



**MINUTES OF THE MEETING OF  
THE CABINET**

**TUESDAY 11 SEPTEMBER 2012  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

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**Committee Members Present:**

Councillor W Innes (Convener)  
Councillor S Akhtar  
Councillor T Day  
Councillor D Grant  
Councillor N Hampshire  
Councillor J McMillan  
Councillor M Veitch

**Other Councillors Present:**

Councillor D Berry  
Provost L Broun-Lindsay  
Councillor J Caldwell  
Councillor S Currie  
Councillor A Forrest  
Councillor J Gillies  
Councillor J Goodfellow  
Councillor P MacKenzie  
Councillor P McLennan  
Councillor K McLeod  
Councillor J McNeil  
Councillor J Williamson

**Council Officials Present:**

Mrs A Leitch, Chief Executive  
Mr A McCrorie, Executive Director (Support Services)  
Ms M Patterson, Executive Director (Services for Communities)  
Mr J Lamond, Head of Council Resources  
Mr M Leys, Head of Adult Wellbeing  
Ms C Dora, Administration Research Assistant  
Mr D Heaney, Senior Manager, Strategy and Policy (Services for People)  
Dr R Gertz, Data Protection & FOI Compliance Officer  
Ms J Mackay, Media Manager  
Mrs K MacNeill, Corporate Legal Adviser  
Mr P Vestri, Corporate Policy Manager

**Visitors:**

None

**Clerk:**

Mrs L Gillingwater

**Apologies:**

None

**1. SUMMARY OF CONTRACTS AWARDED BY EAST LoTHIAN COUNCIL, 1 JUNE – 29 AUGUST 2012**

A report was submitted by the Executive Director (Support Services) advising Members of all contracts awarded by the Council from 1 June to 29 August 2012, with a value of over £150,000.

Councillor Currie expressed his disappointment that the contracts listed in the report had not been awarded to firms based in East Lothian. He asked for confirmation that assistance was being given to East Lothian companies on the pre-qualification questionnaire process.

Councillor Innes reported that such assistance had not yet been provided, but that the Administration would be looking at ways of ensuring that local firms have greater access to tender for Council work in future. He noted that it would be difficult to alter the procurement frameworks established by the previous Administration.

Councillor McLennan remarked that in its manifesto the Labour Group had pledged to 'guarantee local companies the opportunity to compete for Council contracts'. He asked officers for advice on whether such a guarantee could be given. The Head of Council Resources, Jim Lamond, advised that from a legal perspective it was not possible to provide such a guarantee, but that ways of widening access and building capacity within local firms to give them the opportunity to compete was being explored.

Councillor Hampshire asked if environmental considerations could be incorporated into the procurement process in order to put local firms in a stronger position. Mr Lamond reiterated that the Council would work to improve the chances for local firms but that this had to be done in accordance with procurement law and guidance.

Councillor Berry questioned the cost of the contract for painting the railway bridge at East Linton. Councillor Innes suggested that he raise this matter at the Audit & Governance Committee.

**Decision**

The Cabinet agreed to note the award of contracts with a value of over £150,000 from 1 June to 29 August 2012, as listed in Appendix 1 to the report.

**2. FINANCIAL REVIEW 2012/13, QUARTER 1**

A report was submitted by the Executive Director (Support Services) advising the Cabinet of the financial position at the end of the first quarter of the financial year 2012/13.

The Head of Council Resources, Jim Lamond, presented the report, drawing attention to the key issues, including spending pressures, business groups at risk of being overspent, progress in relation to achieving efficiency savings, financial performance of the Housing Revenue Account (HRA), capital expenditure and budget adjustments. He also warned that unless action was taken to manage savings within approved budgets, it would be necessary to draw down more from reserves than the £4m already planned for 2012/13. He added that he would be reviewing the capital programme and would report back to Members on the outcome of this review as soon as possible.

In response to questions from Councillor Currie, Mr Lamond advised that consideration was being given to extending the planning horizon and that all projects in the capital programme would be included in his review. He confirmed that any proposals to alter the capital programme would be presented to Members and that he would provide further details in his mid-year financial review in October.

Councillor Innes expressed his concern about the Council's financial situation, and claimed that the previous Administration had "tried to buy another term in office" by increasing capital expenditure.

Councillor Currie disputed the comments made by Councillor Innes, claiming that the Labour Group's budget in February had proposed using more from reserves and had very similar levels of capital expenditure to the SNP/Lib Dem budget. He challenged the Administration to present a new budget to the Council.

Councillor Hampshire claimed that the capital expenditure levels committed by the previous Administration would affect the new Administration's ability to protect other services and that there would be an impact on every community in East Lothian.

