Public Document Pack

SCOTTISH BORDERS COUNCIL
THURSDAY, 25 JUNE, 2015

A MEETING of the SCOTTISH BORDERS COUNCIL will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST. BOSWELLS on THURSDAY, 25 JUNE, 2015 at 10.00 AM

J. J. WILKINSON,
Clerk to the Council,
18 June 2015

BUSINESS		
1.	**Convener's Remarks.**	
2.	**Apologies for Absence.**	
3.	**Order of Business.**	
4.	**Declarations of Interest.**	
5.	**Minute.** (Pages 1 - 4) (a) Consider Minute of Meeting of Scottish Borders Council held on:- 21 May 2015 Pages 1-13 (b) Ratify amendment to submission to Local Government Boundary Commission. (Copy letter attached.)	2 mins
6.	**Committee Minutes** Consider Minutes of the following Committees:- (a) Cheviot Area Forum 1 April 2015 Pages 15-24 (b) Lauder Common Good Fund 30 April 2015 Pages 25-26 (c) Audit & Risk 11 May 2015 Pages 27-35 (d) Hawick Common Good Fund 13 May 2015 Page 37 (e) Eildon Area Forum 14 May 2105 Pages 39-45 (f) Teviot & Liddesdale Area Forum 19 May 2015 Pages 47-50 (g) Hawick Common Good Fund 26 May 2015 Pages 51-54 (h) Executive (Education Theme) 26 May 2015 Pages 55-59 (i) Peebles Common Good Fund 27 May 2015 Pages 61-64 (j) Tweeddale Area Forum 27 May 2015 Pages 65-72 (k) Scrutiny 28 May 2015 Pages 73-76 (l) Planning & Building Standards 1 June 2015 Pages 77-82 (m) Kelso Common Good Fund 3 June 2015 Pages 83-84 (n) Jedburgh Common Good Fund 3 June 2015 Pages 85-87	5 mins

	(o) Berwickshire Area Forum 4 June 2015 Pages 89-103 (p) Executive (Finance/Performance Theme) 9 June 2015 Pages105-112 (r) Galashiels Common Good Fund 9 June 2015 Pages 113-114 (s) Selkirk Common Good Fund 10 June 2015 Pages 115-117	
7.	**Open Questions.**	15 mins
8.	**Police Scotland.** Consider presentation by Assistant Chief Constable Kate Thomson, Police Scotland.	20 mins
9.	**Borders Sport & Leisure Trust.** Consider presentation by Peter Duncan, Chairman and Ewan Jackson, Chief Executive, Borders Sport & Leisure Trust.	20 mins
10.	**Integrated Culture and Sport Trust Feasibility.** (Pages 5 - 10) Consider report by Corporate Transformation & Services Director on the progress of dialogue with Borders Sport and Leisure Trust on the feasibility of an Integrated Culture and Sport Trust and the proposed next steps. (Copy attached.)	10 mins
11.	**Ambitious for the Borders.** (Pages 11 - 14) (Copy attached.)	10 mins
12.	**SESplan Main Issues Report.** (Pages 15 - 80) Consider report by Service Director Regulatory Services on the ratification of the SESplan Main Issues Report. (Copy attached.)	10 mins
13.	**Waste Management Plan.** (Pages 81 - 96) Consider report by Service Director Neighbourhood Services outlining the approach to developing a new Waste Management Plan following the Council's decision to terminate the Waste Treatment Contract with New Earth Solutions in February 2015. (Copy attached.)	10 mins
14.	**Adding Value to Communities through Procurement.** (Pages 97 - 118) Consider joint report by Chief Financial Officer and Service Director Strategy and Policy seeking approval to fully adopt the Adding Value to Communities through Procurement Policy. (Copy attached.)	10 mins
15.	**ICT Review.** (Pages 119 - 128) Consider report by Corporate Transformation & Services Director update on the work completed since Council considered a report on the outcome of the review of Council ICT Services and made recommendations in respect of both the ICT strategy and resourcing at its meeting on 2 April 2015. (Copy attached.)	10 mins
16.	**Members Expenses.** (Pages 129 - 136) Consider report by Chief Executive seeking approval for the information on allowances paid to Members during 2014/15 to be published on the Council's website to meet the publicity requirements of the Local Government (Allowances and Expenses)(Scotland) Regulations 2007.	5 mins

	(Copy attached.)	
17.	**Council Policy on Flag Flying.** (Pages 137 - 160) Consider report by Depute Chief Executive – Place on proposals with regards to developing a revised Flag protocol for Scottish Borders Council which meets the requirements of the Equality Act 2010 and providing a modern approach reflecting today's society. (Copy attached.)	10 mins
18.	**Any Other Items Previously Circulated.**	
19.	**Any Other Items which the Convener Decides are Urgent.**	
	Items Likely to be Taken in Private. Before proceeding with the private business, the following motion should be approved:- "That under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 7A to the aforementioned Act."	
20.	**Minute.** Consider private Section of Scottish Borders Council Meeting held on:- 21 May 2015 Page 119	1 mins
21.	**Committee Minutes.** Consider private sections of the Minutes of the following Committees:- (a) Lauder Common Good Fund 30 April 2015 Page 121 (b) Hawick Common Good Fund 13 May 2015 Pages 123-125 (c) Hawick Common Good Fund 26 May 2015 Pages 127-128 (d) Executive (Education Theme) 26 May 2015 Page 129 (e) Scrutiny 28 May 2015 Page 131 (f) Planning & Building Standards 1 June 2015 Page 133 (g) Executive (Finance/Performance Theme) 9 June 2015 Pages 135-136 (h) Selkirk Common Good Fund 10 June 2015 Page 137	2 mins
22.	**Borders Railway - Maximising the Impact: Bus Connectivity.** (Pages 161 - 192) Consider joint report by Corporate Transformation & Services Director, Service Director Strategy & Policy and Service Director Commercial Services. (Copy attached.)	10 mins
23.	(a) **Galashiels Transport Interchange - CPO Negotiations** (Pages 193 - 202) Consider report by Service Director Commercial Services. (Copy attached.)	10 mins
23.	(b) **Galashiels Transport Interchange - Operating Model** (Pages 203 - 226) Consider report by Service Director Commercial	10 mins

	Services. (Copy attached.)	
24.	**Duns Primary School and Locality Support Centre.** (Pages 227 - 234) Consider report by Service Director Commercial Services. (Copy attached.)	5 mins

NOTES

1. **Timings given above are only indicative and not intended to inhibit Members' discussions.**

2. **Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

Please direct any enquiries to Louise McGeoch Tel 01835 825005
email lmcgeoch@scotborders.gov.uk

Tracey Logan
Chief Executive

Ms Isabel Drummond-Murray
Secretary
Local Government Boundary Commission for Scotland
Thistle House
91 Haymarket Terrace
EDINBURGH
EH12 5HD

Please ask for: *Ms Jenny Wilkinson*
Our Ref: *01835 825004*
Your Ref: *LGBCS/Response2*
E-Mail: *Tracey.logan@scotborders.gov.uk*
Date: 28 May 2015

Dear Ms Drummond-Murray

Fifth Review of Local Government Electoral Arrangements – Proposals for Wards in Scottish Borders Council area
Response to consultation from Scottish Borders Council

I refer to your letter of 18 March 2015 to the Chief Executive, giving details of the Commission's proposals for Wards for the Scottish Borders Council area. While it was acknowledged that the consultation period for this first stage of the Review would close on 19 May 2015, the Council was not scheduled to meet until 21 May 2015, and the Commission was advised that a response would be made by the Council after this meeting.

At its meeting held on 21 May 2015, Scottish Borders Council made the following decision:

(a) to support the Commission's proposal to move Charlesfield (approximately 80 electorate) from the Jedburgh & District Ward into the Selkirkshire Ward, with no change proposed for the houses lying within the settlement boundary of St Boswells;

(b) not to support the new Jedburgh, Denholm & Hermitage Ward or the Hawick Ward as detailed in the Commission's proposals;

(c) to propose to the Commission that the area to the south of Hawick, including Newcastleton, be included in a new Ward 10 (Hawick & District Ward) with 4 Councillors (see attached plan). The new Ward electorate would be 12,436 (at September 2013 level) which would be 11% above parity, but this would reduce in the forecast electorate in 2019 to 12,132, which is a variation of 8% above parity. This would then reflect the same variation from parity (-8%) of the existing and proposed Tweeddale West Ward. The new Ward would cover an area of 618 km², the same area as that of the Mid-Berwickshire Ward;

(d) to propose to the Commission that Wilton Lodge Park, Galalaw Business Park and a further small industrial area, which have postcodes which currently place them out-with the new Hawick Ward, are included within this new Ward as they lie within the settlement boundary of Hawick, albeit containing no houses;

(e) to propose to the Commission that the area to the north and east of Hawick (out-with those areas mentioned above), including Denholm, be included in a new Ward 9 (Jedburgh & Denholm Ward) which would also retain the change in boundary between Kelso & District and Jedburgh as proposed by the Commission, and would be served by 3 Councillors. The new Ward electorate for Jedburgh & Denholm would be 8,523 based on 2013 figures (1% above parity) with a minor increase forecast for 2019. The new Jedburgh & Denholm Ward would cover an area of 584 km², as opposed to the Commission's proposal for a Jedburgh Ward covering 868 km²;

(f) to support two small further amendments to Wards to correct previous anomalies:

(i) to move all of the property at New Horndean Farm into the Mid-Berwickshire Ward – currently the farm is split between Mid and East Berwickshire Wards; and
(ii) to move the properties at Stichill Home Farm and Stichill Stables from Mid-Berwickshire Ward into the Kelso & District Ward. While this move will result in an increase of about 40 electors in the Kelso & District Ward, bringing the total electorate in 2019 to approximately 9% above parity, this is still within the Commission's baseline of 10%

Council also decided to submit as part of its response to the Commission further information. In terms of linkages within the new Wards, Newcastleton is a geographically remote village, located just over 21 miles south of Hawick, with a driving time of approximately 56 minutes. There is a direct public transport link between Newcastleton and Hawick. There are existing links between Newcastleton and Hawick in terms of school catchment area, social work services and health services. Newcastleton is located approximately 27 miles from Jedburgh, with a driving time of approximately 1 hour and 8 minutes and has no direct public transport link (public transport link is via Hawick). There are no specific links either socially, currently or historically between Newcastleton and Jedburgh.

Denholm is located just under 5 miles from Hawick and just under 6 miles from Jedburgh, almost equidistant, and there is a direct public transport link to both Hawick and Jedburgh. Denholm lies within the school catchment area of Hawick High School, but some parents have chosen to send their children to secondary school in Jedburgh – this varies year on year. While some members of the Denholm community would have a more natural affinity with Hawick, there are existing links with Jedburgh. This change in boundaries should have no impact on the social and cultural relationships which currently exist between Denholm, Hawick and Jedburgh.

With regard to Community Council areas, the Scottish Borders currently has 69 Community Councls, a number of which are split across existing Wards e.g. Hawick Community Council and Hobkirk Community Council areas are split between the current Hawick & Denholm and Hawick & Hermitage Wards. The proposed new Kelso & District Ward and Jedburgh & Denholm Ward boundary would see Heiton & Roxburgh Community Council split between the 2 Wards, with the majority of the Community Council area in the Kelso & District Ward.
Crailing, Eckford & Nisbet Community Council area would also be split between these Wards. Denholm and Southdean Community Council areas would be wholly included in the new Jedburgh & Denholm Ward.

At the Council meeting, while there was discussion on the historic significance of the Hornshole Memorial site to the people of Hawick, no decision was taken regarding this at the time. Subsequent to the Council meeting, officers were asked by Councillors to check on whether this site could also be included within the new Hawick & District Ward being proposed by the Council, moving the minimum number of electors. Officers confirmed this was possible as it would only impact around 10 electors. This information was circulated to Councillors as a proposed change to the boundary. This change has received unanimous support from all Councillors informally but this

will require formal Council approval. It is therefore further proposed that the Hornshole Memorial site be also included within the new Hawick & District Ward boundary – this site is of major historic significance to the people of Hawick who have made strong, vociferous opposition to its exclusion. This would adjust the Commission's proposed boundary line for Hawick & District Ward by changing that line from just short of the Memorial to now include the landscaped triangle where the Memorial stands, following the unnamed road north-west to the T junction, then turning south-west following that unnamed road back into Hawick, taking account of Cocklecooty Cottage, Coille, and Bucklands (see attached delineation plan). It is anticipated that this further proposal will be homolgated at the next Council meeting on 25 June 2015. I will write to confirm the position after that meeting.

Attached to this letter are details of the electorate numbers for each of the Wards proposed by the Council (page 1); a map showing the Ward boundaries proposed by the Council (page 2); a delineation plan showing the proposed northern Hawick boundary line, taking Wilton Lodge Park, industrial/ commercial areas and Hornshole into account (page 3); a delineation plan showing the area around Hornsole being included in the Hawick & District Ward (page 4); a map showing the New Horndean Farm move from East to Mid Berwickshire Ward (page 5); and a map showing the move of Stichill Home Farm and Stichill Stables to the Kelso & District Ward, which follows the boundary line of Ednam, Stichill & Berrymoss Community Council area (page 6). Also attached are the relevant data files for each proposal.

If you have any questions or require further explanation or information, please do not hesitate to contact me.

Yours sincerely

Jenny Wilkinson
Clerk to the Council

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Integrated Culture and Sport Trust Feasibility

Report by Corporate Transformation and Services Director

Scottish Borders Council

25th June 2015

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1 PURPOSE AND SUMMARY

1.1 **This report informs Council of the progress of dialogue with Borders Sport and Leisure Trust (BSLT) on the feasibility of an Integrated Culture and Sport Trust and reports on the next steps.**

1.2 Council considered a report on 19 February 2015 on the Culture Trust, where an approach to joint working with BSLT to consider an Integrated Culture and Sport Trust was agreed including the terms of reference for the work. An update report was requested no later than June 2015.

1.3 A Joint Officer Working Group has been formed and has met regularly. Positive dialogue has taken place and work is progressing well towards producing a feasibility report to Council in October.

1.4 A Reference Group made up of Elected Members and BSLT Trustees has been formed and is meeting monthly to review proposals made by the Joint Officer Working Group.

2 RECOMMENDATIONS

2.1 **I recommend that Council notes the progress made in dialogue on an Integrated Culture and Sport Trust**

3 BACKGROUND

3.1 On 20 November 2014 a report was presented to Council on the Culture Trust requesting time to investigate the feasibility of an Integrated Culture and Sport Trust before deciding to go ahead with a separate Culture Trust.

3.2 On 19 February 2015 Council agreed the terms of reference for joint working with BSLT to consider an Integrated Culture and Sport Trust. This included the setting up of a Joint Officer Working Group to carry out the feasibility exercise and a Reference Group consisting of a small group of Elected Members and BSLT Trustees to provide feedback on proposals. An update report was requested no later than June 2015 in advance of a final report on feasibility in October 2015.

4 BENEFITS OF INTEGRATION

4.1 Managers from SBC and BSLT took part in a workshop to consider the potential benefits of integration and identified the benefits listed below. Available evidence in support of these benefits will be gathered and presented in the feasibility report in October.

a) Opportunities for cross-selling / cross-marketing to a bigger audience to increase participation in Sport and Culture
b) Opportunity to co-ordinate service offerings avoiding direct competition between sport and culture and making the best use of facilities
c) Allowing Sport and Culture to reach each other's hard to reach groups, e.g.
    i. Older people resistant to visiting a leisure centre may be more likely to visit a community centre to participate in activity
    ii. Younger people who are hard for Cultural Services to reach (16-35 age group) could be reached through the link with Sport
d) Could facilitate better programming of activities in our localities and across the region ensuring space is used in a co-ordinated way
e) Collaborative and complimentary development of the School holiday activity programmes for the benefit of participants of both sport and cultural activities
f) Develop a joint Leadership Programme for youths and young adults. Positive discussions have taken place with BSLT and SBC staff on this.
g) Could assist in the attainment of local and national strategic health outcomes for both mental and physical well-being. Positive discussions have been held with the Health Improvement Team on this.
h) New volunteer recruitment areas to discover and expand.
i) Ability to deliver a wider range of holiday activity programmes involving both Sport and Culture.
j) Can create a one stop shop that is simpler for the customer.
k) Opening up of networks/contacts to both Sport and Culture.
l) Re-generation opportunities to make better use of property estate.
m) Co-location opportunities
n) Shared funding applications and the development of a shared expertise in funding applications.

4.2 The Council approved a Corporate Plan in April 2013, with 8 priorities, and this supports the Scottish Borders Community Planning Partnership (CPP) Single Outcome Agreement (signed in September 2013). Cultural Services and Borders Sport and Leisure make a huge contribution to the Scottish Borders and therefore support the priorities of both SBC and the CPP. Below is shown how an integrated trust could align with these priorities.

4.3 Corporate Plan Priority 1 (Encourage sustainable economic growth)

The rich cultural assets that we have in the Scottish Borders already contribute significantly to the economy of the Scottish Borders (a key priority for the Community Planning Partnership). With improved connectivity through the Borders Railway and the integration of public transport, there is huge scope to widen out audiences for both sporting and cultural events/attractions. By integrating both the sporting and the cultural calendars of the Borders more closely, the region becomes a very attractive proposition for those living within the Edinburgh city region, as well as visitors from the north of England. Currently these two elements are not that well linked from a "tourism offer" point of view

4.4 Corporate Plan Priority 2 (attainment and achievement)

With a focus now on inclusion, our Children and Young People's service is keen to ensure that all pupils get as wide a range of opportunities as possible alongside their formal education. The cultural assets and the sporting opportunities offered within the region provide for these opportunities, enriching the lives of our young people and contributing to reducing inequalities (a key priority for the CPP)

4.5 Corporate Plan Priority 3 (high quality support, care and protection)

A key priority for the Community Planning Partnership is to reduce inequalities in health and wellbeing, improving outcomes for early years, children and young people, with a focus on those living in areas of greater deprivation. The development of an integrated trust model would continue/safeguard the provision and enable our communities to live in good health for longer and enjoy active and fulfilling lives.

4.6 Corporate Plan Priority 4 (building community capacity)

Both culture and sport are a key part of communities across the Borders, and the development of an integrated trust model helps us to build capacity within communities, empowering them to take ownership of assets and make decision about the things that affect them (a key element of the forthcoming Community Empowerment Bill)

4.7 Corporate Plan Priority 8 (excellent accessible public services)

Through an integrated trust model, access to services and facilities could be greatly enhanced and customers shared between the two areas. With the opportunity to attract additional funding, and explore alternative ways of delivering more traditional services e.g. libraries, the trust can support fully the reform of our future services.

5 PROGRESS ON JOINT WORK

5.1 Overall progress

The time taken to establish the terms of reference and how the work would be managed between the Joint Officer Working Group and Reference Group with BSLT took longer than initially expected. Now that these have been agreed the feasibility work is progressing well and in a positive manner.

5.2 Procurement Issues / Company Ownership

The Joint Officer Working Group and Reference Group are in the process of examining how best to create an Integrated Trust while retaining the BSLT company as the basis of the new organisation. A range of options are currently being examined and a recommendation on the most effective governance model will be made in the feasibility report.

5.3 Shared vision for an Integrated Trust

This important work will show whether or not there is a strong shared vision for an Integrated Trust. Work is in progress on this and will be reported on in the final feasibility report in October.

5.4 Lessons learned from other Trusts

The feedback we have gathered so far from other Trusts indicates that they have a very strong partnership relationship with their respective Councils, whilst still having sufficient independence to manage their own operation.

We have also received feedback on the increased focus that being part of a smaller organisation can bring to both Culture and Sport.

Work is continuing to learn lessons from other Trust's experience.

5.5 Risks and Issues around Integration

The dis-benefits of Integration are mostly risks that will be quantified and mitigation measures identified for the feasibility report. Measures will need to be identified to avoid the risk of:-

a) A focus on either Culture or Sport being diluted.
b) Not getting the right skillset amongst Trustees.
c) Issues arising around a merger of services that are "free" and "paid for".
d) Existing channels within SBC being compromised by moving Culture out of the Council.

5.6 Business Case

Work is progressing on the Business Case. This will describe the business reason for integration allowing BSLT and SBC to judge whether integration should proceed. The Business Case will also include the benefits of integration, dis-benefits of integration, a financial business case for integration along with the issues and risks of integration.

5.7 Property

Meetings are underway to discuss options for managing property.
This is a major area of the feasibility study and will be a key element of the final feasibility report in October.

5.8 Support Services

For each support service area we are looking at the high level options of how these services could be provided. We are looking at whether the service could be delivered by enhancing the existing BSLT support service model, whether SBC should be contracted to provide the service, or whether a blended approach would be more appropriate. The pros and cons for each option along with issues and risks will be examined for each main support service and a recommendation given.

5.9 Scope of an Integrated Trust

Currently all existing services are in scope for an Integrated Trust. Scope will continue to be discussed as part of the feasibility exercise and will form part of the feasibility report in October.

5.10 Outcomes/priorities for an Integrated Trust

Planned to be discussed and included in the feasibility report in October.

5.11 Data Sharing / Information Governance

This is important as being able to market and transact with the wider customer base of an Integrated Trust is crucial.

In initial discussions there do not appear to be any legal barriers to data sharing within the Integrated Trust. This will be investigated in more depth and will form part of the feasibility report in October.

5.12 Communication Plan

A communication strategy has been produced by the Joint Officer Working Group for the feasibility study to ensure stakeholders, staff of both organisations and the public are communicated to effectively.

If integration was to go ahead a revised communication strategy would be produced.

6 NEXT STEPS

6.1 The plans for the next three to four months are:-

a) continue analysis on the areas in scope of the feasibility study jointly with BSLT.
b) test proposed areas of the feasibility study with the Reference Group.
c) produce a feasibility report that satisfies the terms of reference laid out by SBC and BSLT.

7 IMPLICATIONS

7.1 This is purely an update report and therefore there are no implications.

8 RISKS AND MITIGATIONS

8.1 Risks associated with an integrated trust are being examined as part of the joint work and have been summarised above.

9 IMPLICATIONS

9.1 **Financial**

The project is looking at the financial implications of creating an integrated trust and these will be included in the feasibility report in October. This work includes but is not restricted to:-

a) VAT implications of integration
b) Capital funding arrangements
c) Property support and maintenance costs
d) Pension implications of integration including taking the advice of an actuary
e) Recommended financial support arrangements
f) Indicative management fee arrangements for an integrated trust
g) Any additional staffing costs as a result of integration

9.2 **Equalities**

A full equalities impact assessment was undertaken for the February2014 report. It was revived in light of the recommendations in the February 2015 report and has not identified any significant equalities issues and none that cannot be addressed through a robust SLA between the Council and Trust. A new equalities impact assessment will be undertaken before the report to Council in October.

9.3 **Acting Sustainably**

Acting Sustainably. The purpose of this investigation is to produce services that can be made resilient and sustainable.

9.4 **Carbon Management**

Cultural Services manage a significant proportion of the Council's operational facilities (in 2008, Cultural Services managed 10% of the total Council estate; 10% of the value, 8.6% of the number of assets and 10.8% of the gross floor area). Consideration will be given to how the carbon footprint of the Council might be reduced by collocation of services in a Trust.

9.5 **Rural Proofing**

A rural proofing assessment was undertaken for the February 2014 report. There is nothing in the content of this report to change the view that the rural reach of services is better protected by transferring services to a Trust. Another rural proofing assessment will be completed before the report to Council in October.

9.6 **Changes to Scheme of Administration or Scheme of Delegation**

The Council's scheme of administration and delegation will require amendment when a Trust is operational.

10 CONSULTATION

10.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

Approved by

Rob Dickson
Corporate Transformation and Services Director

Signature .....

Author(s)

Name	Designation and Contact Number
Stephen Roy	Project Manager 01835 824000

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Cultural Services Team can also give information on other language translations as well as providing additional copies.

Contact Stephen Roy, Project Manager, Scottish Borders Council, Council Headquarters, Newtown St Boswells, TD6 0SA, telephone 01835 824000.

Ambitious for the Borders 2015

Partnership Agreement for the Programme of Local Government

- **We will ensure that sustainable economic development remains our top priority;**
- **We will work to make the Scottish Borders one of Britain's premier destinations for outdoor activities, both sporting and leisure;**
- **We will work to maintain and improve quality of life for all our residents.**

This document sets out the second partnership agreement for the programme of local government that has been agreed by the Independent, Scottish National Party and Liberal Democrat members of Scottish Borders Council's Administration.

The first "Ambitious for the Borders" agreement was published in 2012, and a review in June 2014 showed that just over 70% of the commitments made had either been achieved fully or significant progress has been made. This document now presents our commitments for the next 2 years, including commitments still in progress from our last document.

Key to our ambition is building on the Council's Corporate Plan commitment to 'maintaining and improving our high quality environment'. The environment of the Scottish Borders is a unique asset. Building on our statutory Biodiversity duty, the Council will proof its policies against the requirement to protect the environment of the Scottish Borders , as assessed against the key measure of biodiversity. Where impacts are expected to be negative, offsetting will be appropriate.

All the partners to this document will put the best interests of Borderers before party-political allegiances, in a partnership founded on trust, fairness and mutual respect. The partners will continue to implement this ambitious programme for the Scottish Borders, with a commitment to sound financial management, delivering the highest quality services to the people of the Borders, and being accountable to local people.

Scottish Borders COUNCIL

We will ensure that sustainable economic development remains our top priority by:

- Delivering the projects contained within the Borders Railway Blueprint, including the Borders Business Park and the Tapestry building at Tweedbank, as well as working to spread the benefits of the Borders Railway across the Scottish Borders
- Working with the Scottish Government, Carlisle City Council, Cumbria County Council and Dumfries and Galloway Council to prepare initial feasibility work on the potential to extend the Borders Railway to Hawick and Carlisle
- Supporting an enhanced rail service between Edinburgh and Berwick, which sees the delivery of new stations at Reston and East Linton

- Focusing additional resources on inward investment activity
- Investigating the opportunities for the Scottish Borders from a potential City Deal for the Edinburgh city-region
- Developing the Seafood Technology Park in Eyemouth
- Identifying new business space and additional employment land for economic growth across the Scottish Borders

- Working with communities to maximise the availability of broadband in rural areas
- Working with Mobile Network Operators, Ofcom, the Scottish and UK Governments to extend mobile phone coverage, including a rates moratorium if required in the most remote areas

- Liaising with local authorities involved in the 'Borderlands' Initiative to develop more effective border/gateway signage to promote the Borders' unique selling points, including feasibility work to seek external funding for large scale art/ sculpture
- Building on the recent highly successful Conservation Area Regeneration Scheme/ Townscape Heritage Initiative (CARS/THI) schemes in Kelso and Selkirk, extend this initiative progressively to other settlements, starting with Jedburgh
- Working with our partners to build and develop more than 250 new affordable homes over the next two years

We will work to make the Scottish Borders one of Britain's premier destinations for outdoor activities, both sporting and leisure. With particular, reference to walking and cycling, we will:

- Work with partners and AIMUp to secure an internationally recognised mountain biking attraction in the Scottish Borders
- Develop opportunities for mountain biking and road cycling across the Scottish Borders
- Progress and promote walking and cycling routes linked to the Borders Railway
- Promote our outstanding walking routes, including the "6 Great Trails" that are in the Borders (part of 'Scotland's Great Trails')

We will work to maintain and improve quality of life for all our residents by:

- Guaranteeing every young person leaving school in the Scottish Borders the choice of a job, training or a further education opportunity through the "Borders Guarantee", developed with Community Planning partners
- Preparing and linking young people more effectively to the needs of the local economy, as recommended in the recently published "Developing Scotland's Young Workforce" (Wood Commission)
- Continuing to ensure that deprivation funds allocated to schools are targeted at closing the attainment gap
- Undertaking a comprehensive Schools Estate Review, enhancing the learning experience and developing the virtual learning environment
- Reducing times for getting permanent places within families for children within the care system

- Working to increase care home standards across the Scottish Borders
- Introducing an Awards Scheme for care homes and their staff to recognise high quality and celebrate success
- Strengthening and enhancing services for individuals, carers and family members across health and social care services
- Producing a business case detailing the requirement and options for Extra Care Housing in the Berwickshire area

- Tackling fuel poverty with our partners, including delivery of the Home Energy Efficiency Programmes for Scotland (HEEPS)
- Delivering better outcomes for communities by improved local co-ordination of the work of SBC, partners and communities.

Ambitious for the Borders 2015

Partnership Agreement for the Programme of Local Government

Councillor Sandy Aitchison
LEADER OF THE INDEPENDENT MEMBERS

Councillor Stuart Bell
LEADER OF THE SCOTTISH NATIONAL PARTY GROUP

Councillor Catriona Bhatia
LEADER OF THE LIBERAL DEMOCRAT GROUP

Scottish Borders COUNCIL

RATIFICATION OF SESPLAN MAIN ISSUES REPORT

Report by Service Director Regulatory Services

SCOTTISH BORDERS COUNCIL

25 June 2015

1 PURPOSE AND SUMMARY

1.1 **To agree the ratification of the SESplan Main Issues Report and associated documentation.**

1.2 The SESplan Main Issues Report 2 (MIR2) is the consultative document prior to the preparation of the SESplan Proposed Plan. It sets out preferred and alternative approaches for public comment in relation to matters including the SESplan Vision and Strategy, business, communities, connectivity and delivery.

1.3 The SESplan MIR2 was approved by the SESplan Committee on 29 May 2015, and is now being presented to each of the six councils that make up the SESplan authority for their ratification.

2 RECOMMENDATIONS

2.1 **I recommend that the Council:**

a) Ratifies the decision of the SESplan Joint Committee at its meeting on the 29 May 2015 to approve Main Issues Report 2 and the supporting Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment for public consultation.

b) Notes the proposals for engagement and consultation on Main Issues Report 2 and the supporting documents considered by the SESplan Joint Committee on the 29 May 2015.

c) Agrees that minor editorial changes of a non-policy nature to Main Issues Report 2 and the supporting documents are delegated to the SDP Manager in consultation with the Head of Planning, SESplan Project Board Chair and Joint Committee Convener.

d) Notes the accompanying background documents on spatial strategy, economy, minerals, waste, housing land and green networks.

3 REPORT

3.1 The report to the SESplan Committee on 29 May 2015 approved the SESplan MIR2 for public consultation, along with supporting documents in relation to the monitoring statement, the interim environmental report, and the equalities and human rights impact assessment. The documents are referred to within this report are as follows-

Appendix 1: Report to SESplan Committee of 29 May 2015
Appendix 2: SESplan MIR 2
Appendix 3: Monitoring Statement
Appendix 4: Interim Environmental Report
Appendix 5: Equalities and Human Rights Impact Assessment
Appendix 6: Background Technical documents

3.2 **Appendices 1 and 2** are attached to this report. **Appendices 3-6** are available to view within the Members' library.

3.3 The SESplan MIR and associated documents have been produced under the scrutiny of the SESplan Committee, which has as council representatives Councillors Smith and Bell. In addition there has been officer input at the SESplan Board level and through various working groups.

3.4 SESplan was established through Government order, and comprises Scottish Borders Council, Fife Council, Midlothian Council, East Lothian Council, West Lothian Council, and City of Edinburgh Council. Its role is to prepare and keep up to date the region's Strategic Development Plan.

3.5 MIR2 sets preferred and alternative strategic approaches for public comment in relation to-

Vision - see Issue A on page 6 in MIR2
Strategy - see Issue B on page 8 in MIR2
A Place to do Business - see Issues C-E on pages 18-22 in MIR2
A Place for Communities - see Issues F-J on pages 25-35 in MIR2
A Better Connected Place - see Issues K-L on pages 39-42 in MIR2
Delivery - see Issues M-O on pages 44-46 in MIR2

3.6 The MIR2 is the preparatory document in relation to the next SESplan Proposed Plan, and this will supersede the SESplan SDP1 approved by Scottish Ministers in 2013.

3.7 In common with the previous SDP1, the key strategic issue relates to future provision of land for housing, and the discussion on this may be found in the Strategy and Communities sections of MIR2. Members should be aware that the housing numbers set out within the MIR2 are derived directly from the Housing Needs and Demand Assessment (HNDA) which has been agreed as being robust and credible by the Government's Centre for Housing Market Analysis (CHMA). However, in preparing the Proposed SDP2 these housing figures will require to be further assessed in line with what can realistically by delivered by both the private and publicly funded housing sectors. This is likely to result in a reduction in the overall SESplan housing supply target and housing land requirement for designation within Local Development Plans as a consequence, in particular, of the limited capacity of the publicly funded housing sector.

3.8 The MIR2 acknowledges the importance of this region to the Scottish economy and sets out an approach that seeks to provide an appropriate framework for the delivery of development. However, it also highlights the need for the delivery of appropriate infrastructure to meet predicted levels of future development.

3.9 The preferred options set out in the MIR2 are generally a continuation of the approach set out in SESplan1 in seeking to promote the sustainable economic development of Edinburgh and the South East of Scotland.

3.10 Section 4 of the SESplan Committee report in **Appendix 1** sets out the proposed approach to consultation on MIR2, and includes formal notice and advertisement, website, social media and various stakeholder and engagement activities. The general public, young people, community council, community partnerships, key agencies, housing and economic interests will be included in the process.

4 IMPLICATIONS

4.1 Financial

The costs attached to the recommendations contained in this report are covered by the Council's annual contribution to the SESplan project.

4.2 Risk and Mitigations

The SESplan MIR2 is required to be ratified by all six member authorities. If any member authority fails to ratify the MIR2 then it will require to be reconsidered by the SESplan Committee. This would entail delay to the finalisation and consultation on the MIR2, and to the SESplan SDP project.

4.3 Equalities

The Equalities and Human Rights Impact Assessment on the MIR2 is contained within **Appendix 5** to this report.

4.4 Acting Sustainably

Appendix 4 contains the draft Environmental Report on MIR2.

4.5 Carbon Management

There is no direct impact on the Council's carbon emissions arising from this report.

4.6 Rural Proofing

MIR2 is a consultation document on the Strategic Development Plan.

4.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

5 CONSULTATION

5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

Approved by

Service Director Regulatory Services Signature .....

Author(s)

Name	Designation and Contact Number
M. Wanless	Planning Policy and Access Manager, 01835 825063

Background Papers: None

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. J. Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at J. Whitelaw, Scottish Borders Council, extension 5431.

