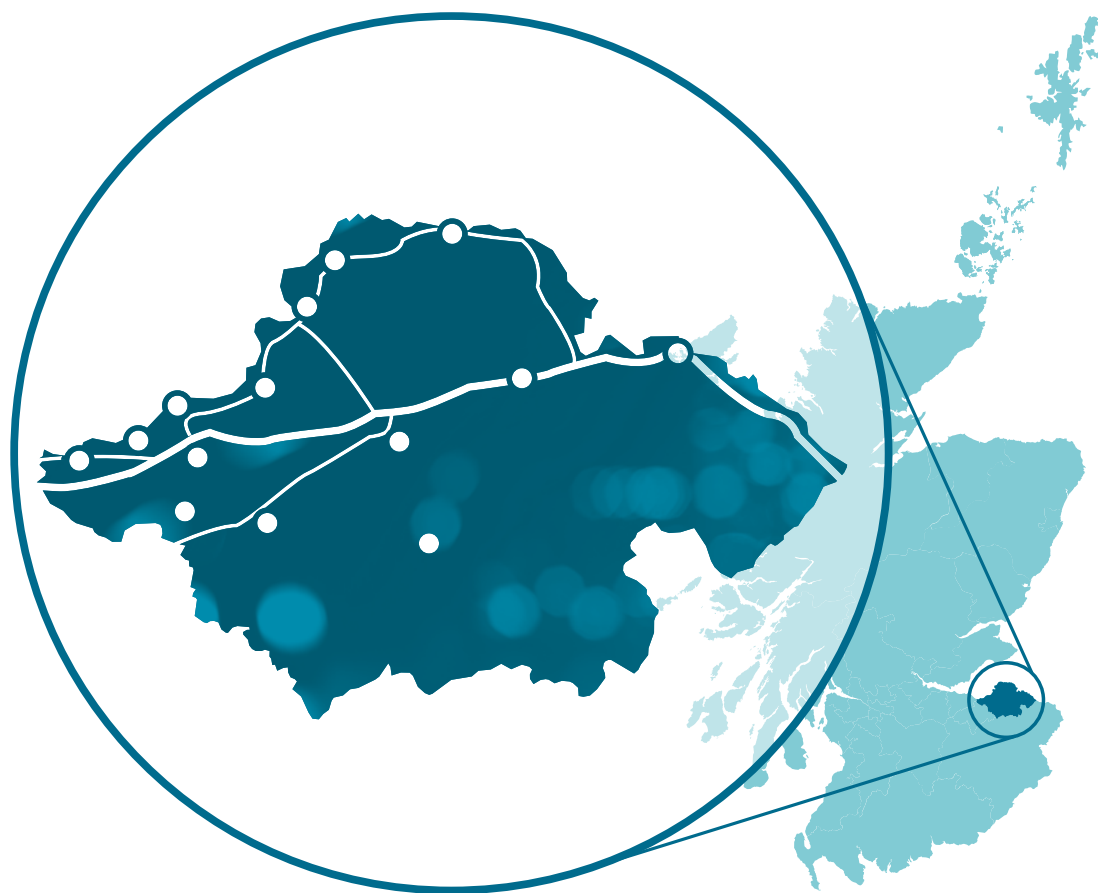


Best Value Assurance Report

East Lothian Council



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
November 2018


The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

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- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

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Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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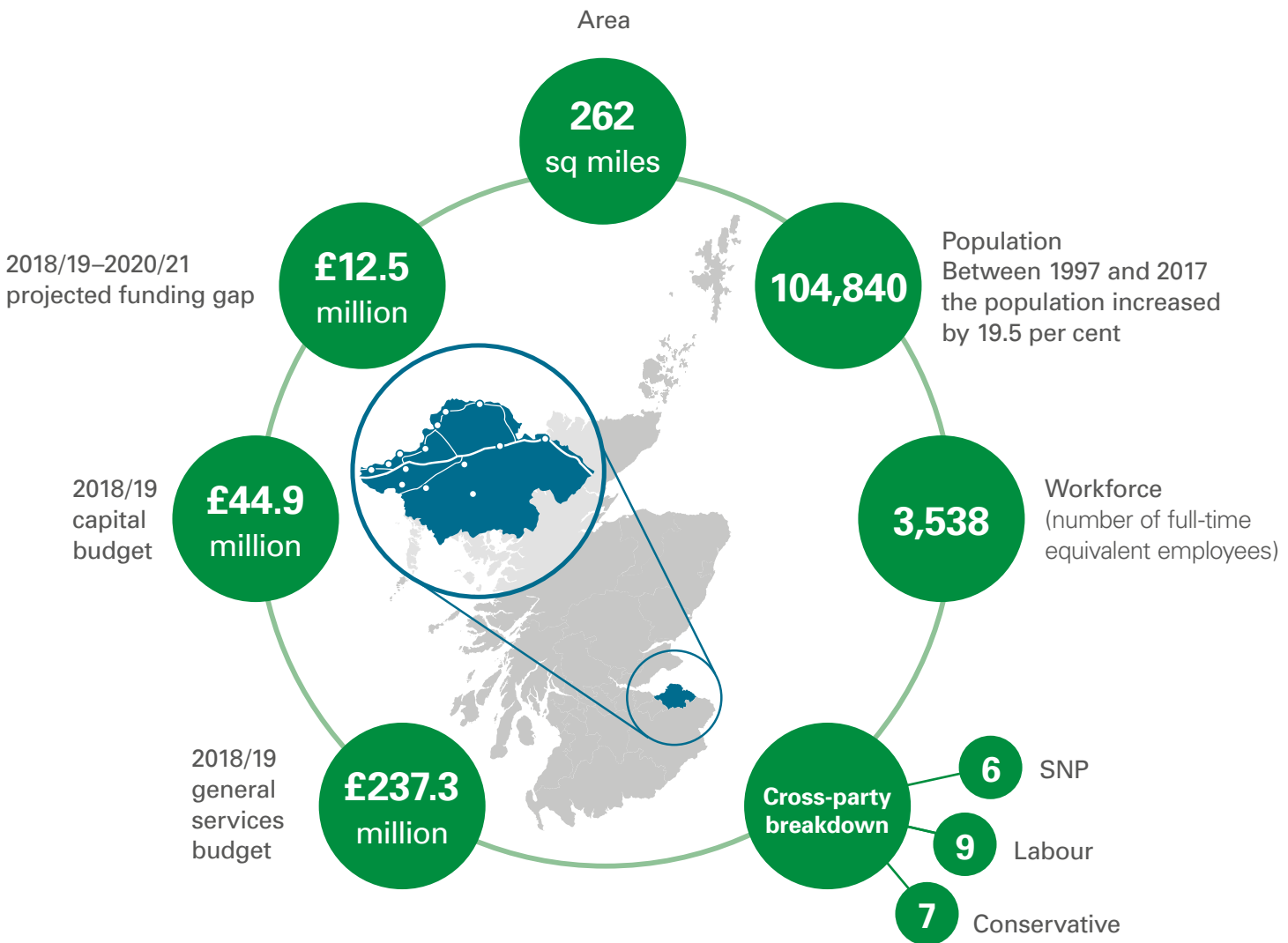
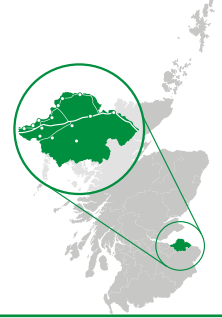
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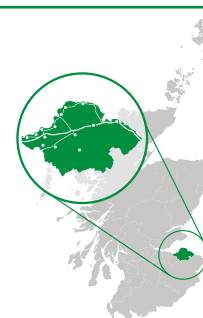
Exhibit data

When viewing this report online, you can access background data by clicking on the graph icon. The data file will open in a new window.

Key facts



Commission findings



- 1** The Commission accepts the Controller of Audit's report on Best Value in East Lothian Council. We endorse the recommendations set out by the Controller of Audit in his report and expect the council to act upon them.
- 2** In our previous Best Value audit report in 2007, we expressed our concern about the limited progress made by the council in establishing Best Value. We are therefore pleased to note a significant improvement in how the council is now demonstrating Best Value. We also note, however, that some improvement actions are at an early stage and will require continued momentum to achieve the expected outcomes.
- 3** The council shows good self-awareness in its assessment of how it can improve. We note however the substantial risks and challenges faced by the council in dealing with the demands of a rapidly growing population in East Lothian. It is vital that the council maintains the pace of change and delivers, with its partners, the aspirations set out in the local development plan, including its focus on local economic development.
- 4** We commend the council for putting in place a five-year financial strategy and a corporate workforce plan. These are relatively recent and need now to be implemented. Clearer prioritisation and robust appraisal of options in the Transformation Programme will be crucial components in the way forward to help deliver required savings. We also note in particular the need for continuing improvement in education services.
- 5** In facing its challenges, strong leadership by the council's officers and elected members will be vital. Governance arrangements – including good support for member development, effective scrutiny by members, and improved reporting of performance to members and the public – will be an important basis of such leadership.
- 6** We underline the Controller of Audit's recommendation that the council continues its focus on working with communities. Local area partnerships have good potential in helping empower communities and in helping the council identify how it will meet its challenges. Fulfilling this potential will rely on the council working well with its partners.
- 7** We will maintain our interest in the council's progress. The Controller of Audit will monitor progress through the annual audit and update the Commission accordingly.

Audit approach



1. The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The audit of Best Value is a continuous process that forms part of the annual audit of every council and findings are reported through the Annual Audit Report. The Controller of Audit also presents a Best Value Assurance Report to the Accounts Commission at least once during the five-year audit appointment for each council. This is the first assurance report on East Lothian Council (the council). We summarise our findings from our previous 2007 Best Value report on the council and progress made against those recommendations in [Exhibit 12 \(page 48\)](#).

2. This report seeks to provide the Accounts Commission (the Commission) with assurance on the council's statutory duty to deliver Best Value with a focus on the Commission's strategic audit priorities. We are looking for councils to demonstrate Best Value by showing continuous improvement in how they deliver services. The pace and depth of improvement are key to how well councils meet their priorities in the future. The depth of improvement considers the extent to which councils are improving throughout the range of services they provide.

3. Our audit approach is proportionate and risk based. This means it reflects the context, risks and performance of the individual council. [Exhibit 1 \(page 7\)](#) shows the key areas of focus for this audit. We have evaluated what improvements the council has made since our 2007 report, but we have not documented every change in the intervening years. A shared risk assessment process was established in 2008. Since then, scrutiny partners have assessed the risks associated with East Lothian Council and not identified a need for any additional audit or scrutiny work.

4. We conducted some initial work to identify risks and council initiatives to build into the scope of our audit. This included:

- reviewing previous audit and inspection reports and intelligence
- reviewing key council documents
- meeting with senior officers
- reflecting on our wider public sector knowledge and experience.

Exhibit 1

Key areas of focus for our audit



Leadership, governance and scrutiny including:

- the council's vision and priorities (including City Deal)
- the roles and responsibilities of members and officers



Outcomes and performance

- Overall assessment of outcomes, performance and public reporting, focusing on education performance



Improvement plans

- Self-evaluation
- Change and transformation plans and programmes



Partnership working

- Community Planning Partnership - including community empowerment.

Source: 2017/18 Best Value scoping letter 30 January 2018

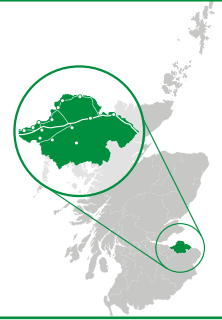
5. The detailed audit work for this report was undertaken from March to June 2018 and included:

- interviewing elected members, senior officers and scrutiny partners
- observing a range of council and committee meetings
- interviewing senior officers of some partner bodies, for example Police Scotland, the Scottish Fire and Rescue Service, City Deal partner Queen Margaret University and STRiVE (a local organisation that represents third sector organisations, such as charities and voluntary groups)
- observing community partnership meetings, for example the East Lothian Partnership Forum and Governance Group and the Dunbar and Haddington Local Area Partnership
- reviewing documents such as the local development plan, council plan, numerous strategies and other information supporting the council's work.

6. We will continue to audit Best Value at the council over the course of our audit appointment. This will include a follow-up on the findings from this report and more detailed audit work on other Best Value characteristics, as appropriate.

7. We gratefully acknowledge the cooperation and assistance provided to the audit team by all elected members and officers we contacted during our audit.

Key messages



- 1** East Lothian Council has significantly improved since our last Best Value report in 2007. The council has improved its governance arrangements, leadership and scrutiny, and demonstrates a focus on continuous improvement. Decision-making processes are more clear and open. Pace of improvement has increased in recent years and the council's performance compares favourably to other councils in most service areas. Improving performance in education has been a focus since 2013/14. More recent momentum needs to be maintained so improvements result in better outcomes for all children in East Lothian.
- 2** East Lothian's population is growing. This has implications for how the council plans and delivers services and is reflected in the council's ambitious vision of inclusive economic growth and sustainable communities. The council has planned for this growth through its Local Development Plan. The vision is well supported by councillors, council employees, partners and local communities. Improved governance arrangements provide an appropriate and effective framework for decision-making and scrutiny. The council has a well-established improvement framework, and is taking forward improvement activity through its Transformation Programme. The council is committed to delivering the opportunities presented by population growth, but it will be challenging to deliver this change alongside increasing demands on services and financial pressures.
- 3** Financial management is effective with a budget-setting process focused on the council's priorities. The council has a good track record of delivering services within its overall budget. A five-year financial strategy was approved in December 2017. The council has developed proposals to address its projected funding gap of £12.5 million for the next three years and presented a three-year balanced budget in February 2018. It is developing additional savings proposals for the remaining two years of the five-year strategy. The council has established a Transformation Programme to embrace new technologies and to help address the forecast funding gap. The council recognises that implementing the Transformation Programme will be challenging.
- 4** The council approved an updated corporate workforce plan for 2018-22 in June 2018 and prepared a more detailed action plan in August 2018. The council recognises it still has a lot of work to do to implement the actions and ensure it has the right people with the right skills to deliver its services into the future.

