

Committee Minutes

The City of Edinburgh Council

Year 2003/2004

Meeting 14 - Thursday 19 February 2004

Edinburgh, 19 February 2004 - At a meeting of The City of Edinburgh Council.

Present:-

LORD PROVOST

The Right Honourable Lesley Hinds

COUNCILLORS

Elaine Aitken
Rev Ewan Aitken
Robert C Aldridge
Donald Anderson
Phil Attridge
Ian J Berry
Andrew Burns
Robert Cairns
Stephen Cardownie
Maureen M Child
Bill Cunningham
Trevor Davies
Jennifer A Dawe
Michael P Dixon
Paul G Edie
Edward B Fallon
William Fitzpatrick
James Gilchrist
Sheila Gilmore
George Grubb
The Hon David Guest
Kenneth Harrold
Ricky Henderson
George A Hunter
Allan G Jackson
Shami Khan
Douglas J Kerr
Allan Laing

John Longstaff
Jim Lowrie
Gordon Mackenzie
Kate MacKenzie
Fred Mackintosh
Marilyne A MacLaren
Elizabeth Maginnis
Lawrence Marshall
Mark McInnes
Brian A Meek
Eric Milligan
Gordon J Munro
Ian Murray
Jack O'Donnell
Liz O'Malley
Alastair Paisley
Thomas V Ponton
Frank K Russell
Andrew A Scobbie
Lorna Shiels
Kingsley E F Thomas
Marjorie Thomas
Susan B Tritton
David J Walker
Phil Wheeler
Iain Whyte
Chris Wigglesworth
Donald Wilson

1 Community Education Centres: A Strategy for Improvement

a) Deputations

The Council agreed to hear the following deputations on the proposed strategy for the improvement of Community Education Centres.

i) Duncan Place Users Group

Alice Lauder, Karen Shaw, Catriona Boyce, John McCluskie and Tamsin Andrews stressed the importance of the Duncan Place Centre to the local community and the benefits of the wide-range of activities it provided. They referred to the excellent ethos and community spirit amongst almost 150 groups using the Centre. They asked the Council to delay taking a decision on its closure and the relocation of its activities until completion of a feasibility study and full consideration of all relevant information.

The Lord Provost thanked the deputation for its presentation and invited it to remain for the debate on the matter (see item 1(b) below).

(Reference – e-mail from the Duncan Place Users Group 2 February 2004, submitted.)

ii) Lothian Coalition of Disabled People's Youth Group

Karen Sutherland, Holly Mullen and Fraser McDonald were concerned at the proposed relocation of the Duncan Place Centre's activities to Leith Primary School. The Centre currently provided access to a wide variety of activities and fostered a spirit of co-operation allowing diverse groups to work together on joint projects. In relation to the accessibility of the premises, the Youth Group had requested that a lift be installed to improve disabled access. The deputation felt strongly about the community environment at the centre and asked the Council to take this into consideration when making their decision.

Following questions from members, the Lord Provost thanked the deputation for its presentation and invited it to remain for the debate on the matter (see item 1(b) below).

(Reference – e-mail from the Lothian Coalition of Disabled People's Youth Group 5 February 2004, submitted.)

b) Report by the Director of Education

A survey of the city's Community Education Centres had highlighted that a significant number were in poor condition and in some cases did not reflect changing local patterns of service provision.

A strategy was proposed for the improvement of centres to enable more effective use of available resources, reflect local changes and deliver improved, integrated services as required by community planning. The strategy set out proposals to refurbish existing centres, provide new centres and relocate current activities from centres identified for closure.

