Date: 19 January 2023

Report Contact: David Gladwin, Acting Chief Financial Officer

2 Purpose of Report / Executive Summary

- 2.1 The main purpose of this report is to provide Council with latest projections of future year budget gaps, specifically focussing on 2023/24.
- 2.2 Commentary is provided to Members on the latest position on Scottish Government funding for Midlothian Council in 2023/24 and ongoing work to finalise this.
- 2.3 Officer proposals to partially bridge the budget gap, as presented and discussed at the BTSG and with political groups, are appended in detail.
- 2.4 The projected budget gap for 2023/24 is £14.481 million rising to £26.575 million by 2027/28. Approval of all savings measures presented in Appendix C would reduce the remaining gap to £7.196 million in 2023/24 rising to £10.554 million by 2027/28.
- 2.5 Council will meet on 21st February 2023 to set Council Tax for 2023/24 and a balanced budget.

3 Medium Term Financial Strategy 2023/24 to 2027/28 - Background

- 3.1 Council last considered an update on its Medium Term Financial Strategy (MTFS) on 13th December 2022 where latest projections of the budget gap in 2023/24 of £12.982 million rising to £25.052 million by 2027/28 were presented and discussed.
- 3.2 Council and officers were reminded of the recommendation of the external Auditor that *“as a matter of urgency, officers and elected members need to work together to develop and agree the medium-term financial strategy and progress the Council’s transformation plans”*. The auditor also observed that *“The Council continues to demonstrate good financial management arrangements and control of the in-year budget, including understanding of the ongoing impact of Covid and other financial pressures”*.
- 3.3 The approval of the MTFS in June 2019 was an important step-change and one that provided greater certainty for local communities and for employees. It allowed the Council to shift from having to consider savings every year at February Council meetings to planning for the medium term and in turn securing continued financial sustainability.
- 3.4 As a result, the approval of the MTFS and, on the recommendation of the BTSG, the subsequent approval of the 2020/21 & 2021/22 budgets ensured that the Council secured strategic budgets which invested in Midlothian to help it fulfil its potential to be a great place to grow.

- 3.5 The MTFs also provided a strong foundation on which the Council has been able to build its response to the financial impact of the COVID pandemic. It was against this backdrop that a corporate solution for 2022/23 was developed to support the delivery of the last budget determined by the previous Council.
- 3.6 The pandemic has accelerated financial challenges, exacerbated in recent months by very challenging inflationary pressures. There are some difficult choices ahead as Midlothian Council try to deliver services within available budget alongside sustained demographic growth from being the fastest growing local authority in Scotland. As a result, there is a significant funding gap that will impact on what services the Council can continue to deliver and how they are delivered. Reprioritisation and redesign is crucial to balancing the financial position.

Statutory Responsibilities of Councillors

- 3.7 Full Council has a statutory duty, as set out in Section 93 of the Local Government Finance Act 1992 (as amended), to set Council Tax and a balanced budget for the following financial year by 11th March.
- 3.8 Members should note that legislation contains no specific requirement for a Council to set its budget at the same time as setting its Council Tax. This is because it is implicit in setting the Council Tax that the income it raises needs to be sufficient to fund the balance of expenditure not otherwise funded from government grant, fees, reserves etc.
- 3.9 It is therefore implicit in legislation that Council Tax income funds the gap between income and expenditure. Accordingly, in determining a budget, Council needs to identify the gap between expenditure and income and if no other action is taken to redress any shortfall Council Tax has to be set at a rate that will do so. As a consequence, Council Tax decisions should not normally be taken in advance of other budget decisions.
- 3.10 Members should also continue to 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 21st February members would be required to disclose if this section of the act applies to them and subsequently not vote on any question with respect to the matter.

Scottish Government Funding - Local Government Finance Circular 11/2022

- 3.11 The Scottish Budget was announced on Thursday 15th December 2022 with the first version of the Local Government Finance Circular issued on Tuesday 20th December. There have been several revisions to the circular with the latest version received on Tuesday 10th January. At least one further iteration is expected during January / February. The commentary that follows is based on the version received on Tuesday 10th January.

Scottish position

- 3.12 Total cash funding for 2023/24 is £13,229.158 million which is a £543.885 million increase on the published 2022/23 position in Finance Circular 1/2022. Table 1 below provides details.

Table 1: All Scotland Aggregated Funding Totals

	2022/23 £m	2023/24 £m	Cash Change £m
Revenue	12,000.632	12,402.517	401.885
Capital	684.641	826.641	142.000
Total	12,685.273	13,229.158	543.885

Revenue Funding

- 3.13 The 2022/23 figure of £12,000.632 million contains some non-recurring funding and the 2023/24 figure includes some new funding with associated expenditure commitments. Table 2 below illustrates this.

Table 2: 22/23 non-recurring funding and 23/24 new commitments

	£m
Finance Circular 1/2022 (22/23)	12,000
<i>Non-recurring 22/23 Expenditure</i>	
Scottish Child Bridging Payments	(68)
Interim Care Funding	(20)
Adjusted Comparator for 2023/24	11,912
<i>New Expenditure Commitments</i>	
Recurring funding for pay	140
Local Heat and Energy Efficiency Strategies	2
Whole Family Wellbeing Support	32
Real Living wage in Adult Social care (raising rate to £10.90)	100
Free Personal and Nursing Care	15
Free School Meals – P6+7 expansion for eligible pupils	18
Additional Discretionary Housing Payments	6
School Clothing Grants Increase (inflationary)	1
Adult Social Care Fees (SSSC)	2
Increase in LG contribution to Historic Abuse Redress Scheme	1
Total	12,229
Devolution of Empty Property Relief to Local Government	105
Total Scottish Government Funding on a comparative basis	12,334

- 3.14 Comparing Scottish Government funding on a comparative basis against cash values in the latest Local Government Finance Circular shows a £68 million increase in funding in 2023/24.
- 3.15 Converting cash values to real terms figures, as illustrated by various experts including the Institute for Fiscal Studies, Fraser of Allander Institute and the Scottish Parliament Information Centre, describe a significant real terms reduction in funding to Local Government.
- 3.16 The Scottish Budget also made a change to Non Domestic Rates (NDR) Revaluation Appeals. With effect from 1st April 2023, the implementation date of new rateable values from the 2022 revaluation process, any local authority that reduces their own liability as a consequence of a successful appeal will lose the same value of funding from their Scottish Government Revenue Funding. Previously local authorities benefitted significantly from successful appeals.

Impact of Finance Circular 11/2022 on Midlothian Council

- 3.17 Finance Circular 11/2022 distributes £12,171.054 million to local authorities with the remaining £231.363 million undistributed at this stage. Table 3 below shows Midlothian's share of distributed amounts and estimated shares of undistributed.

Table 3: Local Authority shares of Scottish Government Grant

	Scotland £m	Midlothian £m
<i>Distributed funding</i>		
General Revenue Funding	8,348.099	152.700
Non Domestic Rates	3,047.000	35.215
Ring-Fenced Grants	755.956	15.249
Total	12,171.054	203.164
<i>Undistributed funding</i>		
General Revenue Funding	231.360	3.065
Non Domestic Rates (NDR)	0	0
Ring-fenced Grants	0.103	0
Total	231.463	3.065
Total Scottish Government Funding	12,402.517	206.229

- 3.18 After allowing for new expenditure requirements these figures give an improvement of £0.836 million on the projected Scottish Government Grant figure included in the latest iteration of Midlothian's budget model as presented to council in December. However, NDR rule changes on appeals as outlined in section 3.16 of this report effectively reduces this figure when taking into account the lost financial benefits that could be achieved from successful Rateable Value appeals.

- 3.19 The Minimum Grant Floor is designed to ensure a stable distribution of grant to ensure that all councils receive at least a minimum guaranteed increase in total revenue support for each year. As expected, due to pace of growth in Midlothian, relative shares of Scottish Government funding lines have increased giving an overall 4.48% upwards movement. The floor, for 2023/24, is set at a minimum growth of 1.95% for all councils thus reducing Midlothian's funded growth to 2.43% and resulting in a cash contribution to the floor of £3.136 million.
- 3.20 The Deputy First Minister (DFM) and Cabinet Secretary for Covid Recovery wrote to CoSLA on the 15th December outlining details of the Local Government Finance Settlement for 2023/24. The letter is provided at appendix B. Key points to note are:
- Funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2022/23 recurring budgets for services delegated to Integration Joint Boards (IJBs) and therefore, Local Authority social care budgets for allocation to integration authorities must be at least £95m greater than 2022/23 recurring budgets; and
 - Scottish Government will not seek to agree any freeze or cap in locally determined increases to council tax, meaning each council will have full flexibility to set the Council Tax rate that is appropriate for their local authority area.
- 3.21 At the time of writing this report there are several areas of the Local Government Finance Circular that are require further clarification. CoSLA are pursuing these areas with the Scottish Government and they include:
- Clarity of the quantum for Early Learning and Childcare, particularly relating to £15m for targeted holiday provision;
 - Missing £32.8 million funding which was previously provided to fund the additional 1% offered to and accepted by Teachers late in financial year 2021/22. Midlothian's share of this in 22/23 was £0.630 million;
 - Clarity on the quantum for Free School Meals provision; and
 - A full reconciliation of figures thus allowing Local Authority finance professionals to fully understand the detailed position.
- 3.22 The planned change to the distribution basis for Early Learning and Childcare has not been implemented, now deferred until 2024/25. It is hoped that the revised distribution base, which will focus more on actual numbers, will provide an increased share for Midlothian.
- 3.23 Consultation on the Local Government Finance circular is due to end on 27th January. Shortly thereafter an amended circular will be published in advance of passage of the Scottish Government's budget bill through parliament. Stage 1 debate on the Bill is scheduled for Thursday 2nd February.

Budget Projections

- 3.24 At its meeting on 4th October, Council was provided with an update of the budget projections for financial years 2023/24 to 2027/28 with a further update on 13th December 2023. These projections were based on key assumptions on pay inflation and contractual inflation, government grant and Council Tax and included and reflected an assessment of the Scottish Government's Resource Spending Review published on 31 May 2022.
- 3.25 The impact of inflation and pay pressures in the current and future years remains fluid and best estimates are being included in ongoing budget work which also picks up demographic pressures.
- 3.26 The current year's budget as approved on 15th February 2022 was reliant on £10.283 million of one-off funding measures as presented in table 1 below. Council on 23rd August 2022 approved a supplementary estimate of £1.395 million in 2022/23 to cover unbudgeted inflationary pressures. This is partially offset by the full year impact of reversing the Employers National Insurance increase.

Table 4: Underlying budget gap for 2022/23

One-off Measures in 2022/23 Budget	£m	£m
Use of Reserves		
Utilisation of uncommitted earmarked reserves	2.000	
Utilisation of general reserves	0.250	
		2.250
One-off utilisation of COVID funding (to mitigate savings plans)		1.675
Deferment of debt repayments in 2021/22 and 2022/23		
Loans Fund Review to meet repayments in 22/23 (max)	3.032	
From use of Fiscal Flexibility (Loans Fund Repayment Holiday) and utilise Loans Fund Review both in 21/22 (max)	3.326	
		6.358
Non Recurring Expenditure		(0.250)
Impact of 22/23 contractual inflation – Energy and PPP – approved by Council on 23 rd August 2022		1.395
Impact of reversal of Employers NI increase (full year effect)		(1.130)
Underlying Budget Gap for 2022/23		10.298

- 3.27 The projections for 2024/25 and beyond as shown in table 5 below are predicted on assumptions related to Scottish Government Grant, pay and other inflation and Council Tax growth. They also assume continuation of the current structure of public services in Scotland.

Table 5: Financial Outlook 2023/24 to 2027/28 – Analysis of Change

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Opening gap for the year	10.298	14.481	19.481	21.750	24.072
<i>Budget Changes</i>					
Staffing – pay inflation and salary progression	5.683	3.977	4.077	4.179	4.283
Contractual inflation and indexation	1.815	1.099	1.126	1.154	1.183
Loan Charges	(1.978)	2.088	0.250	0.250	0.250
Energy Inflation based on November pricing information	1.817	0.000	0.000	0.000	0.000
Demographic Pressures	2.604	0.000	0.000	0.000	0.000
Non Domestic Rates Revaluations	1.021	0.000	0.000	0.000	0.000
Digital Software / Cyber Security	0.493	0.000	0.000	0.000	0.000
Service Concessions – in year adjustment	(2.336)	0.000	0.000	0.000	0.000
Other	0.008	(0.011)	(0.011)	(0.011)	(0.011)
Gross Expenditure Increases	9.127	7.153	5.442	5.572	5.704
Council Tax – Property Growth	(1.350)	(1.350)	(1.350)	(1.350)	(1.350)
Waste Third Party Income	(0.742)	0.000	0.000	0.000	0.000
Destination Hillend Net Income	(0.412)	(0.507)	(1.413)	0.133	(0.027)
Industrial Unit Rental Income	(0.330)	0.000	0.000	0.000	0.000
Scottish Government Grant	(0.883)	(0.115)	(0.118)	(1.821)	(1.824)
Gross Income Increases	(3.717)	(1.972)	(2.881)	(3.038)	(3.201)
Budget Gap to Address	15.708	19.662	22.042	22.734	26.575
Operational savings measures	(1.227)	(0.181)	(0.292)	(0.212)	(0.000)
Budget Gap	14.481	19.481	21.750	24.072	26.575

3.28 Council Tax income shown in projections is based on the existing Band D Council Tax of £1,442.60.

3.29 2022/23 pay claims for the SJC bargaining groups have been concluded with the following agreed:

- For those on the Local Government Living Wage and pay scale point (SCP) 19 to 24 and undifferentiated 5% or a £2,000 uplift (calculated on a nominal 36 hour working week), whichever is larger;
- A 10.2% increase for the lowest paid. For SCP 38 (£24,984) a 7.7% increase (£1,925) and for SCP 52 (£30,212) a 6.37% increase (£1,925); and
- An undifferentiated 5% or a £1,925 uplift (calculated on a nominal 36 hour working week), whichever is larger, capped for those currently earning £60,000 or more at a £3,000 uplift (based on a 37 hour working week).