Councillor Berry commented that the budgets presented to the Council in February 2012 had assumed that the global economic situation would improve, and that the Council's budget may now have to be amended to reflect up-to-date forecasts. He reminded Members that the previous Administration had built up reserves so that they could be used to fund services temporarily. He also claimed that there were funds within the Cost Reduction Fund (CRF) which could be used. Councillor Berry voiced concern regarding the overspend in Children's Services and also questioned why a number of services were underspent. He concluded his statement by arguing that sometimes it is reasonable for the Council to invest money in the local economy when the private sector is not in a position to do so.

As regards the Cost Reduction Fund, Mr Lamond advised that this fund was intended to assist in initiatives to deliver further efficiency and financial savings. He pointed out that if all Year 2 and 3 reviews were to go ahead as planned, the CRF would not be in a position to cover all the associated costs. Mr Lamond noted that conclusions should not be drawn from the Quarter 1 report, given that there was plenty of time remaining in the financial year to take corrective action. He offered to provide further details to Members on the financial position of any service area.

Councillor McLennan noted that all local authorities were facing similar financial challenges and that the previous Administration had worked to protect communities in East Lothian by building up reserves to use over a number of years. He claimed that the new Administration was being inconsistent in its approach in relation to the capital programme.

Councillor Innes remarked that the new Administration was duty bound to honour commitments already made with regard to the capital programme, but warned that these projects may take longer to deliver.

## **Decision**

The Cabinet agreed:

- i. to note the financial performance of services at the end of June 2012;
- ii. to note the changes to financial risk assessments, outlined in Section 3.6 of the report, noting also a reminder to Executive Directors that all spending pressures must be managed within approved departmental budgets;

- iii. to approve the 2012/13 budget adjustments, outlined at Section 3.14 of the report; and
- iv. to note the Head of Council Resources' intention to report back to Cabinet or Council with regards to the review of the capital programme.

### **3. DATA PROTECTION POLICY**

A report was submitted by the Executive Director (Support Services) seeking approval of the proposed Data Protection Policy.

The Corporate Legal Adviser, Kirstie MacNeill, presented the report, advising that the Council did not currently have a formal policy on Data Protection. She confirmed that the Information Commissioner's Office had approved the draft policy. She also noted that a Records Management Policy was currently being developed and would be presented for approval in due course. Dr Renate Gertz was thanked for her work in developing the Data Protection Policy.

In response to a question from Councillor Berry regarding the use of computer memory sticks, Mrs MacNeill advised that this issue was covered by the Council's Information Security Policy. She pointed out that only encrypted memory sticks procured from the IT Division should be used for Council business.

Mrs McNeill offered to provide advice to Members on their roles and responsibilities in relation to data protection.

#### **Decision**

The Cabinet agreed to approve the Data Protection Policy and adopt it as a Council policy.

### **4. FREEDOM OF INFORMATION POLICY**

A report was submitted by the Executive Director (Support Services) seeking Cabinet approval for the Freedom of Information Policy.

The Corporate Legal Adviser, Kirstie MacNeill, presented the report, advising that this draft policy had been approved by the Head of Policy at the Information Commissioner's Office. She thanked Dr Renate Gertz for her work in developing the Freedom of Information Policy.

Councillor Williamson asked if there was an intention to publish the results of Freedom of Information requests. Mrs MacNeill advised that software had now been purchased which would allow the Council to make this information accessible on its website. She undertook to publicise this facility.

#### **Decision**

The Cabinet agreed to approve the Freedom of Information Policy and adopt it as a Council policy.

## **5. EAST Lothian Council's Response to the Scottish Government Consultation on the Proposed Community Empowerment and Renewal Bill**

A report was submitted by the Executive Director (Support Services) presenting the basis for the response from the Council to the Scottish Government's consultation on the Proposed Community Empowerment and Renewal Bill.

The Corporate Policy Manager, Paolo Vestri, presented the report, summarising the proposed response to the consultation. He requested that responsibility be delegated to the Council Leader and Chief Executive to approve the detailed response prior to submission to the Scottish Government. Mr Vestri highlighted the key issues contained in the report and also voiced concern about a number of aspects of the consultation.

In response to a question from Councillor Berry, Councillor Innes informed Members that the new Administration would be working with communities to develop partnership arrangements. Councillor Hampshire highlighted Halhill Healthy Living Centre as a model of good practice as regards a community controlled facility, but stressed that the Council had to ensure that the infrastructure was in place to ensure that services would not suffer if facilities were transferred to community management.

Councillor McLennan asked if the third sector had been involved in the consultation. Mr Vestri advised that neither communities nor the third sector had been consulted as this was a Council consultation, but that they would have an opportunity to respond. He reiterated the Council's commitment to work with the third sector in a number of areas.

Speaking in support of the comments made by Councillor Hampshire, Councillor Currie praised the work undertaken by volunteers in East Lothian and emphasised the importance of Council support to organisations and facilities being managed by community groups.