Motion

- 1) To agree in principle the preferred option of closing those centres identified in the Director of Education's report, subject to further consultation with all stakeholders, in particular on the issue of relocation of present activities.
- 2) To ask the Director of Education to report on the relocation of current activities.
- 3) To set consultations about the replacement of Craigmoynton Community Education Centre in the context of the consultants report on wider community provision in the Muirhouse, Drylaw and Pilton areas and to receive a further report on these issues.
- 4) To set consultations about city centre re-provisioning in the context of the consultants report on wider community provision in the city centre and to receive a further report on these issues.
- 5) To ringfence capital receipts arising from Community Education estate rationalisation to be reinvested to meet re-provisioning proposals, as outlined in the Director's report. Any additional balance available to be used to assist in addressing any funding gap relating to PPP2.
- 6) To ask the Director of Education to report on the recommended refurbishments of Community Education Centres.
- 7) To ask the Director of Education to report on the reinvestment of savings and receipts with respect to the decision on the Capital Investment Programme 2004-2007.

- moved by Councillor Rev Ewan Aitken, seconded by Councillor Cunningham (on behalf of the Labour Group).

Amendment

- 1) To continue consideration of the report by the Director of Education for two cycles:
 - a) to consult with users of the Community Education Centres;
 - b) to refer the Director's report to the relevant Local Development Committees and the Community Services Scrutiny Panel; and
 - c) to produce a report to Council and an options paper on the outcome of the consultation process as detailed at (a) and (b) above.
- 2) In the event of the strategy being implemented to use any additional balance of capital receipts to fund the Capital Programme.

- moved by Councillor Mrs MacLaren, seconded by Councillor Dawe.

Councillor Rev Ewan Aitken, with the consent of his seconder and the mover and seconder of the amendment, accepted paragraph 1(b) of the amendment as an addendum to his motion.

Voting

The voting was as follows:-

For the motion (as adjusted)	-	29 votes
For the amendment	-	28 votes

Decision

To approve the motion by Councillor Rev Ewan Aitken, as adjusted.

(References – Act of Council No 9 of 20 February 2003 and Executive of the Council 7 October 2003 (item 9); report no CEC/151/03-04/ED by the Director of Education, submitted.)

2 Deputations

a) Willowpark School Board – Proposal for the Location of a New Secondary School to Replace Canonmills and Cairnpark Schools

The Council agreed to hear a deputation from representatives of Willowpark School Board on proposals to build a new secondary school for pupils with social, emotional and behavioural difficulties (SEBD) on the site currently occupied by Willowpark and St Nicholas Schools.

Roy Mackay and Tony Marshall said that parents, pupils and the community had been treated badly over the last seven years because of the number of changes to proposals for Willowpark/Graysmill and Canonmills/Cairnpark Schools. It was totally unacceptable that Willowpark pupils might have to move school twice in a period of two years. Change caused a great deal of anxiety and stress for pupils and parents. They welcomed the construction timetable for the replacement of the SEBD school as set out in the Director of Education's report and urged the Council to support this option.

The Lord Provost thanked the deputation for its presentation and invited it to remain for the debate on the matter (see item 3 below).

(Reference – e-mail from the Willowpark School Board 6 February 2004, submitted.)

b) Bingham Residents Association – Smart Schools Initiative: The Primary School Estate

The Council agreed to hear a deputation from the Bingham Residents Association on proposals to merge Lismore and Brunstane Primary Schools.

Ann Brodie and Gail Mackinnon said that the local community was opposed to the closure of Lismore Primary School as it meant the removal of a valuable amenity from the local community. They asked the Council to consult with local groups and all other users of the school's facilities before taking a decision to close this school.

Following questions from members, the Lord Provost thanked the deputation for its presentation and invited it to remain for the debate on the matter (see item 4 below).

(Reference – e-mail from the Bingham Residents Association 13 February 2004, submitted.)

c) UNISON – Child Protection Audit – Phase 1

The Council agreed to hear a deputation from UNISON on the findings of Phase 1 of the Child Protection Audit.

John Stevenson, Branch Secretary, UNISON, asked the Council to consider the responses to the 10 point checklist in context. The audit was a relatively new concept and being the only survey of its kind there were no comparable figures available. Scores of 100% were desirable and expected. The results achieved highlighted resource issues with vacancies in the Social Work service at crisis level. Social Workers always aspired to the highest standards and he urged the Council to consider its key role in addressing the issues of resources and staff morale.

Following questions from members, the Lord Provost thanked the deputation for its presentation and invited it to remain for a debate on the matter (see item 10 below).

