

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Partnerships and Community Services)

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SUBJECT: Planning Application No. 14/00219/PM - Planning Permission for Erection of 112 Houses, Industrial Units (Class 4 Use), Pub/Restaurant and Associated Works on Land at the Former Gateside Commerce Park, West Road, Haddington

1 PURPOSE

- 1.1 A Pre-determination Hearing is mandatory where a planning application is made for a major development that is significantly contrary to the development plan and consequently has to be determined by a meeting of the full Council.
- 1.2 As the area of the application site is greater than 2 hectares and the principle of development is for more than 50 houses, the proposed development is, under the provisions of The Town and Country Planning (Hierarchy of Developments) (Scotland) Regulations 2009, defined as a major development. Furthermore, in being on land allocated by the adopted East Lothian Local Plan 2008 for economic development purposes, the proposed development is significantly contrary to Policy BUS1 of the local plan.
- 1.3 Application 14/00219/PM is therefore brought before the Planning Committee for a Pre-determination Hearing prior to the consideration of its merits and determination of the application by the Council at their meeting immediately following the Pre-determination Hearing.
- 1.4 The purpose of this report is to provide a description of the development proposal, summaries of the development plan policies and other material considerations including consultation responses and public representations relevant to application 14/00219/PM, and an assessment of the development proposal. The report also sets out the officer's recommendation for determination of the application.

2 RECOMMENDATIONS

2.1 That planning permission be refused for the mixed use development proposed in planning application 14/00219/PM for the following reasons:

1. The proposed housing development and the proposed pub/restaurant would result in the loss of business land that is part of the established business land supply of Haddington, to the detriment of East Lothian's economy and the greater Lothian economy, contrary to Policy 2 of the approved South East Scotland Strategic Development Plan (SESplan), Policy BUS1 of the adopted East Lothian Local Plan 2008 and Government policy guidance given in Scottish Planning Policy: June 2014.

2. If approved the proposed housing development together with the proposed pub/restaurant would set an undesirable precedent for the development of new housing and other uses not within Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997 on land elsewhere in East Lothian that is established for such business and industrial uses, the cumulative effect of which would be the depletion of Council's supply of established land for business and industrial use to the detriment of the economy of East Lothian and the greater Lothian economy.

3. There is not, and there would not be sufficient capacity at Haddington Infant School to accommodate children that could arise from the occupancy of the proposed new build housing development, contrary to the requirements of Policy INF3 of the adopted East Lothian Local Plan 2008.

4. The new build residential development proposed in this application is contrary to part 5 of the Council's Housing Land Supply: Interim Planning Guidance on the following considerations:

(i) the desirability of securing housing does not outweigh the retention of the allocated use,

(ii) the housing use would not help deliver the allocated use on a significant remainder of the site;

(iii) in respect of lack of education capacity the application site is not immediately effective or capable of being so, is not demonstrably able to deliver early house completions and therefore cannot support the effective housing land supply in the short term.

3 BACKGROUND

3.1 Planning Assessment

As a statutory requirement of major development type proposals this development proposal was the subject of a Proposal of Application

Notice (Ref: 13/00007/PAN) and thus of community consultation prior to this application for planning permission being made to the Council.

As an outcome of that and as a statutory requirement for dealing with major development type applications a pre-application consultation report is submitted with this application. The report informs that 26 people attended the pre-application public exhibition, which was held at the Town House, Haddington, and that from those attendees 10 feedback sheets or emails were received making a number of queries and suggestions regarding the proposals. The development for which planning permission is now sought is of the same character as that which was the subject of the community engagement undertaken through the statutory pre-application consultation of the proposal.

The application site consists of 5.91 hectares of land which comprise the Gateside Commerce Park. It is bounded to the north by a length of the Haddington to Longniddry railway walk. To the east it is bounded by a length of road beyond which is a field (known as Gateside East). In February 2014 East Lothian Council agreed to grant planning permission in principle (Ref: 13/00800/PPM) for a residential and business development on that field subject to the prior conclusion of a Section 75 Agreement. That Agreement has yet to be concluded and thus the planning permission has not yet been issued. To the west the application site is bounded by land comprising the western part of Gateside Commerce Park for which planning permission in principle (ref: 11/00729/PPM) and approval of matters specified in conditions (ref: 12/00896/AMM) have been granted for the development of a Class 1 retail store and for a petrol filling station on the western part of the application site, for the reconfiguration of the existing car park of the Gateside Commerce Park and for associated works.

To the south the site is bounded by the B6471 West Road, beyond which is agricultural land which forms part of a larger area of agricultural land allocated for a mixed use development of 750 houses, social and community facilities and associated infrastructure by Proposal H3 (Letham Mains) of the adopted East Lothian Local Plan 2008. In July 2013 planning permission (ref: 13/00519/PM) was sought for the erection of 385 houses and 48 flats on the western part of that allocated site. In January 2014 planning permission (ref: 14/00089/PM) was sought for the erection of 258 houses and 119 flats on the eastern part of that allocated site. In July 2014 planning permission (ref: 14/00534/PCL) was sought for the erection of a primary school on that allocated site. These planning applications are yet to be determined.

A residential property known as Gateside Cottage is also located to the south of the application site.

Planning permission is sought through this application for the erection on the site of 112 houses, business/light industrial units (Class 4 use), a pub/restaurant and for associated works. To facilitate this proposed

development all the existing buildings of Gateside Commerce Park would be demolished and removed from the site.

The site plan submitted with the application shows how the proposed residential and business uses and the pub/restaurant would be accommodated within the site. It is proposed to provide for 14 small Class 4 business/light industrial units with associated parking, on some 0.26 of a hectare of the site, providing some 971 square metres of Class 4 business space. They would be located on the western part of the site. The proposed units would be single storey in height with mono-pitched roofs. Their external walls would be timber clad and with roller and pedestrian doors installed in their front elevations.

The proposed pub/restaurant would be sited on an area of some 0.4 of a hectare of the site, with a floor area of some 690 square metres. It would be located on the south-western corner of the application site. It would be partly single storey and partly two-storey in height with pitched roofs clad in slate tiles, with external walls a mix of sandstone and painted render finishes and with double glazed timber framed windows and doors.

The site plan shows that the majority of the site would be for residential use with the erection of 112 houses with associated access roads, parking areas, landscaping and open space. The houses would comprise of a mix of detached, semi-detached and terraced two storey houses. It is also proposed that a landscaped buffer would be planted between the business and residential uses.

Access to the proposed industrial units and pub/restaurant would be taken from the B6471 road via a new junction positioned to the east of the Oaktree roundabout junction. A new access road would be formed within the application site to serve them.

The proposed housing would be accessed from two points, one from a new junction with the B6471 road and also from the existing road which bounds the site to the east.

The application is supported by a Planning Statement, Employment Land and Property Market Review, Transport Assessment and a Design and Access statement.

Under the provisions of The Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2011 the proposed development falls within the category of a Schedule 2 Development, being one that may require the submission of an Environmental Impact Assessment (EIA). Schedule 3 of The Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2011 sets out the selection criteria for screening whether a Schedule 2 development requires an EIA. On 17 October 2013 the Council issued a formal screening opinion to the applicants. The screening opinion concludes that it is East Lothian Council's view that the proposed development is not likely to have a significant effect on the environment

such that consideration of environmental information is required before any grant of planning permission in principle. It is therefore the opinion of East Lothian Council as Planning Authority that there is no requirement for the proposed mixed use development to be the subject of an EIA.

Section 25 of the Town and Country Planning (Scotland) Act 1997 requires that the application be determined in accordance with the development plan, unless material considerations indicate otherwise.

The development plan is the approved South East Scotland Strategic Development Plan (SESplan) and the adopted East Lothian Local Plan 2008.

Policies 2 (Supply and Location of Employment Land), 5 (Housing Land) and 7 (Maintaining a Five Year Housing Land Supply) of the approved South East Scotland Strategic Development Plan (SESplan) are relevant to the determination of the application. So too are Policies BUS1 (Business and General Industrial Locations), INF3 (Infrastructure and Facilities Provision), H1 (Housing Quality and Design), H4 (Affordable Housing), C1 (Minimum Open Space Standard for New General Needs Housing Development), C2 (Play Space Provision in New General Needs Housing Development), DP1 (Landscape and Streetscape Character), DP2 (Design), DP14 (Trees on or adjacent to Development Sites), DP17 (Art Works- Percent for Art), DP20 (Pedestrians and Cyclists), DP22 (Private Parking), DP23 (Waste Minimisation, Separation, Collection and Recycling), T1 (Development Location and Accessibility) and T2 (General Transport Impact) of the adopted East Lothian Local Plan 2008.

A material consideration in the determination of this application is the supplementary planning guidance of "Design Standards for New Housing Areas" approved by the Council on 10th March 2008. This guidance requires that a flexible approach be taken in road layout and design for proposed housing developments and sets core design requirements for the creation of new urban structures that will support Home Zone development as well as establishing design requirements for the layout of and space between buildings. Developers must provide adequate information to the satisfaction of the Council to demonstrate the merits of their design.

Also material to the determination of the application is Planning Advice Note 67: Housing Quality and the Scottish Government policy given in Scottish Planning Policy: June 2014.

Planning Advice Note 67: Housing Quality explains how Designing Places should be applied to new housing. In PAN 67 it is stated that the planning process has an essential role to play in ensuring that: (i) the design of new housing reflects a full understanding of its context - in terms of both its physical location and market conditions, (ii) the design of new housing reinforces local and Scottish identity, and (iii) new housing is integrated into the movement and settlement patterns of the wider area. The creation of good places requires careful attention to detailed aspects of layout and movement. Developers should think about the

qualities and the characteristics of places and not consider sites in isolation. New housing should take account of the wider context and be integrated into its wider neighbourhood. The quality of development can be spoilt by poor attention to detail. The development of a quality place requires careful consideration, not only to setting and layout and its setting, but also to detailed design, including finishes and materials. The development should reflect its setting, reflecting local forms of building and materials. The aim should be to have houses looking different without detracting from any sense of unity and coherence for the development or the wider neighbourhood.

It is stated in Scottish Planning Policy: June 2014 that local development plans should allocate a range of sites for business, taking account of current market demand; location, size, quality and infrastructure requirements; whether sites are serviced or serviceable within five years; the potential for a mix of uses; their accessibility to transport networks by walking, cycling and public transport and their integration with and access to existing transport networks. The allocation of such sites should be informed by relevant economic strategies and business land audits in respect of land use classes 4, 5 and 6. Business land audits should be undertaken regularly by local authorities to inform reviews of development plans, and updated more frequently if relevant. Business land audits should monitor the location, size, planning status, existing use, neighbouring land uses and any significant land use issues (e.g. underused, vacant, derelict) of sites within the existing business land supply. New sites should be identified where existing sites no longer meet current needs and market expectations. Where existing business sites are underused, for example where there has been an increase in vacancy rates, reallocation to enable a wider range of viable business or alternative uses should be considered, taking careful account of the potential impacts on existing businesses on the site.

Paragraph 110 of Scottish Planning Policy states that the planning system should identify a generous supply of land for each housing market area within the plan area to support the achievement of the housing land requirement across all tenures, maintaining at least a 5 year supply of effective housing land at all times.

At its Cabinet meeting of 10 December 2013, the Council agreed that East Lothian has a shortfall in its effective housing land supply and therefore approved its Housing Land Supply: Interim Planning Guidance against which planning applications for housing on land not allocated for housing development will be assessed. The application site is not allocated for residential development. Therefore the approved Interim Planning Guidance is a material consideration in the determination of this planning application.

Two written objections to the application have been received. The content of each is identical.

A copy of each written objection is contained in a shared electronic folder to which all Members of the Council have access.

The main grounds of objection can be summarised as follows;

- * the proposed detailed design falls short of its potential to respond to its significant landscape setting and to maximise integration with the adjacent development sites;
- * The permeability of the development with adjacent developments should be improved. Poor urban form and amenity results from the layout of access and parking arrangements for the pub/ restaurant;
- * The proposed arrangement should be improved, establishing frontage-facing houses; and
- * The landscape structure for the site is woeful, with paltry single lines of trees, rather than significant shelter belts. The opportunity should be taken to re-introduce shelter belts into the site.

Haddington Area Community Council object to the proposed development advising that another pub/restaurant in the last thing Haddington needs and that more housing is not required given the proposals at Dovecot Farm and Letham. They also state that the location of the proposed play park is too close to the public road.

West Road is an important gateway into Haddington. The houses along the frontage of the proposed development would be set back from West Road and separated from it by landscape planting (substantially so at the east side of the site). That landscape planting would not be as robust as at present along the full frontage of the development. However, the purpose of landscaping and planting is to integrate development with its surroundings, not to hide it from view. For this important gateway the appearance of the development should introduce urban character in an appropriate landscape setting. As proposed the development would ensure the setting of West Road on approach to the town centre retains a visually attractive landscape character, with the proposed houses visible but not appearing prominent or intrusive in their surroundings. The proposals respond appropriately to the character of this location in this respect.

One of the principal objectives of the Council's approved Design Standards for New Housing Areas is to reduce the visual dominance of the car in the streetscape of new housing developments. The applicant has addressed this principle along the main frontage of the development and also along the primary routes through it, by use of parking courts to the rear of houses and in-curtilage parking to the rear or side of houses. Elsewhere the applicant proposes to plant hedges along the front boundaries of the front gardens of the houses in the development. To some degree, this would serve to reduce the visual dominance of the car in these streetscapes. In this and in the design principles of the street

layout the proposals generally respond to the requirements of the Design Standards.

The use of the range of house types proposed would give a variation of architectural form to the development, which coupled with the orientation and layout of the buildings, would give a degree of variety of appearance to the development. The architecture of the proposed houses is of a traditional pitched roof form with clean and simple modern detailing and materials. The use of render as the predominant wall finish would be an acceptable finish and would respect the built form of other housing developments in Haddington.

The proposed housing development would provide an attractive residential environment. The houses are shown to be laid out in such a way that adheres to the normally accepted privacy and amenity criteria on overlooking and overshadowing, whilst affording the future occupants of the houses an appropriate level of privacy and residential amenity.

The site is capable of accommodating all of the proposed development including vehicular and pedestrian access and amenity space without being an overdevelopment of it. The proposed development would be of a pattern and density consistent with existing patterns and densities of housing and other development within this part of Haddington.

The proposed pub/restaurant building would partly be seen in relation to both the approved Sainsburys supermarket and the proposed housing and business development. The proposed pub/restaurant building in such visual association with the approved and proposed development would not appear prominent or intrusive in public views from West Road. It would be appropriate to its location in terms of its positioning, size, form and finishing materials.

In respect of open space and play provision, the Council's Principal Amenity Officer advises that the proposed open space provision shown to be provided is sufficient to provide for the proposed development.

In respect of landscape matters the Council's Policy and Projects service advises that they are generally supportive of the proposed landscaping of the site subject to trees being retained on site being protected during construction works and a detailed landscape plan being submitted for approval; this could be made a condition of a grant of planning permission.

The Council's Biodiversity Officer raises concern over the loss of some of the existing trees but advises that the proposed development would not have any adverse biodiversity impacts and therefore raises no objection to the application.

The Council's Environmental Protection Manager raises no objection to the application.

The Council's Waste Services Manager raises no objection to the application.

The Council's Road Services advises on the need to secure a financial contribution from the applicant to enable the future signalisation of the Letham Mains site access which would be opposite the site access to the housing proposed in this application. Road Services also advise on the need to provide precise detail of the proposed pedestrian links from the site to the adjacent Gateside East site the subject of application 13/00800/PPM and of the barriers to be erected to prevent vehicular access along part of the road which bounds the site to the east as well as lighting for it. Otherwise Roads Services is satisfied that the site can be safely accessed and that sufficient parking would be provided. In their location the proposed houses, industrial units and pub/restaurant would be capable of being conveniently and safely accessed by public transport, on foot and by cycle, as well as by private vehicle. The recommendation for a financial requirement towards signalisation of the access junction relative to development at Letham could be made subject to an agreement under Section 75 of the Town and Country Planning (Scotland) Act 1997. The basis of this is consistent with the tests of a planning agreement set in Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements.

Transport Scotland advise that they have concern in regard to the development impact on the junction of the A1 trunk road and the A720 trunk road (i.e. the Old Craighall Junction south of Musselburgh, at the western end of East Lothian). In this regard they have sought a contribution from the developer towards mitigation of this perceived impact. Transport Scotland advise that they intend to enter into an agreement with the applicant under Section 48 of the Roads (Scotland) Act to secure a financial contribution.

The Scottish Environment Protection Agency (SEPA) raise no objection to the proposed development.

Scottish Water have made no comment on the application.

Given the scale of the proposed development and its prominent public location, if planning permission were to be granted it would be appropriate for artwork to be incorporated either as an integral part of the overall design of it or as a related commission to be located on the site or in an approved alternative location. This could be achieved by means of a condition on a grant of planning permission, subject to which the proposal would be consistent with the requirements of Policy DP17 of the adopted East Lothian Local Plan 2008.

The Council's Economic Development & Strategic Investment Service advises that in accordance with the Council's affordable housing policy, 25% of the proposed 112 houses should be affordable housing units, i.e. a total of 28 affordable housing units. They should be provided on site or if it can be demonstrated to the Council that this, or the off-site provision of 28 affordable units is not practicable, a commuted sum payment should be made to the Council in lieu of such an on or off-site provision. The terms for the provision of this affordable housing requirement should

be the subject of an agreement under Section 75 of the Town and Country Planning (Scotland) Act 1997. The basis of this is consistent with the tests of a planning agreement set in Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements. Subject to the Council securing the affordable housing requirement the proposal is consistent with Policy H4 of the adopted East Lothian Local Plan 2008.

Policy INF3 of the adopted East Lothian Local Plan 2008 stipulates that new housing will only be permitted where appropriate provision for infrastructure required as a consequence of the development is made. This includes funding necessary school capacity.

The Council's Deputy Chief Executive (Resources and People Services) informs that the application site is located within the school catchment areas of Haddington Infant School with its nursery class, St Mary's RC Primary School, King's Meadow Primary School and Knox Academy.

He advises that Haddington Infant School does not have sufficient capacity to accommodate children that could arise from the proposed development. He advises that Haddington Infant School has a notional capacity of 325 and is currently within a constrained site. With the children that could arise from the proposed development, the Deputy Chief Executive (Resources and People Services) advises the school will require one additional classroom which cannot be accommodated within the constrained school site and he therefore objects to the application.

As there is not, and would not be sufficient capacity at Haddington Infant School to accommodate children that could arise from the proposed development, it is contrary to Policy INF3 of the adopted East Lothian Local Plan 2008.

Notwithstanding these technical considerations, the primary material consideration in the determination of this application is whether or not the principle of the proposed development accords with development plan policy and if not, whether there are material considerations that outweigh any conflict with the development plan.

The application site is part of the established employment land supply of East Lothian and is covered by Policy BUS1 of the adopted East Local Plan 2008. Policy BUS1 supports in principle uses within Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997 and states that development that does not fall within these classes will not normally be permitted, with the exception of retail activity that is directly related and ancillary to a business or industrial process being carried out on the site.

The part of the application site proposed for the business/light industrial units would be used for purposes within Class 4 of the Town and Country Planning (Use Classes)(Scotland) Order 1997. This part of the proposals is consistent with Policy BUS1 of the adopted East Lothian Local Plan 2008.

Restaurant use falls within Class 3 of the Town and Country Planning (Use Classes) (Scotland) Order 1997. A public house is a sui generis use that does not fall in any Class of the Order.

Residential use falls within Class 9 of the Town and Country Planning (Use Classes) (Scotland) Order 1997.

Policy BUS1 of the adopted East Lothian Local Plan 2008 does not give any support to residential uses or a pub/restaurant use on any part of the application site. The housing and the pub/restaurant elements of the proposed development would be sited on and thus would result in the loss of land within the application site that is part of the established employment land supply and is allocated by the Planning Authority for business and industrial use as part of the Gateside Commerce Park to in part meet the identified need for business land in East Lothian to enable and sustain the economy of East Lothian and of the Lothians. This allocation is safeguarded by Policy BUS1.

The housing and pub/restaurant elements of the proposed development are therefore contrary to Policy BUS1 of the adopted East Lothian Local Plan 2008.

Notwithstanding this, it is necessary to consider whether there are material considerations in this case that outweigh the safeguarding provision of development plan policy.

In a planning statement submitted with the application, the applicant's agent informs that the site contains a number of large footprint industrial buildings totalling around 17,650sqm of space that form part of the Gateside Commerce Park, developed in the 1970s and occupied by Mitsubishi Electric UK for twenty years before closure of the television factory in 1998. The site has been largely vacant since then and the buildings are now unoccupied with the exception of part of one building. The buildings are of an obsolete design with inadequate eaves height for modern occupier requirements and are not viable for continuing employment use. The applicant's agent states that the occupier market in East Lothian and Haddington is for small unit size spaces of modern design. It is also stated that the proposed pub/restaurant facility will provide services for those carrying out shopping trips or as a local facility once the proposed housing is completed and that it would not adversely affect the town centre. The proposed housing would effectively contribute towards the recognised housing land shortage within East Lothian.

The applicant's agent has also submitted an Employment Land and Property Market Review with the application, in which it is stated that the commerce park buildings have proven difficult to let over a fifteen year period, due to their location in Haddington away from major employment locations and their large size, age and condition, and configuration with low eaves height. Rents at Gateside Commerce Park have tended to be very low, at £20 per sqm or below, equivalent to less than £2 per sq.ft. reflecting the marginal uses and building obsolescence.

The agent further states that the buildings have proven difficult to sub-divide and do not sit together well as independent structures for multiple occupation. Units 3, 4 and 5 might be let as they are more physically separate, but it would not be possible to let units 1 and 2 due to their configuration. The buildings cover most of the site which affects the potential to offer access, circulation and parking for individual units.

The agent continues that the buildings are unusually large for the Haddington market area, of poor quality and require extensive upgrading. Their size, condition and increasing obsolescence constrains their market appeal. The only occupational interest is short term and ad hoc, for example for East Lothian Council's roads department. The agent contends that sustainable market demand in East Lothian and Haddington is for small, modern, well-located business units and that the proposed development offers the opportunity to cross-fund serviced sites for new employment and leisure uses, rather than retaining obsolete buildings on a site that are surplus to economic development requirements. It is stated that the proposed uses would meet market demand and offer the potential to create 65 jobs.

It should be noted that the applicant's Employment Land and Property Market Review further informs that a development appraisal of the indicative small unit industrial scheme by the applicant's agent Ryden shows a loss. Therefore it would not be the intention of the applicant, PLOT (Haddington) LLP, to develop these units speculatively at this time.

Thus although the application drawings show the provision of 971 square metres of Class 4 business/light industrial units the applicants state that it is not their intention to develop the proposed industrial units at this time. Therefore there is no guarantee that if planning permission were to be granted for the proposed mixed use development that the Class 4 units would be delivered. In any case it would only be this small retention of 0.26 of a hectare of Class 4 business use that would be left on site following the removal of the existing 17,650sqm of industrial units on the 5.9 hectare established employment site.

The Employment Land and Property Market Review report submitted in support of the application notes 4 employment land allocations totalling 8.6 hectares within Haddington and argues these are sufficient business/industrial land provision for Haddington.

However, the sites referred to are constrained and for the most part cannot deliver viable business/industrial land provision for the following reasons:

Proposal BUS6 – Gateside East – 3.5ha of land for uses within Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997. Planning permission resolved to be granted for a mixed use development of the site of housing and business use (0.96 hectares).

Proposal BUS7 – Hospital Road - 1.5ha of land for uses within Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland)

Order 1997. This site is owned by the adjacent business for its own potential future expansion.

Policy BUS 7 – Former Oak Tree filling station site – Planning permission granted for a Class 1 retain store and associated works.

Policy BUS8 – Bermaline Maltings – 3.6ha of land for uses within Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997. This site is owned by the adjacent business for potential future expansion.

As identified above the sites are constrained and not readily available for economic use with only one site at Gateside East coming forward for new businesses/business relocation on some 0.96 hectares of the site. Therefore it must be considered whether or not these sites can be taken to provide sufficient business/industrial land provision for Haddington.

The Council's Economic Development and Strategic Investments Service has been consulted on the planning application.

The advice of that Service is that economic development is a key priority for East Lothian and is at the forefront of East Lothian Community Planning Partnership's Single Outcome Agreement and East Lothian Council's Council Plan 2012-2017. The East Lothian Economic Development Strategy 2012 to 2022 is a reflection of the priority placed on economic development and acts as a guiding framework for future activities. It sets out clear strategic direction and is the foundation of the vision set out in the Council Plan of increasing the number of businesses in East Lothian with growth potential and to increase the proportion of East Lothian residents working in and contributing to East Lothian's economy by an increase in East Lothian's jobs by an additional 7,500. Over the 10 year period of the East Lothian Economic Development Strategy 2012 to 2022 the average number of new jobs which need to be created in Haddington as a part of achieving the creation of 7,500 new jobs across East Lothian is 70 new jobs annually.

The Economic Development and Strategic Investments Service consider the proposed development as having a clear negative impact in terms of delivery of the East Lothian Economic Development Strategy 2012 to 2022 and the 2 strategic goals of increasing the number of businesses in East Lothian with growth potential and increasing the proportion of East Lothian residents working in and contributing to East Lothian's economy.

The Economic Development and Strategic Investments Service note that the proposed development would lead to a loss of 17,650sqm of business space that in the 1980s employed a substantial workforce. However, the Service acknowledges, as noted in the applicant's submitted 'Employment Land and Property Market Review', there has been little or no demand for such large industrial space over the last 10 years. However, whilst the units at Gateside Commerce Park were constructed in the mid 1970s (so life span must be a consideration), the demolition of this large employment space would mean that East Lothian

would have nothing of this scale to offer any possible future inward investor. There are no other units of this capacity within East Lothian.

The Economic Development and Strategic Investments Service advise that with the proposed development meaning the demolition of the existing industrial buildings on the site this would remove the opportunity for any request for large industrial space in Haddington and the surrounding area to be satisfied. Consequently if those units were demolished there would be nothing of that scale throughout East Lothian to offer potential future businesses, which would set a dangerous precedent and could lead to businesses looking to locate elsewhere.

Moreover even if there is little interest in the uptake of the larger industrial units on the site the Economic Development and Strategic Investments Service expresses the view that there appears to be no reason why they could not be subdivided to cater for smaller businesses wanting to operate from the commerce park.

Additionally, the loss of such an amount of economic space as proposed in this application undermines the potential to achieve the projected 70 new jobs required annually for Haddington as Gateside Commerce Park remains the only viable business/industrial site in Haddington. Therefore the loss of 17,650sqm of class 4, 5 and 6 industrial space to housing and replacement with 971sqm Class 4 use as proposed is not supported.

The provision of the pub/restaurant hospitality outlet, although out of town, is a concern as there would be displacement from similar facilities in Haddington town centre and any new jobs created may be balanced with those lost.

On all of the above considerations the Economic Development and Strategic Investments Service objects to the application and recommend that planning permission for the proposed development be refused.

The proposed development of the application site for Class 9 housing use and Class 3/restaurant, sui generis/pub use is significantly contrary to Policy BUS1 of the adopted East Lothian Local Plan 2008 and with national policy guidance given in Scottish Planning Policy: June 2014.

If approved the proposed development would set an undesirable precedent whereby it would be difficult for the Council, as Planning Authority to refuse to grant planning permission for housing and other non-business and industrial uses on established employment land elsewhere in East Lothian, the cumulative effect of which would be the depletion of the Council's supply of established sites for such business and industrial uses to the detriment of the economy of East Lothian and the greater Lothian economy.

Although not forming a part of the application, the applicant has indicated in response to the above objection, a willingness to examine options including:

- Redesigning the layout of the business units to provide an additional business unit and overall additional 2700sq ft of ground floor space
- Incorporate mezzanine space in the units to give an additional 6045 sq ft space
- Agreement of joint marketing of the land with the Council and undertake construction if there is a viable tenancy proposal
- Agreement of a lease of units with the Council or a transfer of the land
- Binding agreements on the servicing of the land

The Economic Development and Strategic Investments Service has been advised of these options but does not consider them sufficient to remove their objection to the proposals were they to form part of the application.

Another material consideration relates to the need to augment the supply of effective housing land in East Lothian.

Scottish Ministers have approved SESplan subject to supplementary guidance on housing targets for each member local authority. That supplementary guidance is now approved by Ministers with a modification required in terms of calculating the housing land supply.

Policy 7 of SESplan requires planning authorities in the SESplan area to maintain a five years effective housing land supply at all times. It also requires developments to be in keeping with the character of the settlement and local area and requires that any additional infrastructure required as a result of the development is either committed or to be funded by the developer.

East Lothian Council has agreed that East Lothian has a shortfall in its effective housing land supply. In respect of this the Council approved its Housing Land Supply: Interim Planning Guidance against which planning applications for housing on land not allocated for that purpose will be assessed.

The approved Interim Planning Guidance states that the weight the Council affords its terms, and the terms of other Development Plan policies, to individual planning applications will depend on the extent to which the proposed development is able to satisfy the following criteria:

- 1 Effectiveness;
- 2 Scale;
- 3 Timing;
- 4 Development Plan Strategy; and
- 5 Locational Considerations.

In respect of criteria 1; effectiveness, the applicants' agent has confirmed that there are no physical constraints to the development of the site and

confirms there is strong developer interest should planning permission be granted, meaning in these respects only it can be considered to be physically and financially capable of achieving early delivery.

In respect of criteria 2; scale, the proposed housing development of 112 residential units would be below the Guidance threshold of 200 units and be of a scale in keeping with the scale and character of Haddington.

In respect of criteria 3; timing, the applicant's agent has confirmed strong developer interest in the site and have indicated that housing completions could be delivered by 2019. There is no evidence to suggest that they would not be able to develop the site within this suggested timescale.

In respect of criteria 4; development plan strategy, it is considered that the proposed housing would not prejudice the delivery of the existing Development Plan strategy as it would not compromise the ability to provide infrastructure to existing housing land allocations that do not yet have planning permission or are committed but have not yet started. Nor is it dependent on the prior provision of infrastructure required by existing housing land allocations that do not yet have planning permission or are committed but have not yet started.

In respect of criteria 5; locational considerations, the application site is within the settlement of Haddington.

As Haddington lies within the East Lothian Strategic Development Area identified in SESplan the proposed development also has to be assessed against the tests as set out in part (i) of criteria 5 as well as those set out in parts (iii), (iv) and (v) of criteria 5.

Given its location, in respect of part (iv) of criteria 5 the proposed development, would be compatible with adjoining or nearby existing uses and in respect of part (v) the application site is well contained within robust, defensible boundaries and would not set a precedent for subsequent future expansion.

In regard to part 5(i)(b) the phasing of the development is such that infrastructure in the form of education provision cannot be provided for it. As recorded above the Council's Deputy Chief Executive (Resources and People Services) advises, there is not, and would not be sufficient capacity at Haddington Infant School to accommodate children that could arise from the proposed development, nor scope to provide that capacity within the school site. Given this, the application site cannot be taken to be immediately effective or capable of being made so within an appropriate timescale. As such the land of the application site is not demonstrably able to deliver early house completions and therefore cannot support the effective housing land supply in the short term.

Therefore on this consideration the housing development of the application site is contrary to the Council's Housing Land Supply: Interim Planning Guidance.

In respect of part (iii) of criteria 5 the approved Interim Planning Guidance states that a proposed development must not use land that is allocated for another specific use unless: there is no reasonable prospect of that use being realised; the desirability of securing housing outweighs the retention of the allocated use, or a housing use on a part of the site would help deliver the allocated use on a significant remainder of the site.

It is noted in the applicant's planning statement that they consider the site has been largely vacant since then and the buildings are now unoccupied with the exception of part of one building, that the buildings are of an obsolete design with inadequate eaves height for modern occupier requirements, are not viable for continuing employment use and that the occupier market in East Lothian and Haddington is for small unit size space of modern design and in this they consider the continuing business industrial use of the site unviable.

However as stated above there is an indicative requirement to annually create 70 new jobs within Haddington. The Economic Development and Strategic Investments Service advises that the loss of 17,650sqm of Class 4, 5 and 6 industrial space to housing and pub/restaurant use and its replacement otherwise with only 970sqm of Class 4 business/industrial units as proposed with this application would be significantly contrary to the aims and objectives of the Council's East Lothian Economic Development Strategy 2012 to 2022 and would prejudice the target of job creation within Haddington.

They further advise there is no evidence to suggest that the existing business and industrial units on the site would not be taken up at some point in the future should a large company wish to open or relocate to Haddington, or that they could be subdivided to cater for smaller businesses and therefore it cannot be taken to mean that there is no reasonable prospect of the existing business and industrial use of the site being realised.

Although housing on the site could in theory make a contribution to the effective housing land supply in East Lothian it would result in the removal of the majority of the only currently existing viable business and industrial site in Haddington which can contribute to the aims and objectives of the Council's East Lothian Economic Development Strategy 2012 to 2022, and housing use on the site would not outweigh that material consideration.

Moreover the proposed development is mostly a housing development with a small part of the site retained for business/light industrial use and for a pub/restaurant and the most significant part given over to the proposed housing use. Therefore the proposed housing use would not help deliver the allocated use on a significant remainder of the site.

Thus on these considerations the housing development of part of the application site is contrary to the Council's Housing Land Supply: Interim Planning Guidance.

In conclusion there are no material considerations that outweigh the primary material considerations that the new build housing development and pub/restaurant proposed in the proposals are significantly contrary to Policy BUS1 and INF3 of the adopted East Lothian Local Plan 2008 and that the new build housing development proposed is contrary to the Council's Housing Land Supply: Interim Planning Guidance on three counts.

4 POLICY IMPLICATIONS

4.1 None.

5 EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

6.1 Financial - None

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 Adopted East Lothian Local Plan 2008

7.2 Approved South East Scotland Strategic Development Plan (SESplan) with Supplementary Guidance: Housing Land

7.3 Scottish Planning Policy: June 2014

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DATE	13/10/2014



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

**TUESDAY 26 AUGUST 2014
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

2

Committee Members Present:

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

Council Officials Present:

Mrs A Leitch, Chief Executive
Ms M Patterson, Depute Chief Executive (Partnership and Community Services)
and Monitoring Officer
Mr D Small, Director of East Lothian Health & Social Care Partnership
Mr J Lamond, Head of Council Resources
Mr D Nightingale, Head of Education
Mr T Shearer, Head of Communities & Partnerships
Mr K Dingwall, Principal Planner
Ms M Ferguson, Service Manager – Legal and Procurement
Ms S Fortune, Service Manager – Business Finance
Mr D Heaney, Acting Head of Adult Wellbeing
Mrs K MacNeill, Service Manager – Licensing, Admin and Democratic Services
Ms J McCabe, Senior Solicitor
Mr D Proudfoot, Acting Head of Development
Mr P Vestri, Service Manager – Corporate Policy & Improvement
Ms E Wilson, Service Manager – Economic Development & Strategic Investment

Visitors Present:

None

Clerk:

Mrs L Gillingwater

Apologies:

Councillor Trotter

1. COUNCIL AND COMMITTEE MINUTES FOR APPROVAL

The minute of the Council meeting specified below was submitted and approved.

East Lothian Council – 24 June 2014

2. COUNCIL AND COMMITTEE MINUTES FOR NOTING

The minute of the Council and Committee meeting specified below was noted:

Petitions Committee – 12 June 2014

Local Review Body (Planning) – 26 June 2014

3. SUMMER RECESS BUSINESS 2014

A report was submitted by the Depute Chief Executive (Resources and People Services) informing the Council of the urgent business undertaken over the Summer Recess period in terms of the procedures set out in Standing Order 15.5.

As regards the report 'Adult Wellbeing – Payments to Third Sector Agencies', Councillor Currie asked why funding had not been granted to Lammermuir Community Transport. He paid tribute to the work of this group and remarked that the decision not to provide funding for 2014/15 could have a disastrous effect on the service they provide. He suggested that should this issue be reconsidered and a report brought to the next meeting of the Council seeking to overturn this decision, the SNP would support it.

The Director of the Health and Social Care Partnership, David Small, explained that this report had been dealt with during the Summer Recess in order that payments could be made to those groups awarded funding. Councillor Grant pointed out that in 2013 Lammermuir Community Transport had been given an additional year's funding and, at that time, had been asked to produce a business plan which would demonstrate that they were eligible to qualify for future Section 10 funding. He advised that the business plan had not come forward and that, regrettably, the Council was now not in a position to fund this service. He added, however, that the group had been successful in attracting funding from other sources. Councillor Grant also noted that this report outlined grant funding totalling over £1.3 million.

Whilst Councillor Currie welcomed the funding to Third Sector organisations, he maintained his concerns in relation to Lammermuir Community Transport and asked the Administration to reconsider their decision not to fund this service.

Decision

The Council agreed to note the business undertaken over the Summer Recess period.

4. 2013/14 FINANCIAL REVIEW

A report was submitted by the Depute Chief Executive (Resources and People Services) informing the Council of the unaudited financial position for the financial year 2013/14 and finalising arrangements for the carry-forward of funds into 2014/15.

The Head of Council Resources, Jim Lamond, presented the report, advising that the information contained in the report was based on the draft financial statements and was subject to change through the audit process. He anticipated that the draft audit report would be presented to the Audit & Governance Committee on 9 September, with the final report being submitted to Council on 28 October. Mr Lamond summarised the report, drawing attention to the key points as regards the use of reserves, financial performance and capital expenditure.

Responding to a number of questions from Councillor Berry, Mr Lamond provided an explanation about the increase in pension liabilities and offered to provide further information on that outwith the meeting. He also advised that through a review of the PPP contract payment mechanism it had transpired that the Council had been paying for services for which it should not have been charged, and that some of the savings from this had been reallocated to Children's Wellbeing. As regards reserves, Mr Lamond reminded Members that the Council had previously agreed that surplus funds should be transferred to either the Cost Reduction Fund or the Capital Fund. He recommended that they should be transferred to the Capital Fund. On coastal car parking, he noted that there had been no capital expenditure in 2013/14 resulting in no capital charges being generated. With reference to the sale of land at Glenorchy Road, he advised that the receipt was not received in 2013/14 and anticipated that it would be included in the 2014/15 accounts.

Councillor MacKenzie asked for an update on the Children's Wellbeing budget. Mr Lamond explained that all efforts were being made to minimise external placements, but that the main focus was on client need rather than on the financial impact. He conceded that it was not possible to predict the future demands on this service, hence it remaining in the 'high' risk category.

Councillor Currie asked for clarification as to the eligibility criteria being applied in respect of care packages. David Small, the Director for Health and Social Care, stated that the Council policy had not changed, with 'substantial' and 'critical' criteria being applied. He added that each case was individually assessed.

Regarding the PPP contract, Councillor McAllister asked how the charging error had happened and if any action could be taken. Mr Lamond advised that it was due to differing interpretations rather than malpractice. Councillor McAllister praised the review team on achieving the reduction in payments.

Councillor Veitch welcomed the prudent approach to financial management. He praised officers for their work in achieving efficiency savings but warned that there were still major challenges ahead. He added that he believed councils should have more responsibility for raising money and providing services, and that the current system was unsustainable.

Councillor Currie suggested that the Council should use its surplus funds to relieve the pressure on the Children's Wellbeing and Adult Wellbeing budgets. He also proposed that the Council should reconsider its position on the debt/income ratio on the Housing Revenue Account in order to deliver more houses.

Councillor Hampshire spoke of the pressure on staff to deliver services, and suggested that spending more money would lead to greater debt and even greater pressure on the staff. On housing building, he noted that the Council was working with developers to deliver housing on strategic sites, adding that the Council could not commit to delivering additional housing without having the funds to do so.

Councillor Berry maintained his view that as housing debt was self-financing through rent payments, it should not be considered in the same way as general services debt. He stated that he was proud of the previous Administration's record on delivering Council housing and that he believed it had been the right and responsible thing to do.

Councillor Akhtar welcomed the report and thanked Council staff for their efforts in reducing expenditure. She pointed out that the debt levels had to be addressed, which was difficult when the Council was unable to raise income. She criticised the previous Administration for not investing enough in Children's Wellbeing services.

Councillor Innes concluded the debate by thanking officers for their efforts in bringing the Council's finances under control. He stated that there were further difficult decisions to be made. Responding to comments made by Opposition Members on house building, he noted that the Scottish Government had cut the housing budget, which had impacted on the ability of councils to build houses. He also opposed suggestions to fund revenue services in 2014/15 using the surplus as this would have implications for future years. He joined other Members in thanking Council staff for continuing to provide services in difficult circumstances.

Decision

The Council agreed:

- i. to note the financial results for 2013/14, and their impact on both reserves and the Council's Financial Strategy; and
- ii. to approve the transfer of the surplus reserves to the General Services Capital Fund, in line with the Council's agreed financial strategy.

5. COCKENZIE ENERGY PARK / FORMER COCKENZIE POWER STATION

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) providing information to Members regarding the positive potential opportunities for redevelopment of the former Cockenzie Power Station site, and seeking the agreement of Council on its economic development position in this regard.

Prior to the debate on this item, Morag Ferguson, Service Manager – Legal and Procurement, advised that should the proposals set out in the report come to fruition, the resulting development would be the subject of an application for planning permission. She provided guidance to Members on their role in relation to planning applications, in accordance with the Councillors' Code of Conduct, emphasising that Members must not indicate or imply their support or opposition to a proposal or declare their voting intention before the meeting where the decision is taken. She also pointed out that should any Member wish to make representation on behalf of constituents or any other parties, the Code of Conduct did permit this subject to the proviso that the Member would then be unable to take part in the decision-making process.

The Acting Head of Development, Douglas Proudfoot, presented the report, advising that Scottish Enterprise had identified the former power station site as a potential strategic national energy park and that the pre-application consultation process had commenced, despite Scottish Enterprise being neither the owner of the site nor the developer. He highlighted the importance of the Council's involvement in shaping the development of the site through the formal planning process and community consultation.

Esther Wilson, Service Manager – Economic Development and Strategic Investment, explained that the emerging proposals presented an economic development opportunity and was key to the delivery of the Council's Economic Development Strategy. She pointed out that the redevelopment of the site had the potential to create a large number of jobs through both public and private investment and in partnership with higher education institutions. She drew Members' attention to the proposals outlined in Sections 3.19 – 3.22 of the report.

Mr Proudfoot stated the importance of the Council's involvement as a key stakeholder in order to influence and structure economic development opportunities, and of the need to balance this potential with community involvement and benefits.

Councillor Berry commented that the Council had to be open to commercial, industrial opportunities, but was concerned that tourism could be affected by such developments. He proposed that the Council should develop a master plan for the development of the coastline in that area. Keith Dingwall, Principal Planner, advised that this would be included as part of the Local Development Plan, and that the Council would determine what would be appropriate uses of that area. Responding to a question from Councillor Berry as regards rail links to Edinburgh, Mr Dingwall noted that there was an existing railway line to the coal site and that a report to the Planning Committee on 2 September would include a recommendation as regards the rail links.

Councillor Berry requested that the Council should have the opportunity to consider this issue fully at an early stage. The Chief Executive explained that the cross-party working group would be looking at all of the available opportunities for the site and would work with communities and partners to make best use of the site for East Lothian and the wider city region.

Councillor McMillan welcomed the report, commenting that the opportunities realised through developing the site would create jobs, generate trade and build skills. He spoke of the potential benefits to the area in terms of tourism, town centre regeneration and use of the coastline and harbours. He sought to allay the concerns of local residents by stating that the Council would be open and transparent throughout the process, and would work with Scottish Power, the Scottish Government and Scottish Enterprise to safeguard the assets for the future. He called upon the Chief Executive to write to both Scottish Power and Scottish Enterprise to secure the site for public ownership and in the public interest. Councillor McMillan added that there would be engagement with all interested parties, and people's ideas, thoughts and fears would be taken into account.

Councillor Libberton pointed out that this issue was a matter of concern to people in the community and emphasised the importance of full public engagement. She asked for more detailed information on the potential impacts on the environment, infrastructure and planned housing developments in the area. She also made reference to similar proposed projects in other areas that had been rejected or halted and asked officers to look into what had happened in those particular cases.

Responding to a question from Councillor Libberton on the planning process timescales, Mr Dingwall reported that the Council had received the proposal notice in June, which signalled Scottish Enterprise's intent to lodge an application for an energy park. He noted that, in accordance with legislation, an application could not be made until 12 weeks had passed, but anticipated that it would take longer than that in this instance. He advised that Scottish Enterprise had carried out the first stage of consultation by way of a community meeting, and that they were now undertaking basic design work. They would have to prepare an environmental impact assessment, to be submitted with the planning application. He expected this work to be completed by the end of 2014, after which there would be a second community consultation exercise in January/February 2015, followed by the finalisation of

the designs and completion of the environmental statement. He anticipated that the planning application in principle would be lodged in April 2015, and there would then be a final round of community consultation in May/June 2015. He explained that with a major development there was a four-month determination period, and that Scottish Enterprise aimed to have a decision made on the application by the end of 2015, with work starting on the site by March 2016.

Councillor MacKenzie commented on the close proximity of the power station to residential areas and the need to consider how to serve and safeguard the interests of the community and of future generations. He urged the Council to listen, learn and consult with the public.

Whilst recognising the concerns of people living in the local community, Councillor Brown welcomed the report and proposals for this industrial site. He highlighted the need for all agencies to work together and for the Council to seek to influence proposals coming forward. He noted that he was happy to support the recommendations on the grounds that substantial community engagement was undertaken.

Echoing the comments of other Members, Councillor Currie remarked that Scottish Enterprise would need to improve their consultation processes and listen to the concerns raised within the community. He added that it was important to have further information and details of the proposals at an early stage.

Councillor Veitch pointed out that this was a Scottish Government and Scottish Enterprise proposal, not a Council proposal. He urged Members to use their influence with colleagues within the Scottish Government to alleviate the anxieties of residents, stating that the views of the community were at the centre of the entire process.

Councillor Innes highlighted the importance of this matter and reiterated the comments of other Members as regards consulting with communities. He welcomed the proposal to establish a cross-party working group and agreed with Councillor Berry that a master plan for the whole area would be helpful. Councillor Innes commented that that the only way the Council could discharge its responsibilities would be to have some control over the development of the area. He therefore supported Councillor McMillan's suggestion that the Chief Executive should write to Scottish Enterprise and Scottish Power to ensure that the public sector secure ownership of the land so that the master plan could be taken forward in order to maximise the benefits for East Lothian. He added that the proposal to include a cruise liner berth should be explored further in order to promote tourism.

Councillor McAllister echoed the views as regards the importance of retaining public ownership of the asset, especially given the predicted future demand for renewable energy.

Decision

The Council agreed:

- i. to recognise the significant contribution the emerging proposals at the former Cockenzie Power Station site could make to the creation of new jobs for East Lothian and to the local economy as a whole;
- ii. to engage with all parties involved in emerging proposals and work in partnership to ensure all potential opportunities and benefits are explored and maximised whilst all risks and drawbacks are identified and mitigated;
- iii. to develop supporting material from an economic development perspective that would inform debate;

- iv. to work with the relevant parties to ensure the requirements of the planning and other consenting processes are fully adhered to, including full, continuous and informed consultation with local communities by prospective applicants;
- v. to agree that officers should explore all options, including joint venture, to secure the future of the proposed site should this be required to optimise its potential; and
- vi. to agree to form a cross-party member and officer group to oversee option and engagement work undertaken.

6. COMMON GOOD FUNDS – BUDGET 2014/15 TO 2016/17

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval for the budgets for the Dunbar, Haddington, Musselburgh and North Berwick Common Good Funds over this and the following two years and recommending that Fund Committees develop their local expenditure proposals within these budgets.

The Head of Council Resources, Jim Lamond, presented the report, advising Members of the draft financial position for each of the Common Good Funds as at the 2013/14 year end, recommending budgets for each of the Common Good Funds for 2014-17, and providing a summary of the investment performance in relation to the long-term balances held by the Funds. He also noted that a revised version of the Dunbar and Haddington Common Good balance sheets would be issued.

In response to questions from Councillor Berry in relation to income, and in particular rental income for properties in North Berwick, Mr Lamond explained that the impact of lost rental income in 2013/14 for the properties in Quality Street, North Berwick, would have no bearing on the budget for the financial year 2014/15, and that the figures for 2014/15 reflected the leases now in place for those properties. He offered to discuss this matter, as well as investment performance, with Councillor Berry outwith the meeting.

