



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

**TUESDAY 25 AUGUST 2015
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Committee Members Present:

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

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 D Proudfoot, Head of Development
Ms M Ferguson, Service Manager – Legal and Procurement
Mr P Forsyth – Team Manager, Assets and Regulatory
Ms S Fortune, Service Manager – Business Finance
Ms J Mackay, Media Manager
Ms K MacNeill, Service Manager – Legal, Admin and Democratic Services
Ms C McCorry, Service Manager – Community Housing
Mr P McLean, Planner (Policy & Projects)
Ms L Shaw, Corporate Finance Manager
Mr G Simpson, Local Authority Liaison Officer (Police)
Mr P Vestri, Service Manager – Corporate Policy & Improvement
Ms E Wilson, Service Manager – Economic Development & Strategic Investment

Visitors Present:

None

Clerk:

Mrs L Gillingwater

Apologies:

Councillor J Caldwell

Councillor A Forrest

Prior to the commencement of the meeting, Councillor Veitch announced that a former East Lothian District Councillor, Peter Crichton, had recently passed away. He paid tribute to the work of Mr Crichton, who had served the East Linton Ward from 1984 to 1996.

Order of business

The Provost announced that there would be an additional item of business – Former Cockenzie Power Station Site – and that this report would be discussed immediately after Item 5 (2015/16 Council Improvement Plan).

1. MINUTES FOR APPROVAL

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

East Lothian Council – 23 June 2015

2. MINUTES FOR NOTING

The minutes of the meetings specified below were noted:

Local Review Body (Planning) – 18 June 2015

3. SUMMER RECESS BUSINESS 2015

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

The Clerk advised that there had been one item of business carried out during the recess period – Amendments to the Health and Social Care Chief Officer Appointments Process. This report had been lodged in the Members' Library.

Decision

The Council agreed to note the business undertaken over the summer recess period.

4. LOCAL GOVERNMENT BOUNDARY REVIEW

A report was submitted by the Depute Chief Executive (Resources and People Services) informing 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. The report also sought authority to respond to the consultation, opposing the proposal to reduce the number of councillors and to change ward boundaries.

The Service Manager for Licensing, Admin and Democratic Services, Kirstie MacNeill, presented the report, advising Members of the revised proposals to reduce councillor

numbers to 22 and amend the ward boundaries. She proposed that the Council should submit a response to the LGBC, based on the draft attached as Appendix 1 to the report. She further advised that a Freedom of Information request had been submitted to the LGBC seeking details of all documentation considered by them in relation to the inclusion of deprivation as a factor. She drew attention to the public consultation exercise and noted that an update would be presented to Council in October.

A number of Members commented on the lack of evidence provided in including deprivation as a factor, and also expressed concern at the prospect of constituents in some areas being under-represented as a result of the proposed changes. There were also comments made in relation to the impact on community ties, school catchment areas, the projected increase in East Lothian's population and councillor workload.

Councillor Hampshire proposed that a letter be submitted to the Minister requesting him to reject the proposal should the final recommendation from the LGBC be to reduce councillor numbers. This proposal was seconded by Councillor Berry. Councillor Currie suggested that it may not be appropriate for the Minister to intervene, given that the outcome of the process would be determined by the Scottish Parliament.

The Chief Executive advised that the methodology approved by the LGBC was based on population (based on the 2013 population figures), and that it was at a later date that deprivation had been introduced as a factor. She indicated that there had been no endorsement of the inclusion of the deprivation factor at Parliamentary level. She believed that the Minister was unlikely to intervene unless he was of the view that the methodology was flawed.

Decision

The Council agreed:

- i. to note the Local Government Boundary Commission for Scotland's proposals to reduce councillor numbers in East Lothian from 23 to 22 and to change ward boundaries;
- ii. to authorise officers to submit a response to the LGBC consultation, based on the draft attached as Appendix 1 to the report; and
- iii. that, should the LGBC recommend a reduction in councillor numbers, the Chief Executive would consider making representation to the Minister seeking a rejection of the proposals.