- 5 The council has strong links with its partners but needs to ensure it can demonstrate the impact they are having in achieving economic growth and reducing inequalities. The council and its partners are developing a set of key indicators to measure economic growth and inequalities. The council engages effectively with communities and has started to make an impact through its Local Area Partnerships.
 - 6 The council could better demonstrate its progress in delivering its priorities by linking its individual performance reports and explaining more clearly whether performance is on track against target. The council is reforming its continuous improvement framework and key performance indicators to monitor progress against the Council Plan more effectively.
-

Part 1

Does the council have clear strategic direction?



The council has a clear vision which is based on a good understanding of local communities and partners and is understood by employees. The council's arrangements provide an appropriate and effective framework for members to make and scrutinise decisions

East Lothian's population is growing. This has implications for how the council plans and delivers services.

The council has an ambitious vision of inclusive economic growth that is linked to council objectives and strategic goals, and is understood throughout the organisation.

Leadership of the council has significantly improved since our 2007 Best Value report. The council's decision-making processes are clearer and more open.

The council should ensure that it is managing its financial relationship with arm's-length external organisations (ALEOs) in line with its vision and objectives and the best practice that we set out in our national report on ALEOs in 2017/18.

It is a period of sustained population growth in East Lothian which has implications for public service plans and delivery


8. East Lothian covers 262 square miles of south-east Scotland, including 43 miles of coastline, from Edinburgh to the Scottish Borders. The council's electoral wards are centred on the six principal towns of Musselburgh, which is the largest town, Dunbar, Tranent, North Berwick, Prestonpans and Haddington. The council's headquarters are in Haddington. East Lothian has a population of around 104,000. The population is concentrated around those six towns, with many other smaller settlements and rural communities.

9. The Scottish Index of Multiple Deprivation (SIMD) confirms that income deprivation in East Lothian (9.8 per cent) is below the Scottish average (12.3 per cent). East Lothian has a growing population, experiencing the highest percentage change compared to all Scottish councils.¹ ([Exhibit 2, page 11](#)) Between 1997 and 2017 the population increased by 19.5 per cent. Over the same period, Scotland's population rose by 6.7 per cent. Population projections show that East Lothian's population will grow by a further 18 per cent between 2016 and 2039. East Lothian is one of the few Scottish councils where significant growth is expected among children and young people. The 0-15 year age group

is projected to grow by 12 per cent and the over-75 age group by 104 per cent. This projected population growth represents a significant challenge for the council – and one to be shared with partners – in how to deliver health, social care and education services in the future.

Exhibit 2

East Lothian is one of the few authorities where all population bands are expected to grow by 2026. The number of young people is projected to increase by three times the Scottish average

	Age group	2016	2026	Change	Change (Scotland)
	All people	104,090	113,048	8.6%	3.2%
	0 to 15	18,989	20,061	5.6%	1.7%
	16 to 64	65,924	71,527	8.5%	3.2%
	65 and over	19,177	21,363	11.4%	4.8%

Source: National Records of Scotland

10. The council operates from three main sites, has six high schools and 35 primary schools. It runs three care homes, 12 libraries, several depots for roads and amenity services, and there is an ALEO in place to manage the numerous sports centres. The council has many community centres that are run by management committees composed of local people. The council is also a social landlord and provides council housing to about 8,600 tenants.

11. In line with a growing population there has been significant growth in the number of homes in East Lothian. Since our last Best Value report in 2007, the number of homes in East Lothian has increased by 9.4 per cent from 42,949 to 47,407. The 2008 local development plan envisaged 4,800 new homes and the current one estimates a housing requirement of 10,500 new homes over the next ten years. A large-scale development is planned at Blindwells as a new town. The 2018 (proposed) Local Development Plan identifies two priority areas: major infrastructure (such as roads and utilities) and education.

The council has a clear and ambitious vision of inclusive economic growth

12. East Lothian Council produced a new Council Plan after the May 2017 election. This continues a vision similar to that first expressed in 2006 in the East Lothian 2020 Vision, but with a greater focus on economic development. The 2017 Council Plan is more succinct and provides clear direction for officers and councillors.

13. The Council Plan sets out four themes and objectives to achieve its vision. In order to meet these objectives the Council Plan sets out strategic goals which will make the biggest impact in delivering these key themes and objectives:

East Lothian should be even more prosperous, safe and sustainable, with a dynamic and thriving economy that enables our people and communities to flourish

- Growing our Economy – to increase sustainable and inclusive economic growth as the basis for a more prosperous East Lothian.
 - Reduce unemployment
 - Improve the employability of East Lothian’s workforce
- Growing our People – to give our children the best start in life and protect vulnerable and older people.
 - Reduce the attainment gap
 - Raise the attainment and achievement of our children and young people
 - Improve the life chances of the most vulnerable people in our society
- Growing our Communities – to give people a real say in the decisions that matter most and provide communities with the housing, transport links, community facilities and environment that will allow them to flourish.
 - Extend community engagement and decision-making
 - Increase community and individual resilience
- Growing our Capacity – to deliver excellent services as effectively and efficiently as possible within our limited resources.
 - Deliver transformational change
 - Harness the opportunities technology offers in the provision of services.

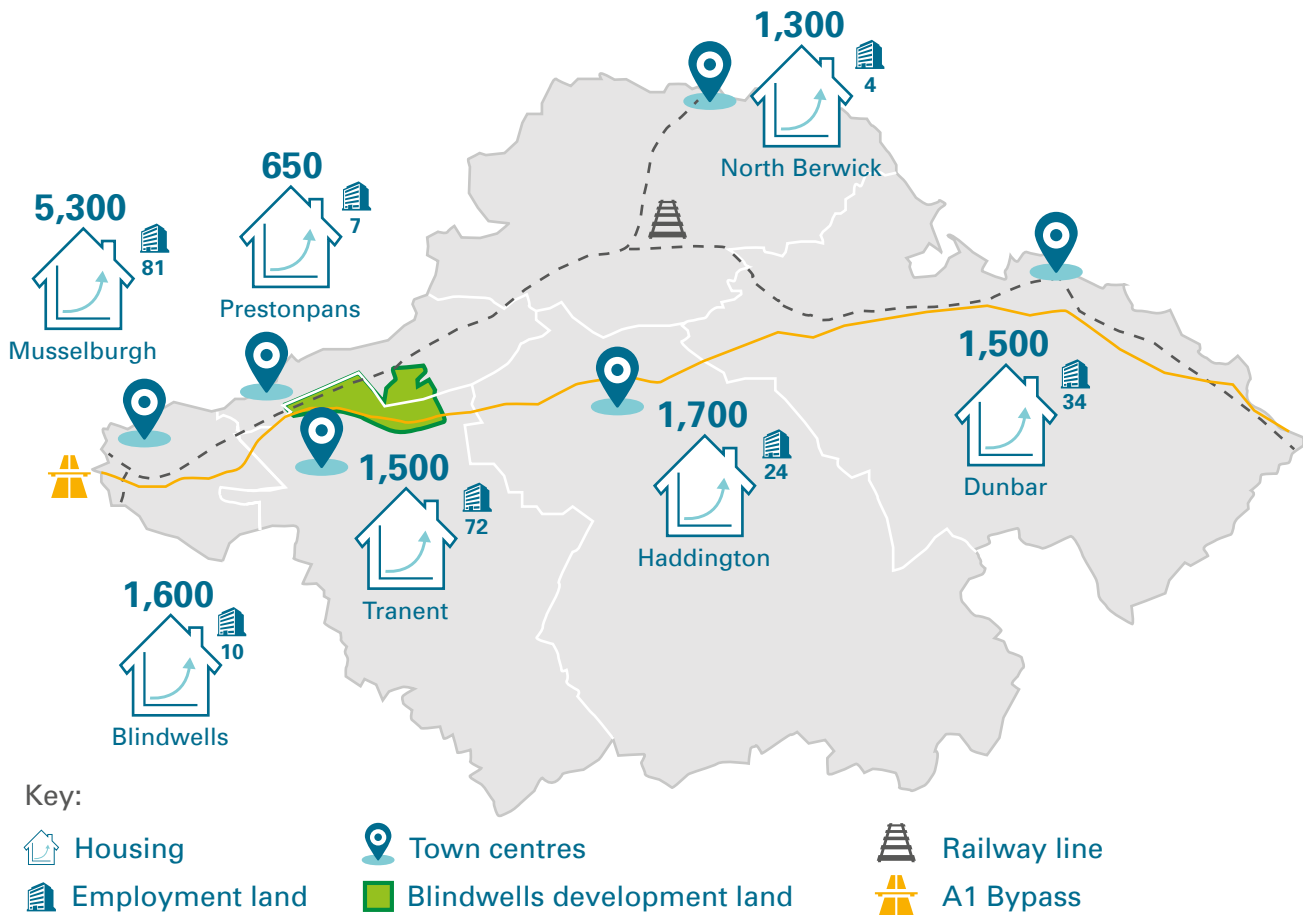
14. The Community Empowerment (Scotland) Act 2015 requires community partnerships to produce a Local Outcomes Improvement Plan (LOIP) for each area. In 2017, the council and its partners prioritised the importance of a dynamic and thriving economy when it published the East Lothian Plan 2017-27, the LOIP. It includes the partnership’s revised statement of intent that states: ‘We will work in partnership to achieve an even more prosperous, safe and sustainable East Lothian, with a dynamic and thriving economy that enables our people and communities to flourish’. This statement of intent aligns to the council’s vision.

15. The Local Development Plan (LDP) for East Lothian is an important strategic document for the council. The plan details the planning strategy and policies to guide future development in the area. It sets out where developments such as housing, business and retail are likely to be supported and where certain types of development should not occur. The LDP clearly links to the Council Plan themes of Growing our Economy and Growing our Communities. [Exhibit 3 \(page 13\)](#) shows the development clusters and the proposed areas for economic opportunities and the anticipated house build from 2016 onwards.

16. The council acknowledges that to accommodate further new development, significant investment is required to overcome transport and education infrastructure constraints in East Lothian. Therefore, East Lothian Council has adopted a vision of growth based on a cluster approach around the main towns of Musselburgh, Prestonpans, Tranent, Haddington, Dunbar and North Berwick. This includes a new secondary school and four new primary schools. There is also a new mixed-use settlement at Blindwells. Phase one will see the building of 1,600 homes, a local town centre and ten hectares of employment land. In future, the council has a vision to expand the new settlement further east to a size of around 6,000 homes with more employment land and a sub-regional town centre.

Exhibit 3

Map shows the anticipated housing growth and land available for economic development, in cluster areas in 2016. It also shows the train links from North Berwick and Dunbar and the A1 road link



Note. Housing figures are rounded to nearest 50 units and employment land rounded to nearest hectare.

Source: Audit Scotland

17. The council and partners have ambitious plans for a thriving economy. The council and Queen Margaret University have developed plans for a food and drink Innovation Hub as part of the Edinburgh and South East Scotland City Region Deal. These are agreements between the UK Government, Scottish Government and city regions to give local areas powers and freedoms to help the local economy to grow, create jobs and invest in local projects ([Case study 1, page 14, gives more detail](#)).

18. The council bought the site of the former Cockenzie power station in March 2018. A masterplan for the site, produced with community involvement to shape the ideas, has resulted in a mixed-use plan. This includes an employment zone, multi-purpose open space, an area for a potential energy quarter and an improved harbour.

Case study 1



Joint working to develop the Innovation Hub proposal through City Deal

East Lothian Council worked closely with Queen Margaret University, a partner in the East Lothian Partnership, to develop an ambitious proposal for City Deal funding. The partnership has already created an on-campus Business Innovation Zone (BIZ). This includes the council's Business Gateway and it is the first time a Business Gateway has been based in a Scottish university.

The partners propose creating an Innovation Hub at the university campus in Musselburgh. The Edinburgh and South East Scotland City Region Deal was signed in August 2018. The City Deal is intended to accelerate growth, drive productivity and reduce inequalities and deprivation through significant government investment. The partnership has identified the food and drink sector as a key area of innovation and growth. The university worked closely with the council to produce a masterplan for the proposed development. The council's Local Development Plan reflects the masterplan, which will provide research and development facilities for small and medium enterprises in the food and drink sector. The innovation hub will be part of a larger development at Queen Margaret University and complemented by upgrades to infrastructure, leisure facilities and new housing in the area. A proposed co-located commercial development will create new local amenities including retail, coffee shops, health and fitness, hotel and residential accommodation.

The masterplan complements the objectives and strategic goals in the East Lothian Council Plan 2017-22 and is intended to drive sustainable economic development to the benefit of communities in East Lothian.