Councillor Currie asked about the procedures for varying the budget, should there be a requirement to do this, for example if urgent building repairs were required. Mr Lamond advised that there was scope to vary the budget, but that this would need to be done by way of a report to Council, noting that Standing Order 12 – Rescinding Decisions – would apply should such a report be submitted within six months of the previous decision being taken.

Decision

The Council agreed:

- i. to approve the budgets for the four Common Good funds for 2014/15 to 2016/17, as contained in Appendices 1a – 1d; and
- ii. to note the investment performance of long-term Common Good fund balances with the Council's investment managers, Investec Wealth & Investments Ltd.

7. APPOINTMENT OF REPRESENTATIVES TO OUTSIDE BODIES

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of the nomination of Councillor Libberton to represent the Council on the Musselburgh Joint Racing Committee (MJRC).

In response to a question from Councillor Currie as to why Councillor McMillan had resigned his position on MJRC, Councillor McMillan advised that he had been involved in a number of important pieces of work whilst serving on the MJRC, but felt that the time was right to focus more on his economic development and tourism commitments.

Councillor Caldwell, Chair of MJRC, thanked Councillor McMillan for his contribution, dedication and support during his time on the Committee and welcomed the proposal to appoint Councillor Libberton as the new Council member.

Decision

The Council agreed to nominate Councillor Libberton to represent the Council on the Musselburgh Joint Racing Committee, replacing Councillor McMillan.

8. SUBMISSIONS TO THE MEMBERS' LIBRARY, 14 JUNE – 13 AUGUST 2014

A report was submitted by the Depute Chief Executive (Resources & People 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.

Councillor Currie noted that there were over twenty service review reports included in the bulletin and paid tribute to all staff involved in bringing these service reviews to conclusion. His comments were echoed by Councillor Innes.

As regards Reference 140/14: North Berwick Harbour, Councillor Berry noted that the North Berwick community was very grateful for the Council's support in refurbishing Galloway Pier.

Decision

The Council agreed to note the reports submitted to the Members' Library Service between 14 June and 13 August 2014, as listed in Appendix 1 to the report.

Signed

Provost Ludovic Broun-Lindsay
Convener of the Council



**MINUTES OF THE MEETING OF THE
LOCAL REVIEW BODY**

**THURSDAY 28 AUGUST 2014
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

3a

Committee Members Present:

Councillor T Day (Chair)
Councillor J McMillan
Councillor J Williamson

Advisers to the Local Review Body:

Mr P McLean, Planning Adviser to the LRB
Ms M Ferguson, Legal Adviser/Clerk to the LRB

Clerk:

Ms F Currie, Committees Assistant

Declarations of Interest:

None

Councillor Day, who had been elected to Chair today's meeting, welcomed all present and introduced the Members of the Local Review Body. He also introduced the Planning Adviser, who would advise on the matters of planning policy and the Legal Adviser, who would provide clarification on legal matters.

**1. REVIEW AGAINST DECISION (REFUSAL)
PLANNING APPLICATION No. 14/00120/P: FORMULATION OF
VEHICULAR ACCESS, HARDSTANDING AREA, ERECTION OF FENCE
AND GATE AT 26 WESTGATE, NORTH BERWICK EH39 4AH**

The Legal Adviser stated that the LRB was meeting today to review the above application which had been refused by the Appointed Officer. A site visit had been carried out prior to the meeting and Members had been provided with written papers, including a submission from the Case Officer and review documents from the applicant. After hearing a statement from the independent Planning Adviser summarising the planning policy issues, Members would decide if they had sufficient information to reach a decision today. If they did not, the matter would be adjourned for further written representations or for a hearing session. Should Members decide they had sufficient information before them, the matter would be discussed and a decision reached on whether to uphold or overturn the decision of the Appointed Officer. It was open to Members to grant the application in its entirety, grant it subject to conditions or to refuse it.

The Chair invited the Planning Adviser to present a summary of the planning policy considerations in this case.

The Planning Adviser stated that the application sought permission for alterations to the front boundary wall and removal of an existing pedestrian gate to allow formation of a 4m wide vehicular access, the relocation of an existing timber fence and gate within the garden, and the creation of a hard standing within the garden area for car parking and turning. A related application for Conservation Area Consent for the demolition works was also refused by the appointed officer but this was not before the LRB.

He reminded members that the Planning Act required decisions on planning applications to be taken in accordance with development plan policy unless material considerations indicate otherwise. The development plan consisted of the approved Strategic Development Plan for Edinburgh and South East Scotland and the adopted East Lothian Local Plan 2008. The Listed Buildings and Conservation Areas Act further required that special attention be paid to the desirability of preserving or enhancing the character or appearance of the area.

The site is within the boundary of North Berwick town centre, designated under Local Plan policy ENV2, and within the North Berwick Conservation Area. The main policy considerations relevant to the application are design, impacts on the Conservation Area, and road safety. The key policies in relation to these matters are Strategic Development Plan policy 1B and Local Plan policies ENV4 and DP2. In relation to road safety, Local Plan policy T2 seeks to ensure new development has no adverse consequences for road safety. Also relevant to the application is national policy, in particular Scottish Planning Policy.

The Planning Adviser stated that the application was refused by the appointed officer for three reasons. Firstly, on the basis that the proposed access and hardstanding

would be intrusive and incongruous and would harm the character and appearance of the Conservation Area. Secondly, that, in the absence of an effective turning area, vehicles would reverse onto the road causing a road safety hazard. Thirdly, that the applicant had not demonstrated that the required visibility splay of 2 x 20m could be achieved, without which the use of the access would cause a road safety hazard. The proposed development was therefore considered by the appointed officer to be contrary to relevant development plan policies in relation to design, impacts on the Conservation Area, and road safety.

Consultation responses were received from the Council's Transportation Division, which recommended refusal on the basis that there would not be an acceptable turning arrangement within the site and also notes that on-street parking would be reduced by at least once space, and that a minimum 2 x 20m visibility splay would be required. Objections were also received from North Berwick Community Council and five other members of the public.

The Planning Adviser summarised the applicant's request for a review, which argues that there are no adverse road safety implications, as there is sufficient space in the garden for an effective turning area, and there would be no net loss of car parking spaces as the loss of an on-street space would be compensated for by the new space to be provided within the application site. In terms of impacts on the Conservation Area, it is argued that the work would be carried out to a high standard and would not appear out of place. It is therefore argued that the proposals comply with the relevant development plan policies. Other refused applications at 24 and 57 Westgate are argued by the applicant to be of limited relevance as the circumstances were different, whereas an approved application at the rear of 28 Westgate is argued to set a precedent for this proposal.

In conclusion, the Planning Adviser noted that further representations had been received from two interested parties in response to the notice of review. Both supported the original refusal on the ground of impacts on the Conservation Area and road safety. The issue of impacts on the amenity of 17 Beach Road was also raised, as was the potential to set a precedent for further applications for similar proposals on Westgate. The applicant had responded to these further representations.

The Chair invited questions from Members. Councillor McMillan asked whether the Transportation Division had changed its opinion regarding the turning space in response to the applicant's request for a review. The Planning Adviser indicated that they had not submitted any amendment to their original response.

The Chair advised that it was now for Members to decide if they had sufficient information to determine the application and the Members agreed unanimously that they had sufficient information to proceed with the application today.

Councillor McMillan noted the high standard of accommodation at the site and acknowledged the difficulties of limited parking in the area. However, he agreed with the views of the Appointed Officer that the proposals would be intrusive and incongruous in relation to neighbouring properties and would not match the streetscape of the surrounding area. He stated that, on balance, he supported the officer's decision.

Councillor Williamson also supported the decision of the Appointed Officer to refuse the application. He considered that the reasons for the original refusal remained valid. There would be a negative impact on the Conservation Area as there was at present nothing else to break the line of the wall in the street. He also took the view

that there would be insufficient turning space and limited visibility due to cars parking close to the proposed entrance, both of which had implications for road safety.

The Chair agreed the views of his colleagues and supported the decision of the Appointed Officer. He considered that the proposed entrance was situated at a point where vehicles often accelerate on leaving the High Street and that visibility would be restricted raising concerns about road safety. The loss of a public parking space was also an issue. In addition, he considered that the proposed changes would be obtrusive and harmful to the character of the Conservation Area, as well as setting an unwanted precedent.

Decision

The ELLRB unanimously agreed to uphold the original decision to refuse the application for the reasons given in the Decision Notice dated 25 April 2014.



**MINUTES OF THE MEETING OF
THE PETITIONS COMMITTEE**

**THURSDAY 11 SEPTEMBER 2014
COUNCIL CHAMBERS, TOWNHOUSE, HADDINGTON**

3b

Committee Members Present:

Provost L Broun-Lindsay
Councillor W Innes
Councillor S Currie

Council Officials Present:

Mr R Montgomery, Head of Infrastructure
Mr M Foy, Tree Officer
Ms C Molloy, Senior Solicitor

Petitioner(s) Present:

Mr G Robertson (on behalf of the petitioner)

Clerk:

Ms F Currie, Committees Assistant

Apologies:

Councillor M Veitch

Declarations of Interest:

None

1. PETITION PRESENTED TO THE PETITIONS COMMITTEE FOR CONSIDERATION

PET 1405: CALLING ON EAST LoTHIAN COUNCIL TO REMOVE SCOTS PINE TREES LOCATED IN THE CHILDREN’S PLAY AREA AT PARSONSPOOL, DUNBAR

Ms Catherine Molloy, Senior Solicitor, provided a brief summary of the Committee’s remit and indicated that Members were being asked to consider a petition calling on the Council to remove Scots Pine trees located in the children’s play area in Parsonspool, Dunbar.

The Convenor noted that the Principal Petitioner, Mr Stuart Higginbottom, could not attend the meeting but Mr George Robertson, a local resident, was present to answer questions if required. He also welcomed Mr Michael Foy, East Lothian Council’s Tree Officer, and thanked him for his helpful report to the Committee. The Convenor then asked Members to confirm they were content to proceed with consideration of the petition, which they did.

In response to questions from Members, Mr Foy explained that the Council did not wish to replace the Scots Pine trees at present but would continue to monitor them and consider replacement as and when necessary, for example, should they become diseased or unsafe. He confirmed that his preference would be to replace the trees gradually with other species which were similar in size and spread. In the meantime, he assured Members that regular monitoring of the trees would continue and any issues, such as removal of dead or unsafe branches, would be addressed as required.

Councillor Innes proposed a compromise of felling only one line of trees but was reminded that the Committee’s remit did not allow for consideration of such a proposal.

Mr Robertson stated that while he had no wish to advocate felling healthy trees, some of those nearest his property had become problematical. He supported removal of the trees to the west side of the path to protect his and neighbouring properties from potential damage. He also pointed out that the trees were growing in sandy soil and this may also make them unsafe. Mr Foy indicated that he would not be in favour of removing one line of trees and advised that the trees were capable of standing safely in the soil.

Councillor Currie noted that the trees were subject to regular monitoring and management and he was satisfied that any concerns could be addressed within this process. He did not consider the petition to be well founded and was minded to dismiss it. Councillor Innes said that, in his opinion, the trees contributed significantly to the amenity of the local area and should not be felled. However, he would have a further discussion with Mr Foy over the long-term management plan. The Convenor concurred with the views of his colleagues. He also encouraged Mr Robertson and his neighbours to continue to raise any concerns they may have with Mr Foy.

Decision

The Committee agreed unanimously that the petition did not have merit was therefore dismissed.

Signed

Provost Ludovic Broun-Lindsay
Convener of the Petitions Committee



**MINUTES OF THE MEETING OF THE
LOCAL REVIEW BODY**

**THURSDAY 25 SEPTEMBER 2014
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

3c

Committee Members Present:

Councillor N Hampshire (Chair)
Councillor J Goodfellow
Councillor W Innes

Advisers to the Local Review Body:

Mr P McLean, Planning Adviser to the LRB
Mrs M Ferguson, Legal Adviser/Clerk to the LRB

Others Present

Ms S Greaves, Planner
Mr E Bean, Graduate Planner
Ms C Duffy, Graduate Planner

Committee Clerk:

Mrs F Stewart

Declarations of Interest

None

Apologies

Councillor D Grant
Councillor S Currie

Councillor Hampshire, who had been elected to chair today's East Lothian Local Review Body (ELLRB), welcomed everyone to the meeting. He also advised that the Case Officer for this application and two observers from the Council were present.

**1. REVIEW AGAINST DECISION (REFUSAL)
PLANNING APPLICATION No: 14/00137/P – ALTERATIONS, EXTENSION
TO FORMER CHURCH TO FORM ONE HOUSE, AND ASSOCIATED
WORKS AT ABBEY CHURCH, ABBEY ROAD, DUNBAR**

The Legal Adviser stated that the ELLRB was meeting today to review the above application which had been refused by the Appointed Officer. A site visit had been carried out prior to the meeting and Members had been provided with written papers, including a submission from the Case Officer and review documents from the applicant. After hearing a statement from the Planning Adviser summarising the planning policy issues, Members would decide if they had sufficient information to reach a decision today. If they did not, the matter would be adjourned for further written representations or for a hearing session. Should Members decide they had sufficient information before them, the matter would be discussed and a decision reached on whether to uphold or overturn the decision of the Appointed Officer. It was open to Members to grant the application in its entirety, grant it subject to conditions or to refuse it.

The Chair invited the Planning Adviser to present a summary of the planning policy considerations in this case.

The Planning Adviser stated that the application site was a listed former church building at the south end of Dunbar High Street, within the Dunbar Conservation Area. The proposals involved removal of the entire roof of the building, parts of the walls and the majority of the interior, alterations and extensions at the rear, and the formation of a 2-storey 1-bedroomed house. Garden ground would be formed within what would remain of the external walls of the former church. A detailed description of the proposed works was contained within the Case Officer's report, and the application drawings had also been circulated. The Planning Adviser pointed out that some of the works – specifically downtakings – were described in the Officer's report as not requiring planning permission, only listed building consent. However, in his view, these works were structural alterations that are development and therefore would require planning permission. He therefore advised that the proposed downtakings should form part of the assessment of the application.

The Planning Adviser reminded Members that the Planning Act required decisions on planning applications to be taken in accordance with development plan policy unless material considerations indicated otherwise. The development plan consisted of the approved Strategic Development Plan for Edinburgh and South East Scotland, known as SESplan, and the adopted East Lothian Local Plan 2008. The Listed Buildings and Conservation Areas Act further required that, in considering whether to grant permission affecting a listed building or its setting, a planning authority should have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses. He advised that listed building consent would also be required for the proposed works, however this was a separate consent process and was not before the ELLRB today. A listed building consent application had also been submitted by the applicant and was

refused by the Council. The Planning Adviser advised that the applicant had a right to appeal to Scottish Ministers against that decision rather than to the Local Review Body.

In respect of development plan policy, the Planning Adviser stated that the application site was within the defined Town Centre of Dunbar, where Local Plan policy ENV2 supports uses appropriate to such areas. Changes of use to residential will only be allowed where the Council is satisfied that the premises had been suitably marketed for all other uses acceptable in principle within a town centre area and no reasonable offers had been received. The key policies in relation to preserving or enhancing the character of Conservation Areas and to promoting a high quality of design were SESplan policy 1B and Local Plan policies ENV4, DP1 and DP2. The building was listed at category B and Development Plan policy states that development which would harm the character, appearance or setting of listed buildings will be resisted. A number of other Local Plan policies in relation to other issues were outlined. Also relevant to the application were national policy documents, including Scottish Planning Policy, which states that the historic environment should be safeguarded through planning decisions.

The Planning Adviser advised that the Appointed Officer had refused the application for two reasons; firstly, the proposals would be harmful to the special architectural or historic interest of the listed building and secondly, they would be harmful to the character and appearance of the Conservation Area. She therefore considered the proposals contrary to the development policies designed to safeguard these interests, and to relevant national policy. The applicant's agent, in his submission, had argued that inadequate consultation was carried out by the Case Officer and Historic Scotland, that no reference was made to a survey from 2007 and that the building was already derelict. The agent also argued that the well-being of the building and the High Street had not been fully considered and claimed that Scottish Planning Policy and the Scottish Historic Environment Policy were in support of the proposals. He had also claimed that restoration of the building to its original state was not financially viable and that the impact of the proposals would not be harmful.

Three public representations had been received on the application: one objection, one in support, and one neither supporting nor objecting. The Planning Adviser outlined the contents of those representations and advised that one further representation had been submitted in response to the Notice of Review.

In respect of consultee comments, Historic Scotland had advised that it considered the proposals to be significantly at odds with the Scottish Historic Environment Policy in terms of respecting the character and significance of the listed building. The Council's Structural Engineer had advised that a section of stonework had recently fallen to the ground, and removal of the roof would be likely to cause further deterioration. There were no objections from the Council's Transportation Division subject to conditions regarding access and parking, and no comments from the Office for Nuclear Regulation or from the Council's Environmental Protection Manager.

Members asked a number of questions and points of clarification of the Planning Adviser, including whether a planning condition could be used to secure the structural integrity of the remaining walls of the church following removal of the roof. The Planning Adviser stated that information of this nature would normally be sought prior to the determination of an application so that the proposed works could be taken into account, and any such works may themselves require consent. The Legal

Adviser advised that the draft schedule of conditions provided by the Case Officer did include a potential condition on this matter. The Planning Adviser advised Members that they should decide whether such a condition was sufficient to overcome any concerns they had on this point.

The Chair advised that it was now for Members to decide if they had sufficient information to determine the application and the Members agreed unanimously that they had sufficient information to proceed with the application today.

Councillor Hampshire stated that he had been involved in a number of proposals for Abbey Church in recent years and, on a previous site visit, he had considered that although the building was in a poor condition, there were still opportunities for renovation. However, on the site visit today, he had been shocked at the marked deterioration to the building and saw evidence of water penetration as a result of the roof being open to the weather. His concern, therefore, was that if imminent action was not taken, there was a risk of not only losing the roof but other parts of the building. He noted the lack of financial evidence from the applicant but considered that if it was viable to restore the building this would have been delivered by now. He noted that the decision of the Case Officer had been to refuse this application as she considered that the proposals would not preserve or enhance the character and appearance of the Conservation Area. However, due to the current condition of the building, he considered that leaving it would be detrimental to the Conservation Area and listed building, and would therefore support this application.

Councillor Innes stated that the question for him was whether the Conservation Area would be compromised by these proposals. Having been able to appreciate the size and scale of the building on the site visit and having looked at the plans for the alterations, he did not consider that the proposals would necessarily be unattractive. He therefore did not agree that the proposals would be detrimental to the Conservation Area. He considered that the residential element of the application was very modest and little of it would be seen by the general public. He considered that the most important part of the structure was the frontage and walls and those elements would still contribute to the Conservation Area and would be in an improved condition. He considered management of the foliage and landscaping would also be an improvement and he agreed with the views of the Landscape officer. He stated that, while he understood why the Case Officer had refused the application, he was taking a different view and would support the proposals. He would, however, wish to see a condition on the structural integrity of the walls to ensure the safety of the public and the residents within.

Councillor Goodfellow agreed with the comments made by his colleagues and confirmed that he would also support this application, providing that the walls were made structurally sound. He also noted from the Case Officer's reason for refusal that there would be a limited view of the new structure from the High Street and proposed a condition that relevant windows within the walls of the former church should be fitted with obscure glazing to restrict the public view of the alterations within the walls.

The Legal Adviser circulated a list of suggested conditions to be attached to the grant of planning permission and Members agreed to grant permission subject to these conditions and the additional condition proposed by Councillor Goodfellow.

Decision

The ELLRB unanimously agreed to overturn the original decision to refuse planning permission for the alterations subject to the following conditions:

- 1 No development shall take place on site unless and until final site setting out details have been submitted to and approved by the Planning Authority.

The above mentioned details shall include a final site setting-out drawing to a scale of not less than 1:200, giving:

- a. the position within the application site of all elements of the proposed development and position of adjoining land and buildings;
- b. finished ground and floor levels of the development relative to existing ground levels of the site and of adjoining land and building(s). The levels shall be shown in relation to an Ordnance Bench Mark or Temporary Bench Mark from which the Planning Authority can take measurements and shall be shown on the drawing; and
- c. the ridge height of the proposed house shown in relation to the finished ground and floor levels on the site.

Reason:

To enable the Planning Authority to control the development of the site in the interests of the amenity of the area.

- 2 Notwithstanding that which is shown on the docketed drawing titled 'Proposed Plans' the vehicular access to the two on-site car parking spaces that is located towards the southeast corner of the site shall be increased to 5 metres in width, and details of the widened access shall be submitted for the prior written approval of the Planning Authority prior to such works being carried out on the site. Thereafter the vehicular access to the two on-site car parking spaces shall be formed in accordance with the details so approved.

Reason:

To ensure a safe means of pedestrian access and a satisfactory level of off-street parking in the interests of road safety.

- 3 Taking account of requirements of Condition 2 above, prior to the occupation of the house hereby approved the proposed parking arrangements and the pedestrian access footpath from Abbey Road to the north of the site shall have been formed and made available for use as shown in docketed drawing titled 'Proposed Plans' and thereafter the parking area and pedestrian access footpath shall be retained for such uses unless otherwise approved in writing by the Planning Authority.

Reason:

To ensure a safe means of pedestrian access and a satisfactory level of off-street parking in the interests of road safety.

- 4 No development shall be carried out until a schedule of materials and finishes and samples of such finishes have been submitted to and approved in writing by the Planning Authority for the roof, external walls, window frames, door frames, external doors and terraces of the house hereby approved. Thereafter, only those materials and finishes approved by the Planning Authority shall be used as the external materials and finishes of the house hereby approved.

If the timber of the two timber terraces hereby approved is to be painted or stained a colour or finished in a timber preservative, a sample(s) of that paint, stain or timber preservative shall be submitted to and approved in advance in writing by the Planning Authority, and thereafter the colour of the paint, stain or timber preservative applied to the timber of the two timber terraces shall accord with the sample(s) so approved.

Samples of the materials to be used to surface the hardstanding areas to be used as paved patio, footpaths and vehicular parking and turning areas shall be submitted to and approved by the Planning Authority prior to their use in the development and thereafter the materials used shall accord with the samples so approved.

Reason:

To ensure that the external finishes are appropriate in the interest of safeguarding the character and appearance of the Conservation Area and the special architectural or historic interest of the listed building of the Abbey Church.

- 5 The southern most door of the west elevation wall of the house hereby approved shall be of solid timber construction unless otherwise approved in writing by the Planning Authority.

Reason:

In order to safeguard the privacy and amenity of the occupiers of the house of the former Abbey Church Hall to the southwest.

- 6 No development shall be carried out until details of any mitigating engineering works necessary to secure the structural stability of the external walls of the building and for the making good of the wall-heads of those external walls have been submitted for the prior written approval of the Planning Authority, and thereafter the engineering works undertaken shall accord with the details so approved.

Reason:

In the interest of safeguarding the special architectural or historic character and appearance of the listed building of Abbey Church and the character and appearance of the Conservation Area.

- 7 The two sycamore trees that are to the west of the church building between it and the west boundary wall shall be retained and shall not be damaged or uprooted, felled, lopped, or topped or interfered with in any manner without the prior written consent of the Planning Authority.

Reason:

To ensure the retention of trees important to the landscape character and appearance of the area.

- 8 No development shall take place on site until temporary protective fencing has been erected to protect the two sycamore trees and any other trees that are to be retained on the site. Details of the exact positioning of such temporary

protective fencing shall be submitted to and approved in advance in writing by the Planning Authority.

The temporary protective fencing shall comprise standard scaffold poles as uprights driven into the ground avoiding tree roots, with 3 standard scaffold poles as horizontal rails (top, middle and bottom), all with weld mesh wired to uprights and rails. It should be 2.3 metres in height, erected prior to works commencing and kept in good condition throughout the works, all in accordance with Figure 2 of British Standard 5837: 2005 'Trees in Relation to Construction'.

Once erected the temporary protective fencing shall be retained in place until works on the application site have been completed and all plant and machinery associated with those works have been removed from the site.

Within the fenced off areas the existing ground level shall neither be raised nor lowered, no materials, temporary buildings, plant, machinery or surface soil shall be placed or stored and no herbicides shall be used.

Care should be taken when planning site operations to ensure that wide or tall loads, or plant with booms, jib and counterweights can operate without coming into contact with any retained trees.

Material that will contaminate the soil e.g. concrete/mortar mixing, diesel oil, paints, solvents and vehicular washings, should not be discharged within 10 metres of any tree trunk. It is essential that allowance be made for the slope of the ground so that such damaging materials cannot run towards retained or new trees.

Fires should not be lit in a position where their flames can extend to within 5 metres of tree foliage, branches or trunk, and due cognisance must be taken of wind speed and direction prior to and during operations.

Details of any trenches or services in the fenced off areas shall be submitted to and approved in advance in writing by the Planning Authority, and all trenches shall be dug and backfilled by hand and any tree roots encountered with a diameter of 25mm or more shall be left unsevered.

Reason:

To ensure the retention of trees important to the landscape character and appearance of the area and their protection in the interests of safeguarding the landscape character of the area.

9. Prior to construction of the dwelling hereby permitted all windows on the north east and north west elevations of the former church building shall be fitted with obscured glazing and shall be permanently retained in that condition thereafter. Details of the proposed obscured glazing shall be submitted to and approved in writing by the planning authority prior to it being fitted.

Reason:

To preserve the character and appearance of the Conservation Area by restricting public views of the dwelling to be located within the walls of the former church.



cutting through complexity

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East Lothian Council

Annual audit report to the Members of East Lothian Council
and the Controller of Audit

Audit: year ended 31 March 2014

14 October 2014

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About this report

This report has been prepared in accordance with the responsibilities set out within the Audit Scotland's *Code of Audit Practice* ("the Code").

This report is for the benefit of East Lothian Council ("the Council") and is made available to Audit Scotland and the Controller of Audit (together "the Beneficiaries"). This report has not been designed to be of benefit to anyone except the Beneficiaries. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Beneficiaries, even though we may have been aware that others might read this report. We have prepared this report for the benefit of the Beneficiaries alone.

Nothing in this report constitutes an opinion on a valuation or legal advice.

We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the scope and objectives section of this report.

This report is not suitable to be relied on by any party wishing to acquire rights against KPMG LLP (other than the Beneficiaries) for any purpose or in any context. Any party other than the Beneficiaries that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Beneficiary's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Beneficiaries.

This annual audit report summarises our findings in relation to the audit for the year ended 31 March 2014. Our audit work is undertaken in accordance with Audit Scotland's Code of Audit Practice ('the Code').

This report also sets out those matters specified by ISA (UK and Ireland) 260: Communication with those charged with governance in relation to the financial statements for the year ended 31 March 2014.

We wish to record our appreciation of the continued co-operation and assistance extended to us by Council staff during the course of our work.

Area	Summary observations	Analysis
Strategic overview and use of resources		
Key issues and challenges	There are a number of service challenges emerging, with demand and resource pressures growing against a backdrop of reform in public services. Management undertake regular analysis of the key areas of public reform, which should support achievement of strategic priorities in a changing environment.	Pages 6-7
Financial position	The Council recorded a statutory deficit of £3.6 million in 2013-14 (2012-13: £2.5 million), £2.6 million lower than the budgeted statutory deficit. This gave rise to a decrease in the general fund reserves of £2.7 million and housing revenue account and capital fund reserves of £0.9 million. Of this decrease, £3.6 million related to the utilisation of the cost reduction fund, primarily to cover the in year costs of the voluntary early release scheme ("VERS"). There was a £0.6 million increase in general service funds, including earmarked reserves. £2.9 million of remaining non-earmarked general fund reserves was allocated to the general services capital fund, which will be used to directly fund future capital expenditure to reduce the need for further borrowing. The capital underspend has led to lower than budgeted borrowing requirement and consequently a reduced interest cost than budgeted. Short term borrowing has significantly increased (£20 million) in contrast to the smaller increase in long term borrowing (£4.8 million). The key driver is in respect of taking advantage of competitive interest rates on short term borrowing; decreasing the short term interest costs.	Pages 8 – 11
Financial planning	The 2014-15 budget forecasts a breakeven position, after a further £0.2 million utilisation of reserves. The Council is planning to utilise most usable un-earmarked general reserves by 31 March 2016. In 2016-17 the Council is budgeting a break-even position.	Pages 12-13
Financial statements and accounting		
Audit conclusions	We have issued unqualified audit opinions on the 2013-14 financial statements, following their approval in September 2014. An emphasis of matter paragraph is included in our audit opinion with respect to the facilities management significant trading operation not meeting the statutory requirement to break even on a three year rolling basis. The financial statements, foreword, governance statement and remuneration report were received by the start of audit fieldwork. There are opportunities for further improvement in the financial statement process to achieve sector leading practice.	Pages 15, 23
Significant risks and audit focus areas	We have considered inherent significant risks that the ISAs would require us to raise with you covering risks in relation to revenue recognition and management override of controls and have satisfactorily concluded our work in these areas. Other significant risks and other areas of audit focus have been considered and satisfactorily concluded.	Pages 16 - 21
Accounting policies	There are no substantial changes in accounting policies compared to the prior year. The Council applied IAS 19 (revised) and we concur with the decision to not restate prior year comparatives, due to the immaterial nature of the adjustment. No newly effective accounting standards are expected to have a material impact on next year's financial statements. The financial statements have been appropriately prepared on a going concern basis.	Page 22

Governance and narrative reporting		
Governance arrangements	Over-arching and supporting corporate governance arrangements provide a sound framework for organisational decision-making. Risk management practices have been considered throughout the year, and the whistle blowing policy updated. Weaknesses were noted in the remuneration report and in procurement procedures.	Pages 25 – 29
Control observations	Our testing of the design and operation of financial controls over significant risk points confirms that generally controls relating to financial systems and procedures are designed appropriately and operating effectively. In our interim management report we noted opportunities for management to further strengthen the control environment in relation to council wide policies, bank reconciliations and journals. We have identified eight recommendations in the action plan in this report at appendix five. These relate to accounts preparation, accounting for property, plant and equipment, provisions and bank accounts.	Page 29
Performance management arrangements		
Performance management	The Council has developed Best Value and performance management arrangements further during the year and demonstrates commitment to continuous improvement. The Council monitors statutory performance indicators throughout the year and completes the Local Government Benchmarking Framework exercise. The Accounts Commission report on public performance reporting highlighted many areas of good practice and management are considering the identified areas for improvement, particularly in respect of procurement.	Pages 31 – 33
National reports	In response to the Audit Scotland national study <i>Health Inequalities in Scotland</i> , the East Lothian Partnership is developing a health inequalities strategy. Audit Scotland's <i>Major Capital Investment in Councils and Arms Length External Organisations: Are you getting it right?</i> reports have been considered by the audit and governance committee. Good progress has been made against the action plan for capital investment, however no action plan was prepared in response to the latter report.	Page 32

Our annual audit report is designed to summarise our opinion and conclusions on significant issues arising from our audit of the Council's financial statements for 2013-14. It is addressed to both those charged with governance at the Council and the Controller of Audit. The scope and nature of our audit were set out in our audit strategy document which was presented to the audit and governance committee at the outset of our audit.

The context of our audit is one of an overall reduced level of risk, based on the shared risk assessment of the Council's arrangements.

Responsibilities

Audit Scotland's Code of Audit Practice ('the Code') sets out the Council's responsibilities in respect of preparation of financial statements, systems of internal control, prevention and detection of fraud and irregularities, standards of conduct and arrangements for the prevention and detection of bribery and corruption, financial position and Best Value.

This report reflects our overall responsibility to carry out an audit in accordance with our statutory responsibilities under the Act and in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Code.

The Code sets out the wider dimensions of public sector audit which involves not only the audit of the financial statements, but also consideration of areas such as financial performance and corporate governance.

An audit of the financial statements is not designed to identify all matters that may be relevant to those charged with governance. Weaknesses or risks identified are only those which have come to our attention during our audit work in accordance with the Code, and may not be all that exist. Communication of matters arising from the audit of the financial statements or of risks or weaknesses does not absolve management from its responsibility to address the issues raised or to maintain an adequate system of control.

Under the requirements of International Standard on Auditing (UK and Ireland) ('ISA') 260 Communication with those charged with governance, we are required to communicate audit matters arising from the audit of financial statements to those charged with governance of an entity.

This annual audit report to members and our presentation to the audit committee, together with previous reports to that committee during the year, discharges the requirements of ISA 260.

Context of the audit

The Scottish Government's response to the Crerar report in 2007 was to simplify the approach to delivering local government scrutiny. As a result, scrutiny bodies that engage with local government established a shared assessment of the risks in each Council and developed a range of proportionate approaches in response to the risk assessment. A local area network ('LAN') of local audit and inspection representatives undertake a shared risk assessment for each local authority in Scotland, to identify targeted, risk-based scrutiny. Following a review of the shared risk assessment process in 2013, there has been a shift in focus to identifying the Council's position in implementing the Scottish Government's reform agenda.

This results in each council receiving an annual Assurance and Improvement Plan ('AIP'). During 2013-14, a refresh of the Council's AIP for the period 2014-17 was undertaken, which was subsequently published in June 2014. The change in focus from the review of the shared risk assessment process is reflected in the structure of the AIP.

The Council's AIP reported that there continued to be areas of strong performance and a number of improvement activities continue to make good progress. Inspection and audit work during 2013-14, including a joint inspection of services for children and young people in the East Lothian Community Planning Partnership area, resulted in broadly positive reports.

No areas were assessed as 'scrutiny required', one area as 'further information required' and the remaining 18 as 'no scrutiny required'. There is further activity planned as a follow up to the Children's Services inspection and a Scottish Housing Regulator performance inquiry on rent arrears management. This is an improvement on the 2013-16 AIP when two areas were identified as 'scrutiny required', 15 as 'further information required' and the remaining 21 as 'no scrutiny required', albeit there was a different focus and different areas assessed in the 2013-16 AIP.

Strategic overview and use of resources

Our perspective on the Council's approach to key issues affecting the local government sector, and its use of resources

There are a number of service challenges emerging, with demand and resource pressures continuing to build, against a backdrop of reform in public services.

Management undertake regular analysis of the key areas of public reform, which should support achievement of strategic priorities in a changing environment.

Sector overview

Audit Scotland's report "An overview of local government in Scotland 2014" highlighted the challenges of reducing budgets and increasing demands. This is coupled with further expected budget reductions, the public's expectation of service delivery and demographics becoming more biased towards older people, who typically need more public services.

In previous years management prepared an analysis of the contents of the report, considering the Council's position against each report recommendation. This process was considered an example of best practice and completing the exercise for the 2014 report will allow management to identify opportunities for continuous improvement.

Quarterly reports to Cabinet or Council outline the financial position, forecast position and a financial risk assessment of the overall Council and individual departments. An underlying surplus on the general fund was achieved in 2013-14, excluding the costs of the voluntary early release scheme. Additional reserves have been earmarked to a general services capital fund to support the capital plan and alleviate the need for further additional borrowing. Continued monitoring against the financial strategy and planned use of reserves is needed to support achievement of financial sustainability.

Management undertakes regular analysis of the key areas of public reform, which should support achievement of strategic priorities in a changing environment.

A new Single Outcome Agreement ('SOA') has been developed by the Council and related partners. The SOA is an agreement between the East Lothian Partnership and the Scottish Government, setting out how each party will work to improve outcomes and reduce inequalities for East Lothian residents.

Integration of health and social care

In March 2014 the Public Bodies (Joint Working) (Scotland) Act was passed by the Scottish Government. This requires all Councils and NHS Boards to formally and legally establish integration of health and social care by April 2016. Detailed legislation and broader statutory guidance is being devised. Two sets of regulations have been released for consultation and management are writing responses.

The Council has agreed that in conjunction with NHS Lothian, the body corporate model should be adopted and the scheme of integration should be based on this model. A shadow board has been formed and has been meeting during the year. A jointly accountable officer took up post on 1 August 2013, working in adult wellbeing services with responsibility for NHS services in East Lothian. This position is jointly accountable to the chief executive of the Council and Lothian NHS Board. Management feels reasonably well placed to implement the changes but recognise the challenge of developing the integration plan.

Welfare reform

As a result of the Welfare Reform Act 2012, a number of significant changes were implemented on 1 April 2013, changing how councils deliver benefit services. Further reform will see the introduction of 'Universal credits', which is an integrated working age benefit which will replace existing benefits, including housing benefit. Universal credits will be administered by the Department of Work and Pensions ("DWP").

The Council's welfare reform task group continues to consider the service implications. An action plan has been produced and a reference group, which meets quarterly, has facilitated liaison between council services, partners and stakeholders.

The Scottish Government's council tax reduction scheme came into force from 1 April 2013. There is little or no change financially to recipients and therefore this has had a low financial impact on the Council. Funding will remain the same in 2014-15, however there is greater financial risk due to the an increase in the number of properties in the Council boundaries as the funding is a fixed sum instead of being demand led.

The housing benefit under occupancy supplement was introduced on 1 April 2013, although mitigated by the payment of discretionary housing payments. The welfare cap was implemented from 15 July 2013, with the Council identifying that 18 households were affected. Continued monitoring of the welfare reform changes will ensure that the council is able to respond in an agile manner and ensure it continues to support its most vulnerable constituents.

The benefits team have been administering the two year interim Scottish welfare fund since 1 April 2013 which covers crisis grants and community care grants. The government has confirmed this will become a permanent scheme from April 2015. The Council achieved 100% disbursement of its share of the Scottish welfare fund, and will receive the same budget in 2014-15. The additional work involved has led to a 26% rise in caseload. Management are developing a Scottish welfare fund policy to support administration of the fund within an East Lothian context.

Workforce planning

A voluntary early release scheme was approved by Cabinet on 12 March 2013. 96 members of staff were approved on the basis that their departure would not adversely impact upon services and that they satisfied certain financial criteria. Of these, 94 left the Council in 2013-14 and the remaining two had left by August 2014.

Management analysis in May 2014 identified savings of £2.9 million has been secured against a £3 million budget. Further savings of £1.5 million have been secured from the ongoing workforce management

plan secured from the ongoing workforce management plan against a budget of £1.8 million, which relate to the outcomes of service reviews and tighter management of casual workers, overtime and agency workers.

Management recognises that it is not yet possible to fully assess the impact on service delivery, although feedback has indicated that workloads remain challenging, coupled with an inherent loss of tacit knowledge. A staff engagement survey was undertaken in March 2014; management is analysing the results of this process, with initial results indicating the level of participation and positive engagement remaining consistent with previous surveys. The results have also been fed into the How Good Is Our Council ('HGIOC') process to identify areas of concern and inform the development of improvement plans. In September, the Council received confirmation that it had achieved Investors in People accreditation.

Efficiency savings and change projects

To ensure the Council is best placed to mitigate the changing service requirements and reducing funding a number of change projects have been implemented.

Each change project is listed within the Rivo software and assigned to a department and responsible officer. Alongside this information the start and expected completion date are documented. Reminders are sent to the responsible officer on a quarterly basis to ensure progress is noted. Quarterly progress reports will then be produced with RAG ratings against each projects likely achievement of the expected completion date.

The 2014 – 2017 budget requires efficiency savings to be achieved to deliver a balanced budget. Each efficiency saving has also been assigned to a responsible officer in Rivo detailing the expected efficiency saving or increased income. Achievement of these savings will be monitored through quarterly reports to the chief executive. Internal audit are facilitating the implementation and monitoring of the reports.

The Council recorded a statutory deficit of £3.6 million in 2013-14 (2012-13: £2.5 million), including £3.6 million in respect of VERS from the cost reduction fund.

The budgeted use of reserves was £5.2 million, including £3 million in respect of the cost reduction fund.

Financial position

The Council recorded a statutory deficit of £3.6 million in 2012-13 (2012-13: £2.5 million). This resulted in a decrease in the general fund and insurance fund reserves of £2.7 million and in the housing revenue account and capital fund reserves of £0.9 million.

Use of reserves – general fund

A three-year budget was approved on 12 February 2013, which assumed a £5.2 million utilisation of reserves in 2013-14. Management’s forecast, prepared in quarter three, projected a reduced utilisation of £4.9 million. The final outturn utilisation was £3 million (2012-13: £1.4 million), representing 25% of opening useable reserves (2012-13: 11%). In line with the Council’s financial strategy, the lower than budgeted utilisation has been earmarked in a new general services capital fund within the general fund.

The key changes in the general fund against budget are illustrated in the table below.

£m		
	Budgeted utilisation of reserves	Actual utilisation of reserves
General fund ^(a)	2.2	(0.6)
Cost reduction fund	3.0	3.6
Total	5.2	3.0

Note: (a) Includes actual utilisation £0.2 million of earmarked reserves; excludes insurance fund.
Source: East Lothian Council.

£2.9 million of remaining non-earmarked general fund reserves has been allocated to the general services capital fund which will be used to directly fund future capital expenditure to reduce the need for further borrowing.

The cost of VERS is accounted within the utilisation of the cost reduction fund. The outturn of each budget against utilisation of reserves is reconciled in the table below.

General fund budget	
	£m
Budgeted use of reserves	2.2
Resources and people services	(0.8)
Health and adult care partnership	0.5
Partnerships and services for communities	(2.5)
Actual utilisation of reserves	(0.6)

The key variance to budget within resources and people services relates to the receipt of windfall income relating to the PPP contract of £0.7 million in the secondary school budget. Within partnerships and services for communities the key budget movements are:

- underspends within the community housing group and surpluses produced by the property services trading activity; and
- underspends in landscape and countryside management (£0.8 million) due to non-recruitment to vacant posts.

As in previous years there is an underspend against budget, and there is an inherent risk that this could impact on service delivery. Management monitors the budget throughout the year, although as identified in previous years, the majority of underspend is presented in the final quarter of the financial year.

Management presented the salient features of the financial statements to the audit and governance committee in July 2014. This facilitated an early discussion by members of the financial position reflected within the unaudited financial statements. We consider this to be an example of good practice in the governance of council resources.

The outturn on the housing revenue account is a deficit of £1.9 million. Following adjustments between the accounting basis and funding basis and transfers between reserves, the decrease in the year was £0.1 million.

Housing revenue account ('HRA')

The outturn on the HRA is a deficit of £1.9 million. After making adjustments between the accounting basis and funding basis under statute (credit of £2.9 million) and recognising a transfer from the capital fund (£1.1 million), netted against a transfer (£1 million) to the general fund, the decrease in the year was £0.1 million. The carry forward balance at 31 March 2014 is £2 million. The use of reserve including the housing capital fund in 2013-14 is £0.9 million, against a budget of £0.9 million.

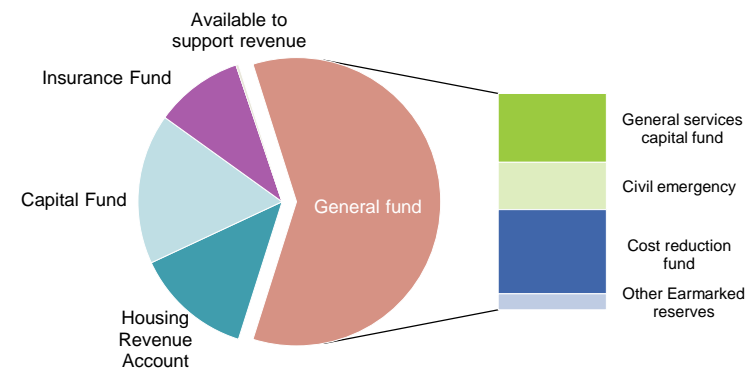
Rental income was below budget, reflecting delayed delivery of affordable homes. Repair costs were £0.4 million more than budgeted, of which half relates to costs for repairing fire damage. Further repair costs were in relation to bringing some of the open market acquisition and mortgage to rent properties to the appropriate standard.

These costs are net against compensating variations in the budget including debt charges being £1.2 million under budget.

Composition of reserves

As at 31 March 2014, the Council had usable reserves of £15.3 million. These consisted of the general fund (£9.2 million), the housing revenue account (£2 million), the housing capital fund (£2.6 million) and the insurance fund (£1.5 million). The housing capital fund is used to fund capital expenditure within the housing revenue account. The funds are illustrated in the diagram opposite.

In benchmarking undertaken by Audit Scotland from analysis of the 2013-14 unaudited financial statements of Scotland's 32 local authorities, the Council's decrease in usable reserves is the tenth highest, clearly impacted by utilisation of the cost reduction fund. More than half of all councils utilised usable reserves in 2013-14.



Source: East Lothian Council

The Council has the third lowest amount of usable revenue reserves as a percentage of net revenue stream plus dwelling rents (2012-13: fifth lowest). Regular financial monitoring performed by management, against budgets which include limited utilisation of reserves, will continue to improve the financial position.

HRA dwelling rents per council dwelling is the second lowest in Scotland, indicating that rental charges for residents continue to be lower than the majority of Councils. The Council had the highest level of gross rent arrears as a proportion of dwelling rents in Scotland. We have considered the overall profile of Council debtor balances and related provisions at page 21.

Total capital expenditure in 2013-14 was £45.6 million, below the approved capital plan of £58 million. This level of capital investment represented a 13% decrease over 2012-13 levels and reflects the lower limits approved in October 2012.

Capital programme

Total capital expenditure in 2013-14 was £45.6 million, below the original revised capital plan of £58 million. This level of capital investment represented a 13% (£6.6 million) decrease from 2012-13. The table below provides analysis across general services and the housing revenue account, comparing actual capital expenditure to budget and the prior year.

£m			
	Total	HRA	General services
2013-14 budget	58.0	25.6	32.4
2013-14 actual spend	45.6	20.8	24.8
(Under)/overspend	(12.4)	(4.8)	(7.6)
<i>Financed by</i>			
Grant	12.5		
Asset sales	1.6		
Other receipts	3.6		
Borrowing	27.9		
Total	45.6		

Source: East Lothian Council.

In respect of the housing revenue account the largest element of the capital under spend (£4.8 million) was in relation to extensions, roughcasting and building envelope works.

Actual capital expenditure on general services was £24.8 million and the largest projects are shown opposite, including significant HRA projects. The outturn was an under spend of £7.6 million against budget.

The largest underspends were in relation to replacement vehicles (£1.7 million), coastal car parks and toilets (£0.7 million), support for business - land acquisition, infrastructure and broadband (£0.5 million) and reprovision of pathways home (£0.5 million).

A significant amount of the capital underspend is due to slippage and therefore could affect future years' capital budgets, albeit management apply the capital limits flexibly over the rolling five year period. A refreshed capital plan will be presented as part of the ongoing quarterly monitoring reports in 2014-15. Initial changes to the capital plan were presented to the Council in April 2014 which advised of changes to six projects.

Summary of key capital projects: 2013-14

£m	
Project	Expenditure
Modernisation (HRA)	10.9
Affordable housing	9.9
Tranent care centre	7.2
Roads	5.7
Gullane medical centre	2.7
House purchases	2.1

Source: East Lothian Council analysis.

The lower capital limits approved in October 2012 gave rise to lower than budgeted borrowing requirement and consequently a reduced interest cost.

The Council's level of debt places significant pressure on future revenue funding as debt and associated interest is paid. Robust monitoring will continue to be required.

Borrowing

The Council's capital expenditure is largely funded through borrowing, which inherently increases the level of indebtedness which the Council must repay, with interest, from future revenue budgets. East Lothian has one of the fastest growing populations in Scotland and this gives rise to higher demand for investment in new and refurbished service facilities, such as schools and a growing need for affordable housing.

The additional in year borrowing of £24.8 million was lower than that of the previous year of £30.7 million. This is due to the impact of increased capital grants and project income. The table below shows the split between HRA and general services capital expenditure and borrowing in 2013-14.

Sources of funding				
	HRA £m		General Services £m	
	Budget	Actual	Budget	Actual
Borrowing	18.8	14.5	18.7	13.4
Grants	5.7	5.5	7.0	7.0
Project income	-	-	4.6	2.8
Asset sales	1.1	0.8	1.4	0.8
Developer contrib.	-	-	0.7	0.8
Total	25.6	20.8	32.4	24.8

Source: East Lothian Council.

The proportion of capital expenditure funded from borrowing is higher for HRA projects (70%) than general services projects (54%). Management expects borrowing for HRA projects to be fully repaid from associated rental income generated.

The capital underspend has led to lower than budgeted borrowing requirement and consequently a reduced interest cost than budgeted. Short term borrowing has significantly increased (£20 million) in contrast to the smaller increase in long term borrowing (£4.8 million).

The key driver has been in taking advantage of competitive interest rates available on short term borrowing, therefore decreasing the short term interest costs.

