



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

**TUESDAY 23 AUGUST 2016  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

**1a**

**Committee Members Present:**

Provost L Broun-Lindsay (Convener)  
Councillor S Akhtar  
Councillor D Berry  
Councillor S Currie  
Councillor A Forrest  
Councillor J Gillies  
Councillor J Goodfellow  
Councillor D Grant  
Councillor N Hampshire  
Councillor W Innes

Councillor M Libberton  
Councillor P MacKenzie  
Councillor McAllister  
Councillor P McLennan  
Councillor K McLeod  
Councillor J McMillan  
Councillor J McNeil  
Councillor T Trotter  
Councillor M Veitch  
Councillor J Williamson

**Council Officials Present:**

Mrs A Leitch, Chief Executive  
Mr A McCrorie, Depute Chief Executive (Resources and People 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  
Mr T Shearer, Head of Communities and Partnerships  
Ms P Bristow, Communications Officer  
Ms M Ferguson, Service Manager – Legal and Procurement  
Mr P Forsyth, Team Manager – Assets and Regulatory (Transportation)  
Ms S Fortune, Service Manager – Business Finance  
Mr I McFarlane, Service Manager, Planning

**Visitors Present:**

Ms Jane McAllister

**Clerk:**

Mrs L Gillingwater

**Apologies:**

Councillor S Brown  
Councillor J Caldwell  
Councillor T Day

**Declarations of Interest:**

None

Opening the meeting, the Provost informed Members that Councillor McAllister's daughter Jane had been granted permission to video-record the public proceedings.

## **Order of Business**

Prior to the commencement of business, the Provost announced that there was a requirement for the Council to deal with an urgent item of private business at this meeting. He explained that this item – Proposed Property/Site Acquisition – was urgent due to the timescales involved in the transaction and proposed that it be considered as the final item of business. The Council agreed to consider the urgent item of private business.

### **1. MINUTES FOR APPROVAL**

The minutes of the Council meeting specified below were approved:

#### **East Lothian Council – 28 June 2016**

*Matter arising: Item 1 (Minutes for Approval)* – Councillor Williamson requested an update on the schools' consultation. The Chief Executive advised that she was unable to provide an update at this time, but that there would be a full report on this matter presented to the Education Committee or to the Council in due course.

*Matter arising: Item 4 (Edinburgh and South East Scotland City Region Deal)* – Councillor McLennan asked for a progress report on this matter. The Chief Executive reported that workshops involving the Scottish and UK Governments had taken place over the summer, but that information on projects remained confidential pending evaluation work being completed. She undertook to provide Members with further information in due course.

Councillor MacKenzie questioned the scrutiny arrangements for the projects. The Chief Executive explained that a key aspect of project selection was economic impact, and that Ernst and Young had been appointed by the Council to carry out economic modelling work. She expected to be in a position to update Members on progress in early October.

*Matter arising: Item 5 (Local Government Boundary Commission – Fifth Review)* – in response to a request from Councillor McLennan for an update, the Chief Executive informed Members that the Minister would be considering this matter once parliament reconvenes. She noted that each council's submission would be considered on an individual basis, adding that where there was cross-party support, this would be viewed favourably.

*Matter arising: Item 10 (Notice of Motion – Closure of Royal Bank of Scotland, Prestonpans)* – Councillor Currie asked for an update on the outcome of the meeting with RBS representatives. Councillor Innes reported that, following the postponement of the meeting scheduled for 3 August, he had met with RBS representatives on 19 August, by which time the Prestonpans branch of the bank had closed. He had been advised that the decision to close the branch had been made on the basis of decreasing footfall and customers choosing to bank by different methods. RBS had undertaken to review this decision after a period of one year; they would consult with customers at that time and then report back to the Council. Councillor Innes had been assured that issues such as the increasing population and the introduction of Universal Credit had been taken into account by RBS. He advised that he had expressed his extreme disappointment at this situation and had proposed that the Area Partnership should be involved in the future of the bank building, a proposal that RBS was prepared to consider. Councillor Innes reiterated his dissatisfaction at RBS's decision and at the impact the closure would have on the community.

Councillor Currie expressed his concern at RBS's stance and voiced his scepticism as to the suggestion that the decision to close the branch would be reviewed. He hoped that another bank or a credit union would open in the town.

Councillor Libberton remarked that on a recent visit to RBS's Tranent branch, she found that only one customer was not from the Prestonpans/Cockenzie area. Councillor Berry added that the closure of the branch would affect other retail operations in Prestonpans and that RBS had failed to plan for future growth in the area. He thanked Councillor Innes for his input.

## **2. MINUTES FOR NOTING**

The minutes of the meetings specified below were noted:

### **Local Review Body (Planning), 19 May 2016**

## **3. SUMMER RECESS BUSINESS**

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

The clerk advised that there had been one piece of business undertaken during the recess period – Financial Review 2016/17, Quarter 1, and that the report had been lodged in the Members' Library.

Councillor Currie questioned the use of summer recess powers in respect of this particular report, which was for noting rather than for approval. The Chief Executive explained that the intention had been to provide Members with this information as soon as possible, rather than waiting until the September Cabinet meeting. She added that the Council's auditors had requested that financial information be published at the earliest opportunity. She welcomed questions from the Members on the report. Councillor Currie welcomed receiving the information earlier than usual, but reiterated his view that he felt it inappropriate to deal with it using the summer recess powers.

Councillor Berry proposed that in future, Members could be provided with the report at the earliest opportunity and then they could consider it at the next Cabinet meeting. The Head of Council Resources, Jim Lamond, took account of Members' views and undertook to present the report to Cabinet in September. He further advised that, in future, the report could be published in the Members' Library during the recess and then brought to the first Cabinet meeting of the session for discussion. He added, however, that should future such reports require an urgent decision to be taken, then it would be appropriate to deal with them using the recess powers.

### **Decision**

The Council agreed:

- i. to note the business undertaken during the Summer Recess period; and
- ii. that the Financial Review 2016/17, Quarter 1 report would be submitted to Cabinet in September for discussion.

#### **4. 2015/16 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 2015/16, and seeking to finalise arrangements for the carry-forward of funds into 2016/17.

The Head of Council Resources, Jim Lamond, presented the report, advising that the draft financial statements had been submitted within the statutory deadline and that the external auditors were close to concluding the audit process. He anticipated that there would be no material changes to the figures contained within the report, and that the external auditors would present their draft Annual Report to Members to the Audit and Governance Committee in September, with the final report being presented to Council on 25 October. He went on to draw attention to the key aspects of the report, including the position with respect to reserves, the financial position across all Council services, services considered to be 'high risk', trading activities, and the position with the Housing Revenue Account (HRA). He also provided an update on the capital programme. He declared that the Council's Financial Strategy was on track, despite the financial challenges facing the Council.

In response to a series of questions from Councillor Currie on budget transfers, Mr Lamond explained that a decision had been taken by the Council to transfer funds from the HRA to the General Services budget and that it would be for the Council to propose a change in this regard. He noted that the transfer was not related to the level of surplus generated, and he recommended that excess funds should be directed to the capital fund.

Councillor Currie also questioned how the overspend on health and social care would be managed, at a time when savings of £2.5m had been identified for that service. Mr Lamond indicated that this was a very complex and challenging area, with care packages accounting for c. 50% of the budget. He advised that Finance staff were working with colleagues in Health and Social Care to ensure that financial matters were up to date, and did not believe that an overspend in one financial year would necessarily result in an overspend in future years. David Small, Director of Health and Social Care, added that efforts were being made to achieve the efficiency target set, and that progress towards meeting the target would become clearer later in the year.

On the capital programme, Councillor Currie expressed concern at the level of slippage and asked what action was being taken to address this. Mr Lamond referred to the regular updating of the capital programme, remarking that slippage was not unusual, nor was it unique to East Lothian Council. He advised that there were valid reasons for the slippage of some projects, and that these projects would be carried forward with earmarked funding. Councillor Currie also commented on the underspend as regards the provision of affordable housing. Mr Lamond noted that this was due to slippage in the affordable housing programme, particularly in relation to developments at Pinkie in Musselburgh and Halhill in Dunbar. He added that the issues with these two developments were not within the Council's control. Douglas Proudfoot, Head of Development, added that the construction at these two sites had been delayed, but that it was expected that the units would be delivered during the current financial year.

Councillor Currie also asked if the funds relating to the Abbeylands site at Dunbar had been repaid to the HRA from the General Services budget. Mr Lamond undertook to look into this matter and report back to Cabinet. Councillor Hampshire indicated that should the car park built on that site be made permanent, then the monies would be repaid to the HRA. Councillor McLennan questioned the timescales for this refund and suggested that the Council's auditors should be asked for their opinion. Mr Lamond proposed that further information on this matter could be included in the Quarter 2 Finance Report.

Responding to questions from Councillor Berry as regards the underspend on parking improvements, Ray Montgomery, Head of Infrastructure referred to proposed parking improvements in North Berwick that had been delayed, noting that they remained part of the planning process.

On pensions liabilities, Mr Lamond advised that the Council had signed up to a stability mechanism and that no changes were required to the employer contribution rate at this time. He did anticipate that there may be a modest increase in Year 3.

Councillor Berry also asked questions in relation to budget underspends and overspends in a number of service areas. He was advised of ongoing service review work within the Planning service, and of a review of care packages and other cost reduction/control measures being applied to Health and Social Care services. Mr Lamond suggested that a greater level of detail on these matters could be included in future reports.

Councillor Akhtar asked for an update on the Council house modernisation programme and on the progress of a number of capital projects. Tom Shearer, Head of Communities and Partnerships, advised that the three areas of priority in 2015/16 were kitchens, bathrooms and energy efficiency. He reported that significant progress had been made, with 491 bathroom completions and 463 kitchen completions. Mr Proudfoot advised that detail on the capital projects underway was included in the Quarter 1 Finance Report.

As regards the Mortgage to Rent Scheme, Mr Lamond reminded Members that there had been increased provision in this area; however, there had only been one application to date in 2016/17. It was unclear if Scottish Government policy had affected levels of interest in this scheme.

In response to a question from Councillor McAllister on the carry-forward of funding for the Early Years Strategy, Mr Lamond was confident that this funding would be used and that further resources may be sought as a result of the increase in early years' provision.

Councillor Berry opened the debate by thanking Mr Lamond and his staff for the report. He voiced his concerns at the underspend in delivering affordable housing and the overspend in Adult Wellbeing services.

Councillor Veitch welcomed the report, stating that the Council's financial strategy was working well, and that most services were working within their budgets. He commented on discussions with Scotrail in relation to extending a number of railway station car parks, as well as the creation of parking facilities in Dunbar.

Making reference to the proposed Local Development Plan, Councillor Goodfellow remarked that it would not be possible for the Council to deliver all the affordable housing units. He welcomed the provision of discounted houses for purchase in his ward.

Councillor Akhtar commended staff on their efforts to work within their budgets, despite recent decreases in Scottish Government grant funding. She highlighted a number of aspects of the report, including the Council house modernisation programme, an increase in examination passes in Maths and English, and the improvement to the school estate.

Councillor Currie claimed that the overspend in the Adult Wellbeing budget was as a result of cuts to that budget, and believed that the budget set was unachievable. He criticised the decision to transfer funds from the HRA to the General Services budget at a time when there was an underspend in the capital programme. On the delivery of Council housing, he argued that the previous Administration had built almost twice as many homes as the current Administration, and that people were now having to wait longer to be housed. He declared

that he could not support Recommendation 2(ii) on the basis that the transfer from the HRA to General Services in 2015/16 was unnecessary.

Councillor Hampshire dismissed Councillor Currie's comments, stating that the Council was continuing to deliver high-quality services in spite of the challenging financial climate. He praised Council staff for their efforts in working within their budgets and achieving efficiency savings. On the provision of affordable housing, he stressed that it was necessary to work with private-sector and other partners in order to deliver the numbers of homes required.

As regards the Adult Wellbeing budget, Councillor Grant spoke of the Council's commitment to reduce costs. He accepted that there may be an overspend on this budget at the end of the financial year, remarking on the challenges of budgeting for a demand-led service.

Referring to the reduction in grant funding from the Scottish Government in 2016/17, Councillor Innes warned of the pressures facing the Council in delivering services to a growing population. He paid tribute to Council staff who, he felt, were working above and beyond their normal duties. He welcomed the report and believed that the Council was in a good position in despite of the challenges it was facing.

Councillor Currie proposed an amendment to Recommendation 2(ii), as follows:

"The Council is recommended to approve the transfer of additional surplus reserves [over and above any contribution which will be used to support future budgets, to the General Services Capital Fund], with the exception of HRA contributions, which for 2015/16 should be returned to that fund for housing purposes."

Councillor MacKenzie seconded the amendment.

The Provost moved to the vote on the amendment, as proposed by Councillor Currie and seconded by Councillor MacKenzie:

For:	8
Against:	11
Abstentions:	1

The amendment therefore fell, and the recommendations as set out in the report were carried, with 11 votes in favour, 8 against and 1 absence.

## **Decision**

The Council agreed:

- i. to note the financial results for 2015/16, based on the Council's unaudited accounts, including the impact on reserves and Council's financial strategy; and
- ii. to approve the transfer of the additional surplus reserves, over and above any contribution which would be used to support future budgets, to the General Services Capital Fund, in line with the Council's agreed financial strategy.

## **5. COMMON GOOD FUND – BUDGETS 2016/17 TO 2018/19**

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of the budgets for the Dunbar, Haddington, Musselburgh and North Berwick Common Good Funds for 2016/17 to 2018/19, and recommending that the Fund Committees consider any grant application proposals within these budgets.

The Head of Council Resources, Jim Lamond, presented the report, advising that it provided an update on the financial performance of the Common Good Funds. He drew attention to the balance of each of the four Funds and to the proposed budgets for the coming year.

Councillor Currie asked if there was a mechanism that could be used in cases where there was a need to adjust the budget to progress grant applications, without having to come back to Council for approval. Mr Lamond advised that such matters should be brought before Council for approval, using the 'two-thirds rule' [Standing Order 12] if necessary. He also pointed out that Members were welcome to discuss issues relating to the Common Good budgets with officers in advance of the annual report being prepared for presentation to Council.

Councillor McMillan requested that training for Common Good Committee members should be provided as part of the Councillor Induction Programme 2017. The clerk advised that she would take this forward.

Councillor Hampshire asked if the Area Partnerships could make use of Common Good funds. Mr Lamond advised that this would need to be considered from a legal perspective.

Councillor McMillan commented on the success of the recent Musselburgh Riding of the Marches, which had received Common Good funding of £100,000. He commended all those involved in the organisation of the event and welcomed the contributions and support from various Council services. His comments were supported by Councillor McNeil, who congratulated and thanked the organisers.

Referring to the Musselburgh fund, Councillor Currie welcomed a suggestion from the Chief Executive that Common Good funds and monies from various trusts should be brought together and used for the health and wellbeing of the Musselburgh community.

### **Decision**

The Council agreed to approve the 2016/17 to 2018/18 Common Good Fund budgets.

**Sederunt:** Councillor Trotter left the meeting.

## **6. RATIFICATION OF SESPLAN PROPOSED STRATEGIC DEVELOPMENT PLAN 2**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking ratification of the SESplan Proposed Strategic Development Plan 2 (SDP2) and its Action Programme, and noting of the associated documents. The report advised that the SESplan Proposed Strategic Development Plan 2 provides the strategic long-term context for the preparation of Local Development Plans within the south-east Scotland City Region, and sets out a vision and a series of outcomes in relation to the creation of a thriving, successful and sustainable region, including a number of housing and infrastructure proposals relevant to East Lothian Council.

The Service Manager – Planning, Iain McFarlane, presented the report. He began his presentation by informing Members that Midlothian Council had resolved not to ratify the proposed SDP2 at this time, and that this decision may have implications on the timescales for the consultation process. He explained that SDP2 sets out the strategic framework for the next twenty years and would be reviewed further, subject to the Scottish Government's review of planning. He reminded Members of the process to date, and advised that the main focus of SDP2 would be on Edinburgh, with growth corridors into the neighbouring local

authority areas. For East Lothian, the growth corridor would reflect key road and rail routes of the A1 trunk road and East Coast main line, and include the North Berwick branch line. He noted that, in view of the planned developments in the west of East Lothian, there was recognition that there may be a need to restrain further growth in the Musselburgh area. He further advised that SDP2 supported the further development of the proposed Blindwells settlement over and above the existing allocation of 1600 homes, to accommodate 6000 homes, and further retail and employment uses, and that, if required, for housing numbers, a second new settlement could be identified in the east of the county. He added that with the current allocations in the proposed Local Development Plan (LDP), it was unlikely that there would be any significant allocations in the next Local Development Plan, though that would be dependent on the housing numbers in the current proposed SESplan SDP remaining as published. He drew attention to a number of other key aspects of the report, including the sites at Cockenzie and Queen Margaret University (QMU), and transport, and concluded his presentation by stating that the proposed SDP2 would support the proposed Local Development Plan and the funding of cross-boundary transport improvements.

Mr McFarlane answered questions from Councillor MacKenzie in relation to renewable energy.

In response to questions from Councillor Berry, Mr McFarlane indicated that the proposed extension of Blindwells had been included in the Main Issues Report (MIR). As regards the second proposed new settlement, he noted that this would depend on future growth and demand, and had been proposed in order to protect existing settlements from further expansion. He advised that the purpose of the SDP was to identify areas of growth, and the implications for infrastructure would be considered as part of the LDP process. On transport, Councillor Berry suggested that moving a number of railway stations in East Lothian off the east coast mainline would be more effective than developing a four-line section of track between Blindwells and Drem. Mr McFarlane explained that there was work underway involving SESTRAN and other local authorities seeking to address the short- and long-term implications of growth. He made reference to a number of improvements, such as the lengthening of the platform at North Berwick and increasing capacity at Waverley Station. Peter Forsyth, Team Manager – Assets and Regulatory (Transportation), added that Network Rail had commenced a Scottish rail study in 2015 that would look at requirements for the next 40 years. One proposal being considered was a four-line section of track in East Lothian. Councillor Berry reiterated that it would be more cost-effective to move stations off the main line and asked if that had been considered. Mr Forsyth confirmed that this had been looked at, but that due to the complexities of closing stations, the best approach was considered to be introducing a four-line section of track.

Councillor Berry also raised the issue of provision of transport across the Forth estuary. Councillor Hampshire remarked that this would be a commercial operation and no operators had expressed interest in providing such a service. Mr McFarlane added that the option for such a service did exist.

Councillor Currie asked if the Council was committed to having an LDP that identified areas of opencast mining or fracking. Mr McFarlane explained that the LDP had to identify reserves, but not necessarily an area of search. He also explained that it was important to include a criteria-based policy on fracking. Councillor Currie also questioned the suggestion that the tramline could be extended to QMU. Mr Forsyth advised that this proposal was related to transport connections.

Responding to questions from Councillor Currie regarding housing, Mr McFarlane reminded Members that SDP2 was a strategic plan and complied with Scottish Planning Policy as regards the provision of affordable housing, and that the Council's own Local Housing Strategy and LDP guidance should reflect this and consider the tenures. As regards the suggestion that a new settlement may be developed in the east of the county, Mr McFarlane



advised that this was a potential strategic provision, and that if there was such a requirement in the future, the location, etc. would depend on the circumstances at that time. Again, it would be for the LDP to determine this.

Councillor Goodfellow asked questions relating to the delivery of affordable housing. Mr McFarlane pointed out that Section 5.11 of Appendix 2 to the report addressed the shortfall in the housing land supply, and Section 5.12 set out the circumstances under which it would be considered. He also spoke about the scale and proportion of 'market housing' and the various affordable tenures.

Councillor McNeil raised concerns about the future development of Old Craighall, noting that the road network was currently very congested. Mr McFarlane advised that this would be considered as part of the current and future Local Development Plan processes.

Councillor McMillan asked about the likelihood of a rail link between Haddington and Longniddry. Mr McFarlane noted that there was currently no proposal to develop this, but that the line was safeguarded in the Local Development Plan.

Councillor Goodfellow asked if there was a policy of developing brownfield sites as a priority. Mr McFarlane stated that East Lothian Council had always supported the development of brownfield sites before greenfield sites, but that there were no brownfield sites in the county that could accommodate strategic development.

**Sederunt:** Councillor McLeod left the meeting.

Councillor Hampshire thanked Mr McFarlane and his team for their work on SDP2, a plan that would determine the future of housing, infrastructure and economic development in East Lothian. He welcomed the proposed expansion of the Blindwells settlement and future restraints on developing in the Musselburgh area. He also mentioned the potential opportunities at the QMU and Cockenzie sites for economic development.

Councillor Currie spoke of the need for greater definition of the growth corridor and highlighted the challenges relating to infrastructure development. He also highlighted the need for greater economic development in East Lothian, and expressed concern at the proposal to extend the tramline to QMU, an area that already had good public transport links.

Councillor MacKenzie welcomed the vision set out in SDP2 and the potential opportunities for the Cockenzie site.

Councillor Berry, however, declared that he could not support SDP2, arguing that it did not provide a vision for each SESplan area, nor did it seek to protect the identity of East Lothian. He suggested that the plan should contain a vision to regenerate those areas outwith Edinburgh, and that there should be a greater focus on areas on the Borders rail line. He voiced concern at the lack of infrastructure planning, and claimed that the plan did not address housing tenure issues. He also opposed the proposal to develop a new settlement in the east of East Lothian in the future.

Councillor Veitch shared concerns of other Members in relation to the provision of infrastructure and the proposal to extend the tramline. As a proponent of the compact growth strategy, he indicated that he could not support a dispersed strategy for future growth and stated that he would therefore not be supporting SDP2.

Councillor Goodfellow advised that he was supportive of some aspects of the report, particularly in relation to the Council's ability to limit and control the development of market housing. He did, however, express concern about the inclusion of the North Berwick rail line in the growth corridor.

Councillor McMillan commented on the importance of aligning the City Deal with the Council's Economic Development and Tourism Strategy in order to have greater influence.

Councillor Innes indicated that he would be supporting SDP2. He welcomed the proposal to protect Musselburgh from further significant development in the future. He also supported the potential economic development opportunities at QMU, Blindwells and Cockenzie. He urged Members to support the plan.

Noting Councillor Berry's dissent, the Provost then moved to the vote on the report recommendations:

For: 15  
Against: 1  
Abstentions: 2

### **Decision**

The Council agreed:

- i. to ratify the SESplan Proposed Strategic Development Plan 2 and the proposed Action Programme, set out in Appendices 2 and 3 of the report, respectively;
- ii. to note the following associated documents – Housing Background Paper (Appendix 4), SDP2 Transport Appraisal (Appendix 5), Updated Environmental Report (Appendix 6), Equalities and Human Rights Impact Assessment (Appendix 7) (all available in the Members' Library – August 2016 Bulletin); and
- iii. to note the publication proposals, as set out in Sections 3.20–3.22 of the report.

## **7. EAST LINTON RAILSTOP**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) updating Council on the progress made towards the introduction of a local rail service between Edinburgh and Berwick-upon-Tweed, which would include the provision of a new station at East Linton.

The Head of Infrastructure, Ray Montgomery, presented the report, reminding Members of the work undertaken to date, and advising of a recent meeting with the new Transport Minister, Humza Yousaf, at which he had indicated that the Scottish Government was prepared to increase its financial contribution to £5.57m for the East Linton station and £5.32m for the Reston station, equating to 50% of the total cost of each station. A subsequent meeting took place between both councils and SESTRAN, at which it was agreed that a final offer should be submitted to the Scottish Government with a revised contribution of £3.44m from the Council, equating to 38% of the cost of the East Linton station. Members were advised that a joint letter to this effect had been issued to the Transport Minister. Mr Montgomery also advised Members that the construction of a new station at East Linton would result in the level crossing at Markle being closed to vehicular traffic and in the erection of a footbridge; he hoped that the Council could secure a funding contribution towards these interventions of at least 50%.

In response to questions from Councillor McLennan, Mr Montgomery provided an explanation as to why the Council had submitted £3.44m as the final offer, adding that as the station would not be a Council-owned asset, the risk component of the project should therefore lie with Network Rail and the Scottish Government. Councillor McLennan

questioned if the Council had exhausted all options with the Scottish Government as regards risk, and expressed concern that the Council's stance could threaten the project. Mr Montgomery reminded him that the project was being carried out in partnership with Scottish Borders Council and that the Council's proposed contribution was significant. Councillor McLennan reiterated his concern that with no agreement on which body takes the risk the project may not go ahead. He warned against proceeding on this basis.

**Sederunt:** Councillor Berry left the meeting.

Mr Montgomery provided a further detailed explanation of the financial elements of the project and emphasised that the Council should not bear the risk associated with an asset that it would not own. He also made reference to the SESplan Strategic Development Plan 2 (SDP2) report, approved by Council earlier in the meeting, noting that the development of a station at East Linton was included in SDP2, but that the Council may decide not to go ahead with the station.

Councillor Currie questioned the status of the Council's contribution. Jim Lamond, Head of Council Resources, informed him of a recent change in capital financing regulations which would allow the Council to make a capital contribution to an asset which it did not own. Councillor Currie asked if there would be a further report to Council on the outcome of the bid. Councillor Innes agreed that such a report would be appropriate.

Councillor Veitch welcomed the report and thanked officers, in particular Peter Forsyth, for their work in progressing this joint project. He also paid tribute to those groups and individuals who had campaigned for a station at East Linton. He spoke of the importance of the project in creating additional rail capacity in the east of the county. He also expressed his disappointment at Councillor McLennan's comments.

Councillor McLennan also welcomed the report and the cross-party support for a new station at East Linton. However, he re-stated his view that the Council was at risk of brinkmanship and that he was not satisfied with the answers he had been given to his questions regarding contingencies.

There followed a heated debate, with Members of the Opposition advocating that the Council should do everything in its powers to ensure that the development of the station goes ahead, whilst Members of the Administration warned that by investing additional Council funds in an asset that it would neither own nor operate would result in other capital projects not going ahead.

Councillor Innes reiterated the Administration's commitment to the project and indicated that the Council would be prepared to enter into further negotiations with the Scottish Government, if required.

## **Decision**

The Council agreed:

- i. to endorse the enhanced offer of support proposed within the recent letter to the Transport Minister that would cap the Council's contribution towards a new East Linton rail station at £3.44m;
- ii. to note and approve the related implications in respect of the re-provisioning of Markle level crossing; and

- iii. to note that should the Council's revised offer be accepted and finalised, the significant financial implications would have to be reflected within the Council's capital programme.

## **8. SUBMISSIONS TO THE MEMBERS' LIBRARY, 16 JUNE – 9 AUGUST 2016**

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 16 June and 9 August 2016, 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 Paragraphs 6 and 9 (information concerning the financial or business affairs of any particular person other than the Authority; 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.

### **Proposed Property/Site Acquisition**

An urgent private report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval for Council officers to engage in an offering process to purchase the land formerly comprising the Cockenzie Generating site. The Council agreed to approve the report.

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## MINUTES OF THE MEETING OF EAST LoTHIAN COUNCIL

TUESDAY 6 SEPTEMBER 2016  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON

1b

### Committee Members Present:

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

### Council Officials Present:

Mrs A Leitch, Chief Executive (Items 2 and 3)  
Mr A McCrorie, Depute Chief Executive (Resources and People Services)  
Mrs M Patterson, Depute Chief Executive (Partnerships and Community Services)  
Mr D Small, Director of East Lothian Health & Social Care Partnership  
Mr R Montgomery, Head of Infrastructure  
Mr D Proudfoot, Head of Development  
Mr C Clark (Items 2 and 3), Principal Environmental Protection Officer  
Ms M Ferguson, Service Manager – Legal and Procurement  
Mr P Forsyth, Team Manager – Assets and Regulatory (Transportation)  
Ms S Fortune, Service Manager – Business Finance  
Mr E John (Items 2 and 3), Service Manager – Sport, Countryside and Leisure  
Ms J Mackay, Media Manager (Items 2 and 3)  
Mr I McFarlane, Service Manager – Planning  
Ms W McGuire, Team Leader – Strategy and Development  
Ms E McLean, Service Manager – Strategic Asset and Capital Plan Management  
Mr R Parker, Service Manager – Education (Strategy and Operations)  
Mr D Scott (Items 2 and 3), Quality Improvement Officer (Education)  
Ms P Smith (Items 2 and 3), Principal Officer, Information and Research (Education)  
Mr A Stubbs, Service Manager – Roads  
Ms E Wilson, Service Manager – Economic Development and Strategic Investment  
Mr P Zochowski (Items 2 and 3), Principal Planner (Policy & Projects)

### Visitors Present:

None

### Clerks:

Ms A Smith (Item 1)  
Mrs L Gillingwater (Items 2 and 3)

**Apologies:**

Provost L Broun-Lindsay  
Councillor F McAllister  
Councillor P McLennan  
Councillor J Williamson

**Declarations of Interest:**

None

**SUMMARY OF PROCEEDINGS – EXEMPT INFORMATION**

The Council unanimously agreed to exclude the public from Item 1, which contained exempt information by virtue of Paragraph 6 (information concerning the financial or business affairs of any particular person other than the Authority) of Schedule 7A to the Local Government (Scotland) Act 1973.

**Update on Commercial and Legal Implications of Musselburgh Cluster Amendment as Determined by Council on 17 November 2015**

A private report was submitted by the Depute Chief Executive (Partnerships and Community Services) advising the Council on the commercial and legal aspects of the proposed implementation of the Musselburgh Cluster amendment to Land Use Allocation MH1 of the draft Proposed Local Development Plan as determined by the Council on 17 November 2015. The Council agreed to approve the report.



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## **PUBLIC**

The public business commenced in the Corn Exchange, Haddington, at 11 am. The Depute Provost opened the meeting by welcoming all those present, after which the Clerk and Legal Adviser made a number of announcements in relation to health and safety, advice for the press and public in attendance, the timings for the meeting, and advice to Members as regards declaring views on specific sites included in the LDP.

### **2. EAST Lothian PROPOSED LOCAL DEVELOPMENT PLAN – ASSOCIATED DOCUMENTS FOR APPROVAL (FOR REPRESENTATION AND CONSULTATION, AS APPROPRIATE)**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval of the finalised Proposed Local Development Plan (LDP) to submit for representation. The report also sought approval of the accompanying Draft Action Programme and Environmental Report for consultation, and asked the Council to note the accompanying Draft Habitat Regulations Assessment and Equalities Impact Assessment.

The Head of Development reminded Members of the LDP process to date, advising that a settled view on development sites had been reached at the Council meeting of 17 November 2015. Following that meeting, a significant amount of technical work had been undertaken to support the delivery of the Plan and, in view of this, he suggested that no further debate around the spatial growth strategy or the sites should take place, other than those subject to the amendments approved on 17 November 2015.

The Service Manager – Planning, Iain McFarlane, then presented the report. He reminded Members of the amendments approved in November 2015, and provided the updated position in respect of those amendments. He summarised a number of key aspects of the report, including development planning considerations, considerations relating to prematurity and prejudice, the draft action programme, supporting technical information, and the procedures and timescales associated with the delivery of the proposed LDP.

Councillor Berry questioned why a number of aspects of the proposed LDP had changed since the version presented to Members in November 2015, mainly in relation to improvements to the rail infrastructure. Mr McFarlane advised that this proposal had been highlighted in SESplan Strategic Development Plan 2 (SDP2), which had been reported to the Council in August 2016. Councillor Berry remarked that he had raised concerns at that meeting about the proposed four-track section of rail line in East Lothian. As regards employment land in North Berwick, Councillor Berry asked why a number of proposals in his amendment of 17 November 2015 had been rejected. Mr McFarlane explained that, in relation to these, it had been made clear at the November meeting that Class 2 or 4 business use may be supported, subject to consideration of any proposal, and that there was therefore no requirement to include an allocation for this site. Regarding NK14, he reported that it would be inappropriate to allocate this site for geodiversity and landscape impact reasons.

In response to a number of questions from Councillor Currie on the allocation of sites and the growth strategy, Mr McFarlane confirmed that it was for the Council to determine the sites for housing developments, subject to the requirements of the SDP and of the Scottish Government's National Planning Framework (NPF) and Scottish Planning Policy (SPP). He advised that SDP supplementary guidance had been modified by Scottish Ministers prior to approval, and that it supported growth in the areas of greatest capacity, which in the case of East Lothian, was the west of the county. As regards SDP2, he outlined the strategy approved by Council in August 2016, noting that a compact growth strategy may continue to

be supported, but it would have to consider growth in different areas to those approved in the proposed LDP if there was no further capacity for growth.

Councillor Currie also questioned the ability of the Planning Committee to refuse applications for sites identified in the LDP. Mr McFarlane explained that the legislation allowed for consideration of individual planning applications and that the LDP allocations did not constitute approval of planning permission in principle. He added that each planning application had to be considered on its own merits and that assessments would depend on such matters as delivery of associated infrastructure and design of developments. He also referred to the design briefs (to be considered as part of Item 3), which set out how the Council would expect to see sites developed.

On the allocation of affordable housing, Mr McFarlane advised that the Housing Needs and Demands Assessment (HNDA) for SDP2 makes a distinction as regards tenures, and that it had identified a need for more than 25% of homes to be classed as affordable. However, for the purpose of this LDP, officers were obliged to set out a plan with an allocation of 25% affordable housing, compliant with Scottish Planning Policy. Mr Proudfoot indicated that this issue could be discussed in detail as part of Item 3, but noted that over the life of the LDP, there would be an opportunity to influence and deliver affordable housing at a pace and scale to meet demand.

Concerning the timescales for adopting the LDP, Mr McFarlane anticipated that, depending on the scale and complexity of the consultation responses and any required modifications, the LDP could be approved by early 2018, if not earlier.

Councillor Currie also asked a question in relation to developer contributions. Mr McFarlane explained that developer contributions could be used as capital funding and for essential infrastructure, but not for revenue funding. He suggested that it was for the Council to put a case to the Scottish Government for additional capital and revenue funding. Sarah Fortune, Service Manager – Business Finance, added that the Council's Financial Strategy made reference to accelerated growth, and that revenue and other resource implications of any new developments would need to be taken into account.

Councillor Akhtar asked about the Council's position with respect to fracking and opencast mining. Mr McFarlane advised that the Council had to identify East Lothian's coalfield, but reminded Members of the Council's view that there were no suitable opportunities for opencast mining. However, he noted that it was important to have a policy on opencast mining and other forms of extraction, including fracking. He referred to the Scottish Government's moratorium on fracking, and the need for the Council to have a policy on fracking to allow for the assessment of any future applications if the moratorium were to be lifted.

Councillor MacKenzie asked if the 'Countryside Around Town' designation was robust. Mr McFarlane informed him that this designation was acceptable in terms of SPP and the SDP, and that it was used in this case to set out future direction. He added that it would be reviewed as part of any further development of existing settlements.

Councillor Goodfellow asked if it was possible for the Council to give preference to planning applications for brownfield sites over those for greenfield sites. Mr McFarlane informed him that through SPP, there is encouragement to develop brownfield sites first; however, in the case of East Lothian, there were no significant brownfield sites available, and the Council was obliged to ensure that there was a sufficient housing land supply.

The Convener rejected a request by Councillor Berry to ask further questions. Councillor Berry requested that his objection to this refusal be recorded.

Councillor Hampshire opened the debate by thanking Douglas Proudfoot and his Planning Team, and officers from other service areas for their work in producing the documentation associated with the proposed Local Development Plan. He emphasised the importance of the Council approving the proposed LDP. He made reference to the wide-ranging consultation, and noted that the Council was in discussion with the Scottish Government as regards support for the delivery of the required infrastructure. He commended the proposed LDP to the Council.

Councillor Day expressed concern at the unprecedented scale of the development proposed, the potential impact on communities and, in particular, the impact on the transport infrastructure, which he believed would not be addressed through the interventions proposed. He spoke in support of the compact growth strategy, commenting that development should be situated as close as possible to the employment market. He declared that he would support the proposed LDP in spite of his concerns outlined above and of those in relation to a number of the site allocations.

Councillor Veitch echoed Councillor Day's concerns as regards infrastructure requirements, arguing that the Scottish Government would have to take responsibility for improvements to the trunk road and rail networks. He welcomed improvements to a number of railway station car parks and the proposal for a new station at East Linton. He also commended the policy on wind turbines and the safeguarding of land for power generation at Torness. However, he voiced his concern at the overall number of homes required.

With reference to the character of East Lothian, Councillor MacKenzie spoke of the importance of appropriate house design and the need to retain the sense of community. He feared that the scale of development in the west of the county would be a "violent assault" on the landscape of East Lothian, and on that basis, he declared that he would not be supporting the proposed LDP.

Councillor Berry remarked that the proposed development might be considered as "Edinburgh overspill". His view was that the proposed housing could be accommodated as long as the corresponding infrastructure was put in place, but feared that this would not be realised. He also spoke of the importance of increased employment opportunities within East Lothian, but criticised what he saw as an insufficient allocation of employment land in North Berwick and the missed opportunities for the former Cockenzie Power Station site. He questioned the definition of "affordable housing" and suggested that the only way of providing this was through Council-owned rented properties. He declared that he would not be supporting the proposed LDP.

Councillor Currie voiced his opposition at the strategy to locate the majority of housing in the west of the county, and expressed his concern at increased pressure on the A1 and what he saw as insufficient interventions in respect of the transport infrastructure. He described the proposals as a "tragedy for Musselburgh". He claimed that the proposed Plan failed to deliver what was in the best interests of the people of East Lothian and stated that he would not support it.

Councillor Goodfellow stated that he agreed with most of the proposed Plan; however, he did have concerns as regards a number of the allocations in his own ward. He too had worries about the transport infrastructure, and of development of greenfield sites. He advised that he would support the proposed Plan in order to protect communities in his ward.

Councillor McMillan spoke in support of the proposed Plan, and paid tribute to officers for their work. He argued that the proposals would help to support and enhance communities, as well as protecting the rural economy. He believed that the proposed Plan was forward-looking and should be supported, despite there being a number of valid concerns.

Councillor Akhtar commented that the allocation of houses must be done a way to protect the environment and stop indiscriminate development and over-development. She highlighted the need to develop health, education and transport services in a sustainable way to meet demand.

Councillor Grant remarked that successive governments had failed to deliver improvements to the infrastructure and that this issue would now need to be resolved. He accepted that the Council had had to make difficult decisions regarding site allocations, but argued that an LDP was needed in order to maintain a five-year housing land supply. Despite his misgivings, he stated that he would support the proposed Plan.

Councillor Innes reminded the meeting that it was an SNP government that had set the housing allocation for East Lothian and that the Council had approved the compact growth strategy as part of the SDP process when the SNP [and Liberal Democrats] were in Administration. He emphasised the importance of the Council agreeing a Local Development Plan in order to protect East Lothian in the future.

Councillor McNeil noted his support for the proposed Plan, and believed that despite Councillor Currie's comments, the Musselburgh community would also support it.