It is estimated that this equates to a 7.23% increase in the Council's SJC paybill.

3.30 A straight offer of 5%, and a further differentiated offer averaging at just over 5% has been made to and rejected by the Scottish Negotiating Committee of Teachers Bargaining Group. Discussions are ongoing.

- 3.31 A pay increase of 2.5% was provided for in the 2022/23 base budget. The Scottish Government have provided additional funding for 3.73% of the increased cost:
- £140m revenue funding nationally of which £2.338m will flow to Midlothian as part of general revenue funding;
 - £120.6 million of Capital Funding (Capital Flexibilities) of which £2.014 million will flow to Midlothian as a capital grant. A one-off flexibility option to allow capital grant to fund in-year revenue expenditure has been developed with Scottish Government and CoSLA officials.
- 3.32 The remaining 1%, estimated at £1.8 million, links into ongoing national discussions around funding flexibilities. Work continues in 2022/23 on identifying areas of the Council budget that can contribute to the £1.8 million target which is proving challenging to reach.
- 3.33 Pay projections shown in table 5 above include the impact of 22/23 agreed pay awards and the latest offer for those still in dispute, uplifted by a further 2.5% in 23/24 and each year thereafter. Funding for pay awards is included also with the **exception** of £1.8m of financial flexibilities in 23/24. Given the challenges in identifying valid options in 2022/23 as outlined in section 3.32 above it is considered prudent at this stage to assume they will not be available in 2023/24.

Medium Term Financial Strategy Savings Measures

- 3.34 Appendix C details savings measures developed by officers and discussed in detail at BTSG meetings and also with each political group. Consultation with unions and staff continues.
- 3.35 Implementation of all proposals would reduce the budget gap as shown in table 5 above as follows

Table 6: Budget gap reflecting implementation of all savings proposals

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Budget Gap	14.481	19.481	21.750	24.072	26.575
Savings Measures - Appendix C	(7.285)	(13.016)	(16.021)	(16.021)	(16.021)
Remaining Budget Gap	7.196	6.465	5.729	8.051	10.554

- 3.36 In addition to savings measures, members should note that each 1% or £14.42 per annum increase in Band D Council Tax would generate circa £580,000 per annum in additional income.
- 3.37 Public consultation on the high level budget is complete and feedback from this process is included at Appendix D for information.

Fiscal Flexibilities

- 3.38 Although Fiscal Flexibilities are one-off in nature and do not contribute to bridging the ongoing gap between recurring expenditure and recurring income they can, whilst available, be used as a means to plug in-year gaps whilst detailed work takes place to develop and implement permanent transformational savings. For the period of the current MTFS there are two options that can be accessed.
- 3.39 The first relates to Service Concessions. The Scottish Government, through Finance Circular 10/2022 published in September 2022 permitted Councils to apply additional flexibility to the accounting treatment for Service Concession Arrangements in place before 1st April 2022. The statutory guidance applies from financial year 2022 to 2023 but permits retrospective application as an option.
- 3.40 For Midlothian this includes Public Private Partnerships at Dalkeith Campus and seven Primary Schools, Newbattle Community High School and the Waste plant at Millerhill. The Finance team and the Council's Treasury advisers Link Group have been working hard to expedite work in this area. The Council received a draft final report from Link Group on Wednesday 18th January and have some detailed queries to resolve before the position is finalised. It is expected this will be around 25th January. The plan thereafter is to immediately engage with Audit Scotland, brief members on the details in early February and then present a final report to Council on 21st February with recommendations for decision. Implementation of this financial flexibility is dependent on approval of full Council.
- 3.41 Whilst not yet finalised, awaiting audit opinion and requiring a Council decision to implement, this fiscal flexibility is likely to offer a significant value of retrospection which becomes available for use on the date of adoption which I will recommend as 1st April 2023. Application of retrospective savings blended with a continued focus on delivering MTFS savings and wider transformation measures provides Council with an opportunity to develop a balanced financial position for the remainder of this Council term and possibly beyond.
- 3.42 Projections set out in this report assume an in-year adjustment in 2023/24 of £2.336 million from the application of the flexibility.
- 3.43 The second Fiscal Flexibility available for use relates to financing Loans Fund Principal repayments and is one Council have adopted previously. The mechanism for implementing this in 2023/24 would be either use of retrospective Loans Fund Review savings or using Capital Fund Balances to repay debt. Current figures indicate this could be up to a value of £2.9 million.

4 Next Steps

Engagement

- 4.1 Savings proposals appended to this report are in the public domain and engagement with Trade Unions and staff has taken place. Formal public consultation will commence subject to Council approval.

Finalisation of the 2023/4 Budget and Setting Council Tax

- 4.2 Council will meet on 21st February to finalise the 2023/24 budget. In the intervening period BTSG will continue to meet as required and Members will be briefed on any significant changes to figures.

Midlothian Integration Joint Board

- 4.3 The Chief Officer and Chief Financial Officer of the Midlothian Integrated Joint Board (MIJB) are being kept updated on the Council's budget position and are engaged in the development of the MTFs.
- 4.4 The indicative budget to be delegated to MIJB for 2023/24 together with future years indicative allocations was developed based on the 2022/23 position of cash flat plus additional Scottish Government funding.
- 4.5 The DFM letter referred to in section 3.20 and provided in full in appendix B outlines Scottish Government expectations for funding IJBs in 2023/24. Council approved a requisition of £56.438 million in 2022/23. Minor adjustments during 2022/23 revise the figure to £56.593 million. Shares of new funding for Living Wage (£100m) and inflationary increases to Free Personal Nursing Care (£15m) less non-recurring Interim Care Money (£20m) increase the minimum requisition in 2023/24 to approximately £58 million.
- 4.6 BTSG will be asked to consider the formal offer arising from the settlement once it is finalised and this will form part of the final budget recommendations to Council.

5 Report Implications (Resource, Digital and Risk)

Resource

- 5.1 The financial outlook remains challenging for the term of this Council and the recommendation of the External Auditor is "*as a matter of urgency, officers and elected members need to work together to develop and agree the medium term financial strategy and progress the Council's transformation plans*".

Digital

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

Risk

- 5.3 Within any financial projections, there are a number of inherent assumptions in arriving at figures and setting budget. Therefore risks exist if costs change or new pressures emerge.

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

- Uncertainty over the Scottish Government's and Council's financial position;
 - The economic outlook and decision by Scottish Government on future years grant settlements and grant distribution;
 - The risk to service provision and service users associated with a continued decline in available resources to fund services;
 - Future years Public Sector pay policy and current and future year pay award settlements;
 - Actual school rolls varying from those provided for in the budget;
 - 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 reform of public services and the implications for the National Care Service (Scotland) Bill;
 - 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 the associated cost; and
 - Ability to continue to meet the expectations of our communities within a period of fiscal constraint.
- 5.4 Developing a MTFS is important and can support the mitigation of a number of these risks by setting out the key assumptions on which forward plans are based. The consequences of the challenging grant settlement parameters mean that it is also necessary to bring forward measures to secure financial balance over the period covered by the Medium Term Financial Strategy.
- 5.5 The risk of not having in place a balanced MTFS is the potential elimination of available reserves, which in turn would severely limit the Council's ability to deal with unforeseen or unplanned events and also the imposition of significant cuts at short notice with limited opportunity for consultation.

Ensuring Equalities

- 5.6 The strategic plan and associated MTFS together with the resource allocation measures which will support financial sustainability will, as far as the constraint on resources allow, be developed within the context of the Council's priorities, ensuring as far as possible that resources are directed towards the key priorities of reducing inequalities in learning, health and economic circumstance outcomes.
- 5.7 The Strategic Plan and associated MTFS 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.
- 5.8 In addition, the Strategic Plan will underline the Council's commitment in its Equality Plan to tackle inequality and promote inclusion within the limitations of the resources available. It will also allow the Council to plan and deliver services which meet the needs of our diverse communities and respond to the changes ahead.
- 5.9 Individual Equality Impact Assessments (EQIA) will be placed in the members Library in respect of future policy savings measures and an overarching EQIA will be published alongside the MTFS report presented to the Council meeting on 21st February 2023.

Additional Report Implications

See Appendix A

Appendices

APPENDIX A – Report Implications

APPENDIX B – Letter from the Deputy First Minister and Cabinet Secretary for Covid recovery to COSLA president dated 15 December 2022.

APPENDIX C – Budget Proposals – Savings Templates

APPENDIX D – Public feedback on the High Level Budget proposals

A.1 Key Priorities within the Single Midlothian Plan

The Strategic Plan and associated Medium Term Financial Strategy facilitates decisions on how Council allocates and uses its available resources and as such has fundamental implications for delivery of the key priorities in the Single Midlothian Plan. It helps ensure that resources are available to continue to delivery key priorities.

A.2 Key Drivers for Change

Key drivers addressed in this report:

- Holistic Working
- Hub and Spoke
- Modern
- Sustainable
- Transformational
- Preventative
- Asset-based
- Continuous Improvement
- One size fits one
- None of the above

A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- One Council Working with you, for you
- Preventative and Sustainable
- Efficient and Modern
- Innovative and Ambitious
- None of the above

A.4 Delivering Best Value

The report does not directly impact on delivering Best Value.

A.5 Involving Communities and Other Stakeholders

The development of the Strategic Plan and associated Medium Term Financial Strategy provides for public engagement.

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 Strategic Plan and associated Medium Term Financial Strategy.

A.6 Impact on Performance and Outcomes

The Strategic Plan and associated Medium Term Financial Strategy facilitates decisions on how the Council allocates and uses its available resources and as such has fundamental implications for service performance and outcomes. The financial consequences of the pandemic have impacted on the availability and allocation of resources in pursuit of key outcomes as set out in the Single Midlothian Plan for both the immediate and longer term and therefore the ability of the Council to continue to deliver services in a financial sustainable manner.

A.7 Adopting a Preventative Approach

An effective Strategic plan supported by a Medium Term Financial Strategy will support the prioritisation of resources to support prevention activities.

A.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 Strategic Plan and associated Medium Term Financial Strategy.

An Leas-phrìomh Mhinistear agus Ath-shlànachadh
Cobhid
Deputy First Minister and Cabinet Secretary for Covid
Recovery
John Swinney MSP



Scottish Government
Riaghaltas na h-Alba
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Councillor Morrison
COSLA President
Verity House
19 Haymarket Yards
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EH12 5BH

Copy to: Councillor Steven Heddle
The Leaders of all Scottish local authorities

15 December 2022

Dear Shona,

Today I formally set out the Scottish Government's proposed Budget for 2023-24 in a statement to the Scottish Parliament. I write now to confirm the details of the local government finance settlement for 2023-24.

As discussed when I met with you, the Resources Spokesperson, and Group Leaders on 1 December, we are facing the most challenging budget circumstances since devolution. This is primarily due to over a decade of austerity eroding financial settlements from Westminster, compounded by the impact of Brexit and the disastrous mini-budget. Scottish and local government are experiencing unprecedented challenges as a result of the UK Government's economic mismanagement, resulting in rising prices and soaring energy bills, with inflation estimated to be running at a 41 year high of 11.1% at the time of the Chancellor's Autumn Statement.

My Cabinet colleagues and I have engaged extensively with COSLA Leaders and spokespersons over the course of the year and there is collective understanding that this economic context is also having a significant impact upon local authorities. Councils, like the Scottish Government and rest of the public sector, are working hard to support people through the cost crisis. In this regard we are hugely grateful to councils for their hard work and we fully appreciate that no part of public life has been immune from taking deeply difficult decisions to live within the current fiscal reality.

I have already taken the unprecedented step of making a statement to Parliament to reprioritise over £1.2 billion of funding as part of my Emergency Budget Statement. Despite the scale of that challenge the Scottish Government actively chose to protect Councils during

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that exercise and increased the funding available to councils whilst most other portfolios were required to make significant savings.

The Scottish Government's revenue raising powers offer limited flexibility to deal with challenges of this magnitude. I wrote to the Chancellor on 19 October to highlight the impact of inflation on the Scottish Government's budget and to call for additional funding to help us deal with these inflationary pressures and to support public services.

As we face these challenges, and in the absence of meaningful change in direction by the UK Government, we need to work together to ensure that we deliver for people within the financial constraints we have. I very much welcomed the open discussion on 1 December about how we focus our efforts on our shared priorities, and to that end we are offering to jointly develop an approach to working within this budget which delivers our ambitions.

The Local Government Settlement

Before turning to that offer, I will first set out how I have sought to support local government through the budget itself.

The Resource Spending Review guaranteed the combination of General Revenue Grant and Non-Domestic Rates Income at existing levels between 2023-24 and 2025-26 including the baselining of the £120 million that was added in Budget Bill 2022-23. The Budget delivers those commitments in full, despite the fact that the UK Government's Autumn Statement reversed their previous position on employer National Insurance Contributions resulting in negative consequentials. This decision has conferred around £70 million of additional spending power for local government.

