

# Midlothian Council Minute Volume



**Presented to the Meeting  
of Midlothian Council  
on Tuesday, 26 March 2019**

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

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

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

Standards Committee 17 January 2018	37 - 40
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Audit Committee 25 September 2018	41 - 48
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Police and Fire and Rescue Board 19 November 2018	49 - 52
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Local Review Body 14 January 2019	53 - 56
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Cabinet 15 January 2019	57 - 62
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Planning Committee 22 January 2019	63 - 80
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Audit Committee 29 January 2019	81 - 86
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## **3 Minutes of Meetings submitted for Information**

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

Midlothian Integration Joint Board 6 December 2018	87 - 98
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### **Short Life Working Group**

Land and Countryside Cross Cutting Service Review 17 January 2019	
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# Minute of Meeting



## Midlothian Council

Date	Time	Venue
12 February 2019	11am	Council Chambers, Midlothian House, Buccleuch Street, Dalkeith

### Present:

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

### In attendance:

Grace Vickers, Chief Executive	Kevin Anderson, Acting Director, Resources
Allister Short, Joint Director, Health and Social Care	Mary Smith, Director, Education, Communities and Economy
Gary Fairley, Head of Finance and Integrated Service Support	William Venters, Depute Monitoring Officer
Alan Turpie, Legal Services Manager/Monitoring Officer	Verona MacDonald, Democratic Services Team Leader
Mike Broadway, Democratic Services Officer	Ian Johnson, Head of Major Projects (for Item Nos. 8.8 and 8.9 only)

### Religious Representatives (Non-voting observers for Education Business):

Mr V. Bourne	Mrs E. Morton
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## 1. Apology for Absence

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The Clerk intimated an apology on behalf of Councillor Johnstone.

## 2. Order of Business

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The order of business was confirmed by the Clerk to be in accordance with the papers circulated.

## 3. Declarations of interest

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No declarations of interest were made at this time.

## 4. Deputations

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It was noted that no deputations had been received for consideration at this meeting.

## 5. Minutes of Previous Meetings

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1.1 The Minute of the meeting of Midlothian Council which took place on 18 December 2018 was submitted for approval. The Council unanimously approved the Minute and the Provost was authorised to sign it as a true record of the meeting.

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

Meeting	Date of Meeting
Performance, Review and Scrutiny	30 October 2018
Planning Committee	20 November 2018
General Purposes Committee	20 November 2018
Cabinet	27 November 2018
Local Review Body	27 November 2018
Audit Committee	11 December 2018
Community Asset Transfer Committee	11 December 2018

## 6. Questions to the Leader of the Council

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No questions were received for consideration and response by the Council Leader.

## 7. Notices of Motions

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No Motions were received for consideration.

## 8. Reports

Agenda No.	Report Title	Presented by:
<b>8.1</b>	<b>Financial Monitoring 2018-19</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
<p>The Council in considering the terms of the report which provided information on performance against revenue budget in 2018-19 and details of the material variances, heard from the Head of Finance and Integrated Service Support.</p> <p>The Council Leader, Councillor Milligan, in moving the recommendations of the report, extended his congratulations to officers involved in the recovery plan whilst noting some work still had to be done before the end of the current financial year to deliver within budget.</p>		
<b>Decision</b>		
<p>The Council agreed to note the terms of the report and:-</p> <p>(a) that work would continue to secure further improvement in the financial position and that the non-essential vacancy freeze and the moratorium on non-essential spend remained in place;</p> <p>(b) that the Chief Executive had instructed Directors and Heads of Service to deliver within their set directorate budgets;</p> <p>(c) approve the supplementary estimate of £0.450 million reflecting the additional cost of the proposed local government workers pay award of 3.5%.</p>		
<b>Action</b>		
Chief Executive, Directors, Heads of Service		

Report No.	Report Title	Presented by:
<b>8.2</b>	<b>Reserves Strategy</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
<p>The Council heard from the Head of Finance and Integrated Service Support who spoke to the terms of the report which provided an update on the financial reserves held, their purpose and noting the aim was to ensure the reserves position supports financial sustainability and provides clarity on the purpose and maintenance of useable reserves.</p>		
<b>Decision</b>		
<p>The Council:-</p> <p>(a) noted the need to maintain an adequate level of general reserve to provide a contingency for unforeseen or unplanned costs and that in the current financial context approve the adoption of 2% of net expenditure (excluding resources delegated to the IJB) to be considered a minimum. This equates to £3.3 million;</p> <p>(b) agreed that where projections indicate that the 2% minimum general reserve balance will be breached, an immediate recovery plan be implemented to recover the position, failing which the next available budget would need to provide for the restatement of the reserve position;</p> <p>(c) agreed that the capital receipts flexibility scheme be utilised as an alternative source of funding to meet the expected one-off costs associated with further service transformation and to meet the cost of severance for employees;</p>		

(d) agreed that the £0.305 million is the uncommitted element of funds earmarked for Council transformation general reserve and noted the updated projection of available general fund reserve is £3.727 million;

(e) agreed that if severance and transformation costs exceed the available capital receipts received in any one year then this can be mitigated by making a transfer from the capital fund to meet the repayment of the principal of loans and delegated authority to action such a transfer to the Head of Finance and Integrated Service Support;

(f) approved the revised VSER policy, in which severance payments are based on the statutory redundancy calculator, as set out in Appendix 3 of the report and;

(g) otherwise noted the content of the report.

#### Action

Head of Finance and Integrated Service Support

Report No.	Report Title	Presented by:
8.3	<b>Financial Strategy 2019/2020 (including projections to 2022/23)</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
<p>The Council heard from the Head of Finance and Integrated Service Support who spoke to the terms of the report (together with a Supplementary Report circulated separately from the main report) which provided a further update on the Financial Strategy. He noted it set out measures to enable the Council to determine Council Tax and set a balanced budget for 2019/20 which it was required to do by 11 March 2019 in accordance with Section 93 of the Local Government Finance Act 1992 (as amended). The report and supplementary report set out:-</p> <ul style="list-style-type: none"> <li>• An update on the 2019/20 Scottish Government Grant settlement and future years grants prospects;</li> <li>• Final budget projections for 2019/20 and updated projections for 2020/21 to 2022/23;</li> <li>• A sensitivity analysis reflecting the potential impact on different pay and grant settlement scenarios;</li> <li>• An update on the arrangements for the delegation of resources to Midlothian Integration Joint Board;</li> <li>• An update on the Change Programme and its impact on the projected budget shortfalls;</li> <li>• Governance arrangements;</li> <li>• An update on General Fund Reserves</li> </ul> <p>Mr Fairley in recognising the implications of the recommendations listed at Section 13 within the supplementary report presented to Council advised that they reflected the revised grant settlement intimated on 31 January 2019 and which still represented a reduction in core funding.</p> <p>Thereafter, Councillor Milligan moved that the recommendations contained in the report be not accepted. He spoke to the terms of a Motion, copies of which were circulated to those present (Appendix 1 hereto). He advised that the recommendations listed within the Motion were as a result of listening to the people who had been in touch and that the Council needed to give these people hope at a time of a reduction in core funding and rapid population growth. He advised of meetings he had had with the Leaders of the Scottish</p>		

Green Party and Labour Party and the Depute First Minister where he had emphasised to them the growth in Midlothian of 13.5% compared to the next nearest local authority area of 8% and the need for an independent review of local government funding. He subsequently moved the Motion, as per Appendix 1 hereto, which was seconded by Councillor Muirhead.

Councillor Parry spoke to and moved an amendment to the Motion with copies being circulated to those present (Appendix 2 hereto). The amendment was seconded by Councillor Baird.

Councillor Hardie spoke to and moved an amendment to the Motion, with copies being circulated to those present (Appendix 3 hereto). This amendment was seconded by Councillor Munro.

Thereafter, the Provost, with regard to Councillor Parry's amendment which called for a deferral of decisions to a Special meeting to be held before 11 March 2019, requested clarification from officers in relation to delaying making decisions regarding setting Council Tax and a balanced budget. The Leader stated that he did not see any benefit in deferring. Councillor Parry, seconded by Councillor Alexander, proposed a 20 minute recess to allow parties to discuss the Motion and Amendments. It was thereafter unanimously agreed that the meeting be adjourned for 20 minutes to permit discussion between parties.

The meeting adjourned at 12.15 pm and reconvened at 12.35 pm.

Further discussion took place with regard to the SNP Group Amendment and in particular the call for a deferral of decisions to a Special meeting with the Leader noting that the SNP Amendment differed only slightly from the Labour Group Motion.

The Provost then suggested that because the SNP Amendment included a proposal to defer budget decisions to a Special meeting, the meeting vote on this before the Motion and Conservative Group Amendment. He advised that if Members were minded to agree to his suggestion, it would require agreement to suspend Standing Order 11.3. On a vote being taken by way of a show of hands with regard to suspending Standing Orders, 12 Members voted in favour and none against. Members then proceeded to vote by way of a show of hands with regard to the SNP Amendment. 6 votes were cast for the Amendment (as per Appendix 2 hereto) and 11 against therefore the Amendment fell.

Councillor Hardie then offered to withdraw the Conservative Group amendment, if the Labour Group was prepared to look at the PPI aspect and HRA issues included within it. The Leader advised that whereas he was sure officers would look at these, he would prefer a vote being taken in relation to the Amendment and Motion.

The Provost then called for a vote, by way of a show of hands, in respect of the Conservative Group Amendment. 5 votes were cast for the Amendment (as per Appendix 3) and 12 against therefore the Amendment fell.

The Provost then called for a vote, by way of a show of hands, in respect of the Labour Group Motion. 6 votes were cast for the Motion and 6 against. The Provost exercised his casting vote, in terms of Standing Order 11.2, in favour of the Motion which became the decision of the Council.

**Decision**

The Council in terms of Appendix 1 hereto:

- a) Noted the position in respect of the Scottish Government Grant Settlement for 2019/20 as set out in Section 3 of the report and supplementary report;
- b) Noted the current projected cost of services, key assumptions and resultant budget shortfalls as set out in Section 5 of both reports and endorsed the key assumptions on which the budget projections are based;
- c) Noted that given the level of available contingent reserves it is not considered prudent to meet additional spending pressures from the contingent reserve or to use the contingent reserve as part of the strategy to secure a balanced budget for 2019/20;
- d) In line with the provisions of the revised grant settlement package, agreed to set a Band D Council Tax of £1344 for 2019/20 as set out in appendix 1 of the report;
- e) Noted the continuing uncertainties and the potential impact as outlined in the differing scenarios as set out in Section 6 of the main report;
- f) Approved the allocation of £42.652 million to Midlothian Integration Joint Board for 2019/20 in respect of delegated services and approved the increase to telecare charges;
- g) Having considered the Change Programme measures as set out in Section 8 of the main report and to achieve a balanced budget – (i) approved the savings measures associated with the additions to the Transformation Programme as set out in Appendix 3 of the report; (ii) noted the operational savings summarised in Appendix 4 of the report; (iii) agreed the policy savings measures as set out in Appendix 5 of the report with the adjustments made as indicated in the Labour Group Motion (Appendix 1 hereto); (iv) approved a 1.35% efficiency target for all services, with the exception of Children's Services, as detailed in Appendix 6 of the report and delegated authority to the Chief Executive, in consultation with the Leaders of the 3 political groups, to progress any non-operational measures necessary to achieve these efficiency targets; (v) agreed the Bottom-Up Review savings as detailed in Appendix 7 of the report with the adjustments made as indicated in the Labour Group Motion (Appendix 1 hereto);
- h) Noted the additional income anticipated from fees and charges as set out in Section 8.7 of the report and approved the general uplift of 4.79% and noted that the resultant detailed charges set out in Appendix 8 of the report will be updated to reflect this change;
- i) approved the resultant 2019/20 service budget as set out in the revised Appendix 9 as indicated in the Labour Group Motion (Appendix 1 hereto);
- j) considered the contents of the overview of feedback from engagement activity set out in Appendix 11 of the report and the overarching EQIA set out in Appendix 12 to the report;
- k) noted the acute financial pressures for future years and also the risks as set out in Section 11.2 of the main report;
- l) in recognising the impact of a rapidly growing population and greater demand for services, approved a strategic step change in financial planning, whereby, before the summer recess, a Medium Term Financial Strategy (MTFS) be presented to Council



containing planned and balanced budgets covering the 4 years - 2020/21 to 2023/24 and;

m) otherwise noted the contents of the main and supplementary reports.

#### Action

Chief Executive; Directors and Heads of Service

Report No.	Report Title	Presented by:
<b>8.4</b>	<b>Housing Revenue Account – Revenue Budget 2018/19 – 2019/20 and Capital Plan 2018/19 – 2023/24</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
The Head of Finance and Integrated Service Support presented a report which provided a summary of expenditure and income to 21 December 2018 for the Capital Plan and a projected outturn for both the Housing Revenue Account (HRA) and Capital Plan for 2018/19; an update on the Revenue Budget for 2019/20 and an update on the Capital Plan for 2019/20 to 2023/24.		
<b>Decision</b>		
The Council agreed to note the content of the report.		
<b>Action</b>		
Head of Finance and Integrated Service Support		

Report No.	Report Title	Presented by:
<b>8.5</b>	<b>Treasury Management and Investment Strategy 2019/20 and Prudential Indicators</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Head of Finance and Integrated Service Support who presented the report which sought agreement to the Treasury Management and Annual Investment Strategy for 2019/20 and the prudential and treasury indicators contained therein.		
Discussion then took place with regard to the report with Members seeking further information from Mr Fairley with regard to the investment return rates.		
<b>Decision</b>		
The Council agreed to:		
<ul style="list-style-type: none"> <li>a) Approve the Treasury Management and Investment Strategy for the 2019/20 financial year, as detailed in Section 2 of the report;</li> <li>b) Approve the list of permitted investments outlined in Appendix 1 to the report;</li> <li>c) Adopt the prudential indicators contained in Appendix 2;</li> <li>d) Approve an adjustment to the authorised limit for borrowing to £524,349 million (as shown in Section 3) if market conditions indicate that this is prudent;</li> <li>e) Note that the policy to repay loans fund advances made before 1 April 2016 will be to continue to use the “statutory annuity method”;</li> </ul>		

f)	Note that the policy for the statutory repayment of loans fund advances made from 1 April 2016 will be to continue to use the “statutory annuity method” and that the current annuity rate applied is 3.10% and;
g)	Note that work would continue regarding the Loans Fund Review and that an update to the “Treasury Management and Investment Strategy 2019/20 and Prudential Indicators” will be presented in due course, if required.
<b>Action</b>	
Head of Finance and Integrated Service Support	

**Sederunt: Prior to the following item, Councillor Winchester, on the basis that she sits on the Board of Rosewell Development Trust, declared an interest and left the room**

Report No.	Report Title	Presented by:
<b>8.6</b>	<b>General Services Capital Plan 2018/19 to 2022/23</b>	<b>Head of Finance and Integrated Service Support</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Head of Finance and Integrated Service Support who spoke to the terms of the report which provided an update of the General Services Capital Plan incorporating information on further additions to the Plan for approval (Section 2 of the report); information on the projected performance against budget for 2018/19 (Section 3); forecast expenditure and income for the General Services Capital Plan for 2018/19 through to 2022/23 (Section 4) and; an update on the Capital Fund (Section 5).		
<b>Decision</b>		
The Council agreed to approve:		
<ul style="list-style-type: none"> <li>(a) the addition of the projects listed in Section 2.1 of the report to be added to the General Services Capital Plan, namely Rosewell Development Trust and Easthouses Primary School and;</li> <li>(b) the revised expenditure and funding levels in the General Services Capital Plan 2018/19 to 2022/23 (as shown in Appendices 1 and 2 to the report).</li> </ul>		
<b>Action</b>		
Head of Finance and Integrated Service Support		

**Sederunt: Councillor Winchester re-entered the room**

Report No.	Report Title	Presented by:
<b>8.7</b>	<b>Voluntary Sector Grants 2019/2022 Contingency Fund</b>	<b>Director, Education, Communities and Economy</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Director, Education, Communities and Economy, who spoke to the terms of a report regarding the allocation of the Voluntary Sector Contingency Fund for 2019-2020.		
<b>Decision</b>		
The Council agreed to note the financial uplifts to the 4 voluntary organisations listed within the report for 2019-2020 and that officers would be working with these organisations to support them to develop a sustainable business model beyond 2019-2020.		
<b>Action</b>		
Director, Education, Communities and Economy		

Report No.	Report Title	Presented by:
<b>8.8</b>	<b>Edinburgh and South East Scotland City Region Deal Update</b>	<b>Director, Education, Communities and Economy</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Director, Education, Communities and Economy who spoke to the terms of a report informing of the progress being made to implement the Edinburgh and South East Scotland City Region Deal with particular attention to the projects and initiatives which will directly and indirectly benefit communities in Midlothian.		
<b>Decision</b>		
The Council agreed to:		
<ul style="list-style-type: none"> <li>a) note the progress on the early stages of the implementation of the City Region Deal;</li> <li>b) note the direct and indirect benefits to Midlothian which are expected to result from the terms of the City Region Deal;</li> <li>c) note the extent of the previously agreed Midlothian capital budget allocation and revenue budget commitment and;</li> <li>d) request further regular update reports on the progress of the City Deal as a whole and on projects that are particularly relevant to Midlothian.</li> </ul>		
<b>Action</b>		
Director, Education, Communities and Economy		

Report No.	Report Title	Presented by:
<b>8.9</b>	<b>Borders Railway Update</b>	<b>Director, Education, Communities and Economy</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Director, Education, Communities and Economy who spoke to the terms of a report primarily informing Members of progress on projects and initiatives to ensure that the economic growth benefits to communities along the line and the wider Midlothian area are maximised. The report also covered current and future operational arrangements for the rail service itself.		
Ian Johnson, Head of Major Projects, in response to a question from the Provost, advised that Scotrail had a liaison officer who was in regular contact with the Council and was made aware of operational issues which were of concern to the Council.		
<b>Decision</b>		
The Council agreed to:-		
<ul style="list-style-type: none"> <li>(a) note the extent of progress on projects and initiatives in Midlothian and the wider Borders Railway corridor to maximise the benefits of the rail line to local communities;</li> <li>(b) request regular update reports on further progress of the projects and initiatives and;</li> <li>(c) continue to engage with the blueprint partners on corridor-wide projects, branding and marketing, and the refresh of the blueprint document.</li> </ul>		
<b>Action</b>		
Director, Education, Communities and Economy		

Report No.	Report Title	Presented by:
<b>8.10</b>	<b>Midlothian Integration Joint Board Strategic Plan 2019-2022</b>	<b>Joint Director, Health and Social Care</b>
<b>Outline of report and summary of discussion</b>		
The Council heard from the Joint Director, Health and Social Care who spoke to the terms of a report which sought agreement to the proposed consultation response to the draft Strategic Plan compiled by Midlothian Integration Joint Board.		
<b>Decision</b>		
It was agreed that the Chief Executive, on behalf of the Council, would issue a letter of full support for the Strategic Plan and in doing so would highlight that, regrettably, the Council's own resource constraints may negatively impact on the ambitions of the Integration Joint Board.		
<b>Action</b>		
Chief Executive; Joint Director, Health and Social Care		

Report No.	Report Title	Presented by:
<b>8.11</b>	<b>New Primary School in Easthouses</b>	<b>Director, Education, Communities and Economy</b>
<b>Outline of report and summary of discussion</b>		
Prior to consideration of the report, the Provost advised that the Council had on 13 November 2018 taken a decision which related to the same land referred to in the report and therefore Members would need to agree to suspend Standing Orders to allow consideration of the report to take place. It was unanimously agreed that Standing Orders be suspended.		
Thereafter, the Director, Education, Communities and Economy spoke to the terms of a report previously circulated to Members which sought governance to progress with the development of a new primary school to be located in Easthouses on the former site of Newbattle High School		
<b>Decision</b>		
The Council agreed to:		
<ul style="list-style-type: none"> <li>(a) approve the use of part of the former site of Newbattle High School for a new primary school;</li> <li>(b) approve a provisional capital expenditure budget within the General Services Capital Plan for the project of £13.2 million;</li> <li>(c) approve a provisional allocation of Early Years Grant funding of £1.563 million towards the project (replacing the previously earmarked £1.578 million of Early Years Funding as noted in the report to Council on 18 December 2018);</li> <li>(d) note the estimated developer contributions of £9.3 million that can be applied to part fund the capital expenditure of the Easthouses primary school project;</li> <li>(e) reduce the current £19.1 million indicative capital expenditure budget for the Area 23 primary school (as approved in principle by Council on 18 December 2018) by £11.6 million;</li> <li>(f) instruct the Director, Resources to commence the planning consultation process and begin the design development for the project and bring a further report back to Council detailing project costs and the delivery programme;</li> </ul>		

- |   |
|---|
| (g) instruct the Director, Education, Communities and Economy to undertake a statutory consultation on the establishment of a primary school on the former Newbattle High School site and report back to Council. |
| <b>Action</b>   |
| Director, Education, Communities and Economy; Director, Resources   |

## 2. Exclusion of Members of the Public

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

9.1 Rosewell Community Hub Update – Report by Director, Resources

9.2 Premises at the former Bonnyrigg Leisure Centre – Bright Sparks – Report by Chief Executive

9.3 Millerhill Low Carbon District Heating Project – Report by Head of Property and Facilities Management

9.4 Licensing of Permanent Residential Caravan Sites – Report by Director, Education, Communities and Economy

The meeting concluded at 1.45 pm



## Midlothian Council Labour Group

### Amendments to Report Item 8.3 - Financial Strategy 2019-2020

#### (Supplementary Report) Introduction

Midlothian, like many Councils across Scotland and indeed the UK are struggling to cope with successive reductions in core funding, by both Westminster and Scottish Governments, that we require to maintain the levels of service that the public that we represent, expect and deserve. This is further exacerbated by the rapid population growth, both actual and projected that we have to cope with and plan for as a responsible local authority.