(Reference – letter from UNISON 18 February 2004, submitted.)

3 Proposals for the Location of a New Secondary School to Replace Canonmills and Cairnpark Schools and a Consideration of Alternative Construction Timetable

Consultation had been carried out with parents and other interested parties on a proposal to locate a new secondary school for pupils with social, emotional and behavioural difficulties (SEBD) to replace Canonmills and Cairnpark Schools. It was proposed to build the school on the Gorgie Road site currently occupied by Willowpark and St Nicholas Schools.

The consultation had identified two alternative scenarios in respect of construction timetables. In response to representations from Willowpark School Board, consideration of alternative construction timetables had been included in the consultation.

The outcome of the consultation exercise was detailed.

The Council had heard a deputation on the matter from the Willowpark School Board (see item 2(a) above).

Decision

- 1) To note the progress of the statutory consultation process relating to the proposal to build a new SEBD secondary school on the Gorgie Road site.
- 2) To note the need to secure Financial Close with Edinburgh Schools Partnership (ESP) in respect of Stage 2 of the Public Private Partnership 1 (PPP1) Programme by mid-March 2004 and the need, therefore, to resolve quickly the position of the proposed new SEBD secondary school vis-à-vis the PPP1 Programme.
- 3) To proceed with the Willowpark site as the preferred location for the new SEBD secondary school.
- 4) To adopt Option 3 as the basis for the construction of the new SEBD school, namely, to remove the new SEBD school from the PPP1 Programme and to build the school through standard European Procurement procedures; construction of the new SEBD secondary school to commence only when Willowpark pupils had moved to their new school on the Firrhill campus.

- 5) To agree to the ongoing close involvement of the School Boards, parents, pupils, the local community, staff and other professionals in the design and development of the new SEBD secondary school as well as the preparations needed for a successful start to the new school.
- 6) To note the programme of refurbishment to be taken forward to enhance the physical environment of Canonmills School.
- 7) To confirm that the replacement for Willowpark and Graysmill Schools should be a centre of excellence.
- 8) To agree to the ongoing close involvement of the School Boards, parents, pupils, the local community, staff and other professionals in the design and development of the new Willowpark/Graysmill School as well as the preparations needed for a successful start to the new school.

(References – Executive of the Council 13 January 2004 (item 3); report nos CEC/143/03-04/ED; and CEC/144/03-04/ED by the Director of Education, submitted.)

Declaration of Interests

Councillor Grubb declared a non-financial interest in the above item as the grandparent of a pupil at Willowpark School.

4 Smart School Initiative

a) Public Private Partnership 2 (PPP2)

The Council had submitted an Outline Business Case (OBC) to the Scottish Executive for the second phase of Public Private Partnership investment based on an assumed amount of Level Playing Field support. The Scottish Executive had offered a reduced amount of level playing field support dependent on the submission of a revised OBC.

Approval was sought for the revised OBC, the scope of the project and funding arrangements for its implementation.

Motion

- 1) To submit an OBC to the Scottish Executive in February 2004 based on the scope detailed in the Director of Education's report.
- 2) To agree that the Project Team continue to progress work in developing the proposals contained in the outline business case, including further consultation and design work as necessary for individual schools, and that procurement processes for the PPP2 project be progressed on the basis of the timescale set out in the

Director's report, subject to Scottish Executive approval of the revised OBC.

- moved by Councillor Rev Ewan Aitken, seconded by Councillor Cunningham (on behalf of the Labour Group).

Amendment

- 1) To approve the submission of an OBC to the Scottish Executive in February 2004 with both conventional PPP and NPD PPP variants.
- 2) To approve further development on the Outline Business Case, including further consultation and design work as necessary for individual schools and examining alternatives for meeting any funding shortfall, and that procurement processes for the PPP2 project be progressed as the basis of the timescale set out in the Director of Education's report, subject to Scottish Executive approval of the revised OBC.
- 3) To instruct the Director of Education to report in one cycle about how prudential borrowing could be used to fund new schools.
- 4) To instruct the Director of Education to report on how the school buildings detailed in paragraph 4.1 and not included in paragraph 4.5 of his report would be improved or replaced.