The difficult decisions in the Emergency Budget Statement provided one-off additional funding to support enhanced pay deals for local government staff. We recognise the role that increasing pay for local authority employees, especially those on lower incomes, plays in helping more people cope with the cost crisis, but the fact remains that every additional pound we spend on recurring pay deals, must be funded from elsewhere within the Scottish Government budget. I therefore hope that councils will welcome the fact that the budget baselines the additional £260.6 million allocated in 2022-23 to support the local government pay deal and also delivers additional funding to ensure that payment of SSSC fees for the Local Government workforce will continue to be made on a recurring basis.

Despite the challenging budget settlement I have sought to increase funding as much as I can. I have been able to increase General Revenue Grant by a further £72.5 million, taking the total increase to over £550 million. I have also ensured that we have maintained key transfers worth over £1 billion and added a further £102 million of resource to protect key shared priorities particularly around education and social care.

The Resource Spending Review also confirmed the outcome of the 2021 Capital Spending Review and this has been supplemented by £120.6 million mentioned as part of the support to the local government pay deal plus a further £50 million to help with the expansion of the Free School Meals policy.

With regards to that wider settlement, we are providing £145 million to be used by councils to support the school workforce. The Cabinet Secretary for Education and Skills has written separately to COSLA on this matter.

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I am also very grateful for the work undertaken through the Early Learning and Childcare Finance Working Group to develop and scrutinise detailed analysis of the delivery costs for the 1140-hour commitment. This is crucial to ensuring we meet our shared commitment to providing transparency and value for money in a significant programme of public sector investment. The Early Learning and Childcare settlement for 2023-24 takes account of significant declines in the eligible population in recent years and makes provision for important policy and delivery priorities based on feedback from COSLA and local government colleagues.

As set out in separate detailed communications, the Health and Social Care Portfolio will transfer net additional funding of £95 million to Local Government to support social care and integration, which recognises the recurring commitments on adult social care pay in commissioned services (£100 million) and inflationary uplift on Free Personal Nursing Care rates (£15 million). This is offset by the non-recurring interim care money ending (£20 million).

The overall transfer to Local Government includes additional funding of £100 million to deliver a £10.90 minimum pay settlement for adult social care workers in commissioned services, in line with Real Living Wage Foundation rate.

The funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2022-23 recurring budgets for services delegated to IJBs and therefore, Local Authority social care budgets for allocation to Integration Authorities must be at least £95 million greater than 2022-23 recurring budgets.

The consolidation of funding into the new £30.5 million homelessness prevention fund not only reflects the importance local and national government jointly place on homelessness prevention and earlier intervention, but also simplifies the homelessness funding landscape. This provides more flexibility for council and greater clarity for citizens who want to understand how national and local government are working jointly to improve outcomes.

In total, including the funding to support the devolution of Empty Property Relief, the budget increases the local government settlement by over £550 million relative to the Resource Spending Review position.

I am conscious of the position you set out to me, and the challenges which councils will still face, like all parts of the public sector, in meeting current and emerging demands from within this budget. Therefore, I am offering to continue to work with you with real urgency in the coming weeks to determine how we might jointly approach these challenges and ensure sustainable public services to support our shared priorities now and in the future.

Delivering for People and Communities by Working Together Flexibly

Through the Covid Recovery Strategy, Scottish Government and Local Government, committed to work together to address the systemic inequalities made worse by Covid, to make progress towards a wellbeing economy, and accelerate inclusive person-centred public services.

We must sustain this focus on the outcomes we care most deeply about, in particular:

- i) tackling child poverty,

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- ii) transforming the economy to deliver net zero, and
- iii) sustaining our public services.

No single part of the public service landscape can deliver these outcomes alone. We need to work in partnership to deliver outcomes for people and places across Scottish and local government as our two spheres of government, recognising our joint accountability for change. Local service providers have the critical relationships with people and communities and must be empowered and enabled to organise services around their needs, rather than the funding stream, policy area or body delivering. By doing so, we will collectively reduce complexity and barriers for people, deliver improved outcomes and reduce inequalities among communities in Scotland, and enable the fiscal sustainability of key public services.

Strong local leadership will make this approach work in practice, supported by a national vision and learning from good practice. Community Planning Partnerships are the mechanism in which we need to see a collective and intensive effort to align available resources into prevention and early intervention focused on delivering shared outcomes for people and place. Local authorities have the leading, critical role in CPPs, but CPPs also involve a range of public bodies which must play their part, alongside local third sector and community bodies.

The Scottish Government is committed to building trust and maximising benefits for our citizens and communities. We will act to:

- align budgets to maximise impact on outcomes;
- remove barriers which hinder flexibility in funding, and in the design and delivery of services around people, helping to embed the service changes flowing from this;
- require our partner public bodies and agencies to work collaboratively within CPPs to deliver shared outcomes, take action to address local priorities and align local funding, this will be supported by our Place Director network;
- enable third sector partners to participate and contribute in local plans, including through flexible funding.

Local authorities are key partners in this endeavour. Through COSLA, we will invite local authorities to work with us to:

- prioritise spending to agreed key outcomes for which we are jointly accountable, with clarity as to the way in which we will work together to secure and measure success;
- ensure that joint plans of activity across Community Planning Partnerships can deliver those outcomes in a way which reflects the needs of a local communities, and to robustly account for delivery of these plans;
- share resources across CPPs to deliver these activities in whatever way is most effective;
- continue to share and learn from best practice nationally and locally to embed person centred approaches that work for individuals and communities, and reduce barriers and duplication in our joint systems.

We will seek to agree jointly how to put this commitment into operation practically over the coming months and to develop robust assurance that demonstrates delivery of critical priorities and reform. We need to be data driven and transparent, reflecting the accountability which comes with responsibility. Scottish and Local Government need to agree metrics and mechanisms for monitoring impact and outcomes, so that intervention and resource can be

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targeted where it is most needed to secure improvement. This will include seeking to reduce unnecessary reporting.

This approach is aimed at building trust and relationships and as well as adopting it through this budget, it will be reflected in the partnership agreement that will underpin the New Deal for Local Government set out in the Resources Spending Review. In order to offer flexibility across funding and work towards removal of ring fencing, the Scottish Government will need clear commitment from local government about delivery of agreed joint outcomes.

The Cabinet Secretary for Social Justice, Housing and Local Government would welcome an initial discussion on this when you meet next week at the Strategic Review Group, in order to pave the way for work at pace among our officials.

Non-Domestic Rates and Other Local Taxation Measures

As Leaders will be aware, the 1 April 2023 marks the date of the next Non-Domestic Rates revaluation, and the first to reflect the reforms introduced by the independent Barclay Review of Non-Domestic Rates. These reforms, including the move to three-yearly revaluations and a one-year tone date, will ensure that property values more closely align with prevailing property market conditions in Scotland.

The Budget freezes the poundage and acknowledges the impact of the revaluation by introducing a number of transitional reliefs to ensure that any properties which see significant increases in their rates liabilities following the revaluation do so in a phased manner. The Barclay Review also recommended a number of reforms to the Non-Domestic Rates appeals process which are critical to ensuring the deliverability of the three-yearly revaluation.

The new two-stage appeals process will commence on 1 April 2023 alongside the transfer of functions of Valuations Appeals Committees to the Scottish Courts and Tribunals Service. The Non-Domestic Rates (Scotland) Act 2020 and subsequent regulations have, amongst other things, provided Assessors and Councils with greater information-gathering powers and have also increased the transparency of the process for ratepayers including, for the first time, the provision of draft values on 30 November 2022. These reforms are intended to reduce the reliance on the formal appeals process to deliver accurate rateable values and the Act also provided a legal basis for the pre-agreement of values.

Many of the reforms of the Barclay Review seek to incentivise behaviour changes to deliver a more effective and efficient system. Reflecting the ability to pre-agree values and the importance of building resilience in the new appeals system to support the transition to more frequent revaluations, Ministers plan to make administrative changes to the funding treatment of appeals associated with public sector bodies, including councils.

The current system essentially sees the public sector challenge other parts of the public sector with private sector advisor fees effectively extracting resources from public services. The conclusion of the process determines funding allocations outside the remit of the annual budget framework with successful public bodies benefiting financially to the detriment of other ratepayers and public services. The volume of public sector appeals also serves to delay access to justice for other appellants.

Ministers do not believe that this offers value for money for the public. Whilst the right to propose and appeal will remain, to incentivise the use of the pre-agreement powers and

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discourage the continued reliance on the formal appeals process, from 1 April 2023, all bodies, including councils, who receive their funding through the Scottish Government budget process, will see the financial incentive for proposing and appealing removed.

Where a property occupied by a public body is subject to a successful proposal or appeal, the financial benefit from the reduction in rateable value will result in a downward re-determination of revenue allocations at a subsequent fiscal event. On this basis, Ministers will be encouraging all public bodies to begin the process of pre-agreement with their local assessors ahead of 1 April 2023 to ensure that values are accurate prior to the start of the revaluation and that this approach be adopted by default for future revaluations.

The Non-Domestic Rates (Scotland) Act also had the effect of abolishing Empty Property Relief as agreed with the Scottish Green Party a part of the 2019-20 Budget process. Unoccupied properties will therefore be liable for full rates from 1 April 2023 if relief is not available under a local scheme. To effectively devolve responsibility for the relief and provide greater fiscal empowerment for council, as agreed by the Settlement and Distribution Group, the budget provides an additional £105 million of General Revenue Grant, significantly more than the cost of maintaining the national relief in light of the subsequent decision to freeze the poundage.

In addition, following consultation with members of the Institute of Revenues, Rating and Valuation, we will bring forward regulations intended to empower councils to tackle rates avoidance more effectively. In combination, the funding transfer and the proposed new powers will provide significant additional fiscal flexibility to councils to administer support for unoccupied properties in a way that is tailored to local needs.

Furthermore, I can confirm that the Scottish Government will not seek to agree any freeze or cap in locally determined increases to Council Tax, meaning each council will have full flexibility to set the Council Tax rate that is appropriate for their local authority area. I do hope that councils will reflect carefully on the cost pressures facing the public when setting council tax rates.

We are also committed to expanding councils' ability to raise additional revenues and discussions among our respective officials have commenced to identify a structured approach to future potential local taxes. At the same time, councils now have the power to establish local workplace parking levy schemes and our work to introduce a local visitor levy bill in this parliamentary session is on track.

Finally, I am conscious that, while it is not directly applicable to Local Government pay negotiations, many stakeholders have used Public Sector Pay Policy as a reference point in previous years. For this reason, I feel it is important to highlight to you that we have taken the decision not to announce pay uplifts or publish a Public Sector Pay Policy for 2023-24.

There are a number of reasons for this, not least among them the desire to approach pay negotiations differently for 2023-24, the imperative for reform and the need to ensure the sustainability of public sector pay and workforce arrangements. This does not change our view that our job in the midst of a cost crisis is not to press down on pay, particularly the most vulnerable. We will be sharing further guidance in relation to 2023-24 pay at an appropriate point in the new year which is likely to be considered by Trade Union colleagues relevant in Local Government pay negotiations, if you agree I will ask my officials to engage

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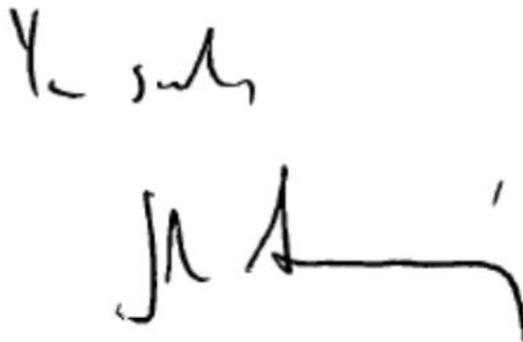


with COSLA officers as this develops to determine if you might wish to formally endorse or adopt it.

I am under no illusions about the challenging fiscal environment we face across all of our public services over the next few years but I have sought to protect the local government settlement as far as possible with an overall settlement of over £13.2 billion. The budget goes significantly beyond the commitments made in the Resource Spending Review. It provides substantive additional funding and it does not pass on the negative consequential for employer national insurance contributions resulting from of the Autumn Statement. Importantly, it provides a number of fiscal and policy flexibilities. Alongside the settlement, I hope my offer to build on the Covid Recovery Strategy will be warmly and urgently received, to enable us to make urgent progress on the New Deal.

I want us to work in partnership, to build on the Covid Recovery Strategy and agree an approach which improves delivery of sustainable public services, designed around the needs and interests of the people and communities of Scotland, at its heart.

I would welcome confirmation that you are supportive of the proposed joint work outlined above and I look forward to working with COSLA and Leaders in the months ahead to deliver on our shared priorities.