Source: Audit Scotland

The council and its partners recognise they need to measure the effectiveness of the actions they take to reduce inequalities and support economic growth

19. The council clearly understands local needs and issues, and has used this to develop the vision. The vision is well rounded and aims to improve quality of life, wellbeing, and ensuring growth is sustainable into the future. The council is implementing various large-scale housing, economic and commercial projects. The aim of these is to ensure the area has a dynamic economy that is less dependent on Edinburgh, and this is well reflected in Council Plan objectives.

20. In March 2017, the East Lothian Partnership carried out a residents' survey. Over 1,500 people responded, and 90 per cent agreed that the council's objectives were important or very important. In spring 2017, the East Lothian Citizens' Panel Survey found 97 per cent of the 795 respondents agreed that it was important or very important to reduce poverty and child poverty in East Lothian.

21. The Musselburgh Total Place Pilot and the East Lothian Poverty Commission are two initiatives taken forward by the council that were designed to help understand and reduce inequalities in local communities ([Case study 2 and Case study 3 outline these initiatives](#)).

22. The different organisations involved in setting up the Musselburgh Total Place Project all agreed they learned a lot from working on this project, particularly regarding collaborative leadership and partnership working. But, so far, these important lessons have not been transferred into the council's day-to-day operations.

23. The council could improve the way it reports its performance in tackling the overarching inequality objective. The East Lothian Partnership governance group discussed an update report on the East Lothian poverty action plan ([Case study 3, page 16](#)) at its meeting in June 2018. It reported that actions had been delivered but did not quantify or demonstrate how those had improved the lives of families experiencing inequality. It is important the council and its partners measure and monitor how effective actions are in reducing inequalities. The council and its partners are currently developing performance measures.

Case study 2

The Musselburgh Total Place Pilot



The East Lothian Partnership (ELP) established the Musselburgh Total Place Pilot in January 2014. The aim of the initiative was to investigate how better outcomes could be achieved for the most vulnerable families living in the Musselburgh area. The pilot engaged with families to get their perspective on how services impacted on them. It also worked with local practitioners to gather their insights of working with vulnerable families. This research led to partners having a better understanding of the complexity of circumstances and factors which combine to increase the vulnerability of families and affect their ability to succeed. The factors include poverty, social isolation, health problems, trauma, low educational attainment and repeated engagement with statutory services.

The pilot also worked with the Pioneering Collaborative Leadership (PCL) initiative, an external initiative of the Scottish Leaders Forum, to develop the partnership's approach to collaborative leadership and partnership working. The PCL initiative strengthened how partners came together to decide on staffing arrangements and joint resources to deliver services to families.

As part of the pilot, partners identified the resources they invest in families who are in receipt of services from multiple partner agencies but who, in their view, continue to experience negative outcomes.

In 2016 the ELP proposed partners establish a specific multidisciplinary team to work with families in Musselburgh who were experiencing these factors. However, partners were not able to free up staff to become part of this team. In 2018, the ELP is working to establish the implementation stage of this initiative.

Case study 3

Challenging perceptions. Overcoming poverty



The East Lothian Poverty Commission was established in 2016 following council approval and reported in 2017. It was made up of six commissioners with a range of knowledge and expertise, supported by officers from the council. Five key findings were reported which illustrated the extent of poverty in the council area in 2016:

- homelessness
- households claiming crisis grants
- the percentage of children living in poverty
- the number of households living in fuel poverty
- the number of food parcels being distributed.

The report concluded with recommendations for the council and its partners, which formed the basis for an action plan to tackle inequality and break the cycle of poverty in East Lothian. Many of the actions in the plan relate to the introduction of a policy, or long-term strategy. The action plan is being monitored by the East Lothian Partnership which received updates on progress in September 2017 and January 2018. In June 2018, a further update was provided to the East Lothian Partnership Governance Group. The report indicated that 20 actions resulting from the 46 recommendations made by the commission had been completed. However, there was no indication of the impact that these actions had had on poverty within East Lothian. The East Lothian Partnership must ensure it measures the impact of its work.

Source: Audit Scotland

Councillors and employees clearly understand how the council's vision links to its objectives and strategic goals

24. The council has invested time and energy to help ensure employees understand the vision. In 2016, the council set up its One Council programme, delivering workshops to increase staff awareness of the council's vision, objectives and strategic goals. The programme lasted for nine months and was attended by over 1,000 staff. The results from the council's 2017 Employee Engagement Survey indicates that staff are aware of how their jobs link to the council's objectives. The survey was carried out in February 2017 and achieved a 58 per cent response rate. Ninety-one per cent of respondents agreed with the statement: 'I know how my job/individual objectives contribute to the council's objectives'.

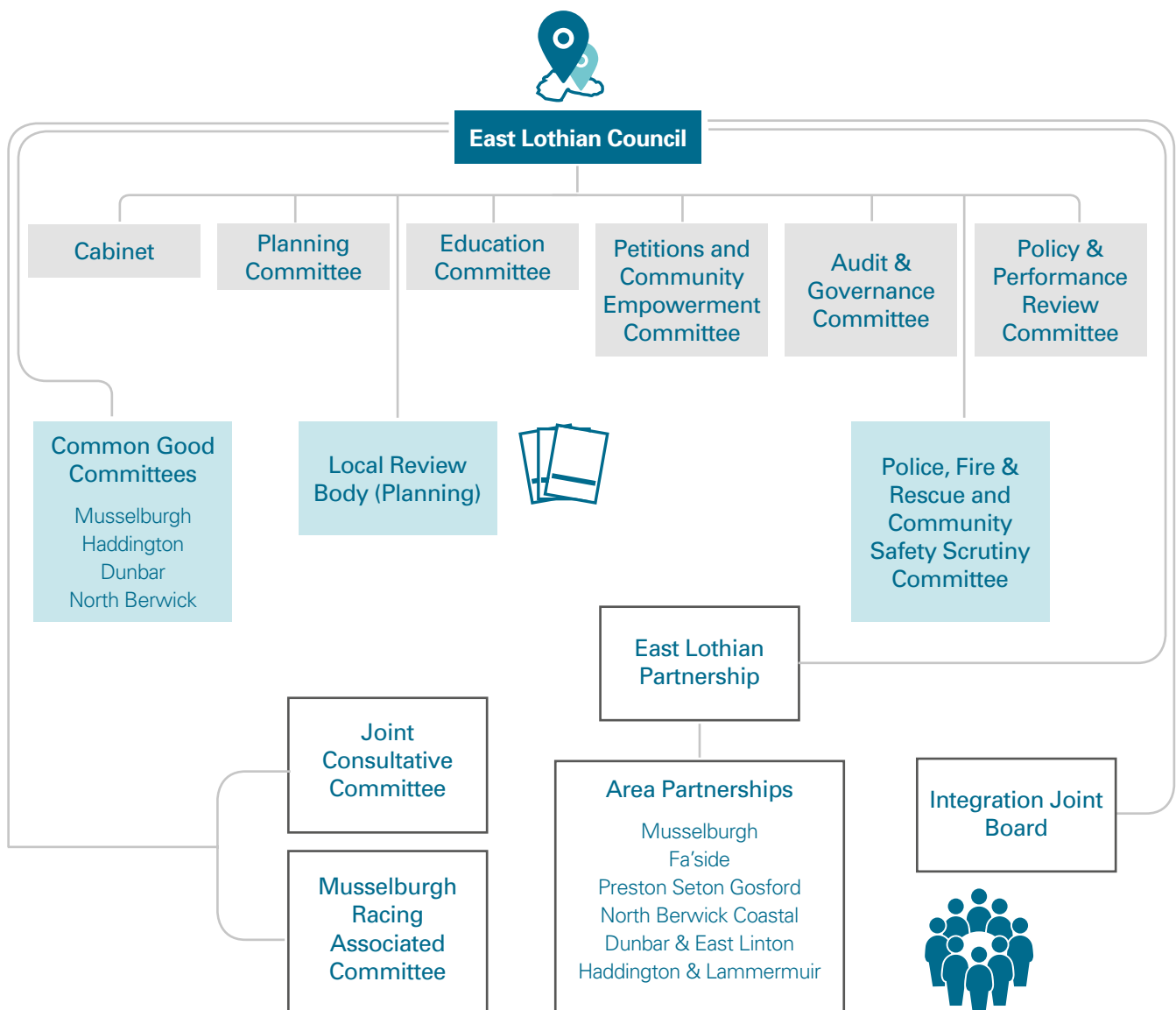
25. The Council Plan brings together cross-party manifesto commitments, which are reflected in the four themes. The council communicates the vision to employees and elected members in different ways. Quality Scotland ² found these methods, and the council's commitment to involve staff in improving communication channels, a strength of the council.

The council's governance arrangements have significantly improved since the 2007 Best Value report

26. In 2007, we reported that there was an informal approach to conducting business and many meetings were held in private. Council business is now conducted in public and in a formal manner. Agendas, minutes and reports are available on the council's website. By exception, some items are held in private and the reasons for this are documented. Working relationships between officers and councillors are professional and constructive.

27. East Lothian operates: a full council; a cabinet made up of six members of the administration to whom a range of business and functions have been delegated; five committees; and a range of subcommittees as illustrated in [Exhibit 4](#).

Exhibit 4 East Lothian Council's committee structure



28. The two key scrutiny committees are the Audit and Governance Committee and Policy and Performance Review Committee. Matters requiring a policy decision, changes to policy or budget allocations/agreements are taken to the full council or cabinet meetings as appropriate. The scheme of delegation sets out the matters that are delegated to officers. Matters which are delegated to officers are reported via the Members' Library and these can be subject to scrutiny at council meetings. All documents in the Members' Library are publicly available on the council website with the exception of those marked private. Reasons for a document being private are clearly marked. This governance arrangement is supported by clear procedural documentation.

29. The council was run by coalition administrations in the decade before the May 2017 local government elections. Since the May 2017 election, the council has been run by a minority administration and, to date, decision-making has been effective for the minority administration. The council has been able to make key decisions as there is sufficient cross-party agreement. Examples include approving the 2017-22 Council Plan, the 2018-23 Financial Strategy and the 2018/19 Council Budget. However, the minority administration found it difficult to get opposition support to approve recent key policies such as the Transport Strategy. Other Audit Scotland reports have highlighted the benefits of cross-party forums. The council should consider if it could benefit from this type of arrangement as it faces more difficult decisions in the years ahead.

Corporate management has improved

30. The Council Management Team (CMT) is the core leadership group, comprising the chief executive, two deputy chief executives and eight heads of service. Three of these are in the health and social care partnership. The CMT meets every two weeks and works collegiately, with a focus on improvement activity across the council. Senior officers discuss risks, priorities and challenges so they are all aware of key issues across the council. The CMT produces action notes after each meeting so everyone is aware of what actions they are responsible for and the team can track progress. Service manager team (SMT) meetings are held every two months. These meetings have also fostered good working relationships across council departments.

31. East Lothian's current chief executive was appointed in 2011 and since then has introduced a number of improvements in leadership, including:

- more focused CMT meetings
- the council's improvement framework
- revising community planning decision-making arrangements.

32. The Joint Group, a working group made up of senior administration members and officers, meets in private and works as a sounding board to discuss potentially difficult issues or policy at an early stage. It clarified its purpose and remit in 2012 and action points are now recorded. Issues that have been discussed at the Joint Group have later been discussed at council committee, such as the Transport Strategy.

33. The council has shown a commitment to improving corporate management by being evaluated through Quality Scotland's excellence framework. **Part 5** of our report has more details. The Quality Scotland evaluation in 2017 found leadership visibility had improved as a result of senior manager changes. It also reported that staff understood that change needed to happen in the council at that time. However, not all staff felt they fully understood the logic or impact of restructurings. The council has put in place additional One Council workshops and a new staff electronic newsletter to address this.

34. The council has invested in leadership and management development, and has plans to develop this further with Leadership and Management Development having prominence within the Workforce Implementation Plan.

The quality of scrutiny is good, but the council could improve the quality of information in some reports

35. The council's two key scrutiny committees, the Audit and Governance Committee and Policy and Performance Review Committee (PPR), are chaired by opposition councillors, in line with good practice. The council has a separate Police, Fire and Community Safety Committee to scrutinise the performance of the Police and Fire and Rescue Services in East Lothian.

36. Between the May 2017 election and December 2017, the third largest party (SNP) delayed nominating councillors to the key scrutiny committees. The appointed auditor reported in the 2016/17 Annual Audit Report that this reduced the effectiveness of scrutiny. The SNP group nominated councillors to both committees in December 2017 and they have since been active members.

37. The standard of scrutiny by councillors is generally good with some scope to improve the depth of challenge given. From observation and through our interviews we have learned that councillors would welcome changes to certain reports to make them more informative, such as:

- explanatory narrative in the quarterly performance indicator reports
- clarification on areas of under performance
- actions being taken in response to under performance
- less jargon in reports
- clarity over financial reporting, such as the money raised from commercial activities.

38. The PPR Committee meets quarterly and has a wide remit, covering all service areas. Councillors have established a work programme which identifies the service areas they want to scrutinise. The committee has asked for follow-up on areas of council policy, such as coastal parking charges. This review was also requested by full council and will be taken to a future council meeting.

