MINUTES of MEETING of the MIDLOTHIAN COUNCIL held in the Council Chambers, Midlothian House, Buccleuch Street, Dalkeith on Tuesday, 27 September 2011 at 2.00 pm.


Religious Representative Present (Non-Voting Observer) for Education Business:- Mrs M Harkness.

Apologies for Absence:- Councillor Statham, Mr V Bourne and Mr P Hayes.

1 Order of Business

The Clerk advised that the Provost had agreed to accept an additional item of urgent business concerning the Gleision Colliery tragedy, as dealt with under paragraph 2 below.

2 Gleision Colliery tragedy

Councillor Bennett commented on the recent tragic events at the Gleison Colliery in South Wales, where four miners had lost their lives after a flood had engulfed the drift mine in which they were working. He suggested that as a former mining area it would be fitting if condolences were sent by the Council to the families of the miners who had died.

Decision

That the Provost write on behalf of the Council to the local Member of Parliament asking that he pass on to the families of the four miners the Council’s condolences.

3 Declarations of Interest

Depute Provost Russell declared an interest in item 6 on the agenda (Development of Woodburn Community Hub) and confirmed that as she was a Member of Dalkeith Miners Club she would not participate in any deliberation thereof.

4 Minutes

The Minutes of the undernoted Meetings of Midlothian Council were held as read and to be a true record of proceedings and were thereupon signed by the Provost.
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<th>Date of Meeting</th>
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<tr>
<td>23 August 2011</td>
<td>Councillor Aitchison</td>
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<td>Councillor Imrie</td>
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<td>30 August 2011</td>
<td>Councillor Aitchison</td>
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<td>Councillor Imrie</td>
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### 5 Cabinet and Other Meetings

The Minutes of the undernoted Meetings of the Cabinet and Committees were submitted. The Council noted the Minutes and approved the recommendations contained therein:

<table>
<thead>
<tr>
<th>Meeting</th>
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<td>Cabinet</td>
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### 6 Leader of the Council’s Response to Written Questions

It was noted that no questions to the Leader of the Council had been received in terms of Standing Order 4.2 (vii).

### Sederunt

With reference to paragraph 3 above, Depute Provost Russell having declared an interest in the following item of business, left the meeting at 2.05pm thereby taking no part in the discussion thereof.

### 7 Development of Woodburn Community Hub

With reference to paragraph 6 of the minutes of 28 June 2011, there was submitted report, dated 13 September 2011, by the Director, Education and Children’s Services:

- providing an update on the development of a Community Hub in the Woodburn area;
• exploring options to extend the capacity of the Dalkeith Miners Welfare Club (DMWC) to provide more community facilities i.e. to transform it from a Club to a Community Hub; and

• seeking guidance on a preferred option with regards to the proposed extension of DMWC.

The Council, having heard from the Director, Education and Children’s Services, who responded to Members’ questions, discussed matters at some length.

Thereafter, Councillor Milligan, seconded by Councillor Bennett, moved approval of the recommendations contained in the Director’s report and that with regards the proposed extension of DMWC, Council pursue Option 2.

As an amendment, Councillor Thompson, seconded by Councillor C Beattie, moved approval of the recommendations contained in the Director’s report but that with regards the proposed extension of DMWC, Council pursue Option 3.

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

Decision

(a) Note that work undertaken to explore the concept of a Community Hub in the Woodburn area had shown that such a development was feasible, was much needed, and would be warmly welcomed by the community. It would contribute to the achievement of the Council’s aims to strengthen services for children and young people, work with communities to reduce anti-social behaviour and promote positive social development, contribute to sustainable development and regenerate and improve Midlothian’s town and village centres;

(b) Note the cost of the development worker and the continued positive and crucial role the Miners Club has played;

(c) Note the proposals for a standalone extension and the cost of £950,000 and that work was ongoing to progress the proposed contractual arrangements for the development and operation of the premises;

(d) As referred to above, agree to proceed with option 2 - Start with the preparing of information for Building Warrant submission and then tender documents for issue to the marketplace only, at a cost of about £40,000;
To ask officers to report back with proposals that set out financial implications of preferred option 2 along with robust legal agreements designed to promote the partnership with DMWC as well as protect Council interests during the building and subsequent usage of the extension; and

To note that proposals for robust legal agreements would possibly entail obtaining specialist legal advice.

(Action: Director, Education and Children’s Services)

Sederunt

Depute Provost Russell rejoined the meeting upon conclusion of the foregoing item of business at 2.45pm.