The Convener then moved to the vote on the recommendations as set out in the report:

For: 13  
Against: 5  
Abstentions: 1

### **Decision**

The Council agreed:

- i. to approve the amended Proposed Local Development Plan (LDP) for representation;
- ii. to approve the Draft Action Programme and Environmental Report for consultation;
- iii. to note the accompanying Draft Habitat Regulations Assessment and the Equalities Impact Assessment;
- iv. to delegate authority to the Head of Development to amend the Proposed LDP and associated documents in respect of non-material editorial amendments, corrections of factual error and presentational changes; and
- v. to delegate authority to the Head of Development the consideration of representations to the Proposed LDP and associated documents, noting that responses to representations in the form of 'Schedule 4' documents, including any non-notifiable modifications to the Proposed LDP, would be brought to Council prior to submission of the Plan to Scottish Ministers for examination.

**Sederunt:** Councillor Forrest left the meeting.

### **3. EAST LOTHIAN PROPOSED LOCAL DEVELOPMENT PLAN – CONSULTATION DRAFT SUPPLEMENTARY GUIDANCE AND CONSULTATION DRAFT SUPPLEMENTARY PLANNING GUIDANCE FOR APPROVAL**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval, for consultation, of draft Supplementary Guidance and Supplementary Planning Guidance associated with the finalised Proposed Local Development Plan (LDP):

- Draft Developer Contributions Framework
- Draft Affordable Housing Quota and Tenure Mix
- Draft Development Briefs for proposed development allocations

The report advised that these associated documents would, after consultation and finalisation, provide for the interpretation and implementation of the relevant policies of the Proposed LDP.

Iain McFarlane, Service Manager – Planning, presented the report, advising that the Developer Contributions Framework had been drawn up in conjunction with a number of Council services, and that work was ongoing with other stakeholders and the development industry. He highlighted the need for change as regards infrastructure provision in order to deliver the LDP, noting that the proposed framework set out where interventions would be required, and the potential costs associated with them. He advised that the framework covered transport, education, health and social care and employment facilities. He stated that the proposed framework provided clarity on infrastructure requirements and should assist developers in their assessment of the viability of developments

Councillor Akhtar asked if the Scottish Government had provided any feedback on the proposed guidance. Mr McFarlane advised that feedback had been received as part of the MIR consultation; there had been some concerns expressed initially about some aspects of the guidance, but this position had changed as a result of the independent planning review.

In response to questions from Councillor McMillan concerning developer contributions, Mr McFarlane explained that the proposed policies would allow the Council to deal with developer contributions in a fairer way. He noted that Scottish Government officials had worked constructively with the Council, and that discussions had been very positive and forward-looking.

Councillor Berry raised a number of questions in relation to the draft Developer Contribution Framework. Mr McFarlane advised that contributions would be calculated in accordance with land values, the complexity and extent of the required intervention and the number of houses being delivered.

Councillor Hampshire proposed that a workshop should be arranged to allow Members the opportunity to question the documentation in detail. This suggestion was welcomed by other Members.

Mr Proudfoot reminded Members that they were being asked to approve the guidance documents for consultation. He welcomed feedback from Members on the draft Developer Contribution Framework. He drew attention to p. 11 of the document, which provided a summary of the framework. He also advised of engagement with Scottish Government officials, in order to ensure that the framework met the requirements of their guidance and policies. Responding to concerns raised by Councillor Berry, Mr Proudfoot referred him to various areas within the document which set out transport infrastructure contribution zones, and to the supporting documentation, available in the Members' Library.



On investment in health and social care services, David Small, Director of Health and Social Care, informed Members that the NHS had recently invested in services in a number of areas in East Lothian, with several other areas, including North Berwick and Haddington, earmarked for development. He stressed that it was not appropriate to expect developers to contribute to the cost of solving existing problems. He added that health provision issues in Musselburgh were related to recruitment and retention, and that the primary care facility had the capacity to accommodate the predicted population growth. He accepted that in some areas, increased housing development had resulted in inadequate health care capacity.

Responding to questions from Councillor Currie regarding the use of developer contributions for high school provision, Mr Proudfoot provided an explanation about 'growth zones' and how education contributions could be used within certain geographic areas. He believed that the proposed Framework was fair, transparent and allowed the Council a degree of flexibility.

Councillor Currie also asked how extending schools that were part of the PPP contract would be handled. Liz McLean, Service Manager – Strategic Assets and Capital Plan Management, advised that the PPP contracts had provision for changes, and referred to a recent extension to Ross High School. She explained that the new build element for a school could be funded separately and could then be added to the contract for maintenance and facilities management. Councillor Currie expressed concern about providing capital funding for part of a building that would then be added to the ongoing maintenance contract. Ms McLean added that the Council did not have to do this, but that the provision existed.

Councillor Goodfellow asked if education contributions were required in respect of retirement housing developments and one-bedroom properties. Mr McFarlane advised that developers would be required to make a contribution for one-bedroom properties but not for developments that were specifically built as retirement housing.

Esther Wilson, Service Manager – Economic Development and Strategic Investment, went on to advise Members about the draft Affordable Housing Quota and Tenure Mix Supplementary Planning Guidance, which supported HOU3 and HOU4 of the proposed LDP and complied with SPP and Planning Advice Note (PAN) 2/2010. She noted that amendments would be required to Appendix 2 before being issued for consultation. Ms Wilson set out the process for determining housing land requirements, and the quotas for affordable housing, as per the Housing Need and Demand Assessment (HNDA). She pointed out that, in the short term, there was an annual affordable housing requirement of 41%, with the primary requirement for social rented housing, as identified in HNDA1 (2009–2032). She noted that the draft SPG sets a requirement of 25% affordable housing in developments of five or more units, in accordance with SPP, and that the Council would seek to secure delivery of these units on-site. Ms Wilson then advised of the various tenures that would be considered in respect of affordable housing, noting that the Council's preference was for social rented housing. She concluded her presentation by advising that the Supplementary Planning Guidance also covered design, layout and house types.

Councillor Hampshire proposed that a seminar be organised, involving affordable housing providers, developers and councillors, to debate the delivery of policies. This proposal was welcomed by other Members.

In response to a question from Councillor Currie as regards issues to be included in the consultation, Ms Wilson noted that it would not be competent to include some of his suggestions, such as the Council's compulsory purchase powers, as part of the proposed Supplementary Planning Guidance. However, this could be considered as part of the development of the next Local Housing Strategy.

Councillor Currie asked a number of other questions regarding affordable housing provision and the criteria used for LCHO. Mr McFarlane explained that affordable housing quotas were a matter for government, and reiterated that the current requirement had been set at a maximum of 25%. As regards the mortgage multiplier, Ms Wilson advised that the methodology could be discussed at the proposed housing seminar, but stressed that there had to be safeguards in place.

Councillor Berry expressed concern that the backlog of housing list applicants was not being addressed, nor was there evidence that there was a focus on the areas in greatest need of affordable housing. He argued that the majority of 'affordable houses' were not affordable for most people and that there was not an appropriate mix of tenures to meet demand. Ms Wilson pointed out that the HNDA figures took account of the backlog, adding that the Council could not impose a quota of over 25% affordable housing. Councillor Berry voiced his opposition to this position, suggesting that the Council could choose to build additional houses. Ms Wilson also advised that a commuted sum would only be acceptable where the viability of the proposed development was compromised or providing affordable homes on-site was not practical. Wendy McGuire, Team Leader – Strategy and Development, added that, currently, commuted sums could be used to deliver affordable housing anywhere in East Lothian, but that it was proposed to restrict it to the ward where the development was taking place; this issue would form part of the consultation that was about to commence.

Mr McFarlane then turned to the draft Development Briefs, advising of a recent consultation with residents in Gladsmuir, Humbie and East Saltoun, and noting that the responses to this consultation would be formalised through the forthcoming consultation process. He noted that work on the Development Briefs had been done in conjunction with Scottish Natural Heritage and that further work would be undertaken with landowners and developers to ensure that proposed developments reflected the guidance.

Councillor Hampshire repeated his request for a Members' workshop, in view of the extent of the detail in the documentation. Councillor Berry questioned why Members had not been involved in discussions on the documentation prior to the meeting. Councillor Hampshire reminded him of the various opportunities Members had been given to contribute to the process. Mr McFarlane advised that he was happy to organise a workshop for Members.

Councillor Trotter welcomed the consultation that had taken place as regards the design briefs for Humbie and East Saltoun, and also the opportunity for further consultation.

Councillor Berry expressed concern that it was now too late to influence the LDP. The Chief Executive reiterated that there had been a number of briefing sessions for Members during the past three years, which had provided adequate opportunities for Member input.

Councillor Berry argued that the proposals did not reflect the identity of East Lothian's settlements nor the wishes of residents, and suggested that there should be a settlement statement for every settlement in the county. He repeated that he had not had the opportunity to present his views on this, and that he had not been involved in the process.

Councillor Currie commented on the importance of the documents under consideration. He remarked that any consultation had to be credible and meaningful. He highlighted the need to provide affordable housing, raising concerns about the affordability of low cost home ownership (LCHO) properties, and advocating that there should be more rental properties available. He also questioned how developer contributions for schools might be used, and sought clarity on how decisions would be made as regards development of schools included in the PPP contract.

Councillor Akhtar welcomed the report, commenting that the Council was aware of the need for more affordable housing, and that it was being proactive in its approach.

Referring to comments made by Councillors Berry and Currie in relation to affordable housing, Councillor Goodfellow pointed out that the latest release of affordable housing in North Berwick would have a mixture of tenures, which would be of interest to a wide variety of potential occupants, including those looking to buy their first property.

Concluding the debate, Councillor McMillan spoke in support of the proposed housing seminar and the consultation with residents in Humbie and East Saltoun on the development briefs. He believed that there had been ample opportunity to contribute to the process, and welcomed the further period of consultation.

**Decision**

The Council agreed:

- i. to approve for consultation the draft Developer Contributions Framework Supplementary Guidance;
- ii. to approve for consultation the draft Affordable Housing Quota and Tenure Mix Supplementary Guidance; and
- iii. to approve for consultation the draft Development Briefs Supplementary Planning Guidance.

DRAFT

Signed .....

Depute Provost Jim Gillies  
Depute Convener of the Council





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

**THURSDAY 16 JUNE 2016  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

**2**

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**Committee Members Present:**

Councillor J Goodfellow (Chair)  
Councillor J McMillan  
Councillor S Currie

**Advisers to the Local Review Body:**

Ms E Taylor, 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 N Hampshire

Councillor Goodfellow was elected to chair today's meeting by Councillors Currie and McMillan. Duly elected, Councillor Goodfellow welcomed everyone to the meeting and introduced the Members of the East Lothian Local Review Body (ELLRB) and Council Officers present. He also outlined the procedure for the meeting and advised that a site visit had been carried out.

**1. REVIEW AGAINST DECISION (REFUSAL)  
PLANNING APPLICATION No: 16/00121/P – REPLACEMENT WINDOWS  
AT 3A DIRLETON AVENUE, NORTH BERWICK**

The Legal Adviser advised that Members had been provided with written papers, including a submission from the Case Officer and review documents from the applicant. She advised that the Planning Adviser would summarise the planning policy issues in relation to the application and 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, they would proceed to discuss the application and a vote would be taken on whether to uphold or overturn the decision of the Appointed Officer.

The Chair invited the Planning Adviser, who had had no involvement in the original decision, to present a summary of the planning policy considerations in this case.

Emma Taylor, Planning Adviser, stated that this application related to a ground floor flat in a two storey, semi detached, flatted building located within North Berwick Conservation Area. The applicant was seeking permission for the replacement of the six windows of the flat; four windows in the front (north) elevation and two in the east side and rear (south) elevation. The existing windows of the flat were all white painted, single glazed, timber framed windows with a sash and case opening method. The proposed replacement windows would be of the same size, proportions and colour as the windows they would replace with the differences being that the proposed replacement windows would all be double glazed, UPVC framed and would be of a modern casement style with a bottom hung opening method.

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 Plan for Edinburgh and South East Scotland (SESplan) and the adopted Local Plan 2008. The Development Plan seeks to preserve or enhance the character of Conservation Areas and generally to promote a high quality design in all development. The main policy considerations relevant to the application were the design and impacts on the Conservation area and the key policies in relation to these matters were the Strategic Development Plan policy 1B and Local Plan Policies ENV4. In addition, 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. This would normally mean that they should retain 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. Also,

relevant to the application were the Scottish Planning Policy and the Scottish Historic Environment Policy.

The Planning Adviser stated that the application had been refused by the Appointed Officer on the basis that the proposed windows for the north elevation of the flat would be visible from the public road. They would also appear significantly different to the timber framed windows they would replace and neither preserve or enhance the character and appearance of the property or the Conservation Area. The proposals were therefore considered to be contrary to the relevant development plan policies. No consultations had been carried out by the case officer and one representation had been received from North Berwick Community Council.

The Chair thanked the Planning Adviser for her presentation and then asked his fellow Members if they had sufficient information to proceed to determine this application today and they unanimously agreed to proceed. Comments from Members followed.

The Chair stated that the proposed windows did not comply with the terms of Local Plan policy DP8 on replacement windows. In his view, the proposed new windows would not be visibly the same as the existing windows and he would therefore uphold the decision of the Planning Officer to refuse the application.

Councillor Currie stated that he was less concerned about the material which would be used in the construction of the proposed windows than the issue of similarity to the existing windows. As he considered that the new windows would look markedly different to the windows they would be replacing, contrary to policy DP8, he would vote to uphold the original decision of the Planning Officer.

Councillor McMillan referred to an email dated 22 March 2016 in which the Planning Officer had set out the terms of policy DP8 and offered advice on replacement windows which would comply with the policy. The Planning Officer had also advised, in the email, that the proposed windows would not preserve the positive contribution the traditional timber framed sash and case windows made to the character and appearance of the property. Councillor McMillan stated that he had found the site visit helpful and agreed with his colleagues that the proposed windows would not look visibly the same as the existing windows and would not contribute to the character of the area. He would therefore vote to uphold the decision of the Planning Officer.

## **Decision**

The ELLRB unanimously agreed to uphold the original decision of the Planning Officer and rejected the appeal.

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







*cutting through complexity*

**3**

# East Lothian Council

Annual audit report to the Members of East Lothian Council  
and the Controller of Audit for the year ended 31 March 2016

30 September 2016



## 1. EXECUTIVE SUMMARY



## 2. FINANCIAL POSITION



## 3. FINANCIAL STATEMENTS AND ACCOUNTING



## 4. WIDER SCOPE



## 5. APPENDICES

### About this report

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

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

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

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

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

### Complaints

If at any time you would like to discuss with us how our services can be improved or if you have a complaint about them, you are invited to contact Andy Shaw, who is the engagement leader for our services to East Lothian Council, telephone 0131 527 6673 email: [andrew.shaw@kpmg.co.uk](mailto:andrew.shaw@kpmg.co.uk) who will try to resolve your complaint. If your problem is not resolved, you should contact Alex Sanderson, our Head of Audit in Scotland, either by writing to him at Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG or by telephoning 0131 527 6720 or email to [alex.sanderson@kpmg.co.uk](mailto:alex.sanderson@kpmg.co.uk). We will investigate any complaint promptly and do what we can to resolve the difficulties. After this, if you are still dissatisfied with how your complaint has been handled you can refer the matter to Russell Frith, Assistant Auditor General, Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN.

# Executive summary

### Audit conclusions

- We have issued an unqualified audit opinion on the financial statements of East Lothian Council ("the Council"). Page 13

### Financial position

- The Council reported a deficit on the provision of services of £20 million in 2015-16 (2014-15: £6.3 million surplus), primarily as a result of the impairments on the revaluation of non-operational assets. Following statutory adjustments to the general fund to remove the impairment, there was an increase in general fund reserves of £5.2 million and the housing revenue reserves of £0.6 million. Page 6 - 11
- The 2015-16 capital program reported an underspend of £7.2 million compared to the approved general services and HRA capital budgets. This primarily reflects slippage; carried forward to the 2016-17 plan.
- The three year budget for 2016-17 to 2018-19 was approved by Council in February 2016. It shows a significant reduction in revenue support grant in 2016-17 and no increase in 2017 to 2019. The budget shows a £3 million transfer from reserves in 2016-17, a small transfer in 2017-18 and £nil in 2018-19.

### Financial statements and related reports

- Draft financial statements were received by the start of audit fieldwork and were supported by high quality working papers. This included a draft management commentary. A final management commentary was received on 5 September 2016. Page 13 - 22
- We have concluded satisfactorily in respect of each of the significant risks and audit focus areas identified in the audit strategy and plan document. We concur with management's accounting treatment and judgments.
- One unadjusted audit difference is raised in respect of the bad debt provision. One adjusted audit difference was processed in respect of the classification of long and short term financial instruments. We have no matters to highlight in respect of: adjusted audit differences; independence; and changes to management representations.

### Wider scope

- We considered the wider scope audit dimensions and concluded positively in respect of financial sustainability and governance and transparency. Page 24 - 32
- We note risks in relation to financial management and value for money. This is in respect of the timeliness of financial reporting and compliance with procurement procedures identified by internal audit.

#### Purpose of this report

The Accounts Commission has appointed KPMG LLP as auditor of East Lothian Council under part VII of the Local Government (Scotland) Act 1973 (“the Act”). The period of appointment is 2011-12 to 2015-16, inclusive.

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

Audit Scotland’s Code of Audit Practice sets out the wider dimensions of public sector audit which involves not only the audit of the financial statements but also consideration of areas such as financial management and sustainability, governance and transparency and value for money.

#### Accountable officer responsibilities

The Code of Audit Practice sets out the Council’s responsibilities in respect of:

- preparation of financial statements that show a true and fair view;
- systems of internal control;
- prevention and detection of fraud and irregularities;
- standards of conduct and arrangements for the prevention and detection of bribery and corruption;
- financial position; and
- Best Value.

#### Auditor responsibilities

This report reflects our overall responsibility to carry out an audit in accordance with our statutory responsibilities under the Act and in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Code of Audit Practice. Appendix five sets out how we have met each of the responsibilities set out in the Code of Audit Practice.

#### Scope

An audit of the financial statements is not designed to identify all matters that may be relevant to those charged with governance. Management of the audited body is responsible for preparing financial statements that show a true and fair view and for implementing appropriate internal control systems.

Weaknesses or risks identified are only those which have come to our attention during our normal audit work in accordance with the Code Audit of Practice, and may not be all that exist.

Communication by auditors of matters arising from the audit of the financial statements or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

Under the requirements of International Standard on Auditing (UK and Ireland) (‘ISA’) 260 *Communication with those charged with governance*, we are required to communicate audit matters arising from the audit of financial statements to those charged with governance of an entity. This annual audit report to members and our presentation to the Audit and Governance Committee, together with previous reports to the Audit and Governance Committee throughout the year, discharges the requirements of ISA 260.

# Financial position

### Overview

In common with other local authorities, the Council has faced challenges over the past few years, reflecting public sector reform and continued financial pressures. Councils have faced real term funding decreases and increasing demand for services. As highlighted in Audit Scotland's report *An Overview of Local Government in Scotland*, for 2016-17 councils revenue funding from Scottish Government will reduce by 5% in cash terms. This takes the real term reduction in funding since 2010-11 to 11%. Funding for 2017-18 onwards has not yet been confirmed, creating challenges for long term financial planning. Councils are faced with further financial pressures, such as from demographic changes, increasing pension costs, living wage implementation and the Scottish Government policy on council tax freeze. In addition, service demand is growing due to demographic changes and transformation in respect of health and social care provision.

In response to funding reductions a number of councils reduced their workforce and many plan further voluntary reductions. There is a challenge for councils to ensure they maintain the knowledge and skills needed to effectively manage the local authority. A key part of this is workforce planning. We comment on the Council's approach to workforce planning on page 32.

2015-16 saw a change in the process of shared risk assessments ("SRA") and how the local area networks ("LANs") work with Local Authorities. The 2016-17 local scrutiny plan highlights the Council's progress in improving financial sustainability. The plan outlines the scrutiny activity planned for 2016-17, including the implementation of the revised Best Value approach from October 2016.

### Financial position

Overall in respect of financial result for the year, the Council performed ahead of budget in 2015-16, with a contribution to usable reserves of £5.7 million. We set out below the financial position in terms of the comprehensive income and expenditure statement, balance sheet, reserves and future plans.

#### Financial position: comprehensive income and expenditure statement

The 2015-16 deficit of £20 million (before adjustments for pensions and asset revaluations) compares to the 2014-15 surplus of £6.3 million. Whilst expenditure increased by £29.5 million in the year, £18.1 million relates to impairments as a result of the valuation of operational assets. Other movements that do not impact the general fund are pensions and depreciation of fixed assets. An extract of the comprehensive income and expenditure statement is shown below.

#### Comprehensive income and expenditure statement

	2015-16 £000	2014-15 £000	Variance £000
<b>Total income</b>	318,000	314,861	3,139
<b>Total expenditure</b>	(338,052)	(308,589)	(29,463)
<b>(Deficit) / surplus on the provision of services</b>	(20,052)	6,272	(26,324)
<b>Other comprehensive income and expenditure</b>	185,026	(27,906)	212,932
<b>Total comprehensive income and expenditure</b>	164,974	(21,634)	186,608

Source: KPMG analysis of the Council's annual accounts 2015-16.

### Financial position: balance sheet

Balance sheet			
	2015-16 £000	2014-15 £000	Variance £000
<b>Long term assets</b>	915,774	797,272	118,502
<b>Current assets</b>	22,812	26,887	(4,075)
<b>Current liabilities</b>	(42,858)	(39,078)	(3,780)
<b>Net current liabilities</b>	(20,046)	(12,191)	(7,855)
<b>Long term liabilities</b>	(500,162)	(554,490)	54,328
<b>Net assets</b>	<b>(395,566)</b>	<b>(230,591)</b>	<b>164,975</b>

Source: KPMG analysis of the Council's annual accounts 2015-16.

The Council's balance sheet was strengthened by the revaluation of operational assets as at 31 March 2016. This resulted in an uplift of £116 million, recognised in the revaluation reserve. Impairments of £18 million were recognised in the comprehensive income and expenditure statement for assets that had decreased in value. Long term liabilities decreased as a result of the lower pension liability. This is outlined further at appendix four.

### Borrowing

The Council's capital expenditure is largely funded through borrowing, in line with its strategy although additional borrowing is being minimised. In Audit Scotland's 2015-16 benchmarking of all local authorities in Scotland, the Council continues to have the highest level of net external debt when taken as a proportion of revenue expenditure, at 136%. However this decreased from 159% in 2014-15. The Council has the third highest net external debt per head of population at £4,066 per head (2014-15: third, £3,875). We recognise that the benchmarking does not differentiate between demographic differences or the split between general services and housing related borrowing. The Council's ratios

improved during 2015-16.

To reduce the requirement for borrowing, a capital reserve has been earmarked within general fund reserves to enable capital expenditure to be funded directly from revenue and defray capital charges. Debt service costs require continued focus and we are content with the Council's approach to treasury management and inclusion of interest costs within the budget.

### Capital program

Total capital expenditure in 2015-16 was £49.2 million, an underspend of £7.2 million compared to the approved general services and HRA capital budgets. £27.2 million capital spend related to general services and £20 million to HRA. This represents a 26% increase from the 2014-15 spend of £39.2 million.

The majority of the underspend relates to slippage. Within general services there was £3.3 million slippage on projects which will be carried forward into the 2016-17 plan. Slippage was primarily due to delays in commencement of projects, some of which have now begun. Significant projects include cemeteries extensions (£0.9 million underspent) and parking improvements (£0.5 million underspent). From inquiry we are not aware that the delays significantly impact service delivery, and they are included in the capital plan for 2016-17. There was an underspend of £1 million relating to the Early Years Strategy, given that the strategy is not yet fully implemented and capital improvement works are ongoing in Summer 2016.

The HRA program had a total underspend of £3.4 million. Within HRA, £10.6 million was spent on modernisation, with a small overspend of £0.1 million. Only one mortgage to rent property was purchased during 2015-16, resulting in an underspend on mortgage to rent of £0.6 million. Spend on new affordable homes was £11.1 million in the year, below the approved budget of £14.1 million. The £3 million underspend is as a result of third party contractor delays at development sites which are outwith the Council's control. Management consider that this can be brought up to date during 2016-17 as the sites progress and it will be carried forward into the 2016-17 plan.

Whilst management has understanding of capital slippage and does not consider this to be an issue in 2015-16, there is a risk that this could impact on service delivery going forward. A refreshed capital plan for 2016-17 will be presented in the quarterly finance updates.



### Financial position: reserves

A total of £5.7 million was transferred to reserves in 2015-16, compared to £9.3 million in 2014-15. Of the transfer, £5.1 million relates to general fund reserves and £0.6 million to HRA. The Council had originally budgeted for a transfer from general fund reserves of £0.4 million, although this was refined through the 2016-19 budget planning process to give a £3 million transfer to reserves. The outturn reflects both underspends against budget as well as some non-recurring items. The budgeted outturn was for a transfer from general fund reserves of £0.4 million. The outturn position compared to budget is outlined in the diagram below.

#### i.) Key variances in the year included:

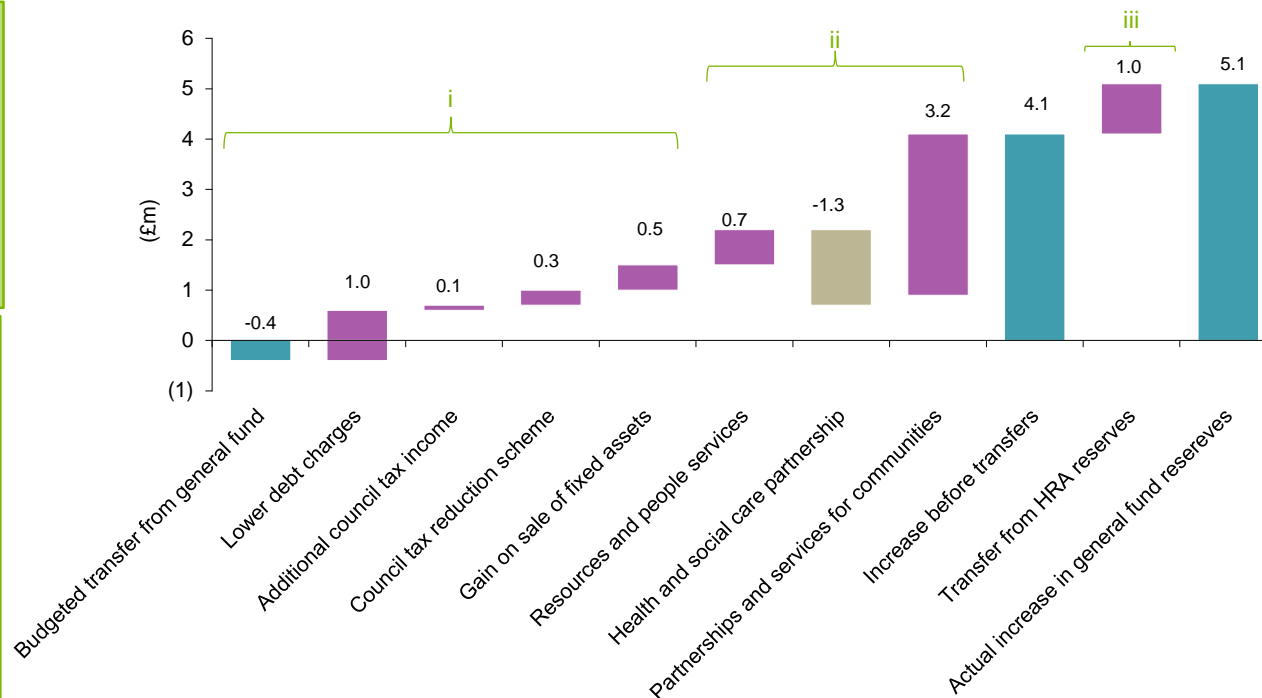
- lower debt charges of £1 million as a result of a review and reorganisation of the Council's loans fund;
- additional council tax income of £0.1 million, reflecting the increased number of households in East Lothian;
- an underspend in relation to the council tax reduction scheme of £0.3 million as a result of lower uptake; and
- a one-off gain on sale of general services fixed assets of £0.8 million.

ii.) Within services, the majority of underspends (£2.2 million) were in relation to vacancies and staff savings. Both resources and people services and partnerships and services for communities underspent in the year.

The health and social care partnership overspent in the year. £1.2 million of this relates to Adult Wellbeing, with overspends due to high demand for services and high costs of purchasing external care packages. Management is working with the service to review and enhance processes and procedures to better monitor overspends.

Embracing the one-Council approach, service overspends are absorbed by other savings. Excluding HRA, the net service underspend was £2.6 million.

iii.) In line with the budget just under £1 million was transferred from HRA to general fund reserves.



## Use of reserves

As at 31 March 2016, the Council had usable reserves of £30.4 million. The final transfer to general fund reserves of £5.1 million represents an increase of 28% on the opening balance. The composition of the Council's reserves at 31 March 2016 is outlined below.

### Composition of reserves

General fund	Insurance fund	Housing revenue account	Housing capital fund	Unusable Reserves
£21.3m	£1.7m	£4.8m	£2.6m	£365.1m

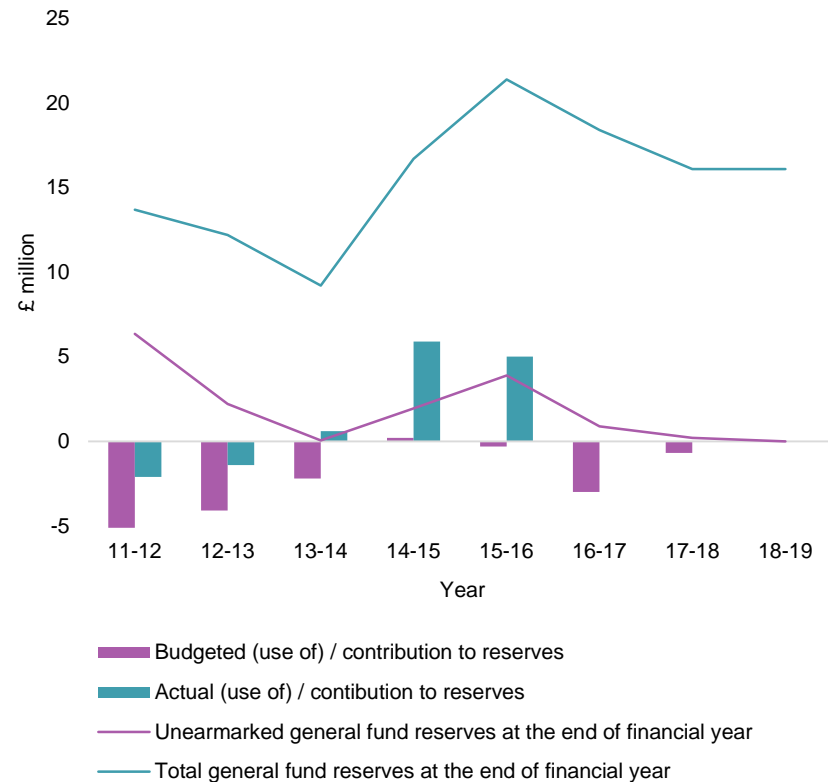
Source: KPMG analysis of the Council's annual accounts 2015-16.

The Council's financial strategy sets out that any unplanned increase in reserves should be transferred to either the general services capital fund or cost reduction fund. In 2015-16 the Council agreed to transfer any surplus reserves to the general services capital fund.

The cost reduction fund is primarily used to support investments which will deliver reductions to the Council's recurring cost base, such as employee severance and service restructures. The capital fund will be used to directly fund capital expenditure or defray capital charges. As at 31 March 2016 the Council had £3 million in the cost reduction fund and £11.6 million in the general services capital fund.

While as at 31 March 2016 the Council performed ahead of budget and management confirmed that the Council remains on track with its financial strategy, continued monitoring will be required to ensure savings are achieved. Since 2011-12 the Council achieved an underspend against budget, although we note that customer satisfaction rates remain high. Management monitors the budget throughout the year. As identified in previous years, the majority of variances to budget were presented in the final quarter.

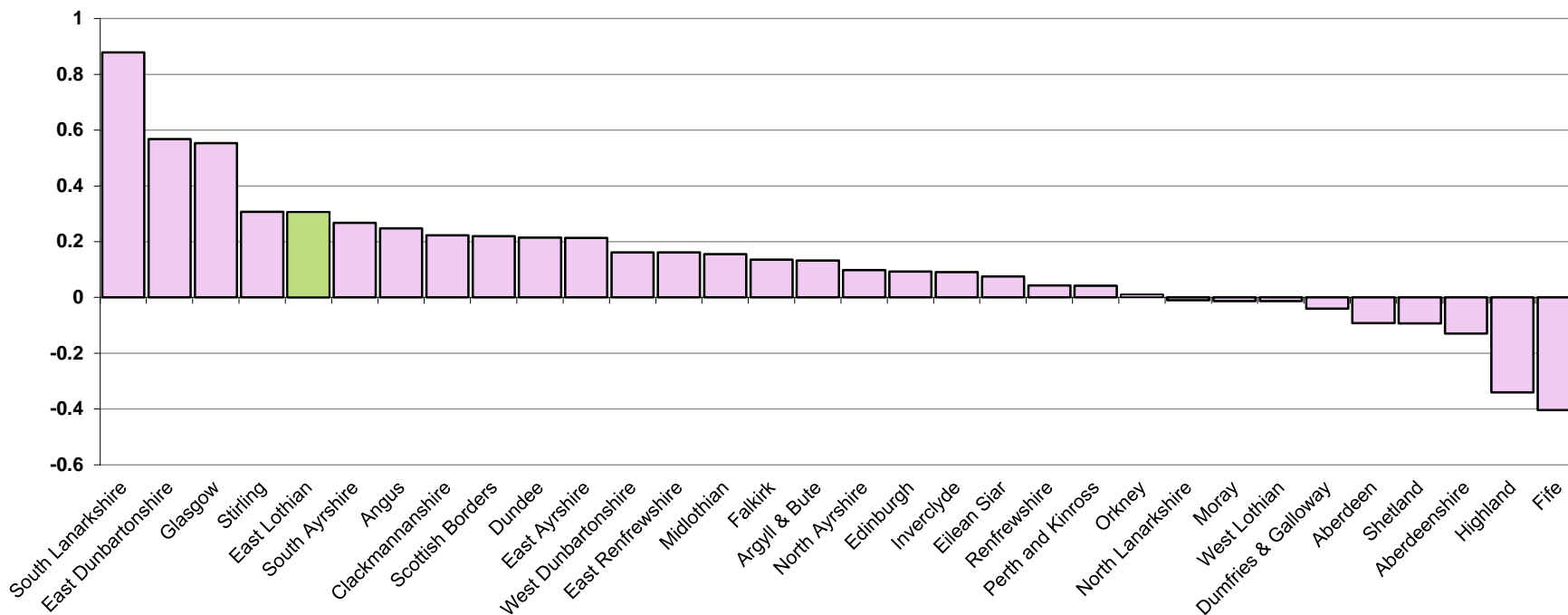
The chart below illustrates the use of general reserves over an eight year period, in accordance with past results and the approved council budget for 2016-17 to 2018-19, against reserves available. This excludes transfers to and from HRA and earmarked reserves.



In benchmarking undertaken by Audit Scotland from analysis of the 2015-16 unaudited financial statements of Scotland's 32 local authorities, the Council had the fifth highest movement in general fund reserves as a proportion of reserves brought forward and the tenth highest increase in general fund reserves in the year. The Council has the 11<sup>th</sup> lowest general fund balance carried forward. This reflects the Council's desire to maintain financial sustainability and reduce reliance on reserves.

Although the Council has a low reserves balance, budgets and reserves are well planned and controlled. There are sufficient reserves to support future budgets. Planned use of reserves from 2016-17 to 2018-19 are shown page 11. We do not consider the low reserves balance to be indicative of significant financial sustainability risks. We discuss financial sustainability further on page 28.

### 2015-16 increase in general fund reserves as a proportion of reserves brought forward



Source: Audit Scotland analysis of local authority 2015-16 financial statements

### Financial plans 2016-17 and beyond

The three year budget for 2016-17 to 2018-19 was approved by Council in February 2016. This used the 2015-16 budget as a base and reflected changes for known items of income and expenditure for future years. The 2016-17 budget incorporates a transfer from general fund reserves of £3 million and a transfer from HRA reserves of £1 million. The budgeted use of general fund reserves is shown below.

Budgeted (use of) / transfer to general fund for 2015-16 to 2018-19			
2015-16 actual £5.1m	2016-17 budget £(3m)	2017-18 budget £(0.69m)	2018-19 budget -

The budget was set on the basis of the approved Council tax freeze for 2015-16. The Scottish Government has provided grant figures for 2016-17 only, with a reduction in revenue support grant of approximately £4.4 million from 2015-16. The budgets are therefore based on the agreed level of revenue support grant for 2016-17, assuming no increase in 2017-18 and 2018-19. This presents a challenging position for the Council with increasing demand for services and cost pressures.

Increases in costs across departments include assumed pay and pension increases and higher education costs due to an increase in pupil numbers. Significant planned capital expenditure includes £1.1 million for Dunbar Grammar School and £3.9 million for Law Primary School.

To address the reduction in funding, as well as a use of reserves, the Council has planned for efficiency savings in 2016-17; such as through the integration of health and social care (£2.3 million), efficient workforce management (£0.6 million) and BuySmart reviews (£0.4 million).

### Going concern

Due to the low level of general fund reserves, the budgeted use of reserves going forward and the reduction in government funding, we considered the potential going concern risk.

The Council had net assets of £395.6 million (2014-15 £230.6 million) as at the balance sheet date. Net assets increased on 2014-15 by £165 million, primarily in relation to the revaluation of fixed assets (£116.4 million) and decrease in the pension liability (£57 million).

Management considers it appropriate to continue to adopt the going concern assumption for the preparation of the annual accounts. Although the Council is in a net current liabilities position, it considers that the confirmed revenue support grant of £169 million is sufficient to meet debts as they fall due. The Council also has the facility to draw down more long term borrowings if required, although made a strategic decision to draw on cash balances as well as to restructure to greater short term borrowing in 2015-16 to take advantage of low interest rates.

The Council recognised a deficit on the provision of services in the year, although £4.7 million was transferred to the general fund, providing further comfort over the Council's financial position. Over the past few years there has been a reduction in the overall cost base and further efficiency savings are incorporated in budgets. Whilst the budget for 2016-17 is to use £3 million reserves, the general fund balance of £23.1 million supports this. No use of reserves is planned for 2018-19, in line with the approved Financial Strategy.

### Conclusion

Although the Council reported a deficit on the provision of services, financial performance was ahead of budget in 2015-16 and there was a contribution to reserves. The Council maintained a net assets position and has available borrowing facilities.

We are content that the going concern assumption is appropriate in light of the matters set out above.

# **Financial statements and accounting**

#### Audit opinion

Our audit work is complete, and following approval of the annual accounts by the Audit and Governance Committee we issued an unqualified opinion on the truth and fairness of the state of the Council's affairs as at 31 March 2016, and of the deficit for the year then ended. There are no matters identified on which we are required to report by exception.

#### Financial reporting framework, legislation and other reporting requirements

The Council is required to prepare its financial statements in accordance with International Financial Reporting Standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16 ("the Code"), and in accordance with the Local Authority Accounts (Scotland) Regulations 2014. Our audit confirmed that the financial statements have been prepared in accordance with the Code and relevant legislation.

