

**Committee Minutes**

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**The City of Edinburgh Council**

**Year 2011/2012**

**Meeting 2 – Thursday, 30 June 2011**

Edinburgh, 30 June 2011 – At a meeting of The City of Edinburgh Council.

**Present:-**

**LORD PROVOST**

**The Right Honourable George Grubb**

**COUNCILLORS**

Elaine Aitken  
Ewan Aitken  
Robert C Aldridge  
Jeremy R Balfour  
Eric Barry  
David Beckett  
Angela Blacklock  
Mike Bridgman  
Deidre Brock  
Gordon Buchan  
Tom Buchanan  
Steve Burgess  
Andrew Burns  
Ronald Cairns  
Steve Cardownie  
Maggie Chapman  
Maureen M Child  
Joanna Coleman  
Bill Cook  
Jennifer A Dawe  
Cammy Day  
Charles Dundas  
Paul G Edie  
Nick Elliott-Cannon  
Paul Godzik  
Norma Hart  
Stephen Hawkins  
Ricky Henderson

Lesley Hinds  
Allan G Jackson  
Alison Johnstone  
Colin Keir  
Jim Lowrie  
Gordon Mackenzie  
Marilyne A MacLaren  
Mark McInnes  
Stuart Roy McIvor  
Tim McKay  
Eric Milligan  
Elaine Morris  
Joanna Mowat  
Rob Munn  
Gordon J Munro  
Alastair Paisley  
Gary Peacock  
Ian Perry  
Cameron Rose  
Jason G Rust  
Conor Snowden  
Marjorie Thomas  
Stefan Tymkewycz  
Phil Wheeler  
Iain Whyte  
Donald Wilson  
Norrie Work

## 1 Deputations

### (a) Gaelic Medium Education (see item 19)

**Comann nam Pàrant** – The deputation welcomed the recommendation by the Director of Children and Families to establish a dedicated Gaelic medium primary school at the former Bonnington primary school building. They understood, however, that a decision could not be made today because of the deterioration in the building's condition and a shortfall in capital funding.

The deputation sought reassurance from the Council that:

- all parties supported the establishment of a dedicated Gaelic primary school in Edinburgh;
- the current problems with the Bonnington building were only a temporary setback for the provision of a dedicated Gaelic primary school; and
- the Gaelic or English stream intakes at Tollcross Primary School would not be affected.

The deputation was committed to working constructively with the Council to achieve the establishment of a Gaelic school in the city and urged the Council to acknowledge that costs associated with the Bonnington building were not because of Gaelic education but of property neglect.

(Reference – e-mail dated 31 May 2011)

**Bòrd na Gàidhlig** – The request for a deputation had been withdrawn.

(Reference – e-mail dated 7 June 2011)

### (b) Edinburgh Tram Project (see item 22)

**Edinburgh Railway Action Group** – The deputation noted that the budget for the tram project was overspent and that the projected cost of £73m to complete the route between St Andrew Square and Haymarket was optimistic. Also, the related cost of halting the project was over-exaggerated. Contractors should be held liable for negligence and also for the revenue lost since February 2011. The deputation agreed with the proposal by the First Minister to hold a public inquiry into the project.

(Reference – e-mail dated 15 June 2011)

The City of Edinburgh Council  
30 June 2011

**Sighthill, Broomhouse and Parkhead Community Council** – The deputation agreed that the Council did good work, unfortunately at present the only issue being discussed was the tram project. Views expressed at Community Councils were that communities needed public transport to provide the mobility to get to schools and hospitals etc which the tram would not achieve. Trams would adversely affect the best bus service in Britain. The deputation urged the Council to end the project now.

(Reference – e-mail dated 23 June 2011)

**Transform Scotland** – The deputation said that the rationale for the tram project was even more compelling now than it had been five years ago. At present Edinburgh was the 2<sup>nd</sup> most congested city in Britain. Construction of the first line would open up the possibility for future lines in the city as had happened in other cities. Trams increased property values and would drive investment in the city. Not completing the project would cause enormous reputational damage to the city. The deputation urged the Council to work together with the Scottish Government and complete the line from the airport to St Andrew Square.

(Reference – e-mail dated 27 June 2011)

**Friends of the Earth Scotland** – The deputation said that Scotland had ambitious global climate change targets to meet and the Council needed to take a bold decision to tackle its traffic congestion and pollution. Trams provided a more sustainable method of travel in the current climate of oil shortages and fuel price rises. If the Council did not act now it would be seen as shortsighted and unimaginative. Trams would take people out of their cars, thereby reducing congestion and pollution and would serve all sectors of the community. Scrapping the project would be a disaster and any delay would undo all the good work. The deputation urged all parties to be bold, brave and sensible and vote to continue the project to St Andrew Square. This would be the beginning of a 21<sup>st</sup> century transport system for Edinburgh.

(Reference – e-mail dated 28 June 2011)

**(c) Consumption of Alcohol in Designated Places – Friends of Hopetoun Crescent Gardens**

The Lord Provost remitted the request for a deputation to the Leith Neighbourhood Partnership, together with the motion by Councillor Blacklock (see item 15 below), in terms of Standing Order 25(3).

(Reference – e-mail dated 24 June 2011)

**(d) Review of Secondary Schools Management Structures – Joint Parent Councils (representing Drummond Community High School, Forrester High School, James Gillespie’s High School, Holy Rood High School, The Royal High School and St Thomas of Aquin’s High School) (see item 20)**

The deputation expressed concern at the proposed timetable of the review of secondary schools management structures and the pressure being put on Head Teachers to make the changes. They welcomed assurances that there would be a more flexible implementation over two years; however felt that more evidence of the educational benefits was required. There was also no clear evidence that this major change would deliver the promised savings. The deputation asked that the costs of conserved salaries be met centrally by the Council and not from individual school budgets.

(Reference – e-mail dated 27 June 2011)

## **2 Review of the Council’s Management Structure**

Proposals were made for the reshaping of the senior management structure in the two current central service departments – Finance and Corporate Services – and for recruitment to a new overarching post of Director of Corporate Governance.

