



**MINUTES OF THE MEETING OF
EAST LoTHIAN COUNCIL**

**TUESDAY 26 FEBRUARY 2013
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Committee Members Present:

Provost L Broun-Lindsay (Convener)	Councillor W Innes
Councillor S Akhtar	Councillor M Libberton
Councillor D Berry	Councillor P MacKenzie
Councillor S Brown	Councillor F McAllister
Councillor J Caldwell	Councillor P McLennan
Councillor S Currie	Councillor K McLeod
Councillor T Day	Councillor J McMillan
Councillor A Forrest	Councillor J McNeil
Councillor J Gillies	Councillor T Trotter
Councillor J Goodfellow	Councillor M Veitch
Councillor D Grant	Councillor J Williamson
Councillor N Hampshire	

Council Officials Present:

Mrs A Leitch, Chief Executive
Mr A McCrorie, Executive Director (Support Services)
Ms M Patterson, Executive Director (Services for Communities) and Monitoring Officer
Mr J Lamond, Head of Council Resources
Mr M Leys, Head of Adult Wellbeing
Mr J Cunningham, Benefits Manager
Ms M Ferguson, Corporate Legal Adviser
Mr D Russell, Corporate Communications Manager
Mr P Vestri, Corporate Policy Manager

Visitors Present:

None

Clerk:

Mrs L Gillingwater

Apologies:

None

1. COUNCIL AND COMMITTEE MINUTES FOR APPROVAL

The Minutes of the Council and Committee meetings specified below were submitted and approved, subject to the specified amendments:

Education Committee – 29 November 2012

Policy & Performance Review Committee – 27 November 2012

Planning Committee – 4 December 2012

Amendment (p.219, paragraph 3): Councillor Day proposed an amendment to the effect that the words “which were not within the Local Plan” be added to the end of the second sentence. The Council agreed to accept this amendment.

Cabinet – 11 December 2012

East Lothian Council – 18 December 2012

Statement from Councillor Berry: Councillor Berry apologised to the Chamber for his absence from the meeting, given that he had requested the presence of Stephen Reid of KPMG to respond to questions/concerns raised by Councillor Berry at the Council meeting held on 23 October 2012.

Cabinet – 15 January 2013

Audit & Governance Committee – 22 January 2013

Policy & Performance Review Committee – 29 January 2013

2. COUNCIL AND COMMITTEE MINUTES FOR NOTING

The Minutes of the Council and Committee meeting specified below were noted:

Local Review Body (Planning) – 20 December 2012

3. TREASURY MANAGEMENT STRATEGY 2013/14 – 2015/16

A report was submitted by the Executive Director (Support Services) seeking approval of the Treasury Management and Investment Strategies for 2013/14 to 2015/16.

The Head of Council Resources, Jim Lamond, presented the report, highlighting the salient points of the Strategy, including the management of the Council's debt, the Investment Strategy and loans to third parties. He undertook to ensure that quarterly reports on treasury management activity would be lodged in the Members' Library and that an annual treasury activity report would be presented to the Audit & Governance Committee.

In response to questions from Councillor Currie, Mr Lamond explained that the practice of under-borrowing was not new for the Council but the situation now was such that information on the Council's requirement to borrow to fund capital investment was collected in accordance with the CIPFA Code of Practice. He referred to Table 5 of the report which provided an illustration of the Council's Capital Financing Requirement. He further advised that the Council could either borrow to support capital investment or use reserves for this purpose, the latter being a better course of action in treasury management terms. He noted, however, that there was no longer a sufficient level of reserves to fund investment. Mr Lamond also pointed out that capital spending should be relative to debt levels as well as

staying within prudential limits, and that assessments were made relative to other spending pressures and priorities within the revenue account.

Councillor Berry observed that no distinction had been made between the General Services budget and the Housing Revenue Account, and asked why these had not been considered separately, given that the HRA was self-funding. Mr Lamond reiterated that the information provided complied with the Treasury Management Code of Practice and that there was no discretion on how it was reported.

Councillor Berry also asked a question in relation to the Council's gross debt figures. Mr Lamond advised that this was due to a time lag in capital spending, and that the estimated increase in debt would be built into budgets in future years.

Mr Lamond also answered a question in relation to how net and gross figures were presented within the report.