#### Statutory reports

We have not identified any circumstances to notify the Controller of Audit that indicate a statutory report may be required.

#### Other communications

We did not encounter any significant difficulties during the audit. There were no other significant matters arising from the audit that were discussed, or subject to correspondence with management that have not been included within this report. There are no other matters arising from the audit, that, in our professional judgement, are significant to the oversight of the financial reporting process.

#### Audit misstatements

One unadjusted audit difference is raised in respect of the bad debt provision. One adjusted audit difference was processed in respect of financial instruments. These adjustments are outlined further at appendix one.

#### Written representations

There are no changes to the standard representations required for our audit from last year.

#### Materiality

We summarised our approach to materiality in our audit strategy document. On receipt of the financial statements and following completion of audit testing we reviewed our materiality levels and concluded that planning materiality for 2015-16 of £5.74 million (2% of expenditure) remained appropriate. We report all misstatements greater than £250,000.

#### Forming our opinions and conclusions

In gathering the evidence for the above opinions and conclusions we:

- performed controls testing and substantive procedures to ensure that key risks to the annual accounts have been covered;
- communicated with the head of internal audit and reviewed internal audit reports as issued to the Audit and Governance Committee to ensure all key risk areas which may be viewed to have an impact on the annual accounts have been considered;
- reviewed estimates and accounting judgments made by management and considered for appropriateness;
- considered the potential effect of fraud on the annual accounts through discussions with senior management and internal audit to gain a better understanding of the work performed in relation to prevention and detection of fraud; and
- attended Audit and Governance Committee meetings to communicate our findings to those charged with governance, and to update our understanding of the key governance processes.

#### Financial statements preparation

Management engaged with us in advance of preparing the financial statements to discuss areas of judgment upfront. Draft financial statements were provided at the start of the audit fieldwork on 20 June 2016. We noted strong ownership of the financial statements preparation in 2015-16. In line with statutory guidance, the draft financial statements were presented to the Audit and Governance Committee in June 2016. However these

accounts did not contain a fully completed management commentary or complete group accounts. These were available for members' review by 30 June 2016. Under the Local Authority Accounts (Scotland) Regulations 2014 a committee whose remit includes audit or governance functions must meet to consider the unaudited Annual Accounts as submitted to the auditor by 31 August 2016.

#### Significant risks and other focus areas in relation to the audit of the financial statements

We summarise below the risks of material misstatement as reported within the audit strategy document. We set out the key audit procedures to address those risks and our findings from those procedures, in order that the Audit and Governance Committee may better understand the process by which we arrived at our audit opinion.

Significant risks:

- operational assets valuation;
- financial position;
- fraud risk from income recognition; and
- management override of controls fraud risk.

Other focus areas:

- provisions;
- transport infrastructure assets; and
- retirement benefits.

We identified one additional focus areas in the course of our audit in relation to financial instruments.

We have no changes to the risk or our approach to addressing the assumed ISA risk of fraud in management override of controls and we do not have findings to bring to your attention in relation to these matters. No control overrides were identified.

SIGNIFICANT RISK	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Operational assets valuation</b></p> <p>In order to comply with the requirements of the Code, Council assets are subject to rolling valuations; operational assets were subject to valuation in 2015-16. Through competitive tender, management appointed an external valuer to perform the valuation. The revaluation resulted in a gain of £116 million recognised in the revaluation reserve in 2015-16, and impairment of £18 million recognised in the comprehensive income and expenditure statement.</p>	<p>Our audit work consisted of:</p> <ul style="list-style-type: none"> <li>■ engaging KPMG valuation specialists to challenge the valuation assumptions used by the valuer and review their methodology, ensuring it was in line with RICS professional standards;</li> <li>■ confirming the accounting treatment of the valuations by agreeing capital accounting journals;</li> <li>■ recalculating the impairment recognised through the comprehensive income and expenditure account and revaluation gains and losses recognised in the revaluation reserve and verifying these had been recognised in the correct place; and</li> <li>■ agreeing the values posted in the fixed asset register to those provided by the external valuer and ensuring these were correctly classified in the financial statements.</li> </ul>	<p>From the work of our valuation specialists, which included direct contact and challenge of the valuer, we consider that the revaluation is materially appropriate. We also consider that:</p> <ul style="list-style-type: none"> <li>■ the methodology and approach taken by the external valuer is appropriate and in line with KPMG expectations; and</li> <li>■ the valuation is appropriately recognised and disclosed in the financial statements.</li> </ul>
<p><b>Financial position</b></p> <p>Delivering services in the environment of continued financial pressures and funding uncertainty remains a challenge for local authorities.</p> <p>We noted tight budgetary controls in our 2015-16 audit and the Council managed an underspend overall against budget in recent financial years. In 2015-16 the Council recorded a deficit on the provision of services of £20.1 million, with a contribution to reserves of £5.7 million.</p>	<p>We updated our understanding of the Council's financial position and year end outturn position through review of quarterly reports and other management information. We commented on this on pages six to 11.</p> <p>We performed controls testing over the budgeting process including the monitoring of budgets throughout the year.</p> <p>We performed substantive procedures, including substantive analytical procedures, over income and expenditure comparing the final position to budget and investigating significant variances.</p>	<p>We found that management is adequately monitoring the financial position through regular internal reporting. This is communicated to members on a regular basis, however we consider it could be more timely. We have commented on financial reporting as part of the consideration of governance and transparency on page 30.</p> <p>Management applied the going concern assumption in preparing the annual accounts. We considered this assumption on page 11 and concluded it is appropriate.</p>



SIGNIFICANT RISK	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Fraud risk from income recognition</b></p> <p>Professional standards require us to make a rebuttable presumption that the fraud risk from income recognition is a significant risk.</p> <p>Part of the Council's income is received from non ring-fenced government grants. As government grants are agreed in advance of the year, with adjustments requiring Government approval, we do not regard the risk of fraud from this revenue recognition as significant.</p> <p>The other major sources of income are from annual local taxes and rental income (council tax, non-domestic rates and housing revenues). These revenues are prescribed by law and other specific regulations, which prescribe the period in which annual local taxes and rental income is recognised as revenue. This minimises the level of judgment required in revenue recognition by management and we do not regard the risk of fraud from this revenue recognition as significant.</p> <p>We consider the fraud risk from recognition of other income to be significant. Other income relates primarily to sales or service income, and therefore we consider there to be potential judgment in recognising this income.</p>	<p>Our testing over the recognition of other income comprised:</p> <ul style="list-style-type: none"> <li>■ performing controls testing over budget monitoring and sales invoicing access. We found these controls to be operating effectively;</li> <li>■ comparing income against budget and prior year, and seeking explanations and supporting documentation for unexpected movements;</li> <li>■ due to the relatively large variance in adult wellbeing, testing a sample of adult wellbeing income and expenditure, agreeing this to supporting documentation such as invoices;</li> <li>■ performing cut-off testing to verify that income and associated debtors are recorded in the correct accounting period; and</li> <li>■ reviewing pre and post year end bank statements to ensure material items of income are recorded in the correct period.</li> </ul>	<p>We found that controls around income are operating effectively and no exceptions were noted in our testing. We are satisfied that income is recognised appropriately, in the correct financial year and in line with the Code.</p>

FOCUS AREA	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Provisions</b></p> <p>Whilst the Council does not operate landfill sites, coal mines or other sites which carry significant obligations for rectification, there is one Council-owned former landfill site and one present private operation. There is sector-wide consideration of such operations, including assessment of financial stability of operators, following the liquidation of a coal mine operator in another local authority area.</p> <p>Following a European Court of Justice ruling in May 2014, employers are required to pay holiday pay to staff at a rate commensurate with any commission or over time that they regularly earn, instead of at their basic pay level. Following legal advice, management implemented this process for holiday pay during 2014-15.</p> <p>There were a small number of equal pay claims outstanding at 31 March 2015, which were during 2015-16. Management accrued £90,000 to cover these claims.</p>	<p>We considered guidance on asset decommissioning obligations in respect of assets in the Council's boundaries and reviewed management's assessments of these assets. We reviewed the fixed asset register to verify that there were no relevant assets the Council had not considered. There is one quarry which is partly owned by the Council. The quarry is leased to a private company, which has the responsibility for rectification of the quarry. We reviewed publically available financial information of the operator to verify that it appeared financially sound. There is a completed landfill site that the Council previously controlled. The Council is working with the Scottish Environment Protection Agency to monitor emissions at the site to ensure there are no further obligations and no provision was recognised as at 31 March 2016.</p> <p>We monitored legislative changes on holiday pay and considered the Council's position. 199 claims were lodged against the Council during 2014, however management is waiting on the outcome of the legal test case before acting on these cases. Management consulted legal advisors and anticipates that the majority of the cases will be time barred. As the test case is still ongoing, management does not consider that the Council has a present obligation in respect of holiday pay and therefore no provision is required,</p> <p>We challenged management's year end judgments and assessed the provision values. We met with Council employees outside of the finance function to corroborate management's assertions. We also discussed other risk areas in respect of provisions, such as equal pay, to verify no further provisions are required.</p>	<p>We found that:</p> <ul style="list-style-type: none"> <li>management has considered the obligations in respect of asset decommissioning obligations, and we concur with management's view that no significant obligation exists at 31 March 2016. Management will continue to monitor this;</li> <li>management has implemented actions to mitigate the impact of the legislation in relation to holiday pay and consider it to be unlikely that there will be a material settlement. We concur with management's assessment and a provision or contingent liability is not required as at 31 March 2016; and</li> <li>outstanding equal pay claims were settled in the year.</li> </ul>

FOCUS AREA	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Transport infrastructure assets</b></p> <p>The 2016-17 Code will adopt requirements of the Code on transport infrastructure assets (“the transport code”), which requires measurement of these assets on a depreciated replacement cost basis.</p> <p>This will represent a change in accounting policy from 1 April 2016. Local authorities are advised to have implemented a robust project plan through 2015-16 to ensure preparedness for the requirements of the 2016-17 Code. However there is no requirement to report on transport infrastructure assets in the 2015-16 financial statements.</p>	<p>We considered the Council's plan for the requirements of the transport code, including meeting with Council staff from the asset and regulatory team and reviewing the whole of government accounts (“WGA”) submission. We evaluated the extent to which the Council is prepared for the change in accounting policy.</p>	<p>In respect of readiness for the 2016-17 Code, whilst the Council is in line with other local authorities in its preparedness, a formal project plan has not been formed. The transport infrastructure asset valuation has been completed for the 2015-16 WGA submission.</p> <p>Management is considering available guidance in respect of the measurement of carriageway widths, as there continues to be debate in the sector about an appropriate and consistent methodology.</p>
<p><b>Retirement benefits</b></p> <p>The Council accounts for its participation in the Lothian Pension Fund in accordance with IAS 19 <i>Retirement Benefits</i>, using a valuation report prepared by actuarial consultants.</p> <p>The Council's actuaries use membership data and a number of assumptions in their calculations based on market conditions at the year end, including a discount rate to derive the anticipated future liabilities back to the year end date and assumptions on future salary increases.</p> <p>IAS 19 requires the discount rate to be set by reference to yields on high quality (i.e. AA) corporate bonds of equivalent term to the liabilities. The calculation of the pension liability is inherently judgemental.</p>	<p>Our work consisted of:</p> <ul style="list-style-type: none"> <li>■ KPMG specialists reviewing the financial assumptions underlying actuarial calculations and comparison to our central benchmarks, the results of which are outlined on page 39;</li> <li>■ testing of scheme assets and rolled-forward liabilities;</li> <li>■ testing of the level of contributions used by the actuary to those actually paid during the year;</li> <li>■ testing of membership data used by the actuary to data from the Council; and</li> <li>■ agreeing actuarial reports to financial statement disclosures.</li> </ul>	<p>We are satisfied that the retirement benefit obligation:</p> <ul style="list-style-type: none"> <li>■ is correctly stated in the balance sheet as at 31 March 2016;</li> <li>■ has been accounted for and disclosed correctly in line with IAS19 <i>Retirement benefits</i>; and</li> <li>■ assumptions used in calculating this estimate and management's judgements are appropriate and within the acceptable KPMG range.</li> </ul> <p>We set out further information in respect of the defined benefit obligation on page 39. The closing liability decreased by £57 million compared to 2014-15, primarily from an increase in the discount rate and a decrease in the rates of increase in pensions and salaries.</p>

EMERGING FOCUS AREA	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Financial instruments</b></p> <p>The Council has a significant financial instruments balance, including short and long term borrowing. This incorporates a number of lender option borrower option loans ("LOBOs"). The nature of these loans is such that the lender can change the interest rate at pre-determined dates, and the Council has the option of repayment at these dates. As a result of this, management reclassified a number of LOBOs that had option dates during 2015-16 and 2016-17 to short term for both the 2014-15 and 2015-16 financial years, resulting in a restatement of the 2014-15 balance sheet.</p>	<p>We recalculated the split between long and short term borrowings and agreed these to third party SECTOR reports and loan agreements. We consulted internally and with the CIPFA technical team regarding the classification of LOBOs and concluded that they should be classified as long term as the Council has no history or intention of repaying LOBOs early. We raised an audit adjustment to reclassify LOBOs to long term in both the current and prior year.</p>	<p>We found that the financial instruments disclosure was incorrect for both 2014-15 and 2015-16 in respect of the split between current and long term liabilities. An audit difference was raised with regards to this and was adjusted by management. This is outlined at appendix one, and resulted in an increase of long term and decrease of short term liabilities of £19 million in 2015-16 and £24 million in 2014-15.</p>

REPORT	SUMMARY OBSERVATIONS	AUDIT CONCLUSION
<b>Management commentary</b>	<p>The Local Authority Accounts (Scotland) Regulations 2014 require the inclusion of a management commentary within the annual accounts, similar to the Companies Act requirements for listed entity financial statements. The requirements are outlined in the Local Government finance circular 5/2015.</p> <p>A draft management commentary was included within the unaudited financial statements. This outlines the performance overview and the future plans and developments in line with the Council Plan. A final management commentary, including performance indicators, was received on 5 September 2016.</p>	<p>We are satisfied that the information contained within the management commentary is consistent with the financial statements.</p> <p>We reviewed the contents of the management commentary against the guidance contained in the Local Government finance circular 5/2015 and are content with the proposed report.</p>
<b>Remuneration report</b>	<p>The remuneration report was included within the unaudited annual accounts and supporting reports and working papers were provided.</p>	<p>We are satisfied that the information contained within the remuneration report is consistent with the underlying records and the annual accounts and all required disclosures have been made. We noted improvements in the quality of the remuneration report from prior years.</p> <p>Our independent auditor's report confirms that the part of the remuneration report subject to audit has been properly prepared.</p>
<b>Annual governance statement</b>	<p>The statement for 2015-16 outlines the corporate governance and risk management arrangements in operation in the financial year. It provides detail on the Council's governance framework, internal controls, the work of internal audit and risk management arrangements. It analyses the efficiency and effectiveness of these elements of the framework.</p>	<p>We consider the governance framework and annual governance statement to be appropriate for the Council and that it is in accordance with guidance and reflects our understanding of the Council.</p>

# Financial statements and related reports

## Qualitative aspects and future developments

#### Qualitative aspects

ISA 260 requires us to report to those charged with governance our views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures.

We consider the accounting policies adopted by the Council to be appropriate. There are no significant accounting practices which depart from what is acceptable under IFRS or the Code. The Code adopted IFRS 13 *Fair Value Measurement* for the first time in 2015-16. This requires surplus assets to be measured at fair value. Management performed an exercise to identify and value surplus assets. This resulted in an increase in the value of surplus assets of £125,000.

Significant accounting estimates relate to the present value of defined benefit obligations and impairment of non current assets. For defined benefit obligations, the estimate is calculated under IAS 19 (as calculated by the Council's actuary, Hymans Robertson) using agreed financial assumptions. We found the assumptions and accounting for pensions to be appropriate, as discussed on page 39. Non current asset impairment is calculated using third party valuation reports. We used our internal valuation specialists to assess the assumptions used in these reports, as discussed on page 15. We did not identify indications of management bias.

Financial statement disclosures were considered against requirements of the Code, relevant legislation and IFRS. No departures from these requirements were identified.

#### Future accounting and audit developments

From 2016-17 the Code will adopt requirements of the Code on transport infrastructure assets ("the transport code"), which requires measurement of these assets on a depreciated replacement cost basis. This is included as an audit focus area and is discussed in more detail on page 18.

The 2016-17 Code also includes a new requirement for an expenditure and funding analysis, as well as revised formats for the comprehensive income and expenditure statement and movement in reserves statement. The expenditure and funding analysis provides a reconciliation of the statutory adjustments between the financial position on a funding basis and the surplus or deficit on the provision of services. The management commentary should refer to the outturn provided in the expenditure and funding analysis. The comprehensive income and expenditure statement line items have been amended to require authorities to present the service analysis on the basis of the organisational structure under which they operate. Bodies are therefore not required to follow the service expenditure analysis in the *Service expenditure reporting code of practice (SeRCOP)*.

ISA (UK & Ireland) 700 and 720 have been revised for accounting periods beginning on or after 17 June 2016. These revise the requirements for the structure and content of the independent auditor's report. Audit Scotland is considering whether to early adopt the standards for 2016-17.

#### Group accounts

Our audit appointment of the Council extends to the audit of the East Lothian Integration Joint Board and Dr Bruce Fund. Other group entities include:

Subsidiaries	Associates
Trust funds (including Dr Bruce Fund)	Lothian Valuation Joint Board
Common Good Funds	Enjoy East Lothian Limited
Musselburgh Joint Racing Committee	East Lothian Investments
East Lothian Land Limited	Brunton Theatre Trust

We considered the other group entities as part of our audit of the group accounts, however we do not consider these entities to be significant on grounds of their size. The other group entities are audited by independent auditors.

#### Dr Bruce Fund

As the trustees of the Dr Bruce Fund are members of the Local Authority and it is registered with the Office of the Scottish Charity Regulator, an audit is required in line with the *Local Government (Scotland) Act 1973* (section 106 charities). The Charities SORP (FRS 102) was effective from 1 January 2015. The charity has transitioned to this SORP for the preparation of the 2015-16 financial statements. We completed an external audit of the charity's accounts during our audit of the Council.

**Conclusion:** Some presentational adjustments were required to align the disclosures in the accounts to the new FRS 102 based SORP. No adjusted or unadjusted audit differences were raised. We issued an unqualified audit opinion in respect of Dr Bruce Fund.

#### East Lothian Integration Joint Board

In March 2014 the Public Bodies (Joint Working) (Scotland) Act was passed by the Scottish Government. This required all Councils and NHS Boards to formally and legally establish integration of health and social care by April 2016. The integration scheme for East Lothian was approved by Scottish Government in May 2015. The IJB was formally established in June 2015.

Whilst there was no transfer of functions until 1 April 2016, the IJB was required to prepare financial statements for 2015-16. Guidance was issued by The Local Authority (Scotland) Accounts Advisory Committee ("LASAAC") in September 2015 on the expected content of the IJB accounts. The 2015-16 audit was carried out by KPMG and a separate annual audit report has been produced.

**Conclusion:** The audit concluded the accounts were presented in line with the required legislation as noted above alongside appropriate disclosures. We issued an unqualified audit opinion in respect of the IJB.

**Wider scope**



## Introduction

The Code of Audit Practice frames the wider scope of our audit in terms of four audit dimensions; financial management, financial sustainability, governance and transparency and value for money. At the centre of these dimensions is Best Value.

It remains the responsibility of the audited body to ensure that they have proper arrangements in place across each of these audit dimensions. These arrangements should be appropriate to the nature of the audited body and the services and functions that it has been created to deliver. We review and come to a conclusion on these proper arrangements.

During our work on the audit dimensions we considered the work carried out by internal audit and other scrutiny bodies to ensure our work meets the proportionate and integrated principles contained within the Code of Audit Practice.

## Audit work and conclusions

We summarise over the next few pages the work we have undertaken in the year to obtain assurances over the arrangements in place for each audit dimension and our conclusions on the effectiveness and appropriateness of these arrangements.

The next page sets out those risks we identified during our audit planning stage, any emerging risks during the course of audit work and our overall conclusion on each audit dimension.

Where we have found arrangements to not be effective or are absent we have provided further narrative on the following pages and recommendations for improvement. Where we have found the arrangements to be generally effective and operating as expected we have identified this in the conclusions we have formed.



### Financial sustainability (Page 28)

The revenue and capital budget for 2016-17 for general services and HRA was approved in February 2016, with indicative figures for 2017-18 and 2018-19.

The Council underspent against budget in 2015-16 and there are sufficient reserves to support future operations. Savings are identified on an ongoing basis to address overspends, embracing the one-Council approach.

There is no longer-term financial planning, as management considers the lack of availability of long term funding commitments means that medium term planning is more relevant.

### Governance and transparency (Page 30)

The Council has sound and well-established governance arrangements that ensure effective scrutiny and challenge. Papers and agendas are available online through the Council website for transparency.

Risk registers are regularly updated and scrutinised by management and the Audit and Governance Committee.

There are appropriate arrangements for collecting, recording and publishing performance information

### Financial management (Page 26)

The Council's finance department has appropriate financial capacity for current operations, however there is no formal succession planning. Sound budgetary processes are supported by a strong internal control environment and no significant control deficiencies were identified. There is regular reporting to members on financial position however we consider that it could be more timely.

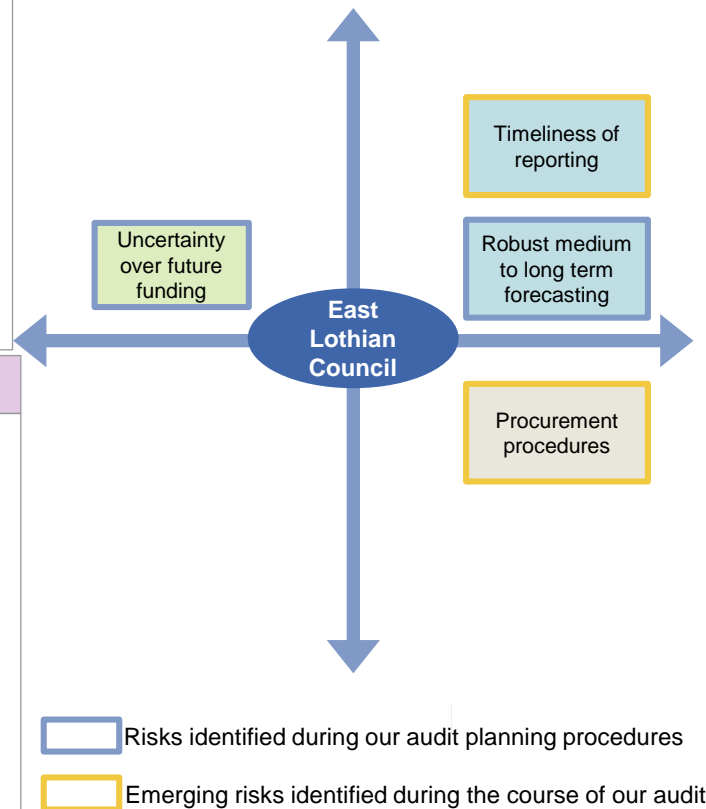
Management is engaged in the NFI process and there are controls for the prevention and detection of fraud. Registers of interest were completed for members and senior officers.

### Value for money (Page 29)

The Council has corporate procurement procedures however management identified instances where they are not followed, and this resulted in the Scottish Government withdrawing a grant award in 2015-16.

The Council has a well established self improvement framework, which is completed by all departments. Value for money is considered in workforce planning, and all staff changes are required to be assessed for savings.

We consider that the Council has sufficient procedures for ensuring Best Value.



Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

Our conclusion on page 25 is derived from the following audit tests, carried out to determine the effectiveness of the financial management arrangements. This included:

- *Assessing the budget setting and monitoring processes within the Council.* We found these to be robust, with regular accurate reporting and scrutiny by senior management and the Audit and Governance Committee. A detailed presentation is given to members in June to explain the key features of the financial statements. We consider that some financial reporting could be prepared in a more timely manner. The year end report to Council will be presented in August 2016 and there is an opportunity to bring this forward in line with the draft financial statements. Management is aware of the relative delay in presenting the year end report and is already building it into the 2016-17 timetable to present it earlier.

### **Recommendation one**

- *Consideration of the finance function and financial capacity within the Council.* We noted that the financial processes are efficient and effective, and there is adequate support from the Head of Council Resources. Finance team members have appropriate skills, capacity and capability to support the Council and effectively manage the organisation. There is no formal succession planning and if key team members were to leave there could be an impact on operations and quality. Management recently commenced a service review of the finance department and this is underway. This will consider succession planning.

We are also required to provide specific conclusions on the areas opposite, which relate to financial management and support our overall conclusion on this wider scope area.

### **Internal controls**

Management is responsible for designing and implementing appropriate internal control systems to ensure a true and fair view of operations within the financial statements. Details of controls tested were reported to those charged with governance in our interim audit report. We found controls to be operating effectively and noted improvements in the control environment from the prior year; being a positive trend over the last few years. We raised one minor recommendation related to the calculation of the bad debt provision.

### **Recommendation two**

A summary of the completion of prior year audit recommendations is provided at appendix four. Four 'grade two' (material) and three 'grade three' (minor) recommendations were raised in 2014-15; all of which are completed or ongoing.

**Conclusion:** Internal controls tested over risk management, financial, operational and compliance systems and procedures are designed, implemented and operating effectively.

### **National Fraud Initiative**

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

We submitted a return to Audit Scotland summarising our conclusions on the Council's participation in NFI. The questionnaire covered reporting of NFI progress and outcomes, recording of results of investigations in the NFI system, action taken for alleged fraud cases and the overall engagement of the Council with NFI.

**Conclusion:** The return concluded that the Council is engaged in the NFI process and is utilising resources appropriately to respond to the outcomes. No alleged or actual fraud was identified through NFI.

### Arrangements for the prevention and detection of fraud and error

Testing over the processes to prevent and detect fraud and error included:

- *Review of policies against best practice guidance and examples.* The Council's policies were found to be in line with relevant guidance.
- *Consideration of the accessibility of policies to staff and members and if the policies had been implemented effectively.* The policies and processes tested are readily available to staff and had been implemented effectively.
- *Consideration of the work of internal audit in the prevention and detection of fraud.* Internal audit is responsible for the NFI exercise within the Council. We have considered NFI arrangements on page 26.

**Conclusion:** The Council has appropriate arrangements to prevent and detect fraud. Internal audit takes an active role in fraud prevention and detection.

### Standards of conduct and the prevention and detection of corruption

Testing over the processes to prevent and detect corruption included:

- *Review of policies (codes of conduct for staff and Councillors, the whistleblowing policy and registers of interests) against best practice guidance and examples.* The Council's policies were found to be in line with relevant guidance.
- *Consideration of the accessibility of policies to staff and members and if the policies had been implemented effectively.* The policies and processes tested are readily available to staff and had been implemented effectively.
- *Testing of completeness of registers of interests of senior staff and members.* Registers of interests for senior management and members were complete and up to date.

- *Review of reporting arrangements for conflicts of interests and whether these had been followed.* Conflicts of interest are a standing agenda item for committees to ensure appropriate reporting. One Councillor was suspended by the Public Standards Commissioner for Scotland in 2015-16 partially as a result of a failure to declare an interest. Training is available to Councillors on their responsibilities in relation to declaring interests, and attendance at this training would mitigate the risk of this happening in the future.

**Conclusion:** The Council has appropriate arrangements to prevent and detect inappropriate conduct and corruption.

Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.

In considering financial sustainability of the Council we performed the following work:

- *Reviewing the financial position of the Council as at 31 March 2016 and future budgets and forecasts.* The Council underspent against budget in 2015-16 and there are sufficient reserves to support future operations. Savings are identified on an ongoing basis.
- *Reviewing financial forecasting, financial strategies and key risks over financial sustainability.* The Council had a balanced budget for 2015-16, as approved by Council in February 2015. The Council follows a three year financial planning cycle, setting indicative budgets for future financial years. In February 2016, Council also approved draft budgets for 2017-18 and 2018-19 and a financial strategy for the three year period. 2016-17 and 2017-18 both include transfers from reserves, with no transfer planned for 2018-19. There is no longer term financial planning as management finds it difficult to forecast future funding levels and meaningfully use this to make long term decisions. Whilst we appreciate the difficulty in longer term budgeting in the context of funding commitments being short-term, sensitivity analysis in long term budgeting can be useful in strategic decision making.
- The financial strategy allows for the transfer of any increases reserves over the budgeted amount to the cost reduction fund. The Council has in place a transformation program, which is supported through the cost reduction fund.
- Budgets include efficiency savings across services. They are monitored on quarterly basis and progress is reported to members through Cabinet.

- Whilst the Council has significant borrowings, the treasury management strategy is updated each year to assess and reduce interest rates. To reduce the requirement for borrowing, a capital reserve has been earmarked within general fund reserves to enable capital expenditure to be funded directly from revenue. £3 million was transferred to the general services capital fund at the end of 2015-16.

Value for money is concerned with using resources effectively and continually improving services.

Bodies are responsible for making arrangements to secure Best Value through the continuous improvement in the performance of their functions. In securing Best Value, Local Authorities must maintain a balance of quality and cost considerations and have regard, among other things, to economy, efficiency and effectiveness (or 'value for money') and the need to meet equal opportunity requirements and contribute to the achievement of sustainable development.

We consider value for money and Best Value throughout our testing. Some of the areas where we had a specific focus on value for money and Best Value are:

- *Reviewing the procurement policy and considering the use of procurement within the Council.* Whilst there are corporate procurement procedures in place, the Council recently had grant funding withdrawn as the Scottish Government identified that procurement procedures had not been followed during the tender process. Internal audit performed a review of the procurement arrangements for this project and found that the staff involved failed to follow the procurement procedures and failed to demonstrate openness and transparency. Internal audit has raised recommendations to management in respect of this which have been accepted and an improvement plan is being implemented.
- *Reviewing how the Council has streamlined its services.* Workforce planning was considered as part of the returns made to Audit Scotland. This is outlined further on page 32.
- *Considering the Council's process for continuous improvement.* The Council uses a self-improvement framework called How Good Is Our Council ("HGIOC"). This is completed by all departments and challenged by the Council Management Team ("CMT"). The results of HGIOC are used to inform service plans and the annual Council Improvement Plan.

- *Considering the Council's processes for ensuring Best Value.* Included within the internal audit plan each year is a review of the systems for preparation and reporting of performance indicators, to provide assurance over best value. Internal audit considers best value as part of the audit planning process to ensure that this is considered during all internal audit reviews.

With the exception of procurement, our consideration of the work of internal audit, as part of our extended control work, did not indicate high risk findings within these areas.

*Conclusion:* We consider that the Council has appropriate arrangements in place for securing best value

#### Following the Public Pound

Auditors are required to consider the Council's arrangements for compliance with the Code of Guidance on Funding External Bodies and Following the Public Pound ("the FtPP Code").

We considered management's processes to comply with the FtPP Code. Internal audit considers funding provided to external organisations on an annual basis. In 2015-16 they completed a review of funding provided to third sector organisations. This did not identify any high graded findings.

Management considers Enjoy East Lothian Limited ("Enjoy") to be the Council's only ALEO. Members receive copies of Enjoy's financial statements, management reports and business plans in order to scrutinise performance. Management attend quarterly contract meetings and all Enjoy Board meetings. One third of the Enjoy Board is appointed from Council members. Understanding of ALEOs has improved recently and a report was submitted to the Policy and Performance Review Committee in November 2015 outlining the Council's relationship with Enjoy.

*Conclusion:* We consider that the Council has appropriate arrangements for monitoring of ALEOs and following the public pound.

Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.

In considering governance and transparency we performed the following work:

- *Reviewing the organisational structure, reporting lines and level of scrutiny within the Council.* The Council demonstrates effective scrutiny, challenge and transparency on decision making through various levels of committee reporting reviewed. Decisions are transparent as actions are documented within Council and committee minutes. There is a high level of transparency through the Council's website, which includes minutes and papers for all committee meetings. Committees are balanced between administration and opposition members to ensure adequate expertise, independence and challenge.
- *Reviewing financial and performance reporting within the organisational structure.* Reporting is of high quality, accurate and transparent. Financial reporting is presented to Cabinet on a quarterly basis, including analysis of both revenue and capital. Reports are sufficiently detailed, giving narrative explanations to key movements from budget. Details of any changes to capital programmes is also given to allow these to be approved. Reports are available to the public online, however they could be reported to Cabinet in a more timely manner.
- *Reading the annual governance statement;* as discussed on page 20.
- *Consideration of scrutiny over key risks.* The corporate risk register is updated annually by management and scrutinised and approved by the Audit and Governance Committee. Service level risk registers are also maintained and approved by the Audit and Governance Committee.

We are required to provide specific conclusions on the following areas which relate to governance and transparency and support our overall conclusion on this audit dimension.

### Corporate governance

We updated our understanding of the governance framework and documented this through our overall assessment of the Council's risk and control environment. This included testing entity wide controls, including risk management, operational and compliance controls, as reported in the interim management report.

**Conclusion:** Governance controls were found to be operating effectively and we consider the governance framework to be appropriate for the Council.

### Internal audit

We considered the activities of internal audit against the requirements of Public Sector Internal Audit Standards ('PSIAS'), focusing our review on the public sector requirements of the attribute and performance standards contained within PSIAS. We updated the review we undertook in 2014-15, which included a review of the internal audit charter, reporting lines, independence, objectivity and proficiency and the range of work carried out by internal audit. We also considered the requirements of International Standard on Auditing 610 (*Considering the Work of Internal Audit*).

We reviewed internal audit reports and conclusions, and through discussion obtained the views of internal audit of risks of fraud within the Council.

**Conclusion:** We apply internal audit's work to inform our procedures, where relevant. The review of internal audit reports and conclusions did not indicate additional risks and there was no impact on our planned substantive testing.

### Performance information

Authorities must prepare and publish performance information in accordance with Accounts Commission directions.

In June 2015 Audit Scotland presented a report to the Accounts Commission summarising a review of all Scottish councils response to the Commission's Statutory Performance Information Direction (2012). The Council scored favourably on the report, with full compliance in 16 of 18 themes. Areas for improvement were identified as assets and procurement, as there is small range of indicators in these areas.

Statutory performance indicator ("SPI") information is reported in detail on the Council's website, and progress is reported to the policy and performance review committee on a quarterly basis. The website is automatically updated when Aspireview, the performance management system, is updated. Performance indicators are developed using the Council plan objectives, Single Outcome Agreement outcomes and SPI categories. Each objective, outcome and category is linked to at least one indicator during the development process.

Included within the internal audit plan each year is a review of the systems for preparation and reporting of performance indicators, to provide assurance over best value. Internal audit considers best value as part of the audit planning process to ensure that this is considered during all internal audit reviews.

Our consideration of the work of internal audit, as part of our extended control work, did not indicate high risk findings within these areas.

*Conclusion:* We consider that the Council has appropriate arrangements for collecting, recording, and publishing performance information in accordance with Accounts Commission directions.



In November 2013 the Accounts Commission and Auditor General for Scotland published a report on Scotland's public sector workforce. The report highlighted a number of key messages on workforce changes across Scotland in the public sector and made a number of recommendations to the Scottish Government a number of recommendations to the Scottish Government, central government bodies, the NHS, COSLA and local authorities.

We performed follow up work on the report, and submitted a return to Audit Scotland summarising our findings and conclusions. This work covered the following key issues:

- **Planning:** The Council has a workforce development plan, aligned to the Council Plan 2012-17. The purpose of the plan is to ensure the workforce is skilled, motivated, flexible and well managed. Services do not produce specific workforce plans, however service level workforce planning is included within service and business plans. There is no formal succession planning in the workforce development plan. Succession planning is completed informally through business planning and through the course of general service planning. Staff number figures are reported to the Council Management Team ("CMT") on a monthly basis under the ongoing efficient workforce management program. However this only includes actual staff numbers, and does not forecast future numbers.
- **Service delivery:** Any movement in a service, for example a new post, must go through the service review process. Service reviews are ongoing and must be approved by both HR and finance. A voluntary early release scheme ("VERS") was used in 2013-14. This was regulated by the Council's redundancy policy and other key documents.
- **Partnership working:** There are a number of shared posts with Midlothian Council, including the health and safety advisor, equalities officer and environmental health team. There is shared working with Midlothian Council and NHS Lothian as a result of the integration of health and social care. There is no partnership working with any of the Council's associate companies or ALEOs.

- **Challenge and scrutiny:** The workforce development plan was developed through a joint consulting group with trade unions. It was scrutinised and approved by CMT.
- **Reporting:** The results of service reviews are published in reports in the members' library so members have the opportunity to comment and review. Under and overspends are highlighted in the quarterly Cabinet reports, and this includes savings from workforce programmes. Specific reports are prepared on any significant workforce changes, for example reports for VERS were presented to the Audit and Governance Committee.

**Conclusion:** The Council has considered workforce planning and invests time into the workforce planning process. Reporting arrangements are robust, however there is an opportunity for long term and succession planning to be strengthened.

# Appendices

#### Adjusted and unadjusted audit differences

We are required by ISA (UK and Ireland) 260 to communicate all corrected and uncorrected misstatements, other than those which are trivial, to you. There was one unadjusted audit difference in relation to the housing rents bad debt provision and one adjusted audit difference in relation to financial instruments.

A small number of minor numerical and presentational adjustments were required to some of the financial statement notes.

CAPTION	NATURE OF ADJUSTMENT	BALANCE SHEET		INCOME AND EXPENDITURE	
		£000 DR	£000 CR	£000 DR	£000 CR
<b>Unadjusted</b>					
Balance sheet – bad debt provision	Bad debt provisions are calculated separately for each debtor category. In 2015-16 an additional amount is provided within the housing rents provision in relation to universal credit. This has taken the housing rents provision to 101% of the total debtor. An audit adjustment is raised to remove this additional provision.	226	-	-	-
Comprehensive income and expenditure statement – bad debt expense		-	-	-	226
<b>Adjusted</b>					
Balance sheet – long term borrowings	Management reclassified a number of LOBOs that had option dates during 2015-16 and 2016-17 to short term for both the 2014-15 and 2015-16 financial years, resulting in a restatement of the 2014-15 balance sheet. We consider that the LOBOs were classified correctly as long term liabilities as the Council has no intention or history of repaying LOBOs early. We raised an audit adjustment to reclassify LOBOs to long term in both the current and prior year.	-	19,000	-	-
Balance sheet – short term borrowings		19,000	-	-	-

To Audit and Governance Committee members

#### Assessment of our objectivity and independence as auditor of East Lothian Council (“the Council”)

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

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

#### General procedures to safeguard independence and objectivity

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

- Instilling professional values
- Communications
- Internal accountability
- Risk management
- Independent reviews.

We are satisfied that our general procedures support our independence and objectivity

#### Independence and objectivity considerations relating to the provision of non-audit services

##### Summary of fees

We have considered the fees charged by us to the Council for professional services provided by us during the reporting period.