### **Motion**

- 1) To agree to the establishment of a Directorate of Corporate Governance, subsuming, in the first instance, the current Corporate Services Department and Finance Department pending further organisational development.
- 2) To remit the recruitment process to the Recruitment Committee in conjunction with the Chief Executive.
- 3) To engage Munro Consulting to support the process.
- 4) To report the recommendation for appointment to Council for approval on conclusion of the process.
- 5) To increase the upper limit of relocation expenses to a maximum level of £10,000 for this post.

- moved by Councillor Dawe, seconded by Councillor Cardownie (on behalf of the Administration).

The City of Edinburgh Council  
30 June 2011

### Amendment 1

- 1) To agree paragraph 1 of the motion and to congratulate the Administration for finally implementing a rationalisation which had been requested in the last four Labour Group budget motions but which had been voted down on each previous occasion.
- 2) Further, to agree paragraphs 2, 4 and 5 of the motion.
- 3) Not to agree paragraph 3 of the motion, instead to instruct that the whole recruitment process be managed internally and the sum of £25,000 not expended on external consultants.

- moved by Councillor Burns, seconded by Councillor Henderson (on behalf of the Labour Group).

### Amendment 2

- 1) To agree paragraphs 1, 2, 4 and 5 of the motion. Not to agree paragraph 3.
- 2) To note the motion agreed by the Transport, Infrastructure and Environment Committee on 8 February 2011 (as amended), as follows:
 

“Calls for the new Chief Executive once in post to be asked to review and make recommendations on improving the Council’s **governance and management arrangements for Sustainable Development and Climate Change**, including having the Sustainable Development Unit report directly to the Chief Executive.”
- 3) Therefore, to look forward to a further report to Council specifically to include consideration of how sustainable development and climate change were governed and managed within the Council including the appropriate location of the Sustainable Development Unit.

- moved by Councillor Burgess, seconded by Councillor Chapman (on behalf of the Green Group).

In accordance with Standing Order 30(7), with the consent of the movers and seconders, a composite of amendments 1 and 2 was proposed.

### Voting

The voting was as follows:

For the motion	-	38 votes
For the composite of amendments 1 and 2	-	18 votes

The City of Edinburgh Council  
30 June 2011

**Decision**

To approve the motion by Councillor Dawe.

(References – Act of Council No 3 of 10 February 2011; report no CEC/20/11-12/CE by the Chief Executive, submitted.)

**3 Questions**

Questions put by members to this meeting, written answers and supplementary questions and answers are contained in the Appendix to this minute.

**4 Minutes**

**Decision**

To approve the minute of meeting of the Council of 2 June 2011 as a correct record.

**5 Appointments to Committees and Joint Boards**

The Council had made appointments to its Committees and Joint Boards for 2011/12 on 2 June 2011. Councillor Beckett had since resigned from the Council and the Council was invited to fill the resultant vacancies.

**Decision**

To make the following appointments:

Education Children and Families Committee	Councillor McIvor
Health, Social Care and Housing Committee	Councillor Elliott-Cannon
Audit Committee	Councillor Bridgman
Pensions and Trusts Committee	Councillor Elliott-Cannon
Committee on Pupil and Student Support	Councillor McIvor
Edinburgh Youth Issues Forum	Councillor McIvor
Lothian Valuation Joint Board	Councillor Buchanan

(References – Act of Council No 4 of 2 June 2011; report no CEC/23/11-12/CS by the Acting Director of Corporate Services, submitted.)

## 6 Leader's Report

The Leader presented her report to the Council. The Leader commented on the following:

- Armed Forces Day
- congratulations to Council officials Lynne Halfpenny and Susan Lanham and Tom O'Brien, Lothian and Borders Police, for the handling of events in the city over the last week.

Tributes were paid to Councillor Beckett who had resigned from the Council and the following officials who were retiring from the Council:

- Donald McGougan, Director of Finance of the City of Edinburgh Council, after 40 years local government service
- John Jenkins, City Development Business Manager, after a long career in local government
- Christina Burnett, Head of Support to Children and Young People, after 34 years local government service.

The following questions/comments were raised:

Councillor Burns	- Council debt level – servicing
Councillor Hart	- Incentivisation Scheme for Businesses – retention of maximum level of business rates
Councillor Balfour	- Trams – funding package
Councillor Jackson	- Refuse collection – assistance with wheelie bins
Councillor Buchan	- Referenda
Councillor Henderson	- Business rates – new Scottish Government proposals
Councillor Burgess	- Caltongate site
Councillor Hinds	- Trams - Comprehensive Spending Review - Audit Scotland report – opposition groups' involvement - Deputy Leader – involvement in discussions
Councillor Day	- Forth Neighbourhood Partnership – public questions

The City of Edinburgh Council  
30 June 2011

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| Councillor Rust      | - Holyrood Magazine – Deputy Leader’s comments  |
| Councillor Tymkewycz | - 20 <sup>th</sup> anniversary of Ukrainian independence                                      |
| Councillor Buchanan  | - Congratulations to Amazon – 900 jobs in city<br>- Business event - apprenticeships/training |
| Councillor Cardownie | - Events – Taste of Edinburgh Festival  |

(Reference – report no CEC/17/11-12/L by the Leader, submitted.)

## **7 Prudential Borrowing for Loans to Registered Social Landlords**

The Finance and Resources Committee had recommended that the Council revise the prudential borrowing and operating limits to provide loans to Registered Social Landlords (RSLs) for affordable homes.

### **Decision**

To revise by £21m the prudential borrowing authorised and operating limits to provide loans to RSLs to support the delivery of 200 affordable homes.

(References – Finance and Resources Committee 7 June 2011 (item 7); report no CEC/14/11-12/FARC by the Head of Legal and Administrative Services, submitted.)

## **8 Smart City Work Programme – BT Efficiency Fund**

The Finance and Resources Committee had recommended the release of funding from the BT Efficiency Fund to support the Smart City Work Programme.

### **Decision**

To release £680,000 from the BT Efficiency Fund to support resourcing of the Smart City and ICT Work Programme.

(References – Finance and Resources Committee 7 June 2011 (item 16); report no CEC/15/11-12/FARC by the Head of Legal and Administrative Services, submitted.)