Decision

The Council agreed:

- i. to note the Treasury Management Strategy summary provided in Sections 3.4 – 3.18 of the report;
- ii. to note the Investment Strategy summary provided in Sections 3.19 – 3.22 of the report;
- iii. to approve the Authorised Limits for external debt, as detailed in Section 3.13 of the report;
- iv. to approve Operational Boundaries for external debt, as detailed in Section 3.15 of the report;
- v. to approve the delegation of authority to the Head of Council Resources to effect movement between external borrowing and other long-term liabilities, as detailed in Section 3.16 of the report; and
- vi. to approve the detailed Treasury Management Strategy Statement, which had been lodged in the Members' Library and made available to Members in advance of the meeting.

4. WELFARE REFORM SERVICE CHANGES

A report was submitted by the Executive Director (Support Services) providing Council with a further update on Welfare Reform and specifically to make recommendations in respect of the Council Tax Reduction Scheme (CTR), the Scottish Welfare Fund (SWF) and Discretionary Housing Payments (DHPs).

The Benefits Manager, John Cunningham, advised that the report was concerned with the changes that would be come into force in April 2013. He noted that the implementation of Universal Credit Scheme would be delayed until early 2014. Mr Cunningham provided a summary of work undertaken in preparation for the forthcoming changes and also the potential impact of these changes on benefits claimants.

In response to questions from Councillor McLennan as regards under occupancy, Mr Cunningham advised that 850 letters had been issued to householders regarding the

forthcoming changes. He added that officers in Community Housing were looking at options for people seeking to downsize, but warned that the reforms may result in higher levels of rent arrears. He also pointed out that no specific provision had been made in relation to potentially higher levels of bad debt for the coming year, but that this situation would be monitored.

Councillor Currie asked if sufficient provision had been made in the budget to meet the anticipated demand for assistance. Mr Cunningham stressed that the additional DHP funding to the Council was designed to give people time to adjust to the new policy, not to match the potential loss of housing benefit. He added that the introduction of the benefits cap had been delayed, which would give claimants some scope to reorganise their finances.

Councillor Berry expressed concern about the potential costs of implementing the new software system. Mr Cunningham advised that the costs outlined in the report were estimates and they may indeed rise.

Councillor Currie warned that the public may still be unaware of the potential impact of the forthcoming changes. He also commented on the additional administrative burden on Council officers. He suggested that the Council should not evict tenants on the grounds of non-payment as a result of DHP Scheme, particularly as there were very few one-bedroom properties for people to move to.

Councillor Veitch welcomed the report and the reforms to the welfare system. He felt the Council was well placed to deal with the changes.

Councillor Berry thanked Mr Cunningham and his team for their work in preparing for the changes, and also the Scottish Government, who had provided additional funding. He suggested that this was one area of work which could be carried out as a shared service with other local authorities.

Councillor McLennan highlighted the impact that the DHP Scheme would have in East Lothian and the potential for an increase in bad debt, which would in turn have financial implications for the Council.

In response to Councillor Currie's suggestion as regards non-payment of rent, Councillor Innes declared that this proposal was irresponsible. He pointed out that the main concern of the Administration was to prevent tenants from getting into arrears with their rent payments, and that eviction would always be the last resort. Councillor McLennan claimed that a number of local authorities had already adopted policies whereby tenants would not be evicted as a result of the under occupancy changes to Housing Benefit.

Councillor Hampshire thanked Mr Cunningham and his team for their efforts in raising awareness of the changes. He reiterated that the Administration would do everything possible to support tenants through the changes.

Councillor McAllister condemned the UK Government's welfare reform agenda, arguing that it would lead to greater inequality.

Decision

The Council agreed:

- i. to note the changes associated with the implementation of the Council Tax Reduction Scheme, which replaces the existing Council Tax Benefit Scheme, from 1 April 2013;

- ii. to note the changes associated with the implementation of the new Scottish Welfare Fund, which is being introduced on 1 April 2013 under the DWP Social Fund successor arrangements; and
- iii. to note the changes to the Discretionary Housing Payment Scheme and delegates authority to the Head of Council Resources in consultation with the Head of Housing and Environment to finalise the DHP Policy currently under development

5. SUPPORT FOR EAST LOTHIAN BUSINESSES – LOAN TO EAST LOTHIAN INVESTMENTS LTD

A report was submitted by the Executive Director (Support Services) seeking approval to extend a loan facility currently made available to East Lothian Investments Ltd (ELI).

Declaration of Interest: Councillor Berry declared an interest in this item and left the Chamber.