SESplan
The Strategic Development Planning Authority for Edinburgh and South East Scotland

SESPLAN JOINT COMMITTEE

29 MAY 2015

For Decision	✓
For Information	

ITEM 6 – MAIN ISSUES REPORT 2

Report by: Ian Angus, SDP Manager

Purpose

This Report seeks Committee approval of Main Issues Report 2 (MIR) and supporting documents for ratification by the member authorities and thereafter for public consultation.

Recommendations

It is recommended that the SESplan Joint Committee:

1. Approves Main Issue Report 2 and the supporting Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment as set out in Appendices 1, 2, 3 and 4 for public consultation.

2. Notes that Member Authorities will be required to ratify the approval of Main Issues Report 2 and the supporting Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment as set out in Appendices 1, 2, 3 and 4 for public consultation at Recommendation 1 of this Report.

3. Notes the proposals for engagement and consultation on Main Issues Report 2 and the supporting documents.

4. Agrees that minor editorial changes of a non-policy nature to Main Issues Report 2 and the supporting documents are delegated to the SDP Manager in consultation with the Project Board Chair and Joint Committee Convener.

5. Notes the accompanying Background Documents:

   - Background Document 1 - Spatial Strategy Technical Note;
   - Background Document 2 - Economy Technical Note;
   - Background Document 3 - Minerals Technical Note;
   - Background Document 4 - Waste Technical Note;
   - Background Document 5 - Housing Land Technical Note; and
   - Background Document 6 - Green Network Technical Note.

Resource Implications

As set out below.

Legal and Risk Implications

All risks are detailed in the SESplan Risk Register and reported to Joint Committee on an annual basis.

Policy and Impact Assessment

No separate impact assessment is required.

1. Background

1.1 The Strategic Development Plan Authority (SDPA) Designation Order of 2008 established the South East Scotland SDPA - SESplan. SESplan and the six Member Authorities (City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian) are required to prepare and keep up to date a Strategic Development Plan (SDP) for the Edinburgh and South East Scotland region.

1.2 The SDP is intended to set out a vision statement as the SDPA's broad view on the future development of the area, along with a spatial strategy on future development and land use. The SDP is to take into account:

- National Planning Framework (NPF3) and Scottish Planning Policy (SPP);
- the resources available for carrying out the policies and proposals in the plan;
- any approved or proposed SDP for a neighbouring SDP area;
- any adopted national marine plan or regional marine plan relating to areas adjoining the plan area;
- any regional transport strategy, approved flood risk management plan or local housing strategy relating to the area;
- the national waste management plan; and
- issues arising out of the European directive on the control of major accident hazards involving dangerous substances.

1.3 Scottish Ministers expect SDPs to be concise visionary documents that set clear parameters for subsequent Local Development Plans (LDPs) and inform decisions about strategic infrastructure investment. Vision statements within the SDP are to set a view on 20 years hence, and a context for the spatial strategy of the plan. The spatial strategy should provide clear direction for new development up to year 12 from plan approval, with a broad indication of the scale and direction of growth up to year 20.

1.4 The principal topics for SDPs are expected to be land for housing, business, shopping and waste management development, strategic infrastructure (including transport, water supply and waste water) and strategic greenspace networks (including green belts).

1.5 SDP1 was approved by Scottish Ministers in June 2013, with Supplementary Guidance on Housing Land adopted in November 2014. SDP2 is required to be submitted to Scottish Ministers within four years of the approval of SDP1 i.e. no later than June 2017. Development Plan Scheme 7 (DPS7) sets out SESplan's programme for preparing and reviewing the SDP (http://www.sesplan.gov.uk/).

2. Main Issues Report 2

2.1 With a view to facilitating and informing the preparation of SDP2, the SDPA is required to prepare an MIR. The MIR is expected to set out the general proposals for development in the SDP area and in particular proposals as to where development should and should not occur. MIR2 as set out in Appendix 1 considers:

- **The SESplan Vision** - Edinburgh and South East Scotland is the hub of the Scottish economy and home to 1.25 million of the country's 5.3 million people. NPF3 recognises that the region '*supports many of our most important economic assets*' and that it will be a focus for economic growth and regeneration. SDP2 will help meet the ambitions of NPF3 and deliver the goals of business and communities across SESplan.

- **The SESplan Strategy** - The spatial strategy sets out to deliver the vision for SDP2. It must support the creation of outstanding and high quality places to do business, places for successful and thriving communities and a better connected place where constraints are addressed and barriers removed. The spatial strategy must also contribute to community planning outcomes. Three options for the spatial strategy are identified (Concentrated Growth, Distributed Growth and Growth Corridors). The preferred option of Growth Corridors is a balanced option which looks to bring development close to where need arises (see Figure 2.4). The main impact would be in Edinburgh and the areas closest to the city. This option allows for strategic scale development to be located away from the city but within a proximity that supports sustainable travel patterns. This would be supported in the wider region by small scale development where required.

- **A Place to do Business** - Edinburgh and South East Scotland is at the heart of the Scottish economy and has strengths in all the key growth sectors identified by the Scottish Government. The challenge is to realise the potential that this brings, address inequalities in employment opportunities and support business growth in the city, towns and rural area.

Identifying strategic opportunities for investment, improving connectivity, delivering infrastructure and promoting sustainable places where communities enjoy a high quality environment will support the development of the city region as a growing low carbon economy. Issues C – E considers options for locations for growth and investment comprising significant business clusters and the visitor economy and the management of resources comprising energy generation, resource extraction and waste.

- **A Place for Communities** - Creating successful, thriving and sustainable places for communities is not just about providing homes. Communities should enjoy a high quality built and natural environment with good access to healthy town centres and well managed greenspace. A planned approach is required to ensure development is located close to strategic employment locations, avoids any impact on protected areas and makes the best use of existing infrastructure including public transport connections. Issues F – J considers options for housing land across SESplan and in Edinburgh, a generous supply of housing land and affordable housing provision, town centres and strategic green networks.

- **A Better Connected Place** - Improving connectivity, addressing network constraints and removing barriers will support a low carbon South East Scotland as a place to do business and a place for communities. While parts of the region enjoy good access to transport, infrastructure and digital networks, others are less well served and there are significant constraints and major issues to be addressed. In order to deliver the preferred spatial strategy and achieve the Vision, these networks need to be improved to increase connectivity. Issues K - L considers options for transport, infrastructure, regional walking and cycling networks and digital connectivity and utilities infrastructure.

- **Delivery** - Development either cumulatively or individually will impact on available infrastructure capacity. The approach to delivery and how sites are delivered on the ground is key to achieving the overall vision and spatial strategy of SDP2. Issues M – O considers options for infrastructure delivery, funding transport infrastructure and assessing the five year effective housing land supply.

2.2 The Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment as set out in Appendices 2, 3 and 4 are statutory requirements as part of the production of SDP2, and have been produced alongside MIR2 to inform the process. The Interim Environmental Report will require to be submitted to the SEA Gateway for consideration following ratification.

3. Ratification

3.1 The Member Authorities are required to ratify the decision of the SESplan Joint Committee to approve MIR2 and the supporting Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment as set out in Appendices 1, 2, 3 and 4 for public consultation.

3.2 Paragraph 12.2 of the approved SESplan Constitution sets out that all major decisions, for example about the content of the SDP but with the exception of submission of the Proposed Plan to Ministers when no modifications are proposed, will require to be ratified by each of the six constituent member authorities. The ratification process is anticipated to be completed by the end of June 2015. However if any of the six member authorities do not ratify the decision of the SESplan Joint Committee, MIR2 and all supporting documents will require to be brought back to SESplan Joint Committee for further consideration and the process of ratification restarted. An update on the ratification process will be brought to the meeting of the SESplan Joint Committee in June 2015.

4. Consultation

4.1 Circular 6/2013 (Development Planning) sets out the following statutory requirements for engagement at the MIR stage of the SDP preparation:

- To publish a notice in one or more local newspapers circulating in the SDP area and on the internet setting out:
  - That the document has been prepared and where and when it can be viewed;
  - A brief description of the context and purpose of the document;
  - Details of how further information may be obtained; and
  - A statement of how representations may be made, to whom and by when they should be made.
- Send this information to:
  - Key agencies;
  - Adjoining planning authorities / SDPAs; and
  - Community councils within the SDP area.
- Make a copy available at the planning offices of each member authority plus publication on the internet;
- Ensure that anyone that may be expected or want to comment on the MIR are made aware that they can do so, and are given the opportunity;
- Send a copy of the report and Monitoring Statement to Scottish ministers; and
- Ministers also expect authorities to employ a range of innovative methods to meaningfully engage with stakeholders and communities.

4.2 DPS7 contains the SESplan Participation Statement. This includes information on engagement as follows:

- SESplan will raise awareness of strategic development planning while engaging and involving key stakeholders throughout the plan making process;
- Develop awareness of SESplan through communication and promotion;
- Seek ways to engage with and involve key stakeholders throughout the whole process of producing the SDP;
- Make information available as early as possible;
- Produce information in an easy to use format;
- Ensure that arrangements for participation are as inclusive and open as possible; and
- Offer the opportunity to be involved to as many groups as possible.

4.3 SESplan will use a number of tools to reach as wide an audience as possible and within means which are practical and available to us. In particular we will:

- Make extensive use of electronic communication including our website, social media, consultation portal and those of our member authority partners, to promote plan awareness and encourage engagement;
- Build upon and develop existing partnerships and working relationships, for example with key agencies and regional economic groups, to facilitate greater input; and
- Develop individual strategies on how best to engage with key stakeholders; recognising the limitations of a one size fits all approach.

4.4 SESplan will aim to exceed the minimum requirements as set out in legislation. To facilitate this we will:

- Look to guidance, such as the National Standards for Community Engagement and other resources, when completing and assessing engagement plans and actions;
- Consult on engagement plans and monitor their implementation to ensure they are working for everyone involved;
- Ensure consultation material is written in clear, plain English with attractive graphics; and
- Communicate throughout the consultation process and provide updates as the plan progresses.

4.5 The formal MIR consultation phase will run for 8 weeks from 21 July 2015 to 15 September 2015. Representations on the MIR will be accepted during the formal consultation period.

4.6 Prior to the start of the formal consultation phase, the documents are available on the SESplan website as Appendices to this Report. However the decision of the SESplan Joint Committee to approve the MIR and supporting documents for consultation is required to be ratified by all SESplan Member Authorities. Responses cannot therefore be accepted until this process has been concluded and the formal consultation period commenced.

4.7 Stakeholder and engagement activities that will be undertaken throughout the formal consultation period are detailed in Table 1 below. Cordinated press releases, website and social media will also be utilised throughout the process.

Table 1 - Engagement Activites

Stakeholder	Engagement	Date
The Public	Social media, electronic communication, easy read leaflet, press releases, touring exhibition, drop in sessions	25 May – 15 September
Young people	University visit, secondary school visits, youth parliament	25 May – 15 September
Community councils	An event in each Member Authority area	21 July – 15 Setepmber
Community planning partnerships	Joint event between the six Member Authorities	21 July – 15 September
Key agencies	Notify to comment, involvement in preperation of the MIR	Ongoing
House Builders / Developers	A Place for Communities event, article / press release in industry magazines	25 May – 15 September
Economic forums	A Place to do Business event. South East Scotland Economic Community discussion, article / press release in industry magazines	25 May – 15 September
Local Planning Teams	Presentations and Q and A in each Local Authority	21 July – 15 September
Elected Members	Workshop in each Member Authority area	21 July – 15 September
Key Theme Events	A Place for Communities, A Place to do Business and A Better Connected Place events	21 July – 15 September

5. Next Steps

5.1 Subject to approval of MIR2 and all supporting documents, an update on the ratification process and consultation will be brought to the next meeting of the Joint Committee.

Appendices

Appendix 1	Main Issues Report 2
Appendix 2	Monitoring Statement
Appendix 3	Interim Environmental Report
Appendix 4	Equalities and Human Rights Impact Assessment

Background Documents

Background Document 1 - Spatial Strategy Technical Note

Background Document 2 - Economy Technical Note

Background Document 3 - Minerals Technical Note

Background Document 4 - Waste Technical Note

Background Document 5 - Housing Land Technical Note

Background Document 6 - Green Network Technical Note

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Report Agreed By: Ian Angus, SDP Manager

Author Name: Alice Miles, Lead Officer

Jobs, Homes and Investment. Where, Why and How. Main Issues Report

SESplan
The Strategic Development Planning Authority for Edinburgh and South East Scotland

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Foreword

Our area is central to the success of Scotland itself. At its heart is Edinburgh, a leading European city and Scotland's capital. SESplan and its member authorities, West Lothian, Scottish Borders, Midlothian, Fife, East Lothian, and City of Edinburgh Councils, have an ambitious vision for the area. The first Strategic Development Plan (SDP1), approved in 2013, set this vision, alongside a strategy to ensure that the area is recognised internationally as an outstanding place in which to live, work and do business. The six authorities are now preparing Local Development Plans (LDP), setting out how the first SDP will be implemented at local level.

To ensure that the plan is up to date, we must review the SDP within four years of its approval, by 2017. The Main Issues Report (MIR) is the first stage in preparing SDP2. It reflects updated Scottish Planning Policy (SPP) and the National Planning Framework (NPF3) which set policy on nationally important planning matters. The SDP and LDPs also need to be more closely integrated with community planning processes and reflect close working with Community Planning Partnerships. We need to consider how the SDP can best help to deliver the future sought by communities, the local authorities and community planning partners. The MIR is not a draft plan but sets out options for development including where it should and shouldn't be located and invites your comments on these. Key questions include the scale and direction of development over the next twenty years and beyond and how the infrastructure and services needed to support that development can be provided.

The MIR is the main opportunity for everyone to engage in the plan preparation process. It is a key stage in influencing the second Strategic Development Plan (SDP2) through a discussion of the main issues and potential solutions. The document is available online via the SESplan Consultation Portal, in all libraries within the region and at all member authorities planning offices. Further information on the consultation is available in the Development Plan Scheme (DPS) Participation Statement and on the SESplan website.

SESplan encourages you to 'have your say', to respond to this MIR and to work with SESplan, its members and partners to help shape the future of Edinburgh and South East Scotland.

1 A Vision for Edinburgh and South East Scotland

Edinburgh and South East Scotland is the hub of the Scottish economy and home to 1.25 million of the country's 5.3 million people. NPF3 recognises that the region '*supports many of our most important economic assets*' and that it will be a focus for economic growth and regeneration. The second Strategic Development Plan (SDP2) will help meet the ambitions of NPF3 and deliver the goals of business and communities across SESplan.

1.1 Significant infrastructure investment will be needed to enable sustainable growth and to improve the region's competitiveness nationally and internationally. This is a major challenge. The role of SDP2 is to prioritise limited resources. The plan will also provide a framework within which to align investment plans of the key agencies and others and help to deliver the outcomes sought by community planning partnerships across the area.

Around Edinburgh and South East Scotland

The majority of the SESplan population live in and around Edinburgh, in communities along the M8 corridor or in larger towns in Fife but many live in smaller settlements across the region. More than half of the area is rural. Rural industries are vital, particularly in the Scottish Borders and East Lothian.

Edinburgh, as Scotland's capital and the core of the region, has a vibrant economy which attracts visitors from around the world. The new Queensferry Crossing is under construction connecting Edinburgh to Fife and beyond to the north and east. The city has seen the introduction of the trams linking Scotland's busiest airport with the city centre.

East Lothian covers the majority of the eastern part of the region, with the A1 and the East Coast Main Line providing linkages to the Scottish Borders and beyond to England. East Lothian has a mixture of historic towns and villages with low unemployment.

In Fife, strategic centres are identified at Dunfermline, Kirkcaldy and Glenrothes. The Fife Energy Corridor including Energy Park Fife and Rosyth will continue to be promoted as centres of excellence in the renewable energy sector.

Figure 1.1 The SESplan Region

Midlothian has close links with Edinburgh. The north Midlothian towns are established as attractive and accessible locations for development and the area includes the Midlothian campus of the Edinburgh Science Triangle. The Borders Rail link will further enhance the area's connectivity.

The Scottish Borders experiences the challenges of fewer job opportunities, lower wages and out-migration of young people. The Borders Rail link will improve connectivity and widen the labour market. Further investment is needed to continue to improve transport and digital connectivity in the wider rural area of Scottish Borders.

West Lothian has good transport connections to Glasgow as well as Edinburgh, making the area a prime location for growth. It is highly accessible by road and rail and this is set to be further enhanced with the new rail station at Winchburgh and improved connectivity over the Firth of Forth. The Glasgow - Edinburgh rail route is currently being upgraded to increase capacity. Livingston is identified as a strategic town centre.

Most of the region shares a coast with the Firth of Forth. The ports of the area including Rosyth and Leith attract substantial freight and passenger traffic while there are opportunities for the development of offshore renewable energy.

A Vision for Edinburgh and South East Scotland 1

1.2 The vision of SDP1 is that *'by 2032, the Edinburgh City Region is a healthier, more prosperous and sustainable place which continues to be internationally recognised as an outstanding area in which to live, work and do business.'* The proposed vision for SDP2 (as detailed in Figure 1.2 below) is consistent with this, but aims to be more specific to the area. It also gives an indication of what success would look like under each of three themes which it is proposed shape the plan - A Place to do Business, A Place for Communities and A Better Connected Place. The proposed vision recognises the natural environment as a valued asset which forms the foundation of the spatial strategy and is essential to sustainable economic growth and healthy communities.

Figure 1.2 Proposed Vision for SDP2

1 A Vision for Edinburgh and South East Scotland

Issue A

The Vision

Preferred Option

The preferred option for the vision of SDP2 is set out in Figure 1.2 above. The vision aims to build on the strengths of Edinburgh and South East Scotland, address its challenges and set a clear direction for its future growth.

Alternative Option

An alternative option is to maintain the SDP1 vision as set out in paragraph 1.2 above.

Question 1

The Vision

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why and suggest any amendments which you consider appropriate.

2 A Strategy for Edinburgh and South East Scotland

The spatial strategy sets out to deliver the vision for SDP2. It must support the creation of outstanding and high quality places to do business, places for successful and thriving communities and a better connected place where constraints are addressed and barriers removed. The spatial strategy must also contribute to community planning outcomes.

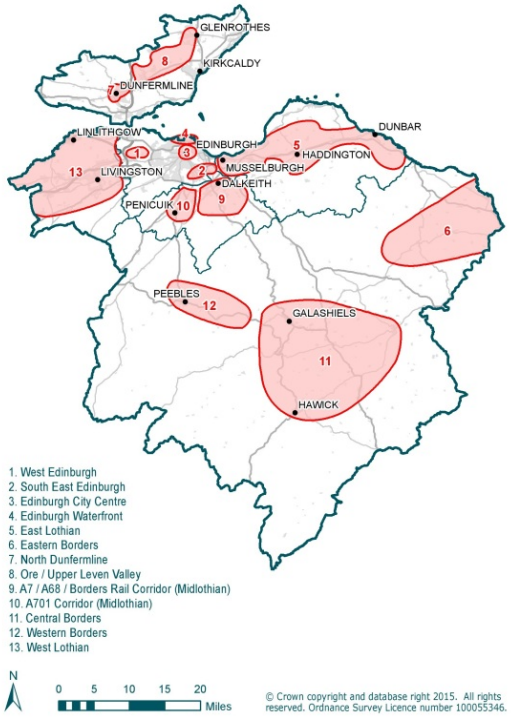
Monitoring SDP1 and the Considerations and Challenges for SDP2

SDP1 was based on unprecedented growth assumptions and identified thirteen Strategic Development Areas (SDA) across Edinburgh and South East Scotland where further growth should be directed. The six Local Development Plans (LDP) currently in preparation are planning to deliver that growth.

Sufficient employment land offering a range and choice of sites is available across the region. The challenge is to ensure that the land is in a serviced state and well connected to infrastructure networks including broadband to increase its attractiveness to investors.

There is also a significant supply of housing land across the SESplan area. Because of economic conditions since 2008 and the challenges these have presented to the development industry, a number of opportunities identified through existing plans remain unrealised. Acknowledging that the SDP1 strategy extends over a 20 year period to 2032 and the commitment made by the public and private sector to the delivery of these existing sites, it is appropriate for SDP2 to give continued support to these. The challenges for SDP2 in setting out an aspirational but deliverable spatial strategy are:

Figure 2.1 Strategic Development Areas as set out in SDP1



- Facilitating the maintenance of an effective housing land supply;
- Directing investment to areas where there is existing transport, educational and other community infrastructure capacity. There is a legacy of undelivered transport infrastructure and there are severe infrastructure challenges particularly around the city and other main towns. In many cases solutions have been identified but funding remains an issue;
- Maintaining and enhancing the area's high quality environment and quality of life;
- Presenting an ambitious but realistic proposition for the area as a place to invest and to do business. The spatial strategy should be aligned with economic strategies in the city, the towns and the rural areas as well as Scotland's Economic Strategy;
- Avoiding the prejudicing of planned development and infrastructure by identifying a disproportionate number of sites in one area; and
- Promoting a pattern of development that reduces the need for travel and encourages walking, cycling and public transport use.

2 A Strategy for Edinburgh and South East Scotland

The Spatial Priorities for SDP2

2.1 All parts of Edinburgh and South East Scotland play a role in the region's success. To achieve the Vision, the strategy must realise the potential of the area as a whole. The largest concentrations of economic activity and anticipated growth in employment are in and around Edinburgh. At the same time, the latest assessment of housing need and demand highlights a significant unmet demand for housing generated by the city. The central issue for SDP2 is therefore the degree to which Edinburgh could or should accommodate its own development needs.

2.2 The approach to development demand within the city will have an impact on the wider region as any demand for land that cannot be met within the city will need to met elsewhere. Both East and West Lothian have travel corridors which can provide good access to the city and the wider region, but there are some capacity issues and limitations. Many parts of east East Lothian have poor accessibility, are rural in character and have a limited scope to accommodate additional strategic levels of development that serves a wider regional market. The west of West Lothian does not currently experience high levels of demand but, following the completion of the Airdrie - Bathgate rail link, has long term growth potential. Much of Midlothian lies within a 60 minute public transport travel time from Edinburgh. However, this area has large areas of land already identified for development and any additional growth around settlements in the area would need to be considered carefully.

2.3 Public transport improvements associated with the Queensferry Crossing will add to the connectivity of Fife. The Borders Rail link will improve accessibility to and from the Central Borders and the proposed commuter service from Berwick to Edinburgh will provide improved accessibility for the Berwickshire area. However, there is limited scope in the short to medium term to provide for major additional development in these areas.

Issue B

A Strategy for Edinburgh and South East Scotland

Three reasonable options for the SDP2 spatial strategy have been identified:

- **Option 1 (Concentrated Growth)** - additional growth is focused in the city and areas adjoining Edinburgh's urban area.
- **Option 2 (Distributed Growth)** - a continuation of the approach of SDP1.
- **Option 3 (Growth Corridors)** - focused on the city with additional growth close to Edinburgh's urban area and along corridors with good public transport access.

The three options are illustrated on Figures 2.2, 2.3 and 2.4. For further details see the accompanying Technical Notes on the Spatial Strategy, Economy, Housing Land and Green Network.

	Option 1	Option 2	Option 3
Comparison to Approved SDP1 Strategy	- City focused.	- Similar distribution to SDP1.	- More focused on the city and its close vicinity than Option 2.
Strategic Spatial Impact of Option	- Significant green belt releases around the city to accommodate development. - Could lead to significant change to character of Edinburgh.	- Spatial pattern which the current green belt promotes as it restricts development close to the city. - Limited green belt release to the west and south east of the city (includes areas in Midlothian).	- Green belt release focused to the west and south east of the city. - Strategic allocations to settlements within surrounding areas close to Edinburgh's urban area along public transport corridors from strategic employment locations.

	Option 1	Option 2	Option 3
	- Some small scale allocations required across rest of region although in many places sufficient supply of land will already be available.	- Strategic and local scale allocations to many settlements across the region irrespective of their distance from Edinburgh.	- Some small scale allocations required across rest of region although in many places sufficient supply of land will already be available.
Summary of Assessment	The main impact would be felt in and around Edinburgh (see Figure 2.2). This option is not preferred due to the environmental impact of major green belt loss, which could change the character of the city. It is also unlikely that infrastructure in the Edinburgh area could accommodate such levels of development without significant additional investment.	This option could have a major impact on all parts of the SESplan area (see Figure 2.3). It directs development to areas away from where need and demand is generated, resulting in increased journey times to Edinburgh. It does not realise growth potential of the city. Large scale growth would be in areas which do not have the supporting services, creating significant investment requirements. A continuation of this strategy is unlikely to be achievable as demand around the city would be unmet and development to meet that is likely to be pursued outwith a plan led process.	This is a balanced option which looks to bring development close to where need arises (see Figure 2.4). The main impact would be in Edinburgh and the areas closest to the city. This option allows for strategic scale development to be located away from the city but within a proximity that supports sustainable travel patterns. This would be supported in the wider region by small scale development where required. **THIS IS THE PREFERRED OPTION**

Preferred Option - Option 3 Growth Corridors

The preferred option as illustrated on Figure 2.4 represents an evolution of the strategy set out in SDP1. It is focused on the city with additional growth located close to Edinburgh's urban area and along corridors with good public transport access. This option allows for ready access to sustainable transport options.

There is already a significant amount of land committed for development within the city and there are limited opportunities for strategic scales of development which have not already been identified. Where there are opportunities, new development will be primarily located on brownfield land, reusing derelict land and supporting regeneration objectives. Even with this, and the delivery of development on areas allocated in current plans, further land will need to be identified outwith the urban area but close to the city. This will mean areas of the Edinburgh green belt being identified for development.

Based on previous landscape assessments, allowing for accessibility to Edinburgh's key, strategic employment areas (city centre and to the west and south east of the city) and taking advantage of existing and planned improvements in public transport infrastructure, the areas that should be the focus of development of strategic scale are to the west and south east of the city. This would require land to be released from the green belt with the remaining areas managed and protected for the longer term. Such development will offer opportunities to add to the strategic green network.

Growth would be focused on public transport corridors which provide good access to the city. Travel by sustainable modes would be encouraged by focusing development on settlements within a 60 minute public transport journey time to key employment areas in and around Edinburgh. This strategy would take into consideration the environmental capacity of these areas, the availability of other forms of infrastructure and existing levels of planned development.

2 A Strategy for Edinburgh and South East Scotland

Figure 2.2 Option 1 Concentrated Growth - Alternative Option

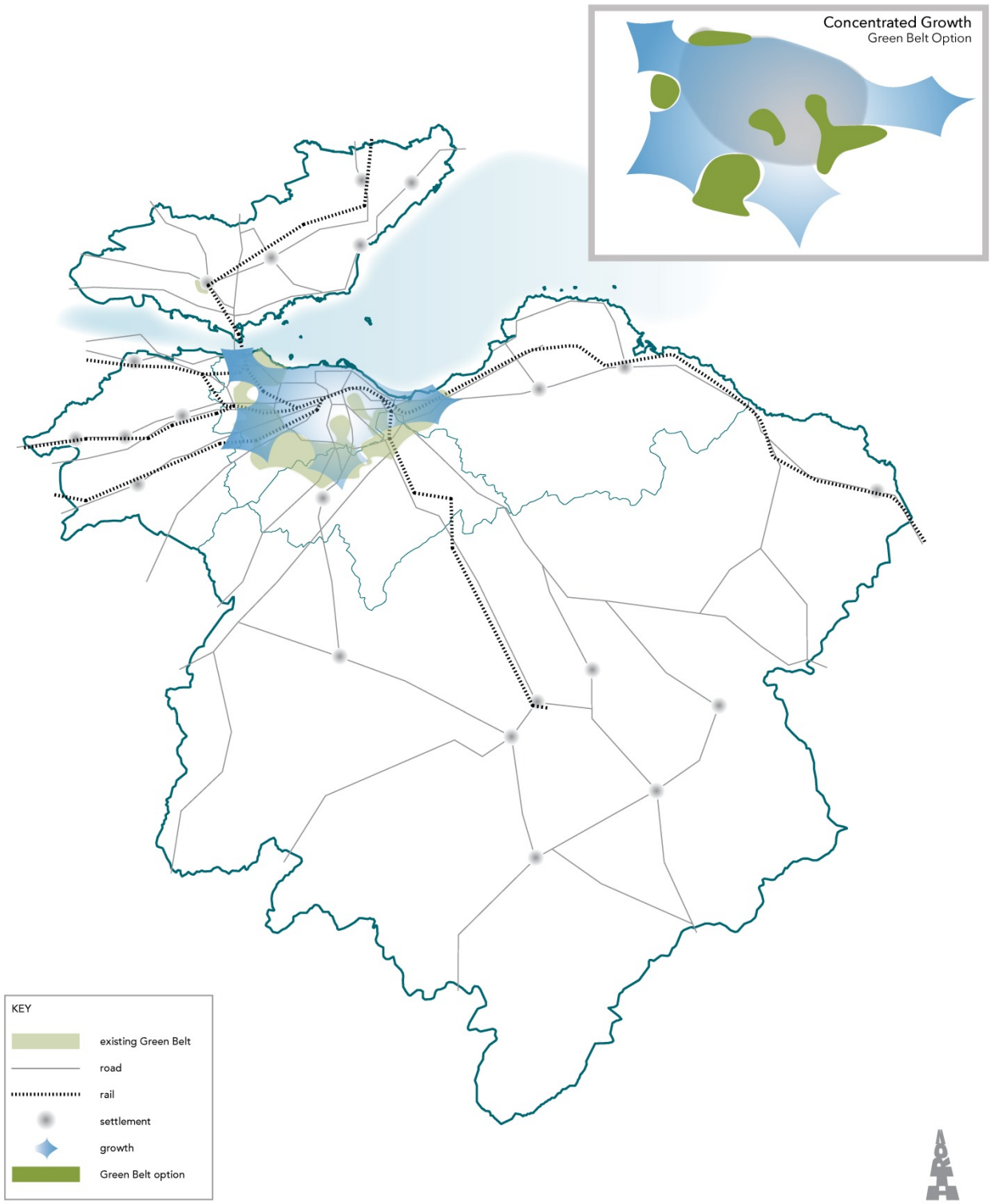
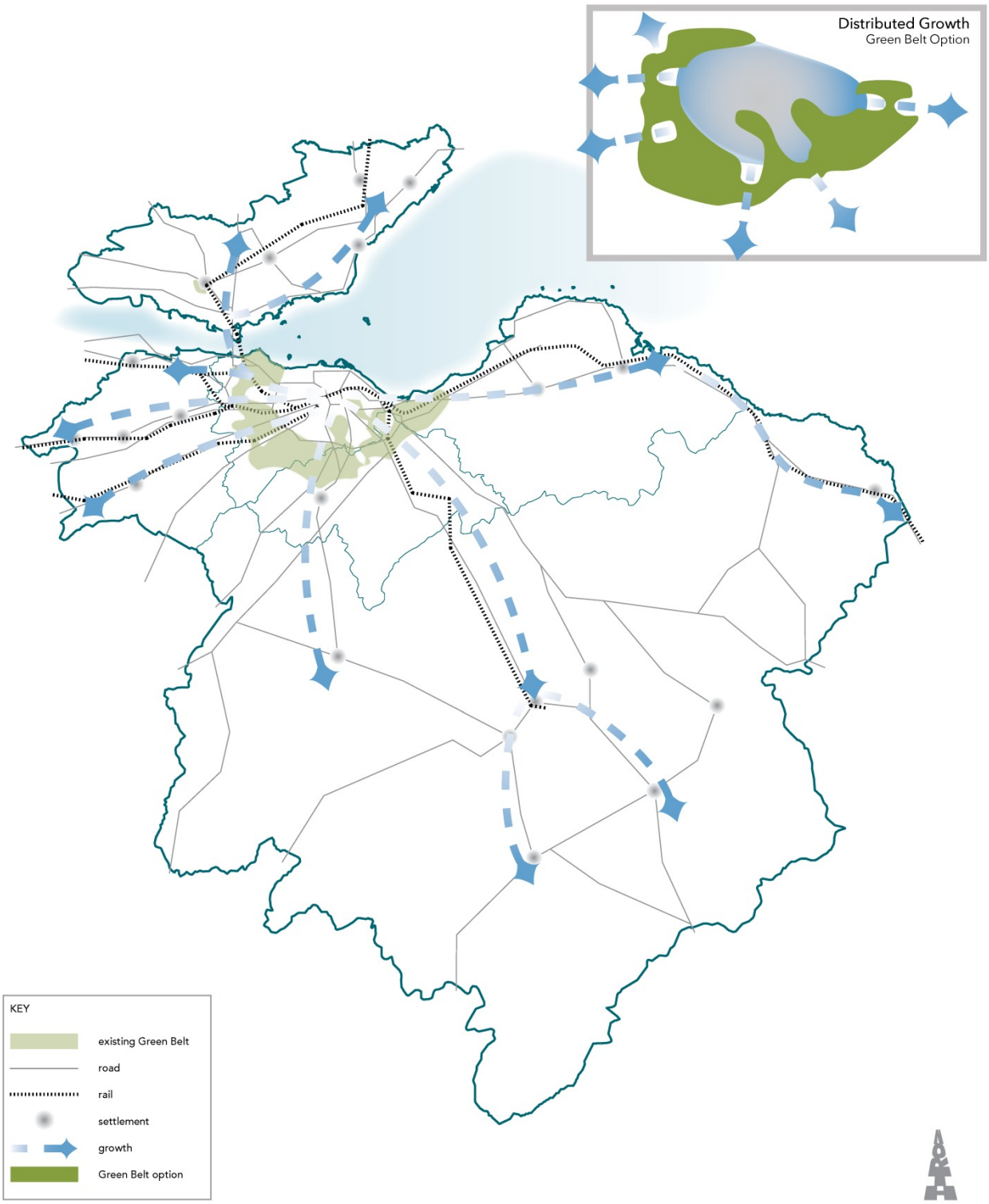
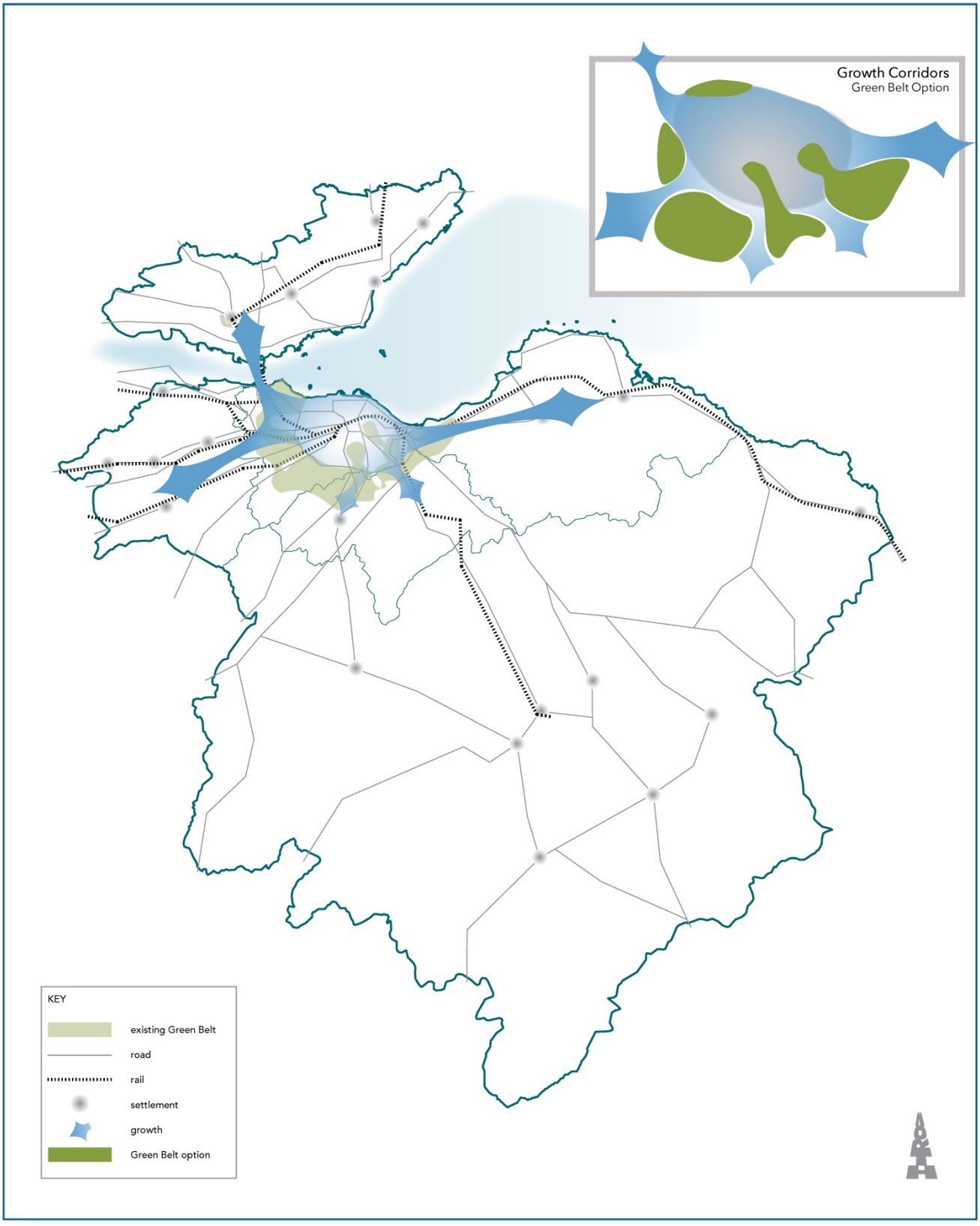


Figure 2.3 Option 2 Distributed Growth - Alternative Option



2 A Strategy for Edinburgh and South East Scotland

Figure 2.4 Option 3 Growth Corridors - PREFERRED OPTION



A Strategy for Edinburgh and South East Scotland 2

Question 2

A Strategy for Edinburgh and South East Scotland

Do you support preferred Option 3 (Growth Corridors) as shown on Figure 2.4? If not, do you support alternative Option 1 (Concentrated Growth) or alternative Option 2 (Distributed Growth) shown on Figures 2.2 and 2.3? Please set out your reasons why. If you do not support either the preferred or alternative options, please set out your reasons why.