## 9 Unaudited Financial Statements

### (a) Unaudited Financial Statements 2010/11

The unaudited financial statements for 2010/11 were submitted for the Council's consideration.

#### Decision

- 1) To note the unaudited financial statements for 2010/11 and that these would be submitted to the Controller of Audit.
- 2) To note that a detailed report on the outturn position would be reported to the Finance and Resources Committee in August 2011.
- 3) To note that the financial statements would be resubmitted to the Audit Committee in September 2011, at the conclusion of the audit and thereafter to Council.

(Reference – report no CEC/18/11-12/F by the Director of Finance, submitted.)

### (b) Unaudited Pensions Fund Annual Report 2010/11

The Pensions and Trusts Committee had recommended that the Council approve the Unaudited Pension Funds Annual Report 2010/11.

#### Decision

To approve the Unaudited Pension Funds Annual Report for the year ended 31 March 2011.

(References – Pensions and Trusts Committee 28 June 2011 (item 10); report no CEC/24/11-12 by the Head of Legal and Administrative Services, submitted.)

#### Declaration of Interests

Councillor Buchanan declared a non-financial interest in the above item as a Board member of CEC Holdings, EDI Ltd and Waterfront Edinburgh Limited.

Councillors Jackson and Morris declared a non-financial interest as Board members of Waterfront Edinburgh Limited.

Councillor Gordon Mackenzie declared a non-financial interest as a Board member of CEC Holdings and EDI Ltd.

## **10 Review of Denominational (Roman Catholic) School Catchment Areas that Cross the Local Authority Boundary between West Lothian Council and the City of Edinburgh Council – Outcome of Consultation**

Public consultation had been carried out on a proposal to realign the denominational school catchment areas that crossed the Council boundary between West Lothian Council and the City of Edinburgh Council. The outcome of the consultation was detailed and recommendations made for realignment. West Lothian Council had approved the proposals.

### **Decision**

- 1) To realign denominational school catchment boundaries between West Lothian Council and the City of Edinburgh Council to follow the Council boundary as set out in the Consultation Paper.
- 2) To amend the school catchment areas of St Margaret's RC Primary School, Fox Covert RC Primary School, St Cuthbert's RC Primary School and St Augustine's RC High School to reflect the proposed changes as set out in the Consultation Paper.
- 3) To approve the proposed transitional arrangements, concessions for siblings and transport recommendations made by the Archdiocese of St Andrews and Edinburgh.
- 4) To note that additional developer contributions had been agreed for provision of an extra class at St Margaret's RC Primary School, Queensferry and to cover secondary school transport costs to St Margaret's Academy over a six year transitional period.
- 5) To agree that the proposed primary and secondary school catchment changes would take effect from August 2011.

(Reference – report no CEC/12/11-12/C&F by the Director of Children and Families, submitted.)

## **11 City Centre Retail Strategy**

As a result of a motion by Councillor Beckett, research and consultation had been carried out on the aggressive marketing tactics used by tourist shops in the city and on the wider city centre retail offer. Immediate actions for addressing aggressive marketing tactics and wider actions as the basis for developing a long term City Centre Retail Strategy were proposed.

The City of Edinburgh Council  
30 June 2011

**Decision**

- 1) To approve the proposed immediate actions for addressing aggressive marketing tactics.
- 2) To approve the wider actions as the basis for developing a long-term City Centre Retail Strategy to support the continued strengthening of Edinburgh's city centre retail offer.
- 3) To note the limitations of the Council's powers in regard to some of the areas of concern.

(References – Act of Council No 17 of 24 June 2010; report no CEC/16/11-12/CD by the Director of City Development, submitted.)

**12 Meggetland Landscaping – Motion by Councillor Buchan**

The following motion by Councillor Buchan was submitted in terms of Standing Order 28:

“Council:

- i) notes that the original planning application landscaping design for Meggetland between the sports pitches and Allan Park Crescent was not implemented;
- ii) notes that residents of Allan Park Crescent are concerned about the low levels of maintenance, build up of weeds and rubbish along their boundary with Meggetland;
- iii) agrees to re-landscape the area by grassing the boundary and undertaking regular grass cutting.”

The Lord Provost remitted the motion to the Planning Committee in terms of Standing Order 28(3), subject to competency.

**13 Colony Properties – Motion by Councillor Buchan**

The following motion by Councillor Buchan was submitted in terms of Standing Order 28:

The City of Edinburgh Council  
30 June 2011

“Council:

- i) notes that some colony developments in the city have statutory protection through listing and or conservation area status whilst others currently have no such protection;
- ii) agrees that a planning protection review of the various colony developments would be advantageous and agrees to provide funding for such a study to be made available to allow an assessment to be made on the levels of protection that exist for this very particular form of development.”

The Lord Provost remitted the motion to the Planning Committee in terms of Standing Order 28(3), subject to competency.

#### **14 South Morningside Primary School Save to Spend Proposal to Deliver PE for All Pupils – Motion by Councillor Johnstone**

The following motion by Councillor Johnstone was submitted in terms of Standing Order 28:

“That this Council warmly welcomes the work of the parent body at South Morningside Parent Council in their efforts to ensure that every pupil at the school receives the national minimum recommendation of two hours physical education each week;

Notes that a recent consultation of parents at South Morningside Primary School voted overwhelmingly in favour of removing the bus service between the school and the Cluny Annexe, saving approximately £20,000 annually and delivering health, educational and environmental benefits;

Notes that £5000 of this saving could be used to pay for the rental of hall space at Cluny which would allow all pupils at South Morningside Primary School to receive two hours per week of physical education and that P1 and P2 pupils receive only thirty minutes of gym per week at present;

Notes that a proportion of this saving could be used to improve road safety between the main school building and the Cluny annexe; and

Calls for a detailed report into how the Council can best support the school body in taking forward the work required to transfer funding released by cancellation of this coach service into the delivery of two hours physical education each week for each pupil.”

The Lord Provost remitted the motion to the Education, Children and Families Committee in terms of Standing Order 28(3), subject to competency.