We have detailed the fees charged by us to the Council for significant professional services provided by us during the reporting period in the attached appendix, as well as the amounts of any future services which have been contracted or where a written proposal has been submitted. Total fees charged by us for the period ended 31 March 2016 are:

	Current Year	Prior Year
	£'000	£'000
Audit of East Lothian Council	138	138
Audit of Dr Bruce Fund	1	1
<i>Total Audit</i>	<i>139</i>	<i>139</i>
<i>Total non-audit services</i>	<i>-</i>	<i>-</i>
<b>Total Fees</b>	<b>139</b>	<b>139</b>

### Independence and objectivity considerations relating to other matters

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the Audit and Governance Committee.

### Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the Audit and Governance Committee of the Council and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

**KPMG LLP**

Return	Description	Conclusion
<b>Whole of Government Accounts</b>	<p>Whole of government accounts (WGA) is the consolidated financial statements for all components of government in the UK. Most public bodies are required to provide information for the preparation of WGA. External auditors are required to review and provide assurance on WGA returns over a prescribed threshold.</p>	<p>The deadline for submission of the WGA pack to auditors was 26 August 2016. Due to a technical matter with the WGA document, the submission was delayed beyond this date, although management had completed the required work. We received the WGA pack on 2 September 2016 and have issued an unqualified audit opinion.</p>
<b>Housing Benefit</b>	<p>The Housing Benefit “HB” subsidy scheme is the means by which local authorities claim subsidy from the Department for Work and Pensions “DWP” towards the cost of paying HB in their local areas. Claimants benefit either by direct application to the authority or by applying simultaneously for income support/jobseekers allowance and HB to the DWP. Eligibility for, and the amount of, HB is determined in all cases solely by the local authority.</p> <p>Monthly instalments of subsidy are made by the DWP on the basis of authorities’ estimates in March and August. Final subsidy claims are made on claim form MPF720B which requires to be certified by the external auditor.</p>	<p>One error was found in the testing that could not be proven to be an isolated error. This requires further testing (40+ testing) which is currently being carried out by the benefits team. We will review the testing in September and we will report on the claim following this.</p>
<b>Education Maintenance Allowance return</b>	<p>Education maintenance allowance (“EMA”) is a means tested weekly allowance payable to young people from low income families to encourage them to remain in education beyond the compulsory school leaving age. Local authorities manage the delivery of the EMA programme in respect of schools, home education, and all other learning other than college provision.</p> <p>EMA payments comprise a weekly allowance of £30 and are made by local authorities to eligible young people. The Scottish Government reimburses the costs incurred by authorities through monthly payments of grant. An allowance for the costs of administering the programme is also paid by the Scottish Government.</p>	<p>We did not identify any exceptions in our testing and issued an unqualified opinion on the EMA return.</p> <p>Audit Scotland highlighted a potential issue regarding back payments processed in the education management information system used by the council (SEEMiS), which could have resulted in some students being underpaid by up to one week. Council officers do not consider this affected any applications in 2015-16. From our review of Council data, there may be four students who were underpaid by one week as they were paid from the Monday following receipt of their application, instead of the Monday of the week in which the application was received. In accordance with instructions from Audit Scotland, no further audit work has been performed in respect of these individuals.</p>

# Appendix three

## WGA returns and grant claims (continued)

Return	Description	Conclusion
<b>Criminal Justice Authority return</b>	<p>The delivery of social work services in the criminal justice system is the responsibility of the eight community justice authorities (CJAs) established under the Management of Offenders etc (Scotland) Act 2005.</p> <p>Funding is provided by Scottish Ministers and allocated to constituent authorities by CJAs. Constituent authorities are required to submit a financial return to their CJA detailing eligible expenditure incurred in the financial year to enable the CJA to produce a composite return to the Scottish Government.</p>	<ul style="list-style-type: none"> <li>No issues noted. We issued an unqualified audit opinion on the criminal justice return.</li> </ul>
<b>Non Domestic Rates return</b>	<p>Non domestic rates income “NDRI” in Scotland is collected by local authorities on an agency basis and notionally placed in a national ‘pool’, which is then redistributed among authorities based on each authority’s estimated collection levels.</p> <p>In April each year, authorities submit an estimate of their expected NDRI. Following the year end, authorities are required to submit their actual NDRI yield, known as ‘the notified amount’ in a final return to the Scottish Government.</p>	<ul style="list-style-type: none"> <li>No issues noted. We intend to submit the audited return by 7 October 2016.</li> </ul>

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

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

We set out below the assumptions in respect of defined benefit obligations.

Defined benefit pension liability																							
2016 £000	2015 £000	KPMG comment																					
(114,995)	(172,028)	<p>In line with our established practice and in advance of the audit fieldwork, our actuarial specialists reviewed the approach and methodology of the actuarial assumptions used in the IAS19 pension scheme valuation.</p> <p>Details of key actuarial assumptions are included in the table, along with our commentary.</p> <table border="1"> <thead> <tr> <th>Assumption</th> <th>East Lothian Council</th> <th>KPMG central</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Discount rate (duration dependent)</td> <td>3.5%</td> <td>3.45%</td> <td>Acceptable. The proposed discount rate is in an acceptable range of KPMG's central rates as at 31 March 2016, and is derived using methodology consistent with that used last year.</td> </tr> <tr> <td>CPI inflation</td> <td>RPI less 1.0% (2.2%)</td> <td>RPI less 1.0%</td> <td>Acceptable. The proposed assumptions are within the acceptable range.</td> </tr> <tr> <td>Net discount rate (discount rate – CPI)</td> <td>1.3%</td> <td>1.25%</td> <td>Acceptable. The proposed assumptions are within the acceptable range of +/- 0.3% from the KPMG central range.</td> </tr> <tr> <td>Salary growth</td> <td>RPI + 1% (4.2%)</td> <td>Typically 0% - 1.5% above inflation</td> <td>Acceptable. The proposed assumptions are within the acceptable range.</td> </tr> </tbody> </table>		Assumption	East Lothian Council	KPMG central	Comment	Discount rate (duration dependent)	3.5%	3.45%	Acceptable. The proposed discount rate is in an acceptable range of KPMG's central rates as at 31 March 2016, and is derived using methodology consistent with that used last year.	CPI inflation	RPI less 1.0% (2.2%)	RPI less 1.0%	Acceptable. The proposed assumptions are within the acceptable range.	Net discount rate (discount rate – CPI)	1.3%	1.25%	Acceptable. The proposed assumptions are within the acceptable range of +/- 0.3% from the KPMG central range.	Salary growth	RPI + 1% (4.2%)	Typically 0% - 1.5% above inflation	Acceptable. The proposed assumptions are within the acceptable range.
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Salary growth	RPI + 1% (4.2%)	Typically 0% - 1.5% above inflation	Acceptable. The proposed assumptions are within the acceptable range.																				
<p>The overall assumptions applied by management are considered to be reasonably balanced for a scheme with a liability duration of between 17 and 26 years. The closing deficit decreased by £57 million compared to 2014-15, primarily due to an increase in the discount rate of 0.3%, a decrease in the rate of increase in pensions of 0.2% and a decrease in the rate of increase in salaries of 0.1%.</p>																							



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

We present the identified findings across four audit dimensions – financial sustainability, financial management, governance and transparency and value for money.

#### Priority rating for recommendations

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

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

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

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
<p><b>1) Timeliness of financial reporting</b> <i>Audit dimension: financial management</i></p> <p>Detailed financial reports are prepared and presented to members on quarterly basis, however these come some time after the end of the quarter, with the quarter one report presented in September. Audit and Governance Committee members receive a detailed presentation of the financial statements in the June meeting, however the year end report is not presented until August.</p> <p>There is a risk that members do not receive financial information in a sufficiently timely manner to scrutinise financial performance and make decisions based on financial results.</p>	<p>We are aware that management has recognised the delay in providing financial information and plan to accelerate this going forward. We recommend that the year end financial report is presented alongside the draft financial statements, and that management investigates the possibility of presenting the quarterly reports sooner after the quarter end.</p>	<p style="text-align: center;"><b>Grade three</b></p> <p>Agreed - management has already put in place actions to ensure the year end report will be presented to members in advance of summer recess. Arrangements have been put in place to accelerate information to members through Q1 2016-17 report.</p> <p><b>Responsible officer:</b> Head of Council Resources / Service manager Business Finance</p> <p><b>Implementation date:</b> 30 June 2017</p>

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions
<p><b>2) Bad debt provision</b>  <i>Audit dimension: financial management</i></p> <p>The bad debt provision is calculated separately for council tax, housing rents, housing benefit and general bad debt. Historically the Council has been prudent in its bad debt provision and we raised a recommendation in our 2013-14 annual audit report that the bad debt provision was reviewed.</p> <p>In 2015-16 the housing rents bad debt provision equates to 101% of the total debtor. This includes an element for Universal Credit, although this will not impact rent debt until 2016-17. There is a risk that the debt is overprovided and the Council is not recognising rent debt appropriately.</p>	<p>We recommend that management reviews the calculation methods for the housing rents bad debt provision. This should include analysis of debtor payment profiles to update and refresh the bad debt and policies.</p>	<p style="text-align: center;"><b>Grade three</b></p> <p>Agreed - bad debt procedures are consistently updated and reviewed annually and in particular will be reviewed in light of the roll out of Universal Credit. Analysis of debt per Q1 of 2016-17 suggests the roll-out of Universal Credit may significantly impact recovery of outstanding debt. We are working to minimise the impact of any uncollected debt to the Council. The bad debt provision was reviewed and it is management's view that the provision remains reasonable.</p> <p><b>Responsible officer:</b> Service manager Business Finance / Service manager Revenues</p> <p><b>Implementation date:</b> June 2017</p>

We follow up prior year audit recommendations to determine whether these have been addressed by management. The table below summarised the recommendations made during the 2014-15 audit and their current status.

Grade	Number recommendations raised	Implemented	In progress	Overdue
One	-	-	-	-
Two	4	3	1	-
Three	3	3	-	-

We have provided a summary of progress against overdue actions below, and their current progress.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions	Status
<b>1. Bank reconciliations</b> <i>Risk dimension: Business</i>			Grade two
<p>Progress has been made to bring the bank reconciliations up to date, however further work is needed to ensure all year end bank reconciliations are completed in a timely manner.</p> <p>The October 2014 bank reconciliation was completed on 12 February 2015. During our interim testing, the November bank reconciliation was in the process of being prepared. There is a risk that the year end bank reconciliations are not completed in a timely manner and an accurate cash balance is not reflected in the financial statements.</p>	<p>Bank reconciliations should be brought up to date and should be completed within six weeks of the period end.</p>	<p>Agreed. Work is ongoing to review the current bank reconciliation process.</p> <p><b>Responsible officer:</b> Service manager – corporate finance</p> <p><b>Implementation date:</b> June 2015</p>	Complete.
<b>2. Processing of leavers</b> <i>Risk dimension: Business</i>			Grade two
<p>From a sample of 25 leavers, one was not processed until two months after leaving the Council as the leavers documentation was not processed in a timely manner. This led to a gross overpayment of £3,981.32. The Council is taking action to recover this overpayment.</p> <p>There is a risk that overpayments are made to Council employees and are not recoverable.</p>	<p>Management should reiterate the importance to line managers of completing leavers documentation in a timely manner.</p> <p>Management should ensure all appropriate action is taken to recover any overpayments made.</p>	<p>Agreed. Arrangements have been put in place to reinforce the need for clear documentation.</p> <p><b>Responsible officer:</b> Service manager – HR and payroll</p> <p><b>Implementation date:</b> May 2015</p>	Complete.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions	Status
<b>3. Chris21 audit logs and users</b> <i>Risk dimension: Business</i>			Grade two
<p>Audit logs are deleted from the Chris21 system on a weekly basis for 'housekeeping' purposes. A PDF copy of the audit log is automatically created, and a second PDF report created when the audit log is deleted. These reports are sequentially numbered, however not all reports are saved. There is a risk that unauthorised or inappropriate changes are made to system data and there is no evidence to support the changes.</p> <p>There are generic user accounts on Chris21 which were previously used for training. These accounts are no longer required, and there is a risk that they could be accessed and changes made in the system.</p>	<p>All system audit logs should be retained on file, in sequential order.</p> <p>Any generic user accounts should be disabled to ensure these can no longer be used.</p>	<p>Agreed. Audit logs have been implemented and training accounts have been disabled.</p> <p><b>Responsible officer:</b> Service manager – HR and payroll</p> <p><b>Implementation date:</b> May 2015</p>	Complete.
<b>4. Whole of government accounts – transport infrastructure assets</b> <i>Risk dimension: financial statements</i>			Grade three
<p>Management completed the whole of government accounts ("WGA") data collection tool ("DCT") in line with the deadline for submission to auditors on 24 July 2015. The DCT contains an optional tab for transport infrastructure assets to help local authorities prepare a depreciated replacement cost valuation in line with the transport code. This tab was not completed on the unaudited DCT, however management plans to include this within the financial submission.</p> <p>There is a risk that management will not have the depreciated replacement cost figures for transport infrastructure assets as at 1 April 2015 to allow for a restatement of the 2015-16 balance sheet in line with the requirements of the Code.</p>	<p>Management should consider completing the transport infrastructure assets tab of the DCT prior to final submission. Going forward, this should be included in the first submission.</p>	<p>Inclusion of the infrastructure assets in the draft WGA submission was an optional requirement, with the intention that this would be included within the final WGA submission.</p> <p><b>Responsible officer:</b> Service manager – Business Finance</p> <p><b>Implementation date:</b> October 2015 (in line with WGA submission)</p>	Complete.

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions	Status
<b>5. Remuneration report</b> <i>Risk dimension: Governance</i>			Grade three
<p>A number of corrections and presentational adjustments were required to ensure that the remuneration report was accurate and complied with guidance.</p> <p>There is a risk that remuneration report is inaccurate or is not in line with guidance.</p>	<p>We recommend that the report is reviewed more thoroughly prior to its inclusion in the annual accounts to identify errors and inconsistencies.</p>	<p>Recommendation agreed. We will continue to ensure appropriate level of review is included within the accounts planning process.</p> <p><b>Responsible officer:</b> Service manager – Business Finance</p> <p><b>Implementation date:</b> June 2015</p>	Complete.
<b>6. National fraud initiative</b> <i>Risk dimension: Governance</i>			Grade three
<p>We completed a return to Audit Scotland in June 2015 to review the Council's participation. This resulted in an amber grading. We consider the Council to be progressing well through the NFI exercise, focusing on high risk outcomes. There is opportunity for improvement by updating the NFI site more regularly when investigations are completed.</p>	<p>Management should ensure outcomes are recorded as complete on the NFI site as they are resolved to ensure the site is up to date.</p>	<p>Recommendation agreed.</p> <p><b>Responsible officer:</b> Internal audit manager</p> <p><b>Implementation date:</b> The NFI site will be updated as soon as investigations are completed.</p>	Complete.
<b>7. Financial capacity in public bodies</b> <i>Risk dimension: Business</i>			Grade two
<p>We completed a return to Audit Scotland in respect of our findings on financial capacity within the Council. Our review in response to the request for data collection identified that there is appropriate financial capacity within the organisation to ensure effective management. However, financial responsibility is concentrated to a few individuals with wide roles. It is likely that with the integrated health and social care joint board, responsibilities for the finance team will increase. There is a risk there may not be sufficient capacity to take on this additional burden. We understand that a service review is being considered to improve capacity within the finance team</p>	<p>It is recommended that a service review is implemented as planned to assess capacity within the finance team. Management should consider its responsibilities in terms of the integrated joint board and ensure these are allocated to appropriate individuals. Preparation of the annual accounts if the integrated joint board should be included within the year end timetable for 2015-16 onwards.</p>	<p>Recommendation agreed.</p> <p><b>Responsible officer:</b> Head of Council Resources / Service Managers – Business Finance and Corporate Finance.</p> <p><b>Implementation date:</b> December 2015</p>	Ongoing, see discussion of financial management at page 26. Part two of the service review has been implemented.

# Appendix seven

## Appointed auditor's responsibilities

Area	Appointed auditors responsibilities	How we've met our responsibilities
Corporate governance	<p>Review and come to a conclusion on the effectiveness and appropriateness of arrangements to ensure the proper conduct of the bodies affairs including legality of activities and transactions,</p> <p>Conclude on whether the monitoring arrangements are operate and operating in line with recommended best practice.</p>	Page 30 sets out our conclusion on these arrangements.
Financial statements and related reports	<p>Provide an opinion on audited bodies' financial statements on whether financial statements give a true and fair view of the financial position of audited bodies and their expenditure and income</p> <p>Provide an opinion on whether financial statements have been properly prepared in accordance with relevant legislation, the applicable accounting framework and other reporting requirements</p>	Page 13 summarises the opinions we expect to provide.
Financial statements and related reports	Review and report on, as appropriate, other information such as annual governance statements, management commentaries, remuneration reports, grant claims and whole of government returns.	<p>Page 20 reports on the other information contained in the financial statements, covering the annual governance statement, management commentary and remuneration report.</p> <p>We have not reported on any grant claims.</p>
Financial statements and related reports	Notify the Controller of Audit when circumstances indicate that a statutory report may be required.	Page 13 sets out any notifications we have made to the Controller of Audit.
Financial statements and related reports	Review and conclude on the effectiveness and appropriateness of arrangements and systems of internal control, including risk management, internal audit, financial, operational and compliance controls.	Pages 24 to 31 set out our conclusion on these arrangements.
WGA returns and grant claims	<p>Examine and report on WGA returns</p> <p>Examine and report on approved grant claims and other returns submitted by local authorities.</p>	Pages 37 and 38 set out our conclusion on these arrangements

# Appendix seven

## Appointed auditor's responsibilities (continued)

Area	Appointed auditors responsibilities	How we've met our responsibilities
Standards of conduct – prevention and detection of fraud and error	<p>Review and conclude on the effectiveness and appropriateness of arrangements for the prevention and detection of fraud and irregularities, bribery and corruption and arrangements to ensure the bodies affairs are managed in accordance with proper standards of conduct.</p> <p>Review National Fraud Initiative participation and conclude on the effectiveness of bodies engagement.</p>	<p>Page 26-27 sets out our conclusion on these arrangements.</p> <p>Page 26 concludes on the bodies participation in the National Fraud Initiative.</p>
Financial position	Review and conclude on the effectiveness and appropriateness of arrangements to ensure that the bodies financial position is soundly based.	Pages 26 and 27 set out our conclusion on these arrangements.
Financial position	Review performance against targets	Pages six to 11 summarise our review of how the body has performed against it's financial targets.
Financial position	Review and conclude on financial position including reserves balances and strategies and longer term financial sustainability.	<p>Pages six to 11 sets out our conclusion on the bodies financial position including reserves balances.</p> <p>Pages 25 and 28 sets out our conclusion on the financial sustainability.</p>
Best Value	Be satisfied that proper arrangements have been made for securing Best Value.	Page 29 sets out our conclusion on these arrangements.
Performance information	Review and conclude on the effectiveness and appropriateness of arrangements to prepare and publish performance information in accordance with Accounts Commission directions.	Page 31 sets out our conclusion of the bodies arrangements for performance information.



*cutting through complexity*

The contacts at KPMG in connection with this report are:

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**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** East Lothian Council Annual Public Performance Report 2015/16

**4**

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**1 PURPOSE**

- 1.1 To provide the Council with the Council's Annual Performance Report 2015/16.

**2 RECOMMENDATIONS**

- 2.1 That Council notes the progress being made to achieve the Council Plan and approves the Annual Performance Report 2015/16.

**3 BACKGROUND**

- 3.1 The Annual Performance Report is a summary of the Council's performance in the financial year 2015/16 (April 2015 – March 2016).
- 3.2 The report shows performance against the four objectives of the Council Plan 2012–17. Information contained within the report has been drawn from the Council's Key Performance Indicators, reports to Council, Cabinet and Committees, audit and inspection reports and monitoring of the Council Plan undertaken by Council Management Team.
- 3.3 The 2015/16 Annual Performance report broadly follows the same structure and format as the previous year's report. Since the 2015/16 Local Government Benchmarking report will not be published until January 2017, the draft Annual Performance report only provides limited comparative Scottish data or data from other Scottish local authorities
- 3.4 The Draft Annual Public Performance Report 2015/16 was considered by the Policy and Performance Review Committee (3 October 2016). Committee members reviewed the report, asked questions on some of the detail and otherwise noted the report.
- 3.5 The Performance Report itself is a summary of the key activities of the Council over the last year and contains a summary of the over 150 key

performance indicators reported on by the Council. The main points of the report are summarised in the following paragraphs.

3.6 Progress is being made in achieving the Council Plan across all four key objectives/ themes. The report highlights some of the key activities and initiatives undertaken in 2015/16 to support the achievement of the Council Plan objectives and commitments.

### 3.7 ***Growing our Economy***

East Lothian's employability hub, East Lothian Works developed and began implementing the Developing the Young Workforce Action Plan. It supported 26 young people into job opportunities with local businesses through the Scottish Employment Recruitment Initiative and used council budgets to create four paid graduate internships, five Modern Apprenticeships and 13 paid work experience placements within the Council. In addition, the Council facilitated a total of 976 one week or flexible work experience placements for school pupils in 2015/16.

In partnership with other local authorities in South East Scotland, the Council submitted ambitious proposals for an 'Edinburgh and South East Scotland City Region Deal' to both UK and Scottish Governments in late 2015.

The Council, in partnership with Edinburgh College and with funding support from Scottish Futures Trust, has established a Construction and Technology Centre in Musselburgh to help address a skills shortage in the construction sector. The Centre, which opened in August 2016, will have capacity to offer 160 places to pupils from East Lothian schools.

Together with East Lothian's food and drink producers, the Council developed an East Lothian Food and Drink Business Improvement District (BID); the first of its kind in Europe. A ballot of eligible businesses, held in Spring 2016, resulted in a positive vote and the establishment of the East Lothian Food and Drink BID in June 2016. The BID will enable the development of business opportunities and help support a prosperous and sustainable business sector.

### 3.8 ***Growing our People***

There was a record low number of children on East Lothian's Child Protection Register in 2015/16, with the total never exceeding 30. The rate per 1000 (0-15 population) of 1.3 during the year was considerably below the national average of 3.2. The Olivebank Child and Families Centre received the highest possible grading of 'Excellent' in all four areas of inspection in its latest Care Inspectorate report.

Overall, attainment and post school participation in East Lothian shows an improving trend over the last few years. East Lothian's performance in 2016 is typically higher than the national trend with the exception of the percentage of school leavers in positive destinations and Literacy and Numeracy at SCQF levels 5 and 6.

The Council has invested over £1.4m in providing a new communications provision at Knox Academy for children with significant additional support needs.

In 2015/16 East Lothian's health and social services were the subject of a Joint Inspection of Older People's Services by the Care Inspectorate. The inspection's report, which was published in June 2016 highlighted many areas of strength such as outcomes for older people and innovation in services. However, it also identified areas for improvement such as delayed discharge and reviews of care and support. The report and its recommendations have been considered by the Integration Joint Board and will inform future developments and improvements in older people's services.

### **3.9 *Growing our Communities***

The Council has continued the council house building programme with several new housing developments which delivered 48 new properties in 2015/16 with a further 82 new homes due for completion in 2016/17. The Council house modernisation programme provided 463 new kitchens and 491 new bathrooms. In 2015/16 the Council undertook 15,262 domestic day-to-day repairs and 9,727 emergency repairs and improved its turnaround times for both categories of repair.

The Council continued to work in partnership with rail and bus providers to improve services. The tendering exercise undertaken by the Council for supported bus services in the county resulted in improved services with better and more frequent services in key routes from May 2015.

A weekly food waste collection, and fortnightly refuse and recycling service was established from April 2015. The new service has made a major contribution to increasing East Lothian's recycling rate by almost 10% over the year, from 42.7% in 2015/15 to 51.4% in 2015/16.

The six Area Partnerships, that were established by the Council in partnership with local communities, have continued to evolve and grow in confidence under independent community Chairs. In 2015/16 the Council devolved a total of £1.25m to the Area Partnerships that have used the funding to support local priorities.

### **3.10 *Growing the Capacity of our Council***

Following a significant increase in staff sickness absence in 2014/15 reducing staff absence was a key focus of the work of Human Resource advisers and managers in 2015/16. This work resulted in a reduction in staff sickness absence during the year, although further work is required to bring the figure down yet further.

The Council's Legal and Licensing Services received good results from a national benchmarking exercise which showed they operate efficiently and cost effectively and have very high levels of client satisfaction when compared to other local authorities.

The Council's procurement practices continue to improve and the Council increased the number of local suppliers and the proportion of spend with local suppliers and Small and Medium Enterprises.

A concerted programme of action has continued the trend, established in the previous year of decreasing the levels of rent arrears, at a time when pressures such as changes to Housing benefit and the introduction of Universal Credit has increased rent arrears in other local authorities.

In-year collection of Council Tax and Business Rates showed slight rises on already very high levels achieved in the previous year – 96.64% and 98.98% respectively.

3.11 Over half of the Council's key performance indicators as summarised in the report show improvement in performance. Performance indicators which improved over the last year included:

- The proportion of 18-24 year olds claiming job seekers allowance
- Number of business per 10,000 adults
- The proportion of children on the child Protection Register
- % of looked after children being looked after in the community
- Average length of time taken to complete emergency and non-emergency repairs (to council houses)
- Attendances at indoor sports and leisure facilities
- Percentage of household waste that is recycled
- Number of people/ vehicles accessing recycling centres.

3.12 The Policy and Performance Review Committee receives detailed briefings on all key performance indicators, focusing on the indicators that are significantly below target or showing a negative trend. Over the last year it has received detailed reports on actions that are being taken to address areas of concern such the number of delayed discharge, fly-tipping, rent arrears, and the response times for calls made to the Call Centre.

3.13 The Committee received a detailed report on the Local Government Benchmarking (LGBF) data for 2014/15 (the 2015/16 data will not be available until January 2017). The LGBF data provides comparison between the Council and other councils' performance on 55 indicators. This shows that the Council performed well in respect of several key indicators including all measures of public satisfaction with council services, the % of Council Tax collected and the cost of support services. The Council compared less favourably on several indicators including, staff sickness absence, the Scottish Quality Housing Standard, the proportion of school leavers entering positive destinations and the percentage of A class roads requiring maintenance. The Committee noted that the Council is participating in several benchmarking groups to identify the reasons for the variations in these indicators.

- 3.14 The Annual Performance Report provides a summary of the Council's financial performance for 2015/16 as reported in the Council's Annual Accounts. This shows that the Council delivered better than anticipated financial returns for the year, with an increase in General Services usable reserves of over £5.7m.
- 3.15 The report concludes with a summary of plans for 2016/17 for addressing the challenges and opportunities outlined in the Council Plan.

#### **4 POLICY IMPLICATIONS**

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

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – none.
- 6.2 Personnel – none.
- 6.3 Other – none.

#### **7 BACKGROUND PAPERS**

- 7.1 Appendix 1: East Lothian Council Annual Performance Report 2015/16

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# How Good is Your Council?

## East Lothian Council's Annual Performance Report 2014/15

**DRAFT: Version 2: for consideration by Council, 25<sup>th</sup> October 2016**

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## Welcome to 'How Good is Your Council?'

### East Lothian Council's Annual Performance Report for 2015/16

This report provides information on the Council's performance during 2015/16, highlighting some of the Council's key achievements during the year. Further details can be found on the Council website: [www.eastlothian.gov.uk/performance](http://www.eastlothian.gov.uk/performance)

***'Working Together for a Better East Lothian: The East Lothian Council Plan 2012-2017'*** sets out the Council's ambition to make East Lothian an even more prosperous, safe and sustainable place with a dynamic and thriving economy that will allow our people and communities to flourish. In this report we outline the progress we have made towards achieving our objectives and commitments. We are now years into the Plan and we are pleased to note that we continue to make good progress towards our goals.

However, the Council continues to face considerable financial constraints. Against this background we have to make difficult budget choices, re-design services, and find savings from innovation and prioritising work. Given such circumstances we are very pleased to report that we have still managed to achieve so much whilst maintaining and improving our performance.

We are particularly pleased that our auditors have recognised the Council's efforts in focussing on improving the quality and performance of services to the public and have recognised that the "Council has made progress in improving its financial sustainability.. (and) .. it remains on track with its financial strategy."

We recognise that much still needs to be done on our improvement journey. The Council Plan is a five-year plan so it is still a 'work in progress' and much more can and will be done to continue to improve council services and achieve our ambition. We look forward to working with Council staff, our public sector partners and East Lothian's communities over the coming year to make further progress.

Angela Leitch  
Chief Executive

Councillor Willie Innes  
Council Leader

## Strategy and objectives

The East Lothian Council Plan 2012-2017 is an ambitious statement setting out what the Council wants to achieve over that period.

The Plan has been influenced by the 2020 Vision for East Lothian, the Single Outcome Agreement 2013-23 (East Lothian Community Planning Partnership's plan for the future of East Lothian), and the Council Administration's manifesto, adopted as Council policy in May 2012. It puts these aspirations and commitments into one strategic document that sets the framework and priorities through which the Council will work towards achieving its ambition for East Lothian.

East Lothian faces significant challenges over the coming years, including: the wider financial environment and period of prolonged austerity in which the Council is operating within; the projected growth in population; and, growing demand for services.

Our primary focus is to respond to these challenges to enable East Lothian to continue to move towards achieving the ambition as set out in the 2020 Vision, the Single Outcome Agreement and the Administration's manifestos.

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




- **Growing our Economy** – to increase sustainable economic growth as the basis for a more prosperous East Lothian
- **Growing our Communities** – to give people a real say in the decisions that matter most and provide communities with the housing, transport links, community facilities and environment that will allow them to flourish
- **Growing our People** – to give our children the best start in life and protect vulnerable and older people
- **Growing the capacity of our Council** – to deliver excellent services as effectively and efficiently as possible within our limited resources.




The report includes a summary of the Council's finances and financial position, highlighting 'where the money goes' and an overview of the financial outlook for the Council.

It concludes with a summary of the Council's priorities for the following financial year, 2016/17.

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### Key to symbols for performance indicators used in this report:

	Performing on or better than target
	Performing slightly worse than target
	Performing much worse than target

	Improving since the year before
	Staying the same as the year before
	Getting worse than the year before

## Performance indicators

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

Further information regarding each indicator can be found on the Council's performance website: [http://www.eastlothian.gov.uk/info/200453/performance\\_reporting](http://www.eastlothian.gov.uk/info/200453/performance_reporting) or by clicking on any of the links below:

### Growing our economy



### Planning



### The environment and waste management



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



### Countryside & Leisure



### Children's Wellbeing



### Tackling poverty



### Effective, efficient and excellent services



### Transport, roads and lighting



### Protective services



### Cultural & Community Services



### Healthier living, independent living and community care



### Education



### Housing & Homelessness



### Services built around people and communities



### Prioritising prevention and promoting equality



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

### **Context and Key Challenges**

East Lothian's Economic Development Strategy 2012-22 identified a series of strengths and weaknesses for economic development in the area.

Strengths included a diverse business base with strengths in food & drink, tourism, higher education, East Lothian's proximity to Edinburgh and its quality of life.

Weaknesses consisted of a lack of large employers, pockets of deprivation, limited availability of land for economic development and poor public transport infrastructure.

The Economic Development Strategy outlines two strategic goals aimed at improving the economic competitiveness of East Lothian:

- To increase the number of business in East Lothian with growth potential
- To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy.

Delivering the Economic Development Strategy is the responsibility of the East Lothian Partnership's Sustainable Economy Partnership which includes the Council, Scottish Enterprise, Skills Development Scotland, Edinburgh College and representatives of the business sector.

Particular challenges faced by the Council and its partners include:

Youth unemployment – although the proportion of 18-24 year olds claiming Job Seekers Allowance in East Lothian has fallen over the few years it is still is relatively high in comparison to the overall proportion of the population claiming Job Seekers Allowance.

Wages for those working in East Lothian – the average weekly wage for those working in East Lothian is lower than for East Lothian residents that commute to work outside the area.

New businesses – East Lothian has a lower number of businesses per 10,000 population than the Scottish average.

### **How we did in 2015/16**

[Developing East Lothian's Young Workforce](#) – East Lothian Work's, East Lothian's employability hub brings together all employability-related services. In 2015/16 it made significant progress in bringing forward and implementing Developing the Young Workforce Action Plan.

The service made use of the Scottish Employer Recruitment Initiative to support 26 young people into a job opportunity with a local business.

The council used existing budgets to create 4 graduate opportunities, 5 additional Modern Apprenticeships and 13 paid work experience placements within the council. In addition, the Council facilitated 976 work experience placements for school pupils which was a combination of one week and flexible placements for 2015/16.

In 2015/16 the overall proportion of 18-24 year olds claiming Job Seekers Allowance in East Lothian has reduced.

**Edinburgh and South East Scotland City Region Deal** – In partnership with other local authorities in South East Scotland City Region, the council submitted propositions for an ‘Edinburgh and South East Scotland City Region Deal’ to both UK and Scottish Government’s in September and December 2015. The Deal is a mechanism for accelerating growth by levering in significant government investment. By investing this funding in infrastructure, skills and innovation, economic performance will be significantly improved. Greater autonomy and decision making powers are also being sought for the region to help deliver public service more effectively and to tackle inequality and deprivation. The Chancellor of the Exchequer announced in his March 2016 Budget Statement that the Government would commence negotiations with the partnership authorities to reach agreement on a Deal for the Edinburgh and South East Scotland City Region.

**Construction and Technology Centre** – In partnership with Edinburgh College and with financial support from the Scottish Futures Trust, the Council has established a Construction and Technology Centre in a former council building in Musselburgh to help address a skills shortage in the construction sector. Introductory construction trades courses and new Foundation Apprenticeship in civil engineering will be delivered, with input from the construction industry to ensure courses are relevant and likely to lead directly to employment for students. The Centre opened in August 2016 and in future years will have capacity to offer 160 places.

**Food and Drink Business Improvement District** – Jointly with East Lothian’s food and drink producers, the Council has developed an East

Lothian Food and Drink Business Improvement District (BID). The BID framework is based on businesses with a shared interest and a common ambition coming together to collectively generate funds and decide how it should be spent. The aim of the East Lothian Food and Drink BID is to create a collective identity for local food and drink producers that will enable the development of business opportunities and help build a prosperous and sustainable business sector, as well as market East Lothian as a quality provider of outstanding produce. The proposed BID is the first of its kind in Europe. A ballot of eligible businesses, held in Spring 2016, resulted in a positive vote and the establishment of the East Lothian Food and Drink Bid in June 2016.

**Tourism and Visitor Promotion** – East Lothian is fortunate to host a wide selection of events that attract visitors from outwith the county. In addition to key events, held annually and sponsored by the Council – Dunbar SciFest, Fringe by the Sea, Lammermuir Festival, Saltire Festival and the National Museums Scotland Airshow. This year, East Lothian Council were pleased work with a range of organisations to welcome a number of events for the first time – Aberdeen Asset Management Scottish Open 2015, Prostate Cancer UK 2015 Scottish Seniors’ Open, cycling Tour of Britain the RSPB Big Nature Festival and Total Warrior. Day and overnight visitors to East Lothian are increasing and continue to support and provide new opportunities for the tourism sector.

**Broadband** – the Council continued to engage with a range of stakeholders – principally Digital Scotland Superfast Broadband, Community Broadband Scotland and local suppliers – to ascertain demand and supply issues around the roll out of Broadband. There remain properties and postcodes in East Lothian not expected to achieve minimum levels of broadband coverage. The Council has continued to lobby and influence policy in this area. In October, as part of the process

of considering the issues affecting communities, a meeting of community representatives was held to explore a community broadband solution. This has provided the context for the development of a community broadband solution that is continuing.

#### Supporting and encouraging the development of land for business use –

In partnership with East Lothian Land, the Council has made available a former council office in Haddington to create Brewery Park Business Centre which will provide 10 quality, affordable offices for rent in the town centre. The Centre opened in August 2016.

**Increasing jobs and businesses in the local economy –** During 2015/16 the indicators used by the Sustainable Economy Partnership to measure progress against the key objective of increasing jobs and businesses in East Lothian have shown positive, upward trends. Firstly, the percentages of working age population and of 18-24 year olds claiming Job Seekers Allowance have fallen; from 1.9% (2014/15) to 1.2% (2015/16) and from 3.7% to 3.1% respectively. The number of jobs per 10,000 adults is still below the Scottish average but increased from 3,493 in 2014/15 to 3,627 in 2015/16. The number of businesses per 10,000 adults in East Lothian rose from 374 in 2014/15 to 394 in 2015/16. Although this figure is still lower than the Scottish average this is a positive trend and moves East Lothian above several of its comparator authorities. Finally, whilst the number of local business start ups supported through our Business Gateway fell in 2015/16 to only 148 (from 196 in 2014/15) this was due in significant part to a long term vacancy. The post was filled in spring 2016 and the first quarter of 2016/17 showed a significant rise in the number of new business start ups supported to 88, as the backlog was dealt with.

#### Performance:

##### Growing our economy



##### Planning



Indicator	14/15	15/16	Target	Trend	Comment
Business and industry local planning applications: average number of weeks to decision	8.9	<b>10.4</b>	10.4	↓	Based on 24 applications
Proportion of 18-24 year olds claiming Job Seekers Allowance	3.7 (March 2015)	<b>3.3</b> (March 2016)	3.8	↑	
Number of businesses per 10,000 adults	374	<b>394</b>	380	↑	
Number of new business starts supported via Business Gateway	196	<b>148</b>	200	↓	A long-term vacant post contributed to reduction in number of businesses supported. Since this post was filled the trend has improved with 88 new businesses supported in Q1 (Apr- Jun) 2016

## We Asked, You Said, We Did ...

### Planning for Tranent Town Centre

#### We asked

We asked local people for their ideas for making improvements to Tranent town centre. We did this by running a community planning and design exercise known as a 'charette'.



**You said:**

Over 150 contributions were made by local people. Key ideas that were suggested included addressing problems with traffic flow in the High Street, developing better pedestrian spaces, paths and crossings, establishing a new town square and a sense of place and improving the links and spaces behind the High Street

#### We did

We carried out further engagement to gather wider community feedback on the ideas generated by the initial charette. Since then, work has been taking place to produce a detailed, locally endorsed town centre strategy. Such a strategy will be beneficial when applying for resources or funding to improve the town centre - early success with this came in the form of an award from the Conservation Area Regeneration Scheme of over £570,000

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

### Children and young people

#### Context and Key Challenges

Services for children and young people in East Lothian are facing increasing demands. The number of referrals to the Children's Services has risen from 1,768 in 2004 to 2,848 by March 2016. The effects of benefit changes, an increasing population and greater public and multi-agency awareness about child safety and wellbeing have contributed to the increasing workload.

Recent inspection reports show that the Council's fostering and adoption services, residential units and children's centre are performing well. The Community Planning Inspection of Services for Children and our own process of self evaluation evidences for us that we continue to work together effectively in our multi-agency delivery of effective services. Low rates of Looked After Children and a low rate of children on the child protection register provide evidence of the preventative and early intervention strengths of the service.