Whilst interest rates have been at a historical low over the past years, inevitably these will increase. Increases to interest rates will only affect new borrowing or variable rate loans, instead of existing fixed rate loans which accounts for a significant proportion of the Council's borrowing portfolio.

The Council is forecasting a slower increase in debt repayments over the next two years. In 2016-17 debt repayments will increase faster than in prior years. These will be paid from the general services and housing revenue account budgets and have been included in the next three years' budgets. The Council's level of debt places pressure on future available revenue funding as debt and associated interest is repaid. There are further risks is capital expenditure is deferred and associated borrowing is taken out at higher interest rates, potentially leading to larger debt charges.

In benchmarking undertaken by Audit Scotland from analysis of the 2013-14 unaudited financial statements of Scotland's 32 local authorities, the Council continues to have the highest level of net external debt when taken as a proportion of revenue expenditure (166%; 2012-13:171%) and second highest per head of population (£3,930 per head; 2012-13: £3,700). However it is recognised that this benchmarking does not differentiate between demographic differences or the split between general services and housing related borrowing.

The Council has the eighth (2012-13: fifth) highest level of debt as a proportion of fixed assets, with a ratio of 0.6 (2012-13: 0.5). Borrowing continues to rise to fund the Council's capital programme, although the active reduction in capital expenditure limits to support no new borrowing from 2014-15 should support a longer term decrease in borrowing levels.

The 2014-15 budget forecasts a breakeven position, incorporating a further £0.2 million utilisation of reserves.

Lower staff costs as a result of VERS will facilitate achievement of the budget.

Background

Local government finance settlements have been agreed for 2014-15 and 2015-16. The table below shows the profile of revenue and capital grants over this period.

£m		
	Revenue allocation	Capital grant funding
2013-14	166.4	7.5
2014-15	163.6	10.8
2015-16	164.3	11.6

Source: Scottish Government website

Revenue budget

A three year revenue budget was approved by council in February 2014. This used the 2013-14 budget as a base and reflected changes for known items of income and expenditure in future years. The 2014-15 budget forecasts a breakeven position, incorporating a further £0.2 million utilisation of reserves.

£000					
Department	Budget 2013-14	Changes 2014-15	Changes 2015-16	Changes 2016-17	Cumulative 2017
Resources and people services	102,520	124	346	1,944	104,934
Health and social care partnership	44,839	(444)	(1,069)	4	43,330
Partnership and community services	48,455	(1,775)	(220)	(572)	45,888
Net expenditure	195,813	(2,095)	(943)	1,376	194,152
Corporate income	(215,552)	(2,572)	(551)	(571)	(219,245)
Transfer to/(from) reserves	(2,236)	2,406	1,438	(1,608)	-
Corporate commitments	21,975	2,260	56	803	25,093
(Surplus)/deficit	-	-	-	-	-

Source: East Lothian Council budget.

This budget has been set on the assumption that council tax will remain frozen in 2014-15. The main changes over the period to 2016-17, by service, are summarised below. The changes are incorporated in the approved budgets and comprise of both known changes and agreed efficiency savings/measures.

In 2016-17 no utilisation of reserves is planned. The reallocation of savings from VERS represents the largest movement within corporate commitments in 2014-15 (£2 million reallocated to departments) and increased debt charges (£0.3 million increase). Corporate income is expected to increase in 2014-15 due to forecast increases in revenue support grant budgeted in 2014-15. The main expenditure savings will be in partnership and community services, with total savings of 5.3% required to achieve budget, with the majority of these savings in 2014-15 from the removal of costs relating to staff who left through VERS.

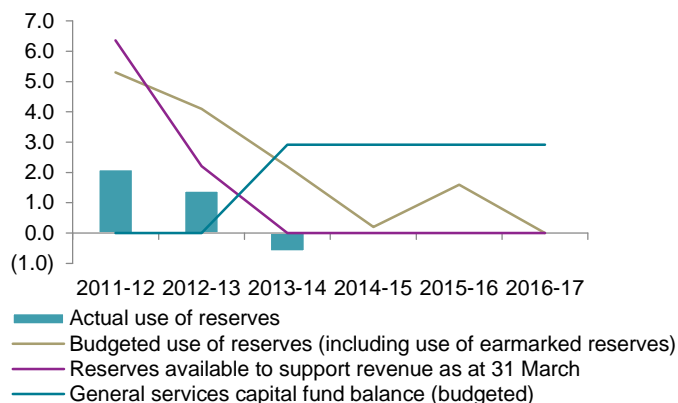
The Council is planning to utilise most useable un-earmarked general reserves by 31 March 2016. In 2016-17 the Council is budgeting a break-even position.

Capital expenditure limits have been set to limit additional borrowing after 2013-14. The capital programme will require ongoing monitoring and review to ensure it continues to meet the financial strategy.

Use of reserves

The Council is planning to utilise most usable un-earmarked general reserves by 31 March 2016. In 2016-17 the Council is budgeting a break-even position. While reserves are not planned to be required in 2016-17, there is risk for the Council in requiring it to achieve budget in each of the next two financial years to achieve a recurring financial balance from 2016-17.

The chart below illustrates the use of reserves over a six year period, in accordance with the approved council budget for 2014-15 to 2016-17, against reserves available.



Source: East Lothian Council budget.

While, as at 31 March 2014, management confirmed that the Council remains on track with its financial strategy, continued monitoring will be required to ensure savings are achieved. Quarterly reports tracking progress with efficiency savings will help to support management in this task.

Cost reduction fund

The Council's cost reduction fund was £7.1 million as at 1 April 2013, being available to cover the cost of further service reviews and other potential efficiency savings. £3.6 million was utilised from this fund in 2013-14, primarily to fund the cost of VERS. As at 31 March 2014, £3.7 million remains earmarked as the cost reduction fund. A clear strategy and allocation of this fund will be needed to best utilise these reserves to support ongoing change projects.

Capital expenditure

Under statutory regulation the Council sets an annual limit on the maximum amount to allocate to capital expenditure. The financial strategy's capital limits, as set out below, seek to limit additional borrowing after 2013-14.

£m			
Year	Capital expenditure limits	Capital projects budget	
2013-14 (actual)	33.0	24.8	
2014-15	21.0	23.2	
2015-16	21.0	21.1	
2016-17	21.0	18.4	
Totals	96.0	87.5	

The cumulative budget over the four year period is within the cumulative capital limit. Management recognise the need for limits to be applied flexibly to incorporate project slippage, inter-year transfers and additional capital income. Elimination of additional borrowing, leading to reduced debt costs will support management's achievement of a sustainable financial position. Initial changes to the capital plan were presented to the Council in April 2014 which advised of changes to six projects.

Financial statements and accounting

Our perspective on the preparation of the
financial statements and key accounting
judgements made by management

We have issued an unqualified audit opinion on the financial statements.

Audit conclusions

Our audit work is substantially complete pending receipt of management's representations and update of subsequent events. We have issued an unqualified opinion on the truth and fairness of the state of the Council's affairs as at 31 March 2014, and of the Council's deficit for the year then ended. An emphasis of matter paragraph is included within our audit opinion in respect of the facilities service significant trading operation not meeting the statutory target to break even over a three year rolling period as set out on page 22. There are no other matters identified on which we are required to report by exception.

In gathering the evidence for our opinion we have:

- performed a mixture of substantive and controls testing to ensure an efficient approach that covers all the key risks;
- liaised with internal audit and reviewed their reports to ensure all key risk areas having a potential financial statements impact have been considered;
- reviewed assumptions and judgements made by management and considered these for appropriateness;
- considered if the financial statements may be affected by fraud through discussions with senior management and internal audit to gain a better understanding of their work in relation to prevention and detection of fraud with the potential to impact on the financial statements; and
- attended the audit and governance committee to communicate our findings to those charged with governance, but also to update our understanding of the key governance processes and obtain key stakeholder insights.

Materiality

Planning materiality was provided in the audit strategy and plan 2013-14 dated 9 January 2014. We revised materiality prior to the commencement of the final audit, following updated internal sector guidance and receipt of the financial statements. Materiality has been set at £5.76 million (previously £9 million) which is approximately 2% of total expenditure in 2013-14. We have design our procedures to detect errors at a lower level of precision, i.e. £4.3 million. We report identified errors greater than £288,000 to the audit and governance committee.

The main audit focus areas are discussed on the following pages.

These were identified in the audit strategy and plan and are significant risks in respect of:

- management override of controls;
- revenue recognition fraud risk;
- the Council's financial position; and
- valuation of council dwellings;

and other focus areas of:

- employee benefits;

during the audit we also identified further focus areas of:

- accounting for depreciation;
- significant trading operations; and
- provisions.

Significant risks that ISAs require us to raise in all cases

Professional standards require us to consider two specific risks for all organisations:

- management override of controls; and
- fraudulent revenue recognition.

Our audit approach to address these was set out in our audit plan and strategy. We do not consider fraudulent revenue recognition to be a significant risk for the Council as there are limited incentives and opportunities to manipulate the way income is recognised given the nature of grant funding. We therefore rebut this risk and did not incorporate specific work into our audit plan in this area over and above our standard fraud procedures. Although we do not consider the presumed risk of fraud from revenue recognition to be applicable, we remained alert to indications of fraud during the course of the audit.

As part of our work to address the significant risk of management override of controls we performed the following tests:

- testing of journals at the year end, and during the year;
- review of unusual transactions in the year;
- enquiries with employees outside the finance department;
- a test of unpredictability; and
- controls testing, including higher level controls.

We do not have any findings to bring to your attention in relation to these matters. No control overrides were identified.

Other areas of audit focus

Our audit strategy and plan included the following other significant risks:

- the Council's financial position, including revenue and capital and the impact on borrowing which we have considered in the strategic overview; and
- valuation of council dwellings;

and other areas of audit focus we have reported on other matters related to:

- accounting for the Council's participation in the Lothian Pension Fund;
- accounting for depreciation on enhancements to existing assets;
- significant trading operations; and
- provisions.

We have considered key accounting issues, in relation to valuation of property, plant and equipment.

We concur with management's judgements regarding the valuation of property, plant and equipment.

Key accounting judgements	
Area	KPMG comment
Valuation of property, plant and equipment	<ul style="list-style-type: none"> Under the Council's rolling basis of revaluations, Council dwellings were revalued as at 31 March 2014, using the Beacon approach (adjusted vacant possession). The revaluation has increased the value of Council dwellings by £5.6 million. Our audit of the accounting for the revaluation includes evaluation of the valuer as a third party expert and consideration of the data underlying the valuation report. We found that the valuer as a third party expert was objective and had the appropriate experience and expertise to provide the information for use by the Council. Our testing included review of actual data against that used in the valuation report. No issues were identified. The valuer uses a number of assumptions in its calculations based on market conditions at the year end. Using our own internal valuation specialist reviewed the methodology and assumptions used. There were no issues identified from this review. We reviewed the revaluation adjustments processed in the financial statements and identified that these had been appropriately recognised and disclosed. As in previous years Council dwellings are recognised as a single line item, by road or area, in the fixed asset register with total annual enhancements recognised as separate assets. It was not possible for management to specifically allocate the valuation based on this recognition in the fixed asset register. Additions and enhancements to council dwellings will be recognised on this one line, which does not enable componentisation of assets. Management are undertaking a review of the fixed asset register to ensure appropriate data is held on individual council dwelling assets. The current fixed asset register treatment also does not enable management to remove the relevant component on disposal or replacement in future years. There is a further risk to the depreciation calculation as individual assets and components useful lives cannot efficiently be applied to accurately calculate the depreciation amount for 2014-15. <ul style="list-style-type: none"> <li style="text-align: right;">Recommendation one Improvements were made to the annual impairment review process in 2012-13, with management putting in place an effective consultation procedure within the Council. Due to staffing changes in 2013-14 there were difficulties in receiving all manager reviews on a timely basis and the review was still on an informal basis. There is opportunity to further enhance the impairment review by tracking all manager reviews, potential impairments identified and conclusions in an overall document. We suggested to management that the review could be performed as at 28 February, thereby providing greater time for consideration and implementation of impairments. No impairments were identified in 2013-14. <ul style="list-style-type: none"> <li style="text-align: right;">Recommendation two

In respect of employee benefits, each of the assumptions used to value the Council's net pension deficit are within an acceptable range of KPMG's expectations.

We are of the view that this therefore represents a reasonable and balanced approach, in accordance with the requirements of IAS 19.

Other accounting and audit matters	
Area	KPMG comment
Employee benefits valuation	<p>The Council accounts for its participation in the Lothian Pension Fund in accordance with IAS 19: <i>Employee benefits</i> on a defined benefits basis using valuation information prepared by actuarial consultants. Our audit of the accounting for employee benefits includes evaluation of the actuarial consultants as a third party expert, consideration of the data underlying the actuarial report, including the level of contributions made during the year, the financial assumptions and membership data provided to the actuary by the Council, and estimates of the Council's share of the pension fund assets.</p> <p>We found that the actuarial consultants as a third party expert was objective and had the appropriate experience and expertise to provide the information for use by the Council. The level of contributions made in the year is estimated based on data prior to the year end. It is important that this number is accurate as it is used to inform the calculation of the liabilities at the period end. Our testing included review of actual data against that used in the actuarial calculations, no issues were identified. The actuaries use a number of assumptions in their calculations based on market conditions at the year end, including a discount rate to derive the anticipated future liabilities back to the period end date and assumptions on future salary increases. Using our own actuarial specialists, we reviewed the assumptions and concluded that the overall assumptions proposed represented a balanced position for the net deficit within our expected range. Further information is given in Appendix four.</p> <p>The Council has appropriately applied IAS 19 (<i>revised</i>) in the financial statements. If the standard had been adopted early in 2012-13, the estimated change to finance costs would be £2.9 million. We do not consider this to be a material amount and therefore agree with management's decision not to restate the prior year comparatives. There would be no impact on the prior year net assets position if the Council had restated the prior year comparatives. An audit adjustment of £5.1 million was processed to correct the accounting for the return on plan assets, which had been incorrectly recognised in other comprehensive income and expenditure instead of financing and investment income and expenditure.</p>

We have considered key accounting issues, in relation to depreciation on additions to existing assets.

We have raised a recommendation to review the depreciation policy.

Other accounting and audit matters	
Area	KPMG comment
Depreciation	<p>In a previous year, we reported that depreciation on additions to existing assets is calculated using the method set out below and illustrated in the diagram. This method gives rise to immaterial differences to a depreciation charge we would expect, although may give rise to larger errors in the future.</p> <ol style="list-style-type: none"> 1. Depreciation on the cost or valuation of an existing asset is applied, based on its useful economic life and calculated on a daily basis from 1 April to 1 October. 2. The net book value ('NBV') of the existing asset is calculated as at 1 October, being the opening NBV less the depreciation calculated above. 3. The cost of any additions is added to this 'enhanced' carrying value, to provide a depreciable value of the asset. 4. The depreciable value of the asset is depreciated on a daily basis from 2 October to 31 March and added to the first six months of depreciation to give the depreciation charge for the year.

We identified further focus areas in relation to depreciation and significant trading operations.

We have raised a recommendation to review the depreciation policy.

An emphasis of matter paragraph is included within our audit opinion in relation to the facilities services significant trading operation not meeting the statutory three year breakeven target.

Other accounting and audit matters	
Area	KPMG comment
Depreciation (cont.)	<p>This method of calculating depreciation is unique amongst our client base. We analysed the depreciation charge on those assets where capital expenditure has been incurred and accounted for as an enhancement. We consider that depreciation is understated on council dwellings by £1.6 million however, due to the revaluation at year end, this understatement does not impact on the carrying value of these assets, since if processed it would simply increase the revaluation journals. For other property, plant and equipment, we consider depreciation to be understated by £0.5 million.</p> <p>An unadjusted audit difference has been presented on page 36. This would result in a net decrease to net assets of £0.5 million if adjusted.</p> <p>We recommend management reviews the current depreciation policy, and considers revising the current methodology. This should take account of how enhancements to council dwellings are recognised in the fixed asset register as there is a risk that the audit adjustment could become material in value.</p> <p style="text-align: right;">Recommendation three</p>
Significant trading operations	<ul style="list-style-type: none"> ■ The Council has three significant trading operations ('STOs'). The Local Government in Scotland Act 2003 requires that each STO breaks-even over a rolling three year period. The financial statements identify that facility services did not meet this statutory target and made a three year rolling deficit of £98,000 as at 31 March 2014. We reviewed the consistency of allocation of income and expenditure to each of the STOs, ensuring that no ineligible costs had been allocated to each STO. We recalculated the net surplus/deficit over the three year period. Property maintenance and roads services met this statutory target in 2013-14. ■ An emphasis of matter paragraph is included in our audit opinion in relation to this matter. Management has identified that in the first quarter of 2014-15 facilities services has met the rolling three year break even target. Furthermore, management is investigating options to perform a review of STOs to ensure they best meet the Council's requirements. ■ Non-material adjustments were required to the disclosed surplus for the year to ensure expenditure included was consistent with prior year disclosures. The narrative for facilities services was also updated to better reflect the three year cumulative position.

We identified further areas of audit focus in respect of provisions.

We have raised a recommendation to enhance the basis of the bad debt provision calculation.

Other accounting and audit matters	
Area	KPMG comment
Bad debt provision	<ul style="list-style-type: none"> The bad debt provision is calculated separately for council tax, housing rents, housing benefit and general bad debt. The council tax, housing rents and housing benefit provisions are calculated on a historic methodology, meaning they may not accurately reflect the bad debt the Council will face. Overall, the Council provides for 73.5% (2012-13: 66.3%) of gross debtors. We have reviewed the provision policy and compared to other authorities, we consider that council tax, rents and housing benefit provisions are prudent, although recognise that a policy of writing-off debtors or retaining the gross debtor with provision impacts on benchmarking analysis. Our view is that the calculation methods used should be revised to more accurately reflect debtor payment trends. <p style="text-align: right;"><i>Recommendation four</i></p>
Provisions - other	<ul style="list-style-type: none"> In 2012-13 we discussed with management a potential provision for VERS. Management did not recognise a provision in the financial statements as they did not consider a constructive obligation to be present as at 31 March 2013 or that a reliable estimate was possible at that date. Management has recognised the cost of VERS as expenditure within the 2013-14 accounts. The difference of interpretation led to an unadjusted audit difference of £3.1 million in 2012-13. If this difference had been adjusted in 2012-13, the 2013-14 decrease in usable reserves balance would be £0.5 million (2013-14 accounts £3.6 million). Following a European Court of Justice ruling in May 2014, employers are required to pay holiday pay to staff at a rate commensurate with any commission or over time that they regularly earn, instead of at their basic pay level. Following legal advice, management has implemented this process for holiday pay going forward. It is anticipated this will cost approximately £0.2 million per year. Management is reviewing any potential retrospective liability which is unlikely to be material. Whilst the Council do not operate any landfill sites, coal mines or other sites which carry significant liabilities to restore, there is one Council owned former landfill site and one present private operation. Management monitors the environmental impact of the former landfill site and state that there are known issues with it. There is sector-wide consideration of operations with obligations to restore and potential financial stability of operators, following the liquidation of a coal mine operator in another area. Further analysis is required by management to identify any potential liability and ensure they have appropriate monitoring procedures in place. Management needs to review any site (including wind farms and quarries) with a decommissioning or rectification obligation. This is considered to be an area of limited risk for the Council and there are no known issues. <p style="text-align: right;"><i>Recommendation five</i></p>

There have been no substantive changes to the financial reporting framework as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom 2013-14* ('the Code of Practice').

There have been no changes to accounting policies in 2013-14. All accounting policies have been applied consistently.

Disclosure has been included in respect of the impact of revisions to IAS 19 *Employee benefits*.

The financial statements have been prepared on a going concern basis.

Accounting framework and application of accounting policies	
Area	KPMG comment
Code of Practice on Local Authority Accounting in the United Kingdom 2013-14 ('the Code')	<p>The 2013-14 financial statements have been prepared in accordance with the Code of Practice which is based upon International Financial Reporting Standards ('IFRS').</p> <p>During the year there have been no substantive changes in financial reporting requirements, and consequently there are no material changes to the Council's accounting policies.</p> <p>We are satisfied that the accounting policies adopted remain appropriate to the business.</p>
Impact of revised accounting standards	<ul style="list-style-type: none"> The Council has applied the revisions to IAS 19 <i>Employee Benefits</i>, opting not to restate the prior year comparatives on grounds of materiality. We concur with this approach as there were no changes to the balance sheet as a result of the retrospective application of IAS19R, and the impact on the comprehensive income and expenditure account are not material. The employee benefits accounting policy in the draft financial statements required updating to reflect IAS19R and disclose that no prior year restatement had occurred. Amendments to the pension disclosure notes were required to ensure the disclosures were in line with the changes in IAS19R.
Going concern	<ul style="list-style-type: none"> The Council had net assets at the balance sheet date, although reduced by £12.6 million in the year; due primarily to the movement in general fund and housing revenue account (£3.6 million) and increases in pension liability (£17.9 million), offset by the upwards revaluation (£6 million) and other smaller movements in debtors and cash balances. Management has considered the funding available to the Council, which is approved for 2014-15, combined with longer-term funding expectations and the fact that the net liability obligations do not fall due within one year. Over the past few years there has been a reduction in the overall cost base and further efficiency savings are incorporated in budgets. There is tight financial control and this will be further supported by quarterly reporting on efficiency savings. Management considers it appropriate to adopt a going concern basis for the preparation of these financial statements, and disclosed these circumstances within the financial statements. We are satisfied that this disclosure remains appropriate, noting that the pension deficit and long term borrowing does not become due in the next 12 months.
Impact of revised accounting standards	<ul style="list-style-type: none"> There are no newly effective accounting standards that are considered to have a material impact on the Council's financial statements in the current year. Appropriate disclosure to this effect is included within the accounting policies note to the financial statements.

The financial statements and draft governance statement were made available on a timely basis.

There are further opportunities for continuous improvement in the financial statements preparation.

Financial statements preparation

- Management provided full draft financial statements on 26 June 2014, in line with the agreed timetable. This included the explanatory foreword, remuneration report and governance statement. A prepared by client audit file, was made available at the start of the final audit fieldwork on 7 July 2014. The finance team underwent change during the year, with the audit being performed during a period of a temporary finance manager.
- The majority of supporting documentation was received in a timely basis, and queries were answered promptly. We provided feedback to management on the content of the financial statements, annual report and governance statement, and we are pleased to report that these were consequently prepared appropriately. A number of presentational adjustments were needed to the draft financial statements, which would benefit from a more robust review prior to release. There is further opportunity for continuous improvement in the financial statement preparation. For example in the use and preparation of the CIPFA pro-forma financial statements in advance of the year end and in determining the approach to key judgements prior to the year end.
- The audit clearance meeting was held on 6 August 2014, in line with the prior year timetable. Management has indicated their desire to achieve a faster close of financial statements in 2014-15. We will meet with management to support an improvement in the financial statements close process.
- The Local Authority Accounts (Scotland) Regulations 2014 will come into force on 10 October 2014. The regulations contain provision for the unaudited annual financial statements as submitted to the auditor to be considered by the audit and governance committee no later than 31 August, and the audited financial statements to be presented to the audit and governance committee for consideration and approval prior to auditor signature before 30 September. Whilst the audit and governance committee already consider the unaudited financial statements, management will need to review the financial statements timetable to ensure the audited financial statements are also considered by the audit and governance committee.

Recommendation six

- All charitable trust funds registered with the Office of the Scottish Charity Regulator ('OSCR') require an audit. Management identified the Dr Bruce Fund as the only charity requiring an audit. We reviewed and agreed with OSCR confirmation that this is the only fund requiring an audit. Our audit work on the Dr Bruce Fund is complete. The charity financial statements are required to be approved and signed by 30 September 2014, in line with the timetable for the Council's accounts.
- In respect of the Council, there is one adjusted audit difference of £5.1 million in relation to the changes to IAS19 presentation and one unadjusted audit difference of £2.1 million in relation to the calculation of depreciation.
- There are no significant matters in respect of (i) auditor independence and non-audit fees and (ii) management representation letter content, as reported in appendix one.

Governance and narrative reporting

Update on your governance arrangements

Our overall perspective on your narrative reporting, including the remuneration report and annual governance statement

Although there have been changes to the management structure and further staffing changes as a result of VERS, the corporate governance arrangements remain appropriate for the Council.

Risk management arrangements have been reviewed during the year, and a corporate risk management group is in place.

<p>Corporate governance</p>	<p>The Council has overarching and supporting governance arrangements which provide a framework for organisational decision-making. The Council operates a cabinet structure, with a cabinet and two statutory committees; education and planning. The 2012 review of chief officers resulted in a reduction in the number of heads of service and a shift in this role to a more strategic position. A further change in the management structure occurred with effect from 1 April 2013, with three directors being reduced to two deputy chief executives. VERS also contributed to further staffing changes during 2013-14.</p> <p>Councillors are subject to a Code of Conduct instituted by the Ethical Standards in Public Life etc. (Scotland) Act 2000 and enforced by the Standards Commission for Scotland. A briefing session on the Code of Conduct was held during 2013-14 to ensure councillors are aware of their responsibilities. The Code of Conduct is documented within the Standing Orders, which are publically available. The Standing Orders were revised in June 2013 and updated in June 2014 to include a revised scheme of delegation and new procurement procedures. Commitment to the training and development of Councillors is evident through targets outlined in the 2014-15 improvement plan.</p> <p>As part of the Code of Corporate Good Governance a task group comprising senior officers of the Council was given responsibility for developing, monitoring and reviewing corporate governance. An annual corporate governance self evaluation has been implemented as a result of this. The results of the 2014 self evaluation were reported to the audit and governance committee in May 2014 and noted four improvement points, a decrease from the 13 points noted in 2013. This annual review of corporate governance demonstrates good practice and commitment to continuous improvement.</p>
<p>Risk management</p>	<p>Management is continuing to review risk management arrangements to provide assurance to elected members over the mitigation of identified risks. The risk management strategy and supporting documentation demonstrate a commitment to good practice and were initially implemented in December 2009. A corporate risk register is in place and is supported by departmental risk registers. The corporate risk register was updated in May 2014, following a review by the corporate risk management group. This was approved by cabinet in June 2014. Risk registers are currently maintained on spreadsheets, but are being transferred to the Aspireview system going forward.</p> <p>Risk appetite is referred to in the risk management strategy, although the Council's overall risk appetite is not defined. The risk management strategy was last updated in 2012 and is due to be updated again in October 2014; it would be beneficial to users of the strategy to include further information on the Council's risk appetite.</p> <p>The Council has a corporate risk management group, which is responsible for developing and monitoring the risk register, as well as identifying mitigating controls.</p>

Our reporting through the year identified improvements in the governance and controls framework from the prior year.

<p>Annual governance statement</p>	<p>The annual governance statement provides details of the purpose of the framework of internal control, along with an analysis of its effectiveness. It describes a number of sources of assurance and identifies areas for improvements to be focussed on in the future. The statement also highlights the annual self-evaluation exercise carried out by the Council, which is based on the SOLACE/CIPFA good governance framework. Improvement points from this exercise are included within the statement and in the corporate improvement plan.</p> <p>The statement references the declarations of assurance completed by the Chief Officers to confirm that internal controls are operating effectively within their service or highlight any exceptions. Declarations of assurance were not completed by all officers in line with the Council's timetable. Due to long term absences, two of the declarations were signed by other people on behalf of the officers. The governance statement has been amended to reflect this.</p>
<p>Remuneration report</p>	<p>Since 2011-12, regulations place a requirement for local authority bodies to prepare a remuneration report. The Local Government Finance Circular number 8/2011, issued by the Scottish Government, provides guidance for the preparation of the remuneration report. The guidance states that the remuneration report is a statement in its own right and not a note to the financial statements. While there is no statutory prescription on its placement in the financial statements, it suggests a suitable placement would be after the governance statement. The remuneration report is included before the annual governance statement.</p> <p>There were initially incorrect figures stated in the draft remuneration report and presentational changes required to ensure that it complied with guidance. In addition to these errors, the guidance requires the disclosure of the Chief Executive or most senior officer of any subsidiary bodies. There was no such disclosure for the Council's subsidiary body, the Musselburgh Racecourse. This disclosure is required by the guidance, in a tabular format showing any remuneration received from the subsidiary body. Some employees were missing from the salary bandings disclosure, meaning these figures were incorrect. Furthermore, we identified an instance where an exit package was calculated incorrectly as the payroll department had not been made aware of a change in leaving date. The incorrect disclosures have been updated in the report; management should review the report more thoroughly prior to finalisation to identify any errors or inconsistencies.</p> <p style="text-align: right;">Recommendation seven</p> <p>The remuneration report is required to disclose details of any exit packages awarded during the year. Due to the VERS and other redundancies, 101 people received exit packages in 2013-14. We tested a sample of exit packages, verifying they were awarded in line with the Council's policy on early retirement and the correct amounts were disclosed. We reviewed exit package disclosures against Audit Scotland guidance. We did not identify any issues arising from this testing.</p>

While management have demonstrated a commitment to continuous improvement, the area of procurement would benefit from further attention.

<p>Procurement</p>	<p>A new procurement policy and related procedures were drafted in 2013. The corporate procurement procedures were updated during the year and approved by Council on 24 June 2014. The procedures are included in the Standing Orders as an appendix and training has been provided to employees. As part of the update to procurement procedures, tendering limits were reduced and the approval process for new suppliers tightened. However, there is still a large volume of new suppliers and there has been limited progress in increasing the use of PECOS within the Council.</p> <p>We placed reliance on internal audit for review of procurement controls; internal audit identified weaknesses within procurement procedures; cases were identified where the procurement process had not been initiated by an officer with the appropriate delegated authority. The procedures for ensuring all documentation is completed and the guidance to officers on reporting procurement activity to members require review. Internal audit also noted that various versions of procurement procedures were made available to staff.</p> <p>The 2012-13 public performance report from Audit Scotland identified that the Council does not report fully on a range of information, sufficient to demonstrate that it is securing Best Value in relation to procurement. 10 Councils in Scotland also received a similar outcome in the analysis. Management is considering the improvements to be implemented. The 2012 procurement capabilities assessment rated the Council as 'conformance', with a score of 44% (2011: 28%), the increasing score demonstrates management focus on improving procurement. As part of organisational change, the procurement team now sits alongside the legal team, instead of previously within the finance function.</p>
<p>Prevention and detection of fraud</p>	<p>A key mechanism in the allocation of authority, accountability and responsibility and the prevention and detection of fraud is the existence and maintenance of strategic and financial documentation. The Council has appropriate policies and codes of conduct for staff and councillors including a whistle blowing policy. The whistle blowing policy was updated in June 2014, to reflect the staffing restructure.</p> <p>Management identified no significant fraud or irregularities, other than issues that were already brought to our attention by internal audit.</p>
<p>Maintaining standards of conduct and the prevention and detection of corruption</p>	<p>The Council has recently reviewed and updated its Standing Orders and supporting Schemes of Administration and Delegation and procurement procedures. Role descriptors for councillors were approved by Council in October 2013, in line with best practice guidance from The Scottish Local Authorities Remuneration Committee. New councillors and new employees are required to agree to their respective Codes of Conduct on commencement of office or employment, and management is required to communicate any changes in the Code of Conduct to employees. This reinforcement of values will contribute to the effective prevention and detection of corruption at the Council. Internal audit reviewed the updated procurement procedures, and highlighted some weaknesses which require addressing.</p>

National fraud initiative

The National Fraud Initiative ('NFI') is a data matching exercise which compares electronic data within and between participating bodies in Scotland to prevent and detect fraud. This exercise runs every two years and provides a secure website for bodies and auditors to use for uploading data and monitoring matches.

We prepared a short return to Audit Scotland in December 2013 assessing management's participation in the NFI exercise. Management's progress against a number of controls was graded on a traffic light basis, and an overall green rating was awarded. The Council has established a process for investigated cases of potential fraud highlighted by NFI, which is primarily undertaken by internal audit. Internal audit reported to the audit and governance committee in January 2014 on their findings from the recent NFI exercise. Internal audit show commitment to NFI and it is embedded within their annual plan, however some areas for improvement were identified.

We noted improvements in the internal control environment, and the implementation of recommendations raised in the prior year.

In particular we welcome the timely completion of the year-end bank reconciliation.

We are able to place reliance, where relevant, on the work of internal audit.

<p>Systems of internal control</p>	<p>We have noted considerable improvements in the governance and controls framework over the three years of our appointment. Changes to policies and procedures have been made against a backdrop of senior staff restructuring and ongoing efficiency rationalisation. While management has acted on a number of the recommendations made in previous audit reports, there are opportunities to further enhance the control environment, particularly in relation to journals processing. Our interim management report made five recommendations; three grade two (material) and two grade three (minor).</p> <p>Our substantive testing of bank reconciliations identified two bank accounts which were not being managed centrally, and therefore had not been included within the bank balances presented by management. These related to the social work department and held £52,000; we do not consider these to be material. Management has begun investigating these accounts, including looking at the position with regard homes for older people.</p> <p style="text-align: right;">Recommendation eight</p> <p>Overall, our testing of the design and operation of financial controls over significant risk points confirms that generally controls relating to financial systems and procedures are designed appropriately and operating effectively.</p>
<p>Internal audit</p>	<p>As set out in our audit plan and strategy, we have evaluated the work of internal audit. In 2013-14 we relied on:</p> <ul style="list-style-type: none"> ■ journals processing; ■ procurement scheme of delegation; ■ trading operations; ■ creditors; ■ housing revenue account; and ■ national fraud initiative. <p>We had also planned to use internal audit's work on statutory performance indicators, however this has not yet been completed. This is due to be completed in September 2014, working jointly with Midlothian Council.</p> <p>Internal audit reported that 'subject to the weaknesses outlined in the controls assurance statements, that reasonable assurance can be placed on the adequacy and effectiveness of the Council's internal control systems for the year to 31 March 2014.' The most significant areas where internal audit identified weaknesses in the design or operation of internal controls included procurement arrangements, journals processes, guidance for creditor payments, new suppliers, approval of payments, checking rent increases and homeless rent charges and retention of supporting documentation.</p> <p>The IASAB produced a common set of public sector internal audit standards ('PSIAS'), which were effective from 1 April 2013. Internal audit considered these standards when setting the 2013-14 and 2014-15 audit plans. Internal audit intend to complete an assessment against these new standards and implement an internal audit charter as part of the internal audit plan for 2014-15.</p>

Performance management

Our perspective on the performance management arrangements, including follow up work on Audit Scotland reports

Our work has identified that the Council's Best Value and performance management arrangements are good practice.

<p>Best Value</p>	<p>Best Value places a statutory requirement on local authorities to ensure they have procedures in place for 'continuous improvement'. To achieve this, the Council developed an improvement framework, approved on 27 March 2012. Implementing an improvement framework demonstrates good practice in assessing whether the Council is achieving Best Value. The framework was reviewed in March 2014, and it was determined that no revision was required. That has not yet been reported to the Council.</p> <p>The Director of Performance and Best Value reported to the Accounts Commission on public performance reporting in June 2014, to consider whether councils reported on a range of information sufficient to demonstrate Best Value in a range of areas. East Lothian Council achieved a 'yes' score in 14 areas, a 'partial' score in six areas and a 'no' score in the area of procurement. This has prompted a review of KPIs in this area. The Council was highlighted as good practice in a range of areas, particularly around effective use of customer satisfaction information and a structured approach to public performance reporting. The performance website is well structured to the range of services and performance in each of these. The annual performance report is also well presented and contains information to show how customer feedback has been taken on board.</p>
<p>Performance management arrangements</p>	<p>A new Single Outcome Agreement ('SOA') has been developed by the Council and related partners. The SOA is an agreement between the East Lothian Partnership and the Scottish Government, setting out how each party will work to improve outcomes and reduce inequalities for East Lothian residents.</p> <p>The Council continues to use a well established approach to self-evaluation through the use of the How Good is our Council ('HGIOC') model, which is completed by all Council departments on an annual basis. The 2013-14 HGIOC process is substantially complete, but the results are yet to be compiled as some departments did not return their data on time. The results of the HGIOC exercise will be used to inform the service plans. Three year service plans are to be developed in order to align the plans with the three year budgets and provide continuity in each years' plan going forward.</p> <p>Together with the focus on self-evaluation, the main element of performance management takes place through monitoring service performance against agreed performance indicators. Performance indicators are listed on the Council website and progress is updated on a quarterly basis. Elected member scrutiny is primarily performed by the policy and performance review committee and the audit and governance committee. In addition, the corporate management team reviews performance on a continuous basis.</p> <p>A review of performance indicators is underway to ensure each single outcome agreement outcome, council plan objective and Audit Scotland indicator category is linked to a specific KPI. KPIs are reviewed on an annual basis to ensure they are still appropriate, demonstrating commitment to continuous improvement.</p> <p>A Council improvement plan is developed annually. This identifies actions from a range of sources, including the HGIOC reviews, corporate governance self-evaluation, audit reports, Audit Scotland's <i>Overview of Local Government in Scotland</i> and any outstanding actions carried over from the prior year improvement plan. Management reviews progress against the improvement plan during the year in order to identify any points which require carrying forward.</p>

The AIP states that overall the Council continues to perform well in most areas, and no areas have been selected for further scrutiny.

During 2013-14 we have prepared returns to Audit Scotland on health inequalities, ALEOs and major capital investment.

<p>Shared risk assessment</p>	<p>The Council considered the updated assurance and improvement plan on 24 June 2014. This is used as a source of action points for the Council improvement plan, which was discussed and approved by members on the same date. The Local Area Network (LAN) recognises the Council's ongoing commitment to continuous improvement and self-evaluation. It recognises areas of strong performance, and a number of improvement activities.</p> <p>This plan contains no areas identified for further scrutiny, where two areas were selected in the previous year.</p>
<p>Local response to national studies</p>	<p>The Council's response to the following national reports was considered:</p> <ul style="list-style-type: none"> ▪ Health inequalities in Scotland <p>The report was published on 1 December 2012 and was considered by the audit and governance committee and senior management team together with an assessment of East Lothian Council's position. The report prompted the East Lothian Partnership to begin developing a health inequalities strategy. We prepared a short return to Audit Scotland in relation to the report.</p>
<p>Major capital investment in councils</p>	<p>The council management team considered the March 2013 Audit Scotland report '<i>Major capital investment in councils</i>' in May 2013. The audit and governance committee considered this report in June 2013. This provided background to the publication and the action plan prepared in response to this. The Council has made good progress against their action plan and has developed a comprehensive asset management strategy. However, the development of a formal capital investment strategy setting out a clear link between investment, performance and outcomes should be considered.</p> <p>We prepared a report to Audit Scotland on our findings from this review. These findings were documented in full in the 2013-14 interim management report.</p>
<p>Arms length external organisations (ALEO): Are you getting it right?</p>	<p>The Accounts Commission published a report in 2011, '<i>Arm's-Length External Organisations: Are you getting it right?</i>', as part of its 'How Councils Work' series of improvement reports. The aim of this was to provide the Accounts Commission a position statement on the councils' use of ALEOs.</p> <p>Management presented the report on ALEOs to the audit and governance committee on 27 September 2011. This was discussed by the audit and governance committee but no action plan was developed. The committee requested a clearer paper on ALEOs to be prepared, however this has not yet been completed.</p> <p>Our full findings from the targeted follow up are outlined in a separate report. These have been reported to Audit Scotland.</p>

Performance against statutory performance indicators and other local government bodies is measured by the Council and our responsibilities as external auditor extend to understanding the arrangements and systems.

<p>Statutory performance indicators</p>	<p>As part of our review of performance management, Audit Scotland require specific consideration of SPIs. The aim of this work is to assess how authorities are compiling and reporting data and ensuring it is complete and accurate. Local authorities have a statutory duty to ensure appropriate arrangements are in place for collecting, recording and publishing performance information. Auditors have a statutory duty to be satisfied that the council has made adequate arrangements for collecting and recording information, and for publishing it, as are required for the performance of their duties. Consideration has been given to the Council's procedures for collecting and reporting information on SPIs, in line with Audit Scotland requirements.</p> <p>The audit of SPIs is a two stage process. Our results of the stage one assessment have been reported to Audit Scotland and our responses are outlined in a separate report. The results of the second stage, assessing the quality of PPR, will be reported to the Accounts Commission by May 2015.</p> <p>In 2013-14, Statutory Performance Indicators were not specified and were drafted by the Council based on categories provided by Audit Scotland. The specified indicators have been replaced by the Scottish Local Government Benchmarking Framework. The 2013-14 SPIs were developed in consultation with the policy and performance review committee, and are linked to the Audit Scotland categories as well as council plan and single outcome agreement objectives.</p> <p>The Council uses the Aspireview system to input, manage, interrogate and present data. For each indicator a performance indicator verification certificate is produced, requiring confirmation from two individuals. Management consider that there are adequate checks and controls to provide comfort over the completeness and accuracy of data. Internal audit are working jointly with Midlothian Council to perform sample testing on the SPI data at both councils. This is due to be performed in September 2014.</p> <p>Performance against the Council's performance indicators is reported in an annual performance report, publically available and discussed at the policy and performance review committee. The 2013-14 report is due to be published in October 2014.</p>
<p>Benchmarking</p>	<p>The Local Government Benchmarking Framework has been developed to help councils compare their performance using a standard set of indicators. The indicators in the framework replace the specified Statutory Performance Indicators ('SPI's) from 2013-14 onwards. Results are analysed in 'family groups' to ensure comparison is between authorities with similar characteristics.</p> <p>Management reviewed the available 2012-13 results, and reported these to the policy and performance review committee in April 2014. Indicators where there was a significant change from the prior period or a variance from the rest of the family group were analysed. Management has reviewed the five indicators where performance was poorest in the 2011-12 results, and has also reported the results of this. The Council is also participating in two pilot benchmarking exercises in road maintenance and school leaver destinations, the results of which will be reported to the policy and performance review committee later in the year. This shows commitment to continuous improvement.</p> <p>The framework also contains indicators based on customer satisfaction. These results show high levels of satisfaction for residents of East Lothian in a range of services, including a first place ranking for satisfaction with parks and open spaces across 32 councils.</p>

Appendices

There was one adjusted audit difference and one unadjusted audit difference.

Area	Key content	Reference
Adjusted audit differences Adjustments made as a result of our audit	There is one adjusted audit difference in relation to the changes to IAS19 which removed the £5.1 million return on plan assets from other comprehensive income and expenditure and correctly recognised this amount within financing and investment income and expenditure (net interest on the net defined benefit liability). The balance on general fund reserves is not effected.	Appendix 2
Unadjusted audit differences	We are required by ISA (UK and Ireland) 260 to communicate all uncorrected misstatements, other than those which are trivial. There is one unadjusted audit difference for the under recognition of depreciation on enhancements to existing assets. If recognised, net assets and total reserves would decrease by £0.6 million to £251.7 million.	Appendix 2
Confirmation of Independence Letter issued by KPMG LLP to the Audit Committee	We have considered and confirmed our independence as auditor and our quality procedures, together with the objectivity of our Audit Director and audit staff. There are no non-audit fees for the year.	Appendix 3
Draft management representation letter Proposed draft of letter to be issued by the Company to KPMG prior to audit sign-off	There are no changes to the representations required for our audit from last year.	-

There is one adjusted audited differences and one unadjusted audit difference to the financial statements.

Adjusted and unadjusted audit differences

We are required by ISA (UK and Ireland) 260 to communicate all corrected and uncorrected misstatements, other than those which are trivial, to you. There is one adjusted audit differences and one unadjusted audit difference.

Adjusted caption	Nature of difference	Deficit on provision of services (£'000)	Other comprehensive income and expenditure (£'000)
Comprehensive income and expenditure statement – financing and investment income and expenditure	The recognition of the net return on assets within the deficit on provision of services.	5,122	
Comprehensive income and expenditure statement – other comprehensive income and expenditure			5,122
Net impact		5,122	5,122
Unadjusted caption	Nature of difference	Net assets	Total reserves
Balance sheet – property, plant and equipment – Council dwellings	The recognition of depreciation on enhancements to existing assets council dwellings and other property, plant and equipment	(1,567)	
Balance sheet – property, plant and equipment revaluation		1,567	
Balance sheet – property, plant and equipment – other			
Balance sheet – unusable reserves		(551)	551
Net impact		(551)	551

A number of numerical and presentational adjustments were required to some of the financial statements notes, to add extra disclosures or to include additional information to aid the reader of the financial statements. The most significant of which were:

- remuneration report – inclusion of the most senior manager of the Council’s subsidiaries and changes to the amounts disclosed to accurately reflect officer and councillor remuneration.
- pension note – correction of prior year comparatives, reordering the disclosure note and extra narrative disclosure.
- segmental and subjective analysis – represented disclosure note in line with the Code’s guidance.

Auditing standards require us to consider and confirm formally our independence and related matters in our dealings with the Council.

We have appropriate procedures and safeguards in place to enable us to make the formal confirmation in our letter included opposite.

Auditor independence

Professional ethical standards require us to provide to you at the conclusion of an audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed. This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence.

We have considered the fees paid to us by the Council and its related entities for professional services provided by us during the reporting period. We are satisfied that our general procedures support our independence and objectivity.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP Audit Directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the APB Ethical Standards. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Regular communications
- Internal accountability
- Risk management
- Independent reviews

Please inform us if you would like to discuss any of these aspects of our procedures in more detail.

There are no other matters that, in our professional judgement, bear on our independence which need to be disclosed to the Council.

Confirmation of audit independence

We confirm that as of 1 September 2014, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Audit Director and audit staff is not impaired.

This report is intended solely for the information of the audit and governance committee and should not be used for any other purpose.

Yours faithfully

KPMG LLP

In respect of employee benefits, each of the assumptions used to value the Council's net pension deficit are within an acceptable range of KPMG's expectations.

We are of the view that this therefore represents a reasonable and balanced approach, in accordance with the requirements of IAS 19R.

Defined benefit pension liability																							
2014 £000	2013 £000	KPMG comment																					
(128,785)	(110,842)	<p>In line with our established practice and in advance of the audit fieldwork, our actuarial specialists reviewed the approach and methodology of the actuarial assumptions used in the IAS19R pension scheme valuation.</p> <p>Details of key actuarial assumptions are included in the table, along with our commentary.</p> <table border="1"> <thead> <tr> <th>Assumption</th> <th>Council</th> <th>KPMG central</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Discount rate (duration dependent)</td> <td>4.30%</td> <td>4.30%</td> <td>Acceptable. The actuarial assumption has been calculated using a different approach from the prior year. It is KPMG's view that this represents an enhancement in methodology.</td> </tr> <tr> <td>CPI inflation</td> <td>RPI - 0.8%</td> <td>RPI - 1%</td> <td>Acceptable - the Council's assumption is more prudent (higher liability) than KPMG's central rate, but is within the acceptable range.</td> </tr> <tr> <td>Net discount rate (discount rate - CPI)</td> <td>1.50%</td> <td>1.65% - 1.75%</td> <td>Acceptable - the Council's assumption is more prudent (higher liability) than KPMG's central rate, but is within the acceptable range.</td> </tr> <tr> <td>Salary growth</td> <td>1% pa until 31 March 2015. 1.5% above RPI</td> <td>0% - 1.5% above RPI/CPI inflation</td> <td>Acceptable - the Council's assumption reflects 1% salary increases until 31 March 2015.</td> </tr> </tbody> </table>		Assumption	Council	KPMG central	Comment	Discount rate (duration dependent)	4.30%	4.30%	Acceptable. The actuarial assumption has been calculated using a different approach from the prior year. It is KPMG's view that this represents an enhancement in methodology.	CPI inflation	RPI - 0.8%	RPI - 1%	Acceptable - the Council's assumption is more prudent (higher liability) than KPMG's central rate, but is within the acceptable range.	Net discount rate (discount rate - CPI)	1.50%	1.65% - 1.75%	Acceptable - the Council's assumption is more prudent (higher liability) than KPMG's central rate, but is within the acceptable range.	Salary growth	1% pa until 31 March 2015. 1.5% above RPI	0% - 1.5% above RPI/CPI inflation	Acceptable - the Council's assumption reflects 1% salary increases until 31 March 2015.
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		<p>The overall assumptions applied by management are considered to be reasonably balanced for a scheme with a liability duration of between 17 and 23 years. The closing deficit increased by £17.9 million compared to 2012-13, primarily due to the application of an updated discount rate. A reconciliation from opening to closing deficit is included in appendix four.</p> <p>The Council has appropriately applied IAS 19 (<i>revised</i>) in the financial statements. If the standard had been adopted early in 2012-13, the estimated change to finance costs would be £2.9 million. We do not consider this to be a material amount and therefore agree with management's decision not to restate the prior year comparatives. There would be no impact on the prior year net assets position if the Council had restated the prior year comparatives. An audit adjustment of £5.1 million was processed to correct the accounting for the return on plan assets, which had been incorrectly recognised in other comprehensive income and expenditure instead of financing and investment income and expenditure.</p>																					

The table opposite shows the reconciliation of the movement in the statement of financial position.

