



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

**TUESDAY 23 JUNE 2015  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

**1**

**Committee Members Present:**

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

**Council Officials Present:**

Mrs A Leitch, Chief Executive  
Mr A McCrorie, Depute Chief Executive (Resources and People Services)  
Ms M Patterson, Depute Chief Executive (Partnerships and Community Services)  
Mr D Small, Director of East Lothian Health & Social Care Partnership  
Mr J Lamond, Head of Council Resources  
Mr R Montgomery, Head of Infrastructure  
Mr K Black, Team Leader – Safer Communities  
Ms M Ferguson, Service Manager – Legal and Procurement  
Mr P Iannetta, Service Manager – Engineering Services  
Ms J Mackay, Media Manager  
Mr I McFarlane, Service Manager – Planning  
Ms E Morrison, Service Manager – Customer Services  
Mr M Murphy, Senior Operational Manager, Adult Wellbeing  
Ms J Placido, Team Manager - Estates  
Mr P Vestri, Service Manager – Corporate Policy & Improvement

**Visitors Present:**

Chief Superintendent G Imery, Police Scotland  
Chief Inspector M Paden, Police Scotland  
Mr A Perry, Scottish Fire and Rescue Service

**Clerk:**

Mrs L Gillingwater

**Apologies:**

None

**1. MINUTES FOR APPROVAL**

The minutes of the Council meetings specified below were submitted and approved.

**East Lothian Council – 10 March 2015**

**East Lothian Council – 21 April 2015**

**East Lothian Council – 21 May 2015**

**2. MINUTES FOR NOTING**

The minutes of the meetings specified below were noted:

**Local Review Body (Planning) – 19 February 2015**

**East Lothian Partnership – 21 January 2015**

**East Lothian Partnership – 3 March 2015**

**3a. EAST LOTHIAN POLICE PERFORMANCE REPORT, 1.4.14 – 31.3.15**

Chief Superintendent Gill Imery presented the report, advising of a number of events in the past year, such as the Commonwealth Games and Scottish Independence Referendum, which had had a significant impact on policing resources. However, she reported that crime in East Lothian was down compared with the previous twelve months. She pointed out that there was now a greater emphasis on local policing, and she set out the priorities for East Lothian. She introduced Chief Inspector Matt Paden to the meeting.

Chief Inspector Paden provided Members with a summary of performance in relation to local and national priorities. He drew particular attention to initiatives and partnership work as regards domestic abuse, anti-social behaviour and road safety.

Councillor Berry asked how many Council-funded police officers had been deployed outside East Lothian during the period covered by the report. He also asked about performance and feedback as regards '101' calls. Chief Superintendent Imery referred to the quarterly report on the activity of funded officers. On call handling, she advised that the reporting of information was improving and that this issue was reported to the Safe and Vibrant Communities Partnership. She invited Members to visit the control room at Bilston. She added that victims of crime were always informed of progress on their case. Councillor Berry requested that information on these issues should be included in future performance reports.

Councillor McLennan raised a question in relation to the increase in hate incidents. Chief Inspector Paden explained the difference between hate incidents and hate crimes, highlighting the reduction in crimes in this area, and advising of the positive multi-agency work underway to reduce such crimes. Members were also referred to the accompanying context report for further information.

In response to a question from Councillor Hampshire on the reduction in disorder and anti-social behaviour incidents, Chief Superintendent Imery attributed this to improvements in behaviour, but noted that people may be choosing not to report incidents.

On Groups 4-7, Chief Inspector Paden advised that there had been an increase in the reporting of historical sex offences, which were difficult to investigate. However, he expected to see a continuous improvement in detection rates in this category.

Chief Superintendent undertook to provide Members with additional information on the sources of statistics in future reports.

Councillor Currie asked if the new drink/drive limit had led to a reduction in offences in this area. Chief Superintendent Imery advised that the change in the limit had been helpful and had raised awareness of drinking and driving. She believed that the reduction in offences was largely due to the new limit.

Councillor Akhtar asked about the Police's approach to reducing disorder and anti-social behaviour. Chief Inspector Paden mentioned a number of measures, including the use of intelligence and incident analysis, weekly reviews of incidents and working in partnership with other agencies.

Councillor McMillan suggested that the report should include more information on preventative measures. Chief Superintendent Imery advised that local police teams now had more autonomy and that the reporting methods would continue to evolve. She noted that the views of Members on local policing would have an influence the context and content of future performance reports.

As regards stop and search initiatives, Chief Superintendent Imery advised that these were national policies. However, she noted that she had autonomy over what was appropriate for East Lothian and reported that there were no targets for volume of searches or positive rates for this year. She believed that stop and search was an effective early intervention tactic, commenting that it protected young people from each other.

Councillor Day welcomed the report, in particular the reduction in anti-social behaviour and disorder incidents. He did express concern at the level of house-breaking offences in East Lothian and welcomed the additional resources deployed to tackle this issue. Councillor Day proposed that the Council needed a more robust scrutiny arrangement and proposed that a separate committee be established to scrutinise the performance of the Police and Fire & Rescue Services. He also commented that a closer working relationship between the Council and the Scottish Police Authority was required.

Councillor Berry praised the work done by frontline police officers. He disagreed with the Chief Superintendent's views on stop and search activity, remarking that it sent the wrong message to communities. He spoke in support of an improved scrutiny arrangement.

Councillor Currie commented that the SNP Group had been calling for a separate Police and Fire & Rescue scrutiny committee for some time and welcomed the proposal to establish this new arrangement.

The report was welcomed by a number of Members, who welcomed the overall reduction in crime in East Lothian and praised the work done by frontline officers and partner organisations.

## **Decision**

The Council agreed to note the East Lothian Police Performance Report, 1.4.14 – 31.3.15.

### **3b. POLICING PLAN REVIEW**

Chief Superintendent Imery presented the report, advising that the Policing Plan was a three-year plan, to be reviewed annually. As regards identifying local policing priorities, she referred to a public consultation carried out in late 2014. She noted that 735 members of the public in East Lothian had been surveyed and that there was also an online survey. She reported that the priorities set out in the report were still relevant, and that she could provide further details to Members if required.

Councillor Berry noted his disappointment that the Local Police Plan had not been included in the Council papers.

#### **Decision**

The Council agreed to note the local policing priorities for the next year:

- Reducing anti-social behaviour
- Tackling substance misuse
- Reducing violence
- Protecting people
- Tackling serious and organised crime
- Making our roads safer
- Reducing housebreaking

### **4. EAST Lothian FIRE AND RESCUE PERFORMANCE REPORT, 1.10.14 – 31.3.15**

Alasdair Perry of the Scottish Fire and Rescue Service presented the report. He informed Members that there continued to be a reduction in accidental dwelling fire and fire casualties within East Lothian, and that there had also been a decrease in deliberate fires and in special service casualties. He did note, however, that there had been an increased number of false alarms due to equipment failure and that road traffic casualties in East Lothian were above the national average. Mr Perry drew attention to a number of initiatives in place to improve performance and of the value of partnership working with the Council and other partners.

Councillor Currie asked questions in relation to violence towards fire crews and false alarms. Mr Perry advised that he was unaware of issues of violence towards fire crews in East Lothian, but undertook to report back to Members on this. As regards false alarms due to equipment failure, he explained that these were commonly due to detectors being located in inappropriate places, and that work was ongoing to improve the quality of fire alarm systems in properties.

Councillor McAllister asked if alcohol was a factor in dwelling fires. Mr Perry noted that the main factors in dwelling fires were lone living, being elderly, alcohol consumption and smoking. He estimated that alcohol was a factor in over 50% of dwelling fires. He also pointed out that the Council had provided the Fire and Rescue Service with information to help identify vulnerable groups and target resources appropriately.

In response to a question from Councillor Berry, Mr Perry believed that introducing a financial penalty for responding to false alarms would discourage people from calling, but noted that a different approach was taken when responding to repeat false alarm situations.

Councillor Day welcomed the report and, in particular, the reductions in accidental dwelling fires and fire casualties. He warned of the financial challenges facing the Fire and Rescue Service and of the potential impact of that on service delivery.

Councillor Currie highlighted the importance of partnership working, drawing attention to a number of positive initiatives. He also questioned the UK Treasury policy of charging VAT to the Fire and Rescue Service and Police Scotland.

Councillor Berry suggested that a more robust approach to false alarms should be considered.

## **Decision**

The Council agreed to note the East Lothian Fire and Rescue Performance Report, 1.4.14 – 31.3.15.

## **5. PARTNERSHIP WORKING UPDATE**

A report was submitted by the Chief Executive updating the Council on the progress of the partnership work activities/initiatives undertaken as part of the partnership working agenda across East Lothian and Midlothian Councils.

The Chief Executive presented the report, drawing attention to current partnership working activity with Midlothian Council. She also advised of planned collaborative working as regards roads services, and noted that other opportunities for partnership working would be explored.

Councillor Berry asked for information on financial savings achieved through partnership working. He also questioned why the Council was not seeking to work in partnership with local authorities other than Midlothian. The Chief Executive argued that the Council had a strong record of working with other organisations. She explained that the Council's Voluntary Early Release Scheme (VERS) had led to partnership working in a number of areas with Midlothian Council, and that the primary focus was on creating capacity to continue delivering services. The Chief Executive also referred to joint working with other local authorities through ScotExcel and the City Deal.

Councillor MacKenzie voiced his frustration that there was no mention of financial savings in the report. The Chief Executive reiterated that the purpose of the report was not directly concerned with savings, but more in pursuit of service improvement without additional cost. She made reference to the reduction in grant funding to the Council and the need to look at ways of continuing service delivery. In response to a question from Councillor Currie as regards options for partnership working, she advised that Members would have an opportunity to consider this as part of the budget process.

Councillor Berry criticised the Council's approach to partnership working, remarking that a more radical approach was needed. Councillor Currie warned that with anticipated further cuts to the Council's grant funding, there would be a severe impact on the Council's ability to deliver services and that further partnership working was necessary.

Referring to past proposals for partnership working with other councils on waste disposal, Councillor Hampshire commented that working with other authorities would not necessarily result in savings.

A number of Members drew attention to the benefits of collaborative working, with particular reference to public protection, the efforts to re-open railway stations at East Linton and

Reston, the establishment of the East Lothian Integration Joint Board, and promoting food and drink in East Lothian.

Councillor Innes concluded the debate by advising that the Administration understood the financial challenges facing the Council and that a sensible approach to partnership working was required in order to continue delivering services.

### **Decision**

The Council agreed to note and approve the current position regarding partnership working activities.

## **6. SOUTH EAST SCOTLAND STRATEGIC DEVELOPMENT PLAN (SESPLAN): MAIN ISSUES REPORT 2 AND SUPPORTING DOCUMENTS**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking ratification of the decision of the SESplan Joint Committee of 29 May 2015 to approve for public consultation purposes the Main Issues Report (MIR2) for the second South East Scotland Strategic Development Plan (SDP2).

The Service Manager – Planning, Iain McFarlane, presented the report, advising that the SESplan Board had approved the MIR2 and that Council was asked to approve it for the purposes of consultation. He noted that the consultation would run until 30 September. Mr McFarlane highlighted the key aspects of the report, in particular the potential impact of development in East Lothian.

Councillor Goodfellow asked questions in relation to provision of affordable housing and land supply. Mr McFarlane advised that the Housing Needs and Demand Assessment (HNDA), which informs MIR2, suggests that up to 60% of proposed development should be for forms of affordable housing. He pointed out that the HNDA for the current SDP, on which the Council's new Local Development Plan would be based, was not as detailed as the proposed SDP2 HNDA.

Mr McFarlane advised that in the Edinburgh Local Development Plan (LDP) there was a focus on development to the west of the city, with some development within the current city boundary; however, it was recognised that it would be difficult for Edinburgh to absorb the demand for housing and there may be an impact on the green belt.

Responding to questions from Councillor Berry, Mr McFarlane noted that the delivery of infrastructure was a key factor which was under consideration by the local authorities and the Scottish Government. He advised that SESplan had a strategic view of the entire area, but that the fine detail would be included in the LDPs. He did not anticipate that projects such as a proposed cruise liner terminal at Cockenzie would be publicly funded.

Mr McFarlane accepted that the timing of the MIR2 was not ideal, given the current LDP process; however, SESplan had to comply with statutory timescales. He suggested that as regards the policy on the housing land supply, the Council could consider implementing interim revised guidance within the proposed LDP policies, as long as it was compliant with the SDP.

Councillor Currie expressed concern over the deliverability of infrastructure to support housing development. Mr McFarlane advised that the LDP had to be progressed, reminding Members that through Scottish Planning Policy there is a requirement to deliver infrastructure that supported development.

Councillor Hampshire commented that public confidence in the planning system was low, and that another consultation on development would be both confusing and concerning for them. He shared the concerns of other Members as regards infrastructure, and also warned that developers may use the appeals system to have applications contrary to the LDP approved. He encouraged all Members to participate in the consultation and also to encourage public participation through community councils.

Councillor Veitch spoke in support of the proposed rail halts at East Linton and the dualling of the A1 between Dunbar and Berwick-upon-Tweed, and welcomed the statements in the MIR2 on renewable energy.

Councillor Berry highlighted the importance of the report. He voiced his concern at the impact of the proposed additional housing on health services, town centre traffic and other services, especially as there was no guarantee that additional infrastructure would be delivered. He also questioned what would be done to provide employment within East Lothian.

Councillor Currie suggested that the Local Government Pension Scheme should develop ideas as regards investing in infrastructure.

Councillor Goodfellow declared that he would support the report recommendations, based on the proposals regarding affordable housing.

Councillor McMillan remarked that there should be a greater emphasis on supporting rural industry and development, and that the report was not aspirational enough on issues such as a rail link to Haddington.

## **Decision**

The Council, noting Councillor Berry's dissent, agreed:

- i. to ratify the decision of the SESplan Joint Committee at its meeting on 29 May 2015 to approve the Main Issues Report 2 (MIR2) and the supporting Monitoring Statement, Interim Environmental Report and Equalities and Human Rights Impact Assessment for public consultation;
- ii. to note the proposals for engagement and consultation on Main Issues Report 2 and the supporting documents considered by the SESplan Joint Committee on 29 May 2015;
- iii. to agree that minor editorial changes of a non-policy nature to Main Issues Report 2 and the supporting documents be delegated to the SDP Manager in consultation with the Head of Development, SESplan Project Board Chair and Joint Committee Convener; and
- iv. to note the accompanying background documents, which had been lodged in the Members' Library.

**Sederunt:** Councillors Hampshire and Trotter left the meeting.

## **7. RESPONSE TO THE COMMISSION ON LOCAL TAX REFORM**

A report was submitted by the Chief Executive seeking agreement to the terms of a written representation to the Commission on Local Tax Reform.

The Chief Executive presented the report, highlighting the importance of responding to this consultation. She noted that the views of Members could be incorporated into the response.

Councillor Veitch welcomed the possibility of local authorities having the ability to raise tax levels and to decide how to spend that money. He argued, however, that control of local taxation should include the ability to decrease rates as well as increasing them. Speaking in support of these comments, Councillor Berry suggested that business rates should also be included in the proposals.

Councillor Innes also agreed that councils should have greater control over taxation and shared Councillor Currie's view that a mandate should be required to deliver a local income tax solution.

### **Decision**

The Council agreed to approve the terms of the suggested response, as outlined in Appendix 1 to the report.

## **8. CHARGING POLICY: ABANDONED VEHICLES – RECOVERY OF COSTS**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval of the introduction of a policy to recover costs incurred as a result of the uplift, storage and disposal of abandoned vehicles.

The Team Leader for Safer Communities, Kenny Black, presented the report. He called on Members to support the introduction of the proposed charge. He advised that, if approved, the charge would come into effect on 1 July 2015 and would be reviewed annually. He estimated that the proposed charge would generate income of up to £3000 per annum.

In response to a question from Councillor Goodfellow as regards the disposal of vehicles, Mr Black advised that the Council would seek to recover any costs from the owner.

Councillor Caldwell asked why there had been a significant increase in costs paid to the contractor since April 2015. Mr Black explained that this increase was due to the nature and size of the vehicles, noting that charges were levied in accordance with the size and tonnage of vehicles.

### **Decision**

The Council agreed to approve the policy of recovering costs associated with the uplift, storage and disposal of abandoned vehicles in accordance with section 5 of the Refuse Disposal (Amenity) Act 1978 and The Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charges etc.) (Scotland) Regulations 2011, noting that the policy of recovering costs would take effect from 1 July 2015, and that it would be reviewed on an annual basis.

## **9. SUMMER RECESS ARRANGEMENTS 2015**

A report was submitted by the Depute Chief Executive (Resource and People Services) advising Members of the arrangements for dealing with Council business during the summer recess 2015.



The Clerk presented the report, drawing attention to the proposed arrangements for dealing with urgent business during the recess, in accordance with Standing Order 15.5.

### **Decision**

The Council agreed:

- i. to approve the application of the recess business arrangements, in accordance with Standing Order 15.5, effective from the close of this meeting until the Council meeting of 25 August 2015; and
- ii. to note that a summary of business carried out during the recess period would be brought to the Council meeting of 25 August 2015, and that copies of all reports approved during the recess period would be lodged in the Members' Library.

**Sederunt:** Councillors Caldwell and Veitch left the meeting.

## **10. SUBMISSIONS TO THE MEMBERS' LIBRARY, 9 APRIL – 10 JUNE 2015**

A report was submitted by the Depute Chief Executive (Resources and People Services) advising Members of the reports submitted to the Members' Library since the last meeting of the Council.

### **Decision**

The Council agreed to note the reports submitted to the Members' Library Services between 9 April and 10 June 2015, as listed in Appendix 1 to the report.

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

The Council unanimously agreed to exclude the public from the following business containing exempt information by virtue of Paragraph 6 (information relating to the financial or business affairs of any person other than the Authority) and Paragraph 9 (terms proposed or to be proposed in the course of negotiations for a contract for the acquisition or disposal of property) of Schedule 7A to the Local Government (Scotland) Act 1973.

### **Finance Matters**

A private report submitted by the Depute Chief Executive (Resources and People Services) concerning applications to Musselburgh and Dunbar Common Good Committees was approved, with all applicants being awarded the full amounts applied for.

### **Property Matters**

A private report submitted by the Depute Chief Executive (Partnerships and Community Services) concerning the acquisition of a property was approved.