**15 Consumption of Alcohol in Designated Places – Motion by Councillor Blacklock**

The following motion by Councillor Blacklock was submitted in terms of Standing Order 28:

“Council notes that on 12 October 2006 the Council exercised powers under the Local Government (Scotland) Act 1973 to make a byelaw prohibiting the consumption of alcohol in designated places.

Council also notes that the City of Edinburgh Council (Prohibition of Consumption of Alcohol in Designated Places) Byelaws 2006 came into effect on 8 January 2007 and states that:

*'Any person who consumes alcoholic liquor in a designated place and fails to desist on being required to do so by a Police Constable, shall be guilty of an offence and liable on summary conviction to a fine...'*

Council further notes that the 'designated place' refers to the whole of the City of Edinburgh.

Due to the daily occurrence of drinking and anti-social behaviour in Hopetoun Crescent Garden which are a matter of police record and a blight on the lives of local residents, Council agrees to bring these difficulties to the attention of the Chief Constable with a view to the byelaws being utilised to address these issues.”

The Lord Provost remitted the motion and the related deputation request from the Friends of Hopetoun Crescent Garden (see item 1(c) above) to the Leith Neighbourhood Partnership in terms of Standing Order 28(3), subject to competency.

**16 Spartans Football Club 60<sup>th</sup> Anniversary – Motion by Councillor Hinds**

The following motion by Councillor Hinds was submitted in terms of Standing Order 28:

“Council congratulates The Spartans Football Club on its 60th anniversary. Spartans have achieved football success over the years and now provide football opportunities for all ages and both sexes, with the support of many individuals, companies and organisations.

Council notes that, with the establishment of The Spartans Community Football Academy, they are to be praised for working in partnership with numerous local organisations to deliver community programmes such as: Street Football in a

The City of Edinburgh Council  
30 June 2011

Safe Place, Friday FooTEA club, Street Fit-Baw Programme and School Visit Programmes. The Academy's vision is to provide North Edinburgh with a community-inspired, developed and managed facility, to help develop sporting, social and life skills for people of all ages.

Council agrees to invite representatives of Spartans for a civic reception in order to recognise their success and thank the individuals who have contributed to that success."

### **Decision**

To approve paragraphs 1 and 2 of the motion and to ask the Lord Provost to mark the occasion in an appropriate manner.

## **17 Draft Commissioning Plan for Advice, Support and Accommodation Services to Prevent Homelessness – Motion by Councillor Blacklock**

The following motion by Councillor Blacklock was submitted in terms of Standing Order 28:

"Council notes the Draft Commissioning Plan for Advice, Support and Accommodation Services to Prevent Homelessness 2011-2016 which was agreed for formal consultation at the Health, Social Care and Housing Committee on 24 May 2011.

Council further notes that the draft states: 'the final commissioning plan will guide spend of an annual budget of over £57 million and will result in significant changes to future service delivery as the Council seeks to achieve more with less money'.

Council has concerns that equalities legislation has not been taken fully into account in the framing of this draft commissioning plan in general but with particular reference to vulnerable women (reference 8.6) and adults with learning disabilities (reference 13.19).

Council therefore agrees that a comprehensive equalities impact assessment of this potentially flawed consultation is carried out, to specifically include the above references."

The Lord Provost remitted the motion to the Health, Social Care and Housing Committee in terms of Standing Order 28(3), subject to competency.

**18 Affordable Housing Policy for Planning Applications – for remit to the Planning Committee – Motion by Councillor Hinds**

The following motion by Councillor Hinds was submitted in terms of Standing Order 29:

“Committee welcomes the adoption of an affordable housing policy for planning applications.

Committee notes that Edinburgh is the only place in Scotland that is delivering every type of approved affordable housing tenure.

Committee further notes concerns that, in some circumstances, planning applications have been approved where affordable housing has been provided off-site, for example in Leith Walk, Blasket Estate, Trinity and the Grange.

Therefore Committee calls for a report which addresses how the Council should approach the delivery of affordable housing on site in conservation areas of the city and in other expensive-to-develop projects.”

**Decision**

To remit the motion by Councillor Hinds to the Planning Committee, subject to competency.

**19 Gaelic Medium Education – Future Development of Nursery and Primary Gaelic Medium Education**

The outcome of the statutory consultation exercise conducted on the proposals for the future development of nursery and primary Gaelic Medium Education had been published on 9 June 2011. The report recommended the establishment of a dedicated Gaelic primary school with nursery facilities at the former Bonnington Primary School premises with an estimated capital cost of £1.639m. It indicated that further survey works were yet to be completed to bring the necessary level of certainty to this estimate.

The further survey works had now been completed and an update was provided on the level and sources of funding for the capital costs which had now increased to £3.613m. Further survey works were considered necessary to fully understand the condition of the building and to identify the scope of works now required.

Details were also given of the intended timing of the related report on the proposed relocation of secondary level Gaelic Medium Education provision from James Gillespie’s High School to Tynecastle High School.

The City of Edinburgh Council  
30 June 2011

The Council had heard a deputation on this matter from Comann nam Pàrant (see item 1(a) above).

**Motion**

- 1) To agree the following recommendations by the Director of Children and Families:
  - (i) To note that it had not, as yet, been possible to establish with a sufficient level of certainty the level and sources of funding for the capital costs associated with the proposal to establish a dedicated Gaelic primary school with nursery facilities at the former Bonnington Primary School premises.
  - (ii) To note that further survey works would be progressed and discussions with the Scottish Government undertaken to allow the final position to be reported to Council in September 2011.
  - (iii) To agree that consideration would be given to what alternative arrangements could be made to ensure that those children who wished to start P1 at the Gaelic Medium Unit at Tollcross in August 2012 could have a place at the school and proposals would be reported to Council in September.
  - (iv) To note that the report relating to the Options for the Future Development of Secondary Gaelic Medium Education would be taken to Council in September.
- 2) To note the disappointment that a final decision could not yet be taken on the future of Gaelic provision in the primary sector in Edinburgh.
- 3) To note that the educational arguments for a standalone Gaelic school had been established and to resolve to press ahead with this course of action, subject to the satisfactory resolution of issues surrounding the financial concerns illustrated in the paper.
- 4) To note the concern of parents regarding accommodation issues at Tollcross Primary School, to resolve to take all possible steps to ensure that no pupils were denied a place should a standalone Gaelic school be delayed, and to call for a report detailing how this would be achieved.