Increases to the pension scheme deficit in the year have been driven by changes to the financial assumptions, particularly in respect of the discount rate.

	£000	Deficit/loss	Surplus/gain	Impact	Commentary
	Opening pension scheme deficit			(110,842)	The opening IAS 19 deficit for the Scheme at 1 April 2013 was £110.8 million, consisting of assets of £346.4 million and defined benefit obligation of £457.2 million.
I & E	Service cost			(13,899)	The scheme remains open to accrual. The employees' share of the cost of benefits accruing over the year is £13.9 million.
	Past service cost			(1,165)	A past service cost of £1.2 million is recognised, relating to early retirement over the year.
	Net interest			(4,993)	This is the interest on the opening deficit of £110.8 million adjusted for contributions paid during the period.
Cash	Contributions			14,834	The Council made contributions of £14.8 million, broadly in line with contributions made last year, allowing for salary increases.
OCI	Actuarial gain/(loss) – demographic assumptions			-	There was no change to the demographic assumptions since 31 March 2014, and so there is no gain or loss.
	Actuarial loss – financial assumptions			(18,010)	There was an actuarial loss of £18.0 million, driven by a 0.2% decrease in the discount rate assumption. This is in line with the size and duration of the scheme.
	Other experience			168	
	Return on assets			5,122	The actual return on assets is lower than the interest on assets of £5.1 million.
	Closing pension scheme deficit			(128,785)	The closing IAS19 deficit on the scheme at 31 March 2014 is £128.8 million (consisting of assets of £370 million and defined benefit obligation of £498.8 million).

I&E – impacts on surplus /(deficit) within statement of comprehensive net expenditure

Cash – cash-flow impact

OCI – charged through other comprehensive income

The action plan summarises specific recommendations arising from our work, together with related risks and management’s responses.

Priority rating for recommendations

Grade one (significant) observations are those relating to business issues, high level or other important internal controls. These are significant matters relating to factors critical to the success of the organisation or systems under consideration. The weaknesses may therefore give rise to loss or error.

Grade two (material) observations are those on less important control systems, one-off items subsequently corrected, improvements to the efficiency and effectiveness of controls and items which may be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified.

Grade three (minor) observations are those recommendations to improve the efficiency and effectiveness of controls and recommendations which would assist us as auditor. The weakness does not appear to affect the availability of the control to meet their objectives in any significant way. These are less significant observations than grades one or two, but we still consider they merit attention.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
<p>1 Fixed asset register</p> <p>As in previous years Council dwellings are recognised as a single line item by road or area in the fixed asset register with total annual enhancements recognised as separate assets. It was not possible for management to specifically allocate the valuation based on this recognition in the fixed asset register. As at 31 March 2014, management elected to recognise all council dwellings as a single line item in the fixed asset register, and all additions and enhancements to council dwellings will be recognised on this one line. This does not allow for componentisation of assets. There is a further risk to the depreciation calculation as individual assets and components useful lives cannot efficiently be applied to accurately calculate the depreciation amount for 2014-15.</p>	<p>Management should continue with its review of the fixed asset register to ensure appropriate data is held on individual council dwelling assets. This should cover methods to componentise council dwellings, the allocation useful lives and the calculation of depreciation of individual components.</p>	<p style="text-align: center;">Grade two</p> <p>Agreed.</p> <p>An initial review of the asset management database is scheduled to take place in November / December. This will take into consideration: information requirements, current practice and system capability, including the potential linkage with other Council asset management systems, and an assessment of current risks.</p> <p>The results from the review will consider any necessary actions to ensure that information retained within the fixed asset register is appropriate.</p> <p>Responsible officer: Service manager – business finance</p> <p>Implementation date: June 2015</p>

The action plan summarises specific recommendations arising from our work, together with related risks and management's responses.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
Grade three		
<p>2 Impairment review</p> <p>There is opportunity to further enhance the impairment review by tracking all manager reviews, potential impairments identified and conclusions in one document. We suggested to management that the review could be performed as at 28 February thereby providing greater time for consideration and implementation of impairments.</p> <p>There is a risk that the value of assets is overstated due to potential impairments conditions not being considered.</p>	<p>A stronger audit trail of impairment reviews tracking manager reviews, potential impairments identified and conclusions, summarised in one document, would help to support impairments recognised in the financial statements or consideration of impairment triggers. To support the formalisation of the impairment review, management could implement year end departmental surveys which would require managers to disclose pertinent information.</p>	<p>Agreed.</p> <p>In recent years a review of impairments has been carried out.</p> <p>No impairments were carried out in 2013-14, but we are happy to bring forward early consideration of management impairment reviews to allow details to be incorporated within the accounts.</p> <p>Responsible officer: Service manager – business finance</p> <p>Implementation date: February 2015</p>
Grade three		
<p>3 Depreciation</p> <p>We consider that management has an unique method of calculating depreciation on enhancements to existing assets, which gave rise to an immaterial depreciation error in the year.</p> <p>There is a risk that the audit adjustment could become material.</p>	<p>We recommend management reviews the current depreciation policy and considers revising the current methodology. This should take account of how enhancements to council dwellings are recognised in the fixed asset register as there is a risk that the audit adjustment could become material in value.</p>	<p>Agreed.</p> <p>Link to Action 1 - Fixed asset register</p> <p>Responsible officer: Service manager – business finance</p> <p>Implementation date: June 2015</p>

The action plan summarises specific recommendations arising from our work, together with related risks and management's responses.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
4 Bad debt provision		
<p>The bad debt provision is calculated separately for council tax, housing rents, housing benefit and general bad debt. The council tax, housing rents and housing benefit provisions are calculated on a historic basis, meaning they may not accurately reflect the bad debt the Council will face.</p> <p>Overall, the Council provides for 73.5% (2012-13: 66.29%) of its debtors. We have reviewed this compared to other authorities and consider that council tax, rents and housing benefit provisions are prudent or that gross debtors can be written off.</p>	<p>We recommend that management reviews the calculation methods for bad debt provisions and write-offs. This should include analysis of debtor payment profiles to update and refresh the bad debt and write off policies.</p>	<p style="text-align: center;">Grade three</p> <p>Agreed.</p> <p>Responsible officer: Service manager – business finance / Service manager - revenues</p> <p>Implementation date: March 2015</p>
5 Sites with rectification obligations		
<p>Whilst the Council do not operate any landfill sites, coal mines or other sites which carry significant liabilities to restore, there is one Council owned former landfill site and one present private operation. Management monitors the environmental impact of the former landfill site. There is sector-wide consideration of operations with obligations to restore and potential financial stability of operators. There is a risk that there is a financial obligation on the Council or out-of-date knowledge of rectification, coupled with risks</p>	<p>We recommend management performs further analysis is required by management to identify any potential liability and ensure they have appropriate monitoring procedures in place. Management needs to review any site (including wind farms and quarries) with a decommissioning or rectification obligation.</p>	<p style="text-align: center;">Grade two</p> <p>Agreed.</p> <p>Review and identify ELC asset decommissioning obligations in line with Audit Scotland Guidance.</p> <p>Consider any associated financial liabilities for the Council, and review current monitoring arrangements to ensure that they remain appropriate to meet obligations.</p> <p>Responsible officer: Service manager – business finance / Service manager - waste</p> <p>Implementation date: March 2015</p>

The action plan summarises specific recommendations arising from our work, together with related risks and management's responses.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
<p>6 Accounts timetable</p> <p>The Local Authority Accounts (Scotland) Regulations 2014 will come into force on 10 October 2014. The regulations contain provision for the unaudited annual accounts as submitted to the auditor to be considered by the audit and governance committee no later than 31 August, and the audited accounts to be presented to the audit and governance committee for consideration and approval prior to auditor signature before 30 September. There is further opportunity for continuous improvement in the financial statement preparation. For example in the use and preparation of the CIPFA pro-forma financial statements in advance of the year end and in determining the approach to key judgements prior to the year end.</p>	<p>Whilst the audit and governance committee already consider the unaudited accounts, management should review the accounts timetable to ensure the audited accounts are also considered by the audit and governance committee.</p>	<p>Grade three</p> <p>Agreed.</p> <p>Work has already commenced to review the 2013-14 year end statutory accounts, with a view to an accelerating the timetable for 2014-15 in order to meet with the revised regulations. This work is on-going, and will shape the timetable for the production of the 2014-15 statutory accounts.</p> <p>The accelerated timetable will also be considered in line with respective Council Committee dates.</p> <p>Responsible officer: Service manager – business finance / Service manager – licensing, admin and democratic services</p> <p>Implementation date: December 2014</p>
<p>7 Remuneration report</p> <p>A number of corrections and presentational adjustments were required to ensure that the remuneration report was accurate and complied with guidance. There is a risk that remuneration report is inaccurate or is not in line with guidance.</p> <p>We identified a miscalculation of an exit package, as the payroll department had not been made aware of a change in leaving date. There is a risk that exit packages are calculated incorrectly, and overpayments are made to employees leaving the council.</p>	<p>We recommend that the report should be reviewed more thoroughly prior to its inclusion in the financial statements to identify errors and inconsistencies.</p> <p>Furthermore, information for calculating and awarding exit packages should be passed to payroll in a timely manner to ensure overpayments are not made.</p>	<p>Grade three</p> <p>Agreed.</p> <p>Within the revised year end timetable, appropriate time will be built in to the process to allow review prior to submission of draft statements to audit.</p> <p>Processes are in place to ensure calculation of award packages is based on accurate information. Current processes will be reviewed to ensure that they remain appropriate, and information continues to be submitted to payroll in appropriate timescales.</p> <p>Responsible officer: Service manager – business finance / Service manager – HR and payroll</p> <p>Implementation date: June 2015</p>

The action plan summarises specific recommendations arising from our work, together with related risks and management's responses.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
<p>8 Bank accounts</p> <p>Substantive testing of bank reconciliations identified two previously unidentified bank accounts held with the Bank of Scotland. These related to the social work department and held £52,000; we do not consider these to be material. Management has begun investigating these accounts, including looking at the position with regard homes for older people.</p> <p>There is a risk that other previously unidentified bank accounts exist that could hold significant bank balances or overdrafts.</p>	<p>We recommend that management should continue its investigation into other potential unidentified bank accounts. To ensure that the central finance team has all relevant information concerning bank accounts, management could implement year end departmental surveys which would require managers to disclose pertinent information.</p>	<p style="text-align: center;">Grade three</p> <p>Agreed.</p> <p>A review is currently being undertaken to identify any additional bank accounts in use.</p> <p>In addition, there has been on-going training with respective managers to ensure awareness of procedures relating to bank accounts.</p> <p>On an annual basis, managers will be asked to confirm that there remain no additional bank accounts in use within their respective service areas as part of the annual declaration of assurance.</p> <p>Responsible officer: Service manager – corporate finance</p> <p>Implementation date: Update on current review December 2014; Annual confirmation – June 2015</p>



cutting through complexity

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REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: East Lothian Council Annual Public Performance Report 2013/14

5

1 PURPOSE

- 1.1 To provide the Council with the East Lothian Council Annual Performance Report 2013/14.

2 RECOMMENDATIONS

- 2.1 That Council approves the Annual Performance Report 2013/14.

3 BACKGROUND

- 3.1 The Annual Performance Report is a summary of the Council's performance in relation to its commitments in the Council Plan and the Single Outcome Agreement. The information contained within the report generally relates to the financial year 2013/14 (April 2013 – March 2014).
- 3.2 Information contained within the report has been drawn from the Council's Key Performance Indicators, from the Council Plan monitoring report, from audit and inspection reports and from other reports to Council committees. The report shows performance against the four objectives of the Council Plan 2012-17. The draft Annual Performance Report was considered and noted by the Policy Performance and Review Committee, 23 September 2014.
- 3.3 Audit Scotland has carried out an evaluation of Council Annual Public Performance Reports. The results of this work were reported to the Accounts Commission in June 2014. The report cited East Lothian Council's 2012/13 Annual Performance Report as an example of good practice in four areas:
- Structured approach to public performance reporting

- Effective use of customer satisfaction information
- Responsiveness to its communities
- Reporting of revenues and service costs

3.4 Given these comments this year's Annual Performance Report follows the same structure and format as last year's. The Annual Performance Report will be made available to the general public via the Council's website, although hard copies will be available for anyone that does not have access to the internet.

4 POLICY IMPLICATIONS

4.1 The reporting of performance is essential if the Council is to demonstrate Best Value. Reporting performance will help the Council to display openness, transparency and accountability. Best Value places a duty upon the Council to report performance to the public in order to enhance accountability.

5 EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

6.1 Financial – none.

6.2 Personnel - none.

6.3 Other – none.

7 BACKGROUND PAPERS

7.1 Appendix 1: East Lothian Council Annual Performance Report 2013/14

7.2 Statutory Performance Information 2012/13: An Evaluation of Public performance Reporting – Report to Accounts Commission 18th June 2014 (Agenda Item 12)

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DATE	6 th October 2014

How Good is Your Council?

East Lothian Council's Annual Performance Report 2013/14

Welcome

Welcome to 'How Good is Your Council?' East Lothian Council's Annual Performance Report for 2013/14.

We think it is very important to let the citizens of East Lothian know how their Council is doing. This report provides information on the Council's performance during 2013/14. Further detail on the Council's performance can be found on the performance pages of the Council website: www.eastlothian.gov.uk/performance.

The Council adopted its five-year strategic plan in August 2012. 'Working Together for a Better East Lothian: The East Lothian Council Plan 2012-2017' sets out the Council's ambition to make East Lothian a prosperous, safe and sustainable place with a dynamic and thriving economy that will allow our people and communities to flourish. The Plan sets out how we intend to achieve that ambition and the commitments we make to bring about the real differences that will improve the quality of life of East Lothian residents.

In this report we outline the progress we have made towards achieving the objectives and commitments we set out in the Council Pla. We are now two years into the plan and we are pleased to note that we have made good progress towards our goals.

However, given the national economic position and the 'flat cash' grant settlement the Council has to work within very tight limits. This has meant it has had to reduce budgets in order to continue to focus on priorities. One of the consequences of having to find budget savings in 2013/14 was the offer of voluntary early release to staff which resulted in just under 100 council staff leaving. We also had to find savings from our day-to-day expenditure on supplies and services. It has been against this background of making significant internal change that we have maintained and improved our performance.

So in the circumstances we are very pleased that we have still managed to achieve so much with our diminishing resource. That is down to the hard work and effort of the Council staff and the Council's ability to find develop new more efficient ways of delivering services and minimising the impact of reductions in budgets, including through working in partnership with the community, other local authorities, the voluntary and business sectors and other statutory bodies such as the NHS, Police Scotland and the Scottish Fire and Rescue Service.

The Council Plan is a five-year plan so it is still a 'work in progress' and much more can and will be done to continue to improve council services and create the conditions to allow our people and communities to flourish.

We look forward to working with Council staff, our public sector partners and East Lothian's communities over the coming year to make further progress.

Angela Leitch
Chief Executive

Councillor Willie Innes
Council Leader

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Outcomes and priorities

This is the second Annual Performance Report for the period covered by the *Council Plan 2012-17*.

This year's Annual Performance Report is structured around the four Objectives of the Council Plan 2012-17:

- **Growing our Economy** - to increase sustainable economic growth as the basis for a more prosperous East Lothian.
- **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.
- **Growing our People** - to give our children the best start in life and protect vulnerable and older people.
- **Growing the Capacity of the Council** - to deliver excellent services as effectively and efficiently as possible within our limited resources.

The report includes a summary of the progress the Council has made on achieving the commitments made in the Council Plan.

It concludes with a brief summary of the Council's finances and financial position, highlighting 'where the money goes' and an overview of the financial outlook for the Council.

The 10 outcomes of the Single Outcome Agreement 2013

The Report also reflects progress in achieving the 10 outcomes of the Single Outcome Agreement 2013 that the Council has signed up to as a member of the East Lothian Partnership. These 10 outcomes are:

1. East Lothian has a growing sustainable economy
2. The cycle of poverty is broken for individuals and families in East Lothian
3. Communities in East Lothian are able to adapt to climate change and reduced finite natural resources
4. All of East Lothian's young people are successful learners, confident individuals, effective contributors and responsible citizens
5. East Lothian's children have the best start in life and are ready to succeed
6. In East Lothian we live healthier, more active and independent lives
7. East Lothian is an even safer place
8. East Lothian has high quality natural environments
9. Everyone in East Lothian has access to quality sustainable housing
10. East Lothian has stronger, more resilient, supportive, influential and inclusive communities.

Performance indicators

The Council monitors how well it delivers its services using a range of performance indicators. Some of the indicators, known as the Local Government Benchmarking Framework (LGBF), are set by the Improvement Service for Local Government in Scotland and are used by every council in Scotland. However, most of the indicators are chosen by the Council or the East Lothian Partnership to reflect local priorities identified in the Council Plan and Single Outcome Agreement.

Our indicators are generally reported on a quarterly basis (once every three months) or on an annual basis. Most of the indicators have a target that helps to provide context on how well the Council is performing. Comparisons with other areas in Scotland are also available for some indicators.

Further information regarding each indicator can be found on the Council's performance website:

http://www.eastlothian.gov.uk/info/200453/performance_reporting or by clicking on any of the links below:

Growing our economy



Planning



The environment and waste management



Crime, safety, anti-social behaviour and criminal justice social work



Countryside & Leisure



Children's Wellbeing



Tackling poverty



Effective, efficient and excellent services



Transport, roads and lighting



Protective services



Cultural & Community Services



Healthier living, independent living and community care



Education



Housing & Homelessness



Services built around people and communities



Prioritising prevention and promoting equality



Growing our Economy – to increase sustainable economic growth as the basis for a more prosperous East Lothian

Related outcome from the Single Outcome Agreement

1. East Lothian has a growing sustainable economy

In 2020 East Lothian will have a dynamic and flourishing economy with our citizens proud to live, learn, work and play in East Lothian.

The East Lothian Economic Development Strategy 2012-2022

In 2012 the East Lothian Partnership agreed the East Lothian Economic Development Strategy 2012-2022. The central purpose of the Strategy is to identify the opportunities which East Lothian can exploit to maximise its sustainable economic competitiveness. In doing so, the Strategy provides a framework that guides a more joined up approach to economic development.

In order to achieve the vision outlined by the Strategy, two strategic goals have been set to increase the number of businesses with growth potential and to increase the proportion of residents working in and contributing to East Lothian's economy.

The following five strategic objectives have been established to enable delivery of the strategic goals:

- To be the best place in Scotland to set up and grow a business
- To be Scotland's leading coastal, leisure and food & drink destination
- To build on our proximity to Edinburgh to encourage study, work and spend in East Lothian
- To provide high quality employment pathways for East Lothian's workforce
- To become Scotland's most sustainable local economy

Relevant Performance Indicators for this objective can be found at:

Growing our economy



Planning



Transport, roads and lighting



What we said we would do	What we have done
Implement the East Lothian Economic Development Strategy and its action plan	Key achievements to date include: <ul style="list-style-type: none"> - establishment of East Lothian Works - Open for Business events - Golf British Open 2013– economic impact £17.6m - Wish You Were There and other tourism promotion activity - Presence at trade shows in key sectors - EU Regional Selective Assistance award to Prestonpans, Wallyford, Whitecraig, Cockenzie and Port Seton
Establish an Economic Forum with business and farming community representatives and further education institutions and engage with local businesses and potential investors in East Lothian to identify how the Council can further support business growth	The Sustainable Economy Partnership has been established with representatives from the Federation of Small Businesses, the Chamber of Commerce and further education institutions. Groups have been established to support delivery of Economic Development Strategy and engage with sectors of the economy, including: <ul style="list-style-type: none"> - The Attractions Group - Golf Alliance - Food and Drink Hospitality and Producers Group - Festivals Group
Continue to support the county's farmers and fishing communities through the food and drink and other initiatives and funding programmes	Tyne/ Esk Leader, the Axis 4 Fisheries Programmes and various Food and Drink initiatives have been delivered. Working in partnership with Scottish Borders Council to deliver EU Maritime and Fisheries Programme 2014-2020. Working in partnership with Midlothian Council to deliver EU LEADER (rural development) Programme 2014-2020.

Strong industry engagement and flexibility together with council support ensure success of the Food & Drink initiative regarded as an exemplar project by the Scottish Government. 2013 saw East Lothian Food & Drink having a presence for the first time at the BBC Good Food Show in Birmingham as certain companies involved in the initiative have grown to a point where they are now capable of servicing a UK market. Hospitality businesses keenly enter the Food & Drink competition and food & drink is showcased at tourism events such as the VisitScotland Expo and Wish you were there.



Highlights of the Initiative include:

- Companies now supplying supermarkets/major retailers through presence at various shows such as BBC Good Food Show and Scotshot
 - Cider company supplying major supermarket groups such as Tesco, Sainsbury and Morrisons
 - Rapeseed oil company supplying Harvey Nichols
 - Smoked trout company supplying Campbell's meat suppliers and distributed throughout Scotland
 - Preserve company supplying John Lewis with range of gift items
- A start up cider company now employing 10 employees and exporting worldwide and was voted the 3rd best cider in the world at the Chicago Cider convention 2013
- A start up chocolate manufacturer now employing 19 employees and moved during 2011 to a large manufacturing unit in Haddington
- A dairy farm now providing direct deliveries of milk to the doorstep has 17 employees.

What we said we would do	What we have done
<p>Provide high quality employment pathways for East Lothian’s workforce which will support those furthest from the labour market to develop work ready skills and give every young person the opportunity to undertake training, take up an apprenticeship, work experience or a job</p>	<p>East Lothian Works was established in March 2013 to act as the focus for the Employability Strategic Project. It focuses on young people through Skill Centre, bespoke Activity Agreements and Work Experience programmes.</p>



East Lothian Works is the flagship initiative of the Employability Strategic Project (led by Skills Development Scotland). Opened April 2013, East Lothian Works has brought together all council employability services (Business Gateway start-up service, The Skill Centre, ELVOS, Guideline) together with existing and new services from Skills Development Scotland, Job Centre Plus, The Edinburgh College, Queen Margaret University, Social Enterprise in East Lothian, MiEnterprise, Cornerstone and, Community Care Forum.

East Lothian Works has been promoted widely with direct partner and word-of-mouth referrals and there has been a fourfold increase in demand in adult guidance enquiries from across the authority. Increasing numbers of East Lothian residents are now benefitting from this service.

Working in partnership with key employability agencies to provide more targeted and efficient joined-up service.

Focus on the most vulnerable young people, school leaver destination statistics indicate 89.9% of young people aged 16-24 are currently in a positive destination (employment, training, education or volunteering).

Focus on positive destinations for Looked After Children has been incorporated into Children’s Wellbeing strategic and operational plans. Initiatives to support young people into employment and increase their preparedness for work include supporting pupils disaffected with school through the Tots & Teens programme and the development of the training academy in Partnership with QMU and Edinburgh College.

The Council successfully applied for a combined Scottish Government and European Social fund grant of £238,191 in July 2013 to manage the delivery of the Youth Employment Scotland Fund, which provides wage subsidies to support the creation of sustainable job opportunities (including Modern Apprenticeships) within the private sector for unemployed 16-24 year olds.

East Lothian Council agreed to use funding from the Scottish Government’s scheme to create 12 modern apprenticeship / graduate placement opportunities within the council and 30 new six month, paid work training experience opportunities for vulnerable young people.

The Youth Employment Scotland Fund has supported the East Lothian Employer Recruitment Initiative which has delivered:

- 62 new jobs in the private sector for young people (16-24)
- 20 new paid work experience opportunities in East Lothian Council
- Six graduate internships in East Lothian Council
- Six Modern Apprenticeships in East Lothian Council.

What we said we would do	What we have done
<p>Use the Council’s purchasing power through the use of community benefit clauses to provide opportunities for work experience, training and apprenticeships</p>	<p>Embedding community benefits in procurement (CBIP) into all appropriate procurement contracts. East Lothian Works leading on engagement with employers and their offer, monitoring and ensuring successful outcomes in provision. Business interest continues to grow in this expanding programme with several companies, offering to work more actively with schools to compliment learning across the curriculum. Key achievements include:</p> <ul style="list-style-type: none"> • Increasing numbers of work placements for school leavers • 22 companies actively participating • Two Modern Apprentices • School Career Talks, mock Interviews and CV workshop • Construction and Event Hospitality Design Projects
<p>Support investment in business start ups and growing businesses, including the construction industry and other key sectors, through interest free loans and other local and national support programmes</p>	<p>The Council operates a number of schemes to support business start ups – see below</p>

Support for business start-ups and business growth

The Council operates a number of schemes – see below to support business growth including:

- East Lothian Investments Interest-Free Loans and signposting to other forms of grant and loan funding
- High Value Recruitment Grant
- Business Development Grant
- Social enterprise grant assistance
- ELI Ltd £10,000 start-up and £25,000 established Business Loans
- Trade Association Grants - £2,500 per association
- Companies supported into Scottish Enterprise account managed status – target achieved
- Business Gateway start-up loan
- EU Regional Selective Assistance



What we said we would do	What we have done
Identify areas for business opportunities in the East Lothian Local Development Plan and reduce the time taken to determine commercial planning applications through a more efficient and streamlined approach to dealing with all planning applications	Performance in determining business applications within two months has improved. In 2013/14 36 applications were decided; 22 in less than two months (average 6.5 weeks) and 14 in more than two months (average 71 weeks due to backlog). In Q1 of 2014/15 five applications were decided; four in less than two months (average 6.8 weeks) and only one in over two months (30.4 weeks).
Support and encourage the development of land allocated for business; where appropriate, fund infrastructure to enable sites to be developed to support new jobs and opportunities for strong sustainable economic growth through working with the business sector and agencies such as Scottish Development International to attract inward investment	<p>Several sites (e.g. Gateside East) are being considered for mixed use, resulting in opportunities to unlock development on economic land allocations and provide impetus for business development.</p> <p>Ongoing engagement with Queen Margaret University regarding site at Oldcraighall and with Scottish Enterprise on a variety of emerging opportunities at Cockenzie.</p> <p>Work starting in 2014 on extension to Mid Road Industrial Estate Business Units funded from European Regional Development Fund additional capital allocation by the Council.</p>

What we said we would do	What we have done
Work with partners and providers to explore how we can improve connectivity, including the roll out of faster Broadband and mobile communications across the county to support and encourage local businesses and home working	East Lothian Council has worked with consultants to produce a broadband strategy which sets context and council approach to influencing and supporting national and local initiatives.

Broadband

East Lothian Council is playing the lead role in the preparation of a broadband strategy. The strategy will highlight gaps and opportunities for residences and business premises.

Broadband project run by Scottish Government underway with contract award to BT in July 2013. This is expected to provide faster Broadband to 85%-90% of premises in East Lothian. Indicative phasing suggests that areas around Gullane, Longniddry, Pencaitland and Gifford will be included in phases 3 and 4 currently scheduled for June 14 – March 15 and the remaining areas scheduled for the last three phases scheduled for Dec 16 – Dec 17.

The Council has provided wifi in Haddington Town Centre to allow the public and local businesses to access free wifi. This will act as a pilot for a scheme that will roll out free public wifi in the six main East Lothian towns.

What we said we would do	What we have done
<p>Support local companies and build their capacity to ensure they have the opportunity to compete for Council and other public sector contracts</p>	<p>Range of procurement seminars and 1:1 consultancy advice available to local businesses</p> <p>The Council is a member of the Supplier Development Programme, a national scheme aimed assisting companies to tender for public sector contracts – any East Lothian business can access bespoke assistance through this investment. 70 businesses registered with this programme.</p> <p>East Lothian Council Procurement team has attended Meet the Buyer and Meet the Council events and Pre-Qualification Questionnaire training has been given to suppliers along with feedback on draft Pre-Qualification Questionnaire completion.</p>
<p>Regenerate East Lothian’s town centres through: ensuring that planning decisions made by the Council are sympathetic to preserving the vitality and viability of our town centres; supporting “Shop Local” promotional activity and initiatives that will support the re-opening of empty shops; reducing congestion and improving town centre parking</p>	<p>Musselburgh Town Centre Strategy was approved by Council and implementation work has started</p> <p>The Council’s Capital Programme (2014-2017) includes a total of £1.5m for Town Centre Regeneration</p> <p>Town centre regeneration is a focus of the Sustainable Economy Partnership and also of several of the Area Partnerships.</p> <p>Christmas Shop Local each year, growing year-on-year, in terms of retailers and purchases made. Working with town business and trade organisations to support footfall and regeneration. For examples 126 local retailers took part in the 2013 Christmas Shop Local and 7,000 entries were received.</p> <p>17 retailers participated in Shop Doctor Programme piloted in 2013. 2014 Shop Doctor Programme in process of implementation across East Lothian.</p>
<p>Develop a new Culture and Heritage Plan that maintains the success of community initiatives, tourism opportunities and recent Council investment in infrastructure to support the economic development strategy</p>	<p>1st Draft completed. Wider consultation on Plan now required with a view to refining and finalising.</p>
<p>Work with the voluntary sector to create and develop social enterprises using the Social Investment Fund and other sources of funding and support</p>	<p>Dedicated Business Adviser for Social Enterprise support working with Social Enterprise in East Lothian which is now in East Lothian Works. Grant and other support, as well as signposting to other forms of funding.</p>
<p>Work with East Lothian’s tourism sector to support appropriate tourism opportunities including sports and cultural events that attract visitors to East Lothian</p>	<p>See Below</p>

Visit East Lothian

East Lothian Council leads on the Tourism Implementation Plan with input from industry groups as appropriate. The Open Golf Championship was held at Muirfield in July 2013 which attracted over 140,000 visitors and worldwide TV coverage in excess of 600 million to Scotland's Golf Coast. In order to make the most of the Open championship a 'legacy plan' has been developed. The East Lothian Golf Tourism Alliance is regarded as a best practice case study of industry engagement and their input to and co-operation with marketing and business development initiatives is vital.

'Wish you were there' was held in Edinburgh in early August to entice residents of and visitors to Edinburgh to East Lothian showing the best of East Lothian attractions, food and drink and activities. With the mantra of Scotland's Festivals' County, ongoing support and collaboration with and between event organisers ensures that the strong events' and festivals' product grows and develops.

Grant and sponsorship support to new and existing events continues to have an economic impact on towns.

Working with emerging East Lothian Festivals' Group to develop offering and ensure East Lothian positioned as 'Events County'.

John Muir Festival signature event for Homecoming 2014 - successful opening of John Muir Way and Festival in Dunbar, with increase in footfall in Dunbar town centre recorded.

The Council is working with the Central Scotland Green Network to develop Dunbar as the walking hub linking the John Muir way with the Southern Upland Way.

Work completed to Galloway's Pier in North Berwick to increase its use for tourist activities.

Supporting Social Enterprise

Social enterprises are businesses that aim to address social goals rather than generate profits for owners or shareholders. The Council provides support for social enterprises in a number of different ways. During 2013/14 two social enterprises started up and 11 pre-start social enterprises in receipt of assistance to develop their business concepts, including.

- Working with STRIVE to establish a home care services social enterprise and a community based garden maintenance service
- Progressive Sports Development – ex-footballer who has set this up as a CIC to deliver sports to children and develop coaches
- Karele: An equine Centre just outside of Haddington delivering Equine Assisted Therapy and Learning to all age groups
- REdesign East Lothian
- The Fashion School Dunbar which will train young people in fashion design
- Growing Forth which has some land at Archerfield and supplies vegetables to local cafes
- Creative East Lothian
- Amisfield Walled Garden to develop the cafe and education centre.

Growing our People – to give our children the best start in life and protect vulnerable and older people

Related outcomes from the Single Outcome Agreement

2. The cycle of poverty is broken for individuals and families in East Lothian
4. All of East Lothian’s young people are successful learners, confident individuals, effective contributors and responsible citizens
5. East Lothian’s children have the best start in life and are ready to succeed
6. In East Lothian we live healthier, more active and independent lives

Giving our children the best start in life

The Council is fully committed to giving our children and young people the best possible start in life in terms of education and educational attainment. Investment in early intervention and prevention to overcome financial, social and health inequalities that may affect the future life chances of our children is going to be increasingly important. The quicker we intervene in a family problem the less likely they will escalate towards crisis and need statutory interventions and the more chance of positive outcomes.

Relevant Performance Indicators for this objective can be found at:

Children’s Wellbeing



Education



Children and young people

What we said we would do

Implement the Integrated Children’s Service Plan

Implement the agreed approach to kinshipcare

Fully support the development of early intervention, including: delivering family interventions that strengthen families so that children can safely stay with them; rolling out the Support from the Start model across East Lothian through cluster based engagement with local people and groups; and, beginning an ambitious programme to develop children and families services in the community across East Lothian

Develop equitable early years and nursery services to provide nursery places for all 3 and 4 year olds and work towards meeting parental choice

Children and young people – what we have done

The Integrated Children's Service Plan 2013-2017(ICSP) which was approved by the Council in August 2013 is to be revised following the multi-agency inspection of Children's Services. (see below)

The Children's Wellbeing Kinship Care and Fostering Strategy: Payments to Foster Carers and Kinship Carers was agreed in April 2013. Payments to foster carers have been increased and updated Carer Guidance has been issued to support foster and kinship carers.

Kincare placements have increased. In June 2014 there were a total of 221 placements – 59 home supervision; 102 foster care; 34 Formal Kin care; 26 residential care – an increase of seven from the previous year.

The Early Development Instrument (EDI) is a key part of the Council's approach to early intervention. The EDI assesses key attributes of pre-school children which allows services to focus on the aspects that need improving to provide children with the opportunity to develop to their full potential. The analysis is being used to determine local cluster based improvement priorities through Support from the Start and School Cluster groupings. Work is underway to prepare for the re-run of EDI the 2014/15 academic year.

Support from the Start is the pioneering East Lothian initiative which provides a joined up local response to health inequalities in the early years of life. It is based around six school cluster based groups. Each Support from the Start Group has been developing a local parenting pathway in each cluster area to ensure equality of access to parenting support.

The Education Service is rolling out universal early learning and childcare provision as provided for in the Children and Young People Bill. As part of this we plan to increase resources for two year olds.

Provision for three and four year olds will be through extended am & pm session for 2014 -15, after which parental comments will be sought and where

ever possible provision will be adapted to offer flexibility and choice to parents. Looked after two year olds will have an individual plan evidencing ways in which they are offered 600 hours of Early Learning and Childcare.

Two year olds from 'workless' households will be offered a place the term after their 2nd birthday.

Olivebank transferred to Children's Wellbeing in Jan 2014. In partnership with Children 1st, resources have already been invested in outreach work to supplement Olivebank Services with a temporary worker appointed in March 2014.

Inspection of services for children and young people

The joint inspection of services for children and young people in the East Lothian Community Planning Partnership area took place between October and November 2013. It covered the range of services in the area that had a role in providing services to benefit children, young people and families. The inspection teams were made up of inspectors from the Care Inspectorate, Education Scotland, Healthcare Improvement Scotland and Her Majesty's Inspectorate of Constabulary for Scotland.

Overall the inspectors concluded that joint working was effective with a number of demonstrable improvements in the life chances of vulnerable children and young people. However, a number of areas for improvement were identified regarding strategic leadership and planning.

Particular **strengths** that are making a difference to children, young people and families include:

- Staff across services work very effectively together to identify children and families who are experiencing difficulties and need additional help and support. These children, young people and families are benefitting from high quality and flexible support services at an early stage before their difficulties get worse.

- There is a strong, child-centred culture which empowers staff to work together closely in the best interests of children and young people.
- There are consistent, high quality responses to children and young people at risk of abuse. Staff quickly and efficiently share concerns about children and young people. They work jointly to make very effective decisions about what they need to do to keep children and young people safe.

The inspection also identified some areas in which East Lothian Council and its partners **need to improve**. The inspection highlighted the following areas:

- Improve planning for services for children to ensure the priorities reflect a “whole child” approach and use this to measure impact on agreed outcomes
- Secure continuous improvement in the quality of assessment of risks and needs and planning for individual children
- Work together to improve the meaningful participation of children, young people and families in policy and service development
- Implement rigorous and systematic joint self-evaluation to lead to improvement
- Provide the strong collaborative leadership and the direction needed to improve the quality of outcomes for children, young people and families.

The Council and its partners in delivering services for children and young people responded immediately to the inspection report and submitted a multi-agency Services for Children Improvement Plan by 30 June 2014.

New governance arrangements for Services for Children have been established based on a new Children’s Strategic Partnership and seven thematic multi-agency supporting Planning & Delivery Groups.

Education

What we said we would do

Continue to increase educational attainment and ensure that the Council has a resource strategy to implement the Curriculum for Excellence, protect school budgets, reduce the number of composite classes and protect rural schools

Take advantage of technological opportunities for senior pupils to access a wider range of subjects at their own school

Develop the partnership with Queen Margaret University and the Further Education colleges to develop the Academy model and provide vocational training spaces in all secondary school

Education – What we have done

Analysis of 2014 SQA results will guide both development and schools with their ongoing planning on where development is required in addition to building on strength.

Schools, like all departments, have had to find financial savings. The department has undertaken service reviews to minimise the effect on the front line by reducing central support.

With a growing primary population there has been the need to increase composite classes in the session 2014/15, in addition to an additional eight classes across the authority.

The Education Service is currently coming to the end of a “Bring Your Own Device” pilot, allowing Primary and Secondary pupils to connect to an approved Wifi provider in the school. There is a planned roll out to all six secondary schools and initially two primaries.

The successful Tourism and Hospitality Academy model is now being used as a model for rolling out to other areas and other subjects including Social Care,

Creative Industries and Food Science. The Council is in discussion with Edinburgh College to develop an Engineering academy

Strategic groups identified and working to achieve progress to identify skills gaps and shortages of regional employers and to match these to the supply of education and training in the region. Further to look at the optimum model(s) of learning, location and infrastructure to deliver this education and training.

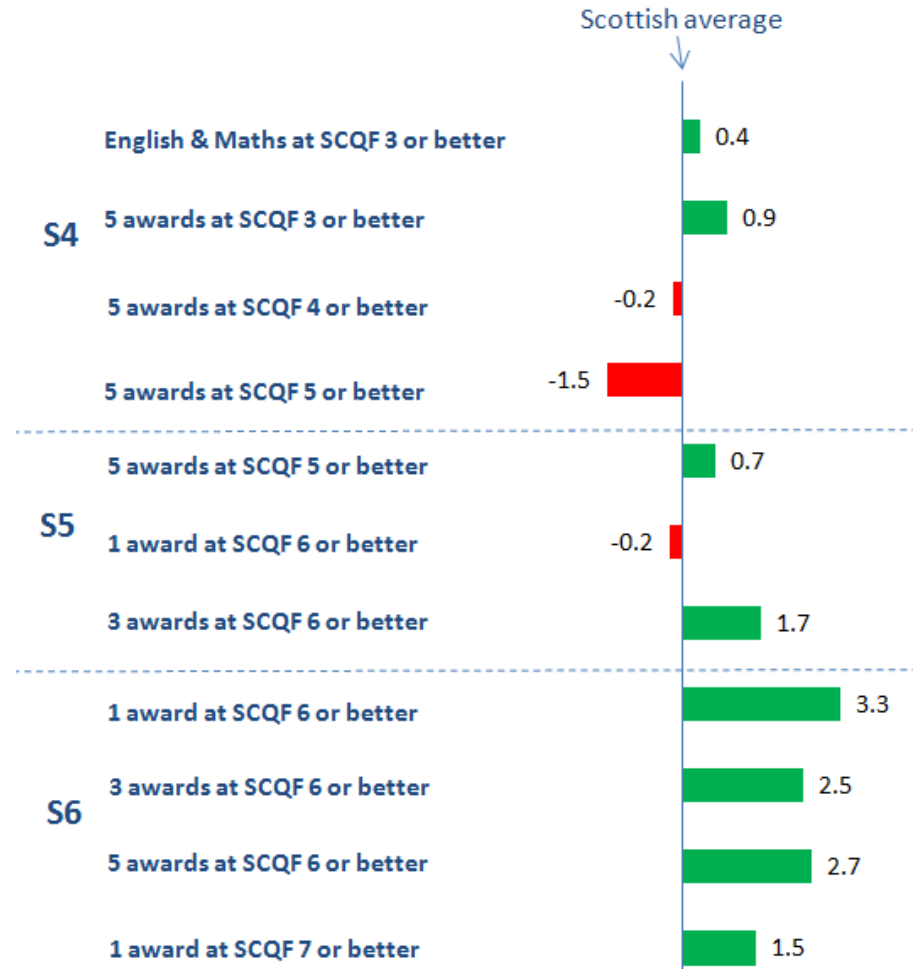
Educational Attainment

Exam results for pupils in East Lothian are generally higher than the Scottish average. However, some significant variations are beginning to emerge (see graph opposite) and East Lothian has slipped back in notional national league tables in several measures.

The following actions have been identified to improve levels of attainment:

- Raising the level of challenge of courses within S1-S3
- Improved curricular and skills transition from cluster primary schools
- More effective monitoring and tracking processes
- Further improve the quality of learning and teaching
- Schools using data more effectively to provide appropriate and targeted support for pupils both in Senior Phase and in Broad General Education
- Close monitoring of attendance
- Continue to develop learning skills and higher order thinking skills programmes across schools
- Greater focus on accountability through analysis of exam results linked to classroom practice
- Improved collaborative approaches to learning and teaching
- Continue to provide high quality support in line with GIRFEC (Getting It Right For Every Child)

The graph below shows the difference (in percentage points) between East Lothian and the Scottish average for a range of educational attainment measures. The data relates to the school year 2012/13:



Inspection of the learning community surrounding Musselburgh Grammar School

Community learning and development partners within the area of Musselburgh Grammar School were inspected by Education Scotland during February 2014.

The inspection aimed to find out how well partners are improving the life chances of people living in the community through learning, building stronger more resilient communities and improving the quality of services. The inspection also looked at how well staff and volunteers are developing their own practices, and how well partners, including schools are working together.

This inspection found the following key strengths.

- An effective mix of targeted and universal work.
- A clear focus on the most disadvantaged parts of the community.
- The high quality of community-based learning programmes.
- A strong commitment to the training and development of all partners that will support shared outcomes.

The partners in the learning community should further support and improve:

- Attainment levels in the secondary school;
- Systematic approaches to recognise young people's and adult's achievements through award programmes;
- Positive destinations for the most disadvantaged young people;
- Outcomes for young people in Whitecraig senior youth club; and
- Joint self-evaluation activities.

The School has developed a plan to address the feedback from the inspection and improve outcomes for young people.

We asked, you said, we did...

Consultation on Draft School Session Dates 2014/15

We asked...

The Education Service consulted parents on two options for school session dates for 2014/15. Option 1 mirrored the Midlothian Council dates, while option 2 mirrored the dates of Edinburgh City Council.



Option:	Result:
Mirror Midlothian Council	147
Mirror Edinburgh City Council	97

We did...

The Education Committee took note of this and agreed to approve Option 1 as the school session for 2014/15.

Protecting vulnerable and older people

The Council is committed to implementing policies and providing services that give everyone the opportunity to lead a fulfilling life. The Council has a legal duty of care for vulnerable people but it also has a moral duty.

The growth of East Lothian’s older population means that the Council will be faced with significant cost pressures in meeting the demand for care services. The priority will be to focus resources where they are most needed, to shift the balance of care to provide enhanced quality of life for people in their own homes, and to invest in early intervention to reduce the demand for more costly crisis intervention.

Relevant Performance Indicators for this objective can be found at:

Healthier living, independent living and community care



Tackling poverty



What we said we would do

Update the Older People’s Strategy and develop a new integrated early intervention services model to build on the success of our response and rehabilitation service to continue to shift the balance of care through developing community based options and maximising opportunities to live independently for as long as possible

Continue to plan for the introduction of a Health and Social Care Partnership and further develop opportunities with NHS Lothian for integrated service provision to protect local health care services and ensure East Lothian residents have access to local health facilities

Provide high quality respite opportunities for carers and users of care services

Promote opportunities for Healthy Living throughout East Lothian

Maximising opportunities to help people live independently

A Shadow Board for the Health & Social Care Partnership has been established and a Jointly Accountable Officer has been appointed. We are working with our colleagues in NHS Lothian to develop the Integration Scheme and Strategic Plan to stay on course for establishment of the Integration Joint Board in 2015.

Arrangements have now been put in place to establish the Integration Strategic Plan for East Lothian. This will include a focus across the needs of all adult population groups including older people. The process underway to develop the strategic plan will involve extensive engagement with local stakeholders. This process will fulfil the requirement to update the Older People’s Strategy.

Work is underway to explore models of integration for children’s health and children’s wellbeing services, for consideration by the Council by spring 2016.

East Lothian Council maintains a balance of care that ensures people remain in their own homes and communities for as long as possible. We have developed an emergency care service which provides a rapid response to people who may have had issues in their own homes. This service was anticipated to see 60-80 people per month but is now providing interventions for nearly three hundred people per month

Community Response and Community Access Teams continue to support people staying in their own homes with telephone response to Community Alarm/Telecare activations and requests for aids and adaptations. The potential to further develop these services to improve outcomes and avoid hospital admissions was identified through the Adult Wellbeing Best Value Report. East Lothian and Midlothian Councils have established a joint post for one year to review options for TeleHealth and Telecare as a further development.

Key achievements include increasing number of calls from community alarm/telecare clients within ELC and MLC. As at end of Dec 2013, 95.44% of calls answered within one minute (Telecare Service Association (TSA) standard 97.5%) and 99.2% answered within 3 minutes (TSA standard 99%).

Respite services for older people have been enhanced by the purchasing of places within the private sector thereby offering different choices for support and care. A new respite unit (Potters Path) for people with a disability has been opened up as a replacement for a service that could no longer be sustained. This is offering respite to people with complex needs.

The Council has produced a strategy and action plan for delivery of respite services which will introduce a respite bureau which will allow people to “book” their choice of respite through one central position. We are developing the service by making more efficient use of budgets in relation to transport and day service sessions.

The Council and health service are working closely together to look at the opportunities for healthy living through East Lothian

The Council and health service have supported the development of the Ageing Well service, including part-funding a post to provide this service. Also Ageing Well developed a sporting memories project jointly with staff at the John Gray Centre.

What we said we would do	What we have done
<p>To meet the growing demand for home care services we will work with the voluntary sector and encourage the creation of social enterprises to work together with commercial home care services to enhance the quality, standards and choice and capacity of care available to east Lothian residents</p>	<p>The Council is working with STRIVE to support start up social enterprise organisations. Work is underway to develop a project with Social Enterprise East Lothian to contribute to the Integrated Systems Pathway project with support from the Change Fund. The Integrated Systems Pathway project addresses the integration of a number of health and social care initiatives by drawing together the Frailty project, step up step down beds and a social enterprise element to support improved outcomes.</p> <p>The Council has completed a procurement exercise which will deliver on outcome focused support for people who require help to live at home and ensure increased capacity within East Lothian’s care at home services. The new framework of providers is in place and dialogue on the outcome focused approach is taking place through a Providers Forum. A specification has been prepared for a further procurement exercise to commission electronic call monitoring as a key management tool to support the outcome focused approach.</p>
<p>Modernise adult day services led by users and guarantee personal development plans for all vulnerable adults</p>	<p>The Council has created the Hub for people with a range of needs in Fisherrow, Musselburgh. The Hub provides increased opportunities for access to education, training, employment and social activity.</p> <p>The Council has worked closely with service users to provide personal development plans and support and engaged specifically with external providers to look at how that these can be provided. Individual plans will be introduced as part of the self-directed support assessment</p>

Tackling Poverty

What we said we would do

Implement the Tackling Poverty Strategic Plan, increase access to welfare and money advice and to Credit Unions in East Lothian and seek to minimise any potentially negative impacts from the UK Government's welfare reforms

Tackling poverty and Welfare Reform – What we have done

The Council is carrying out a range of work to tackle poverty and mitigate the impact of welfare reform. It has established a Welfare Reform Task Group with a detailed action plan of activity to prepare for and mitigate the impact of welfare reform.