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

**THURSDAY 18 JUNE 2015  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

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**Committee Members Present:**

Councillor T Day (Chair)  
Councillor J McMillan  
Councillor S Currie

**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**

None

**Committee Clerk:**

Mrs F Stewart

**Declarations of Interest**

None

**Apologies**

Councillor J McNeil  
Councillor J Goodfellow

Prior to the commencement of the meeting of the East Lothian Local Review Body (ELLRB), Councillor Day was elected to Chair today's meeting by Councillor McMillan and Councillor Currie. Duly elected, Councillor Day welcomed everyone to the meeting.

Morag Ferguson, Legal Adviser, stated that both planning applications were being presented today in the form of written submissions and that site visits had been carried out prior to the meeting today. She also advised that a Planning Adviser, who had had no involvement with the determination of the original applications, would provide information on the planning context and background of each application.

**1. REVIEW AGAINST DECISION (REFUSAL)  
PLANNING APPLICATION No: 14/00758/P – PLANNING PERMISSION  
FOR EXTENSION TO SHOP TO FORM ADDITIONAL FLOOR SPACE AND  
TO FORM ONE FLAT AND ASSOCIATED WORKS AT 121A SALTERS  
ROAD, WALLYFORD**

The Legal Adviser stated that the ELLRB was meeting today to review the above application which had been refused by the Appointed Officer. 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 a 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 and Members would have to specify what new information was needed to enable them to proceed with the determination of the application. 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.

Phil McLean, Planning Adviser, stated that the application site was a single storey shop unit and that the application was seeking permission for a first floor extension to form a flat and various other alterations and extensions to the building, as well as the formation of two off-street parking spaces.

The Planning Adviser stated that the Planning Act required decisions on planning applications to be taken in accordance with development plan policy unless material considerations indicated otherwise. He advised that the development plan consists of the approved Strategic Development Plan for Edinburgh and South East Scotland, known as SESplan, and the adopted Local Plan 2008. He stated that the site was within a residential area of Wallyford, designated under local plan policy ENV1, and was also within the designated site of the Battle of Pinkie. The building was not listed. The main policy considerations relevant to the application were design, amenity and transport, and the key policies in relation to these matters were outlined.

The Planning Adviser stated that the application had been refused by the appointed officer for two reasons. Firstly, on the basis that the height, scale and massing of the first floor extension would be overly dominant and intrusive within the streetscape, would not be in keeping with neighbouring buildings, and would be harmful to the character and appearance of the area. Secondly, on the basis that the proposed timber screen on the south-east boundary at first floor level would appear incongruous in the streetscape and would also be harmful to the character and appearance of the area. The application was therefore considered to be contrary to the design policies of the development plan. The appointed officer had considered that the proposals would be acceptable in other respects. The request for a review had argued that the roof of the proposed development would be only one metre higher than previously approved proposals and would not be dominant or incongruous. It had also argued that the increase in height was to allow for accommodation in the roof space, which would otherwise be unusable. The agent was also willing to replace the proposed timber screen with a rendered wall and stated that such a wall has been previously allowed.

The Planning Adviser advised that the Council's Road Services and Environmental Protection Service had raised no objections to the application but recommended conditions covering matters of construction traffic, parking and noise levels. Two public objections to the application had been received and there were no further representations received in response to the Notice of Review.

The Chair invited questions for the Planning Adviser. Councillor Currie noted that two car parking spaces had been identified in the application, reserving one space for the shop. Currently the shop did not have a reserved space. The Planning Adviser referred Members to the Consultation response from the Council's Road Services department which stated that the existing yard had sufficient room to accommodate one vehicle and that was currently used by the applicant to park his vehicle while he worked in the shop. The advice to the applicant was to retain this space for the shop, leaving one new space available for the flat. It was, however, open to Members to add a condition in respect of the car parking spaces, should they agree to grant planning permission. Councillor Currie enquired if one parking space was appropriate in relation to the number of rooms the flat would contain. The Planning Adviser referred Members to the Case Officer's report which stated that the Council's Road Services had advised that the proposed flat required the provision of one off-street parking space and one further off-street parking space retained for the ground floor shop use. It appeared from this advice that Road Services had considered that this parking provision would be sufficient.

The Chair then asked his fellow Members if they wished to proceed to determine this application today and they unanimously agreed to proceed.

Councillor Currie stated that the site visit had been helpful in allowing him to assess the scale of the proposals in relation to other buildings in close proximity. Having carefully studied the plans and considered the impact of the proposals, he had concluded that they would result in an overdevelopment of the site and would have a negative impact on the amenity of the surrounding area. He also had concerns in relation to the parking provision for a flat which would have 5 bedrooms. He would therefore be upholding the original decision of the Case Officer to refuse the application.

Councillor McMillan had also found it helpful to visit the site and agreed that the proposed building would look incongruous and dominant in its setting. He also had concerns in respect of the car parking provision to the rear of the property. He would therefore be supporting the decision of the Case Officer.

The Chair, Councillor Day, agreed with his colleagues that the proposals would result in over development of the site which, in his view, would have a negative impact on the streetscape and the amenity of the area. He also had concerns over parking provision in what was already a congested area. He too was therefore minded to uphold the original decision to refuse planning permission.

### **Decision**

The ELLRB unanimously agreed to uphold the original decision to refuse the application for the reasons given in the Decision Notice dated 27 February 2015.

The Legal Adviser stated that a Decision Notice would be issued within 21 days.

## **2. REVIEW AGAINST DECISION (REFUSAL) PLANNING APPLICATION No: 14/00922/P – PLANNING PERMISSION FOR THE REPLACEMENT OF 5 WINDOWS AT 16C MELBOURNE ROAD, NORTH BERWICK**

The Legal Adviser introduced the above application which had been refused by the Appointed Officer. She advised that a site visit had been carried out prior to the meeting and Members had received 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.

Phil McLean, Planning Adviser, advised that the property was a first floor flat in a 3-storey flatted building and that the application was seeking permission for the replacement of five of the flat's windows; 3 on the front, one to the side and one at the rear. The existing windows were single-glazed sliding sash and case timber windows and the proposed replacements would be the same size, style and colour but would be double glazed and made from PVCu material.

The Planning Adviser stated 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 for Edinburgh and South East Scotland (SESplan) and the adopted Local Plan 2008. The site was within a residential area of North Berwick designated under local plan Policy ENV1 and within the North Berwick Conservation Area although the building was not listed. The Development Plan seeks to preserve or enhance the character of Conservation Areas, and generally to promote a high



quality of design. The key policies in these matters were Strategic Development Plan policy 1B and Local Plan policy ENV4.

The Planning Adviser stated that Local Plan policy DP8 related specifically to replacement windows. It states that replacement windows in Conservation Areas must preserve or enhance the area's special architectural or historic character by retaining the proportions of the window opening, the opening method, colour, construction material of frames and glazing pattern. Three exceptions are provided for; firstly multiple glazing where there is no visible difference, secondly where a building does not positively contribute to the area's character and thirdly where the window cannot be seen from a public place.

The Planning Adviser related that the application had been refused by the Appointed Officer on the basis that the proposed replacement windows on the front and side elevations would be harmful to the character and appearance of the flat, the building and the Conservation Area, due to their PVCu frames, and would therefore be contrary to relevant development plan policies. The request for a review argued that the only change proposed is to the material and this would not compromise the character of the building and would be neutral at worst. The proposed replacement windows would be superior to the existing windows in terms of safety, security, maintenance and energy consumption. It was also stated that there were PVCu windows in surrounding properties. No consultations had been carried out by the Case Officer. One representation had been received from the Architectural Heritage Society of Scotland which stated that the proposed windows would be visible from public views and would be different in appearance from the existing windows. No further representations had been received in response to the Notice of Review.

The Chair invited questions for the Advisers. Councillor McMillan enquired if home owners were advised that their home was situated in a Conservation Area at the time of purchase and the Legal Adviser replied that potential buyers ought to be advised, prior to purchase, if a property was in a Conservation Area. New owners also received a Property Enquiry Certificate, which would include this information.

The Chair then asked his fellow Members if they wished to proceed to determine this application today and they unanimously agreed to proceed.

Councillor Currie referred to policy DP8, the terms of which he believed provided some latitude in respect of replacement windows. As he had observed that the existing windows were in a poor state of repair, he considered that, on balance, it was better to have well maintained windows. He was satisfied that the proposed windows were of a high standard and not dissimilar to the existing windows in appearance. He was therefore minded to overturn the decision of the Appointed Officer and grant planning permission.

Councillor McMillan agreed in part with Councillor Currie's comments. However, he had noticed that the existing windows of this property had a detail which he believed added to the character of the building and this would be lost with the proposed replacement windows. Therefore, in order to maintain the visual impact and seek consistency, he would be supporting the Case Officer's decision to refuse the application. The Planning Adviser referred Members to the applicant's submission which showed detailed drawings of the proposed windows. He advised that these illustrations suggested that it would be possible to replicate this sash horn detail and, should Members be minded to grant planning permission, a further condition to this effect could be added to the planning consent.

Councillor Day stated that he fully understood the applicant's motivation to replace the present windows of her home with the proposed PVCu windows. However, he pointed out that wooden double glazed windows were also available. He agreed that planning policy DP8 provided certain latitude but for him the over-riding consideration was context. He considered that the building was in a prominent position and he was mindful that it was in a Conservation Area. It was his opinion that PVCu would look significantly different to the existing windows and would detract from the character of the building. He was therefore minded to uphold the Case Officer's decision to refuse planning permission.

**Decision**

The ELLRB agreed by a majority of 2:1 to uphold the original decision to refuse the application for the reason set out in the Decision Notice dated 20 January 2015.

The Legal Adviser stated that a Decision Notice would be issued within 21 days.

**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Depute Chief Executive (Resources and People Services)  
**SUBJECT:** Summer Recess Business 2015

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**3**

**1 PURPOSE**

- 1.1 To inform the Council of the urgent business undertaken over the Summer Recess period in terms of the procedures set out in Standing Order 15.5.
- 1.2 It should be noted that a copy of the undernoted report has been lodged in the Members' Library.

**2 RECOMMENDATIONS**

- 2.1 The Council is requested to note the business undertaken over the Summer Recess period.

**3 BACKGROUND**

- 3.1 **Amendments to Health and Social Care Chief Officer Appointments Process** (Members' Library Reference 139/15, August 2015 Bulletin)

A report submitted by Director of Health and Social Care sought approval to amend the process in relation to the appointment of Health and Social Care Chief Officers (Heads of Service). This report was approved by the Provost and Depute Leader.

**4 POLICY IMPLICATIONS**

- 4.1 As outlined in the submitted report specified in Section 3.1.

## **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 outlined in the submitted report specified in Section 3.1.  
6.2 Personnel – none.  
6.3 Other – As outlined in the submitted report specified in Section 3.1.

## **7 BACKGROUND PAPERS**

- 7.1 East Lothian Standing Orders  
7.2 Report lodged in the Members' Library as specified in Section 3.1.  
7.3 Background papers as detailed in the submitted report specified in Section 3.1.

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<b>DATE</b>	11 August 2015

**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Depute Chief Executive (Resources and People Services)  
**SUBJECT:** Local Government Boundary Review

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**4**

## **1 PURPOSE**

- 1.1 To inform the Council of the Local Government Boundary Commission for Scotland (LGBC) proposals to reduce the number of councillors in East Lothian from 23 to 22 and its proposal to make changes to current ward boundaries in East Lothian.
- 1.2 To seek authority to respond to the consultation, opposing the proposal to reduce the number of Councillors and to change ward boundaries.

## **2 RECOMMENDATIONS**

- 2.1 To note the LGBC's proposals to reduce councillor numbers in East Lothian from 23 to 22 and to change ward boundaries.
- 2.2 To authorise officers to submit a response to the LGBC consultation based on the draft shown in Appendix 1.

## **3 BACKGROUND**

- 3.1 The current review of local government electoral arrangements in Scotland formally began on 21 February 2014. East Lothian Council responded to the consultation opposing the proposed reduction in councillor numbers in April 2014. The consultation was then opened to members of the public until August 2014 and a considerable number of citizens of East Lothian responded opposing the proposal.
- 3.2 When reviewing electoral arrangements the law requires the LGBC to take account of:
  - the interests of effective and convenient local government

- that each councillor should represent the same number of electors as nearly as may be
  - local ties that would be broken by making a particular boundary
  - the desirability of fixing boundaries that are easily identifiable
  - special geographical considerations.
- 3.3 The LGBC considered the responses made to that consultation and produced another consultation paper re-asserting its proposal to reduce the number of East Lothian councillors from 23 to 21, representing three 3-member wards and three 4-member wards reducing the number of wards in the area by 1 and reducing councillor numbers by 2. The proposal was based on creating a single 4-member Musselburgh Ward by combining the Musselburgh West and Musselburgh East and Carberry Wards; moving Wallyford, Whitecraig and part of Inveresk from Musselburgh East and Carberry to the Fa'side Ward and moving Macmerry to the Preston/Seton/Gosford Ward.
- 3.4 The Council considered the LGBC's proposal on 21 April and agreed to submit a response based on the views expressed by the Council's cross-party LGBC Steering Group. The Group considered that the Council should maintain its opposition to the proposed reduction in the number of councillors and in particular express concern that the workload of councillors in the wards most affected by the proposed boundary changes would increase given the larger electorate and the larger number of community organisations they would be expected to work with. The group was also concerned that the new ward boundaries proposed by the LGBC cut across existing high school catchment areas and severed a number of long-standing local ties.
- 3.5 The LGBC published its response to that consultation exercise on 20 July 2015 and launched a public consultation exercise on its latest proposals on 30 July 2015. The deadline for responses to the latest consultation is 22 October 2015.
- 3.6 The LGBC's latest proposal is to cut the number of East Lothian councillors from 23 to 22. It proposes to accommodate this reduction in councillor numbers by creating a single 4-member Musselburgh Ward; moving Wallyford and Whitecraig to a new Tranent, Wallyford and Macmerry Ward; moving Ormiston and Pencailand to the Haddington and Lammermuir Ward and increasing the number of councillors in this ward from 3 to 4. It is proposing that the boundaries and number of elected members for the other three wards would remain unchanged.
- 3.7 The LGBC asserted that these proposals:
- allow for the maintenance of local community ties;
  - improve overall forecast parity and address forecast disparities in existing ward 1 (Musselburgh West);

- place Musselburgh in a single ward to improve local community ties.
- 3.8 The map showing the proposed changes to ward boundaries in East Lothian is attached at Appendix 2.
- 3.9 It is worth noting that the new ward boundaries now being proposed to accommodate the reduction in number of councillors from 23 to 22 did not form part of the consultation with the Council that took place earlier this year.
- 3.10 The publication of the latest proposals marks the start of a 12-week statutory public consultation on the proposed ward boundaries. This is designed primarily for the public, but the Council can also make a submission.
- 3.11 The substantive objections made previously by the Council against any reduction in the number of East Lothian Councillors remain valid, in particular since the Council is aware that the population of East Lothian is forecast to grow quite substantially over the next few years. It is very likely that the reduction in councillor numbers arising from this review will almost certainly need to be reversed at the next review.
- 3.12 Therefore it is recommended that the Council submit a response based on the draft shown in Appendix 1.

#### **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 Report to Council, 22 April 2014 – Boundary Commission Review: Response to Statutory Consultation

- 7.2 Report to Council, 21 April 2015 – Local Government Boundary Review
- 7.3 Members Library Services report, 3 June 2015 – 5<sup>th</sup> Local Government Boundary Review
- 7.4 Correspondence from the Local Government Boundary Commission for Scotland, 20 July 2015

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<b>DATE</b>	14 August 2015



## **Appendix 1: Draft Response to Local Government Boundary Commission for Scotland**

### **Why cut East Lothian Councillor numbers by 1?**

The Boundary Commission claims to have taken account of the Council's response to the previous consultation when the Commission proposed to cut the number of councillors from 23 to 21. Yes a cut to 22 is preferable to the proposal cut to 21 but the Council's arguments against any cut in our councillor numbers are all still valid.

East Lothian made the largest number of responses to the previous consultation and the responses were overwhelmingly against any cut in councillor numbers.

The Commission has not given any justification for the cut and has not presented any benefits.

The cut in East Lothian councillors by one is not required to allow for increases in councillor numbers elsewhere since the Commission's proposals across the whole of Scotland actually reduce the number of councillors.

The amount of disruption and the expense involved in re-drawing boundaries to accommodate the cut of one councillor has to be taken into account. Examples of the cost of the change include the need to change the electoral registers, redraw all the maps and the staff time involved in re-establishing three new Area Partnerships. This does not take account of the cost of the consultation that the Commission is now undertaking and of a possible public enquiry.

The creation of the six Area Partnerships is proving to be successful in giving communities a stronger voice and the ability to plan for their own needs and priorities. They are just about to start consulting on draft Area Plans and proposals to spend their devolved budgets. The Commission's proposal means we would have to re-draw the boundaries and membership of three Area Partnerships and start again.

### **Why cut councillor numbers when our population is growing and will continue to grow?**

It is illogical to cut East Lothian's councillors at a time when our population is growing and will continue to grow.

The Commission has taken no account of the major new housing developments that are just about to start – Wallyford and Letham Mains – and of the proposals for even more new housing that will form a key part of the Local Development Plan which will be published soon.

Between 2003 – 2013 our population grew by just over 10,000 (11%) and it is projected to grow by around 1% a year for the next 25 years – the fourth fastest rate of growth of any area in Scotland - behind Aberdeen, Edinburgh and Perth & Kinross.

It makes no sense to go to the expense and suffer the disruption of cutting one councillor when the next review will need to increase the number of councillors.

### **Breaking community ties**

The Commission's imperative to deal with 'forecast disparities' means that they have totally failed to take account of reality and life in our communities.

The Commission has claimed that its proposal allows for the 'maintenance of community ties'. But the new ward boundaries it proposes to accommodate the cut in councillors will break important community ties.

Creating a single Musselburgh Ward abolishes the divide between Musselburgh West and East – but by doing this the Commission have weakened community ties between some communities and their closest town.

Creating the single Area Partnership for the two Musselburgh wards takes account of the need to cement the community ties between East and West Musselburgh but also reflects the ties between the communities on the outskirts of Musselburgh – Wallyford and Whitecraig – and the town; links that would be broken if the Commission has its way.

Moving Wallyford and Whitecraig from the Musselburgh East and Carberry ward to the new Tranent Ward makes no sense since these two communities have much closer ties with Musselburgh than with Tranent. People from these communities are far more likely to shop and socialise in Musselburgh than Tranent. The children from these communities go to Musselburgh Grammar, not Ross High.