The council has provided induction training to all elected members. However, it should consider how it can better structure training so that it is tailored to individual training needs


39. At the May 2017 local elections, half the council's 22 councillors were new to the position of elected member. The council provided a broad induction programme. Take-up varied across the programme but overall it was well attended by councillors. It was tailored to the needs of different groups, for example all councillors, new councillors, members of the administration, or specific committees. Feedback on the induction training, from the councillors we spoke to, was generally positive. However, some felt that there is scope for tailoring the programme further to suit individual needs.

40. Following the initial induction training, a series of members' briefings were provided. These covered topics such as procurement and the Community Empowerment (Scotland) Act. These sessions were well attended at first but attendance has started to fall. The Corporate Parenting session was well received by members as it involved young people and their carers, and made the benefits of this policy very apparent. The council does not currently have a formal, ongoing personal development programme for councillors and would benefit from more structured arrangements.

The council should ensure that it is managing its financial relationship with ALEOs in line with best practice and the council vision and objectives

41. ALEOs can take many forms, such as companies, community organisations or charities. Most run sports and leisure centres or cultural services like museums and theatres. Others provide social care services, property management and commercial activities.

42. The 2007 Best Value report recommended the council develop a strategy for dealing with ALEOs. This would incorporate good practice principles for their governance and operational arrangements.

43. Our 2016/17 Annual Audit Report identified that the council needed to formally report and monitor ALEOs such as enjoyleisure and Musselburgh Joint Racing Committee (MJRC). This would ensure the council complied with the duties set out in the [*Code of Guidance on Funding External Bodies and Following the Public Pound*](#) .

44. In the case of enjoyleisure, the council's leisure trust, a paper was submitted to the council's Audit and Governance Committee in November 2017. This advised elected members on its governance arrangements and performance, and highlighted areas of its work to show how the trust contributed to the council's wider objectives. Members agreed that future reports would include more financial information and the annual accounts would be circulated to members once approved.

45. Musselburgh Joint Racing Committee (MJRC) is included in the East Lothian Council group. The race track is on common good land and the property assets belong to the council. Membership of the MJRC was, until recently, determined by a minute of agreement and comprised councillors and representatives from Lothians Racing Syndicate (LRS). Horse racing is important to Musselburgh and East Lothian, and the racecourse is of national significance.

46. In 2017/18, MJRC commissioned an independent governance review and during that time the licence granted by the British Horseracing Authority has been of a temporary nature. It is important to note that no racing fixtures have been cancelled during this time.

47. The review reported a number of observations and recommendations, and raised concerns about the constitution of the MJRC and the minute of agreement. In April 2018, full council delegated a working group to approve the replacement to the minute of agreement. It also delegated responsibility to the chief executive to implement the recommendations of the working group and to report back to the full council in June 2018.

48. To develop the best long-term arrangement a working group consisting of councillors, council officers, LRS representatives and racecourse staff has been set up. The working group will consider and recommend the best operating model for the future of the racecourse. The deputy chief executive and the council's solicitor are the two council officers nominated by the chief executive for this working group. The firm of lawyers that did the independent governance review continue to provide detailed legal advice together with specialist knowledge of the racing industry. In the meantime, a new temporary Musselburgh Racing Associated Committee (MRAC) has been constituted.

49. In June 2018, the deputy chief executive submitted a report to the Members' Library outlining the working group's recommendation that a third party operate the racecourse. The next step is to start the procurement process to appoint a third party operator.

Part 2

How well is the council performing?



Performance in East Lothian Council compares favourably to other councils in most service areas and is improving

Performance against the council's own targets, which support their four themes, is generally good.

Performance management is thorough, and elected members and officers make good use of reports to evaluate performance. It could be improved by linking the various reports and explaining more clearly whether performance is on track against target.

The council publishes a balanced picture of performance. Most residents are happy with the services the council provides.

Improving performance in education has been a focus since 2013/14. More recent momentum needs to be maintained so improvements result in better outcomes for all children in East Lothian.

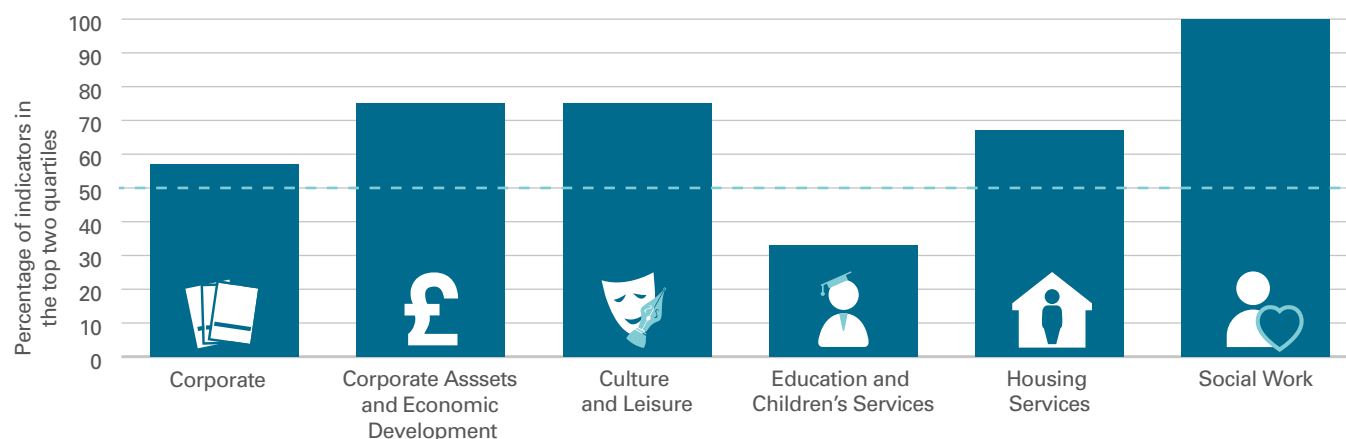
Performance in East Lothian Council compares favourably against other councils in most service areas and is improving

50. The Local Government Benchmarking Framework (LGBF) allows councils to compare their performance against other councils. LGBF indicators show that the council's performance in 2016/17 compared favourably with other Scottish councils ([Exhibit 5, page 23](#)). The only service area where indicators show a comparatively poorer performance are education and childrens' services. Education performance in East Lothian is a complex area. We explore it in more detail in [Case study 4 \(page 28\)](#).

Exhibit 5

Except for education, services perform better than other Scottish councils, when compared using LGBF indicators

The chart below shows the percentage of indicators in the top two quartiles, by service area.



Note: Although there are over 70 performance indicators in the LGBF, this analysis is based on 35 single-year, mainly outcomes-based indicators that were reported as part of the LGBF. Housing Services indicators consider housing standards and do not include homelessness measures. Comparing council performance involves considering how all councils are performing, from lowest to highest, for each indicator. The performance of environmental services has been excluded from this analysis owing to errors contained in the submission of environmental data. The performance of education services, such as the total tariff score, is affected by whether children complete qualifications in S4 or focus on qualifications in S5.

Source: Audit Scotland

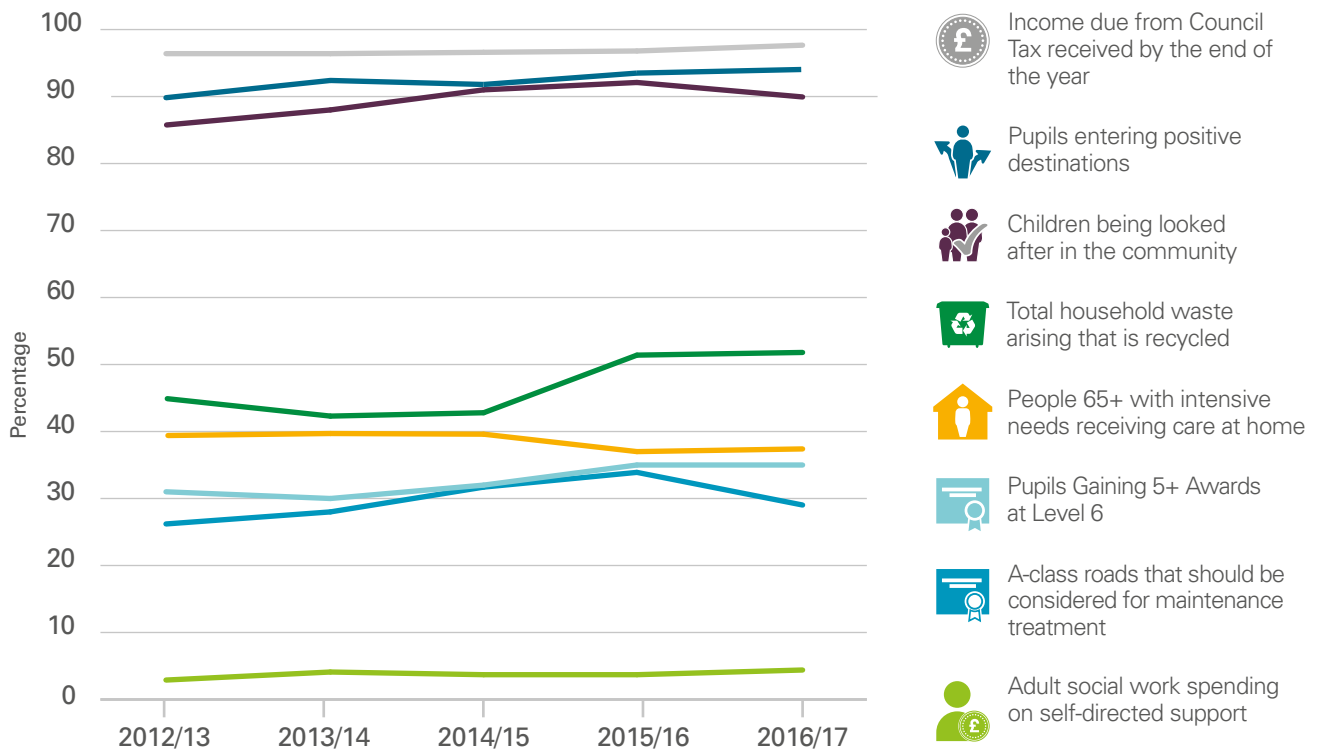
51. The Accounts Commission's report [Local government in Scotland: performance and challenges 2018](#) selected eight LGBF indicators that give an overview of performance in areas that are likely to be of most interest to the public. Between 2012/13 and 2016/17, the council's performance improved in six of these indicators ([Exhibit 6, page 24](#)). There was a slight deterioration in performance for the following:

- The percentage of A-class roads that the council should consider for maintenance treatment. Rising figures mean a deteriorating performance as more roads need to be considered for maintenance.
- The percentage of people aged 65 and over with intensive needs receiving care at home.

Exhibit 6

The council's performance trend from 2012/13 to 2016/17 in eight selected indicators

Since 2012/13, the council's performance has improved in six out of eight indicators.



Note: A-class roads are measured over 2 year periods.

Source: Audit Scotland and *Local Government Benchmarking Framework*, Improvement Service, 2016/17

Performance against the council's own targets, which support their four themes, is generally good

52. The council publishes an annual performance report. In 2016/17, the report was published in two parts: the Annual Performance Indicators (API) report, and the How good is our council? (HGIOC) self-evaluation annual report.


53. The council's API report, published September 2017, tracks the council's performance against a range of indicators which are linked to Council Plan themes. The PPR Committee is involved in selecting indicators and performance targets. Later in this section we set out how performance reporting could be improved.

54. The report makes use of the red/amber/green scoring method. Indicators classified as green or amber are close to or above target and show a static or improving trend. Underperformance against a target is shown as red. [Exhibit 7 \(page 25\)](#) demonstrates that the council is meeting or exceeding performance targets in most cases. The council has a number of indicators where there is no target, such as temporary accommodation, owing to the complexity of setting a meaningful target.

Exhibit 7

The council's performance against its own targets

The council is achieving or exceeding its targets for most indicators.



Score	Growing our People		Growing our communities		Growing the council capacity		Growing our economy	
	No. of indicators	%	No. of indicators	%	No. of indicators	%	No. of indicators	%
Green	3	33%	15	63%	13	48%	12	60%
Amber	5	56%	7	29%	10	37%	1	5%
Red	1	11%	2	8%	4	15%	7	35%
No target	12		5		3		0	
Total	21		29		30		20	

Note: Green indicates the council has exceeded its target. Amber indicates the council is generally in line with the target. Red indicates that the target has been missed. Not all indicators are given targets which is why some indicators are reported in this table as having 'no target'.

Source: East Lothian Council's 2016/17 Annual Performance Indicators Report

55. The report also looks at trends in indicators over time. Within the report, the council highlighted some areas of significant improvement, where indicators show improving trends over time and exceeded their target for the current year. These include the following:

- Number of jobs per 10,000 adults.
- Number of jobs protected or created through grant and loan awards, or protected and created.
- Percentage of dwellings meeting Scottish Housing Quality Standards.
- Time taken to process change of circumstances in housing benefits and council tax rebate.

56. The council has also reported the following services as not meeting target and in need of improvement:

- Number of delayed discharge patients waiting over two weeks.
- Homelessness – average number of days to re-house.
- Number of fly-tipping incidents.
- Percentage of population claiming Job Seeker's Allowance (JSA), and percentage of 18 – 24 year-olds claiming JSA.