While Scottish Government claims to have increased overall funds to local Government, increases made to fund new Scottish Government initiatives, which are ring fenced, hide real cuts in funding for services that we currently deliver, and a failure by Scottish Government to recognise the huge strain that rapid population growth puts on our ability to fund services.

Table 1 on today's report shown this clearly. When new initiatives are stripped from the cost of services and from the original Scottish Government Grant settlement as they are in this table, they show that core funding from Scottish Government would have decreased from £155.63m next year to £151.155m by 2022/23 when projected spending due in large part to population growth will rise from £215m in 2019/20 to £244m by 2022/23.

Table 1: Budget Shortfalls 2019/20 to 2022/23 - 12 February 2019

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

While we have been working with officers throughout the year to introduce efficiencies and cut costs, when officers were presented with the initial offer from Scottish Government on 18 December they proceeded to put together a package of measures to present to Councillors at today's meeting which would bridge the budget gap of £11.552m that existed at that point.

These measures included savings we could expect from the Transformation Programme, Change Programme, Operational Savings, Cross Cutting Review savings, income from increases to fees and charges.

There were also a number of measures totalling £3.798m that require an acceptance of specific policy changes and these are before us today. We also have a further savings measure, which will require at this point un-defined efficiency targets, which will apply across the 3 Directorates, with the exception of Children's Services, which equates to a further £1.97m savings and a similar efficiency target of £0.540 million applied to the Integrated Joint Board.

These policy measures, if accepted would mean the closure of all non-hub libraries and leisure centres, removal of Creative Arts tuition, removal of Police Community Teams, removal of crossing guides, removal of early intervention and prevention, closure of Penicuik Recycling Centre, removal of bus service subsidies, withdrawal of support to galadays and community events and much more.

The acceptance of many of the measures in front of us today would be devastating to our communities and would have a huge effect many of our most vulnerable people and communities. However, we acknowledge that officers put forward these measures in good faith and with a heavy heart as the Council has a legal duty to deliver a balanced budget.

Recognising that the only way that many of these measures could be avoided would require the Scottish Government to recognise the effect that their reductions in support for local Government were having and to respond by increasing the available resources, the Labour administration engaged in extensive lobbying of MSP's from all parties at Holyrood and also engaged with other Lothian Authorities to pressure Scottish Ministers to move on the level of funding. We also urged community groups, staff, unions and individuals to press their MSP's to support calls for fair funding for Midlothian and the many other local Authorities in a similar position .

The agreement eventually reached between the SNP Government and the Greens has resulted in some movement in the allocation to Council's, but it is still well short of the funding we require to protect services and cope with growth. While this movement does allow us to avoid some of the measures that would have the most negative impact on our communities, it must be understood that this is simply avoiding these cuts for another year, and should the Scottish Government fail to carry out an independent review of the method they use to distribute funding to local authorities and fail to fund Council's adequately then these measures will be on the table again later this year as part of the recommended Medium Term Financial Strategy.

We have no doubt that our internal auditors, external auditors and Audit Scotland will take the view that if we think that if a service looks like it will require to be reduced or ended next year, we should just get on with it and do it now. That might others view,



however Councillors are here to represent the interests of the people who elect them as well as determine policy for the Council as a whole. We need to protect our much-valued services for as long as we can, because once they go it is unlikely that we will ever get them back.

Yet again, we call on All Midlothian Council's political groups to put aside their political differences and work together to make sure that Midlothian received a fair share of Scottish Government grants and that the level of the grants reflect the pressures resulting from our rapid growth.

Until then we need to do all we can to protect our services and call our elected MSPs to account and ask them to fight within the Scottish Parliament for fair funding for Midlothian.

To that end the Labour Group would move acceptance of the policy measures detailed in the appendices below with the exception of the following changes to the measures before us today:-

## **Appendix 5a**

### **EDUCATION, COMMUNITIES AND ECONOMY**

#### **Children's Services - Item 1- Reduction in Early Intervention and Prevention**

Services by 20% Remove measure: Early intervention and prevention services are key to improving outcomes for vulnerable young people...

#### **Education**

##### **Item 12- Creative Arts Team Reduction**

Remove measure: All creative arts, but particularly our strong commitment to the promotion of musical instrument tuition is something that it particularly valued in our County. This is not something that is pursued by an elite but is in fact a great leveller and is particularly appreciated by pupils for whom other subjects don't have the same appeal. We recognise that some other Councils are being forced to take similar steps to those presented here, but to do this in Midlothian would be counter to a major part of our cultural heritage.

##### **Item 14 - Stop free Primary 4 swimming lessons.**

Remove measure: This proposal was before the Council last year and was roundly rejected then. Swimming is an essential life skill, and while there may be alternative ways for some parents to provide this, we believe that this service ensures that all children have the opportunity to learn to swim.

##### **Item 17b- Reduction in Adult LLE Workforce.**

Remove measure: This measure if accepted would impact on will have an impact on social isolation, health and wellbeing of a variety of groups including older people. It could lead to increase in referrals to adult services. Part of this budget

also supports literacy and numeracy training for those who may be looking to take advantage of the growth in jobs in the homecare and childcare sectors in which we have significant recruitment problems with in Midlothian.

#### **Item 17D - Youth Work Reductions in LLE.**

Remove measure: While we accept that this saving would result in targeting youth work in our priority areas, we recognise that there is work to be done with regards to ensuring positive destinations are attained in all the communities across Midlothian. To leave the West of the county with no provision would be wrong.

#### **Item 25 - Employ fewer learning assistants by 5% for ASL pupils.**

Remove measure: This would equate to reducing 8.5 FTE posts in an area where the need for this service is known to be increasing. This would be on top of the 10% reduction that was applied last year. In Midlothian we have 26.53% of our pupils with additional support needs. A staff survey completed in November indicated that the biggest challenge faced in schools is behaviour issues.

#### **Item 27 - Reduce LLE to only statutory provision.**

Part Remove measure: This savings measure includes the very successful team that engage with young people and who have contributed so much to the improvement in the number of young people going on to positive destinations. This team costs £260k for the full year, applying the same ratio as the suggested saving this would equate to £162k for the first year. We therefore accept the saving on this item excluding the team mentioned above which results in an adjusted saving of £369k in 2019/20 and £590k per year thereafter.

## **Appendix 5B**

### **HEALTH AND SOCIAL CARE**

#### **Customer and Housing Services**

##### **Item 1-Closure of non-Hub Libraries**

Remove measure: While the Council is moving to shift public interaction with the Council from phone/in person to electronic we still have to accept that not every member of the public, particularly the old and vulnerable have access to computer facilities in their homes. Our local libraries are much valued resources within our communities, providing access to computers for those who do not have this at home and advice on how to use them where required . They are also focal points within our communities and play a hugely important role in community life. We therefore oppose the closure of any of our libraries.

##### **Item 7 - Cessation of Midlothian Community Policing Team**

Remove measure: One of the main commitments of the Labour Group at the last election was the re-instatement of funding for these Police teams. It was massively

supported by people during the campaign and our first priority after forming the administration. This suggested cut was strongly condemned at the recent budget consultation meeting with Community Councils. According to the statistics provided by our Police colleagues, the introduction of MCAT 1 had a significant impact on reducing anti-social behaviour over the last four months of 17/18 to end that year with an over-all reduction when there was a point during that year when the rates were 15% above the previous years' figures. The previous year's figures were significantly higher than the year before. Clear evidence of the effectiveness of these teams exists and therefore this measure is rejected.

## **Appendix 5c**

### **RESOURCES DIRECTORATE**

#### **Commercial Operations**

##### **Item 1-School Crossing Guides (option 2)**

Remove measure: This measure has been misinterpreted as the removal of ALL crossing guides. This is not the case. It would entail the removal of crossing guides where they are sited at controlled crossings. Nonetheless we recognise that all controlled crossings are not the same and rather than this blanket approach we would call for a risk assessment to be carried out at such crossings before consideration is given to any reduction. In the meantime, we reject this as a savings measure.

##### **Item 3 - Reduce Road Maintenance spend on gully cleaning.**

Remove measure: We believe this service is already operating at a minimum with most of the repairs or maintenance being done on a reactive basis as it is. We should not reduce this unless we are absolutely forced to by lack of funding.

##### **Item 4 - Reduce Road Maintenance spend.**

Remove measure: We believe this service is already operating at a minimum with most of the repairs or maintenance being done on a reactive basis as it is. We should not reduce this unless we are absolutely forced to by lack of funding.

##### **Item 8 - Removal of Support for Bus Travel.**

Remove measure: The few remaining supported bus services are vital lifelines for their communities. However, there are many more areas that are not adequately served. With Councils no longer able to provide the support it is more vital than ever that the Scottish Government re-regulates or nationalises public transport.

##### **Item 9 - Removal/Reduction of Community Transport funding.**

Remove measure: This cut would result in the withdrawal of transport for vulnerable groups and individuals who may not have alternative transport options.

**Item 10 - Stop all support to Galas and events.**

Remove measure: Local Galadays and other events represent important historical traditions, particularly in our mining communities and are an integral part of the identity of Midlothian. We therefore reject this proposed saving. Furthermore, we note that last year this council supported Galadays and community events by around £0.110m. With that in mind, while acknowledging the difficult financial position, we would add the positive balance of £0.040m, which results from our budget amendment to the Gala and Community events budget, taking this to £0.084m. These funds to be distributed to communities, by a method to be determined, whereupon the communities would determine how the allocation would be used across their areas. Communities could then look for top up funding from external sources and look at ways to cut costs to spread the benefits of the funding as far as possible. We commend the efforts of the Galaday and events committees for coming forward already with suggestions as to how savings could be made within their own and other events.

**Item 15 - Close Penicuik Re-cycling Centre.**

Remove measure: This saving, given the size of this community and its distance from the only other re-cycling facility in Midlothian, should not be taken. Additional journeys on what are not the best roads, particularly in winter months would be required. There are also concerns being raised that the closure would result in an increase in fly-tipping which it well may, however we would make the point that there is no justifiable excuse for fly-tipping and those carrying out these offences should be unconditionally condemned.

**Item 21- Close all public toilets.**

Remove measure: We believe that this measure should be removed from the budget deliberations however we understand that where there are now reasonable alternatives in relatively close proximity to these facilities and the number of users are dropping we will need to consider the viability and need for them in some locations.

**Item 27- School Cleaning Reduced by 20%**

Remove measure: With previous reductions in facility services at schools we would be concerned that the response to incidents requiring cleaning to take place would be reduced. The plan here to only fully clean schools every second day may be viable at some points of the year but in winter months would be more problematic.

**Item 30 - Non-Housing maintenance.**

Remove measure: We do not believe that this saving, which would move our maintenance to a wind and watertight basis only is an achievable saving, certainly not in the long term, but even in short to midterm either. Our old buildings need to be maintained to avoid the requirement to replace them and our newer building require to be maintained to ensure that we obtain the maximum use of them given the huge investment we make in them.

**Item 31- Closure of Danderhall Leisure Centre.**

Remove measure: Danderhall Community Centre is critical to many groups, including Midlothian Gymnastics who enrol approximately 180 children every week. Danderhall lunch club which is designed to tackle social isolation also meets weekly, and our very own Forth One local hero whom we recently recognised in this chamber, who delivers 7 spinning classes per week to dozens of local residents. Tonzone users would have to travel miles and negotiate Sheriffhall to find an alternative Midlothian gym.

**Item 32 - Closure of Gorebridge Leisure Centre.**

Remove measure: Despite Gorebridge being one of the 3 priority areas it has very few community facilities. Great effort has been made by this community to control its own future by raising resources to build its own community facilities. Despite all the challenges that it faced in doing so the Gorebridge Beacon has finally opened. It is not however in any way a replacement for the Leisure Centre. Each of the other 2 priority areas have a high school with built in Leisure facilities and in a few years Gorebridge should have the same. In the meantime, Gorebridge Leisure Centre should remain open and ran by Midlothian Council.

**Item 33 - Closure of Newtongrange Leisure Centre.**

Remove measure: With the current masterplan for Newtongrange under consideration it would be premature to agree the removal of funding for this Leisure facility.

**Item 35- Remove Active Schools Team.**

Remove measure: We do not consider this to be a viable or necessary saving. Having discussed the matter with representatives of the team we believe that there may be opportunities to make this service self-sustaining by means of modest charging combined with the majority of the funding coming from Sports Scotland.

**Item 36- Stop free swimming for Children during Holidays.**

Remove measure: The description of this measure refers to this as a potential income stream and it assumes that a portion of those making use of this would continue to do so were it not free. We believe this is questionable, but in any event this measure has undoubtably encouraged more children to attend swimming sessions during the holiday periods. With childhood obesity on the increase and concerns heightening at the levels of type 2 diabetes this is a measure that encourages physical activity that may not otherwise take place and sometimes not through choice but by the lack of money to pay for it.

**Appendix 7****BOTTOM UP REVIEWS****Item 11- Close Buccleuch Bowling Green.**

Remove measure: This is the only remaining public bowling green in our county. There are around 100 members of this club and the Council should continue to

explore with them the possibility of them taking over the club by asset transfer which could allow savings to be made to an extent that would make the facility self-sustaining.

### **Item 39 - Sport and Leisure Savings.**

Remove Part of this measure: We are not confident that this level of savings are achievable and therefore are not content to include the full amount in our budget only to have to come back to deal with consequential overspends were it not to be achieved. We therefore amend the total savings target for this measure to £0.200m

### **Appendix 8 - Fees and Charges**

We recognise that our community value the services a number of which they pay directly for. Therefore to protect these services we reluctantly recommend increasing charges by 4.79% rather than 3%.

### **Future Years**

This year's Grant Settlement still represents a 1.5% reduction of funding for Councils from the Scottish Government. A recent COSLA report shows that Central Governments have taken over £1 billion from local services.

For Midlothian, these cuts come at a time of exponential growth for the county, our population projected to have grown by 13.3% between 2016 and 2026. This growth in population is placing additional demand on Council budgets, for example:

- Over £1 million per year for Social Care
- Around £2.5 million per year for school places and children services

Inflation and borrowing costs are projected to increase by around £6.5 million per year. Put together,

Midlothian Council has to raise an additional £10million per year to meet the cost of growth and inflation. By 2022/23 the projected budget gap for Midlothian will be £41.726 million.

In light of the projected reductions in Grant, the increasing costs of a growing population and inflation pressures, Midlothian Labour is warning that all non-statutory services are at risk of closure with standards in statutory services being reduced to adequate or minimum standards.

There is an alternative to the cuts being imposed on us by the Scottish Government.

Councillors across the Lothian's are calling on the Scottish Government to reverse the cuts to council budgets and to carry out an independent review into how local councils are funded. The current funding model is failing these Councils by not recognising the rapid population growth in our area



**Accordingly, the Labour Group proposes the following response to officer recommendations: -**

- a) Note the position in respect of the Scottish Government Grant Settlement for 2019/20 as set out in section 3 of both the main and this supplementary report;
- b) Note the current projected cost of services, key assumptions and resultant budget shortfalls as set out in section 5 of both the main and this supplementary report and endorse the key assumptions on which the budget projections are based;
- c) Note that given the level of available contingent reserves it is not considered prudent for Council to meet additional spending pressures from the contingent reserve or to use the contingent reserve as part of the strategy to secure a balanced budget for 2019/20;
- d) In line with the provisions of the revised Grant Settlement package set a Band D Council Tax of £1,344 for 2019/20 as set out in appendix 1;
- e) Note the continuing uncertainties and the potential impact as outlined in the differing scenarios as set out in section 6 of the main report;
- f) Approve the allocation of £42.652 million to the Midlothian Integrated Joint Board for 2019/20 in respect of delegated services and approve the increase to telecare charges;
- g) In considering the Change Programme measures as set out in section 8 of the main report and to achieve a balanced budget:-
  - i. Approve the savings measures associated with the additions to the Transformation Programme as set out in appendix 3;
  - ii. Note the operational savings summarised in appendix 4;
  - iii. Agree the policy savings measures as set out in appendix 5 with the adjustments made as indicated above;
  - iv. Approve a 1.35% efficiency target for all services, with the exception Children's Services as detailed in appendix 6 and delegate authority to the Chief Executive, in consultation with the leaders of the three Political Groups to progress any non- operational measures necessary to achieve these efficiency targets;
  - v. Agree the Bottom Up Review savings as detailed in Appendix 7 with the adjustments made as indicate above;

- h) Note the additional income anticipated from fees and charges as set out in section 8.7 and approve the general uplift of 4.79% and note that the resultant detailed charges set out in appendix 8 will be updated to reflect this change;
- i) Approve the resultant 2019/20 service budget as set out in the revised appendix 9 attached to this amendment;
- j) In considering the recommendations also consider the contents of the overview of feedback from engagement activity set out in appendix 11 and the overarching EQIA set out in appendix 12 attached to the main report;
- k) Note the acute financial pressures for future years and also the risks as set out in section 11.2 of the main report ;
- l) Recognising the impact of a rapidly growing population and greater demand for services, this report also calls for a strategic step change in our financial planning, in the form of a proposal to bring forward to Council before the summer recess a Medium Term Financial Strategy (MTFS) which contains a planned and balanced budgets covering the four years 2020/21 to 2023/24;
- m) Otherwise note the contents of the main and supplementary reports.