To accommodate the cut in the number of councillors through merging Musselburgh West and Musselburgh East and Carberry wards the Commission has had to move Wallyford and Whitecraig to the Tranent ward. Since they cannot increase the number of councillors in the Tranent Ward (it is already at the maximum of 4) they have had to move Ormiston and Pencaitland to the Haddington Ward. (The Commission had previously proposed moving Macmerry from the Tranent ward to the Preston Seton Gosford Ward but have backed off from that idea and have now settled on an equally bad proposal.) Ormiston has no real link to Haddington. Its ties are clearly with Tranent.

The new Musselburgh and Tranent ward boundaries also cut across the Holyrood Parliament boundaries. Currently, Musselburgh West and Musselburgh East and Carberry wards are totally within the North Midlothian and Musselburgh constituency. Under the LGBC's proposal the whole of the new Musselburgh ward and Wallyford and Whitecraig part of the new Tranent ward will be in this constituency whilst the remaining part of the Tranent ward would be in the East Lothian constituency.

## **Increasing Councillors' workload**

How does cutting the number of councillors improve the council's capacity to deal with the issues caused by the growing population, increased demand for services, the need to grow our economy and to reduce inequality, and the growing complexity of the public sector such as the new Integrated Joint Board for health and social care, increased local scrutiny of police and fire services?

At a time when the number of constituents is growing, problems faced by constituents continues to grow and the demand on councils and councillors from the Scottish Government is growing, cutting the number of councillors will only increase the workload on councillors.

The Commission seems to have dropped its notion that the number of councillors should be determined, at least in part, by levels of deprivation. The proposal to move Wallyford and Whitecraig to Tranent actually goes against the Commission's previously stated aim of trying to take account of deprivation in councillors' workload.

They are moving two communities with relatively high levels of deprivation into the ward which already has the highest level of deprivation (measured by unemployment, benefits recipients, health inequality and other factors such as housing and crime).

Replacing Ormiston and Pencaitland – two areas with relatively low levels of deprivation – with Wallyford and Whitecraig, will give the new Tranent Ward a higher level of relative deprivation than the existing Fa'side ward. The four councillors in the new Tranent ward would have to represent a greater number of areas with high levels of deprivation.

The creation of the new Tranent ward and the expanded Haddington and Lammermuir Ward will create significant disparity in workload between councillors across the county.

The four Musselburgh councillors will have one Community Council and one Secondary School.

The four Tranent councillors will have four Community Councils – Tranent & Elphinstone, Wallyford, Whitecraig and Macmerry & Gladsmuir – and two Secondary Schools.

The four Haddington and Lammermuir Councillors will have six Community Councils – Haddington, Garvald & Morham, Gifford, Pencaitland, Ormiston and Humble, East & West Saltoun & Bolton – and also two Secondary Schools.

Similar disparities also exist in relation to the number of primary schools, Tenants & Residents Associations and other community organisations.

The new ward boundaries would mean that the Musselburgh Grammar and Ross High Parent Councils would each have eight councillors eligible to attend.

The new Haddington ward will cover almost half of East Lothian. It will stretch from Johnscleugh on the edge of the Lammermuirs in the east to Ormiston in the west (a 40 minutes drive) and from Blegbie in the south to Athelstaneford in the north (30 minutes).

The West of the County which has the highest levels and greater concentration of deprivation is currently served by 14 councillors in 4 wards – Musselburgh West (3), Musselburgh East (3), Fa'side (4), and PSG (4); and the East has 9 councillors in three wards – Haddington (3), Dunbar & East Linton (3), and North Berwick (3).

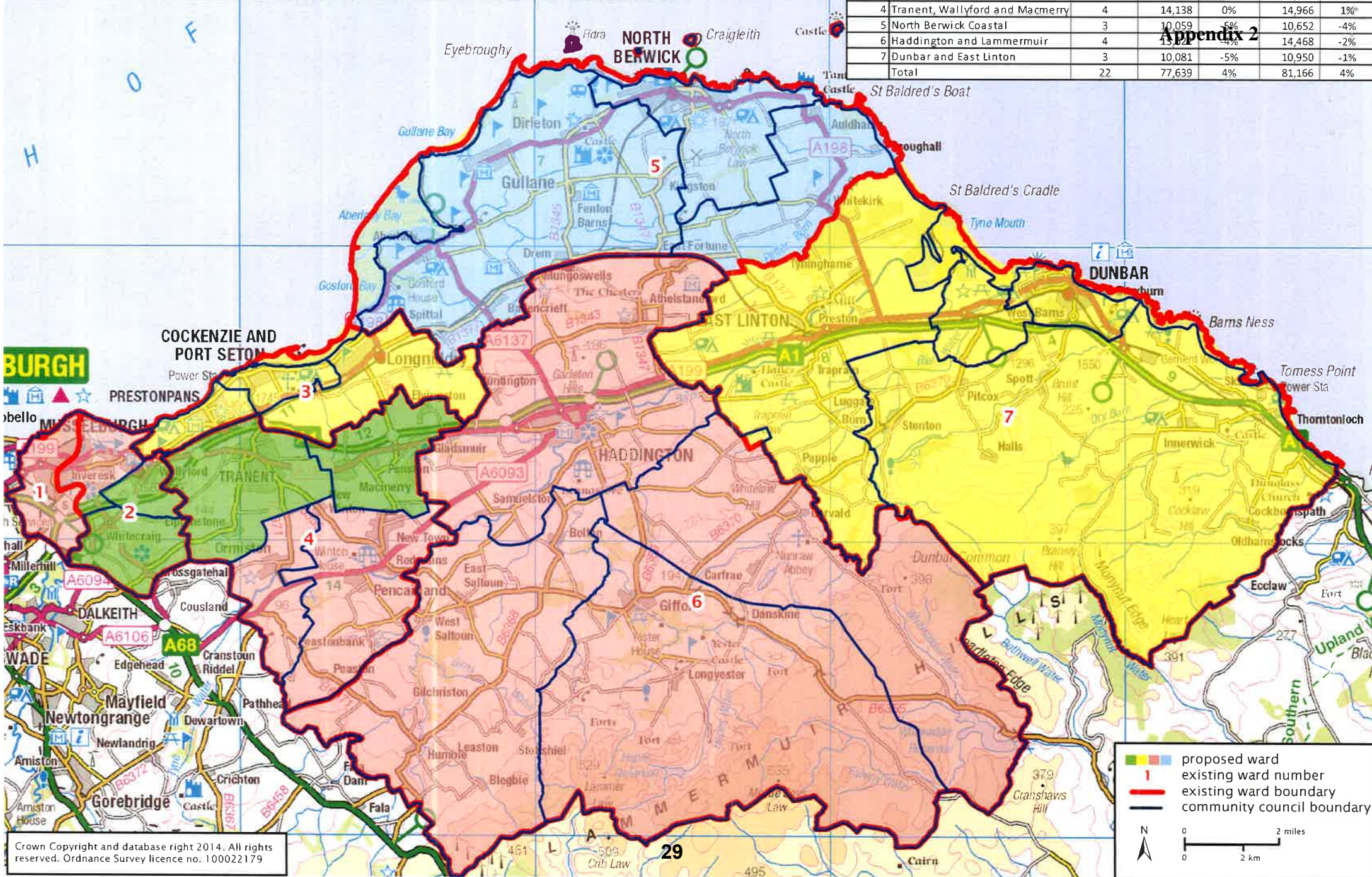
Under the Commission's proposals the West of the county will lose a ward and lose 2 councillors – a 15% cut - whilst the three wards in the East will gain a councillor.

Local Government Boundary Commission for Scotland  
 5th Statutory Review of Electoral Arrangements  
 East Lothian council area - Option C

LGBCS Paper 2266  
 Appendix F

Ward No	Ward Name	Councillors	Electorate Sept 13	Actual Disparity	Forecast Electorate	Forecast Disparity
1	Musselburgh	4	15,658	11%	16,135	9%
2						
3	Preston / Seton / Gosford	4	14,081	0%	13,995	-5%
4	Tranent, Wallyford and Macmerry	4	14,138	0%	14,966	1%
5	North Berwick Coastal	3	10,059	-5%	10,652	-4%
6	Haddington and Lammermuir	4	13,821	-4%	14,468	-2%
7	Dunbar and East Linton	3	10,081	-5%	10,950	-1%
	Total	22	77,639	4%	81,166	4%

Appendix 2



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**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Chief Executive  
**SUBJECT:** 2015/16 Council Improvement Plan

**5**

---

**1 PURPOSE**

- 1.1 To present the 2015/16 Council Improvement Plan to the Council for approval.

**2 RECOMMENDATIONS**

- 2.1 The Council is recommended to:

- a) note the update report on the 2014/15 Council Improvement Plan (Appendix 1)
- b) approve the 2015/16 Council Improvement Plan (Appendix 2).

**3 BACKGROUND**

- 3.1 The annual Council Improvement Plan is based on improvement actions drawn from a range of self evaluation activities and external audit and inspection reports including:

- the self-evaluation for improvement to excellence process (How Good is Our Council?) carried out by all services
- the Corporate Governance Self-evaluation, (Audit & Governance Committee, 19 May 2015)
- Audit Scotland's Overview of Local Government in Scotland (Audit & Governance Committee, 19 May 2015)
- the auditor's interim audit report (Audit & Governance Committee, 19 May 2015)
- Audit Scotland's Local Scrutiny Plan (East Lothian Council, 21 April 2015).

- 3.2 The Council Improvement Plan also includes action points from the previous year's Plan that are have been continued or carried forward. Appendix 1 provides a monitoring report on progress in achieving the actions from the 2014/15 Council Improvement Plan. All of the 11 action points have either

been completed or are due to be completed. However, five actions are being continued into the 2015/16 Plan.

- 3.3 The 2015/16 Council Improvement Plan includes only eight action points, significantly fewer than previous years' plans. The improvement actions which have been carried out over the last three years have addressed the weaknesses that have been identified in previous self-evaluations.
- 3.4 All of the eight actions in the 2015/16 Council Improvement Plan have been identified through the review of the How Good is Our Council self-evaluations completed by each service in spring 2015. These are 'corporate/Council-wide' actions. Improvement points from self-evaluations relating to individual services are not included in the Council Improvement Plan as they will be included in Service and Business Plans.
- 3.5 This year's Council Improvement Plan does not contain any specific actions arising from the Corporate Governance Self-evaluation, the Overview of Local Government in Scotland, the auditors' interim audit report or the Local Scrutiny Plan. The auditors' report and the Local Scrutiny Plan both provide assurance that there are no major concerns about the council's governance and performance management arrangements.
- 3.6 Implementation of the 2015/16 Council Improvement Plan will be assured via ongoing internal monitoring of progress on key actions points by the relevant lead officers and Depute Chief Executives. Monitoring reports on progress with implementing the Plan will be made to the Council Management Team and the Audit and Governance Committee.

#### **4 POLICY IMPLICATIONS**

- 4.1 One of the four areas of focus of the Council Plan 2012-2017 is *Growing the Capacity of Our Council* which has one specific outcome: *We deliver excellent services as effectively and efficiently as possible*. All the improvement points in the 2014/15 Council Improvement Plan will contribute to growing the capacity of the Council to meet this outcome.
- 4.2 The 2015/16 Council Improvement Plan supports four of the principles that underpin or influence the Council Plan:
  - Services built around people and communities
  - Effective, efficient and excellent services
  - Working together to achieve outcomes
  - Prioritising prevention and promoting equality
- 4.3 In accordance with the principles of Best Value the Council strives to pursue 'continuous improvement' and seeks to deliver services in as effective and efficient way as possible. The recommendations arising from Council's self-evaluations, review and inspection work identified above help to inform the Council's pursuit of 'continuous improvement' through the adoption and implementation of the 2015/16 Council Improvement Plan.



4.4 The 2015/16 Council Improvement Plan will assist the Council in demonstrating that it is achieving Best Value. It will provide the necessary focus to improve key areas of the Council at a corporate level, thus aiding delivery of the Council Plan. Moreover, it will support East Lothian Council in its constant striving for continuous improvement, to continue improving the quality and delivery of its services and to meet the Council Plan outcome: ‘*We deliver excellent services as effectively and efficiently as possible.*’

## **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 Local Scrutiny Plan 2015/16; report to East Lothian Council, 21<sup>st</sup> April 2015

7.2 Corporate Governance Self-Evaluation and Annual Governance Statement 2015; report to Audit & Governance Committee, 19<sup>th</sup> May 2015

7.3 An Overview of Local Government in Scotland 2015 (Accounts Commission, March 2015); report to Audit & Governance Committee, 19<sup>th</sup> May 2015

7.4 Interim Audit report, Year Ended 31 March 2015; report by KPMG to Audit & Governance Committee, 19<sup>th</sup> May 2015

7.5 Appendix 1: 2014/15 Council Improvement Plan Final Monitoring Report

7.6 Appendix 2: 2015/16 Council Improvement Plan

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<b>DATE</b>	27 <sup>th</sup> July 2015



## Appendix 1: 2014/15 Council Improvement Plan: Monitoring Statement (July 2015)

### 2014/15 Council Improvement Plan

We deliver excellent services as effectively and efficiently as possible

	<b>ACTION</b>	<b>LEAD SERVICE</b>	<b>TIMESCALE</b>	<b>UPDATE</b>
1	Develop toolkit for self-evaluation of strategic partnerships	Communities and Partnerships	Completed	The East Lothian Partnership undertook a strategic self-assessment supported by the Improvement Service. The toolkit used for this self-evaluation can be adapted for use by other strategic partnerships. Work is also underway to develop a self-evaluation framework for the Children's Strategic Partnership.
2	Scrutiny training for PPRC Members	Council Resources	Autumn 2015	An elected member survey was conducted in December 2014 to identify training needs. The survey has contributed to the development of the elected members' briefing programme for 2015 which includes a session on Performance Management to be held in August 2015.
3	Review and revise the Improvement Framework and make more effective use of benchmarking, develop guidance and training on the use of benchmarking, Best Value reviews and options appraisal	Communities and Partnerships	Completed. The framework should be reviewed annually	The Improvement Framework has been reviewed. The Council is participating in several benchmarking exercises based on the Local Government Benchmarking Framework and carried out a charges benchmarking exercise. A template for undertaking Best Value Reviews, including options appraisal has been completed.

4	Introduce Combined Impact Assessment and process for monitoring the needs of minority and vulnerable groups	Communities and Partnerships	To be carried forward as the implementation of the new impact assessment will not take place until autumn 2015	A draft Combined Impact Assessment toolkit has been prepared jointly with Midlothian Council, City of Edinburgh Council and NHS Lothian. Roll out of the new impact assessment will commence in autumn 2015 following further analysis of the approach.
5	Prepare and implement Records Management Plan setting out arrangements for management and retention of records in line with requirements of the Public Records (Scotland) Act 2011	Council Resources	Completed	The Records Management Plan was adopted at the 28 October 2014 Council meeting.
6	Work with partners to develop and implement the Children's Services inspection Improvement Plan	Children's Wellbeing	Completed	The Improvement Plan has been approved and is being implemented by the new Children's Strategic Partnership.
7	Review and develop elected members' training and briefings including briefing on Capital Investment Strategy and development issues arising from Councillors' responses to a survey based Audit Scotland Overview of Scottish Local Government Councillors' Checklist	Communities and Partnerships / Council Resources	Completed	See 2 above A follow up survey of elected members' training and development needs will be carried out in December 2015.
8	Implement the action plan based on the Investors in People Improvement Plan and Workforce Development Plan	Communities and Partnerships	Completed	The key actions from the Investors in People assessment are reflected in the Workforce Development Plan.
9	Review and revise the staff communications plan to ensure staff are fully informed and	Communities and	Completed. Actions are to	A review of staff communications has been carried out but actions to improve staff engagement have

	engaged	Partnerships	be carried out in autumn 2015 to allow for completion of One Council Workshop programme	<p>been delayed due to ongoing service review activity and to take account of the outcome of the One Council workshops This will now be implemented in autumn 2015.</p> <p>A key part of the engagement with staff over the next year will be the roll out of a series of 'One Council – Working Together' workshops which started in February 2015.</p>
10	Implement the Web Development strategy to provide a more responsive and effective Council website that will support more 'self-service' activity by council service users	Communities and Partnerships	To be completed in 2016	<p>The Web Development Strategy has been agreed to produce a new website using Responsive Design to suit a range of devices, replace existing website self-service functions with improved self-service facilities and extend self-service capability to other services and provide improved on-line booking and payments facilities.</p> <p>Implementation was delayed due to difficulties arising in system integration. A new project plan which has addressed these difficulties has been agreed for implementation starting in Autumn 2015. In the meantime work is progressing to develop and improve the Council's internal Intranet facility.</p>
11	Further develop the Council's service planning process moving towards three-year service planning linked to financial planning based on staff and stakeholder engagement	Communities and Partnerships	Completed	<p>A three-year service planning framework linked to financial planning and How Good is Our Council self-evaluation with staff and stakeholder engagement has been developed. This will be rolled out for use by all services over the next year.</p>



## Appendix 2: 2015/16 Council Improvement Plan

### 2015/16 Council Improvement Plan

We deliver excellent services as effectively and efficiently as possible

	<b>ACTION</b>	<b>LEAD SERVICE</b>	<b>TIMESCALE</b>	<b>SOURCE</b>
1	Review and develop elected members' training and briefings including development issues arising from Councillors' training and development needs survey based Audit Scotland Overview of Scottish Local Government Councillors' Checklist	Democratic Services/ Communities and Partnerships	March 2016	Self-evaluation and continued from 2014./15 Plan
2	Review and revise the Improvement Framework and make more effective use of benchmarking, Best Value reviews and options appraisal	Communities and Partnerships	December 2015	Self-evaluation and continued from 2014./15 Plan
3	Introduce the new Integrated Impact Assessment framework that has been prepared jointly with Midlothian Council, City of Edinburgh Council and NHS Lothian; including provision of guidance, training and support for services	Communities and Partnerships	December 2015	Self-evaluation and continued from 2014./15 Plan
4	Implement staff communications plan to ensure staff are fully informed and engaged; including identifying ways to recognise and celebrate excellent performance and employee achievement	Communities and Partnerships	December 2015	Self-evaluation and continued from 2014./15 Plan
5	Implement the Web Development strategy to provide a more responsive and effective Council website that will support more 'self-service' activity by council service users – 'Channel Shift'	Communities and Partnerships	March 2016	Self-evaluation and continued from 2014./15 Plan
6	Develop a process/ programme for reviewing and evaluating Council policies and strategies to ensure they are up-to-date and relevant	Communities and Partnerships	March 2016	Self-evaluation

7	Implement the revised Personal Review and Development scheme in all services	Communities and Partnerships	March 2016	Self-evaluation
8	Review the Council's community engagement strategy to reflect the new duties and responsibilities from the Community Empowerment (Scotland) Act 2015	Communities and Partnerships	December 2015	Self-evaluation



**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 August 2015

**BY:** Depute Chief Executive (Resources and People Services)

**SUBJECT:** 2014-15 Financial Review

---

## **1 PURPOSE**

- 1.1 To inform Council of the unaudited financial position for the financial year 2014-15, and to finalise arrangements for the carry-forward of funds into 2015-16.