5. 2015/16 COUNCIL IMPROVEMENT PLAN

A report was submitted by the Chief Executive presenting the 2015/16 Council Improvement Plan (CIP) to the Council for approval.

The Service Manager for Corporate Policy and Improvement, Paolo Vestri, presented the report, drawing attention to the 2015/16 CIP and noting that there were no actions resulting from the corporate governance self-evaluation or from the external auditor's audit reports. He noted that an update report would be presented to the Audit & Governance Committee in late 2015/early 2016.

In response to questions from Members, Mr Vestri undertook to provide further information on the benchmarking exercises used. He also updated Members on the web development project, advising that the original proposal had not gone ahead; however, a bid would be

made to the Cost Reduction Fund (CRF) with a view to progressing the project this year. The Head of Council Resources, Jim Lamond, added that the IT budget for 2014/15 had been fully allocated, and that the funding required for the web development project had been earmarked to come from the CRF. He was confident that this project would be carried out during the current financial year.

Decision

The Council agreed:

- i. to note the update report on the 2014/15 Council Improvement Plan (attached as Appendix 1 to the report); and
- ii. to approve the 2015/16 Council Improvement Plan (attached as Appendix 2 to the report).

5a. FORMER COCKENZIE POWER STATION SITE

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) noting both the withdrawal of Scottish Enterprise proposals and the confirmation of Scottish Power's stated intention to relinquish the existing Section 36 Planning Consent for Thermal Power Generation on the site. In the context of these significant changes, the report sought to re-affirm the mandate and direction given to officers to secure the future of the site.

The Head of Development, Douglas Proudfoot, presented the report, advising of the proposals in relation to the future of the Cockenzie Power Station site. He noted that this was a commercially sensitive and complex issue, and highlighted the importance of continued engagement with all parties. He also pointed out that resources to take the proposals forward would need to be identified.

Responding to questions from Members, Mr Proudfoot advised that a further report outlining the options for the site would be presented to Council in due course, and that a wide-ranging consultation process involving all stakeholders would be undertaken. He also made reference to the need to take account of the Strategic Development Plan and the National Planning Framework. Morag Ferguson, Service Manager – Legal and Procurement Services, confirmed that all Members and officers were bound by the confidentiality agreement between the Council and Scottish Power.

Several Members emphasised the importance of taking the views of the community into account when preparing the masterplan for the site. There were also suggestions that the Council should seek to secure the site in order to determine the best use for it, both in terms of serving the interests of the community and maximising the potential economic benefits. Councillor Berry spoke of the potential for developing a cruise liner terminal at the site, given that the port at Leith did not have the capacity to accommodate large liners.

The Council's Economic Development Spokesperson, Councillor McMillan, welcomed the report and the opportunity to look at options for the future of the site. He stated the need to develop a masterplan that was sustainable and which met the objectives of the Council Plan and the Economic Development Strategy.

Councillor Hampshire pointed out that there was no commitment at this stage for the Council to purchase the site, and warned of the potential risks should the Council seek to secure ownership of it. He also expressed concern at the future of electricity generation in Scotland.

Councillor Innes urged Members not to pre-empt the use of the site prior to the development of the masterplan. He highlighted the importance of community engagement and welcomed the proposals to enter into discussions with all stakeholders.

Decision

The Council agreed:

- i. to note the updated position in relation to the site;
- ii. to 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;
- iii. to commission independently, or jointly with others, a masterplan for the site;
- iv. to 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;
- v. to authorise the formation of a project team, utilising both internal and external resources, to inform and develop proposals; and
- vi. to continue the cross-party Member and officer group to oversee option and engagement work undertaken.

6. 2014/15 FINANCIAL REVIEW

A report was submitted by the Depute Chief Executive (Resources and People Services) informing the Council of the unaudited financial position for the financial year 2014/15, and finalising the arrangements for the carry-forward of funds into 2015/16.