- moved by Councillor Dawe, seconded by Councillor Lowrie.

Voting

The voting was as follows:-

For the motion	-	42 votes
For the amendment	-	15 votes

Decision

To approve the motion by Councillor Rev Ewan Aitken.

(References – Executive of the Council 3 December 2002 (item 5); report no CEC/152/03-04/ED by the Director of Education, submitted).

b) The Primary School Estate

The city's primary school age population had declined by 11% since 1997 leading to underoccupancy in a number of schools. This trend was forecast to continue until at least 2013. In order to ensure best value, the Council was required to achieve the most efficient use of school places.

The School Estate Management Plan had identified primary schools which were currently underoccupied or small and in close proximity. Options were proposed for addressing this through a programme of school amalgamations. The savings made would be used to reinvest in existing buildings.

The Council had heard a deputation from the Bingham Residents Association on the proposal to amalgamate Lismore and Brunstane Primary Schools (see item 2(b) above).

Motion

- 1) To approve the review of the primary school estate as detailed in the Director of Education's report as a basis for consultation to ensure the achievement of best value.
- 2) To retain amalgamation savings within the Education Service through the ringfencing of capital receipts to upgrade or renew the remaining schools and to reinvest the revenue savings within the Education budget.
- 3) To undertake further analysis on the school clusters identified in the Director's report.
- 4) To ask the Director of Education to report on each school cluster as a basis for undertaking consultation.
- 5) To note the educational benefits of the amalgamations through reinvestment of savings and through the creation of optimum size schools.

- moved by Councillor Rev Ewan Aitken, seconded by Councillor Anderson (on behalf of the Labour Group).

Amendment

- 1) To condemn the lack of consultation with school staff and parents on the proposed rationalisation of primary schools.
- 2) To instruct the Director of Education to fully consult with School Boards on bringing forward an options paper on each proposed school closure. This review should cover such issues as demographic trends and school catchment areas and give details of the facilities envisaged for each new school building.

- moved by Councillor Mrs MacLaren, seconded by Councillor Lowrie.

Voting

The voting was as follows:-

For the motion - 42 votes
For the amendment - 14 votes

Decision

To approve the motion by Councillor Rev Ewan Aitken.

(References – Executive of the Council 10 February 2004 (item 6); report no CEC/153/03-04/ED by the Director of Education, submitted.)

5 Questions

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

6 Minutes

Decision

To approve the minute of meeting of the Council of 22 January 2004, as submitted, as a correct record.

7 Capital City Homes - Nomination

The Council was invited to nominate a replacement for Councillor Russell who had resigned from the Board of Capital City Homes.

Decision

To nominate Councillor Davies to the Board of Capital City Homes.

(References – Act of Council No 5 of 22 May 2003; report no CEC/145/03-04/CS by the Director of Corporate Services, submitted.)

8 Leader's Report

The Leader presented his report to the Council. The following issues were raised in questions on the report:

Councillor Ponton - Containerisation of refuse collection

- | | |
|---------------------------|---|
| Councillor Whyte | - Council Tax – increases since 1997 |
| Councillor Dawe | - Children's Services – comments by SOLACE
- Sport in the City – new Tynecastle School |
| Councillor Mrs MacLaren | - Containerisation – Chief Constable's comments on position of bins |
| Councillor Meek | - Sport in the City – opportunity to provide centre of excellence |
| Councillor Kate MacKenzie | - Dog Fouling Act
- Cramond Community Council Election |
| Councillor Mackintosh | - Sport in the City – relocation of Hearts Football Club |
| Councillor Jackson | - Containerisation of refuse collection |
| Councillor Longstaff | - Sport in the City – briefings for opposition members |

(Reference – report no CEC/156/03-04/L and supplementary report by the Leader, submitted.)

9 Trading Operations

The Executive recommended the extension of the budget flexibility scheme, previously approved by the Council, to the former DSOs and DLOs.