Performance management is thorough, and members and officers make good use of reports to evaluate performance. The council could better demonstrate its progress in delivering its priorities by linking its individual performance reports and explaining more clearly whether performance is on track against target

57. The PPR Committee scrutinises performance effectively. The council ensures members are able to assess performance by holding briefings on the quarterly performance report ahead of the formal committee. The committee reviews quarterly council indicators, the API report, the statutory annual LGBF comparator report and the annual How good is our council? report. At the PPR Committee, members may request additional information and follow-up to any areas of performance that concern them. There are clear links between areas of underperformance and committee requests for follow-up. Some areas where follow-up is current, or has recently taken place, include:

- East Lothian Works (the council employability hub) - currently in progress.
- Universal credit update.
- Homelessness update.
- Rent arrears update.
- enjoyleisure update.

58. Individual performance reports do not provide a coherent picture of how the council is performing against its vision, over the long term and towards targets. Elected members and members of the public have to look at a range of different reports to determine performance against the four themes, against the 51 actions, rates of improvement or decline and performance to target. Some councillors have stated that the volume of indicators tracked can make it difficult to identify which they should prioritise. The council is developing a set of strategic indicators linked to the Council Plan.

59. As mentioned in [Part 1](#), underneath the council's four vision themes are nine strategic objectives and 51 actions. Identifying which of these are of greatest priority may help focus staff efforts and elected member scrutiny. The council is aware of this mismatch between tracking actions and performance measures, and is exploring ways to develop more coherent performance reporting.

60. A more coherent approach to performance reporting would strengthen performance management and continuous improvement by:

- acknowledging the delivery of a specific strategy while retaining a focus on outcomes
- ensuring performance indicators align with the vision themes and are supporting objectives
- providing more narrative on performance over time and performance against the vision
- improving the challenge around targets, as to whether a general trend of improvement is enough or a long-term target is better.

Most residents are happy with the services that the council provides

61. The council's most recent residents' survey was carried out by the East Lothian Partnership in February and March 2017. It consisted of 1,565 face-to-face interviews, which drew from a representative sample of residents.

62. Overall satisfaction with the council is high, and has remained at a similar level since the last residents' survey in 2011:

- 99 per cent of respondents rated East Lothian as a very good or fairly good place to live
- 72 per cent agreed with the statement 'my local council provides high quality services', which is a drop of seven per cent compared to the 2011 survey
- the percentage of people agreeing with the statement 'my local council does the best it can with the money available' increased slightly, from 77 per cent to 79 per cent.

63. The survey results were positive for most key services. Respondents rated themselves as very satisfied or fairly satisfied with the following services:

- Local schools – 76 per cent (15 per cent responded 'don't know')
- Parks, gardens and open spaces – 93 per cent (one per cent 'don't know')
- Local bus services – 77 per cent (11 per cent 'don't know')
- Street cleaning – 87 per cent (one per cent 'don't know').

64. The area reporting the highest level of dissatisfaction (very or dissatisfied) was roads maintenance (15 per cent). As [Exhibit 6 \(page 24\)](#) shows, the percentage of A-class roads requiring maintenance has increased between 2012-14 and 2015-17. This is in line with the timing of the residents' survey. Road condition improved in the most recent year.

The council publishes a balanced picture in its public performance reporting but an assessment against delivery of outcomes is less clear

65. Council performance is reported in the council newspaper *Living*, which is delivered to every East Lothian household each quarter. The front-page story in the Winter 2017 edition was 'Thumbs up for East Lothian'. The article focused on some of the performance highs and lows identified in the Annual Performance Indicator report. The article also provided a link to the 'How good is our council?' (HGIOC) report on the council's website.

66. The council reports on areas of underperformance as well as areas where it performs strongly. However, an overall assessment of progress against outcomes is lacking in performance reports for the public. In the 2017 residents' survey, 62 per cent of respondents agreed that the council was good at letting local people know how it was performing. Where indicators show that there is underperformance of serious concern, the council takes action, as illustrated in the following [Case study 4 \(page 28\)](#).

Case study 4



Education: The council is addressing areas of underperformance in some aspects of education

East Lothian is an area of low deprivation and educational attainment had been better or on a par with the Scottish average for overall measures such as 5+ awards at level 5 and 6 and total tariff score. However, in recent years there has been an increasing focus on the use of a wider range of indicators to measure education performance. Examples of these additional indicators include exclusion rates and the proportion of children entering positive destinations, as well as academic attainment of children broken down by socio-economic group. By 2013/14, the council was becoming increasingly concerned about several areas of educational underperformance in East Lothian. Some areas of persistent underperformance included the following:

Indicator name	East Lothian's ranking out of the eight councils within its family group (2015/16) ¹
Proportion of children entering positive destinations	7/8
Performance of children from middle Scottish Index of Multiple Deprivation (SIMD) groups ²	6/8
Numeracy	Education Scotland identified East Lothian performed lower than comparator authorities
Exclusion rates for children	7/8

Notes:

1. Family groups are based on factors such as population density and levels of deprivation. This allows similar councils to compare and benchmark performance. The other councils in the East Lothian family group are: Angus, Argyll & Bute, Highland, Midlothian, Moray, Scottish Borders, and Stirling.
2. This indicator excludes children from most affluent or most deprived backgrounds

Between November 2011 and March 2016, the education service experienced changes in leadership, including the attempted shared service with Midlothian. In March 2016, the council recruited an experienced education professional as head of service, initially on secondment and then on a permanent basis. Since moving into this role, the new head of education has taken a strategic approach to making improvements. This started with a thorough review of all schools, followed by a review of services and structures. The council has appointed two additional members of staff to work on improvement and is working closely with the Education Scotland attainment adviser. They have introduced a quality

Cont.

Case study 4 (continued)



assurance programme, and there is now an increased focus on monitoring and datasets to track performance. The council has shown a clear commitment to taking action in difficult areas, including staff performance.

The head of education has been actively assisting individual schools to raise attainment. Education Scotland had concerns around supporting wellbeing, equality and inclusion in some areas. Using the General Teaching Council (GTC) model of competencies of senior staff, a programme of support was established to focus on those competencies. Education Scotland conducted a follow-up inspection in June 2018 and found there had been several improvements including a range of policies developed by staff to improve practice in equalities and inclusion. Staff surveys also indicate that employees are positive about the changes in leadership.

The council has also improved the way it manages exclusion rates. Despite a national trend towards fewer exclusions in recent years, rates in East Lothian have remained high. Work was carried out to understand the reasons behind the high exclusion rates, which identified issues with a school ethos and a failure to meet pupils' needs. To resolve this, responsibility for managing exclusions was clarified, and an external consultant engaged to support the work. An action plan was agreed with parents and meetings held with local councillors to address concerns expressed.

A renewed focus on supporting and challenging education staff across many disciplines is now evident. Some of the new initiatives include the following:

- Focus on improving literacy and numeracy with the establishment of specialist groups.
- An Education, Quality, Improvement and Evaluation Group has been established, which comprises two secondary and six primary teachers. The group works with the council in reaching policy decisions.
- Establishment of the Academies in partnership with Edinburgh College and Queen Margaret University. These give opportunities for S5-S6 pupils to study at college or university while at school, with an industry relevant work experience and giving them direct access to QMU or Edinburgh College on successful completion.
- An increase in scrutiny of staff performance, especially of senior staff. East Lothian has applied the GTC model to identify the competencies expected of head teachers and put in additional support where appropriate.

Cont.

Case study 4 (continued)



Education Scotland considers that council support to individual schools has improved significantly in the last eighteen months. Head teachers recently provided feedback to Education Scotland supporting the education department at East Lothian. As well as working more closely with schools, the education service has applied a more consistent approach to improving outcomes. It has worked on developing several strategies which focus on improving areas of underperformance. These have been presented to the Education Committee for scrutiny and include the following:

- Included, engaged and involved: A positive approach to preventing and managing school exclusions.
- Developing the young workforce.
- Respect for all – East Lothian Anti-Bullying Policy.

However, some areas of concern in education are still proving difficult to resolve. There is a national shortage of teachers and this is a significant concern for East Lothian Council. The education service has tried several ways to increase recruitment.

Staff shortages place additional strain on other staff, and there has been an increase in sickness absence rates among teaching staff in recent years. This reached a high of 8.3 days per teacher in 2014/15 and although it has improved to 7.6 days, it is still higher than the Scottish average of 6.1 days. The current teaching workforce is ageing, compounding the recruitment challenge.

The council has renewed its emphasis to delivering improvements in educational performance over the past two years. Some changes will take time before their full benefits will be apparent, so it is important the council retains its focus on education.

Source: Audit Scotland

Part 3

Is the council using its resources effectively?



The council has medium-term financial strategies in place. The council must now further develop detailed plans to ensure it has the right people in place for the challenges ahead

The council manages its finances effectively and its budget-setting process focuses on its priorities. The council has a good record of delivering services within budget within the context of an increasing population.

A rolling three-year financial strategy has been in place since 2008/09. In December 2017 a five-year financial strategy was approved. The council has developed proposals to address its projected funding gap for the next three years and presented a revised, three-year balanced budget in February 2018. It is developing additional savings proposals for the remaining two years of the five-year strategy.

The council has made steady progress in building up reserves and considers reserves in its new financial strategy.

The council has approved a refreshed corporate workforce plan and recently developed an implementation plan to address high-level actions, including what it means for individual services.

Financial management is effective with a budget-setting process focused on the council's priorities. The council has a good record of delivering services within budget

67. The council has well-established processes for setting and monitoring budgets. Budgets are developed by the head of council resources and approved by council at its annual statutory meeting. Since December 2017, scrutiny of budget monitoring reports has not been limited to the cabinet but extended to full council thus ensuring greater engagement and opportunity for scrutiny by all councillors.

68. The head of council resources is the council's chief financial officer (also known as the section 95 officer) and a member of the CMT. The post reports to the deputy chief executive – resources and people services.

69. The council set a balanced budget of £232.9 million for 2017/18. The year-end financial report (to March 2018) showed an under-spend against budget of £0.38 million (0.2 per cent).

70. Within the overall net under-spend position, the council continues to face significant challenges in its Health and Social Care Partnership. Adult and Children's services were assessed as at high risk of overspending during the year and at March 2018 the service reported an overspend of £1.8 million. The overspend was offset by under-spends elsewhere in the Health and Social Care Directorate, resulting in a net overspend of £0.9 million for the year.

71. The council also had difficulty operating these services within budget in 2016/17, with an overspend of £0.4 million being reported at year end. The council has produced a recovery plan to address overspending in the Directorate.

The council now has a five-year financial strategy in place with £12.5 million of efficiencies planned over the three years to 2021. A rolling three-year financial strategy has been in place since 2008/09

72. In December 2017, the council approved its first five-year financial strategy for 2018 to 2023. The strategy refers to the council's overarching aim of 'reducing inequalities within and across our communities' and the four themes of Growing our Economy, Growing our People, Growing our Communities and Growing our Capacity. The purpose of the strategy is to provide direction on how the council will manage its financial resources in order to deliver the Council Plan.

73. The 2007 Best Value report highlighted that the council did not have a formal financial strategy or a longer-term financial plan. The council implemented a rolling, three-year financial strategy in 2008/09 and continues to update this annually. It has yet to develop longer-term financial planning (eg five to ten years) but does have a five-year financial strategy in place supported by five-year capital expenditure plans. The external auditor's 2016/17 annual audit report encouraged the council to develop an even longer-term strategy for the next five to ten years.

74. The 2018-23 financial strategy presented in December 2017 includes estimated figures for each year from 2018/19 to 2022/23 based on three scenarios ranging from best case to worst case. The assumptions included estimates for grant funding, pay inflation and non-pay inflation. Based on these assumptions, and taking account of existing planned efficiencies (£6.9 million), the council estimated at that time that its funding gap could be between £12 million and £39 million over the five-year period ([Exhibit 8, page 33](#)).

75. We found evidence that the council worked effectively with the community and across political parties when setting the 2018/19 budget, which was approved in February 2018. During the annual budget process, the council updated its projected funding gap assumptions for the three-year period from 2018/19 to 2020/21 and estimated that it faced a funding gap of £12.5 million for that period. The three-year budget approved in February 2018 included a package of measures to either reduce expenditure or increase income amounting to £12.5 million, enabling the council to set a balanced budget for the period from 2018/19 to 2020/21.

Exhibit 8**Estimated funding gap 2018/19–2022/23**

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Existing planned efficiencies	3,447	3,492	–	–	–	6,939
Scenario 1	2,200	1,710	2,920	2,830	2,740	12,400
Scenario 2	4,961	4,439	5,530	5,514	5,498	25,942
Scenario 3	9,708	8,671	6,936	6,875	6,814	39,004

Source: East Lothian Council's financial strategy 2018/19 to 2022/23

76. The five-year funding gap projections will be reviewed annually as the council updates its financial strategy and the council is continuing to work to identify additional measures to reduce expenditure and increase income.

77. Examples of the more significant measures to reduce expenditure or increase income approved to date include:

- Transformational Change Programme see [paragraphs 119–121](#) including new ways of working and options for partnership working - £1.5 million.
- Enhanced vacancy management (managing vacant positions differently to save money while retaining essential skills): reviewing staff cost base and senior management - £1.75 million.
- Integrating health and social care: reviewing and redesigning of models of care and joint working and shifting the balance of care from hospitals into people's homes - £1 million.
- Adult wellbeing: introducing new charges for services and increasing existing charges in line with inflation or benchmarking - £0.9 million.
- Reviewing nursery staffing - £0.5 million.
- Introducing charges for music tuition - £0.4 million.