## **2 RECOMMENDATIONS**

- 2.1 The Council is recommended to:
- Note the financial results for 2014-15 based on the Council's unaudited accounts, including the impact on reserves and the Council's Financial Strategy.
  - Approve the transfer of the additional surplus reserves to the General Services Capital Fund, in line with the Council's agreed financial strategy.

## **3 BACKGROUND**

### **Overall Summary**

- 3.1 The draft accounts for 2014-15 were submitted for audit on 26 June 2015 which is within the statutory deadline set by the Accounts Commission. Audit work is well advanced and it is expected that KPMG will report the final position to the Audit and Governance Committee on 15 September 2015. The figures reported below and in the subsequent appendices are based on the unaudited accounts, and whilst we do not expect any material changes which will affect the reported position, the figures reported within this report should be considered within this context.

- 3.2 Prior to submission, the draft accounts were presented to and discussed at the Audit and Governance Committee which was held on 23 June 2015, and lodged in the Members Library on 30 June 2015.
- 3.3 A summary of the key highlights from the 2014-15 closure of accounts are as follows;
- In total, useable Reserves have increased by £9.331 million. This figure comprises of an increase in General Services of £7.347 million as well as an increase in HRA reserves of £1.984 million.
  - Capital spending totalled £39.2 million (£18.391 million relating to General Services and £20.798 million relating to HRA capital).
  - Despite this additional expenditure, taking into account capital income and repayment of debt during the year, external borrowing in year has reduced by £3.9 million. The reduction is in line with the Council's Financial Strategy where Capital Expenditure Limits are in place at a level designed to minimise any impact upon the Council's Loans Fund balance. The difference between capital spending and external borrowing has been funded from capital grants, receipts and external contributions or from the Council's own cash resources.
  - All of the Council's Trading Operations (Roads, Property Maintenance and Facility Services) have delivered a surplus in year, and have met their statutory requirement to deliver a break even position over a 3 year period.
  - The Local Government Pension Fund has been subject to a triennial valuation and as such, the Pension liabilities as measured by the actuary have increased by £43.2 million to £172.0 million. We continue to work closely with the Pension Fund Managers and take reassurance from the actuarial assessment that supports continuation of the previously agreed stability mechanism. This means that no change is required in respect of the employer's contribution rate.
- 3.4 Given the financially challenging operating environment, these results are welcomed and have a positive impact on the Council's reserves, and the wider financial strategy. In broad terms, the delivery of this outcome is a result of stringent monitoring and management of finance by all budget holders and such discipline will stand us in good stead for the anticipated reductions to public service expenditure. More specific details are set out below:
- For General Services the Financial Strategy has been developed to ensure that the Council can meet the wider pressures and constraints which it faces over the next three years, and develop on-going sustainable balanced budgets. As part of our in year monitoring and management of service budgets during the year, the Council had previously estimated that an additional £1 million

in reserves would be available at the year end. The actual amount which was transferred to reserves based on the 2014-15 unaudited accounts was an increase of £7.347 million.

- The combined general and capital Housing Revenue Account Reserves has increased by £1.984million. This includes a reduction in general reserves of £0.462million which was broadly as planned but also a significant increase in the Housing Capital Fund which includes capital receipts received during the year. More details setting out the main movements in reserves for both the General Services and HRA are outlined later in the report.
- The Financial Strategy continues to serve the Council well, and remains on track to remove the future dependency upon reserves. Despite the improved in year performance, there remain significant financial challenges ahead as the wider financial austerity measures continue, directly impacting on the overall grant settlement. Developing future sustainable budgets within a reduced cost base remains critical in order to meet new and emerging cost and demand pressures within the service areas.

3.5 The Financial Strategy for the period covering 2015-2018 which was agreed by Council at its meeting on 10 February 2015, recommends that any unplanned, additional reserves at the end of 2014-15 should be transferred to either the General Services Capital Fund or the Cost Reduction Fund.

### **General Services Summary**

3.6 The overall General Services position reflects a combination of factors including a number of favourable movements, some of which are one-off in nature and therefore non-recurring. Additionally, there have been a number of service specific movements during the year relative to approved budget.

3.7 Some of these elements are set out in more detail below and include:

- General Services Debt charges were £0.584million less than budgeted as a combined result of a reduced level of capital spending during the year and effective treasury management.
- Late in 2014-15, a review was undertaken of the overall approach which the Council provides for outstanding debt. This review resulted in a non-recurring saving of £1.3 million received from a reduction to the level of Council Tax Provision which the Council holds.
- As declared within the Quarter 3 report, an additional one-off benefit of £0.544million was received in 2014-15 relating to the 2012-13 Business Rate Incentivisation Scheme.

- Higher than budgeted Council Tax income of £0.347million was generated during the year which reflects the uptake on new house provision.
- 3.8 Specifically in relation to service expenditure areas, all General Services revenue budgets (excluding HRA) performed broadly in line with expectations shown in the Q3 report which was reported to Cabinet on 10 March 2015. A summary of the financial position across each of the Business Groups at the end of March 2015 is attached at **Appendix A** of this report.
- 3.9 Relative to budget, most service areas delivered an underspend position, the exception being those areas which had previously been categorised as 'high risk' - Adult Wellbeing and Childrens Wellbeing services.
- 3.10 Overall, excluding the HRA, the General Service delivered an underspend against budget of £2.6million. A large proportion of the combined service variance relates to staff savings of £1.9million – this can be attributed directly to the continued application of a range of control measures applied under the Efficient Workforce Management Plan (EWMP), with 70% of this relating to Partnership for Services and Communities area. Such control measures can often have an adverse impact of service delivery and therefore cannot be regarded as recurring as many vacancies are likely to be filled during 2015-16. A further summary of the main movements across each of the main service directorates are set out below:
- 3.11 **Resources and People Services**
- The **Children's Wellbeing** service delivered an overspend in year of £0.352million (2.7%). The quarterly reports presented to Cabinet during the year have continued to highlight significant pressures within the Children's Wellbeing budget, and in particular signalled pressures within the areas of secure accommodation and residential schools. Both of these areas have been facing an increased number of placements. Given the extent of the pressures faced during 2014-15, the Head of Children's Wellbeing was asked to prepare a recovery plan setting out the main financial pressures and the steps which would be taken in order to exercise enhanced monitoring and financial control. These included; review and control of service expenditure such as supplies and services to ensure that the service continued to operate efficiently; establishment of joint review groups with other service areas to ensure that protocols and review criteria were refreshed; and enhanced monitoring procedures were put in place. The Quarter 3 position reported an overspend against the approved budget of £0.556 million, and recognising the extent of the pressures faced, additional budget for 2014-15 of £0.371million was allocated following receipt of Government Grant.

- Going into 2015-16, some of these pressures are recurring in nature and this position will continue to be closely monitored throughout the year.
- **Education Group** – overall the Education group covering; Pre-school, Additional Support for Learning, Primary, Secondary and School Support, have delivered an underspend of £0.719million for the year ending March 2015. Across the group there remain a number of significant, often compensating movements, with the main areas highlighted below:
  - **Pre-school** – the pre-school budgets have continued the trend reported in year, and have delivered an underspend against budget of £0.726million. The 2014-15 budget included an estimated provision to meet the Council's new statutory obligations in respect of the delivery of enhanced Nursery hours provision. Following a comprehensive review of previous operating arrangements, the Council was able to generate efficiencies whilst still fulfilling these new obligations. It is expected this will help us further invest in future provision.
  - In total, the Primary School Group reported a year end overspend against budget of £0.244million (0.7%). Most of the overspend relates to pressures within the Primary 'client' budget and in particular; school cleaning costs, where the client specification is still in excess of budget provision, as well as additional pressures relating to rates and transportation charges. In addition, there was an underspend of £0.112million relating to the delivery of Free School Meals (FSM) to all P1–P3 children introduced from January 2015. This saving was achieved from a combination of; cost efficiencies in the delivery of the FSM service, and much lower than anticipated uptake.
  - Individual primary schools continue to operate within Devolved School Management budgets which include the ability to carry forward any underspends/overspends up to a maximum of 1.5%. Taking both the previous year carry forward and 2014-15 outturn position, all of the Primary Schools start 2015-16 with an overall surplus carry forward position of £0.270million, with around a third of schools continuing to operate at their maximum carry forward limits.
  - The **Secondary School Group** has largely delivered on budget, with a minor net underspend of £5,000. The internal management or 'client' budget was within budget although the service was in receipt of 'windfall' income relating to the PPP insurance contract equating to around £0.172million. Individual Secondary schools however delivered a collective overspend of £0.176million. Four of the six Secondary schools exceeded their in-year budget provision therefore drawing upon accumulated DSM balances in 2014-15. Going into 2015-16, only four of the Secondary schools

remain in surplus and we continue to work closely with the Service area and respective schools to identify ways to bring these school budgets back into balance.

### 3.12 **Health and Adult Care Partnership**

- During 2014-15, the **Adult Wellbeing Service** continued to highlight significant pressures within the wider purchasing of external care packages, particularly in relation to the Elderly Provision and Learning Disability packages of care. Given the extent of the pressures, recovery action was implemented in order to mitigate the worst impact of the financial pressures. As a result, the year end position reflects an overspend of £0.391million, this was a significant improvement from that projected at Q3 when an overspend of just under £1million was expected. The main difference from the Q3 position relates to the level of commitment which had not materialised during the year, and further work will be undertaken to review the underlying assumptions made within the commitment system and how these are used to inform resource allocation and cost control measures.
- During 2014-15 the purchase of external packages of care for all client groups continued to generate significant financial pressures which were in part were offset by savings in other areas including; management of in-year Change Fund income; additional income received during the year for the Criminal Justice Service; the delivery of an in year underspend of £0.171million relating to Midlothian & East Lothian Drug and Alcohol Partnership (MELDAP) which will be transferred to an existing earmarked reserve.
- Going forward, there remains significant pressure relating to the purchase of care packages, and other external pressures, and we will continue to closely monitor the service position during 2015-16.

### 3.13 **The Partnerships & Services for Communities Directorate** (excluding the Housing Revenue Account) delivered an overall underspend of around £2.4 million. Some of the main areas of movement are set out below:

- **Planning and Environmental Services** delivered an in year underspend against budget of £0.585million. A large proportion of the variance relates to increased fee income relating to Building Standards of £0.176million, and Planning Fees of £0.2million.
- **Asset Planning and Engineering** delivered an underspend of £0.387million, with most of this relating to increased rental from lets income of £0.124million and reduced expenditure on repairs and maintenance of buildings of £0.188million.

- **Landscape and Countryside Management** delivered an underspend of £0.452million, most of which relate to staffing savings due to stringent management of vacancies as part of EWMP within the service area.
- **Community Housing** delivered an in year underspend of £0.383million - most of which related to a reduction in grants awarded to Private Sector Housing. This area is now subject to further review.

### **Reserves**

- 3.14 As highlighted in paragraph 3.3, the Council has delivered additional useable reserves of £7.347million, providing a closing balance as at 31 March 2015 in General Reserves of £18.1million.
- 3.15 An analysis of the movement and the closing balances on each of the different reserves is shown at **Appendix B**, and include the following:
- An Insurance Fund, with the balance on this Fund of just under £1.4million based upon the approximate value of total outstanding liabilities against which the Council self insures.
  - Civil Emergency fund of around £2 million.
  - Specific earmarked reserves of £0.805 million which includes; Devolved School Management; MELDAP, Youth Employment Initiative and Children and Young People's Act Workforce Development.
  - Cost Reduction Fund which has a closing balance as at 31 March 2015 of £3.082million;
  - General Services Capital Fund, which can be used to defray the cost of borrowing. After adjusting in accordance with the report recommendations, as at 31 March 2015 has a closing balance of £8.822million.
  - The Council agreed as part of the 2015-18 budget decisions to utilise £1.95million across 2015-16 and 2016-17 from reserves.
- 3.16 Within the Financial Strategy for 2015-18 it is recommended that any additional reserves be transferred to either the General Services Capital Fund or the Cost Reduction Fund. Both Funds provide the Council with valuable flexibility in respect of how it manages future liabilities whether in relation to the capital programme, or supporting the wider business transformation agenda or managing down our cost base. An assessment of both funds and their associated future liabilities has been made and it is recommended that the additional available reserves be transferred to the Capital Fund.

### Trading Activities

- 3.17 East Lothian Council currently operates three trading activities. Every trading operation has the statutory financial target of breaking even over a cumulative three year period. This is seen as an important indicator of whether Best Value has been achieved in these services.
- 3.18 The annual outturn and cumulative financial target for all three trading activities are set out in Table 1 below with all of the Trading Activities delivering both an in year surplus and cumulative position of delivering a break even position.

**Table 1 – Trading Activities Revenue Budget Performance for 14-15**

<b>Trading Activity</b>	<b>(Surplus) / Deficit for the period £'000</b>	<b>Cumulative (Surplus) / Deficit over the past three years.</b>
Property Maintenance	(650)	(1,999)
Roads Services	(731)	(1,763)
Facility Services	(360)	(214)

- 3.19 It had been planned to undertake a full review of all trading activities during the year, to ensure that statutory requirements continue to be met. This review was not undertaken during the year however the commitment remains and this review will now be undertaken during 2015-16.

### Housing Revenue Account

- 3.20 Overall the Housing Revenue Account delivered an operational underspend in year of £0.751million, with rental income broadly in line with expectations, and most of the service areas delivering in year underspends especially on repairs and debt charges. There was an underspend of £0.909million on repair costs, which has largely been delivered through tighter controls and more rigorous monitoring around the housing repairs and maintenance budget. With debt charges, an underspend of £0.895million has been achieved, partly due to reduced level of capital spending and partly due to higher than anticipated asset sales amounting to £0.600million therefore reducing the need to borrow.
- 3.21 There has been an improvement in rent income collection performance during 2014-15 resulting in a slight decrease in the total outstanding rent debt from £3.002 million in 2013-14 to £2.958 million. Similar to Council Tax, the Council provides for a level of bad debt and whilst the overall provision has continued to increase, this was around £0.22million less than had been anticipated, based on previous performance trends.



## **Housing Revenue Account Reserves**

- 3.22 After taking into account any year end accounting adjustments, the total Housing Revenue Account reserves balance increased by £1.98million to £6.629million. Housing Revenue Account general reserves decrease by £0.462million and Housing Capital Fund reserves increase by £2.446million. The Housing Capital Fund is used flexibly to support the wider Housing Capital Programme by either financing capital expenditure or the redemption of debt. The increase in the fund this year was largely attributed to higher than anticipated Housing receipts received in year.

## **Budget Adjustments**

- 3.23 As part of the year-end 'closedown' we are required by relevant statutory provisions to process a number of accounting adjustments in order that the statements we submit are in approved format. The most significant adjustments are as follows;

- Central Support Reallocations – to ensure that we report the total cost of each service provision we are required to reallocate the costs and budgets for central support services such as Finance/IT/Human Resources to 'service' accounts such as Adult Wellbeing and Education. This will impact on the overall position within both the Resources and People Directorate where most of the service central support are reflected, and individual services that receive a share of the central support charge.
- IAS19 Pension Adjustment / Credit – for the majority of staff the Council made under statutory arrangements an employer's pension contribution representing 16.6% of salary plus an amount to fund the interest on the previous years' deficit. In accounting terms, this charge must be adjusted to take into consideration the scheme liabilities expected to arise from employee service in the current period. Details of this are provided within the year end actuarial IAS 19 report, and as such in 2014-15, this resulted in an additional budget and charge to service areas to reflect this increased liability.
- Depreciation – in order that the Council follows generally accepted accounting practice we are also required to allow for depreciation in our annual accounts preparation.

- 3.24 The requirement to carry out these adjustments results in the final year-end figures being reported on a different basis compared to budget reports issued to management during the year. To minimise any uncertainty that may arise from this, where possible, budgets are entered for depreciation and the majority of pension credits. We also adjust for central support costs and reserves transfers as appropriate.

## Capital Investment and Borrowing

- 3.25 Table 2 below shows the amount spent on capital assets during 2014-15 and the two preceding years.

**Table 2 – Capital Expenditure**

Year	Total Gross Capital Spend (£M)	General Services Capital Spend (£M)	HRA Capital Spend (£M)
2014-15	£39.2	£18.4	£20.8
2013-14	£45.6	£24.8	£20.8
2012-13	£52.2	£28.5	£23.7

- 3.26 The total capital spend in 2014-15 was £39.2 million, of which the General Services was £18.4 million, and HRA £20.8 million.

### General Services Capital

- 3.27 During the year gross capital expenditure within General Services was £18.391 million, with an in-year underspend against the approved budget of £3.119 million. Full details of the expenditure against the approved budget can be seen at **Appendix C**, and includes significant investment on the following major capital projects:

- £5.36million on road improvements;
- £2.12million on the new Crookston Residential Home which was operational from October 2014;
- £2.4million on the school estate;
- £1.2million on IT upgrades largely within schools but also on corporate infrastructure and public Wi-Fi provision;
- and a wide range of other projects

- 3.28 Some of the main variances relative to budget are outlined below:

- Property Renewals budget delivered an in year underspend against budget of £0.254million;
- In total, the Council delivered around £0.305million savings in fees (property and environmental) against the approved budget;

- Replacement Vehicles shows an in year underspend of £1.427 million, with all of this relating to delays in receiving a range of bespoke vehicles that had been on order;
- Sports Centre refurbishment and equipment has delivered an in year underspend of £0.171million with most of this relating to delays in the receipt of gym equipment that had been on order, but had not been received by 31 March 2015.
- Musselburgh Tennis Court upgrade is reporting an overspend against budget of £0.201million all of which has been funded by additional grant income.