The Care Inspectorate concluded an inspection of Services for children and young people in East Lothian in April 2014. The inspection made a number of recommendations, which have been addressed by a newly formed Children's Strategic Partnership (East Lothian Council, NHS Lothian, Police Scotland and other partners) which through 2015/16 developed a Children and Young People's Plan which was launched on the 1<sup>st</sup> April 2016. The plan looks at all the services that impact on the lives of children and families, establishes what's working well and what could be

better, and sets out a three-year action plan (running from 2016 to 2019) which sets out how services will be developed and improved.

#### [East Lothian Children and Young People's Plan 2016-19](#)

Alongside supporting the development of the Plan a major focus of the Council's work in relation to children and young people in 2015/16 has been preparing to implement provisions contained within the Children and Young People (Scotland) Act 2014 that are aimed at improving outcomes for children and young people, including the provision that every child should have a 'Named Person'.

#### How we did in 2015/16

**Child protection** – there was a record low number of children on the Child Protection Register during the year with the total never exceeding 30. The rate per 1,000 (0-15 pop.) of 1.3 during the year was considerably below the national average rate of 3.2. Child Protection training has been delivered to Council staff and partners on an ongoing basis over the past year.

**Inspection of Olivebank Child and Families Centre** – Olivebank offers care and support to vulnerable children and their families. In partnership with Children 1<sup>st</sup> the Council has invested resources in outreach work to supplement the Centre's services. The Centre received the highest possible grading of "Excellent" in all four areas of inspection in the last Care Inspectorate report.



**Looked After Children** – In East Lothian Looked After Children are increasingly being looked after in a community setting rather than in residential care. The use of foster care, the largest group within community care, leads to better outcomes for children and comes at a far lower cost than residential care. East Lothian Council is making greater use of home supervision, formal kin care (where children are legally placed in the custody of friends or relatives) and informal kin care arrangements.

The East Lothian Champions Board provides a platform for care experienced young people to have their voices heard and an opportunity to influence policy and practice at a strategic level. The Champions Board was successful in its bid to the Life Changes Trust for a total of £224,000 over three years. The funding will support the Champions Board to bring about transformational change in the lives of care leavers.

[East Lothian Health and Social Care Partnership](#) (ELHSCP) and East Lothian Council are supporting the [Children’s Parliament](#) Streets Ahead Tranent Project. Throughout the Year of Innovation, Architecture and Design 2016, [StreetsAhead Tranent](#) will explore children’s views and experiences of their local community and built environment; examining how these factors impact on children’s rights and wellbeing.

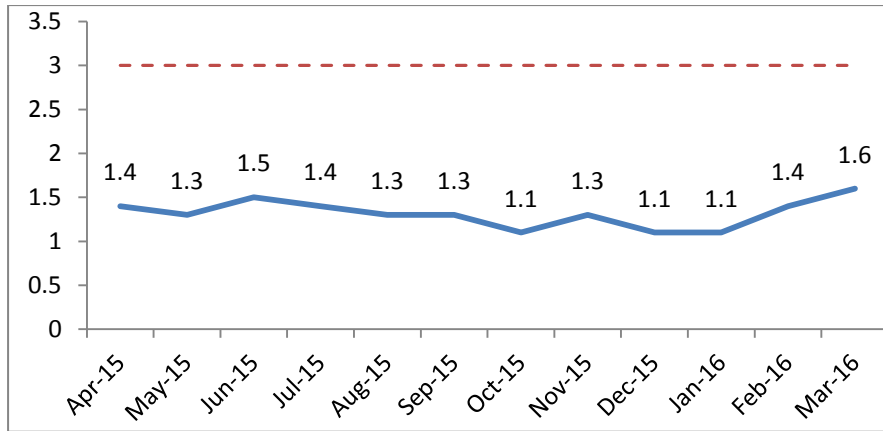
**Performance:**

**Children’s Wellbeing**



Indicator	14/15	15/16	Target	Trend	Comment
% of looked after children being looked after in the Community	88%	<b>90%</b>	91%	↑	
% of children on the Child Protection Register that have re-registered within 12 months	1.6%	<b>0%</b>	5%	↑	46 children in total were on the Child Protection Register with none re-registered
Average number of placement moves for Looked After and Accommodated children	2.0	<b>1.8</b>	2	↑	

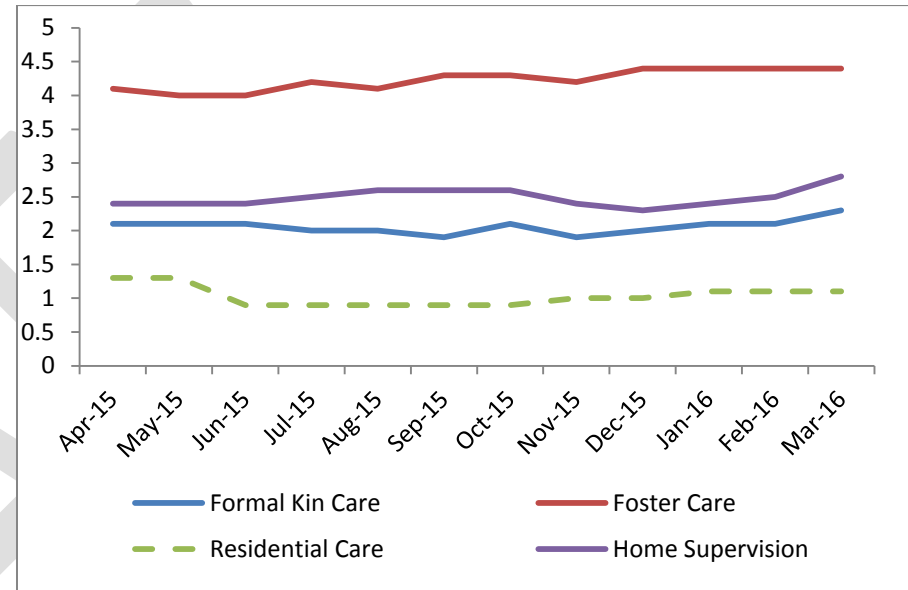
**Children on the Child Protection Register as a rate per 1,000 children aged 0-17, April 2015-March 2016**



— East Lothian    - - - Scottish average

The rate of children on the Child Protection Register fell below the Scottish average of 3% in 2014 and stayed below this during 2015/16.

**Children in care, by type of care, as a rate per 1,000 children aged 0-17, June 2015-March 2016**



— Formal Kin Care    — Foster Care  
 — Residential Care    — Home Supervision

## **We Asked, You Said, We Did ...**

### **Children and Young People's Service Plan**

#### **We asked**

We asked what individuals and groups thought of the draft Children and Young People's Service Plan, we were particularly interested to hear people's views on the vision, values and priorities identified in the draft Plan.



All of those who responded agreed with the vision outlined in the Plan and most agreed with the suggested priorities. Some specific suggestions were also made.

#### **We did**

We produced a further draft of the Plan incorporating many of the suggestions made – an annotated version published online highlighted the changes that had been made as a result of the consultation

## Education

### Context and Key Challenges

Education is fundamental in shaping a child's life. Getting a good education improves the likelihood of earning a higher income, enjoying better health and living longer. In 2015/16 there were 8,265 pupils in East Lothian Council's 35 primary schools and 5,640 pupils in six secondary schools.

The key challenges facing East Lothian's education service are:

- Improving attainment among pupils from deprived areas – pupils living in deprived circumstances tend to attain lower qualifications than other pupils.
- Closing the gap between the highest and lowest attaining pupils – the score of the highest attaining 20% of school leavers in 2014/15 was 12 times greater than the lowest attaining 20%.
- Gender differences in attainment – girls consistently perform better than boys in relation to literacy at primary and secondary school.

### How we did in 2015/16

**Attainment** – A report on the SQA attainment in 2016 was presented to the Education Committee (20<sup>th</sup> September 2016). Results were either maintained or show an improvement over previous year's results at most levels, for example:

- pass rates for National Qualifications 2 to 4 remain consistent at 100% in East Lothian in 2016
- 76.8% of National 5 entries in 2016 passed with an A-C award, a slight drop on last year's rate of 77.5%; however, 32.4% passed at Grade A (Band 1 or 2), a 0.8% improvement on the previous year
- Higher pass rates in 2016 are at the highest level since 2012 at 77.9% and there were marked improvements in the percentage of passes in Higher English (82.2%) and Higher Maths (76.4%), all above the 2016 national rates
- the percentage of passes at Grade A in Higher English rose to 25.8%, the highest rate in five years in East Lothian
- the percentage of passes at Grade A in Higher Maths also increased to its highest rate from 20.8% last year to 32.4% this year
- Advanced Higher passes dropped by 2.6% from 82.6% in 2015 to 80.0% in 2016. However, this has to be set against higher presentation levels and young people possibly achieving an award and unit awards at this level, which are not included in these figures
- the percentage of S5 pupils gaining 5 or more Highers increased by 0.5% and shows an improved long term trend from 13.7% in 2012 to 15.7% in 2016
- the percentage of S6 pupils gaining 1 or more Advanced Higher increased by 2.6% to 21.7%, its highest rate in 5 years, again showing an overall improved trend in East Lothian since 2012.

Overall, attainment and post school participation in East Lothian shows an improving trend over the seven-year period to 2016. East Lothian's performance in 2016 is typically higher than the national trend with the exception of the percentage of school leavers in positive destinations and Literacy and Numeracy at SCQF levels 5 and 6. Further improvements still need to be made in Literacy and Numeracy at

SCQF Levels 5 and 6 or better, and overall in the middle 60% attaining grouping, to bring East Lothian's performance more in line with its 'Virtual Comparator'.

**Meadowpark, new communications provision at Knox Academy** – the Council has invested over £1.4m on a new specialist facility for children with significant additional support needs. The new provision, which opened in August 2016, includes extensive specialist facilities including sensory room, activities room, Life Skills flat, therapy room and Food Court.

**Student Evaluation of Experience** – The annual Student Evaluation of Experience (SEE) Survey asks young people in P6 and S2 for their views on a wide range of subjects. Eight of the 24 original measures from 2015/16 show an improvement on the previous year, with 14 showing an improved trend over the five- year period.

The most notable improvements over in 2015/16 are the number of pupils agreeing that: they use the school website to help in their learning (increase of 5.4%); and, they have opportunities to get involved with environmental issues in their local neighbourhood (increase of 2.3%).

Fifteen measures showed a decrease in the previous year. The most notable decreases in 2015/16 are the number of pupils agreeing that: they are treated fairly in school (decrease by 3% in 2015/16); and, their school recognises their achievements out of school (decrease 2.5%).

**Reading** – The Council's Library service continues to work with parents and schools to promote reading through class visits, the Lennox Author Award, homework clubs and via the national Summer Reading challenge during the summer holidays.

After a big increase in 2014/15, the number of class visits to libraries in 2015/16 has remained stable, while the number of Bookbug session for babies and pre-school children has increased significantly. There was a slight decrease in the number of children taking part in the Summer Reading Challenge, although the number of children actually completing the challenge has remained stable.

In December 2015 the Council allocated £1,000 to literacy co-ordinators in each school cluster to support the further development of reading and literacy skills. This additional funding was used to support raising literacy skills within contexts specific to each cluster. For example, in Musselburgh a whole community approach was adopted ('Reading is Braw') where the focus is on all members of the community engaging with, and promoting reading in, a wide range of settings.

**Numeracy** – In 2015/16, £2000 was provided to each cluster in order to deliver cluster based 'Numeracy Academies', and support Professional Learning to develop pedagogy to improve attainment in numeracy in East Lothian. Several members of the East Lothian Numeracy and Mathematics Leadership team were funded to develop modules for the National Numeracy Hub. They visited North Carolina to engage in the latest research to continue to develop a framework for numeracy and to provide materials to support professional development.

**Volunteering Awards** – Duke of Edinburgh's Award groups operate across the whole of the authority. There is a mix of school based groups (run out-with school hours) and groups run in the community by volunteer parents and youth workers. In 2015/16, 301 young people started a new level of the DofE award (140 Bronze; 95 Silver; and, 66 Gold). 202 awards were achieved within this year (143 Bronze; 51 Silver; and, 8 Gold).

In 2015/16, there were 202 Dynamic Youth Awards across East Lothian. Knox Academy won the Inter-schools trophy for the most pupils achieving a Saltire certificate. A Saltire Awards celebration event, organised by young volunteers themselves, was held on 18<sup>th</sup> March in the Corn Exchange attended by young people and their parents where almost 100 certificates were presented.

**Early Years** – The education service’s focus on early years in 2015/16 included:

- Promoting, publicising and supporting parents in accessing and taking up nursery provision for ‘Priority 2s’ (2-year olds in families where one or more parent is unemployed) - leading to 154 applications (2015-16) with 135 2-year olds being allocated an EL&C place – predominantly in Partnership Centres.
- Continuing to invest in high quality early learning and childcare provision across a range of settings – to ensure the best outcomes for children & young people – in particular supporting school age Mums / Tots & Teens – positive destinations; and planning and resourcing a third Tots & Teens provision at Musselburgh Grammar to compliment the childcare modules undertaken by pupils (this will open in September 2016).
- Opening of new nursery provision in Prestonpans.
- Developing a Play Strategy to ensure play is woven into Council policies – acknowledging the importance of play for children of all ages.

- Co-ordinating and supporting the roll out of phase two of the Early Development Instrument (EDI) Study. Data from the developmental questionnaire completed by all P1 teachers in January 2016 (first carried out in January 2012) will be available from September 16 and the results will be used to inform planning of both universal and targeted supports for parents and young children.

**Performance:**  
**Education**



Indicator	14/15	15/16	Target	Trend	Comment
% of P1 pupils making progress as expected or quicker than expected in maths	74.2%	<b>74.2%</b>	75%	↔	
% of P1 pupils making progress as expected or quicker than expected in reading	69.7%	<b>65.8%</b>	75%	↓	
% of primary school pupils benefitting from at least 2 hours per week of physical education	100%	<b>100%</b>	100%	↔	All primary schools and secondary schools are meeting the PE target
% of secondary (S1-S4) school pupils benefitting from at least 2 hours per week of physical education	100%	<b>100%</b>	100%	↔	

## Protecting vulnerable and older people

### Context and Key Challenges

East Lothian's population is rising quickly and people are living longer, meaning we face greater demands and more acute levels of need in the population. At the same time, public bodies are facing their greatest financial challenge in a generation. Doing nothing is therefore not an option. Equally, while working more collectively and efficiently will yield economies, the extent of the challenge we face will require a more fundamental rethink and transformation of our services.

**Delayed discharge** – the national target for delayed discharge performance is that there should be no one waiting more than 2 weeks for discharge from hospital. Up till April 2015 the target was 4 weeks.

**Ageing population** – the population aged over 75 is increasing significantly in East Lothian. The ageing population brings increased pressures upon health and social care services, which need to be delivered differently to cope with the anticipated demand and the increasing complexity of people's needs.

**Health & Social Care Integration** – separate systems of health and social care can no longer adequately meet the needs and expectations of increasing numbers of people who are living into older age, often with multiple, complex, long-term conditions, and who need joined up, integrated services. These disconnects make it difficult to address people's needs holistically, and to ensure that resources follow patients', service users' and carers' needs.

### How we did in 2015/16

**Health & Social Care Integration** – the Council approved an integration scheme in March 2015, which set out how NHS health services will be integrated with Council social services. Integration of health and social care services is intended to provide a better service by improving joint working and the allocation of resources between health and social care.

The Integration Joint Board (IJB) took over from the Shadow Board and met for the first time in July 2016. The IJB's membership is made up of equal number of voting members nominated by East Lothian Council and NHS Lothian and non-voting members representing various stakeholder interests including carers, the third sector, the independent sector, service users, staff and trade unions. The IJB met a total of eight times during 2015/16 approving as required governance and financial management arrangements and strategic planning and performance frameworks.

During 2015 the IJB consulted extensively on its draft Strategic Plan which was formally adopted in January 2016.

**Delayed Discharge** – the Health & Social Care Partnership has established a delayed discharge task group, which is developing priorities for tackling the problem of delayed discharge with investment:

- additional assessment capacity
- payment of the living wage in care homes
- the opening of 20 step down beds at Crookston Care Home.

The Policy & Performance Review Committee has considered delayed discharge on several occasions in 2015/16. The Committee has noted that the main causes of an increase in incidents of delayed discharge in East Lothian relate to:

- difficulties faced by care providers in staff recruitment and retention;
- at times, lack of capacity in care homes due to temporary closure of homes to new admissions; and,
- a lack of capacity within the Council to speedily assess people in hospitals outside East Lothian.

The Health and Social Care Partnership has been working actively to address the problem of delayed discharge through early intervention measures such as the establishment of the Hospital at Home service which has expanded into a responsive 7 days a week service, and establishing ELSIE (East Lothian Service for Integrated care for the Elderly) to improve our capacity to prevent admissions to hospital. The Delayed Discharge task Group reports regularly to the new Integration Joint Board.

As can be seen from the graph below, although the number of patients counted as delayed discharge longer than 2 weeks is still above the target of zero, 2015/16 saw significant improvement across the year from 14 in Q1 down to 7 in Q4.

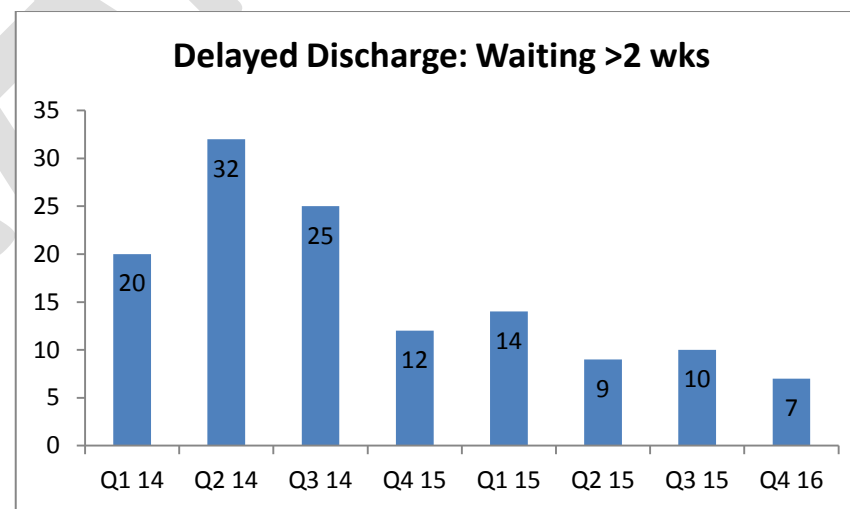
**Joint Inspection of Older People’s Service in East Lothian** – in 2015/16 East Lothian’s health and social care services were the subject of a Joint Inspection of Older People’s Services by the Care Inspectorate. The inspection’s report which was published in June 2016 highlighted many strengths in services for older people in East Lothian, in particular: outcomes for older people; innovation in services such as ELSIE and Crookston Care Home; focus on maintaining older people at home, staff

experience; public engagement; public protection; strategic planning; and, leadership and management.

The inspection also identified areas for improvement, including: delayed discharge; anticipatory care planning; carers assessments; capacity in home care; post diagnostic support in dementia; timely needs assessments and service provision; reviews of care and support; staff absences and financial stability.

The report and its recommendations for future action have been considered by the Integration joint Board and will inform future development and improvements in services for older people.

Number of delayed discharge patients waiting over 2 weeks, quarterly, 2014/15 – 2015/16





**Performance:**

**Healthier living, independent living and community care**



Indicator	14/15	15/16	Target	Trend	Comment
Number of delayed discharge patients waiting over 2 weeks (quarterly average over the year)	22.25	<b>10</b>	<b>0</b>	↓	
Percentage of care at home clients (aged 65+) receiving evening / overnight service	52.3 (March 2015)	<b>53.2</b> <b>(March 2016)</b>	-	↑	-
Percentage of care at home clients (aged 65+) receiving a service at weekends	88.6 (March 2015)	<b>90.8</b> <b>(March 2016)</b>	-	↑	

# Growing our Communities – to give people a real say in the decisions that matter most and provide communities with the housing, transport links, community facilities and environment that will allow them to flourish

## Housing

### Context and Key Challenges

The East Lothian Local Housing Strategy 2012-2017 outlines how the Council plans to address issues relating to housing, homelessness, housing support and fuel poverty.

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

Increasing the supply of affordable housing is a key priority for the Council. The East Lothian Local Housing Strategy 2012-17 notes that 456 new homes per annum need to be built in East Lothian to meet demand. However, economic conditions meant that only 290 houses were completed in East Lothian in 2015/16.

Other key priorities for the Council's Community Housing Service include maintaining tenant satisfaction, continuing with the council housing modernisation programme with the aim of bringing all houses up to the new Energy Efficiency Standard for Social Housing. We also aim to ensure that repairs are carried out to the highest standards as quickly as possible in line with the Scottish Housing Charter objectives and seek to minimise the level of rent arrears.

### How we did in 2015/16

**Affordable housing** – the Council delivered 48 new properties in 2015/16; 18 homes at Pinkie Mains, Musselburgh, 14 at Monktonhall Terrace and a further 16 homes at Rotary Court, Dunbar. A further 82 council homes will be completed in 2016/17 – 70 homes in Dunbar and 12 in Musselburgh.

**Modernisation** – The Council house modernisation programme provided 463 new kitchens and 491 new bathrooms in 2015/16.

**Rents** – East Lothian's Council house rents are among the lowest in Scotland. For example, the weekly rent for a 2-apartment Council house in East Lothian is £56.77 compared to the Scottish local authority average of £62.40. The weekly rent for 4-apartment Council house in East Lothian is £57.89 compared to the Scottish local authority average of £73.27

Tenants were consulted upon their views about the proposed rent increase for 2015/16: 79% thought the Council was proposing a fair rent increase; 93% said they thought their rent is good value for money and also agreed that their rent money should be used to help build new council houses; 97% agreed that the Council should continue to modernise its existing stock.

**Rent arrears** – while there is a significant amount of work to do to achieve agreed collection targets, recent results are very encouraging and are demonstrating that the measures put in place to manage rent collection more effectively and to achieve targets are proving successful. Whilst it may take some time to reverse the trends of recent years, the service improvements and collaborative working arrangements being developed give confidence that aspirations can be met.

**Repairs** – in 2015/16 the Council undertook 15,262 domestic day-to-day repairs and 9,727 domestic emergency repairs. The Council improved its average turnaround time for both categories by 1 day and 0.56 hours respectively. Customer satisfaction rates for our new bathroom and kitchen installations were 97% and 95% respectively. In 2015/16 the Council turned around its empty properties in an average of 19.6 days, well ahead of the Scottish average.

**Fuel poverty** – in 2015/16 the Council carried out an extensive area based energy efficiency programme within Musselburgh and Macmerry, assisting private homeowners and social tenants with the installation of external wall insulation and energy reduction measures. Information and advice was provided throughout the county, targeting vulnerable households identified as being the most susceptible to fuel poverty.

**Energy Efficiency Standard for Social Housing** – The Energy Efficiency Standard for Social Housing (EESSH) is a new standard, which aims to improve the energy efficiency of social housing in Scotland by December 2020. Previously, energy efficiency performance was measured as an element of the SHQS and 93.8% of Council properties were found to be at or above the National Home Energy Rating (NHER). The EESSH standard sets a higher minimum energy efficiency rating, depending on the

property and heating types. Currently 33.7% of Council properties meet the standard and the Council is working hard to develop a four-year plan to ensure full EESSH compliance by 2020.

**Performance:**

**Housing & Homelessness**



Indicator	14/15	15/16	Target	Trend	Comparison
Percentage of reactive repairs completed right first time	82	<b>85.95%</b>	85	↑	86.34% (Scotland)
Average length of time (days) in temporary or emergency accommodation	136.7	<b>162.63</b>	-	↓	96.13 (Scotland)
Percentage of council dwellings that meet the Scottish Housing Quality Standard	81.6%	<b>92%</b>	-	↑	93% (Scotland)
Average length of time taken to complete emergency repairs	5.4 hours	<b>5.04 hours</b>	24 hours	↑	5.57 (Scotland)
Average length of time taken to complete non-emergency repairs	14.8 days	<b>13.75 days</b>	23 days	↑	9.21 (Scotland)
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	9.1%	<b>8.6%</b>	6.3%	↓	6.48% (Scotland)

## Transport

### Context and Key Challenges

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

Reducing the number of single person car journeys – almost half of all journeys to work in East Lothian are conducted in cars containing one person.

[Improving access to public transport](#) – some areas of East Lothian are well served by public transport; however, people in rural areas and areas to the east of the county find public transport less frequent and more difficult to access.

### How we did in 2015/16

[Working with rail and bus providers to improve services in East Lothian](#) – the Council has been lobbying Abellio, the company that has taken over operation of the Scotrail franchise to improve rail services from East Lothian. The Council has received assurances that new rolling stock, with increased capacity, is likely to be operational in late 2017.

The tendering exercise undertaken by the Council for supported bus services (non-commercially viable routes that require Council subsidy) has

resulted in improved services with better and more frequent services in key routes from May 2015.

Greater provision of commercially operated bus routes around the county means that supported bus service are no longer required in some areas. This has allowed resources to be deployed in other areas instead, giving the public a wider coverage and better overall access to public transport. The new supported bus services have been a great success especially the link to Edinburgh Royal Infirmary where passengers numbers have increased every month since the start.

In mid 2016 First Bus, the main commercial bus operator in East Lothian announced it would cease operating in East Lothian in August 2016. The Council supported the development of a new service provided by Lothian Region Transport operating in east Lothian as East Coast Buses which started operation in East Lothian in mid August 2016 to replace most of the services operated by First Bus. Other operators (Prentice and Perrymans) have also increased frequency or commenced commercial routes in the area. The Council has been working to develop a pilot local community bus operation. The pilot service from Humbie to Haddington commenced in August 2016 and will be monitored to see if this can be extended to other communities.

The Bus Forum continues to operate successfully and meets three times a year where both the operators and the users are able to discuss all aspects of the bus network. Trials are being held in Aberdeen and Dundee on the use of a single card which can be used over all the bus operators in the area and it is hoped if this is successful it will be rolled out across the country in the future.

**Performance:**

**Transport, roads and lighting**



Indicator	14/15	15/16	Target	Trend	Comment
% of traffic management faults rectified within target time	97.4%	98.6%	100%	↑	
Number of people killed or seriously injured in road accidents	40	29	26	↑	Unvalidated data at June 2016 for calendar year 2015

**Local Government Benchmarking Framework indicators**

Indicator		12/13	13/14	14/15	Trend	Comparison (Scotland)
Proportion of roads in need of maintenance:	A class roads	26.2%	28.0%	31.7%	↓	29%
	B class roads	33.3%	34.1%	36.5%	↓	36.1
	C class roads	28.7%	29.7%	30.7	↓	37.3
	Unclassified roads	33.2%	29.6%	31.3%	↓	39.3

**We Asked, You Said, We Did...**

**On the Move**

**We asked**

We asked about people’s experience and views of travel in East Lothian, with a particular focus on active and sustainable travel options. We did this by running a series of 6 community events across the county as well as an online survey



Those taking part shared their experience of travel. They also commented on suggested interventions and gave their own ideas in relation to removing barriers to active and sustainable travel

**We did**

We produced 6 area based Action Plans each containing short, medium and long term actions which will feed into the East Lothian Local Transport Strategy and its associated Active Travel Improvement Plan, as well as into the Area Partnership Area Plans

## Communities

### Context and Key Challenges

One of East Lothian's strengths is the strong sense of community in each of its towns and villages. The projected increase in population with significant housing developments being planned across the county could threaten this sense of community. Therefore, new settlements or significant additions to existing communities should be accompanied by the community infrastructure required to make viable, balanced and sustainable communities

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

It has embarked on an ambitious programme of devolving decision making to the most appropriate level and empowering communities through establishing Area Partnerships to develop strategies and Local Community Plans tailored to their needs backed by significant budgets.

### How we did in 2015/16

**Area Partnerships** – six Area Partnerships were set up between February 2014 and June 2014 and quickly became established. They are continuing to evolve new ways of working, moving forward with the guidance of four Area Managers and independent Community Chairs. The last year of activity for the Area Partnerships has focused on producing community-led Area Plans and allocating the devolved budgets provided from the

2015/16 Council budget. All Partnerships have held annual public meetings which were used as opportunities to engage with the wider public on the development of priorities for action in the Area Plans and to promote the Area Partnerships and publicise their work.

The Council devolved a total of £1.25m in 2015/16 to the six Area Partnerships from three funding streams:

- £600,000 for services provided by the Council's Amenities Services
- £300,000 for roads capital expenditure
- £350,000 for non-recurring general services priorities from the Council's general services reserves in 2015/16.

Projects and initiatives that were funded and supported by Area Partnerships through this funding in 2015/16 included:

- Traffic calming measures
- Improvements to paths and cycleways and public spaces
- Initiatives to support and encourage 'Active Travel'
- Investment in improving public buildings and venues
- Facilities and activities for young people such as skateparks and motorcycle projects
- Older people's network to support dementia friendly activities in North Berwick.
- Educational activity and counselling services around drug and alcohol misuse.

**Consultation and Engagement** – established in summer 2014, the East Lothian Citizens' Panel now has in the region of 1,200 registered

members who are approached twice a year to complete a Panel questionnaire. To date, members have been invited to respond to four Panel questionnaires and have also been invited to get involved in other consultation and engagement activities. Topics covered in Panel questionnaires have involved transport, community safety, health and wellbeing, recycling and satisfaction with Council services.

A group of local volunteers took part in a Clean and Green Residents Review, the first of its type to be run in East Lothian. The Review focused on the service provided in relation to parks and included presentations, a Q&A session, a field trip to a number of local parks and some online research. The Review Team then considered all the evidence they had gathered and produced a report outlining recommendations for improving the Service. A meeting with the Service Manager followed and a range of actions for the Service to implement were agreed.

One of the main actions agreed was the development of a Parks Strategy to help ensure that parks continue to develop in a way that reflects what local communities need. Involving communities in their local parks was seen as an important way of delivering high quality parks. Promoting parks to locals and visitors, improving signage and providing more online information on what is available in parks also featured in agreed actions.

‘Having a group of local residents carry out a fairly in depth examination of the service we provide in relation to parks was a fantastic opportunity to get a different perspective on what we do on a day to day basis. The recommendations presented by the Review Team gave plenty of food for thought and helped generate a list of actions that we will be working on over the coming months’ (Norman Hampshire)

**Libraries** – public use of East Lothian’s libraries continues to increase in particular in the new shared facilities at John Gray Centre (Haddington), Bleachingfield (Dunbar) and George Johnstone Centre (Tranent). As well as providing the traditional book lending service our libraries have been continuing to extend the services they provide including access to computers and wifi for people who want to access the internet. Libraries have also become essential facilities for people who need support and advice in applying for Universal Credit for which East Lothian became a pilot area for the new Digital full service, whereby people can only apply for and access information about their Universal Credit claim on-line.

**Performance:**

Services built around people and communities



Cultural & Community Services



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



Indicator	14/15	15/16	Target	Trend	Comment
% of respondents who strongly agree / agree they can influence decisions affecting their local area	22%	<b>27%</b>	23%	↑	
Number of attendances at pools	415,180	<b>447,180</b>	440,000	↑	
Attendances at indoor sports and leisure facilities	665,028	<b>715,346</b>	520,000	↑	
% of young people reporting 'I feel safe to go out in my neighbourhood during the evening'	79.2%	<b>78.6%</b>	78.7%	↓	



## The Environment

### Context and Key Challenges

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

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

The Council is facing two key challenges in respect of the environment – increasing recycling in order to reduce the use of landfill for waste and improving air quality.

The requirement to meet the Scottish Government's waste recycling target is a major challenge for the Council. The target for the amount of waste sent to landfill has increased to 60% by 2020.

The results of the 2013 Air Quality Progress Report indicated that air quality targets are being met across the majority of East Lothian. However, monitoring of Nitrogen Dioxide in Musselburgh confirmed concentrations at various locations in Musselburgh High Street.

### How we did in 2015/16

**Recycling** – in order to meet the new waste recycling target and new legislative requirements the Council adopted an ambitious Waste Strategy (24th June 2014). Weekly food waste collection and fortnightly refuse and recycling collections were introduced in April 2015. Every household now has access to weekly food waste collection, fortnightly glass, cans, plastics, paper and cardboard recycling, fortnightly garden waste collections and fortnightly residual/non recyclable waste collection. It also meant that a dedicated trade waste collection service including recycling was rolled out to our 1500 customers.

The new service has made an important contribution to increasing East Lothian's recycling rate (the percentage of household waste that is recycled) by almost 10% in one year; from 42.7% in 2014/15 to 51.4% in 2015/16. At the same time we have also seen a significant increase in use of recycling centres.

**Air Quality** – In order to improve air quality the Council declared an Air Quality Management Area (AQMA) in Musselburgh. The AQMA covers the main High Street from the junction with Newbigging to the Junction at Bridge Street. An air quality action plan has also been developed to help improve air quality.

**Performance:**

**The environment and waste management**



**Protective services**



Indicator	14/15	15/16	Target	Trend	Comment
Number of vehicles accessing recycling centres	333,651	<b>444,509</b>	220,000	↑	
% of abandoned vehicles uplifted within 14 days of being reported	100%	<b>100%</b>	100%	-	

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

### Effective, efficient and excellent services

#### Context and Key Challenges

Given the diminishing resources that are available and the growing demand for services the Council has to increase its efforts to improve performance and provide value for money. Over the coming years the Council faces various challenges in meeting its aim to provide effective, efficient and excellent services.

Council funding will at best be flat (i.e. it will neither increase nor decrease) over the next few years; however, with increasing demand for services and additional burdens arising from legislation the Council will face reduced funding in real terms.

The Council will need to adapt the way in which it provides services to meet the challenges that it faces – managing the changes in such a way that residents of East Lothian continue to receive the services they need. People increasingly access services digitally and will expect to be able to access Council services in the same way. However, it is critical that customers can also continue to access services in a way that meets their needs.

The Council faces challenges arising from fundamental reforms to the structure of the public sector. In recent years it has had to develop new relationships with the national Police force and the national Fire and Rescue service. It has worked with NHS Lothian to establish the new Integrate Joint Board to integrate of Health and Social Care services.

#### How we did in 2015/16

**Managing staff absence** – after several years when staff absence fell the Council experienced a significant increase in staff absence in 2014/15. We made reducing staff absence a key focus of the work of Human Resource advisers and managers in 2015/16. This targeted and proactive work to address staff absence resulted in a reduction in days lost per full time employee from 10.3 in 2014/15 down to 9.7% in 2015/16. This figure is still too high and the focused work continues through into 2016 and there has been a further reduction in the first quarter of this year. The Council has also revised its Sickness Absence policy and the new policy will be adopted and implemented in autumn 2016.

**Legal & Licensing Services** – both services participated in a national benchmarking exercise undertaken by SOLAR (Society of Local Authority Lawyers and Administrators in Scotland). This compared the costs of running the services and the levels of service user satisfaction. Both services performed extremely well, demonstrating that they operate efficiently and cost effectively when compared to other local authorities. The Legal service obtained the highest levels of client satisfaction among the Councils taking part with the Licensing service third in the national table.

**Procurement** – the Council continues to improve its procurement practices in order to achieve best value for money in purchasing goods and services but also, where possible to support local businesses and

obtain community benefits from suppliers. It aims to increase the percentage of 'on contract' spend on an ongoing basis, which in 2015/16 was just over 80%. The Council contracted with 506 local suppliers (an increase of 76 from the previous year) with 22% of our spend being with local suppliers and 51% with Small and Medium Enterprises.

**Council Tax and Business Rate collection** – the Council collected 96.64% of Council Tax due in 2015/16, which was an improvement compared to the 2014/15 collection rate of 96.52%. The Council collected 98.98% of Business Rates due in 2015/16 which was the same as the 2014/15 collection rate.

The level of rent arrears continues to be an issue for the Council with national benchmarking data showing that the level of rent arrears in East Lothian is amongst the highest in Scotland. However, measures put in place over the last two years to manage rent collection more effectively and to achieve agreed collection targets are proving successful. Performance improvements achieved are very encouraging and are contributing to the reversal of trends from previous years.

These improvements are being delivered at a time when there is growing concern around the future impact of the DWP's Universal Credit full service rollout on rent collection. At full caseload, the Council will have to collect an estimated additional £8.3m from tenants who would previously have had their rent paid by Housing Benefit. This change to the welfare system represents significant financial risk to the Council's Housing Revenue Account and will require effective management and monitoring although further service development work and investment in specialist software has been made to help safeguard the Council's rental income.

**Tackling Poverty and Promoting Equality** - tackling poverty and promoting equality are key overarching priorities for the Council. A key focus of the Council's approach to tackling poverty in 2015/16 has been to continue mitigating the impact of welfare reform in East Lothian. This has involved

- Holistic delivery of the Scottish Welfare Fund paying Community Care Grants and Crisis Grants
- Distribution of almost £500,000 in Discretionary Housing Payment to mitigate the impact of Housing Benefits under occupancy
- Collaboration between the Welfare Reform Task Group (Council and DWP group to oversee the actions to mitigate the impact of welfare reform) and the Welfare Reform Reference Group (a wider group of partners and third sector groups)
- Partnership working between the Council and Job Centre Plus/DWP to support vulnerable people who are affected by the rollout of Universal Credit across East Lothian
- Progress in implementing the Digital Inclusion Strategy and Action Plan to improve access to digital services for people who may be otherwise excluded (e.g. provision of broadband and access to computers in community centres and libraries)
- Continued funding of the Haddington and Musselburgh Citizens Advice Bureaux through a new contract to provide welfare and money advice services.

A key component of the Council's approach to promoting equality in 2015/16 was the development of a new Integrated Impact Assessment toolkit jointly with Midlothian Council and NHS Lothian.

#### What our Auditors say

The Council's external auditors, Audit Scotland and inspection bodies including Education Scotland combine to form a Local Area Network (LAN) to review the Council's overall performance, scrutiny and governance arrangements. The LAN's 2016/17 Local Scrutiny Plan for East Lothian outlines progress that has been made over the last year in relation to the risks identified in the previous year's Plan and outlining any further monitoring it intends to undertake over the coming year.

"Over the past year the Council has made progress in improving its financial sustainability.. (and) .. It remains on track with its financial strategy." The Council's external auditors will continue to monitor the council's progress in managing its longer term financial position.

Whilst the LAN recognises that the education service's "performance is improving" it also states that, "school attainment levels are still below expected levels." So whilst there is no specific education scrutiny required at this time, Education Scotland will continue to monitor progress.

The LAN recognises that "The council has made some improvements towards meeting the Scottish Housing Quality Standard and in managing its rents arrears over the last two years." During 2016, the Scottish Housing Regulator will review the Council's progress in managing rent arrears and will engage with the Council to better understand its approach to managing its assets and data accuracy.