Significant changes to the welfare system came into effect on the 1st April 2013. Some of the changes have had relatively little impact on people in East Lothian; however, other changes have been much more substantial. The most significant implications are outlined below.

Housing Benefit Under Occupancy Supplement – tenants that occupy a council house with bedrooms that they do not need are subject to a reduction in the eligible rent used to calculate their Housing Benefit. 840 tenants in East Lothian were affected by the introduction of the Under Occupancy Supplement. Council officers have engaged with tenants to explain how the changes will affect them and have also explained their options for downsizing to a smaller property.

Benefit Cap - 18 East Lothian households were affected by the introduction of the Benefit Cap. Of these 2 were Council tenants, 2 were Housing Association tenants, 4 were Homelessness clients housed in Private Sector Leasing temporary accommodation and the remainder were claimants renting in the private sector.

The main measures to minimise any detriment being experienced by East Lothian residents are Discretionary Housing Payments and the Scottish Welfare Fund. By 31 March 2014 the Benefit Service had made 715 Discretionary Housing Payment awards. 100% of the available Discretionary Housing Payment budget has been used. Between April and December 2013 the Benefit Service was able to support 2238 claimants for Crisis Grants and Community Care Grants (part of the Scottish Welfare Fund). Some of these people were experiencing hardship which posed a threat to their health whilst others were at risk of losing their ability to live independently.

Other key elements of the Council's plan to tackle poverty include:

- Macmillan Welfare Adviser post supported by the Council and Macmillan Care and 1.5 full time equivalent Tenancy Support Officers funded by Making Advice Work fund
- Service Level Agreements, including transfer of grant funded projects into core funding, with Haddington and Musselburgh Citizen's Advice Bureaux have been extended until March 2015
- A single comprehensive specification for advice services in East Lothian is being developed
- Research has been undertaken on the impact of pay day loans and the potential to support or create alternative sources of loans and basic banking facilities for people who are currently 'financially excluded'.

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

Related outcomes from the Single Outcome Agreement

3. Communities in East Lothian are able to adapt to climate change and reduced finite natural resources
7. East Lothian is an even safer place
8. East Lothian has high quality natural environments
9. Everyone in East Lothian has access to quality sustainable housing
10. East Lothian has stronger, more resilient, supportive, influential and inclusive communities

Housing

The Council must make every effort to meet the need for affordable housing by maximising opportunities to increase the supply of affordable housing.

Relevant Performance Indicators for this objective can be found at:

Housing & Homelessness



What we said we would do

Implement the East Lothian Local Housing Strategy 2012-2017

Identify sites for house building through the Local Development Plan

Support affordable housing initiatives, prioritising the building of sustainable new homes to provide affordable housing of all tenures (social rent, mid-market rent, shared ownership, shared equity and sale) and help first time buyers and young people to enter the housing market

Re-introduce and review the provision of loft conversions and extensions

Introduce sustainable, fair allocation policies to support balanced communities

Provide additional supported tenancies for young and vulnerable people

Use planning and other powers to ensure that new housing developments have the community infrastructure they need to create and support viable, balanced and sustainable communities

Housing – What we have done

The East Lothian Local Housing Strategy 2012-2017 shows how the Council plans to address issues relating to housing, homelessness, housing support and fuel poverty. The strategy outlines a range of actions, which are currently being implemented by the Council.

Demand for new housing in East Lothian is very high. However, there is a limited supply of land for new housing in the area. Several potential new sites for housing developments are being assessed and consulted upon as part of the development of the new Local Development Plan.

East Lothian Council's New Build programme has delivered a significant number of completions.

Working with RSLs mid-market rent opportunities have been developed and are proving to be very popular. 120 new build properties were completed in 2013/14:

- 19 at Goose Green, Musselburgh
- 42 at Law View, North Berwick
- 24 at the Antiquaries, Prestonpans
- 26 at Kilwinning St, Musselburgh
- 9 at Nethershot Road, Prestonpans

New site starts at Victoria Park, Haddington (20) and Monktonhall (14).

Provision for loft conversions has been re-instated. Two extensions completed and a further nine currently in development.

The allocations review has been completed and approved by Council. Further work taking place on local lettings plans

Housing and Children's Wellbeing teams are working together to develop suitable housing options and opportunities for vulnerable young adults, including Looked after young people. For example:

- The Blue Triangle / Mill Hill Flats in Musselburgh which accommodate four formerly looked after young people
- The Council provided a tenancy in Haddington to enable a young disabled girl to remain in her community with support rather than moving into more expensive accommodation outside East Lothian

Significant improvements to community infrastructure have been and will continue to be delivered through new developments for example:

- Pinkie Mains - redevelopment of local retail facilities in conjunction with housing development
- Lochbridge Road - social housing development included improvements to route of John Muir Way
- Smeaton Bing - redevelopment as waste recycling facility included safeguarding of land for extension/improvement to core path network
- Wallyford – proposed major development including new school, community facilities including sports provision and community woodland and a commercial centre
- Mains Farm - permission for housing development, community facilities, sports provision, commercial and business units.

The demand for homelessness services in East Lothian has remained constant over recent years, with approximately 1600 applicants per year seeking assistance. These applicants are almost all local applicants, which is a reflection of the housing pressures evident in East Lothian.

New legislation introduced in 2012 removed the requirement for homeless applicants to be in 'priority need' (e.g. they have dependent children, a specific vulnerability or a health need) before the Council had a duty to house them. The removal of priority need had the potential to vastly increase the number of applicants that the Council had a duty to house. In order to cope with the change in legislation the Council introduced a Housing Options Service. The purpose of the Options Service is to advise applicants of housing opportunities across a range of housing sectors and to assist them to secure settled accommodation thereby preventing homelessness occurring.

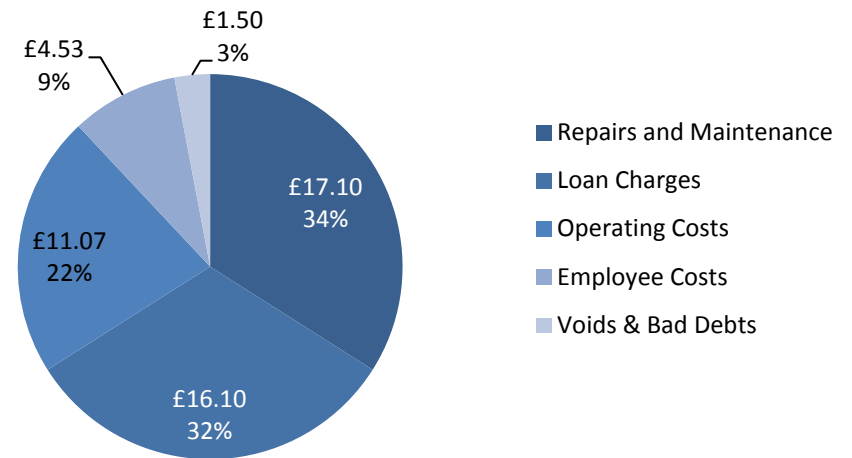
The outcomes of the Housing Options Service are as follows:

- 2-3% of applicants secure public sector housing
- 20 % of applicants secure or remain in accommodation whilst seeking alternative accommodation
- 10% increase in use of the Rent Deposit Guarantee scheme to access accommodation in the private sector
- 40% of applicants are assisted to remain in their current accommodation
- 23% of applicants are referred for homeless assessment when homelessness is unavoidable.

Rents

East Lothian Council continues to have one of the lowest local authority rents in Scotland. Over the last three year the percentage rent increase applied by East Lothian Council has been 4.3 %.

How the average rent of £50.30 per week is spent



We asked, you said, we did...

Rent Consultation 2014/15

We asked...

The Council consulted with tenants on a potential rent increase of 4.3% for 2014/15. The increase reflected the estimate of what it will take to maintain existing services and continue our investment in the maintenance and improvement of council houses.



You said...

A total of 1,241 completed questionnaires were returned, along with four telephone responses and one written response.

Feedback received showed that:

- 93% of respondents were happy with the level of consultation and information they get about the annual rent increase
- 88% said they think the rent they pay is good value for money
- 84% think the Council is proposing a fair rent increase of 4.3%
- 94% agree with the Council's commitment to build new houses to help address the housing situation in East Lothian
- 97% agree that the Council should continue to modernise its existing stock (e.g. kitchen and bathroom replacement)
- 94% agree that their rent should be used to pay for the following key areas - service delivery, modernisation of council houses and delivery of new affordable homes
- The majority of tenants (52%) said that a fortnightly payment frequency best suits their household budget
- Most tenants (64%) said that they would prefer to keep rent payment breaks and pay a higher amount over 24 fortnights

We did...

All the feedback received from tenants during the consultation has been looked at and has informed the consultation report that went to the Council's Special Budget Meeting on the 11th February.

Councillors considered the response to the consultation and made a final decision on the rent and service charges increases, which was agreed at 4.3%. We wrote to all our tenants with that decision at least four weeks before the actual rent increase date of 7th April 2014 and advised them of what their new rent charge would be.

Transport

Transport is fundamental to the maintenance of today's lifestyle whether it is for personal work or leisure or for the delivery of the goods and services necessary to sustain this lifestyle. The overall vision for the Local Transport Strategy is that East Lothian will have well-connected communities with increased use of sustainable transport to access services and amenities.

Relevant Performance Indicators for this objective can be found at:

Transport, roads and lighting



What we said we would do
Implement the East Lothian Local Transport Strategy and lobby public transport providers and the Scottish Government to improve the quality and accessibility of road, rail and bus links and services across East Lothian, and to support community transport initiatives
Work with local bus operators to improve services across the county and aim to use the Council's share in Lothian Buses to help secure an expanded service
Actively support improvements to rail services in East Lothian, including: a better service between Edinburgh and Dunbar/Berwick; the re-opening of East Linton station; a rail halt at Blindwells; and, better car parking at the county's stations
Lobby for dualling of the A1 east of Innerwick and junction safety improvements south of Haddington
Introduce measures to reduce speeding, including 20mph speed limits where these are supported by residents
Protect the roads maintenance budget to ensure that all local roads are maintained to a very high standard, and surface water drainage is improved to help prevent flooding

Transport – What we have done

The current transport needs of communities in East Lothian are being assessed to inform the development of the Transport Strategy

East Lothian Council, Scottish Borders Council and South East Scotland Transport Partnership (SESTRANS) commissioned a study into the feasibility of introducing rail services between Edinburgh, Dunbar and Berwick. The proposed service would include the re-opening of stations at East Linton and Reston. The study was submitted to Transport Scotland in December 2013.

Funding has been allocated in the Council's Capital Programme for a new railway station at East Linton and a business case has been submitted to the Scottish Government Station Fund for match funding.

A Community Rail Partnership (CRP) has been established for East Lothian. The Partnership, covering the lines from North Berwick and Dunbar to Edinburgh will work with local community groups, organisations and businesses, as well as the rail industry to encourage more local people and visitors to use trains. The East Lothian CRP will have access to a significant funding pot which will be created as part of the new Scotrail franchise.

A Bus Forum has been established to support dialogue between the Council and bus operators.

In April 2014, East Lothian Council in partnership with five local bus operators and RELBUS (Rural East Lothian Bus Users) jointly launched a new Bus Passenger Charter. The aim of the charter is to provide a clear commitment to passengers of the standards of service required and provided by bus services across the county.

Significant improvements have been made to a number of Council supported bus services and community consultation is being carried out in advance of the development of the forthcoming supported services contact tender. The Council has begun a programme of improvements to bus stops/ shelters and improved timetable information.

The RAGES rail study has been submitted to Transport Scotland for comment.

The Consortium of East Coast Main Line authorities has produced a prospectus identifying the economic case for investment in the East Coast main line and the Council is lobbying for more trains between East Lothian (Dunbar) and London. A new car park has been provided for Dunbar Station and the Council is seeking to secure increased car parking provision at Drem and Longniddry stations.

A cross Council multi-agency group – the A1 Action Group – has been established to press for improvements to the A1.

Several 20mph speed limit areas are being piloted along with innovative measures to reduce speed on roads surrounding schools.

The roads maintenance budget in the Capital Programme has been protected and a higher level of spend has been allocated in years 2 and 3 of the capital plan:

- 2014/15 £5,250,000
- 2015/16 £5,500,000
- 2016/17 £5,500,000

Communities

Communities need to be supported to ensure they have the capacity to flourish. The Council is committed to ensuring that communities are empowered to develop strategies and Local Community Plans tailored to their needs and that decision making is devolved to the most appropriate local level.

A key feature of the Council's approach is that services should be built around people and communities; not professions and organisations. The Council is committed to, and has been developing, a range of ways in which to engage effectively with East Lothian's people and communities in order to better develop services around their needs.

Relevant Performance Indicators for this objective can be found at:

Services built around people and communities



Crime, safety, anti-social behaviour and criminal justice social work



Cultural & Community Services



Services built around people and communities

What we said we would do

Establish Local Area Partnerships for all six areas of East Lothian to give local communities, Community Councils and local groups more say in local services and to develop Local Community Plans that will influence the achievement of the Community Planning Partnership's Single Outcome Agreement

Local Community Planning and Area Partnerships

A framework for establishing Area Partnerships was approved in Dec 2013 and six Area Partnerships have been established. The role of each Area Partnership is to determine local priorities for the Area Plan that are aligned to The East Lothian Plan. Area Partnerships will also provide the principal point of contact for consultation and engagement with communities enabling them to influence The East Lothian Plan and related key strategies and plans. The six Area Partnerships are:

- Musselburgh
- Fa'side
- Preston-Seton-Gosford
- Haddington & Lammermuir
- North Berwick Coastal
- Dunbar & East Linton

All six Partnerships have established core membership. They are now meeting regularly and have begun the process of developing their Area Plan

We asked, you said, we did... East Lothian Council website

We asked...

For feedback on the council website to allow for a customer centric approach to future design and development. East Lothian Council's website was one of only 37 local authorities out of 433 to be rated as 'four star' in Better connected 2013, SOCITM Insight's independent survey.



You said...

Only 10% of respondents agreed that the website reached the maximum 4 star level, 35% suggested 3 stars, 40% 2 stars and 15% thought the website should only be awarded 1 star. Some elements of the site that users liked included the clear navigation, the layout of the homepage, the online planning tool and the consistent approach to presentation.

Things that users didn't like included the search function, the inability to personalise the content to make it more relevant to individual users, the number of clicks required to get to content, the use of jargon, the poor 'report it' tool and the inability to view the site on mobile devices.

We did...

A new web and digital strategy has been developed to improve the website to meet customer needs and expectations. Consultation sessions were held with representatives of all East Lothian Community councils to gather further feedback on improving the website. This feedback will be considered in detail for future website re-designs with priority given to key suggestions such as making the website mobile friendly and improving the online reporting tools. Other areas such as ensuring all content is plain English and jargon free is ongoing and now forms part of all training given to website administrators.

What we said we would do	What we have done
Devolve decision making and budgets starting with allocating a £100,000 budget for each secondary school cluster	Both revenue and capital funding to be allocated to Area Partnerships has been identified in the Council's 2015/16 budget.
Keep public services as local as possible and explore the further integration of Council and other public services at Local Area level, ensuring that locality planning arrangements (for example, the planned Health and Social Care Partnership arrangements) are integrated with the work of Local Area Partnerships	Proposals for establishing Area Co-ordination/ Management are being developed and four Area Managers will be recruited in autumn 2014. The framework for establishing Area Partnerships is based around locality planning and area management and Health and Social Care integration arrangements. Customer Services, Library Services and the Safer Communities Team are now within the same management structure. A Service review has been completed and will lead to the integration of Customer and Library Services into a 'Face to Face' service structure which mirrors area partnership arrangements.
Support the Transition Towns initiative across all East Lothian's towns as a means of developing resilient communities	Area Partnerships will consider how the Transition Towns initiatives will be supported as part of the development of priorities in emerging Area Plans.

We asked, you said, we did...

East Lothian Council tenant satisfaction survey

In November 2013 we conducted our first comprehensive satisfaction survey to meet the requirements of the Scottish Social Housing Charter. Over 1,700 tenants took part in the survey and the results were published in March 2014.

Your views are important to us and the survey highlighted areas of good performance as well as identifying areas where you would like us to do better. The results are given below:



- **84%** of tenants were satisfied with the overall service we provide
- **89%** of tenants feel we are good at keeping them informed about our services and decisions.
- **77%** of you were satisfied with the opportunities given to you to participate in our decision making processes.
- **68%** of new tenants were satisfied with the standard of their home when moving in.
- **86%** of existing tenants were satisfied with the quality of their home
- **85%** of tenants who had repairs carried out in the last 12 months were satisfied with the repairs and maintenance service.
- **89%** of tenants were satisfied with the management of the neighbourhood they live in.
- **89%** of tenants feel that the rent for their property represents good value for money.

We did...

You Said	What we did / are doing
Some of you said you were not happy with the quality of your home when you moved in	<ul style="list-style-type: none">• Setting up a focus group, involving customers, to look at our current processes and policies to see how we can improve the quality of our houses when you move in.
Some of you feel that it takes too long to get a repair completed.	<ul style="list-style-type: none">• Extending mobile working to other trades, and exploring the possibility of offering evening/early morning appointments.• Setting up a focus with tenants to look at this in more detail in September 2014.
You didn't like completing a full application form when we reviewed your housing application	<ul style="list-style-type: none">• We have now produced a shorter version of the form which has been well received.

Building Community Capacity and Supporting Diversity in our Communities

What we said we would do

Build community capacity and support local civic events, voluntary, community and social enterprise organisations across all communities in East Lothian

Support and celebrate diversity in our communities

Implement the Asset Management Strategy to maximise use of existing resources and engage with partner organisations such as the NHS to achieve best value from local assets, including possible use or sale of surplus land and property for housing development

Explore opportunities for imaginative and flexible use of facilities, including community use of school buildings outwith school time and reviewing opening hours of community facilities with a view to increasing activities by young people

Explore community ownership and control of local facilities where appropriate

Develop a new sports development strategy including extending provision at the Meadowmill Sports Centre and providing sporting pathways within the County for our young people

Work with the new single police force to establish effective local scrutiny and engagement arrangements which will maintain a strong police presence in our communities by continuing to support initiatives such as the Police Initiative Teams in order to reduce anti-social behaviour, crime and fear of crime

Oppose any plans to close Haddington Sheriff Court

What we have done to build community capacity and support diversity

Capacity Building Training Calendar has been developed and is being delivered. 156 participants have taken part in 32 courses, including short one-off sessions to longer courses, e.g. Community Journalism. Courses are offered across East Lothian with the majority running in Musselburgh, Tranent and Prestonpans. Over the year the training calendar will offer over 530 learning opportunities to community activists from public, community, voluntary and third sector organisations.

A significant number of local community events have been supported over the year, including Galas, music events, Dunbar Civic Week and Dunbar Science Festival, Fringe at the Seaside, Trad on the Tyne and 3 Harbour Arts Festival. 7,000 people attended live outdoor youth music events

Brunton theatre attendances are on target and film audiences are increasing. There are 19 Youth theatre groups across the county and two new groups being set up due to demand from young people in Longniddry and Musselburgh.

The Saltire Awards and Young People's volunteering are being used to build young people's capacity.

Multi-cultural Day in 2013 attracted record attendance and consideration is being given to the future of Multi-Cultural Day to build on this success.

Libraries and Schools participate in Black History Month and other events such as Holocaust Remembrance Day to highlight the importance of and celebrate diversity in our communities. Libraries are supporting a Dual Impairment Project for digital inclusion for those individuals who have sight/hearing difficulties.

'Equalities in Early Years' guidance was published and is being rolled out to all Childcare Practitioners in East Lothian

An Asset Management Strategy has been approved and work has begun on developing Joint Asset Management Strategy including the properties of all the public agencies operating in East Lothian.

The ‘Face-to-Face’ services’ review includes proposals to make better use of Council buildings and to share buildings where appropriate.

Work ongoing on the transfer of Community Centres to community ownership. SCIO’s are being established/ or have been established in Fa’side Villages, Bleachingfield, Pennypit and Port Seton Community Centres. Haddington Community Development Trust has been supported to gain charitable status and take on lease of the Corn Exchange.

Meadowmill sports centre refurbishment has been completed. Sporting pathways have been put in place for East Lothian’s core sports.

The east Lothian Sports Strategy will be updated following publication of the Scottish Government’s Youth Sports Strategy.

The Council played a leading role in opposing the proposal to close Haddington court, through appropriate representations to the Scottish Court Service, the Scottish Parliament Justice Committee and the Cabinet Secretary for Justice. The Council also joined with local stakeholders such as the Haddington Citizens Advice Bureau and the Faculty of Local Procurators, to resist closure. Despite this activity, the Scottish Government made the order to close the court from January 2015.

The Council is developing plans to increase the number of people working in Haddington with the aim of increasing footfall that will and support businesses in the town.

A New Service Level Agreement was agreed with Police Scotland In August 2013. This provides over £500,000 funding from the Council for additional police officers for the county.

Tackling domestic violence

What we said we would do	What we have done
<p>Ensure women and children who experience domestic violence have access to specialist services and support</p>	<p>The East and Midlothian Public Protection Office has now been established. This streamlines organisational and governance arrangements across adult protection, child protection and violence against women. A Public Protection Team has been established to bring together lead officers across the whole system with reporting now being streamlined into the newly-established Public Protection Committee.</p> <p>Police Scotland report every incidence of VAW / housecall where children have been in the family – these reports are reviewed weekly by the MASG.</p> <p>Police have agreed to inform the relevant authorities of young children present in a household where they are called to an incident of domestic violence</p>

The Environment

The quality of the natural environment is one of East Lothian's greatest assets. There is a fundamental link between people and place which recognises that looking after our natural and built environments has positive benefits on the health and wellbeing of our communities.

The Council is committed to providing a high quality environment, improving the wellbeing and quality of life of our communities and promoting a sustainable lifestyle, and will work with, encourage and support communities to become actively engaged with their local environment.

Relevant Performance Indicators for this objective can be found at:

Countryside & Leisure



The environment and waste management



Protective services



What we said we would do
Implement the East Lothian Environment Strategy and the Council's Carbon Management Plan, reducing carbon emissions in line with national targets
Meet the Council's recycling targets, if necessary providing incentives and rewards, and investigate ways of dealing with collected material locally including development of renewable energy sources such as bio-mass
Bring forward plans to modernise waste collection services to take account of new legislative requirements relating to collection of food waste including free special uplifts
Explore options for taking stronger action to reduce the problem of dog fouling
Seek investment from the Scottish Government and take action to protect East Lothian from flooding and coastal erosion
Ensure the quality and character of East Lothian's natural environment is preserved and enhanced through a range of measures including promoting biodiversity, considering the landscape impact of new development and summer and winter planting
Work to ensure stricter regulation on the siting of wind turbines

The Environment – what we have done

East Lothian Council continues to monitor its carbon emissions and is focussed on reducing these through better asset management. East Lothian Council emissions associated with operational activities are estimated to be 27,202 tonnes of CO₂. This equates to a 26% reduction against the 2007/08 baseline of 36,316 tonnes CO₂, exceeding the carbon reduction target of 25% set in the Carbon Management Plan (2009-14). Over 1,000 tCo₂e reduction in public buildings emissions in the 12 months to July 2014.

Main Issues Report/ Local Development Plan process focused on strategies to reduce overall commuting/ carbon emissions where possible.

East Lothian recycles over 45% of household waste. Further development of recycling services awaiting developments among private sector providers

The new Waste Management Strategy was approved by Council (24th June 2014) to take account of new food waste responsibilities

A free special uplift service has been re-introduced

The number of fly tipping incidents reported to the Council has fallen to under 200 per quarter

The Council is monitoring current arrangements for tackling dog fouling to ascertain whether further action is required.

Phase 2 study on flood protection measures has been commissioned and will form the basis of funding requests.

The Council has supported a range of path projects and initiatives including:

- The John Muir Way, East Lothian's long-distance path. In July 2013 it was agreed to incorporate this route into a longer (200km) route from Helensburgh to Dunbar, whilst retaining the same name for the overall path.
- Improvements to the River Tyne Path – Hailes to Haddington
- Supporting the creation of a new access into Yester Estate from Park Road in Gifford as part of the Gifford to Garvald path
- Investigating the development of a shared-use footway to complete the Drem to Gullane Core Path
- Repairs to the right of way across the Longniddry Golf Course
- East Lothian Volunteer Path Wardens - During 2013/14 the number of volunteer path wardens continued to grow. More than 50 volunteers provided recorded 1,004 hours of volunteer time in 2013-14 (up from 631 hours in 2012-13).

East Lothian's Biodiversity Action Plan aims to achieve the following principles:

- Protecting what we have, so there is no greater decline in biodiversity
- Improve habitat quality and wildlife links across the countryside
- Raise awareness of biodiversity and encourage public involvement
- Develop survey work and research, to better understand biodiversity and to provide a better advice service to the Council and others.

Further details can be found in the [East Lothian Countryside Service Annual Report 2013/14](#).

A new policy framework has been established that addresses all types of wind turbine developments within the Council's decision making powers.

Councillors have been supportive of the guidance and the decisions stemming from it in Committee and Local Review Board. Issues have arisen where appeals have been to the Scottish Ministers and Reporters have given little weight to the guidance in decisions.

Growing the capacity of our Council – to deliver excellent services as effectively and efficiently as possible

Overall... there continue to be areas of strong performance and a number of improvement activities continue to make good progress.

East Lothian Assurance and Improvement Plan, 2014-17

Effective, efficient and excellent services

Given the diminishing resources that are available and the growing demand for services the Council will have to increase its efforts to improve performance and provide value for money – provide better services at lower cost.

Relevant Performance Indicators for this objective can be found at:

Effective, efficient and excellent services



What we said we would do

Implement the Council's Improvement Framework to pursue 'continuous improvement' in the delivery of services and ensure that waste, bureaucracy and administrative costs are minimised so that funding is ploughed into front line services and the Council provides the highest quality of services

Implement the strategies that support the Improvement Framework

- People Strategy
- Asset Management Strategy
- Risk Strategy
- Customer Contact Strategy
- IT Strategy
- Procurement Strategy
- Consultation and Engagement Strategy

What we have done to provide effective, efficient and excellent services

As part of the Council's rolling 3 year budgets ambitious targets have been set for efficiency savings. Between 2013 and 2017, the Council has budgeted for a sum approaching £20m in combined efficiency measures, savings and increased income. Progress against these planned reductions are reported to Cabinet each quarter with an annual efficiency statement also made to the Scottish Government. In addition, the Chief Executive has established a new Budget Review Group that will closely monitor progress being made with the achievement of planned efficiencies and related change projects. Within this programme of efficiencies, the Council continues to apply a stringent Efficient Workforce Management Plan that continually investigates new ways or organising and managing services including the provision of administrative support staff across all services

Scrutiny

East Lothian Council has two committees that perform the ‘scrutiny’ function: the Audit and Governance Committee and the Policy and Performance Review Committee. Scrutiny involves examining and monitoring the activity of the Council with the aim of improving the quality of services. Scrutiny ensures that executives are held accountable for their decisions, that their decision-making process is clear and accessible to the public and that there are opportunities for the public and their representatives to influence and improve public policy.

Each Committee receives regular monitoring reports that highlight issues that might need further scrutiny. The Audit & Governance Committee receives audit reports that show the results of investigations conducted by the Council’s auditors. The Policy & Performance Review Committee receives regular performance reports that demonstrate the extent to which the Council is achieving its goals.

The following table summarises some of the issues that the Audit & Governance Committee and Policy & Performance Review Committee have reviewed during 2013/14:

Audit & Governance Committee	Policy & Performance Review Committee
<p>Charging for Services – January 2014</p> <p>The report outlines Audit Scotland’s findings regarding the practice of charging for services by Scottish local authorities. East Lothian appears to generate a relatively low proportion of its income from charging. The Council has embarked upon a benchmarking exercise to establish how its charges compare to those of other councils.</p> <p>Managing Early Departures from the Scottish Public Sector – September 2013</p> <p>Audit Scotland published ‘Managing Early Departures from the Scottish Public Sector’ in May 2013. The report to the Audit & Governance Committee highlighted East Lothian Council’s position as a Voluntary Early Release Scheme had recently been implemented.</p>	<p>Electric Vehicle Evaluation – March 2014</p> <p>The report evaluated the usage and running costs of East Lothian Council’s fleet of electric vehicles.</p> <p>East Lothian Community Planning Economic Development Strategy – September 2013</p> <p>Councillors received a report outlining the progress towards meeting the outcomes of the East Lothian Community Planning Economic Development Strategy.</p> <p>Review of Voice Recognition Telephone System – January 2014</p> <p>The Committee investigated the performance of the Automated Telephony System used by East Lothian Council.</p>

Benchmarking - How we compare

Local Government Benchmarking Framework

The Local Government Benchmarking Framework helps councils in Scotland compare their performance with one another. The information that is included in the Framework covers how much councils spend on particular services and, where possible, service performance. The core purpose of the Framework is benchmarking: making comparisons on spending and performance between similar councils so that councils can identify strengths and weaknesses, learn from councils who seem to be doing better and improve their local performance.

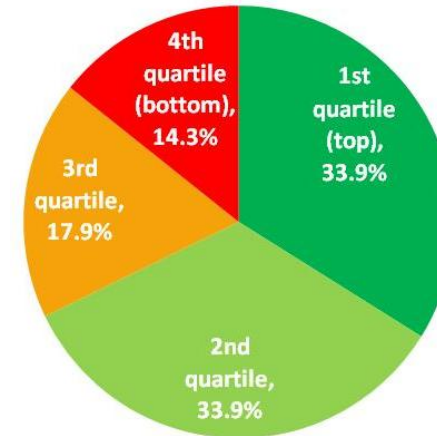
East Lothian Council reported the results for the indicators that form the Framework to the meeting of the Policy & Performance Review Committee in April 2014. The report covers the most recent data that is available for the indicators, which mainly relates to 2012/13. The report can be found here: http://www.eastlothian.gov.uk/download/meetings/id/15390/06_local_government_benchmarking_framework_2012-13_report

East Lothian falls within the top 25% of councils for 33.9% of the indicators it reported in 2012/13. 49.1% of the indicators reported showed improvement in comparison to other councils.

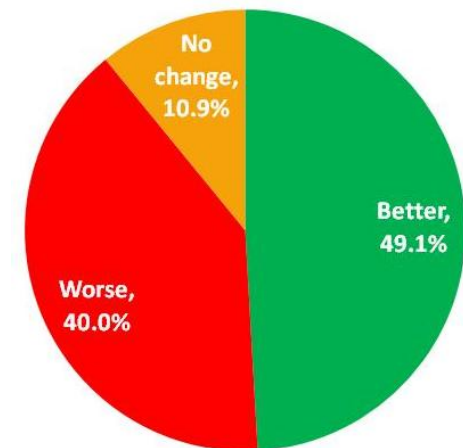
The full results for the Local Government Benchmarking Framework for all Scottish Councils can be found here:

<http://www.improvementservice.org.uk/benchmarking/>

Performance indicators by quartile



Change in rank between 2011/12 and 2012/13 relative to all other Scottish councils



Self-evaluation

East Lothian Council evaluates its own governance arrangements in accordance with the CIPFA/ SOLACE Guidance on Delivering Good Governance in Local Government. The Guidance is based upon the following 6 principles:

- Focusing on the purpose of the authority; on outcomes for citizens; and, service users and creating and implementing a vision for the area
- Members and Officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capabilities of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

The 2104 corporate governance self-evaluation has found that East Lothian Council continues to have good governance and control arrangements in place across the six principles. The self-evaluation identified four actions for improvement:

- Develop and use toolkit of self-evaluation of Partnerships
- Work with partners to develop and implement Children’s Services inspection Improvement Plan
- Review and develop elected members’ training and briefings including briefing on Capital Investment Strategy
- Scrutiny training for Policy & Performance Review Committee members

How Good is Our Council?

Each Council service reviews its own performance annually using a framework known as ‘How Good is Our Council?’ (HGIOC). The framework contains a number of questions relating to the following areas:

- What key outcomes have we achieved?
- How well do we meet the needs of stakeholders?
- How good is our delivery of key processes?
- How good is our management?
- How good is our leadership?

The aim of HGIOC is to identify areas of weakness and areas of good practice. Small groups of staff discuss each question and give it a score out of 6 based on evidence of stakeholder views, performance results and documentary evidence. Improvement actions are identified, particularly for low scoring areas. The improvement actions are included within service plans and the Council Improvement Plan.

Customer Care

Complaints and Feedback

Type of customer feedback	2012/13	2013/14
Total no of complaints:	872	961
Comments:	70	90
Compliments:	241	242
Stage 1 complaint - Complaint dealt with at point of service within 5 working days	352 complaints	507 complaints - 93% responded to within 5 working days
Stage 2 complaint – Investigation of points raised, acknowledged within 3 working days and response provided within 20 working days	520 complaints	454 complaints - 83% responded to within 20 working days

Working together to achieve agreed outcomes

The Council is committed to renewing its efforts to ensure that all its services work together to meet common goals and to develop effective partnership working with other public sector bodies, the voluntary and public sectors and most importantly the people and communities of East Lothian.

What we said we would do

Support and develop partnership working

New arrangements for partnership working

The East Lothian Partnership (East Lothian's community planning partnership) brings together organisations from all sectors to work together to make a real difference in East Lothian and, above all, to improve the lives and opportunities of our people.

The East Lothian Plan: Single Outcome Agreement (SOA) 2013 is the ten-year plan for the East Lothian Partnership. The Plan establishes 10 outcomes that partners have agreed to work towards achieving. The Plan was agreed in September 2013.

East Lothian has developed a new SOA that has clear objectives that relate well to the context of the council. Three clear strategic improvement priorities for the council are noted. These are focused upon governance and leadership, resources and performance.

East Lothian Assurance and Improvement Plan, 2014-17

New community planning arrangements (the East Lothian Partnership) were agreed in June 2013. Four strategic partnership groups and six geographic groups (Area Partnerships) have been established. Each strategic group has responsibility to deliver 3-4 outcomes from the Single Outcome Agreement.

Early achievements include:

- All strategic groups are now established and each has identified 2-3 short-term priorities which will make the greatest impact on the outcomes they are responsible for.
- A new approach to local community planning has been agreed involving all ward elected members from all parties and a broad range of community organisations. Implementation has begun in several ward areas with a good participation rate to date.
- The 12-point SOA Development Plan, which is monitored at each East Lothian Partnership meeting, is on-track for delivery.
- Strong partnership commitment and shared responsibility during the Inspection of Services for Children and subsequently for the Improvement Plan.

East Lothian and Midlothian Councils are working together to explore areas where services could be delivered in partnership. Examples of existing shared services between the two councils include shared management posts for Trading Standards, Environmental Health and Health & Safety. Work is underway to investigate options for collaborative working in relation to emergency planning, risk management and internal audit. Options for the creation of a shared education service have been investigated, although it was decided not to progress with this proposal.

Prioritising prevention and promoting equality

Early intervention and tackling inequalities are key priorities for East Lothian Council and the Community Planning Partnership. The Council recognises the need to deliver a step change in how services are provided; moving from a model of public services that focus on crisis intervention – services that try to put people and communities together again after things have failed – to a model that concentrates on preventing failure. The focus has to be on prevention and early intervention to avoid crisis intervention.

Relevant Performance Indicators for this objective can be found at:

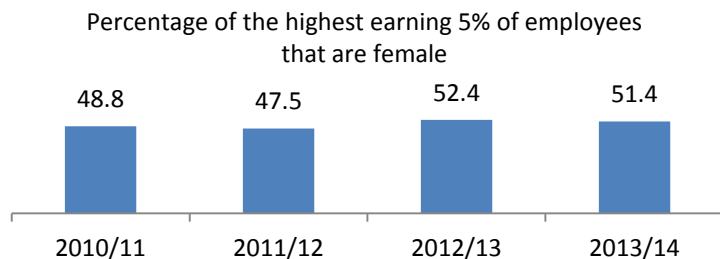
Prioritising prevention and promoting equality



Diversity in the workplace

The council is in an improving position with regard to gender employment equality and is above average in terms of the percentage of council employees in the top five per cent of earners that are women.

East Lothian Assurance and Improvement Plan, 2014-17



What we said we would do	What we have done
Implement the Single Equality Scheme	Single Equality Scheme has been adopted by the Council and progress will be monitored and reported on an annual basis
Adopt a new integrated impact assessment process for Council policies incorporating equalities and environmental, economic and social sustainability, including an assessment of potential impact on jobs and the economy of East Lothian, to ensure that any potential negative impacts are identified and mitigated	The new Combined Impact Assessment has been developed and is being rolled out following training and awareness raising with relevant staff in Autumn 2014.
Introduce a 'Living Wage' for Council employees	A Living Wage Allowance was first introduced in Sept 2012 although this has now been more formally adopted within the Council's Pay and Grading Structure as part of the national pay award implemented from 1 April 2013. 193 employees are receiving the Living Wage as at 27 March 2014.

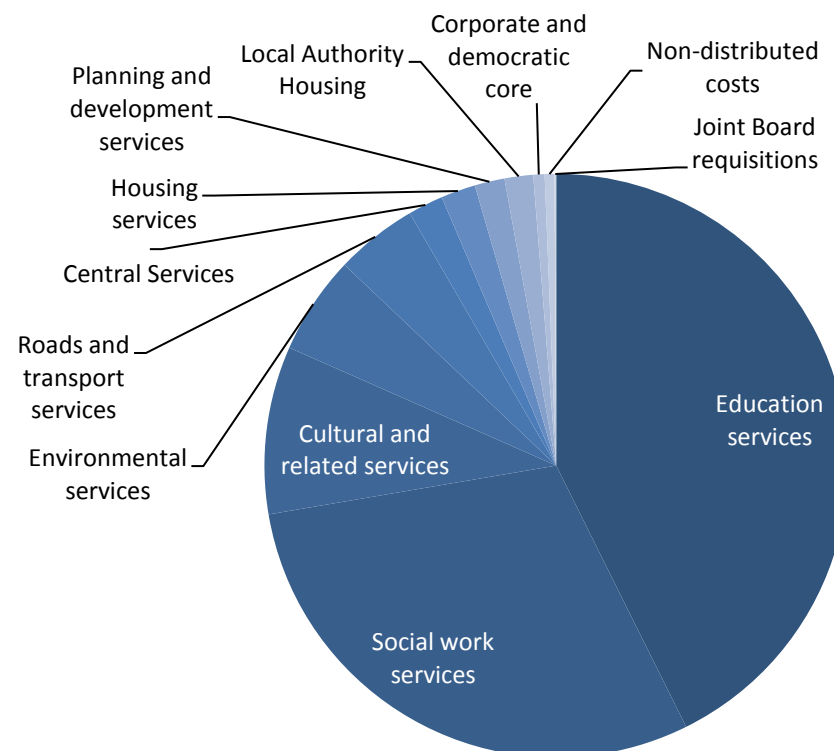
Council Finances

Where the money comes from (from 2013/14 Statement of Accounts)

	£m
Council Tax	£41,572
Non domestic rates	£23,134
Non ring-fenced government grants	£144,374
Capital grants and contributions	£15,772
Total	£224,852

Where the money goes:

Net expenditure by service (£,000s):	2012/13	2013/14
Central Services	£2,964	£4,126
Cultural and related services	£21,507	£19,703
Education services	£92,099	£90,373
Environmental services	£10,795	£11,560
Housing services	£4,141	£4,064
Joint Board requisitions	£10,027	£200
Local Authority Housing (Housing Revenue Account)	£4,426	£3,350
Planning and development services	£2,370	£3,520
Roads and transport services	£10,166	£9,650
Social work services	£61,468	£62,855
Corporate and democratic core	£1,440	£1,326
Non-distributed costs	£407	£1,145
Total cost of services	£221,810	£211,872
(Gains) / Losses on the disposal of non-current assets	£1,538	(£1,103)
Financing and investment income and expenditure (e.g. interest payable)	£15,951	£14,834
Taxation on non-specific grant income	(£232,797)	(£224,852)
(Surplus) / Deficit on the provision of services	£6,709	£751



Financial outlook:

What our auditors say:

In common with the public sector across Scotland, East Lothian continues to face financial challenges. The council has the highest level of net external debt as a proportion of revenue spend of all Scottish local authorities. The council's level of debt places significant pressure on future revenue funding as debt and associated interest is paid. The 2013-14 budget forecasts a breakeven position, incorporating a further £2.2 million utilisation of reserves. The most recent financial monitoring reports show the council is achieving its savings on the majority of business groups and is on target to use fewer reserves than estimated as part of setting the 2013/14 budget.

East Lothian Council Assurance and Improvement Plan 2014-17

In the medium term it is clear that the Council faces some difficult financial decisions as a result of the following:

- Reductions in the income it will receive from central government;
- New legislative requirements;
- Responding to the challenges arising from proposed UK benefit reforms over the coming years;
- Increasing population e.g. school rolls/elderly care.
- General price inflation.
- Upward pressure on staff costs – particularly after a significant period of pay restraint but also arising from the likelihood of unfunded national insurance increases.

The latest estimate is that the amount of funding that that is available to support council services i.e. after all the other corporate commitments are taken into account is going to drop from £194 million in 2013/14 to £193 million by 2016/17. This means that the Council is faced with reducing its expenditure commitments or increasing its income, or some combination of

both. This scenario is likely to continue up to and including 2018/19 and the Council will need to plan for the reduction in funding.

What we said we would do	What we have done
Maintain the Council Tax freeze in line with Scottish Government policy	Council Tax plans are declared each year and depend upon annual grant settlement from Scottish Government. However, a three year budget has been set with no planned increase in Council Tax.

It may be possible to introduce new sources of income but a significant part of the medium term deficit is likely to have to be met through cost containment and avoidance. The Council is seeking to contain costs by becoming more efficient, which would minimise the effect on services provided. However, the size of the medium-term deficit suggests that more significant changes in how services are managed and delivered will be required as the means of containing costs whilst maintaining and where possible improving services. Understanding the impact of financial decisions on those in the community will help to ensure that decisions about future provision of services meet the needs of the community effectively.

Over the next three years, the Council's financial strategy will be focused upon:

- Delivering a Change Programme that will achieve significant efficiency savings across all areas and all inputs such as staffing and supplies;
- Constraining cost growth – through effective demand management, good financial control by managers and by effective negotiation with suppliers;
- Generating additional income and ensuring that, where the Council has decided, there is full cost recovery;
- Progressing integrated working with our partners where there is a proven greater efficiency;
- Continuing to manage down the General Services Loans Fund balance.

To contact us, or tell us what you think

We always want to hear what the people of East Lothian think about our services. Was this report easy to read? Did it inform you about Council services? Did it allow you to judge our performance? How could we improve the report next year?

If you want to give us feedback on this report or would simply like further information or to make a comment about the Council, email the Policy & Performance Team at: policy@eastlothian.gov.uk

Phone: **01620 827827**

Versions of this publication are available on request on audiotape, in Braille or in your own language.

Tel: 01620 827199

REPORT TO: East Lothian Council
MEETING DATE: 28 October 2014
BY: Chief Executive
SUBJECT: Council Plan – Two-Year Review

6

1 PURPOSE

- 1.1 To present Council with a two-year review of the Council Plan 2012-2017 and make recommendations for priorities for the remaining three years of the Plan.

2 RECOMMENDATIONS

- 2.1 Council is asked to note the two-year review of the Council Plan and the recommendations for priorities for the remaining three years of the Plan as detailed in paragraphs 3.12 – 3.14.

3 BACKGROUND

- 3.1 *Working Together for a Better East Lothian: The East Lothian Council Plan 2012-2017* was approved by the Council in August 2012. The Plan set out the Council's aim of creating a prosperous, safe and sustainable East Lothian that will allow our people to flourish. To achieve this aim the Plan has four objectives:

- **Growing our Economy** – to increase sustainable economic growth as the basis for a more prosperous East Lothian
- **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
- **Growing our People** – to give our children the best start in life and protect vulnerable and older people
- **Growing the capacity of our Council** – to deliver excellent services as effectively and efficiently as possible within our limited resources.

- 3.2 The Council Plan details the actions that will be pursued over five years to achieve these objectives.

- 3.3 The Council Management Team has undertaken an evaluation of progress in achieving the Plan's objectives and the key actions set out in the Plan. This has been summarised within the Annual Performance Report 2013/14, which is on the agenda of the Council meeting, 28 October 2014.
- 3.4 The monitoring report shows substantial progress has been made against almost all the commitments contained in the Council Plan. Key achievements over the last year include:
- Delivering jobs and training opportunities through East Lothian Works, including over 30 work experience and modern apprenticeship opportunities in the Council
 - Supporting over 200 new business start ups
 - Increasing payments to foster carers and supporting more foster care and kincare placements for vulnerable children
 - Enhancing respite services for older people
 - Successfully introducing the Scottish Welfare Fund and delivering support for people affected by the Housing Benefit under occupancy rule
 - Completion of the new care home in Tranent
 - Building 120 new Council houses
 - Establishing six Area Partnerships which will take on devolved decision making and budget responsibilities
 - Being awarded Investor in People status
- 3.5 However, it is recognised that many commitments are ongoing and will need continuous monitoring and that further progress needs to be made on several commitments to ensure that they are fully achieved within the lifespan of the Council Plan.
- 3.6 Since the Council Plan was adopted by the Council in August 2012 the challenges which set the context for the Plan have evolved and new challenges have emerged. Two years into a five-year Plan is a good time to review the challenges and context and assess whether any new priorities need to be addressed.
- 3.7 The Council Plan includes a commitment to early intervention and tackling inequalities:
- “The focus has to be on prevention and early intervention to avoid crisis intervention. Over the next five years the Council will need to re-direct resources to priorities and the development of a preventative model of service delivery.”*

- 3.8 However, whilst the Council Plan acknowledged the significance of tackling inequalities and doing so through a focus on prevention and early intervention it lacked a robust statistical analysis to take this commitment forward.
- 3.9 The East Lothian Plan: Single Outcome Agreement 2013-2023 (the SOA) approved by the East Lothian Partnership in September 2013 was based on an analysis of the East Lothian profile, a detailed review of an extensive range of data about East Lothian and its communities. Drawing on the Scottish Index of Multiple Deprivation (SIMD) and other national and local data sources the Profile provides information about the levels of inequality in East Lothian.
- 3.10 Based on the evidence of growing levels of deprivation and relative inequality across East Lothian's communities the Single Outcome Agreement set one overarching priority: '*To reduce the inequalities across and within our communities*'. The East Lothian Partnership is developing a framework for reducing inequalities through prevention and early intervention which will ensure that the Partnership focuses on this priority.
- 3.11 An update of the context and challenges faced by the Council and our communities, including an assessment of the level of inequalities within East Lothian is provided in Appendix 1.
- 3.12 Given continuing financial and other challenges faced by the Council the Council Plan's four objectives (see para 3.1) remain valid as the key drivers of Council policy. However, given the Single Outcome Agreement's overarching priority to reduce inequalities and the evidence of significant levels of inequality across East Lothian it is recommended that the Council Plan should also adopt the priority: *To reduce inequalities across and within our communities*. Therefore the Council Plan's existing commitment to early intervention and tackling inequalities should be given higher priority over the remaining three years of the Plan.
- 3.13 In order to make significant progress in meeting this priority it is recommended that the following areas of activity should be prioritised:
- Reducing unemployment, particularly youth unemployment and improving positive outcomes for school leavers, principally through the initiatives developed and supported by East Lothian works
 - Raising attainment in schools, particularly for pupils from more economically 'deprived' areas, and providing a broader work based education experience through working with Edinburgh College and Queen Margaret University on initiatives such as the Academies
 - Reducing inequalities and ensuring the most disadvantaged groups and communities, have access to services that maximise opportunities to break the cycle of poverty or mitigate the impact of deprivation; e.g. Children's early years initiatives and improving health and wellbeing for all age groups

- Supporting the capacity of communities and voluntary organisations to show community resilience and maximise social capital from community and social networks.

3.14 Also, as is highlighted in the Council's Financial Strategy 2014/15 to 2016/17, the Council will need to continue its programme of focussed work to maximise the efficiency and effectiveness of services provided to the public within the financial constraints faced by the Council. This will include the programme of service redesign where appropriate through Best Value Reviews and options appraisal which will take into consideration the potential to work in partnership with East Lothian voluntary organisations, businesses and social enterprises.

4 POLICY IMPLICATIONS

4.1 The review of the Council Plan has shown that much progress has been made in delivering the commitments set out in the Plan in order to achieve the four objectives – Growing our Economy, Growing our People, Growing our Communities and Growing the Capacity of the Council.