JOHN SWINNEY



Appendix C

Budget Proposals – Savings Templates

Midlothian Council

31 January 2023

V11 19/01/23

No.	Cat.	Proposal	RAG	Page No.
PLACE DIRECTORATE				
Corporate Solutions				
1	1	Implement Libraries Self Service	G	1
2	1	Adopt e-book services	G	2
3	6	Civic Licencing fees to reflect full cost recovery	G	3
4	6	Reduce administration costs of benefits process	G	4
Place Services				
5	1	School Crossing Patrol Service	G	5
6	1	Remove Christmas Light Funding	G	7
7	1	Galas and events support - costs recovery or cancel support	G	8
8	1	Dalkeith Bowling Green maintenance cancelled	G	10
9	1	Reduce shrub bed maintenance	G	12
10	2	PPP School closures during holidays	G	14
11	1	Cease out of hours Footpath Gritting	G	15
12	1	Supported Bus Travel	G	16
13	1	Community Transport Funding	G	18
14	6	Economic Recovery – Discretionary charge for Planning Services	G	20
15	6	Building Standards – increase fees for non-statutory duties and continue virtual inspections	G	21
16	1	Penicuik Recycling Centre closure	G	22
17	1	Standalone Public Toilet closures	G	23
18	6	Burials Income raised to Scottish Average value	G	24
19	6	Non-Housing Maintenance budget reduction	G	25
20	1	Reduction in frequency of grass cutting	G	26
21	6	Safety Advisory Group SAG Co-ordination fee	G	28
22	1	Reduce/Share Trading Standards Officers	A	29
23	1	Cease the Night Security Service at Stobhill Depot	G	30
24	6	Reduce 5 FTE PFM roles	G	31
25	1	Reduce Countryside Rangers Posts	G	32
26		Cease the Midlothian Community Action Team	G	33
27	6	Increase Garden Waste Fee	G	35
28	6	Road Construction Consent - charging developers	G	37
29	1	Location and vehicle advertising	G	39
CHILDREN, YOUNG PEOPLE AND PARTNERSHIPS DIRECTORATE				
Children' Services, Partnerships and Communities				
30	1	Review of council grants	G	40
31	2	Reduction in Instrumental Music Service	R	41
32	2	Reduction in non-statutory early years provision	R	42
Education				
33	2	Cease P4 swimming programme	G	43
34	2	Reduction in commissioned services	G	44
35	2	Rationalise Home to School and ASN Transport	G	45
36	2	Devolved School Management Budgets involving other staff groups and budgets	G	47
37	2	Service reduction in school library service	G	48
38	2	Rationalisation of school estate	R	49
39	2	Reduction in the Devolved School Management Scheme allocation to Schools by 1%	R	50
40	2	Increase shared headships	R	52
41	2	Reduction in Devolved School Management Budgets involving teachers	R	54

42	2	Transformation of school week	G	56
HEALTH AND SOCIAL CARE				
Sport & Leisure				
43	3	Stop All Overtime	R	57
44/45	3	Community Asset Transfer or alt Closure of Leisure Centre – Newtongrange & Gorebridge (X2)	R	58
Welfare Rights				
46	3	Reduction of Welfare Rights Services		60
IJB Delegated Budget				
47	3	IJB Delegated Budget – potential reduction		62
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48	6	Continuous Improvement – Non-recruitment to vacant post	G	63
49	6	Internal Audit – To reduce Internal Audit by 1 FTE	G	64

Strategic Theme Key		
1.	Fostering empowered, inclusive, resilient and safe communities	1
2.	Supporting individuals and communities to be the best they can be	2
3.	Transforming health and social care	3
4.	Accelerating inclusive growth	4
5.	Carbon neutral by 2030	5
6.	Reviewing income, concessions and other contributions	6

1.		
Directorate	Place	
Service Area	Customer Services	
Proposal	Implement Libraries Self Service	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.150	0.631	0.000	0.781
Cumulative savings	0.150	0.781	0.781	0.781
FTE staff impact	6	12	0	18

Description of Savings Proposals

Changing the way Libraries are operated to remove the staffing cost which falls to the Council; either to self – service, or community operated libraries as an alternative model, or closure. Figures above are based on removing the staffing cost of all library facilities and this would range from a saving of £16k for Roslin Library through to £120k for Dalkeith Library (relocation would be as part of the town centre redevelopment). The Mobile Library service can be reviewed for services to communities.

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

Shifting how the services provided by Libraries are sustained in communities will inevitably lead to criticism of the Council and needs to be considered in the context of the locality model being considered. Given the integration of Libraries in Hubs it will be a challenge to reduce the property ownership costs and so the focus would be on pursuing different delivery models of delivery which reduce the cost to be met through taxation on a co-production basis with communities.

Self-service provision is already available out of hours at the Newbattle and Loanhead Hub libraries.

Community and staff engagement would be a key part of any next stage. The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

2.		
Directorate	Place	
Service Area	Corporate Solutions	
Proposal	Adopt e-book services	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.144	0.000	0.000	0.144
Cumulative savings	0.144	0.144	0.144	0.144
FTE staff impact	0	0	0	0

Description of Savings Proposals
Shift the focus on Libraries to online services and do not replace or refresh the books on offer to customers. The more traditional lending service of Libraries would be impacted and lending would ultimately reduce as stock becomes old and dated, though there are an ever increasing proportion of the population who have moved from physical books to e -books. Library services would shift to other emerging service areas in a Hub & Spoke model.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
Shifting how the services provided by Libraries are sustained in communities will inevitably lead to criticism of the Council but in the absence of funding to support local services sustain the book refresh programme it is an option open to the Council.
The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

3.		
Directorate	Place	
Service Area	Corporate Solutions	
Proposal	Civic Licencing fees to reflect full cost recovery	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.050	0.000	0.000	0.050
Cumulative savings	0.050	0.050	0.050	0.050
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Increase Civic Licencing Fees to reflect full cost recovery. Costs include staff time across Licensing, Corporate Resources, Legal and Governance and Protective Services. These costs have risen in recent years but the charging for processing have remained static; not reflective of the cost to the Council.</p> <p>Benchmarking of Public Entertainment Licences within the LGBF family group show that overall Midlothian is charging less than other local authorities.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Licence applicants will respond negatively to increased charges, even if these simply reflected full cost recovery. It will place additional costs on businesses and voluntary sector.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

4.		
Directorate	Place	
Service Area	Corporate Solutions	
Proposal	Reduce administration costs of benefits process	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.070	0.000	0.140	0.210
Cumulative savings	0.070	0.070	0.210	0.210
FTE staff impact	2	0	2	4

Description of Savings Proposals

The Council administers a range of benefits, including Housing Benefit and Council Tax reductions scheme. The proposal here is to focus on the effective administration of these benefits and seek to reduce the element that falls on the Council by 6%, this will require the effective recovery of overpayments, potentially limiting discretionary awards and careful assessment and evaluation of the benefits payable and grant subsidy arrangements.

Efficiencies can be achieved through more use of e-forms and cessation of paper based processes; introduction of online payments for arrears and e-billing (e.g. council tax). Furthermore the introduction of online claim applications including the ability to upload evidence; and self-service aligned to the revenues system.

Potential challenge to achieving this is the current financial climate and cost of living crisis. There is additional pressure on the service as demand for revenue support increases i.e. increased applications received which require assessment.

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

There is no change in policy and all claims and assessments will be dealt with in line with the benefit criteria. The change is about the effective operation of benefits within a pre-defined policy framework.

5.		
Directorate	Place	
Service Area	Place	
Proposal	School Crossing Patrol Service	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.153	0.153	0.000	0.306
Cumulative savings	0.153	0.306	0.306	0.306
FTE staff impact	5	5	0	10

Description of Savings Proposals
<p>The Council currently provides school crossing guides to assist children primarily to cross the roads on their journey to and from school. This is a non-statutory service.</p> <p>Aim to implement after Easter break to those with controlled crossings or zebra crossings.</p> <p>Subsequent years is for uncontrolled crossings implementation based on risk review and any engineered mitigations, ie traffic controls or the opportunity to align with a possible 20mph speed limit introduction.</p> <p>An alternative sponsorship option for the service is a prospect that could be investigated.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>This would almost certainly lead to substantial concerns raised by parents/guardians of the pupils affected, and others e.g. the elderly or disabled. The EQIA has not identified any further mitigation or issues. However, there is the option to replace guides with controlled crossings (where none exist) although this would have capital and ongoing revenue implications.</p> <p>Communication would be through the schools directly to the parents/guardians affected. In addition there would be a need for wider information release. Communication with staff would be through the normal Council process involving trade unions.</p>

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

6.		
Directorate	Place	
Service Area	Place	
Proposal	Remove Christmas Light Funding	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.060	0.000	0.000	0.060
Cumulative savings	0.060	0.060	0.060	0.060
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Council withdraws all resource and support for setting up and dismantling Christmas lights across the county. Where relevant, community groups involved would be required to set up (and maintain) all equipment on an annual basis (or elect to keep lights in place). Pull tests for equipment would be required along with maintenance.</p> <p>An alternative sponsorship option is a prospect that could be investigated. A rechargeable service from the Council is also an alternative option.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Event organisers have come to rely on this support. Local events attract a number of residents and visitors which will have a local economic benefit.</p> <p>Communication with groups could be undertaken at the annual meeting involving councillors and group committees.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

7.		
Directorate	Place	
Service Area	Place	
Proposal	Galas and events support - costs recovery or cancel support	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.044	0.000	0.000	0.044
Cumulative savings	0.044	0.044	0.044	0.044
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Staff currently assist at a variety of events across Midlothian which predominantly occur outside the normal working day. This includes galas and events in local towns and villages for example in Gorebridge, Newtongrange and Loanhead. Assistance includes the provision, erection and dismantling of marquees, staging and temporary fencing, generators and floral troughs. In addition, staff are engaged and support with litter pick-ups and clearance.</p> <p>Events are supported currently approximately 26 weekends a year. This support costs up to £34,000 per annum and a further £10,000 in grants.</p> <p>An alternative option is for income generation through charging organisations for the full cost recovery of workforce services, staging and facilities provided.</p>

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

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

8.		
Directorate	Place	
Service Area	Place	
Proposal	Dalkeith Bowling Green maintenance cancelled	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.025	0.000	0.000	0.025
Cumulative savings	0.025	0.025	0.025	0.025
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>This measure would mean that no further maintenance on the green would be carried out other than occasional grass cutting for amenity purposes. The bowling club has approximately 100 members and generally performs well in the local competitions.</p> <p>A rechargeable service for cost recovery is an alternative option.</p> <p>The pavilion building is used by social work clients and it is intended that this would remain open.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The bowling green has been used for many years by Dalkeith bowling clubs and currently has approximately 100 members. One option may be an asset transfer although there is no evidence that this would be taken up.</p> <p>Members could migrate to other local clubs but the local identity would be lost.</p> <p>Communication with staff would be through the normal Council process involving trade unions.</p> <p>Communication with the affected Dalkeith bowling clubs and any other users would be undertaken and include option for asset transfer.</p>

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

9.		
Directorate	Place	
Service Area	Place	
Proposal	Reduce shrub bed maintenance	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.036	0.000	0.000	0.036
Cumulative savings	0.036	0.036	0.036	0.036
FTE staff impact	0	0	0	0

Description of Savings Proposals

There are a significant number of shrub beds generally in urban areas. These have been put in place for a variety of reasons including general landscape value, to protect a particular area from parking or to discourage anti-social use. The cost of maintenance is circa £180,000. Through a combination of reduced maintenance and removal a reduction of 20% of the overall cost is achievable.

An alternative option is for income generation through sponsored advertising.
An alternative option is for community involvement in maintenance and planting.

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

There will be a general deterioration in the built environment where standards are reduced. Where shrub beds are removed they will be replaced with grass which will have an ongoing maintenance need. Any further changes would result in significantly increased impact on the built environment and potential safety concerns e.g. at sightlines. It is inevitable that there would be an increase in complaints received.

Communication with staff would be through the normal Council process involving trade unions.

Communication would be carried out with local communities more widely to advise of the change in grounds maintenance standards together with an offer to work with local communities to mitigate the effects.

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

10.		
Directorate	Place	
Service Area	Place	
Proposal	PPP School closures during holidays	
Strategic Theme	Supporting individuals and communities to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.040	0.000	0.000	0.040
Cumulative savings	0.040	0.040	0.040	0.040
FTE staff impact	0	0	0	0

Description of Savings Proposals

Closing PPP2 schools (7 primary schools) during school holidays would realise £40k savings. However, this would impact on the increased out of school term use of buildings for early years and nursery groups that have been utilising this space.

An alternative is cost recovery from user groups.

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

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources

11.		
Directorate	Place	
Service Area	Place	
Proposal	Cease out of hours Footpath Gritting	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.073	0.000	0.000	0.073
Cumulative savings	0.073	0.073	0.073	0.073
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Cessation of early morning (start time from 05:30am) footpath gritting which would reduce additional payments. Gritting of footpaths would take place during normal working hours, commencing at 7.30am instead, so no overtime payments.</p> <p>Crews would continue treating road carriageways out of hours.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>By not gritting in the early morning, there is a risk of pavements being dangerous and impacting on the safe routes to schools and amenities in the early part of the day. There would be an impact on accessibility.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

12.		
Directorate	Place	
Service Area	Place	
Proposal	Supported Bus Travel	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.060	0.060	0.000	0.120
Cumulative savings	0.060	0.120	0.120	0.120
FTE staff impact	0	0	0	0

Description of Savings Proposals

This measure would see the removal of grants that currently support commercial bus services. As a consequence the bus providers may remove the services in part or in entirety.

This currently directly impacts service 339 (since withdrawn by the operator from October); 101/102 bus station charges; 111 ELC cross boundary service; and the SBC cross boundary service.

A lead in notice period of 6 months has been included for contract withdrawal in 2023/24.

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

The service loss would be particularly felt by those on low incomes, the elderly and the disabled and may be the only way for these groups to lead a full life.

If the Lothian Buses dividend came to fruition it may be considered prudent to use this to maintain the current service level and still achieve a lesser saving overall. However, this will be challenging given Lothian Buses commitments to CEC in terms of its extra ordinary dividend to support the tram network.