- moved by Councillor MacLaren, seconded by Councillor Beckett (on behalf of the Administration)



The City of Edinburgh Council  
30 June 2011

**Amendment**

To insert the following paragraphs after paragraph 1(i) of the motion and renumber the remaining paragraphs accordingly:

- (ii) To regret the embarrassment to the Council, particularly in the course of funding negotiations with the Scottish Government, of conducting such negotiations on the basis of significantly inaccurate estimates for the capital costs of establishing a dedicated Gaelic Primary School with nursery facilities at the former Bonnington Primary School.
- (iii) To instruct the Director of City Development to conduct a robust review of current and future estimates to ensure they were realistic.
- (iv) To confirm the requirement to have a full report of why the additional costs arose and what could have been done to prevent them.
- (v) To note the increasing numbers attending and planning to attend Tollcross primary and nursery Gaelic medium education.
- (vi) To note that out-of-catchment requests to the English language section of Tollcross primary this year had been refused.
- (vii) To note that cost estimates for the refurbishment of Bonnington had increased from £600,000, in the report to the Education, Children and Families Committee on 7 September 2010, to £3,613,000 in the 10 month period to June 2011.
- (viii) To instruct, in response to the significantly changed financial circumstances, the Director of Children and Families to explore means of delivering free Gaelic education which incorporated wholly or in part, funding from non-public sources and to report back to the September 2011 with progress and options.

- moved by Councillor Rose, seconded by Councillor Balfour (on behalf of the Conservative Group).

In accordance with Standing Order 30(7), with the consent of the movers and seconders, the motion and paragraphs (ii)-(vii) of the amendment were composited.

**Decision**

- 1) To note that it had not, as yet, been possible to establish with a sufficient level of certainty the level and sources of funding for the capital costs associated with the proposal to establish a dedicated Gaelic primary school with nursery facilities at the former Bonnington Primary School premises.

The City of Edinburgh Council  
30 June 2011

- 2) To regret the embarrassment to the Council, particularly in the course of funding negotiations with the Scottish Government, of conducting such negotiations on the basis of significantly inaccurate estimates for the capital costs of establishing a dedicated Gaelic Primary School with nursery facilities at the former Bonnington Primary School.
- 3) To instruct the Director of City Development to conduct a robust review of current and future estimates to ensure they were realistic.
- 4) To confirm the requirement to have a full report of why the additional costs arose and what could have been done to prevent them.
- 5) To note the increasing numbers attending and planning to attend Tollcross primary and nursery Gaelic medium education.
- 6) To note that out-of-catchment requests to the English language section of Tollcross primary this year had been refused.
- 7) To note that cost estimates for the refurbishment of Bonnington had increased from £600,000, in the report to the Education, Children and Families Committee on 7 September 2010, to £3,613,000 in the 10 month period to June 2011.
- 8) To note that further survey works would be progressed and discussions with the Scottish Government undertaken to allow the final position to be reported to Council in September 2011.
- 9) To agree that consideration would be given to what alternative arrangements could be made to ensure that those children who wished to start P1 at the Gaelic Medium Unit at Tollcross in August 2012 could have a place at the school and proposals would be reported to Council in September.
- 10) To note that the report relating to the Options for the Future Development of Secondary Gaelic Medium Education would be taken to Council in September.
- 11) To note the disappointment that a final decision could not yet be taken on the future of Gaelic provision in the primary sector in Edinburgh.
- 12) To note that the educational arguments for a standalone Gaelic school had been established and to resolve to press ahead with this course of action, subject to the satisfactory resolution of issues surrounding the financial concerns illustrated in the paper.

The City of Edinburgh Council  
30 June 2011

- 13) To note the concern of parents regarding accommodation issues at Tollcross Primary School, to resolve to take all possible steps to ensure that no pupils were denied a place should a standalone Gaelic school be delayed and to call for a report detailing how this would be achieved.

(References – Act of Council No 4 of 16 December 2010; report nos CEC/20/11-12/C&F and CEC/11/11-12/C&F by the Director of Children and Families, submitted.)

#### **Declaration of Interests**

Councillor Dundas declared a non-financial interest in the above item as the parent of a child attending the Gaelic Nursery at Tollcross Primary School.

Councillor Gordon Mackenzie declared a non-financial interest in the above item as the parent of children attending Gaelic Medium Education at Tollcross Primary School.

## **20 Review of Secondary Schools Management Structures**

The Education, Children and Families Committee had referred recommendations in terms of Standing Order 53 on the review and implementation of changes to the management structures in secondary schools. The Council had previously agreed to reduce secondary school management costs by £2.4million.

The Council had heard a deputation on this matter from the Joint Parent Councils (see item 1(d) above).

#### **Decision**

- 1) To note that:
  - (a) This budget reduction had been approved by Council and that good progress was being made by Children and Families Officers and Head Teachers in planning to implement the new management proposals.
  - (b) These changes would have no detrimental impact on teaching and learning, as confirmed by reports from other authorities which had made similar changes and from Head Teachers in Edinburgh who had already introduced such changes.
  - (c) There would be no centrally imposed changes in guidance arrangements in schools pending the outcome of the Authority's own review of guidance structures, though schools who wished to pilot new ways of working would be supported to do so.

The City of Edinburgh Council  
30 June 2011

- (d) There would be full and robust scrutiny of all aspects of each school's proposed management model.
  - (e) The Director was committed to ensuring flexible implementation at individual school level in consultation with Head Teachers and that any resultant changes in the phasing of budget savings would be addressed through budgetary flexibility in the overall Children and Families budget as part of the approved monitoring process. Conservation costs would be met centrally as necessary.
  - (f) Progress in all areas would be reported back to this Committee within the academic year.
- 2) To agree that the Education, Children and Families Committee should be provided with evidence regarding educational benefit.
  - 3) To request further detail on how the projected savings would be delivered, given current commitments on conserved salaries.