3.29 In light of the 2014-15 year end position and the need for a degree of carry forward the General Services Capital programme is currently being reviewed and will be presented to Cabinet as part of the Q1 report in September. Consideration will also be given to additional pressures and commitments approved by Council and Cabinet in June relating to the new Haddington Communications Provision as well as the acquisition of land and buildings at St Joseph's in Tranent.

3.30 The main grant income from the Scottish Government and other funders was broadly in line with expectations and details of the capital income received/used in the year can also be found within **Appendix C**. All capital income has been used to defray the cost of borrowing.

#### Housing Revenue Account Capital Programme

3.31 The HRA capital spend and financing for the year is set out within **Appendix D** of this report. In total the HRA capital programme delivered gross capital expenditure of £20.798million, with an in-year underspend against budget of £1.4million. A summary of main areas within the programme is set out below:

- £9.029million was spent on Affordable Homes projects such as Pinkie Mains in Musselburgh and Victoria Park in Haddington that delivered an additional 61 houses during the year.
- In addition, Cabinet approved a further Open Market Acquisition programme in order to maximise Scottish Government Housing subsidy during the year and just under £1.9million was spent on 18 new additional House Purchases.
- Two Mortgage to Rent properties were acquired during the year, resulting in an underspend against the approved budget for the year of £0.464million.
- Furthermore, £9.699million was spent on Modernisation and Upgrade work, which includes; Central Heating upgrades, electrical rewiring, kitchen and bathroom replacement programmes, as well as wider programmes to ensure compliance with Scottish Housing Quality Standards.

- 3.32 Overall for the Council, borrowing has reduced in year by just under £4 million, with an increase in long-term borrowing of just under £30million offset by a reduction in short-term borrowing of just under £34million. The movement between short and long term borrowing is in line with the wider Treasury Management Strategy where longer term borrowing allows the Council to lock in future certainty of the rates paid. The reduced borrowing in year is in line with the wider financial strategy which sets reduced expenditure limits in future years in an attempt to defray on-going borrowing costs.

#### **4 POLICY IMPLICATIONS**

- 4.1 There are no direct policy implications associated with the recommendations contained in this report although the report does illustrate both the relevance of the Council's Financial Strategy covering the three year period to 2017-18 and the overall financial performance for 2014-15.

#### **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 described above
- 6.2 Personnel - none
- 6.3 Other - none

#### **7 BACKGROUND PAPERS**

- 7.1 Council 11 February 2014 – Item 1 – Council Financial Strategy 2014/17
- 7.2 Council 22 April 2014 – Item 5 – Revisions to Capital Plan 2014-2017
- 7.3 Council 26 August 2014 – Item 4 – 2013/14 Financial Review
- 7.4 Cabinet 21 October 2014 – Item 3 – Financial Review 2014/15 Quarter 1
- 7.5 Cabinet 11 November 2014 – Item 2 – Financial Review 2014/15 Quarter 2
- 7.6 Council 10 February 2015 – Item 1 – Council Financial Strategy 2015-18
- 7.7 Cabinet 10 March 2015 – Item 3 – Financial Review 2014/15 Quarter 3
- 7.8 Audit & Governance Committee – 23 June 2015 – All Papers

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<b>DATE</b>	18/8/15



## Appendix A

### REVENUE BUDGET PERFORMANCE at 31 MARCH 2015

	<u>14/15 Final</u>		<u>Year End</u>	
	<u>Year End</u>	<u>14/15 Actual</u>	<u>(Surplus) /</u>	<u>Year End %</u>
	<u>Budget</u>		<u>Deficit</u>	<u>Variance</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<b>Resources &amp; People Services</b>				
Children's Wellbeing	13,179	13,531	352	2.7%
Pre-school Education & Childcare	6,312	5,586	(726)	(11.5%)
Additional Support for Learning	8,007	7,942	(65)	(0.8%)
Schools - Primary	36,683	36,927	244	0.7%
Schools - Secondary	35,556	35,551	(5)	(0.0%)
Schools Support Services	3,292	3,125	(167)	(5.1%)
Financial Services	19	11	(8)	(42.1%)
Revenues & Benefits	1,795	1,802	7	0.4%
IT Services	0	0	0	0.0%
Legal & Procurement	0	0	0	0.0%
Human Resources & Payroll	0	0	0	0.0%
Licensing, Admin and Democratic Services	2,453	2,282	(171)	(7.0%)
	<b>107,296</b>	<b>106,757</b>	<b>(539)</b>	<b>(0.5%)</b>
<b>Health &amp; Adult Care Partnership</b>				
Adult Wellbeing	47,212	47,603	391	0.8%
	<b>47,212</b>	<b>47,603</b>	<b>391</b>	<b>0.8%</b>
<b>Partnerships &amp; Services for Communities</b>				
Planning & Environmental Services	2,448	1,863	(585)	(23.9%)
Economic Development & Strategic Services	2,721	2,622	(99)	(3.6%)
Asset Planning & Engineering	2,699	2,312	(387)	(14.3%)
Property Maintenance	(490)	(650)	(160)	32.7%
Facility Support Services	327	106	(221)	(67.6%)
Landscape & Countryside Management	7,094	6,642	(452)	(6.4%)
Roads, Transportation & Waste Services	17,529	17,407	(122)	(0.7%)
Healthy Living	5,315	5,366	51	1.0%

Community Housing	3,021	2,638	(383)	(12.7%)
Housing Revenue Account (HRA)	0	458	458	0.0%
Communications & Marketing	0	0	0	0.0%
Policy & Improvement	137	131	(6)	(4.4%)
Commuity Partnerships	2,205	2,205	0	0.0%
Arts, Museums & Music	1,785	1,671	(114)	(6.4%)
Community Development	3,853	3,855	2	0.1%
Customer Services, Libraries & Safer Communiti	4,523	4,519	(4)	(0.1%)
	<b>53,167</b>	<b>51,145</b>	<b>(2,022)</b>	<b>(3.8%)</b>
<b>Total All Departments</b>	<b>207,675</b>	<b>205,505</b>	<b>(2,170)</b>	<b>(1.0%)</b>
<b>Corporate Management</b>				
Revenue Support Grant (inc. NNDR)	(170,691)	(171,360)	(669)	0.4%
Council Tax	(47,280)	(48,896)	(1,616)	3.4%
Debt Charges/Asset Management	2,035	(4,724)	(6,759)	(332.1%)
Joint Board Requisitions	674	674	(0)	(0.0%)
Other	8,412	14,436	6,024	71.6%
HRA Transfer	(995)	(995)	0	0.0%
Transfer to Reserves	170	5,360	5,190	3052.9%
	<b>(207,675)</b>	<b>(205,505)</b>	<b>2,170</b>	<b>(1.0%)</b>
<b>Total All Council</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0.0%</b>



## Appendix B

### 2014/15 Financial Review - Appendices

	(£m)	(£m)	(£m)
	Opening 14-15 Position	Change	Current Position Updated - 2014-15 Closedown
<b>General Services Reserves</b>			
Required to support future budgets	0.044	1.906	1.950
Civil Emergency	2.000	0.000	2.000
Property Renewals	0.000	0.000	0.000
Cost Reduction Fund	3.542	-0.460	3.082
<b>Earmarked Reserves</b>			
• DSM (Devolved School Management)	0.489	-0.228	0.261
• MELDAP/DAAT	0.192	0.171	0.363
• Other Reserves		0.181	0.181
Insurance Fund	1.520	-0.125	1.395
Gen Services Capital Fund	2.920	5.902	8.822
<b>Sub-total General Services Reserves</b>	<b>10.707</b>	<b>7.347</b>	<b>18.054</b>

## Appendix C

### GENERAL SERVICES CAPITAL SPEND - TO 31 MARCH 2015

Name of Project	Budgeted Spend 2014/15 £000	Actual Spend 2014/15 £000	Over/(Under) (£000s) £000
New Day Centre - Gullane	62	48	(14)
Fa'side Tranent - New residential home and day centre	2,141	2,162	21
Haddington Day Centre	60	118	58
Haddington Town House - Steeple Work	104	91	(13)
Gypsy Traveller Site	31	11	(20)
Property Renewals	965	711	(254)
Property Fees/Internal Architect etc fees	1,445	1,251	(194)
Environment Fees	111		(111)
Brunton Hall - Theatre and Main Hall refurbishment	225	123	(102)
John Gray Centre Haddington	79		(79)
Tranent Library	40	1	(39)
North Berwick Museum - refurbishment	100	60	(40)
North Berwick Community Centre - Lift	68	61	(7)
Community Intervention	330	25	(305)
Ormiston Bowling Club (Community Intervention)		130	130
Support for Business - Town Centre Regeneration	550	535	(15)
Reprovision of Pathways Home		17	17
Support for Business - Mid Road Industrial Estate		6	6
Haddington IS / St Mary's RCPS - New shared Campus	210	149	(61)
Sandersons Wynd PS - additional Classrooms	35	49	14
Secondary School Communication Provision	50	9	(41)
Dirleton Classroom Extension	13	9	(4)
Macmerry PS Extension	12	9	(3)
Pinkie St Peter's PS Extension/Levenhall Nursery reprovision	1,100	986	(114)
Law Primary School	5	-	(5)
Windygoul PS additional Classrooms	750	1,209	459
Wallyford PS - New PS/Pro-rata ELC share	50		(50)
Replacement Vehicles	2,200	773	(1,427)
Pavilions	358	76	(282)
East Lothian Legacy Project - Meadowmill Alterations	59		(59)
Sports Centres - refurbishment & Equipment	200	29	(171)
Musselburgh Tennis Court Upgrade	60	261	201
Expansion of 3G pitch provision	305	229	(76)
Schools IT	764	777	13
Corporate IT Program / Server Room Upgrade	446	482	36
Core Path Plan Implementation	137	24	(113)

Cuthill Park	79	82	3
Amenity Services Machinery & Equipment - replacement	124	128	4
Coastal Car Parks/Toilets	790	730	(60)
Peppercraig Depot Haddington	558	577	19
Coastal Protection/Flood	466	385	(81)
Promenade Improvements - Fisherrow	50	6	(44)
Pencaitland Paths/Community Car Park	200	23	(177)
Cycling Walking Safer Streets (Ring-fenced grant funded)	153	153	-
Roads	5,250	5,361	111
Parking Improvements	300	79	(221)
Purchase of New Bins/Food Waste Collection	475	446	(29)
	<b>21,510</b>	<b>18,391</b>	<b>(3,119)</b>

**Financed By:**

Grants	11,096
Assets Sales	1,615
Specific Project Income	2,156
Borrowing	3,524
	<b>18,391</b>

## Appendix D

### HOUSING CAPITAL SPEND & FINANCING TO 31 MARCH 2014

	Budgeted Spend 2014/15 £000	Actual Spend 2014/15 £000	Over/(Under) (£000s) £000
Mortgage to Rent	662	198	-464
Modernisation Spend	10,231	9,699	-532
Fees	533	591	58
Disabled Adaptations	758	507	-251
Central Heating/Leasing Purchases	1,616	1,409	-207
Electrical Re-wiring	1,717	1,893	176
Fencing Programme	201	264	63
Energy Efficiency	351	43	-308
Kitchen Replacement Prog.	1,788	1,421	-367
SHQS Abeyance incentive	50		-50
Roofing / Roughcasting	606	693	87
Stair Improvement Programme	30	17	-13
Groundcare			0
Roads / Walkway pre-adoption works	246	77	-169
Structural surveys / works	200	186	-14
Dispersed Alarms	51	21	-30
Local Initiatives:Projects	202	116	-86
Window & Door Replacement Prog.	20	168	148
Bathroom Replacement	951	1,069	118
Extensions	306	108	-198
Lead Water Pipes	202	546	344
Asbestos Works	353	525	172
IT Projects	50	45	-5
Gross Affordable Homes spend	8,989	9,029	40
Open Market Acquisition	2,302	1,872	-430
<b>Gross Total Housing Capital Spend</b>	<b>22,184</b>	<b>20,798</b>	<b>-1,386</b>

#### Financed By:

Grants	6,793
Assets Sales/Capital Reserves	1,347
Other	2,250
Borrowing	10,408
	<b>20,798</b>

**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Depute Chief Executive (Resources and People Services)  
**SUBJECT:** Common Good Funds – Budget 2015/16 to 2017/18

7

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## **1 PURPOSE**

- 1.1 To seek approval for the budgets for the Dunbar, Haddington, Musselburgh and North Berwick Common Good Funds over this and the following two years and to recommend that Fund Committees develop their local expenditure proposals within these budgets.

## **2 RECOMMENDATIONS**

- 2.1 As required under the Common Good Funds Scheme of Administration dated 17 August 2007 (the Scheme), the Council is recommended to approve the budgets for the four Common Good funds for 2015/16 to 2017/18. These are contained at Appendices 1a – 1d.
- 2.2 The Council is asked to note the investment performance of long-term Common Good fund balances with East Lothian Council's investment managers, Investec Wealth & Investment Ltd.

## **3 BACKGROUND**

- 3.1 Appendices 2a – 2d show the final income and expenditure figures for 2014/15 for each of the Common Good funds. The Common Good is accounted for in accordance with the latest local government accounting standards including the LASAAC guidance, "Accounting for The Common Good Fund". The accounts for the Common Good have also now been restated and prepared to comply with the International Financial Reporting Standards (IFRS).
- 3.2 At 31 March 2015 the accumulated funds for each of the Common Good funds based on the unaudited accounts were as follows:

<u>Common Good Fund</u>	<u>£000</u>
Dunbar	58
Haddington	465
Musselburgh	4,166
North Berwick	270
<b>Total</b>	<b>4,959</b>

- 3.3 The Scheme requires the Council to approve an annual budget for each of the four Common Good Funds. The budgets for 2015/16 to 2017/18 are detailed in **Appendices 1a – 1d**.
- 3.4 The budgets are rolled forward from the previous year and are based on historical spending patterns and known commitments for 2015/16 and beyond. In the first instance, income is used to maintain the assets with any surplus funds being used to benefit the inhabitants of the area covered by the fund.
- 3.5 Each of the Common Good funds is administered by a committee which has the authority to award grants of up to £10,000 provided they meet the criteria detailed in the Scheme. Details of the grants awarded by each of the Common Good Committees are reported quarterly in the Members Library.

The Common Good committees have authority to make recommendations regarding expenditure over £10,000; however, a decision by the Council is required before these recommendations can be actioned.

### **Investments**

- 3.6 East Lothian Council currently uses an external investment broker, Investec Wealth & Investment Ltd to manage an investment portfolio on behalf of the charitable trusts which the council is responsible for administering and the Common Good Fund balances have been added to this portfolio:

	£	£	£
Common Good	Original Investment 2009-10	Valuation at 31 March 2015	Projected Income 2015-16
Dunbar	20,000	25,648	704
Haddington	55,000	70,531	1,937
Musselburgh	2,180,000	2,796,817	76,794
North Berwick	125,000	160,298	4,401
<b>TOTAL</b>	<b>2,380,000</b>	<b>3,053,294</b>	<b>83,836</b>

- 3.7 It is recommended that the investment policy for the Common Good funds continues to be the same as that which applies to the current investment portfolio. This policy is to balance growth in income and capital over the long term with a medium level of risk. There are no other restrictions on the investments.

#### **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 – as set out in the report
- 6.2 Personnel – None.
- 6.3 Other - None

## 7 BACKGROUND PAPERS

- 7.1 Council 27 August 2007 – “Common Good Funds” Accounting for the Common Good Fund: A Guidance Note for Practitioners (LASAAC December 2007)
- 7.2 Council 26 August 2014 – Common Good Funds – Budget 2014-15 to 2016-17

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<b>DATE</b>	10 August 2015



## Dunbar Common Good

## Income &amp; Expenditure Budget

	<b>Actual 2014/15 £000</b>	<b>Budget 2015/16 £000</b>	<b>Budget 2016/17 £000</b>	<b>Budget 2017/18 £000</b>
<b>Expenditure</b>				
Employees	1	2	2	2
Premises Repairs & Maintenance	13	14	14	14
Premises - Rates	0	0	0	0
Supplies & Services	2	3	3	3
Grants	3	4	4	4
<b>Total Expenditure</b>	<b>19</b>	<b>23</b>	<b>23</b>	<b>23</b>
<b>Income</b>				
Rents & other income	(25)	(25)	(25)	(25)
Interest / Investment Income	(1)	(1)	(1)	(1)
<b>Total Income</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>
<b>Net Surplus for the Year</b>	<b>(7)</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>
Common Good Fund opening balance	(51)	(58)	(61)	(64)
<b>Accumulated fund</b>	<b>(58)</b>	<b>(61)</b>	<b>(64)</b>	<b>(67)</b>

## Haddington Common Good

## Income &amp; Expenditure Budget

	<b>Actual 2014/15 £000</b>	<b>Budget 2015/16 £000</b>	<b>Budget 2016/17 £000</b>	<b>Budget 2017/18 £000</b>
<b>Expenditure</b>				
Supplies & Services	2	2	2	2
Grants	5	5	5	5
Total Expenditure	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
<b>Income</b>				
Rents	(34)	(34)	(34)	(34)
Interest / Investment Income	(2)	(2)	(2)	(2)
Total Income	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>
<b>Net Surplus for the Year</b>	<u>(29)</u>	<u>(29)</u>	<u>(29)</u>	<u>(29)</u>
Common Good Fund opening balance	(436)	(465)	(494)	(523)
<b>Accumulated fund</b>	<u>(465)</u>	<u>(494)</u>	<u>(523)</u>	<u>(552)</u>
<b>Proposals under consideration</b>				
None				

## Musselburgh Common Good

## Income &amp; Expenditure Budget

	<b>Actual 2014/15 £000</b>	<b>Budget 2015/16 £000</b>	<b>Budget 2016/17 £000</b>	<b>Budget 2017/18 £000</b>
<b>Expenditure</b>				
Premises Repairs & Maintenance	12	15	15	15
Premises - Utilities	(1)	0	0	0
Premises - Rates	15	16	17	17
Premises - Cleaning & Janitorial	16	17	18	19
Supplies & Services	35	36	37	37
Grants	123	150	150	150
Total Expenditure	<u>200</u>	<u>234</u>	<u>237</u>	<u>238</u>
<b>Income</b>				
Rents	(354)	(355)	(355)	(355)
Interest / Investment Income	(82)	(77)	(80)	(80)
Total Income	(436)	(432)	(435)	(435)
<b>Net Surplus for the Year</b>	<u>(236)</u>	<u>(198)</u>	<u>(198)</u>	<u>(197)</u>
Common Good Fund opening balance	(3,894)	(4,166)	(4,364)	(4,562)
Accounting Adjustment	(36)			
<b>Accumulated fund</b>	<u>(4,166)</u>	<u>(4,364)</u>	<u>(4,562)</u>	<u>(4,759)</u>