Delivering High Quality Places

2.4 The LDPs, which will help to deliver the spatial strategy, will consider a range of issues to determine a site's suitability for development. LDPs will be expected to take a balanced approach, taking into account all SDP policies. It is proposed that LDPs are directed to conform with the principles for development as set out below. LDPs should also ensure that sites are available for delivery within the lifetime of the plan and avoid areas of 1:200 year flooding.

The Principles for Development

- Conserve and enhance the natural and built environment;
- Address climate change through mitigation and adaptation;
- Locate new development to maximise accessibility to employment and services;
- Support town centres as the preferred location for uses generating high levels of foot fall;
- Promote the development of brownfield land for appropriate uses;
- Ensure new development is sensitive to the form and layout of existing settlements;
- Optimise the use of existing transport networks and make new development accessible through a range of sustainable modes; and
- Optimise the use of existing education, health and other infrastructure.

Question 3

Do you support the principles for development? If you do not, please explain why and suggest how they might be amended. Are there other principles for development to be considered?

2.5 The creation of high quality places in SDAs and other areas of major change will be dependent on many stakeholders including local authorities, central government and the private sector. To support this it is proposed that LDP policies and their implementation through the development management process promote the principles set out below.

The Principles to be promoted through LDP Policies and Development Management

- The shaping of development at an early stage through the use of development frameworks, master plans or design briefs;
- Development which demonstrates good practice in place making;

2 A Strategy for Edinburgh and South East Scotland

- Development which incorporates high quality design, energy efficiency and the use of sustainable building materials; and
- The delivery of digital connectivity in new development.

Question 4

Do you support the proposed approach to directing LDPs to deliver high quality places? Do you support an alternative approach? Please set out your reasons why. Are there other factors to be considered?

3 A Place to do Business

Edinburgh and South East Scotland is at the heart of the Scottish economy and has strengths in all the key growth sectors identified by the Scottish Government. The challenge is to realise the potential that this brings, address inequalities in employment opportunities and support business growth in the city, towns and rural area. Identifying strategic opportunities for investment, improving connectivity, delivering infrastructure and promoting sustainable places where communities enjoy a high quality environment will support the development of the city region as a growing low carbon economy.

Monitoring SDP1 and the Considerations and Challenges for SDP2

The supply of employment land was a key issue in SDP1 and policy focused on providing a range of sites of a size and quality to meet the needs of growth sectors in identified areas across the SESplan region. In most areas monitoring has shown the take up of land and job creation has been improving with economic conditions. The preferred spatial strategy aims to promote improved linkages between key employment locations and new development, particularly housing. It is also proposed that LDPs are required to consider accessibility to employment when identifying areas for development. Key considerations are (see the accompanying Economy Technical Note for more details):

- The City of Edinburgh accounts for 51% of all employment in the region and experiences high volumes of in-commuting. Census 2011 indicates that there are around 92,000 journeys into the City of Edinburgh each day. Of these, 72,000, originate in the SESplan area (includes all Fife);
- All Scottish Government employment growth sectors contribute to the regional economy and these include financial and business services, life sciences, tourism, universities and creative industries;
- Fife and West Lothian have seen the greatest amount of employment land take-up in recent years;
- The rate of new business start-ups has been increasing following the recession and the rate in 2013 showed a 22.8% increase on the previous year;
- Energy generation from renewable sources has grown significantly and is progressing towards meeting the ambitions set out in the Climate Change Scotland Act 2009; and
- Recycling rates have grown in the region but, with the exception of Fife, have not achieved interim government targets. Landfill waste has declined slightly, which is positive in the context of the region's growing population.

SDP2 must promote the strengths of the region's economy by supporting growth as well as addressing issues of decline. Key issues and challenges for the regional economy, centre on:

- Enhancing the region’s competitiveness by delivering improved quality of place, infrastructure and housing land supply as part of the process of delivering growth in the city region;
- Tackling economic disparities, for example in incomes;
- Addressing climate change through mitigation and adaptation and facilitating the transition to a low carbon economy;
- Meeting Scottish Government's emission targets; and
- Ensuring economic growth is co-ordinated with improved accessibility, infrastructure and housing in accord with the preferred spatial strategy.

3 A Place to do Business

Locations for Investment

3.1 SDP2 will be aligned with and support local economic strategies across the region. Consistent themes within these and in the joint Regional Economic Framework (2009) are inward investment, job generation, development and regeneration, competitive place, town centres and sustainable development. Tourism is also supported in all areas. Approaches to these issues and others such as improving digital connectivity, which is critical, particularly in rural areas, will be considered in an updated economic narrative for the region which will inform SDP2.

3.2 SDP2 can support a successful and sustainable regional economy by identifying key employment locations and ensuring that sufficient employment land is provided. The SDP can also assist by providing a framework for the prioritisation of infrastructure improvements, promoting the conservation and enhancement of the natural and built environment and enhancing the 'quality of place'.

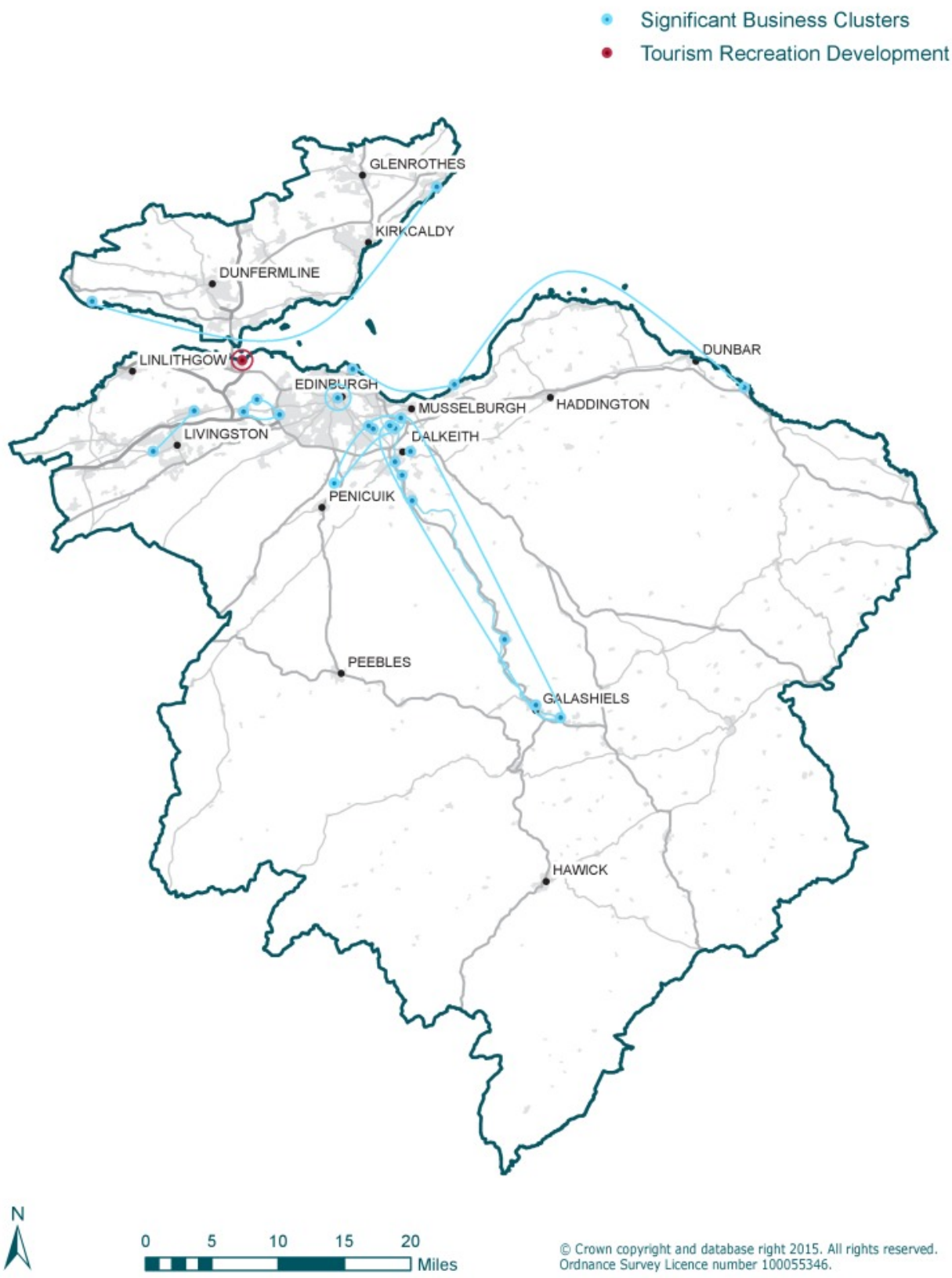
3.3 SDP1 requires LDPs to provide a range and choice of marketable employment land. LDPs identify sites that meet the needs of business and industry, including business parks and industrial estates. A large number of sites are already identified in existing plans. LDPs may also identify locations for mixed use development and can promote a town centre first approach to business uses, such as offices, which generate high levels of travel demand. SDP2 will aim to ensure that sufficient employment land of the right quality and in the right places continues to be provided in all parts of the region.

3.4 In addition, in accord with Scottish Planning Policy (SPP), SDP2 will identify a range of locations for 'significant business clusters'. These are broad locations where similar or complementary uses operate. Consideration will be given to encouraging LDPs to safeguard employment sites which can add to or enhance these clusters. It is proposed that locations for significant business clusters include Enterprise Areas as identified in Scotland's Economic Strategy, sites identified in the National Renewables Infrastructure Plan (NRIP) and groups of businesses in the growth sectors identified by Scottish Enterprise: energy (oil and gas); energy (renewable and low carbon technology); food and drink; life sciences; tourism; creative industries; financial and business services and technology and engineering.

Table 3.1 Locations for Investment

Significant Business Cluster	Growth Sector	Enterprise Area	NRIP
Edinburgh Waterfront - Leith - Cockenzie	Including but not exclusive to Energy (Oil and Gas) and Energy (Renewables and Low Carbon Technologies)	Low Carbon / Renewables	Integrated Manufacturing
Fife Energy Corridor	Including Energy (Oil and Gas) and Energy (Renewables and Low Carbon Technologies)	-	Further Manufacturing
Broxburn / Eliburn, West Lothian	Food and Drink	General Manufacturing / Growth Sectors	-
South East Edinburgh - Dalkeith / Shawfair / Bio-quarter / Midlothian -The Bush, Penicuik / BioCampus / Queen Margaret University	Life Sciences	Life Sciences	-
Borders Rail link (around stations)	Tourism and Business Services	-	-
West Edinburgh - Edinburgh Park, International Business Gateway (including Airport) and Gogarburn	Financial and Business Services	-	-
Edinburgh City Centre	Financial and Business Services	-	-

Figure 3.1 Significant Business Clusters,Tourism and Recreation



3 A Place to do Business

3.5 The region has strengths outwith the growth sectors. Some of these, such as technology, cross sectors and others, such as textiles, are niche industries, significant in particular areas. In addition, industries such as farming and forestry are integral to the rural economy. Recognising that significant clusters will take a different form in the city, towns and rural area, there is potential to develop criteria appropriate to these areas and identify clusters on that basis. Such an approach would recognise that priorities vary across the city region and acknowledge that what is 'strategic' in the rural area may differ from that in more urban areas. Areas such as Tweed Valley and Central Borders could be identified as strategic tourism and business clusters reflecting their contribution to the rural economy. This is consistent with the encouragement of appropriate rural development which supports prosperous and sustainable communities.

3.6 SPP also requires the identification of locations for nationally and regionally significant tourism and recreational developments. The region has a global profile, strong international links and an exceptional natural, built and cultural heritage. This supports the visitor economy which has a significant role in all parts of the region. The attractions of the area include outdoor activities in the Borders, cultural and built heritage in Edinburgh and golf and coastal activities in East Lothian. The region must also meet changing visitor needs, for example the growth of business related tourism, the 'staycation' market and activity-based tourism. SDP2 will build on these strengths by identifying and safeguarding locations for nationally and regionally significant tourism and recreation developments and promoting infrastructure which will support the visitor economy.

3.7 The National Tourism Development Framework (NTDF) sets out initiatives which will support tourism in Scotland. Several of the initiatives which are of regional significance relate to improved digital connectivity or transport infrastructure. Enhancements to strategic active travel networks will also add to the attractions of the region. Issues related to transport and digital connectivity and active travel are discussed in Chapter 5. In addition to these improvements, it is proposed that the Forth Bridge candidate World Heritage Site is identified as a location for tourism related development of national significance.

Issue C

Locations of significant business clusters

Policy 2 (Supply and Location of Employment Land) of the approved SDP1 requires LDPs to maintain the overall employment land supply to ensure the provision of a range and choice of marketable sites. The development of mixed communities (including residential and compatible employment uses) on strategic employment sites may be appropriate provided this is justified through the LDP and the overall supply of employment land is maintained. This approach continues to be appropriate but will be updated to reflect SPP, by identifying an appropriate range of locations for significant business clusters.

Preferred Option

The preferred option is to identify significant business clusters using criteria which reflect the differing nature of the economies of the city, towns and rural areas of the region. These will include but will not be limited to the clusters identified in Table 3.1 and Figure 3.1.

Alternative Option

An alternative approach is to identify the significant business clusters as set out in paragraph 3.4 and Table 3.1. This would limit clusters to Enterprise Areas, NRIP sites and groups of industries in the growth sectors identified by Scottish Enterprise.

Both the preferred and alternative approaches would require sites which contribute to the clusters to be identified in LDPs and, together with the provisions of Policy 2 outlined above, would allow for a full range and choice of employment land and mixed uses on sites where opportunities for that are identified through LDPs.

Question 5

Locations of significant business clusters

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why and suggest any amendments which you consider appropriate.

Issue D

The Visitor Economy

SDP2 can support the visitor economy by protecting and enhancing the assets on which this depends, by setting priorities for infrastructure which support the economy and by identifying and safeguarding locations for new nationally and regionally significant tourism and recreation developments.

Preferred Option

The preferred option is for SDP2 to direct LDPs to safeguard locations for nationally and regionally important tourism and recreation developments and emerging opportunities as shown on Figure 3.1.

Alternative Option

The MIR has not defined a reasonable alternative to the preferred option.

Question 6

The Visitor Economy

Do you support the preferred option? Please set out your reasons why and suggest any amendments which you consider appropriate.

Managing Resources

Energy

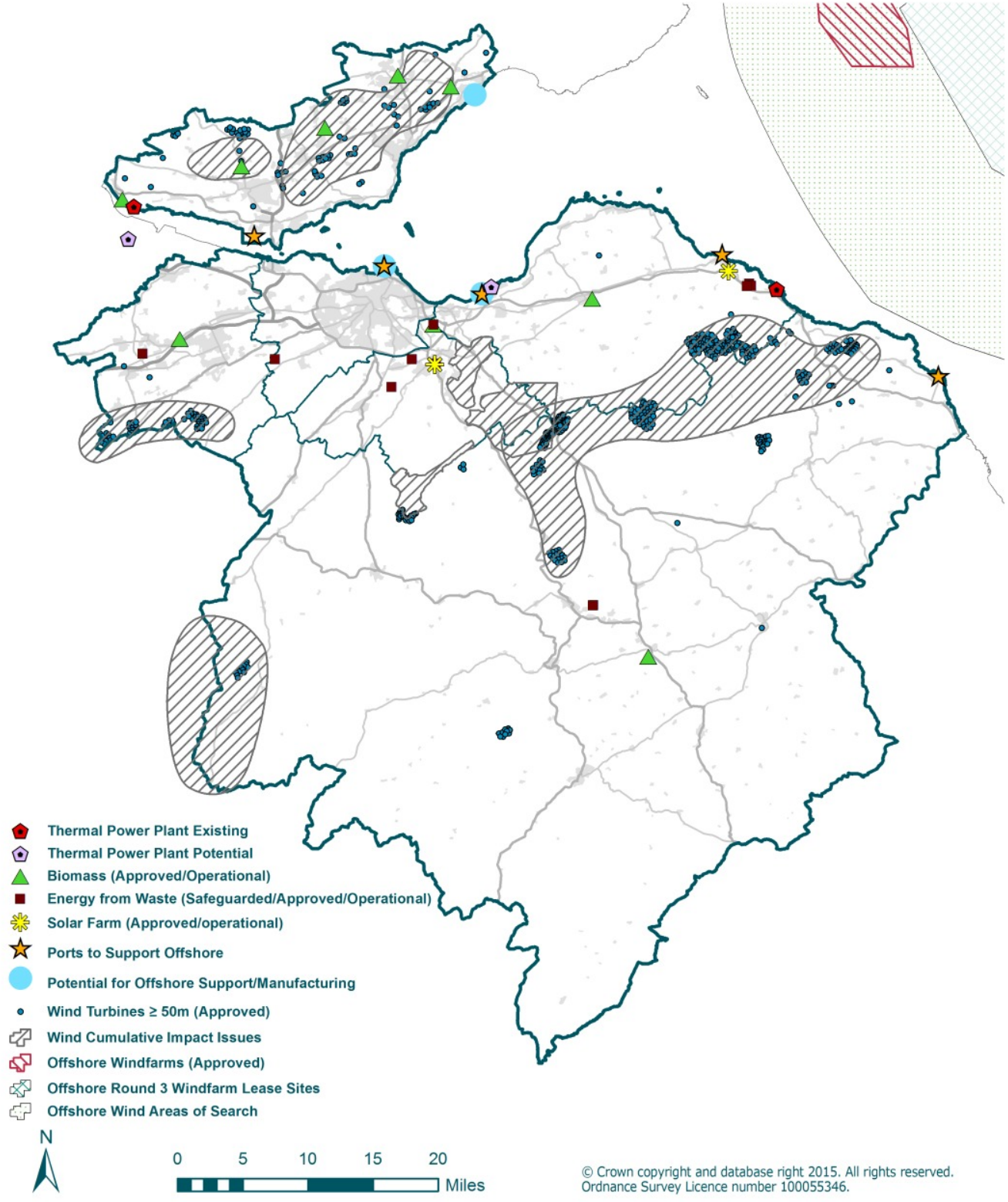
3.8 SDP1 promotes the development of energy infrastructure and the encouragement of suitable renewable energy proposals. It is proposed that SDP2 sets this out in more detail, building on the content of NPF3, SPP and the changing energy context. SDP2 can assist in meeting the Scottish Government's carbon reduction and renewable energy targets by: requiring development to be located, designed and constructed to promote energy efficiency; the re-use of energy; maximising the potential for de-centralised energy networks; and enabling the generation of energy through low carbon and renewable technologies. This can include supporting energy development and supporting infrastructure. Figure 3.2 sets out the regional context for energy development across the SESplan area.

Thermal Generation

3.9 Despite support for thermal generation at Longannet in NPF3, this is expected to close in 2016. A gas fired thermal generation station with associated pipelines at Cockenzie is a national development and NPF3 supports carbon capture and storage (CCS) facilities here. The East Lothian LDP will continue to support this proposal although the future of Cockenzie is not yet clear. NPF3 also identifies a new coal fired power station with CCS at Grangemouth, just outwith the SESplan area, as a national development.

3 A Place to do Business

Figure 3.2 Energy Network



Renewable Generation

3.10 The Scottish Government has set a target of generating the equivalent of 100% gross electricity usage from renewable sources by 2020. At the end of 2014 it was estimated that the 50% interim target for 2015 was close to being achieved. In the SESplan area, SDP2 and LDPs have roles to play in continuing to increase the installed capacity and reduce energy consumption levels. This could be achieved through solutions including energy efficiency measures, onshore and offshore wind, micro renewables, solar farms and tidal.

3.11 There is potential for further onshore wind in the SESplan area but many of the most suitable and least harmful sites to the environment and landscape have already been developed. This has led to a growing concern over the environmental, cumulative and landscape and visual impacts of the numbers of turbines and windfarms in the region. It is proposed that SDP2 requires LDPs to seek to achieve development that maximises energy capacity but steers development away from areas where there would be unacceptable impacts. To achieve this, SESplan and adjoining authorities are working together to consider areas of landscape, environmental and community sensitivity of cross boundary significance. This includes joint working in particular areas such as through the centre of the region from the Pentlands to the Lammermuirs, the Firth of Forth and around the Scottish Borders' boundaries with Lanarkshire. Opportunities for joint working have also been presented by the revision to the Eskdalemuir exclusion and consultation zone.

3.12 More detailed work will refine the areas of cross-boundary co-ordination and identification of cross boundary cumulative impacts for inclusion in SDP2. This will assist in determining where there is strategic capacity and potential for additional wind turbines. However, areas outside the indicative zones of cumulative impact concern caused by approved and operational large turbines in Figure 3.2[(1)] may have other landscape and environmental issues to be considered. Informed by emerging LDPs, SDP2 will include a spatial framework diagram[(2)] which will set out broad areas where wind turbines may be acceptable subject to detailed LDP policies taking into account other considerations, including relevant landscape capacity studies and supporting information.

3.13 An emerging area for consideration in SDPs and LDPs is wind farm 'repowering'. This is the replacement of wind farms which are at the end of their lifespan with newer turbines. These new turbines may have a much higher power output compared to the older technologies. However, replacement turbines are likely to be considerably larger and, therefore, existing turbine sites will need to be reassessed. Local authorities will work together and with windfarm operators to investigate the potential for re-powering. Energy storage systems may help overcome issues with intermittent generation related to wind farms or other sources of renewable energy but the landscape and environmental impacts of these must be considered.

3.14 There is considerable potential for offshore wind power in the North Sea off the Firth of Forth, much greater than can be accommodated onshore. Areas of potential have already been identified in National Renewables Infrastructure Plan (NRIP) and are shown on Figure 3.2.

3.15 To support the offshore industry, combinations of port facilities, wind turbine engineering and manufacturing potential have already been identified at Leith Docks and along the Fife Energy Corridor (Methil to Rosyth, including smaller ports on the Forth). NPF3 recognises that Cockenzie and the Forth coast extending to Torness is also a potentially important energy hub and identifies this as an area of co-ordinated action. Whilst Cockenzie is safeguarded as a site for future thermal generation, this area may also present significant opportunities for renewable energy related investment. It is expected that SDP2 will reflect aspirations for this high economic potential, low carbon, growth industry.

Question 7

Onshore and Offshore Wind

Do you support the emerging content of SDP2 relating to wind energy? If you do not, please explain why and suggest how it should be amended. Should SDP2 identify broad cross-boundary areas where cumulative impacts from the siting of turbines may occur?

1 Informed by local authority landscape studies and supplementary planning guidance
2 SPP paragraphs 161 to 166

3 A Place to do Business

Networks and Heat

3.16 Energy network infrastructure improvements will be required to support both offshore and onshore renewable energy generation. These include substations and landing points for offshore renewables. Permission in principle has been granted for a substation at Cockenzie to support the offshore industry. Undersea cabling to bring energy supply from Peterhead to Torness to connect to the National Grid may be needed.

3.17 No strategic constraints on transmission or generation infrastructure to support new housing development have been identified but the phasing of development of individual site connections will need to be planned.

3.18 Scotland's Heat Map shows that there is significant potential for the more efficient use of heat in South East Scotland. LDP local heat maps will identify sources of heat and opportunities for heating and cooling networks. These will inform the location of development. There are some heat networks already operational or in planning across the SESplan area. Building on this, there is the potential for cross-boundary networks covering whole settlements, growth corridors and areas of significant development e.g. South East Edinburgh / Shawfair / Millerhill. Clusters of engineering, manufacturing industries and office parks also offer opportunities for district heating networks. These could make use of waste heat generated from processes in these areas.

Marine Planning

3.19 The National Marine Plan was adopted in March 2015. SDP2 will be prepared taking account of its impact on the marine environment, its users and marine policy objectives. Marine planning authorities will be consulted at key stages in the development of the plan. SDP2 will make provision of the land resources and infrastructure necessary to support the Marine Plan and aim to provide consistency between the two on matters such as renewable energy and climate change.

Resource Extraction

3.20 An adequate supply of minerals is essential to support economic growth, providing materials for construction, manufacturing and the energy sector. SPP requires SDP2 to support the maintenance of a land bank of permitted reserves for construction aggregates of at least 10 years at all times in all market areas, through the identification of areas of search. The reserves position is constantly changing as new sites are consented and others are depleted. An updated review of aggregate resources (based on either Scottish Government minerals survey data or locally sourced information) will be carried out to inform SDP2. The review will identify whether there is a shortfall in the construction aggregates land bank against SPP requirements (see accompanying Minerals Technical Note for further details).

3.21 There are extensive coal reserves and several operational open cast coal extraction sites across the SESplan area. There will be ongoing demand for coal to serve the energy projects in NPF3, as well as existing users.

3.22 British Geological Survey (BGS) evidence suggests that there may be oil and gas bearing shale formations across SESplan, and there are known to be coal bed methane reserves. Parts of the SESplan area are the subject of Petroleum Exploration and Development Licences (PEDL) issued by the Department of Energy and Climate Change. In January 2015, the Scottish Government announced a moratorium on granting consents for unconventional oil and gas developments across Scotland, whilst further research and public consultation is carried out. Any change in this position will be taken into account in SDP2.

Issue E

Resource Extraction

Preferred Option

SDP2 will continue the approach of SDP1 and direct LDPs to identify areas of search for aggregate minerals and surface coal mining areas, or, where appropriate, specific sites having regard to national guidance and other SDP2 objectives. SDP2 will not provide any spatial guidance on the location of onshore oil or gas installations.

Alternative Option

The alternative option is for SDP2 to define broad areas of search for aggregate minerals and surface coal mining areas across the region based on common environmental factors. These areas will be further defined in LDPs. LDPs will be encouraged to seek to identify mineral sites with the potential to access rail or water transport or the

trunk road network (either directly or with minimal impact on the local road network). SDP2 would also indicate areas that are not supported for the extraction of onshore gas and specify some of the matters that will form the basis of LDP policy for assessing onshore gas applications.

Question 8

Resource Extraction

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why and suggest any amendments which you consider appropriate.

Waste

3.23 NPF3 and SPP reflect the Zero Waste Plan (ZWP). This treats waste as a resource in the 'cyclical economy' and seeks to implement the waste hierarchy (reduce, reuse, recycle, treat to recover residual energy, landfill). Landfill is subject to a cap of 5% by volume by 2025 and some materials are to be banned from landfill altogether. The Scottish Environment Protection Agency (SEPA) publish regional capacity tables which indicate the additional infrastructure required to meet ZWP targets. The approved SDP1 reflects the principles and approach in the ZWP. Limited policy change is required in this area. SDP2 will maintain the approach in the approved SDP1. If necessary it will require LDPs to safeguard further locations or facilities required to meet ZWP targets. The accompanying Waste Technical Note provides further details.

Question 9

Waste

Do you support the emerging content of SDP2 relating to waste? If you do not, please explain why and suggest how it should be amended.

4 A Place for Communities

Creating successful, thriving and sustainable places for communities is not just about providing homes. Communities should enjoy a high quality built and natural environment with good access to healthy town centres and well managed greenspace. A planned approach is required to ensure development is located close to strategic employment locations, avoids any impact on protected areas and makes the best use of existing infrastructure including public transport connections.

Monitoring SDP1 and the Considerations and Challenges for SDP2

The SESplan population is growing. Between 2012 and 2037, the population is projected to grow by 18% from 1.25 million to just under 1.5 million, with an additional 140,000 households. Land for additional housing will be required to support this growth. A detailed assessment of housing need and demand, which considered factors such as migration and the economy, has been completed. This assessment found that the majority of the need and demand is for social and below market rent or affordable tenures, rather than private rented or owner occupied homes. The provision of affordable housing is a major challenge across the area. The SDP cannot address this challenge directly but can help set a framework for housing delivery.

The recent economic downturn has presented many challenges to the development industry, particularly restrictions on finance. Completions in 2013 / 2014 across SESplan, at around 4,590 houses, are 26% below the pre-recession average (2001 / 2002 - 2007 / 2008) of around 6,160 houses per year.

Some town centres in the area have continued to decline over the last few years with rises in retail vacancy rates and declines in footfall. Aspirations for the green network are long term but already there have been major successes such as the John Muir Way.

The challenge is to set out a framework which:

- Facilitates new housing development as close as possible to where need and demand arises, taking into account environmental and infrastructure constraints and resources;
- Sets out a strategy for accommodating need and demand for housing generated by the economic growth and success of the City of Edinburgh, directing any requirement for additional housing development to locations best placed to support the growth of the city for the benefit of the wider region;
- Acknowledges the high levels of need for social and below market rented housing which is not currently being met through existing policies and approaches and seeks to assist in the delivery of affordable housing, where it is needed;
- Provides for a generous housing land supply acknowledging that there is already a substantial amount of housing land identified in approved strategies;
- Delivers balanced, well designed, sustainable communities where people can access high quality amenities and services;
- Supports the principle of 'town centres first' as locations for uses which attract a large number of people and generate the need to travel; and
- Values green infrastructure and protects and enhances that asset for future generations.

Housing

Housing Land

4.1 As required by SPP, SDP2 will identify:

- **The Housing Supply Target** - the policy view of the number of homes SESplan has agreed will be delivered, based on the evidence of the assessment of housing need and demand. The target may be higher or lower than the figures set by the housing need and demand assessment; and
- **The Housing Land Requirement** - the land required to ensure a generous supply of land for housing is provided to enable the housing supply target to be met.

4.2 In deriving these, the Proposed Plan and the final approved SDP2 will take into account a range of factors including:

- Environmental and social opportunities and constraints;
- Economic factors which may impact on either demand or supply;
- The potential inter-dependency between delivery of market and affordable housing at the local level;
- Capacity within the construction sector;
- The likely pace and scale of delivery based on completion rates;
- Recent development levels;
- Infrastructure capacity; and
- Resources to deliver the strategy[3].

4.3 SDP2 is also required to state the amount and broad locations of land which should be allocated in LDPs to meet the housing land requirement up to Year 12 from the expected date of plan approval[4].

Issue F

Housing Land across the SESplan area

NPF3 indicates that Scottish Government wishes to see SESplan lead a greater and more concerted effort to deliver a generous supply of housing to accommodate growth. **Based on an assessment of housing need and demand three options [5] which could form the basis for deriving housing supply targets and housing land requirements within SDP2 have been identified.**

- **Option 1 (Steady Economic Growth)** - Based on a steady upturn in the economy following the recent downturn and lower immigration to the SESplan area than Options 2 and 3.
- **Option 2 (Increasing Economic Activity with more High and Low Skilled Jobs)** - Assumes that wealth is distributed more widely across the SESplan area than Options 1 and 3 with increasing economic activity.
- **Option 3 (Strong Economic Growth)** - Based on much stronger growth than Options 1 and 2 with the SESplan area becoming one of the fastest growing regions of the UK in population terms, drawing in workers from other places.

SPP is clear that the housing supply target should be reasonable, properly reflect the housing need and demand assessment estimate of housing demand in the market sector and be supported by compelling evidence. Where the provision of affordable housing is required, the SDP should state how much of the total housing land requirement this represents.