(References – Act of Council No 3 of 10 February 2011; report no CEC/13/11-12/ECF by the Director of Children and Families, submitted.)

## **21 Review of The Gathering Event**

An independent review of the Gathering event, as it related to the Council, had been carried out. The findings of the review were presented and recommendations made relevant to the running of future similar events involving the Council.

### **Motion**

- 1) To note the findings of the independent review of the Gathering event undertaken by Deloitte.
- 2) To note the actions being taken to address the recommendations made.

- moved by Councillor Dawe, seconded by Councillor Cardownie (on behalf of the Administration).

### **Amendment 1**

- 1) To note the findings of the independent review of the Gathering event and the failures outlined in the report which highlighted 'a series of weaknesses of internal control and governance' which had damaged the reputation of the City of Edinburgh Council.

The City of Edinburgh Council  
30 June 2011

- 2) In the interest of corporate responsibility of the Council, to ask the Leader to draw a line under this matter by issuing a public apology acknowledging that lessons had been learned by the City of Edinburgh Council in respect of the Gathering.
  - 3) To note the actions being taken to address the recommendations made.
- moved by Councillor Munro, seconded by Councillor Burns (on behalf of the Labour Group)

**Amendment 2**

- 1) To note the report by the Chief Executive.
  - 2) To note with disappointment that former senior officers of this Council were unable to be interviewed and to agree that this seriously undermined the comprehensiveness of the report and the robustness of its conclusions.
  - 3) To instruct the Chief Executive to clarify with Deloitte why no-one from the Scottish Parliament Audit Committee had been invited to contribute to the review and to report the answer to Group Leaders no later than the end of the first week in August.
- moved by Councillor Balfour, seconded by Councillor Rust (on behalf of the Conservative Group).

**Amendment 3**

To agree the motion and add:

- 3) To ask the Leader and Deputy Leader to acknowledge overall accountability for the Council's action surrounding the Gathering event.
  - 4) To call for a report within three cycles on the actions taken to address the recommendations of the independent review.
- moved by Councillor Burgess, seconded by Councillor Chapman (on behalf of the Green Group).

In accordance with Standing Order 30(7), with the consent of the movers and seconders, a composite of amendments 1, 2 and 3 was proposed.

The City of Edinburgh Council  
30 June 2011

### **Voting**

The voting was as follows:

For the motion	-	28 votes
For the composite of amendments 1, 2 and 3	-	28 votes

There being an equal number of votes for the motion and the composite of amendments 1, 2 and 3, the Lord Provost used his casting vote in favour of the motion.

### **Decision**

To approve the motion by Councillor Dawe.

(References – Act of Council No 7 of 10 March 2011; report no CEC/19/11-12/CE by the Chief Executive, submitted.)

## **22 Edinburgh Tram Project**

Options for the future of the Edinburgh Tram Project were presented, as follows:

- Option (i) Status Quo
- Option (ii) Separation
- Option (iii) Progress to St Andrew Square (York Place)
- Option (iii) Sub Option Progress to Haymarket only

Recommendations were made for the governance, financing and programming of the project and a revised scope and timetable for the first phase of line 1a was proposed. Officers gave a detailed presentation on these matters and members had the opportunity to ask questions on the information presented.

The Council had heard deputations on this matter from Edinburgh Railway Action Group, Sighthill, Broomhouse and Parkhead Community Council, Transform Scotland and Friends of the Earth Scotland (see item 1(b) above). Submissions had also been received from the Lothian Buses Joint Trade Union Committee and Phyllis Herriot on behalf of the Moira Park Tenants' Association, the Scottish Pensioners' Forum, Craigentenny Community Council and Lochend Day Care Centre.

The City of Edinburgh Council  
30 June 2011

The Director of City Development's recommendations were detailed in paragraph 8.1 a)-e) of his report, as follows:

"8.1 That the Council

- a) agrees that of the options available, and subject to funding, Option (iii) (Airport to St Andrew Square/York Place) should be pursued to provide a revenue generating service and realisation of the investment to date.
- b) authorises the Chief Executive to enter into the Settlement Agreement which was conditional on funding, substantively on the terms set out in the Settlement summary contained in the confidential appendix, with such amendments as might be considered appropriate.
- c) authorises **tie** Ltd to progress on the priority works, in accordance with MoV4, and incur expenditure within the limits of the project budget of £545m, until the end of August 2011.
- d) instructs the Director of City Development to report back to Council in the autumn with a detailed explanation of:
  - i the revised governance arrangements; and
  - ii the funding, once this had been finalised.
- e) as shareholder, asks Lothian Buses to assist in preparing for operations, by accepting transfer of ETL (Edinburgh Trams Limited), subject to staff consultation, as soon as possible."

**Motion**

- 1) To agree recommendations 8.1 (a), (c) and (e) by the Director of City Development.
- 2) To delete recommendations 8.1 (b) and (d) and replace these with:
  - 8.1(b)(i) Subject to 8.1 (b) (ii) below, to authorise the Chief Executive to enter into the Settlement Agreement (substantially on the terms set out in the Settlement Agreement summary) in respect of option (iii).
  - 8.1(b)(ii) To agree that the Settlement Agreement would not become unconditional until the Council was satisfied that there was sufficient funding available and that the project had been sufficiently derisked.

The City of Edinburgh Council  
30 June 2011

8.1(b)(iii) To instruct the Chief Executive to bring a report back to the Council (prior to any deadline stated in the Settlement Agreement for satisfaction of the Funding Condition) setting out:

- how that funding was to be provided; and
- greater detail in relation to:
  1. the risks being incurred particularly in relation to utilities in the Haymarket to St. Andrew Square section;
  2. the risks surrounding the potential sale or lease of tram vehicles; and
  3. the extent to which (and how) the Haymarket to St. Andrew Square section had been de-risked,

all to enable a fully informed decision to be taken as to the acceptability of that funding.

8.1(d) To instruct the Director of City Development to:

- (i) report back in the autumn on revised governance arrangements and
- (ii) review and refresh the 'Open for Business' programme in order to improve the focus on support for small and medium sized businesses."