## Reflecting Labour Group Amendment to Table 5 of the Financial Strategy 2019/20 report

Cumulative	2019/20
	£m
Budget Shortfall Table 1	9.739
Less: Change Programme	
IJB Allocation Table 5	(0.974)
IJB efficiency target	(0.540)
Transformation Programme 8.2	
- Existing Programme	(1.130)
- Additions to Programme	(0.020)
Less: Resource Allocation Changes	
- Operational 8.4	(1.025)
- Policy 8.5	(1.179)
- Efficiency Targets 8.6	(1.970)
- Bottom Up/Cross Cutting Reviews 8.7	(0.370)
- Fees and Charges General 8.8	(0.200)
Council Tax Increase of 4.79%	(2.331)
Remaining Budget Gap	0



## Reflecting Labour Group Amendment to Revenue Budget 2019/20 Summary at Appendix 9

Service Function	Budget 2019/20 £
Management and Members	1,776,587
<u>Education Communities and Economy</u>	
Children's Services	15,938,457
Communities and Economy	3,024,584
Education	94,581,873
<u>Health and Social Care</u>	
Adult Social Care - IJB	42,652,073
Adult Social Care - Non IJB	686,798
Customer and Housing Services	10,240,866
<u>Resources</u>	
Commercial Operations	12,919,025
Finance and Integrated Service Support	10,199,484
Properties and Facilities Management	13,974,792
Lothian Valuation Joint Board	545,551
Centrally Held Budget Provisions	(179,792)
Non Distributable Costs	<u>1,338,436</u>
GENERAL FUND SERVICES NET EXPENDITURE	207,698,734
Loan Charges	6,123,494
Investment Income	(406,420)
Allocations to HRA, Capital Account etc.	<u>(5,015,808)</u>
NET EXPENDITURE	<u>208,400,000</u>
(Enhancement) /Utilisation of Reserves	
Scottish Government Grant	157,413,000
Council Tax	<u>50,987,000</u>
TOTAL FUNDING	<u>208,400,000</u>

## Appendix 2 SNP Group Amendment

### Council is recommended to:-

- a) Note the position in respect of the Scottish Government Grant Settlement for 2019/20 as set out in section 3 of both the main and this supplementary report;
- b) Note the current projected cost of services, key assumptions and resultant budget shortfalls as set out in section 5 of both the main and this supplementary report and endorse the key assumptions on which the budget projections are based;
- c) Note that given the level of available contingent reserves it is not considered prudent for Council to meet additional spending pressures from the contingent reserve or to use the contingent reserve as part of the strategy to secure a balanced budget for 2019/20;
- d) Note the continuing uncertainties and the potential impact as outlined in the differing scenarios as set out in section 6 of the main report;
- e) To defer decisions on report recommendations d,f,g,h & i to a Special Meeting to be set by the Director of Resources before 11<sup>th</sup> March 2019.

Council also recommends that:

- i) An immediate cross party working group is convened to consider the deferred recommendations.
  - ii) That the remit of the group considers additional proposals to reduce the budget gap outwith the current officer measures in either this report, supplementary reports, or appendixes.
  - iii) That the group considers an overarching EQIA, to review the cumulative impact of savings measures proposed.
- f) In considering the recommendations, as noted in (e) above, also consider the contents of the overview of feedback from engagement activity set out in appendix 11, the overarching EQIA set out in appendix 12 attached to the main report and also acknowledges the unprecedented public interest in the 19/20 budget.
  - g) Note the acute financial pressures for future years and also the risks as set out in section 11.2 of the main report;
  - h) Recognises the requirement for a Medium Term Financial Strategy (MTFS) which contains a planned and balanced budgets covering the four years 2020/21 to 2023/24 but agrees that process must involve extensive engagement with elected members, communities and stakeholders. The terms of which should be agreed by cross party agreement.
  - i) Otherwise note the contents of the main and supplementary reports.

## Appendix 3 Conservative Group Amendment

### MIDLOTHIAN COUNCIL BUDGET 2019/20

#### PROPOSED CONSERVATIVE AMENDMENTS

- 1 The purposes of the Conservative amendments are to mitigate the effects of the Scottish Government settlement, which is a reduction of around 4% in real terms, against a backdrop of steeply rising statutory commitments.

As is well known the burden falls heavily on customer-facing non-statutory services.

- 2 Taking into account the 31 January final settlement (which we estimate to £0.871m in potential additional Council tax, £0.290m of more favourable than expected UK government support, and a provisional £1.493m in increased SG grant under the skewed distribution formula), Midlothian Council will still face a deficit of £8.868m, around 4.1% of net core activity (c. £215m).

- 3 We anticipated that this aggregate £2.654m of adjustments from 31 January's announcement would result in alterations to the Officer measures prepared on 30 January 2019. However, there has been no guidance to Councillors as to how this adjustment is to be allocated, especially considering the burden of the unspecified £1.97m of budgeted efficiency savings.

We have now had sight of an analysis of the unattributed efficiency savings of £1.97m (1.35%) and on the basis that this figure is achievable can propose reinstatement of certain expense captions previously intended as cuts.

We think it prudent for the sake of a balanced budget and reserve optimisation to **utilise £1.764m** of the revised position to re-instate key services in Year 1 (2019/20), leaving a £0.890m buffer to give a measure of stability and flexibility for Year 2 and beyond.

Under this approach General Account reserves will be of the order of £4.617m (£3.727m+£0.890m).

The £1.736m of retentions set out in the attached schedule comprises:

Part contribution to Penicuik Waste Recycling  
 CAT Teams  
 Non-hub libraries  
 Active Schools team  
 Road maintenance  
 Road gullies  
 Part retention of the Community Transport service - dial-a-ride  
 Danderhall Leisure Centre (pro tem)  
 Woodburn Youth Work  
 Bus support  
 Public Toilets (replace with units via capital account)  
 P4 Swimming  
 Learning Assistants  
 Crossing Guides

We also propose £150,000 continued investment in instrumental tuition but on the basis that the service is redesigned in conjunction with users, to ensure a long-term sustainable model.

A further policy proposal is that lighting provision is reduced where it is safe to do in consideration of an equal amount being deployed to create additional pothole repair activity. This has nil net effect but an improvement in output value to the public.

- 4 We accept generally that there is little point in saving services only to cut them next year. Only where enhanced replacement facilities are underway can a reprieve make sense, with closure following on. This appears to be the case with the Danderhall Leisure Centre. We also think that the Active Sports programme should not be closed as it can become self-supporting.

One specific cut to be reversed is appropriate for additional income support. By increasing generally charges by 4.79% (the same rate as the permitted Council tax increase) we can contribute £50,000 to saving the Penicuik recycling centre in response to public opinion and respecting the distances otherwise involved.

- 5 Beyond these specific assets we have identified for Year 2 and beyond two sustainable sources of financing flexibility, both dependent on SG (and possibly accounting authority) consent. They allow Year 1 continuation of some of the most desirable activities from the £1.764m aforementioned pot, which bridges until the SG response is achieved.

This approach, while looking to 2020/21, is important to be agreed now because it will help sustain the retentions next year, as well as giving Midlothian much-needed flexibility in the provision of long term services.

**Potential budgeting flexibilities attendant on contingent possibilities**, subject to SG agreement.

These are (a) a more realistic treatment of expensing of PPP/PFI assets

And (b) Agreed flexibility to use **up to 5% of the HRA reserve** (£33.4m as at 31 March 2018) for expense in areas of multiple deprivation/high concentrations of social housing, so as to protect the social and recreational environment. We indicate £1.5m of purposes, made up of specific activities saved from the cuts programme, and others funded by the General Account which relate heavily to the affected areas.

We also suggest additional spend on related third sector activity and include provision of brown bins services paid out of the HRA as free for tenants whose rents are not in arrears.

HRA funding gives these vital services more certainty of retention compared to reliance on SG funding

- 6 The attached schedule makes one specific proposal, additional to the officer paper referred to.

**Affiliated Organisations:** COSLA, APSE Nuclear Free etc. - subscriptions and travel especially do not produce commensurate benefit to Midlothian. Our

situation is politically weak to influence COSLA in particular, due to Midlothian's unique burdens of growth. Some element incidental cost will be ongoing (e.g. pension contribution) but this obligation would continue in any event, to no benefit.

£57,000 estimated longer term savings. We do not expect any saving in year 1 due to cessation costs.

And there is one income raising proposal:

**Charges**-Local Authority inflation is higher than the UK average due to the statutory burdens we bear in relation to population growth of the youth and elderly cohorts. A general upgrade from the preliminary 3% of 4.79% in charges, the same rate as the council tax increase, is justified by the general inflation rate plus specific above inflation costs for teachers, pensions and the real-costs demographic impact referred to.

£50,000 estimated additional income

## 7 **Contingent Additional Savings**

**These proposals do not form part of the budget proposals but justify in many cases continuance of spend from the general account in 2019/20 until the requisite consents are achieved.**

**In no circumstances are we requesting infraction of law or regulation in seeking reforms aimed at educational and social benefit in the affected areas.**

**7.1 Accounting Policy Changes:** Our Group have long contended that the expensing of PFI/PPP assets against the general Fund does not reflect economic reality, nor the principles of Fair Value accounting. The assets will be handed back to the Council after 30 years fully maintained, and it is postulated that their life will at least be that of the typical 1960's schools, most of which lasted for 45 years, not the 30 year expensing period currently imposed.

The existing rules were Scottish Government-led, as have been previous decisions to allow capitalisation of expense. There may also be formal requirements to change definitions at the CIPFA level.

There are £64m of such assets (some non-school but similar considerations apply) and a relaxation of expensing against value-in-use consideration implies (very approximately £711,000) of leeway which we would ring-fence to education and related activity. Whatever the number transpires to be, it is ring-fenced to educational outturns rather than supporting, as at present, excessive accounting conservatism which is at odds with the Fair Value concepts of FRS 102 and other international standards.

**£711,000 estimated potential additional funding capacity**

## 8 **Housing Revenue Account flexibility**

HRA currently supports not just the maintenance and administration of social housing, and housebuilding along with the HCA, but also ancillary expense on support services and communal land.

***“Councils and their tenants might also agree on the need to provide services (partly or wholly funded by HRA) which extend beyond the outcomes relating solely to housing management”***

*(Guidance on the operation of HRA's in Scotland, SG, February 2014)*

We suggest that the flexibility to use the surpluses is defined with agreement of the Scottish Government so as to encompass;

- quality of life assets, such as leisure facilities, in areas of high concentration of social housing, often (but not restricted to) SIMD classified areas

- advisory services where the related areas are heavy users, including voluntary sector groups such as CAB

- service support to transport provision, including relevant bus routes

- particular services helpful to the elderly and disabled in a social housing setting, as encouraged by SG

A **5% cap** produces an income for these areas of up to £1.693m; we have illustrated the effect at £1.5m.

While there is a consequent reduction in housebuilding of c. 17 houses per annum, there are also palliative measures open to the Council. We will propose (potentially) at the next Rent Review discussion that the premium for vacating a tenancy is raised from £1,500 to £5,000. Since new builds (subject to £54,000/house SG support) cost £150,000 approx. to build (inclusive of land value) the benefit of incremental tenant activity in the housing stock will be likely to outweigh the reduction of the build rate in terms of availability.

It should be noted that the surpluses in the HRA and the related HCA arise not purely by virtue of tenants' rental payments. Prior to segregation of housing accounts, the general taxpayer has supported the growth in subsidised stock, and does so now via Housing Grant. Private individuals' Right-to-Buy payments also contributed. Thus, while the flexibility will also benefit the general council taxpayer as a secondary impact, the major beneficiaries remain council tenants whose interest do not lie purely in the bricks-and-mortar aspect of their community environment.

**Total maximum potential additional funding capacity: £1.693m**

**Total expected Year 2: £1.5m**

## **APPLICATION OF YEAR 2 HRA FLEXIBILITY**

Specific potential impacts (values derived from Officer figures except if otherwise stated) are:

**Community Justice:** the CAT teams and community justice function provides vital safeguards to quality of life in social housing areas in particular. We propose one team is supported from the HRA accordingly, and one by the General Fund going forward.

This approach is encouraged by SG:

*“In some local authorities, service costs that relate to both council tenants and wider groups such as anti-social behaviour posts may be fully funded by the HRA. Applying the principle of “who benefits” may reveal that costs should be shared by the HRA and the General Fund”.*

£371,000

**Woodburn Youth Work:** Under the above principle should be saved and paid from HRA funds. £57,000

**Non-Hub libraries:** These facilities particularly assist citizens with no IT access, as well as forming community centres and educational benefits for all ages. We need to examine the Post Office sharing aspect and the benefit to social housing residents appear high.

Note: CIPFA permitted captions “Communications and computing” may apply. £73,000

**Bus support:** the transport links involved cater for lower incomes in the main, often with no alternatives if in social housing. The general taxpayer supports via Bus Grant so the attribution of all the present Council support to their retention, but via HRA, appears equitable

£113,000

**Community transport:** If SG agree this should be identified as a service to individual social tenants alone as they can be separately identified. It is obviously invidious that disabled tenants cannot have assistance to be mobile at all. For other individuals separate provision based not on tenancy but other criteria paid out of the General Fund may be considered. We refer to the Dial-a-Ride function alone .

£104,000

Notes: “Transport-related expenditure” is a specific caption in the guidance notes, as is “Contributions to transport-related provisions”

**Parks in areas of SIMD:** these are a vital resource for exercise and visual amenity, and set the tone of an area. The benefit to social housing quality of life is evident and if possible they should be upgraded.

estimate

£75,000

Note: These relate to the guidance definition “amenity land open to all residents”.

**Citizen’s Advice Bureaux:** our frontline service will be weighted towards the problems in SIMD and equivalent areas, and we suggest £150,000 of HRA funds goes to CAB in lieu of General Account funding. However, there should also be an increase of £150,000 from HRA to voluntary groups across Midlothian who can demonstrate predominant benefit to SIMD areas part of the



33

contingency allocation exercise.  
£150,000 estimate

Note: caption “Adult Social Services clients” suggest this has been in principle covered, as is the caption “voluntary associations.”

### **Increase in Voluntary Sector Budget relative to SIMD**

It is clear from the allocation of the existing £1m that significant voluntary groups serving deprived areas are underfunded and this measure will help those groups specially relevant to the areas where HRA arises.

### **Galas**

Following consultation with tenants there may be a desire to fund Galas from the HRA in view of their locations.

### **Tenants Brown Bins**

Because brown bins are address-specific we can incorporate their provision as a service under the guidance relating to general requirements to provide property maintenance and associated services.

Such a measure will help ensure the appearance of the relevant areas and particularly assist the elderly who may be unable to make alternative arrangements.

**Unallocated:** we consider that there will be other sub captions within departmental spend where the relevant areas are major users and therefore this principle may release other captions’ where the use of the HRA is relevant to protecting quality of life. £90,000 estimate

**Process:** We should request that the application of HRA in this way is approved by SG (and if necessary CIPFA) in good time for 2020/21, and consult tenants with a view to having their democratic say in the application of HRA to quality of life support both within their homes and in the surrounding environment.

## **9 CONCLUSION**

The proposals aim at optimum use of Midlothian’s declining support in real terms from SG. The decisions are still harsh but can be ameliorated and for future years using consideration of our voters’ known preferences.

At maximum potential **£1.736m** of damaging cuts are avoided, using the £1.736 m of the buffer £2.6m in Year 1. Going forward the contingent savings based on PPP/PFI rule changes and HRA flexibility may be able to provide multi-million pounds longer term support to these retained items reserve in Year 2 and onwards.

**Contingent benefits** are within sight: significant benefit potential, at no cost to SG, has been identified in the unlocking of the PPP/PFI surplus values.



A more holistic approach to the utilisation of **Housing Revenue Account** surpluses will help avoid a decline in the amenity and humanitarian standards in social housing areas, to the benefit of existing tenants and the financial flexibility of Midlothian as a whole.

A final decision next year on the best allocation of new funding flexibility will follow, but in the interim all Councillors are encouraged to support this approach *in the interests of Midlothian*.

*Andrew Hardie*  
*Conservative Councillor*

*February 2019*

## CONSERVATIVE GROUP BUDGET

The following amendments are proposed by the Conservative Group to the recommendations in the Financial Strategy 2019/20 supplementary report:

- 1 The Officer papers and memoranda submitted to the February 12 Council meeting are noted and the following amendments proposed:
  - A) That recommendations A) to F) and J) to M) are accepted together with recommendations G- I, II , IV and V)
  - B) In respect of recommendation G-III) that the following items are removed from the policy savings measures:

Creative Arts (Music Tuition), Community Safety Team and CAT team; Non-hub libraries; Active Schools Team; Road maintenance spending and gully cleaning; part of the Community Transport Funding; Danderhall Leisure Centre (until alternative facilities are complete) and Newtongrange and Gorebridge centres; Youth Work in LLE (Woodburn Youth Work) and support for Bus Travel; Public toilets; P4 Swimming; Learning Assistants and Crossing guides

And the following items added:-

Midlothian Council will give notice of withdrawal from non-essential collectives COSLA, APSE and NFLA.

Street lighting provision is reduced where it is safe to do in consideration of an equal amount being deployed to create additional pothole repair activity. This has nil net effect but an improvement in output value to the public.

That the proposed charges increase of 3 % should, in view of local authority inflation, be raised to 4.79%. As a consequence the Penicuik Refuse Centre will not be closed in 2019/20

C) In respect of recommendation I) approve the resultant 2019/20 service budget as set out in the appendix attached

D) Add the following additional recommendations

Midlothian Council resolves to support, with a view to the 2020/21 budget, a review of accounting treatment of the Council's PPP/PFI and equivalent assets, with the intention of alleviating the General Account impact of 30 year expensing in circumstances where the economic life is materially and demonstrably greater. Such adjustments, when they may arise, being attributable to Education, including consideration of supporting music education and lifetime learning in revised formats..

Midlothian Council resolves to establish, based on the principle of utilising up to 5% of HRA balances predominantly in SIMD areas and equivalent districts where social housing is located, the potential under Scottish Government and other relevant consents, for such an attribution. Related spending decisions to be considered by Council in 2020.