4.2 However, the review of challenges facing the Council and the commitment to reduce inequalities suggest that further prioritisation needs to be given to key policies and actions in order to deliver the change and improvements required to meet the Council Plan objectives.

4.3 Focusing on the key policies and actions will contribute to meeting the Council's ambition that *"East Lothian should be a prosperous, safe and sustainable place with a dynamic and thriving economy that will allow our people and communities to flourish."*

5 EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required. Any new policies developed as a result of this report would be subject to Equalities Impact assessments.

6 RESOURCE IMPLICATIONS

6.1 Financial – none directly as a result of this report. However, further reports arising out of the priorities set by this report may have financial implications.

6.2 Personnel – none directly as a result of this report. However, further reports arising out of the priorities set by this report may have staffing implications.

6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Appendix 1: Challenges faced by the Council; Update, October 2014
- 7.2 Council Annual Public Performance Report 2013/14; East Lothian Council, 28th October 2014
- 7.3 The East Lothian Plan: Single Outcome Agreement 2013-2023; East Lothian Partnership, 30th September 2013
- 7.4 Council Plan 2012-2017; East Lothian Council, 28th August 2012

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DATE	16 th October 2014

Appendix 1: Challenges Faced by the Council; Update, October 2014

The Council Plan was framed within the context of the major challenges faced by East Lothian Council and its communities:

- Financial constraints
- The impact of the recession
- Growing population
- Welfare changes
- Affordable housing
- Sustainability and environmental challenges
- Public sector reform

This review will provide an update of these challenges set within the context of an assessment of the level of inequalities within East Lothian which has been highlighted by the East Lothian Profile which provided the evidence base for the East Lothian Plan: The Single Outcome Agreement 2012-2023.

Inequalities

Whilst the Council Plan acknowledged the significance of tackling inequalities and doing so through increased focus on prevention and early intervention it lacked a robust statistical analysis to take this commitment forward.

The East Lothian Plan: Single Outcome Agreement 2013-2023 approved by the East Lothian Partnership in September 2013 was based on analysis of evidence from the East Lothian Profile. Drawing on the Scottish Index of Multiple Deprivation (SIMD) and other national and local data sources the Profile provides substantial evidence of the levels of inequality in East Lothian.

A comparison of the overall deprivation rankings between 2012 and 2009 provided by the SIMD gives an indication of whether socio-economic conditions in East Lothian are improving or worsening relative to the rest of Scotland (see Table 1).

Overall, 73 of East Lothian's 120 datazones had a lower ranking and only 47 had a higher ranking in 2012 compared with 2009, which suggests that the indicators of deprivation in East Lothian worsened in comparison to the position across Scotland.

The data shows significant variations across the seven Council wards. For example, 13 of Musselburgh East and Carberry's 17 datazones have a lower overall ranking in 2012 (i.e. are relatively more deprived) compared to 2009 compared to only four that have a higher overall ranking. On the other hand, 10 of Haddington's 16 datazones have a higher overall ranking (i.e. are relatively less deprived) and only six have a lower ranking.

Table 1: Change in overall SIMD ranking 2009 to 2012 by Ward

Ward (number of datazones)	Datazones with lower 2012 ranking	Datazones with higher 2012 ranking
Musselburgh East (17)	13	4
Musselburgh West (15)	10	5
Fa'side (21)	14	7
Preston/ Seton / Gosford (21)	12	9
Haddington (16)	6	10
Dunbar & East Linton (14)	10	4
North Berwick Coastal (16)	8	8
Totals	73	47

Table 2 provides a comparison between the most and least deprived areas of East Lothian in relation to a number of key deprivation indicators:

- Income – the proportion of the population that has low income
- Employment – the proportion of the population that is not in employment
- Job Seekers Claimants – the proportion of the working age population claiming Job Seekers Allowance
- Children in poverty – the proportion of children in poverty
- Crimes per 10,000 population – number of crimes per 10,000 population
- Average Tariff Scores for pupils in S4.

The table highlights the significant differences between the 'most deprived' and 'least deprived' areas of East Lothian for these key indicators of deprivation.

Table 2: Comparative levels of inequality in East Lothian's 120 datazones

SIMD 2012	Range of lowest 20% 1 - 24	Range of highest 20% 97 - 120
Income deprivation	35% - 18%	4% - 1%
Employment deprivation	27% - 17%	5% - 1%
Job Seekers Claimants	13.8% - 5.7%	1.5% - 0
Children in Poverty	44.9% - 22.7%	4.9% - 0
Crimes per 10,000 pop.	1,560 - 563	128 - 0
Av. S4 Tariff Scores	77-153	235 - 297

The significant variation in attainment levels across East Lothian is notable. For example in its report on [School Education](#), (June 2014) Audit Scotland commented: *'The spread of school performance in individual councils varies across the country. For example, the middle-performing group of schools in Glasgow City were within ten percentage points of each other. In contrast, in the middle-performing group of schools in East Lothian, the percentage of S4 pupils achieving five awards at level five in 2013 differed by 21 percentage points.'*

Financial Constraints

The financial constraints faced by the Council are clearly set out in the Council Financial Strategy 2014/15 to 2016/17, which was approved at the 11th February 2014 Council meeting.

The Strategy states that in summary, the Council faces a wide range of risks and an increasingly difficult financial environment. For General Services, in the short and medium term expenditure is outstripping income. In the longer-term, pension liabilities are increasing and should be funded now rather than passed on as a burden for future taxpayers.

It is clear that the Council faces some difficult financial decisions as a result of the following:

- reductions in the income it will receive from central government
- new legislative requirements
- responding to the challenges arising from proposed UK benefit reforms over the coming years
- increasing population e.g. school rolls/elderly care
- general price inflation
- upward pressure on staff costs – particularly after a significant period of pay restraint but also arising from the likelihood of unfunded national insurance increases.

The latest estimate is that the amount of funding that is available to support council services (i.e. after all the other corporate commitments are taken into account) is going to drop from £194 million in 2013/14 to £193 million by 2016/17. The Council has had to make significant financial savings from its base budget since 2012. In the three financial years 2012/13 – 2014/15 savings have amounted to £17.3m and a further £3.377m savings have been included in the 2015/16 budget. This scenario is likely to continue up to, and including, 2018/19 and the Council will need to plan for further reductions in funding.

This means that the Council is faced with reducing its expenditure commitments or increasing its income, or some combination of both.

It may be possible to introduce new sources of income but a significant part of the medium term deficit is likely to have to be met through cost containment and avoidance. The Council is seeking to contain costs by becoming more efficient, which would minimise the effect on services provided. However, the size of the medium-term deficit suggests that more significant changes in how services are managed and delivered will be required as the means of containing costs whilst maintaining and where possible improving services. Understanding the impact of financial decisions on those in the community will help to ensure that decisions about future provision of services meet the needs of the community effectively.

Therefore the Council's Financial Strategy 2014/15 – 2016/17 will be focused on:

- delivering a Change Programme that will achieve significant efficiency savings across all areas and all inputs such as staffing and supplies
- constraining cost growth – through effective demand management, good financial control by managers and by effective negotiation with suppliers
- generating additional income and ensuring that, where the Council has decided, there is full cost recovery
- progressing integrated working with our partners where there is a proven greater efficiency
- continuing to manage down the General Services Loans Fund balance.

Impact of the Recession

Although unemployment is falling from the high levels reached during the height of the recession we have not yet returned to the low levels of unemployment that were a feature of East Lothian's economy prior to the recession.

In December 2008, 3.6% of East Lothian's economically active population (aged 16 – 64) were unemployed compared to the Scottish average of 4.9%. By December 2010 the East Lothian unemployed figure had increased to 7.1% (Scotland's average was 7.7%). Although this figure had fallen to 6.2% by March 2014 (7.3% across Scotland) this was still around two-thirds higher than at the start of the recession.

The measure of out of work benefits claimants – people claiming Job Seekers Allowance – shows similar trends.

As is shown in Table 3 below the percentage of Job Seekers Allowance claimants in East Lothian increased from 1% in November 2007 to a high of 3.6% in February 2012 and has fallen back to 2.1% - twice the rate before the recession.

Table 3: Total Job Seekers Allowance Claimants (as a proportion of resident population aged 16-64)

	East Lothian (number)	East Lothian %	Scottish %
Nov 2007	630	1.0%	2.0%
Feb 2012	2265	3.6%	4.4%
Aug 2014	1320	2.1%	2.7%

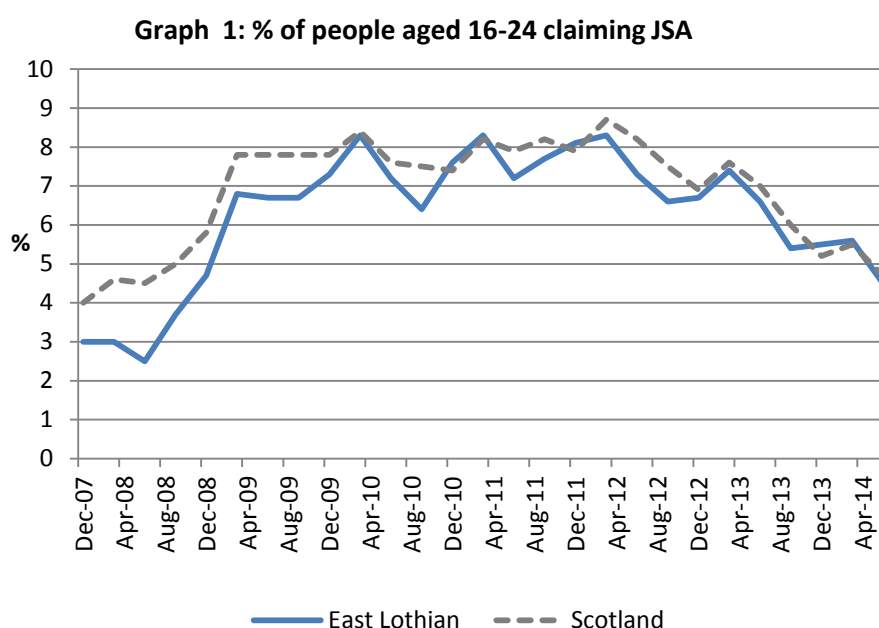
The rate of Job Seekers Allowance claimants amongst 18 – 24 year olds shows a similar movement from a low of 2.7% in May 2008 to a high of 8.5% in February 2012 then falling back to 4.4% in August 2014. However, as is shown in Table 4 below, levels of youth unemployment in East Lothian are now similar to the Scottish average.

Although youth unemployment has fallen from the high levels experienced during the height of the recession it remains higher than it was prior to the recession and is only marginally below the Scottish average. The proportion of 18-24 year olds claiming Job Seekers Allowance in East Lothian was 1.7% lower than the Scottish average in 2008 but is now only 0.4% lower.

Table 4: Job Seekers Allowance Claimants, aged 18 – 24 years

	East Lothian (number)	East Lothian %	Scottish %
May 2008	195	2.7%	4.4%
Feb 2012	700	8.5%	8.7%
Aug 2014	365	4.4%	4.8%

The trends and movement between 2008 and 2014 are clearly evident in the following graph.



Also worrying is the re-emergence of long term unemployment amongst this age group. The number and proportion of 18-24 year olds in long term unemployment (i.e. over 12 months) increased from 0 in November 2007 to 100 (1.2%) in July 2012 and has only fallen back to 60 (0.7%) in August 2014.

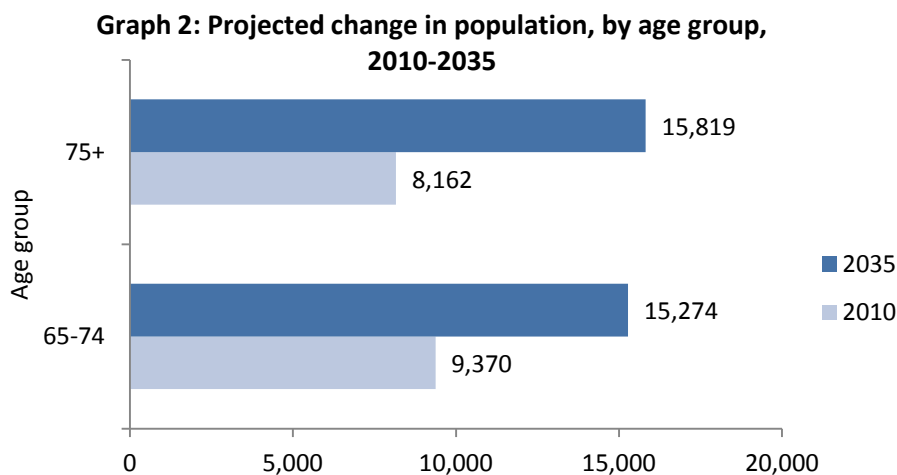
School leaver destinations – positive destinations – are a key indicator in relation to the employability of young people. In 2012/13, just under 90% of East Lothian school leavers entered positive destinations (i.e. employment, higher / further education, training and voluntary work). Although the proportion was higher than the previous year, East Lothian ranks only 27th out of the 32 councils in Scotland on this measure (where 1 is the highest and 32 is the lowest). The proportion of school leavers entering positive destinations ranges from 87.4% of school leavers from Ross High School to 95.4% of those from North Berwick High School.

Growing Population

The desirability of East Lothian as a place to live brings with it a rapidly growing population and increasing demands on infrastructure, housing and housing-related services. The population in East Lothian is expected to increase much faster over the next 20 – 30 years than in other parts of Scotland. In addition, the population in East Lothian is changing. Households are getting smaller with more people living alone and the population is getting older.

The growing population and projected increase in housing and households will create additional demand for education services. The pressure this brings to bear on the school estate is one of the key issues addressed in the Main Issues Report.

Another key challenge faced by the Council and the NHS is the growth in the proportion of the population aged 65 and over. (see Graph 2 below) Older people are the main users of social care services – 72% of all people using social care services provided by the Council are older people. In this context, the growth in the number of older people will drive continuing increases in demand for social work services over the next decade and beyond.



A particular challenge being faced by the Council is the requirement to meet the Scottish Government targets for delayed discharge to ensure that people do not have to wait in hospital for any longer than they need to. A long delay can often lead to the patient falling ill again, or losing vital life skills, independence or mobility. Currently the target is for no patient to be unnecessarily delayed in hospital for longer than four weeks. This target reduces to two weeks from April 2015 onwards.

Meeting the current delayed discharge target is proving very challenging. The growing elderly population and increasing demand for home care services and care home places will make the new target even more challenging for the new Health and Social Care Partnership.

Welfare changes

The Welfare Changes section of the Council Plan highlighted the possible impact that changes arising from the restrictions in Housing Benefits, changes to Council Tax Benefits and the proposed introduction of Universal Credit might have on the Council and benefits recipients in East Lothian.

Actions taken by the Council and the Scottish Government over the last two years, along with additional spending limits for the Discretionary Housing Payment fund have helped to mitigate the impact of welfare changes to date.

The Council has successfully implemented the Council Tax Reduction scheme as the replacement for Council Tax Benefits and has also fully implemented the new Scottish Welfare Fund, which replaced Community Care Loans and Crisis Care Grants previously administered by the DWP.

The substantial increase in the Discretionary Housing Payments fund that the Council can use to support social rented sector and private sector tenants in financial difficulty has helped to mitigate the introduction of the Housing Benefit under occupancy supplement. However, Council house rent arrears have continued to rise over the last two years, in part due to the changes in Housing Benefits and cuts in other welfare benefits due to other changes due to welfare reform.

The original plan for Universal Credit was to start rolling it out for new claims by working age claimants by October 2013. However, delays in the Universal Credit programme have seen its implementation date rolled back. This delay provides the Council with additional time to learn from the experience of areas which are piloting Universal Credit and develop measures to support benefit recipients to adapt to the new online application system and monthly payments of Universal Credit.

The Council will need to continue to respond to the changing nature of the welfare system and to the uncertainty surrounding the extent to which welfare benefits such as Housing Benefit may be devolved from Westminster to Holyrood and possibly from Holyrood to local government.

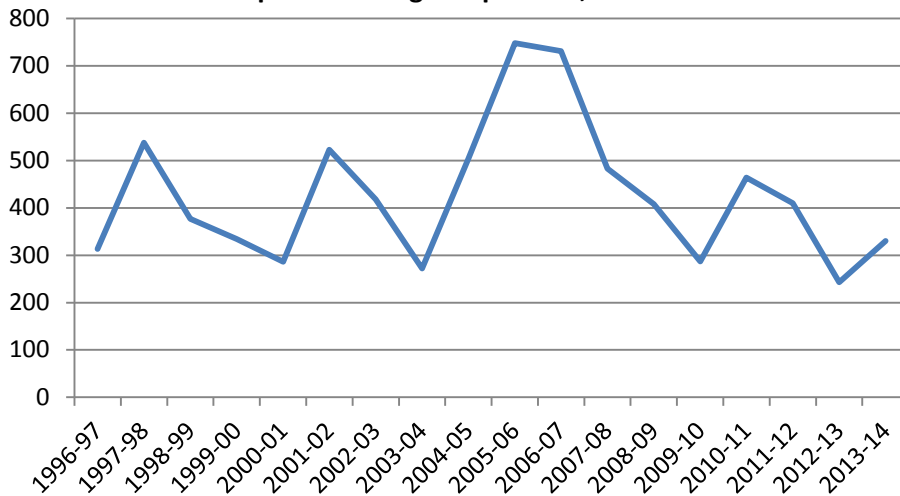
Affordable housing

The challenge section of the Council Plan states that '*A severe lack of affordable housing is a significant challenge for the Council.*' This is still the case.

The East Lothian Local Housing Strategy 2012-17 notes that 456 new homes per annum need to be built in East Lothian to meet demand. However, economic conditions meant that only 330 houses were completed in East Lothian in 2013/14. Graph 3 (below) shows the slow down in the number of housing completions in all sectors from 2007.

A key issue for East Lothian is the lack of affordable housing in the local housing market. House prices and private sector rents in East Lothian remain relatively high. The recession and the 'credit crunch' has made it more difficult for people to get mortgages, particularly first time buyers

Graph 3: Housing completions, all sectors



The lack of 2-bedroom properties, both within the Council's stock and in the private sector is a particular concern. Very few 2-bedroom properties are available to house homeless people and people on the waiting list for social housing. Demand for smaller properties has increased due to the abolition of priority need, which means that the Council has a duty to house more single people. The shortage is also exacerbated by the demand from people downsizing from larger properties that are subject to the Housing Benefit under-occupancy supplement.

Increasing the supply of housing land in order to meet the projected demand for new housing and for affordable housing is one of the key issues addressed in the Main Issues Report.

Sustainability/ environmental challenges

Two key issues for East Lothian Council in relation to sustainability are waste recycling and air quality in our towns.

The requirement to meet the Scottish Government's waste recycling target is a major challenge for the Council. The target for the amount of waste sent to landfill has increased from 50% in 2013 to 60% by 2020. In order to meet the new target and new legislative requirements the Council has adopted an ambitious Waste Strategy (24th June 2014) which will introduce a weekly food waste collection service and fortnightly refuse and recycling collections.

Air quality in East Lothian is generally very good. The results of the 2013 Air Quality Progress Report indicate that air quality targets are being met across the majority of East Lothian. However, monitoring of Nitrogen Dioxide in Musselburgh confirmed concentrations at various locations in Musselburgh High Street. In order to improve air quality the Council has declared an Air Quality Management Area (AQMA) in Musselburgh. The AQMA covers the main High Street from the junction with Newbigging to the Junction at Bridge Street. An air quality action plan has also been developed to help improve air quality.

Public sector reform

East Lothian Council has been fully engaged with the public sector reform agenda. The principles of the Christie Commission have helped to drive the Council's improvement programme and are embedded in the Council Plan through the following themes:

- Services built around people and communities
- Effective, efficient and excellent services
- Working together to achieve outcomes
- Prioritising prevention and promoting equalities.

As well these 'cultural' changes in the way in which the Council determines priorities and delivers its services the Council has also had to meet challenges set by fundamental changes in the structure of the public sector; including, the creation of the national police force and the national fire and rescue service and the integration of health and social care services

The Council is devoting significant resources in staff time to meet the challenges posed by these changes. However, the pace of change, or at least the speed at which local government responds to central government's demand for change, is going to quicken.

New legislation already enacted, or in the pipeline, such as the Children and Young people's Act and the Community Empowerment Bill will make further demands on council resources and on elected members.

However, the greatest challenge over the next three years will be the impact of the, as yet, undetermined, changes that will flow from the post-referendum devolution settlement arising from the Smith Commission.

Changes affecting local government could include the devolution of all or part of the welfare system to the Scottish Parliament with consequent devolution of responsibility for Housing Benefit to local government; devolution of employability powers and funding; and responsibility for taxation powers that may have implications for the Council Tax and council funding.

The Commission on Strengthening Local Government established by COSLA has published a report with far reaching and radical recommendations to substantially increase the tax and spending choices powers of local government whilst extending participative democracy from Councils to communities.

It remains to be seen how influential the Commission's recommendations will be in determining the future public sector reform agenda. Whichever direction public sector reform takes over the next three years, the Council will need to continue to respond positively in order to best meet the needs of East Lothian and its communities.

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Records Management Plan (Public Records (Scotland) Act 20110

7

1 PURPOSE

- 1.1 For approval of the Records Management Plan (RMP) required by the Public Records (Scotland) Act 2011 prior to the agreed submission date of 31 October 2014.

2 RECOMMENDATIONS

- 2.1 That the Records Management Plan and associated action plan is approved as the Council's official submission to the Keeper of the Records of Scotland.
- 2.2 That the Head of Council Resources is delegated authority to adapt and update the Records Management Plan (Appendix 1) as required to ensure that it remains a relevant and active document guiding the Council's improvements over the next 5 years.
- 2.3 That an annual report by the Head of Council Resources be submitted to Cabinet to provide evidence and updates on the progression of the Plan.

3 BACKGROUND

- 3.1 On 1 January 2013 the Public Records (Scotland) Act came into force requiring all named public authorities to produce a Records Management Plan setting out the current arrangements and any necessary improvements to Records Management practices across the authority.
- 3.2 On 28 May 2013 the Records Management Steering Group was formed, chaired by Jim Lamond, Head of Council Resources. In June 2013 the Information and Records Management Policy was adopted and June 2014 the Business Classification Scheme and Records Retention Schedule were approved by Cabinet

3.3 Following a long drafting process the proposed Plan has been agreed by the Records Management Steering Group and is now submitted for formal approval.

4 POLICY IMPLICATIONS

4.1 This is a legal requirement placed on the Council by the Public Records (Scotland) Act.

4.2 It may be necessary to revise and update policies in line with the required improvements to practices and procedures but this will all be aimed at service improvement and enhancing legal compliance.

5 EQUALITIES IMPACT ASSESSMENT

5.1 An Equalities Impact Assessment has been completed and no negative impacts have been found.

6 RESOURCE IMPLICATIONS

6.1 Financial – At this time there are no additional projected costs above existing budgets. This may change depending upon specific responses to developing and improving procedures and will be identified separately,

6.2 Personnel - All work is currently projected to be met from within existing staff complement. However, the work of implementing the Plan will have an impact on how staff time is allocated across all departments as the necessary improvements are made.

6.3 Other – N/A

7 BACKGROUND PAPERS

7.1 None

AUTHOR'S NAME	Alex Fitzgerald
DESIGNATION	Records Manager
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DATE	15/10/2014

East Lothian Council & East Lothian
Licensing Board
Records Management Plan
2014 – 2019



East Lothian
Council

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Background

On 1st January 2013 the Public Record (Scotland) Act came into force, obliging all of the named public authorities to create a Records Management Plan that covers the 14 Elements which are deemed to indicate that appropriate measures are being taken by the organisation to manage its records and information.

East Lothian Licensing Board is submitting a joint plan with East Lothian Council due to the closely integrated nature of the work that is undertaken, with shared staffing at all levels. Therefore the administration of the Board conforms to the records management principles of the Council.

The following plan is designed to be responsive to the changing environment in which we operate and timings may alter based upon any new information. It is setting out the commitment that East Lothian Council and Licensing Board both possess towards continuous improvement particular in relation to their Records Management.

Elements 1 – 3 – Responsibility & Records Management Statement

In accordance with the terms of the Public Records (Scotland) Act 2011, East Lothian Council has formally adopted an Information and Records Management Policy (Appendix 1) and has identified individuals with both operational and senior management responsibility for Records Management

The policy was formally adopted by East Lothian Council with approval by Cabinet on 11th June 2013 (Appendix 2). The formal allocation of operational responsibility has been made and the named individuals have been notified to the National Records of Scotland.

Angela Leitch, Chief Executive has confirmed that these responsibilities will be allocated as follows:

Senior Management Responsibility

Jim Lamond, Head of Council Resources, jlamond@eastlothian.gov.uk

Records Manager Responsibility

Alex Fitzgerald, Records Manager, afitzgerald@eastlothian.gov.uk

The Council will continue to ensure that both areas of responsibility are supported if there is any alteration to the current staffing. As part of this work the Council has established a Records Management Steering Group (sample minute provided) which is chaired by Jim Lamond to provide an efficient vehicle for improvements across the organisation. Mr Lamond is also chairing the Project Board for the Electronic Document and Records Management System.

The Records Manager is part of the Records Management Steering Group, the EDRMS Project Board, the Freedom of Information Working Group, and Information Security Forum. Alex Fitzgerald wrote the Information and Records Management Policy, edited and adapted the Business Classification Scheme and the Records Retention Schedule to balance the theoretical considerations of Records

Management against the practical requirements of the departments and was involved in the development of the project brief for the EDRMS project to ensure that key Records Management principles were included in the tendering process. The post holder is required to hold a qualification in Archives and Records Management.

For East Lothian Licensing Board the Senior Management Responsibility rests with

Kirstie MacNeill, Clerk of the Licensing Board, kmacneill@eastlothian.gov.uk

Records Management responsibility for the Board has been delegated to East Lothian Council and so the operational element is undertaken on their behalf by Alex Fitzgerald, Records Manager, East Lothian Council.

All Council policies once approved by the appropriate formal process are made available to both members of Staff and also to the public via electronic means. All new approved policies are indicated to staff via the 'E-news' distribution list which goes to all staff and are then made available on both the external website and in an appropriate location on the intranet.

Action Plan		
Action	Date	Action By
Review of Information and Records Management Policy	Before 11 June 2016	Records Management Steering Group; Records Manager; Head of Council Resources
Ratification of East Lothian Council's Records Management Policies & procedural documents.	23 October 2014	East Lothian Licensing Board

Appendix:		
1	Information and Records Management Policy	http://www.eastlothian.gov.uk/download/meetings/id/14559/03_information_and_records_management_policy
2	Cabinet Minutes 11 th June 2013.	http://www.eastlothian.gov.uk/download/meetings/id/14738/public_cabinet_minute_11_06_13
3	Sample Minute of Records Management Steering Group	Appendix 3.
4	Letter from Angela Leitch, Chief Executive confirming allocation of roles	Appendix 4.
5	Letter from Clerk of Licensing Board authorising delegation to Council.	Appendix 5.

Element 4 – Business Classification Scheme

To demonstrate the effective and efficient management of the information that is created and managed by the Council it is adopting the following steps to establish the framework in which it categorises information and the rules by which it is managed.

East Lothian Council has adopted an adjusted variant of the Local Government Classification Scheme (LGCS) as the basis for its Classification Scheme, and will be at certain points utilising this as a file plan. This will be undertaken through the gradual restructuring of shared areas of the network to reflect the functional approach which has been agreed is more resilient to organisational change and will eliminate some of the risks of non-standard folder naming conventions. This methodology will also be considered for implementation across the physical file storage areas as appropriate. The scale of this requirement is being gauged through the Records Management Survey that is currently underway. A sample of the survey is included as Appendix 7.

East Lothian Licensing Board functions are included within the East Lothian Council Classification Scheme under the Consumer Affairs category.

Further to the shared drives the adjusted LGCS has been incorporated into the Civica Electronic Document and Records Management System as the base framework for the categorisation and management of the information that is held within that system. This system is being investigated as a potential Corporate EDRMS solution for the Council but this has not been fully developed as a project proposal at this time. There are further to this system other EDRMS or EDMS in place within the Council these include: Therefore; Idox; Seemis; Frameworki amongst others.

It is the intention of East Lothian Council to review its current provision for EDRMS and establish a strategy for the best management of the solution or solutions which best serve the overall needs of the Council. The other pre-existing solutions will not be restructured to comply with this classification scheme but equivalences will be drawn to enable effective management of the information that they contain in line with the principles set out across the organisation.

To establish the current departmental readiness for implementation of this scheme to their file holdings a Council wide survey was commenced in September 2014 with questions targeted to establish the quantity of material both physical and electronic held but also to gauge the users' confidence relating to filing cabinet and shared electronic drive organisation.

Action Plan		
Action	Date	Action By
Completion of Survey	December 2014	All Departments
Analysis of Results	January – February 2015	Records Manager / Management Team
Development of targeted Plan of implementation of Classification Scheme	March 2015	Records Management Team / Steering Group
Implementation Phase (Classification)	April 2015 – March 2018	Records Management Team / Departments
EDRMS Review	August - October 2015	Records Management Team / Departments

Appendix:		
6	Business Classification Scheme	http://www.eastlothian.gov.uk/downloads/file/3630/retention_schedules_june_2014
	Retention Schedule	http://www.eastlothian.gov.uk/downloads/file/3630/retention_schedules_june_2014

7	PR(S)A Survey	Appendix 7.
8	Approved Version of minutes from meeting in June 2014.	http://www.eastlothian.gov.uk/meetings/meeting/5507/cabinet

Element 5 – Retention Schedules

East Lothian Council and East Lothian Licensing Board have both adopted an adapted version of the Scottish Council on Archives Records Retention Schedule, utilising the functional approach to increase their resilience to change and improve the co-ordination of the management of records based on type. This was formally approved by Cabinet in June 2014 and is made available to all staff on the intranet and is referenced in the training module on Records Management available to all staff online.

The survey being undertaken at this time is informing the process directly and both assists the Council in gauging each department's ability to link their current holdings with the schedule but also to ascertain the level of confidence within departments as to the accurate implementation of the rules to their specific holdings.

Upon the completion of the survey once we have ascertained both the general quantity of information in all of the diverse storage locations, and have completed the review of the archival and destruction protocols a full implementation plan will be developed to effectively manage the assessment and appropriate retention of our holdings. This will focus on physical file holdings at the first stage and will when feasible begin to be applied to the electronic holding in shared drives, and then with the various EDRMS systems and finally within the Email Archive. This process can be run in parallel with the others as we target particular departments and teams but will follow on from the necessary improvements to classification and quantification of holdings.

Action Plan		
Action	Date	Action By
Completion of Survey	December 2014	All Departments
Analysis of Results	January – February 2015	Records Manager / Records Management Team
Development of procedures supporting retention processes linked to Elements 6 & 7.	April - May 2015	Records Manager / Records Management Team
Development of targeted Plan of implementation of Retention Rules against physical file backlog	June 2015	Records Manager / Records Management Steering Group
Retention Schedule Implementation Phase	October 2015 – March 2018	Records Management Team / All Departments

Appendix #		
2	Cabinet Minutes Approving Retention Schedule	http://www.eastlothian.gov.uk/download/meetings/id/14738/public_cabinet_minute_11_06_13

5	Survey	Appendix 5
7	Retention Schedule	http://www.eastlothian.gov.uk/downloads/file/3630/retention_schedules_june_2014

Element 6 – Destruction Arrangement

There are currently a range of different destruction arrangements in place across the Council all focused on ensuring that information is destroyed securely. These include utilising the Print Unit Shredder, 28 Shred-It units located around all buildings, and a small number of shredders in offices for paper files. All electronic data storing assets are processed by one single process overseen by the Council's Infrastructure and Security Team Leader.

East Lothian Council's Information Technology department currently has a contract with a specialist data Destruction Company Tes-Amm. As part of the contract it is stated that all deletion is to conform to standards for the secure destruction of data such as EN15713:2009 and to ensure the Council meets its other security obligations as well. As part of the standard operating procedures, all items awaiting destruction are held in a secure storage area until the company collects them. As part of this same contract all out of date backup tapes are shredded onsite by the same company.

For internal destructions by the Records Management service there is a database which records at the minimum: authorising officer; method of destruction; and reason for destruction. These are for Records removed from the Records Store and processed via the Print Unit shredder and covers all departments of the Council and the Licensing Board when appropriate.

The 28 Shred-It units are located within Council premises and provide an immediate avenue for the secure destruction of records. The units and processes comply with the following standards: BS7858 and BSIA EN15713.

The Public Records (Scotland) Act survey being undertaken across the organisation includes questions relating to current destruction processes and practices and also readiness to implement a monitoring procedure if one does not exist. Early figures show that this is an area for significant improvement as local processes are not currently in place.

East Lothian Licensing Board also follows the same procedures and protocols. Its equipment is managed by the Council's IT Department and so is also destroyed and managed to the same standard, as are the backups as the data is held on the same systems.

Action Plan		
Action	Date	Action By
Completion of Survey	December 2014	All Departments
Analysis of Results	January – March 2015	Records Manager / Records Management Team
Development of Local protocols for use of shredders	April – May 2015	Records Management Team/ Departmental Representatives
Implementation of Protocols	June – September 2015	Records Management Team / Departments

Investigation into comparative costs / efficiencies of different models of destruction	August – November 2015	Records Manager / Records Management Team
Report on outcome of investigation	December 2015	Records Manager
Implement findings of report	January – March 2015	Records Management Team/ Departmental Representatives
Improvements to Records Centre Database and processes to facilitate enhanced processing of Destroyed files.	April 2015 – March 2016	Records Management Team

Appendix #		
9	Copy of recent redacted destruction certificate from Tes-Amm	Appendix 9
10	Copy of redacted report generated during asset destruction procedure	Appendix 10
11	Shred-It Procedural Poster	Appendix 11
12	Shred-It Destruction Certificate	Appendix 12
13	Records Centre Database entry for destroyed record.	Appendix 13

Element 7 – Archiving and Transfer Arrangements

East Lothian Council maintains its own Archive service as part of the Licensing, Administration and Democratic Services team. This service is located within the John Gray Centre and provides a secure and environmentally controlled store for the permanent preservation of any physical documents selected in line with the Acquisitions policy.

The service employs professional staff to oversee the service and work within a professional framework in relation to cataloguing, access and preservation standards.

East Lothian Licensing Board is also able to take advantage of the East Lothian Council Archive service and will transfer material there without any additional complications due to the close working relationship between the Council and the Licensing Board.

Action Plan		
Action	Date	Action By
Formalise Acquisitions Policy via Committee process	March 2015	Records Management Team
Develop detailed user guidance for archival transfers	February – March 2015	Records Management Team
Investigate EDRMS export options for transfer of archival material from current electronic systems	November 2015 – March 2016	Records Management Team / Local EDRMS administrators/ IT

Appendix #		
14	Information on East Lothian Archives	http://www.johngraycentre.org/about/archives/
15	Acquisitions Policy	Appendix 15
16	Archivist Job Description	Appendix 16

Element 8 – Information Security

An Information Security Management System ensures that East Lothian Council’s records are protected, accessible and remain private as required and that they are of good and provable integrity.

The Council seeks to prove that records, no matter their format, are reliable representations of the decisions, actions and advice that were made or issued. All users of the Council systems are required to sign as part of their contract of employment the Acceptable Use Policy which sets out to all users the Information Security framework in which they are operating, so there is a good level of awareness on this issue amongst employees.

This function integrates neatly with the Data Protection and the Data Sharing elements and further information on those elements can be found in their integrated section of this plan.

The current Information Security Policy was signed and authorised by the Chief Executive in October 2011. This high level one page policy sets out our Information Security objectives and is part of the councils Information Security Management System (ISMS). The Council’s ISMS aligns with ISO27001. The ISMS is continually updated to ensure it meets requirements to allow the Council to deal with new and evolving threats. The Council has a member of staff whose remit specifically includes oversight of the Security issues connected to the systems that are in place and who chairs the meetings of the Information Security Forum where representatives from across all sections attend for briefings and practice sharing.

In addition to the trained staff and the Information Security Policy the Council also has a raft of internal documents to support and demonstrate its compliance which, due to their sensitive nature, the Council is not able to share. These include our Security Policy Manual, Penetration Testing Reports, Physical Security Access Review Reports, and documentation setting out the Council’s Public Services Network Accreditation.

While the Council are confident that the measures that we have in place are robust there are further improvements that can be made and there is no room for complacency in relation to security and there is a need to remain vigilant.

East Lothian Licensing Board benefits from the same standards of information security through the co-location of resources, staff training and awareness of issues. Sharing of equipment and infrastructure means that it receives the same standard of protection for its physical and electronic information and its subsequent disposal or destruction.

Appendix		
17	Information Security Policy	Appendix 17
18	Information Technology Service Plan 2013/14 – including Security statement	http://www.eastlothian.gov.uk/download/downloads/id/8156/ict_strategy-march_2014-it_service_plan_1314_v1_5pdf
19	Internal Audit Report on Quality and Assurance checks including Information Security	http://www.eastlothian.gov.uk/download/meetings/id/15455/11_controls_assurance_statement_201314
20	Acceptable Use Policy	Appendix 20

Action Plan		
Action	Date	Action by
Review of Information Security Policy	December 2015	Information Security Forum /
Review of Security Policy Manual	December 2015	Infrastructure and Security Team
Arrange External security review (to be updated every three years to maintain standards)	August 2015	Infrastructure and Security Team Manager
Review Departmental Protocols - utilising Records Management Survey as guide	October – December 2016	Infrastructure and Security Team Manager / Records Management Team
Improve Information Security Protocols relating to physical records & implement	January 2017 – August 2018	Infrastructure and Security Team Manager / Records Management Team / All Departments

Elements 9 & 14 – Data Protection/ Shared Information

Since Data Protection and Information Sharing occupy much of the same ground and are supervised by the same staff member these elements have been combined as the evidence and the processes that demonstrate the Council’s compliance are the same.

East Lothian Council employs a member of staff whose remit includes ensuring organisational compliance with the Data Protection Act 1998. The Council’s Data Protection Policy is supported by a raft of appropriate guidance and supporting documentation. This guidance is further supported by the inclusion of data protection in all corporate inductions, mandatory data protection training every two years for all staff members handling personal data, a compulsory online training module and a Data Protection ‘Health Check’ by the Data Protection and Freedom of Information Compliance Officer for each department.

A central register is maintained of Data Sharing Agreements, Data Processing Agreements, Non-Disclosure Agreements and Information Sharing Minutes of Agreement. These agreements record the name of the organisation with which information is shared, its contact details, the date of agreement, the date it is due for review, the internal department contact and a reference number linking into the document management system where a copy of the agreement is held. The Council also utilises standard templates for all Data Sharing, Data Processing and Non-Disclosure agreements, copies of these are available on request.

East Lothian Council is registered with the Information Commissioner under reference number: Z5759571.

East Lothian Licensing Board is not currently registered with the Information Commissioner. The members of staff administering the work of the Board receive support and guidance and training as Council employees and so are aware of the issues relating to this area of work and comply with the Council's policies on Data Protection and Information Sharing. A data processing agreement is currently being prepared.

Action Plan		
Action	Date	Action by
Data Processing / Sharing Register – extend across all departments	March 2015 (& ongoing)	FOI & DP Compliance Officer
Data Protection Health Check (Council Wide)	December 2016	FOI & DP Compliance Officer & Records Management Team
Extend FOI Departmental Contacts into a Data Protection Co-ordination group	August 2015	FOI & DP Compliance Officer & FOI Working Group
East Lothian Licensing Board – investigation into Data Protection status and information sharing requirements	October – November 2014	FOI & DP Compliance Officer / Clerk of the Licensing Board

Appendix #		
21	Data Protection Guidance for the public	http://www.eastlothian.gov.uk/info/704/data_protection_and_freedom_of_information/535/a_guide_to_the_data_protection_act_1998/2
22	Information Charging Policy	http://www.eastlothian.gov.uk/downloads/file/6857/information_charging_policy
23	Data Protection Policy	http://www.eastlothian.gov.uk/download/meetings/id/13898/03_data_protection_policy
24	FOI and Data Protection Compliance Officer Job Description.	Appendix 24
25	Pan Lothian Protocol	http://www.eastlothian.gov.uk/downloads/file/844/pan_lothian_information_sharing_protocol
26	Register of Agreements	Appendix 26
27	Online Training Module	Appendix 27 (cf Appendix 38 for descriptions)
28	Cabinet Minutes approving Data Protection Policy	http://www.eastlothian.gov.uk/meetings/meeting/5253/cabinet

Element 10 – Business Continuity and Vital Records

Element 10 obliges the Council to integrate preparations for its vital records into its Business Continuity planning processes.

As an emergency could impact significantly and negatively on the operations of the Council and all activities are underpinned by the information that is held and processed it makes it necessary to include vital records into all plans.

The Council employs a member of staff whose remit is to oversee and co-ordinate the Business Continuity and Emergency planning needs of the organisation. This role is supported by the existence of the Risk Management Strategy which establishes the Council's position in relation to risk. This function is further supported by the introduction of corporately accessible software that enables all plans to be shared, updated and monitored as required.

New training is being offered to all staff responsible for undertaking Business Continuity Planning and specific Vital Records guidance has been created to support them in establishing which of their records are vital and establishing what steps need to be taken to ensure that business proceeds as required.

Action Plan		
Action	Date	Action by
Completion of all new Departmental Business Continuity Plans in line with the new template	November 2014	All appointed Single Points of Contact (SPOC) for Business Continuity.
Business Continuity Space Survey	December 2014	Emergency Planning & Risk Manager & SPOCs
Go Live on new Business Continuity online portal	January 2015	Emergency Planning & Risk Manager

Appendix #		
29	Risk Management Strategy	http://www.eastlothian.gov.uk/download/meetings/id/14163/04_council_risk_management_strategy
30	East Lothian Council Business Continuity Management System Guidance and Policy Statement	Appendix 30
31	Business Continuity Plan Template	Appendix 31

Element 11 – Audit Trail

Current arrangements for Audit trail of documents are dependent on context. The Public Records (Scotland) Act survey undertaken by the Records Management team is seeking to establish requirements and current level of provision of control across the organisation.

The Records Store has a process whereby any individual file removed from the store is logged so that the location and interactions of those files normally held by the Records Store are recorded. This record is held by the Records Management team.

There is a wide range of Electronic Document and Records Management functional software currently in use across the Council. The majority of these possess elements of version control and

audit trails and these provide security and audit. There is a need to explore the details of these software applications and confirm the scope and method of their recording.

There are local practices in some departments to safeguard the integrity of the information they hold through capturing interactions and alterations to data. These will be further explored, listed and where possible any best practice which is replicable will be encouraged in other departments / teams. These systems, protocols and investigations will also apply to East Lothian Licensing Board records, staff and processes.

Action Plan		
Action	Date	Action by
Complete Survey	December 2014	All Departments
Analyse Survey results	January – March 2015	Records Manager / Records Management Team
Develop specific EDRMS survey on Audit Functionality	November 2015	Records Management Team / Local EDRMS administrators/ IT
Distribute / undertake EDRMS survey	December 2015 - March 2016	Records Management Team / Local EDRMS administrators/ IT
Analyse results of EDRMS Audit survey	April 2016	Records Management Team / Local EDRMS administrators/ IT
Develop Strategy on audit trail for both EDRMS & physical records	August 2016 – October 2016	Records Management Team / Local EDRMS administrators/ IT
Develop protocols for staff to follow with higher risk documents outside of EDRMS	November 2016 – January 2017	Records Management Team / Local EDRMS administrators/ IT
Investigate options for increased EDRMS usage to facilitate integrated audit trails	November 2016 – January 2017	Records Management Steering Group / Local EDRMS administrators/ IT

Appendix #		
32	Example of Records Centre Audit Trail sheet	Appendix 32
33	CIVICA EDRMS Examples of Audit trail functionality	Appendices 33a & 33b

Element 12 – Competency Framework for Records Management Staff

Element 12 obliges the Council to possess a competency framework for the knowledge and skills expected of their Records Manager.

The expected skills for the Records Manager are set out in the Job Outline and Person Specification for the Records Manager, this links into nationally recognised professional qualifications. Further

developments are supported via the Performance Review and Development process whereby it is possible to identify support and training needs to be sourced by the Council.

The Records Manager will be supported by the Council’s Archivists whose skill set is also set out in their Job Outline and Person Specification. They will similarly be provided with support and training through the PRD Process.

Further to this a compulsory new Records Management training module is being implemented that all staff will be required to every two years to ensure that all staff have a fundamental awareness of how their role interacts with the Records Management function across the entire organisation.

East Lothian is keen for all staff to be aware of the vital role that they play in the success of Records Management. The administrative staff of the Licensing Board are also Council employees and are also included in these initiatives and have access to the same support and training resources.

Action Plan		
Action	Date	Action by
Submit report to Cabinet making Records Management module compulsory	March 2015	Records Manager / Cabinet
Report uptake of module and passing stats – include in annual reporting	April 2016	Records Manager / Records Management Team
Train ‘records Champions’ & implement support network across Council and Licensing Board	April 2015 – October 2019	Records Management Steering Group / Records Management Team

Appendix #		
34	Records Manager Job Outline	Appendix 34
35	Performance Review and Development FAQs	Appendix 35
36	Performance Review and Development Guidance Notes	Appendix 36
37	Performance Review and Development Template for Managers	Appendix 37
38	E-learning module descriptions – including Records Management	Appendix 38

Element 13 – Review and Assessment

East Lothian Council and East Lothian Licensing Board are represented on the Records Management Steering Group. This group has taken the strategic lead on developing and adjusting the Records Management Plan and its assorted elements of evidence to suit their needs and purposes. This group will continue and will be reviewed in relation to how it represents all sections and teams of the Council and Board. The role of the Steering Group will throughout the implementation phases be geared towards being ‘Records Champions’ and will report its activities to the Council Management Team.

The Internal Audit team has included Records Management and Public Records (Scotland) Act compliance to its Audit plan for 2014 and as part of this it undertook a survey in September 2014 to establish the baseline of compliance across the organisation.

The Council Management Team have proposed an integration of the Public Records (Scotland) Act reporting with the current Freedom of Information / Data Protection Reporting model by which process it stays up to date with the developments in that area.

Action Plan		
Action	Date	Action by
Submission of Internal Audit Report on PR(S)A Compliance to Audit & Governance Committee	November 2014	Internal Audit
Review of Records Management Steering Group Membership & additional staff included as required	January 2015	Records Management Steering Group / Service Managers
Development of 'Records Champion' brief and training	February – March 2015	Records Management Steering Group
Creation of review protocol for elements of act, in line with deadlines established in the plan.	February – August 2015 (Annual review)	Records Management Steering Group
Analysis of Internal Audit review	February 2015	Records Management Steering Group
Inclusion of PR(S)A compliance in Internal Audit review process	March 2017	Internal Audit

Appendix #		
39	Internal Audit Questionnaire	Appendix 39

Freedom of Information

East Lothian Council acknowledges that there is a strong and beneficial connection between good Records Management practices and compliance with the Freedom of Information (Scotland) Act and seeks to continue this positive relationship through close collaboration and working.

To date the FOI/ DP compliance team have received 945 FOI(S)A requests in 2014. This includes both FOI(S)A and EIRs.

Of these request 97.5% have been responded to on time. This excludes any cancelled or suspended requests which were previously included in the figures.

The figures from 2013 demonstrate the high level of compliance that is currently being achieved.

2013 Timescales			
	FOI	EIR	
On time	783	231	93%
Late	64	17	

Lapsed/Written Off	0	0	
Date of Completion Unknown	0	0	
Cancelled/Withdrawn	5	3	
Suspended	21	4	
TOTAL	873	255	

The Council and Licensing Board freedom of information request database is accessible here:

http://www.eastlothian.gov.uk/site/custom_scripts/foi_download_index.php?currentPage=1&itemsPerPage=20

The Council and Licensing Board publication scheme is accessible here:

http://www.eastlothian.gov.uk/downloads/file/6145/publication_scheme

The Council was assessed in December 2012 by the Scottish Information Commissioner and the report from that process is accessible here:

<http://www.itspublicknowledge.info/nmsruntime/saveasdialog.aspx?IID=6236&sID=2756>

In 2014 East Lothian Council was positively cited in a Special report on “Failures to Respond” as a Council who achieved significant improvement in previously low figures. This is on Page 22 of the following report

<http://www.itspublicknowledge.info/home/SICReports/OtherReports/20140807SpecialReport.aspx>

Action Plan		
Action	Date	Action by
Review FoI Policy	September 2015	FOI & DP Compliance Officer

Appendix #		
40	FOI Policy	http://www.eastlothian.gov.uk/download/meetings/id/13899/04_freedom_of_information_policy
41	Letter of ‘assessment of compliance with good practice’	Appendix 41

Approvals and submission

- East Lothian Licensing Board to formally agree to Records Management Plan on 23rd October 2014.
- Records Management Plan & Report to be passed to full Council for approval on 28th October 2014

- Submission to Keeper of the Records of Scotland / National Records of Scotland Public Records (Scotland) Act Implementation Team on 31st October 2014.