Decision

To approve the extension of the budget flexibility scheme to the former DSOs and DLOs on the terms recommended in report no E/473/03-04/F by the Director of Finance.

(References – Act of Council No 9 of 12 December 2002; report no CEC/147/03-04/EXEC by the Executive.)

10 Child Protection

a) Child Protection and Related Issues

A programme of forthcoming reports to the Council on the Social Work service and the delivery of child protection services in the city over the next 1-2 cycles was outlined.

b) Child Protection Audit – Phase 1

Details were given of the first (internal) phase of the audit of all children on the Child Protection Register and of the immediate action taken to improve child protection as a result of the findings of the audit and the O'Brien report's recommendation.

An update was provided of progress on the second phase of the audit being conducted by an external review team and further actions taken to continue to reduce the risk of abuse to children.

Decision

- 1) To note the report by the Chief Social Work Officer on "Child Protection Audit – Phase 1" and endorse the action taken to date, while recognising that the findings of the audit raised several important issues still to be addressed by the Council.
- 2) To carry out a Child Protection Audit annually and report to the Executive of the Council.
- 3) To note with concern that similar audits were not routinely undertaken in other local authorities in Scotland and to express the view that a national system of audits would serve to enhance the protection of Scotland's vulnerable children.
- 4) To call on the First Minister to promote and fund Child Protection Audits across the whole of Scotland so that reliable information could be produced in respect of every child on a Child Protection Register.
- 5) To ask the Chief Executive and the Acting Director of Social Work to redouble efforts to maximise resources available for child protection in Edinburgh and that efforts be directed at Practice Teams facing the most acute difficulties.
- 6) To note that the following reports would be submitted to the Council/Executive of the Council in March 2004 on Protecting Children in Edinburgh:
 - a) progress on the O'Brien Inquiry Action Plan;
 - b) the balance between children and parents rights; and

- c) proposed changes to child protection policy and practice.
- 7) To note that a report would be submitted to the Council in March 2004 on Children and Families Practice Team staffing and unallocated cases.
- 8) To note that a report from the external Audit Review Team on Phase 2 of the Child Protection Audit would be submitted to the Council in May 2004.

(References – Act of Council No 11 of 13 November 2003; report no CEC/154/03-04/CE by the Chief Executive, report no CEC/155/03-04/SW by the Chief Social Work Officer, submitted.)

11 Freedom of Information (Scotland) Act 2002 – Publication Scheme

The Freedom of Information (Scotland) Act 2002 introduced a public right of access to certain information held by public authorities, including local authorities. This would become effective from 1 January 2005. Section 23 of the Act required the Council to submit, for approval by the Scottish Information Commissioner, a publication scheme setting out the classes of information it would publish, where it would be made available and whether a charge would be levied.

Approval was sought for the Council's draft Publication Scheme for submission to the Commissioner.

Decision

- 1) To approve the draft City of Edinburgh Council Publication Scheme as detailed in Appendix 1 to the report by the Director of Corporate Services.
- 2) To submit the Scheme to the Scottish Information Commissioner for formal approval by 28 February 2004, subject to any final adjustments necessary following any further guidance from the Commissioner.
- 3) To ask the Director of Corporate Services to report on how the Council would monitor requests from the public for information under the Act and report to members.

12 Craigmillar Joint Venture Company - Progress

The Council had agreed to enlarge the Board of Craigmillar Joint Venture Company to include representatives of the community. Brian Cavanagh, Chair

of NHS Lothian, had already been appointed in this capacity. Approval was now sought for two nominations made by the Craigmillar Partnership.

Decision

To approve the nominations by the Craigmillar Partnership of Norrie Davies, Craigmillar Regeneration Forum and Michael McNulty, Craigmillar Community Council as Community Directors on the Board of the Craigmillar Joint Venture Company.

(References – Act of Council No 9 of 11 December 2003; report no CEC/148/03-04/CD by the Director of City Development, submitted.)

Declaration of Interest

Councillors Cairns, Gilchrist, Gilmore, Mackintosh, Scobbie and Wilson declared a non-financial interest in the above item as Directors of EDI.