Following a detailed assessment of the factors set out in paragraph 4.2, the resulting housing supply targets may be somewhere in the range of or lower than Options 1, 2 and 3.

3 See accompanying Housing Land and Spatial Strategy Technical Note for further details
4 SDP2 is expected to be approved in late 2017 with Year 12 being 2029.
5 all three options are based on the latest 2012 based population and household projections

4 A Place for Communities

Table 4.1 Options for basis for deriving Targets and Requirements for Housing Land across the SESplan area

Plan Period	Option 1 (Preferred)		Option 2		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012[6] - 2029	102,760	5,710	120,260	6,680	138,040	7,670
2030 - 2037	31,830	3,980	43,790	5,470	56,290	7,040

Preferred Option - Option 1 Steady Economic Growth

Over the past ten years (2004 - 2014), across the SESplan area,on average around 5,080 houses have been completed per year. Option 1, as the basis for deriving housing supply targets and housing land requirements within SDP2, is considered to be a more realistic scenario, since it is some 11% above the SESplan ten year average completion rate.

Alternative Options - Option 2 Increasing Economic Activity and Option 3 Strong Economic Growth

Options 2 and 3 are not considered realistic or credible bases upon which SDP2 should derive the housing supply targets and housing land requirements for the following reasons:

- Completion rates would be required to increase immediately by around 31% - 40%;
- Land is already committed for around 72,270 houses across the SESplan area over the period to 2029[7]. Land for a further 28,320 houses is identified in emerging LDPs, 10,580 houses committed on land which is considered to be constrained and 11,630 houses anticipated as a contribution from windfall sites. Taking into consideration planned demolitions of 1,060 houses, this results in a total net supply of 121,740 houses across the SESplan area over the period to 2029. To allocate additional land for housing could lead to an undermining of the overall strategy. Options 2 and 3 as the basis for deriving the housing supply targets and housing land requirements imply the allocation of additional land for housing at levels which could further reduce the probability of sites in existing plans being delivered and increase uncertainty for infrastructure providers and others. These effects could prejudice the delivery of the existing spatial strategy.
- Immediate delivery would be required on sites which have already been granted planning permission and which may have stalled due to infrastructure constraints;
- Immediate delivery would be required on sites which have been identified in emerging LDPs and which are still to go through the process of securing planning permission;
- The increased challenges of securing funding for affordable housing provision;
- Uncertainty regarding the capacity of the industry to increase output;
- Home buyers, particularly first time buyers have found it increasingly difficult to access mortgage finance, with lending significantly reduced from pre-recession levels and substantial deposits required, presenting barriers to home ownership; and
- Welfare Reform leading to reduced disposable income limiting the choice of tenures available to many.

6 The SDP2 start date will be 2017. SDP1 and the Supplementary Guidance on Housing Land provide the strategy and requirements for housing land up until the approval of SDP2.

7 this includes houses completed in 2011 / 2012, 2012 / 2013 and 2013 / 2014 and effective land supply

For these reasons Options 2 and 3 as a basis for deriving housing supply targets and housing land requirements across the SESplan area are not supported.

Question 10

Housing Land across the SESplan Area

Do you support preferred Option 1 (Steady Economic Growth) as the basis for deriving the housing supply targets and housing land requirements within SDP2? If not, do you support alternative Option 2 (Increasing Economic Activity with more High and Low Skilled Jobs) or alternative Option 3 (Strong Economic Growth) as the basis for deriving housing supply targets and housing land requirements within SDP2? Please set out your reasons why. If you do not support either the preferred or alternative options, please set out your reasons why and suggest any amendments which you consider appropriate. Should SDP2 consider housing land supply targets that are lower than the housing need and demand figures? If so, what should that be, and on what basis?

Issue G

Housing Land in Edinburgh

Issue F (Housing Land across the SESplan area) sets out that the preferred option for the basis for deriving housing supply targets and housing land requirements is Option 1 (Steady Economic Growth). One of the key challenges would be to accommodate the levels of need and demand generated by the City of Edinburgh under this option. Three reasonable options which are based on the preferred option under Issue F and which could form the basis for deriving housing supply targets and housing land requirements in Edinburgh have been identified.

- **Option 1** - The City of Edinburgh meets **all** of its own housing need and demand.
- **Option 2** - The City of Edinburgh meets **a significant proportion** of its own housing need and demand.
- **Option 3** - The City of Edinburgh meets **a lower level** of its own housing need and demand than Options 1 and 2, similar to that set out in SDP1 and the Supplementary Guidance on Housing Land.

As set out above under Issue F, SPP is clear that the housing supply target should be reasonable, properly reflect the housing need and demand assessment estimate of housing demand in the market sector and be supported by compelling evidence. Where the provision of affordable housing is required, the SDP should state how much of the total housing land requirement this represents. A detailed assessment of the factors set out in paragraph 4.2 will be undertaken to inform the Proposed Plan.

Table 4.2 Options for basis for deriving the Target and Requirement for Housing Land in the City of Edinburgh

Plan Period	Option 1		Option 2 (Preferred)		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012 - 2029	59,700	3,320	**41,790**	**2,320**	36,400	2,020
2030 - 2037	21,800	2,730	**15,300**	**1,910**	13,100	1,640

4 A Place for Communities

Table 4.3 Options for basis for deriving redistribution of need and demand outwith the City of Edinburgh

Plan Period	Option 1		Option 2 (Preferred)		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012 - 2029	0	0	**17,910**	**1,000**	23,300	1,290
2030 - 2037	0	0	**6,500**	**810**	8,700	1,090

Preferred Option - Option 2 the City of Edinburgh meets a significant proportion of its own housing need and demand

The preferred option is to proceed with Option 2 as a basis for deriving housing supply targets and housing land requirements within Edinburgh, with a significant proportion of Edinburgh's need and demand for housing met within the City of Edinburgh administrative area (potentially around 41,790 new homes over the period to 2029 or an average of 2,320 homes per year). There is land already committed for around 18,790 houses over the period to 2029[8], with a further 18,000 houses identified in the emerging LDP, committed on land which is considered to be constrained or a likely contribution from windfall sites. Additional housing sites have already been identified in the context of SDP1 and there is limited capacity for additional development. It is not considered that the allocation of additional land will result in the delivery of additional housing. The remaining Edinburgh need and demand of potentially around 17,910 homes / 1,000 homes per year over the period to 2029 will be directed outwith the city in accordance with the preferred spatial strategy.

Alternative Option - Options 1 the City of Edinburgh meets all of its own housing need and demand and Option 3 the City of Edinburgh meets a lower level of its own housing need and demand

Over the past ten years (2004 - 2014), across the City of Edinburgh, around 2,000 homes on average have been completed per year. Completions varied between 2,600 in 2004 / 2005 and 1,040 homes in 2010 / 2011. Option 1 as the basis for deriving housing supply targets and housing land requirements, might require average annual completions of 3,320 homes. This is some 40% higher than the city's ten year average completion rate. Given the level of need and demand generated by the capital and even with a focus on brownfield land, the city cannot reasonably accommodate such a scale of growth without compromising other considerations, most notably the area's environmental assets.

Conversely, the strategy set out in SDP1 and the Supplementary Guidance on Housing Land directed the city to accommodate around 61% of its overall need and demand for housing within its administrative boundaries, redistributing the remaining need and demand across the SESplan area. Option 3, as a basis for deriving housing supply targets and housing land requirements, over the period to 2029 and excluding any allowance for generosity, could require the City of Edinburgh to identify land to accommodate around 36,400 homes or 2,020 homes per year. This is around current rates of housing completions but is not considered to reflect the levels of housing need and demand generated by the city or the requirements of national policy in terms of providing a generous supply.

For these reasons Option 1 and 3 are not supported.

Question 11

Housing Land in Edinburgh

Do you support preferred Option 2 (The City of Edinburgh meets a significant proportion of its own housing need and demand) as the basis for deriving housing supply targets and housing land requirements in Edinburgh? If not, do you support alternative Option 1 (The City of Edinburgh meets all of its own housing need and demand) or alternative Option 3 (The City of Edinburgh meets a lower level of its own housing need and demand than Options 1 and 2, similar to that set out in SDP1 and the Supplementary Guidance on Housing Land) as a basis for deriving

8 this includes houses completed in 2011 / 2012, 2012 / 2013 and 2013 / 2014 and effective land supply

the housing supply targets and housing land requirements in Edinburgh? Please set out your reasons why. If you do not support either the preferred or alternative options, please set out your reasons why and suggest any amendments which you consider appropriate.

Issue H

A Generous Supply

SPP states that within the overall housing supply target, plans should provide for a margin of 10 to 20% generosity allowance to establish the housing land requirement and in order to ensure that a generous supply of land for housing is provided.

Preferred Option - Set a 10% Generosity Allowance and provide LDPs with the flexibility to exceed this allowance to recognise local circumstances

SPP sets out that the exact margin for generosity will depend on local circumstances. The preferred option is for SDP2 to set a minimum generosity allowance of 10% within the overall housing supply target to establish the housing land requirement. Flexibility would be afforded to LDPs to exceed the overall generosity allowance should it be determined that this is required to meet local needs, for example in rural areas where an oversupply of housing land may be appropriate to provide a range and choice of opportunities or to meet other LDP objectives.

The preferred option for deriving the housing supply targets and housing land requirements for housing land across the SESplan area (Issue F), even before the addition of a generosity allowance, is considered to provide a generous supply as required by national guidance. Setting an allowance above 10% at the SESplan level within the overall housing supply target would anticipate a rate of completions which is likely to be undeliverable.

Alternative Option - Set a Range for the Generosity Allowance

The alternative option is to set a range for the generosity allowance, within the overall housing supply target to establish the housing land requirement, at a minimum of 10% and restrict the flexibility afforded to LDPs. This option is not preferred since the exact margin for generosity will depend greatly on the LDP and local area and there may be other reasons such as meeting local needs or other LDP objectives which would necessitate a more generous supply of housing land.

Question 12

A Generous Supply

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do support the alternative option, what should the range for the generosity allowance be set at? If you do not support either the preferred or alternative option, please set out your reasons why and suggest any amendments which you consider appropriate.

Affordable Housing

4.4 Setting a framework for the delivery of affordable housing is one of the key issues for SESplan to address. Affordable housing is defined broadly as housing of a reasonable quality that is affordable to people on modest incomes and may be provided in the form of social rented accommodation, below market rented accommodation, shared ownership, shared equity, housing sold at a discount including plots for self build and low cost housing without subsidy.

4.5 As set out in Table 4.4 below under the preferred option for deriving housing supply targets and housing land requirements under Issue F over the period to 2029, across the SESplan area, 52% of the total need and demand is estimated to be for social housing and 12% for below market rent accommodation. The requirement for these types of housing varies between local authority and market experience suggests significantly greater demand for below market rented accommodation in some areas.

4 A Place for Communities

4.6 In the same period, the need and demand for private market or owner occupied housing is estimated to be 24% of the total and private rented accommodation 12% of the total. Demand for these two tenures has varied over time, however, and is dependent on access to mortgage finance and other economic factors.

4.7 National policy is clear that the housing supply target identified within SDP2 should be separated into affordable and market sectors. The housing supply target should be reasonable, properly reflect the housing need and demand assessment estimate of housing demand in the market sector and be supported by compelling evidence. Where the provision of affordable housing is required, the SDP should state how much of the total housing land requirement this represents. In deriving housing supply targets, recognition of the level of affordable housing that can be reasonably expected to be delivered over the plan period will be critical.

4.8 This MIR recognises that there is a significant gap between the estimated need and demand for affordable housing and the likely provision of affordable housing in the public sector or a reasonable and achievable requirement for the provision of affordable housing on market led sites. SDPs are limited to providing a framework for the delivery of affordable housing within the context of national planning policy. The construction and funding of such accommodation lies with other bodies. The key issue is how and what level of affordable housing SDP2 should seek to deliver.

Issue I

Affordable Housing

Affordable housing completions have over the past five years accounted for around 27% of all completions per year. Completions of affordable housing have ranged from 34% of all completions in 2009 / 2010 to 16% of all completions in 2013 / 2014. The need for affordable housing varies between LDP areas but the delivery of affordable housing is a critical issue for the SESplan area as a whole. It will need to be taken into account in the setting of housing supply targets and requirements so that they are set at a realistic and achievable level.

Preferred Option

SDP2 will direct LDPs that the level of affordable housing required within a market site should, as a minimum, be 25% of the total number of houses. LDPs will have the flexibility to vary the affordable housing requirement, where there is a clear justification to meet local needs.

Alternative Option

An alternative option would be to direct LDPs to seek minimum levels of affordable housing above 25% to meet the identified need. This option is not supported since it does not allow for differing local needs.

Question 14

Affordable Housing

Do you support the preferred option? If not, do you support the alternative option? What should the minimum provision for affordable housing on market led sites be set at? What should the requirement for affordable housing be set at within the overall housing supply target? Please set out your reasons why and suggest any amendments which you consider appropriate.

Setting Targets and Requirements

4.9 SPP requires that housing supply targets and housing land requirements are set at the SESplan area, each of the six LDP areas and for each functional housing market area. To inform this process a preliminary assessment of environmental and infrastructure opportunities and constraints across Edinburgh and South East Scotland has been undertaken (see the accompanying Spatial Strategy Technical Note for further details). A detailed assessment of the considerations listed in paragraph 4.2 including economic factors, capacity within the construction sector, infrastructure capacity and resources will be undertaken

at Proposed Plan stage. This will inform the setting of targets and requirements across SESplan ensuring that they are reasonable, achievable and deliverable.

4.10 A further consideration in setting targets and requirements is the significant amounts of land already identified for housing within approved and emerging strategies. As set out in Table 4.4 below there is already land committed to accommodate around 121,740 houses over the period to 2029. This comprises recent completions, land identified in emerging LDPs including within existing SDAs such as West Edinburgh, South East Edinburgh, Winchburgh, the A7 / A68 Borders Rail Corridor and North Dunfermline as well as on sites with planning permission and an estimate of the contribution from constrained and windfall sites. This compares to an estimated need and demand for housing across the SESplan area under the preferred option for housing land across the SESplan area of 102,760 houses, of which 64% is estimated to be required for social and below market rented tenures.

4.11 The preferred option under Issue G sets out that the basis for deriving housing supply targets and housing land requirements in Edinburgh is Option 3 with the City accommodating a significant proportion of its own need and demand. As a result there will be a requirement to redistribute some need and demand to other areas. Outwith Edinburgh, there is a supply of land comprising recent completions, land identified in emerging LDPs, sites with planning permission and an estimate of the contribution from constrained and windfall sites to accommodate around 85,150 houses. This compares to an estimated need and and demand of 43,070 houses. Even excluding any contribution from constrained (6,280 houses) or windfall sites (6,430 houses) there is still a significant supply of land (72,440 houses) when compared to the estimated need and demand for housing across the SESplan area outwith Edinburgh.

Table 4.4 Assessment of Housing Need and Demand vs. Supply 2012 - 2029

Authority	Assessment of Housing Need and Demand (Issue F Preferred Option 1 Steady Economic Growth)					Supply[9]	Comparison	Supply / HNDA
	Social Rent	Below Market Rent	Private Rented	Owner Occupied	Total			
City of Edinburgh	30,660	8,100	6,780	14,150	59,690	36,590	-23,100	61%
East Lothian	5,040	1,130	1,030	2,200	9,400	12,650	3,250	135%
Fife[10]	5,840	1,170	1,600	3,320	11,930	24,470	12,540	205%
Midlothian	4,770	720	600	1,420	7,510	15,900	8,390	211%
Scottish Borders	2,060	390	510	930	3,890	11,770	7,880	302%
West Lothian	5,110	1,180	1,450	2,600	10,340	20,360	10,020	197%
SESplan	**53,480 (52%)**	**12,690 (12%)**	**11,970 (12%)**	**24,620 (24%)**	**102,760**	**121,740**	**18,980**	**118%**
Total Excluding	**22,820 (53%)**	**4,590 (11%)**	**5,190 (12%)**	**10,470 (24%)**	**43,070**	**85,150**	**42,080**	**198%**

9 Completions for 2011 / 2012, 2012 / 2013, 2013 / 2014, Effective Land Supply, Emerging LDP, Constrained and Windfall Sites Minus Demolitions

10 SESplan part of Fife only

4 A Place for Communities

Authority	Assessment of Housing Need and Demand (Issue F Preferred Option 1 Steady Economic Growth)					Supply[9]	Comparison	Supply / HNDA
	Social Rent	Below Market Rent	Private Rented	Owner Occupied	Total			
City of Edinburgh								

4.12 It is expected that SDP2 will be approved towards the end of 2017. The housing land supply position across the SESplan area is constantly changing as sites are consented and developed and as LDPs are reviewed and updated. Therefore Issue F identifies options for the basis for deriving housing supply targets and housing land requirements across the SESplan area and Issue G identifies options for the basis for deriving housing supply targets and requirements in Edinburgh only. Options for the basis for deriving targets and requirements across the remainder of the SESplan area have not been identified in this MIR. This is partly due to the scale of Edinburgh's estimated need and demand relative to estimated need and demand in other areas. Changes in the basis on which the Edinburgh housing supply target and housing land requirement is derived will have a significant impact on those across the rest of the SESplan area.

Question 15

Setting Housing Targets and Requirements

To derive the housing supply target and housing requirements across the SESplan area, SDP2 will consider a range of factors including economic, environmental and infrastructure opportunities and constraints. What factors should SDP2 consider and why? Is there another approach that SDP2 should consider? If so, please describe that and explain why it should be considered?

SPP requires that housing supply targets and requirements are set at the SESplan area, each of the six LDP areas and for each functional housing market area. An assessment of housing market areas identified that the influence of the City of Edinburgh in terms of house sales extended well beyond its administrative boundaries. The functional housing market area was therefore defined as the SESplan area in its entirety, with fifteen sub housing markets operating within it. Should SDP2 set housing supply targets and housing land requirements at the SESplan and LDP level only as directed by SPP? Or should SDP2 set housing supply targets and housing land requirements at the SESplan, LDP and sub housing market area level? Is there another approach that SDP2 should consider and why? If so, please describe that and explain why it should be considered?

Specialist Provision

4.13 The assessment of need and demand for housing also considered the need for sites for Gypsy / Travellers and Travelling Showpeople. The assessment recognised that there is a requirement to improve existing sites and for local authorities to work across boundaries to meet mobile lifestyles. Applications for site accommodation and fair provision are dealt with on an individual basis and there are no accommodation needs identified which cannot be addressed via existing arrangements for temporary accommodation. A separate Equalities Report and Impact Assessment has been produced. This addresses the requirements of the Equality Act (2010) and mainstreams equalities within the housing need and demand assessment preparation process.

Town Centres

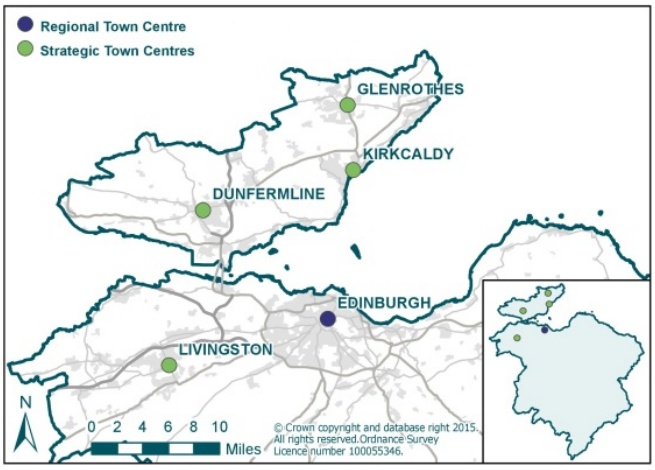
4.14 Town centres across South East Scotland make a significant contribution to the region as places to do business and to live and as focuses for civic, civil, social and cultural activity. The Town Centre Action Plan promotes an expanded town centre first principle whereby uses which attract large numbers of people such as retail, commercial leisure, offices, community and cultural facilities should be located in town centres

9 Completions for 2011 / 2012, 2012 / 2013, 2013 / 2014, Effective Land Supply, Emerging LDP, Constrained and Windfall Sites Minus Demolitions

first. It also promotes residential uses within town centres to encourage diverse areas that support the vibrancy, vitality and viability of town centres throughout the day and into the evening. LDP policy will support town centres and identify a network of centres that include a diverse mix of uses, have a high level of accessibility and qualities of character and identity, which create a sense of place. Reassessment of town centre boundaries could be encouraged to allow for a flexible approach to recognise the changing shape of town centres and other uses which attract large numbers of people to be considered.

4.15 SDP1 identifies a network of centres comprising Edinburgh as the regional centre alongside Livingston, Kirkcaldy, Dunfermline and Glenrothes as strategic town centres. LDPs are directed to identify a network of other town and commercial centres which are of local significance. The preferred approach for SDP2 is to maintain this network of centres with member authorities designating other town centres or commercial centres through LDPs. LDPs can also designate new town centres or sub regional centres where the opportunity arises such as in new settlements or SDAs.

Figure 4.1 Strategic Centres



4.16 SDP2 will support town centres and all of their uses rather than focusing on retailing, setting out a strong presumption in favour of the principle of locating uses which attract large numbers of people within town centres. A sequential approach will be taken for the location of large footfall generating developments:

1. Town Centre;
2. Edge of Centre;
3. Other defined Commercial Centres; and
4. Out of Centre locations that are, or can be made easily accessible by public transport and will not have an adverse effect on the town centre.

Question 16

Town Centres

Are there specific actions that SESplan should take to support strategic centres and Edinburgh city centre? Are there other centres that SDP2 should identify as strategic town centres? Should SDP2 seek to identify a hierarchy below strategic town centres?

Strategic Green Networks

4.17 A diverse range of green spaces, natural landscapes, woodlands, coastline, waterways and outdoor recreation space contribute to the success of the city region. Together, they help define the character of the area, contribute to communities' quality of life and sense of place and provide the setting within which high quality, sustainable growth can occur. Developing new networks of these spaces through strategic development opportunities and protecting and enhancing existing networks is essential.

4.18 Covering all of the city region other than Scottish Borders, the Central Scotland Green Network (CSGN) is a national project to 2050 with a broad purpose to deliver green network improvements and transformational change. It is proposed that SDP2 sets the regional strategy to achieve the aims and vision of CSGN and the delivery of a strategic green network across the region. In SDP1 consideration of green network policies and actions was largely directed to LDPs. The SESplan member authorities and key agencies have identified ways in which SDP2 could add value to the action taken under SDP1. SDP2 could do this by establishing priority themes and aims which green networks in the area should achieve as follows:

4 A Place for Communities

- Improving quality of place;
- Providing for higher levels of active travel;
- Enabling biodiversity to flourish;
- Facilitating people to lead healthier lives;
- Improving landscape character;
- Enabling climate change adaptation;
- Attracting inward investment;
- Improving vacant and derelict land; and
- Delivering action in disadvantaged communities.

4.19 The SDP could also add value through the identification of:

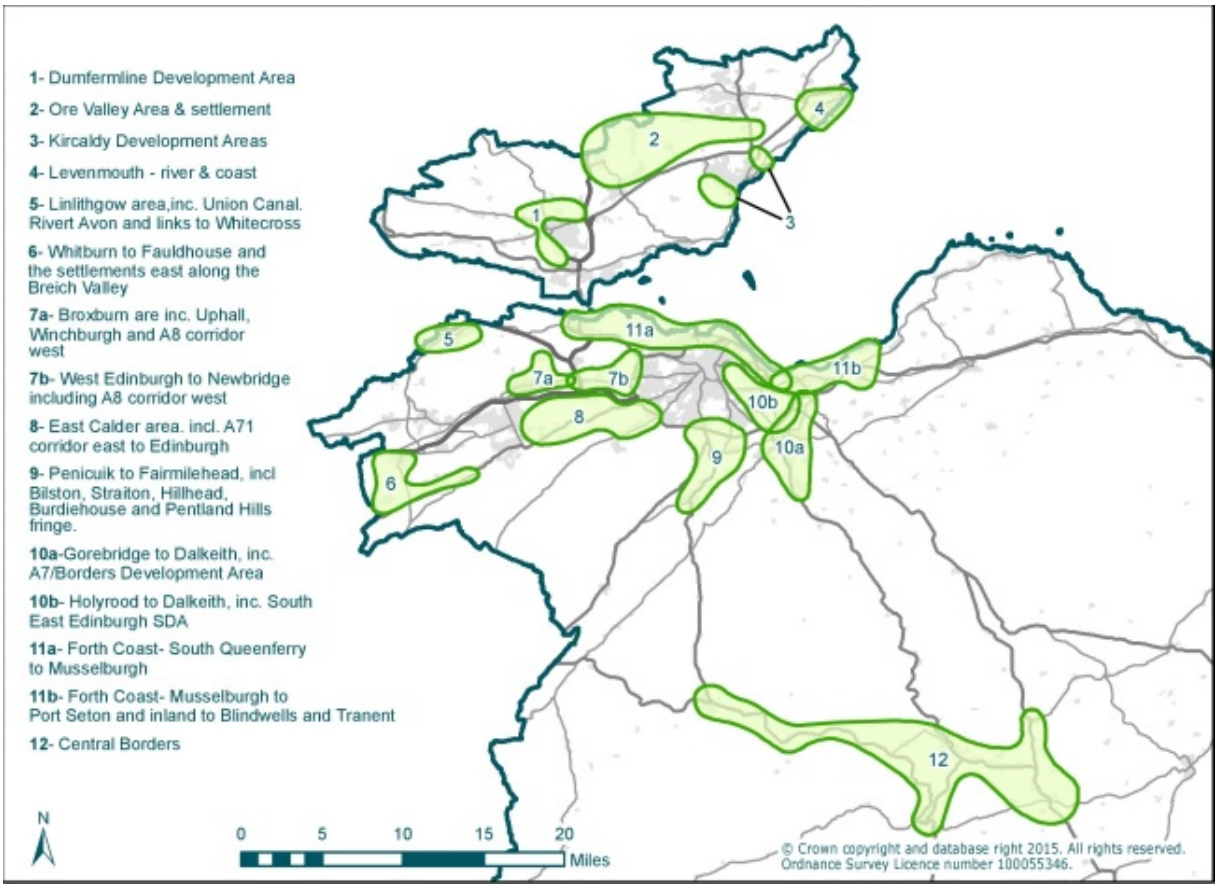
- Spatial priority areas where green network safeguarding and enhancement is needed,while recognising that LDPs need to show the detail;
- Cross-boundary areas where collaboration and co-ordination is needed between local authorities to ensure planning and delivery of strategic green network opportunities; and
- The green network assets and the strategic green network needs within areas of significant growth to an appropriate level of detail.

4.20 These areas of work align with the priorities set in NPF3 and SPP. The preferred approach will seek to ensure that strategic green network connectivity is safeguarded and enhanced. The aims and multiple benefits that green networks provide will be delivered within the priority areas. This will require the integration of green network functions within land use and management in these areas.

4.21 In areas identified for significant development, including SDAs, the preferred approach is to set a vision for green network development integral to placemaking principles established for these areas. SDP2 will illustrate the strategic connections and principles for green network development. LDPs will set out more detailed plans and proposals for sites within the areas of strategic development, as well as identifying more local green network priorities, as appropriate. Initial spatial priorities and areas requiring cross-boundary working at the SESplan level are identified in Figure 4.2. These are key areas of change where development presents opportunities to deliver green networks. The accompanying Green Network Technical Note sets out how these areas have been identified, the green network aims they meet, the actions and time scales which are required to deliver them and the cross boundary working needed.

4.22 The priority areas will be updated taking into consideration responses to the MIR and will reflect the final approach to growth areas identified in SDP2. This will have to take account of any alterations to the Edinburgh Green Belt and the increased protection and enhancement required for any green wedges included in the spatial strategy.

Figure 4.2 Regional Green Network Priority Areas



Issue J

Strategic Green Networks

Preferred Option

SDP2 will identify spatial priority areas for green network safeguarding, enhancement and creation and key areas of cross-boundary working identified at the regional level. LDPs will be required to reflect the green network priorities identified, add detail as appropriate on local level green network priorities and work towards delivery through LDP action programmes.

Alternative Option

Retain the same policy framework as SDP1. SDP2 will support a strategic green network but with the identification, prioritisation and development being undertaken by LDPs.

Question 17

Strategic Green Networks

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why and suggest any amendments which you consider appropriate. Do the SESplan green network themes and aims capture the

4 A Place for Communities

key issues for green network development in the area? Does the map of proposed green network priority areas and areas of cross-boundary working at the SESplan level identify the appropriate areas to focus on? Are any priority areas missing from Figure 4.2? If so, which areas should be added and why?

5 A Better Connected Place

Improving connectivity, addressing network constraints and removing barriers will support a low carbon South East Scotland as a place to do business and a place for communities. While parts of the region enjoy good access to transport, infrastructure and digital networks, others are less well served and there are significant constraints and major issues to be addressed. In order to deliver the preferred spatial strategy and achieve the Vision, these networks need to be improved to increase connectivity.

Monitoring SDP1 and the Challenges and Considerations for SDP2

Across SESplan:

- Half of all journeys to work in the region are made to, from or within Edinburgh;
- Rail usage has increased by 50% over the 2001 to 2011 census period, mainly on journeys to and from Edinburgh;
- Car ownership has increased in all SESplan authorities except Edinburgh but traffic volumes have remained level since 2008;
- Walking and cycling to work has increased but this is mostly in journeys within Edinburgh; and
- The proportion of journeys to work by car decreased in journeys to, from and within Edinburgh but increased in all journeys outside of Edinburgh.

The Transport Appraisal of SDP1 and the Supplementary Guidance on Housing Land forecast increases in congestion and delays on the region's road network (more detailed local level assessments are available through emerging LDP transport appraisals). This is particularly apparent on the strategic intercity road network, the M8 / 9 / 90 - A720 - A1, which experience significant congestion during peak periods. Some services on the region's rail network are also forecast to exceed capacity. Congested transport networks limit economic potential including the development of key, nationally significant growth sectors in the city region.

The number of air quality management areas in the region has increased since the preparation of SDP1. To minimise impacts on air quality and climate change, SDP2 will need to direct LDPs to require development to minimise increases in traffic levels, and therefore congestion, encourage further modal shift away from cars and towards public transport, walking and cycling and increase the accessibility of rural and deprived areas.

More details of recent regional travel and transport trends are available in the refreshed Regional Transport Strategy (RTS).

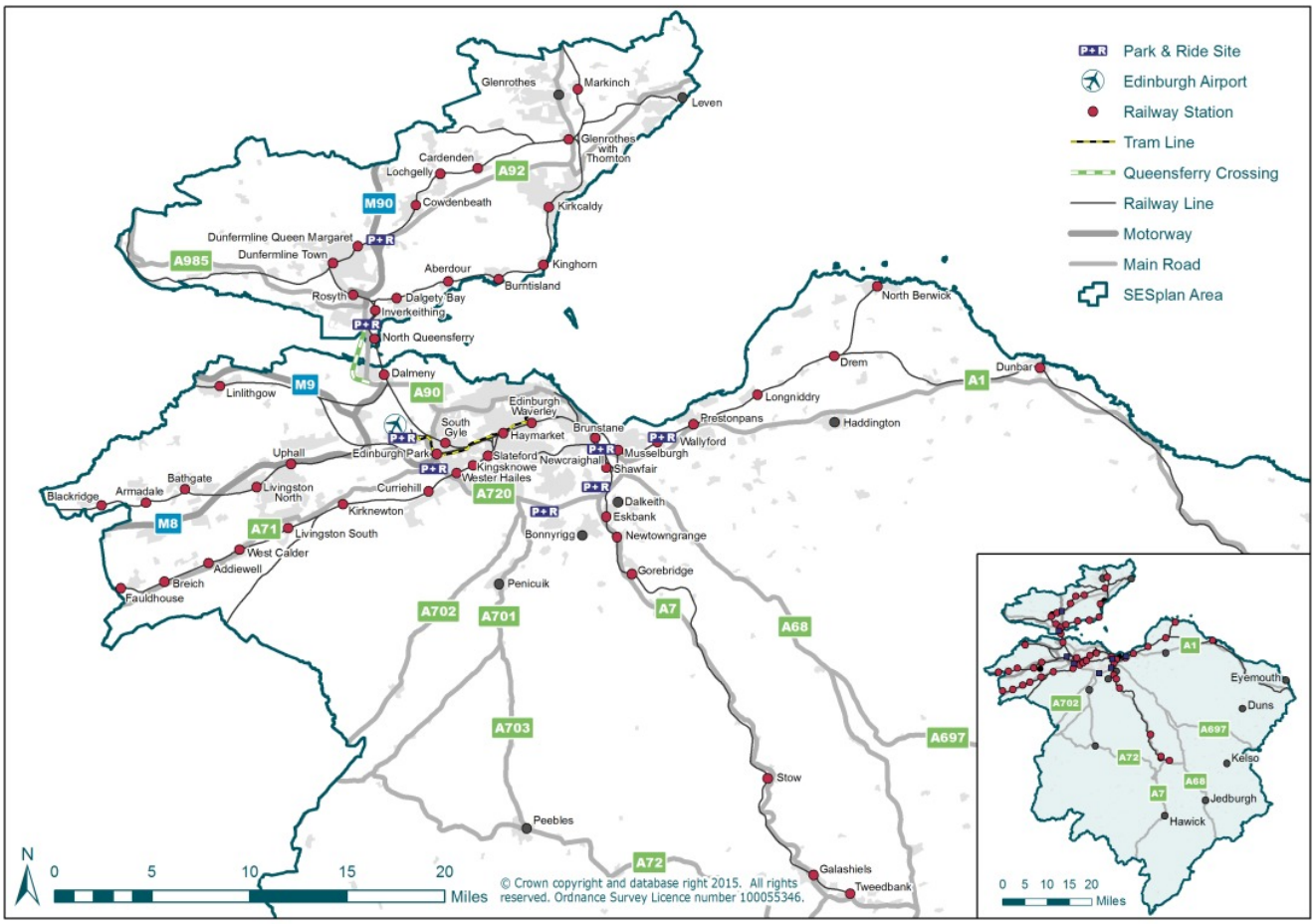
Transport

5.1 The principle of following a transport hierarchy will be carried forward from SDP1 and the RTS. This seeks to reduce the need to travel, encourage and support travel by walking, cycling and public transport and, only when travel needs cannot be met through these modes, accommodate car use. The preferred spatial strategy supports decarbonising transport, public transport and increasing walking and cycling activity. Successful delivery of SDP2 and the RTS together should help reduce the need for car use.