3) To insert the following clause:

8.1(f) To begin the procurement of road pavement and public realm improvements for the Picardy Place to Newhaven section of Tram Line 1A with immediate effect, utilising funds which had been set aside in the capital programme for that purpose.

- moved by Councillor Gordon Mackenzie, seconded by Councillor Dawe (on behalf of the SLD Group).

#### **Amendment 1**

- 1) To note the recommendations in the report by the Director of City Development but not to agree them.
- 2) To also note that this was a project which Audit Scotland had given a clean bill of health in June 2007. Since then it appeared to have totally unravelled.
- 3) Further, to note that the original Tram Project, and the subsequent contract sign-off on 1 May 2008, had been predicated on the tram connecting Edinburgh's Airport with Edinburgh's Seaport/s and that the original project-scope was clearly no longer being delivered.



The City of Edinburgh Council  
30 June 2011

- 4) Additionally, to note that all political parties had originally supported the principle of developing the Tram Project and at the Council Meeting of 1 May 2008 all five political parties on the Council had agreed to the final sign-off of the current Tram Contracts.
- 5) To acknowledge that the city urgently needed certainty on this project and that Scotland - and its capital city - should see benefit for the money thus far invested.
- 6) Therefore to agree:
  - (a) that no commitment to additional Council funding, beyond the existing contractual commitments, be entered into;
  - (b) that additional funding would be provided via the disposal of equipment that was no longer required for the reduced scope referred to below;
  - (c) that the proposal with least construction risk was to build from the Airport to Haymarket as phase one of a longer-term, strategic plan only should funding become available;
  - (d) that prior to final commissioning of phase one, the Business Case for Airport to Haymarket be reassessed in the light of economic circumstances at that time;
  - (e) thus, to review and revise the business case for phase one so that it could be assessed whether it could be delivered without requiring an operating subsidy, ensuring that Lothian Buses were not at risk of having to cover such subsidy;
  - (f) that Lothian Buses be given a primary role in reassessing the Business Case, to ensure maximum operational income and public transport service integration;
  - (g) that these measures would ensure a fully operational tram line from the Airport to Haymarket (as phase one of a longer-term, strategic plan) by mid-2014; and
  - (h) the Chief Executive be instructed to seek to finalise such contractual requirements as necessary with this:
    - certainty of **destination**
    - certainty of **price**
    - certainty of **delivery date**
- 7) Also, to instruct:
  - (a) that the finalised terms of the Settlement Agreement should be delegated to the Chief Executive to take forward, following consultation with political group leaders. Thus, to authorise the Chief Executive to enter into the Settlement Agreement substantively on the terms set out in the Settlement summary, contained in the confidential appendix, with such amendments as might be necessary to reflect the above and as might be considered appropriate and following consultation with political group leaders.

The City of Edinburgh Council  
30 June 2011

- (b) that the Chief Executive explores whether or not it would be possible to obtain an option, exercisable by the Council, for proceeding with Haymarket to York Place once more information was confirmed about the risks and funding involved.
  - (c) further, to authorise **tie** Ltd to progress the priority works, in accordance with MoV4, and incur expenditure as referred to in paragraph 7.8 of the Director's report.
  - (d) that the Director of City Development finalise, in consultation with political group leaders, revised governance arrangements for the final delivery of the project.
  - (e) that, as shareholder, Lothian Buses be asked to assist in preparing for operations, by accepting a share transfer of ETL, subject to staff consultation, as soon as possible.
- 8) Finally, to note that as at March 2007 some **£44million** had been expended on the Tram Project and, by that time, two full Parliamentary Bills had received formal approval and were on the statute book. Expenditure on the Tram Project today (30 June 2011) stood at **over £460million**, indicating that some £100million per year had been expended, for the last four years (2007-2011), yet still no trams ran on the streets of Edinburgh.
- 9) To deplore this apparent failure, to date, of the SNP/Liberal Democrat Administration to successfully deliver any operational element of the Tram Project for Edinburgh.
- 10) Therefore, to confirm that the Council had no confidence in the current SNP/Liberal Democrat Administration; and to call for the Council Leader and Deputy Leader to consider their positions and resign with immediate effect.

- moved by Councillor Hinds, seconded by Councillor Hart (on behalf of the Labour Group)

**Amendment 2**

- 1) To agree that, given the current situation facing the Edinburgh Tram Project, a Referendum of local government electors of the City of Edinburgh Council should take place.
- 2) To conduct this Referendum in the minimum timescale possible in order that Council Members be informed of the result prior to a Full Council meeting reaching a decision on the matter.
- 3) To convene a Cross Party Short Life Working Group meeting early next week to agree the procedures to be deployed in such a Referendum.

The City of Edinburgh Council  
30 June 2011

- 4) To utilise the information gained and the mechanism used in the last Referendum conducted on the City of Edinburgh Council's Local Transport Strategy in 2005, as a potential template.

- moved by Councillor Elliott-Cannon, seconded by Councillor Brock (on behalf of the SNP Group)

### Amendment 3

- 1) To note as a matter of public record that the Conservative Group, whilst supportive of the principle of a tram network, had always sought to ensure best value for the taxpayer.
- 2) To express no confidence in the figures and projections contained in the report by the Director of City Development and, in particular, to note that the report did not contain 'detailed figures and analysis of the cost of **cancelling** the Tram Project' as requested in the Council decision of 16 May 2011.
- 3) Accordingly, to instruct the Chief Executive to undertake further negotiation with the contractor in order to come back to August Full Council, or earlier if required, with a fixed price for the option of separation as well as absolute clarity and detail for the options of:
  - construction to Haymarket;
  - construction to St Andrew Square;including a full risk analysis for all three options.
- 4) To instruct that these figures and the risk analysis be put into the public domain to allow open scrutiny and subsequent Council decision.
- 5) To instruct that this report also contain details of the cost of any referendum and the implications of timing on contractual negotiations.
- 6) To instruct the Chief Executive to bring to Full Council a separate report setting out progress towards securing a funding package and detailing the capital and revenue consequences for all three options.
- 7) To agree that Princes Street works should extend only to necessary remedial and safety works and that every effort be made to minimise the logistical impact; a further report on the practical arrangements for this to be brought back to Full Council before any work was undertaken.
- 8) To note the proposed revisions to the project governance arrangements and to request more information on these plans, including a detailed structure diagram, in a further report to August Full Council.