The Head of Council Resources, Jim Lamond, presented the report, advising that the draft unaudited accounts had been signed off and submitted to Audit Scotland within the required timescale, and that it was expected that the auditor's annual report would be presented to Council in October. He highlighted the key aspects of his report as regards reserves, the general services account and the housing revenue account (HRA). He noted that, due to the decision just made to commit funds from reserves to support the work on determining the future of the Cockenzie Power Station site, the transfer of surplus reserves to the capital fund would now amount to £5.752 million.

Mr Lamond responded to a number of questions from Councillor Currie, noting that in a number of areas retaining vacancies could not be sustained in the long term, and that in some cases vacancies were being held pending the outcome of service reviews. As regards capital expenditure, Mr Lamond advised that progress had been made in the fourth quarter, both in general services and the HRA; he also expected an increase in expenditure in the next year, noting that some projects may cost less than projected and some may not proceed. On the mortgage to rent scheme, Mr Lamond pointed out that the number of applications in 2014/15 was down on the previous year. As regards properties at the higher end of the market which fall outwith the scope of the scheme, Members were advised that representation had been made previously to the Scottish Government on this matter, but that no flexibility had been given. The Service Manager – Community Housing, Caitlyn McCorry, advised that the scheme was publicised through leaflets and the Council website. She

added that work was ongoing with Property Maintenance to deliver the modernisation programme.

Councillor Berry asked for further information on the Council's pension liabilities, particular in relation to the increase in liabilities of £43.2 million. Mr Lamond explained that a guarantee had been given that employer contributions would not increase. He had questioned the actuary on this issue in March 2015, who had advised that he was confident about the monitoring that was being undertaken and that there would be no change in contributions. Mr Lamond offered to discuss other aspects of the report with Councillor Berry outwith the meeting.

Councillor Veitch welcomed the report, drawing particular attention to progress made as regards reserves, borrowing, debt charges, road improvements and town centre regeneration.

Councillor Currie expressed concern at the overspends in Children's and Adult Wellbeing services, and at the reduction in the budget for additional support needs in Education. On the capital programme, he warned that with current levels of slippage, there would be an overspend in Year 4. He also noted that there had been a 60% decrease in the number of Council houses being built.

Councillor Innes accepted that there were a number of issues that required to be resolved, and that the Council would face further financial pressures in coming years. However, he reported that the Council, through effective management, had limited the impact of budget cuts, and this should be welcomed.

Councillor Akhtar paid tribute to Council staff who had worked hard to continue providing services despite the ongoing financial challenges.

Decision

The Council agreed:

- i. 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; and
- ii. to approve the transfer of the additional surplus reserves of £5.752m to the General Services Capital Fund, in line with the Council's agreed financial strategy.

7. COMMON GOOD FUNDS – BUDGET 2015/16 TO 2017/18

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

The Head of Council Resources, Jim Lamond, presented the report, drawing attention to the fund balances, based on the 2014/15 unaudited accounts, and the proposed budgets for each fund for 2015/16. As regards Musselburgh Common Good Fund, he advised that the level of uncommitted grant expenditure for 2015/16 was £100,000. There was also £100,000 allocated to the Riding of the Marches (£50,000 in 2014/15 and £50,000 in 2015/16), as agreed by the Council in December 2014.

In response to a question from Councillor Currie, Mr Lamond noted that there were restrictions on how Common Good funds could use their asset base, and that he would discuss this further with him outwith the meeting. He also provided Councillor Berry with an explanation as regards premises costs (repairs and maintenance) figures relating to North Berwick Common Good. Councillor Berry remarked on the lack of maintenance carried out on these properties.

Decision

The Council agreed:

- i. to approve the budgets for the four Common Good Funds for 2015/16 to 2017/18, as outlined in Appendices 1a – 1d of the report; and
- ii. to note the investment performance of long-term Common Good Fund balances with East Lothian Council's investment managers, Investec Wealth & Investment Ltd.

8. SOUTH EAST SCOTLAND STRATEGIC DEVELOPMENT PLAN (SESPLAN) MAIN ISSUES REPORT – CONSULTATION RESPONSE

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking to consider the means of finalising the response to the consultation on the Main Issues Report (MIR2) for the second South East Scotland Strategic Development Plan (SDP2).