'Keeping Scotland Safe and Strong: A Consultation on Reforming Police and Fire and Rescue Services in Scotland'

With reference to paragraph 6 of the minutes of 26 April 2011, there was submitted report, dated 12 September 2011, by the Director, Corporate Resources advising of the Scottish Government’s intention to bring forward legislation to create a single Scottish Police Service and a single Fire & Rescue Service for Scotland and of the publication by Kenny MacAskill MSP, Cabinet Secretary for Justice, of a consultation document, seeking views on the Government’s proposals for the legislative framework for the services. A copy of the consultation document, which runs to 72 pages and contains some 28 questions, had been lodged in the Members’ Library and was also available online. The deadline for responses was Wednesday 2 November 2011.

Having heard from the Director, Corporate Resources, who responded to Members’ questions, the Council discussed the proposals and how best to respond to the consultation document.

Decision

(a) To note the Scottish Government’s intention to bring forward legislation to create a single Scottish Police Service and a single Fire & Rescue Service for Scotland;

(b) To assist Members in preparing a response to the consultation document a briefing paper be prepared examining all aspects of the proposed creation of a single Scottish Police Service and a single Fire & Rescue Service for Scotland; and

(c) To agree to arrange a further Seminar of the Council in order to enable a response to the consultation to be drawn together in advance of the Wednesday 2 November 2011 deadline.

(Action: Director, Corporate Resources)
9 Midlothian Single Outcome Agreement and Community Plan 2010 – 13

There was submitted report, dated 26 August 2011, by the Chief Executive:-

- advising that the 2010-13 Midlothian Single Outcome Agreement (SOA) and Community Plan had been agreed by the Community Planning Partnership on 10 March 2010;
- advising of progress against the indicators agreed for the SOA and the Community Plan;
- setting out the SOA outcomes and progress against outcome indicators in an appendix to the report; and
- summarising Community Plan performance in an appendix to the report.

In discussing the report, the Council heard from the Chief Executive, who responded to Members questions.

Decision

To note the 2010/11 SOA and Community Plan performance.

(Action: Head of Business Transformation)

10 Annual Treasury Management Report 2009/10

There was submitted report, dated 14 September 2011, by the Head of Finance and Human Resources, advising of the Treasury Management activity undertaken in 2010/11 and the year end position.

It was explained that a detailed report on Treasury activity for the year had been placed in the Members’ Library, the main points arising from which were:-

- Total new long term borrowing taken in the year amounted to £30 million, sourced 100% from PWLB and thereby taking advantage of historically low PWLB rates;
- There was an increase in the use of temporary market borrowing from other UK Public Authorities in order to take advantage of market money rates which were frequently available throughout the year at less than base rate;
- Based on the year-end portfolio snapshot, the average interest rate on external debt increased marginally from 3.61% in 2009/10 to 3.72% in 2010/11;
- The rate of return on investments was 1.01% exceeding the benchmark of 0.43% for the eighth year in succession.
The opportunity to reschedule debt was significantly reduced through a change of policy on PWLB lending arrangements in October 2010 which resulted in an increase in new borrowing rates of 0.75-0.85% without an associate increase in early redemption rates;

The loans fund rate increased from 3.28% in 2009/10 to 3.46% in 2010/11, which is again expected to be one of the lowest when benchmarked against all mainland Authorities in Scotland.

The report also advised that investment limits with the Royal Bank of Scotland, and the Bank of Scotland, were raised to £30m within the year, in each case in order to provide greater flexibility in the investment strategy at minimal risk. A further minor adjustment to the Investment Strategy clarified that the limit of £15m invested in any one country does not apply to the UK.

**Decision**

To approve the Treasury Management Annual Report for 2010/11.

(Action: Head of Finance and Human Resources)

**Sederunt**

Councillor Boyes withdrew from the meeting at the conclusion of the foregoing item of business at 3.09 pm.

11 **Revenue Budget – 2011/12 to 2013/14**

There was submitted report, dated 13 September 2011, by the Head of Finance and Human Resources, provide an update on the revenue budget for years 2012/13 to 2014/15 and in particular:

- The Scottish Government Grant Settlement,
- The cost of providing services at existing levels,
- Changes in the budget gap,
- An update on reserves.

In summary the report advised that:

(a) The latest projections were that the budget gap, before Business Transformation Programme savings, would be £2.7 million in 2012/13 rising to £16.4 million in 2014/15;

(b) Individual Council settlement figures were unlikely to be available until the end of the calendar year, however, it was anticipated that the grant settlement would return to a 3 year settlement with each Council receiving firm grant figures for 2012/13 and indicative figures only for 2013/14 and 2014/15;
The projections included an estimated £2.6 million additional costs for National Insurance as a result of the potential ending of the contracting out arrangements for employers who operated a defined benefit pension scheme; and

That a further report would be brought to a future meeting of the Council on the capital budget.

**Decision**

To note the contents of the report.

(Action: Head of Finance and Human Resources – item (d))

The meeting terminated at 3.14pm.