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population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

13.		
Directorate	Place	
Service Area	Place	
Proposal	Community Transport Funding	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.157	0.157	0.000	0.314
Cumulative savings	0.157	0.314	0.314	0.314
FTE staff impact	0	0	0	0

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

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>A lead in notice period of 6 months has been included for contract withdrawal in 2023/24.</p> <p>Removal of HcL service could mean that some users would not have access to public transport. Loss of LCTS would have a similar impact on transport for the voluntary sector and would impact on social work clients supported by Midlothian Council.</p> <p>Both the organisations involved would be communicated with in terms of any reductions. This in turn would be relayed to the users of these services. Discussions would also be held with colleagues in other services to agree any prospective mitigation measures.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and</p>

additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

14.		
Directorate	Place	
Service Area	Place	
Proposal	Economic Recovery – Discretionary charge for Planning Services	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.010	0.000	0.000	0.010
Cumulative savings	0.010	0.010	0.010	0.010
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Income Generation. Provision of an advisory and check service over and above the measures currently captured as part of the planning application mechanism and charges.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Means discretionary services and helpful services can continue to be provided and an income derived from the same. Provides a resource to allow all applicants the opportunity to engage with Planning Service without seeking independent advice (probably chargeable) from Agents.</p>

15.		
Directorate	Place	
Service Area	Place	
Proposal	Building Standards – increase fees for non-statutory duties and continue virtual inspections	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.006	0.000	0.000	0.006
Cumulative savings	0.006	0.006	0.006	0.006
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Income Generation. Provision of an advisory and check service over and above the measures currently captured as part of the building warrant application mechanism and charges.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Means discretionary services and helpful services can continue to be provided and an income derived from the same. Provides a resource to allow all applicants the opportunity to engage with Building Standards Service without seeking independent advice (probably chargeable) from Agents.</p>

16.		
Directorate	Place	
Service Area	Place	
Proposal	Penicuik Recycling Centre closure	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.109	0.000	0.000	0.109
Cumulative savings	0.109	0.109	0.109	0.109
FTE staff impact	0	0	0	0

Description of Savings Proposals

Within the draft waste strategy there are a range of options listed for consideration; Closure of the facility, retention of the facility, upgrading of the facility, moving to a new purpose built site

The proposed facility closure would save £86,000 of Waste Services staff costs initially with staff potentially transferring to Stobhill for any current vacancies. Current users of the site would be directed to Stobhill.

Site savings amount to £23,000, subject to alternative welfare facilities in the Penicuik area being identified for the area based workforce in other services.

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

Current users of the site would be required to bring their waste to Stobhill which would result in additional journeys on the road network and inconvenience to users. There is a potential for contamination in the bins and a potential increase in fly tipping.

The closure of the site would be communicated widely to existing users.

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17.		
Directorate	Place	
Service Area	Place	
Proposal	Stand Alone Public Toilet closures	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.081	0.000	0.000	0.081
Cumulative savings	0.081	0.081	0.081	0.081
FTE staff impact	1	0	0	1

Description of Savings Proposals

Closure of the 5 stand alone Public Toilets across Midlothian. In the first year there would be a one off capital cost for the demolition of the buildings to avoid continuing rates and utilities liabilities.

The residents and visitors of Midlothian would still be able access toilet facilities within our Public buildings such as Penicuik Centre, Lasswade Centre, Newbattle Centre, Loanhead Centre and Dalkieth Art Centre. An alternative toilet access scheme with commercial premises could be investigated.

Alternative options are community asset transfer, community group operation, or commercial sale.

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

These facilities are regularly closed due to vandalism, with remedial costs incurred, although complete closure may lead to criticism of the Council.

Due to the ability to transfer staff between locations, it is expected that employees will be able to be accommodated elsewhere through normally occurring vacancies.

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

18.		
Directorate	Place	
Service Area	Place	
Proposal	Burials Income raised to Scottish Average value	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.080	0.000	0.000	0.080
Cumulative savings	0.080	0.080	0.080	0.080
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Benchmarking with other local authorities show that overall Midlothian is charging less than other councils.</p> <p>Increasing burial charges to derive an increase of £80k brings Midlothian to a comparable level to Scottish Average: Midlothian Exclusive Right of Burial: £866.00; Coffin Interment £827.00. Scottish Averages: £943.43 and £860.46 respectively (CEC £1515.00 and £1322.00)</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

19.		
Directorate	Place	
Service Area	Place	
Proposal	Non-Housing Maintenance budget reduction	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.300	0.000	0.000	0.300
Cumulative savings	0.300	0.300	0.300	0.300
FTE staff impact	0	0	0	0

Description of Savings Proposals
A reduction of £300k from the non-domestic maintenance budget is a significant decrease to the annual budget for property repairs. This would move to a Safe & Secure only maintenance policy on non- housing buildings.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>This would create a deteriorating asset position with little to no repairs and maintenance on the assets.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county’s population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

20.		
Directorate	Place	
Service Area	Place	
Proposal	Reduction in frequency of grass cutting	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.025	0.000	0.000	0.025
Cumulative savings	0.025	0.025	0.025	0.025
FTE staff impact	0.5	0	0	0.5

Description of Savings Proposals
<p>This measure concerns all rural and urban grass cutting which has a total cost of circa £440,000 per annum.</p> <p>Currently rural verges are cut twice per year at a cost of circa £80,000. This is restricted to one metre from the road edge and is largely to ensure visibility is maintained and the road width is not reduced. It is not proposed that this is reduced.</p> <p>Urban areas are generally in towns and villages adjacent to housing. Currently cuts are twelve times per year. To reduce this to make significant savings would require a significant change to three cuts per year in a number of areas (not all). This would lead to a significant deterioration in the built environment (long grass, excess litter, dog fouling and fly tipping).</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>There would be a significant impact on the built environment with a similar rise in complaints. Whilst efforts would continue to have communities take on grounds maintenance responsibilities this is proving to be a very slow process currently with minimal uptake.</p> <p>Communication with staff would be through the normal Council process involving trade unions.</p> <p>Communication would be carried out with local communities more widely to advise of the change in grounds maintenance standards together with an offer to work with local communities to mitigate the effects.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and</p>

additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

21.		
Directorate	Place	
Service Area	Place	
Proposal	Safety Advisory Group SAG Co-ordination fee	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.025	0.000	0.000	0.025
Cumulative savings	0.025	0.025	0.025	0.025
FTE staff impact	0	0	0	0

Description of Savings Proposals

Income Generation. Commercial events require a significant amount of time from various services across the Council. This would require a fee to be paid to assist in the delivery of the commercial event (not planning or managing the event). A schedule of fees would be prescribed as part of a new policy.

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

Not applicable to smaller scale, community type events.

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22.		
Directorate	Place	
Service Area	Place	
Proposal	Reduce/Share Trading Standards Officers	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: AMBER	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.090	0.000	0.000	0.090
Cumulative savings	0.090	0.090	0.090	0.090
FTE staff impact	2	0	0	2

Description of Savings Proposals
<p>A Chief Officer for Weights & Measures would be retained satisfying our legal obligations. Corroboration and regulatory work can be witnessed by other Officers of Protective Services. Reduction in statutory service provision creates a risk.</p> <p>Delete 2 FTE Trading Standards Officers or progress options for shared service with neighbouring authorities.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

23.		
Directorate	Place	
Service Area	Place	
Proposal	Cease the Night Security Service at Stobhill Depot	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.150	0.000	0.000	0.150
Cumulative savings	0.150	0.150	0.150	0.150
FTE staff impact	2	0	0	2

Description of Savings Proposals

The positioning of redeployable CCTV units would negate the requirement to have an omni-presence onsite. Key holders would be allocated as part of existing standby arrangements for BMS, Waste and Land Services.

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

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

24.		
Directorate	Place	
Service Area	Place	
Proposal	Reduce 5 FTE PFM roles	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.125	0.000	0.000	0.125
Cumulative savings	0.125	0.125	0.125	0.125
FTE staff impact	5	0	0	5

Description of Savings Proposals

Existing Grade 1 vacancies deletion would realise an equivalent 5FTE posts across the Property & Facilities Management Team from a range of part time roles.

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

The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

25.		
Directorate	Place	
Service Area	Place	
Proposal	Reduce Countryside Rangers Posts	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.075	0.000	0.000	0.075
Cumulative savings	0.075	0.075	0.075	0.075
FTE staff impact	2	0	0	2

Description of Savings Proposals
Senior Countryside Ranger post would be retained to maximise the number of voluntary hours currently being realised and benefiting the Council. Remove 2 FTE Grade 5 Countryside Rangers Posts

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Risk that volunteer offering from communities is impacted by withdrawal and necessary tasks revert to limited workforce.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.</p>

26.		
Directorate	Place	
Service Area	Protective Services – Place	
Proposal	Cease the Midlothian Community Action Team	
Strategic Theme		
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.436	0.146	0.000	0.582
Cumulative savings	0.436	0.582	0.582	0.582
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>This proposal would be to terminate the SLA between Midlothian Council and Police Scotland for the Midlothian Community Action Team (MCAT). Currently, this provides 2FTE Police Scotland Sergeants and 12FTE Police Scotland Constables. The aim of the MCAT is to impact positively on the quality of life within the communities of Midlothian, concentrating on preventing anti-social behaviour and crime.</p> <p>It should be noted that the current contract ends on 31 March 2024 and is currently circa 582k/year. If the contract was to be terminated early, the Council is required to give three months written notice, therefore no savings would be realised until part way into 23/24 (this proportion can only be fully understood at the point that members agree to this proposal i.e. if this is agreed in March 2023, then the contract would end no sooner than 30 June 2023, so the first year savings would be 75% of the annual costs)</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>There would be a negative impact on community safety and anti-social behaviour and there would be a decrease in Police Scotland support and activity as a result of this proposal.</p> <p>The Council's statutory responsibilities of developing and implementing an ASB Strategy and also council housing landlord responsibilities would require as a minimum an alternative resource provided in an ASB/ Housing Officer Grade 6 role to fulfil those.</p> <p>The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or</p>

learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

27.		
Directorate	Place	
Service Area	Neighbourhood Services – Place	
Proposal	Increase Garden Waste Fee	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.000	0.026	0.000	0.026
Cumulative savings	0.000	0.026	0.026	0.026
FTE staff impact	0	0	0	0

Description of Savings Proposals	
Income Generation.	
Propose annual fee increase for the non- statutory, optional Garden Waste collection service from current £35.00 up to £37.00 in 2024/2025.	
Assuming Same Current Customer Base in 2023/24	No. 19,582
Increased Annual Subscription Cost from 24/25	£37.00
Current Income 2024/25 Budget Increase	724,534 26,467
Benchmarked values in 2022/23 with other councils- City of Edinburgh Council and Stirling Council are £35.00 Highland Council charge £47.74 Perth & Kinross Council, East Renfrewshire Council and Moray Council are £40.00	

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
Garden Waste collection is a non- statutory, optional service with no Equalities outcomes. The online service request can be accessed at libraries where facilities and assistance is provided for customers requiring digital support.

The subscription portal opens each year in January and customers then have until mid- February to “sign up and pay”. This gives time to check the addresses and pass them to the mail fulfilment company before collections start on 13 March.

To reduce the admin burden/cost of the service, we aim to introduce payments “phases” rather than allow customers to sign up and pay at any time.

We propose to have the initial payment phase and then “suspend” this while processing the bin stickers issue. This would then “re-open” after a couple of weeks ie:

Jan to mid-February – Registration Phase 1

March to 30 March – Registration Phase 2

April to 11 May – Registration Phase 3 etc

This also means customer receive their bin sticker a maximum of 2 weeks after payment, rather than the current 6 weeks.

From a customer consultation in 2021, 63% of respondents would prefer set payment “phases” as we propose.

28.		
Directorate	Place	
Service Area	Neighbourhood Services – Place	
Proposal	Road Construction Consent - charging developers	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	N

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.093	0.000	0.000	0.093
Cumulative savings	0.093	0.093	0.093	0.093
FTE staff impact	0	0	0	0

Description of Savings Proposals
<p>Income Generation.</p> <p>To bring income from developers into line with expenditure and simplify the charging process it is proposed that the charging mechanism be changed. Instead of an hourly rate it is proposed that a fixed fee be charged in relation to the size of the Road Bond. The charge rate will be 4.5% of the bond value. The fee increase is also comparable to other local authorities.</p> <p>A proposed fee increase is contained in the separate Fees & Charges exercise for an hourly rate of £77.70 to full cost recovery in contrast to the present £42.81 and will be included hereinafter in the fees & charges exercise.</p> <p>Section 21 of the Roads (Scotland) Act 1984 (the Act) requires that any person or organisation who seeks to construct a new road, or an extension of an existing road, must first obtain a Road Construction Consent (RCC). This is additional to planning consent.</p> <p>Before commencement a developer must first lodge security with the Council in the form of a road bond or cash to cover the cost of providing the roads to the standard set out in the RCC if the developer is unable to do so. Depending on the size of the development the road bond value can reach around £2m but is more typically around £0.5m.</p> <p>Section 140 of the Act gives the Council the power to recover costs for inspecting roads which are constructed by developers. These inspections are performed by officers in the RCC and Street Lighting teams during the construction process to ensure that the road is built in accordance with the consent.</p> <p>Developers are charged from officer timesheets on an hourly basis at a rate of £42.81 per hour. This charging mechanism currently recovers less than half of the cost to the Council. The Council is subsidising this service for developers. In addition, due to the increase in developer activity in recent years that has put significant pressure on the</p>

team impacting on turnaround times and customer service.