5.2 The preferred spatial strategy will help to minimise the need to travel and the length of journeys. Longer commutes are known to have detrimental impacts on human physical and mental health as well as leaving less time to spend with families and for recreation (see ONS for further details). Public transport is more efficient at moving large numbers of people than the private car. Whilst some may choose to have longer journeys to work, the preferred strategy seeks to ensure that choice is not driven by the lack of housing options. Shorter journeys are more likely to be made by walking, cycling or public transport.

5 A Better Connected Place

Figure 5.1 SESplan Transport Network



5.3 Increased rail passenger capacity is being created on the Edinburgh - Glasgow line and the electrification of the Shotts line will improve journey times and the level of service along this route. The Borders Railway will open up development potential along the A7 corridor but many opportunities have already been planned for in the emerging Scottish Borders and Midlothian LDPs. Other parts of the rail network are forecast to exceed passenger capacity in the long term, particularly the lines to Edinburgh from East Lothian and Fife. Details of rail capacity are available in Scotland's Rail Utilisation Strategy.

5.4 Development locations need to be carefully considered and a balance reached between accessibility and the capacity of the public transport network to accommodate further development. Areas with network capacity are often not suitable for environmental reasons. They may be in locations where development is not required or further away from employment and services which implies increased journey times to these. There needs to be significant further investment in public transport capacity in and around Edinburgh, along with investment in walking and cycling. Development potentially impacting on congested parts of the networks has to be carefully master planned and designed to minimise additional traffic, maximise sustainable transport and active travel potential, provide public transport services and prevent impacts on road safety. The accompanying Spatial Strategy Technical Note sets out information on transport network capacities and an updated Public Transport Accessibility Analysis.

5.5 A transport appraisal of the spatial strategy and alternatives will be undertaken to inform SDP2. The appraisal will take into consideration outputs from the study described in paragraph 6.4 and will be objective based, in accordance with Transport Scotland guidance on development plans. Alongside other studies, this will provide information on the impacts of the strategy options and the transport infrastructure improvements that will be required.

Issue K

LDP Transport Policy Direction

Parts a, c and g of Policy 8 (Transportation) of the approved SDP1 state that LDPs will:

a. Ensure that development likely to generate significant travel demand is directed to locations that support travel by public transport, foot and cycle;

c. Relate density and type of development to public transport accessibility; and

g. Ensure that the design and layout of new development demonstrably promotes non-car modes of travel.

Preferred Option

The preferred option is for parts a, c and g of Policy 8 of the approved SDP1 to be amended to better direct development to accessible locations and to promote travel by walking, cycling and public transport over private car journeys. LDPs will:

- Ensure that large scale housing development is located in areas that are shown to be, or can be made, highly accessible to town centres and employment by public transport, foot and cycle;
- Ensure that development that generates significant travel demand (e.g. offices, retail, leisure facilities, colleges etc) is directed to centres, or areas shown to be, or can be made, highly accessible by public transport, walking and cycling;
- Ensure that density, uses and layouts of new development demonstrate how they will reduce the need to travel, increase and promote public transport accessibility and encourage walking and cycling. Where possible, these must include clear and direct linkages to public transport nodes and interchanges; and
- Ensure that development in accessible locations is at higher densities.

Alternative Option

SDP2 to retain SDP1 Policy 8 parts a, c and g in their current form.

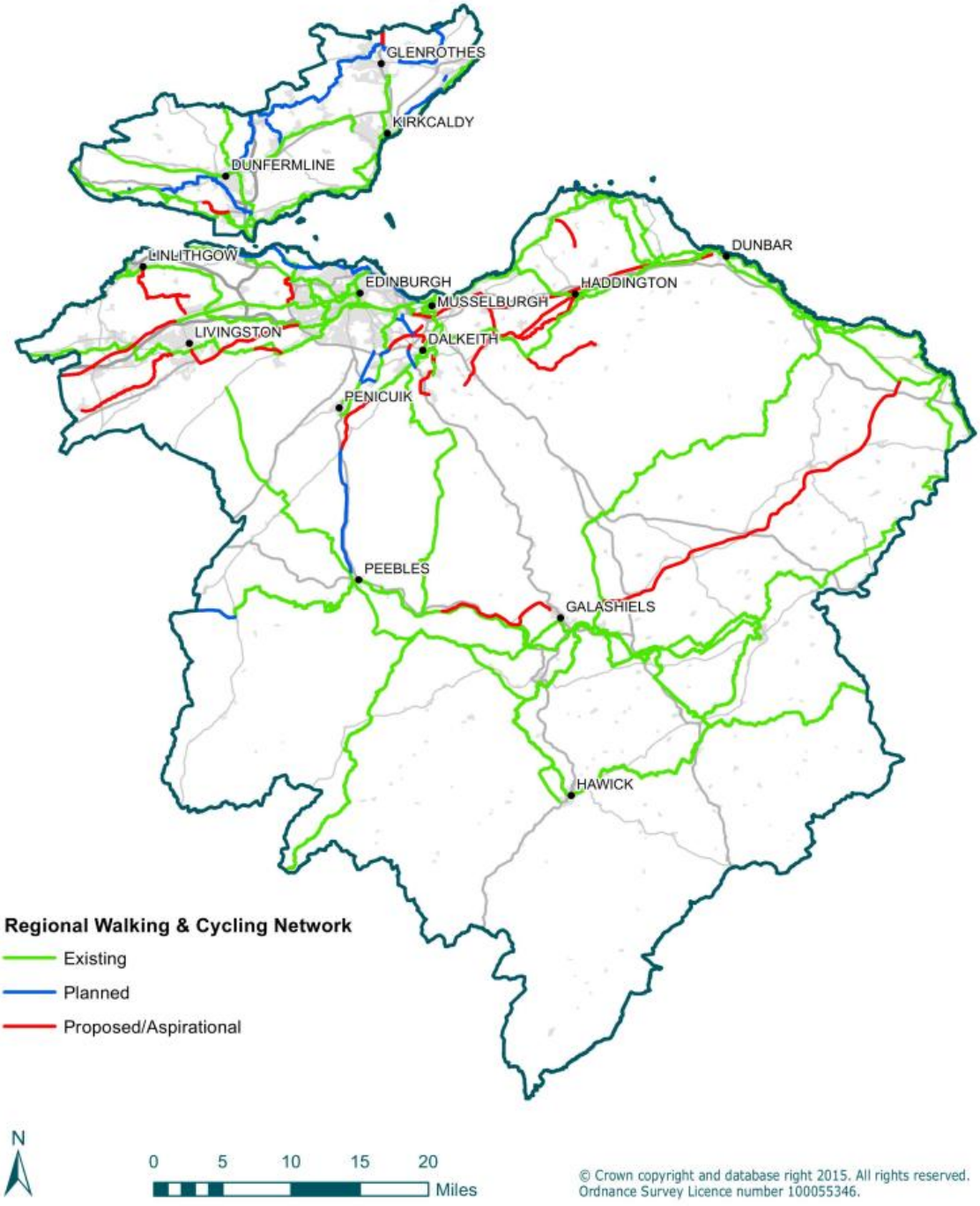
Question 18

LDP Transport Policy Direction

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why. Should SDP2 set out housing density requirements for large developments to promote sustainable transport and walking and cycling?

5 A Better Connected Place

Figure 5.2 SESplan Walking and Cycling Network



Regional Walking and Cycling Network

5.6 SESplan is working with Scottish Natural Heritage (SNH), SEStran, SUSTRANS and member authorities to identify blockages and missing links on the strategic active travel network. SEStran is undertaking a detailed study with a focus on cycle routes between local authority areas which will inform SDP2. The completion of links and removal of barriers to cycling will allow the creation of a regional walking and cycling network with direct routes between urban areas, work places and town centres. Such city region cycle and walking networks are being developed in comparable European city regions. Development of these networks will support a significant increase in journeys being undertaken by walking and cycling to help meet the Scottish Government's Vision for Active Travel and the target that 10% of all journeys are made by bike.

A Better Connected Place 5

5.7 NPF3 places an emphasis on building on the success of long distance recreational routes to link tourist locations and on these as tourist assets themselves. The region has a number of these trails, such as the Southern Upland Way, Fife Coastal Path and the recently completed John Muir Way. Potential routes and trails have been identified which could form part of the national long distance walking and cycling network [(11)] and increase walking and cycling based on tourism's contribution to the regional economy.

5.8 Figure 5.2 seeks to combine these two elements and shows existing, planned and proposed or aspirational regionally important walking and cycling routes in the SESplan area. Descriptions of each route are available in the Green Network Technical Note.

Question 19

Does Figure 5.2 (Regional Walking & Cycling Network) capture the strategic routes at the SESplan level? Have the correct routes to be developed as regional routes been identified? Are any routes missing? If so, please indicate which routes and why they should be identified.

Prioritising Strategic Transport Infrastructure

5.9 Building on NPF3, SESplan supports increased connectivity to the rest of Scotland, UK and further afield. The development of High Speed Rail to Glasgow and England will support this and is identified as a national development. Increased connectivity along the East Coast strategic transport corridor is vital to the economy of that part of the region. Edinburgh Airport plays a vital role in the attractiveness and the success of the economy in the region and Scotland as a whole. Edinburgh Airport Expansion and access requirements associated with that will remain safeguarded in SDP2.

5.10 LDPs will support the role of ports and freight infrastructure. SDP2 will expand on NPF3 national development requirements of additional freight capacity on the Forth when these are clarified. SESplan's ports and rail network play significant roles in the movement of freight. The East Coast Rail Line and road improvements, including A801 upgrades, will be required to enhance this. Ports, including smaller ports on the Forth and North Sea coasts, will play a significant role in the offshore renewables industry.

5.11 Since the preparation of SDP1, the following strategic transport infrastructure interventions have started construction or have been completed:

- Airdrie - Bathgate Rail Link (opened December 2010)
- Waverley and Haymarket Station Improvements (completed)
- Borders Railway and Galashiels Transport Interchange (opening September 2015)
- Queensferry Crossing (completion late 2016)
- Edinburgh Gateway Rail Station (opening late 2016)
- Edinburgh - Glasgow Rail Improvements Programme (ongoing to 2019)

5.12 These interventions will help create new development opportunities, increase accessibility and improve network performance. However, further interventions will be required to release economic growth potential, increase access to jobs, encourage modal shift and support development.

5.13 SDP1 set out a number of strategic transport interventions. Not all of these projects currently have government support, a fully refined evidence base or committed funding. Based on development needs, its transport impacts and sustainable economic growth requirements, it is proposed that SDP2 prioritises the strategic transport infrastructure requirements. The initial list of priorities in Table 5.1 will be refined through the SDP2 Transport Appraisal, projects on infrastructure funding, development impact studies and feedback on the MIR. This process will take into consideration other interventions identified in SDP1 including further improvements to the A92. Further details can be found in the RTS, SDP1 Action Programme and SDP1 Strategic Infrastructure Diagram.

11 identified as a national development in NPF3

5 A Better Connected Place

Table 5.1 Strategic Transport Interventions

Intervention	Purpose
A720 Improvements - including Junction Upgrades, Ramp Metering and Intelligent Transport Systems / Managed Motorways	Minimise additional delay of the strategic road network around Edinburgh
East Linton Rail Station, Reston Rail Station and East Lothian Line Improvements	Improve access and capacity, support future development opportunities and rail freight movement
Edinburgh Orbital Bus with associated Park & Ride Facilities	Promote sustainable travel on A720 journeys and minimise worsening of the strategic road network
Edinburgh Tram Network - Extensions to Leith, Granton, Dalkeith, Musselburgh and Newbridge	Promote sustainable travel and support existing and planned development
Edinburgh Waverley Improvements	Increase capacity of station to accept more and longer trains
Fully Dualled A1 Between Edinburgh and Newcastle	Increase access, safety and economic growth on strategic east coast transport corridor connecting two major UK cities
Levenmouth Rail Link and Stations - Fife Circle to Levenmouth	Support planned development and improve access to jobs and opportunities from a higher deprivation area
Strategic network of walking and cycling routes along key corridors and between settlements	Support sustainable travel, minimise additional traffic, increase physical activity
Winchburgh Rail Station and M9 junction	Required by planned and future development (funded by development)

Issue L

Prioritising Strategic Transport Infrastructure

Preferred Option

Through its accompanying Action Programme and the Transport Appraisal to be undertaken to inform the Proposed Plan, SDP2 seeks to prioritise already identified and emerging strategic transport infrastructure to ensure delivery of key projects to maximise economic potential, enable planned development and increase accessibility by sustainable transport networks.

Alternative Option

SDP2 will maintain the SDP1 approach and identify a 'long list' of strategic transport infrastructure requirements without any prioritisation in its accompanying Action Programme.

Question 20

Prioritising Strategic Transport Infrastructure

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why. What transport priorities should be identified and how should transport infrastructure be prioritised? Please indicate any other strategic interventions which you consider should be included in Table 5.1.

Digital Connectivity and Utilities Infrastructure

5.14 Digital connectivity is of critical importance to the way people shop, work, run businesses, socialise and access services. Slow internet and data connections leave areas disadvantaged and failing to attract investment and contribute to an increased need to travel. The impact of online and creative business, particularly in rural areas, has already grown and will continue to expand as speeds and connections are improved. The Scottish Government programme Step Change seeks to ensure 96% of properties in Scotland are covered by high speed broadband networks by 2019, including through commercial operations.

5.15 Some rural areas, particularly in the Scottish Borders and East Lothian, will still be without a high speed connection after the Step Change programme. Local Authorities are to work with affected communities and Community Broadband Scotland to seek solutions to improving connections to these areas. A Scottish Government study into mobile phone coverage has also indicated that signal, 2G and 3G coverage is very poor in the Scottish Borders and some parts of East Lothian compared to the rest of the region.

5.16 Locations without connections to high speed broadband networks would not be suitable for large scale development, particularly housing. This could contribute to economic disadvantage and isolation and increase the need to travel. LDPs will direct development toward areas accessible to high speed broadband networks or to areas where development can identify and deliver a solution.

5.17 Scottish Water have a rolling investment programme which prioritises investment in water and sewerage infrastructure. This is linked to development plans and development that is due to be started. Whilst there are constraints in the water and sewerage network that will need to be addressed for some development locations in the short term, these could be overcome with planned investment and should not affect long term strategic locations for development.

5.18 There are no strategic constraints on the gas distribution network, although further enhancement to the major gas connection to the Central Borders could be required if significant additional development were identified there.

6 Delivery

Development either cumulatively or individually will impact on available infrastructure capacity. The approach to delivery and how sites are delivered on the ground is key to achieving the overall vision and spatial strategy of SDP2.

Monitoring SDP1 and the Considerations and Challenges for SDP2

Key challenges facing SDP2 in setting a framework for delivery are:

- The delivery of the SDP1 strategy is being restricted by the availability of supporting infrastructure and capital funding;
- The difficulties in funding infrastructure have become even more stark as capital budgets of local authorities, Scottish Government, the Regional Transport Partnership and the NHS come under pressure;
- The lack of mechanisms including public sector funding to deliver affordable housing; and
- The establishment of an Action Programme which is supported by all of the agencies and organisations whose engagement is needed to deliver the strategy.

Infrastructure Delivery and Funding

6.1 Optimising transport connectivity and providing additional capacity to support growth is a key issue for SDP2. New education facilities at primary and secondary level and an appropriate provision of health and social care services will also be required. Providing new and improved 'green infrastructure' is similarly an essential part of the strategy.

6.2 National guidance states that the development sector must pay a proportionate amount towards the delivery of additional infrastructure capacity. Developers will be required to bear the cost of providing the necessary site infrastructure in line with the provisions of Circular 3/2012 (Planning Obligations and Good Neighbour Agreements). Local authorities, collectively or individually, will need to develop funding mechanisms such as Tax Increment Financing (TIF) or City Deal to enable strategic development, particularly where infrastructure provision is required across a SDA and multiple sites. The key is to gather planning obligations at a proportionate level and from the right developments. Analysis of the impacts of development on the transport network is underway and this can be used as a starting point to quantify the impact of new development on infrastructure capacity.

6.3 The establishment of a City Deal for Edinburgh and South East Scotland is being explored by the SESplan member authorities. City Deals have been effective in other city regions in facilitating the delivery of infrastructure through a combination of funding by central and local government, based on the improved performance of the regional economy, and the private sector. City Deals may include a range of types of infrastructure and action on issues such as skills development to support the city region's economy. Subject to the development of a City Deal, SESplan and member authorities will work to ensure the co-ordination of any City Deal programme with priorities identified through the SDP.

Issue M

Infrastructure Delivery

The current approach to funding infrastructure has not always delivered the measures needed to support the development strategies of previous plans. It is particularly difficult to deliver new infrastructure at the strategic scale as the legislation focuses on mitigating the local, direct impacts of new development. Without a fresh approach, there is a serious risk that whichever development strategy is adopted, it will not be implemented on the ground.

Preferred Option

The preferred option is to investigate the establishment of a strategic infrastructure fund. In such funds, contributions and risks are shared among councils, between councils and central government and across sectors. The funds generally feature a mix of public sector forward funding, private sources of finance and a clear system of region wide developer contributions, to produce a continually replenished 'revolving' fund.

Alternative Option

The alternative option is to maintain the current approach to infrastructure funding.

Question 21

Infrastructure Delivery

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why.

Should such a fund be established at the SESplan level, to maximise economies of scale and leverage, or piloted first in an individual SDA or growth corridor? Where should the balance lie between public funding and contributions from development and how can risks be equitably shared between sectors? Should a new system of developer contributions be introduced which, within the current legislation, enables contributions to fund measures which are needed to implement the strategy but may not be directly related to an individual development's impact.

6.4 SESplan is taking forward an action in the SDP1 Action Programme to explore cumulative and cross border impacts and mechanisms for funding infrastructure enhancements including an examination of the principles and potential of cross border developer funding. This involves working with national agencies and SESplan member authorities on a study of the impacts arising from SDP1. This is examining transport network 'hot spots' and what multi modal interventions could be required as a result of planned development, with a particular focus on cross-boundary traffic impacts. The study will provide detailed information helping to prioritise interventions to support delivery and improve linkages between land use and transport planning. The transport implications of SDP2 will be considered in the Transport Appraisal to be undertaken at Proposed Plan stage.

Issue N

Funding Transport Infrastructure - Developer Obligations

The regional transport study will be used to inform what development should contribute towards the transport interventions required as a result of development. There are options for collecting contributions.

Preferred Option

In compliance with Circular 3/2012, SESplan and member authorities will work towards developing sub-regional development contributions frameworks which will pool contributions towards funding multi modal transport infrastructure (given the scale of the SESplan region, one contributions mechanism covering the whole region would not be compatible with the Circular). Contributions will be required to mitigate impacts on the transport network, including cumulative impacts, where they cannot be accommodated satisfactorily within existing capacity. Contributions may be required from developments in local authority areas other than where the transport infrastructure improvement is located.

Alternative Option

Maintain the current position and use information from the study to seek developer contributions on a case by case basis for transport infrastructure.

6 Delivery

Question 22

Transport - Developer Obligations

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why. Should financial contributions be sought from development towards improvements on the trunk road network? Given the lack of capital funding available to deliver transport infrastructure, are there any alternative solutions?

Assessing the Five Year Effective Housing Land Supply

6.5 SDP2 will set housing land requirements across SESplan. LDPs should allocate a range of sites which are effective or expected to become effective in the plan period to meet the housing land requirement and should provide for a minimum of five years' effective land supply at all times. Each of the SESplan member authorities monitors effective land supply through the annual housing land audit process in accordance with national policy and the criteria set out in PAN 2/2010 Affordable Housing and Housing Land Audits.

6.6 SPP does not specify how the five year land supply should be measured, but in general terms the starting point for the calculation is the latest housing land audit compared with the five year requirement set out in the approved development plan. Whilst undertaking the calculation on this basis in times of economic stability is entirely reasonable, in times of recession, the calculation is not sufficiently robust to reflect lower levels of demand or that there will be higher levels of land constrained on the basis of financial or marketability criteria only. In turn, this means that despite there being a sufficient supply of land in any given area which on a strict application of ownership, physical or other such planning criteria is effective and able to be developed, additional land is required to be brought forward to meet an artificial shortfall created by an increase in land classed as constrained on a demand or financial / market basis. Bringing forward additional land when there is already a more than adequate supply of land risks undermining the overarching strategy of the SDP. It may also lead to the compromising the delivery of necessary infrastructure.

6.7 Furthermore, calculating the five year housing land supply on an all tenure basis does not take account of the fact that the majority of housing need and demand is for affordable rather than market led housing. Should a shortfall in supply be identified, bringing forward additional land which is market led, does not address the need and demand for affordable housing. Again this approach undermines existing development plan strategies and leads to an over allocation of market led housing land.

6.8 Notwithstanding that across SESplan there is considered to be a generous supply of housing land, the current economic climate means that sites are not coming forward for development as envisaged by the approved SDP. There have been considerable delays in bringing forward sites since 2009 as a result of the economic downturn.

Issue O

Assessing the Five Year Effective Land Supply

Preferred Option

SDP2 will direct LDPs to calculate the five year housing land supply using a common set of measures across Edinburgh and South East Scotland. SDP2 would recognise the starting point for calculating the five year housing land supply is the housing land audit compared with the five year requirement set out in the approved development plan. The guidance would also direct LDPs to consider other factors including:

- Need and demand in relation to both market and affordable housing;
- Completions of both market and affordable housing;
- Funding mechanisms and programmes which support affordable housing provision;

- Demand in relation to house sales (transactions), mortgage interest rates, mortgage advances, secured lending and interest payments as a percentage of income; and
- Data on past performance and growth prospects in relation to Gross Value Added (GVA), construction sector capacity, houses prices and the labour market.

Alternative Option

The alternative option is to maintain the current approach with no guidance prepared.

Question 23

Assessing the Five Year Effective Land Supply

Do you support the preferred option? If not, do you support the alternative option? Please set out your reasons why. If you do not support either the preferred or alternative option, please set out your reasons why.

7 Are there any other Issues to consider?

Question 24

Other Issues

Briefly, are there any other issues which SDP2 should address?

Question 25

Climate Change Adaptation

Do you consider that SESplan could better pursue climate change adaptation and facilitate a joint approach to the issue? If so, please suggest ways in which this could be achieved.

Question 26

Development Planning and Community Planning

Do you consider that development planning and community planning in Edinburgh and South East Scotland could be better aligned? If so, please suggest ways in which this could be achieved.

Question 27

How to Get Involved

Are there any other forms of communication you would like SESplan to use during consultations?

8 Abbreviations / Glossary

Table 8.1 Glossary

Term	Description
Action Programme	Accompanies the Strategic Development Plan and identifies the how when and by who of delivery of the plan.
Adaptation (Climate Change)	The adjustment in economic, social or natural systems in response to actual or expected climate change.
Affordable Housing	Housing of reasonable quality that is affordable to people on modest incomes.
Allocation	Land identified in a local development plan for a particular use.
Brownfield Land	Land which has previously been developed.
Central Scotland Green Network	A strategic network of woodland and other habitats, active travel routes, greenspace links, watercourses and waterways, providing an enhanced setting for development and other land uses.
City Deal	Funding mechanism in which contributions and risks are shared between councils and central government and across sectors, based on the improved performance of the regional economy.
Commercial Centre	Examples include out-of-centre shopping centres, commercial leisure developments, factory outlet centres, retail parks or clusters of larger mixed retail units and leisure units.
Committed Development	Housing, economic development and infrastructure projects which are either allocated in previous development plans or have received Council support through subsequent planning permissions.
Community Planning Partnerships	Partnership where local authorities initiate, maintain and facilitate a process by which public services are planned and provided in the local authority area. There is a Community Planning Partnership in each of the 32 local authorities in Scotland.
Development Plan	A document setting out how places should change and what they could be like in the future. It stipulates what type of development should take place and where should not be developed.
Effective Land Supply	The part of the established housing land supply which is free or expected to be free of development constraints in the period under consideration.
Established Land Supply	The total housing land supply Including the effective housing land supply plus remaining capacity for sites under construction, sites with planning consent, sites in adopted local development plans and where appropriate other buildings and land with agreed potential for housing development.
Greenbelt	Area of countryside around cities or towns which aims to prevent urban sprawl and inappropriate development.

8 Abbreviations / Glossary

Term	Description
Greenfield Land	Land in a settlement or rural area which has never been developed, or where traces of any previous development are now such that the land appears undeveloped.
Green Network	Paths or open space connecting areas by sustainable transport modes.
Healthy Town Centre	The health of a town centre is measured through the indicators included in Annex A of SPP.
Heat Map	Map showing heat demand and supply of heat used for buildings.
High Speed Rail	Type of rail transport than operates significantly faster than normal trains, typically over 125mph in the UK.
Housing Need and Demand Assessment (HNDA)	The evidence base used to identify future housing requirements to ensure suitable land is allocated through development plans.
Housing Market Area	Geographical space in which people will search for housing and within which they are willing to move while maintaining existing economic and social relationships.
Infrastructure	Public transport, roads, sewerage, water supply, schools, gas, electricity, telecommunications etc. which are needed to allow developments to take places.
Moratorium	The delay or suspension of an activity or law.
National Records for Scotland	Provides statistical releases on behalf of the Scottish Government.
Prudential Borrowing	Set of rules governing local authority borrowing.
Sequential Approach	An approach which establishes a sequence of sites selection for retail, commercial, leisure, office, community and cultural uses.
Significant Business Cluster	Broad areas where similar or complimentary uses operate.
Strategic Development Areas	Areas identified under SDP1 of being capable of accommodating strategic growth.
Sustainable Economic Growth	Building a dynamic and growing economy that will provide prosperity and opportunities for all, while ensuring that future generations to meet their own need.
Sustainable Transport	Any means of transport with low impact on the environment, including walking, cycling, public transport, car share.
Tax Incremental Funding	A public financing method which funds public sector investment in infrastructure and unlocks regeneration in an area, which may otherwise be unaffordable to local authorities.
Thermal Generation	Steam driven power supply.
Windfall	A site which becomes available for development during the plan period which was not anticipated to be available when the plan was being prepared
World Heritage Site	Designation by UNESCO for special cultural or physical significance.

Abbreviations / Glossary 8

Table 8.2 Abbreviations

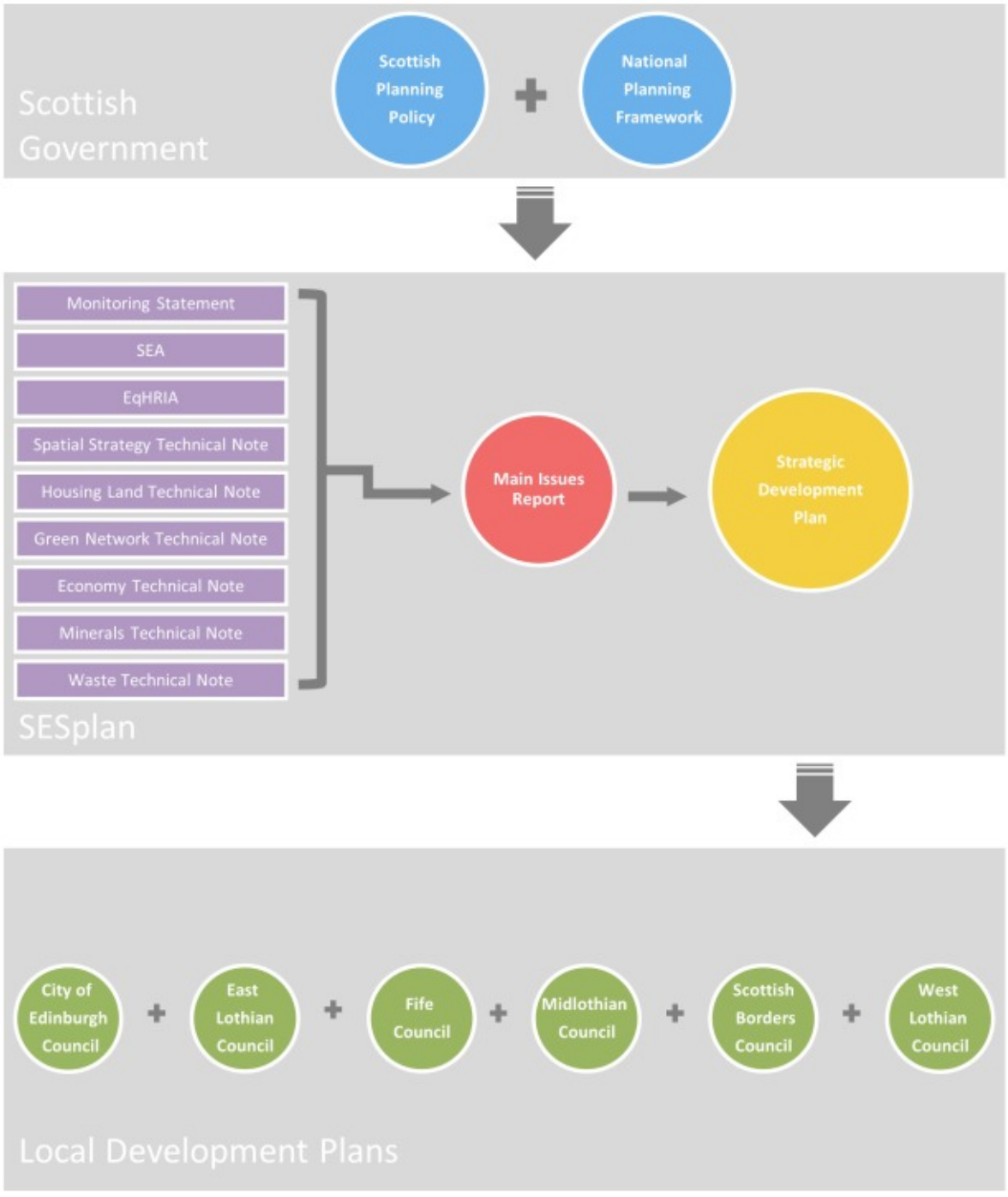
Acronym	Expanded
AMRI	Annual Mineral Raised Enquiry
BRT	Bus Rapid Transit
BGS	British Geological Survey
CCS	Carbon Capture Storage
CSGN	Central Scotland Green Netowrk
DPS	Development Plan Scheme
ECML	East Coast Main Line
HNDA	Housing Need and Demand Assessment
HMA	Housing Market Area
IBG	International Business Gateway
LDP	Local Development Plan
LPA	Local Planning Authority
MIR	Main Issues Report
MS	Monitoring Statement
NPF3	National Planning Framework 3
NRIP	National Renewable Infrastructure Plan
NTDF	National Tourism Development Framework
RTS	Regional Transport Strategy
SBS	Scottish Biodiversity Strategy
SDA	Strategic Development Area
SDP	Strategic Development Plan
SDPA	Strategic Development Plan Authority
SEA	Strategic Environmental Assessment
SEPA	Scottish Environmental Protection Agency
SESTRAN	South East Scotland Transport Partnership
SFS	Scottish Forestry Strategy
SNH	Scottish Natural Heritage
SPP	Scottish Planning Policy

8 Abbreviations / Glossary

Acronym	Expanded
STPR	Scottish Transport Projects Review
PEDL	Petroleum Exploration and Development Locations
TIF	Tax Incremental Funding
WETA	West Edinburgh Transport Appraisal
ZWP	Zero Waste Plan

9 The Process for Developing the SDP

Figure 9.1 Plan Hierarchy



9 The Process for Developing the SDP

Figure 9.2 Plan Stages

WASTE MANAGEMENT PLAN

Report by Service Director Neighbourhood Services

SCOTTISH BORDERS COUNCIL

25 June 2015

1 PURPOSE AND SUMMARY

1.1 **This report outlines the approach to developing a new Waste Management Plan following the Council's decision to terminate the Waste Treatment Contract with New Earth Solutions in February 2015.**

1.2 On 19 February 2015, the Council terminated the Contract with New Earth Solutions and requested that a further report be brought back to Council setting out the process for developing a new Integrated Waste Management Plan and reviewing necessary waste treatment and disposal services.

1.3 Over the last decade Scottish waste policy, regulations and targets have changed and evolved, and this continues to be the case. This has made short, medium and long term decision making in relation to Waste Management extremely challenging for the Council.

1.4 The development of a Waste Management Plan will be governed and managed as a Corporate Transformation project, the performance of which will be regularly reported to the Council Executive.

1.5 Integral to the project is the establishment of a Member-Officer Reference Group adopting the practice followed for the establishment of SBC cares to test proposals and provide advice and feedback throughout the development of the Waste Management Plan.

2 RECOMMENDATIONS

2.1 **I recommend that the Committee:-**

a) Agrees the approach to developing a new Waste Management Plan as outlined in section 4.

b) Agrees that a Member-Officer Reference Group be created for the duration of the project and development of the new Waste Management Plan.

c) Nominates five Elected Members to the Member-Officer Reference Group

3 BACKGROUND

3.1 It is the duty of all Local Authorities in Scotland to prepare an Integrated Waste Management Plan in accordance with the requirements of the Environmental Protection Act 1990.

3.2 On 12 December 2013, the Council approved its Integrated Waste Management Strategy (IWMS) which outlined the strategic direction for municipal waste management in the Scottish Borders taking account of European and National Policy including Scotland's Zero Waste Plan.

3.3 The overall aim of the Council's Integrated Waste Management Strategy was to deliver a waste service that is 'fit for purpose' and financially sustainable in the long term.

3.4 On 19 February 2015, the Council terminated the Contract with New Earth Solutions due to significant concerns relating to progress, technical deliverability and risk transfer and requested that a further report be brought back to Council setting out the process for developing a new Integrated Waste Management Strategy and reviewing necessary waste treatment and disposal services.

3.5 The Council's previous Integrated Waste Management Strategy was structured, to a large extent, around the New Earth Solutions Waste Treatment Contract.

3.6 This report outlines the recommended way forward to ensure the Council can continue to deliver a waste service that is 'fit for purpose' and financially sustainable in the long term.