78. The council's financial strategy for the five-year period focuses on identifying further opportunities to make savings and increase income by:

- Further development of the Transformational Change Programme.
- Maximising income by ensuring charges are based on the principle of recovering the full cost of the service being provided where possible, and benchmarked against similar authorities.
- Exploring new opportunities for generating income.

79. In 2007, we reported that the council had yet to develop a systematic corporate approach to managing its assets. A Corporate Asset Strategy 2010–14 was prepared and this set out the basis of the council’s approach to corporate asset management of all the council’s assets. In 2014, the strategy was superseded by the Corporate Asset Management Plan 2014–16. A refreshed Council Asset Strategy and Management Plan is in place for the period 2018–23 and sets out the council’s plans for how asset management is delivered to contribute to the council’s long-term goals and objectives. It is important that the council continues to review and update their capital plans to address the requirements of its growing population and to ensure it is in line with its growth agenda.

80. Capital expenditure plans for the same five-year period (2018–23) were set out in the budget approved by the council in February 2018.

81. To help support the growth agenda the council have prepared a Developer’s Contribution Framework Supplementary Guidance. The purpose of the supplementary guidance is to identify the likely level of contributions that will be required from developers for different types and scales of development for sites identified in the Local Development Plan. The council is factoring these contributions into their financial planning now and for future years. As the Local Development Plan progresses, this area is likely to be covered in subsequent annual audits.

82. In the past two financial years, 2016/17 and 2017/18, the council has underspent against its annual budget for general services capital expenditure. The most significant element of the 2017/18 underspend relates to delayed project starts at both the new Wallyford Primary School and Dunbar Grammar School extension. The council is monitoring both projects and expects the new Wallyford Primary School to be completed on time, with the Dunbar Grammar School extension expected to be completed two months later than originally planned.

The council has made steady progress in building up reserves and it considers reserves in its new financial strategy

83. The council has made steady progress in building up reserves in line with policy. The new 2018-23 financial strategy considers the level of reserves held in total and the amounts required for different purposes. It also recommends the need to establish a minimum level of uncommitted general fund reserve balances to help with any unforeseen or unquantifiable event. This level is to equate to two per cent of the council’s annual running costs (about £4 million). The council currently meets this minimum at just over £4.3 million (taking into account the civil emergency fund and the general services capital fund).

84. This contrasts with our finding at the time of the 2007 Best Value audit. Then, we reported that the council had low levels of reserves, relied on the Housing

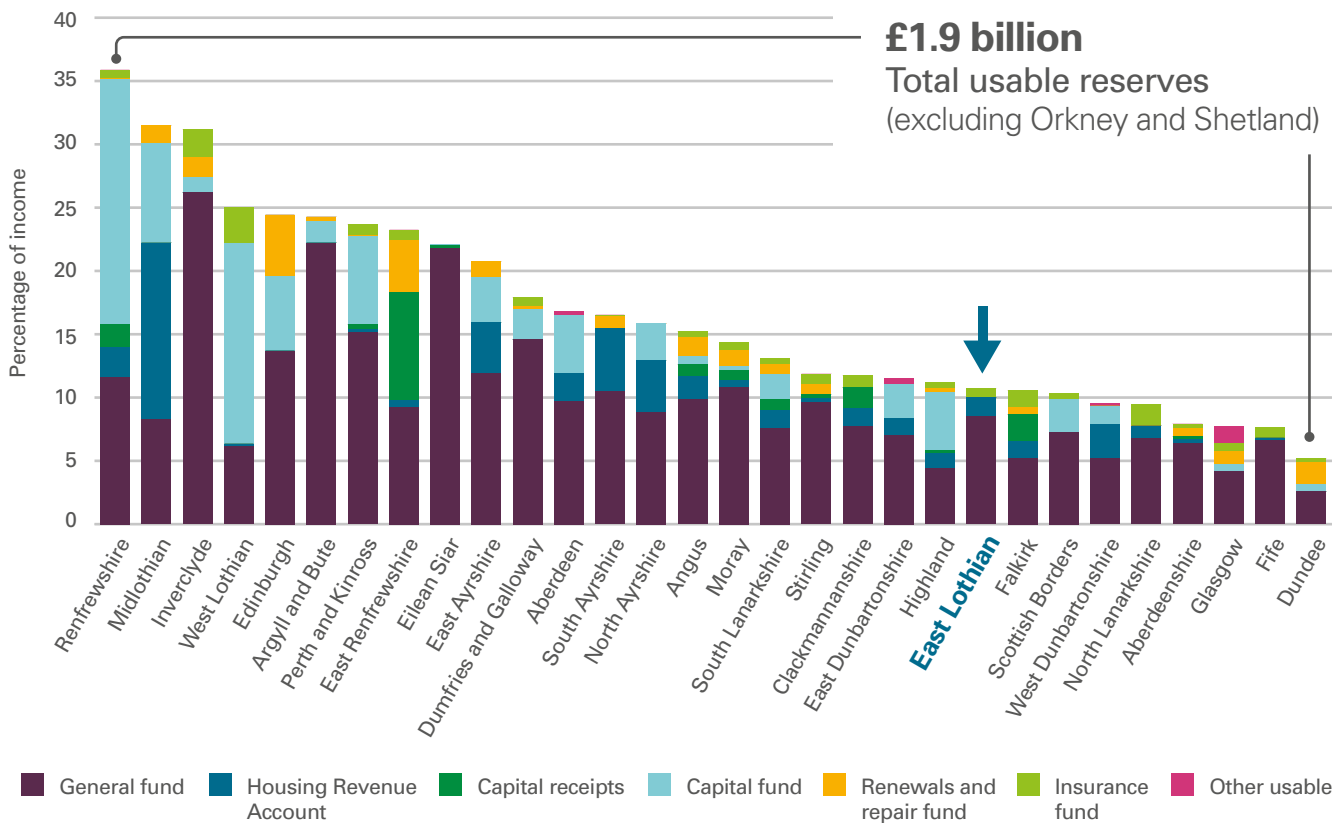
Revenue Account to fund budget gaps and had no long-term financial strategy.

Exhibit 9 illustrates where East Lothian Council sits alongside all other local authorities in Scotland with regards to their usable reserve position.

Exhibit 9

Council usable reserves at 31 March 2017

There are wide variations in the level of reserves as a proportion of income from general revenue grant, taxation and housing rents.



Source: Annual accounts 2016/17

The council has approved a refreshed corporate workforce plan and recently developed an implementation plan to address high-level actions. However, individual service workforce plans have yet to be prepared

85. Cabinet approved the council’s updated Corporate Workforce Plan 2018-22 in June 2018. The plan reflects the council’s strategic objectives (as set out in the Council Plan for 2017-22). It also takes into account wider issues that may impact the council, for example its financial prospects, withdrawing from the European Union, population growth and the growing demand for services.

86. The plan recognises the challenge that the council's projected growth in population presents to the education service. The new schools that it has currently planned to build will require almost 300 additional teachers as well as additional non-teaching school-based staff.

87. The plan concludes with three key areas and 38 associated high-level actions:

- Sustain a skilled, flexible and motivated workforce - 19 actions.
- Support and initiate transformational change - nine actions.
- Build and sustain leadership and management capacity - ten actions.

88. The council has translated these high-level actions into a Workforce Plan: Implementation Plan detailing how the council will implement the workforce plan, including responsibilities and timescales. This was presented to CMT in August 2018. The council also recognises that it needs to prepare individual service workforce plans. These will help it consider in more detail how it will manage changes in services and staffing levels. Further work is still to be done to prepare these workforce plans with a target date of March 2019. Progress against the actions will be reported to CMT twice a year with an annual update provided to the full council. The first actions are due for completion in September 2018.

Sickness absence

89. In 2016/17, sickness absence was at 10.75 days for staff (excluding teachers), compared to the Scottish average of 10.92. Sickness absence of teaching staff is discussed in [Part 2, Case study 4 \(page 28\)](#). The council introduced a revised Attendance Management Policy in January 2017, along with line manager awareness sessions. The council has still to assess the effectiveness of these new measures.

Part 4

Is the council working well with its partners?



The council has strong links with its partners and works well with local communities

East Lothian Partnership is working to a shared vision and there are good relations between partners. A revised leadership group has been established to improve decision-making and partner coordination. It has recently agreed the indicators that will be used to measure outcomes.

The health and social care partnership is well established and there is evidence of good cooperation between the council and the NHS board.

The council has well-established methods for consulting with the public. The council could do more to involve community groups earlier and provide feedback on what has changed as a result.

The council engages effectively with communities through Community Councils and the Local Area Partnerships. Community-led initiatives are taking shape in Dunbar and Musselburgh.

The council is keen to work closely with communities on the potential transfer of assets. It should ensure that communities are involved and kept informed about the developments that impact on them.

Outcomes for communities are better than the Scottish average for most of the community planning indicators.

There are good relations between partners. A revised leadership group has been established to improve decision-making and partner coordination

90. The council and the partners we spoke to during the audit, see [paragraph 5](#), have good working relationships and work together on achieving the vision in the East Lothian Plan. The council invites partners to present on their own plans so they can identify opportunities for closer joint working in the future. The council and Queen Margaret University have worked closely on their bid for City Deal funding. Their successful joint application will contribute to the creation of an Innovation Hub at Queen Margaret University in Musselburgh, [Case study 1 \(page 14\)](#).

91. In February 2018 the East Lothian Partnership (the partnership) introduced revised decision-making arrangements. This established an overall Governance Group, with representatives of the five partner organisations, plus the third

sector interface, STRiVE. The group's role is to provide strategic and collaborative leadership, ensure good governance and that partners work to deliver the outcomes contained within the East Lothian Plan 2017-27. This is a more streamlined group than the previous board, which included many community organisations as well as statutory partners.

92. A wider forum of community representatives has also been established as part of the partnership, with a clearer focus as an engagement group. It brings together partners and community bodies who provide services and work to improve outcomes for local people. The forum's first meeting was in June 2018 and was well attended. At the meeting organisations were able to share knowledge, best practice and collaborate with each other. For example, a session was delivered on participatory budgeting so that organisations could learn from the experiences of Musselburgh Area Partnership.

The partnership has recently agreed how they will measure outcomes and demonstrate success

93. Although the East Lothian Plan 2017–27 was approved in August 2017, the indicators to measure outcomes were agreed in August 2018. Ideally these should have been established as the plan was being written. This would ensure there was clarity between partners on how they were going to measure success. To date there has been no reporting to the governance group that would demonstrate whether there has been an effective shift of resource towards preventative work.

The council has improved its strategic approach for consulting with communities

94. The council introduced The People's Voice Framework in 2014, implementing a corporate approach to consultation and engagement. The council now has well-established methods for consulting with communities. Three large-scale consultations have been carried out to shape current plans and priorities, including the 2017 Residents' Survey, see [paragraph 61](#). The council created an online consultation hub in 2013, with over 200 consultations taking place since then. The East Lothian Citizens' Panel carries out two main surveys each year.

95. A wide range of consultation now routinely takes place. The council should consider how it can better coordinate and monitor consultation and engagement with communities. The People's Voice Framework was set up to assist this but the use of the framework has been limited. The council has been proactive in consulting and engaging with seldom-heard groups such as the Looked After Champions Board, Community Care forums, the Youth Parliament and Youth Summit.

The council could do more to involve groups earlier in planning discussions and improve feedback to communities

96. The council can give many examples of where communities have responded to consultations and helped shape council services. Community representatives have, however, expressed a desire to be more involved in discussions to help shape service strategy and delivery. The inclusion of STRiVE, representing third sector groups in East Lothian, in the new partnership governance group and the opportunities for engagement through the East Lothian Partnership Forum are positive steps in enabling this.

97. The council was an early adopter of a web-based consultation hub and it feeds back the results of consultation exercises through a 'We Asked/You Said/We Did' section. Although there are many examples of its use, in some instances, the council could do more to feedback how it has used what communities have told them. For example, after the 2017 budget consultation, the council did not provide a detailed response to the public as to how their views had been taken on board.

The council has invested in empowering communities at an area partnership level and this is beginning to have a positive impact. Local area partnerships would benefit from focusing current activity against their local plan

98. The council established six local area partnerships (LAPs) in 2014 based on electoral wards. It commissioned a review of LAPs in 2017 which concluded that strategic and community delivery were disjointed. The council is addressing this with their new model of community planning and updated locality plans. This will ensure the wider Community Planning Partnership contributes to delivering those plans.

99. Each LAP is made up of elected members, local bodies, interest groups and residents and chaired by a member of the local community. There is good officer support for the LAPs. An area manager advises on the appropriate conduct of business and provides ideas and suggestions for taking community priorities forward. The council also supports community engagement through its community learning and development function. This includes a programme of activity to develop capacity within communities. Building community capacity means supporting people to be more active in their community. It is about helping people recognise the skills, strengths and experience that exist locally and using these skills to deal with issues most important to local people.

100. Education Scotland inspected community learning and development (CLD) in 2018. This included assessing how well the council was empowering communities. The report concluded that the impact of community learning and development was very good and had major strengths. It highlighted that community organisations were developing leadership and increasing their reach through the comprehensive training offered by the council's CLD programme. It highlighted that area partnerships were the key link for local people to the wider community planning structures.