Proposed by:  
Andrew Hardie

Seconded by:  
Kieran Munro

Table 5: Financial Strategy 2019/20 12 February 2019 –  
Reflecting Conservative Group Amendment

Cumulative	2019/20
	£m
Budget Shortfall Table 1	9.739
Less: Change Programme	
IJB Allocation Table 5	(0.974)
IJB efficiency target	(0.540)
Transformation Programme 8.2	
- Existing Programme	(1.130)
- Additions to Programme	(0.020)
Less: Resource Allocation Changes	
- Operational 8.4	(1.025)
- Policy 8.5	(1.984)
- Efficiency Targets 8.6	(1.970)
- Bottom Up/Cross Cutting Reviews 8.7	(0.455)
- Fees and Charges General 8.8	(0.200)
Council Tax Increase of 4.79%	(2.331)
Enhancement of Reserves	(0.890)

# MIDLOTHIAN COUNCIL BALANCED BUDGET 2019/20

## PROPOSED CONSERVATIVE GROUP AMENDMENTS

£'000

Opening  
Deficit at 18 Dec 2018  
Adverse to 12 Feb  
TOTAL

Council tax 3 % to 4.79%  
Share of £90m  
Additional pension Support

REVISED DEFICIT

### ***Specific Additional***

COSLA APSE Anti-nuclear including travel

Charges- rise 3% to 4.79%

TOTAL SPECIFIC SAVINGS

### ***Contingent Additional Savings***

Up to 5% of HRA released to SIMD etc areas - Year 2  
Fair value annual reduction in PPP/PFI charges-Year 2  
(£64m of assets over 45 not 30 years)

OVERALL TOTAL

### **Attribution of Savings**

COUNCIL 12-Feb	Jan-31 Adjusts.	CONSER- VATIVES	Comment
	Approx..		
-200			
-9391			
-1931			
-11522	-11522		
	871		
	1493		
	290		
	2654		
	-8868		
		57	COSLA figure subject to commitments NIL related benefits in year 1
		50	Contribution to Penicuik recycling
		<b>107</b>	
		<b>1,500</b>	see below for associated impacts
		<b>711</b>	see below for associated impacts
		<b>2,211</b>	
		<b>2,318</b>	

Impacts related to **Specific Savings  
Utilisation in Year 1**

Penicuik recycling

-78

public preference, location/distance issue

**Retentions in Year 1 based on £2.6m adjustment**

Contribution to Penicuik

2,654

see above

Community Justice inc. CAT teams

-28

Maintain public order

Non-Hub Libraries

-371

review potential for diversification,volunteers

ActiveSchoolsTeam

-73

Will be self funded in year 2

Road Maintenance

-131

pothole situation still critical

Gully Maintenance

-150

flooding risks have been serious

Community Transport-Dial a Ride

-50

Reprieve until HRA potential exploited, tenants only

Danderhall leisure Centre

-104

until Shawfair alternative fully open

Newtongrange/Gorebridge Leisure Centres

-122

Community facilities

Woodburn youth work

-140

SIMD need

Bus support

-57

vital to social housing tenants

Public Toilets

-113

Replace with automated facilities

P4 Swimming

-51

Public health and safety benefit

Learning Assistants

-33

GIRFEC considerations

Crossing Guides

-121

Public safety

Instrumental Music Tuition

-70

Service to be redesigned

Year 1 - TOTAL SPECIFIC RETENTIONS vs £2.6m

-150

**-1,764**

Remaining additional reserve for 2020/21 onward

890

Contingent Additional Retentions

**Education:**

Year 2

**Release due to  
accounting change**

**711**

tbc but suggest : Music tuition  
adult learning  
LLE

Year 2- Items proposed to be charged to HRA

**Impacts related to SIMD Area Priorities**

Community justice/CAT Teams	-371	half of longer term costs
Customer and Housing Services	-73	Directly relevant
Non hub libraries	-73	IT/Communications resource for SIMD areas
Bus support	-113	101,111, 51/52, 39- vital to low income households
Community Transport	-104	restrict to disabled in social housing
Parks in areas of SIMD	-75	estimate
Youth workers	-57	Woodburn
CAB	-150	Replace element of General fund liability
Increase in voluntary sector budget relative to SIMD	-150	Additional investment
Galas	-44	renewed support for future years
Tenants Brown Bins	-200	Part of tenancy rights going forward
Available unallocated to support services in SIMD areas	-90	to be identified - areas of high utilisation in SIMD etc area
<b>TOTAL CONTINGENT RETENTIONS</b>	<b>-1,500</b>	

# Minute of Meeting



## Standards Committee

Date	Time	Venue
17 January 2018	11.00 am	Committee Room, Midlothian House, Buccleuch Street, Dalkeith

### Present:

Mr Les McEwan (Chair)	Councillor Alexander
Councillor Cassidy	Councillor Muirhead

### In attendance:

Kenneth Lawrie, Chief Executive	John Blair, Director, Resources
Alan Turpie, Legal Services Manager	Verona MacDonald, Democratic Services Team Leader

## 1. Apologies

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Apologies for absence were intimated on behalf of Councillors Milligan, Smail and Winchester

## 2. Order of Business

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The Chair confirmed the order of business was as outlined on the agenda circulated.

## 3. Declarations of interest

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No declarations of interest were received.

## 4. Minute of Previous Meeting

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There were no previous Minutes for consideration.

## 5. Reports

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Report No.	Report Title	Presented by:
5.1	Terms of Reference of the Standards Committee	Alan Turpie

### Outline of report and summary of discussion

Alan Turpie referred to the Terms of Reference for the Committee set out in the Council's Scheme of Administration and circulated with the agenda for the meeting. He made reference to the ongoing review of Standing Orders including the Scheme of Administration. He invited Members to provide feedback with regard to the Terms of Reference and in particular whether:-

(i) paragraph numbered (v) therein "Investigating and reporting to the Council on alleged breaches of standards by Members (other than those which are to be the subject of investigation by the Public Standards Commissioner for possible report to the Standards Commission for Scotland)" was still relevant and;

(ii) the Committee should continue to meet on an ad hoc basis or meetings should be held on agreed dates and included in the Schedule of Meetings approved by the Council on an annual basis.

Thereafter, discussion took place with the Chair and Councillor Muirhead providing information by way of background for the new Members on the Committee. Members then agreed that, given the other mechanisms in place within the Council to deal with allegations of breaches of standards, that there was no requirement for paragraph numbered (v) to remain within the Terms of Reference. Members further agreed that meetings of the Committee should be held on a 6 monthly basis.



Decision
<p>To recommend to the Council as part of the ongoing review of Standing Orders, which includes the Scheme of Administration, that the Terms of Reference be amended as follows:-</p> <ul style="list-style-type: none"> <li>(a) paragraph numbered (v) be removed;</li> <li>(b) Meetings of the Committee be held every 6 months and included in the Schedule of Meeting dates published by the Council. In the event that there is no business, in consultation with the Chair, the Director, Resources may cancel the meeting</li> </ul>

Action
Director, Resources

Agenda No.	Report Title	Presented by:
5.2	Councillors' Code of Conduct with guidance	Alan Turpie

Outline of report and summary of discussion
<p>Alan Turpie spoke to the terms of the further update on the Guidance on the Councillors' Code of Conduct published by the Standards Commission in September 2017 and circulated with the agenda for the meeting. He advised that this update was not as substantial as the March 2016 update and again no changes had been made to the Code of Conduct itself, however, it contained some additional guidance and new examples of decisions made by the Commission. Given that there were very few amendments he went through each of them individually for the benefit of Members.</p> <p>Mr Turpie then made reference to the Standards Commission electronic bulletin recently circulated to all Elected Members which provided additional information relating to the activities of the Commission and examples of cases determined by the Commission.</p> <p>Thereafter, the Chair asked Members whether they felt that the issuing of the revised Guidance by email was sufficient for all Elected Members or whether as suggested by the Standards Commission a further briefing session should be arranged. After discussion, Members agreed that an Elected Members briefing session be arranged.</p>

Decision
<p>The Committee:-</p> <ul style="list-style-type: none"> <li>(a) noted the terms of the updated Guidance published by the Standards Commission on the Code of Conduct and;</li> <li>(b) requested that an Elected Members briefing on the updated Guidance be arranged as soon as practicable</li> </ul>

Action
Director, Resources

Report No.	Report Title	Presented by:
5.3	Harassment Policy – Report by Chief Executive	Chief Executive

#### Outline of report and summary of discussion

The Chief Executive advised that the aim of the paper, marked “to follow” on the agenda but subsequently circulated to Members, was to provide the Committee with more information about harassment at work and how the Equalities Act 2010 provided protection from harassment. The paper provided the definition as set out in the Act of harassment and what it may look like and also touched on bullying. He advised that the Council’s Resolution Policy dealt with harassment in the workplace and that it applied to Elected Members in the same way as it applied to employees.

The Chair advised that the electronic briefing paper from the Standards Commission referred to earlier in the meeting by Alan Turpie, had posed the question and asked for feedback in relation to whether the Code of Conduct should be further enhanced in relation to harassment and bullying however, the paper before Members had been compiled by the Council and had only been circulated to Members of the Committee. He wondered whether it would be beneficial to circulate it to all Elected Members.

#### Decision

The Committee:-

- (a) noted the terms of the paper by the Chief Executive relating to Harassment at Work and;
- (b) agreed that a copy of the paper be circulated to all Elected Members

#### Action

Director, Resources

The meeting concluded at 11.58 am with the Chair thanking all for attending.

# Minute of Meeting



## Audit Committee

Date	Time	Venue
Tuesday 25 September 2018	2.00 pm	Council Chambers, Midlothian House, Dalkeith, EH22 1DN

### Present:

Mike Ramsay (Chair)
Councillor Baird
Councillor Hardie
Councillor Milligan
Councillor Muirhead
Councillor Smail
Peter de Vink (Independent Member)

### In attendance:

Dr Grace Vickers	Chief Executive
Allister Short	Joint Director, Health and Social Care
Gary Fairley	Head of Finance and Integrated Service Support
Alan Turpie	Legal Manager
Chris Lawson	Risk Manager
Stephen Reid	Ernst and Young, External Auditors
Sarah Croft	Ernst and Young, External Auditors
Jill Stacey	Chief Internal Auditor
Gary Thomson	Senior Accountant Projects & Treasury
Myra Forsyth	Quality and Scrutiny Manager
Mike Broadway	Democratic Services Officer

## 1. Welcome and Apologies

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Apologies were received from Councillor Parry.

## 2. Order of Business

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The order of business was confirmed as outlined in the agenda that had been previously circulated.

## 3. Declarations of interest

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No declarations of interest were received.

## 4. Minutes of Previous Meetings

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4.1 The Minutes of (i) Special Meeting of 18 June 2018; (ii) Meeting of 19 June 2018 and; (iii) Special Meeting of 28 August 2018 were submitted and approved as correct records.

4.2 An Actions Log was submitted.

Thereafter, the Committee, having received brief updates on the various action points detailed therein, agreed:-

- (a) to close the action relating to Local Government Workers Pay and Grading – Item 5.1 on the agenda;
- (b) to note the update from the Chief Internal Auditor on the Internal Audit Report on Treasury Management and agree to close the related action; and
- (c) to otherwise note the remaining outstanding action.

**(Action: Clerk)**

## 5. Public Reports

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Report No.	Report Title	Submitted by:
5.1	Local Government Workers Pay and Grading – Report by Director, Resources	Director, Resources
<b>Outline of report</b>		
With reference to paragraph 5.10 of the Minutes of 19 June 2018, a report dated 15 June 2018 was presented by the Head of Finance and Integrated Service Support. The purpose of the report was to provide the Committee with details of the benefits arising from the changes in terms to the Local Government Works pay and grading which were implemented by the Council from 1 October 2016.		

Summary of discussion
In considering the report the Committee discussed the overall increase in the employee head count as spend on agency workers was reduced, more employees were being recruited in key growth areas – Education/Social Care - and the commitment to further reduce regular additional hours remained. The shift away from a reliance on additional hours to provide a living wage was particularly welcomed. It was acknowledged that whilst progress was clearly being made the pace of change in reconfiguring services needed to accelerate in order to deliver the savings required, and that a critical part of this would be to ensure that the appropriate information was readily available to the bottom-up reviews.
Decision
<p>The Committee:-</p> <ul style="list-style-type: none"> <li>(a) noted the potential benefits realised from the introduction of the revised terms and conditions and changes to the Council's HR Policy framework as set out in the report;</li> <li>(b) noted the monitoring of the Investment in Our Workforce Project by the Implementation Board;</li> <li>(c) recommended that the Performance, Review and Scrutiny Committee also had a role to play in the monitoring process; and</li> <li>(d) noted the ongoing development and use of payroll metrics by service management.</li> </ul>
Action
Director, Resources

Report No.	Report Title	Submitted by:
5.2	Annual Treasury Management Report 2017-18 – Report by Head of Finance and Integrated Service Support	Head of Finance and Integrated Service Support
Outline of report		
With reference to paragraph 8.8 of the Minutes of Midlothian Council of 26 June 2018, a report dated 13 September 2018 was presented by the Head of Finance and Integrated Service Support. The purpose of the report was to bring to the Audit Committee's attention the Annual Treasury Management Report for 2017-18 and revisions to the Treasury Management Strategy (TMS). It was noted that had been previously explained by the Chief Internal Auditor the intention was in future that such reports would be brought to the Audit Committee prior to consideration by the Council.		
Summary of discussion		
The Committee, having heard from the Head of Finance and Integrated Service Support who responded to Members' questions/comments, discussed the main points arising from treasury activity in 2017/18. Whilst acknowledging that the Treasury Management activity during the year had been effective in minimising the cost of borrowing and maximising investment income within the parameters set by the TMS,		

concerns remained regarding the risk exposure which was associated with the approach taken by the Council to Treasury Management. With regards to any potential implications arising from fair value accounting it was noted that details would be fed back to Members directly

#### Decision

After further discussion, the Committee noted the content of the reports.

#### Action

Head of Finance and Integrated Service Support

Report No.	Report Title	Submitted by:
5.3	Final Internal Audit Report – Social Housing Programme Phase 2 – Report by Chief Internal Auditor	Chief Internal Auditor
<b>Outline of report and summary of discussion</b>		
<p>A report dated 12 September 2018 was presented by the Chief Internal Auditor. The purpose of the audit was to review the adequacy of the capital investment control framework established by management to allow for the successful delivery of the Social Housing Programme.</p> <p>Details of the examples of good practice found were outlined within the report, together with those areas where improvements were required. Although the delivery of the Social Housing Programme was off target, in the main due to factors outwith the control of the Council, the controls in place to monitor and report on this were satisfactory. Internal Audit considered that the level of assurance that they were able to give was Substantial Assurance - largely satisfactory risk, control, and governance systems are in place. There is, however, some scope for improvement as current arrangements could undermine the achievement of objectives or leave them vulnerable to error or misuse.</p>		
<b>Decision</b>		
<p>The Committee:-</p> <ul style="list-style-type: none"> <li>(a) welcomed the new reporting format; and</li> <li>(b) endorsed the audit recommendations which had been identified and agreed with management.</li> </ul>		
<b>Action</b>		
Chief Internal Auditor		

Report No.	Report Title	Submitted by:
5.4	Follow-up Review of Audit Recommendations – Report by Chief Internal Auditor	Chief Internal Auditor
<b>Outline of report</b>		
<p>A report dated 30 August 2018 was presented by the Chief Internal Auditor. The purpose of the report was to advise of the outcome of a follow-up audit reviewing a sample of recommendations that have been signed off as complete in 2017/18 to determine whether they had been implemented satisfactorily and thus give assurance over the ongoing improvement of internal control. It was noted that the review highlighted that of the 59 recommendations tested, 52 (88%) were found to have been completed satisfactorily, and 7 (12%) were identified as requiring further work (Appendix 1 of the report) and a further 7 recommendations had been agreed with management as a result of the review of further improvements that required to be made with revised completion dates (Appendix 2 of the report).</p>		
<b>Summary of discussion</b>		
<p>Having heard from the Chief Internal Auditor, the Committee discussed issues relating to staff arrears, and some care home providers still not using the Council's secure email system (Egress) to send monthly performance reports and accident/incident reports; it being noted that further updates would be provided on both matters.</p>		
<b>Decision</b>		
<p>The Committee:-</p> <ul style="list-style-type: none"> <li>(a) welcomed the report; and</li> <li>(b) endorsed the audit recommendations which had been identified and agreed with management.</li> </ul>		
<b>Action</b>		
Chief Internal Auditor/Joint Director, Health and Social Care		

Report No.	Report Title	Submitted by:
5.5	Counter Fraud Annual Report 2017/18 – Report by Chief Internal Auditor	Chief Internal Auditor
<b>Outline of report</b>		
<p>A report dated 16 August 2018 was presented by the Chief Internal Auditor. The purpose of the report was to provide an updated to the Committee on the Council's counter fraud responsibilities and the activities of the Corporate Fraud team over the past year as part of the arrangements for tackling fraud in the Council.</p>		
<b>Summary of Discussion</b>		
<p>Having heard from the Chief Internal Auditor, the Committee considered issues relating to sub-letting/unoccupied Council Housing and the overpayment of housing benefits. Whilst acknowledging the Council's counter fraud responsibilities, the benefits of such activities in financial terms were discussed, it being accepted that the deterrent effect was the key to such activities.</p>		

Decision
The Committee noted the counter fraud work undertaken by the corporate fraud team during the year to 31 March 2018, in support of the Council's fraud and corruption policy and strategy.

Report No.	Report Title	Submitted by:
5.6	Risk Management Update for 1 April 2018 – 30 June 2018 – Report by Risk Management	Risk Manager
Outline of report and summary of discussion		
The Risk Manager presented a report dated 5 September 2018 providing the 2018/19 quarter 1 strategic risk management update, covering the period 1 April 2018 to 30 June 2018. It being noted that the Audit Committee had previously requested regular reports on the Council's Strategic Risks. The Strategic Risk Profile sought to provide a strategic look at the current issues and future risks and opportunities facing the Council.		
Decision		
Following questions to the Risk Manager, the Committee noted the quarter 1 2018/19 report and the current response to the issues, risks and opportunities highlighted therein.		

Report No.	Report Title	Submitted by:
5.7	External Annual Audit Report 2017/18 Draft – Report by External Auditors	External Auditors
Outline of report		
With reference to paragraph 5.5 of the Minutes of 13 March 2018, Stephen Reid on behalf of External Auditors, Ernst & Young presented the draft Annual Audit Report to Members and the Controller of Audit for the Financial Year ended 31 March 2018.		
The report summarised the key findings and conclusions from the work undertaken by the external auditors, providing detailed information on: Financial management; Financial sustainability; Governance and Transparency; and Value for Money. The report advised, inter alia, that the external auditors intended to issue an unqualified opinion on the Council and group financial statements.		
Summary of discussion		
Having heard from the External Auditors who responded to Members questions and comments, the Committee discussed a number of issues arising therefrom, viz:- the need to operate within robust and realistic budgets; the need to pick up the pace of the transformation process and to realise savings at the earliest possible opportunity; a requirement to deliver on the approved 2018/19 recovery plan and to support approval of a robust 2019/20 budget; to ensure that the support/information required to support the Council and service transformation remained fit for purpose and was provided as timeously as possible; and the need to review the Council's PPP/PFI commitments.		



Decision
<p>The Committee:</p> <ul style="list-style-type: none"> <li>(a) Noted and approved the draft Annual Audit Report;</li> <li>(b) Agreed to recommend that the Annual Audit Report be referred to the Council meeting on 2 October 2018 as an additional item of urgent business;</li> <li>(c) Noted that a number of additional points of clarification would be incorporated into a finalised version, that would be provided by the External Auditors for this purpose;</li> <li>(d) Agreed to record the Committee's appreciation of the work undertaken by the Finance Team in assisting the External Auditors in the preparation of the report; and</li> <li>(e) Agreed to record the Committee's thanks to External Auditors, Ernst &amp; Young LLP for the Report.</li> </ul>
Action
Chief Executive

Report No.	Report Title	Submitted by:
5.8	Financial Statements for the year ended 31 March 2018 – Report by Head of Finance and Integrated Service Support	Head of Finance and Integrated Service Support
Outline of report and summary of discussion		
<p>A report dated 16 September 2018 was presented by the Head of Finance and Integrated Service Support. It was noted that the purpose of the report was to present the Council's draft audited Financial Statements for 2017/18 to the Committee and to provide a brief overview of the changes made during the audit process.</p> <p>The Chief Executive advised that it was proposed to change the final paragraph on page 26 of the Annual Governance Statement to read as follows:-</p> <p>"The Council has an effective governance structure through committee meetings and a framework of Standing Orders. A number of aspects of the internal control framework require improvement. We are aware of areas where improvements are required and steps will be taken as a matter of urgency to address these matters, therefore allowing the Council to advance its corporate governance arrangements and seek continuous improvement. Where the Council has experienced financial loss, appropriate action will be taken to seek to recover any loss."</p> <p>The Leader of the Council expressed his wholehearted support for the proposed change to the wording.</p>		

Decision
The Committee approved the 2017/18 accounts as adjusted for signature having regard to the appointed External Auditor's report for 2017/18.
Action
Head of Finance and Integrated Service Support

## 6. Private Reports

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No private business was discussed.