4 NEW WASTE MANAGEMENT PLAN – DEVELOPMENT APPROACH

4.1 In order to fully establish the basis upon which the new Waste Management Plan is to be developed the following key tasks have already been undertaken:

- Soft Market Testing with Private Sector Waste Treatment and Disposal providers
- Assessment of Scotland Excel Waste Treatment Providers
- Discussions with Local Authorities
- Discussion with Zero Waste Scotland
- Review of current and future European and National Waste Policy and Regulations, including the following:

    a. Circular Economy & Resource Efficiency
    b. Zero Waste Task Force
    c. Scottish Materials Brokerage Service

4.2 The waste treatment opportunities available to Scottish Borders Council have changed considerably since the commencement of the Waste Treatment Project in 2008 and its subsequent award to New Earth Solutions. There are now a number of treatment facilities with capacity, that are either operational or in the process of being developed as part of a

Long Term Waste Treatment Contract with Local Authorities (i.e. Zero Waste: Edinburgh & Midlothian) or stand-alone merchant facilities (i.e. Viridor's Energy from Waste Facility at Dunbar, East Lothian).

4.3 Research has also indicated that the gate fee for merchant treatment capacity is becoming increasingly competitive compared to landfill. This is in large part due to the landfill tax escalator (currently £82.60/t) combined with increased competition in the market place across the UK and Europe.

4.4 As a result, the development of a Waste Treatment Facility in the Scottish Borders is no longer the only viable option available to the Council, whether that is on its own or as part of a longer term waste treatment contract with a third party provider . However, that is not to say this may still present the best option.

4.5 Waste policy, regulations and targets continue to evolve over time and this is likely to continue to be the case for the foreseeable future. Outputs from the Zero Waste Task Force must be carefully considered as part of the plan going forward. Therefore, there may be merit in allowing the market and waste policy to stabilise prior to the Council making any significant long term investment in waste treatment contracts.

4.6 Partly as a consequence there is no one set system that Local Authorities have adopted in relation to the management of municipal waste. Officer research indicates that Councils are each taking different approaches depending on their individual circumstances.

4.7 There are also opportunities for joint working with neighbouring authorities and it is suggested that these should be investigated in more detail during the development of the new Waste Management Plan.

4.8 In light of the comments above, it is suggested that medium term flexibility should be a key outcome of the plan.

4.9 To ensure that the new Waste Management Plan delivers a value for money service, fit for purpose, flexible solution, the following service elements must be considered:

a) Kerbside Collection
b) Transfer and Bulk Haulage
c) Waste Treatment
d) Waste Disposal

All elements of these will influence the analysis of the different options and the outcome of the new Waste Management Plan.

4.10 The development of a new Waste Management Plan will be managed as a Corporate Transformation project, the performance of which will be regularly reported to the Council Executive.

4.11 It is proposed that a Member-Officer reference Group (see Appendix 1) be developed in line with the model adopted for SB Cares with Elected Member able to test proposals and provide feedback and advice throughout the development of the Waste Management Plan.

4.12 Further details on the proposed structure and terms of reference of the Member-Officer Working Group can be found in Appendix 1.

4.13 Member input will be of critical importance when determining the Council's priorities for future service provision and determining the approach to be taken.

4.14 It is proposed the Member-Officer reference Group meet to discuss and agree the approach to the development of the new Waste Management Plan. Items that will need to be clarified include:

1. Confirmation of the Council's priorities and key drivers in relation to the provision of waste services:
    - Budgets/Savings
    - Alignment with European and National Waste Policy and Regulation.
    - Rural Proofing
2. Confirmation as to the level of independent advice and support required throughout the project.
3. Confirmation as to the level of public consultation and engagement.

4.15 **Strategic Environmental Assessment (SEA)**

4.15.1 As a minimum, the Council will be required to undertake a Strategic Environmental Assessment Screening Exercise. This will determine whether the Waste Management Plan will have a significant environmental impact.

4.15.2 If the Screening Exercise determines that the plan will have a significant environmental impact then the Council will be required to complete a full Strategic Environmental Assessment.

4.15.3 Strategic Environmental Assessments by their nature take time and are therefore likely to:

- impact project delivery timelines
- have financial implications
- have a bearing on the outputs of the plan

4.15.4 It is proposed that the screening exercise is carried out and that the Strategic Environment Assessment Gateway is contacted for further advice and guidance.

4.16 **Regulatory Review**

4.16.1 The waste industry is highly regulated. It is important that the Waste Services provided by the Council are undertaken in accordance with its statutory duties and wider Environmental Legislation.

4.16.2 It is therefore proposed that a legal review is undertaken to ensure that the Waste Management Plan complies with the Council's statutory duties and wider Environmental Legislation.

5 WASTE POLICY, REGULATIONS AND TARGETS

5.1 Over the last decade Scottish waste policy, regulations and targets have changed and evolved, and this continues to be the case, see below:

- 2003 - Scottish Executive - National Waste Plan
- 2003 - Scottish Executive - Lothian & Borders Area Waste Plan
- 2005 - Landfill Allowance Scheme (Scotland) Regulations
- 2007 - Household Waste Prevention Action Plan (Scotland)
- 2008 - Scottish Government announces new policy approach to Scotland's waste, based on a concept of 'zero waste'
- 2009 - Climate Change (Scotland) Act 2009
- 2009 - SEPA Thermal Treatment of Waste Guidelines
- 2010 - Scottish Government issues Zero Waste Plan replacing previous National Waste Plan
- 2012 - Waste (Scotland) Regulations 2012
- 2013 - Scottish Government blue print for a more resource efficient and circular economy
- 2014 - Updated SEPA Thermal Treatment of Waste Guidelines
- 2015 - Waste (Recyclate Quality) (Scotland) Direction 2015
- 2015 - Code of Practice on Sampling and Reporting at Materials Recovery Facilities
- 2015 - Zero Waste Task Force announcement expected

Note - Above list is not exhaustive.

5.2 In large part of this is due to policy and regulatory change at a European level. This has made short, medium and long term decision making in relation to Waste Management extremely challenging for the Council.

5.3 At the current time the key policy and regulatory drivers in Scotland are the Scottish Government's Zero Waste Plan (Appendix 2) and the Waste (Scotland) Regulations 2012 (Appendix 3).

5.4 The key European and National Waste Targets are summarised in Appendix 4.

5.5 There are a number of additional considerations which may impact the direction of travel for waste policy, regulations and targets, as detailed below:

- Circular Economy & Resource Efficiency
- Zero Waste Task Force
- Scottish Waste Brokerage Service

These are explained in more detail below.

5.6 **Circular Economy & Resource Efficiency**

5.6.1 The 'Circular Economy' and 'Resource Efficiency' is already playing an increasingly important role in the direction of European and National Waste Policy.

5.6.2 In October 2013, the Scottish Government issued its programme to reduce waste and create a more productive and circular economy entitled "Safeguarding Scotland's Resources: Blueprint for a more resource efficient and circular economy".

5.6.3 The Scottish Governments programme aims to make today's model of production and consumption more resource efficient (doing more with less, and minimise waste), while also laying the foundations for a more circular model of resource use: circular economy.

5.6.4 At a European level, the European Commission's 'Circular Economy Package' was first proposed in July 2014 and included a proposed 70% recycling and reuse target for 2030, as well as a requirement for Member States to recycle 80% of packaging waste by 2030. However, by December 2014, it had been withdrawn to be replaced by a 'broader more ambitious' waste package.

5.6.5 The European Commission has indicated that it is aiming to present the more ambitious 'Circular Economy Package' in late 2015 with the aim of transforming Europe into a more competitive resource-efficient economy.

Note – The EU Circular Economy Consultation commenced on 28 May 2015.

5.6.6 The package is likely to include new legislative proposals on waste targets, which may be country specific, but keeping EU-wide goals on recycling.

5.7 Zero Waste Task Force

5.7.1 The Zero Waste Task Force was set up by the Scottish Government with the aim of delivering the leadership and vision needed to address barriers to maximising the economic footprint of Scotland's waste materials.

5.7.2 The Zero Waste Task Force has concentrated its efforts on the following workstreams:

1. Communicating the benefits of a circular economy for local government

2. Measures to improve the recycling system to support a circular economy

3. Managing the market interface

5.7.3 Task Force meetings have been jointly chaired by Richard Lochhead, Cabinet Secretary for Rural Affairs, Food and the Environment and Councillor Stephen Hagan, COSLA Spokesperson for Development, Economy and Sustainability. Membership has included Scottish Government, Zero Waste Scotland and COSLA.

5.7.4 The outputs of the Zero Waste Task Force are expected in June 2015 and have the potential to impact the way in which Councils deliver their waste services. The most prominent of these is under Workstream 2 which has been considering national consistency with regards to waste collection services, messaging and approach. In short, this may involve a standardisation of

waste collection methods across **All** Scottish Local Authorities.

5.7.5 At the conference 'Achieving Scotland's Environmental Goals' in Edinburgh on 5 March, Richard Lochhead, Cabinet Secretary for Rural Affairs, Food and the Environment said "radical steps" are being discussed as part of the Zero Waste Taskforce's review to improve the quantity and quality of recycling. It was also indicated that the government will be pushing for more uniformity in collection systems.

5.7.6 It is understood within the industry that Scottish Government is looking at the progress made in Wales in relation to their recycling rates, which has included a standardised approach to collection systems (called the Waste Collections Blueprint) across all Local Authorities and the implementation of statutory recycling rates.

5.7.7 The latest information indicates that the Zero Waste Task Force will present a 'Best Practice Charter' in relation to collection systems. Local Authorities will be given the opportunity to sign-up to the Charter in a similar manner to the Climate Change Charter. At this stage the full impacts of the Zero Waste Task Force are not known.

5.8 Scottish Waste Brokerage Service

5.8.1 Scotland's public sector handles around 3 million tonnes of waste material per year.

5.8.2 The aim of the Scottish Waste Brokerage Service is to:

- Provide a market place for the sale of recyclable materials
- Provide certainty of demand for local authorities looking to sell recyclable materials into the reprocessing sector
- Enable Local Authorities to use their combined scale, in terms of waste tonnage, to achieve better prices for recyclates
- Help to develop a reprocessing industry in Scotland for recyclable waste materials
- Help to deliver a Resource Efficient Scotland Programme and Circular Economy

5.8.3 It is understood that the first contracts will be awarded in the middle of 2015 with the service going live in 2016.

5.8.4 The Scottish Waste Brokerage Service should be considered as part of the Council's long term strategy for the treatment of recyclable materials.

6 IMPLICATIONS

6.1 Financial

(a) Officer and member resources will be required to provide input, direction and advice throughout the project.

(b) The financial implications of developing the new Waste Management Plan are not currently known. These will be identified once the approach is agreed with the Member-Officer reference Group as outlined in section 4.

(c) The costs for undertaking the Strategic Environmental Assessment Screening Exercise are yet to be identified but are anticipated to be in the region of £15,000. It is likely that consultancy support will be required to take this forward as this is a specialist area and will be funded from existing budgets.

(d) The costs for undertaking the Legal review have been estimated to be in the region of £12,000 and will be funded from existing budgets.

6.2 **Risk and Mitigations**

(a) Failure to develop a Waste Management Plan puts at risk the Council's ability to comply with future European and National Waste Policy and Regulatory requirements (see appendices 2, 3 and 4).

(b) The risks and mitigations of the waste management plan are not known at the current time. These will be assessed and considered throughout the development of the Waste Management Plan.

6.3 **Equalities**

The equality implications of the Waste Management Plan are not known at the current time. Equality Impact Assessments (EIA) will be undertaken and considered throughout the development of the Waste Management Plan.

6.4 **Acting Sustainably**

The economic, social and environmental effects of the Waste Management Plan are not known at the current time. These will be assessed and considered throughout the development of the Waste Management Plan.

6.5 **Carbon Management**

The impact of the Waste Management Plan on the Council's carbon emissions are not known at the current time. This will be assessed and considered throughout the development of the Waste Management Plan.

6.6 **Rural Proofing**

The impact of the Waste Management Plan on the Council's Rural Proofing Policy is not known at the current time. This will be assessed and considered throughout the development of the Waste Management Plan.

6.7 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to the Scheme of Delegation.

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and Clerk to the Council have been consulted and any comments received have been incorporated into this report.

7.2 The Corporate Equalities and Diversity Officer, the Corporate Transformation and Services Director, the Service Director Capital Projects, the Procurement Officer, Corporate Communications and the Depute Chief Executive Place have been consulted and any comments received have been incorporated into this report.

Approved by

Service Director Neighbourhood Services Signature .....

Author(s)

Name	Designation and Contact Number
Ross Sharp-Dent	Waste Manager +8857

Background Papers: 19 February 2015 - Waste Treatment Contract

Previous Minute Reference: NA

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at Jacqueline Whitelaw, Place, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eitranslationrequest@scotborders.gov.uk.

Corporate Transformation

Waste Management Plan

Member-Officer Reference Group (MORG) Terms of Reference

12th June 2015

Author: Ross Sharp-Dent

Issue No :0.1 Draft

Revision History			
Version	**Date**	**Summary of Changes**	**Author**
0.1	12/6/2015	First Draft	Ross Sharp-Dent

Purpose
To agree the terms of reference of the Member-Officer Reference Group (MORG)

Purpose of the Reference Group

- Test that the project team are going along the right lines, allowing suggested changes to be incorporated early while the Waste Management Plan is being developed and more chance of meeting member's requirements.
- Provide a sounding board for the project team on how best to tackle specific issues that have come up.
- Give an outside perspective on the project.
- Give a political perspective on the project.
- Allow concerns raised by Elected Members to be addressed by the project team.
- Assure SBC Elected Members that proposals have been well examined, allowing decisions on the Waste Management Plan to be taken.

Scope

The MORG will focus on the major areas of the project, providing robust review of key aspects during the development of the Waste Management Plan.

The project board is the decision-making body for the project on an operational basis. The MORG will not affect this.

Operation of the Reference Group

- The MORG will meet on a monthly basis
- An agenda will be prepared in advance with papers from the project team on areas they would like to discuss with the MORG that will also cover areas that elected members would like to discuss
- Jenni Craig, Service Director Neighbourhood Services will chair the meetings
- As well as the elected members chosen for the MORG, the following officers will attend the MORG meetings:-
    - Ross Sharp-Dent : Waste Services Manager
- Other individuals will be invited as required

Appendix 2 – National Waste Plan – Zero Waste Plan 2010

The Zero Waste Plan outlines the Scottish Government's vision for a zero waste society, where **ALL** waste is seen as a resource; Waste is minimised; valuable resources are not disposed of in landfills, and most waste is sorted, leaving only limited amounts to be treated.

The Zero Waste Plan outlines twenty two actions through which the aims of the plan are to be achieved, including:

- *landfill bans for specific waste types aiming to reduce greenhouse gas emissions and capturing their value;*
- *separate collections of specific waste types, including food (to avoid contaminating other materials);*
- *two new targets that will apply to all waste (in the past only applicable to municipal waste): 70% target recycled and maximum 5% sent to landfill, both by 2025;*
- *restrictions on the input to all energy from waste facilities. Previously the Scottish Government stated this was only applicable to municipal waste. This replaces the 25% energy from waste cap for local authority collected municipal waste with an approach that requires equivalent treatment standards for all waste streams and sectors (household, commercial and industrial waste;*
- *development of a Waste Prevention Programme for all wastes, making prevention and reuse central to actions and policies;*

The new Zero Waste Plan is a plan for all of Scotland's waste (household, commercial and industrial waste), not just municipal waste.

Further information on Scotland's Zero Waste Plan can be found at www.zerowastescotland.org.uk

Appendix 3 – Waste (Scotland) Regulations 2012

The Zero Waste Plan outlined that a package of regulatory measures would be required in order to implement a number of its actions. This culminated in the introduction of The Waste (Scotland) Regulations 2012 which came into force on the 17th May 2012.

The Regulations provide for the collection, transport and treatment of key recyclable materials (paper, card, plastic, metal and glass) and food waste, placing additional requirements on local authorities and businesses in this regard.

Specific measures introduced by the Waste (Scotland) Regulations 2012 include:

- A requirement on local authorities to provide householders with:
    - A separate collection service for dry recyclables (paper, card, plastic metal and glass) from January 2014.
    - A separate collection service for food waste (apart from rural areas) from January 2016.

- A requirement on Local Authorities to take steps from 1st January 2014 to promote separate collection and recycling. This includes making arrangements for the provision of a food waste receptacle.

- A requirement for businesses to present:
    - Dry recyclables (metals, plastic, paper, card and glass) separately for collection from 1st January 2014
    - Food waste of more than 50kg/week separately for collection from 1st January 2014, with those producing less than 50kg/week exempt until the end of 2015.

- A ban on materials collected separately for recycling going to landfill or incineration from 1st January 2014.

- A requirement to remove dry recyclables (plastics and metals) from mixed waste prior to incineration (from July 2012).

- **A ban on biodegradable municipal waste going to landfill from 1st January 2021**

- A ban on the use of macerators and food waste disposal units from 1st January 2016 to ensure food waste is not deposited in a public drain or sewer. This does not apply to domestic properties or rural areas.

Appendix 4 - Scottish Government and European Waste Targets

Target/Cap	Year	Derivation
50% recycling/composting of household waste	2013	Scottish Government target
No more than 1.8 million tonnes of biodegradable municipal waste to be sent to landfill	2013	EU Landfill Directive
50% recycling of household waste	2020	EU Waste Framework Directive
60% recycling/composting of household waste	2020	Scottish Government target
No more than 1.26 million tonnes of biodegradable municipal waste to be sent to landfill	2020	EU Landfill Directive
70% recycling of construction and demolition waste	2020	EU Waste Framework Directive
70% recycling/composting rate of all waste by 2025	2025	Scottish Government target
No more than 5% of all waste to go to landfill	2025	Scottish Government target

ADDING VALUE TO COMMUNITIES THROUGH PROCUREMENT POLICY UPDATE

Joint Report by Chief Financial Officer and Service Director Strategy & Policy

SCOTTISH BORDERS COUNCIL

25 JUNE 2015

1 PURPOSE AND SUMMARY

1.1 This report seeks approval to fully adopt the Adding Value to Communities through Procurement Policy (the Policy).

1.2 A report "Maximising the Benefits of Procurement in the Scottish Borders" was presented to Council in December 2013. This report updated Council on progress relating to the procurement reform underway supporting local priorities and local businesses. A follow-up report 'Adding Value to Communities through Procurement Policy' was presented to Council in March 2014. The report sought Council approval for the implementation of the Policy for a 12 month pilot period.

1.3 The Scottish Borders Community Planning Partnership Single Outcome Agreement and the Scottish Borders Council Corporate Plan provide clear strategic direction for driving added value considerations. To fully maximise the specific outcomes, benefits and expectations for the Scottish Borders a cross departmental Community Benefit Policy Group (CBPG) has directed the successful implementation of the policy.

1.4 The policy has already added value to a number of contracts and case studies have been developed to highlight particular achievements delivered during the pilot period. Three case studies are attached as appendices to this report.

2 RECOMMENDATIONS

2.1 **It is recommended that Council:**

a) endorses the progress to date achieving Added Value through Procurement;

b) agrees the permanent adoption of the Adding Value to Communities through Procurement Policy;

c) note the post status of the Community Benefit Coordinator will move from temporary to permanent.

d) agrees that performance is monitored at Executive on at least an annual basis, as part of the Corporate Performance report.

3 BACKGROUND

3.1 Scottish Borders Council is committed to adding value to communities and maximising benefits from its procurement and contracting activities. This is being achieved through the insertion of specific clauses to contracts, known as Community Benefit Clauses (CBCs). CBCs are contractual requirements which allow the delivery of wider social, economic and environmental benefit in addition to the core purpose of the contract. The most common aim of CBCs is targeted recruitment and training, supply chain, education and environmental opportunities.

3.2 The purpose of the policy is to provide a corporate approach to the promotion of CBCs in appropriate procurement and contract opportunities with the purpose of maximising best value for money.

3.3 Council approved the introduction of the Policy for a pilot period of 12 months. It was agreed the Policy and associated Community Benefit Coordinator post would be adopted as a pilot during 2014/15.

3.4 A Community Benefit Co-ordinator was appointed in October 2014 to develop and implement a strategy designed to embed community benefit across the organisation and the Community Planning Partnership. A key role of the coordinator is the provision of support, guidance and direction to all internal and external stakeholders and ensuring the delivery and monitoring of CBCs.

4 POLICY DEVELOPMENT AND DELIVERY

4.1 A Scottish Borders Council Community Benefit Policy Group (CBPG), chaired by the Service Director Strategy and Policy, has been established and is being positively supported by service departments across the Council. This group approves the strategic direction of the policy and considers the contract opportunities available for consideration.

4.2 The Community Benefit Coordinator (appointed on a temporary contract for 12 months) is responsible for:

- the development of the Community Benefit Delivery Strategy;
- the coordination of internal & external stakeholders;
- raising awareness with Service Departments;
- delivering a standard approach to the inclusion of CBCs;
- providing support to our Community Planning Partners;
- raising awareness to SMEs, Third Sector and Social Enterprise;
- delivering a robust monitoring and performance framework; and
- the development of a communications plan.

4.3 Additionally a Community Benefit Stakeholder Group (CBSG) has been established to support suppliers to deliver community benefits. This group provides a single point of contact ensuring the Scottish Borders maximises community benefit opportunities from each third party contract. Members of the group include:

- Economic Development;
- Skills Development Scotland;
- Job Centre Plus;

- Employment Support Service;
- Borders College;
- Children and Young Peoples services;
- Community Engagement; and
- Criminal Justice

4.4 A short life working group has been established by the Community Planning Partnership Future Services Reform Group to consider Procurement and Community Benefit. This sub group is tasked with identifying collaborative opportunities that may enable enhanced collective added value for money including a CPP wide approach to community benefits.

5 COMMUNITY BENEFIT ACHIEVEMENTS TO DATE

5.1 Since the appointment of the Community Benefit Coordinator each contract with a value in excess of £50,000 has been considered for potential opportunity. The current portfolio includes contracts from around £50,000 to circa £18million and these are delivering a range of additional benefits including apprenticeships, work experience and support to communities and schools.

5.2 As well as the current portfolio, there are a number of pipeline projects with the potential to deliver 15 apprenticeships, 15 new employment opportunities and 50 work experience opportunities.

5.3 Positive engagement with a wide range of internal and external stakeholders is ongoing. These include internal service departments such as Major Projects, Social Care & Health and Children & Young People along with local and national groups including ;

- Ready for Business;
- National Community Benefit in Procurement Champions Network;
- Community Planning Partners;
- Community Councils;
- Scottish Borders Social Enterprise;
- Third Sector Interface;
- Regional Disability Forum;
- Community Learning Partnerships; and
- Local SMEs.

5.4 Scottish Borders Councils involvement in national community benefit forums allows us to be at the forefront of shaping the way public bodies across Scotland deliver social, economic and environmental benefits through procurement.

6 CASE STUDIES

6.1 A number of case studies have been developed to reflect the variety of community benefits already realised from the policy and related procurement activity.

6.2 Redpath Tyres Ltd (based in Duns) currently provide Tyre Management Services to the Council. This contract was awarded during April 2014 and as a consequence through the associated contract clause Redpath Tyres have recruited two apprentices to their Kelso depot.

6.3 The Selkirk Flood Protection Scheme main works contract has a value in the region of £18million and was awarded to RJ McLeod in December 2014. The Construction Industry Training Board employment and skills benchmarks were used to set minimum targets. These include employment and training opportunities, work experience and curriculum support activities. At this early stage in the contract, one apprentice, thirteen local jobs, and a number of community and school based support activities have been delivered. Further benefits are expected to be achieved throughout the duration of the contract.

6.4 The Fruit, Vegetables and Bakery contract is delivering a healthy eating initiative through a competition where every primary school in the Scottish Borders has been given a bag of seed potatoes to plant on a specific date. The crops will be harvested on 31st August. The school with the heaviest crop of potatoes will be offered a trip to Greenvale Potatoes in Duns to witness first-hand how the company pick and pack their produce.

7 MONITORING PROGRESS

7.1 Part of the Community Benefits Co-ordinator's role is to provide a robust monitoring and performance framework, ensuring that suppliers are held to account for what is agreed through CBCs and that benefits are delivered for communities in the Scottish Borders. For this purpose, a performance framework is in development and will be presented at the Community Benefit Policy Group on a regular basis. Further, a range of performance information (from the framework) will be presented at Corporate Management Team. It is also proposed that, on at least an annual basis, the high level measures relating to the strategy themes will be presented as part of the Corporate Performance report (under Corporate Priority 7: Develop our assets and resources).

8 IMPLICATIONS

8.1 Financial

(a) Generally, sustainable procurement is already factored into discussions with contact owners and project managers. Any cost implications would continue to be met from within budget.

(b) The permanent establishment of a Community Benefits Co-ordinator will be funded from the Chief Executives Department budget.

(c) The members of the policy group are from internal resources and so met from existing budget.

8.2 Risk and Mitigations

The Council aims (through the policy as proposed in this report) to take the opportunity to maximise community benefits from its procurement and contracting activities whilst adhering to relevant legislation. The actions

associated with this report are intended to continue the successful implementation of this policy to positive effect for the Council and the Scottish Borders community.

8.3 **Equalities**

An Equalities Impact Assessment has been carried out on this proposal and no adverse equality implications have been identified. This is due to the positive nature of community benefits along with the fundamentals of Procurement – the EU Treaty principles (transparency, equal treatment, non-discrimination, proportionality and mutual recognition) against which all activity is carried out underpins this policy. As a new policy and in line with SBC procedures a review of this policy will be undertaken annually.

8.3 **Acting Sustainably**

The actions of the public sector have a huge impact on society, the economy and the environment and in no area is this more obvious than how we spend public funds. The impact of implementing this policy is a key means of delivering national and local government priorities and underpins the achievement of social, economic and environmental benefits that sustainable growth demands.

8.4 **Carbon Management**

There are no direct effects on carbon emissions as a result of this paper; however, by considering community benefits, the approach outlined in this paper may support carbon management.

8.5 **Rural Proofing**

A major objective of sustainable procurement in a rural area like Scottish Borders must be to ensure that local business has a level playing field when competing for contracts. This policy will ensure that this approach is a key aspect of the Council's corporate and social responsibility to the Borders area.

8.6 **Changes to Scheme of Administration or Scheme of Delegation**

No changes required.

9 CONSULTATION

9.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council will be consulted and any comments received will be incorporated into the final report.

Approved by

David Robertson
Chief financial Officer **Signature .....**

David Cressey
Service Director – Strategy & Policy Signature .....

Author(s)

Name	Designation and Contact Number
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Shona Smith	Communities & Partnership Manager x 5504

Background Papers: Report - Adding Value to Communities through Procurement Policy 27 March 2014
Policy - Adding Value to Communities through Procurement

Previous Minute Reference: MEETING of the SCOTTISH BORDERS COUNCIL 27 March 2014.

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Kathryn Dickson can also give information on other language translations as well as providing additional copies.

Contact us at Kathryn Dickson, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA email: Kathryn.dickson@scotborders.gov.uk

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Appendix 1 - Tyre Management Services Case Study

Background

Scottish Border Council Fleet Services are responsible for the maintenance of a fleet of around 400 vehicles ranging from cars through to large heavy goods vehicles.

Service

Tyre Management Services are required to effectively and efficiently operate this diverse fleet of vehicles through support with routine maintenance, replacement and a mobile rapid response tyre service both across and beyond the Borders area.

Contract

The Scotland Excel Tyre Management Framework was used to tender for this contract opportunity, with a Community Benefit Clause being included to deliver employment and training opportunities. Following a mini competition in April 2014 Redpath Tyres Ltd based in Duns were awarded the contract for two years.

Added Value

As a direct result of the requirement to deliver community benefit, and through working closely with our Employment Support Service, Skills Development Scotland and Job Centre Plus, Redpath Tyres offered a local young person a work experience opportunity. Following this very successful placement the young person was recruited as a full time Modern Apprentice in the Redpath Tyres Kelso depot.

Due to the success of this experience and the financial stability provided by the contract with this Council, Redpath Tyres have now recruited a second Modern Apprentice also based at their Kelso depot.

This was our first opportunity to implement the new Adding Value to Communities through Procurement Policy and so take full advantage of the requirement for community benefits.

Using this new policy to access added value created a real opportunity for Redpath Tyres to create new employment opportunities supporting local young people and so positively impact our local economy.

Redpath Tyres Ltd two new Modern Apprentices - Fergus Common and Blair Robertson.

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Appendix 2 – Selkirk Flood Protection Scheme Case Study

Background

The Selkirk Flood Protection Scheme is a major civil engineering project to provide flood protection to over 700 properties in Selkirk. The Scheme is estimated to have a capital value of approximately £20 million.

Service

A contractor was required to be engaged to construct a network of embankments and flood defence walls, together with a series of replacement bridges at key locations throughout the town. The contract also included substantial environmental enhancement and improvements to Selkirk's core path network.

Contract

The Councils Procurement Service undertook a major procurement exercise during 2014 resulting in a RJ McLeod (Contractors) Ltd being awarded the contract. The contract is expected to complete by December 2016.

A requirement for the delivery of community benefit is included stating the Council's commitment to maximising added value from the contract.

The community benefit clause within the contract included the following requirements;

- Create 8 new jobs;
- Deliver 3 new apprenticeships;
- Support 2 existing apprentices;
- Complete 2 apprenticeships;
- Provide 5 work placement opportunities;
- Provide SVQ & other training opportunities for 19 people; and
- Deliver 5 Curriculum Support activities

Added Value

Work started on the contract in January 2015. RJ McLeod is being directly supported by the Community Benefit Coordinator to ensure delivery through a robust community benefits plan.

To date the project has delivered;

- 14 employment opportunities for local people;;
- I new apprentice civil engineer;
- I existing apprentice is working on the project;
- 2 further jobs are being advertised through local employment agencies;
- 1 young person has undertaken a period of work experience;
- 4 employees have undertaken development training;
- 6 community events;
- 5 local projects have been provided with support;
- 2 local groups/ projects have been provided with sponsorship; and
- Positive relationships have been developed with Borders College and Selkirk High School

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Appendix 3 – Fruit, Vegetable and Bakery Case Study

Background

The Council requires a daily supply of Fresh Fruit and Vegetables, Bakery Products and Eggs to schools, social work establishments such as day care centres and homes and to the canteen at Council Headquarters.

Service

The main aim of this requirement is to increase as much as possible the proportion of fresh food that is served in all of these establishments with the overall aim to raise the quality of ingredients used in the preparation of food. We further aim to ensure that ingredients are nutritionally valuable, thereby improving the lifestyle of our pupils and other customers.

Contract

The Councils Procurement service led a collaborative procurement exercise with Midlothian, City of Edinburgh, East Lothian and West Lothian Councils. The contract has now been awarded to George Anderson & Sons for up to a maximum period of 4 years.

The community benefit requirement for this contract is the delivery of one school based activity and one local event each year for the duration of the contract.

Added Value

George Anderson & Sons are very keen to support the promotion of healthy eating in Scottish Borders schools and as a result of the community benefits clause within the contact they are sponsoring a potato growing competition across Primary Schools in the area.

In early May Andersons supplied a bag of seed potatoes to every primary school with the instruction to plant the potatoes on a specific date. Pupils will then nurture the crop until given the instruction to harvest their produce later this year in August.

Each school will then weigh their final harvest and the school producing the heaviest weight of potatoes on the harvesting date will win the competition.

Andersons will then arrange for the winning school to visit Greenvale's potato factory in Duns for a tour of their hi- tech production unit.

All participating schools will also be given a number of potato recipes to allow their school cooks to make a potato dish for the children to enjoy.

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Adding Value to Communities through Procurement Policy

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Adding Value to Communities through Procurement Policy

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3.1 Target Setting
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Appendix 1 – Detailed Example – Construction Works (>£1million)
Appendix 2 – High Level Examples of Added Value to Communities

1 Aim & Opportunity of the Policy

1.1 Aim of Policy

Adding Value to Communities through Community Benefits or 'social' requirements in public sector procurement is intended to ensure that wider local economic and social issues are considered when delivering construction works, service or supplies contracts. This delivery of additional benefit beyond the core purpose of a contract opportunity can help to maximise the impact of public sector spending on local communities. This is achieved through the inclusion of specific clauses within contracts known as community benefit clauses (CBCs).

It is intended that this policy provides a corporate approach on how to meet this aim and promote the wider use of CBCs across all areas of Scottish Borders Council.

1.2 Opportunities

Maximising the added value to communities that Procurement and other contracting opportunities offer can be used as a lever to address specific Council priorities and by doing so extend the value from public sector spend. There are many potential areas of opportunity, such as:

- Targeted Training and Recruitment – promote skills and labour/offer apprenticeships;
- Business Supply Chain Initiatives – supplier engagement/supply chain opportunities;
- Working with the Third Sector – support for voluntary groups;
- Community Engagement – volunteering days/supporting community groups;
- Education – work/school placements/career path support;
- Support for Community Initiatives – environmental improvements/grant schemes.

2 Scope, Influence and Application of the Policy

2.1 Scope

This policy does not aim to prescribe any specific value based threshold as each contract opportunity should be considered by the budget holder/contract owner on a case by case basis. In every case where added value is considered, it must be proportionate and avoid creating an unnecessary burden on the supply chain.

Note: This policy does require due consideration of the use of the approach laid out in Appendix 1 for those construction works contracts with an estimated value of £1million or more.

In any event, all appropriate procurement activity should be considered for added value where a clear link can be evidenced to further support strategic policy and the continuing achievement of best value. The main strategic policies driving those considerations are:

- Scottish Borders Single Outcome Agreement and its three strategic priorities:
    - Grow our economy;
    - Reduce inequalities; and
    - Maximise the impact from the low carbon agenda.

- Scottish Borders Council Corporate Plan, particularly the priorities relating to:
    - Encouraging sustainable economic growth;
    - Improving attainment and achievement levels for all our children and young people, both within and out with the formal curriculum;

- Providing high quality support, care and protection to children, young people, adults, families, and older people;
- Building the capacity and resilience of our communities and voluntary sector; and
- Maintaining and improving our high quality environment.

- Scottish Borders Council Revenue and Capital Plan

2.2 External Influence

There is significant opportunity for the Council to champion and extend the application of CBCs beyond direct Council contracts. The Council enters into partnership arrangements, funding agreements, and other shared interest relationships with external organisations. This policy may therefore be extended to apply (as appropriate) on a voluntary basis and in a proportionate manner where those type of agreements or relationships exist. It should also be possible to consider the adoption of the appropriate elements of this policy across the Community Planning Partnership.

2.3 Internal Application

The policy should be applied by all Scottish Borders Council employees, across all services, who in the course of their duties:

- Specify goods, services or works;
- Make or authorise purchases;
- Develop or evaluate tenders;
- Manage Contracts/Engage with Suppliers; and/ or
- Provide support to others to carry out any of the above activities.