Summary		Action	Table	(Chronological)
Element	Action	Date	Action by	
3	Obtain formalisation of agreement between licensing board and council for adoption of policies	October 2014	East Lothian Licensing Board	
9, 14	East Lothian Licensing Board – investigation into Data Protection status and information sharing requirements	October – November 2014	FOI & DP Compliance Officer / Clerk of the Licensing Board	
13	Submission of Internal Audit Report on PR(S)A Compliance to Audit & Governance Committee	November 2014	Internal Audit	
10	Completion of all new Departmental Business Continuity Plans in line with the new template	November 2014	All appointed Single Points of Contact (SPOC) for Business Continuity.	
10	Business Continuity Space Survey & Plan adaptation	December 2014	Emergency Planning & Risk Manager & SPOCs	
4 – 11, 14	Completion of Records Management Survey	December 2014	All Departments	
10	Go Live on new Business Continuity online portal	January 2015	Emergency Planning & Risk Manager	
13	Review of Records Management Steering Group Membership & additional staff included as required	January 2015	Records Management Steering Group / Service Managers	
4 – 11, 14	Analysis of Results of Records Management Survey	January – February 2015	Records Manager /Records Management Team	
13	Analysis of Internal Audit review	February 2015	Records Management Steering Group	
13	Development of ‘Records Champion’ brief and training	February – March 2015	Records Management Steering Group	
7	Develop detailed user guidance for archival transfers	February – March 2015	Records Management Team	
13	Creation of review protocol for elements of act, in line with deadlines established in the plan.	February – August 2015 (Annual review)	Records Management Steering Group	

7	Formalise Acquisitions Policy via Committee process	March 2015	Records Management Team
4	Development of targeted Plan of implementation of Classification Scheme	March 2015	Records Management Team / Steering Group
12	Submit report to Cabinet making Records Management module compulsory	March 2015	Records Manager / Cabinet
9, 14	Data Processing / Sharing Register – extend across all departments	March 2015 & ongoing	FOI & DP Compliance Officer
5	Development of procedures supporting retention processes linked to Elements 6 & 7.	April - May 2015	Records Manager / Records Management Team
6	Development of Local protocols for use of shredders	April – May 2015	Records Management Team/ Departmental Representatives
6	Improvements to Records Centre Database and processes to facilitate enhanced processing of destroyed files	April 2015 – March 2016	Records Management Team
4	Implementation Phase (Classification)	April 2015 – March 2018	Records Management Team / Departments
12	Train ‘records Champions’ & implement support network across Council and Licensing Board	April 2015 – October 2019	Records Management Steering Group / Records Management Team
5	Development of targeted Plan of implementation of Retention Rules against physical file backlog	June 2015	Records Manager / Records Management Steering Group
6	Implementation of Local destruction Protocols	June – September 2015	Records Management Team / Departments
9, 14	Extend FOI Departmental Contacts into a Data Protection Co-ordination group	August 2015	FOI & DP Compliance Officer & FOI Working Group
4	EDRMS Review	August - October 2015	Records Management Team / Departments
6	Investigation into comparative costs / efficiencies of different models of destruction	August – November 2015	Records Manager / Records Management Team
8	Arrange External security review (to be updated every three years to maintain standards)	August 2015	Infrastructure and Security Team Manager
FOI	Review FOI Policy	September 2015	FOI & DP Compliance Officer

5	Retention Schedule Implementation Phase	October 2015 – October 2019	Records Management Team / All Departments
11	Develop specific EDRMS survey on Audit Functionality	November 2015	Records Management Team / Local EDRMS administrators/ IT
7	Investigate EDRMS export options for transfer of archival material from current electronic systems	November 2015 – March 2016	Records Management Team / Local EDRMS administrators/ IT
8	Review of Information Security Policy	December 2015	Information Security Forum /
6	Report on outcome of investigation into shredding arrangements	December 2015	Records Manager
8	Review of Security Policy Manual	December 2015	Infrastructure and Security Team
11	Distribute / undertake EDRMS survey	December 2015 - March 2016	Records Management Team / Local EDRMS administrators/ IT
6	Implement findings of report on shredding / confidential waste destruction	January – March 2016	Records Management Team/ Departmental Representatives
11	Analyse results of EDRMS Audit survey	April 2016	Records Management Team / Local EDRMS administrators/ IT
12	Report uptake of module and passing stats – include in annual reporting	April 2016	Records Manager / Records Management Team
3	Review of Information and Records Management Policy	11 June 2016	Records Management Steering Group; Records Manager; Head of Council Resources
11	Develop Strategy on audit trail for both EDRMS & physical records	August 2016 – October 2016	Records Management Team / Local EDRMS administrators/ IT
8	Review Departmental Protocols - utilising Records Management Survey as guide	October – December 2016	Infrastructure and Security Team Manager / Records Management Team
11	Develop protocols for staff to follow with higher risk documents outside of EDRMS	November 2016 – January 2017	Records Management Team / Local EDRMS administrators/ IT
11	Investigate options for increased EDRMS usage to facilitate integrated audit trails	November 2016 – January 2017	Records Management Steering Group / Local EDRMS administrators/ IT

9, 14	Data Protection Health Check (Council Wide)	December 2016	FOI & DP Compliance Officer & Records Management Team
8	Improve Information Security Protocols relating to physical records & implement	January 2017 – August 2018	Infrastructure and Security Team Manager / Records Management Team / All Departments
13	Inclusion of PR(S)A compliance in Internal Audit review process	March 2017	Internal Audit

The above table is the collated actions from the separate actions identified within each section. It is intended to be indicative of the current focus of East Lothian Council and East Lothian Licensing Board on areas for improvement within their Records Management practices. As some elements are currently subject to additional surveying work it may be possible that timescales will alter in light of the new information that these surveys will provide.

Any further update and alteration to this plan will be made to take into consideration that information and the changing requirements and resources of the Council and the Board. Both the Council and the Board are committed to the principles of continuous improvement put forward as part of the Public Records (Scotland) Act 2011 and this plan is the starting point for this endeavour.



REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: SESplan Supplementary Guidance on Housing Land

8

1 PURPOSE

- 1.1 To ratify the decision of the SESplan Joint Committee of 30 June 2014 to approve the modification to the SESplan Supplementary Guidance on Housing Land as directed by Scottish Ministers.

2 RECOMMENDATIONS

- 2.1 It is recommended that East Lothian Council:
- (i) notes SESplan's approval of its *Supplementary Guidance: Housing Land* subject to the amendment of how the five year housing land supply is calculated as directed by Scottish Ministers; and
 - (ii) agrees to adopt the Supplementary Guidance on this basis.

3 BACKGROUND

- 3.1 Scottish Ministers approved SESplan's Strategic Development Plan (SDP), with modifications, on 27 June 2013, the modifications including the phasing and distribution of the overall SESplan housing requirement to be subject to Supplementary Guidance to provide detailed further information on housing targets of the six member authorities for each plan period.
- 3.2 Subsequent drafts of the Supplementary Guidance were approved by the SESplan Joint Committee and ratified by the six member authorities. Most recently East Lothian Council ratified the Guidance with its final editorial amendments on 22 April 2014.

- 3.3 Essentially, this draft Guidance required East Lothian to identify land capable of delivering 10,050 new homes over the periods 2009-2019 (6,250 homes) and 2019-2024 (3,800 homes). While existing undeveloped housing land would contribute to this total, there would nevertheless be a need for the Council's Local Development Plan to identify significant additional housing land.
- 3.4 Member authority ratification of the finalised Supplementary Guidance, with minor amendments, was completed by mid-May 2014 and thereafter submitted to Scottish Ministers.
- 3.5 The Scottish Ministers response on 18 June 2014 was to approve the guidance, subject to modification of how the five year housing land supply is calculated. The modification under Section 22 (8) of the Town and Country Planning (Scotland) Act 1997 is that, before the Supplementary Guidance is adopted, it must be modified to remove the second sentence of paragraph 3.13. This sentence reads:
- 'Member Authorities will base their calculation of the five year land supply on the period 2009 – 2024, taking into consideration housing completions.'*
- 3.6 Scottish Ministers consider that the inclusion of this sentence gives rise to a potential inconsistency between the approved SDP and the Supplementary Guidance if the time period over which the housing land supply is calculated over that whole plan period of 2009-24 rather than within the 5 year sub-periods (2014-19 and 2019-24) . The Ministers view is that the SDP itself requires the calculation to be within the sub-periods.
- 3.7 Scottish Ministers also consider that the inclusion of this sentence does not comply with Regulation 27 (2) of the Town and Country Planning (Development Planning) (Scotland) Regulations 2008. This requires that for a matter to be included in Supplementary Guidance that will form part of the development plan it must be *'expressly identified in a statement contained in the plan as matters which are to be dealt with in supplementary guidance'*.
- 3.8 Ministers therefore consider that to avoid such inconsistency, to ensure compliance with the legislation and to avoid potential further delays in the process, that the sentence be removed.
- 3.9 Whilst the SESplan Joint Committee considers that this determination by the Ministers and its reasoning goes against the approach which SESplan and the member authorities considered reasonable, pragmatic and consistent with the SDP, it recognises the legal, procedural and timescale issues involved with any challenge to the determination and therefore it should be accepted.
- 3.10 Legal advice to the SESplan Joint Committee also confirms that this decision requires to be ratified by each of the Member Authorities as the Joint Committee has no powers to adopt Supplementary Guidance. The Joint Committee approves the modified Guidance and recommends that the

Council adopts it as modified by Scottish Ministers.

- 3.11 The implication of the modification on calculating the five year housing land supply is to affect the clarity of calculating the five year housing land supply for the local planning authorities and for the development industry. In respect of this the Joint Committee and the member authorities have agreed to investigate the development of a consistent approach to the calculation of the five year land supply to provide this clarity. Such a procedure will not however form part of the development plan.
- 3.12 In respect of East Lothian, the change would mean that the available land supply would require to be capable of providing for some 820 house completions per annum under the Guidance as modified rather than some 790 under the unmodified approach (calculated on the latest agreed housing audit 2012-13).
- 3.13 In line with this decision of the SESplan Joint Committee the five other local authority SESplan members have adopted the modification.

POLICY IMPLICATIONS

- 4.1 The modification to the Supplementary Guidance will have an effect on the context for calculating East Lothian's five year housing land supply and the extent to which this is being met.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - None
- 6.2 Personnel - None
- 6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 SESplan Strategic Development Plan, June 2013 (as approved)
- 7.2 Report to 22 October 2013 meeting of East Lothian Council by Depute Chief Executive (Partnerships and Services for Communities), *SESplan Supplementary Guidance on Housing Land*

- 7.3 SESplan Supplementary Guidance – Housing Land, Consultation Draft, November 2013
- 7.4 Report to 10 March 2014 SESplan Joint Committee by SDP Manager, *Supplementary Guidance*
- 7.5 Report to 22 April 2014 meeting of East Lothian Council by Depute Chief Executive (Partnerships and Services for Communities), *SESplan Supplementary Guidance on Housing Land*

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CONTACT INFO	X7292 imcfarlane@eastlothian.gov.uk
DATE	16 October 2014

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Partnerships and Community Services)

9

SUBJECT: East Lothian Local Development Plan Main Issues Report and Consultation Arrangements

1 PURPOSE

- 1.1 To approve the Main Issues Report (MIR) for public consultation as proposed and in accordance with the publicity and consultation arrangements.

2 RECOMMENDATIONS

- 2.1 It is recommended that East Lothian Council approves the Main Issues Report, its supporting documents and the publicity and consultation schedule, as summarised in this report and annexed and appended to it, all subject to minor presentational and editorial amendments for publication being delegated to Officers.

3 BACKGROUND

- 3.1 The Main Issues Report is the first formal stage in the process of replacing the adopted East Lothian Local Plan 2008. Following on from the approval of the South East Scotland Strategic Development Plan (SDP) and its Supplementary Guidance on Housing Land, the Planning Authority requires to set out preferred and alternative strategies and sites for future development in the area for the period to 2024.
- 3.2 The MIR consultation process and responses will be followed by a Proposed Local Development Plan which will go out to representation and examination before the Council can progress to adoption of a Local Development Plan (LDP) to replace the 2008 plan.
- 3.3 The MIR provides a basis for the Proposed LDP as a consultation document. In addition to the requirements of the SDP it must comply with

National Planning Framework 3 (NPF3) and Scottish Planning Policy: June 2014 (SPP) and with legislative requirements for sustainability (Climate Change (Scotland) Act 2009). It also responds to the Council's Plan 2012-17, the Single Outcome Agreement 2013-14 and the Council's Economic Strategy 2012-22.

- 3.4 It is not in itself a programme for development or a definitive statement of what the Proposed or adopted LDP would be. As a consultation document it is a summary of the process so far, which has been one of research, survey and analysis, including a public call for sites as potential locations for development. The background papers include a Monitoring Report, an Interim Environmental Report (including Site Assessments) and Transport Appraisal (the MIR and Background Papers are published in the Members Library Service, with print copies of the MIR itself distributed to Members. Members' Library Reference Numbers are listed in this report at Background Papers – sections 7.5 – 7.8.
- 3.5 The MIR is comprised of an analysis of East Lothian and the issues facing it, including housing market, population and socio-economic change, infrastructure and environmental issues (Section 2), based on the Monitoring Statement and on the requirements of the SDP. The most significant SDP requirement is that East Lothian accommodate some 10050 houses in the period to 2024, together with provision of Employment land for economic development purposes (Section 3).
- 3.6 The SDP also sets out the strategic development area (SDA) for East Lothian, based around the A1 /East Coast Main Line railway corridor.
- 3.7 The MIR also comprises major policy review and a cluster based analysis of preferred, alternative and other sites, the clusters based around the existing Education catchment areas.
- 3.8 The objectives the MIR defines for the LDP derived from all of the above context are (Section 4):
- to promote sustainable development
 - help grow the economy, increase housing supply and reduce inequalities
 - protect and enhance East Lothian's high quality environment and special identity
 - ensure adequate infrastructure capacity and appropriate use of resources
- 3.9 The preferred approach to accommodate this is set out in Section 5 of the MIR: to promote sustainability and climate change mitigation and adaptation.
- 3.10 This preferred approach and the analysis of Section 2 of the issues facing East Lothian give an evidence base for a preferred strategy of **Compact Growth** based around the main settlements in the west of the

SDA. This relates positively to factors including sustainability, accessibility, housing market and existing infrastructure provision (Section 2). The reasonable alternative is one of **Dispersed Growth** seeking to share development across all settlements of East Lothian within the SDA.

- 3.11 The cluster based analysis (Section 6) includes maps showing preferred, alternative and other sites together with site details, housing numbers or use type and a commentary on the cluster issues.
- 3.12 The major policy review includes proposed new policies (Countryside Around Towns and Green Network) and proposed revisions of significance to existing policies (Green Belt, Development in the Countryside and on the Coast). (Section 7)
- 3.13 In putting forward a preferred strategy (Compact Growth), Officers recommend this whilst acknowledging infrastructure constraints which exist in the west of the SDA, particularly around education capacity, transportation and air quality issues. The purpose of the MIR is to consult on these issues as well as others and to seek responses which inform the potential solutions. Inherent in this is a recognition that some of what is proposed as a preferred strategy may need to change for the Proposed LDP with due regard to the findings of the consultation process. However, it is important to set out this preferred strategy on the basis of the policy context and the research and analysis process which has been carried out to date.
- 3.14 The reasonable alternative strategy (Dispersed Growth) and alternative and other sites allow for consideration of other options and allows for an examination of them on the same basis as the preferred strategy.
- 3.15 Each of the sections of the MIR and the IER raise consultation questions on each main issue raised by the preferred and alternative strategies and other options.
- 3.16 The proposed consultation arrangements are summarised as follows and further detailed in Annex A of this report:
 - the formal consultation will run for a 12 week period from Monday 17th November to end of Sunday 8th February – close of online/consultation hub. Hard copy responses will be accepted until 12 noon on Monday 9th February
 - Statutory advertisements will be published in local newspapers and on the Council's website including details of how to view and comment on the MIR
 - Communication to consultees and other bodies/individuals including via mailing/ email distribution list and social media
 - Inspection copies available at John Muir House and publication on the Council's website
 - Press and MP/MSP briefings

- Area Partnership meetings
- Public meetings/workshops:
 - 17 Nov – Musselburgh, Brunton Hall
 - 20 Nov – Prestonpans, Community Centre
 - 25 Nov – Haddington, Town House
 - 2 Dec – Dunbar, Castle Social Club
 - 4 Dec – North Berwick, Community Centre
 - 8 Dec – Tranent, Fraser Centre

4 POLICY IMPLICATIONS

- 4.1 The MIR consultation will have a significant bearing on how development in East Lothian is managed over the coming 10 years.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 As a consultation, this report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – Dependent on how staff time given to meetings is managed
- 6.2 Personnel - Staff time and input needed for meetings, including staff from other Council services
- 6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 National Planning Framework 3
- 7.2 Scottish Planning Policy: June 2014
- 7.3 SESplan Strategic Development Plan, June 2013
- 7.4 SESplan Supplementary Guidance on Housing Land
- 7.5 East Lothian Local Development Plan Main Issues Report October 2014. (Members' Library Service References: 195/14 and 196/14 – October 2014 Bulletin) (click on link below)
- http://www.eastlothian.gov.uk/meetings/meeting/5613/members_library_service
- 7.6 Monitoring Statement October 2014 (Members' Library Service Reference: 197/14 – October 2014 Bulletin)

- 7.7 Interim Environmental Report October 2014 (with appendices – Site Assessments) (Members’ Library Service References: 198/14 – 206/14 – October 2014 Bulletin)
- 7.8 Transport Appraisal October 2014 (Members’ Library Service Reference: 207/14)

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DATE	10/10/2014

Annex A

East Lothian LDP: Main Issues Report publicity and public consultation schedule

Timescale

The MIR will be presented to the Council meeting on 28th October for approval for consultation purposes.

Assuming approval, the formal consultation will run from Monday 17th November to Monday 9th February (12 weeks). The MIR and supporting documents will have been in the public domain for around four weeks prior to this.

Statutory requirements

Regulation 12 requires the following minimum publication requirements to apply at the Main Issues Report, Proposed Plan and modified plan (if any) stages:

- Publishing in a local newspaper circulating in the area and on the internet a notice setting out:
 - that the document has been produced and where and when it may be viewed;
 - a brief description of the content and purpose of the document;
 - details of how further information may be obtained; and
 - a statement that representations may be made, and how, to whom and by when they should be made;
- Sending this information to:
 - the key agencies;
 - neighbouring planning authorities;
 - planning authorities within the same SDPA; and
 - community councils;
- Making a copy of the document available to inspect at an office of the planning authority and in public libraries; and
- Publication on the internet; Council website and Tell Me Scotland

Press briefings and press release

Local Newspaper briefings with editors

Press release from Planning Service in consultation with Corporate Communications to cover the key messages of the MIR

MP/MSP briefings

Iain Gray, Fiona O'Donnell, and Colin Beattie invited in for briefing session.

Living magazine article/insert

Proposed 4-page pull-out for inclusion in Living magazine, which could double-up as an information leaflet for use during the consultation.

Content will set out the non-negotiables, the scope of the strategy and the broad strategy options (compact vs dispersed growth), and cover some key issues for the clusters. It will make clear the open nature of the consultation and that proposals are not fixed at this stage but rather options are being put forward.

Other publicity

- ELC website – planning page and periodically the main page
- Planning/Policy & Projects email distribution list
- Other email lists – schools, economic development, Area Partnerships, community councils, parent councils, tenants and residents' associations
- Social media to publicise meetings
- Posters – print c50 copies and send to Comms for distribution to schools, libraries, community centres, medical practices, etc.

Information/consultation events

The following events are arranged in each of the main towns in the early part of the consultation period. Follow up events can be scheduled if attendance levels require this.

- 17 Nov – Musselburgh, Brunton Hall
- 20 Nov – Prestonpans, Community Centre
- 25 Nov – Haddington, Town House
- 2 Dec – Dunbar, Castle Social Club
- 4 Dec – North Berwick, Community Centre
- 8 Dec – Tranent, Fraser Centre

All events are planned to run from 1pm to 9pm, with a drop-in session in the afternoon and then a workshop in the evening. People will be asked to register for the evening workshops via Eventbrite. In the event that any of the workshops are over-subscribed further meetings may have to be arranged in January.

The workshop element of the events is planned to involve an initial short presentation setting out the preferred strategy, policy issues, and sites. We are likely to need time for general questions for clarification following this, not points of view.

Participants will then attend a series of facilitated workshops tables, potentially covering around six different issues, say for 15 minutes each. Participants could each be randomly assigned a coloured/numbered sticker on arrival and directed to begin at a particular table, with groups rotating thereafter. There will be a summing up session and an explanation of how responses will be handled. Issues to be covered should include:

- Development locations
- Retail
- Green network / countryside around towns
- Energy, minerals and waste
- Infrastructure (transport, education)

- Preferred and alternative sites within the cluster

Area partnerships

Special meetings are being scheduled in each area for January/February. Planning staff will attend to present and answer questions. The events are chaired by heads of Service from ELC. Corporate Policy will provide notes of each meeting for inclusion in the consultation findings.

In addition, a meeting of rural community councils can be set up within the consultation period, again run by Corporate Policy but with attendance by Planning required.

Responding to the consultation

Respondents will be encouraged to make their responses via the Consultation Hub wherever possible. This should significantly reduce the amount of time taken to analyse and report on the consultation and progress to the Proposed Plan.

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Response to the Scottish Police Authority – Armed Policing Call for Evidence

10

1 PURPOSE

- 1.1 To seek Council approval for a suggested response to the Scottish Police Authority's Call for Evidence on Armed Policing.

2 RECOMMENDATIONS

- 2.1 That the Council agree the terms of the attached draft response, subject to any revisions which it will delegate to the Chief Executive.

3 BACKGROUND

- 3.1 To quote the Scottish Police Authority's letter dated 19 September:
- “Since 1 April 2013, a decision has been taken by Police Scotland to allow its complement of trained Armed Response Vehicle (ARV) police officers to deploy to routine incidents with visible sidearms across Scotland. In response to the public debate around this decision, the Scottish Police Authority and HM Inspectorate of Constabulary (HMICS) have announced a complementary programme of review and inquiry.”
- 3.2 The SPA called for evidence about the policy's impact on communities, and about any consultation and engagement by Police Scotland on the policy.
- 3.3 It is understood that Police Scotland, for its own logistical and operational reasons, has not during this time chosen generally to deploy armed police officers to routine incidents in East Lothian.

- 3.4 The media had reported a largely negative reaction from local authorities to Police Scotland's operational policy of deploying armed officers to routine incidents. COSLA in late September declared itself in favour of the principle that police officers should **not** carry firearms on regular duties, and this was widely reported in the media. Subsequently on 1 October Police Scotland announced that it would not now be deploying armed officers on routine duties unless there was a threat to life.
- 3.5 Although Police Scotland has made the decision described above, the Scottish Police Authority has decided that it will continue its inquiry, in order to ascertain:
- 3.5.1 the level and nature of concerns over Police Scotland policy in relation to its standing firearms authority;
 - 3.5.2 how effectively Police Scotland are engaging with partners and the public and considering the impact on communities in implementing their approach;
 - 3.5.3 how Police Scotland can best address any public concerns and provide necessary reassurance to communities, and;
 - 3.5.4 what, if any, lessons might be learned around how operational decisions with wider strategic or community impact are communicated to national and local oversight bodies and other key interests.
- 3.6 Although the closing date for the consultation exercise was set as 17 October, the SPA has confirmed they were willing to extend this deadline to accommodate the Council's committee schedule.

4 POLICY IMPLICATIONS

- 4.1 Council officers appreciate the good working relationships they have with local commanders. The attached draft response to SPA highlights the apparent disconnect between central command and local communities on whom its decisions have an impact. (Another recent example was in the removal of traffic wardens.) The draft response also contains suggestions about how engagement could have been bettered.
- 4.2 We have also invited partners on the Safe and Vibrant Communities Partnership to make their own comments.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none in relation to this report.
- 6.2 Personnel - none in relation to this report.
- 6.3 Other – none in relation to this report.

7 BACKGROUND PAPERS

- 7.1 Scottish Police Authority call for evidence:

<http://www.spa.police.uk/news/2014/september/247707/>

AUTHOR'S NAME	Christine Dora
DESIGNATION	Executive Assistant
CONTACT INFO	ext 7104
DATE	10 October 2014

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This form is part of the Scottish Police Authority’s scrutiny inquiry into Police Scotland’s decision to allow trained Armed Response Vehicle (ARV) police officers (around 275 in number) to deploy to routine incidents with visible firearms across Scotland (routine incidents are those which do not require firearms and where trained ARV police officers are supporting local police officers or tackling local priorities in their day to day work).

The Authority is inviting stakeholders and interested parties to complete the form in order to capture their experiences, views and opinions as part of the inquiry process. Once officers of the Authority have collated all the responses, they will be analysed and the results used to inform the wider SPA scrutiny inquiry.

The inquiry will draw together both its own findings and that of a separate HMICS assurance review, and report with overall findings and recommendations to the full Authority at its public meeting on 17 December 2014.

Please indicate whether the response is from a member of the public, elected representative or organisation:	[Organisation]
Elected representative (if applicable):	
Organisation (if applicable):	[East Lothian Council]
Date completed:	[October 2014]

SECTION ONE – COMMUNITY IMPACT

Has Police Scotland’s decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms impacted on your and/or the public’s feelings of safety and security? If so, how?

[It is our understanding that Police Scotland have not deployed armed officers to routine incidents in East Lothian thus far, for operational reasons of their own.

However it would be fair to say that such a deployment might well impact on the feelings of safety and security of members of the community. This possibility should be examined if considering in future the routine deployment of armed officers. Public perception is key and should be regarded with appropriate attention. There is at the very least an appreciable risk of people feeling less safe.]

Has Police Scotland’s decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms impacted on your and/or the public’s fear of crime? If so, how?

[As above.]

Has Police Scotland's decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms impacted on your and/or the public's levels of satisfaction with Police Scotland? If so, how?

See above. East Lothian Council values its good working relationships with local commanders, but would welcome appropriate levels of consultation and engagement from Police Scotland's central command about matters over which local commanders and local authorities have no say but which nonetheless affect our communities.

The withdrawal of the traffic warden service was another such instance.

Has Police Scotland's decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms impacted on your and/or the public's levels of confidence and trust in Police Scotland? If so, how?

See above.

Does Police Scotland's decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms have any human rights or civil liberties implications for you and/or the public? If so, what are these implications?

The carrying of weapons to "routine" incidents would possibly tend to put members of the public in fear and alarm.

Does Police Scotland's decision to allow its complement of trained ARV police officers to deploy to routine incidents with visible firearms have any equality implications for you and/or the public? If so, what are these implications?

See above. It would be incumbent on Police Scotland to assess the equality impacts of any proposals.

Any other comments on community impact: Nill.

SECTION TWO – CONSULTATION & ENGAGEMENT

Has Police Scotland engaged with you in any manner about its policy of allowing its complement of trained ARV police officers to deploy to routine incidents with visible firearms? If yes, what was the nature of this engagement and when did it occur? Did you initiate any of this engagement with Police Scotland?

We are not aware of any attempt by Police Scotland to engage with the Council on this issue.

Have you received any information from Police Scotland about its policy of allowing its complement of trained ARV police officers to deploy to routine incidents with visible firearms? If yes, what information was provided and when? Did you actively request this information from Police Scotland?

[We are not aware of having received any information from Police Scotland on this issue.]

How would you assess the level of consultation that has taken place on Police Scotland's policy of allowing its complement of trained ARV police officers to deploy to routine incidents with visible firearms? Please outline the reason(s) for your answer, if possible.

[The Council considers that a higher level of consultation on issues of this sort would be more appropriate. This type of operational issue has the potential to cause concern among members of the public, not just in relation to the sight of sidearms being carried in any particular incident but also to public perception of policing by consent, general safety, whether police on the streets are or will soon be routinely armed as they are in other countries, and what the effect might be on the prevalence of illicit gun possession.

As part of such consultation and engagement, it would have been helpful for Police Scotland to cite whatever arguments and evidence they possessed in relation to whether such practices might cause disproportionate worry to the public, whether they are proportionate to the evidence of illicit gun possession in any particular area, whether they might encourage potential lawbreakers to arm themselves more heavily, and the likely impact on the community and on equalities groups.

Would you expect Police Scotland to engage with the public and/or seek their views about deploying trained ARV police officers to routine incidents? Please outline the reason(s) for your answer, if possible.

[See above.]

How can Police Scotland best address any public concerns and provide reassurance to individuals, groups or communities regarding its firearms deployment policy?

[By providing appropriate information and engaging in appropriate consultation.]

What, if any, lessons can be learned from the implementation of Police Scotland's firearms deployment policy about how operational policing decisions which may have wider strategic or community impact are consulted upon and communicated?

- 1. Better consultation with partners and the community.**
- 2. The ability to cite evidence about any feared negative effects.**
- 3. The ability to demonstrate that consideration has been given to the possible impact on communities and on equalities groups.**
- 4. An explanation of the opportunity cost of not carrying out the action proposed.**

Any other comments on consultation and engagement:

[Nil.]

SECTION THREE – GENERAL VIEWS ON ARMED POLICING

Assuming it is necessary for some trained ARV police officers to have immediate access to firearms and be available across Scotland, on a scale of 1 to 5 (with 1 being very reassured and 5 not at all reassured) please rate the following options:

a) A limited number of trained ARV police officers carrying visible firearms and attending routine incidents in support of local police officers or local priorities.

1 2 3 4 5

b) A limited number of trained ARV police officers carrying firearms covertly and attending routine incidents in support of local police officers or local priorities.

1 2 3 4 5

c) A limited number of trained ARV police officers carrying visible firearms but only being deployed to incidents where firearms are necessary or when the public or police officers are at imminent risk.

1 2 3 4 5

We are not sure it is appropriate for East Lothian Council to answer the above; this might be a more appropriate question for individuals to answer.

Option c) in this question would mean that trained ARV police officers would not attend routine incidents in support of local police officers or local priorities. Does this restriction on their productivity or wider contribution to local policing give you any cause for concern? Please outline the reason(s) for your answer, if possible.

[It is difficult to answer this question without knowing what the effect on officers' productivity/ contribution to local policing would be. That would be useful evidence.]

SECTION FOUR – ANY OTHER COMMENTS

[Nil.]

SECTION FIVE – FURTHER EVIDENCE

The Scottish Police Authority will be holding a series of evidence sessions around the country on this issue. Do you wish to be considered to participate and provide evidence at one of these events?

Yes No

(Please note that due to time and resource constraints only a limited number will be able to provide evidence at these sessions.)

Contact details:

Name –

Address or email –

SECTION SIX – HANDLING YOUR RESPONSE

Do you wish your response to be made public?

Yes No

SECTION SEVEN – INTERNAL USE ONLY (to be completed by Scottish Police Authority Officers)

Date received:

Received by:

REPORT TO: East Lothian Council
MEETING DATE: 28 October 2014
BY: Chief Social Work Officer
SUBJECT: Annual Report of the Chief Social Work Officer 2013/14

11

1 PURPOSE

- 1.1 To provide Council with the Annual Report of the Chief Social Work Officer (CSWO) on the statutory work undertaken on the Council's behalf. The report also provides Council with an overview of regulation and inspection, and significant social policy themes current over the past year.

2 RECOMMENDATIONS

- 2.1 Council is asked to note the Annual Report of the CSWO.
- 2.2 Council tasks the CSWO to further report following the publication of the composite report by the Chief Social Work Advisor to the Scottish Government

3 BACKGROUND

- 3.1 The requirement that every local authority should have a professionally qualified CSWO is contained within Section 45 of the Local Government (Scotland) Act, 1994. The particular qualifications are set down in regulations. This is one of a number of officers, roles or duties with which local authorities have to comply. The role replaced the requirement in Section 3 of the Social Work (Scotland) Act, 1968 for each local authority to appoint a Director of Social Work.
- 3.2 This report is prepared in line with the guidance on the role of the CSWO published by the Scottish Government in 2011 – 'prepare an annual report to the local authority on all the statutory, governance and leadership functions of the role'.
- 3.3 The CSWO Advisor, in consultation with CSWOs, the Care Inspectorate, ADSW and the Scottish Government, created a new template for the

annual CSWO report. This template is designed to create parameters around the information provided. It does not ask for new information to be produced but is designed to draw out key information in a more focussed way and to create a more analytical and reflective report.

- 3.4 A composite CSWO Annual Report will be compiled by the Chief Social Work Adviser by the end of December 2014.

4 POLICY IMPLICATIONS

- 4.1 The attached CSWO report highlights the extensive work that social work is involved with in East Lothian. There have been a number of improvements made to service delivery alongside cost saving measures. However, with increasing demand in all areas of services, pressures to deliver core services will be severely tested in the coming years.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the wellbeing of equalities group and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – None .
 6.2 Personnel - None.
 6.3 Other – None.

7 BACKGROUND PAPERS

- 7.1 CSWO Annual Report 2013/14, attached as Appendix 1.
 7.2 CSWO Guidance Document, attached as Appendix 2.

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DATE	17 October 2014

East Lothian
Chief Social Work Annual Report
2013/2014

EAST LOTHIAN

East Lothian is approximately 270 square miles in area, has 43 miles of coastline, and includes 16 Sites of Special Scientific Interest. Its boundaries extend from Musselburgh, immediately east of Edinburgh's suburban edge, eastwards to Dunbar and beyond to the Scottish Borders. From the coastline of the Firth of Forth an agricultural plain extends southwards to the Lammermuir Hills.

East Lothian is widely recognised as a fantastic place to live with a beautiful coast and countryside; attractive and distinctive towns; good quality housing, schools and services; a solid small business base across key sectors and proximity to Edinburgh's jobs, businesses and attractions. All these factors contribute to a view of East Lothian being an area of high employment and general affluence. However, the impact of the 2008 recession and the slow economic recovery has challenged this perception of East Lothian. The loss of jobs in Edinburgh's public sector and financial services sectors have contributed to increasing unemployment amongst East Lothian residents and local businesses – mostly small – are struggling, which has impacted on the diversity of East Lothian's town centres. At the same time, public finances have been squeezed and public spending is not expected to achieve pre-recession levels until 2023-24.

With a population of 101,360 (National Records of Scotland Register, August 2014), an increase of 0.5% from 2012, East Lothian is the 21st largest area out of Scotland's 32 local authorities. Although the population of East Lothian is relatively small it is forecast to grow at a faster rate than any other local authority over the next 20 years. The highest growth in the population of East Lothian is anticipated to be among the over 65 age group and the 0-15 age group. Population growth and demographic change is likely to generate different needs and pressures within communities. For example, ensuring that there is the availability of suitable housing provision for older people living alone.

PARTNERSHIP STRUCTURES/GOVERNANCE ARRANGEMENTS

Chief Social Work Officer Arrangements

Within East Lothian, Murray Leys (Head of Adult Wellbeing) is the CSWO. Following a period of sick leave, Fiona Duncan (Service Manager Criminal Justice) was made Acting CSWO to ensure the roles and responsibilities of CSWO were being maintained within the Council.

The CSWO of ELC is a Chief Officer, thus ensuring communication with senior management, elected members and the Health and Social Care Shadow Board is available and appropriate. This ensures that professional advice in the discharge of the local authority's statutory social work duties can be made as and when required. This includes bi-weekly meetings of the Senior Council Management Team (Chief Executive, Deputy Chief Executives; all Heads of Service, and the Director of the Health and Social Care Partnership). Formal CSWO meetings with the Chief Executive ensures that communication is clear and transparent as are weekly meetings with elected members. Regular management meetings with Service Managers ensures that social work issues and requirements are discussed with clear links to practice identified. The CSWO also sits on the East and Midlothian Joint Public Protection Committee and its Performance and Improvement Sub-Group and on the east and Midlothian Joint Critical Services Oversight Group.

Community Planning in East Lothian

Partners have agreed to work together to achieve The East Lothian Plan and the Single Outcome Agreement (SOA) 2013-23 which is a 10 year strategic plan designed to improve the lives and opportunities of East Lothian People. The East Lothian Partnership structure ([East Lothian Partnership Structure, Roles and Remits – updated April 2014](#)) sets the context for the Children's, Adult and Criminal Justice Strategic Partnerships.

Sustainable Economy, Resilient People and Safe and Vibrant Communities are supporting partnerships, which mirror the three objectives of [The East Lothian Plan \(SOA\) 2013](#). The East Lothian Plan (SOA) 2013. Each supporting partnership is accountable for three to four of the ten SOA outcomes and also for contributing to reducing inequalities - the overarching priority for SOA 2013.

Adult Wellbeing and Children's Wellbeing Social Work Services are both part of the Resilient People Partnership, whilst the Criminal Justice Service currently lies within the Safer Communities Partnership.

The supporting partnerships share a common role to:

- lead a culture of collaboration and co-production across sectors, maximising the creativity, knowledge, skills and resources of all partner organisations and communities
- develop, deliver and scrutinise performance of the Priorities and Outcomes within their remit

- collaborate with each other and with the groups responsible for local coordination

In early 2014, six Area Partnerships were established across all ward areas. Area plans are to be developed, by April 2015, using evidence from the Area profile which helped to identify local priorities, with a focus on reducing inequalities, prioritising prevention and early intervention and sustainability. These Area Plans would then contribute to the delivery of the strategic plan. These Area Partnerships have a direct link to the Safe and Vibrant Communities Partnership and they can link with any of the other partnership groups. This model aims to ensure a stronger link between communities, area based services, and East Lothian Partnership.

Each Area Partnership includes the Councillors for the area, representatives from Community Councils, East Lothian Tenants and Residents and Parent Councils and also key local groups. They also have at least one youth representative.

As these Area Partnerships were only established between January and June 2014, the CSWO Report 2014/15 will be able to comment on the impact they have had.

Health & Social Care Integration: Adult Services

As well as operating within the Community Planning Structure, in East Lothian we have agreed to set up a body corporate arrangement for the Adult Health and Social Care Partnership under the Public Bodies Joint Working (Scotland) Act:

- The Council and NHS Lothian will agree an Integration Scheme, setting out local arrangements for integration within the parameters established by the legislation. This will need to be agreed by the Council and the Health Board after which an Integration Joint Board will be established in early 2015.
- Once the Integration Joint Board is established, the Council and the Health Board will delegate agreed functions and resources to it.
- We anticipate that the Integration Joint Board will be formally established sometime in the spring of 2015. In advance of this we have established a Shadow Board to guide the development of the Strategic Plan and the Scheme of Integration both of which will be subject to extensive stakeholder consultation over the winter period.

In anticipation, the Council and NHS Lothian have appointed a joint Director of Health and Social Care and established a joint management team. The Chief Social Work Officer is a member of this team and reports to the Director.

To support strategic planning of adult services, we have had a network of Joint Planning Groups in operation in East Lothian over a number of years. These groups are focused on the planning of adult services in relation to:

- Older People
- Learning Disability
- Physical Disability

- Mental Health
- Carers

These groups are multi-agency and incorporate the interests of the statutory, voluntary and independent sectors as well as service users and carers. As we move towards the establishment of the Integration Joint Board and production of the Strategic Plan, we will be engaging with the Joint Planning Groups to agree how they might interface with the new structures.

SOCIAL SERVICES DELIVERY LANDSCAPE/MARKET

An overview of the delivery landscape is contained within the East Lothian community statistical profile which is updated annually ([East Lothian Statistical Profile, 2014](#)). From this, the biggest challenge facing East Lothian relates to demographic issues, particularly the two extremes of the age scale – those under 16 years, and those over 65 years.

East Lothian has a higher proportion of older and younger people than the Scottish average:

- The population of East Lothian is forecast to grow at a faster rate than any other area of Scotland
- The number of people aged over 65 is forecast to grow by 77% between 2010 and 2035 and the number of 0-15 year olds is projected to increase by 41% over the same period
- The number of households is projected to grow by 39% between 2010 and 2035 compared to a growth of 23% in Scotland as a whole
- The main component of the increase in the number of households is forecast to be a large increase in the number of households containing one adult
- The number of households in which the head of household is aged over 75 is forecast to do between 2010 and 2035
- Approximately 1500 people in East Lothian receive home care and roughly 600 are long-stay residents in care homes
- Approximately 600 people with learning disabilities are known to the Council

Based on the above, it is clear that there is, and will continue to be, increasing demand issues for these 2 age groups whether it be schools, access to employment, appropriate housing, or care packages (at home or in hospital). All of these come with significant costs attached.

Deprivation

- East Lothian is made up of 120 datazones, 6 of which fall within the most deprived 20% of areas in the whole of Scotland
- the 6 most deprived datazones are located in Prestonpans, Tranent and Musselburgh

- higher levels of deprivation are concentrated in the western part of East Lothian (around Musselburgh, Wallyford, Tranent and Prestonpans) although there are also pockets of deprivation in Haddington and Dunbar

With regard to employment:

- 76.2% of people in East Lothian aged 16-64 are in employment
- 6.1% of people aged 16-64 are unemployed
- the remainder are 'economically inactive' for a variety of reasons (e.g. they are retired, students etc.)

Benefits

- 9.7% of people in East Lothian claim out-of-work benefits compared to 12.6% of people in Scotland as a whole. However, the gap between East Lothian and Scotland has narrowed as unemployment has increased
- during March 2014 2.6% of 16-64 year olds in East Lothian were claiming Job Seekers Allowance. 3.6% of men and 1.7% of women claimed Job Seekers Allowance
- the proportion of 18-24 year olds claiming Job Seekers Allowance in East Lothian during March 2014 was more than double the average for people of all ages in East Lothian
- 13.6% of children in East Lothian were considered to be living in low income households (in 2011) in comparison to 18.5% in Scotland as a whole

Based on above, whilst unemployment is relatively low in East Lothian, concerns exist regarding options for younger people moving into the job market on leaving school. If the population estimates are correct (ie more people will move into the area), this issue will increase in relevance.

Housing

Forecast demand for new housing exceeds the number of houses that have been completed in recent years. Flats form a lower proportion of the housing stock in East Lothian than the Scottish average. East Lothian has a higher proportion of terraced, semi-detached and detached houses. Further, 68% of dwellings in East Lothian are owner-occupied, 17.8% are Council owned, 9.7% are private rented and 4.8% are housing association.

Housing options for those leaving prison, for young people leaving care or for those who require some degree of support are currently lacking. Accommodation instability can lead to further offending, hence the need to look at possible alternatives to Bed and Breakfast options.

Crime

Fewer crimes are recorded per 10,000 population in East Lothian than the Scottish average:

- the imprisonment rate among East Lothian residents is just below half the Scottish average; a total of 67 East Lothian residents were in custody on the 30th June 2011
- 23.1% of people convicted of an offence in East Lothian went on to be convicted of another offence within a year compared to 28.4% in Scotland as a whole

Significant work is done with offenders by the CJS when on community orders which is evidenced by the low reconviction rate. However, due to the variety of needs that many of this client group have, we need to continue to build strong links with community partners to ensure that vulnerabilities are addressed. This is particularly true with drugs and alcohol, mental health, and employment.

Landscape Summary

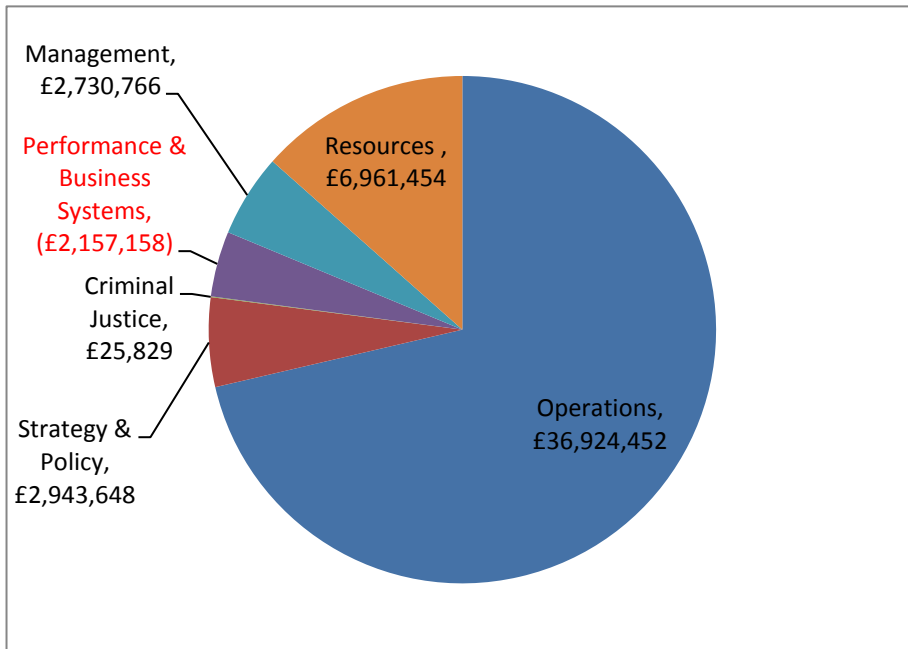
What is clear is that within East Lothian, there are cluster areas where high levels of poverty, unemployment, drug and alcohol misuse, and crimes committed are in evidence. This particularly applies to Musselburgh, Tranent and Prestonpans. Further, life expectancy varies by almost 8 years between communities across the county – a clear indicator of the significant health inequalities that persist across East Lothian. It is for these reasons that Area Partnerships have been introduced so that resources can be targeted appropriately.

Work is continuing to shift the balance of care to enable Adult Wellbeing service users to receive services in their own homes. In 2009 when a tender for care at home services was first carried out we wanted to contract for approximately 6,000 hours of care a week. In 2014 this has increased to 9,000 hours per week. Some of the increase can be explained by the changing demographics of the population of East Lothian. However, the majority of this increase is due to people being offered appropriate support which enables them to stay at home rather than having to move into residential/nursing care or hospital.

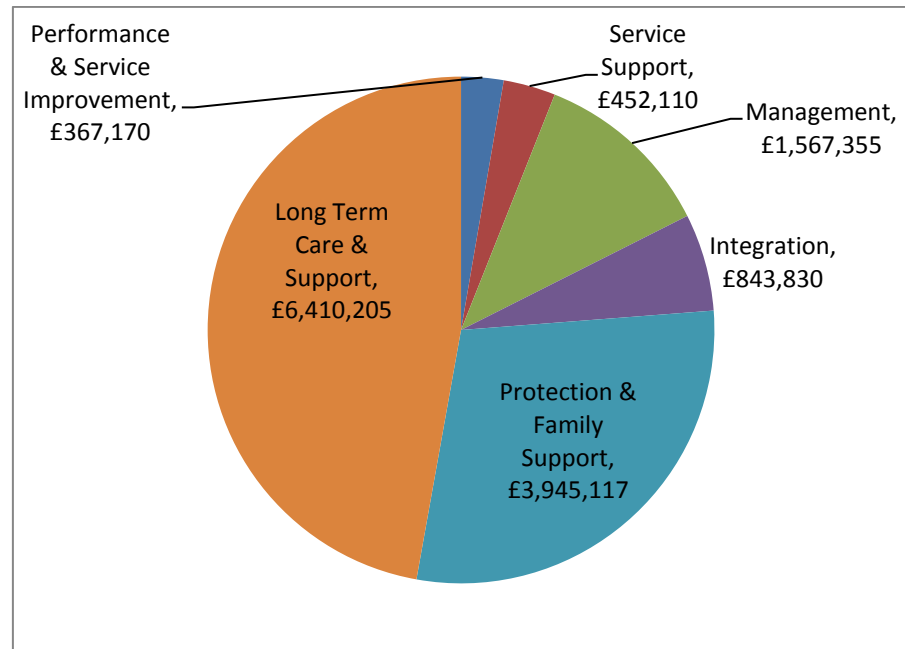
Traditionally, there has been a geographical split across the county in terms of East Lothian Council being able to secure packages of care. Areas in the north such as Dunbar and North Berwick have consistently been unable to secure sufficient care services for the numbers requesting it. However, the tender process is attempting to address this inequality by dividing East Lothian into 6 zones and allocating dedicated providers to those zones. This should ensure providers are able to provide consistently across the county.