The Head of Council Resources, Jim Lamond, presented the report, informing Members of the work undertaken by ELI in providing support to local businesses. He advised that the proposed loan should be considered as a permitted investment loan to a third party made on service policy reasons. He noted that previous and current loan arrangements to ELI had operated without difficulty. Mr Lamond outlined the terms of the proposed loan.

Councillor McLennan welcomed the proposed investment, commenting that this initiative had been very successful and had helped a number of local businesses.

Councillor McMillan echoed these comments, adding that the initiative had been recognised as a model of good practice by the Minister for Local Government.

Councillor MacKenzie warned of the challenges facing high street retailers and expressed concern at the types of businesses opening in a number of local high streets. He asked for details of support to retailers through ELI. Mr Lamond advised that the Economic Development Division would be able to provide further details on this matter.

Councillor Grant noted that he was satisfied with the checks and balances undertaken to mitigate the risk of providing loans to ELI, which were unsecured.

Decision

The Council agreed:

- i. to approve the extension of the existing loan facility to ELI originally approved by Council on 26 May 2009 and subsequently renewed in December 2011; and
- ii. to authorise the Head of Council Resources to finalise the loan, satisfying the requirements set out in Sections 3.12 and 3.13 of the report.

Sederunt: Councillor Berry returned to the Chamber.

6. EAST LOTHIAN COMMUNITY PLANNING PARTNERSHIP GOVERNANCE REVIEW

A report was submitted by the Executive Director (Support Services) informing the Council of progress with the review of the East Lothian Community Planning Partnership governance arrangements.

The Chief Executive presented the report, providing Members with information as to the reasons for the review. She outlined the proposed structure for Community Planning, with an expanded Community Planning Partnership Board, three Strategic Boards replacing the current seven Theme Groups, and the introduction of local area co-ordination teams. She advised that further detailed reports would be presented to the Community Planning Partnership Board in March and to the Council in April.

In response to questions from Councillor Berry, the Chief Executive advised that the Communities Strategic Board would involve representation from Police and Fire. She further advised that a report would be presented to the Shadow Police and Fire & Rescue Board on 4 March on the arrangements for scrutiny and engagement in relation to Police and Fire & Rescue Services, the outcome of which would be reported to Council. She also mentioned that plans for the local co-ordination teams had not yet been established and that local groups, such as community councils, tenant and resident panels and parent councils would be involved in drawing up plans for their own communities. Councillor Berry welcomed the involvement of local community groups and that each community could establish its own approach.

Councillor Veitch welcomed the proposed streamlined structure of the community planning process. He also highlighted the importance of involving community councils in the process.

As regards community safety, Councillor Currie expressed concern that there would not be a distinct Police and Fire Board for East Lothian under the proposals. Whilst he accepted that the Council would have no input on operational matters, he felt that such a Board would be more accessible and would allow for East Lothian-specific issues to be discussed in public.

Councillor Hampshire suggested that issues should be raised at local group level in the first instance and then be fed into the community planning process.

Councillor MacKenzie called for clarity on ward level policing plans.

Councillor McMillan welcomed the more focussed and simplified structure being proposed for community planning. He also congratulated Councillor Trotter and Lilian Pryde (the Council's Democratic Services Officer) on their election to the Board of Haddington Community Development Trust.

Decision

The Council agreed to endorse the Community Planning Partnership Board's agreement in principle to establish new governance arrangements and structure as detailed in Sections 3.4 and 3.5 of the report.

7. INTEGRATION OF HEALTH AND SOCIAL CARE UPDATE

A report was submitted by the Executive Director (Services for People) updating the Council on progress towards the establishment of a Health and Social Care Partnership in East Lothian.

The Head of Adult Wellbeing, Murray Leys, presented the report, providing Members with an update on the progress made in relation to the key work streams and shadow partnership arrangements. He noted that the NHS would appoint the Chair of the Shadow Partnership Group for a two-year period. Members were advised that proposals to establish the shadow partnership would be presented to the Council in April 2013.

As Cabinet Spokesperson for Health & Social Care, Councillor Grant welcomed the report. He reported that all adult social care services would be legislated for and that there was also the potential for a partnership arrangement for children's social work services.

Councillor Berry asked for confirmation that budgets would be aligned rather than combined. Councillor Grant believed that the budgets would be aligned.

Decision

The Council agreed:

- i. to note the contents of the report; and
- ii. to request that a report with proposals to establish shadow partnership arrangements is brought forward for approval by April 2013.