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

The proposal does not have a significant detrimental impact on equalities, the environment or economy.

A downturn or recession in the economy may lead to a risk of reduction or pause in the pace of development. This would mean that income would not cover the full costs of officers. The current pipeline of 800 housing units per year planned for the next decade and more provides some reassurance.

29.		
Directorate	Place	
Service Area	Neighbourhood Services	
Proposal	Location and vehicle advertising	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Y

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.010	0.015	0.000	0.000
Cumulative savings	0.010	0.025	0.025	0.025
FTE staff impact	0	0	0	0

Description of Savings Proposals
Income Generation. Tender an advertising offer for council vehicles and prime location spaces ie. traffic roundabouts for commercial advertising income and also a sponsorship option for services is a prospect to be investigated.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
The public sector continues to face significant service delivery challenges due to reduced income streams, funding constraints, inflationary cost pressures and additional legislative burdens. Demand for public services in Midlothian continues to increase as a consequence of changes in the size and profile of the county's population with greater numbers of young and older people, those in poor economic situations, and those with disabilities be they physical, sensory, mental health or learning disabilities. The Council must continue to prioritise expenditure on public services which prevent negative outcomes for those within its communities whilst securing maximum benefit from all available resources.

30.		
Directorate	Children, Young People and Partnerships	
Service Area	Children's Services, Partnerships and Communities	
Proposal	Review of council grants	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Yes <i>(reduced in previous years)</i>

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Cumulative savings removal of all 3 year large grants	0.000	0.000	0.520	0.520
Cumulative savings removal of annual small grants	0.089	0.089	0.089	0.089
FTE: Will impact Third sector staff	0	0	0	0

Description of Savings Proposals
<p>Currently, the council offers large grant funding for a three year period which currently supports 28 community/third sector projects and initiatives aimed at reducing poverty, improving health, learning outcomes, climate change and supporting the most vulnerable members of our communities. Funding was allocated and approved at full Midlothian Council > Meetings (cmis.uk.com)</p> <p>This proposal is to cease allocation of large grants from 2025 onwards.</p> <p>Small grants are awarded annually to small locally based groups/organisations to tackle priorities such as carbon emissions, improving health and learning outcomes and reducing economic circumstances. The maximum grant awarded to any organisation/group is £3,000.</p>

31.		
Directorate	Children, Young People and Partnerships	
Service Area	Children's Services, Partnerships and Communities	
Proposal	Reduction in Instrumental Music Service	
Strategic Theme	Fostering empowered, inclusive, resilient and safe communities	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	No

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.444	0.000	0.000	0.444
Cumulative savings	0.444	0.444	0.444	0.444
FTE staff impact	8.8	0	0	8.8

Description of Savings Proposals
As a result of a Scottish Government and COSLA agreement, no charging fees for children learning a musical instrument was introduced academic session 2021/22. The proposal is to operate an instrumental music service within the funding provided by the Scottish Government; this will equate to £206k.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Within the funding available, prioritisation would be given to supporting those studying for music qualifications within secondary schools.</p> <p>Over 1,200 pupils currently access the instrumental music service, less than 10% are eligible for free school meals.</p>

32.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Reduction in non-statutory early years provision	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	No

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.215	0.000	0.000	0.215
Cumulative savings	0.215	0.215	0.215	0.215
FTE staff impact: Might impact PVI staffing				

Description of Savings Proposals
<p>Good Time to be Two hours is available for 2 years olds within Midlothian in certain situations in line with the Scottish Government criteria Funded early learning and childcare - mygov.scot Local authorities have discretion to award further places based on circumstances beyond that included within the Scottish Government criteria.</p> <p>The proposal is to remove the use of discretionary allocations. This would provide a saving of circa £215k</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Removal of support that is currently available to parents and children who may be in need due to trauma, illness or change in family circumstance</p> <p>EQIA available</p>

33.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Cease P4 swimming programme	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.027	0.000	0.000	0.027
Cumulative savings	0.027	0.027	0.027	0.027
FTE staff impact : potential on Sport and Leisure staff				

Description of Savings Proposals
<p>Currently swimming is provided for free to all primary 4 pupils across the authority, in blocks of 12 weeks with lesson periods of forty minutes.</p> <p>The Learn to Swim programme would be offered to all pupils who cannot swim and would otherwise have benefitted from school swimming lessons.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Benefits:</p> <ul style="list-style-type: none"> The current programme is staff intensive and the revised model will free up staff to support in-class learning. <p>EqlA available</p>

34.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Reduction in commissioned services	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.500	0.000	0.000	0.000
Cumulative savings	0.500	0.500	0.500	0.500
FTE staff impact: May impact staffing at partner organisations				

Description of Savings Proposals
<p>The proposal is to review all service contracts as they come up for renewal.</p> <p>There is currently c£1.3m of contracted third party services/arrangements. Taking into consideration statutory provisions, we may be able to realistically save £500k.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Benefits:</p> <ul style="list-style-type: none"> • There are potentially budget savings to be had, mainly through the Early Years. <p>Risks:</p> <ul style="list-style-type: none"> • Removal of commissioned services may impact some of our more vulnerable children and families. <p>EqIA available</p>

35.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Rationalise Home to School and ASN Transport	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.030	0.030	0.030	0.090
Cumulative savings	0.030	0.060	0.090	0.090
FTE staff impact	Mainstream transport provision is outsourced			

Description of Savings Proposals		
<u>School transport</u>		
<p>Jointly with the Transport Team, we propose to increase the distance for eligibility to free transport for all Secondary age pupils from 2 to 3 miles. Current legislation requires us to provide transport for all pupils over the age of eight years where the safe walking route is more than three miles, for those up to eight years the current legislation is for routes over two miles. The introduction of the National Entitlement Card also provides an opportunity to replace some of our school transport with public transport, which would provide additional savings. Neighbouring authorities are already signposting pupils to public transport timetables and promoting the NEC cards.</p> <p>Recent transport costs are highlighted in the table below.</p>		
	2022	2021
Primary & Secondary	1,311,905	1,515,057
Special	867,613	804,268
Total	2,179,518	2,319,325
<u>ASN Transport</u>		
There is scope to review our ASN transport in line with other authorities.		

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

School transport

Benefits:

- Aside from budgetary benefits, this would contribute positively to our carbon neutral strategy
- The healthiest and most fun way for children to get to school is by **walking, cycling and scooting**.
- Making more use of active travel options will improve their physical and mental health too.

Mitigating Action:

- Provision of safe walking routes

EqIA available

36.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Devolved School Management Budgets involving other staff groups and budgets	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	No

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.034	0.000	0.000	0.000
Cumulative savings	0.034	0.034	0.034	0.034
FTE staff impact: Change in job remit and responsibilities				

Description of Savings Proposals
<p>Proposal:</p> <p>We propose that each ASG should have their own Business Manager who would provide peripatetic support to the primary schools.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Benefits:</p> <ul style="list-style-type: none"> • Along with the central business support team, the Business Managers would also be responsible for inductions and ongoing training of the admin teams in schools, raising the calibre of our staff and creating ongoing efficiencies in our Education provision. • The ASG BMs would work closely with the central Business Support Team, which would strengthen the relationships between the centre and the schools even further. This would be particularly beneficial in terms of the information flowing from the schools to the centre. • Similar models are currently applied at other local authorities, therefore, there is strong evidence of the benefits it provides in practice. <p>Risks:</p> <ul style="list-style-type: none"> • This model is a change for the current structure, we would need to carefully consider the training requirements to implement this model successfully and undertake a service review in line with our managing change policy. <p>EqIA available</p>

37.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Service reduction in school library service	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	No

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.165	0.083	0.000	0.248
Cumulative savings	0.165	0.248	0.248	0.248
FTE staff impact	5	0	0	5

Description of Savings Proposals
This measure would seek to remove the school librarians from the secondary school libraries.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Risks:</p> <ul style="list-style-type: none"> • Pupils will not benefit from access to a school library service to support their learning. <p>EqIA available</p>

38.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Rationalisation of school estate	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.000	0.290	0.000	0.290
Cumulative savings	0.000	0.290	0.290	0.290
FTE staff impact: staff redeployed				

Description of Savings Proposals

The proposal is to seek Council approval to undertake a statutory consultation on the closure of St Matthew's RC PS. There is currently 51 children over three classes attending the school. Midlothian Council does not own the school building which is category C condition and suitability. The proposed savings relate to staffing and utility costs.

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

Benefits:

- There may be further benefits in terms of educational outcomes as pupils would be able to experience a broader range of learning experiences, in which they could interact with a larger group of peers at their age and stage.

Risks:

- If approved, the impact on Rosewell PS and St Mary's RC PS will require to be factored into school roll projections.

EqIA available

39.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Reduction in the Devolved School Management Scheme allocation to Schools by 1%	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.400	0.207	0.000	0.607
Cumulative savings	0.400	0.607	0.607	0.607
FTE staff impact				

Description of Savings Proposals			
<p>Include:</p> <p>The Devolved School Management scheme (DSM) is the funding provided to early learning and childcare, primary, secondary and special schools. It includes staffing (teaching & non-teaching), educational supplies, staff development, property repairs, cleaning materials, excursions, copyright and other supplies. Staffing accounts for 98% of a schools DSM budget.</p> <p>This measure would involve pursuing an initial percentage cut from each school budget (proposed 1%) or a cash target.</p> <p>Savings:</p> <p>The table below presents the savings for two options:</p> <ul style="list-style-type: none"> • 1% of the total schools budget. Savings: £607k • 1% of the non-staff budget only. Savings: £13k 			
	Primary Devolved	Secondary Devolved	TOTAL
Teachers	30,200,000	25,598,000	55,798,000
Non Teachers	1,662,000	1,959,000	3,621,000
Non Staffing	731,000	579,000	1,310,000
TOTAL	32,593,000	28,136,000	60,729,000
1% TOTAL	325,930.00	281,360.00	607,290
1% Non-staffing only	7,310.00	5,790.00	13,100

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

Benefits:

- Depending on the amount we pursue, the clawback could lead to significant savings.

Risks:

- Impact on closing the poverty related attainment gap exacerbated by the pandemic due to reduced staffing and resources.
- There is a reputational risk of presenting a five-year plan that focuses on improving attainment in our schools, while simultaneously reducing the resources/ability to help achieve this outcome.
- This will lead to a reduction in support staff which would impact on the workload of school management as well as our more vulnerable children and young people.
- A full clawback means loss of teachers. This must be considered in conjunction with the proposal to reduce Education staffing levels in schools and ELC settings.
- Activities currently funded by schools such as, skiing at Hillend may have to cease because of the reduction in budget to schools. This would have an impact on the revenue and staffing required at Hillend.

EqIA available

40.	
Directorate	Children, Young People and Partnerships
Service Area	Education
Proposal	Increase shared headships
Strategic Theme	All children, young people and adults are supported to be the best they can be
Proposal (requires Council Approval)	Yes
RAG Rating: RED	Has the Proposal been presented to Council previously?

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.017	0.010	0.000	0.027
Cumulative savings	0.017	0.027	0.027	0.027
FTE staff impact depends on the model chosen				

Description of Savings Proposals
<p>Head teacher recruitment is becoming increasingly difficult, from the number of applications to the calibre of applicants. This is recognised nationally and is, in part, due to the requirement for suitable candidates to hold the Into Headship qualification. With this, there is an opportunity to develop the way we recruit head teachers that will strengthen our leadership and promote more collaborative working.</p> <p>Proposal: We propose that our smaller schools enter into joint Headships, within their ASG. We currently have successful joint headships in the authority (Sacred Heart and St Matthew's), and this model could be replicated across the authority.</p> <p>We are presenting two options. Capping the total roll of the shared schools to 300 or capping the roll of the schools to be in line with our largest primary school, Woodburn (700). Introducing a shared headship does require us to maintain some level of management across the schools so we may need to appoint additional deputy head teachers or principal teachers to ensure there is appropriate management available at all schools at all times.</p> <p>Savings: The savings from the two options are presented below. As anticipated, while there are savings to be realised with head teacher salaries, there is a significant increase in the costs associated with deputy head teachers and principal teachers. This requirement is set out in the current DSM. If we wanted to review the management time allocations, we would need to overhaul the DSM and undergo further consultation.</p>

Option One –Thee Shared Headships				
	HT	DHT	PT	TOTAL
Current	486,906	146,790	302,870	936,566
Proposed	258,656	289,645	363,444	911,745
<i>Diff</i>	228,250	- 142,855	- 60,574	24,821
Option Two – Seven Shared Headships				
	HT	DHT	PT	TOTAL
Current	1,341,198	879,160	1,150,906	3,371,264
Proposed	674,608	1,458,236	1,211,480	3,344,324
<i>Diff</i>	666,590	- 579,076	-60,574	26,940

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

Benefits:

- One of the key drivers for the shared headship model is to strengthen leadership pathways, especially for those aspiring to be head teachers (by creating more DHT posts) and those in headships already who aspire to take on wider responsibilities.
- Joint headships would decrease the ongoing recruitment challenges, which is already becoming costly.

Risks:

- There is a reputational risk associated with this strategy.
- This would be an overhaul of the current structure which would mean removing HTs from their current posts or waiting for HT posts to become vacant. Both options would be costly and time consuming, with very little reward if we are to follow the management time of the DSM allocations.
- In order to realise any significant savings, we would need to adjust the DSM and seek re-approval with MNCT. Given the controversial nature of this proposal, this will be difficult.