Councillors Child and Gilmore declared a non-financial interest in the above item as Directors of the Craigmillar Joint Venture Company.

Councillor O'Donnell declared a non-financial interest in the above item as a member of the Craigmillar Social Inclusion Partnership.

13 Rationalisation of Office Accommodation - Progress

The Council had been kept advised of progress on the provision of new office accommodation and other matters related to the rationalisation project.

Further progress was now detailed in relation to the new Council Headquarters, the refurbishment and lift modernisation programme in retained properties and the disposal of surplus properties.

Decision

To note:

- 1) That Morley Fund Management had confirmed that legal documentation was now in place to enable work to start on the Council Headquarters.
- 2) Progress on the modernisation of existing buildings.
- 3) Progress on the disposal of surplus properties, including proposals for the sale of the former Council Headquarters building and the disposal of 7 Merchiston Park.

(References – Act of Council No 12 of 13 November 2003; report no CEC/150/03-04/CD by the Director of City Development, submitted.)

14 Closure of Fountain Brewery, Edinburgh

The Lord Provost ruled that this item, notice of which had been given at the start of the meeting, be considered as a matter of urgency in order that it be dealt with timeously.

On 17 February 2004, Scottish and Newcastle had announced the closure of the Fountain Brewery following a review of its UK business. The Brewery, established in 1856, employed 170 staff and was one of the last major manufacturing businesses in the city centre.

The company had offered various options to its staff including retraining, redeployment or a redundancy package and had agreed also to discuss the implications of their decision with the Council.

Decision

- 1) To note with regret the proposed closure of the Fountain Brewery in Edinburgh with the loss of 170 jobs. To note with regret also the end of a proud history of brewing in the city by Scottish and Newcastle and its predecessors stretching back hundreds of years.
- 2) To welcome the commitments given by the company to work with existing staff to help secure redeployment or alternative employment and to welcome also the early commitment given by the company to meet with representatives of the Council.
- 3) To ask the Director of City Development to report providing further information on the success in securing alternative employment for S&N staff and to call for the Director and the company to work closely with the local Councillor, elected representatives and local community to maximise the benefits for the local area of any redevelopment of the site.

(Reference – report no CEC/157/03-04/CD by the Director of City Development, submitted.)

Declaration of Interest

Councillor Gilchrist declared a non-financial interest in the above item as a Director of EDI.

Councillor Kate MacKenzie declared a financial interest in the above item as the spouse of a licensee and took no part in the debate on the matter.

15 Appointment of Council Solicitor, Department of Corporate Services

Decision

To offer the post of Council Solicitor, Department of Corporate Services, to Gill Lindsay, subject to a satisfactory medical assessment.

(Reference – report no CEC/158/03-04/RC by the Recruitment Committee, submitted.)

16 Rationalisation of Office Accommodation: Disposal Programme – Offices at George IV Bridge/302 Lawnmarket

Decision

To dispose of the property at George IV Bridge/302 Lawnmarket by way of Disposition or 175 year lease to the Mound Property Co Ltd on the terms detailed in paragraph 9 of the Director of City Development's report and on other terms and conditions to be agreed by the Director and the Council Solicitor.

(References – Act of Council No 12 of 13 November 2003; report no CEC/149/03-04/CD by the Director of City Development, submitted.)

W6/CEC03/CEC190204/EK

APPENDIX
(As referred to in Act of Council No 5 of 19 February 2004)

QUESTION NO 1

**By Councillor Lowrie
answered by the Executive
Member for Youth Strategy
and Education**

Question (1) Currently, which subject areas in secondary schools are experiencing problems of recruitment for

- (a) Full time posts
- (b) Appropriate supply teachers?

Answer (1) a) There is currently an acute shortage at both local and national level of teachers in the following subject areas which has led to recruitment difficulties;

Business Education
Craft Design and Technology
Home Economics
Mathematics
Modern Languages (specifically teachers able to teach both French and German, ie with dual GTC registration)
Physical Education

- b) As a consequence of the above shortages there is a knock on problem of shortage in availability of sufficient supply teachers to fill in for absent subject teachers

Question (2) Are curriculum choices for pupils being restricted in any secondary school because of recruitment difficulties?