## Proposals agreed in 2014-15

£000

## Riding of the Marches 2016

50

## Total

50

North Berwick Common Good  
Income & Expenditure Budget

	<b>Actual 2014/15 £000</b>	<b>Budget 2015/16 £000</b>	<b>Budget 2016/17 £000</b>	<b>Budget 2017/18 £000</b>
<b>Expenditure</b>				
Premises Costs - Repairs & Maintenance	0	2	2	2
Premises Costs - Rates	2	3	3	3
Supplies & Services	2	3	3	3
Grants	0	10	10	10
<b>Total Expenditure</b>	<b>4</b>	<b>18</b>	<b>18</b>	<b>18</b>
<b>Income</b>				
Rents	(36)	(36)	(36)	(36)
Interest / Investment Income	(5)	(4)	(4)	(4)
<b>Total Income</b>	<b>(41)</b>	<b>(40)</b>	<b>(40)</b>	<b>(40)</b>
<b>Net Surplus for the Year</b>	<b>(37)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>
Common Good Fund opening balance	(235)	(270)	(292)	(314)
Accounting adjustments	2			
<b>Accumulated fund</b>	<b>(270)</b>	<b>(292)</b>	<b>(314)</b>	<b>(336)</b>

## Dunbar Common Good Account

Appendix 2a

2013/14 £000s	2014/15 £000s
<b>Income</b>	
(25) Rents and other income	(25)
<u>(25)</u>	<u>(25)</u>
<b>Expenditure</b>	
1 Employees	1
9 Premises-related expenditure	13
2 Supplies and services	2
2 Third party payments	3
26 Depreciation	26
<u>39</u>	<u>45</u>
<b>14 Cost of Services</b>	<b>20</b>
(1) Gains/Losses on the disposal of non current assets	(0)
(1) Financing and investment income and expenditure	(1)
<u>13 (Surplus) or Deficit on Provision of Services</u>	<u>19</u>
- Surplus or deficit on revaluation of Property, Plant and Equipment	447
- Surplus or deficit on revaluation of available for sale financial instruments	-
<u>- Other Comprehensive Income and Expenditure</u>	<u>447</u>
<u>13 Total Comprehensive Income and Expenditure</u>	<u>466</u>

## Dunbar Common Good Balance Sheet

31 March 2014 £000s	31 March 2015 £000s
1,151 Property, Plant & Equipment	678
23 Long Term Investments	24
252 Long Term Debtors	252
<u>1,426 Long Term Assets</u>	<u>954</u>
1 Sundry debtors	1
74 Short-term loans	81
<u>75 Current Assets</u>	<u>82</u>
(0) Short-term creditors	(1)
<b>Long-term Liabilities</b>	
- Grants Deferred	-
<u>(0) Current Liabilities</u>	<u>(1)</u>
<u>1,501 Net Assets</u>	<u>1,035</u>
(4) Financial Instruments Adjustment Reserve	(4)
(552) Revaluation Reserve	(94)
(894) Capital Adjustment Account	(879)
(51) Common Good Fund	(58)
<u>(1,501) Total Reserves</u>	<u>(1,035)</u>

## Haddington Common Good Account

2013/14 £000s	2014/15 £000s
<b>Income</b>	
(34) Rents and other income	(34)
<u>(34)</u>	<u>(34)</u>
<b>Expenditure</b>	
- Employees	-
- Premises-related expenditure	-
2 Supplies and services	2
92 Third party payments	5
- Depreciation	
<u>94</u>	<u>7</u>
<b>60 Cost of Services</b>	<b>(27)</b>
(2) Gains on the disposal of non current assets	(1)
(3) Financing and investment income and expenditure	(2)
<u>55 (Surplus) or Deficit on Provision of Services</u>	<u>(30)</u>
- Surplus or deficit on revaluation of Property, Plant and Equipment	-
(3) Surplus or deficit on revaluation of available for sale financial instruments	-
<u>(3) Other Comprehensive Income and Expenditure</u>	<u>-</u>
<u>52 Total Comprehensive Income and Expenditure</u>	<u>(30)</u>

Appendix 2b

## Haddington Common Good Balance Sheet

31 March 2014 £000s	31 March 2015 £000s
29 Property, Plant & Equipment	29
65 Long Term Investments	65
335 Long Term Debtors	325
<b>Long Term Assets</b>	
<u>428</u>	<u>419</u>
1 Sundry debtors	1
82 Short-term loans	120
<b>82 Current Assets</b>	<b>121</b>
- Short-term creditors	-
<b>Long-term Liabilities</b>	
- Grants Deferred	-
<b>- Current Liabilities</b>	<b>-</b>
<u><b>510 Net Assets</b></u>	<u><b>540</b></u>
(10) Financial Instruments Adjustment Reserve	(11)
- Revaluation Reserve	-
(64) Capital Adjustment Account	(64)
(436) Common Good Fund	(465)
<u><b>(510) Total Reserves</b></u>	<u><b>(540)</b></u>

## Musselburgh Common Good Account

2013/14 £000s	2014/15 £000s
<b>Income</b>	
(376) Rents and other income	(354)
<u>(376)</u>	<u>(354)</u>
<b>Expenditure</b>	
- Employees	-
47 Premises-related expenditure	42
82 Supplies and services	35
33 Third party payments	123
44 Depreciation / Impairment	61
<u>207</u>	<u>261</u>
<u>(170)</u> <b>Cost of Services</b>	<u>(93)</u>
(64) Gains on the disposal of non current assets	(34)
(81) Financing and investment income and expenditure	(82)
<u>(315)</u> <b>(Surplus) or Deficit on Provision of Services</b>	<u>(210)</u>
- Surplus or deficit on revaluation of Property, Plant and Equipment	(403)
(79) Surplus or deficit on revaluation of available for sale financial instruments	(52)
<u>(79)</u> <b>Other Comprehensive Income and Expenditure</b>	<u>(455)</u>
<u>(394)</u> <b>Total Comprehensive Income and Expenditure</b>	<u>(665)</u>

Appendix 2c

## Musselburgh Common Good Balance Sheet

31 March 2014 £000s	31 March 2015 £000s
1,315 Property, Plant & Equipment	1,656
2,558 Long Term Investments	2,633
747 Long Term Debtors	747
<u>4,620</u> <b>Long Term Assets</b>	<u>5,035</u>
48 Sundry debtors	53
1,552 Short-term loans	1,796
<u>1,600</u> <b>Current Assets</b>	<u>1,849</u>
(1) Short-term creditors	(1)
<b>Long-term Liabilities</b>	
- Grants Deferred	-
<u>(1)</u> <b>Current Liabilities</b>	<u>(1)</u>
<u><b>6,219</b></u> <b>Net Assets</b>	<u><b>6,883</b></u>
(393) Financial Instruments Adjustment Reserve	(445)
(170) Revaluation Reserve	(571)
(1,762) Capital Adjustment Account	(1,701)
(3,894) Common Good Fund	(4,166)
<u><b>(6,219)</b></u> <b>Total Reserves</b>	<u><b>(6,883)</b></u>

## North Berwick Common Good Account

2013/14 £000s	2014/15 £000s
<b>Appendix 2d</b>	
<b>Income</b>	
(24) Rents and other income	(36)
<u>(24)</u>	<u>(36)</u>
<b>Expenditure</b>	
- Employees	-
2 Premises-related expenditure	2
3 Supplies and services	2
10 Third party payments	-
8 Depreciation	8
<u>23</u>	<u>12</u>
<b>(1) Cost of Services</b>	<b>(24)</b>
(4) Gains on the disposal of non current assets	(2)
(5) Financing and investment income and expenditure	(5)
<b>(10) (Surplus) or Deficit on Provision of Services</b>	<b>(31)</b>
- Surplus or deficit on revaluation of Property, Plant and Equipment	(155)
(5) Surplus or deficit on revaluation of available for sale financial instruments	
<b>(5) Other Comprehensive Income and Expenditure</b>	<b>(155)</b>
<b>(15) Total Comprehensive Income and Expenditure</b>	<b>(185)</b>

## North Berwick Common Good Balance Sheet

31 March 2014 £000s	31 March 2015 £000s
263 Property, Plant & Equipment	410
147 Long Term Investments	151
- Long Term Debtors	
<b>Long Term Assets</b>	
<u>409</u>	<u>561</u>
3 Sundry debtors	3
120 Short-term loans	155
<b>123 Current Assets</b>	<b>158</b>
(0) Short-term creditors	(0)
<b>Long-term Liabilities</b>	
- Grants Deferred	-
<b>(0) Current Liabilities</b>	<b>(0)</b>
<b>532 Net Assets</b>	<b>718</b>
(23) Financial Instruments Adjustment Reserve	(26)
(70) Revaluation Reserve	(221)
(205) Capital Adjustment Account	(201)
(235) Common Good Fund	(270)
<b>(532) Total Reserves</b>	<b>(718)</b>



**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 August 2015

**BY:** Depute Chief Executive (Partnerships and Community Services)

**SUBJECT:** South East Scotland Strategic Development Plan (SESplan) Main Issues Report – Consultation Response

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**8**

## **1 PURPOSE**

- 1.1 That Council considers the means of finalising the response to consultation on the Main Issues Report (MIR2) for the second South East Scotland Strategic Development Plan (SDP2).

## **2 RECOMMENDATIONS**

- 2.1 It is recommended that East Lothian Council:
- (i) Agrees to discuss the issues raised by the MIR at a briefing meeting and workshop with officers.
  - (ii) Agrees to delegate to the Head of Development and Cabinet Spokesperson for Housing and Environment the final response to the consultation, subject to the discussions of the above meeting and workshop.

## **3 BACKGROUND**

- 3.1 MIR2 and its supporting documentation was approved by the SESplan Joint Committee for consultation in May 2015.
- 3.2 That approval was ratified by Members at a meeting of East Lothian Council on 23 June 2015.
- 3.3 MIR2 sets out the SESplan spatial strategy to deliver the vision for SDP2: to support the creation of outstanding and high quality places to do business; for successful and thriving communities; and for better

connected places where constraints are addressed and barriers removed. It should also contribute to community planning outcomes.

3.4 Three options are identified for the spatial strategy:

- (i) Concentrated Growth centred within Edinburgh;
- (ii) Distributed Growth throughout the area; and
- (iii) Growth Corridors moving out of Edinburgh.

The MIR promotes, as a preferred option, Growth Corridors as a balanced approach which looks to locate development close to where need arises. The main focus of this spatial strategy would be on Edinburgh and the areas closest to the city though whilst challenging Edinburgh to meet the majority of its need and demand within its boundaries, it also allows for strategic scale development to be located away from the city in neighbouring local authority areas, including East Lothian. It would seek to locate new development within a proximity of the regional core that supports sustainable travel patterns. This would also be supported in the wider region by smaller scale development where required.

3.5 In addition the MIR sets out three possible future growth scenarios for the city region, which then affect the predicted housing need and demand estimates:

- (i) Steady Economic Growth;
- (ii) Increasing Economic Activity; and
- (iii) Strong Economic Growth

The MIR promotes Steady Economic Growth as the preferred option.

3.6 The MIR's preferred spatial strategy challenges Edinburgh to meet a significant proportion of its own housing need and demand. This means that Edinburgh may be expected to provide housing land capable of delivering 41,790 homes of its total estimated need and demand of around 59,690 homes for the period up to 2029. Delivering this Housing Supply Target may generate a need for an annual completion rate in the city of around 2,320 homes per year. As a result, around 17,910 homes (or 1000 completions per year) may need to be redistributed elsewhere in the city region. Under the preferred HNDA scenario, East Lothian is estimated to have a need and demand for some 9,400 additional homes in the period up to 2029. Based on the preferred sites consulted on in the MIR for LDP1, the area may have a supply of housing land for around 12,650 homes, or 3,250 more than its own estimate of need and demand under the SDP2 HNDA estimates that are preferred at this stage.

3.7 As such, Housing Supply Targets for East Lothian are yet to be finalised and these will be very much dependent on which of the MIR options are pursued for proposed SDP2 in terms of:

- (i) the overall spatial strategy, whether the preferred of Growth Corridors or the Concentrated/Distributed options;
  - (ii) the economic scenario, whether the preferred of Steady Economic Growth or the Increasing/Strong options; and
  - (iii) the extent to which Edinburgh's housing need and demand is accommodated within the city boundaries
- 3.8 On affordable housing provision, the SDP2 MIR preferred option is to direct LDPs to seek, as a minimum, 25% of the total number of houses from market housing sites to be for affordable housing. LDPs would also have the flexibility to vary this policy requirement to reflect local circumstances if justified.
- 3.9 In respect of transport and connectivity, MIR2 promotes improvements to the A720 Edinburgh city by-pass, formation of a new rail halt at East Linton, the extension of Edinburgh Trams to Musselburgh, the dualling of the A1 to the Scottish border and on to Newcastle as well as a strategic network of walking and cycling routes in the area.
- 3.10 MIR2 also considers how sites are delivered on the ground as a key to achieving the overall vision and spatial strategy of SDP2 and considers options for infrastructure delivery, funding, transport infrastructure and assessing the five year effective housing land supply. As part of this a strategic infrastructure fund is promoted as the preferred approach. The SDP2 MIR also notes that a City Deal for Edinburgh and South East Scotland is being explored by the SESplan member authorities.
- 3.11 East Lothian Council needs to consider its response to the MIR consultation which runs from 21 July to 30 September. A SESplan briefing has been organised for 11 September 2015. An East Lothian Council officer and Member workshop has been planned to follow on, where a consultation response can be formulated. On submission the response will be submitted to the Members Library service.
- 3.12 Following consideration of consultation responses on the MIR for SDP2, the proposed SDP2 will be developed. Once finalised, proposed SDP2 will be the subject of a SESplan Joint Committee decision, and would also be put before East Lothian Council for ratification before being published for its representation stage.

#### **4 POLICY IMPLICATIONS**

- 4.1 The proposed SDP2 strategy and policies will have implications for the second East Lothian Local Development Plan.

#### **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 Main Issues Report 2 and supporting documents, Council Report 23 June 2015
- 7.2 SESplan Strategic Development Plan, June 2013 (as approved)
- 7.3 SESplan Supplementary Guidance on Housing Land (as approved) – Members’ Library Service Ref: 107/15 (June 2015 Bulletin)
- 7.4 Monitoring Statement – Members’ Library Service Ref: 107/15 (June 2015 Bulletin)
- 7.5 Interim Environmental Report – Members’ Library Service Ref: 107/15 (June 2015 Bulletin)
- 7.6 Equalities and Human Rights Impact Assessment – Members’ Library Service Ref: 107/15 (June 2015 Bulletin)
- 7.7 Development Plan Scheme No.7 – Members’ Library Service Ref: 107.15 (June 2015 Bulletin)
- 7.8 Background Document 1 - Spatial Strategy Technical Note – Members’ Library Service Ref: 105/15 (June 2015 Bulletin)
- 7.9 Background Document 2 - Economy Technical Note – Members’ Library Service Ref: 106/15 (June 2015 Bulletin)
- 7.10 Background Document 3 - Minerals Technical Note- Members’ Library Service Ref: 106/15 (June 2015 Bulletin)
- 7.11 Background Document 4 - Waste Technical Note – Members’ Library Service Ref: 106/15 (June 2015 Bulletin)
- 7.12 Background Document 5 - Housing Land Technical Note – Members’ Library Service Ref: 106/15 (June 2015 Bulletin)
- 7.13 Background Document 6 - Green Network Technical Note – Members’ Library Service Ref: 106/15 (June 2015 Bulletin)

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<b>DATE</b>	2 June 2015



**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 August 2015

**BY:** Depute Chief Executive (Partnerships and Community Services)

**SUBJECT:** Proposed Introduction of Decriminalised Parking Enforcement – Parking Attendant Service

9

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**1 PURPOSE**

- 1.1 To seek approval of Council to present a business case to Transport Scotland to commence the statutory procedure necessary to decriminalise parking enforcement in the East Lothian Council area.

**2 RECOMMENDATIONS**

- 2.1 To refresh and update the Parking Management Strategy and progress the development of a business case to submit to Transport Scotland for approval to decriminalise parking enforcement in the East Lothian area; to undertake the necessary examinations and consultations appropriate in setting up a Parking Management Service within the area.

**3 BACKGROUND**

- 3.1 Car parking provision, its management and enforcement is vital to traffic movement and the quality of life in our towns and villages. It directly affects the businesses, residences and retailers located therein and hence the overall economy of East Lothian.
- 3.2 The economic vibrancy and vitality of town centres greatly improves with vehicle turn-over. Greater control of indiscriminate parking improves journey times and economic performance. Conversely, poor traffic/parking management increases congestion, environmental costs, and impacts on the health and wellbeing of individuals. Indiscriminate and dangerous parking behaviour may lead to social unrest, an increase in road traffic related incidents and detrimental affects on personal travel choices.
- 3.3 Decriminalised parking enforcement (DPE) permits local authorities to apply to Scottish Ministers for the legal powers to take over the

enforcement of parking offences within their area, including enforcement of on-off street parking as well as waiting and loading restrictions from the police.

- 3.4 DPE has been introduced in Aberdeen City, Dundee City, City of Edinburgh, Glasgow city, Perth and Kinross, Fife, South Lanarkshire, East Ayrshire, South Ayrshire, East Renfrewshire, Renfrewshire, North Lanarkshire, Inverclyde, Argyll and Bute, and East Dunbartonshire (see Appendix 1).
- 3.5 Police Scotland withdrew the Traffic Warden Service on 1 February 2014. While Police Scotland retains enforcement duties, they are only able to address indiscriminate and dangerous parking infringements and the occasional policing of time based limits. The withdrawal of Police Scotland's Traffic Warden Service has resulted in all remaining Authorities who have not implemented DPE now requiring to consider this option, as the alternative is to be left with no practical enforcement. No regular enforcement, by either Police Scotland or the Local Authority, of time based limits and general parking infringements could cause a significant detriment to the health and well being of our towns and villages.
- 3.6 Making an Order permits East Lothian Council to become the enforcing Authority. The powers have been available since 1991 and the legislation covering this is contained in the Road Traffic Act 1991. An Authority which operates a DPE regime employs parking attendants who place penalty charge notices (PCNs) on vehicles parked in contravention of Traffic Regulation Orders (TROs). Under DPE, penalty charges are civil debts due to the local authority, rather than the former system where they would be criminal offences. Revenue from PCNs can be used to fund enforcement activities. Surpluses can be used to improve off-street parking facilities, or other transport-related purposes.
- 3.7 The 1991 Act permitted the decriminalisation of most non-endorsable parking offences. The provisions of the act allow for the promotion of Orders decriminalising offences within particular geographical areas. The Orders that would enact this change are permanent and cannot be revoked.