#### Performance:

#### Effective, efficient and excellent services



Indicator	14/15	15/16	Target	Trend	Comment
Days lost per full time employee	10.3	<b>9.7</b>	<b>9.2</b>	↑	The council has improved its sickness absence although further work is being done to reduce absence in 2016/17
Percentage of Council Tax due that was received by the end of the year	96.5	<b>96.6</b>	96.4	↑	
Percentage of invoices paid within 30 days of receipt	89.4	<b>90</b>	90	↔	
Proportion of operational buildings that are suitable for their current use	84.8	<b>84.8</b>	84.2	↔	
Proportion of the highest paid 5% of employees that are female	51.9	<b>53.6</b>	50	↑	
% of employees that are from Black or Minority Ethnic groups	1.1	<b>1.1</b>	<b>1.7</b>	↔	

## Customer Feedback

The Council complies with the model complaints handling procedure for local authorities introduced by the Scottish Public Services Ombudsman:

**Stage 1 (Frontline Resolution)** – Complaint dealt with at point of service within 5 working days

**Stage 2 (Investigation)** – Complaint investigated; acknowledged within 3 working days and response provided within 20 working days

If complainants remain dissatisfied after completing this process then they have a legal right of appeal to the SPSO. Those complaining about social work issues have the option of asking for their complaint to be referred to a Complaints Review Committee (CRC).

For the year 2015/2016, East Lothian Council received 940 complaints, a significant decrease on the 1,205 complaints received in 2014/2015. (It should be noted that 421 of the complaints in 2014/15 related to a campaign about a single issue; the proposal for a marine energy park at the Cockenzie Power station site.)

In 2015/16 complaints were made up of:

Stage 1: 630 complaints

Stage 2: 310 complaints

Over half (53%) of the Stage 1 complaints were not upheld, only 25% were upheld and 22% were partially upheld.

Almost half (48%) of Stage 2 complaints were not upheld, 29% were upheld and 23% were partially upheld.

The service areas with the highest number of complaints over the year were:

- Housing Maintenance
- Waste Services
- Transportation
- Sport, Countryside and Leisure

It is positive to note there whilst Housing Maintenance received a total of 226 complaints this represents less than 1% of the almost 27,000 repairs that were carried out by the service in 2015/16 and the vast majority of these complaints were dealt with at Stage 1. Most of these complaints related to outstanding day-to-day repairs, recharges and appointments.

Outwith the property maintenance service examples of subjects of complaint across council services included:

- Cemetery/ grounds maintenance
- Maintenance of roads
- Planning process
- Housing allocations

The Council received 308 compliments and 105 comments. The service areas receiving the highest number of compliments were:

- Adult Wellbeing
- Customer Services
- Housing Maintenance
- Landscape & Countryside.

## Scrutiny

East Lothian Council has two committees that perform the ‘scrutiny’ function: the Audit and Governance Committee and the Policy and Performance Review Committee. A third scrutiny committee was added in 2015/16 – the Police, Fire and Rescue and Community Safety Scrutiny Committee which focusses on scrutinising the performance of the Police and Fire & Rescue services in East Lothian.

Scrutiny involves examining and monitoring the activity of the Council with the aim of improving the quality of services. Scrutiny ensures that executives are held accountable for their decisions, that their decision-making process is clear and accessible to the public and that there are opportunities for the public and their representatives to influence and improve public policy.

Each Committee receives regular monitoring reports that highlight issues that might need further scrutiny. The Audit & Governance Committee received over 20 internal audit reports that show the results of investigations conducted by the Council’s auditors. The Policy & Performance Review Committee received regular performance reports that demonstrate the extent to which the Council is achieving its goals.

The following table summarises some of the issues that the Audit & Governance Committee and Policy & Performance Review Committee have reviewed during 2015/16.

<b>Audit &amp; Governance Committee</b>	<b>Policy &amp; Performance Revi Committee</b>
<b>Corporate Governance Self-evaluation – May 2015</b>	<b>Quarterly Performance Indicator Reports – June 2015; September 2015; November 2015; March 2016</b>
<b>Corporate Risk Register – May 2015</b>	<b>Delayed Discharges – April 2015</b>
<b>Six Service Risk Registers – September 2015; January 2016; March 2016</b>	<b>Council House Repairs – September 2015</b>
<b>Annual Treasury Management Review – June 2015</b>	<b>East Lothian Community Planning Economic Development Strategy – November 2015</b>
<b>Annual Accounts – June and September 2015</b>	<b>Landlord Report – January 2016</b>
<b>External Auditors’ Audit Strategy Review and Plan – January 2016</b>	<b>Supported Bus Services – March 2016</b>
<b>Council Improvement Plan Monitoring Report – January 2016</b>	

## The Local Government Benchmarking Framework

The Local Government Benchmarking Framework brings together a wide range of information about how all Scottish councils perform in delivering better services to local communities. The Framework includes 55 performance indicators, which are displayed throughout this report. The results provide a comparison between East Lothian and every council in Scotland.

The Local Government Benchmarking Framework relies on data published by Councils in their Annual Public Performance Reports so is not published until the January of the year after the year to which it relates. So the 2015/16 data will not be available until January 2017.

East Lothian Council's performance was mixed during 2014/15 when ranking each performance indicator from 1 (highest performance) to 32 (lowest performance). The results of eight indicators for East Lothian fell within the highest performing quartile of councils, while eight results were among the lowest performing quartile. Performance has worsened in comparison with 2013/14, when 14 indicators fell within the highest performing quartile and five within the lowest performing quartile. The difference is largely attributable to fewer satisfaction measures falling within the top quartile and the comparative worsening of the results relating to sickness absence, positive school leaver destinations and the condition of A class roads.

Nine of East Lothian's cost indicators fall within the lowest cost quartile in comparison to other Scottish councils, while four indicators fall within the highest cost quartile.

Positive highlights from the 2014/15 LGBF included:

- Satisfaction with services – citizens in East Lothian generally have a high level of satisfaction with Council services. However, some of the satisfaction results have fallen in comparison to previous years, although this appears to be at least in part due to methodological factors with the Scottish Household Survey from which the data is derived.
- % of Council Tax collection – East Lothian collected 96.6% of the Council Tax due, compared to the Scottish average of 95.5%
- Percentage of C class and Unclassified roads requiring maintenance – the results for both of these categories of road are significantly below the national average.
- Average time to attend domestic noise complaints – response times in East Lothian (30 minutes) are far lower than the national average of almost 59 hours.
- Proportion of internal floor area of operational buildings in satisfactory condition – 96% of floor area is classified as being in satisfactory condition compared with the Scottish average of 82.9%.

Indicators that suggest further improvement may be possible included:

- Sickness absence – during 13/14 performance against this indicator fell within the top quartile; however, it worsened in 2014/15. The Framework now divides the result into absence for teachers and absence for non-teaching staff. East Lothian's level of absence increased for both categories.



- Scottish Housing Quality Standard – 81.6% of Council houses in East Lothian meet the Standard in comparison to the Scottish average of 90.4%. (In 2015/16 the percentage of East Lothian council houses meeting the standard has increased to over 90%.)
- Average length of time taken to complete non-emergency repairs – East Lothian Council takes an average of 14.8 days to undertake a non-emergency repair compared to a Scottish average of 9.9 days. Performance against this measure improved from 17 days during 13/14.
- Proportion of school leavers entering positive destinations – 91.9% of East Lothian school leavers entered positive destinations compared with the national average of 92.9%
- Percentage of A class roads requiring maintenance – 31.7% of A class roads in East Lothian required maintenance in comparison to the Scottish average of 29%

East Lothian Council is participating in several benchmarking exercises, which aim to help councils understand why their performance in relation to the Local Government Benchmarking Framework indicators differs from one another. The Council is benchmarking its performance against a 'family group' of councils that have similar geographical or social and demographic characteristics to ensure that it compares like with like. Each family group includes eight local authorities.

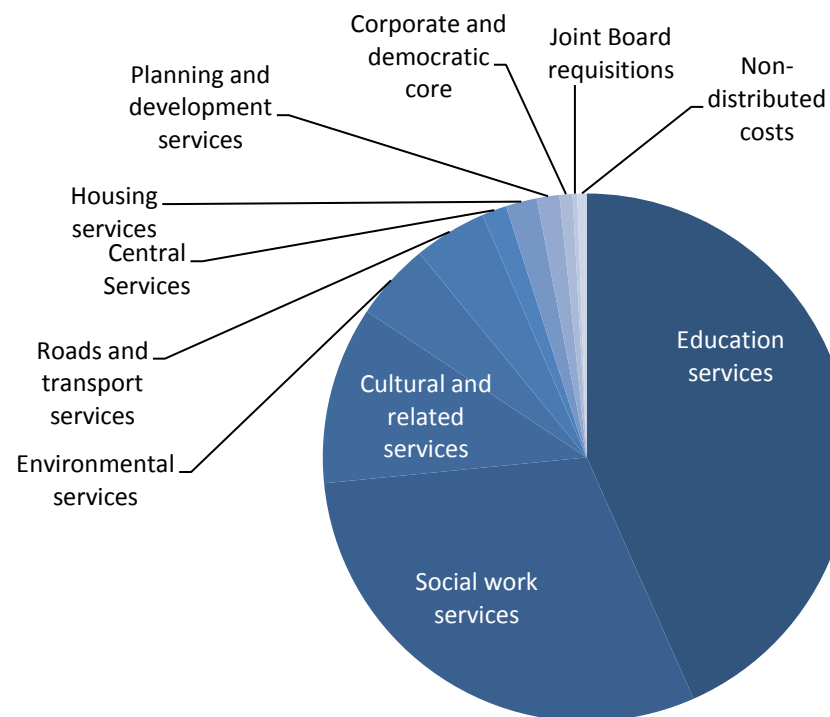
## Council Finances

Where the money comes from (from 2015/16 Statement of Accounts)

	£m
<b>Council Tax</b>	£42,790
<b>Non domestic rates</b>	£26,079
<b>Non ring-fenced government grants</b>	£147,620
<b>Capital grants and contributions</b>	£20,418
<b>Total</b>	<b>£236,907</b>

Where the money goes:

<b>Net expenditure by service (£,000s):</b>	2014/15	2015/16
<b>Central Services</b>	£5,294	£3,579
<b>Cultural and related services</b>	£21,113	£25,741
<b>Education services</b>	£91,242	£102,453
<b>Environmental services</b>	£12,074	£11,203
<b>Housing services</b>	£4,424	£4,509
<b>Joint Board requisitions</b>	£674	£669
<b>Local Authority Housing (Housing Revenue Account)</b>	(£782)	(£133)
<b>Planning and development services</b>	£2,847	£3,266
<b>Roads and transport services</b>	£9,533	£10,554
<b>Social work services</b>	£61,331	£71,042
<b>Corporate and democratic core</b>	£1,439	£1,876
<b>Non-distributed costs</b>	£197	£1,365
<b>Total cost of services</b>	<b>£209,366</b>	<b>£235,944</b>
<b>(Gains) / Losses on the disposal of non-current assets</b>	(£1,425)	(£547)
<b>Financing and investment income and expenditure (e.g. interest payable)</b>	£20,921	21,562
<b>Taxation or non-specific grant income</b>	<b>(£235,154)</b>	<b>(236,907)</b>
<b>(Surplus) / Deficit on the provision of services</b>	<b>(£6,272)</b>	<b>20,052</b>



## Financial Performance for 2015/16

Despite the continuing challenging operating environment, the Council delivered better than anticipated financial results for 2015/16, with an increase in General Services usable reserves of £5.7 million. Stringent and thorough monitoring and management by budget holders across all services has controlled expenditure within overall approved limits, whilst maintaining a high level of quality from front line services. A range of efficiencies and savings in the 2015/16 year were carefully managed to ensure that a high level of service was maintained for our communities.

In addition, the council benefited from a number of favourable factors and one-off savings including: £1.089 million less General Services debt charges than budgeted for due largely to a reassessment of the management of the council's Loans Fund; £0.821 million from the sale of General Services assets and £0.930 million in additional income from Building Control warrants and planning applications

The council operates three Trading Operations and the Roads, Property Maintenance and Facility Services Operations all delivered a surplus during this time, which is in line with their statutory requirements to break even over three years.

In accordance with the financial strategy, continued tight control over capital spending allowed the council to restrict the burden of debt charges whilst maintaining a significant level of investment in infrastructure and new development. This included £1.269 million on the construction of the Mid Road Industrial Estate, Prestonpans; £2.075 million on the acquisition of the site of the former St Joseph's school building and the safeguarding of the Pathway facility for young people;

£8million on school extensions and upgrading work; and, almost £1million on sports centre refurbishment.

The level of surplus has satisfied the call made upon reserves to balance future budgets and the increase in reserves ensures that the council has been able to add to the Capital Fund and this will help support a number of key capital projects in the coming years without placing undue burden upon the revenue account.

## Financial outlook and strategy

The Council's financial strategy forms the basis of the Council's stewardship over the taxpayer's funds. It covers a 3-year period and is updated and approved each year by the Council, with the most recent strategy covering the period 2016/17 to 2018/19 approved by Council on 9<sup>th</sup> February 2016. The strategy aims to reduce any future reliance on reserves, and takes into consideration forecasts around the financial environment which the Council is likely to be operating within over the medium to longer term.

Despite the improved results for 2015/16, the Council, in common with other public bodies, continues to face significant financial challenges with further reductions in public sector funding levels expected to continue until at least 2019/20. In the medium term it is clear that the Council faces some very difficult financial decisions as a result of the following;

- Real terms reductions in the income it will receive from Scottish Government;
- Meeting our obligations from new legislation and statutory arrangements;

- Responding to the challenges arising from recent and proposed UK benefit reforms;
- Increasing population and other demographic changes e.g. increased numbers of young and old, early years care/school rolls/elderly care;
- General price/inflationary pressures.

The approved financial strategy focuses on:

- Delivering a Transformation/ Change Programme that will achieve significant efficiency savings across all areas and all inputs such as staffing and supplies;
- Constraining cost growth through effective demand management, good financial control by managers and by effective negotiation with suppliers;

- Generating additional income and ensuring that, where the Council has decided to charge , there is full cost recovery;
- Progressing partnership working where there are proven efficiency and or service gains; and,
- Continuing to manage the General Services Loans Fund balance ensuring affordability across the three years of the Strategy, and sustainability in the longer term. It is important to recognise that capital investment decisions taken now have long term borrowing and revenue implications which have the potential to place burdens on tax payers in future years.

## Our plans for 2016/17

The Council Plan 2012-2017 was reviewed in October 2014 and in October 2015. The October 2014 review showed substantial progress had been made in achieving the Plan's commitments. However, it also highlighted that in order to make significant progress in meeting the overarching priority, *'To reduce inequalities across and within our communities'* four areas of activity needed to be prioritised:

- Reducing unemployment, particularly youth unemployment and improving positive outcomes for school leavers
- Raising attainment in schools, particularly for pupils from more economically 'deprived' areas, and providing a broader work based education experience
- Reducing inequalities and ensuring the most disadvantaged groups and communities, have access to services that maximise opportunities to break the cycle of poverty or mitigate the impact of deprivation
- Supporting the capacity of communities and voluntary organisations to show community resilience and maximise social capital from community and social networks.

The Council Management Team undertook an evaluation of progress in achieving the Plan's objectives and the key areas of activity outlined above in October 2015. The evaluation showed progress continues to be made to achieve the commitments contained in the Council Plan. Some of actions and activities that have contributed to this progress have been outlined in this report. In relation to the four priorities set out above key achievements over the last year include:

- Reduction in unemployment, particularly youth unemployment – the percentage of the population claiming Job Seekers Allowance fell from 2.6% in March 2014 to 1.9% in March 2015 and the percentage of 18-24 year olds claiming Job Seekers Allowance fell from 5.6% to 3.7%
- Improvement in school attainment – the 2015 and 2016 Qualification results show an improvement over previous year's results at most levels
- The Council has reached agreement with Edinburgh College to establish a new Academy for construction trades in Musselburgh with capital funding being provided by the Scottish Futures Trust
- The Musselburgh Total Place – Family Focus pilot was a major strand of the Council and east Lothian Partnership approach to developing an early intervention and prevention approach. The pilot is being taken forward with a focus developing a new model of multi-agency service delivery around early intervention for the most vulnerable families
- £1.25m funding in 2015/16 was devolved to the six Area Partnerships which are now chaired by community representatives
- The East Lothian Partnership has agreed a Volunteering Strategy that will act as the basis for an action plan to further encourage and support volunteering which will make a major contribution to increasing the capacity of the community and voluntary sector in East Lothian.

It is recognised that many commitments are ongoing and will need continuous monitoring and that further progress needs to be made on several key commitments to ensure that they are fully achieved within the lifespan of the Council Plan.

The following priorities for further action and progress were identified and agreed by the Council.

### Growing our Economy

- Conclude the preparation of the Local Development Plan
- Continue to press the case for significant infrastructure investment from developers, the Scottish Government and national agencies such as Scottish Water
- Promote the opportunity provided by the Plan for new housing and business growth / economic development opportunities in East Lothian
- Continue to explore and pursue the job creation opportunities arising from the closure of the Cockenzie Power Station site and the purchase of the former St Joseph's site
- Make most effective use of funds identified in the capital programme for economic development related projects
- Maximise the opportunities for strategic investment, economic development and skills development arising from the development of the bid for the South East Scotland City Region Deal
- Continue the focus on reducing the proportion of school leavers, including Looked After Children, achieve a positive outcome (positive destinations)
- Implement the Delivering East Lothian's Young Workforce strategy and deliver initiatives such as Senior Phase Vocational Pathways and Foundation Apprenticeships

- Continue to develop positive closer links with Queen Margaret University and Edinburgh College
- Explore options for developing vocational education in schools and in partnership with Edinburgh College, including common timetabling in the senior phase and improving the 'digital' offering in schools
- Support the development of further action to increase supplies and services procured from local businesses, including construction contracts and sub-contracts and food supplies
- Develop a new contract framework agreement for construction contracts to be used to support opportunities for local businesses as main contractors or sub-contractors
- Continue to support the development of Town Centre Plans aligned to the six Area Plans with a focus on resolving issues faced by, and maximise the opportunities specific to, each of East Lothian's six main towns

### Growing our People

- Continue to support the development of the East Lothian Integration Joint Board and completion of the Strategic Plan for integrated functions and budgets
- Pilot different approaches to provide assistance to families to deliver the required hours of early learning and childcare sustainably and flexibly such as full-day provision, wrap around provision and summer activities
- Explore new delivery models as part of an early years / pre-school strategy to overcome the problems associated with recruiting nursery service staff and child minders

- Ensure that all school clusters are working collegiately to improve outcomes for learners and that plans clearly align with the Education Local Improvement Plan and Strategy and other strategic plans.
- Update the Education Service Improvement Plan to raise attainment and improve outcomes for all pupils, in particular for the lowest-performing pupils, taking account of recent national developments, especially the National Improvement Framework and the changes to the Scottish Education Act (2016)

#### Growing our Communities

- Explore options such as use of vacant council property for supported tenancies, flat sharing initiatives and other initiatives on new build sites
- Continue to explore and exploit opportunities to support the provision of affordable housing, such as Local Affordable Rented housing
- Ensure progress is made in delivering affordable housing allocations within major housing development sites which have existing planning approval
- Review the budgets devolved to Area Partnerships
- Complete the business case and funding options appraisal for the decriminalisation of parking
- Consider priorities for roads maintenance expenditure in and around towns in association with Area Partnerships
- Complete the preparation of the Local Transport Strategy
- Continue to work with local bus operators and enhance relations with Lothian buses to improve services across the county

- Work with ScotRail and others to support the delivery of the East Linton railway station and local service as well as improved parking at Drem, Dunbar and Longniddry stations
- Consider extending the Young Scot card model of providing transport to school and college
- Continue to deliver 20mph zones where local demand exists and further school traffic exclusion zones
- Support the development of community transport initiatives.

#### Growing the Capacity of the Council

The 2016/17 Council Improvement Plan, based on self-evaluation carried out by the Council Management Team in February 2016 includes the following actions:

- Carry out a Best Value Review of at least on services area
- Review Standing Orders and the Schemes of Administration and Delegation
- Undertake benchmarking exercise on three service areas
- Review the Workforce Development Plan
- Review and where appropriate act on the new duties and responsibilities arising from the Community Empowerment (Scotland) Act 2015
- Provide a more responsive and effective Council website that will support more 'self-service' activity by council service users.

The most significant piece of work that will be undertaken over the coming years to grow the capacity of the Council to deliver excellent services as effectively and efficiently as possible within the financial constraints faced by the Council is the Transformation Programme which

was established in early 2016. The Programme will include on-going Council wide initiatives such as efficient workforce management and further enhancements in procurement, as well as major 'short-life' projects including:

- Review of Council accommodation requirements
- Best Value Reviews and service review and re-design with options appraisal around alternative service delivery models
- The Unified Business Support service review
- Further roll out of the Council's Electronic Data Retrieval Management System (EDRMS)
- Developing digital on-line services (Channel Shift) supported by a fully responsive by design Council website
- Strategic Partnerships with other Councils and partners.

### Tackling Poverty and Reducing Inequality

Recognising that further work needs to be done to tackle poverty and reduce inequality the Council established an independent Poverty commission in January 2016. The Commission, chaired by Annette Bruton, Principal of Edinburgh College, was tasked reviewing the work that is already underway to tackle poverty and inequality in East Lothian and to consider what more could be done by the Council and the East Lothian Partnership. The Commission was asked to focus on identifying key actions that local organisations working in partnership can undertake

to lessen the impact of poverty but also to help to move people out of poverty – to break the cycle of poverty.

The Commission met through February – June 2016 taking written and oral evidence from a wide range of organisations but also from people with lived experience of poverty. The Commission's final report will be presented to Council and the East Lothian Partnership in October 2016 and will form the basis of an action plan for tangible actions that will make a real impact on mitigating the impact of poverty but also break the cycle of poverty.

### Council Plan 2017-2022

In late 2016, the Council will begin developing a new Council Plan for 2017-2022. The work to develop the Draft Plan will include a strategic assessment of the latest data from the East Lothian profile, including the Scottish Index of Multiple Deprivation published in August 2016. The draft plan will be developed within the context of the strategic assessment and the challenges and opportunities facing East Lothian and East Lothian Council.

The draft plan will be presented to Council in early 2017. This draft Plan will form the basis of the new Council Plan which will incorporate the priorities of the new Council Administration elected in May 2017.

The Council Plan 2017-2022 will be approved by the Council in August 2017.



### **To contact us, or tell us what you think**

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

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

Phone: **01620 827827**

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**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Financial Prospects 2017–2020

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## 1 PURPOSE

- 1.1 To provide an overview of the Financial Prospects for 2017/18 and beyond to help inform the development of the 2017–20 budget, and to set out the process to be followed for the public budget consultation.

## 2 RECOMMENDATIONS

- 2.1 Members are recommended to note:

- the financial prospects for 2017/18 and beyond for the Council
- the potential implications arising from the Scottish Government's proposed Council Tax Reforms and the need to promote greater public awareness
- the process for the 2017–2020 budget development
- that the public budget consultation will be launched shortly

## 3 BACKGROUND

### Financial Strategy

- 3.1 The existing Financial Strategy covering the period 2016 through to 2019 was approved by Council on 9 February 2016. This strategy places a continued focus upon:
- **Delivering an enhanced Change Programme** that will support the achievement of significant efficiency savings across all service areas and all resource inputs such as staffing and supplies;
  - **Constraining cost growth** – through effective demand management, good financial control by managers and by effective procurement and contract management with suppliers;

- **Generating additional income** and ensuring that, where the Council has decided to charge for services, there is maximum cost recovery;
- **Progressing partnership working** where there are proven efficiency and or service gains;
- Continuing to **manage the General Services Loans Fund** ensuring affordability across the three years of the Strategy.

3.2 The audited 2015/16 year-end financial position was recently reported to and approved by Council on 23 August 2016, with the Council delivering a surplus and therefore an increase to reserves of £5.748m. The report confirmed my opinion that the current financial strategy remains on track to remove the future dependency upon reserves; however, it also confirmed that many significant financial challenges still lie ahead of us. It is anticipated that the prolonged period of financial austerity measures across the public sector will largely continue, and also that we face major challenges in satisfying the additional infrastructure requirements associated with both the proposed new Local Development Plan, and any proposed City Deal for Edinburgh and South East Scotland. Developing future sustainable operating budgets within a reduced cost base remains a critical balancing component in order to meet new cost and demand pressures emerging across a wide range of service areas.

3.3 Cabinet has also recently considered a report on the financial position at the end of the first quarter in 2016/17. Despite a positive in year financial position, I classified two service areas as being 'High Risk' with a further two as 'Medium Risk' signalling that within these service areas there is a significant risk that services will not be delivered within approved budgets. The 2016/17 financial performance will continue to be closely monitored by officers, with a more detailed review of the Q2 position and assessment of the 2016/17 projected outturn being considered as part of developing future years' budgets.

### **Financial Outlook**

3.4 A key component in setting any Council budget is the funding received through the grant settlement from the Scottish Government. When setting the existing 3-year budget for 2016–19, only one year grant figures had been published by the Scottish Government and therefore our planning assumption that the Council will receive a 'flat cash' grant settlement figure was reflected through until 2018/19, in other words – no additional grant has been forecast in each of the next two years.

3.5 It is now known that the UK Government's Autumn Statement will be published on 23 November 2016, with most recent confirmation that both the Scottish Government Budget and Local Government Finance Settlement will be published on 15 December. Although similar to last year, more typically this is later than normal and will place considerable pressure upon the Council's own budget development process. The impact of the UK's decision to exit the European Union will most likely be a central part of the new Chancellor's financial strategy, and there

remains considerable uncertainty as to what this may mean for the funding received by the Scottish Government, and in turn the funding settlement for Scottish Local Government and in particular for East Lothian Council.

- 3.6 Notwithstanding this unprecedented level of uncertainty, a number of independent financial commentators continue to signal the potential for future funding reductions (especially revenue) at both a UK and Scottish level and as such there is a high risk that the current grant planning assumption of 'flat cash' is optimistic. In addition to the wider UK/Scottish Government funding variables surrounding the grant settlement, there are a number of others that will impact upon the overall level of resources which we receive locally through grant support. These include areas such as any new policy initiatives, changes to existing policy, or indeed changes to grant distribution indicators, all of which can have either a positive or negative impact on the final grant settlement.
- 3.7 As indicated above, the further refinement of government grant planning assumptions will be a key feature of the budget discussions over the coming months and will clearly have a major influence on the extent of any potential budget gap. A further challenge may arise from a recent trend that has seen an increased level of ring-fencing whereby the settlement has come with an increased number of specific conditions and associated sanctions, which in turn limits the financial flexibility which local authorities can apply to help satisfy local pressures and priorities. COSLA continue to lobby against the imposition of such specific conditions but it is uncertain to what extent, if any this will be successful and therefore this will need to be considered as part of any forward budget planning.

### **Scottish Government Council Tax Reform Proposals**

- 3.8 From April 2017, one substantive variable which if introduced, may impact upon the level of funding received by this Council through the Local Government Finance Settlement, is the proposed change to the Council Tax Multiplier. A joint Scottish Government and COSLA review of Local Taxation was published in December 2015, with no definitive recommendation on the most appropriate form of local taxation, but a clear recommendation that the current Council Tax system should not continue in its current form. In March 2016, the Scottish Government published its proposals for reform of Council Tax the implications of which are set out below.
- An increase in the ratios of the upper bands (E–H) relative to Band D, which will mean that the bills in these bands (based upon existing Band D equivalent for 2016/17) will increase by the following, with Bands A to D remaining unchanged:

Band	Current Rate of Council Tax (£)	Proposed Rate of Council Tax after Multiplier (£)	Impact of Multiplier (£)	Impact of Multiplier (%)
Band D	£1,118	£1,118	£0	<b>0%</b>
Band E	£1,366	£1,468	£102	<b>7.5%</b>
Band F	£1,614	£1,816	£202	<b>12.5%</b>
Band G	£1,863	£2,189	£326	<b>17.5%</b>
Band H	£2,235	£2,738	£503	<b>22.5%</b>

- As part of their formal Council Tax Reform Proposals, the Scottish Government has proposed that the additional revenue received by all councils as a result of the change in multipliers identified above will be used to provide an additional £100 million per annum to an expanded national Education Attainment Fund which will be distributed directly to schools. This proposal is directly aligned to the Scottish Government's recently published Education Delivery Plan, as part of raising School Attainment levels, something that the Council is taking forward through planned engagement activities with relevant stakeholders and will be considered separately by the Education Committee in November.
- After a period of nine continuous years, the Scottish Government has also proposed to end the current Council Tax freeze albeit with a new proposal to cap any increase in Council Tax proposed by an individual local authority at 3% per annum, coincidentally the same level as that contained within the existing 3-year budget. The impact of any such increase actually proposed by East Lothian Council for 2017/18 would be applied prior to the application of the additional multipliers above.

3.9 The proposed changes to Council Tax multipliers give rise to a number of areas that merit further consideration and some of these are set out below.

- Council Tax is widely regarded as one of the most visible forms of taxation. Despite this, and recent media coverage of progression of the reform proposals through the parliamentary process, there would appear to be relatively low levels of public awareness of the implications arising from the Scottish Government changes to the Council Tax multiplier and specifically that they will result in significantly increased Council Tax bills for all properties within Bands E–H. (In East Lothian this will impact upon more than a third of all households.) Most residents naturally associate any changes to local taxation with local policy decisions, and the true

nature of this change will need to be carefully communicated to the affected residents of East Lothian.

- This proposal raises fundamental questions of the long-established direct linkage between any money that is raised locally is also spent locally. It is important to stress that discussions about how the money raised through additional council tax and indeed how it is then allocated to schools are still on-going, with the Scottish Government currently indicating strong support that funding will be directed to schools, based upon the numbers of children in primary school and young people in S1 to S3 who meet existing eligibility criteria for free school meals (FSM). In practice this will mean a change to both; how the funding of schools is traditionally received, which is normally through the Revenue Support Grant; and secondly that for East Lothian, we will almost certainly raise significantly more money locally from the change in the council tax multiplier than is likely to be received in terms of direct funding for schools. Early indications would suggest that this could be less than 50% of the actual funding generated through additional Council Tax contributions.
- It has been suggested that for some people deemed to be on low incomes there will be exemption or relief but no specific details are yet available.
- There is also some uncertainty regarding whether or not the new bandings will also apply to any charges imposed by Scottish Water. Should any way forward require a charging mechanism that differentiates making use of two different banding sets would inevitably generate some confusion and would also require significant and urgent changes to our billing systems.
- Furthermore, the proposals change the traditional accountability framework for local public funds. The proposed direct allocation of money to schools means that local councils and their supporting governance arrangements are at risk of being by-passed.

### **Budget Development**

3.10 Construction of budgets in any financial year is informed directly by the Council's 3-Year Financial Strategy that in turn is rooted to proper stewardship of taxpayer's funds. The budget development process for 2017/18 and beyond will be informed by the existing budgets for General Services (2016–19) and the HRA (2016–21), both approved by Council in February 2016. Typically, these budgets are rolled forward, and a rigorous validation process is then applied. This includes:

- Review of the 2016/17 financial position against the already planned 2017/18 budgets. This is critical to the baseline budget validation, with the Quarter 2 position and related projected outturn for the year being an important 'test' in respect of the financial sustainability of future budget plans.

- Validation that the all key planning assumptions reflected within the baseline budget remain accurate and appropriate. In addition to the assumptions on likely grant settlements discussed earlier in this report, this includes many contractual and inescapable commitments such as; pay and pensions, NDR and debt charges. This also includes a range of other areas including: Council Tax modelling and yield; related demographic assumptions including the service volume implications associated with changing school rolls and increased number of households; as well as our local commitments relating to either Scottish or UK Government policies such as Welfare Reform.
- Review the robustness and deliverability of existing planned efficiencies within 2017/18 and 2018/19.
- Review and identification of current and emerging financial pressures across all services. This will include any new or emerging legislative provisions such as the new Apprenticeship Levy and will also take into account significant pressures upon our council tax and rent collection now being experienced following the recent introduction of the Universal Credit Full Digital Service.
- The East Lothian Integration Joint Board became fully operational in April 2016. It will be necessary to recognise the role of the IJB in budget setting as well as the challenges and opportunities that will arise through closer alignment of both Health and Local Authority budgets.

3.11 Within the budget development process, a clear and early indication as to the baseline budget validation is critical to both assessment and understanding of any financial implications, and the Finance team are already working with CMT and services to secure early validation as quickly as possible.

### **Capital Planning**

3.12 Proper budget validation applies not only to the General Services and HRA revenue budgets but also to their respective capital budgets, and the associated revenue implications in respect of debt charges. The Council's budgetary approach continues to look forward on a medium term basis of 3 years for General Services and 5 years for the HRA, however both are informed by a longer term capital planning view.

3.13 Due to the many and complex uncertainties that prevail, it is fair to say that anything beyond short term planning is currently very challenging and this is equally true in respect of any future Capital Grant support provided by Scottish Government, something that is again tied into the formal settlement.

3.14 More locally, however, there are also many variables that have the potential to impact significantly upon future capital budgets and these effectively challenge the Council such that the case for adopting a longer-term planning outlook is becoming much stronger.



- 3.15 The Council has recently approved a proposed Local Development Plan (LDP) which is currently out for statutory representation with any final plan unlikely to be formally adopted until beyond the more immediate 2017/18 budget considerations but within the existing 3-year budgetary planning period. It will be necessary to align our capital planning more directly with the LDP recognising the significant shift necessary to fund rising capital investment with greater prominence given to the capital income that can be secured through a revised developer contribution framework and the disposal of surplus assets. Such an approach would also enable us to better evidence need and therefore help secure additional external financing that would in turn, help unlock growth.
- 3.16 A further and potentially significant variable in respect of potential levels of future capital investment is the proposed Edinburgh and South East City Region Deal (ESECRD). In accordance with the policy direction already approved by Council, we continue to work within the ESECRD partnership in pursuit of a formal deal with both UK and Scottish Governments. Although these negotiations are still very much ongoing, discussions are going well and it is expected that some form of supporting statement will be made within the UK Chancellor's Autumn Statement and it is hoped that a formal deal might be announced in his March budget.
- 3.17 All of these elements will have implications both for the Council's General Services and HRA capital plans, and any associated revenue costs.

### **Next Steps**

- 3.18 The coming weeks and months form a critical part of our budget development process. As mentioned earlier, the focus will remain on early validation of the baseline budget and refinement of existing planning assumptions, central to which is the level of government grant that the Council is likely to receive. This validated baseline budget will then form the platform upon which remaining service and financial challenges will be considered by the CMT and respective political groups.
- 3.19 In a similar way to recent years, the Council's budget decisions will also be informed by the public's views around local priorities. It is currently anticipated that the Council's public budget consultation in respect of both the General Services budget and the statutory HRA rent consultation will be launched during November. This will allow both council tax payers and rent payers to submit their respective views which will in turn be considered as part of the decision making process supporting the development of budget proposals.
- 3.20 A detailed budget development timetable has not yet been finalised although it is likely this will be built around the following key dates:
- Validation of existing 3-year budget                      underway
  - Public/Tenant Budget Consultations                      mid-Nov to Dec 2016

- UK Autumn Statement 23 Nov 2016
- Scottish Government Budget/Settlement 15 Dec 2016
- Draft Base Budgets to political groups before Festive Break
- Special Council Meeting 14 or 21 February 2017

#### **4 POLICY IMPLICATIONS**

- 4.1 There are no direct policy implications associated with this report although ongoing monitoring and reporting of the Council's financial performance is a key part of the approved Financial Strategy.

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report has been considered and given there is no change in policy direction, there is no requirement to undertake any further impact assessment.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – as described above
- 6.2 Personnel - none
- 6.3 Other – none

#### **7 BACKGROUND PAPERS**

- 7.1 Council 9 February 2016 – Item 1 – Council Financial Strategy 2015-18
- 7.2 Council 9 February 2016 – Item 5a – Budget Proposals – Administration
- 7.3 Council 23 August 2016 – Item 4 – 2015/16 Financial Review
- 7.4 Cabinet 13 September – Item 3 – Financial Review 2016/17 – Quarter 1

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<b>DATE</b>	14 October 2016

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Report on the Outcome of the School Consultation to Relocate Wallyford Primary School and the Proposed Change to the Wallyford Primary School Catchment Area

**6**

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## **1 PURPOSE**

- 1.1 To approve the recommendations set out within the Consultation Report (Appendix 1) to relocate Wallyford Primary School and vary the Wallyford Primary School catchment area.

## **2 RECOMMENDATIONS**

- 2.1 The Council is asked to approve on the basis of the outcome of the school consultation and taking account of the educational and social benefits of the proposal that:
- i. The existing Wallyford Primary School is relocated to the new site as set out in the school consultation proposal.
  - ii. The catchment boundary of Wallyford Primary School will be extended to include the houses in the vicinity of Dolphingstone Farm, currently in the catchment area of Sanderson's Wynd Primary School.
  - iii. Children attending the nursery provision, primary school and Social, Emotional and Behavioural Needs provision transfer to the new Wallyford Primary School from August 2018, or as soon as possible thereafter.

## **3 BACKGROUND**

- 3.1 The 2008 Local Development Plan included provision for a new school in Wallyford to replace the existing Wallyford Primary School with sufficient capacity to accommodate the increased pupil population arising from planned housing developments in the area.

- 3.2 On 24 February 2015 approval was given by East Lothian Council to undertake consultations relating to the school estate (i.e. schools, catchment areas, locations) regarding work necessary to inform the emerging Local Development Plan (LDP), where there is likely to be a need for new or re-provisioned facilities, without further reference to or approval by Council, and to report back to Council on the outcomes of such consultations in order that the Council can make a decision on any proposed changes.
- 3.3 In April 2016 East Lothian Council secured funding from the Scottish Government via the Scottish Futures Trust for the replacement of Wallyford Primary School.
- 3.4 The required consultation regarding the relocation of Wallyford Primary School and the proposed change to the Wallyford Primary School catchment area commenced on Tuesday 3 May 2016 and lasted until 12:00am on Thursday 16 June 2016, being a period of six weeks, which also included the minimum 30 school days. This was in line with the Schools (Consultation) (Scotland) Act 2010. Notification of the consultation was given to all statutory consultees prior to the commencement of the consultation. The Consultation Document was published on [East Lothian Council's website](#) and paper copies distributed on Tuesday 3 May 2016.
- 3.5 Representations were sought from statutory consultees and the wider public by the completion of an online questionnaire available on the East Lothian Council Consultation Hub. The Consultation Hub also stored all relevant consultation documentation for public viewing. Paper copies of the questionnaire were also distributed at Council buildings around the Wallyford and Musselburgh area.
- 3.6 Publicity material detailed an East Lothian Council email address and phone number to which representations and any other queries could be submitted.
- 3.7 All submitted representations were analysed by East Lothian Council Officers and were summarised in the Consultation Report (Appendix 1). The Consultation Report, summarising all representations and East Lothian Council's response, was published on the East Lothian Council Consultation Hub on 15 August 2016. This was made publicly available for a period of three weeks, in line with the Schools (Consultation) (Scotland) Act 2010.

### **Summary**

- 3.8 The council received 72 responses to the online questionnaire and a written response from the Parent Council of Wallyford Primary School. Parents were overwhelmingly supportive of the proposal to relocate Wallyford Primary School (88.9% either agreed or strongly agreed). Only a few respondents disagreed with this aspect of the proposal. The majority of stakeholders either agreed or expressed no opinion regarding the proposal to change the catchment area (69.4% agreed, strongly agreed or had no opinion).
- 3.9 A number of common themes emerged from the written and oral responses, and can be grouped as follows:

- Concerns over the proposed site or catchment of the new school
- Pupil transition, continuity of school friendships and minimising disruption
- Difficulty in recruitment of staff for large school
- Environmental impact of large scale housing development
- Concerns about the impact on the Wallyford community, and that the decision is being rushed to meet housing expansion
- Concerns that the consultation outcome is already decided
- A lack of parental choice regarding schools in the area
- Ensuring the wider community can access the facility and gain the intended benefits
- School capacity and size
- Traffic, transport, parking and safer routes to schools

East Lothian Council's response to these themes is detailed in Section 7 of the Consultation Report (Appendix 1).