Answer

- (2) The department is aware in the current session, in the subjects of Home Economics, Craft Design Technology and Business Education, that shortages in a few secondary schools have created a need for curriculum changes in some S1 and S2 classes. Course choices for next session are not yet concluded and at the time of response there is no firm information that suggests that course choices for the session 2004/05 will be restricted.

The department intends to meet all secondary head teachers on this issue on 25 February 2004 to determine an action plan which will cover short term recruitment problems and initiatives, potentially involving probationers, to alleviate the short term problem. In addition, the matter has been raised at national level with an Edinburgh approach, succeeding in the revised placing of Home Economics as a category one priority for student intake.

This and other national initiatives should hopefully realise improvements in the medium to long term (3 – 5 years). It is hoped that the initiatives identified by Personnel and Head teachers will alleviate the short term problems.

QUESTION NO 2

**By Councillor Gilchrist
answered by the Leader of the
Council**

Edinburgh's Hogmanay 2003/04

Question (1) At the Council Meeting of 22 January 2004 you stated that the premium required of the contractors was £130,000 and this was subsequently confirmed in the Evening News as being "as high as £135,000".

What premium was actually quoted and what was the level of cover being provided for this premium?

Answer (1) The contractor (Unique Events) advised that adverse weather cover premiums would be between 7.5 to 10% of the event costs.

Edinburgh's Hogmanay costs - £1.8million

- 7.5% - £135,000
- 10% - £180,000

Royal Bank Street Party costs - £1.2million

- 7.5% - £90,000
- 10% - £120,000

Question (2) Please list all other insurances which were provided for this event together with the level of cover and the appropriate premium.

Answer (2) Employers insurance, £10million cover – premium, £1050
Public Liability, £5million cover – premium, £7875
Equipment £842,680 cover – premium £5250
Vehicles (4x4s & flatbeds) – premium £1,700

Question (3) In connection with the new contract which has been signed by the same contractor as for Hogmanay 2003/04 in respect of "Edinburgh's Winter Festivals", please list the requirement of insurances and the amount of cover they are being asked to provide.

Answer (3) The contractor is required to hold public liability insurance (for personal injury, death and/or damage to or loss of property) to the value of not less than £10 million for any one claim with a provision for an unlimited number of claims and occurrences during the insurance period. This insurance must be with an insurance company that has been approved by the Council in writing. The contract for 2003/2004 is a fixed lump sum concession contract. All costs resulting from the staging of the events (or the failure to stage) will be borne by the contractor. It will therefore be a decision for the contractor whether or not to insure against additional risks.

Supplementary Question

Is the Leader content that the level of insurance cover now required of the contractor is of a lesser standard than in the existing contract albeit that he waived the requirement for cancellation insurance? We now have a lower standard of insurance cover in the new contract than we had in the old one. Is the Leader happy with that or is it just to improve the profitability of Unique Events?

Does he still expect members of the Council or the public to believe, as we were informed in a report last month, that the liability for cancellation is about £130,000 to £140,000 and that the premium for that cover would be between £135,000 and £180,000. Logic tells you that is absurd. I do not think there is any evidence for that because it says in the answer you were advised, whatever that means. Where is the evidence of the proper level of premium? Is it not just the contractor wanting to make more money and you've allowed that by making sure he did not have to abide by the terms of the contract?

Supplementary Answer

On the second point, I don't think this is about the contractor wanting to make more profit on the project. It is about the contractor wanting to maximise the event programme in a situation where we had a haemorrhage of funding over a number of years because of the withdrawal of one of the key organisations that supported it. When Scottish Enterprise withdrew their funding that caused major problems for the Hogmanay event.

On the first point, a decision needs to be made on the right level of insurance for an event like Hogmanay and I am confident that we will do that based on the advice of our officials. Clearly there will be one or two issues to be followed up in relation to the cancellation of the event this year and we will obviously look at improving the situation for the future but it's about making the right decisions at the right time.

W6/CEC03/CEC190204/EK