The Head of Development, Douglas Proudfoot, spoke to the report, drawing attention to the consultation process and to a briefing which had been arranged for Members on 11 September. He advised that following the consultation period the SDP2 would be developed and would be presented to Council for ratification.

Responding to questions from Members, Mr Proudfoot indicated that maintaining the housing land supply was a complicated matter, which would be determined through options set out in the consultation. As regards the Cockenzie site, he advised that this would be included in the SDP as it was concerned with economic development. He further advised that engagement with stakeholders and the Scottish Government as regards the flexibility of National Planning Framework 3 would continue.

Mr Proudfoot pointed out that the Council's Local Development Plan (LDP) would have to conform to SDP1, at the same time that the process to develop SDP2 was underway. He stated that the Council's views were vital as SDP2 would set the context for the next LDP.

Councillor Currie voiced his concern at the suggestion that the trams could be extended to Musselburgh. His view was supported by Councillor Veitch, who remarked that the inclusion of this proposal could devalue the Council's submission. He did, however, welcome the suggested establishment of a rail halt at East Linton and the dualling of the A1 between East Lothian and England.

Councillor Berry called on the Council to be proactive in its response to the consultation, particularly as regards the provision of sustainable employment in East Lothian.

Councillor Hampshire commented that there was a general feeling that East Lothian had taken more than its fair share of housing, whilst any economic development was being delivered in Edinburgh. He agreed with Councillor Berry that employment should be distributed throughout Edinburgh's neighbouring counties.

Decision

The Council agreed:

- i. to discuss the issues raised by the MIR at a briefing meeting and workshop with officers; and
- ii. to delegate to the Head of Development, in collaboration with the Cabinet Spokesperson for Housing and Environment, the final response to the consultation, subject to the discussions at the meeting and workshop outlined in (i) above.

9. PROPOSED INTRODUCTION OF DECRIMINALISED PARKING ENFORCEMENT – PARKING ATTENDANT SERVICE

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval to present a business case to Transport Scotland to commence the statutory procedure necessary to decriminalise parking enforcement (DPE) in the East Lothian Council area.

The Head of Infrastructure, Ray Montgomery, presented the report, outlining the statutory process and requirements on the Council as regards the decriminalisation of parking enforcement, and noting that in East Lothian the business case would be based on anticipated fine income and an element of parking charges raised on coastal car parks. He advised that the public, the Scottish Parking Service Appeals Service, Police Scotland, neighbouring authorities and the Traffic Commissioner would be consulted at various points in the process. He reported that a consultant would need to be engaged to undertake the validation of the Council's Traffic Regulation Orders (TROs), at a cost of c. £60,000, and indicated that DPE could be introduced in East Lothian by April 2016.

In reply to questions from Councillor Berry, Mr Montgomery explained that he anticipated that Transport Scotland would process the business case quickly and that parking attendants could be in place by April 2016. He confirmed that one possible use of income generated could be to provide shuttle buses from park and ride sites.

Councillor Veitch welcomed the report and the proposals. He stated his opposition to parking charges in town centres, and was pleased that this had been ruled out. He also noted that the Administration was committed to keeping the cost of the scheme to a minimum and welcomed the proposal to fund it using income from fines and coastal car park charges.

Councillor Currie objected to the suggestion that the scheme should be funded from coastal car park income and called for a further report to Council on this aspect of the proposals. He referred to the impact of the withdrawal of Police Scotland traffic wardens on town centre parking and hoped that the proposed scheme would alleviate these problems. Councillor Hampshire reminded him that money from existing services could not be used to fund the scheme and that the only way of doing this was by using a proportion of the coastal car park income.

Mr Montgomery confirmed that, as there was no appetite from Members to expand the current TROs, a mixture of income from fines and coastal car parking charges would be necessary to fund the scheme, and that a requirement of the business case was that the scheme would be self-financing after a period of five years.