### **Decision**

The Cabinet agreed to endorse the general comments contained within Sections 3.3-3.12 of the report as the basis for the Council's detailed response to the Scottish Government's consultation on the Proposed Community Empowerment and Renewal Bill which would be submitted by the Chief Executive following approval by the Council Leader.

## **6. EAST Lothian Council's Response to the Scottish Government Consultation on the Integration of Health and Social Care**

A report was submitted by the Executive Director (Services for People) seeking approval of the Council's response to the Scottish Government consultation on the integration of health and social care.

The Chief Executive introduced the report, advising that this was one of the most important pieces of reform for the Council, which would result in closer working relationships with the NHS. She advised that under the proposed arrangements, Community Health Partnerships would be abolished and replaced with integrated health and social care partnerships responsible to councils and the NHS. She noted that the initial focus would be on older people's services, and that it would then be rolled out to adult services and children's services. Members were advised that current partnership arrangements with Midlothian Council would continue. It was also noted that a consultation on the reform of community planning was linked to this consultation. The Chief Executive thanked Murray Leys and David Heaney for their work on the consultation response.

As regards the integration of budgets, the Head of Adult Wellbeing, Murray Leys, advised that the Scottish Government would be producing guidance on this as part of the process. The Chief Executive noted that there were five workstreams currently underway, one of which was concerned with finance. She added that this was a very complex area of work and that colleagues in Finance and Social Work were fully involved.

Responding to a question from Councillor MacKenzie regarding housing issues, Mr Leys explained that the Council had made it very clear from the outset that its approach to the integration of health social care would include working closely with housing and education to ensure a one council approach. He also noted that discussions were ongoing as regards joined up inspections based on the Getting It Right for Every Child (GIRFEC) model.

In relation to accountability, Mr Leys advised that work on this aspect of the proposal was underway.

Councillor McLennan asked if the Labour Group were supportive of the integration agenda. Councillor Innes indicated that the previous Labour Administration had been involved in the Joint Futures initiative and that the current Administration was enthusiastic about integration with health partners. He added that Opposition Members would be involved should a shadow arrangement be put in place to enable the transition.

Councillor Currie suggested that the budget should be aligned with the decision-making body.

Councillor McLennan welcomed the report and highlighted the importance of involving the voluntary sector. Councillor Innes commented that the role of the voluntary sector was still under consideration and that further information would come forward on this aspect.

As the Cabinet Spokesperson for Health and Social Care, Councillor Grant reported that recent discussions had been very positive. He believed that a single authority for East Lothian would result in better outcomes for service users and that democratic accountability would be at the forefront of establishing the new arrangements.

## **Decision**

The Cabinet agreed:

- i. to note the contents of the report;
- ii. to approve the response for submission to the Scottish Government; and
- iii. to request that the Chief Executive should begin detailed planning towards the establishment of a single Health and Social Care Partnership in East Lothian, taking account of guidelines and legislation as available.

## **7. EAST LOTHIAN ARMED FORCES COMMUNITY COVENANT**

A report was submitted by the Executive Director (Support Services) informing Cabinet of the proposal for East Lothian Council to sign the East Lothian Armed Forces Community Covenant.

The Corporate Policy Manager, Paolo Vestri, presented the report, advising that the Council had been approached to take the lead in producing and signing an Armed Forces Community Covenant, and that other neighbouring authorities had already done this. He noted that this proposal was supported by a number of partners and other agencies and that

the East Lothian Community Planning Partnership Board had endorsed the signing of the Covenant on 10 September 2012. If approved, he advised that a formal signing ceremony would be organised for October and that an action plan would be drawn up to support the objectives set out in the Covenant.

At the request of Councillor Innes, Mr Vestri undertook to involve the British Legion.

Councillor Currie suggested that the action plan should also include housing issues and that the Council's Allocation Policy should reflect this. Councillor Innes confirmed that the Allocations Policy would be reviewed in due course.

The report received cross-party support.

### **Decision**

The Cabinet agreed to approve the proposal for East Lothian Council to sign the East Lothian Armed Forces Community Covenant.

## **8. PUBLIC MINUTE OF THE MEETING OF THE LICENSING SUB-COMMITTEE HELD ON 14 JUNE 2012**

The public minute of the meeting of the Licensing Sub-Committee held on 14 June 2012 was approved.

### **SUMMARY OF PROCEEDINGS – EXEMPT INFORMATION**

The Cabinet unanimously agreed to exclude the public from the following business containing exempt information by virtue of Paragraph 6 (information concerning the financial or business affairs of any particular person other than the Authority) of Schedule 7A to the Local Government (Scotland) Act 1973.

#### **Sub-Committee Minutes**

The private minute of the meeting of the Licensing Sub-Committee held on 14 June 2012 was approved.

The private minutes of the meetings of the Tenancy Sub-Committee held on 21 June and 19 July 2012 were approved.