101. Working closely with and alongside community partners is leading to the following developments in Dunbar:

- A new facility in Dunbar has been proposed by community representatives to develop the economic benefits of surfing and improve access and safety on the beach. In May 2018, the LAP agreed to contribute £20,000 towards the total cost of £189,303 to regenerate a building as a community surfing facility.
- The regeneration of Dunbar's Backlands by The Ridge, a social enterprise, has started. This project has created a new community garden in a previously unused and abandoned space off the High Street. The project provides skills training, community growing facilities and also regenerates an unused area.

102. The Musselburgh Area Partnership (MAP) is also making a positive impact. The MAP delivered a successful participatory budgeting event in 2017 ([Case study 5](#)). Participatory budgeting involves communities making choices about how money should be spent. However, the MAP appears stretched and is finding it difficult to progress against all its current areas of interest. The MAP would benefit from grounding its activity in the local plan, to focus current activity against what is of greatest importance to the community.

Case study 5



The community ran a successful participatory budgeting event for young people in Musselburgh

The 'Your Voice, Your Choice' programme was a participatory budgeting opportunity for young people aged eight to 18 living in the Musselburgh Area Partnership to initiate community projects. The initiative was funded through the Community Choices Fund and the Musselburgh Area Partnership with support from local stakeholders. The Scottish Government supports participatory budgeting (PB) through the Community Choices Fund as a tool to empower people to make decisions affecting them and have a direct say in how money is spent to achieve the priorities for their community.

Young people were encouraged to provide ideas and develop proposals for projects for funding up to a maximum of £2,000 to improve health and reduce inequalities in their community. Forty-four applications were received and 25 were chosen as finalists to present at an event in the Brunton Theatre in February 2018. Young people voted for the successful projects to receive funding. One of the most notable projects to secure the approval of peers and funding was 'The Plastics Police' <https://theplasticspolice.com>. The Plastics Police is an environmental organisation that produces aluminium water bottles in the hope to reduce single-use plastic and is now a thriving online business. The area partnership collected feedback following the event, which they collated into a report so that they could learn lessons for future projects. The feedback that they received indicated that the event had been well received by the local community. A video highlighting the project has been produced: <https://www.eastlothian.gov.uk/musselburghap>.

Source: East Lothian Council

Local Area Partnerships need more support to understand their authority over spending decisions

103. The council has devolved £1.8 million of funds to the LAPs to deliver the priorities identified in their local area plans. It allocated £600,000 of this money to improve attainment and reduce inequalities in education. LAPs have been in discussion with the council on the development of Area/Locality Plans, their purpose and how they relate to the East Lothian Partnership. LAPs are included within the ELP Governance structure. The LAPs we observed were unclear about how the devolved education budget should be spent and how the views of education officers should influence their decision-making. The council should continue to provide guidance to ensure clarity around the use of these funds.

104. The Community Empowerment (Scotland) Act gives people more influence over how their council and its partners plan services. It provides more formal ways for people to get involved. For example, people can ask to take part in decisions about council services, which is called a Participation Request. The Act also makes it easier for communities to take ownership of land and buildings, in a process known as asset transfer. This allows them to have a say in how the council should spend public money locally.

105. The Act included a requirement for Community Planning Partnerships (CPP) to produce Locality Plans for areas within the CPP area. These are to focus on improving outcomes, addressing local needs, reducing inequality and to reflect the views of local communities. The East Lothian CPP has to introduce these new locality plans by the end of 2018. These will run in parallel with local area plans. The council should ensure there is no confusion about the purpose of these separate plans.

The council demonstrates a commitment to community participation and asset transfer. It should ensure that communities are involved and kept informed about the developments that impact on them

106. The council has demonstrated a commitment to community participation. It has transferred harbours to community groups and the management of eight community centres to local communities, who have since been incorporated as charitable organisations. The council has published guidance on how to apply for a community asset transfer and is trying to identify opportunities for its assets to be transferred to communities through one of its Transformation Programme workstreams. One objective of this is to release savings for the council. The council guidance on community asset transfer highlights the risks involved in communities taking on council owned premises that may not be financially viable at present.

107. There has been a great deal of discussion and review concerning the Brunton Theatre Trust (BTT). The trust is set up as a charity and clarified its decision-making arrangements in 2014. There has been on-going review regarding the transfer of theatre venues to the trust. A project plan is now in place so that firm proposals can be developed for the transfer.

Outcomes for communities are better than the Scottish average for most of the community planning indicators

108. [Exhibit 10 \(page 42\)](#) demonstrates that outcomes for communities are better than the Scottish average and the council family group average. The indicator for the S4 tariff score (a measure of educational attainment) is below both the Scottish and family group averages and we have discussed education in more detail in [Part 2](#). The indicator for carbon emissions is also below comparators.

Exhibit 10

Performance of East Lothian community planning outcomes

Performance is favourable as a whole against Scotland and family group.



















Indicator	Performance in 2016/17 and trend from 2006/07 to 2016/17	East Lothian score in 2016/17	Absolute difference to Scotland score	Absolute difference to family group score
 % of Babies with a Healthy Birthweight	More or less aligned with rest of country	89.7%	-0.4	0.3
 Primary 1 healthy Body Mass Index (%)	More or less aligned with rest of country	84.9%	0.5	1.1
 Child Poverty (%)	Falling slower than the Scottish average, however baseline levels in poverty were lower to begin with	12.4%	-3.2	-2.5
 S4 tariff score	Improvement in trend is lower than family group and Scotland, and 2016/17 is less than both comparator groups	199.5	-4.1	-8.1
 Positive destinations (%)	Has improved faster than Scotland and family group. Current levels roughly aligned with rest of country and family group	93.7%	1.4	1.1
 Employment rate (%)	Fallen slightly more over time than Scotland and family group. Slightly higher in 2016/17 vs Scotland and family group	74.8%	1.6	2.4
 Median Earnings (£)	Roughly aligned with Scottish and family group medians. Trend for growth is slightly lower than Scotland and family groups	£436.4	3.6	12.3
 Out of work benefits (%)	Roughly aligned with rest of country	9.3%	-1.1	-0.4
 Business survival (%)	Current rates and trend roughly aligned with the Scottish and family group estimates	62.9%	0.7	-0.1
 Crime rate (per 10,000)	Significantly lower than rest of country, and trend also shows a faster drop over time	335.0	-124.7	-46.8
				Cont.

Exhibit 10 (continued)

Indicator	Performance in 2016/17 and trend from 2006/07 to 2016/17	East Lothian score in 2016/17	Absolute difference to Scotland score	Absolute difference to family group score
 Dwelling fires (per 100,000)	Significantly lower than rest of country, and trend also shows a faster drop over time	56.7	-45.8	-31.1
 Carbon Emissions	Higher vs Scotland and family group. Trend is also decreasing at a slower rate	9.8	3.9	3.0
 Emergency Admissions	Significantly lower than rest of country, and trend also shows a drop for East Lothian, whereas the trend increased for Scotland and family group	21,073.5	-4,863.8	-3,134.0
 Unplanned Hospital Attendances	Significant increase for East Lothian, whereas the trend was a decrease for Scotland and remained roughly the same for the family group. Overall levels in 2016/17 still lower than Scotland and family group	22,812.0	-1,786.7	-1,231.0
 Early Mortality	Decrease is aligned with family group, and slightly higher than Scotland	374.6	-65.1	-37.4
 Fragility Index	Slight decreasing trend, whereas the trend for Scotland and family group is for a slight rise. 2016/17 rate is lower than for Scotland and family group	98.8	-2.8	-5.5
 Wellbeing	More or less aligned with rest of country	24.0	-1.0	-0.4
 Fuel Poverty (%)	Lower rates vs Scotland and family group	26.8%	-3.9	-6.5

Note: Indicators are marked as amber when the trend is less than 1% up or down. Family group includes East Ayrshire, Fife, Moray, North Ayrshire, Perth and Kinross, South Ayrshire, and Stirling. The S4 tariff score is affected by whether children complete qualifications in S4 or focus on qualifications in S5.

Source: Audit Scotland and the Improvement Service's Community Planning Outcomes Profile 2016/17

The Integration Joint Board (IJB) is working with its two partner bodies to develop focused performance reporting

109. From attendance at Integration Board meetings as well as the IJB Audit and Risk Committee, we noted evidence of good cooperation and progress in this area. There are challenges around measuring outcomes from partnership working, for example identifying cost savings. Several years of data is often required, in this area, to determine whether set outcomes have been achieved. Work is ongoing in the IJB to address these areas.

The council has tried to progress shared service models and has had some success in small-scale joint service arrangements

110. During 2011/12, the council entered into a shared agreement with Midlothian Council to appoint a director of education to cover both councils. This arrangement only lasted from 1 April 2012 until 31 December 2012, when the then director of education resigned. The post was not filled and both councils decided not to pursue another shared arrangement. The council has, nevertheless, developed other joint working arrangements in education with Midlothian Council. They are working on collaborative projects including a joint digital learning teaching strategy, a literacy programme and a strategic programme on exclusions.

111. Other shared service arrangements with Midlothian Council include the following:

- One manager for Health and Safety.
- One equalities officer.
- One Public Protection Team, established in March 2014 which provides joint staffing across adult support and protection, child protection, and violence against women and girls.
- An East Lothian and Midlothian Trading Standards Partnership is currently being established. Officers from both councils will work and be located together.

112. The council provides the out-of-hours call service for Midlothian Council and more recently for Scottish Borders Council. It is involved in the mobile library service with Midlothian and Scottish Borders councils.

Part 5

Is the council demonstrating continuous improvement?



Since our last Best Value Report in 2007, East Lothian Council has made significant improvements in how it works

The council is committed to delivering the opportunities presented by population growth, but it will be challenging to deliver this change alongside increasing demands on services and financial pressures.

The council has a well-established improvement framework and extensively reviewed a range of its services. Streamlining performance reporting would provide a better basis for prioritising improvement activity and demonstrating achievement of outcomes.

The council has established a Transformation Programme to change the way it delivers services and to address the forecast funding gap. It will be challenging for the programme to deliver new ways of working and the required savings, while providing services for a growing population.

The council has reviewed a range of its services and has a well-established framework for continuous improvement

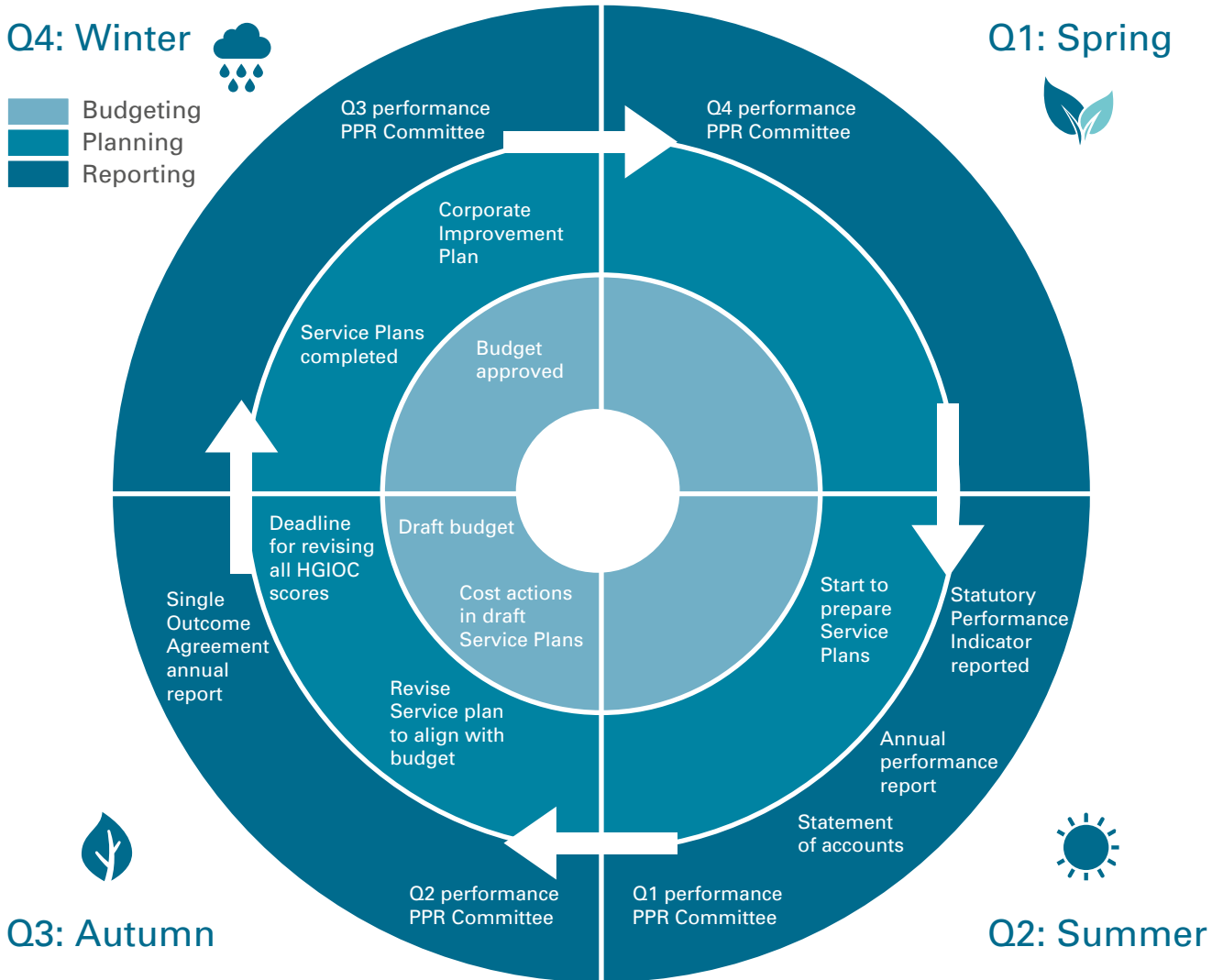
113. The council established its framework for improvement in 2012. It is called 'From Improvement to Excellence: The East Lothian Council Improvement Framework'. It sets out how the council uses performance reporting and self-evaluation to influence planning and budgeting. [Exhibit 11 \(page 46\)](#) sets out this cycle. The methodology is based on the How good is our council? (HGIOC) framework. This framework informs the council and enables them to prepare the Council Improvement Plan. The Council Improvement Plan is reviewed, updated and reported annually to the full council.