The meeting terminated at 4.29 pm.



## Police and Fire and Rescue Board

Date	Time	Venue
19 November 2018	11.00am	Council Chambers, Midlothian House, Buccleuch Street, Dalkeith

### Present:

Councillor Curran (Chair)	Councillor McCall
Councillor Muirhead	Councillor Munro

### In attendance:

<b>Midlothian Council</b> Verona MacDonald, Democratic Services Team Leader	
<b>Police Scotland</b> Chief Superintendent Lesley Clark	Chief Inspector Kenny Simpson
<b>Scottish Fire and Rescue Service</b> Stephen Gourlay, Area Manager	Dean Mack, Group Manager

## 1. Welcome, Introductions and Apologies

The Chair welcomed all to the meeting. Apologies for absence were intimated on behalf of Councillors Parry and Smail.

## 2. Order of Business

The Clerk advised that the order of business was as per the agenda circulated.

## 3. Declarations of interest

No declarations of interest were intimated.

## 4. Minute of Previous Meeting

The Minute of Meeting of 27 August 2018 was moved by Councillor Muirhead and seconded by Councillor McCall. The Chair was authorised to sign the Minute as a correct record of the meeting.

## 5. Public Reports

Agenda No.	Report Title	Presented by:
5.1.1	<b>Scottish Fire and Rescue Service – Midlothian Local Performance Report – Quarter 2, 1 July to 30 September 2018</b>	<b>Scottish Fire and Rescue Service</b>
<b>Outline of report and summary of discussion</b>		
<p>Stephen Gourlay by way of an update advised of a few matters worthy of noting:-</p> <ul style="list-style-type: none"> <li>(i) the Chief Fire Officer for Scotland was about to retire and a public announcement would be made shortly regarding his successor;</li> <li>(ii) the national pay negotiations were still ongoing but it was hoped there would be some news in the next couple of weeks;</li> <li>(iii) the training project at Newbridge was progressing well with the technical training building hoped to be open March/April next year;</li> <li>(iv) he passed on his appreciation to Police colleagues for their support over the bonfire period and noted that there were no known problems in Midlothian during this time.</li> </ul> <p>The Chair advised that all Councillors should have received an invite to the next meeting of the Fire Service Board being held on 13 December 2018 in Haddington.</p> <p>Dean Mack then provided the Board with a summary of the Quarter 2 report. He advised that it was a good report with 5 of the 6 outcomes being on target. He noted that the off target performance was in relation to unwanted fire alarm signals and this tended to be as a result of equipment failures. He further advised fire safety enforcement audits were just about on target and home fire safety visits were above target. He noted that the Service continued with their efforts to engage with youths and target high risk referrals from partner agencies.</p>		

Councillor McCall, with regard to home fire safety visit referrals, noted that the majority came from the British Red Cross and wondered why there were not more from the Council. Mr Gourlay advised that the East and Midlothian Public Protection Committee had in September agreed that staff in social services and engineers carrying out other checks can make direct referrals to the Fire Service. Thereafter, the Chair advised he would raise an action with the Heads of Service for Property and Facilities Management and Customer and Housing Services to explore if there were any further opportunities for increased referral rates from both Council staff visiting tenants or contactors carrying out work on behalf of the Council within the housing stock.

The Chair enquired whether the General Data Protection Regulations (GDPR) had presented the Service with information sharing obstacles. Mr Gourlay advised that there would always be obstacles in this regard but he was unaware of any additional obstacles following the introduction of the legislation.

#### Decision

The Board noted the terms of the Quarter 2 report.

Report No.	Report Title	Presented by:
<b>5.2.1</b>	<b>Police Scotland Midlothian Scrutiny Report April to September 2018</b>	<b>Police Scotland</b>

#### Outline of report and summary of discussion

Chief Superintendent Clark by way of an update advised:-

- (i) of changes made by the new Chief Constable to his management team together with changes in the local team;
- (ii) how officers were working closely with the Council's Joint Director, Health and Social Care to ensure that the out of office hours provision had a positive impact on individuals with mental health issues whilst releasing officers to undertake other duties and;
- (iii) of the planned consultation with local authorities in the new year relating to automatic number plate recognition and advised she would report back in this regard in the new year.

She then handed over to Chief Inspector Simpson who spoke to the terms of the quarterly scrutiny report. He advised that, on the whole, the report was positive. He then went through some of the variances. He noted that domestic abuse incidents had increased by 20% but there was no obvious reason for the increase; that there had been a significant downturn in anti-social behaviour with a decrease of 11.7%; drug cases had increased by 33.3% and it was anticipated that the figure will continue to increase. However, he advised there had been a significant detection and recovery recently in the district; he noted that the figure for housebreaking also showed an increase and advised that unoccupied dwellings were broken into to source the keys of cars sitting in driveways and unoccupied new builds were also being targeted.

Members then went through some of the matters listed within the report relating to hate crimes, neighbour disputes and the use of quad bikes by Police officers to address off road motor biking incidents. Chief Inspector Simpson responded to the queries raised.

Decision
Thereafter, the Board noted the content of the report.

Agenda No.	Report Title	Presented by:
5.2.2	<b>Community Action Team Report – July to September 2018</b>	<b>Police Scotland</b>
<b>Outline of report and summary of discussion</b>		
Chief Inspector Simpson spoke to the terms of the Report which summarised the activities of the Community Policing Team during the quarter July to September 2018. He advised that the report was an extremely positive one which demonstrated the significant impact the deployment of the Team was having within the community. He commented that seeing a Police presence deters criminal activity.		
<b>Decision</b>		
The Board noted the terms of the Report.		

The meeting terminated at 11.42 am.

# Minute of Meeting



## Local Review Body

Date	Time	Venue
14 January 2019	1.00pm	Council Chambers, Midlothian House, Buccleuch Street, Dalkeith

### Present:

Councillor Imrie (Chair)	Councillor Alexander
Councillor Curran	Councillor Milligan
Councillor Muirhead	Councillor Smail

## 1 Apologies

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Apologies for absence were received from Councillors Baird, Cassidy, Lay-Douglas and Munro.

## 2 Order of Business

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The order of business was confirmed as outlined in the agenda that had been previously circulated.

## 3 Declarations of interest

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No declarations of interest were received.

## 4 Minutes of Previous Meetings

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The Minutes of Meeting of 27 November 2018 was submitted and approved as a correct record.

## 5 Reports

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Agenda No	Report Title	Presented by:
5.1	Decision Notice – Land Adjoining Meyerling, Howgate, Penicuik [18/00218/DPP].	Peter Arnsdorf
<b>Executive Summary of Report</b>		
With reference to paragraph 5.3 of the Minutes of 27 November 2018, there was submitted a copy of the Local Review Body decision notice dismissing a review request from Shona Mackay, Format Design, 146 Duddingston Road West, Edinburgh seeking, on behalf of their client Mr V Crolla, a review of the decision of the Planning Authority to refuse planning permission (18/00218/DPP, refused on 1 June 2018) for the erection of four dwellinghouses; formation of access road and associated works at land adjoining Meyerling, Howgate, Penicuik and refusing planning permission.		
<b>Decision</b>		
To note the LRB decision notice.		

Agenda No	Report Title	Presented by:
5.2	Decision Notice – 20 Pendreich Terrace, Bonnyrigg [18/00566/DPP].	Peter Arnsdorf



### Executive Summary of Report

With reference to paragraph 5.4 of the Minutes of 27 November 2018, there was submitted a copy of the Local Review Body decision notice upholding a review request from Douglas Mack, FEM Building Design, 8 Plantain Grove, Lenzie, Glasgow seeking, on behalf of their clients Mr & Mrs K Toles, a review of the decision of the Planning Authority to refuse planning permission (18/00566/DPP, refused on 10 September 2018) for the erection of single storey extension and front and rear dormer extensions at 20 Pendreich Terrace, Bonnyrigg and granting planning permission subject to conditions.

### Decision

To note the LRB decision notice.

### Eligibility to Participate in Debate

In considering the following items of business, only those LRB Members who had attended the site visits on Monday 14 January 2019 participated in the review process, namely Councillors Alexander, Curran, Imrie, Milligan, Muirhead and Smaill.

Agenda No	Report Title	Presented by:
5.3	Notice of Review Request Considered for the First Time – 28-30 Buccleuch Street, Dalkeith [18/00643/DPP].	Peter Arnsdorf

### Executive Summary of Report

There was submitted report dated 21 December 2018 by the Director, Education, Communities and Economy, regarding an application from Stuart Hannah, Stuart Hannah Architectural Services, 9 Bonaly Brae, Edinburgh seeking, on behalf of their clients Miss A Khan, a review of the decision of the Planning Authority to refuse planning permission (18/00643/DPP, refused on 5 November 2018) for the Change of Use from Flatted Dwelling to House in Multiple Occupancy (HMO); Formation of Dormer Window and New Window Opening and Installation of Rooflights at 28 – 30 Buccleuch Street, Dalkeith

Accompanying the Notice of Review Form and supporting statement, which were appended to the report, was a copy of the report of handling thereon.

The Local Review Body had made an unaccompanied visit to the site on Monday 14 January 2019.

## Summary of Discussion

Having heard from the Planning Advisor, the LRB then gave careful consideration to the merits of the case based on all the written information provided. In discussing the proposed development and the reasons for its refusal, the LRB considered the potential impact that the proposed development would have, there being some debate over the likely pressure that it would have on car parking spaces given its intended use as affordable housing for single young adults. It also being acknowledged that not all town centre properties had dedicated parking provision. With regards the proposed window layout for the street elevation, it was agreed that this was unsympathetic to the character of the building and would require to be addressed in the event that consent was granted.

After further discussion, Councillor Smaill, seconded by Councillor Curran, moved that on balance given the particular circumstance involved, to uphold the review request, and grant planning permission subject to the proposed condition contained in the Director, Education, Communities and Economy's report.

As an amendment, Councillor Milligan, seconded by Councillor Muirhead, moved to dismiss the review request, and uphold the decision to refuse planning permission for the reasons detailed in the case officer's report.

On a vote being taken, two Members voted for the amendment and three for the motion, which accordingly became the decision of the meeting.

## Decision

The LRB agreed to grant planning permission for the following reason:

*The proposed house of multiple occupancy (HMO) is located in a town centre location, close to amenities and public transport services, and as such the overriding need for housing, of different tenures, and its compatibility with the neighbouring uses outweighs concerns over the lack of car parking provision.*

subject to the following condition:

1. The layout of the rooflights on the proposed north elevation is not approved. Prior to development commencing a scaled plan showing a revised layout of the rooflights shall be submitted to and approved in writing by the planning authority. Development thereafter shall comply with the approved revised plan.

**Reason:** *To safeguard the character of the conservation area.*

## Action

Planning Manager

The meeting terminated at 1.09 pm.

# Minute of Meeting



## Cabinet

Date	Time	Venue
15 January 2019	11.00 am	Council Chambers, Midlothian House, Buccleuch Street, Dalkeith

### Present:

Councillor Muirhead – Depute Convener	
Councillor Imrie	
Councillor Curran	
Councillor Hackett	

### Religious Representatives:

Mrs Elizabeth Morton	
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## 1 Apologies

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Apologies had been received from Councillor Milligan (Convener) and Vic Bourne.

## 2 Order of Business

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The Order of Business was as detailed on the Agenda.

## 3 Declarations of interest

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Councillor Hackett declared a non-pecuniary interest in Item No 5.3 "School Streets Review" as his children attended King's Park Primary School but confirmed that he would remain in the meeting during consideration of this matter.

## 4 Minutes of Previous Meetings

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The Minutes of Meeting of the Cabinet held on 27 November 2018 were submitted and approved as a correct record.

## 5. Reports

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Agenda No.	Report Title	Presented by:
5.1	A Summary of the Care Inspectorate Inspections of Day Care of Children, June 2018 - November 2018	Acting Head of Education
<b>Outline of report and summary of discussion</b>		
<p>The report advised that a range of Early Learning and Childcare settings for three and four year olds had been inspected by the Care Inspectorate during the period June 2018 and November 2018 including private nurseries and local authority settings. The report provided a summary of the outcomes of the inspections of the following settings:</p> <p>Cornbank St James Primary School Nursery, Rosewell Primary School Nursery, Chapter One Childcare Shawfair House, Cranston Country Nursery, Milton Bridge Nursery, Wizkidz Nursery, Lasswade School Nursery Class, Clover Country Nursery, Acre Wood Nurseries Ltd, St Andrew's RC Primary Nursery, Sacred Heart Primary School Nursery, Newtongrange Primary School Nursery and King's Park Primary School Nursery.</p> <p>Maria Lloyd was heard in amplification of the report after which there was a general discussion on this matter during which it was agreed that the principle of receiving Inspection feedback on Private Nurseries as well as local authority establishments was welcomed.</p>		
<b>Decision</b>		
<p>(a) To note the content of the summary of the inspection reports;</p> <p>(b) To congratulate the pupils, parents and staff connected with these reports;</p> <p>(c) To receive feedback on whether those Private Nurseries inspected paid the Living Wage;</p> <p>(d) That all future Inspection reports would be made available to each appropriate Ward Member;</p>		

- (e) That an update report on Early Years be submitted as and when appropriate to Cabinet for consideration; and
- (f) To pass the report to the Performance, Review and Scrutiny Committee for its consideration.

#### Action

Acting Head of Education

Agenda No	Report Title	Presented by:
5.2	New Build Council Housing – Local Letting Initiative	Joint Director, Health and Social Care

#### Outline of report and summary of discussion

The report proposed a Local Letting Initiative (LLI) to be used for the allocation of housing at the Miller Homes development at Newton Church Road, Danderhall.

The report advised that the total housing mix of the development showed that 23 properties were being built on this site which were estimated to be completed in March 2019 as detailed below.

**Table 1: Housing Mix at Newton Church Road, Danderhall**

Property Type	Number of Properties
1 Bed, 2 Person Cottage Flat	8
2 Bed, 4 Person Cottage Flat	10
3 Bed, 4 Person House	5
<b>Total</b>	<b>23</b>

The Joint Director, Health and Social Care was heard in amplification of the report.

#### Decision

To approve a Local Letting Initiative as detailed within the Report for the allocation of housing at Newton Church Road, Danderhall to ensure the creation of a sustainable, balanced community.

#### Action

Joint Director, Health and Social Care

Agenda No.	Report Title	Presented by:
5.3	School Streets Review	Head of Commercial Operations

#### Outline of report and summary of discussion

The report advised that at the Council Meeting on 28 June 2016, the Council agreed to:

- a) *Support the introduction of ‘School Streets’ at King’s Park Primary, Dalkeith and Lasswade Primary, Bonnyrigg; and*
- b) *Request that the Director, Resources provide a follow up report after the twelve month period of monitoring.”*

The purpose of this report was to advise of the survey results and monitoring undertaken and seek a decision on whether to retain these permanently, change aspects of them or remove them entirely.

‘School Streets’ had been piloted by both City of Edinburgh Council and East Lothian Council. They involved a legal order that banned most traffic from driving in the street during a specified period (when children were arriving at or leaving the school).

The ban was applied to streets where vehicles manoeuvring to drop off/pick up children were causing an unsafe environment for pupils arriving at the school on foot or by bike. These were signed as a Pedestrian and Cycle Zone, with details of the times they apply and exceptions.

The report advised that most parent/carers, most residents in the restricted streets and most residents in nearby streets who responded to the survey supported continuing this scheme. There were some vociferous objections to the scheme but these views were only supported by a minority. There had also been suggestions for further work to help make the scheme better and these additional measures could be considered by council officers. The report therefore proposed that the necessary Traffic Orders remained in place to allow ‘School Streets’ to continue at King’s Park and Lasswade primary schools.

The Head of Commercial Operations was heard in amplification of the report after which there was a general discussion on this matter.

#### Decision

- (a) To support continuing ‘School Streets’ at King’s Park Primary, Dalkeith and Lasswade Primary, Bonnyrigg; and
- (b) That the Director, Resources submit a report to a future meeting of the Cabinet on the implications and costs involved in rolling out a similar programme throughout Midlothian

#### Action

Head of Commercial Operations

Agenda No	Report Title	Presented by:
5.4	Penicuik Town Centre Heritage Regeneration Project Update	Director Education, Communities and Economy
<b>Outline of report and summary of discussion</b>		
<p>The report informed Cabinet of the approved funding for the Penicuik Town Centre Heritage Regeneration Project and the current work of the project, including the programmed transport/highway improvements taking place in the High Street.</p> <p>The report also advised that at its meeting of 30 August 2016 Cabinet approved the simultaneous submission of applications to the Heritage Lottery Fund (HLF) for a Townscape Heritage (TH) grant and to Historic Environment Scotland (HES) for a Conservation Area Regeneration Scheme (CARS) grant towards a heritage regeneration project for Penicuik. This scheme was called the Penicuik Heritage Regeneration Project. Grants were awarded towards the project; £1,692,000 from the HLF in July 2018 and £980,000 from HES in August 2018.</p>		

The official launch of the project took place with a well-attended programme of events in the first week of December 2018. The Penicuik High Street transportation/highway improvement works was the first Penicuik Heritage Regeneration Project scheme to be approved and work started on site on October 2018 for a 22 week contract period. In line with the Council moratorium on road works, work ceased between 1 December 2018 and 7 January 2019. The works were anticipated to be finished in March 2019 and comprise; altering and widening the pedestrian areas, the installation of street furniture, resurfacing the footpaths and resurfacing the road surface.

The Director Education, Communities and Economy was heard in amplification of the report after which several Members congratulated all those involved in this Project.

#### Decision

- (a) To note the content of the report,; and
- (b) To congratulate all those involved in this Project.

#### Action

Director Education, Communities and Economy

### Exclusion of Members of the Public

In view of the nature of the business to be transacted, the Cabinet agreed that the public be excluded from the meeting during discussion of the undernoted items, as contained in the Addendum hereto, as there might be disclosed exempt information as defined in paragraphs 6 and 11 of Part I of Schedule 7A to the Local Government (Scotland) Act 1973:-

Agenda No	Report Title
6.1	Minutes of Meeting of the Midlothian Joint Consultative Group of 6 November 2018
<b>Decision</b>	
Cabinet noted the Minutes of Meeting of the Midlothian Joint Consultative Group of 20 March 2018	

Agenda No	Report Title	Presented by:
6.2	Minute of Education Appointment Committee of 28 November 2018 – Depute Head Teacher Newbattle High School (Digital Centre of Excellence)	Acting Director, Resources
<b>Decision</b>		
Cabinet noted the appointment of C Philp as detailed in the report.		