8. OLDER PEOPLE'S CHANGE FUND 2013/14

A report was submitted by the Executive Director (Services for People) submitted a report updating the Council on the use of East Lothian's Change Fund and seeking approval for the 2013/14 Change Plan template, and rolling three year joint commissioning plan for reshaping care for older people.

The Head of Adult Wellbeing, Murray Leys, presented the report, drawing attention to the projects supported by the Change Fund since 2011 and advising that a review of these projects was underway to ascertain their effectiveness. He highlighted that 39% of the funding had been committed to supporting carers. He also referred to the Joint Commissioning Plan attached to the report, which would provide a template for the integration of health and social care services.

Councillor McLennan welcomed the report and, in particular, the funding allocated to third sector projects and support for carers. He believed that this collaborative work would fit well with the integration agenda. His comments were echoed by Councillor Grant.

Councillor Berry expressed concern at the projected numbers of people with dementia in East Lothian and commented on the need to present creative solutions to this problem.

Decision

The Council agreed:

- i. to note the contents of the report; and
- ii. to approve the 2013/14 Change Plan template and rolling three-year joint commissioning plan for reshaping care for older people.

9. CARERS' STRATEGY: CARING TOGETHER STRATEGY FOR EAST LOTHIAN 2013 – 2018

A report was submitted by the Executive Director (Services for People) presenting a final draft Caring Together Strategy for East Lothian for approval.

The Head of Adult Wellbeing presented the report, emphasising the Council's commitment to support carers in East Lothian. He summarised the key themes of the Strategy and noted that the appointment of a Carers' Champion would be carried out in conjunction with the Carers' Forum and the relevant Cabinet Spokespersons.

Councillor McLennan thanked Mr Leys and Councillor Grant for taking forward the appointment of a Carers' Champion. However, he criticised the decision of the Administration to reduce funding to a number of Adult Wellbeing services. He asked if day centre and carers' funding would be protected, remarking that he had serious concerns about the delivery of this Strategy if such services were cut.

Councillor Grant responded, conceding that some voluntary organisations would see a reduction to their funding but that a number of such organisations were eligible for funding from sources other than the Council. He recognised the valuable contribution made by day centres and referred to £50,000 of investment in this area, the use of which would be discussed with the Day Centre Association.

Councillor Trotter expressed concern for the future of Haddington Day Centre. Councillor Grant noted that a statement on support for this facility would be made in due course.

As regards the Abbey Care Home in North Berwick, Councillor Berry highlighted issues with the accommodation, and suggested that the Council and NHS should consider providing joint facilities in North Berwick and other areas.

Decision

The Council agreed:

- i. to note the contents of the report; and
- ii. to approve the Caring Together Strategy for East Lothian 2013 – 2018.

10. SCHEDULE OF MEETINGS 2013/14

A report was submitted by the Executive Director (Support Services) seeking approval for the Schedule of Meetings 2013/14.

Decision

The Council agreed to approve the proposed Schedule of Meetings for 2013/14.

11. AMENDMENT TO CABINET PORTFOLIOS AND APPOINTMENT OF REPRESENTATIVES TO OUTSIDE BODIES

A report was submitted by the Executive Director (Support Services) seeking Council approval to amend Cabinet portfolios and to appoint an Elected Member to represent the Council on the Lothian Pension Fund Consultative Panel.

Decision

The Council agreed:

- i. to approve that Cabinet responsibility for housing transfers from Councillor Willie Innes to Councillor Norman Hampshire and that accordingly, Councillor Innes becomes Cabinet Spokesperson for Community Planning and Councillor Hampshire becomes Cabinet Spokesperson for Housing and Environment; and
- ii. to approve the appointment of Councillor Jim Goodfellow to the Lothian Pension Fund Consultative Panel.

12. NOTICE OF MOTION: SNP NO COMPULSORY REDUNDANCY POLICY

A Notice of Motion was submitted to the Council by Councillors McLennan and Williamson:

“Council notes the recent discussion to implement the VERS (Voluntary Early Release) Scheme.

Council agrees to open discussions with the Joint Trades Unions around implementation of a No Compulsory Redundancy Scheme.

Council notes that this policy was recently agreed at Midlothian Council.

Council agrees to report back with recommendations on implementation of a No Compulsory Redundancy Policy.”

Councillor McLennan presented his motion, calling on the Council to open discussions with the Joint Trades Unions on this issue. He noted that Midlothian and a number of other councils had recently introduced such schemes.