Within defined geographical areas:

- Enforcement of the decriminalised offences ceases to be the responsibility of Police Scotland and becomes the responsibility of the local roads authority;
- Parking attendants can place penalty charge notices (PCNs) on vehicles contravening parking regulations;
- Penalty charges are civil debts, due to the authority and enforceable through a streamlined version of the normal civil debt recovery process;



- In appropriate circumstances (and where these powers have been requested by authorities) parking attendants can authorise the clamping or towing away of vehicles;
  - Motorists wishing to contest liability may make representations to the local roads authority;
  - If these representations are unsuccessful, they may appeal to an independent parking adjudicator, whose decision is final; and
  - The local roads authority retains the proceeds from the penalty charges, which are used to finance the enforcement and adjudication systems and for certain other traffic management purposes.
  - Under DPE arrangements, the system of “initial” and “excess” charges is replaced by the penalty charge notice (PCN) system.
- 3.8 In support of all enforcement actions, East Lothian Council is required to ensure Traffic Regulation Orders are valid, up to date, and properly marked and signed on site.
- 3.9 Parking attendants will be required to enforce all traffic-related orders, including: the Disabled Persons Parking Places Act; the Responsible Persons Parking Bill (once enacted), and all temporary Traffic Regulation Orders put in place to support local community events or otherwise.
- 3.10 The Scottish Parking Appeals Service operates an adjudication service for Scottish local authorities. The Traffic Commissioner appoints adjudicators (usually retired judges, Lawyers, etc) under the auspices of the DVLA. East Lothian Council will have to subscribe to this service. A full and detailed report must be submitted to the Appeals Service to review disputes. Report drafting can be provided by another organisation but **must** be signed off by an East Lothian Council official. This cannot be re-assigned to another body.
- 3.11 To give legitimacy to the use of DPE and associated parking interventions there is a fundamental requirement to prepare and adopt a Parking Management Strategy, which conforms and augments the aims and objectives of the Council’s Local Transport Strategy. A Parking Management Strategy has been in draft form since 2011 and the Local Transport Strategy is currently being refreshed.
- 3.12 To introduce DPE, three Scottish Statutory Instrument (SSI) are required to be made by the Scottish Parliament: Road Traffic (Permitted Parking Area and Special Parking Area) (East Lothian Council) Designated Order; The Parking Attendants (Wearing of Uniforms) (East Lothian Council Parking area) Designation Order and (Parking Adjudicators) (East Lothian Council) Regulations.

- 3.13 A business case must be made to Transport Scotland to substantiate East Lothian Councils reasons for introducing DPE in their Council area. Fundamental to all DPE business cases is the requirement to demonstrate a cash neutral position after 5 years. Transport Scotland, however, will take a pragmatic view in considering the monetary returns and may permit a small running deficit. This would have to be explicitly justified in the submission with specific provision made for in the General Account and guaranteed not to impact on other services. The view of Transport Scotland is that no business case will be supported, which is predicated on the reallocation of Council funds that adversely impact other services areas.
- 3.14 The detailed business case will be lodged in the members' library prior to a submitting to Transport Scotland for consideration.
- 3.15 Subject to the acceptance of the business case by Transport Scotland and prior to the setting before Parliament the necessary Orders required to implement DPE, a further report will be brought to Council to consider all aspects of DPE and a Parking Management Service.
- 3.16 Managing a DPE service is a complicated undertaking and requires qualified back office resources, technical and professional staff to undertake the work. There is no capacity to integrate DPE into the current establishment. There is scope to work with other authorities to deliver some of the back office resources; however, no matter what level of DPE is introduced some of this will need to be managed and administered directly by East Lothian Council. Accordingly, there is a fundamental requirement to recruit professional parking services staff to the establishment. This is essential to deliver and manage the service.
- 3.17 Transport Scotland is required to consult with Police Scotland; East Lothian Council neighbouring authorities and the Traffic Commissioner before placing the Orders before Parliament. It is highly unlikely that there will be any objection; particularly from Police Scotland.
- 3.18 East Lothian Council will have to consult with the public generally and the Scottish Parking Appeals Service specifically. The general consultation is to seek comment; however, a public mandate would arguably legitimise introduction. Consultation with the Scottish Parking Appeals Service is necessary to ensure they are able to meet East Lothian's business needs.
- 3.19 The business case must also confirm all Traffic Regulation Orders are validated or that the process is sufficiently underway that the main areas of contention will be checked and amended. There is no obligation under DPE to consolidate Orders; however, consolidating to a single map-based system is considered a rational approach longer term.
- 3.20 The validation of East Lothian Traffic Regulation Orders will require detailed inspection of all TROs to ensure they are legally competent. This will target high value areas initially; after that progressing on a priority - financial risk and road safety bases. To accelerate this process the

Council may procure professional services to undertake this task on the Councils behalf. It is estimated the cost will be circa. £60,000.

- 3.21 It is anticipated that the making of the Orders to allow DPE will take approximately 6 months.
- 3.22 Once introduced there is a legal requirement to submit details of all income and expenditure to the Scottish Government on an annual basis.
- 3.23 The use of all income generated by DPE must comply with Section 55 of the Road Traffic Regulation Act 1984 as amended. At the end of each financial year the local Authority must make good any deficit from the General account and any surplus shall be applied for all or any the purposes:
1. Making good any deficit to the previous year's account;
  2. Meeting all or part of the maintenance costs of off street parking accommodation;
  3. Making to other authorities the cost of provision of maintenance by them;
  4. The provision of additional off-street parking;
  5. Contribute to the provision or operation of public passenger transport services;
  6. The purpose of a road improvement (this does not constitute road maintenance);
  7. For the purposes of environmental improvements in the local authorities area.

#### **4 POLICY IMPLICATIONS**

- 4.1 If introduced, Decriminalised Parking Management will contribute towards providing a Safer Environment - a key priority for East Lothian Council and will also contribute towards East Lothian's Single Outcome Agreement Outcome 9 – *East Lothian's homes and roads are safer*.

#### **5 EQUALITIES IMPACT ASSESSMENT**

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

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – All costs associated with the development of the business case inclusive of procuring professional service to validate Traffic Regulation Orders can be contained within the Road Services - Revenue Budget 2015/16.
- 6.2 Personnel – development of a business case will impact of resources but can be achieved within the existing establishment.

The impacts of introducing DPE fully will significantly affect staff resources. There is scope to work with other authorities to deliver some of the back office resources. However, no matter what level of DPE is introduced East Lothian Council will require additional staff to manage the operation of the Service. This will include Parking Manager/Officers, and parking attendants. The extent of this will be dependent on the level of DPE introduced and will be addressed in any subsequent report being brought forward in accordance with Section 3.15.

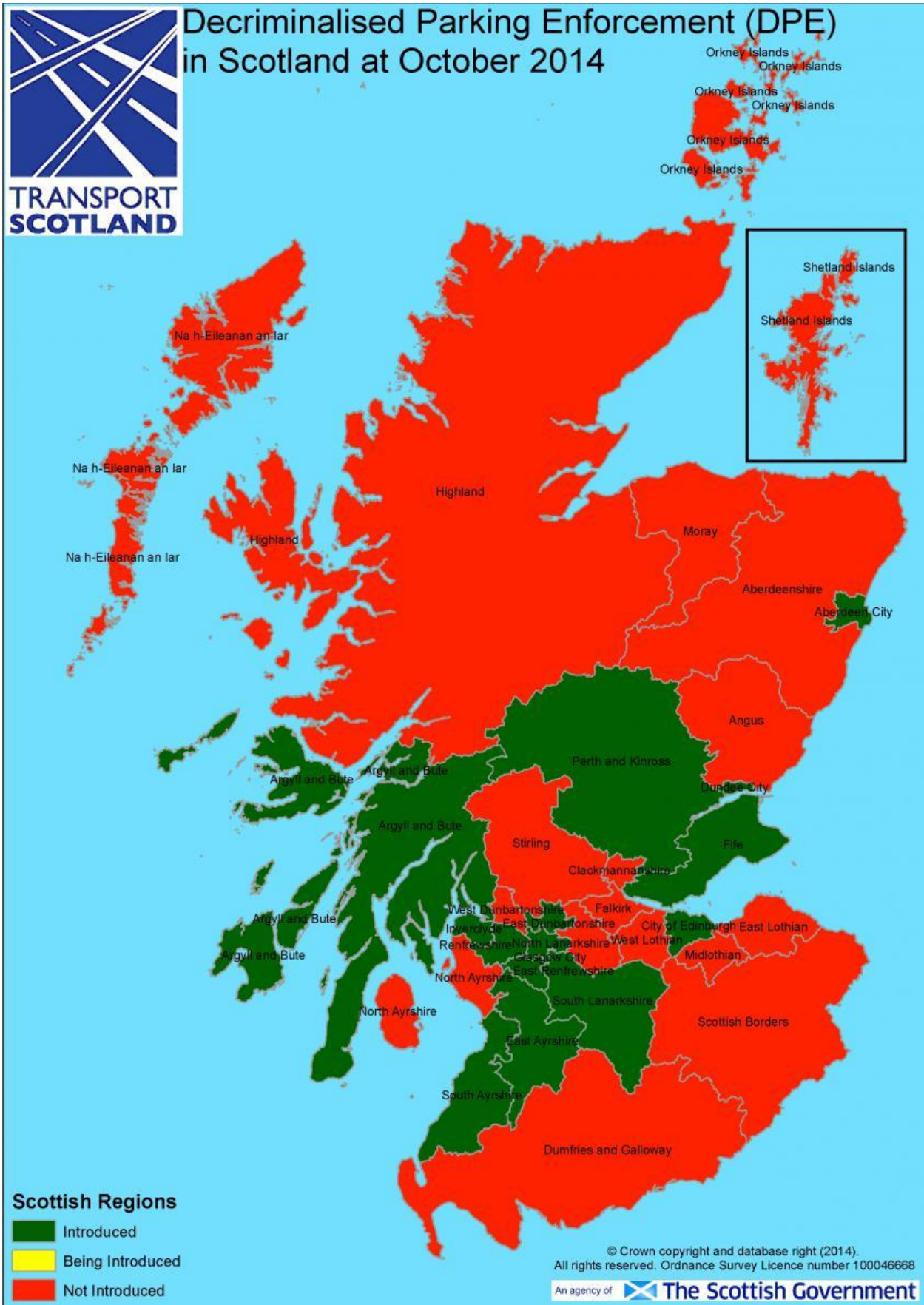
6.3 Other - None

## 7 BACKGROUND PAPERS

7.1 None

<b>AUTHOR'S NAME</b>	Peter Forsyth
<b>DESIGNATION</b>	Asset and Regulatory Manager
<b>CONTACT INFO</b>	Peter Forsyth – Ext 7724
<b>DATE</b>	13 August 2015

Appendix 1 – Parking Enforcement Areas





**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Depute Chief Executive (Partnerships and Community Services)  
**SUBJECT:** Arrangements for Scrutiny of Police and Fire & Rescue Services

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**10**

## **1 PURPOSE**

- 1.1 To present Council with a proposal to establish a new Community Safety Committee.

## **2 RECOMMENDATIONS**

- 2.1 That the Council amends the Scheme of Administration as proposed in paragraph 3.12 and establishes a Community Safety Committee with the terms of reference detailed in Appendix 1.
- 2.2 That the Council appoints a Convener for the Community Safety Committee.
- 2.3 That the political groups and independent Councillors nominate members of the new Community Safety Committee (see paragraph 3.13). In the event that Committee membership is not finalised at this meeting a report will be submitted to Members' Library advising of the Committee membership in due course.

## **3 BACKGROUND**

- 3.1 In April 2013 the Council considered a report on future scrutiny arrangements for police and fire and rescue services. The report outlined three options for scrutiny arrangements:
- Council performs the scrutiny and engagement function
  - The scrutiny and engagement function is delegated to a new Council Committee or the Cabinet
  - Council allows the new Community Planning Partnership Strategic Board for Communities [subsequently renamed the Safe and Vibrant Communities Partnership] to undertake scrutiny and engagement

arrangements with respect to community safety matters reflected in the Single Outcome Agreement

- 3.2 The Council agreed that a combination of the first and third options should be put in place. The Council should have responsibility for all aspects of public engagement and scrutiny of police and fire and rescue services. Monitoring of Local Multi-member Ward Plans would take place at the area level with active involvement of ward councillors. The Safe and Vibrant Communities Partnership should have responsibility for ensuring the police and fire and rescue services are fully engaged with, and support the delivery of, outcomes and priorities included in the Single Outcome Agreement.
- 3.3 The Safe and Vibrant Communities Partnership includes three elected members – Councillors Gillies, Day and MacKenzie – as well as representatives from Police Scotland, Scottish Fire & Rescue Service, the Association of Community Councils in East Lothian and the East Lothian Tenants and Residents Panel. The Partnership has responsibility for four of the Single Outcome Agreement outcomes, including Outcome Seven: East Lothian is an even safer place.
- 3.4 Scrutiny of how the police and fire and rescue services contribute to achieving this outcome is a key role for the Partnership. Since April 2013 the Partnership has received performance reports from both the police and fire and rescue services on a quarterly basis. These quarterly performance reports have been significant items for discussion at seven Partnership meetings.
- 3.5 However, the Partnership is responsible for overseeing the delivery of four of the East Lothian Partnership's ten Single Outcome Agreement outcomes. Only one of these outcomes relates directly to community safety – thus limiting the time that can be committed to discussion of Police / Fire performance.
- 3.6 As Area Partnerships become fully established and develop Area Plans it is anticipated that the Safe and Vibrant Communities Partnership will play a key role in considering reports from individual Area Partnerships and maintaining an overview of Area Partnership activity across the County. This will reduce the Partnership's capacity to scrutinise the performance of police and fire and rescue services further.
- 3.7 Since April 2013 the full Council has considered matters relating to Police and Fire and Rescue Services Local Plans and performance reports as follows:
  - 22 Oct 2013 6-monthly Police Performance Report
  - 17 Dec 2013 6-monthly Fire & Rescue Service Performance Report
  - 22 Apr 2014 Local Policing Plan 2014-17  
Local Fire & Rescue Plan 2014-17
  - 24 Jun 2014 Annual Police Performance Report 2013-14  
Annual Fire & Rescue Service Performance Report 2013/14
  - 16 Dec 2014 6-monthly Police Performance Report



6-monthly Fire & Rescue Service Performance Report  
23 Jun 2015 Annual Police Performance Report 2014-15  
Local Policing Plan Review  
6-monthly Fire & Rescue Service Performance Report

- 3.8 Time pressure and the format of Council meetings have limited the level of questioning and discussions about police and fire & rescue services that can take place there. There has also been some frustration at the level of information being provided by Police Scotland. The Council currently provides over £500,000 funding to Police Scotland for additional police officers and there has been limited member scrutiny of the impact of this significant investment as it is not dealt with through the Policy & Performance Review Committee.
- 3.9 With this in mind it is suggested that alternative arrangements are needed to allow fuller scrutiny and more detailed discussion of Police and Fire performance. Several options have been considered, including:
- the establishment of a new Safer Communities Sub-Committee of the Safe and Vibrant Communities Partnership
  - reducing the number of outcomes for which the Safe and Vibrant Communities Partnership is responsible so it can become a Communities Safety Partnership
  - the establishment a new Council committee for scrutiny of Police and Fire & Rescue services and related matters.
- 3.10 On balance it is considered that the latter option is the preferred option. Therefore, it is proposed that the Council establish a new Community Safety Committee.
- 3.11 The Scheme of Administration will need to be amended to establish the new Committee. Currently the remit and powers of the Council includes (para 12):
- 'The approval and monitoring of Police and Fire & Rescue Service Plans, in accordance with the Police and Fire Reform (Scotland) Act 2012.'*
- 3.12 It is proposed that the approval of the Police and Fire & Rescue Plans should remain the remit of the Council but that the monitoring role should be devolved from Council to the new Community Safety Committee. The Committee would also have a remit to engage in the development of Police Scotland and the Scottish Fire & Rescue Service Local Plans and joint working between the Council and the Police and Fire and Rescue Services.
- 3.13 The proposed terms of reference of the new Committee that will need to be added to the Scheme of Administration are detailed in Appendix 1.
- 3.14 It is proposed that the Community Safety Committee should consist of nine members. In order to achieve political balance the membership of the committee should consist of:
- four members nominated from the Scottish Labour group

- three members nominated from the SNP group
- one member nominated from the Scottish Conservative group
- one Independent / Independent Nationalist member.

3.15 The Council will need to appoint a Convener of the Committee. It should be noted that if the Convener of the Committee is not a Senior Councillor who already receives a higher salary under the current provision agreed by the Council, consideration will need to be given to whether the Convener is to be eligible for a salary enhancement.

3.16 It is proposed that the Committee would meet quarterly to receive the quarterly performance reports from Police and Fire & Rescue services along with any other reports deemed to be relevant to the scrutiny of these services and the remit of the Committee. It is expected that these meetings will be held on the last Wednesday of the month in August, November, February and May.

#### **4 POLICY IMPLICATIONS**

4.1 The establishment of new arrangements will ensure that effective engagement and scrutiny of the Police and Fire & Rescue Services continues to take place. Changes to the exiting arrangements are needed to allow more time for discussion and consideration by those involved.

#### **5 EQUALITIES IMPACT ASSESSMENT**

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

#### **6 RESOURCE IMPLICATIONS**

6.1 Financial – None, although should the Council choose to appoint a Convener who is not already a senior councillor, there would be a requirement to revisit the Scheme of Councillor Remuneration.

6.2 Personnel – the establishment of a new Council Committee will increase the workload of the Democratic Services team who will need to administer the Committee and of senior managers and officers who will be expected to prepare reports for and attend Committee meetings.