Agenda No	Report Title	Presented by:
6.3	Minute of Education Appointment Committee of 14 December 2018 –Head Teacher Hawthornden Primary School	Acting Director, Resources
<b>Decision</b>		
Cabinet noted the appointment of C Elsey as detailed in the report.		

Agenda No	Report Title	Presented by:
6.4	Minute of Education Appointment Committee of 28 November 2018 –Head Teacher St David’s R.C.Primary School	Acting Director, Resources
<b>Decision</b>		
Cabinet noted the appointment of G McPherson as detailed in the report.		

The meeting terminated at 12.10pm.



# Minute of Meeting



## Planning Committee

Date	Time	Venue
22 January 2019	1.00 pm	Council Chambers, Midlothian House, Buccleuch Street, Dalkeith

### Present:

Councillor Imrie (Chair)	Councillor Alexander
Councillor Baird	Councillor Cassidy
Councillor Curran	Councillor Hackett
Councillor Hardie	Councillor Johnstone
Councillor Lay-Douglas	Councillor McCall
Councillor Milligan	Councillor Muirhead
Councillor Munro	Councillor Parry
Councillor Russell	Councillor Smail
Councillor Wallace	Councillor Winchester

## **1. Apologies**

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An apology for absence had been received from Councillor Smaill, who hoped to join the meeting later.

## **2. Order of Business**

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The Clerk confirmed that that order of business was as outlined in the agenda that had been previously circulated.

The Committee agreed, on the suggestion of the Chair, to take agenda item 5.7 - Application for Planning Permission in Principle, for Planning Permission and for Listed Building Consent for the Conversion of Listed Buildings to Dwellings and Residential and Commercial Development in the Grounds of the former Rosslynlee Hospital, Roslin (17/00980/PPP, 17/01001/DPP and 18/00061/LBC), as the final item of public business.

## **3. Declarations of interest**

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Councillor Milligan (non-pecuniary) declared an interest in agenda item 5.7 - Application for Planning Permission in Principle, for Planning Permission and for Listed Building Consent for the Conversion of Listed Buildings to Dwellings and Residential and Commercial Development in the Grounds of the former Rosslynlee Hospital, Roslin (17/00980/PPP, 17/01001/DPP and 18/00061/LBC) – on the grounds that he was a non-executive Member of the NHS Lothian Board who retained an interest in the application site it being a former NHS property. He would therefore withdraw from the meeting during discussion of this item of business. In addition, Councillors Muirhead, Lay-Douglas, Smaill, Cassidy and Alexander (non-pecuniary) all declared an interest on the grounds that, at the invitation of the applicants, they had all visited the application site, but at no time had offer an opinion on the current applications before Members.

Councillors Hackett (non-pecuniary) declared an interest in agenda item 5.10 - Application for Planning Permission for the Erection of dwellinghouse; formation of access and car parking and associated works at Land at 3 Eskview Villas Dalkeith (18/00760/DPP) on the grounds that he had been approached by the nursery which his children attended, regarding the application, as it was on land that adjoined/was part of their grounds, but at no time had offer an opinion on the current application before Members.

On behalf of the Members of the Conservative Group, Councillor Hardie (non-pecuniary) declared an interest in agenda item 5.3 - Application for Planning Permission for Residential Development including Park and Ride; Allotments; Land Safeguarded for possible Education Use; Formation of Access Roads and Car Parking and Associated Works at Land At Newton Farm and Wellington Farm, Old Craighall Road, Millerhill, Dalkeith (17/00408/DPP and 17/00408/DPP) – on the grounds that they all knew the current occupant of Wellington Farm, who was a Conservative Party candidate.

#### 4. Minutes of Previous Meetings

The Minutes of Meeting of 20 November 2018 were submitted and approved as a correct record.

The Committee, on the suggestion of the Chair, agreed to clarify for the record that agenda item 5.5 - Application for Planning Permission in Principle, for Planning Permission and for Listed Building Consent for the Conversion of Listed Buildings to Dwellings and Residential and Commercial Development in the Grounds of the former Rosslynlee Hospital, Roslin (17/00980/PPP, 17/01001/DPP and 18/00061/LBC) - had been deferred rather than continued.

#### 5. Reports

Agenda No	Report Title	Presented by:
5.1	Supplementary Guidance: Special Landscape Areas	Peter Arnsdorf
<b>Executive Summary of Report</b>		
<p>With reference to paragraph 5.1 of the Minutes of 9 October 2018, there was submitted report, dated 15 January 2019, by the Director of Education, Communities and Economy, providing the Committee with an update on the adoption of the Special Landscape Areas Supplementary Guidance.</p> <p>The report explained in particular that –</p> <ul style="list-style-type: none"><li>the required public notification/advertisement advising that the Special Landscape Areas Supplementary Guidance would not have a significant environmental impact triggering the need for a formal Strategic Environmental Assessment had been published in the Midlothian Advertiser newspaper on 17 October 2018; and</li><li>Scottish Ministers, in response to notification of the Council's intention to adopt the supplementary guidance had informed the Council by letter dated 26 October 2018 that they did not propose to issue a direction in relation to the guidance and that the Council was free to adopt the guidance</li></ul>		
<b>Decision</b>		
<p>The Committee, having heard from the Planning Manager, noted the update on adoption of the Special Landscape Areas Supplementary Guidance.</p>		
<b>Action</b>		
<p>Planning Manager</p>		

Agenda No	Report Title	Presented by:
5.2	Supplementary Guidance: Resource Extraction	Peter Arnsdorf

### Executive Summary of Report

With reference to paragraph 5.2 of the Minutes of 28 August 2018, there was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy, advising the Committee of the responses received to the public consultation on the proposed supplementary guidance on 'Resource Extraction' and seeking agreement to the adoption of the Resource Extraction Supplementary Guidance.

The report explained that the consultation period had run for five weeks from 7 September to 12 October 2018 with responses being received from eight parties, which included Community Councils, the Quarrying industry and Government agencies. A summary of the consultation responses, together with details of the Council's proposed response and a track change copy of the draft Supplementary Guidance document showing proposed deletions and additions (shown in red) to the document arising from the consultation were appended to the report.

### Summary of Discussion

The Committee, having heard from the Planning Manager who responded to Members' questions and clarified the process for approving the Supplementary Guidance, welcomed the comments received as a result of the public consultation on the proposed Supplementary Guidance.

### Decision

After further discussion, the Committee agreed:-

- a) to adopt the Resource Extraction Supplementary Guidance (as amended following the consultation process);
- b) that the Resource Extraction Supplementary Guidance will not have a significant environmental impact triggering the need for a formal Strategic Environmental Assessment;
- c) to instruct the Planning Manager to undertake the required notification/ advertisement advising that the Resource Extraction Supplementary Guidance will not have a significant environmental impact triggering the need for a formal Strategic Environmental Assessment;
- d) to instruct the Planning Manager to notify the Scottish Ministers of the Council's intention to adopt the Resource Extraction Supplementary Guidance; and
- e) to be advised of the outcome of the notification of the Scottish Ministers procedure.

### Action

Planning Manager

Agenda No	Report Title	Presented by:
5.3	Major Developments: Applications Currently Being Assessed and Other Developments at Pre-Application Consultation Stage	Peter Arnsdorf
<b>Executive Summary of Report</b>		
<p>There was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy, updating the Committee with regard to 'major' planning applications, formal pre-application consultations by prospective applicants, and the expected programme of applications due for reporting to the Committee.</p> <p>The current position with regard to 'major' planning applications and formal pre-application consultations by prospective applicants was outlined in the Appendices to the report.</p>		
<b>Decision</b>		
<p>The Committee agreed:-</p> <p>(a) To note the current position in relation to major planning application proposals which were likely to be considered by the Committee in 2019; and</p> <p>(b) To note the updates for each of the applications.</p>		
<b>Action</b>		
Planning Manager		

Agenda No	Report Title	Presented by:
5.4	Appeal and Local Review Body Decisions	Peter Arnsdorf
<b>Executive Summary of Report</b>		
<p>There was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy, detailing the notices of review determined by the Local Review Body (LRB) at its meetings in November 2018 and January 2019, and advising that there were no appeals determined by Scottish Ministers to report.</p>		
<b>Decision</b>		
<p>The Committee noted the decisions made by the Local Review Body at its meetings on 27 November 2018 and 14 January 2019.</p>		
<b>Action</b>		
Planning Manager		

Agenda No	Report Title	Presented by:
5.5	Pre-Application Consultation: Proposed Erection of up to 9 wind turbines at Wull Muir, Gorebridge (18/00894/PAC).	Peter Arnsdorf

Executive Summary of Report
<p>There was submitted report, dated 15 January 2019, by the Director of Education, Communities and Economy advising that a pre application consultation had been submitted regarding the proposed erection of a wind farm of up to 9 wind turbines (tip heights up to 150m) at Wull Muir, Gorebridge (18/00894/PAC). The site was on the boundary adjoining the Scottish Borders' Council area.</p> <p>The report advised that in accordance with the pre-application consultation procedures noted by the Committee at its meeting on 6 June 2017 (paragraph 5.8 refers) the pre application consultation was being reported to Committee to enable Members to express a provisional 'without prejudice' view on the proposed major development. The report outlined the proposal, identified the key development plan policies and material considerations and stated a provisional without prejudice planning view regarding the principle of development for the Committee's consideration.</p>
Summary of Discussion
<p>The Committee, having heard from the Planning Manager, who explained that the area of land within Midlothian had been included in the site boundary to allow the applicants the option to look at alternative potential access routes to the turbines and their infrastructure if required, acknowledged that if such a course of action was pursued it would be the subject of a separate planning application.</p>
Decision
<p>(a) To note the provisional planning position set out in the report; and</p> <p>(b) To note that the expression of a provisional view did not fetter the Committee in its consideration of any subsequent formal planning application.</p>
Action
<p>Planning Manager</p>

Agenda No	Report Title	Presented by:
5.6	Pre-Application Consultation: Proposed Erection of a Mixed Use Development comprising Film & TV Studios including Workshops/Offices; Reception/ Commissary; Gatehouse; Backlot; Trailer Park; Film Academy and Associated Student Accommodation; and Associated Access, Parking and Infrastructure at Land East of Salters Road, Dalkeith (19/00012/PAC)	Peter Arnsdorf
Executive Summary of Report		
<p>There was submitted report, dated 15 January 2019, by the Director of Education, Communities and Economy advising that a pre application consultation had been submitted regarding a proposed mixed use development comprising film and TV studios including workshops/offices; reception/commissary; gatehouse; backlot; trailer park; film academy and associated student accommodation; and associated access, parking and infrastructure at land east of Salters Road, Dalkeith (19/00012/PAC).</p>		

The report advised that in accordance with the pre-application consultation procedures noted by the Committee at its meeting on 6 June 2017 (paragraph 5.8 refers) the pre application consultation was being reported to Committee to enable Members to express a provisional 'without prejudice' view on the proposed major development. The report outlined the proposal, identified the key development plan policies and material considerations and stated a provisional without prejudice planning view regarding the principle of development for the Committee's consideration.

#### Summary of Discussion

Having heard from the Planning Manager, the Committee in considering the proposed development, discussed the potentially significant socio economic benefits, together with the potential opportunity to create a centre for excellence through links to the adjoining Dalkeith Schools campus site.

#### Decision

- (a) To note the provisional planning position set out in the report;
- (b) To note the comments made by Members; and
- (c) To note that the expression of a provisional view did not fetter the Committee in its consideration of any subsequent formal planning application.

#### Action

Planning Manager

Agenda No	Report Title	Presented by:
5.8	Application for Planning Permission for Residential Development including Park and Ride; Allotments; Land Safeguarded for possible Education Use; Formation of Access Roads and Car Parking and Associated Works at Land At Newton Farm and Wellington Farm, Old Craighall Road, Millerhill, Dalkeith (17/00408/DPP and 17/00408/DPP).	Peter Arnsdorf
<b>Executive Summary of Report</b>		
There was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy concerning the above application.		
<b>Summary of Discussion</b>		
<p>Having heard from the Planning Manager, the Committee acknowledged the need for the inclusion of additional conditions to address the issues raised by Transport Scotland in their consultation response.</p> <p>Thereafter, the Committee discussed the proposed developments and in particular, whether the proposed conditions relating to the timing of the provision of the continuous footway/cycleway (safe route to school) from the eastern extend of the</p>		



site to the western extent of the site along Old Craighall Road – condition 2; the timing of the closure of the pig farm at Wellington – condition 3; and noise and vibration mitigation measures – conditions 21-23, were overly prescriptive and placed too onerous a burden on the developers. The Planning Manager in response explained the thinking behind these particular conditions. In considering the most practical way of resolving these concerns, the possibility of a revised form of wording and/or removal of the condition(s) was discussed. The Committee felt that on balance as the developers had already committed to providing the safe route to school and the closure of the pig farm that these conditions be removed and that with regards the noise and vibration mitigation measures these be reworded if possible, or removed if a revised form of words could not be found.

### Decision

The Committee agreed that subject to the foregoing amendments that planning permission be granted (for both applications 17/00408/DPP and 17/00409/DPP) for the following reasons:

*The proposed development site is allocated in the Midlothian Local Development Plan 2017. The proposed detailed scheme of development in terms of its layout, form, design and landscape framework is acceptable and as such accords with development plan policies, subject to securing developer contributions and subject to appropriate conditions. The presumption for development is not outweighed by any other material considerations.*

subject to:

- i) the prior signing of a legal agreement to secure:
  - a financial contribution towards education provision;
  - a financial contribution towards community facilities (which could include the provision/upgrading of sports pitches);
  - a financial contribution towards truck road junction interventions (including Sheriffhall roundabout);
  - a financial contribution towards Borders Rail;
  - a financial contribution towards public transport;
  - maintenance of open space;
  - the safeguarding and transfer of land to the Council for a primary school; and
  - the safeguarding and transfer of land to the Council for a park and ride facility.

The legal agreement shall be concluded within six months. If the agreement is not concluded timeously the application will be refused.

- ii) Transport Scotland having an agreement in place with the applicant regarding financial provision for traffic lights on the westbound off ramp of the A720 at the A68/A720.

iii) the following conditions:

1. The indicative phasing plan submitted with the application is not approved. Development shall not begin until details of the phasing of the development has been submitted to and approved in writing by the



planning authority. The phasing schedule shall include the construction of each residential phase of the development, the provision of affordable housing, the provision of open space, children's play provision, structural landscaping, the SUDS provision and transportation/roads infrastructure. Development shall thereafter be carried out in accordance with the approved phasing unless agreed in writing with the planning authority.

**Reason:** *To ensure the development is implemented in a manner which mitigates the impact of the development process on existing land users and the future occupants of the development.*

2. The external finishing material specified on application drawings/documents are not approved. Development shall not begin until samples of materials to be used on external surfaces of the buildings; hard ground cover surfaces; means of enclosure and ancillary structures have been submitted to and approved in writing by the planning authority. An enhanced quality of materials shall be used in the area of improved quality which shall comprise no less than 20% of the number of dwellings on the site and not any of the affordable units. Development shall thereafter be carried out using the approved materials or such alternatives as may be agreed in writing with the planning authority.

**Reason:** *To ensure the quality of the development is enhanced by the use of quality materials to reflect its setting in accordance with policies DEV2 and DEV6 of the Midlothian Local Development Plan 2017 and national planning guidance and advice.*

3. Notwithstanding that delineated on application drawing the development shall not begin until details of a revised scheme of hard and soft landscaping has been submitted to and approved in writing by the planning authority. Details of the scheme shall include:
  - (i). other than existing and finished ground levels and floor levels for all buildings, open space and roads in relation to a fixed datum;
  - (ii). existing trees, landscaping features and vegetation to be retained; removed, protected during development and in the case of damage, restored;
  - (iii). proposed new planting in communal areas, road verges and open space, including trees, shrubs, hedging, wildflowers and grassed areas;
  - (iv). location and design of any proposed walls, fences and gates, including those surrounding bin stores or any other ancillary structures;
  - (v). schedule of plants to comprise species, plant sizes and proposed numbers/density;
  - (vi). programme for completion and subsequent maintenance of all soft and hard landscaping;
  - (vii). a woodland management plan for existing and proposed areas of woodland;
  - (viii). a biodiversity action plan and maintenance plan to enhance the biodiversity value of the site;

- (ix). drainage details, watercourse diversions, flood prevention measures and sustainable urban drainage systems to manage water runoff;
- (x). proposed car park configuration and surfacing;
- (xi). proposed footpaths and cycle paths (designed to be unsuitable for motor bike use); and
- (xii). details of existing and proposed services; water, gas, electric and telephone

All hard and soft landscaping shall be carried out in accordance with the scheme approved in writing by the planning authority as the programme for completion and subsequent maintenance (vi).

Any trees or shrubs removed, dying, becoming seriously diseased or damaged within five years of planting shall be replaced in the following planting season by trees/shrubs of a similar species to those originally required.

***Reason:*** *To ensure the quality of the development is enhanced by landscaping to reflect its setting in accordance with policies DEV2, DEV6 and DEV7 of the Midlothian Local Development Plan 2017 and national planning guidance and advice.*

4. Development shall not begin until details of the site access, roads, footpaths, cycle ways and transportation movements has been submitted to and approved in writing by the planning authority. Details of the scheme shall include:
  - (i). existing and finished ground levels for all roads and cycle ways in relation to a fixed datum;
  - (ii). proposed vehicular, cycle and pedestrian access;
  - (iii). proposed roads (including turning facilities), footpaths and cycle ways;
  - (iv). proposed visibility splays, traffic calming measures, lighting and signage;
  - (v). proposed construction traffic access and haulage routes;
  - (vi). a green transport plan designed to minimise the use of private transport and to promote walking, cycling, safe routes to school and the use of public transport:
  - (vii). proposed car parking arrangements;
  - (viii). an internal road layout which facilitates buses entering and leaving the site in a forward facing direction;
  - (ix). proposed bus stops/lay-bys and other public transport infrastructure;
  - (x). a programme for completion for the construction of access, roads, footpaths and cycle paths; and
  - (xi). proposed on and off site mitigation measures identified by the traffic assessment submitted with the application.

Development shall thereafter be carried out in accordance with the approved details or such alternatives as may be agreed in writing with the planning authority.

**Reason:** *To ensure the future users of the buildings, existing local residents and those visiting the development site during the construction process have safe and convenient access to and from the site.*

5. Development shall not begin until details, including a timetable of implementation, of 'Percent for Art' have been submitted to and approved in writing by the planning authority. The 'Percent for Art' shall be implemented as per the approved details.

**Reason:** *To ensure the quality of the development is enhanced by the use of art to reflect its setting in accordance with policies of the Midlothian Local Development Plan 2017 and national planning guidance and advice.*

6. The development shall not begin until a scheme to deal with any contamination of the site and/or previous mineral workings has been submitted to and approved by the planning authority. The scheme shall contain details of the proposals to deal with any contamination and/or previous mineral workings and include:
  - (i). the nature, extent and types of contamination and/or previous mineral workings on the site;
  - (ii). measures to treat or remove contamination and/or previous mineral workings to ensure that the site is fit for the uses hereby approved, and that there is no risk to the wider environment from contamination and/or previous mineral workings originating within the site;
  - (iii). measures to deal with contamination and/or previous mineral workings encountered during construction work; and
  - (iv). the condition of the site on completion of the specified decontamination measures.
7. On completion of the decontamination/remediation works referred to in condition 6 above and prior to any dwelling on the site being occupied, a validation report shall be submitted to the planning authority confirming that the works have been carried out in accordance with the approved scheme. No dwelling on the site shall be occupied until the planning authority has approved the validation.