Councillor Williamson seconded the motion.

Councillor Innes stated that the position of the Administration had not altered since June 2012, when the SNP Group had presented a similar motion to the Council. He declared that the Administration would do everything possible to protect staff.

Councillor Veitch accused the Opposition of “playing politics with people’s jobs”, and pointed out that the aim of the Voluntary Early Release Scheme (to be presented to Cabinet in March) was to make the required reductions in staffing costs. He believed it would be unwise to introduce a no compulsory redundancy policy at this time.

As an employee of Midlothian Council, Councillor Brown commented that the introduction of a no compulsory redundancy scheme there had raised morale amongst the workforce.

Councillor Currie urged the Administration to consider entering into discussions at an early stage.

Councillor Grant felt that whilst the motion was well-intentioned, it was premature, given that the VER Scheme had not yet been approved by Council.

Summing up, Councillor McLennan advised that he had discussed his motion with some Trades Union representatives and that they had indicated support for early discussions on the matter. He accepted that such a policy may not be achievable but urged the Council to discuss the matter with the Joint Trades Unions.

The Provost then moved to the vote on the motion, as proposed by Councillor McLennan and seconded by Councillor Williamson.

For: 9
Against: 13
Abstentions: 1

The motion therefore fell.

13. NOTICE OF MOTION: 1984 MINERS STRIKE CONVICTIONS

A Notice of Motion was submitted to the Council by Councillors Currie and McLennan:

“Council is concerned about the potential that arrests and convictions that occurred during the 1984 miners’ strike may be unsafe and could have led to miscarriages of justice during the dispute.

Council agrees to write to the Chief Constable of the new Scottish Police Service and the Justice Secretary to urge that an independent review of convictions made during the dispute be carried out.”

Prior to the presentation of the motion, the Provost pointed out that the Chief Constable was not the appropriate person to contact in relation to this matter and suggested to Councillor Currie that the motion be amended to reflect that: “Council agrees to write to the Scottish Criminal Review Board”. He offered the Administration an opportunity to put forward any further amendments.

Councillor Hampshire proposed a further amendment to the second paragraph of the motion, which would read: “Council agrees to back the call from Fiona O’Donnell MP, and Iain Gray MSP, for an independent review of convictions made during the dispute to be carried out”.

Councillor Currie, the proposer of the motion, remarked that the original motion to the Scottish Parliament on this matter had not been submitted by Ms O’Donnell and Mr Gray and that he therefore felt Councillor Hampshire’s proposed amendment would not add credence to his motion. He then presented the motion, informing Members that convictions made in South Yorkshire during the miners’ strike of 1984 had been investigated by the Independent Police Complaints Commission and that a number of admissions of guilt had been found to be unsound. Neil Finlay MSP had then submitted a motion to the Scottish Parliament calling for a review of convictions made in Scotland during the strike. Councillor Currie noted that approximately 1000 convictions had been made during the strike in Scotland, and that this had had a significant impact on the affected communities, including East Lothian. He advised that test cases were currently being prepared for presentation to the Scottish Criminal Cases Review Commission. He added that this issue had met with cross party support at the Scottish Parliament.

Councillor McLennan seconded the motion.

Councillor Akhtar seconded the amendment as proposed by Councillor Hampshire.

Councillor McLennan advised that the SNP Group would be prepared to accept Councillor Hampshire’s proposed amendment on the condition that the Midlothian North and Musselburgh MSP, Colin Beattie’s name was added. The Administration accepted this additional amendment.

Decision

The Council agreed:

“Council is concerned about the potential that arrests and convictions that occurred during the 1984 miners’ strike may be unsafe and could have led to miscarriages of justice during the dispute.

Council agrees to back the call from Fiona O’Donnell MP, Iain Gray MSP, and Colin Beattie MSP, for an independent review of convictions made during the dispute to be carried out.”

14. SUBMISSIONS TO THE MEMBERS’ LIBRARY, 18 DECEMBER 2012 TO 18 FEBRUARY 2013

A report was submitted by the Executive Director (Support Services) advising of the reports submitted to the Members’ Library Service since the last meeting of the Council, as listed in Appendix 1 to the report, into the Council’s business.

Decision

The Council agreed to record the reports submitted to the Members’ Library Service between 18 December 2012 and 18 February 2013, as listed in Appendix 1, to the report, into the Council’s business.

Signed

Provost Ludovic Broun-Lindsay
Convener of the Council