6.3 Other – None

#### **7 BACKGROUND PAPERS**

7.1 Police and Fire and Rescue Services: Arrangements for Public Scrutiny and Engagement – Report to Council, 23 April 2013

<b>AUTHOR'S NAME</b>	Paolo Vestri
<b>DESIGNATION</b>	Service Manager: Corporate Policy & Improvement
<b>CONTACT INFO</b>	<a href="mailto:pvestri@eastlothian.gov.uk">pvestri@eastlothian.gov.uk</a> 01620 827320
<b>DATE</b>	17 <sup>th</sup> August 2015



## **APPENDIX 1: Community Safety Committee: Terms of Reference**

### **A Remit and Powers**

The following business and functions are delegated by the Council to the Community Safety Committee:

- To carry out scrutiny of the performance of the Police and Fire & Rescue services in East Lothian with specific reference to each organisations' Local Plan.
- To receive and comment on local quarterly performance reports from Police Scotland and the Scottish Fire & Rescue Service.
- To engage in the development of Police Scotland and the Scottish Fire & Rescue Service Local Plans and joint working with the Police and Fire and Rescue Services.
- To consider and respond to national and local level strategy and policy discussions of Police Scotland and the Scottish Fire & Rescue Service.
- To scrutinise and monitor the Service Level Agreement between the Council and Police Scotland
- To receive and comment on reports on the performance of any other services performing a community safety function in East Lothian.

### **B Membership**

1. The membership of the Community Safety Committee shall include a Convener and a Deputy Convener. The Council shall determine the membership of the Committee, ensuring that the membership reflects the political balance of the Council.
2. In the absence of the Convener and Depute Convener at a meeting the other Members of the Committee shall appoint an alternative Chairperson for the duration of the meeting.

### **C Quorum**

1. Half the membership + 1.

### **D Substitutes**

1. There shall be no substitutes.

### **E Meetings**

1. There shall be a minimum of four scheduled meetings in each committee session.

2. Meetings shall take place in accordance with Standing Order 4.

## **F Reporting Arrangements**

1. The clerk shall be responsible for taking minutes of the Community Safety Committee.
2. Minutes shall be presented to the Community Safety Committee for approval.
3. The Committee can refer any item of business to the Council, in which case a report shall be placed on the agenda of the next appropriate meeting.

## **G Miscellaneous**

1. The Committee will be entitled to appoint ad hoc (short life) sub-committees. The Committee or its sub-committees will be entitled to undertake reviews of policies and/ or performance relating to Community Safety matters, to call upon the Council and Council officials for reports, and to require the attendance for the purpose of questioning, of any Cabinet Spokespersons and/ or officials of the Council on any matter relevant to the issue under consideration by them.
2. The Committee will be entitled to invite representatives of other public agencies, local communities, the private and voluntary sectors, trade unions and academic institutions to assist with reviews of policies and/or performance. Also, it will be entitled to call appropriate expert witnesses, commission appropriate research and hold evidence gathering meetings.
3. The Committee will have the power to comment on, and make recommendations on, matters insofar as relevant to its authorised remit where appropriate, to the Council.

**REPORT TO:** East Lothian Council  
**MEETING DATE:** 25 August 2015  
**BY:** Chief Executive  
**SUBJECT:** Appointment to the Post of Head of Service (Development)

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**11**

## **1 PURPOSE**

- 1.1 To advise Council of the decision of the Chief Officer and Head Teacher Appointments Sub-Committee to appoint Douglas Proudfoot to the post of Head of Service (Development).

## **2 RECOMMENDATIONS**

- 2.1 To note the decision of the Chief Officer and Head Teacher Appointments Sub-Committee to appoint Douglas Proudfoot as Head of Service (Development) and to note that following receipt of satisfactory pre-employment checks Mr Proudfoot commenced in post with effect from Monday 22<sup>nd</sup> June 2015.
- 2.2 To note the minute of the Chief Officer and Head Teacher Appointments Sub-Committee held on 18 and 19 June 2015 for the appointment of the Head of Service (Development) (Appendix 1).

## **3 BACKGROUND**

### **Head of Service (Development) Appointment**

- 3.1 A recruitment campaign to appoint to the vacant Head of Service (Development) post was undertaken in April 2015.
- 3.2 A cross-party/Elected Member Chief Officer and Head Teacher Appointments Sub-Committee was established in accordance with Council's Standing Orders and charged with making an appointment to the permanent post of Head of Service (Development). The Sub-Committee comprised:

Cllr Willie Innes (Chair)  
Cllr Norman Hampshire  
Cllr Peter Mackenzie

- 3.3 Peter Hay, Independent HR Adviser, provided advice throughout the recruitment campaign, candidate selection and the candidate interview processes.
- 3.4 The external recruitment campaign for the post ran from Friday Thursday 21 May to midnight on Sunday 7 June 2015.
- 3.5 Fourteen applications were received for the post of Head of Service (Development). Seven candidates were selected for longleat interview from which four were shortlisted to undertake a series of online psychometric tests and a formal interview on either the 18 or 19 June 2015. One candidate withdrew their application prior to the formal interview.
- 3.6 The candidates completed a series of online psychometric tests prior to their formal interview; the tests were designed to assess their leadership skills, personality and situational judgement. The process was undertaken independently by Kiel Management Centre and an outcome-based report on candidate's assessments was prepared by their lead psychologist. The report was discussed with the Independent HR Adviser who shared the findings with the Sub-Committee following the interviews to help inform the decision making.
- 3.4 Formal competency based interviews took place on the 18 and 19 June 2015. Prior to the interview itself candidates were given 45 minutes to prepare a brief on '*how they would develop East Lothian*' to present to the Sub-Committee at the commencement of their formal interview. Thereafter the Sub-Committee asked the candidates a number of pre-set behavioural interview questions. The Sub-Committee was advised by Peter Hay, Independent HR Adviser, Depute Chief Executive for Partnerships and Community Services - Monica Patterson and Service Manager HR and Payroll - Sue Cormack.
- 3.5 Following interviews and taking full account of the candidates' performance in relation to the presentations and online assessments, the Sub-Committee unanimously determined that Douglas Proudfoot be selected as the preferred candidate for the post of Head of Service (Development).
- 3.6 Subsequently, relevant pre-employment checks were found to be satisfactory and a formal offer was made to Douglas Proudfoot which he accepted and he took up the post on Monday 22 June 2015. A minute of the meeting of the Sub-Committee which conducted the interviews for the post on 18 and 19 June 2015 (Appendix 1) is presented for noting.

#### **4 POLICY IMPLICATIONS**

- 4.1 In accordance with standing orders of East Lothian Council Douglas Proudfoot has become East Lothian Council Head of Service (Development).



## **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 – Douglas Proudfoot will hold the post and responsibilities of the Head of Service (Development) with effect from 22 June 2015
- 6.3 Other - None

## **7 BACKGROUND PAPERS**

- 7.1 None

<b>AUTHOR'S NAME</b>	Sue Cormack
<b>DESIGNATION</b>	Service Manager HR and Payroll
<b>CONTACT INFO</b>	Tel: 01620 827401 Email: scormack@eastlothian.gov.uk
<b>DATE</b>	25th August 2015



**MINUTES OF THE MEETING OF THE  
CHIEF OFFICER AND HEAD TEACHER APPOINTMENTS SUB-COMMITTEE  
For the Post of  
HEAD OF SERVICE (DEVELOPMENT)**

**Held on 18<sup>th</sup> and 19<sup>TH</sup> June 2015**

**PROVOST'S BOARDROOM, JOHN MUIR HOUSE, HADDINGTON**

**Chief Officer and Head Teacher Appointments Sub-Committee:**

Councillor Willie Innes (Chair)  
Councillor Peter Mackenzie  
Councillor Norman Hampshire

**In Attendance:**

Peter Hay, External Independent HR Adviser

**Council Officials:**

Monica Patterson, Depute Chief Executive - Partnerships and Community Services  
Sue Cormack, Service Manager - HR and Payroll

The Sub-Committee interviewed each candidate in turn. Candidates began their interview by giving a ten minute presentation to the Panel setting out 'How they would grow East Lothian' should they be appointed to the post. This was followed by a series of set competency based questions from Sub-Committee Members, supplemented by ad hoc questions.

When all candidates had been interviewed the Sub-Committee discussed the relative merits of the candidates with assistance from Mr Hay and the Deputy Chief Executive Partnerships and Community Services following which Peter Hay presented to the Sub-Committee, an overview on the outcome of the online assessments exercise undertaken by the candidates. The Sub-Committee then proceeded to score the 3 candidates. Douglas Proudfoot received the highest score and was accordingly declared to be the preferred candidate.

The HR and Payroll Service Manager explained that the usual pre-employment checks on the preferred candidate would be carried out prior to formal appointment.



**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 August 2015

**BY:** Depute Chief Executive (Resources and People Services)

**SUBJECT:** Submissions to the Members' Library Service  
11 June – 12 August 2015

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**12**

## **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 11 June and 12 August 2015, 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

<b>AUTHOR'S NAME</b>	Lel Gillingwater
<b>DESIGNATION</b>	Team Manager - Democratic Services
<b>CONTACT INFO</b>	<a href="mailto:lgillingwater@eastlothian.gov.uk">lgillingwater@eastlothian.gov.uk</a>
<b>DATE</b>	12 August 2015

**MEMBERS' LIBRARY SERVICE RECORD FOR THE PERIOD  
11 June – 12 August 2015**

<b>Reference</b>	<b>Originator</b>	<b>Document Title</b>	<b>Access</b>
97/15	Head of Education	Yester Primary School – Amendment to Reserving Places	Public
98/15	Head of Education	Service Review – Staffing for new Communications Provision in Knox Academy	Private
99/15	Depute Chief Executive (Resources and People Services)	Service Review – Scottish Government Funding for Language Learning in Scotland	Private
100/15	Head of Council Resources	Property Insurance Tender July 2015	Public
101/15	Depute Chief Executive (Partnerships and Community Services)	Service Review – Creation of Sport and Activity Project Development post	Private
102/15	Depute Chief Executive (Partnerships and Community Services)	Service Review – Archaeology Services	Private
103/15	Depute Chief Executive (Resources and People Services)	Service Review – Sanderson's Wynd Primary School	Private
104/15	Depute Chief Executive (Partnerships and Community Services)	Service Review – Transfer of Contact Centre post to HR	Private
105/15	Acting Head of Development	SESplan MIR – Background Papers (part 1)	Public
106/15	Acting Head of Development	SESplan MIR – Background Papers (part 2)	Public
107/15	Acting Head of Development	SESplan MIR – Background Papers (part 3)	Public
108/15	Acting Head of Development	Development Plan Scheme No 7	Public
109/15	Acting Head of Development	Proposed Extension at Dunbar Primary School	Public
110/15	Chief Executive	Response to Welfare Reform Committee questions on Discretionary Housing Payments and Mitigation of Under-Occupancy Reductions	Public
111/15	Head of Council Resources	Draft Statement of ELC Accounts 2014/15	Public

112/15	Director of Health and Social Care	Service Review – Creation of a Modern Apprentice post at Port Seton Resource Centre	Private
113/15	Head of Education	Service Review – Early Years Admissions Co-ordinator	Private
114/15	Head of Council Resources	Service Review – Legal and Procurement	Private
115/15	Depute Chief Executive (Resources and People Services)	Service Review – Pinkie St Peter’s Primary School	Private
116/15	Depute Chief Executive (Partnerships and Community Services)	Service Review – Economic Development and Strategic Investment	Private
117/15	Head of Communities & Partnerships	Service Review Report – Communities and Partnerships Division – Area Management	Private
118/15	Head of Development	Proposed Fire Damage Reinstatement at 19 Edenhall Crescent, Musselburgh	Public
119/15	Head of Development	Proposed Temporary Modular Accommodation at Wallyford Primary School, Wallyford	Public
120/15	Head of Council Resources	Personal Accident & Travel Insurance – 1 July 2015	Public
121/15	Head of Council Resources	Contractors’ All Risk Insurance – 1 July 2015	Public
122/15	Depute Chief Executive – Partnerships and Community Services	Building Warrants Issued under Delegated Powers between 1 <sup>st</sup> and 30 <sup>th</sup> June 2015	Public
123/15	Service Manager – Planning	Planning Enforcement Notices issued between 1 <sup>st</sup> and 30 <sup>th</sup> June 2015	Public
124/15	Depute Chief Executive – Partnerships and Community Services	Service Review Report - Amendment to Facilities Management Services Structure – Mail Services at John Muir House, Haddington	Private
125/15	Service Manager – Customer Service	Marriage and Civil Partnership (Scotland) Act 2014 – The Qualifying Civil Partnership Modification (Scotland) Order 2015 (Draft)	Public
126/15	Head of Development	Proposed New & Replacement Gas Heating Installations in Domestic Council Properties in East Lothian 2015	Public
127/15	Director of Health and Social Care	Review of Self Directed Support – 2014/15	Public
128/15	Depute Chief Executive – Partnerships and Community Services	Service Review – Waste Services	Private
129/15	Head of Infrastructure	Proposed Resurfacing of Synthetic Pitches at Various Locations	Public



130/15	Depute Chief Executive – Resources and People Services	North Berwick High School - Minor Service Review – Pupil Support Worker (Replacement New Post)	Private
131/15	Head of Development	Sale of Land in Musselburgh	Private
132/15	Head of Development	Adult Learning Classes – Revisions to existing charges	Public
133/15	Depute Chief Executive – Partnerships & Community Services	Communications Officer – Secondment	Private
134/15	Head of Council Resources	Confirmation of Outcome of Application for Re-evaluation of Job	Private
135/15	Service Manager – Resources (Adult Wellbeing)	Service Review Report – Staffing of Crookston Care Home Facility, Tranent	Private
136/15	Head of Development	Sale of Land - Musselburgh	Private
137/15	Depute Chief Executive – Partnerships & Community Services	Proposed Resurfacing of Synthetic Pitches	Public
138/15	Head of Communities and Partnerships	Health & Safety Management Arrangements – Potentially Violent Client Register	Public
139/15	Director of Health and Social Care	Amendments to Health and Social Care Chief Officer Appointment Process	Public

12 August 2015

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 August 2015

**BY:** Depute Chief Executive (Partnership and Services for Communities)

**SUBJECT:** Former Cockenzie Power Station Site

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## **1 PURPOSE**

1.1 The purpose of this report is:

- a) to note formally both the withdrawal of Scottish Enterprise proposals and the confirmation of Scottish Power's stated intention to relinquish the existing S36 Planning consent for Thermal Power Generation on the site; and
- b) in the context of these significant changes re-affirm the mandate and direction given to officers to secure the future of the site.

## **2 RECOMMENDATIONS**

2.1 It is recommended that Council:

- a) note the updated position in relation to the site;
- b) continue engagement with all parties and work in partnership, where applicable, to ensure that all potential opportunities and benefits are explored and maximised whilst all risks and drawbacks are identified and mitigated;
- c) commission independently, or jointly with others, a masterplan for the site;
- d) re-affirm its agreement that officers should explore all options, including joint venture and public ownership, to secure the future of the proposed site should this be required to optimise its potential;
- e) authorise the formation of a project team, utilising both internal and external resources, to inform and develop proposals;

- f) continue the cross party member and officer group to oversee option and engagement work undertaken.

### **3 BACKGROUND**

- 3.1 Council is aware that Scottish Enterprise, the national economic development agency, announced their intention not to proceed with their energy park proposals on 30 March 2015.
- 3.2 On 18 August 2015, Scottish Power Generation announced that they would not be proceeding with their existing S36 planning consent for thermal power generation as granted by Scottish Ministers in October 2011.
- 3.3 Considerable uncertainty exists with respect to the on and off-shore energy markets in the short, medium and longer term.
- 3.4 The site is currently in an advanced stage of de-commissioning.
- 3.5 At its meeting of 18 August 2015, the cross party Member and Officer Working Group noted continuing engagement with stakeholders including Scottish Government officials. Importantly, the meeting noted the establishment of a Community Forum that had been formed in collaboration with local Community Councils and the Coastal Regeneration Alliance. This Forum will listen to, involve and take views from the community in respect of possible interventions that the Council, and indeed the local community, may seek to initiate in the context of continued uncertainty surrounding ownership.
- 3.6 The cross party Member and Officer group agreed that intervention options to masterplan and take the site into public ownership should continue to be explored and considered as fully as possible.
- 3.7 The Coastal Regeneration Alliance have initiated a “Community Right to Buy” submission to Scottish Ministers for 2 areas within the overall site which is / are, currently being considered.
- 3.8 Scottish Power Generation remain the main owners of the site.
- 3.9 The Scottish Government’s Third National Planning Framework – Ambition, Opportunity, Place, (NPF3), identifies Cockenzie as a national development for thermal energy generation as well as a location of significance in respect of renewable energy. Despite announcements by Scottish Enterprise and Scottish Power Generation, NPF3 remains relevant and applicable to the site and must be reflected in the Council’s Local Development Plan (LDP) proposals currently being worked up.

## **PROPOSALS**

- 3.10 That Council officers consider all options, including joint venture and public ownership, as a means of securing the future of the site.
- 3.11 That officers continue engagement with all parties and work in partnership, where applicable, to ensure all potential opportunities and benefits are explored and maximised whilst all risks and drawbacks are identified and mitigated in any proposals developed;
- 3.12 A further report on the nature of any such proposals would be presented to Council for consideration.
- 3.13 That a specific project team be formed to take forward proposal development that would involve internal staffing resource and engagement of external expertise.
- 3.14 That officers continue engagement with Scottish Government to seek support around interventions both in terms of financial contribution and technical advice.

## **4 POLICY IMPLICATIONS**

- 4.1 The East Lothian Plan – Single Outcome Agreement 2013, Outcome 1; East Lothian has a growing sustainable economy. East Lothian Economic Development Strategy 2012 – 2022.

## **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 – It is proposed to fund the project team identified in Section 3.13, from general reserves, up to a maximum value of £150k. Any additional support or contribution that may be secured from other stakeholders can be used to complement any project team established.
- 6.2 Personnel – potential temporary deployment of existing staff to support the project team as set out in 3.13.
- 6.3 Other – ongoing engagement from Council officers at a senior level with current landowner, Scottish Government, the local community and other stakeholders.

## **7 BACKGROUND PAPERS**

- 7.1 Council report 26 August 2014; Cockenzie Energy Park / Former Power Station.
- 7.2 East Lothian Partnership, the East Lothian Plan, Single Outcome Agreement 2013 – 23; East Lothian Economic Development Strategy 2012 – 2022; Scottish Government Third National Planning Framework (NPF3).

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