The individual with responsibility for a Council contract, should, with support from the proposed Community Benefit Co-ordinator and the Community Benefit Policy Group, identify potential added value opportunities. Appendix 2 contains some non specific examples of those opportunities.

Guidance materials will be produced for operational use in order to support application of this policy.

3 Target Setting, Management and Performance Monitoring

3.1 Target Setting

Following the pilot period during 2014/15, the information gathered during this period will support the future setting of specific targets. These are likely to include:

- Strategic application of targeted recruitment and training benefit to achieve specific economic priorities;
- Increased number of sub contractor opportunities and associated level of spend in supply chain;
- Increased opportunities for the community to learn and develop;
- Increased opportunities for young people to gain experience and skills for life and work.

3.2 Management

Management, monitoring and performance reporting will be required at a number of levels and at varying frequencies, dependant of the specific nature of each opportunity. If these elements are not in place then the benefit may not be delivered. Each contract will require the delivery of CBCs to be

added to the contract management approach, with the final outputs being recorded and reported at both service and corporate levels.

Management of agreed CBCs will be carried out by the relevant contract owner, alongside the regular contract management activities such as cost control, programme management and broader quality issues. Through the specific contract clause developed to ensure the benefit offered is realised, the main/principal contractor/supplier will be obliged to provide regular information in a format to be determined by the Council, this will include data for any sub contractors/consultants involved in delivery of the benefits.

3.3 Performance Monitoring

To monitor and measure the impact of benefits, the Scottish Government has produced guidance supporting the monitoring of the impact. It is recommended this guidance is used to support the collection of consistent and comparable data. Monitoring the Impact of Community Benefits

Extensive guidance is available to support CBC's and the associated management and monitoring through the Scottish Government funded Ready for Business programme website www.readyforbusiness.org.

CBCs have the potential to support the Council's Acting Sustainably policy. Evidence showing consideration of the opportunity to add value should be detailed in the Sustainable Development Checklist. Committee reports can then make reference to the potential benefits to be included in any related procurement activity.

4. Ownership of Policy

The Service Director Strategy and policy will have ownership of this policy, and will support the promotion and facilitation of added value opportunities across the Council. The proposed Community Benefits Co-ordinator will provide support, training and guidance to internal and external stakeholders to support the achievement of the aims of this policy.

5. Legal Landscape

EU and National Procurement legislation govern the approach to CBCs. The Local Government in Scotland Act 2003, the Public Contracts (Scotland) Regulations 2012 and European Procurement Directives enable public bodies to include CBCs in certain circumstances. It is important to remember that to comply with legislation the inclusion of CBCs must be relevant to the subject matter of the contract, must be proportionate, deliver value for money, and not unfairly discriminate against any potential suppliers.

The Procurement Reform (Scotland) Bill, introduced in the Scottish Parliament on 3rd October 2013, is programmed to receive Royal Assent in the autumn of 2014. The aim of the Bill is to establish a framework for sustainable public procurement and, amongst other duties, it intends to regulate for the consideration of Community Benefits in construction projects where the estimated value of the contract exceeds a financial threshold. The threshold value currently being considered is £4million, although this value may yet be amended during the review stages of the Bill.

Appendix 1 – Detailed example of Construction Contract including Community Benefits

(For use in high value Construction contracts suggested > £1 million)

Construction Value (£m) **(Prime Cost, Prelims, Overheads & Profit)**	**3.9m**	
	Project Type	
Value Banding	**£3.5m - £6m**	
	Expected Provision	**Contractor Proposal**
Work Placements (16 - 19 yrs) - persons	6	
Work Placements (14 - 16 yrs) - persons	1	
Curriculum Support Activities - Individual engagement	2	
Graduates - persons	0	
Apprentice Starts - persons	1	
Existing apprentices - person	2	
Apprentice Completions - persons	0	
Jobs advertised through local employment vehicles	4	
N/SVQ starts for subcontractors - persons	2	
N/SVQ Completions for subcontractors - persons	2	
Training plans for Subcontractors	3	
Supervisor training for subcontractors	3	
Leadership and Management Training for Subcontractors - persons	1	
Advanced Health and Safety Training for subcontractors - persons	3	
Case Studies	2	
Education Provided Agreements	1	
Supply Chain Briefings	15	
Individual Skills Profile	15	
Business Skills Diagnosis Support & Advice for subcontractors	2	

Note.

This is a typical spreadsheet for tracking employment based opportunities across individual construction projects. The central column includes client expectations, and the right hand column is completed with the contractor's proposals - which as a minimum should be equal to or greater than those in the expected provision column. This document is part of the contract documentation in the procurement process, and will include full definition of each requirement, and the evidence required for monitoring purposes.

Appendix 2

High Level Benefits Examples

Community Benefit Opportunity Areas	Added Value Examples
Training & Employment	Apprenticeship opportunities to new entrants
	General or specific employment or work experience opportunities
	Training opportunities/ plan for sub contractors
Supply Chain Initiatives	Promoting and advertising supply chain opportunities
	Providing mentoring for staff in the supply chain
	Holding 'Meet the Buyer' events
Working with Third Sector/Social Enterprise	An existing third sector/ social enterprise used or a new one established to service a contract or support delivery of part of a larger contract
	Provision of mentoring, support and guidance
	Provision of resources to the volunteer groups
Community Engagement/Environmental	Organising volunteering days/ provision of community newsletters advising on impact of works
	Providing a workshop in a community group with a view to introducing/ developing employability skills
	Provide professional advice and support resources to repair of community buildings
	Members of the community involved in the operations of the contract
	Wildlife conservation support – creating natural habitats
	Reuse of recycled materials
Education	Providing presentations or arranging school visits to projects
	Programme of career talks
	Provide work experience placements

NB These are included for information only, and are not intended to be prescriptive. While targeted recruitment and training remain the key benefits that the Council is eager to encourage and clearly have scope for use on high value public sector contracts, there are many wider benefits that may be achieved. Flexibility, relevance, along with proportionality is crucial to determine at contract level the most appropriate benefits.

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ICT REVIEW - UPDATE

Report by Corporate Transformation & Services Director

Scottish Borders Council

25 June 2015

1 PURPOSE AND SUMMARY

1.1 **The purpose of this report is to present an update on the work completed since Council considered a report on the outcome of the review of Council ICT Services and made recommendations in respect of both the ICT strategy and resourcing at its meeting on 2 April 2015.**

1.2 The decisions made by Council at its meeting on 2 April 2015 are attached (Appendix 1).

1.3 Since the previous report the work completed has largely focussed on the planning of what is required to complete a report that contains all the relevant information for Council on 8 October 2015.

1.4 There are three key strands to the work currently being undertaken. They relate to:

a) Implementing the new Corporate Governance structure for ICT and a restructure of the management of ICT
b) Development of a detailed implementation plan for the ICT Strategy that will be led by the new interim Lead Officer ICT with input from all current ICT employees.
c) Considering the implications of the current procurement exercise being undertaken by the City of Edinburgh Council.

1.5 The report sets out the core work undertaken in relation to each strand and the anticipated work in the period to October.

2 RECOMMENDATIONS

2.1 **I recommend that Council:-**

(a) Notes the content of the report; and

(b) Agrees that a further report is considered no later than 8 October 2015.

3 BACKGROUND

3.1 Councillors and staff of SBC had voiced some criticisms and concerns surrounding the present ICT service. The comments covered perceived poor service, lack of speed, no clear strategy, difficulties in recruiting specialists and not seen to be supporting services or change.

3.2 A number of reviews of the ICT service have previously been undertaken in an attempt to address a range of Service delivery and strategic ICT issues. Given the comments noted above it is clear that the Service is not well placed to deliver future business as required.

3.3 The Council approved a new Corporate Transformation programme at its meeting on 12 February 2015. At the heart of this Programme are improvements to the Council's ICT Service. The scale of change required for this service is very significant indeed and even were the existing service performing very strongly, the Council would still have a gap in terms of strategic capability, planning, customer focus and transformation. It is clear that the Council has to source other skills and resources.

4 WORK COMPLETED

a) Governance

4.1 Membership of the new ICT Board has been agreed as:

Rob Dickson, Corporate Transformation & Services Director, (Chair), Donna Manson, Service Director Children & Young People, Jenni Craig, Service Director Neighbourhood Services, Claudette Jones, Interim Lead Officer ICT, Tracey Graham, Communications & Marketing Manager, Jason McDonald, Senior Manager Business Strategy & Resources, Lynn Mirley, Corporate Finance Manager and John Hayward, Development Standards Manager.

a) Members of the ICT Management Team will attend as required

b) The ICT Corporate Transformation Programme Manager and ICT Business Partners will attend as required

c) The ICT Board will meet monthly and report to the Corporate Management Team (CMT) through the Transformation reports at CMT away days.

4.2 The Terms of Reference for the ICT Board are:

a) Ensure ICT is aligned with the Council's business objectives
b) Maintain ownership of Council wide ICT Strategy and its implementation
c) Prioritisation of ICT change programme
d) Drive ICT stakeholder engagement and communication
e) Review of overall ICT performance against KPIs and PIs
f) Ensure ICT benefits are realised
g) Management of high level ICT risks and issues
h) Escalation point for ICT issues that cannot be dealt with at a lower level.
i) Tracking and improvement of customer satisfaction

4.3 It has also been agreed to establish six Sub-Boards as follows:

a) Change Board
b) Web Experience Board
c) Technology Innovation Board,
d) Corporate Systems Board (Focus on Financial and HR Systems)
e) Two Departmental ICT Boards
    - one for People, and
    - one for Place

4.4 CMT agreed that the ICT Board should discuss the makeup of these Boards and recommend the membership to CMT. Terms of Reference for these Boards were included within the ICT Strategy.

b) Management

4.5 The management structure has been changed in respect of the ICT Business Partners with consequent adjustment in the shape of the ICT Management Team. The ICT management team is working to identify the outcomes required for 2015/16 from ICT in relation to the Review and Corporate Transformation Programme. The ICT Business Plan was completed on time as part of the corporate process.

c) Detailed Implementation Plan

4.6 The framework for the detailed Implementation Plan requested by Council on 2 April is being developed. Initially this is being done through staff workshops in two phases with a third almost certainly likely to follow.

i. Phase 1: initial engagement with staff (30 in total) through facilitated workshops to obtain their input and contribution in identifying the areas of greatest priority to develop the detailed implementation plan. Completed 11 June 2015.

ii. Phase 2: engagement with staff through eleven workshops with approximately ten staff at each workshop to consider each priority area in detail. Completed 22 June 2015.

iii. Phase 3 (to be confirmed): further engagement with staff on the highest priority areas to ensure full engagement with all staff on these areas.

4.7 Phase 1 was completed on Thursday 11 June 2015.

4.8 Phase 2 commenced on Tuesday 16 June 2015 and will be completed on Monday 22 June 2015. The eleven workshops in Phase 2 are as follows:

i. Review of Scottish Borders Council ICT Strategy

ii. Likely future ICT requirements emerging from Corporate Transformation

iii. Overview of Edinburgh ICT contract and outsourcing

iv. Data centre (including infrastructure, storage, security and DR)

v. End User Computing

vi. Applications (including systems administration and Business Intelligence)

vii. Service Management (including service desk, SLAs and Performance Management)

viii. Networks & Telephony

ix. ICT Governance (including business engagement, communications, and roles & responsibilities)

x. Financing of ICT

xi. Innovation

d) Skills Review

4.9 A skills review and assessment of existing staff is being undertaken. The need for this was raised by staff in advance of the Council meeting on 2 April 2015 and the purpose of the review is to ensure that we have comprehensive information available for all existing ICT Staff. This information will be helpful in supporting the business case required in October.

4.10 In order to complete the skills review an existing form that the Council already has was utilised. This is a form that many staff will be familiar with from previous reviews.

4.11 Undertaking the skills review in this way was discussed and agreed with the Trade Unions. HR has provided support in completion of the form directly to staff where required.

5 HUMAN RESOURCES

5.1 ICT staff and other stakeholders, including Councillors were engaged in the review process. This provided considerable detail on the current service and views on the way forward.

5.2 Since the report to Council on 2 April 2015 there have been further meetings with staff to brief them on the outcomes of the Council meeting and to further brief them on the development of the detailed implementation plan.

5.3 Staff Briefing Notes have been issued and these will continue to be produced on a regular basis. Additionally Staff have been able to submit questions to HR seeking clarification on any issues of concern to them.

5.4 Finally a programme of staff drop in sessions will commence following the Workshops on 22 June 2015 to provide a further opportunity for staff to discuss the review with Senior Officers.

5.5 Trade Unions have also been kept informed through regular meetings about the process and likely way forward. Trade Union input has been helpful in addressing concerns about Communications and engagement with staff. At least monthly briefings will continue to be held with Trade Unions.

5.6 Trade Unions will continue to be afforded the opportunity to be at all staff meetings.

5.7 Whilst the proposals have most direct impact on the circa 90 staff directly employed within the ICT Service CMT has considered the position in respect of a number of staff employed within certain services who also have an ICT function mainly as part of their role (ie for only a very few staff is it approaching the majority or all of their role). It has been agreed that the skills review will be competed on a generic basis (not individual) basis for these staff and that as the review process continues time will be taken to consider the implications of the review on each staff group. Thereafter any changes necessary will be made to the detailed implementation plan and business case as required.

6 MEMBER STEERING GROUP

6.1 At its meeting on 2 April 2015 Council delegated authority to the Chief Executive in consultation with Political Group Leaders to set up a Steering Group for the Review Process.

6.2 The Group has been agreed as:

Cllr Cook (Chair), Cllr Bell, Cllr Renton and a Cllr from the Opposition yet to be confirmed.

6.3 The Group is scheduled to meet week commencing 22 June 2015.

7 FUTURE WORK

7.1 There is clearly a considerable amount of work to be undertaken and the key milestones for the period to October are:

a) July: Further workshops and engagement with staff
Detailed specification of future requirements in relation to Corporate Transformation completed.
b) August: Specifications for services requiring to be delivered on an output basis complete (NB large piece of work).

7.2 Proposed approach to defining requirements,

a) review via further workshops the ICT (technical) specific requirements (current and future)
b) review / gather the business requirements (current and future) from each area of the business through further workshops and analysis.
c) peer review of requirements to ensure they are in-line with other similar organisation
d) Finally assess the strengthens, weaknesses, opportunities and threats of each option

7.3 First draft of a Business case comparing the options for the future operating model of SBC ICT. Options will include, do nothing (continue as now with no additional funding), remain in-house with additional investment, outsource, mix of in & outsourced, justification for roles that should be outsourced and those that should remain.

8 IMPLICATIONS

8.1 **Financial**

(a) The Strategy agreed in principle by Council on 2 April 2015 proposes a new, more cost effective means of delivery and sourcing ICT. The specific IT system and service specification, revenue costs, capital investment requirements and risks involved remain to be identified and evaluated through a detailed business case that will be considered in the next report to Council.

(b) Total costs of the new service require to be fully identified and will vary depending on the technology and model proposed, the final support service model agreed and the level of services provided.

(c) As previously agreed by Council the proposed approach will have to be designed to achieve at worst a revenue neutral position after savings plans already factored into the Council's financial plans have been included. Capital Investment in systems replacement and redesign will be required to deliver significant elements of these savings in future years and the enhanced service benefits to the Council that are anticipated.

8.2 **Risk and Mitigations**

(a) There are a range of risks and mitigations associated with this work. As part of the project being included within the Corporate Transformation Programme and as part of the new Governance Structure being implemented a full risk review will be undertaken quarterly and a consequent risk register will be maintained and considered by the ICT Board on a monthly basis.

(b) Key risks and mitigation remain as previously reported and are:

i. Competing pressures between delivering "business as usual" and delivering the ICT Review could result in a failure to deliver either or both elements of work on time. Mitigation is through the new Governance arrangements and Transformation Board which will allow frequent and transparent monitoring of progress against key milestones.

ii. Progress of City of Edinburgh Council in appointing a preferred supplier for the main contract. Mitigation is that assuming a Joint Chief Officer ICT, SBC will be well placed to understand and influence this key element of work.

iii. There is a risk through the project that there is a failure to maintain the commitment and co-operation of existing ICT staff. The proposals outlined to staff already and set out within this report, including their inclusion in workshops to contribute to the review work, should go a long way to mitigating this risk. In addition, a series of Drop-In sessions with Senior Managers and HR being offered should ensure that all staff have the opportunity to discuss any aspect of the review about which they are concerned.

8.3 **Equalities**

(a) An initial equality impact assessment (EIA) has been carried out on this report. It is recognised that there is likely to be an impact on staff as a result of the proposals and a fuller analysis of impact, likelihood and any associated mitigating actions will be required as part of the review work.

8.4 **Acting Sustainably**

(a) There are no significant impacts on the community or environment arising from the proposals contained in this report.

(b) The choice to provide services through an external supplier does give rise to possibility of some jobs not being retained within the Scottish Borders. The nature of the services required means that there is always likely to be many posts that are physically required to be based within the Borders. However, until a final position is agreed on exactly which elements of the Service will be provided by an external provider it is not possible to assess exactly what the potential impact will be.

(c) It should be noted that the use of an external supplier raises the possibility of such a company choosing to base more of their services here in the Borders. There are strong arguments in favour of such a move notably the lower cost of overheads including office accommodation and the opening of the railway improving connectivity. Were that option to be reality this could result in an increase in jobs based in the Borders

8.5 **Carbon Management**

(a) There are no significant effects on carbon emissions arising from the proposals contained in this report.

8.6 **Rural Proofing**

(a) This report does relate to the amended Strategy, however, this is internal to the Council and as a result rural proofing is not an applicable consideration.

8.7 **Changes to Scheme of Administration or Scheme of Delegation**

(a) There may be a requirement to amend the Scheme of Delegation as a result of the proposals contained in this report, specifically around the proposal of a joint appointment of the Joint Chief Officer ICT with the City of Edinburgh Council's. Should this be necessary these points will be addressed in the further report for Council.

9 CONSULTATION

9.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

Approved by

Rob Dickson **Signature .....**
Corporate Transformation
& Services Director

Author(s)

Name	Designation and Contact Number
Rob Dickson	**Corporate Transformation & Services Director**

Background Papers: Council Report Item 20 Thursday 2 April 2015
Previous Minute Reference: Council 2 April 2015 Item 20

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Rob Dickson can also give information on other language translations as well as providing additional copies.

Contact us at Corporate Management Support Team, Council Headquarters, Newtown St Boswells Melrose, TD6 0SA. Email:corporatemgtsupport@scotborders.gov.uk

Scottish Borders Council
2 April 2015

ICT REVIEW – ITEM 20

DECISION

(a) NOTED the content of the ICT Review report, ICT Strategy and Option Appraisal documents.

(b) APPROVED in principle, the ICT Strategy and the immediate next steps to implement the Strategy including:

(i) the new governance structure and approval that Scottish Borders and the City of Edinburgh Councils had an interim joint Lead Officer ICT, being the current post holder at City of Edinburgh Council. This interim Lead Officer ICT would continue to lead SBC's ICT service review for the next 6 months, reporting directly to the Corporate Transformation and Services Director;

(ii) a restructure of the management of the ICT service which would position the service for the future and reflect the establishment of the new Governance Structure;

(iii) development of a detailed implementation plan for the ICT Strategy that would be led by the new interim Lead Officer ICT with input from all current ICT employees. This development work, in the form of a series of workshops, would consider which ICT functions delivered best value, in terms of both cost and quality of service, in house and evaluate this against the successful external provider identified in the current procurement exercise being undertaken by the City of Edinburgh Council. This was expected to result in a "mixed economy" approach to the delivery of ICT.

(c) AGREED:

(i) a progress report on staff matters be brought to Council at its meeting on 25 June 2015;

(ii) a further report on the outcome of the development work to be undertaken as the immediate next steps in delivery of the ICT Strategy and a detailed implementation plan for the new ICT Strategy be brought back to Council no later than 7 October 2015;

(iii) to delegate authority to the Chief Executive, in consultation with the Political Group leaders to set up a Members' Steering Group for the review process;

(iv) to delegate authority to the Chief Executive to design a process to appoint a permanent Joint Chief Officer ICT from October 2015; and

(v) that the decision and as much detail as possible be made public after this meeting.

ALLOWANCES PAID TO MEMBERS DURING 2014/15

Report by Chief Executive

SCOTTISH BORDERS COUNCIL

25 June 2015

1 PURPOSE AND SUMMARY

1.1 **This report seeks approval for the information on allowances paid to Members during 2014/15 to be published on the Council's website to meet the publicity requirements of the Local Government (Allowances and Expenses)(Scotland) Regulations 2007.**

1.2 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007, as amended, and the Local Government (Allowances and Expenses)(Scotland) Regulations 2007, as amended, specify the levels of salary, allowances and reimbursement of expenses which may be paid to local authority Elected Members. Councillors' salaries were increased by 1% from 1 April 2014 in accordance with The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2013 and therefore the annual amount payable to each Councillor increased from £16,396 to £16,560 per annum, unless he or she was entitled to one of the higher amounts payable to the Leader of the Council, the Convener or to Senior Councillors. It should be noted that where a higher payment is made that is instead of the £16,560 and not in addition to this amount.

1.3 The number and designation of Senior Councillors was agreed in the Scheme of Remuneration at the meeting of Scottish Borders Council held on 24 May 2012, and then amended at the meeting of Council on 30 August 2012 to take account of changes to the Scheme of Administration. Detailed in Appendix 1 to this report is the remuneration and expenses paid to all Councillors from 1 April 2014 to 31 March 2015. Detailed in Appendix 2 is Members' attendance at training events, conferences and seminars in 2014/15.

1.4 Total remuneration and expenses paid to Members in 2014/15 amounted to £757,172.75 compared with a total of £752,385.43 in 2013/14. Travel expenses total £54,835.65 in 2014/15, compared to the 2013/14 figure of £62,370.70. The cost of Telephone and ICT Expenses in 2014/15 amounted to £37,067.17 compared to £35,885.77 in 2013/14.

2 RECOMMENDATIONS

2.1 **I recommend that the Council notes that the information in the Appendices to this report has been published on the Council's website, in order to meet the publicity requirements of the Local Government (Allowances and Expenses)(Scotland) Regulations 2007.**

3 BACKGROUND

3.1 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007, as amended, and the Local Government (Allowances and Expenses)(Scotland) Regulations 2007, as amended, specify the levels of salary, allowances and reimbursement of expenses which may be paid to local authority Elected Members.

3.2 Members' salaries were increased by 1% from 1 April 2014 in accordance with The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2013 and therefore the annual amount payable to each Councillor increased from £16,396 to £16,560 per annum, unless he or she was entitled to one of the higher amounts payable to the Leader of the Council, the Convener or to Senior Councillors. It should be noted that where a higher payment is made that is instead of the £16,560 and not in addition to this amount.

3.3 The number and designation of Senior Councillors was agreed in the Scheme of Remuneration at the meeting of Scottish Borders Council held on 24 May 2012 with the rates agreed subsequently increased in accordance with details in paragraph 3.2 above as well as a 1% increase effective from 1 April 2013. During 2014/15 the Convener received £24,842 per annum and the Leader received £33,123.00 per annum (as per the Regulations). The Depute Leader (Finance) received £24,842 per annum; the Vice Convener (Community Planning) received £22,442 per annum, as did the following Senior Councillors designated Executive Members for Social Work & Housing; Education; HR and Corporate Improvement; Roads and Infrastructure; Planning and Environment; Environmental Services; Economic Development; Culture, Sport, Youth and Communities; and Community Safety. A further 2 Senior Councillor posts were also designated – Convener of the Licensing Board, and Leader of the Opposition – and received £20,146 per annum. The Executive Member for Health Services (the additional funding for which is made by NHS Borders) is appointed as an additional Depute Leader with no further remuneration allocated to this role.

4 ALLOWANCES PAID DURING 2014/15

4.1 Detailed in Appendix 1 to this report is the remuneration and expenses paid to all Councillors from 1 April 2014 to 31 March 2015. The format of the Appendix is prescribed in the Local Government (Allowances and Expenses) (Scotland) Amendment Regulations 2010 and the total amounts to £757,172.75. In 2013/14, this amount was £752,385.43.

4.2 The total amount of remuneration paid to Councillors in 2014/15 increased to £659,844.56 compared to £648,566.29 in 2013/14. This increase was due to the 1% rise from 1 April 2014 and also because two positions were vacant for short periods during 2013/14 due to the resignation of Councillor Buckingham and the sad death of Councillor Elliot.

4.3 Travel expenses totalled £54,835.65 in 2014/15, compared to the 2013/14 figure of £62,370.70. This is a reduction on last year but this figure is expected to fluctuate year on year as claims are based on actual journeys made as well as the timing of claims. The amount any one Councillor claims also varies depending on whether they hold a Senior Councillor role and the distance they live from Council Headquarters.

4.4 The cost of Telephone and ICT Expenses in 2014/15 amounted to £37,067.17 compared to £35,885.77 in 2013/14. These costs include blackberries, mobile phones, telephone and broadband connections, and any electronic tablets, which this financial year has included the ipad trial and then the further distribution of ipads to Members at the end of the year.

5 TRAINING EVENTS AND CONFERENCES

5.1 Detailed in Appendix 2 is Members' attendance at training events, conferences and seminars in 2014/15, in the format recommended by the Scottish Local Authorities Remuneration Committee. Fees, accommodation and travel (other than by car/van or public transport) for attendance are generally paid directly by the Council. Mileage and public transport costs to attend these events is claimed by the individual Member and included in Appendix 1 to this report. There is a decrease in the amount spent in 2014/15 (£5,133.65) compared to 2013/14 (£7,441.25). Again, this figure is expected to fluctuate year on year. As part of their CPD, Councillors undertake refresher training related to specific committees e.g. Audit, Planning and Building Standards, etc. on an ongoing basis and this tends to be carried out in-house so there is no direct cost. Some of this training also takes place as part of the business of committee, and is not recorded separately and not therefore included in the appendix. Training was also carried out with Members on using ipads and also the new committee software package (Modern.gov) which replaced the previous system (CoInS).

5.2 Work on developing a more structured training programme for Members is underway. All Councillors have been given the opportunity to participate in a CPD assessment and programme supported by the Improvement Service. One of the political Groups is pursuing this on a pilot basis and it is intended to roll this out to others during 2014/15. The results of the assessments and individual interviews with Members will be used to put together a structured development programme for Members in the current financial year.

6 IMPLICATIONS

6.1 **Financial**
There are no costs attached to the recommendation in this report as it details the actual expenditure made in the last financial year which were contained within the budget.

6.2 **Risk and Mitigations**
The information contained in this report, together with the associated publication of the information on the Council's website, is intended to advise stakeholders of the allowances and expenses payments to Members, thus ensuring transparency and openness.

6.3 **Equalities**
There is no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the recommendation in this report.

6.4 **Acting Sustainably**
There are no effects on the economy, community or environment arising from the recommendation in this report.

6.5 **Carbon Management**
While there will be an impact on the Borders' carbon footprint from Councillor travel, where possible Members share transport and keep travel to a minimum. Due to the geographic spread of the Borders, travel is a factor in the duties of Councillors

6.6 **Rural Proofing**
There is no adverse impact on the rural area from the recommendation in this report.

6.7 **Changes to Scheme of Administration or Scheme of Delegation**
No changes are required to either the Scheme of Administration or the Scheme of Delegation as a result of the recommendation in this report.

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Service Director Strategy and Policy, the Chief Legal Officer, the Chief Officer Audit and Risk, and the Chief Officer HR have been consulted on this report. The Corporate Communications Unit has also been advised of the content.

Approved by

Chief Executive **Signature .....**

Author(s)

Name	Designation and Contact Number
Jenny Wilkinson Gary Alexander	Clerk to the Council 01835 825004 HRSS Business Partner 01835 826717

Background Papers: Members Travel Claims; Invoices
Previous Minute Reference: Scottish Borders Council, 26 June 2014

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jenny Wilkinson can also give information on other language translations as well as providing additional copies.

Contact us at Jenny Wilkinson, Democratic Services, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA. Tel: 01835 825004 Email: jjwilkinson@scotborders.gov.uk

Name		Position Held (as at 31 March 2015)	Salary	Allowances and Expenses										Total expenses	Total salary and expenses
				Travel (1)				Subsistence		Training and conference	Telephone & information technology (ICT) (1) (2)		Other allowances and expenses		
				Car and Van		Other Travel		Accomm-	Meals						
				Claimed	Direct	Claimed	Direct				Claimed	Direct			
AK	Aitchison	Executive Member (Education)	22,442.04	2,421.00	0.00	4.20	0.00	0.00	0.00	803.00		1,450.73	0.00	4,678.93	27,120.97
WK	Archibald	Convener of the Licensing Board	20,145.96	2,141.55	0.00	0.00	0.00	0.00	0.00	125.00		834.57	0.00	3,101.12	23,247.08
ML	Ballantyne	Leader of Opposition	20,145.96	1,358.55	0.00	0.00	0.00	0.00	0.00	375.00		1,001.89	0.00	2,735.44	22,881.40
S	Bell	Executive Member (Economic Development)	22,442.04	2,028.60	0.00	70.60	0.00	0.00	0.00			828.53	13.20	2,940.93	25,382.97
CJ	Bhatia	Depute Leader (Health Services)	16,560.00	2,707.20	0.00	50.30	0.00	0.00	0.00			1,477.25	0.00	4,234.75	20,794.75
JAS	Brown	Executive Member (Community Planning/ Vice Convener)	22,442.04	1,989.00	0.00	142.54	0.00	0.00	13.78			1,022.89	0.00	3,168.21	25,610.25
JWRH	Campbell	Councillor	16,560.00	2,713.05	0.00	21.46	0.00	0.00	0.00			811.08	0.00	3,545.59	20,105.59
K	Cockburn	Councillor	16,560.00	1,462.50	0.00	0.00	0.00	0.00	0.00			882.30	0.00	2,344.80	18,904.80
MJ	Cook	Executive Member (HR & Corporate Improvement)	22,442.04	2,706.30	0.00	56.90	0.00	0.00	0.00			1,374.43	4.70	4,142.33	26,584.37
AG	Cranston	Councillor	16,560.00	920.25	0.00	0.00	0.00	0.00	0.00			860.12	0.00	1,780.37	18,340.37
VM	Davidson	Executive Member (Culture, Sport, Youth & Communities	22,442.04	999.00	0.00	0.00	0.00	0.00	0.00	53.65		1,419.08	0.00	2,471.73	24,913.77
RG	Edgar	Executive Member (Roads & Infrastructure)	22,442.04	1,702.35	0.00	0.00	0.00	0.00	0.00			656.12	11.60	2,370.07	24,812.11
JA	Fullarton	Councillor	16,560.00	2,179.80	0.00	0.00	0.00	0.00	0.00			1,222.28	0.00	3,402.08	19,962.08
GHT	Garvie	Convener	24,842.04	2,596.95	0.00	54.70	0.00	0.00	0.00			1,302.32	68.90	4,022.87	28,864.91
ID	Gillespie	Councillor	16,560.00	1,636.65	0.00	5.50	0.00	0.00	0.00	350.00		750.35	16.10	2,758.60	19,318.60
J	Greenwell	Councillor	16,560.00	1,535.40	0.00	0.00	0.00	0.00	0.00	.		807.45	0.00	2,342.85	18,902.85
WO	Herd	Councillor	16,560.00	549.90	0.00	0.00	0.00	0.00	0.00			1,265.04	0.00	1,814.94	18,374.94
RG	Logan	Councillor	16,560.00	954.45	0.00	0.00	0.00	0.00	0.00			1,278.18	0.00	2,232.63	18,792.63
S	Marshall	Councillor	16,560.00	442.00	0.00	0.00	0.00	0.00	0.00			1,224.56	0.00	1,666.56	18,226.56
AWW	McAteer	Councillor	14,245.16	0.00	0.00	0.00	0.00	0.00	0.00			721.21	0.00	721.21	14,966.37
JG	Mitchell	Depute Leader (Finance)	24,842.04	1,952.10	0.00	5.00	0.00	0.00	20.60	1,005.00		1,393.27	0.00	4,375.97	29,218.01
DP	Moffat	Executive Member (Community Safety)	22,442.04	3,099.15	0.00	120.20	0.00	0.00	0.00			1,538.47	3.50	4,761.32	27,203.36
SJH	Mountford	Councillor	16,560.00	2,927.70	0.00	0.00	0.00	0.00	21.07			805.19	0.00	3,753.96	20,313.96
AJ	Nicol	Councillor	16,560.00	477.00	0.00	0.00	0.00	0.00	0.00			1,037.83	0.00	1,514.83	18,074.83
D	Parker	Leader	33,123.00	0.00	311.40	0.00	1,163.00	0.00	0.00	375.00		1,364.92	0.00	3,214.32	36,337.32
D	Paterson	Executive Member (Environmental Services)	22,442.04	2,075.40	0.00	0.00	0.00	0.00	0.00	459.00		1,330.57	0.00	3,864.97	26,307.01
FA	Renton	Executive Member (Social Work & Housing)	22,442.04	2,893.50	0.00	35.00	0.00	0.00	48.27	1,513.00		907.97	20.00	5,417.74	27,859.78
AA	Scott	Councillor	16,560.00	741.15	0.00	0.00	0.00	50.00	0.00			1,267.20	0.00	2,058.35	18,618.35
RH	Smith	Executive Member (Planning & Environment)	22,442.04	1,677.60	0.00	0.00	0.00	0.00	0.00			1,160.41	0.00	2,838.01	25,280.05
RG	Stewart	Councillor	16,560.00	0.00	0.00	0.00	0.00	0.00	0.00			817.23	0.00	817.23	17,377.23

Name		Position Held (as at 31 March 2015)	Salary	Allowances and Expenses										Total expenses	Total salary and expenses
				Travel *(1)*				Subsistence		Training and conference	Telephone & information technology (ICT) *(1) (2)*		Other allowances and expenses		
				Car and Van		Other Travel		Accomm-	Meals						
				Claimed	Direct	Claimed	Direct				Claimed	Direct			
JRA	Torrance	Councillor	16,560.00	339.30	0.00	0.00	0.00	0.00	0.00			808.10	0.00	1,147.40	17,707.40
G	Turnbull	Councillor	16,560.00	2,212.25	0.00	30.10	0.00	0.00	0.00	75.00		1,199.70	0.00	3,517.05	20,077.05
T	Weatherston	Councillor	16,560.00	558.00	0.00	0.00	0.00	0.00	0.00			1,415.58	0.00	1,973.58	18,533.58
W	White	Councillor	16,560.00	765.50	0.00	1.60	0.00	0.00	0.00			830.35	0.00	1,597.45	18,157.45
		Totals	659,844.56	52,763.15	311.40	598.10	1,163.00	50.00	103.72	5,133.65	0.00	37,067.17	138.00	97,328.19	757,172.75

(1) Two columns are provided to show separately costs met directly by the Council, in addition to reimbursement of claims.
(2) Telephone and Information Technology (ICT) Expenses: excludes capital costs where the equipment is supplied by the Council and the Council retains ownership of that equipment.