114. The council extensively reviewed services in 2017/18, using the HGIOC model. Services awarded themselves a red, amber or green status for different elements of performance. This helped services understand their strengths and areas for improvement. The results were then fed into the council's Corporate Improvement Plan, an important element in the annual cycle.

115. The council introduced a corporate governance self-evaluation in 2010/11 and a self-evaluation is carried out every year. This is based on guidance from the Chartered Institute of Public Finance and Accounting (CIPFA) and the Society of Local Authority Chief Executives (SOLACE).

Exhibit 11

From Improvement to Excellence: The East Lothian Council Improvement Framework



Source: East Lothian council

116. Quality Scotland has evaluated and made recommendations to enhance the council’s improvement activity. Those recommendations include the council taking more action after this type of benchmarking and comparison activity. For example, the council could share more learning opportunities and make greater use of target setting to drive improvement activity. The council is reviewing its Continuous Improvement Framework to take on board recommendations from Quality Scotland.

The council is committed to responding to external inspection and validation to improve quality

117. The council considers a wide range of scrutiny and inspection reports at council, committee and senior management level. This includes Audit Scotland

and inspectorate reports. The council are proactive in this area ensuring national reports are presented to the relevant committee. Elected members use these reports to discuss and challenge officers about the implications of the report findings for the council, what actions are required and how services are performing.

118. The council has taken part in Quality Scotland's accreditation twice, receiving the EFQM Committed to Excellence (two star) Award in 2017. In 2018, the council received the Recognised for Excellence (four star) Award. The detailed feedback report from Quality Scotland was not available at the time of our fieldwork. The council's commitment to staff development was recognised when it received the Investors in People Silver Award and the Investors in Young People Gold Award, in 2017.

The council has established a Transformation Programme to change the way it delivers services and to address the forecast funding gap. Delivering the programme will be challenging alongside increasing demands on services from a growing population

119. The council set up the Transformation Programme in 2016 to embrace technological opportunities and to contribute to reducing the council's funding gap for 2021 to 2023. The Executive Team, comprising the chief executive and two deputy chief executives make up the Programme Board. The initial six workstreams for the project were:








- Reviewing council accommodation, including options for using the former court building as a collaborative hub, and developing agile working.
- Introducing an Electronic Data Retrieval Management System and exploring options for further development and rollout.
- Implementing a Digital Strategy, including developing online services and payments.
- Exploiting opportunities to generate income, including renewable energy sources, developing a trading arm and looking at business models from other councils.
- Prioritising capital projects.
- Exploring alternative ways to deliver services, such as ALEOs, trading companies, social enterprises and strategic partnerships with other local authorities.

120. Since 2016, the scope of this project has grown. Initially there were six projects, by January 2018 there were 15 and at September 2018 there were 25 projects. Each project has a Project Board chaired by a member of the CMT. The most recent monitoring report to the Executive Team from September 2018, identified 20 projects as green and five projects as amber. There is a lack of reporting to elected members on the overall success of the programme to date. There is minimal commentary on how services have changed, what service improvements have been introduced to benefit customers and how on track the council is with planned savings through the programme. Audit Scotland will continue to monitor the delivery of this programme in future years.

Exhibit 12

Comparing Best Value judgements 2007 and 2018

The difference in Controller of Audit recommendations in 2007 and Controller of Audit judgements in 2018 show the progress made by the council.

Controller of Audit recommendations of the need for:	2007	Controller of Audit judgements	2018
	<p>Open and transparent decision-making, with members and officers adhering to their roles and responsibilities.</p>	<p>Council business and decisions are clearly documented in the Council, Cabinet and committee minutes. Council, Cabinet, Audit and Governance committee and other key committee meetings are held in public. Agendas, minutes and reports are available on the council's website. Meetings are formal in nature, with members and officers adhering to their roles and responsibilities. The remit of the Joint Group has been clarified and action points are recorded.</p>	
	<p>More robust and effective scrutiny arrangements.</p>	<p>The standard of scrutiny by members of the two main scrutiny committees (Audit and Governance Committee and, Policy and Performance Review Committee) is good.</p>	
	<p>Effective support and training for members.</p>	<p>Comprehensive induction training was provided following the May 2017 local elections and this was well attended. Feedback from members was generally positive. There is scope to tailor the programme further to suit individual needs.</p>	
	<p>A stable senior management structure with the capacity to take forward the improvement agenda.</p>	<p>Heads of service can move between departments within the organisation. This has improved skills and knowledge transfer across the council's senior management team and helped manage vacancies at head of service level. Risk registers are discussed for shared understanding/awareness of issues across service areas.</p>	
	<p>Medium to longer-term strategies for effective management of resources, including financial planning and asset management.</p>	<p>Revenue budgets cover a three-year period (2018/19 to 2020/21). Capital budgets and expenditure plans cover a five-year period (2018/19 to 2022/23) and the Housing Revenue Account budget is for a five-year period (2018/19 to 2022/23). The council presented a five-year financial strategy covering the period from 2018/19 to 2022/23 in December 2017.</p>	
	<p>An effective framework for strategic planning.</p>	<p>The council has an ambitious vision of inclusive economic growth that is linked to council objectives and strategic goals, and is understood throughout the organisation.</p>	
	<p>An integrated framework for continuous improvement.</p>	<p>The council has a well-established framework for continuous improvement and has reviewed a range of its services. The council has established a Transformation Project but it will be a challenge for the project to deliver new ways of working and the required savings within the context of increasing demand on services from a growing population.</p>	

Source: Audit Scotland

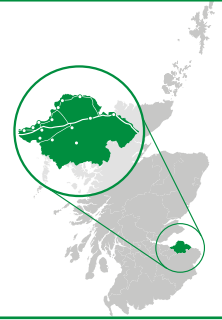
121. The council should ensure it reviews its transformation programme to ensure it can:

- deliver any changes within the timescale
- prioritise the projects that are most likely to result in major change and opportunities for savings.

Since 2007 the council has significantly improved the way it works

122. East Lothian Council's Best Value audit timeline is set out in the Appendix. Our 2007 report said that East Lothian Council had made limited progress in establishing Best Value and elected members and senior officers had not provided clear leadership and strategic focus to drive a consistent corporate culture of improvement. A number of issues were raised for the council to address immediately. An improvement plan was put in place and completed by December 2009. The council has significantly improved since then and [Exhibit 12 \(page 48\)](#) highlights the main improvements.

Recommendations



In delivering its vision, the council should:

Ensure that performance reporting arrangements are more coherent and better aligned to demonstrate the delivery of the council's vision, supporting objectives, service performance and savings plans.

- Work with the East Lothian Partnership to agree outcome measures and report on progress in reducing inequalities and supporting the economy ([paragraph 23, 93](#)).
- Report the benefits the Transformation Programme projects are having for customers and communities; and the savings that are being realised ([paragraphs 119–121](#)).
- Continue to focus on improving education performance for all children and young people in East Lothian ([Case study 4, page 28](#)).
- Build on its good arrangements for scrutiny by ensuring reports are free of jargon, clear on purpose and provide the information elected members need to scrutinise effectively ([paragraphs 37–38, 58–60](#)).

Develop more detailed plans linked to its longer-term financial strategy and to delivering the savings required

- Ensure the Transformation Programme delivers the expected benefits within the planned timeframe and prioritise the projects most likely to lead to major change ([paragraphs 119–121](#)).
- Prepare individual service workforce plans to support the high-level Workforce Plan Implementation Plan to help the council consider in more detail how it will manage changes in services and staffing levels. ([paragraphs 85–88](#)).

Continue to focus on working with communities

- Ensure community and third sector organisations, such as charities and voluntary groups, have the opportunity to shape council strategic planning at an earlier stage ([paragraphs 96–97](#)).
- Continue to support Local Area Partnerships to focus on priority actions within their local area plans. ([paragraphs 98–102](#)).
- Coordinate consultation activity through its People's Voice framework and tell local people how it has used their feedback ([paragraphs 94–95](#)).

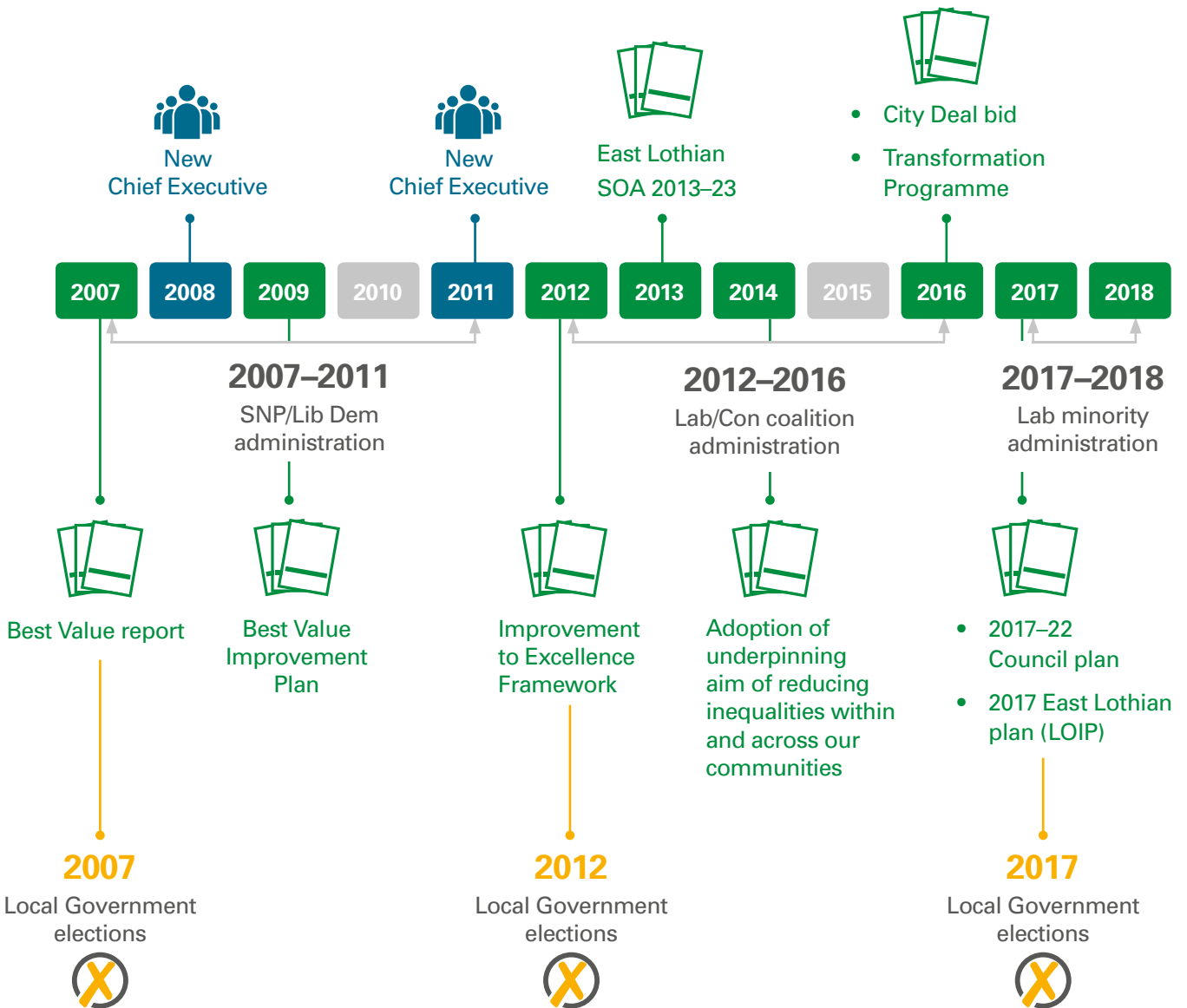
Endnotes



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- 1 National Records of Scotland <https://www.nrscotland.gov.uk/files//statistics/council-area-data-sheets/east-lothian-council-profile.html> .
 - 2 Quality Scotland is a charitable, membership organisation working with the private, public and third sectors. It is a national partner of the European Foundation for Quality Management (EFQM) and is the official home of the EFQM Excellence Model in Scotland.


Appendix

Best Value audit timeline




Best Value Assurance Report East Lothian Council

This report is available in PDF and RTF formats,
along with a podcast summary at:
www.audit-scotland.gov.uk 

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