FINANCE

Adult Wellbeing budget 2013-14



Children's Wellbeing budget 2013-14



The total budget for Social Work in 2013-14 was £56.981m, (£11.872m – Children’s Wellbeing and £45.109m Adult Wellbeing), with actual expenditure for 2013-14 of £61.110m. The 2014-15 financial settlement represents a flat cash position for the Council. In recent years the Council has introduced a wide range of efficiency measures amounting to a sum in excess of £17m, including:

- Efficient Workforce Management
- Buysmart reviews
- Restructuring of Chief Officers and Senior Management Structures, and
- Voluntary Early Release Scheme (VERS)

All of the above have been introduced to address some of the financial challenges which we are facing.

Within both Adult Wellbeing and Children’s Wellbeing, service reviews were carried out during 2013-14. Whilst some savings were a result of smarter working practices, we are now continuing to face significant difficulties due to a reducing budget but increasing demand. Pressure points within the services are now evident.

The 2014-15 approved budget for Social Work is £56.156m, and continues with the planned efficiency programme which includes: £0.711m in Children’s Wellbeing and a further £1.5m in Adult Wellbeing, with over £0.800m delivered through the recent Voluntary Early Release Scheme (VERS). There is no doubt that even with stringent budget management and more effective working practice, we will have to make some serious choices over the coming year(s) due to continuing increasing demand verses a reducing budget.

Financial Challenges

The reduced financial resources, the ability to address demand pressures associated with demographic challenges coupled with the increasing complexity of care packages are some examples of challenges facing the delivery of children and adult services within East Lothian Council.

As highlighted previously, the Council as a whole has in recent years introduced a series of efficiency measures within Children’s and Adult Wellbeing services, designed to reflect the financial environment which Councils are now operating within. Both services have been subject to a number of Service Reviews, with a view to service redesign and reprioritisation to ensure that services continue to meet the needs of service users and communities whilst realising efficiencies, resulting in new management and operational structures, with some reductions in overall staffing levels. A critical challenge faces services in being able to respond to increasing referrals and consequential statutory interventions, whilst safeguarding resources for investment in early intervention activities, which inevitably reap longer term rather than immediate efficiencies.

The ability to deliver and realise efficiencies within the context of increasing demand pressures will continue to remain challenging both in 2014-15 and beyond. Within Children’s Wellbeing, there remain financial pressures in fostering costs relating to external fostering and foster payments and fees, adoption costs, external residential schools, and disability support costs. Within Adult Wellbeing, there remain significant financial challenges associated with the purchase of care packages for the Elderly and individuals with Learning Disability. The ability to meet the financial demands remains an area of increasing challenge.

Criminal Justice

The CJS budget remains ring-fenced. Within this, statutory and non-statutory funding is agreed. During 2013/14, additional social work posts were recruited to the team due to a consistent increase in workload. There was some additional money given to accommodate this increase in business but not for any other change within the service (ie. costs for services; additional tasks; etc).

Changes due in 2015, particularly the introduction of violent offenders into Multi Agency Public Protection Arrangements (MAPPA) will severely test the budget as no additional money is being given for this task. Further, as this relates to high risk offenders, this task cannot be diluted as public safety could be compromised.

Due to the efforts placed on service reviews, cost cutting exercises, etc during 2013/14, focus on early intervention and prevention has not been to the forefront. As such, limited progress has been made in relation to this. However, this is something that all Social Work services are now looking as to how best to take this forward.

PERFORMANCE

Children's Wellbeing is performing well despite an increase in demand for services. The number of referrals remain at record levels (c3000 per annum), as the effects of benefit changes, an increasing population and greater public awareness about child protection contribute to workloads.

Care Inspectorate reports tell us that our regulated fostering and adoption services, care at home service, residential service and children and family centre are performing at a very high level. Low and relatively stable rates of Looked After Children and a low rate of children on the child protection register evidence the success of preventative and early intervention strengths of the service.

A snapshot of the service includes:

- EL has the 6th lowest number of LAC (rate per 1,000 0-17) of all mainland authorities
- EL has a lower rate of Children on the Child Protection Register than the national average
- East Lothian had 100 case conferences last year. 75% of case conferences led to a child being registered. This is the same conversion rate as the national average.

To note however, EL has relatively high percentage of Looked After children and young people who have additional support needs. The Scottish average is 11% whilst East Lothian is 16%. The service has to ensure that strong links exist with our partners, particularly Health and Education, to ensure that these needs are addressed. There are significant costs associated with provision of services for these young people as capacity to provide local services for these children and their families is severely limited, leading to

purchase of specialist care packages outwith East Lothian – this demand/capacity challenge is under review amongst partners.

A joint inspection of services for children and young people in the East Lothian Community Planning Partnership took place in November 2013. The inspection team found that there were particular strengths that are making a difference to the lives of children, young people and families. These included high quality and flexible support services at an early stage; a strong, child-centred culture; and staff who responded quickly and efficiently to share concerns and then make effective decisions to keep young people safe.

This inspection did identify a number of areas for improvement. Specifically, strategic leadership and planning for all children within the community planning partnership was assessed as not being strong enough to drive change, particularly towards early intervention and prevention. Further, robust and systematic joint self-evaluation across the service is needed if sustainable change and improvement is to be achieved. The community partnership produced its Services for Children Improvement Plan in response to the inspection findings.

Additional improvements in respect of planning for individual children were also identified and the revised East Lothian Inter-Agency Child Protection Improvement Plan 2014/15 has introduced measures to address these areas. ([East Lothian Inter-agency Child Protection Improvement Plan 2014-2015 - East Lothian Inter-agency Child Protection Improvement Plan 2014-2015 - Downloads - East Lothian Council](#)). In April 2103, the Children's Wellbeing Service introduced the Signs of Safety approach into child protection case conferences. Evaluation of this new approach at 6 months post-implementation indicated very positive impact for children, families and practitioners. Ongoing evaluation and a national conference planned for October 2014 will bring forward progress reports and learning leading to further improvements in response to the actions within the Child Protection Improvement Plan.

Adult Wellbeing

The service has a strong track record of scrutinising performance on the basis of both challenge and support. Many aspects of the adult wellbeing service are subject also to external scrutiny and senior managers lead a process of self-evaluation. Professional social work and social care practice emphasises supervision which includes challenge and support on a team and individual basis.

The East Lothian Joint Adult Wellbeing / NHS Performance Scorecard presents national comparative indicators and is updated on a three month basis. The purpose of this scorecard is mainly to inform the partnership of the volume of business and on their progress towards a position against the annual national comparative indicators.

A recent tender exercise to establish a new framework for the delivery of help to Live at Home services was completed this year, with the new arrangements starting on April 1st 2014. One of the integral components of the tender was the requirement for the new framework to deliver an integrated outcome focused provision of services to people who require support to live in their own home.

Until the tender was completed, Help to Live at Home services in East Lothian had followed a traditional model which had been largely focused on inputs, namely the task which required to be completed and the amount of time that takes. This model of provision only went part way to provide the type of services we

wanted to have in place, namely a flexible, outcome focused provision, built around the individual requirements of the people using the services.

The objectives of moving to an outcome focused provision included:

- More efficient use of contracted hours to meet increasing demand and increased emphasis on service user independence - The number of people potentially needing a service is due to significantly increase. A significant increase in the number of people with dementia is anticipated and the expectation is that the needs of this group of people will best be met through the provision of flexible, person centred, outcome focused services.
- Continuing to shift the balance of care to enable service users to receive services in their own homes.
- Ensuring that the services in places are “future proof” in so much as they will be fit for purpose in the longer term.
- The move away from time/task allocation of care to an outcome focused allocation means that no 15 minute visits will be commissioned from April 1st 2014.

The Adult Wellbeing service is embarking on a tender exercise to purchase an electronic monitoring system for Help to Live at Home service which will support efficient work practices and deployment of resource.

Significant planning has taken place during 2013/14 for the new care home based in Tranent which will open in October 2014. This is a joint initiative between ELC and NHS Lothian and will have 20 allocated beds for individuals who require step up/step down support to their move from hospital to community based resource.

Delayed discharge is a major problem facing East Lothian. Numbers of people waiting to leave hospital, alongside increasing demand on the care at home services and care homes, is not only stretching resources to capacity, but is also having a significant impact on budgets. We are currently working closely with NHS colleagues in the Health and Social Care Partnership to provide solutions to this complex issue.

Criminal Justice Service (CJS)

The CJS has seen increasing demand for Court reports and supervising statutory orders and licences. This is being managed effectively and efficiently.

During the past year, there have been a number of multi-agency operational groups introduced in the area of domestic abuse. These include Multi-Agency Risk Assessment Conferences (Marac) - the victim’s safety being at the centre of the discussion; and Multi Agency Tasking and Co-ordinating Group (Matac) - a police-led initiative focussing on the perpetrator of domestic abuse – high risk cases. Through these meetings, working relations have improved partly due to all agencies working to a clear plan of action. An annual report from Marac is to be produced which can help inform future practice.

Significant focus has been on planning the introduction of a new service for vulnerable women called the Spring Service. This is a joint venture between ELC and Midlothian Council with input for the Willow Service in Edinburgh. Health colleagues and voluntary organisations are also playing a part in bringing this together. This service is a direct result of the Angiolini Report which stressed that for vulnerable women’s needs to

be addressed, services need to be designed differently with more focus on the trauma model. We have responded to this by drawing up the Spring Service.

Initially, CJS were not included in the Health and Social Care Partnership. However, discussions are ongoing and it is proposed that CJS are brought into this partnership. As many of CJ clients have a number of issues which cross-over service provision – whether it be mental health; drugs and alcohol; or learning difficulties; - being part of this partnership would help to improve networks and practices as well as keep the client at the centre.

STATUTORY FUNCTIONS

Child Protection Summary

[The Child and Adult Protection Report](#), 23rd September 2014, provides a summary for the full year April 2013 – March 2014.

During the first 3 quarters of 2013/14, the number of children on the child protection register remained constant. In quarter 4 however, the figure increased by nearly a third. When looking at this in more detail, it appears that this is directly linked to having such small numbers – when numbers increased by 15, the resulting percentage increase appeared significant (ie 32%).

An audit of Initial Referral Discussions (IRDs) was carried out in the summer of 2014. This specifically looked at the peak in figures in the 4th quarter. This audit highlighted that some cases had been progressed into Child Protection IRDs prematurely. As a consequence of this, a multi-agency intervention workshop was delivered; a Getting It Right for Every Child (GIRFEC) stage 3 consultation episode was developed within framework-I (our electronic case file data base); and a standard practice checklist for interim safety plans was produced. All these measures are intended to ensure that practice is consistent and appropriate too risk.

The National Guidance for child protection has been updated to reflect GIRFEC requirements and the legal duties imposed by the Children and Young People’s Act 2014. Ensuring that these processes are imbedded into practice has been the biggest challenge for the service with clear guidance and training been given to staff to enable this to happen. Under a 5-year implementation strategy, the Signs of Safety approach to Child Protection Case Conferences was introduced, endorsed and overseen by the East & Midlothian Child Protection Committee.

Adult Protection Summary

The Child and Adult Protection Report, 23rd September 2014, provides a summary for the full year April 2013 – March 2014.

Throughout the year, the numbers of referrals increased on previous years although all other adult protection activity - such as duty to inquire; IRDs and case conferences - reduced. Whilst it is thought that this is to do with staff being more comfortable with process, an audit is being carried out by the

Performance and Quality Improvement Team to clarify this matter. It is vital that changes in work activity such as these are investigated further to ensure that explanations are based on fact rather than assumptions.

Financial harm

This is one of the Scottish Government's 5 priority areas which in East Lothian, we are monitoring closely. Multi-agency workshops were introduced to not only raise awareness of staff, but also, to identify links with other agencies (ie. Trading Standards; local banks; etc) to help tackle this issue through active monitoring of cases.

Mental Health Orders

Guardianship Orders granted in East Lothian is considerable with a higher than Scottish average. Whilst this may be expected for the growing older population, just over 2/3 of the total number of Guardianship Order's granted are for adults with learning difficulties. Some of the clients in the 16-24 age group who have guardians may be as a consequence of going through transition to adult services. Being informed of legal options available to them may have increased numbers.

Of concern is the continuing difficulty in recruiting Mental Health Officers (MHOs) to the team. The team has not been fully staffed since 2012 and with rising Orders, workloads are significant. Concerns have been raised internally that experienced MHOs are not accepting jobs within the Council due to pay grades.

Investigations

Domiciliary Care was inspected in December 2013 with very poor results achieved. Scores of 'weak' were given in quality of care and support; quality of staffing; and quality of management and leadership.

A follow-up inspection took place on 1st April 2014. At this inspection, it was noted that the foundations for improvement had been put in place. The manager and management team were very positive about the changes to be put in place and felt that these would improve the service. Because the direct support to the service users remained unaffected by the continued changes we have given further opportunity for the service to put in place the improved documentation and systems we saw at this inspection. The inspection team stated that the grades from the previous inspection would remain unchanged at this time.

Senior managers, including the CSWO, have been working through the action plan identified and are now confident that the correct changes and alterations have now been introduced, with all issues now resolved.

Between April 2013 and March 2014, 2 care homes had unannounced inspection visits. These both had satisfactory outcomes. One Nursing Home was served with an Improvement Notice. ELC worked closely with this provider to make necessary improvements and this has now been achieved. Again, this is now concluded in a satisfactory manner.

Adult Wellbeing have recruited a staff member to the Reviewing Team. Due to this, we are now able to be more pro-active in meeting with providers. The aim of this is to highlight any issues early so that major incidents can be avoided. Reviews are now being done timeously.

Public Protection Office

East and Midlothian Councils gave a commitment to establishing a joint Public Protection Office (PPO). This was in recognition that while structures in Public Protection have developed separately over time, the reality for most service users is that their needs often span more than one category. For example, many children or adults at risk of harm live in households where domestic violence is an issue. Whilst recognising important differences between the areas, as the public protection agenda has gathered momentum, partnership agendas reflected this common interest and showed significant overlaps.

In view of this, East and Midlothian Critical Services Oversight Group (CSOG), comprising Chief Officers of all constituent partner agencies, agreed to streamline our committee structures and establish a single Public Protection Committee. Throughout 2013, significant focus and effort was carried out in relation to this, resulting in the PPO opening in July 2014. Having the various agencies and services co-located in the same office, as well as streamlining processes, the aim is to ensure more accurate robust systems and working practice for tackling child and adult abuse. As CSWO, this is something that I will monitor closely to ensure that there are no weaknesses in this.

Criminal Justice Service (CJS)

The Community Justice consultation had 2 distinct consultation documents. From these, the Scottish Government has advised that CJS will remain in local authority control with community planning partnerships being the route for successfully addressing offending and inequality in our society.

Whilst this is welcomed, there are numerous uncertainties as to the actual set-up of CJ structures. Further, as this will not be introduced until 2016/17, the biggest challenge will be to keep to any agreed milestones as it potentially could be very easy to lose focus. Also, ensuring that staff and partners are informed of changes is essential for effective future working.

It was announced in late 2013 that Haddington Sheriff Court would close in January 2015 with business moving to Edinburgh Sheriff Court. As such, the CJ Service Manager has been actively involved with the Court Service and Edinburgh CJS to ensure that any procedures or practices that are required will be in place for this change. Having the local Court close is a significant loss to East Lothian as the importance of local involvement in the justice process is very significant. (This relocation of the Sherriff Court also has significant impact on statutory processes affecting children and their families i.e. adoption).

Priorities for 2014/15

- successful implementation of the PPU
- thresholds to be consistent for IRDs and case conferences so that measures taken are appropriate to the risk identified
- multi-agency chronologies to be embedded into practice
- ensuring transfer of business to Edinburgh Sheriff Court is carried out efficiently and without detriment to this client group

- work with Scottish Government regarding CJS re-structure and build links with CPPs
- recruit MHOs and examine succession planning

CONTINUOUS IMPROVEMENT

Children's Wellbeing

In April 2013, Children's Wellbeing introduced the Signs of Safety approach to initial child protection case conferences. This was reviewed in November 2013 at which time positive comments were received by professionals and families. The inspection team also commented on this in 2014. They recognised this as a positive development but made several suggestions for improvements around risk assessments and available guidance ([Getting it Right - East Lothian's Integrated Children's Services Plan 2013-2017](#)).

Adult Wellbeing

There is a culture of continuous improvement within Adult Wellbeing which is informed by an ongoing commitment to self-evaluation. Services prepare for inspection and make good use of improvement plans to help drive continuous improvement. Senior managers lead this process with middle managers implementing changes as and when appropriate.

Criminal Justice Service

Within the CJS, a Scotland-wide self-evaluation audit of the risk assessment tool Level of Services/Case Management Inventory (LSCMI) was completed in October 2013. East Lothian's cases were evaluated by ourselves and Borders CJS workers, whilst we helped evaluate the work of Midlothian CJS. This evaluation helped highlight good practice as well as areas which required further work. By involving members of the team, there has been more ownership of the LSCMI tool as well as investment in raising standards. This evaluation will be completed again in November 2014.

All Services

There is further potential to strengthen quality assurance and improvement implementation plans throughout all services by actively using the How Good Is Our Council (HGIOC) document. This document has been significantly improved during the past year making it less cumbersome and more user friendly. Further, there is now an increased understanding of what HGIOC is, and having it embedded into the process of self-evaluation in all services, has helped to support the development of a systematic approach to continuous improvement.

Customer Feedback Report

Section 52 of the NHS Community Care Act 1990 and the Social Work (Representations Procedure) (Scotland) Directions 1996 requires every Local Authority Social Work Service to develop and implement a complaints procedure. The Council is also required to consider, in public business, an annual report on the use made of the procedure and the outcome of complaints. East Lothian [Social Work Complaints and Feedback Annual Report 2013-2014](#) Social Work Complaints and Feedback Annual Report 2013-2014 collates information for the Policy and Performance Review Committee thus satisfying this legal duty. Feedback (comments, complaints and compliments) about social work services are recorded on a customer feedback module on the Council's Customer Relationship Management System (CRM), which allows for the recording, monitoring and reporting of client feedback.

In line with its statutory requirements, the Council operates a 3 stage social work complaints procedure:

- Stage 1 – Complaint dealt with directly at point of service
- Stage 2 – Complaint requires formal investigation and response
- Stage 3 – Referral to independent Complaint Review Committee (CRC)

Thereafter, there is a legal right of referral to the Scottish Public Services Ombudsman (SPSO).

Stage 1 complaints are dealt with directly at point of service. 29 stage 1 complaints were recorded for the year 2013/2014, a 17% decrease from the previous year. These were straightforward complaints either resolved at first point of contact or referred to the relevant social worker/manager for swift resolution. Examples of stage 1 complaints include messages not being returned, requested information not being provided, or delays/failures in providing an agreed service e.g. missed home care visit or failure to keep a scheduled appointment.

48 Stage 2 complaints about social work services were received. This is a 29.5% reduction from the previous year when 68 were received.

The following is a breakdown by service:

Adult Wellbeing (AW):	Stage 1: 16;	Stage 2: 32
Children's Wellbeing (CW):	Stage 1: 13;	Stage 2: 16
Criminal Justice (CJ):	0	

Improvements could still be made in that, ideally, more complaints should be dealt with at Stage 1, particularly for Adult Wellbeing, as resolving complaints at an early stage is best for both the client and the Council. Wherever a complaint was partially or fully upheld an appropriate apology was given and learning actions were undertaken. This included updating and improving information to clients, reviewing procedure, revisiting staff training e.g. on report writing and reminding staff of customer care standards.

East Lothian Council will be chairing the Social Work Scotland Complaints sub-group for the year 2014/15. Following the production of complaints information specifically for children, enabling them to make a complaint themselves, a review will be undertaken to look at improving access to the complaints procedure for adults with learning difficulties

PLANNING FOR CHANGE

Vision for the Future of Children's Wellbeing

The Service redesign took effect in January 2014 and confirmed that the Service will operate to 3 priorities. These are:

1. Protect and support children and families in or on the cusp of care
2. Meet statutory and legal obligations (core business of the Children (Scotland) Act 1995)
3. Improve the long-term life chances of children and young people who have a disability and/or who are looked after by East Lothian Council

In support of these priorities, and in addition to core statutory services, the service is also working in partnership with others to deliver:

- a. Increased and more effective Voluntary and 3rd Sector collaboration and service provision
- b. Effective multiagency service provision and common application of risk thresholds

Vision for the Future of Adult Wellbeing Services (includes Criminal Justice Services)

Our Service Plan sets out the vision for Adult Wellbeing Services in East Lothian:

- We aim to provide modern, person centred services that support people to live independently and to direct their own support arrangements wherever possible. We support people to reintegrate into their local communities in a number of ways, including those involved in the criminal justice system.
- Consistent messages from services users, carers and their representatives as well as recent legislative changes have identified their wish to have flexible services that respond to their needs.
- Through personalisation we will enable people to find the right solutions for them and to participate in the delivery of their services. From being a recipient of services, individuals can become actively involved in selecting and shaping the services they receive.
- Services should support independence and build capacity in communities to allow people to lead as independent lives as possible.
- Choice and control for the person using the services is at the heart of service delivery.

- The vision for the future of Adult Wellbeing services is also in line with the National Standards for services. These standards require services to recognise and accept people as individuals, adhering to the principles of dignity, privacy, choice, safety, realising potential, equality and diversity.
- We will continue plan for the forthcoming integration of adult health and social care services. Our approach will be designed to ensure that services in East Lothian provide the best possible outcomes for the county's residents.

These aims form the principles of our service strategies. We have recently retendered our home care contracts with a new focus on quality, recruitment and retention. This is an example of an innovative local commissioning approach.

USER AND CARER EMPOWERMENT

Self-Directed Support (SDS)

Children's Wellbeing are making good progress in the delivery of SDS for children and young people with a disability. In 2013, 20 children, young people and their families participated in 'Taking the First Steps' demonstration project. Each young person and their family were allocated a budget of £200 to meet identified outcomes during the summer period. Feedback from families was very positive particularly families feeling that they had more choice and control over their support planning during the summer period.

- Recruitment of a temporary SDS implementation officer has helped progress the implementation of SDS for children and young people with a disability. This officer has been in post since January 2014.
- An SDS Steering Group and Operational Implementation Group also exists to support implementation.
- There is ongoing consultation with parents and carers regarding all aspects of planning for, and implementation of, SDS.

Family Led Information Point (FLIP) is a group for parents and carers who have a child/relative with additional support needs in East Lothian. The group aims to provide information to parents and carers about services. Members also provide a strong supportive role to each other and engage in a wide range of consultation activities. FLIP meets once a month and is currently facilitated by a member of staff from Community Learning and Development. FLIP is working towards becoming an independent constituted group

Flip has an active Facebook page that provides friends with news and updates about services for children and young people with additional support needs. FLIP currently has 133 friends. FLIP representatives have informed:

- The development of the East Lothian Autism Strategy and action plan
- Plans for a new secondary education provision for young people with autism
- The delivery of SDS in East Lothian.

The Youth Group for young people who are looked after is called 'The Group'. These young people have experience of a range of care settings including residential, foster care and kinship care. Young people in 'The group' are encouraged to have as much choice and control as possible over how the group is delivered.

East Lothian Council and Who Cares? (Scotland) are currently working with young people who have care experience to set up a Champion's Board. The Champions Board aims to provide young people to a range of important issues that they wish to be tackled to the attention of Chief Officers and Elected Members and it is the role of these Champions to bring about change.

Adult Wellbeing

Personalisation and the delivery of Self Directed Support (SDS) in East Lothian

Adult Wellbeing made considerable progress in 2013-14 in preparation for the implementation of the Social Care (Self-directed Support) Scotland Act in April 2014. It is important to note this is part of a 10 year Scottish Government strategy commencing 2010.

A multi-agency group implementation group has been overseeing the development of SDS locally. The group is led by Operations, Adult Wellbeing, and in 2013-14 included representatives from Adult Wellbeing Strategy and Learning and Development, Children's Wellbeing, NHS Lothian, In Control Scotland, Lothian Centre for Inclusive Living, Capability Scotland and Carers of East Lothian.

The implementation group has met on a regular basis to drive the agenda and the approach taken was to establish a range of work streams to take forward the key tasks:

Operational delivery - looking at what is required to support an outcome focussed approach in practice. This included early implementation of briefings, assessment, support planning, resource allocation, process and framework (the social work IT system).

Tools and process - looking at assessments/support planning documentation, framework processes and Resource Allocation System (RAS). All these were to be put in place for 1 April 2014. Further work was done with Capability Scotland considering person centred approaches to assessment and support planning.

Learning and development - as phase one of the Learning and Development Plan a learning programme was developed with external trainers and approximately 90 priority staff predominantly from Adult Wellbeing Operations was delivered between January and April 2014.

Co-production has been built in to the development and delivery of the SDS Learning and Development programmes. Lothian Centre for Inclusive Living (LCiL) has been directly involved in the group's work with supported people being represented on the group and as training co-facilitators. Front line operational staff, in particular Senior Practitioners, have also been consulted in the design of the programmes.

The independent and voluntary sector - an initial questionnaire went out to providers asking them to self evaluate their readiness for SDS. A two day work shop was held for providers facilitated by In Control and a follow up workshop is planned.

User and Carer Involvement – there were a number of open consultation and information sessions held across East Lothian in the first six months of 2014. User and Carer groups are represented on the implementation group and have been involved in the various work streams.

WORKFORCE PLANNING/DEVELOPMENT

The CSWO has worked alongside the Adult and Children’s Wellbeing Workforce Development Team to ensure that there is an appropriate strategy for ensuring that the workforce is competent to do the job asked of them, as well as to meet registration requirements. The Workforce Planning and Development (WPD) Strategy document has been developed to help plan and develop a workforce that delivers services that meets user needs, is flexible to working practice and builds on their own skills and experience.

The WPD document is essential due to the diversity of staff employed. There is a mix of professions (social work and health), as well as registration with appropriate professional bodies. Some staff require annual refresher training whilst others need access to electronic learning. Co-ordinating this is a significant challenge but one that has to be done effectively and efficiently.

Overview of Workforce Development

Across Children and Adult Wellbeing, there are a number of leadership qualifications and courses made available. These include:

- CMI Level 3 and Level
- SVQ Level 4 Leadership and Management for Care Services provided to residential, day care and home care managers.
- post qualifying study/awards (child protection, mental health officer, practice teaching)
- development of Citizens Panel

With regard to professional qualification targets, services are meeting all professional registration qualification targets including delivery of SVQ Level 2, 3, 4/HNC Social Services and Healthcare programme.

There are several joint training initiatives identified. These include Health and Social Care training programmes with other local authorities and/or Health colleagues (eg. Occupational Therapist Manual Handling training; End of Life/Palliative Care training for Home Care staff). East Lothian offers Level 1 Child Protection training to key partners/the third and private sector and others.

Pressures

High staff turnover in care homes is an ongoing problem with regard having to make training accessible and regular. As some courses are mandatory (ie manual handling), staff need to attend this training to enable them to carry out work tasks.

As with all areas in the Council, budgets are reducing. ELC are actively promoting the Council's online e-learning platform - learnPro - for a range of modular courses including Adult and Child Protection Awareness.

Ensuring that staff are aware of, and understand, new legislation is vital. What level of training is required will depend on the impact legislation will have. However, Health and Social Care Integration, Self Directed Support, and Signs of Safety are 3 areas which have, and will continue to have, ongoing training/update issues.

Succession Planning for the CSWO role

EL's CSWO has been actively involved with SSSC regarding training for CSWOs in local authorities. With regard 'in-house' training, it has been agreed that an Adult Wellbeing and Children's Wellbeing Service Managers Forum – including the CSWO – is to start in the Autumn. This is to explore and develop strategic and operational oversight of the Social Work task across services.

KEY CHALLENGES FOR YEAR AHEAD

East Lothian's population is rising quickly and people are living longer, meaning we face greater demands and more acute levels of need in the population. At the same time, public bodies are facing their greatest financial challenge in a generation. Equally, while working more collectively and efficiently will yield economies, the extent of the challenge we face will require a more fundamental rethink and transformation of our services

Whilst the future outlook is that local government finances will reduce in real terms, demand continues to grow, fuelled in part by demographic factors. One of the major challenges facing Adult and Child Wellbeing Services will be to manage this growing demand, often with significant complex needs of care, but within the scope of smaller budgets.

Our modernisation programme and the continuing focus on outcome based service delivery will enable the service to work more effectively and to use resources to best effect. While we will work to support people to make better use of increasingly pressured resources, and will seek to attain efficiencies and protect high quality services, it is inevitable that difficult choices will have to be made about the nature of the services we are able to provide.

Capacity in the local community to bring forward the resources required to respond to anticipated need in respect of fostering and adoption services, tied to increasing financial challenges limiting the opportunities to uplift carer payments etc, brings significant challenges to bear. This is particularly true in the areas of recruiting, developing and supporting people who would wish to become Kin Carers, Foster Carers of Adoptive Parents.

We are now fully focused on bringing together health and social care services in line with the Public Bodies (Joint Working) (Scotland) Act. This presents significant challenges not least in relation to budgets, the workforce and organisational development. However, it also has the potential to improve services to those who need it, in a more cost effective and efficient way. This is our ultimate goal.

Fiona Duncan
Acting CSWO
(October 2014)

Chief Social Work Officer Annual Report Template

Draft For Discussion – 7 March 2014

PURPOSE OF THE TEMPLATE

This Template is intended to provide a structure for the Annual CSWO Reports. It is intended to support a more standardised approach across all LAs. The overall purpose of this approach is to be able to present succinctly and clearly how social work services are being delivered, what is working well, what is not and why and how LAs, and partners, are planning for and delivering change. It is also designed to highlight innovative and good practice as well as areas of challenge for LAs.

The Template is intended to support a move away from a narrative, descriptive report which focuses on data, activity and outputs and to create a more analytical, reflective report on the work of social work services, the delivery and performance of services and the improvement and change being delivered.

In completing the Template, it is, of course, important that statements can be linked to evidence on outcomes, performance indicators and where relevant to more detailed reports on performance. Links to more detailed reports on activity and outcomes can, and should, be referred to and embedded in the Template but the data need not to be repeated in the report.

The Template is designed to support the production of reports which will enable Local Authorities to demonstrate the contribution of social work services to national outcomes and also how social services are reforming in line with the wider Public Service Reform agenda, as set out in the Christie Commission's Report and the Scottish Government's response to that Report.

For local purposes CSWOs may wish to add to the Template by linking it to separate and more detailed reports which may be required for local planning or accountability purposes.

Office of the Chief Social Work Adviser

Scottish Government

March 2014

SECTIONS IN THE TEMPLATE

Name of Local Authority

Partnership Structures/Governance Arrangements

Social Services Delivery Landscape/Market

Finance

Performance

Statutory Functions

Continuous Improvement

Planning For Change

User and Carer Empowerment

Workforce Planning/Development

Key Challenges for Year Ahead

Other Issues

Chief Social Work Officer Annual Report Template - Guidance

Draft For Discussion – 7 March 2014

The following guidance provides a note of 'Indicative Content' for each section of the Template.

It is not the intention to prescribe the exact nature of all the information provided in the Template, that is a matter for individual CSWOs. However CSWOs are recommended to provide, as a minimum, the Indicative Content set out in this guidance. CSWOs are encouraged to provide additional information within the Template, where they feel that would be helpful in describing the strategic overview of social work services in their area.

To support the CSWA aim of being able to create a concise and focussed overview it would be advantageous to ensure that any additional information provided in the Template is purposeful and limited.

In order to underpin the report through use of evidence and to further explain the messages being expressed in the report, CSWOs are encouraged to insert direct links to more detailed reports information sources, performance indicators etc. as judged relevant.

GUIDANCE ON COMPLETION OF EACH OF THE SECTIONS

Local Authority

Indicative Content:

- a brief narrative relating to the authority
- population
- demographics
- geography

Partnership Structures/Governance Arrangements

Indicative Content:

- who is the CSWO, what is their position within the Local Authority, where does the CSWO sit in the governance and accountability structure within the LA and other key partnerships
- arrangements by which the CSWO discharges their functions in these structures
- CSWO involvement in financial/budgetary decisions that relate to the agreement of the overall social service budget
- nature of reports provided and influenced by the CSWO
- the political structure and context of the LA and how well that supports social work services, what are the strengths, how could these be built on and further developed, what are the challenges, how could these be progressed
- an overview of partnership structures and current governance arrangements - including health and social care partnerships, community planning partnerships and partnerships with the Voluntary and Third Sector. It would be helpful to highlight any developments around these partnerships and also to indicate any challenges and how they are being addressed.
- how are users, carers and communities engaged as individuals and collectively as partners in service development, planning, delivery and evaluation

Social Services Landscape/Market

Indicative Content:

- a short narrative that describes the societal context within which social services operate (e.g. community issues, unemployment/employment in the area), where for example is the LA with key issues around health and social inequality, tackling substance misuse.
- given the above a view on whether services are moving fast enough to drive change
- any resultant issues for social services; e.g. service demand issues, recruitment issues for the social services workforce. (This section is scene-setting – address how these key issues are being progressed in the Performance Section or Workforce Planning/Development Section).
- what is the nature and size of local social service provision, explain how 'market' data is collected and shared with delivery partners - and provide a sense of how well that is working.

Finance

Indicative Content:

- the wider financial environment that is impacting on social service expenditure
- the financial trends for social work expenditure – including future spending
- financial plan(s) to ensure delivery of statutory demands
- is the LA able to meet demand; if not where are the cuts in social services provision being made, where are savings being realised
- what are the main pressure areas, has there been a risk analysis of these areas and are there plans in place to address the pressures
- describe how the LA is shifting resources to early intervention and prevention
- provide links to more detailed reports and plans as appropriate

Performance

This is a key section of the Template and will provide the CSWO's overall view on service delivery and quality. It should present a view on how services are performing, what is working well, what needs to be improved, as well as what is being done on improvement and future sustainability. It is for CSWOs to decide which areas of performance they cover.

Indicative Content:

- how social work delivery has contributed to local and national outcomes and to the public sector reform agenda
- an overview on how services are performing, what is working well, what needs to be improved, what is being done on improvement and future sustainability.
- delivery against priorities identified in the previous CSWO Annual Report
- areas of good practice explaining why this is good and/or innovative practice
- overall progress with the shift to – outcomes, early intervention, personalisation of services, co-production and self-directed support, risk enablement, and community capacity building. For progress with integration address this in the Planning For Change Section.
- describe how this overview has been informed by and agreed by key partners
- key developments in overall service provision - new and innovative services developed, service redesign

Statutory Functions

The CSWO has statutory functions that are specific to the role. These are set out in Scottish Government Guidance on: *The Role of the Chief Social Work Officer*.

Indicative Content :

- are there things that constrain the CSWO's capacity to discharge their functions
- has planning and risk assessment identified any areas of significant concern – if so what are they and what plans are in place to address the issues
- what are the big issues for the CSWO - areas of strength, areas for general improvement
- improvement challenges and plans to address those
- how the CSWO is assuring the quality of social workers and social work practice

Continuous Improvement

Indicative Content:

- the systems in place to monitor and review commissioned or delivered services and the outcomes they are delivering for individuals
- what has been done in the year around self-evaluation, other quality assurance activity
- new systems or improvements to systems that support evaluation and monitoring (improvements in service delivery should be covered under Performance).
- areas of strength, any weaknesses, what are the challenges around evaluation and monitoring and how are they being taken forward
- what specifically has been learned from complaints systems, how do complaints inform service improvement

Planning For Change

Indicative Content:

- the strategic direction for service delivery, plans to improve outcomes and services - stating the intended outcomes
- improvement priorities for next 12-18 months (in line with Link Inspector report)
- how key changes are being led and planned for
- the social work perspective on integrated service provision in the area for differing client groups – older people; children’s services etc – what is the baseline, what has been delivered, what are the future targets/areas for action, what are the challenges and how are they being resolved
- what future activity is planned to increase the drive towards early prevention and support for early years, to tackle pockets of disadvantage and intergenerational inequality and also to improve community capacity and resilience
- processes in place to drive and support innovation and within that the use of technology
- how local commissioning is working and being taken forward – what works well, what doesn’t, what are the challenges and how are these being tackled

User and Carer Empowerment

This section is designed to show the progress being realised in empowering users, carers and communities in an equal partnership of care:

Indicative Content:

- how far is an asset-based and outcomes based approach embedded in practice and in service delivery – what is being done, what challenges are there and what future work is needed
- the progress being delivered around co-production and around self-directed support
- how the LA is ensuring delivery of personalised services to individuals in line with an outcomes focussed approach to care planning
- how people across a range of groups are being supported to live independently
- how communities are being supported to be resilient and to promote self-care

Workforce Planning/Development

Workforce is one the 4 Key Pillars set out in the Christie Commission's Report on Public Service Reform with a particular emphasis on improving leadership at all levels in social services.

Indicative Content:

- how the CSWO is strengthening leadership at all levels, including Citizen Leadership
- any themed leadership activity – SDS, Health and Social Care Integration – any collaborative leadership activity
- linkages with wider public sector leadership reform agenda
- succession planning for the CSWO role
- key workforce planning activity – what works well and why, what could work better, what are the challenges, what improvements are planned and what are the priorities for the year ahead
- overview of workforce development, key achievements, challenges, future priorities
- collaborative approaches to workforce development, cross-sectoral workforce development strategies/activity, current or planned integrated/collaborative learning with other professions/key partners/the Third and Private Sector/health/others
- how the LA is supporting user/carer and PA learning and to what effect – how users and carers are involved in the development and delivery of learning,
- progress with registration of workforce, support for social workers – including newly qualified social workers
- how the LA is supporting practice placement opportunities within the LA
- the use of technology and other innovative approaches to support learning.

Key Challenges for Year Ahead

Indicative Content:

- the main challenges that face social work services in the coming year, key risks that might impact on delivery of national outcomes
- action planned to mitigate the identified challenges and risks

Other Issues

As mentioned at the start of this guidance, within the individual Template headings CSWOs can already provide additional information over and above the Indicative Content prescribed. This Section allows scope for CSWOs to raise any other issues that are significant to them and that are not covered elsewhere in the Template.

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Musselburgh Common Good Budget and Funding of
Musselburgh Fireworks Display

12

1 PURPOSE

- 1.1 Council is asked to consider the use of Standing Order 12 to rescind the awards budget approved at its meeting of 26 August 2014 and replace it with a revised figure.
- 1.2 Additionally the cost of the annual fireworks display for Musselburgh is in excess of £10,000 and requires Council approval under the Scheme of Administration for Common Good Funds.

2 RECOMMENDATIONS

- 2.1 To review the budget set for Musselburgh Common Good Fund and consider replacing it with a revised figure given changes on the demands of that budget.
- 2.2 Subject to agreement to increase the budget as stated above, to consider the cost of the annual fireworks display, which is in excess of the £10,000 maximum the Common Good can approve, at a cost of £16,500.

3 BACKGROUND

- 3.1 At its meeting of 26 August 2014 Council agreed the accounts and budgets of the four Common Good Funds which it administers.
- 3.2 On 24 June 2014 the Musselburgh Common Good recommended to Council that they should approve an award of £80,000 to Musselburgh Tennis Club.

- 3.3 The Musselburgh Common Good budget for awards was set at £100,000 the awards made to date, including the Musselburgh Tennis Club, total £98,300.
- 3.4 There are four applications, including the fireworks, awaiting determination, potentially valued at £31,900.
- 3.5 To enable the Musselburgh Common Good Fund to operate effectively Council is asked to agree under Standing Order 12 to rescind the £100,000 budget and replace it with a revised budget of £180,000.
- 3.6 The Musselburgh Common Good has sufficient income to enable this increase in awards.
- 3.7 Standing Order 12 is relevant as the budget was agreed less than six months ago on 26 August 2014.
- 3.8 Members are reminded that a vote in favour of this request must be agreed by two thirds to enable the motion to be passed.
- 3.9 The annual fireworks display, which will cost £16,500 has been agreed in principal by the six Musselburgh Councillors and you are now asked to approve this expenditure. The application form is attached as Appendix 1 to this report.

4 POLICY IMPLICATIONS

- 4.1 Agreement to rescind and replace the awards budget for Musselburgh Common Good will enable it to use it's resources for the good of it's residents.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - as set out in the report
- 6.2 Personnel - none.
- 6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Council 26August 2014 – Common Good Funds – Budget 2014/15 to 2016/17

7.2 Common Good Committees – Scheme of Administration 17 December 2013

7.3 Standing Orders of East Lothian Council – 12 Rescinding Decisions.

AUTHOR'S NAME	Jim Lamond
DESIGNATION	Head of Council Resources
CONTACT INFO	Pauline Maciver
DATE	10/10/14

COMMON GOOD FUND APPLICATION FOR FUNDING Appendix 1

Please use this form to apply for funding from any of the four Common Good Funds administered by East Lothian Council. For further information please contact Pauline Maciver, Management Accountant, East Lothian Council on 01620 827792 or e-mail pmaciver@eastlothian.gov.uk

Which Common Good Fund are you applying to?
(Please tick below)

Common Good Fund	
Dunbar	
Haddington	
Musselburgh	X
North Berwick	

Applicant's Details	
Name	Stuart Pryde
Organisation	Amenity Services
Position in Organisation	Principal Amenity Officer
Contact Address	Block C Brewery Park Haddington EH41 3HA
Day time phone number	01620 827430
Email address	spryde@eastlothian.gov.uk
Website address (if applicable)	

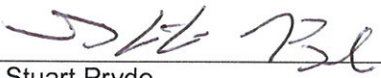
Payment Details (for use if application is successful)	
Name & Address of bank	N/A
Name of Account Holder	
Sort Code (6 digits)	
Account Number (8 digits)	

COMMON GOOD FUND APPLICATION FOR FUNDING

Grant Application Details

How much are you applying for?	£16,500
What will this money be used for?	Provision of a free to attend public firework display in Musselburgh on 5 th November 2014 A professional Pyrotechnic company has been secured to provide the display for £15,000 and the remaining £1500 covers fees for First Aid cover, barrier hire, stewarding etc.
How will this benefit the inhabitants of the area covered by the Common Good fund to which you are applying?	The event has been running in various guises for a period of more than 15 years and has shown to directly contribute to a lessening trend of small individual private displays, recorded incidents of antisocial behaviour and fire raising within the cluster. The event attracts up to 6000 attendees and has a 100% safety record during its history.
Please give details of any other funding for this project.	No other funding has been applied for

I certify that the information on this form is correct

Signature	
Please Print Name	Stuart Pryde
Date	20 October 2014

Please attach any additional relevant information with your application and return your form to:

Financial Management Services
Department of Corporate Finance & IT
East Lothian Council
John Muir House
Haddington
EH41 3HA

or you can e-mail it to pmaciver@eastlothian.gov.uk

REPORT TO: East Lothian Council

MEETING DATE: 28 October 2014

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Submissions to the Members' Library Service
14 August – 13 October 2014

13

1 PURPOSE

- 1.1 To note the reports submitted to the Members' Library Service since the last meeting of Council, as listed in Appendix 1.

2 RECOMMENDATIONS

- 2.1 Council is requested to note the reports submitted to the Members' Library Service between 14 August and 13 October 2014, as listed in Appendix 1.

3 BACKGROUND

- 3.1 In accordance with Standing Order 3.4, the Chief Executive will maintain a Members' Library Service that will contain:
- (a) reports advising of significant items of business which have been delegated to Councillors/officers in accordance with the Scheme of Delegation, or
 - (b) background papers linked to specific committee reports, or
 - (c) items considered to be of general interest to Councillors.
- 3.2 All public reports submitted to the Members' Library are available on the Council website.

4 POLICY IMPLICATIONS

- 4.1 None

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – None
6.2 Personnel – None
6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 East Lothian Council's Standing Orders – 3.4

AUTHOR'S NAME	Lel Gillingwater
DESIGNATION	Democratic Services Manager
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**MEMBERS' LIBRARY SERVICE RECORD FOR THE PERIOD
14 August – 13 October 2014**

Reference	Originator	Document Title	Access
163/14	Depute Chief Executive (Partnerships and Community Services)	Proposed Fire Damage Reinstatement at 74 Forthview Road, Longniddry	Public
164/14	Depute Chief Executive (Partnerships and Community Services)	East Lothian Council Museums Service	Public
165/14	Head of Council Resources	Staffing Report – Creation of a Modern Apprentice post HR & Payroll	Private
166/14	Chief Executive	Stage 1 Consideration Of The Mental Health (Scotland) Bill	Public
167/14	Acting Head of Development	Grant of Lease for 0.138 Ha of Land at Blawearie Road, Tranent	Private
168/14	Depute Chief Executive (Resources and People Services)	Chief Official Temporary Acting Arrangements	Private
169/14	Director of East Lothian Health and Social Care Partnership	Domiciliary Care Inspection Reports	Public
170/14	Depute Chief Executive – Partnerships and Community Services	Building Warrants Issued under Delegated Powers between 1 st and 31 st August 2014	Public
171/14	Chief Executive	Response to Scottish Government consultation on Proposals to Reform Fatal Accident Inquiries Legislation	Public
172/14	Depute Chief Executive – Partnerships and Community Services	Investors in People	Public
173/14	Depute Chief Executive – Partnerships and Community Services	Spott Village Hall – Provisions for Lease Extension and Acceptance of Viridor Grant Condition	Private
174/14	Depute Chief Executive – Partnerships and Community Services	Tender acceptance for the delivery of external wall insulation and loft insulation in Macmerry and Musselburgh	Public
175/14	Head of Council Resources	Confirmation of Outcome of application for re-evaluation of job	Private
176/14	Head of Council Resources	Support Plan Broker	Private
177/14	Head of Development	Group Visit from Pardubice, Czech Republic 4th – 8th September 2014	Public
178/14	Depute Chief Executive – Partnerships and Community Services	Sports Development Business Unit Staffing Adjustments – Increase Establishment	Private
179/14	Depute Chief Executive – Partnerships and Community Services	Response to Scottish Government consultation on a Section 36 application for a windfarm known as Aikengall 2A	Public

		comprising 27 no. wind turbines (8 within East Lothian) associated access tracks, crane hardstandings, 1 no. meteorological mast, substation, construction compound and 5 no. borrow pits, at land north of Nether Monynut Cottage, Cockburnspath (Aikengall 2A), straddling the East Lothian/Scottish Borders Council area boundary	
180/14	Depute Chief Executive – Partnerships and Community Services	Food Waste Collection Service	Public
181/14	Depute Chief Executive – Partnerships and Community Services	Proposed Soft Play & Bodyworks Alterations at Loch Centre, Tranent	Public
182/14	Depute Chief Executive – Partnerships and Community Services	Twinning Visit to Pardubice, Czech Republic 10 – 13 October 2014	Public
183/14	Depute Chief Executive – Partnerships and Community Services	Appointments to the Board of the Coastal Communities Museum Trust	Public
184/14	Depute Chief Executive – Resources and People Services	Staffing Report – Creation of temporary role for secondary teachers identified to undertake additional hours for the further development of the new Higher qualification being introduced in session 2014-15.	Private
185/14	Chief Executive	Community Empowerment (S) Bill Financial Memorandum	Public
186/14	Depute Chief Executive – Resources and People Services	Proposed Extension to Pinkie St Peter's Primary School, Musselburgh	Public
187/14	Depute Chief Executive	Proposed Work Notice Repair Works at 1 to 28 Fowler Court, Prestonpans	Public
188/14	Head of Education	Service Review – Temporary Appointment of an Assistant Behaviour Support Officer, Pinkie St Peter's Primary School, Musselburgh	Private
189/14`	Acting Head of Adult Wellbeing	Service Review – Adult Wellbeing, Temporary Post	Private
190/14	Depute Chief Executive (Partnerships and Community Services)	Building Warrants Issued under Delegated Powers, 1 – 30 September 2014	Public
191/14	Acting Head of Development	Approval to Dispose of Fa'side Lodge Older People's Home, Church Street, Tranent	Private
192/14	Acting Head of Development	Approval to Dispose of the Former Day Centre, East Links Road, Gullane	Private
193/14	Depute Chief Executive (Partnerships and Community Services)	Flood Risk Management Strategy – Additional Information	Public

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