Notes:
1. Income Tax and National Insurance deductions are made as appropriate.
2. Receipts are provided in respect of expenses claimed.
3. Costs include VAT where applicable.
4. The format of this report has been prescribed by the Scottish Local Authorities Remuneration Committee to ensure consistency of interpretation between all Scottish Local Authorities.

Members Training and Conference Expenses 2014/15 **APPENDIX 2**

Name		Positional Held	In-House Training Events Attended	External Training Events Attended	Cost of Training	Conferences Attended	Cost of Conferences	Total Cost of Attendance at Training Events and Conferences
AK	Aitchison	Executive Member (Education)	5			2	803.00	803.00
WK	Archibald	Councillor	2			1	125.00	125.00
MJ	Ballantyne	Leader of the Opposition	2			1	375.00	375.00
S	Bell	Executive Member (Economic Development)	3					0.00
CJ	Bhatia	Depute Leader (Health Service)	3					0.00
JAS	Brown	Executive Member (Community Planning); Vice-Convener	3					0.00
J	Campbell	Councillor	6					0.00
K	Cockburn	Councillor	3					0.00
MJ	Cook	Executive Member (HR & Corporate Improvement)	3					0.00
A	Cranston	Councillor	2					0.00
VM	Davidson	Executive Member (Culture, Sport, Youth & Communities)	2			2	53.65	53.65
G	Edgar	Executive Member (Roads & Infrastructure)	5					0.00
JA	Fullarton	Councillor	5					0.00
GHT	Garvie	Convener of Scottish Borders Council	2					0.00
I	Gillespie	Councillor	6			1	350.00	350.00
J	Greenwell	Councillor	3			1	0.00	0.00
WO	Herd	Councillor	5					0.00
RG	Logan	Councillor	2					0.00
W	McAteer	Councillor	3					0.00
S	Marshall	Councillor	1					0.00
JG	Mitchell	Depute Leader (Finance)	7			2	1,005.00	1,005.00
DP	Moffat	Executive Member (Community Safety)	1			1	0.00	0.00
S	Mountford	Councillor	3					0.00
AJ	Nicol	Councillor	3					0.00
D	Parker	Leader	2			2	375.00	375.00
D	Paterson	Executive Member (Environmental Services)	3			1	459.00	459.00
FA	Renton	Executive Member (Social Work)	4			4	1,513.00	1,513.00
AA	Scott	Councillor	3					0.00
RH	Smith	Executive Member (Planning & Environment)	5					0.00
R	Stewart	Councillor	3					0.00
J	Torrance	Councillor	4					0.00
G	Turnbull	Councillor	7			1	75.00	75.00
T	Weatherston	Councillor	1					0.00
W	White	Councillor	6					0.00
				Totals	**0.00**		**5,133.65**	**5,133.65**

Footnote:

1. All Members have received appropriate training relating to the use of Scottish Borders Council computers, systems and software; specific training on ipads/committee software is included above.
2. Specific additional training attended by Members of Planning & Building Standards Committee, Local Review Body, Audit Committee, Pensions Committee and Licensing Board is reflected in the table above.

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Council Policy on Flag Flying

Report by Depute Chief Executive for Place

SCOTTISH BORDERS COUNCIL

25 June 2015

1 PURPOSE AND SUMMARY

1.1 **This report presents a set of proposals for Council to consider with regards to developing a revised Flag protocol for Scottish Borders Council which meets the requirements of the Equality Act 2010 and providing a modern approach reflecting today's society.**

1.2 Following a significant number of enquiries and requests to fly alternative flags, the Convener requested that the Chief Executive undertake a review of the current Flag Flying protocol. A small Working Group of Council Officers was set up to review the current protocol and produce a set of 17recommendations for Members to consider.

1.3 The options the Working Group has identified as available to the Council are:

1) No changes to existing policy;

2) Modify the current protocol to take account of the guidance and practices from the UK Government and the precedent set by the Scottish Government by adopting a protocol for flying other flags. This would see the flags which promote equality and diversity within the policy;

3) As option two but with three ground level flagpoles located at the front of Council HQ replacing the single flag pole on the tower of the Council Headquarters to allow additional flags to be flown more regularly; and

4) No Flag option.

2 RECOMMENDATIONS

2.1 **I recommend that Council agrees, subject to a suitable location being agreed, to adopt Option 3.**

a) Amend and update the current Flag Protocol to take account of the guidance detailed within this report.

b) Locate 3 ground level flagpoles at the front of Council HQ replacing the single flag flown at the top of the tower.

3 CURRENT CONTEXT

3.1 Following a significant number of enquiries and requests to fly alternative flags, the Convener requested that the Chief Executive undertake a review of the current Flag Flying protocol. A small Working Group of Council Officers was set up to review the current protocol and produce a set of recommendations for Council to consider.

4 SCOTTISH BORDERS COUNCIL CURRENT PROTOCOL

4.1 Currently Scottish Borders Council's Flag Flying protocol covers 14 buildings which are:

1. Council Headquarters*
2. Gateway Centre, Coldstream
3. Leitholm Playpark
4. Council Offices, Duns
5. Council Offices, Eyemouth (Former High School)
6. Council Offices, Galashiels
7. Town Hall, Hawick
8. Council Offices, Innerleithen
9. Town Hall, Jedburgh*
10. Town House, Kelso*
11. Town Hall, Melrose
12. Council Offices, Peebles
13. Chambers Institute, Peebles
14. Victoria Hall, Selkirk

Three of these buildings fly flags on a daily basis (indicated with *).

There are other Council buildings which also fly flags. These are;

- **Schools; and
- **Common good/other Council buildings during local Festivals

**The Flag protocol does not apply to the flying of flags at these buildings/during these festivals.

4.2 The current protocol (Appendix 1) set out to standardise the flying of flags and to outline responsibilities in relation to books of condolence. The protocol takes account of national guidance but some compromises have been made between the formal rules of flag etiquette and tradition/practices which have become accepted locally. The current protocol was revised in March 2012 and updated July 2014 to incorporate the flying of the Commonwealth Flag.

5 LEGAL POSITION

5.1 When the Equality Act 2010 was introduced a duty was placed upon Public Bodies. The duty requires public bodies throughout the exercise of their functions to pay due regard to the need to:

- Eliminate discrimination, victimisation, harassment and any other unlawful conduct under the act;
- Promote Equality of Opportunity between those who have an equality characteristic and those who do not; and

- Foster good relations between those who have an equality characteristic and those who do not.

5.2 Within Scotland public bodies have a set of specific statutory duties, designed to assist them to meet the general duty outlined above. Amongst these duties is a requirement to assess the impact of the Council's policies, practices and functions on those who have an equality characteristic against the requirements of the general equality duty to ensure we are meeting the requirements of the Act.

5.3 Scottish Borders Council has been approached on a number of occasions by equality groups from the local community requesting the flying of their representative flag or challenging the current Flag Flying protocol. Following the introduction of the Equality Duties, Scottish Borders Council is required to equality impact assess the Flag Flying protocol to ensure it is compliant with the act and consider flying additional flags.

6 UK GOVERNMENT POSITION

6.1 The flying of flags is not the subject of statute in England, Wales or Scotland. Advice is issued by the Department for Culture, Media and Sport (DCMS) on the flying of national flags on Government buildings, apart from those which are the responsibility of a Devolved Administration. The advice relates to Government buildings only, but many Councils also follow the advice on a voluntary basis.

6.2 The Flag and Heraldry Committee of the UK Government produced a Flag Flying Guidance in 2010. The guidance covers simple rules which apply to flying flags in a variety of situations and aim to ensure flags in the UK are flown correctly and treated with dignity and respect.

6.3 In January 2012, the Department for Communities and Local Government (DCLG) published a discussion paper aimed at liberalising the regime for flying flags. The outcome from that paper was a number of proposals aimed at modernising and relaxing Government flag protocols. Notably the recommendations included:

- Adding in both the Armed Forces Flag and the Pride (Rainbow Flag); and
- Extending the category of flags which can be flown with consent to include certain officially sanctioned award schemes which have an approved flag such as Investors in People and Eco-Schools.

6.4 In November 2012, the Department for Communities and Local Government published a *Plain Guide to Flying Flags* which provided a summary of new liberalised regulations.

7 SCOTTISH GOVERNMENT POSITION

7.1 The Government Flag Flying policy in Scotland is a matter for the Devolved Administration. The Scottish Government issued its revised Flag Flying Guidance in January 2013 (see Appendix 2). Many Local Authorities in Scotland have voluntarily chosen to follow this guidance.

7.2 This year the Scottish Government set a new precedent by relaxing its Flag Flying protocol to allow the Rainbow flag to fly on its Government buildings. This happened first of all on 29 May 2014, to mark the historic milestone for

civil rights, when the first same sex weddings took place in in UK and then again for the duration of the Commonwealth Games.

8 LOCAL GOVERNMENT POSITION

8.1 The matter of flag flying on Local Government buildings is not bound by any specific directive. It remains for individual Local Authorities to establish their own flag flying protocols.

8.2 The Flag Flying protocols of the other Local Authorities in Scotland vary in their content, formality and the number of flagpoles available on each Council building. However, a growing number of Local Authorities are adopting the approach of the Scottish Government by both formalising their policy and relaxing the traditional stance in order to allow additional flags to be flown.

8.3 When asked if they flew flags which were representative of equality and diversity approximately half of those who responded said they did and of those who said they did not, the majority said that if a request was made they would consider it.

9 OPTIONS FOR CONSIDERATION

9.1 Having considered the above drivers and examined available information and data including the Flag Flying protocols of the other local authorities and public bodies in Scotland, the Officer Working group considers that the Council have the following options available to it;

Option 1	**No change to existing protocol.**
Detail	Remaining with the status quo would mean that the Council would continue to fly the Saltire on a daily basis from Council HQ. There would continue to be three occasions on which special flags would be flown during the calendar year - Commonwealth flag on Commonwealth Day (in March), the European flag on Europe Day (9th May) and the Armed Forces Day Flag on (27th June). The Union Flag would be flown on three occasions throughout the year (The Queen's birthday, Official birthday and Armistice Day & Remembrance Sunday).
Benefits	• No administrative changes to make. • Reflects some balance between flag flying etiquette and local tradition.
Risks	• Risks challenges and affront with regards to not fully taking into account Scottish Government guidance on flying flags and formal etiquette for flag flying. • Opens up risk of challenge on grounds of Equality as the current protocol could be perceived as non-compliant with the Equality Act and Scottish Borders Councils Equality Duties.
Cost Impact	Status Quo – Current spend approx £600 per year on replacing damaged flags (Saltire at HQ requires to be replaced monthly on average due to wind damage)
Equality Impact	This option does little to further Scottish Borders Council's equality duties and may not be perceived to promote equality of opportunity or meet the duty to foster good relations. Furthermore this option raises potential for challenge relating to equality and diversity and may not represent a modern approach reflecting today's society .

Option 2	**Modify the current policy to take account of the Scottish Government guidance on flag flying and adopt a protocol for flying other flags.**
Detail	This option would see the Council follow the Scottish Government guidance (Appendix 2) on flag flying and would liberalise the current protocol to enable other flags to be flown which represent equality and diversity. It is proposed that the Rainbow flag is formally included within the policy and flown either on a certain week of the year in celebration of equality and diversity or on a specific appropriate day of the year e.g. International Day Against Homophobia and Transphobia (17th May). This would result in the following flags being flown (when appropriate) • Saltire – Flown continuously except for the times below when other flags are flown as below. • Union Flag (HM the Queen's birthday (21st April)) • Union Flag (HM the Queen's official birthday (mid June-varies)) • *Commonwealth Flag (Flown on 10th March) • *European Flag (Flown on 9th May) • Armed Forces Day Flag (Flown for a week from the Monday prior to 27th June) • Union Flag (Armistice Day/Remembrance Sunday – Flown between 11th November and Remembrance Sunday) • Others (detailed below) This option would also see the inclusion of an others section (in line with other Local Authorities in Scotland). This section would allow for additional flags to be flown out with the named flags within the protocol at the discretion of the Convener or Vice Convener in consultation with the Chief Executive. * Denotes flags only flown at Council HQ
Benefits	• Progressive and in line with practices from both the UK and Scottish Government • Ensures Scottish Borders Council demonstrates dignity and respect for the tradition of flag flying within the United Kingdom. • Enables Scottish Borders Council to actively and visibly promote equality of opportunity and foster good relations and inclusion. • Encourages flag flying which allows Scottish Borders Council to promote positive messages including; pride, inclusiveness, respect and celebration.
Risks	• Additional flags and formalising the Council protocol may prove contentious with some members of the public.
Cost	The additional cost to Option 1 could be in the region of £250 for the purchase of additional 4yd Flags. Ongoing costs to replace flags.
Equality Impact	This option allows Scottish Borders Council to actively and openly demonstrate its commitment to equality of opportunity, to celebrate the diversity within the borders community and promote inclusion. In doing this Scottish Borders Council will be actively undertaking its Equality Duties and meeting the requirements of the Equality Act 2010.

Option 3	Multiple Flagpole option
Detail	This option would follow the protocol set out in option 2 but instead of flying only one flag at Scottish Borders Council Head Quarters an additional three flag poles would be erected at the front of the building at ground level. This option would allow multiple flags to be flown at all times but would discontinue the use of the flagpole on the top of the Tower. This flagpole would however need to be retained due to the flagpole housing a radio antenna. It is proposed that the Rainbow flag is formally included within the policy and flown either on a certain week of the year in celebration of equality and diversity or on a specific appropriate day of the year e.g. International Day Against Homophobia and Transphobia (17th May). This would result in the Union Flag and the Saltire being flown continuously from two flagpoles with the remaining flagpole flying (when appropriate): • Armed Forces Day Flag (Flown for a week from the Monday prior to 27th June) • *Commonwealth Flag (Flown on 10th March) • *European Flag (Flown on 9th May) • *Others (detailed below) This option would also see the inclusion of an others section (in line with other Local Authorities in Scotland). This section would allow for additional flags to be flown out with the named flags within the protocol at the discretion of the Convener or Vice Convener in consultation with the Chief Executive. It is suggested that for "others" the requestor's supply their own flag in the instance of flag flying requests being accepted. * Denotes flags only flown at Council HQ
Benefits	• Progressive and in line with practices from both the UK and Scottish Government • Ensures Scottish Borders Council demonstrates dignity and respect for the tradition of flag flying within the United Kingdom. • Enables Scottish Borders Council to actively and visibly promote equality of opportunity and foster good relations and inclusion. • Encourages flag flying which allows Scottish Borders Council to promote positive messages including; pride, inclusiveness, respect and celebration.
Risks	• Adding additional flags and formalising the Council protocol may prove contentious with some members of the public. • More expensive initial cost. • Risk of vandalism of the flagpoles at low level • Loss of visibility of the flag from the A68 and surrounding roads as the flags would only be able to be seen from a relatively small area in front of Council HQ affecting the presence the Council currently has in the area.
Cost	The additional cost to option 1 would be the cost of 3 new flagpoles installed at Council HQ. Anticipated cost £4000 plus ongoing costs to replace flags when damaged.
Equality Impact	This option allows Scottish Borders Council to actively and openly demonstrate its commitment to equality, to celebrate the diversity within our community and promote inclusion. In doing this Scottish Borders Council will be actively undertaking its Equality Duties and meeting the requirements of the Equality Act 2010.

Option 4	No Flags
Detail	This option would remove all flags and flagstaff from Scottish Borders Council's Buildings and no flags would be flown
Benefits	• In many ways this is the least contentious option and least likely to cause offence or upset. • This is the most cost effective option
Risks	• May inhibit Scottish Borders Councils ability to demonstrate respect or mark special occasions. • May cause offence to those groups already represented by the flag Protocol.
Cost	No Cost – potential saving of around £600 per year from not having to renew/replace flags.
Equality Impact	This option ensures that Scottish Borders Council does not discriminate against any equality characteristic through flag flying and so ensures that Scottish Borders Council acts within the law. However this option may inhibit Scottish Borders Council ability to actively demonstrate the two other elements of its equality duties (to promote equality of opportunity and to foster good relations) in relation to flag flying.

9.2 Option 2 and 3 would enable the Council to meet its statutory obligations whilst ensuring the traditions and etiquette of flag flying are preserved and respected. The Officer Working Group believes that both of these options are in keeping with a modern and progressive organisation.

9.3 After all consideration the Officer Working Group would see option number three as the preferred option and would recommend Council consider adopting this option.

10 IMPLICATIONS

10.1 Financial

(a) Option 1 – Little or no additional cost (approx average £600/yr for renewing flags).

Option 2 - £250 initial cost per additional flag plus marginally higher additional cost for renewing flags (approx average £700/yr).

Option 3 - £4000 initial cost of flagpoles and new flags plus marginally higher cost for renewing flags (approx average £700/yr).

Option 4 – Potential saving (approx £600/yr).

10.2 Risk and Mitigations

(a) The risks are:

Option 1: Risks challenges and affront with regards to not fully complying with the Scottish Government practices on flying flags and formal etiquette for flag flying. Risks challenge on grounds of Equality as the current protocol could be perceived as non-compliant with the Equality Act and Scottish Borders Councils Equality Duties.

Option 2: Adding additional flags and formalising the Council protocol may prove contentious with some members of the public.

Option 3: Adding additional flags and formalising the Council protocol may prove contentious with some members of the public. Although this option incurs the highest initial cost this option also provides the biggest visual impact that befits a Council Headquarters. Risk of public accessing the flagstaff and erecting their own flags. This could be mitigated by the use of anti-vandal paint on the flagpoles.

Option 4: May inhibit Scottish Borders Councils ability to demonstrate respect, and mark special occasions.

10.3 **Equalities**

(a) The proposals within this report include consideration of Scottish Borders Council's Equality Duties. If the preferred option is adopted, the Council will be taking proactive steps to meet all elements of its Equality Duties under the Equality Act 2010.

(b) If option one within the report is adopted the Council risks compliance with the Equality Act 2010 and may open risk to challenge.

10.4 **Acting Sustainably**
(a) No impact

10.5 **Carbon Management**
(a) No impact

10.6 **Rural Proofing**
(a) No impact

10.7 **Changes to Scheme of Administration or Scheme of Delegation**
(a) No changes are required to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

11 CONSULTATION

11.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and any comments received have been incorporated into this report.

11.2 In addition the following Officers were consulted –

- Corporate Equalities and Diversity Officer.
- Corporate Communications – if what you are proposing involves likely media interest or high public information dissemination.

Approved by

Depute Chief Executive - Place **Signature – Philip Barr**

Author(s)

Name	Designation and Contact Number
Rosie Kennedy Stuart Mawson	Corporate Equality & Diversity Officer Property Manager

Background Papers: None
Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

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THE FLYING OF FLAGS FROM COUNCIL BUILDINGS

AND

ARRANGEMENTS FOR BOOKS OF CONDOLENCE

CHIEF EXECUTIVE
PROPERTY MANAGEMENT

REVISED MARCH 2014

INVESTOR IN PEOPLE

THE FLYING OF FLAGS FROM COUNCIL BUILDINGS AND ARRANGEMENTS FOR BOOKS OF CONDOLENCE

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General:
National flags are flown from local government building to mark certain set occasions. They are also flown at half mast as a mark of respect following the death of a member of the Royal Family and of current of past holders of high political office.

In certain circumstances it is judged appropriate to make books of condolence available in council offices to allow member of the public to record their respects.

This protocol attempts to standardise the flying of flags and to set out responsibilities in relation to books of condolence. Some compromises have been made between the formal rules of etiquette and what has become accepted practice.

From time to time decisions in relation to a particular set of circumstances will require to be taken. In such instances the Convener/Vice Convener will make the decision after consulting the Chief Executive, his/her deputy or the Property Manager and if appropriate the Lord Lieutenants and the Lord Chamberlain's office.

All expenditure occasioned by a period of national mourning should be debited to the Civic Recognition Budget administered by the Chief Executive's Department.

Occasions on which flags will be flown from Scottish Borders Council Buildings:			
Date	Occasion	Flag	Remarks
March	Commonwealth Day	Commonwealth Flag	To be flown at HQ only. Flag to be raised at 10am.
21st April	Birthday of Her Majesty The Queen	Union Flag	Not to be confused with official birthday which falls during June
9th May	Europe Day	European Flag	To be flown at HQ only
June (Note 1)	Queen's Official Birthday	Union Flag	See www.royal.gov.uk to confirm date
27th June	Armed Forces Day	Armed Forces Day Flag	(Note 2) The flag should be flown for 7 days commencing on the Monday before the 27 June
Between 11th November (Armistice Day) and Remembrance Sunday	Armistice Day & Remembrance Sunday	Union Flag	Flag should be flown fully up throughout
30th November	St Andrew's Day	Saltire	

Notes

1. Requests from special interest groups to have their flags flown from council buildings will generally be refused.

2. Lord Lieutenants each have an Armed Forces Day Flag and can be allowed the facility to fly it from a council flag pole within their lieutenancy.

3. In the event of a visit by an official delegation from a foreign country it may be appropriate to mark the occasion by flying the national flag of the visitor(s)

Occasions on which flags will be flown at half mast:

- From the announcement of the death until the funeral of the sovereign, except on Proclamation Day, when they are hoisted right up from 11am until sunset.

- The day of the funeral of a foreign ruler, subject to special commands from Her Majesty in each case.

- From the announcement of the death until the day of the funeral of:
  - Members of the Royal Family. (Union Flag)
  - Prime Minister of UK or past holders of that Office. (Union Flag)
  - First Minister of Scottish Executive/Government or past holder of that Office. (Saltire)
  - Presiding Officer or past holder of that Office. (Saltire)

- In the event of an act of terrorism within the United Kingdom, involving multiple fatalities. (Union Flag)

- In the event of any other disaster, which has occurred within the United Kingdom, involving multiple fatalities. In such cases the Convener/Vice Convener of the Council, in conjunction with the Chief Executive will make the decision as to what is appropriate.

FLAGS & FLAG FLYING RULES

Saltire:
The flag of St Andrew and the recognised National Flag of Scotland. It is correct to fly with or instead of the Union Flag. By protocol it should not be flown at half mast but this has become accepted practice in recent times as a mark of respect on the occasion of the death of a prominent Scot holding a post for which half mast flag flying would be appropriate.

Buildings with Two Flag Poles:
If a building has two flag poles then the Union Flag if flown along with the Saltire must always go on the left most pole as seen by a person looking towards the front of the building from outside. However, should the flag poles be of unequal height then the Union Flag must always be flown from the taller of the two flag poles.

Union Flag (Union Flag)
The official flag of the United Kingdom and should be used on all occasions associated with the Royal Family.
A common error is to hoist the Union Flag the wrong way up. The correct way is with the ***broader white diagonals uppermost.***

Royal Standard:
The Royal Standard signifies the physical presence of the Sovereign and can only be flown when the Sovereign is actually in that building.

The Rampant Lion:
Is not a National Flag and cannot be used by citizens or corporate bodies. It is the exclusive property of the Sovereign and its use is restricted to only a few Great Officers who officially represent Scotland, including the Secretary of State for Scotland.

Half mast event falling on a normal Flag Flying Day:
On such occasions the flag remains fully up unless a special command is received from Her Majesty.
The one exception would be the flag on the building in which the body was lying in State.

Half Mast Position:
The flag should be flown in a position two thirds of the way up the flagpole and not half way as the name suggests.
The half masting of a flag indicates respect and part of that respect is the act of lowering the flag to half mast position. For that reason the flag should be fully hoisted then after a pause for a few seconds lowered to the correct position. Before lowering the flag should again be returned to the fully hoisted position.

SCOTTISH BORDERS COUNCIL
BUILDINGS FROM WHICH FLAGS WILL BE FLOWN

Locations at which flags will be flown on Flag Flying Days and on Half Mast Occasions:

1. Council Headquarters*
2. Gateway Centre, Coldstream
3. Leitholm Playpark
4. Council Offices, Duns
5. Council Offices, Eyemouth (Former High School)
6. Council Offices, Galashiels
7. Town Hall, Hawick
8. Council Offices, Innerleithen
9. Town Hall, Jedburgh*
10. Town House, Kelso*
11. Town Hall, Melrose
12. Council Offices, Peebles
13. Chambers Institute, Peebles
14. Victoria Hall, Selkirk

Notes:
*** Denotes buildings on which flag is flown continually but may require to be altered to meet the occasion.**

Responsible Department:
The Council Property Section will be responsible for ensuring that flags are flown on Flag Day and Half Mast Occasions

They are responsible for ensuring that supplies of appropriate flags are available for each of the listed buildings.

If necessary the Convener/Vice Convener will make a decision to fly at half mast after consultation the with Chief Executive

BOOKS OF CONDOLENCE

General:
The Communications Manager is responsible for arranging the issuing of Books of Condolence and must liaise with the Procurement Officer in relation to the provision of the books.

Master copies of loose leaf pages for the books are retained in the Printing Section of the Resources Department.

Completed Books of Condolence are forwarded to an address supplied by the Lord Chamberlain's Office at the time of closure.

Locations for Books of Condolence

1. Council Headquarters
2. Library, Coldstream
3. Council Offices, Duns
4. Council Contact Centre, Eyemouth
5. Town Hall, Hawick
6. Library, Innerleithen
7. Council Contact Centre & Library, Jedburgh
8. Council Contact Centre & Library, Kelso
9. Ormiston Institute, Melrose
10. Borders General Hospital, Melrose
11. Council Offices, Peebles
12. Chambers Institute, Peebles
13. Council Contact Centre, Selkirk
14. All Mobile Libraries

Emergency Contact
Circumstances leading to the need to arrange Books of Condolence can arise at short notice and can necessitate action at weekends or during holiday periods.
In such circumstances the necessary telephone numbers can be accessed via the Council Out of Hours Contact Centre on 01896 752111

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DAYS FOR HOISTING FLAGS ON BUILDINGS OF THE SCOTTISH GOVERNMENT 2010

The Scottish Government

Issue No. 14 (Valid from APRIL 2010)

From 8am till sunset

Date	Event	Flag To Be Flown (See Key Below)
20 January	Birthday of The Countess Of Wessex	A
6 February	Anniversary of The Queen's Accession	A
19 February	Birthday of The Duke of York	A
8 March	Commonwealth Day (*see note 1)*	C
10 March	Birthday of The Earl of Wessex	A
21 April	Birthday of Her Majesty The Queen	A
28 April	International Workers Memorial Day	F
9 May	Europe Day *(see note 2)*	E
2 June	Anniversary of Coronation Day	A
10 June	Birthday of The Duke of Edinburgh	A
12 June	Official Celebration of Her Majesty's Birthday *(see note 3)*	A
26 June	Armed Forces Day	G
17 July	Birthday of The Duchess of Rothesay	A
15 August	Birthday of The Princess Royal	A
3 September	Merchant Navy Day *(see note 2)*	D
14 November	Remembrance Day *(see note 4)*	A
14 November	Birthday of The Duke of Rothesay	A
20 November	Anniversary of Her Majesty's Wedding Day	A
30 November	St. Andrew's Day	B

Key

A: Union flag, with Saltire if building has two or more flag poles.

If there is only one flag pole, the Saltire should be lowered and replaced with the Union flag –for that day only.

B: Saltire, or two Saltires if building has two or more flag poles.

(SAH may fly the Royal Banner (superior) and the Saltire by Royal assent.)

C. Commonwealth flag if building has one flag pole,
Commonwealth flag and Saltire if building has two or more flag poles.

D: Red Ensign if building has one flag pole,
Red Ensign and Saltire if building has two or more flag poles.

E. Europe flag if building has one flag pole
and Europe flag and Saltire if building has two or more flag poles

F. On this day, the Saltire(s) should be hoisted right up and then lowered to half-mast for the day
See rule 9(e)

G Armed Forces Day flag if building has one flag pole

Armed Forces Day flag and Saltire if two or more flag poles

Please note – the image is from 2009, the correct date is in the preceding list

Notes:

1. Usually the second Monday of the month. In 2010 the date is **8th March 2010**.

2. On SG buildings that only have one flag pole; the European, Red Ensign, Commonwealth and Armed Forces Day flags should be flown. Where a building has two or more flag poles, the Saltire should also be flown.

3. Date advised annually (usually the second Saturday in June). In 2010 the date is **12th June 2010**.

4. Usually the second Sunday of the month. In 2010 the date is **14th November 2010**.
Flags should be flown right up all day.

RULES FOR HOISTING FLAGS ON BUILDINGS OF THE SCOTTISH GOVERNMENT

Issue No. 14 (Valid from April 2010)

1. Review

This issue of the Scottish Government Flag Flying Guidance is for current use only. It reflects some of the outcomes of a review of the guidance by the Protocol Team and agreed by the First Minister.

2. Extent of Application

These guidelines apply to the Scottish Government, its related Agencies and associated Departments. Rules and dates on the flying of flags from all other Government buildings in the United Kingdom are distributed by the Department for Culture, Media and Sport, Architecture and Historic Environment Division, 2-4 Cockspur Street, London, SW1Y 5DH. (Tel: 020-7211-2381).

Local authority buildings and schools are not affected by these guidelines, the matter of flag flying remaining one for individual local authorities to determine. These rules and dates are not binding on any other public institutions, or members of the public. With the exception of the Royal Standard, which may not be flown without permission from The Queen, these other groups may fly any flag at any time, no weight of public authority being implied behind such flag flying.

3. Dates On Which Flags Are To Be Flown

The Saltire should be flown every day from Scottish Government buildings, except where indicated otherwise in the accompanying Schedule.

Other flags are to be flown only on the dates named in the Schedule. For buildings with only one flag pole, on certain special national days (marked as “A” in the Schedule), the Saltire should be lowered and replaced – for that day only – with the Union flag, as it takes precedence.

The Protocol Team, Constitution Directorate, DG Constitution and Corporate Change will inform the relevant authorities of any other occasions on which The Queen has given a special command to fly flags. Only on exceptional occasions would a flag (other than the Saltire) be flown on a day other than a listed day. Any requests to fly flags on exceptional occasions must be cleared in advance with the First Minister through the Protocol Team.

4. Flying Of Other Flags

The only flags that should be flown from Scottish Government buildings in Scotland are the Saltire, the Union flag, the European flag (Europe Day only), the Red Ensign (Merchant Navy Day only) the Commonwealth flag (Commonwealth Day only), The Armed Forces Day flag (Armed Forces Day only) and the Royal Standard at St Andrew's House (by Special Command or Royal Assent) on St Andrew's Day. Other flags, including those of other nations, should not be flown from Scottish Government buildings.

5. Superior Position

This is the highest pole if there is one pole higher than the others. If there is an even number of flag poles of the same height the superior position is the left of centre flag pole viewed from the street (looking towards the front of the building). If there is an odd number of flag poles of the same height the superior position is the central pole.

6. How The European, Red Ensign, Commonwealth and Armed Forces Day Flags Should Be Flown

On Scottish Government buildings that have only one flag pole, the European, Red Ensign ,Commonwealth and Armed Forces Day Flags should be flown for that specific flag flying date only. Where a building has two or more flag poles, these flags may be flown on the appropriate date in addition to the Saltire flag but not in a superior position. If a building has three flag poles, to avoid any doubt, the third pole should remain vacant.

7. How The Union Flag Should Be Flown

The broader diagonal white stripe should be at the top left hand side of the flag nearest the flag pole.

8. Use of the Royal Banner

Currently, for St. Andrew's Day, the Royal Banner of the Royal Arms of Scotland (The Lion Rampant) and the Saltire will be flown from St. Andrew's House when the First Minister is working from the building. The First Minister is entitled to fly the Royal Banner from any building in which he is working in his role as Keeper of the Great Seal. The Saltire (or two, depending on the number of flag poles) should be flown from other buildings throughout the Scottish Government estate.

The Royal Banner is The Queen's official banner in Scotland. Flags showing the Banner of the Royal Arms of Scotland (the 'Lion Rampant') or the Royal Arms as used in Scotland (the Quartered Arms) are Ensigns of Public Authority, and are therefore only used by The Sovereign or Her Great Officers, such as Lord Lieutenants, when acting in that capacity.

The Royal Banner is usually only hoisted above a Scottish Government building during the period The Queen is present in the building. It is not hoisted when The Queen is only passing in procession. If The Queen is to be present in your building, please contact the

Protocol Team, Constitution Directorate, DG Constitution and Corporate Change to make the necessary arrangements.

The flying of the Royal Banner from a non-Government property or garden is not permissible, as it implies that the flag flyer is claiming the Royal Arms as his or her own.

9. Flying Of Flags At Half Mast

'Half mast' means that the flag is flown two-thirds up the flag pole.
The occasions on which flags are to be flown at half mast are:

(a) from the announcement of the death up to the funeral of the Sovereign, except on Proclamation Day, when they are hoisted right up from 11am to sunset;

(b) the funerals of members of the Royal Family, subject to special commands in each case;

(c) the funerals of foreign rulers, subject to special commands in each case;

(d) the funerals of serving and ex-Prime Ministers of the United Kingdom, and the funerals of serving and former First Ministers of Scotland, subject to special commands in each case.

(e) International Workers Memorial Day (28 April)

10. Rules When Days For Flying Coincide With Days For Flying At Half Mast

Flags are to be flown right up all day:

(a) although a member of the Royal Family, or a near relative of the Royal Family, may be lying dead, unless special commands are received from The Palace to the contrary;

(b) although it may be the day of the funeral of a foreign ruler.

If it is a day on which a flag would fly, but the body of a very distinguished subject is lying at a Scottish Government building, the flag may fly at half mast on that office until the body has left, after which the flag is to be hoisted right up. On all other Scottish Government buildings the flag will fly as usual.

11. Acts Of Terrorism And Other Human Tragedies
The Death And Funeral Of Serving And Ex-Serving Foreign Rulers

In the event of an act of terrorism or other human tragedy, flags should **not** be flown at half mast unless a special command is issued to the contrary. The Protocol Team will be your point of contact.

12. Flag flying contact

Darren Jeffery, Protocol Team, 2-J North, Victoria Quay, Edinburgh, EH6 6QQ.
Tel. 0131 244 3403 (direct line) Email: protocol@scotland.gsi.gov.uk

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