The City of Edinburgh Council  
30 June 2011

- 9) To note the lack of leadership on this project by the Liberal Democrat/SNP Administration and its consequences in terms of project delay, financial penalty and reputational damage for Edinburgh.
- 10) To note with concern recent briefings to elected members which had appeared to suggest that information, previously provided by **tie** officials on the extent to which issues had been resolved and utility work completed, was inaccurate and misleading.
- 11) To condemn the fact that information provided to Council at the point of contract close in 2008 regarding:
  - (a) the transfer of risk to the contractor for additional sums paid;
  - (b) the certainty about contract price under a "95% fixed price contract";
  - (c) the safeguards with regard to contingency sums and other measures;
  - (d) **tie**'s commercial strategy in subsequent management of the contract;had proved to be wholly inaccurate or inappropriate.
- 12) Accordingly, to instruct the Chief Executive to report back to Full Council within two cycles on:
  - (a) options for investigating the source of any inaccuracies with a view to taking disciplinary action or pursuing other avenues of redress for the Council on these issues through commercial or professional indemnity measures; and
  - (b) options for the conduct of an independent public inquiry.

- moved by Councillor Balfour, seconded by Councillor Jackson (on behalf of the Conservative Group).

**Amendment 4**

- 1) To express regret at the mismanagement of the tram project by the current political Administration but to welcome the recent positive change in relationship between Council officers and tram contractors as a result of recent mediation.
- 2) To note that a fundamental problem with the project might have been a bespoke contract drawn up under the previous political Administration that had been open to legal challenges.

The City of Edinburgh Council  
30 June 2011

- 3) To deplore the approach of the SNP Group whose negative position had consistently undermined the tram project despite all five political parties of the Council signing off the project in May 2008.
- 4) Therefore, to support a public inquiry into what caused cost overrun and delays in delivering the project.
- 5) To note that the report by the Director of City Development stated (at paragraph 2.1) that *'Neither option (terminating the project or continuing under the terms of the existing contract) is likely to be materially less expensive than completing the first phase of line 1a'*.
- 6) Furthermore, to note (at paragraph 3.36 of the Director's report) *'that termination liabilities will have a direct impact on Council revenue budget and could not be supported by borrowing of alternative methods of private finance'*.
- 7) Therefore, to express the belief that promoting cancellation (termination) as an option was irresponsible and that the only rational options would be to continue to the line either to Haymarket or St Andrew Square.
- 8) To note from the Director of Finance that the difference in Overall Revenue Impact between constructing the tram line to Haymarket and constructing to St. Andrew Square was estimated at £1m per annum, equivalent to approximately 0.1% of the annual Council budget.
- 9) Further, to note that a tram line from the Airport to Haymarket could be loss making and therefore require £3-4m ongoing annual subsidy, which could also impact on the profitability of Lothian Buses, whereas a tram line from Airport to St Andrew Square had the potential to generate an annual profit of £2m.
- 10) However, to acknowledge that the financial risks of constructing the line from Haymarket to St Andrew Square were not yet known as far as they could be.
- 11) Therefore to rule out options (i) the status quo and (ii) separation (termination, cancellation) and to agree to recommendations 8.1(c) and (d)i by the Director of City Development and request the Chief Executive to bring a further report at the Council meeting on 25 August after:
  - (a) more exact determination of the cost of continuing the line to St Andrew Square;
  - (b) confirming the estimated loss or profit from both lines;
  - (c) investigating external and internal funding sources for both lines.

- moved by Councillor Burgess, seconded by Councillor Johnstone (on behalf of the Green Group).

The City of Edinburgh Council  
30 June 2011

### Voting

In a first vote between the motion and the amendments, the voting was as follows:

For the motion	-	16 votes
For amendment 1	-	15 votes
For amendment 2	-	12 votes
For amendment 3	-	8 votes
For amendment 4	-	3 votes

As there was no overall majority, amendment 4 which had received the fewest votes fell and, in a second vote, the voting between the motion and amendments 1, 2 and 3 was as follows:

For the motion	-	16 votes
For amendment 1	-	15 votes
For amendment 2	-	12 votes
For amendment 3	-	8 votes

As there was no overall majority, amendment 3 which had received the fewest votes fell and, in a third vote, the voting between the motion and amendments 1 and 2 was as follows:

For the motion	-	16 votes
For amendment 1	-	15 votes
For amendment 2	-	12 votes

As there was no overall majority, amendment 2 which had received the fewest votes fell and, in a fourth vote, the voting between the motion and amendment 1 was as follows:

For the motion	-	16 votes
For amendment 1	-	15 votes

### Decision

To approve the motion by Councillor Gordon Mackenzie.

(References – Act of Council No 1 of 16 May 2011; report no CEC/22/11-12/CD by the Director of City Development; submission from the Lothian Buses Joint Trade Union Committee and letter from a representative of the Moira Park Tenants' Association, the Scottish Pensioners' Forum, Craigentiny Community Council and Lochend Day Care Centre, submitted.)

### **Declaration of Interests**

Councillors Gordon Mackenzie and Wheeler declared a non-financial interest in the above item as Board members of **tie** and TEL.

Councillor Buchan declared a financial interest in the item as an employee of a firm providing engineering advice to **tie** and left the Chamber during the debate on the matter.

### **23 Donald McGougan, Director of Finance – Valedictory**

The Lord Provost thanked Donald McGougan for his years of service to the city and the Council and wished him well in his retirement. In response, Donald McGougan said it had been a privilege to lead the Finance Department of the Council and thanked the members for the courtesy and consideration they had shown him.

**Appendix**  
**(As referred to in Act of Council No 3 of 30 June 2011)**

**QUESTION NO 1**

**By Councillor Johnstone answered  
by the Convener of the Education,  
Children and Families Committee**

**Question**

What plans are in place to assist schools with energy management and energy efficiency before winter 2011-12?

**Answer**

The programme of energy improvement works was set out in the report to Education, Children and Families Committee on 21 June 2011.