There followed a debate as regards the funding of coastal car parking facilities and the use of income generated by charges at these car parks.

The Chief Executive proposed that the business case for DPE should be presented to Council or Cabinet for discussion and decision.

Councillor McMillan requested that the business case should include information on the benefits of the scheme to town centres and tourism.

Mr Montgomery pointed out that the business case would need to comply with Transport Scotland's criteria and format.

Councillor Currie reiterated his opposition to the proposal to use coastal car park income to contribute to the funding of the scheme.

Decision

The Council agreed:

- i. 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;
- ii. that the business case for the scheme should be presented to Cabinet/Council for approval; and
- iii. to undertake the necessary examinations and consultations appropriate in setting up a Parking Management Service within the area.

10. ARRANGEMENTS FOR SCRUTINY OF POLICE AND FIRE & RESCUE SERVICES

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) presenting Council with a proposal to establish a new Community Safety Committee.

The Service Manager for Corporate Policy and Improvement, Paolo Vestri, presented the report, advising that the arrangements for scrutinising police and fire and rescue services had been reviewed and that it was proposed that a new committee should be established to carry out the scrutiny of these and other community safety functions.

Councillor Day welcomed the report, commenting that the proposed arrangements would allow the Council to influence national policy and ensure that the priorities of these services were being delivered. He proposed an amendment to the name of the committee in order to reflect its main purpose; he proposed that it should be called the Police, Fire and Community Safety Scrutiny Committee. This proposal was seconded by Councillor Veitch. A proposal by Councillor MacKenzie to call the committee the Police, Fire and Community Wellbeing Scrutiny Committee was not supported. The amended title, as proposed by Councillor Day and seconded by Councillor Veitch was supported unanimously.

The report was also welcomed by Councillors Currie and Berry, who expressed concern at changes in Police personnel at a local level, which had made it difficult for officers to build up relationships with local communities.

Political groups were invited to nominate members of the new Committee:

Labour Group – Councillors Gillies, Goodfellow, Libberton and McNeil
SNP Group – Councillor MacKenzie, McAllister and McLeod
Conservative Group – Councillor Day
Independent Member – to be confirmed

Councillor Innes nominated Councillor Day as Convener of the Committee. This nomination was supported unanimously. It was noted that the Depute Convener would be appointed by the Committee at its first meeting.

Decision

The Council agreed:

- i. to amend the Scheme of Administration, as set out in Section 3.12 of the report, and establish a Police, Fire and Community Safety Scrutiny Committee with the terms of reference detailed in Appendix 1 to the report;
- ii. to appoint Councillor Day as the Convener for the Police, Fire and Community Safety Scrutiny Committee; and
- iii. to nominate the following Councillors as members of the new Police, Fire and Community Safety Scrutiny Committee: Councillors Day, Gillies, Goodfellow, Libberton, MacKenzie, McAllister, McLeod and McNeil (+ one independent Councillor to be confirmed).

11. APPOINTMENT TO THE POST OF HEAD OF SERVICE (DEVELOPMENT)

A report was submitted by the Chief Executive advising the 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).

All those present at the meeting joined the Chief Executive on congratulating Mr Proudfoot on his appointment to the post of Head of Development.

Decision

The Council agreed:

- i. 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 22 June 2015; and
- ii. 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), as set out in Appendix 1 to the report.

12. SUBMISSIONS TO THE MEMBERS' LIBRARY, 11 JUNE – 12 AUGUST 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.

Referring to Item Ref: 109/15 (Proposed Extension to Dunbar Primary School), Councillor McLennan noted that this contract had been allocated to a Paisley-based contractor, and commented on statements previously made by members of the Administration as regards awarding contracts to local contractors. Councillor Innes advised that the Administration was complying with the current procurement framework, which was introduced by the previous Administration.

Decision

The Council agreed to note the reports submitted to the Members' Library Services between 11 June and 12 August 2015, as listed in Appendix 1 to the report.

Signed

Provost Ludovic Broun-Lindsay
Convener of the Council