**Reason for conditions 6 and 7:** *To ensure that any contamination on the site/ground conditions is adequately identified and that appropriate decontamination measures/ground mitigation measures are undertaken to mitigate the identified risk to site users and construction workers, built development on the site, landscaped areas, and the wider environment.*

8. No building shall have an under-building that exceeds 0.5 metres in height above ground level unless otherwise agreed in writing by the planning authority.

***Reason:*** *Under-building exceeding this height is likely to have a materially adverse effect on the appearance of a building.*

9. Development shall not begin until a programme of archaeological works (Trial Trench Evaluation) in accordance with a written scheme of investigation has been submitted and approved in writing by the planning authority. The approved programme of works shall comprise a field evaluation by trial trenching reported upon initially through a Data Structure Report submitted to the planning authority and carried out by a professional archaeologist prior to any construction works or pre commencement ground works taking place. There shall be no variation therefrom unless otherwise agreed in writing by the planning authority.

***Reason:*** *To ensure this development does not result in the unnecessary loss of archaeological material in accordance with Policies ENV24 and ENV25 of the Midlothian Local Development Plan 2017.*

10. Development shall not begin until details of a sustainability/biodiversity scheme for the site, including the provision of bat and bird boxes and the use of green roofs on ancillary buildings. Development shall thereafter be carried out in accordance with the approved details or such alternatives as may be approved in writing with the planning authority.

***Reason:*** *To ensure the development accords with the requirements of policy DEV5 of the Proposed Midlothian Local Development Plan 2017.*

11. Development shall not begin until details, including a timetable of implementation, of high speed fibre broadband have been submitted to and approved in writing by the planning authority. The details shall include delivery of high speed fibre broadband prior to the occupation of each dwelling. The delivery of high speed fibre broadband shall be implemented as per the approved details.

***Reason:*** *To ensure the quality of the development is enhanced by the provision of appropriate digital infrastructure.*

12. A detailed plan and elevation drawings and details of the finishing materials and colours of any electricity station(s) and pumping station(s) to be erected/installed on the site shall be submitted for the prior written approval of the planning authority.

***Reason:*** *To safeguard the character and visual amenity of the area.*

13. Development shall not begin until details of the provision and use of electric vehicle charging stations throughout the development have been submitted to and approved in writing by the planning authority. Development shall thereafter be carried out in accordance with the approved details or such alternatives as may be approved in writing with the planning authority.

**Reason:** To ensure the development accords with the requirements of policy TRAN5 of the Midlothian Local Development Plan 2017.

14. District heating ducting as detailed in the revised “Sustainability Report” dated 28 June 2018 shall be installed throughout the development site. A further sustainability feasibility report shall be carried out 5 years from the date of this permission assesses whether the provision for district heating on the site is technically feasible and financially viable. In the event that it is considered to be technically feasible and financially viable, a district heating scheme shall be installed at the site utilising the district heating ducting installed in terms of this condition.

**Reason:** In the interests of sustainable development and in order to comply with Policy NRG6 in the MLDP which has a presumption in favour of implementing district heating on this site.

15. Within 1 year of construction/engineering works or site clearance works commencing on site, a revised ecological assessment of the site shall be carried out and a report on it shall be submitted for the prior inspection and approval of the planning authority. The scope of the assessment shall be agreed in advance in writing by the planning authority. The recommendations made within the new ecological assessment shall be implemented in full.

**Reason:** In the interests of safeguarding biodiversity, including European Protected Species and because the initial survey is now considered to be out of date and it requires to be updated.

16. Prior to the commencement of development on the site a Construction Method Statement shall be submitted for the approval of the planning authority. The Construction Method Statement shall identify; the haulage route of construction traffic; parking for construction vehicles and construction employees; and the siting of the employee’s welfare facilities.

**Reason:** In the interests of highway safety and the amenity of existing nearby residential properties on the site.

17. Prior to the commencement of development on the site a remediation scheme to afford public safety and the stability of the proposed dwellings from the risks posed by the recorded mine entries (shafts), shall be submitted to and approved in writing by the planning authority in consultation with The Coal Authority. The remediation scheme shall include; the undertaking of an appropriate scheme of intrusive site investigations for those recorded mine entries not located; the submission of a report of findings arising from the intrusive site investigations for those mine entries not located; the submission of a scheme of remedial works for approval for both mine entries and the shallow workings for approval; and, implementation of those remediation works. The remediation works may entail changes to the layout or avoidance of parts of the site for development and the submission of further planning applications.

**Reason:** The applicant has confirmed that there are mine entries on the site which cannot be located. These mine entries appear to be under existing buildings and they cannot be the subject of intrusive site investigation for this reason. The condition seeks to ensure before any work is commenced on the site, the mine entries are located and treated. In the event that the layout needs to be amended to avoid the mine entry a further planning application or applications will be required showing the necessary amendments.

18. The site design and layout shall be such that Midlothian Council's design standards for residential use in relation to anonymous noise sources are met. These are as follows in relation to this site:

- 55 dB LAeq(16hr) for daytime external garden amenity;
- 35 dB LAeq(16hr) for daytime internal living apartment;
- 30 dB LAeq(8 hours) for night time internal living apartment; and
- for the avoidance of sleep disturbance, the internal noise level shall comply with the World Health Organisation Night Noise Guidelines for Europe 2009 - 42 dB LAmax (fast) (internal).

19. The 'high quality insulation' referred to in Table 7 of the acoustic report shall incorporate acoustic vents to allow these internal levels to be achieved with satisfactory ventilation. Post completion testing shall be carried out to demonstrate that any consented housing meets the internal design criteria identified in condition 18 above.

20. An assessment of vibration from train movements shall be carried out in order to ensure that the vibration dose value in terms of BS 6472-1:2008 'Guide to Evaluation of Human Exposure to Vibration in Buildings' does not exceed the low probability of adverse day and night-time values of 0.2 to 0.4 m.s-1.75 and 0.1 to 0.2 m.s-1.75 respectively. The assessment of vibration required in relation to this consent shall be carried out within 3 months of the first occupation of any dwelling located to the north of Old Craighall Road.

**Reason for Conditions 18 to 20:** To ensure the noise and vibration levels at the site do not adversely impact to occupants of the development.

Action

Planning Manager

Report No.	Report Title	Presented by:
5.9	Application for Planning Permission for the Subdivision of Existing Dwellinghouse to Form Two Dwellinghouses and Associated Erection of Porch and External Alterations; Erection of Garage; Erection of New Dwellinghouse and Associated Works and Formation of Access Points at 1 Braeside Road, Loanhead (18/00777/DPP).	Peter Arnsdorf



<b>Executive Summary of Report</b>
There was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy concerning the above application.
<b>Summary of Discussion</b>
<p>The Committee, having heard from the Planning Manager who responded to Members' questions and comments, discussed the proposed development, giving particular consideration to the potential impact that the proposed additional dwellinghouses might have in terms of road safety. It being acknowledged that whilst the current junction between Braeside Road and Lasswade Road did not meet the prescribed visibility requirements, the current proposals did incorporate plans to improve the visibility splay to the east.</p> <p>After further discussion, the Committee were of the view that even although the planned improvements to the junction where Braeside Road joins Lasswade Road did not fully address the visibility issues they did on balance constitute sufficient an improvement to permit the proposed development to proceed.</p>
<b>Decision</b>
<p>Thereafter, the Committee agreed that planning permission be granted for the following reason:</p> <p><i>The scale, form, design and finish materials of the development will preserve the character, appearance and amenity of the conservation area and neighbouring properties. The proposal complies with policies STRAT2, DEV2, DEV6, ENV19 and ENV22 of the Midlothian Local Development Plan 2017.</i></p> <p>subject to appropriate conditions to be determined by the Planning Manager, in consultation with the Chair.</p>
<b>Action</b>
Planning Manager

Agenda No	Report Title	Presented by:
5.10	Application for Planning Permission for the Erection of dwellinghouse; formation of access and car parking and associated works at Land at 3 Eskview Villas Dalkeith (18/00760/DPP).	Peter Arnsdorf
<b>Executive Summary of Report</b>		
There was submitted report, dated 15 January 2019, by the Director, Education, Communities and Economy concerning the above application.		
<b>Summary of Discussion</b>		
<p>Having heard from the Planning Manager who responded to Members' questions and comments, the Committee discussed the proposed development and the potential impact that it was likely to have on the character of the Eskbank and Ironmills Conservation Area. It being felt on balance that the design, materials, scale and sitting of the proposed development would have a negative impact on the character of the Conservation Area and its setting</p>		

Decision
<p>After further discussion, the Committee agreed that planning permission be refused for the following reason:</p> <p><i>The proposed development by means of its design, materials and form is not in keeping with the character and appearance of the conservation area. The proposal is therefore contrary to policy ENV19 of the Midlothian Local Development Plan 2017.</i></p>
Action
Planning Manager

Sederunt
<p>With reference to item 1 above, Councillor Smaill joined the meeting during consideration of the foregoing item of business, at 1.51 pm.</p> <p>With reference to item 3 above, Councillor Milligan, having declared an interest in the following item of business, left the meeting at 1.57 pm, taking no part in the consideration thereof.</p>

Agenda No	Report Title	Presented by:
5.7	Application for Planning Permission in Principle, for Planning Permission and for Listed Building Consent for the Conversion of Listed Buildings to Dwellings and Residential and Commercial Development in the Grounds of the former Rosslynlee Hospital, Roslin (17/00980/PPP, 17/01001/DPP and 18/00061/LBC).	Peter Arnsdorf

Executive Summary of Report
<p>With reference to paragraph 5.5 of the Minutes of 20 November 2018, there was resubmitted report, dated 8 November 2018, by the Director of Education, Communities and Economy, concerning the above applications.</p>
Summary of Discussion
<p>Having heard from the Planning Manager, who responded to Members' questions/ comments, the Committee discussed the position regarding the requirement for developer contributions at length. With particular consideration being given to whether there was scope to potentially relax the current requirements in order to help secure the retention of the Grade C Listed former Rosslynlee Hospital building. The fact that additional land had already been allocated for complementary enabling development was acknowledged, however, questions were raised regarding whether or not this was sufficient for the purpose for which it had been provided and also if, in view of the current financial climate, the Council was in a position not to secure the full developer contributions, particularly those required for education and infrastructure improvements.</p>



After further discussion, Councillor Muirhead, seconded by Councillor Wallace, moved that consideration of the matter be deferred for a further cycle in order that the position regarding developer contributions could be discussed with the applicants with a view to securing the necessary contributions for education and infrastructure improvements. Whilst also allowing further consideration to be given to the requirement for contribution towards the Borders railway and also affordable housing, given the particular circumstances of this application.

In terms of Standing Order 11.3 (vii), the Chair directed that a vote be taken for and against the motion to defer consideration of the matter and if this was carried that would be the end of the matter. If however it fell then he would open the matter up for further more detailed discussion.

Thereafter, on a vote being taken, one Member voted against the motion and 16 for, which accordingly became the decision of the meeting.

#### Decision

The Committee agreed that consideration of the matter be deferred for a further cycle in order that the position regarding developer contributions could be discussed with the applicants with a view to securing the necessary contributions for education and infrastructure improvements. Whilst also allowing further consideration to be given to the requirement for contribution towards the Borders railway and affordable housing, given the particular circumstances of this application.

#### Action

Planning Manager/Democratic Services

The meeting terminated at 2.47pm.



# Minute of Meeting



## Audit Committee

Date	Time	Venue
Tuesday 29 January 2019	11.00 am	Council Chambers, Midlothian House, Dalkeith, EH22 1DN

### Present:

Peter Smaill (Chair)
Councillor Hardie
Councillor Milligan
Councillor Muirhead
Peter de Vink (Independent Member)

### In attendance:

Grace Vickers	Chief Executive
Mary Smith	Director of Education, Communities and Economy
Allister Short	Director of Midlothian Health and Social Care Partnership
Gary Fairley	Head of Finance and Integrated Service Support
Stephen Reid	Ernst and Young, External Auditors
Sarah Croft	Ernst and Young, External Auditors
Jill Stacey	Chief Internal Auditor
Alan Turpie	Legal Services Manager
Janet Ritchie	Democratic Services Officer

## **1. Welcome and Apologies**

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- 1.1 Apologies were received from Mike Ramsay (Independent Chair) and Councillor Parry.
- 1.2 In the absence of Mike Ramsay, the independent Chair, Councillor Smail took the Chair which had previously been agreed at the Audit Committee at its meeting on 11 December 2018.

## **2. Order of Business**

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The order of business was as set on the Agenda.

## **3. Declarations of interest**

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No declarations of interest were received.

## **4. Minutes of Previous Meetings**

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- 4.1 The minute of 11 December 2018 was submitted and approved as a correct record.

### **4.1.1 Matters Arising:**

The Chief Internal Auditor highlighted Item 5.8 Mid Term Performance Report 2018/19 from the Previous Minutes where the Audit Committee approved three pieces of work to be deferred to 2019/20. The Chief Internal Auditor advised that she was seeking approval for an additional piece of work, ICT Operational Processes to be deferred and all these would be reflected in the draft Audit Plan which would be presented to the Audit Committee in March 2019. The Audit Committee approved this.

- 4.2 The Action log was submitted and the following agreed:

- 1) 'Annual Governance Statement 2017/18' - To note the completion date for this was June 2019.
- 2) 'Follow-up Review of Audit Recommendations' - To note the action was closed at the last meeting.
- 3) 'Briefing – Informal Audit Committee Session' - To note this had taken place prior to the Audit Committee meeting and this action was now complete.
- 4) 'Local Government in Scotland Financial Overview 2017/18' - To note this was included on the Agenda for discussion.

## 5. Public Reports

Report No.	Report Title	Submitted by:
5.1	Audit Scotland Report: Local Government in Scotland: Financial Overview 2017/18 (Audit Scotland, November 2018)	Head of Finance and Integrated Service Support
<b>Outline of report and summary of discussion</b>		
<p>There was a report presented to the Audit Committee by the Head of Finance and Integrated Services Support providing the Audit committee with a summary of the Audit Scotland report, 'Local government in Scotland: Financial Overview 2017/18' and the Council's position in relation to the report's findings and a link to this full report was provided in the report.</p> <p>The Head of Finance and Integrated Service Support highlighted the key messages contained within the report. Thereafter he responded to questions and comments raised by members of the Committee.</p> <p>Several members of the Committee raised their concerns with regards to the Scottish Government settlement cut and the impact this will have on services. It was also acknowledged the extent of the challenges the Council face in delivering a Balanced Budget for this year and future years. The Chief Internal Auditor highlighted that as well as the publication from the Accounts Commission there are also some useful supplements on the Audit Scotland website one of which is a scrutiny tool for Councillors to assist them in scrutinising financial performance.</p>		
<b>Decision</b>		
The Audit Committee noted the Audit Scotland report and the position of Midlothian Council in relation to the report's key messages		

Report No.	Report Title	Submitted by:
5.2	Final Internal Audit Report – Payroll	Chief Internal Auditor
<b>Outline of report and summary of discussion</b>		
<p>The purpose of this audit was to review the adequacy of the control framework over starters and leavers within Midlothian Council.</p> <p>The Chief Internal Auditor provided a summary of the details of the report highlighting there are a number of effective controls in place and examples of good practice as listed in the report. The audit identified areas of improvement and four recommendations were made, three of the recommendations are now complete and plans are in place to implement the final recommendation by its due date of 31 March 2019.</p>		
<b>Decision</b>		
The Audit Committee noted the report.		

Report No.	Report Title	Submitted by:
5.3	Internal Audit Recommendations Progress Report	Chief Internal Auditor
<b>Outline of report and summary of discussion</b>		
<p>The purpose of this report was to inform the Audit Committee of the number of recommendations raised by Internal Audit over the last 4 years and the Council's performance in addressing these issues by the agreed implementation dates.</p> <p>The Chief Internal Auditor advised the Committee in comparison to previous years there has been an improvement in the implementation of the recommendations, however there were some long standing actions and in discussion with Officers it was highlighted that setting more realistic due dates would enable them to implement these actions. Also highlighted was that additional monitoring of the actions was in place to ensure these are implemented by the due date.</p> <p>Thereafter the Chief Internal Auditor responded to a question raised by the Chair with regards to the process of the Internal Audit being inspected by another local authority.</p>		
<b>Decision</b>		
<p>The Audit Committee is asked to:</p> <ul style="list-style-type: none"> <li>• Noted the content of the report;</li> <li>• Approved the revised implementation dates as shown in Appendix 1.</li> <li>• Noted that Internal Audit will continue to monitor for completion of the outstanding recommendations and will provide reports to the Audit Committee.</li> </ul>		
<b>Action</b>		
Internal Audit		

Report No.	Report Title	Submitted by:
5.4	Final Internal Audit Report on Revenue Budget Monitoring	Chief Internal Auditor
<b>Outline of report and summary of discussion</b>		
<p>The purpose of this audit was to review the overarching arrangements for setting and monitoring the Revenue Financial Budget within Midlothian Council.</p> <p>The scope of this audit was to examine and evaluate the following areas:</p> <ul style="list-style-type: none"> <li>• Financial sustainability in setting the revenue budget, including the utilisation of reserves;</li> <li>• Financial budget monitoring reporting for elected members including assessment of scrutiny and challenge of those reports by elected members; and</li> </ul>		

- Budget monitoring processes and information at service level and senior management level.

The Chief Internal Auditor highlighted the main sections of the report and advised the Committee that this report should be read alongside the Internal Audit report on the Delivering Excellence Programme, as these two areas are inextricably linked.

There followed a discussion on the scrutiny and challenge of the financial information by Elected Members and Officers, thereafter Officers responded to questions and comments raised by Members of the Committee.

#### Decision

The Audit Committee noted the content of the report.

Report No.	Report Title	Submitted by:
5.5	Final Internal Audit Report – Delivering Excellence Programme	Chief Internal Auditor
<b>Outline of report and summary of discussion</b>		
<p>The purpose of this audit was to review the overarching arrangements for setting and monitoring the Revenue Financial Budget within Midlothian Council.</p> <p>The scope of this audit was to examine and evaluate the following areas:</p> <ul style="list-style-type: none"> <li>• The compilation and governance of the programme and its delivery;</li> <li>• based on a sample of projects: <ul style="list-style-type: none"> <li>➤ the appraisal and analysis undertaken in order to arrive at the savings proposed and assessment of whether they are realistic, achievable and aligned to the Council's priorities and outcomes;</li> <li>➤ a review of the evidence used to support the calculation of planned savings, key assumptions and cost drivers;</li> </ul> </li> <li>• a high level review of processes in place for monitoring delivery of savings.</li> </ul> <p>The Chief Internal Auditor highlighted the main sections from within the audit report and that the Delivering Excellence Programme had delivered savings in some Service areas but in recent years it has not delivered the cost savings and efficiencies consistently across all Service areas. She outlined some of the key findings of the audit and the recommendations to improve internal control and governance of the Delivering Excellence Programme.</p> <p>Thereafter followed a discussion during which Officers responded to questions and comments raised by members of the Committee.</p>		
<b>Decision</b>		
The Audit Committee noted the content of the report.		