EqIA available

41.		
Directorate	Children, Young People and Partnerships	
Service Area	Education	
Proposal	Reduction in Devolved School Management Budgets involving teachers	
Strategic Theme	All children, young people and adults are supported to be the best they can be	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	1.969	2.423	1.815	6.207
Cumulative savings	1.969	4.392	6.207	6.207
FTE staff impact	36	44	33	113

Description of Savings Proposals

Education represents 45% of the overall council budget. Of which, 60% of the Education budget relates to teachers' salaries. Within Education, there is very little flexibility to find efficiencies of the required scale other than staffing numbers.

With the scale of efficiencies, the reduction in non-teaching staff is insufficient to bridge the funding gap.

The table below presents the five-year savings to be made, the value of what has been proposed in terms of Education efficiencies, alongside the outstanding sum in teacher equivalents. Over the five years, we would need to reduce the teaching staff by 174 teachers. For context, the average teachers in a secondary school is 75.

	2023/24	2024/25	2025/26	2026/27	2027/28
Savings found	1,768,500	2,053,500	1,050,000		
Remaining	1,968,612	2,422,612	1,815,000	1,629,000	1,702,000
Teacher equivalent	36	44	33	30	31
Total loss of teachers over five years: 174					

Implications:

Reducing the teaching staff by this level would impact the authority's ability to provide an adequate curriculum to the pupils in our schools, particularly secondary education where most of the efficiencies would need to be made. With many of our schools reaching capacity, the continuing population growth, and the introduction of the increase in non-contact time, the prospect of cutting teachers at this level, and continuing to do so over the next five years, would be catastrophic to the provision of education in Midlothian.

It should also be noted that there is another proposal for a 1% reduction of the DSM budget which equates to £607k. These efficiencies would also lead to a loss of teaching and non-teaching staff.

If teacher levels are reduced to the point where class sizes have to increase, our ability to maintain teachers or be an employer of choice for teachers will be significantly weakened, as we will be competing against local authorities with smaller class sizes. Some of our schools also do not have the physical infrastructure to support increasing class size to their limits across all year groups.

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

Benefits:

- The 10% savings would be achieved.

Risks:

- This will have a serious negative impact on the quality of learning and teaching, attainment, achievement and wellbeing.
- Staff absence and turnover could reach high levels and we will not be an employer of choice attract teachers into the authority.
- While this would negatively impact every child in Midlothian, it would be most severe for those in areas of deprivation.
- Reduction will seriously impact the career opportunities, particularly newly qualified teachers.

EqIA available

42.	
Directorate	Children, Young People and Partnerships
Service Area	Education
Proposal	Transformation of school week
Strategic Theme	All children, young people and adults are supported to be the best they can be
Proposal (requires Council Approval)	Yes
RAG Rating: GREEN	Has the Proposal been presented to Council previously?

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.000	1.500	0.500	2.000
Cumulative savings	0.000	1.500	2.000	2.000
FTE staff impact				

Description of Savings Proposals
This proposal is to redesign the primary school week and a review of the secondary school curriculum.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>Benefits:</p> <ul style="list-style-type: none"> • The redesign of the primary week could support Scottish Government plans to increase non-contact time. • A revised secondary curriculum would allow our pupils to enjoy a greater depth and breadth of choice with regards to subjects offered. <p>Risks:</p> <ul style="list-style-type: none"> • We are still to receive confirmation of the additional funding that will be required to accommodate a reduction in class contact time. • Any changes to the curriculum needs to be appropriate to meet local needs of children and young people of Midlothian as well as national expectations (CFE, ASFL etc.). <p>EqlA available</p>

43.		
Directorate	Health and Social Care	
Service Area	Sport and Leisure	
Proposal	Stop All Overtime	
Strategic Theme	Transforming Health and Social Care	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.472	0.000	0.000	0.472
Cumulative savings	0.472	0.472	0.472	0.472
FTE staff impact				

Description of Savings Proposals
<p>The proposal is to stop all overtime within Sport and leisure as a cost saving measure. Staff would work their contracted hours only with no option of overtime.</p>

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The service is reliant on overtime throughout the year, primarily to accommodate staff annual leave, and stopping overtime would result in service reductions and periodic leisure centre closures. Whilst the service would work hard to mitigate these, no guarantee could be given that closures would not affect times when leisure facilities are more busy. There is a further risk that closures would further erode the membership base.</p> <p>Whilst there are current opportunities, through a staffing review, to reduce a reliance on overtime, there remains and would remain a need for some overtime to ensure current opening hours were maintained in all circumstances.</p> <p>This proposal will impact on a range of ages in the areas affected should the proposal result in shorter opening hours as this is most likely to affect weekends and evenings. Leisure facilities are open to all and used by all ages.</p> <p>Currently, Sport and Leisure provide opportunities at reduced rates (and in some cases, free) for people who meet the criteria set. The opportunity to provide these in their local community would be lost with closure and the ability of people to access resources further from home would be significantly compromised due to their economic circumstances.</p>

44./45.		
Directorate	Health and Social Care	
Service Area	Sport and Leisure	
Proposal	Community Asset Transfer or alt Closure of Leisure Centre – Newtongrange or Gorebridge	
Strategic Theme	Transforming Health and Social Care	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Cumulative savings - Newtongrange	0.136	0.136	0.136	0.136
Cumulative savings - Gorebridge	See note below	See note below	See note below	See note below
FTE staff impact	4.34	0	0	4.34

Description of Savings Proposals

This measure would be to either close one of the non-hub Leisure Centres in Midlothian - in Newtongrange or Gorebridge – or undertake a Community Asset Transfer. Either measure would result in the loss of Sport and Leisure facilities in that location. The saving actualised would be as follows:

- Gorebridge – Based on actual 2022/23 activity if this centre was to close the savings made on costs would be £244k, however the income that would be lost is £22k. The net effect being a **£222k** saving.
- Newtongrange – Based on actual 2022/23 activity if this centre was to close the savings made on costs would be £152k, however the income that would be lost is £16k. The net effect being a **£136k** saving.

The income figures do not vary markedly from 2019/20 (pre-Pandemic).

Both Centres provide a range of activities alongside gym access:

- Group sessions or classes – classes provided to members and customers;
- Private bookings where an individual or community group hire facilities and are charged room hire as per the scale of the charges;
- NHS activity where staff lead a group of individuals to aid them in their recovery.

Income can be variable due to fluctuations in “pay-as-you-go” customers. Also, some classes are have low income yield but high numbers so it is not always a clear picture.

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

Currently, Gorebridge have 171 members paying monthly direct debits and Newtongrange has 427. This is determined by where the member took out their membership and the facility they use the most as Tone Zone members can use any leisure facility in Midlothian. There is some evidence that both Gorebridge and Newtongrange members also use Newbattle Leisure Centre with a degree of frequency.

Usage figures for both sites for Tone Zone only usage (October 2022 – December 2022):

- Gorebridge: 1743;
- Newtongrange: 849.

This figure refers to an episode of Tone Zone usage and incorporates “pay-as-you-go” customers, Access to Midlothian customers (free and concession) and Tone Zone members.

The benefits of this measure are as follows:

- There are clear budget savings by closing a Leisure Centre.
- Customers can access any Leisure Centre in Midlothian as part of their membership currently so, in theory, customers would have access to Leisure facilities.

The risks of this measure are as follows:

- Reputational risk.
- Opposition from community affected as each Leisure Centre covers a specific geographical area.
- Evidence suggests most customers use their local Leisure Centre so likely to be loss of customers from area affected by closure.

46.		
Directorate	Health and Social Care	
Service Area	Welfare Rights	
Proposal	Reduction of Welfare Rights Service	
Strategic Theme	Transforming health and social care	
Proposal (requires Council Approval)	Yes	
RAG Rating: RED	Has the Proposal been presented to Council previously?	Yes

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.027	0.000	0.000	0.027
Cumulative savings	0.027	0.027	0.027	0.027
FTE staff impact	0.6 Reduction	0	0	0.6 Reduction

Description of Savings Proposals
<p>This proposal is to reduce the number of Welfare Rights Officers against a value of £27,000. This corresponds to approximately 0.6WTE of a Welfare Rights Officer.</p> <p>The Welfare Rights Service is managed by Midlothian Health and Social Care Partnership although is a non-delegated service so sits out with the Midlothian Integrated Joint Board. The Welfare Rights Service has two main components:</p> <ul style="list-style-type: none"> • The Welfare Rights Team that provides welfare benefits advice to individuals who are being supported by Midlothian Social Care Services and also advice to cancer patients in partnership. The service to cancer patients is provided in partnership with McMillan Cancer Support • Funding to support community based benefits advice services in Midlothian. Currently this is contracted to Citizen’s advices who operate CAB service in Dalkeith and Penicuik. <p>Welfare rights services include:</p> <ul style="list-style-type: none"> • Welfare advice and benefits checks • Help with applying for benefits • Help in a crisis, e.g. if you have no money • Help with benefit appeals and tribunal representation • Basic debt and housing advice. <p>The Welfare Rights Team are employed by Midlothian Council. In the past year this team has supported approximately 1000 individuals and generated financial gains of £4.3m for the people they supported. The close working with colleagues in the Health and Social Care Partnership mean that they are able to respond to many or the most vulnerable people in Midlothian. They work significantly in No.11, the Justice, Mental Health and Substance Use Hub – these clients represent some of the most vulnerable people in society and bring a high level of acuity and complexity.</p> <p>The Team attempts to operate without a waiting list, although not always possible but this means caseloads are high and there is no evidence that activity will lessen and</p>

there is some early evidence to suggest that activity will increase.

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

A reduction of 0.6WTE of a Welfare Rights Officer would broadly result in 130-140 fewer people being engaged with per annum and would therefore see incomes not being maximised. There is also a risk of waiting lists increasing.

It is anticipated there will be in increased pressure on all welfare rights service in the coming years due to the overall economic position and the pressures that increases in the cost of living will have on households that are already stretched financially.

47.		
Directorate	Health and Social Care	
Service Area	IJB Delegated Budget	
Proposal	IJB Delegated Budget – potential reduction	
Strategic Theme	Transforming health and social care	
Proposal (requires Council Approval)	Yes	
RAG Rating:	Has the Proposal been presented to Council previously?	

Forecast Savings	2023/2 4	2024/2 5	2025/2 6	Total
	£m	£m	£m	£m
Incremental savings				
Cumulative savings				
FTE staff impact				

Description of Savings Proposals
Members may wish to consider a reduction of their offer to the IJB for delegated services. This should be considered in the context of Scottish Government correspondence on maintaining a minimum cash flat IJB budget plus additional annual funding flowing through the Local Government Finance Settlement as described in sections 3.20 and 4.3 to 4.6 of the Medium Term Financial Strategy – 2023/24 to 2027/28 report.

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

48.		
Directorate	Chief Executive	
Service Area	Continuous Improvement Team	
Proposal	Continuous Improvement Team - Non-recruitment of vacant post	
Strategic Theme	Reviewing income, concessions and other contributions	
Proposal (requires Council Approval)	Yes	
RAG Rating: GREEN	Has the Proposal been presented to Council previously?	

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.028	0.000	0.000	0.028
Cumulative savings	0.028	0.028	0.028	0.028
FTE staff impact	1	0	0	1

Description of Savings Proposals
Remove existing Grade 4 vacancy.

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The Continuous Improvement Team functions include responsibility for Performance Management and Reporting at a corporate level. Removal of the Grade 4 post will reduce the future capacity of the performance function of the team resulting in reduced development activity relating to performance monitoring and reporting.</p> <p>Future developments in respect of 'Pentana' the online browser for Performance Management data, while continuing to progress, will be impacted in terms of delivery timescales. However, the ongoing focus and development of digital tools, automation and data analytics via the Digital Strategy could provide a potentially more efficient and effective approach to what is currently a significant time consuming exercise to produce quarterly and annual reports which could mitigate the reduction in FTE.</p> <p>The initial impact will be monitored in terms of statutory and quarterly corporate performance activities and a close link to the project looking at the development of the proposed Midlothian Office of Data Analytics (MODA) as part of the Digital Strategy will inform future considerations.</p>

49.	
Directorate	Chief Executive
Service Area	Internal Audit
Proposal	To reduce Internal Audit by 1FTE
Strategic Theme	
Proposal (requires Council Approval)	Yes
RAG Rating: GREEN	Has the Proposal been presented to Council previously?

Forecast Savings	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Incremental savings	0.055	0.000	0.000	0.055
Cumulative savings	0.055	0.055	0.055	0.055
FTE staff impact	1	0	0	1

Description of Savings Proposals
To reduce the Internal Audit Team by 1 FTE

Potential impact on service outcomes and any mitigating actions proposed. This should take into account, where applicable, relevant strategic, service plan or community planning outcomes. Include EQUiA
<p>The internal audit workplan will require to be revised and presented to audit committee as part of the 2023/24 planning process, a more significantly risk based process will need to be applied as a result of reduced staff capacity removing a third of the auditor capacity. As a result of the reduction in Internal Audit Staff there may not be the capacity to complete enough work to provide and maintain moving forward a full opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control. Limitation of scope of the of the opinion would then be reflected in the Annual Governance Statement as advised in the CIPFA Guidance to Internal Auditors and the Leadership Team and Audit Committee of Local Government Bodies Head of Internal Audit Annual Opinions: Addressing the Risk of a Limitation of Scope, November 2020.</p> <p>As per the CIPFA guidance consideration will be given to the mitigating actions that can be taken to review the audit processes to mitigate the risk including the following:</p> <ul style="list-style-type: none"> • Streamlining audit processes to increase capacity, beyond what has already been achieved. • Narrowing the focus of audit scopes to examine only key risks, beyond what is already completed. • Buying in audit expertise from an external provider or considering a deepening of the Shared Service Arrangement with East Lothian Council.