3.10 In line with the Schools (Consultation) (Scotland) Act 2010, Education Scotland considered the educational aspects of the proposal and submitted a report to East Lothian Council. As part of this consideration, Education Scotland met with children, young people, staff and parents who may be affected by the proposal. The full report from Education Scotland can be found in Appendix 6 of the Consultation Report (Appendix 1). Education Scotland reported the proposal to relocate the school had the potential to bring about a number of educational benefits as set out below:

- The improved facilities will provide more flexible spaces, enhancing opportunities for active, interdisciplinary and outdoor learning.
- A modern learning environment which will provide greater opportunities to develop children's digital skills.
- Children's educational experiences will be enhanced through improved and purpose-built recreation and dining areas.
- Learning spaces which will provide new possibilities for drama and the arts.

3.11 Almost all stakeholders, including parents, children and staff who met with HM Inspectors, reported that they had been kept well-informed and consulted about the proposal. Parents and children who met HM Inspectors expressed their appreciation for the educational service that Wallyford Primary School has provided over the years. Staff and other stakeholders are keen to keep the community feel of Wallyford Primary School as the school grows in size. The community is pleased that the new school will be fully accessible and more inclusive.

3.12 A few parents and representatives of the community raised concerns over

traffic management and safe routes to school. The Education Scotland report stated East Lothian Council should work with stakeholders to address these concerns. The Education Authority is aware of these concerns and will put a range of measures in place to reduce the risks involved in children travelling to and from the school. Safer routes to school will be addressed by direct consultation with pupils and staff at the school, ensuring the necessary interventions are put in place.

- 3.13 The Education Scotland report also referred to a minority who disagreed with the proposed changes to the catchment area citing the negative effect this might have on Sanderson's Wynd Primary School pupil numbers. The impact of the changes to the catchment area have been considered as part of the Council's Local Development Plan. There should be no negative impact on pupil numbers at Sanderson's Wynd Primary School as it is forecast that the roll is set to grow in the coming years due to new housing developments in the Tranent area. In the short term, children and young people in families currently living in the Dolphingstone area can continue attending their current schools as detailed in section 7.2 of the Consultation Report (Appendix 1). This also applies to their younger siblings.
- 3.14 Following receipt of a total of 73 written representations and consideration of oral representations made at a public meeting held during the consultation period, a range of officers from Education, Transport, Planning and Communities and Partnerships, reviewed the proposal. The feedback from the consultation was considered by a range of officers. This ensured that the Council met the requirements of sections 9(1), 12 and 13(3) (b) of the 2010 Act. Officers of the Education Authority have listened carefully to the points made at the public meetings and have considered equally carefully the written representations, including the Education Scotland report. Having reviewed the feedback from consultees, officers conclude that the basis of the original proposal remained the best solution to provide appropriate and effective primary education provision to Wallyford pupils.

## **4 POLICY IMPLICATIONS**

- 4.1 None

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report has been through the Integrated Impact Assessment process and no negative impacts have been identified.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – The capital cost for the new school will be met by East Lothian Council together with funding from developer contributions and a grant from the Scottish Future's Trust. The Council will also incur additional revenue

costs for the operation of the facility in relation to utilities, IT and staffing costs.

- 6.2 Personnel - All staff employed at Wallyford Primary School at the time of completion, will transfer to the new building. New staff posts will be recruited when required following the normal East Lothian Council recruitment procedures.
- 6.3 Other –the new school will provide a significant new facility for Wallyford with provision for community access to the school library and PE facilities. This will allow the existing Wallyford Library to revert to its original use as rental units for retail / commercial use on completion of the new school.

## 7 BACKGROUND PAPERS

- 7.1 Consultation Report on the outcome of the consultation relating to the relocation of Wallyford Primary School and proposed change to the Wallyford Primary School catchment area (Appendix 1).

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**EAST LOTHIAN COUNCIL  
RESOURCES AND PEOPLE SERVICES  
EDUCATION  
CONSULTATION REPORT**

**REPORT ON THE OUTCOME OF THE CONSULTATION RELATING TO THE  
RELOCATION OF WALLYFORD PRIMARY SCHOOL AND PROPOSED CHANGE TO  
THE WALLYFORD PRIMARY CATCHMENT AREA**

**AUGUST 2016**

This Consultation Report has been issued by East Lothian Council in accordance with the Schools (Consultation) (Scotland) Act 2010.

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### **Appendices**

Appendix 1 - Note of public meeting

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Appendix 4 - Response of Wallyford Parent Council

Appendix 5 - Summary of Consultation Responses (Written, e-mail, questionnaires)

Appendix 6 - Education Scotland Report

**EAST LOTHIAN COUNCIL**  
**RESOURCES AND PEOPLE SERVICES**  
**EDUCATION**

This report has been prepared following consultation on the proposal that the Council:

- Relocate the existing Wallyford Primary School to a new site;
- Extend the catchment boundary of Wallyford Primary School to include the houses in the vicinity of Dolphingstone Farm, currently in the catchment of Sanderson's Wynd Primary School;
- Children attending the nursery provision, primary school and Social, Emotional and Behavioural Needs provision will transfer to the new Wallyford Primary School from August 2018, or as soon as possible thereafter.

This proposal also had implications for:

- Sanderson's Wynd Primary School
- Ross High School

Having had regard (in particular) to:

- a) Relevant written representations received by the Council (from any person) during the consultation period
- b) Oral representations made to it (by any person) at the public meeting held on 24 May
- c) Oral representations made to it at the staff drop-in session
- d) Oral representations made to it at the pupil voice session
- e) Education Scotland's report on the proposal

## **1. INTRODUCTION**

1.1 This is a Consultation Report prepared in compliance with the Schools (Consultation) (Scotland) Act 2010 on the above proposal.

1.2 The purpose of this report is to:

- Provide a record of the total number of written responses made during the Statutory Consultation period;
- Provide a summary of the written responses;
- Provide a summary of oral representations made at the public meeting held on 24 May;
- Provide a statement of the Council's response to those written and oral representations;
- Provide the full text of Education Scotland's report and a statement of the Council's response to this report;
- State how the Council reviewed the above proposal following the representations received during the Statutory Consultation period and the report from Education Scotland;
- Provide details of any omission from, or inaccuracy in, the Consultation Document and state how the Council acted upon it; and
- State how the Council has complied with Section 12 of the Schools (Consultation) (Scotland) Act 2010 when reviewing the above proposals.

## **2. BACKGROUND**

2.1 Education Authorities have a statutory duty in terms of the Education (Scotland) Act 1980 to make adequate and efficient provision of school education across their area. This duty applies in respect of both the current school population and anticipated pattern of demand. In addition, Councils have a statutory duty to secure best value in terms of the Local Government in Scotland Act 2003. Most importantly, the Education Authority would wish to optimise the educational experience to ensure:

- East Lothian's young people are successful learners, confident individuals, effective contributors and responsible citizens;
- East Lothian's children have the best start in life and are ready to succeed;
- East Lothian's children experience equality of opportunity within an inclusive educational experience'
- East Lothian's children's care, welfare and personal and social development is central to raising their attainment and achievements; and
- In East Lothian we live healthier, more active and independent lives.

East Lothian Council is committed to raising educational attainment and ensuring that all young people have the best opportunities in life. The educational benefits that will arise from this proposal for children affected or likely to be affected are outlined in the Consultation Document.

- 2.2 The Council must ensure provision can be made for the education of children in its area and must consult on certain changes in such arrangements before it can commit to them.
- 2.3 On 24 February 2015, approval was given by East Lothian Council to undertake consultations relating to the school estate (i.e. schools, catchment areas, locations) regarding work necessary to inform the emerging Local Development Plan (LDP), where there is likely to be a need for new or re-provisioned facilities, without further reference to or approval by Council; and to report back to Council on the outcomes of such consultations in order that the Council can make a decision on any proposed changes.
- 2.4 The 2008 Local Development Plan included provision for a new school in Wallyford to replace the existing Wallyford Primary School with sufficient capacity to accommodate the increased pupil population arising from planned housing developments in the area.
- 2.5 In April 2016 East Lothian Council secured funding from the Scottish Government via the Scottish Futures Trust for the replacement of Wallyford Primary School.
- 2.6 On 26 April 2016, approval was given by East Lothian Council to consult on the proposal to revise the catchment boundaries of Wallyford Primary School, Musselburgh Grammar School, Sanderson's Wynd Primary School and Ross High School.
- 2.7 The relocated Wallyford Primary School and variation in its catchment area will directly affect the following schools and was considered in the Consultation Document:
  - Wallyford Primary School
  - Sanderson's Wynd Primary School
  - Ross High School
  - Musselburgh Grammar School

### **3. CONSIDERATIONS**

- 3.1 The main considerations relating to the relocation of the existing Wallyford Primary School to a new site and variation in its catchment area are fully explained in the Consultation Document and the main points are highlighted below:

- 3.2 The condition and suitability of the establishment to facilitate learning and teaching processes in the 21st Century;
- 3.3 East Lothian Council has secured funding from the Scottish Government via the Scottish Futures Trust for the replacement of Wallyford Primary School;
- 3.4 The need to develop inspirational learning environments which raise the aspirations of children and young people, staff and the wider community;
- 3.5 The increasing pupil roll projection in the area, in relation to the emerging Local Development Plan;
- 3.6 The need to address potential over-capacity in the school estate and create a sustainable school estate for future generations;
- 3.7 Making a clear civic statement about the value the Council places on investing in education and lifelong learning, and provide new education and community provision to the vibrant learning community;
- 3.8 A flexible design that allows creative and multiple use of spaces by the staff and pupils, and also the community. Spaces for learning will be designed in such a way as to allow a range of teaching styles and approaches including: active learning, interdisciplinary learning and outdoor learning.

#### **4. THE CONSULTATION PROCESS**

- 4.1 On 24 February 2015, approval was given by East Lothian Council to undertake consultations relating to the school estate (i.e. schools, catchment areas, locations) regarding work necessary to inform the emerging Local Development Plan (LDP), where there is likely to be a need for new or re-provisioned facilities, without further reference to or approval by Council; and to report back to Council on the outcomes of such consultations in order that the Council can make a decision on any proposed changes.
- 4.2 On 26 April 2016, approval was given by East Lothian Council to consult on the proposal to revise the catchment boundaries of Wallyford Primary School, Musselburgh Grammar School, Sanderson's Wynd Primary and Ross High School.
- 4.3 Notification of the consultation was given to all statutory consultees prior to the commencement of the consultation.
- 4.4 The Consultation Document was published on East Lothian Council's website and paper copies distributed on 3 May 2016 to:
  - Wallyford Primary School
  - Musselburgh Grammar
  - Sanderson's Wynd Primary

- Ross High
  - Wallyford Community Centre
  - Wallyford Library
  - Brunton Hall
  - John Muir House, Haddington
- 4.5 The consultation period commenced on **Tuesday 3rd May 2016** and lasted until 12:00am on **Thursday 16th June 2016**, being a period of six weeks, which also included the minimum 30 school days.
- 4.6 The proposal on which consultation took place was to:
- Relocate the existing Wallyford Primary School to a new site;
  - Extend the catchment boundary of Wallyford Primary School to include the houses in the vicinity of Dolphingstone Farm, currently in the catchment of Sanderson's Wynd Primary School;
  - Children attending the nursery provision, primary school and Social, Emotional and Behavioural Needs provision will transfer to the new Wallyford Primary School from August 2018, or as soon as possible thereafter.
- 4.7 The requirements for consulting on a relevant proposal relating to schools are set out in the Schools (Consultation) (Scotland) Act 2010.
- 4.8 An information leaflet setting out details about the proposal and consultation meetings was issued to the consultees listed in the Consultation Document. Advice on where the complete Consultation Document could be obtained was included and was published on East Lothian Council's Consultation Hub [www.eastlothianconsultations.co.uk/education/wallyford-school](http://www.eastlothianconsultations.co.uk/education/wallyford-school)
- 4.9 If requested, copies of the proposal would have been made available in alternative formats or translated for readers whose first language is not English.
- 4.10 A "Frequently Asked Questions" document was also prepared which was available at the same location on East Lothian Council's Consultation Hub: [www.eastlothianconsultations.co.uk/education/wallyford-school](http://www.eastlothianconsultations.co.uk/education/wallyford-school)
- 4.11 An advertisement was placed in the local newspaper on 5th May 2016 and 19th May 2016. A pre-announcement was also made on the Council's website and social media posts on the 2nd May 2016. In addition, there were announcements related to the Consultation process on East Lothian Council's website, linked via Facebook page and Twitter feeds.
- 4.12 The public meeting was held in **Wallyford Primary School** on **24th May 2016** at **7.00pm**.

4.13 In addition to specific meetings with statutory consultees, drop-in sessions were held in respect of the proposal at the venues listed below, at which any members of the public were welcome to attend:

Venue	Date	Time
Wallyford Primary School	16 May 2016	11:00am – 5:00pm
Brunton Hall	18 May 2016	10:00am – 2:00pm
Pinkie St Peter’s Primary School	19 May 2016	11:00am – 5:00pm
Pinkie St Peter’s Primary School	26 May 2016	5:00pm – 8:00pm

4.14 In accordance with statutory requirements, the following persons were consulted:

- The Parent Councils of Wallyford Primary School, Sandersons’ Wynd Primary School, Musselburgh Grammar School and Ross High School;
- The parents of pupils at Wallyford Primary School, Sandersons’ Wynd Primary School, Musselburgh Grammar School and Ross High School;
- The parents of any children expected to attend Wallyford Primary School, Sandersons’ Wynd Primary School, Musselburgh Grammar School and Ross High School within two years of the date of publication of the proposal paper;
- The pupils at Wallyford Primary School, Sandersons’ Wynd Primary School, Musselburgh Grammar School and Ross High School;
- The staff at Wallyford Primary School, Sandersons’ Wynd Primary School, Musselburgh Grammar School and Ross High School;
- Musselburgh Area Partnership;
- Musselburgh Community Council;
- Wallyford Community Council.

4.15 The following schools are **directly affected** by the proposal:

- Wallyford Primary School
- Sanderson’s Wynd Primary School
- Ross High School
- Musselburgh Grammar School

4.16 Representations were sought from statutory consultees and the wider public in the following ways:

- An online questionnaire on East Lothian Council’s Consultation Hub. The questionnaire asked specific questions and enabled general comments and views to be entered. The Consultation Hub stored all relevant consultation documentation for public viewing;
- Widely distributed paper copies of the same questionnaire, at Council buildings around the Wallyford and Musselburgh area. Sealed boxes were also located at questionnaire distribution points for their return;



- Paper and digital flyers, in addition to the press adverts and Council web and social media announcements linked to the Consultation Hub. These flyers also detailed a specific Wallyford Consultation email inbox, to which any queries could be submitted during the consultation period;
- Flyer distribution to pupils at Wallyford Primary, Sanderson's Wynd Primary, Ross High (a digital version sent to Musselburgh Grammar for distribution). Head Teachers used their established methods of communication to engage/remind parents about the consultation.
- In addition to the public meeting and public drop-in sessions, school staff were invited to attend briefing sessions held at their school to discuss the proposal;
- A representative group of pupils from Wallyford Primary attended a workshop where they were able to express their views on the proposal;
- Meetings held with Wallyford and Sandersons Wynd Parent Councils
- A joint meeting held with Musselburgh, Wallyford and Whitecraig Community Councils

4.17 This Consultation Report is the Council's response to the issues raised during the consultation period on the Consultation Document.

4.18 This Consultation Report will be published for a period of three weeks before a final decision is taken by East Lothian Council on 20 September 2016.

## **5. THE PUBLIC MEETING**

5.1 A public meeting was held in Wallyford Primary School on Tuesday 24 May 2016. Six members of the public attended including three members of the Wallyford Community Council. A full note of the meeting is attached at Appendix 1 which details the questions and issues raised at the meeting. The points raised are addressed within the response to frequently asked questions or within this report.

5.2 Additionally, four drop-in sessions were arranged during the consultation period, enabling any member of the public to ask questions and discuss the proposal, the consultation process and how they could make representations.

## **6. RESPONSES TO THE CONSULTATION EXERCISE**

6.1 The Council received 72 responses to the online and paper questionnaire, and a written response from the Parent Council of Wallyford Primary School. Respondents were overwhelmingly supportive of the proposal to relocate Wallyford Primary School (88.9% either agreed or strongly agreed). Only a few respondents disagreed with this aspect of the proposal (6.9%). The majority of stakeholders either agreed or expressed no opinion regarding the proposal to change the catchment area (69.4% agreed, strongly agreed or had no opinion). Less than a third (30.6%) of respondents either disagreed or strongly disagreed with this aspect of the proposal.

6.2 A summary of all questionnaire responses has been included in Appendix 5. The comments made as part of these questionnaires also form part of Appendix 5, apart from submissions which consultees did not wish East Lothian Council to share publicly. Even if a submission is not shared publicly, it has still informed the response as detailed below.

6.3 A number of common themes emerged from the written and oral responses and can be grouped as follows:

- Concerns over the proposed site or catchment of the new school;
- Pupil transition, continuity of school friendships and minimising disruption;
- Difficulty in recruitment of staff for large school;
- Environmental impact of large scale housing development;
- Concerns about the impact on the Wallyford community, and that the decision is being rushed to meet housing expansion;
- Concerns that the consultation outcome is already decided;
- A lack of parental choice regarding schools in the area;
- Ensuring the wider community can access the facility and gain the intended benefits;
- School capacity and size;
- Traffic, transport, parking and safer routes to schools.

## **7. EDUCATION AUTHORITY RESPONSE TO WRITTEN AND ORAL REPRESENTATIONS**

### **7.1 Concerns over the proposed site or catchment of the new school**

7.1.1 An options appraisal on a number of suitable sites was carried out at an earlier stage in the planning process for this school and the land identified for the new primary school has been approved within the Local Development Plan. The site will be accessible both in public transport and sustainable transport terms. The site is in close proximity to the existing settlement and has the potential for well developed pedestrian and cycle (shared) links connecting onto a wider permeable network.

7.1.2 The school will be located near the geographic centre of its catchment area. It will be at the heart of the growing community, providing a hub for learning, activities and facilities that will make a contribution to improving people's health and wellbeing, adding to the strength and vibrancy of its community. All existing and new housing, will be within two miles of the new school. All pupils will be able to walk, cycle or scooter to school with the subsequent health benefits.

7.1.3 The school and its associated catchment area will meet the requirements of the emerging Proposed Local Development Plan (LDP), which was in turn informed by the Main Issues Report 2014 and the Compact Strategy for housing growth. The Compact Strategy and assessment of sites for the LDP sought to locate housing growth where possible to take advantage of existing infrastructure or areas where additional

infrastructure could be easily provided, to reduce the need to travel, the distance of travel and to be close to public transport links to reduce dependency on private cars.

## **7.2 Pupil transition, continuity of school friendships and minimising disruption**

7.2.1 Wallyford Primary will not be closing. The school and its pupils and staff are all moving to a new building. The school currently has a very good ethos and a strong value system. This allows pupils and staff to build solid relationships with one another. The sense of community and identity which currently exists will continue to be nurtured in a new building which will better meet the social and emotional needs of pupils.

7.2.2 Regarding transition arrangements, pupils currently attending the affected schools will not be significantly affected as the proposed catchment changes will only impact on future intakes, i.e. August 2017 onward. Pupils moving into housing in the Dolphingstone area from August 2017 onward will attend Wallyford Primary School and the associated secondary school. Pupils currently attending Sanderson's Wynd Primary School will have the option to remain at their current school for the remainder of their primary education and transfer to Ross High School for their secondary education if they wish to do so. Pupils currently attending Ross High School will have the option to remain at their current school for the remainder of their secondary education. There may be an effect on children who have a sibling currently attending Sanderson's Wynd Primary School and Ross High School who would, but for implementation of the catchment boundary proposal, be likely to become pupils at those schools. Siblings of children already at the affected schools will have the option to attend Sanderson's Wynd Primary School and Ross High School if they wish to do so.

7.2.3 As part of the transition process into the new building, staff and pupils will have the opportunity to familiarise themselves with the building including social areas, classrooms, play areas, entry/exit points and muster areas. As the locality will have various building works occurring, for example new housing, Transportation Officers at East Lothian Council will be working closely with both staff and pupils to establish how best to put in the necessary interventions to ensure there are safer routes to school.

7.2.4 The current Wallyford Primary School building will be maintained to the current standard whilst the new school is being built.

7.2.5 In a small number of responses, comment is made regarding transitional concerns. These comments relate to the consultation running concurrently with this one, as the statements regarding continuity do not relate to the relocation of Wallyford Primary and the proposed catchment amendment.

### **7.3 Difficulty in recruitment of staff for large school**

7.3.1 Additional staff are being recruited to meet the needs of the school as it continues to grow currently. The Education Department closely monitors school rolls and plans staff recruitment in response to increases in school rolls. Based on current school roll predictions there will not be a significant increase in the school roll at the time of moving to the new site. Therefore East Lothian Council anticipate the need to recruit will be an incremental process reflecting the year by year increase in the school roll. All teacher vacancies will follow the standard East Lothian Council recruitment process.

### **7.4 Environmental Impact of large scale housing development**

7.4.1 Through the statutory Strategic Development Plan, the Council must provide for significant housing growth and allocate a generous housing land supply to provide for it. The housing growth is based on an assessment of housing need and demand and was also subject to the Scottish Ministers requirements. The Proposed LDP will seek to provide an adequate housing land supply based on statutory requirements and assessed housing need.

7.4.2 As East Lothian has a relatively low level of Brownfield land available for redevelopment, consideration has to be given to Greenfield sites. With the Compact Strategy to deliver the most sustainable form of housing growth and meet the requirements of the Scottish Government's Scottish Planning Policy, this has an impact on green belt boundaries.

7.4.3 The LDP and the sites are subject to environmental assessments including a full Strategic Environmental Assessment and Habitat Regulations Appraisal. Details of mitigation will be set out in the Proposed LDP and its supporting documents, due to be published at the end of August 2016.

### **7.5 Concerns about the impact on the Wallyford community, and that the decision is being rushed to meet housing expansion**

7.5.1 It is true that the relocation of Wallyford is, in large part, designed to meet the needs of growing school roll projections for the Wallyford area. The implications for developing a new primary school site in Wallyford, however, has been under active and careful consideration by local authority officers for a number of years. The 2008 Local Development Plan included provision for a new school in Wallyford to replace the existing Wallyford Primary School with sufficient capacity to accommodate the increased pupil population arising from planned housing developments in the area. The consultation of the relocation of the school and the variation of its catchment area complies with the Schools (Consultation) (Scotland) Act 2010. The Council has gone beyond the minimum requirements set out in the Act to consult with all members of the community affected by the proposal.

7.5.2 It is East Lothian Council's view, that there will be significant positive outcomes for the Wallyford Community regarding the new school and community facility. The Council acknowledges the continual engagement of all key community groups to enable the continuation of local traditions, festivities and activities. It is envisaged that such engagement will continue to thrive.

## **7.6 Concerns that the consultation outcome is already decided**

7.6.1 As stated above, the Council has gone beyond the minimum requirements set out in Schools (Consultation) (Scotland) Act 2010 to ensure that views of all members of the community are listened to and are included in this report. The Council believes that the report accurately reflects the views of the community. It is for members of East Lothian Council Education Committee to decide to adopt the proposal, withdraw it or seek to consult on another proposal.

## **7.7 A lack of parental choice regarding schools in the area**

7.7.1 Access to local education via this proposal is the same as access to any other local catchment school in East Lothian. Parents, if they wish can apply to East Lothian Council if they feel their catchment area school does not meet their child's needs. The Council believes, however, that the new school will offer children the opportunity to learn and develop within a state-of-the-art facility which will benefit from modern design and materials. The establishment of a new modern primary school and nursery provision will make a clear statement regarding the value the Council places on investing in education and lifelong learning, and provide a new vibrant learning community.

## **7.8 Ensuring the wider community can access the facility and gain the intended benefits**

7.8.1 The new primary school is firstly an education facility. However, the school is being designed from the outset to make the shared accommodation easily accessible to the community when it is not in use by the school. This is particularly true for the hall which will be capable of being subdivided for use by more than one group at a time and will include changing facilities. It is assumed that community lets would be arranged within existing janitorial resources.

7.8.2 The school already operates a policy of welcoming parents and carers into the school to participate in activities and the location and design of the school library and dining / social area will enhance this. A separate community kitchen / store will also be provided which will support out-of-school use of the facility by the community.

7.8.3 There is no plan to change the current status of the existing Wallyford Community Centre, which will remain.

## **7.9 School Capacity and size**

7.9.1 The new school will have the capacity to meet the future school roll projections for the catchment area. The school's capacity will be continually assessed (as is the case with all schools), in comparison to roll projections from the catchment area it provides for, and all new building which occurs within this area. Any requirements to expand capacity are identified in advance, to enable sufficient planning and extension as required. The school will be constructed, in such a way, to allow any necessary further expansion, but still retain the integrity of the original design. The Council also has control over the rate of house building to ensure all community facilities are adequate to meet the needs of the growing population – and expanded to meet these needs if required. East Lothian has experience with schools of a similar size to the projected peak roll of Wallyford (in excess of 1,100 pupils). The composition of the senior leadership and management team will reflect the size of the school roll ensuring collaborative leadership at all levels. The leadership team will foster collaborative leadership to develop a shared vision for change and improvement which is meaningful and relevant to the context of Wallyford Primary School and its growing community.

## **7.10 Traffic, Transport, Parking and Safer Routes to Schools**

7.10.1 East Lothian Council is aware of the traffic impact on Wallyford and will be undertaking a Transport Appraisal in the context of the Local Development Plan. The Appraisal is to examine the effect of the cumulative impacts from the housing and economic development land allocations in East Lothian on the local and strategic road and rail networks and evaluate the effectiveness of the interventions. A range of measures would be put in place to reduce the risks involved in children and young people travelling to and from school. For example, ensuring that crossing points are in the correct position, reviewing the positioning of school crossing guides and ensuring pedestrians are given priority alongside other safety measures. There will be a series of traffic measures on Salter's Road put in place, and a new distributor is being constructed to divert traffic from the centre of Wallyford. As referred to in 7.2.3 above, Transportation Officers at East Lothian Council will be working closely with both staff and pupils to establish how best to put in the necessary interventions to ensure there are safer routes to school.

7.10.2 Regarding the suggestion for a flyover linking onto the bypass, an intervention of this nature would make the land and housing delivery unviable. There are also technical reasons why this is not feasible; the land needed to construct a flyover is not wholly within the site boundary (i.e. no control of ownership); the flyover would need approval from the trunk road authority and this is unlikely to meet their technical requirements. The flyover would not meet the 5 planning tests under SPP 3/12 i.e. being of scale and kind, so this could not be considered under the plan.

## 8. EDUCATION SCOTLAND REPORT

8.1 In accordance with the Schools (Consultation) (Scotland) Act 2010, a report was produced by Education Scotland on the educational aspects of the proposal. A full copy of the report can be found in Appendix 6.

8.2 In preparing this report, HM Inspectors undertook the following activities:

- attendance at the public meeting held on 24 May 2016 in connection with the Council's proposals;
- consideration of all relevant documentation provided by the Council in relation to the proposal, specifically the educational benefits statement and related consultation documents, written and oral submissions from parents and others; and
- visits to the site of Wallyford Primary School, Sanderson's Wynd Primary School, Musselburgh Grammar and Ross High School, including discussion with relevant consultees.

8.3 The Education Scotland report supports the proposal and is summarised below:

- Education Scotland considers the proposal to relocate the school has the potential to bring about a number of educational benefits. The improved facilities will provide more flexible spaces which will enhance opportunities for active, interdisciplinary and outdoor learning. A modern learning environment will provide greater opportunities to develop children's digital skills.
- Children's educational experiences will be enhanced through improved and purpose-built recreation and dining areas and learning spaces which will provide new possibilities for drama and the arts. The location of the community library and a hub for sporting facilities has the potential to bring benefits to the children, to support the work of the school and make a positive impact on the health and wellbeing of the children and members of the wider community.
- The proposal will assist East Lothian Council to make effective and efficient use of its resources and takes into account expected increases in population in the next ten years.
- Almost all stakeholders, including parents, children and staff who met with HM Inspectors, reported that they had been kept well-informed and consulted about the proposal. Parents and children who met HM Inspectors expressed their appreciation for the educational service that Wallyford Primary School has provided over the years. Staff and other stakeholders are keen to keep the community feel of Wallyford Primary as the school grows in size. The community is pleased that the new school will be fully accessible and more inclusive.

#### **8.4 East Lothian's Response to Education Scotland's Report**

East Lothian Council welcomes the report from Education Scotland and accepts its findings. In response to the findings contained within the Education Scotland Report, East Lothian's response is as follows:

##### **8.4.1 A few parents and representatives of the community raised concerns over traffic management and safe routes to school**

The authority is aware of the concerns in relation to traffic management and safe routes to school. It intends to put a range of measures in place to reduce the risks involved in children and young people travelling to and from school. For example, ensuring that crossing points are in the correct position, reviewing the positioning of school crossing guides etc. There will be a series of traffic measures on Salter's Road put in place and a new distributor is being constructed to divert traffic from the centre of Wallyford. Safer routes to school will be addressed by direct consultation with pupils and staff at the school, ensuring the necessary interventions are put in place.

##### **8.4.2 A minority also disagreed with the proposed changes to the catchment area citing the negative effect this might have on Sanderson's Wynd Primary School pupil numbers.**

The impact of the changes to the catchment area have been considered as part of the Council's Local Development Plan. There should be no negative impact on pupil numbers at Sanderson's Wynd as it is forecast that the roll is set to grow in the coming years due to new housing developments in the Tranent area. Based on the emerging Proposed Local Development Plan, the Sanderson's Wynd roll is projected to increase to a peak of approximately 395 by 2024. In the short term, families currently living in the Dolphingstone area can continue attending their current schools as detailed in section 7.2 above.

#### **9. TRANSITION ARRANGEMENTS**

9.1 Transition arrangements are set out in paragraph 7.2 above. The new school is due to open in the Autumn Term 2018. All pupils will move from the existing site to the new school at the same time. The Local Authority will work with the school community to put in place measures to minimise any potential disruption to the pupils' education.

#### **10. ALLEGED OMISSIONS AND INACCURACIES**

10.1 Section (10) (3) of the Schools Consultation (Scotland) Act 2010 also places a requirement on the Council to provide details of any inaccuracy or omission within the Proposal Paper which has either been identified by the Council or raised by consultees. This section of the 2010 Act also requires the Council to provide a statement on the action taken in respect of the inaccuracy or omission, or, if no action was taken, to state that fact and why.



10.2 At the start of the consultation period the Council omitted Wallyford Community Council from its list of consultees in the original Consultation Documentation. However, the Council had notified Wallyford Community Council of the consultation at the start of the process. The Council has now addressed the omission in the original documentation. Officers of the Council met with Wallyford Community Council as part of the consultation process.

10.3 There were no other areas identified by respondents as being inaccurate or omitted from the Proposal Paper during the consultation period.

## **11. COMPLIANCE WITH SECTION 9(1) OF THE SCHOOLS (CONSULTATION) (SCOTLAND) ACT 2010**

11.1 Section 9(1) of the Schools (Consultation) (Scotland) Act 2010 states that:

*After the Education Authority has received Education Scotland's report, the Authority is to review the relevant proposal having regard (in particular) to:*

- (i) written representations received by the Authority (from any person) during the consultation period,*
- (ii) oral representations made to it (by any person) at the public meeting,*
- (iii) Education Scotland's report.*

11.2 Following receipt of seventy two written representations and consideration of oral representations made at a public meeting held during the consultation period, officers reviewed the proposal.

11.3 The feedback from the consultation was considered by a range of officers. This ensured that the Council met the requirements of sections 9(1), 12 and 13(3) (b) of the 2010 Act.

11.4 Officers of the Education Authority have listened carefully to the points made at the public meetings and have considered equally carefully the written representations, including the Education Scotland report. Having reviewed the feedback from consultees, officers conclude that the basis of the original proposal remained the best solution to provide appropriate and effective primary education provision to Wallyford pupils.

## **12. LEGAL ISSUES**

12.1 The Council has complied in full with the requirements of the Schools (Consultation) (Scotland) Act 2010 throughout this statutory consultation.

12.2 The Council is mindful of its duties in respect of equality and the Equality Impact Assessment did not identify that any parent, child or young person would be treated less favourably as a result of this proposal.

12.3 Under the terms of the Schools (Scotland) (Consultation) Act 2010, it is a legal requirement that the Council should not reach any formal decision without having reviewed the relevant proposal having regard, in particular, to:

- a) relevant written representations received from any person during the consultation period;
- b) oral representation made to it by any person at the public meeting held 24 May
- c) the Education Scotland report;
- d) preparing a Consultation Report; and
- e) waiting until a period of three weeks starting on the day on which this Consultation Report is published in electronic and printed form has expired.

12.4 As it is the intention that this Consultation Report should be published, both electronically and in written form, if required, on 15 August 2016 until 4 September 2016 (inclusive), this meets the statutory requirement to publish this report more than three weeks before consideration of the proposal by the Education Committee.

### **13. PERSONNEL ISSUES**

13.1 No personnel issues have been identified with regard to this proposal. All staff in post at the time will move to the new school when it has been completed.

### **14. ENVIRONMENTAL ISSUES**

14.1 The impacts of the proposals are assessed as set out above and the relevant technical and environmental information will be published alongside the Proposed LDP. The interim environmental assessments, site assessments and other technical documents for the Main Issues Report and draft Proposed LDP are available on the Council's website.

### **15. CONCLUSION**

15.1 The Council now has 3 options to consider, namely:

- a) adopt the proposal;
- b) withdraw the proposal and make no additional provision for school education;
- c) undertake a further consultation exercise on a new proposal.

15.2 In withdrawing the proposal, the Council would be failing to recognise the need for a new school to replace the sub-standard accommodation on the site of the present school. The Council would not be able to accommodate the educational requirements of nursery and primary pupils coming from the agreed housing developments.

15.3 Again, undertaking a further consultation on a new proposal would have a significant negative impact in the medium term on the Council's ability to accommodate the educational requirements of nursery and primary pupils coming from already committed housing developments. The additional future development outlined in the

Proposed Local Development Plan cannot be accommodated in the existing school. Additionally, the funding from Scottish Futures Trust would no longer be secured.

15.4 Education Scotland has identified that the proposal would lead to clear educational benefits for children. This includes providing a high quality learning environment offering greater flexibility for all school activities which is designed to deliver a 21st century education in line with the principles of Curriculum for Excellence.

15.5 If the Council adopts the proposal, it would be on the basis that the educational benefits set out in the Proposal Paper would materialise. There would also be a requirement that close joint planning with parents/carers, staff and pupils is well managed in ways which are supportive to the pupils concerned, and in their long term interests.

15.6 The key issues that have been highlighted during the consultation period are as follows:

- The Council's proposal has been supported by almost all parents/carers and the wider community.
- 6.9% of respondents do not support the Council's proposal regarding building a new school and 20.6% do not support the variation in the Wallyford catchment area . The report from Education Scotland acknowledges that the proposal would lead to clear educational benefits for children attending the new school building.

## **16. RECOMMENDATIONS**

16.1 On the basis of the feedback received and taking account of the educational and social benefits of the proposal, it is concluded that the following proposal is the most suitable option and it is recommended that the Council:

- Relocate the existing Wallyford Primary School to a new site;
- Vary the catchment boundary of Wallyford Primary School to include the houses in the vicinity of Dolphinstone Farm, currently in the catchment of Sanderson's Wynd Primary School; and
- Children attending the nursery provision, primary school and Social, Emotional and Behavioural Needs provision transfer to the new Wallyford Primary School from August 2018, or as soon as possible thereafter.

Fiona Robertson  
Head of Education

August 2016

## Appendix 1: Note of Public Meeting, 24 May 2016

**EAST LoTHIAN COUNCIL**  
**PUBLIC CONSULTATION MEETING**  
**TUESDAY 24 MAY 2016**  
**WALLYFORD PRIMARY SCHOOL**

**PRESENT:**

Fiona Robertson, Head of Education  
Chris Webb, Chair of meeting  
Liz Shaw, Corporate Finance Manager  
Paul Zochowski, Principal Planner  
Jimmy McGuinness, Manager PPP Project  
Peter Forsyth, Road Services Team Manager  
Gary Johnstone, Education Scotland  
Mhairi Stratton, Head Teacher, Wallyford Primary School  
Richard Parker, Education Service Manager  
David Scott, Quality Improvement Officer  
Fiona Brown, Principal Officer, Education Business Unit  
Val McIntyre, Principal Officer, Education Business Unit  
Rob Lewis, Senior Information Officer  
Pauline Smith, Principal Officer, Information and Research  
Calum Murray, Business Support Officer, Education Business Unit  
Councillor Andrew Forrest  
3 members of the public  
3 members of Wallyford Community Council

Chris Webb welcomed everyone to the meeting and introduced the Council Officers present.

Chris Webb introduced himself and outlined the purpose of this evening meeting. The purpose of the meeting is to give the public the opportunity to:

- hear more about the proposal from Council officers
- ask questions about the proposal
- have your views recorded so that they can be taken into account as part of the consultation process.

He also gave a brief outline of the legislative framework within which the council must work.

The Schools (Consultation) (Scotland) Act came into force in 2010 and was amended in

2014. The Act, as amended, has established an open and transparent system for consulting changes to the school estate as proposed by councils. Once a council has taken the decision to consult on a proposal the Act requires all councils to follow the same basic sequence:

- The council had to prepare a proposal paper, including an educational benefits statement and other required information. The council has produced this.
- The council then had to publish the proposal paper, advertise the fact and notify mandatory consultees and Education Scotland.
- The consultation had to run for at least 30 school days and include a public meeting;
- Once the consultation period is over, the council must send relevant papers to Education Scotland. Once these have been received HM Inspectors have three weeks to prepare a report on the proposal and send it to the council.
- Once the council has received the report from HM Inspectors, it has to review the proposal and take account of the report by HM Inspectors and any representations you might make during the consultation period.
- The council must then prepare and publish a final Consultation Report three weeks before the council takes its final decision.

Fiona Robertson explained that this evenings meeting was being held to discuss the relocation of the existing Wallyford Primary School to a new site and extend the catchment boundary of Wallyford Primary School with the transfer of the children from the existing Wallyford Primary School to the new school from August 2018, or as soon as thereafter.