Report No.	Report Title	Submitted by:
5.6	Treasury Management and Investment Strategy 2019/20 & Prudential Indicators	Head of Finance and Integrated Service Support
<b>Outline of report and summary of discussion</b>		
<p>A draft of the Treasury Management and Investment Strategy 2019/20 &amp; Prudential Indicators report is being presented today to Audit Committee.</p> <p>The report was presented in draft and subject to ongoing work on the Loans Fund Review. In addition, any comments on this report from Audit Committee shall be included in the final report to Council. The purpose of the report was to seek the agreement of Council to the Treasury Management and Annual Investment Strategies for 2019/20 and the Prudential and Treasury indicators contained therein.</p> <p>The Head of Finance and Integrated Service Support highlighted the main sections contained within the report and advised the Committee that this report was written for Council and presented to the Audit Committee for comments. It was noted that the main comments from today's meeting would be around permitted investments and counterparty limits.</p> <p>The External Auditor responding to questions from the Chair confirmed that his only comment at this stage would be with the governance process and he had noted the significant level of increase in borrowing and this would be commented within his annual report.</p> <p>Councillor Milligan gave his congratulations on the Council performing better than 31 other Councils yet again this year. He stated that although he accepts the need to be critical of the requirement to increase our borrowing the school estate urgently needs to expand and the very ambitious social housing programme if not completed would be more expensive to the Council. He further expanded on some of the issues the Council are facing with slippage in the capital plan which are due to factors out with their control.</p> <p>Thereafter the Head of Finance and Integrated Service Support responded to questions raised by Members of the Committee with regards to the investments made by West Lothian Council. He advised the Committee that he would investigate the investments made by West Lothian Council and take this into consideration when finalising the Treasury Management Strategy.</p>		
<b>Decision</b>		
<p>The Audit Committee commented on this draft report and strategy prior to the final report and strategy being presented to Council on 12 February 2019.</p>		

## 6. Private Reports

No private business was discussed.

## 7. Date of Next Meeting

The next meeting will be held on Tuesday 12 March 2019

The meeting terminated at 12.45 pm



# Minute of Meeting



## Midlothian Integration Joint Board

Date	Time	Venue
Thursday 6 <sup>th</sup> December 2018	2.30pm	Conference Room, Melville Housing, The Corn Exchange, 200 High Street, Dalkeith, EH22 1AZ.

### Present (voting members):

Angus McCann (Chair)	Cllr Jim Muirhead
Tracey Gilles	Cllr Pauline Winchester
Alex Joyce	Cllr Margot Russell (substitute for Cllr Derek Milligan)
	Cllr Joe Wallace (substitute for Cllr Catherine Johnstone)

### Present (non-voting members):

Allister Short (Chief Officer)	Claire Flanagan (Chief Finance Officer)
Nik Hirani (Medical Practitioner)	Hamish Reid (GP/Clinical Director)
Caroline Myles (Chief Nurse)	Fiona Huffer (Head of Dietetics)
Wanda Fairgrieve (Staff side representative)	Aileen Currie (Staff side representative)
Keith Chapman (User/Carer)	Pam Russell (User/Carer)

### In attendance:

Morag Barrow (Head of Primary Care and Older Peoples Services)	Jamie Megaw (Strategic Programme Manager)
Tom Welsh (Integration Manager)	Jill Stacey (Chief Internal Auditor)
Chris Lawson (Risk Manager)	Jane Milne (Head of Customer & Housing Services (Acting))
Simon Bain (Housing Services Manager)	Liz MacKenzie (Health Visitor Team Manager)
Lesley Murray (Health Visitor)	Sarah Bain (Health Visitor)
Mike Broadway (Clerk)	Gordon Aitken (Democratic Services)

### Apologies:

Cllr Derek Milligan	Cllr Catherine Johnstone
Alison White (Chief Social Work Officer)	Ewan Aitken (Third Sector)

# Midlothian Integration Joint Board

Thursday 6 December 2018

## 1. Welcome and introductions

The Chair, Angus McCann, welcomed everyone to this meeting of the Midlothian Integration Joint Board, following which there was around of introductions.

## 2. Order of Business

The order of business was confirmed as outlined in the agenda that had been previously circulated.

## 3. Declarations of interest

No declarations of interest were received.

## 4. Minutes of Previous Meetings

4.1 The Minutes of Meeting of the Midlothian Integration Joint Board held on 11 October 2018 were submitted and approved as correct record.

4.2 A Rolling Action Log – December 2018 was submitted.

Thereafter, the Board, having received updates on the various action points detailed therein, agreed:-

- (a) to close all actions with the exception of the Royal Edinburgh Hospital on the basis of the updates given and recorded in the updated action log;
- (b) to note the update on the Royal Edinburgh Hospital; and
- (c) to note that the action log would be updated following the meeting.

**(Action: Chief Officer/Chief Finance Officer/Clerk)**

## 5. Public Reports

Report No.	Report Title	Presented by:
5.1	Health Visiting Services - Presentation	Caroline Myles/Liz MacKenzie/Lesley Murray/Sarah Bain

### Executive Summary of Report

The Board received a presentation led by Caroline Myles (Chief Nurse) on Health Visiting Services. She reflected on the pressures that been experienced by the Health Visiting Service in recent years and, having highlighted a number of recent Policy changes, explained the developments that had taken place to address those pressures.

# Midlothian Integration Joint Board

Thursday 6 December 2018

Liz MacKenzie advised that a key focus of this had been adoption of the Universal Health Visiting Pathway in Scotland – a core home visiting programme offered to all families as a minimum standard based on the following principles:

- Promoting, supporting and safeguarding the wellbeing of children
- Person-centeredness
- Building strong relationships from pregnancy
- Offering support during the early weeks and planning future contacts with families
- Focussing on family strengths, while assessing and respectfully responding to their needs

Lesley Murray and Sarah Bain explained how the Pathway had provided a uniformity of approach and had enabled Health Visiting Service staff to develop better relations with clients through being able to develop a better working knowledge of the family situation. It also meant they were better placed to identify potential issues and signpost other appropriate services at an early stage.

## Summary of discussion

The Chair thanked Caroline, Liz, Lesley and Sarah for their presentation and invited questions/comments from Members of the Board.

Arising from Members questions and comments, the following issues were discussed by the Board:-

- The benefit of continuity and the ability to identify potential issues and signpost appropriate services
- Promoting Healthy Lifestyle options
- Opportunity to adopt a more holistic joined up approach.

## Decision

**The Board, after further discussion:**

- **Noted the presentation; and**
- **Thanked Caroline Liz, Lesley and Sarah.**

## Action

Chief Nurse/Clerk

Report No.	Report Title	Presented by:
5.2	Midlothian Rapid Rehousing Transition Plan	Jane Milne/Simon Bain

# Midlothian Integration Joint Board

Thursday 6 December 2018

## Executive Summary of Report

The purpose of this report was to provide an overview of Midlothian's Rapid Rehousing Transition Plan which was due to be submitted to Scottish Government by 31 December 2018 and recognise that there was a fundamental role to be played by the Health and Social Care Partnership in developing a Housing First approach for people with multiple complex needs as part of the Rapid Rehousing service model.

## Summary of discussion

The Board, having heard from Jane Milne (Head of Customer & Housing Services (Acting)) and Simon Bain (Housing Services Manager) both of whom responded to Members' questions/comments, discussed Midlothian's Rapid Rehousing Transition Plan and the proposed development of a Housing First approach for people with multiple complex needs across Midlothian. Whilst it was acknowledged that there was a cost involved in adopting such an approach it was hoped this could be achieved within existing resources and/or by the additional savings creating through service redesign or refocus. It might also be possible to release additional resources through effective partnership working particularly with regards to the Housing First models of service delivery which potentially could relieve pressure on other services.

## Decision

**After further discussion, the Board:**

- **Noted the actions being proposed in Midlothian's Rapid Rehousing Transition Plan; and**
- **Agreed that the Health and Social Care Partnership would participate in discussions around the development of a Housing First approach for people with multiple complex needs across Midlothian.**

## Action

Chief Officer

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Report No.	Report Title	Presented by:
5.4	Measuring Performance Under Integration	Jamie Megaw

## Executive Summary of Report

With reference to paragraph 5.5 of the Meeting of 20 April 2017, there was submitted a report updating the Board on performance and improvement towards achieving the Local Improvement Goals set by the MIJB based on the indicators that the Ministerial Strategic Group for Health and Community Care had agreed in December 2016.

# Midlothian Integration Joint Board

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## Summary of discussion

Having heard from Jamie Megaw (Strategic Programme Manager), who responded to Members' questions and comments, the Board in discussing the data acknowledged that in terms of the improvement goals set by the MIJB the indicators continued to show mixed results. The Board did however welcome the revised format for the presentation of performance information and expressed support for the indicators being refreshed now that some of the target dates had passed, which would be picked up as part of a future development session.

## Decision

**After further discussion, the Board:-**

- **Noted the performance across the improvement goals;**
- **Noted the further information about Unscheduled Occupied Bed Days; and**
- **Noted that a refresh of the Local Improvement Goals would be picked up as part of a future development session.**

## Action

Chief Officer

Report No.	Report Title	Presented by:
5.3	Risk Register	Chris Lawson

## Executive Summary of Report

With reference to paragraph 5.1 of the Minutes of MIJB Audit and Risk Committee held on 29 March 2018, there was submitted a report setting out the current version of the MIJB's risk register and highlighting risks of major concern.

## Summary of discussion

The Committee, having heard from the Risk Manager, discussed the Risk Register; a copy of which was appended to the report. It was felt that contents of the register were a good reflection of the risks/opportunities currently facing the MIJB.

## Decision

- **To confirm that the risks contained in the report reflected the current risks/opportunities facing the MIJB; and**
- **To, otherwise, note the report.**

## Action

Risk Manager

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Report No.	Report Title	Presented by:
5.5	Midlothian Strategic Plan for Health and Social Care	Tom Welsh

## Executive Summary of Report

The purpose of this report was to summarise the development of the Strategic Plan and supporting documents. It also sought approval of the first draft of the Plan and agreement to issue an updated version to Midlothian Council and NHS Lothian for formal consultation.

The report also referred to the progress being made with analysis of the public and staff engagement programme undertaken as part of the preparation of the Plan, and to the work nearing completion on the local 'joint needs assessment'.

## Summary of discussion

The Board, having heard from Tom Welsh (Integration Manager), discussed the first draft of the Strategic Plan and supporting documents. The high level of interest and engagement particularly from user groups and members of the public was particularly welcome as was the proposed format. Members who had not already fed in comments or who wished to make additional comments were encouraged to do so as part of the ongoing consultation process.

## Decision

### The Board:

- Agreed that further work be undertaken during December to finalise the first draft by incorporating the key messages arising from the consultation exercise and from the updated needs assessment;
- Agreed that the Chief Officer, on behalf of the IJB, issue the updated plan to the Chief Executives of Midlothian Council and NHS Lothian and to the Chief Officers of the neighbouring IJBs seeking their comments; and
- Approved the proposal to dedicate the IJB Development Session scheduled for 17th January to a consideration of the Strategic Plan, Joint Needs Assessment, Consultation Report and Housing Contribution Statement.

## Action

Chief Officer/Integration Manager

Report No.	Report Title	Presented by:
5.6	Finance Update – Quarter Two 2018 & Financial Outlook	Claire Flanagan

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## Executive Summary of Report

This report laid out the results of the MIJB's partner's (Midlothian Council and NHS Lothian) quarter two financial reviews, considered how this impacted on the projected financial position for the IJB and provided a first look at the draft financial outlook for 2019/20 and the underlying recurrent challenges facing the financial position of the MIJB.

The report advise that these forecasts projected that the health 'arm' of the MIJB would be underspent and the social care 'arm' of the MIJB would be in balance through recovery actions.

## Summary of discussion

The Board acknowledged the challenging financial landscape and the importance of the ongoing dialogue with both NHS Lothian and Midlothian Council. Additionally, the position in relation to underspends was explained by the Chief Officer, who went on to advise on the break even position in social care.

## Decision

**After further discussion, the Board:**

- **Noted the position as laid out in the report for the quarter two financial reviews for 2018/19 ; and**
- **Noted the challenging draft financial outlook for 2019/20.**

## Action

Chief Finance Officer

Report No.	Report Title	Presented by:
5.7	Directions to NHS Lothian and Midlothian Council	Tom Welsh

## Executive Summary of Report

With reference to paragraph 5.1 of the Minutes of 29 March 2018, there was submitted a report providing a summary of the progress made by Midlothian Council and NHS Lothian in delivering the Directions set by the MIJB for 2018-19. These Directions were intended to provide further clarity about the key changes which needed to be made in the delivery of health and care services as laid out in the Strategic Plan 2016-19 and in the subsequent Health and Care Delivery Plan 2018-19.

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## Summary of discussion

Having heard from Tom Welsh (Integration Manager), the Board considered the progress that had been made and the emerging challenges that remained to be addressed, and discussed the need to continue to challenge existing ways of delivering health and care services. The importance of ensuring that any changes were proportionate and maximised outcomes within the resources available was acknowledged, it being accepted that services required to be provided in the most appropriate setting be that in the community or via an acute hospital.

In order to better judge the progress being made the Board expressed support for the Chief Officer's suggestion that a section be added to the report template so that in the future links to the Directions could be clearly demonstrated and any implications could be drawn to the Board's attention.

## Decision

**After further discussion, the Board:-**

- **Noted the progress made in achieving the Directions as outlined in the report; and**
- **Noted, that although no formal follow-up communication was considered to be necessary at this time, dialogue with Midlothian Council and NHS Lothian would continue.**

Report No.	Report Title	Presented by:
5.8	Chief Officer's Report	Allister Short

## Executive Summary of Report

This report provided a summary of the key issues which had arisen over the past two months in health and social care, highlighting in particular key activities, as well as future developments.

## Summary of discussion

The Board, having heard from Allister Short (Chief Officer), who responded to Members' questions, discussed the emerging Strategic Commissioning Plan, echoing his appreciation to the members of the public, community groups, voluntary organisations and staff who had taken the time to contribute to the development of the Plan.

With regards the requirement to update the Integration Scheme to take account of the changes in relation to the introduction of the Carers Act, the Board noted that work was now underway to amend the Scheme, following rejection of proposals for a wider review. In response to concerns regarding the pressure which was being put on carers by issues arising from the care at home provision, the Chief Officer confirmed that this was being managed at an operation level and that whilst there was lot of good work going on it nonetheless remained a challenging situation. He went on to suggest that an update position report be brought back to a future Board meeting.



# Midlothian Integration Joint Board

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## Decision

**After further discussion, the Board:-**

- **Noted the issues and updates raised in the report.**
- **Noted plans to bring an update report on Care at Home back to a future Board meeting.**

## Action

Chief Officer

Report No.	Report Title	Presented by:
5.9	Commercial Sexual Exploitation Position Statement	Allister Short

## Executive Summary of Report

The purpose of this report was to bring to the Board's attention a request from the East Lothian and Midlothian Critical Services Oversight Group seeking the support of the MIJB in adopting a Commercial Sexual Exploitation Position Statement and associated Briefing Paper, viz -

*"We are writing to our partners on behalf of the East Lothian and Midlothian Critical Services Oversight Group (CSOG) to ask that you join multi-agency Chief Officers and Heads of Service in adopting the attached Commercial Sexual exploitation in East Lothian and Midlothian Briefing Paper as your Position Statement and consider action to take this forward".*

Copies of the Commercial Sexual Exploitation Position Statement and the associated Briefing Paper were appended to the report.

## Summary of discussion

Having heard from Chief Officer, the Board welcomed the invitation from the East Lothian and Midlothian Critical Services Oversight Group.

## Decision

**Thereafter, the Board:**

- **Agreed to Adopt the Commercial Sexual Exploitation Position Statement and Briefing Paper.**
- **Agreed to note the recommended action contained in the Briefing Paper.**

## Action

Chief Officer

# Midlothian Integration Joint Board

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Report No.	Report Title	Presented by:
5.10	East Lothian and Midlothian Public Protection Committee Annual Report 2017-2018	Allister Short

## Executive Summary of Report

The purpose of this report was to present the 2017-2018 Annual Report of the East Lothian and Midlothian Public Protection Committee (EMPPC).

The report explained that the East Lothian and Midlothian Public Protection Committee was a strategic partnership, bringing together responsibility for an inter-agency approach to Adult Support and Protection; Child Protection; Violence Against Women and Girls; and Offender Management. The Chair of the Public Protection Committee prepared an Annual Report to outline some of the core work and achievements of the Committee during the preceding year. The Annual Report also identified areas of priority for the current year. The Annual Report had been approved by the East Lothian and Midlothian Critical Services Oversight Group on 23 October 2018.

## Summary of discussion

Having heard from the Chief Officer, the Board welcomed the excellent work undertaken by the East Lothian and Midlothian Public Protection Committee.

## Decision

### The Board:

- **Noted the contents of the report; and**
- **Noted the progress made by the East and Midlothian Public Protection Committee during 2017/18.**

## Action

Chief Social Work Officer

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Report No.	Report Title	Presented by:
5.11	Multi Agency Public Protection Arrangements (MAPPA) Annual Report 2017/18	Allister Short

## Executive Summary of Report

The purpose of this report was to bring to the MIJB's attention the Lothian and Borders MAPPA (Multi Agency Public Protection Arrangements) Annual Report for 2017/2018.

The report added some local context about the operation of MAPPA in Midlothian, explaining that the Annual Report itself was overarching and covered the overall operation of MAPPA in the Lothian and Borders area.

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## Summary of discussion

The Board, having heard from the Chief Officer, discussed the excellent work undertaken by MAPPA in Midlothian.

## Decision

### The Board:

- **Noted the content of the Annual Report.**

## Action

Chief Social Work Officer

Report No.	Report Title	Presented by:
5.12	Adult Support and Protection Biennial Report 2016-2018	Allister Short

## Executive Summary of Report

The purpose of this report was to introduce the East Lothian and Midlothian Public Protection Committee Adult Support and Protection Biennial Report 2016-2018.

The report explained that the Convener of East Lothian and Midlothian Public Protection Committee was required to submit a Biennial Report to Scottish Government on the exercise of Adult Protection Committee's functions under Section 42 of the Adult Support and Protection (Scotland) Act 2007. The Report therefore reflected the work undertaken by East Lothian and Midlothian Public Protection Committee 2016/18 with a specific focus on Adult Support and Protection activity within East Lothian and Midlothian thereby informing the Integration Joint Board of the Public Protection Committee's progress during that period.

## Summary of discussion

The Committee, having heard from Chief Officer, welcomed the excellent work undertaken by East Lothian and Midlothian Public Protection Committee in Midlothian.

## Decision

### After discussion, the Board noted:

- **the Adult Support and Protection Biennial Report 2016-2018; and**
- **the progress made by East Lothian and Midlothian Public Protection Committee during the reporting year 2016/2017.**

## Action

Chief Social Work Officer

# Midlothian Integration Joint Board

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## 6. Private Reports

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No private business to be discussed at this meeting.

## 7. Any other business

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No additional business had been notified to the Chair in advance

## 8. Date of next meeting

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The next meetings of the Midlothian Integration Joint Board would be held on:

- Thursday 17<sup>th</sup> January 2019      2pm    Development Workshop
- Thursday 14<sup>th</sup> February 2019      2pm    Midlothian Integration Joint Board

With regards the programme for the Development Workshop, the Chair commented that if any Board Members had any potential topics they wished covered to feed these back to Tricia Hunter as soon as possible for consideration.

**(Action: All Members)**

The meeting terminated at 4.22 pm.