- Evaluating any requests for advisory work and prioritising assurance work and advisory work that supports the annual opinion.
- Avoiding diversion of internal audit staff on to counter fraud work, or other non-core audit work, beyond that which is already accommodated within the plan.
- Increasing communication with client services to help ensure good co-operation from client services and avoid unnecessary delays in undertaking engagements, beyond what is already in place.

Review of the assurance requirements as part of the planning process will then be completed with the Audit Committee on an annual basis to confirm that enough assurance can be provided and that the Internal Audit Team is appropriately resourced to provide the appropriate assurance for the Council.

Summary of survey findings as at Monday 16 January

Number of responses

- 458 responses to online survey
- [12 HaveYourSay email comments](#)
- [84 captured social media comments](#)

Online survey analysis

[Go to Question 3](#) (What matters most to you, family and community?)

[Go to Question 4](#) (Are there services we could stop or reduce?)

[Go to Question 5](#) (Are there ways we could raise more money?)

[Go to Question 6](#) (What services could be run differently and should we share more services?)

[Go to Question 7](#) (should we raise Council Tax?)

[Go to Question 8](#) (any further comments?)

Question 1: Are you answering the online survey on behalf of themselves or an organisation?

- 90.39% individual responses
- 9.61% on behalf of an organisation

Responses by organisation:

- 1 from Instrumental Music Service
- 1 from a council staff member
- 27 from individuals representing Midlothian Sure Start
- 1 from local resident
- 1 Pathhead Youth Project
- 1 Volunteer Midlothian
- 1 Safe Families
- 1 Midlothian Children and Families
- 1 NHS health visiting Midlothian
- 1 Roslin and Bilston Community Council
- 1 Electric Vehicle Association Scotland (EVA)
- 3 Midlothian Swimming Club
- 1 Play Therapy Base
- 2 Homelink
- 1 Women's Aid Dalkeith

Question 2: In which area to you live or, if applicable, are answering on behalf of:

- Danderhall: 1.56%
- Dalkeith, including Eskbank and Woodburn: 18.30%
- Bonnyrigg: 18.75%
- Gorebridge: 10.27%
- Loanhead: 6.25%
- Mayfield and Easthouses: 7.37%
- Newtongrange: 6.47%
- Penicuik 15.85%
- Other (largely Roslin, Rosewell, Bilston, Lasswade, Newbattle, Cousland, Pathhead, Newbattle, Auchendinny and some answering on behalf of whole of Midlothian: 15.15%

Question 3 on priorities: Thinking of you, your family and community, tell us more about what you think the council's spending priorities should be?

Of the **362** people who responded to this question:

- 41 mentioned sport and leisure facilities/opportunities including swimming and gyms.
 - 188 mentioned 'education', 'schools' or 'early years/nurseries' and 'additional support needs'
 - 35 mentioned 'bins' and recycling' and 'waste/refuse services',
 - 64 mentioned 'services/support' for 'children and young people'
 - 37 mentioned 'housing' and 'house' and 'affordable homes'
 - 123 mentioned 'health and social care' and support for vulnerable people
 - 102 mentioned 'roads', 'potholes', 'road maintenance' and 'road repairs'
 - 41 mentioned 'parks and green spaces'
 - 7 mentioned green energy or energy saving type initiatives
- [For the full list of responses to Question 3](#)

Sport and leisure mentions - summary of the 41 responses to Q3

Some respondents linked the need for sport and leisure, green spaces etc with improving health outcomes such as tackling obesity and poor mental health. However, one mention of creating a trust to manage leisure services and one comment about decreasing spend.

Typical comments included:

- Maintaining leisure facilities is vital. Youngest are struggling with mental health issues following covid. It is vital that they can exercise and clubs are not forced to close as a result of price increases.
- Health & fitness – during the times of uncertainty and an obesity epidemic access to exercise classes and swimming is essential. This is both for physical health but also mental health.
- Difficult but sports and leisure should bear the brunt of the cutbacks.

Education mentions – summary of the 188 responses to Q3

The majority of mentions of schools, education and early years was simply to list as a priority. Some respondents stressed the need for early years funding and focus on those with additional support needs, as well as free school meals. Some respondents wanted music tuition to continue.

Comments included:

- Early years learning very important for struggling families, working parents. Should be one of the priorities in council list.
- Education, in particular support for children with additional support needs as failure to properly support them impacts all children.
- Music and the Creative Arts have played a huge part in our young people's lives, especially through covid. We need musical instrument lessons to be available & accessible in schools to help them thrive in all areas of their learning and as part of their mental well-being.

Bins and recycling mentions – summary of the 35 responses to Q3

General mentions of recycling and bin collections mainly as an 'essential service'.

Support for children and young people – summary of the 64 responses to Q3

Main focus on keeping children safe and providing opportunities for them, including offering facilities such as clubs. Comments more around support for children in general rather than social work interventions.

Comments included:

- Vulnerable groups – abused children, domestic violence etc related things – protecting them, helping them be safe.
- Support activity development for young people, with early steps to help those on the edge of social danger. Earlier identification of mental illness. Apprentice/work experience jobs, especially but not exclusively for younger people.

Health and social care – summary of the 123 responses to Q3

Some respondents linked health and social care with need to protect vulnerable and help families out of poverty. Others focused on benefits of mental health services and comments included need for more GPs.

Comments included:

- Improve access to healthcare, particularly GP services
- Care for the elderly and disabled, GP, nurse and mental health support
- Parents are struggling with poverty, poor mental health and loneliness

Housing mentions – summary of the 37 responses to Q3

Support for more affordable housing but some concerns raised about number of new houses being built in the area.

Comments included:

- Improve housing and increase council housing – no black mould etc – find a way to help people get the housing stock improved (this helps mental health too) – helping people to have safe housing.
- It's concerning to read that Midlothian is the 'fastest growing local authority area in Scotland' with our population predicted to rise 13.8% by 2028....Should we be building so many houses in Midlothian if this is the case?

Roads mentions – summary of the 102 responses to Q3

General mentions although focus on state of roads, including potholes. Concern raised in one comment about commuter traffic and impact on roads in Penicuik.

Comments included:

- Roads need upgraded too and pavements. Lived in Midlothian all my life I'm actually embarrassed at how run down it looks.
- You need to maintain financial resources on mending roads or you will spend more on the cost of being sued for damages.

Parks and green spaces mentions – summary of the 41 responses to Q3

Support for upgrading and improving parks for children as well as creating more active travel networks. One comment around maintaining rather than enhancing parks.

Comments included:

...proper, safe shared cycle/pedestrian infrastructure allowing people access to cheaper modes of transport, more investment in play parks compared to Borders Council. The play facilities are very poor & in Cornbank Park dangerous with the broken roundabout spike still sticking up.

Energy mentions – summary of the 7 responses to Q3

General support for energy help and efficiency measures for those most in need as well as green energy. Links also made to under used council building and waste of energy and need to make housing stock more energy efficient.

Comments included:

- Top 3 priorities should be 1. Education. 2. Elderly Care. 3. Housing building (building more affordable homes, maintenance of existing housing stock and energy efficiency).
- Support for those in greatest need – anyone on low income, in poor housing, using foodbanks. 2. Local services – support for health services, education provision for all, Heritage and Culture. 3. Environment – help residents to reach zero carbon, sustain and increase recycling provision. Y

Question 4: Are there services that we could reduce or stop providing altogether to help save money?

- 337 people answered this question.
- 94 people either answered 'no', 'don't know' or something similar like 'can't think of anything'.
- 3 answered 'yes' but gave no further detail
- 11 suggestions around council buildings such as closing under used buildings if staff working from home
- 28 suggestions around reducing management or staffing levels
- 27 suggestions around being more efficient such as streamlining processes, doing more online
- 14 suggestions around sport and leisure, including changing opening times, sharing services with neighbouring authorities or closing
- 5 suggestions to end Christmas lights and 2 to stop funding gala days/community events
- 4 suggestions to end or cut school transport costs
- 13 suggestions around bin collections and recycling, including charging small amount for recycling centres and increasing garden waste collection charge or stopping garden waste collections.
- 14 suggestions around libraries including reducing opening hours
- 5 comments about focusing on providing statutory services or those who benefit most people
- 12 suggestions around upkeep of green spaces, including less grass cutting and community groups to maintain

[Read the full list of comments to Question 4](#)

Question 5: Are there ways in which the council could raise more money to help keep services running, for example by increasing charges?

- Of the **328** people who responded to this question, 44 answered no or not sure.
- Although not specifically asked about Council Tax in this question a number referred to it, with 26 supporting an increase (with some saying that Bands should be reviewed) and a much smaller number saying that there should be no increase.

There was a wide range of suggestions on where **charges should be increased or introduced**. These included:

- Parking fines
- Litter/ dog fouling
- Charge for certain bin collections
- Hall let charges
- Return of library fines
- Public toilet charges
- Some suggested a small increase in gym/ leisure charges while others suggested the opposite as a way of increasing the number of memberships/ customers
- Suggestions that increasing some charges will only force some clubs to close and reduce income in long term

Other potential income raising:

- Organise and promote events and performances
- Improve access to the leisure facilities - advertise more, reduce the time centres are closed.
- Hot desking facilities for business in council HQ
- More money should be raised from house builders/ developers
- Work more with community groups/split facilities so they can get grants – joint council/community facilities.
- Press the Scottish Government for a fairer funding settlement.
- Introduce a Midlothian card for residents of Midlothian to access services at current rates but increase fees for non-residents.
- Advertise on or sponsor roundabouts.
- Make more use of council facilities such as school and leisure buildings to paying groups during holidays, weekends and evenings.

Other suggested cost cutting:

- Proper procurement resource to allow contracts to be consolidated and renegotiated to provide savings and efficiency.
- Reduce management/ salary costs.
- Improve efficiency by reviewing processes and workflow.
- More district heating schemes.
- Relocate libraries into already open/operating council buildings- shared premises.
- Find economies of scale by providing shared services with other councils.
- Sell council offices.

[For the full list of responses to Question 5](#)

Question 6: What services could be run differently – for example by community groups? And should we share more services with other councils or partner organisations?

- Of the 314 people who responded to this question, 91 answered no, not sure or insufficient information to answer.

Summary of comments on Sharing services with partner organisations

- Not necessarily cheaper - still need to pay Third Sector. Community groups need funding and many are already supported by council funding. Voluntary sector is already over-stretched and needs more support, not more work.
- Partner organisations provide really good value for money so do not cut their budgets. Third sector are a great support.
- Community organisations, with support, can access external sources of funding that the council can't.
- More shared services and hubs - this would benefit wider public too?
- Potential to work more closely with colleges and Edinburgh Uni who have campuses in Midlothian to share resources?
- Share libraries with other council services.
- Street cleaning, grass-cutting etc. could be done in partnership with community groups.
- There are many voluntary organisations that could support with provision of services e.g. in Children and Young people, sport and leisure, green spaces.
- Some suggesting using private organisations/ contracts for some tasks. Others suggesting running services in house will be cheaper in the long run compared to out sourcing.
- Share sports facilities with Scottish Governing Bodies to co-manage.
- If the Council/Government are relying on community groups to deliver essential services, this is unfair and unsustainable.
- Council needs to value qualified staff and not rely on third sector help just because it costs less.

Summary of comments on **Sharing services with other councils**

- Definitely consider sharing services both within the council and other councils.
- Potential to share with East Lothian (mentioned by a number of respondents)
- Shared services with neighbouring councils to make more efficient for all.
- Back office functions like HR, IT, and legal could be shared with other councils.
- Waste collection could be shared between councils.
- Not sharing with other councils - need local accountability.
- Reduce expenses of council physical offices.
- Share management and procedures with other councils.
- Collaborate more to generate ideas, use better practices and share costs of resources.

[For the full list of responses to Question 6](#)

Question 7: We are facing daunting budget challenges ahead. Each 1% rise in Council Tax generates £580,000 of additional income annually for the council. By what percentage, if any, should we raise Council Tax next year?

Of the **311** people who answered the question:

- 0%: 89 (28.62%)
- 1%: 55 (17.68%)
- 2%: 39 (12.54%)
- 3%: 30 (9.65%)
- 4%: 10 (3.22%)
- 5%: 44 (14.15%)
- Other: 44 (14.15%)

Overview of the **44** 'Other' responses:

- By up to 10%: 7 responses
- Marginally less than inflation with exceptions for those most needy: 1 response
- 0.75%: 1 response
- Either no increase or reduce 8 responses
- Either means tested depending on income or charge householders in more valuable properties more in Council Tax: 10 responses (example of response: I think this should be done proportionally to income as the current council tax system is unfair)
- Cost of living type comments: 8 (typical comment: 'cost of living crisis, people can't afford)
- Remaining 9 comments largely either 'no comment, no text, reduce or looking for guarantees increased spending would make a difference to services).

[For the full list of responses to Question 7](#)

Question 8: Do you have any further comments?

137 people answered this question. No main themes emerged although mentions of staffing and management costs, cost of living concerns, general government funding comments, libraries and music tuition.

[Read the full list of comments for Question 8](#)