She then went on to explain the background of the consultation:

- The 2008 Local Development Plan (LDP) included provision for a new school in Wallyford to replace the existing Wallyford Primary School.
- Increased pupil population arising from planned housing developments in the area.
- The Council must ensure provision can be made for the education of children in its area and must consult on certain changes in such arrangements before it can commit to them.
- In April 2016, East Lothian Council secured funding from the Scottish Government via the Scottish Futures Trust for the replacement of Wallyford Primary School.
- On 26<sup>th</sup> April 2016, approval was given by East Lothian Council to consult on the proposal to relocate Wallyford Primary School and vary the catchment boundaries of Wallyford Primary School and Sanderson's Wynd Primary School to take account of planned housing developments.

Fiona Robertson presented 2 maps

Included within the proposal:

Map 1 showing the location of the new replacement and variation of catchment area.

Map 2 showing the variation in catchment area for Sanderson's Wynd, this map shows the impact on Sanderson's Wynd Primary School. There's a small area of housing as indicated in section A, this area of housing would be included in the new Wallyford catchment. At the moment there are a few families included in this catchment and they would have the option to remain at Sanderson's Wynd and move to Ross High School, or move to the relocated Wallyford Primary School and the associated secondary school.

Fiona Robertson then outlined the transition arrangements:

- Current pupil roll - proposed catchment changes will only impact on future intakes i.e. 2017 onwards.
- Pupils moving into the Dolphingstone area ("Segment A") from August 2017 onwards will attend Wallyford PS and the associated secondary school.
- Pupils living in "Segment A" and currently attending Sanderson's Wynd PS will have the option to remain at their current school and transfer to Ross High School
- Pupils living in "Segment A" and currently attending Ross High School will have the option to remain at their current school

She then outlined the educational benefits of the new school through:

- Creation of more flexible learning spaces which facilitate and promote co-operative, inter-disciplinary and outdoor learning;
- Improving the social and learning environment for all children; and
- Enabling the full potential of the use of technologies to enhance learning and teaching.

She further advised that:

- The Head Teacher and all teaching and auxiliary staff in post at the point of movement will transfer into the new relocated Wallyford Primary School.
- Staffing arrangements will be consistent with East Lothian Council's staffing standard and other local arrangements taking into account staffing requirements as the school roll rises in the new school.

Fiona Robertson outlined the project timeline

- 2008 Local Development Plan (LDP)
- New Primary Approved
- New Primary and Catchment Area Variation Proposal
- Statutory Consultation
- Final Proposal Paper
- Council Approval
- Transitional and Leadership arrangements
- User Reference Group, which will include parents, community and children
- New Primary School opens August 2018 (or soon thereafter)

Fiona Robertson invited questions from the public.

**Parent asked what the size of the new school will be.**

Jimmy McGuinness advised that the school will have 28 classes and will have the capacity to expand to serve the growing population of Wallyford. The school will also have associated general purpose areas.

**The parent then asked if the school will be open plan.**

Mr McGuinness confirmed that the building will maximise flexibility and will be built in clusters of accommodation with a pre-school cluster, P1-3 cluster and a P4-7 cluster area. All classrooms will have direct access to outside space and internal work spaces. Mr

McGuinness also explained that there will be accommodation at the front of the school which will be available for the community to have access to out with the school day.

**The parent also asked if there were any proposed plans that the public could view.**

Mr McGuinness advised that the plans are under development.

Chris Webb mentioned the User Reference Group and once the consultation is over part of that group would have input to the planning.

**The parent also asked where, in relation to the new primary school, will the new secondary school be.**

Jimmy McGuinness confirmed that the new primary school will not be on the same campus as the new second secondary school but would be adjacent to the school.

**Alastair Hadden from Wallyford Community Council stated that there are 1450 houses proposed for Wallyford with further planned for Section A of the Maps shown. Mr Haddon asked how many houses are planned for this area.**

Paul Zochowski confirmed that section A of the Map being refer to is the Dolphingstone area and there are approximately 600 houses planned for that development.

**Mr Haddon also asked in terms of future house growth will the new school be sized accordingly to accommodate the growing population and have sufficient capacity to expand.** Mr McGuinness explained that they would increase the classes from 28 to 41, based on current knowledge, and that there is scope within the plans to expand.

**Mr Hadden expressed his concern about incorporating the Dolphingstone catchment area when Wallyford is already growing and sought assurance that there will be sufficient facilities available for education for the children moving into the area.**

Paul Zochowski confirmed that in terms of future housing growth, the school will be sized accordingly. Mr McGuinness also advised that the all proposed housing developments have been taken into consideration when projecting the number of classes that Wallyford Primary will have to accommodate.

**Elaine Di Troia a member of the Wallyford Community Council and staff member of Sanderson's Wynd Primary School stated that Sanderson's Wynd is already struggling to fill the vacant Head Teacher post, has empty classrooms and next session will only have 39 nursery pupils in the morning and 12 in the afternoon when the capacity is for 129 nursery pupils. Elaine expressed her concern that members of staff within Sanderson's Wynd are being redeployed and asked why the authority is relocating the Dolphingstone catchment area.**

Fiona Robertson explained that the recruitment process for a new head teacher is under way. In relation to relocation of staff, unable to comment on this other than at times staff are redeployed particularly when school rolls change.

**Elaine Di Troia then asked that when the catchment area is changed, does that mean that no one from Dolphingstone can attend Sanderson's Wynd and what will happen to the school roll at Sanderson's Wynd.**

Fiona Robertson explained that parents will have the option to attend Sanderson's Wynd through making a placing request, otherwise they will attend Wallyford Primary School. Ms

Robertson also explained that the Information and Research Team within East Lothian Council look at projections and trends to make sure that all school rolls are viable.

In session 2015/16, Sanderson's Wynd operated with 14 classes P1 – 7 for 366 pupils (census 2015). For session 2016/17 the school will again operate with 14 classes for projected 368 pupils.

**Scott Allan from Wallyford Community Council asked if there had been any decision made on what will happen to the old school once the new school is in place and what is East Lothian Council's proposal for this site.**

Paul Zochowski advised that no decision had been made on what the site will be used for and would be subject to allocated policies in the Local Development Plan.

**Mr Allan then asked if this was shown on the new development plan.**

Mr Zochowski advised that it will be but that this was not available as yet.

**Mr Allan was concerned that the old school site would be a proposed site for further housing development. Mr Allan also stated that there was not a lot of information regarding what new facilities will be provided for the community.**

Mr Zochowski confirmed that the new facilities will include a new centre, which was included in the master plan for the new Wallyford area adjacent to the new primary school and this will include some retail facilities and other town centre type uses, such as a clinic or small shops.

**Mr Allan wanted to clarify how much of a change will there be to the master plan, as there is already an improved master plan and proposed plans for a new secondary school. He also raised concerns and sought assurance that Wallyford will have everything it required to function as a community of that size.**

Mr Zochowski advised that if the decision for a new secondary school goes ahead, there will have to be changes to the proposed area and these would have to come through an amended new planning application for what is being proposed.

**Mr Allan enquired about the proposed indicative cost of the new primary school and asked if the cost of the school is rising based on the school increasing from 28 to 41 classes in the future. Mr Allan mentioned that the Scottish Government have allocated funds for education as well as developer contributions, however the developer contributions will have been based on the 1450 houses but if the new second secondary school goes ahead, the developer contributions would come down as the number of houses will be reduced.**

Liz Shaw advised that the cost of the new school is estimated at £19 million in the first stage and is likely to rise by a further £7 million. Liz also confirmed that developers will pay for additional cost if the costs are directly related to the building of houses in the area.

**Mr Allan stated that the new school will have a new library, is the proposal to close the existing library and relocate it.**

Mr McGuinness confirmed that this would be the case.



**Mr Allan then asked if there was any proposal to relocate the Community Centre or will it be part of the facilities for the new schools.**

Mr McGuinness was unable to answer this question as this will be part of the consultation going forward with the User Reference Group. Liz Shaw advised that all disciplines within the council are getting together to look at the overall draft LDP to look at community facilities to see if they are sufficient for the needs of the community or if they need to be expanded as a result of the LDP.

**Mr Allan also stated that there are 400 houses proposed for Dolphingstone and asked that if the LDP does not go forward would the authority still go forward with including Dolphingstone in the Wallyford Catchment area.**

Fiona Robertson advised that she was not able to answer regarding the LDP but confirmed that the inclusion of the Dolphingstone area would go ahead irrespective of the development going ahead.

**Mr Allan mentioned that in respect of Community Council Wards, Dolphingstone is under Tranent Community Council and not Wallyford and asked if there was a proposal to change the Community Council boundary as part of the catchment area boundary and as part of the Ward area boundary changes.**

Fiona Robertson highlighted that not all Ward boundaries are aligned by school boundaries. She advised that it is not about separating communities but communities coming together and working together.

**Mr Allan stated Community Council's receive an allotted fund from East Lothian Council. The Dolphingstone site has 600 houses and those funds would go to Tranent Community Council not to Wallyford.**

Fiona Robertson advised that this is not something she could answer.

**A Member of Wallyford Community raised concerns about facilities such as the library moving to the opposite end of Wallyford. Many older residents will find it difficult to get to the new facilities.**

Liz Shaw explained that part of the work that is going on will be looking at the overall area and what facilities the community will need as a direct result of the new builds. It was highlighted that the User Reference Group would have input into this.

**Mr Hadden from Wallyford Community Council raised concerns regarding the safety of Salters Road and safe access for children getting to school.**

Chris Webb highlighted that safe routes to school is a big priority nationally.

Peter Forsyth advised that the authority are aware of the issues and is working with the developers. Mr Forsyth went on to explain that they are looking at proposed signalised crossings and will have control of school drop off times and how this works. They are also looking at measures to control movement of vehicles and trying to encourage walking to school. There will be a series of traffic measures on Salters road, distributed roads and measures on new infrastructures.

**Mr Haddon agreed that it was good that everyone is encouraged to walk or cycle to school, however highlighted that children still have to cross Salters Road. The only 2**

**proposed crossing points are at The Loan and the industrial estate road and nothing in between.**

Mr Forsyth explained that they look at where people want to cross and make sure that crossing points are in the correct position. There will also be school crossing guides that can be redeployed if necessary. Mr Forsyth was in agreement that safe crossing points are necessary to get people from the North side of Wallyford to where the new school will be.

Chris Webb highlighted that a part of the User Reference Group will be to consider safe routes to school as well as the consultation on the design and layout of the new school.

**Mr Haddon explained that as a community they are looking for assurances on where exactly the safe crossings will be provided and the timescales for this.**

Mr Forsyth assured that they are looking at various traffic calming measures and priority will be given to pedestrians.

**Mr Allan asked when it was likely that the building work will start and what is the contract period for the new school. He also asked when the User reference Group would be set up and who will be on the User Reference Group.**

Jimmy McGuiness explained that they are looking at 18 month construction period and starting in early 2017.

**Mr Allan then asked about the tendering process.**

Mr McGuiness advised that it is a Hub managed project, so they will be project managing the project on behalf of the council. They will take forward all tender action that is required and detailed design and contract documents.

**Mr Allan asked if there would be sufficient time to take this forward.**

Mr McGuiness agreed that it will be a tight timescale.

With regards to the User Reference Group, Fiona Robertson advised the need to get to a point where we have a detailed specification before opening up discussions in relation to the interior of school. Fiona Robertson also advised that members of the User Reference Group have not yet been nominated.

**Mr Allan asked if there is an application for planning required for a council building such as a primary school.**

Paul Zochowski confirmed that there is a planning application required.

Chris Webb drew the meeting to a close and thanked everyone who attended the meeting and outlined the next steps in the process. Gary Johnstone, Education Scotland will visit school to speak to staff, parents and children about the proposal, he will then prepare a report within 3 weeks for the Council that will comment largely on the education benefits but also pick up on any significant issue that they feel the Council should address. Upon receipt of this report the Council has to produce a final Consultation Report, there is no specific timescale on this report but must be published 3 weeks before a decision is made.

**Appendix 2: Note of staff drop in session**

**CONSULTATION ON THE RELOCATION OF WALLYFORD PRIMARY SCHOOL AND PROPOSED CHANGE  
TO WALLYFORD PRIMARY SCHOOL CATCHMENT AREA**

**STAFF CONSULTATION**

**WALLYFORD PRIMARY SCHOOL STAFF**

**TUESDAY 14 JUNE**

David Scott provided an outline of both consultations to the staff present.

Questions?

Q - What will happen to the current Wallyford PS site?

A – No decisions have been made on the use of the current Wallyford Primary School site.

### **Appendix 3: Note of Pupil Voice session**

#### **CONSULTATION ON THE RELOCATION OF WALLYFORD PRIMARY SCHOOL AND PROPOSED CHANGE TO WALLYFORD PRIMARY SCHOOL CATCHMENT AREA**

##### **STUDENT CONSULTATION**

##### **WALLYFORD PRIMARY SCHOOL PUPILS 2 PUPILS FROM EACH YEAR GROUP**

#### **WHAT DO YOU THINK ABOUT THE PROPOSAL AND IF YOU THINK IT'S A GOOD IDEA WHY?**

- Brilliant because we need new stuff
- Things are starting to get old in the school
- Toilets need updating
- Good – new school needed

#### **WHAT ARE THE ISSUES WITH THE CURRENT SCHOOL?**

- No dining hall – have to have lunch in the gym hall. Sometimes have to stand and wait until a seat is available.
- Playground needs to be bigger
- Cloakroom too small
- People can climb over the gates
- Feels like the playground is closed in
- Younger pupils and older pupils in the same playground at break times, younger pupils get hurt.

#### **WHAT'S THE BEST THING ABOUT WALLYFORD PRIMARY SCHOOL?**

- Teachers are very good and supportive
- Football pitches

#### **WHAT WOULD YOU LIKE TO SEE IN YOUR NEW SCHOOL?**

- Better school dinners – like input into menu's
- Bigger and better dining hall
- Bigger classrooms
- Bigger playground
- Separate dining hall and gym hall
- Games room
- More decoration on the walls – different colours that the pupils can help paint
- More playground equipment, slide, monkey bars
- Trampoline
- Soft sitting area outside to read
- Better football pitch (Astro)
- Bigger library with new books

#### **WHAT DO YOU WANT TO KEEP FROM THE OLD SCHOOL?**

- Keep Team Wallyford – sense of belonging
- The teachers
- School trips
- Whiteboards, ipads, netbooks
- Keep the same classes
- Football pitch
- Friends
- Containers to keep all the playground stuff in
- All the work that has been displayed on the walls
- Keep the Rainbow Room – would be difficult for the children who currently use it to be in the classrooms all the time
- Drama shows
- Soft Start
- Class Dojo
- Scooter parking
- Fresh start – for pupils with dyslexia
- Swimming lesson and skiing lessons

#### **HOW DO YOU FEEL ABOUT MOVING TO THE NEW SCHOOL?**

- Scared
- Good
- Confused about where everything will be
- Might get lost
- Happy
- Will be strange because we have been in this school for a long time
- Nervous – not know everybody who will be at the school

#### **HOW DO YOU FEEL ABOUT THE SIZE OF YOUR NEW SCHOOL?**

- Might be lots more classes
- Could be too big

#### **HOW DO YOU FEEL ABOUT YOUR NEW PRIMARY SCHOOL POSSIBLY HAVING A SECONDARY SCHOOL ADJACENT TO IT?**

- Think it will be good
- Good if you have younger brothers and sisters as they will be close
- Would like secondary school to be separate – will be a separate school
- Won't have far to walk when going to secondary school

#### **THERE WILL BE THE OPPORTUNITY TO ACCESS SOME OF THE NEW FACILITIES WITHIN THE SCHOOL OUTWITH THE SCHOOL DAY EG SPORTS HALL/LIBRARY ETC IS THIS SOMETHING THAT YOU WOULD LIKE TO BE ABLE TO DO?**

- Yes would like to do this

## Appendix 4: Response of Wallyford Parent Council

Wallyford Primary School Parent Council  
c/o Wallyford Primary School  
29 Salters Road  
Wallyford EH21 8LB

### Response to proposal for a new primary school in Wallyford

As a parent council we have sought to gather responses to the proposal for a new primary school in Wallyford from as many parents and carers in the school as we can. We have engaged with people through social media, groupcalls (school text message service) and conversations. Following a discussion at our parent council meeting (1st June) we decided to meet parents coming into the school on Friday mornings and for P1 transition events. By this method we managed to get direct responses from 30 people.

From the information gathered and among our parent council there is unanimous, wholehearted support for the proposal. Parents and carers know only too well the limitations of the current building, not only in its present condition but also in the lack of space to accommodate the anticipated influx of people to the village.

Discussions with parents centred around when the transition might happen, whether there would be sufficient time for staff to transfer everything across and how disruption can be kept to a minimum for staff and children.

Some parents want reassurance that there will be safe routes to school. Some of the current routes to school are deemed unsafe for some parents and it would seem appropriate to ensure that these be made safe even before the new school is built as these would continue to be needed after the transition.

There was consensus among parents that the current building requires proper maintenance until the transition to the new school occurs. While we look forward to seeing our kids move to the new premises we want to know that in the couple of years before that happens the council will not neglect the necessary upkeep of the environment in which they are currently being educated.

A couple of parents raised questions about the role and function of Wallyford Community Centre and whether that would change with the plans to create a 'community hub' within the new school building.

As a parent council we support the proposal for a new primary school in Wallyford. I believe this is a view shared across the wider parent body.

Yours sincerely,

(Chair, Wallyford Parent Council)

## Appendix 5: Summary of Consultation Responses (written, e-mail, questionnaires)

- 72 Questionnaire responses in total – answered online and on paper

Q1: To what extent do you agree/disagree with the new school to replace the existing school?

Response	Individual Responses	Group Responses	% of Total
Strongly Agree	47		65.3 %
Agree	16	1	23.6%
No Opinion	3		4.2%
Disagree	0		0%
Strongly Disagree	5		6.9%
<b>TOTAL</b>	<b>71</b>	<b>1</b>	<b>100%</b>

Catchment of respondents who agreed or strongly agreed:

Catchment	Number of Responses	%
Wallyford	51	79.7%
Sanderson's Wynd	3	4.7%
Other	9	14%
Don't know	1	1.6%
<b>TOTAL</b>	<b>64</b>	<b>100%</b>

Catchment of respondents who disagreed or strongly disagreed:

Catchment	Number of Responses	%
Sanderson's Wynd	1	20%
Other	3	60%
Don't know	1	20%
<b>TOTAL</b>	<b>5</b>	<b>100%</b>

For pupils and parents of pupils living in the Wallyford catchment area who would be impacted directly by the new school (ie are currently no older than of primary age):

Response	Number of Responses	%
Strongly Agree	38	80.9%
Agree	9	19.1%
No Opinion	0	0
Disagree	0	0
Strongly Disagree	0	0
<b>TOTAL</b>	<b>47</b>	<b>100%</b>

For pupils and parents of pupils living in the Sandersons Wynd catchment area who would be impacted directly by the new school (ie are currently no older than of primary age):

Response	Number of Responses	%
Strongly Agree	1	33.3%
Agree	1	33.3%
No Opinion	0	0
Disagree	0	0
Strongly Disagree	1	33.3%
<b>TOTAL</b>	<b>3</b>	<b>100%</b>

**Q2: To what extent do you agree or disagree with the proposal to extend Wallyford's catchment boundary?**

Response	Individual Responses	Group Responses	% of Total
Strongly Agree	15		20.8%
Agree	20		27.8%
No Opinion	15		20.8%
Disagree	8	1	12.5%
Strongly Disagree	13		18.1%
<b>TOTAL</b>	<b>71</b>	<b>1</b>	<b>100%</b>

Catchment of respondents who agreed or strongly agreed:

Catchment	Number of Responses	%
Wallyford	30	85.7%
Sandersons Wynd	1	2.9%
Other	4	11.4%
<b>TOTAL</b>	<b>35</b>	<b>100%</b>

Catchment of respondents who disagreed or strongly disagreed:

Catchment	Number of Responses	%
Wallyford	8	36.4%
Sandersons Wynd	3	13.6%
Other	9	40.9%
Don't know	2	9.1%
<b>TOTAL</b>	<b>22</b>	<b>100%</b>

For pupils and parents of pupils living in the Wallyford catchment area who would be impacted directly by the catchment amendment (ie are currently no older than of primary age):

Response	Number of Responses	%
Strongly Agree	12	25.5%
Agree	16	34%
No Opinion	11	23.4%
Disagree	5	10.6%



Strongly Disagree	3	6.4%
<b>TOTAL</b>	<b>47</b>	<b>100%</b>

For pupils and parents of pupils living in the Sanderson's Wynd catchment area who would be impacted directly by the catchment amendment (i.e. are currently no older than of primary age):

Response	Number of Responses	%
Strongly Agree	1	33.3%
Agree	0	0
No Opinion	0	0
Disagree	0	0
Strongly Disagree	2	66.6%
<b>TOTAL</b>	<b>3</b>	<b>100%</b>

**Questionnaire Comments:**

Of the 72 responses, 20 declined permission to publish their comments. However, their representations have been taken account of and responded to in this Final Consultation Report. The summary of comments below, were made from the remaining 52 responses who gave permission to share their comments.

<b>Further comment(s) on the proposal</b>
The housing being built in wallyford is huge and schools and traffic management are our bug concern.
I believe that the new houses at Prestonfields should be in the catchment area. It's closer than the proposed boundaries out to Tranent, and I do not feel that the primary schools now in Prestonpans can cope with the increase in new housing!
Well there really is only one, if you are not Catholic. This is a very limiting choice on parents.
The current school is in dire need of serious work to update it to reflect the needs of a modern education establishment. The promise of a replacement school has always been the local authority excuse for not maintaining the school beyond the bare minimum. For instance the nursery kitchen does not have a dedicated sink for food preparation or hand washing and again the "new school coming soon" excuse has been rolled out. Even without the proposed expansion of the village Wallyford is still in need of a new school.
At the moment Sanderson's Wynd has relatively low pupil numbers across the board whereas other schools in the area are to capacity. I think we need to adjust the catchment areas to address this by including some areas in Sanderson's catchment that are currently windygoul particularly if the houses at dolphinstone are to be included in the wallyford catchment.
The proposed change of boundary doesn't affect us so I do not mind a change of catchment.

<p>A new primary school is well overdue in Wallyford. The existing school is far too small now.</p> <p>Extending the catchment area makes no difference to my family so I have no opinion on it. As long as the new school is big enough for the number of children in the catchment area then there should be no issues.</p>
<p>As a new primary school is so overdue, the opportunity is there to increase capacity so it makes sense to extend the catchment which eases the pressure on other schools.</p>
<p>I agree that wallyford require a new school, the school at present is not fit for purpose and is too small for the pupils that need to attend. I like it being a small school as it has a great community feel but with the new houses being built something needs done with the influx of children I just hope the new school still keeps its community feel.</p>
<p>The new catchment area again it's just about worrying about the size of the school and if there's space etc as already in the wallyford catchment area there is already a lot of children plus the new houses and extending the catchment area.</p>
<p>As there are quite a large number of houses being built in Wallyford so the new school will already be busy and finding a place in the Wallyford school will be challenging.</p>
<p>It is good that a new school is being built to replace the existing building, but a 900 pupil school is too big for a Primary school. Including areas towards Prestonpans again causes problems with transportation in an area which will see a big increase in movement of traffic.</p>
<p>There are difficulties at present recruiting Head teachers for smaller schools would it not be more difficult to recruit for a much larger school. Staffing consideration and the managing of such a large school causes more stress levels.</p>
<p>My concerns are over the timing of the build of both the new primary and secondary schools which could result in my child attending 4 different school buildings over 4 years which is incredibly disruptive to their education and any teachers knowing the pupils properly.</p>
<p>63D states that the new school will be a community hub for learning, activities and facilities. I am concerned about the current Wallyford Community Centre and that this will pull away needed resources for the centre, staff, janitorial staffing and finances that are necessary to continue to develop the program that can be offered there. Is the current Wallyford Community Centre going to suffer as a result of the ideas and input into the new Primary School?</p>
<p>63D. How will this affect the current ELC policy to not allow East Lothian Primary Schools to be used out of hours for community activities. There has been reluctance to allow external partners in Wallyford Primary School to 'let' the building, even though willing to pay sufficient to cover costs</p>
<p>We really need a fit for purpose school building that supports excellence in education of young people and involvement with the local community</p>

<p>One the strengths of Wallyford Primary is the community feel across the school which is due to its smaller size. The village is already expanding exponentially &amp; we are excitedly apprehensive about what that will look like &amp; the effect it will have on our community. The proposed school will rightly cater for a much larger number than the present. My fear is that the extended catchment boundary includes land that will eventually contain many more houses which will make Wallyford Primary one of the biggest primary schools in Scotland.</p>
<p>I would like to know more info about how those children already in the school system will be supported during the school transfer.</p>
<p>I believe that the proposals to introduce a new primary school and also a new secondary school to Wallyford are long overdue. The area is being increased in size and population and as such definitely requires both schools.</p>
<p>I think all the new houses will cause traffic congestion in Wallyford. They don't even have a doctor there. Very sad that more so called 'green belt' is being lost. I don't think this consultation will change anything as you have made the decisions anyway.</p>
<p>This consultation should have been done years ago as it is clear that everything has already been decided. The publics viewpoint won't make the least bit of difference so this consultation is POINTLESS!</p>
<p>The villagers in Wallyford will be swamped with houses and traffic and their traditions like Gala Day and the xmas lights procession will disappear.</p>
<p>The green belt means nothing anymore - all the fields were used for agriculture around Wallyford. Why Blindwells land is not used is questionable along with the Goshen area which is never used for agriculture.</p>
<p>Wallyford is being overdeveloped. Their small village streets can hardly cope already with this. Why can't the Council get it together and develop Blindwells?</p>
<p>What's wrong with developing Blindwell's? There will be no villages left soon! This development is far too large.</p>
<p>Why should a child who could walk to a local secondary school in Tranent have to travel on a bus to get to another school in another town?</p>
<p>Silly question - who would not want a new school in their area! Sanderson's Wynd PS in not full. Empty classrooms and not enough children attending nursery. What are the Council going to do about that. Windygoul is very full. The traffic situation in Wallyford is shocking at peak times. The proposed ring road around this huge development will only cause terrible traffic jams with cars trying to enter or leave the new housing area. The entrances/exits are far to near the Strawberry Corner roundabout and half way up the hill leading to the traffic lights at the top at the other side. A flyover straight onto the bypass would have been a much better solution. This catchment change is simply to allow the develop to cram in as many houses as he can.</p>

Needs modernisation. Safer routes to school. These need to be in place before building starts for security of current students.

Need new school. Not enough space at present time. Run down.

## Appendix 6: Education Scotland Report

### Report by Education Scotland addressing educational aspects of the proposal by East Lothian Council to relocate Wallyford Primary School and consult on changes to the catchment area.

#### 1. Introduction

1.1 This report from Education Scotland has been prepared by HM Inspectors in accordance with the terms of the *Schools (Consultation) (Scotland) Act 2010* and the amendments contained in the *Children and Young People (Scotland) Act 2014*. The purpose of the report is to provide an independent and impartial consideration of East Lothian Council's proposal to relocate Wallyford Primary School and consult on changes to the catchment area. Section 2 of the report sets out brief details of the consultation process. Section 3 of the report sets out HM Inspectors' consideration of the educational aspects of the proposal, including significant views expressed by consultees. Section 4 summarises HM Inspectors' overall view of the proposal. Upon receipt of this report, the Act requires the council to consider it and then prepare its final consultation report. The council's final consultation report should include a copy of this report and must contain an explanation of how, in finalising the proposal, it has reviewed the initial proposal, including a summary of points raised during the consultation process and the council's response to them. The council has to publish its final consultation report three weeks before it takes its final decision. Where a council is proposing to close a school, it needs to follow all legislative obligations set out in the 2010 Act, including notifying Ministers within six working days of making its final decision and explaining to consultees the opportunity they have to make representations to Ministers.

#### 1.2 HM Inspectors considered:

- the likely effects of the proposal for children and young people of the school; any other users; children likely to become pupils within two years of the date of publication of the proposal paper; and other children and young people in the council area;
  - any other likely effects of the proposal;
  - how the council intends to minimise or avoid any adverse effects that may arise from the proposal; and
  - the educational benefits the council believes will result from implementation of the proposal, and the council's reasons for coming to these beliefs.
- 1.3 In preparing this report, HM Inspectors undertook the following activities:
- attendance at the public meeting held on 24 May 2016 in connection with the council's proposals;
  - consideration of all relevant documentation provided by the council in relation to the proposal, specifically the educational benefits statement and related consultation documents, written and oral submissions from parents and others; and

- visits to the site of Wallyford Primary School, Sanderson's Wynd Primary School, Musselburgh Grammar School and Ross High School, including discussion with relevant consultees.

## **2. Consultation Process**

2.1 East Lothian Council undertook the consultation on its proposal(s) with reference to the *Schools (Consultation) (Scotland) Act 2010* and the amendments in the *Children and Young People (Scotland) Act 2014*.

2.2 The public consultation period ran between 3 May and 15 June 2016. The council posted the consultation document on its website. Information leaflets and paper copies of the consultation were made available at 18 locations throughout the communities. The council made suitable arrangements to gather the views of children currently attending Wallyford Primary School about the proposal. The council placed advance notice of a public meeting in the local newspaper. The public meeting on 24 May 2016 was attended by officers from the council, a local councillor, three members of the public and three members of the Wallyford Community Council.

## **3. Educational Aspects of Proposal**

3.1 It is the view of HM Inspectors that the proposal to relocate the school has the potential to bring about a number of educational benefits. The improved facilities will provide more flexible spaces which will enhance opportunities for active, interdisciplinary and outdoor learning. A modern learning environment will provide greater opportunities to develop children's digital skills. Children's educational experiences will be enhanced through improved and purpose-built recreation and dining areas and learning spaces which will provide new possibilities for drama and the arts. The location of the community library and a hub for sporting facilities has the potential to bring benefits to the children, to support the work of the school and make a positive impact on the health and wellbeing of the children and members of the wider community. The proposal will assist East Lothian Council to make effective and efficient use of its resources and takes into account expected increases in population in the next ten years.

3.2 The council received 72 responses to its online questionnaire and a written response from the Parent Council of Wallyford Primary School. Parents were overwhelmingly supportive of the proposal to relocate Wallyford Primary School. Only a few respondents disagreed with this aspect of the proposal. The majority of stakeholders also agreed with the proposal to change the catchment area. Children were keen to have better places to play and learn outdoors and better facilities in classrooms and learning areas.

3.3 Almost all stakeholders, including parents, children and staff who met with HM Inspectors, reported that they had been kept well-informed and consulted about the proposal. Parents and children who met HM Inspectors expressed their appreciation for the educational service that Wallyford Primary School has provided over the years. Staff and other stakeholders are keen to keep the community feel of Wallyford Primary as the school grows in size. The community is pleased that the new school will be fully accessible and more inclusive.

3.4 A small number of concerns were raised relating to both aspects of the proposal. A few parents and representatives of the community raised concerns over traffic management and safe routes to school. A minority also disagreed with the proposed changes to the catchment area citing the negative effect this might have on Sanderson's Wynd Primary School pupil numbers.

3.5 Helpfully, the council has provided re-assurance to parents of children living in the Dolphinstone area with regard to the continuity of their children's education. The council has made it clear that children currently attending, and any future siblings of those currently attending, Sanderson's Wynd Primary School and Ross High School will have the right to attend these schools in the future.

3.6 At the start of the consultation period the council omitted Wallyford Community Council from its list of consultees in the original consultation proposal documentation. The council had notified Wallyford Community Council of the consultation. The council has now addressed the omission in the original documentation. Officers of the council met with Wallyford Community Council as part of the consultation process. In its final consultation report, the council will need to set out the actions it has taken to address this omission.

#### **4. Summary**

East Lothian Council's proposal to relocate Wallyford Primary School and make changes to its catchment area has the potential to deliver clear educational benefits for children and the local community. The improved accommodation and facilities will bring about an enhanced environment for learning for children attending Wallyford Primary currently and in the future. In its final consultation report, the council will need to set out the actions it has taken to address the omission notified to it. In taking forward the proposal, East Lothian Council should work with stakeholders to address their concerns over safe routes for walking and traffic management in the area.

**HM Inspectors  
Education Scotland  
June 2016**





**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

**BY:** Chief Social Work Officer

**SUBJECT:** Annual Report of the Chief Social Work Officer 2015/16 **7**

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## **1 PURPOSE**

- 1.1 To provide Council with the Annual Report of the Chief Social Work Officer (CSWO) 2015/16 on the statutory work undertaken on the Council's behalf. The report also provides Council with an overview of regulation and inspection, and significant social policy themes current over the past year.

## **2 RECOMMENDATIONS**

- 2.1 Council is asked to note the 2015/16 Annual Report of the Chief Social Work Officer.

## **3 BACKGROUND**

- 3.1 The requirement that every local authority should have a professionally qualified CSWO is contained within Section 45 of the Local Government (Scotland) Act, 1994. The particular qualifications are set down in regulations. This is one of a number of officers, roles or duties with which local authorities have to comply. The role replaced the requirement in Section 3 of the Social Work (Scotland) Act, 1968 for each local authority to appoint a Director of Social Work.
- 3.2 This report is prepared in line with the guidance on the role of the CSWO published by the Scottish Government in 2011 – 'prepare an annual report to the local authority on all the statutory, governance and leadership functions of the role'.
- 3.3 The CSWO Advisor, in consultation with CSWOs, the Care Inspectorate, ADSW and the Scottish Government, created this template for the annual CSWO report. This template is designed to create parameters around the information provided. It does not ask for new information to be produced but is designed to draw out key information in a more focussed way and to create a more analytical and reflective report.

- 3.4 Restructuring within the Health and Social Care Partnership is making progress, with senior managers now in place. This provides the basis for all areas to review service delivery under their designated remit and assess how integration can help improve this. We want to learn from innovative and effective practice and incorporate this, where appropriate, to enhance the service we provide within East Lothian.
- 3.5 The workforce remains highly skilled and trained. This enables us to meet registration requirements and highlights the commitment we have in relation to maintaining the high standards we expect from the Council and the Partnership.
- 3.6 We are performing well in all areas. Our Performance and Quality Indicators Framework is helping to inform our quality assurance principles.

#### **4 POLICY IMPLICATIONS**

- 4.1 The attached CSWO report highlights the extensive work that social work is involved with in East Lothian. There have been a number of improvements made to service delivery alongside cost saving measures. However, as demands on all services increase, alongside dwindling budgets, future discussions regarding service priorities will be challenging and difficult.

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – none
- 6.2 Personnel - none
- 6.3 Other – none

#### **7 BACKGROUND PAPERS**

- 7.1 CSWO Annual Report 2015/16 attached as an appendix.

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<b>DATE</b>	13 <sup>th</sup> October 2016



**EAST LOTHIAN COUNCIL**  
**CHIEF SOCIAL WORK OFFICER ANNUAL REPORT**  
**2015-2016**

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**Fiona Duncan**  
**Chief Social Work Officer**  
**East Lothian Council**

## **1. Summary Reflections - Key challenges and developments during the past year**

2015/16 was a year of significant achievement and change in social work services in East Lothian.

### Integration

Integration of Health and Social Care governance and strategic planning was achieved under the East Lothian Integration Joint Board which was formally established in July 2015.

Integration of the management of social work and health services took a major step forward as one Head of Service took responsibility for social work and NHS Lothian services for younger adults and children and another Head of Service took responsibility for older people's social work, NHS Lothian hospital services and primary care.

### Children's Services

Following our community planning joint inspection of services for children in 2014, a new three year Children and Young People Services Plan was developed and approved following a major community and multi-agency engagement exercise; a further refresh of the plan will be made from 2017 under new obligations in the Children and Young People (Scotland) Act 2014. A new community planning framework was introduced during 2015-16, seeing the achievement of improved outcomes for East Lothian's children and young people become the responsibility of our Resilient People Partnership through a new Children's Strategic Partnership.

Children's Services also made progress with implementation of Self Directed Support for children and young people with a disability. New SDS assessment and support planning tools have been developed to support this work giving families more choice and control over the care and support their children receive.

### Older People

In Older People's services the Joint Strategic Inspection found many strengths in social work and NHS Lothian services with some joint services such as the East Lothian Service for Integrated Care of the Elderly (ELSIE) being praised highly. This service also featured in the 2016 Audit Scotland Report on examples of innovation in integration.

The partnership also launched the development of a strategy to remodel older people's day care with an emphasis on early intervention and prevention and providing more personal care. Dementia Friendly East Lothian launched in North Berwick in 2015, supported by Housing and Customer Services.

The partnership made significant progress in reducing delayed discharges from hospital, achieving a historic low number of 14 delays in July 2015. This was achieved through close partnership working and an innovative use of new funding in social care and health.

### Adults

In adult services significant progress was made in providing accommodation in the community for adults with complex needs through joint work with Housing colleagues to provide adapted housing in major private sector developments. This enabled the partnership to provide more appropriate care and to achieve discharges from hospital. More work is needed to build on this and in 2016/17

we will deliver a strategic overview of the future housing with care needs for all client groups which will then lead into delivery projects.

In addition, a programme to re-commission £17.5m of home care provision was initiated. This will deliver new models of care for all client groups focusing on self directed support and personal budgets. It will also free capacity to address gaps in provision.

### Criminal Justice

Within Criminal Justice, the abolition of Criminal Justice Authorities in April 2017 and introduction of the new model for Community Justice in Scotland is a significant change within the whole arena of criminal/community justice. The National Strategy for Community Justice provides a shared vision for community justice in Scotland. It sets out the main priorities for achieving this vision with evidence-based improvement actions to make progress against the community justice outcomes set out in the OPI Framework. This will help partners collaborate effectively to drive improvement through an approach which is both outcomes-focused and evidence-based. There is a statutory duty on partners to have regard to this strategy while preparing their community justice outcomes improvement plans.

In Criminal Justice an innovative work programme carrying out unpaid work in NHS Hospital grounds was launched in partnership with NHS Lothian.

### Public Protection

The East Lothian and Midlothian Public Protection Committee, overseen by our Critical Services Oversight Group (Chaired by Council Chief Executive), successfully completed its first full year of operation across the priority child and adult protection, violence against women and girls, offender management and drugs and alcohol public protection workstreams; embedding the statutory requirements of the Child Protection Committee and Adult Protection Committee into its work. This joint working and co-location of partners in the arena of public protection has brought significant improvements and efficiency to bear in our collaborative working across all public protection matters.

[http://emppc.org.uk/file/Public Protection front page/EMPPC - Annual Report 2015-16 - 07-10-16 v1.pdf](http://emppc.org.uk/file/Public%20Protection%20front%20page/EMPPC%20-%20Annual%20Report%202015-16%20-%2007-10-16%20v1.pdf)

### Workforce

The development of the social care workforce is central to continuing to deliver high quality services. During 2015/16 investment was made in supporting staff in a number of areas including: medication policy training in home care, SDS training for all staff, "Playing to Your Strengths" development programme for managers, wide engagement in development new structure proposals, and hosting of SW student placements.

### Engagement

Our work in partnership with young people continued to develop, with the introduction in May 2015 of our Champion's Board, for age 14-25 care experienced young people, with senior officers from the community planning arena accepting 'Ambassador' roles working with our young people to service drive improvements in areas of importance to them e.g. housing, employability etc. In partnership with Life Changes Trust, the Champion's Board won a £225K investment to support their 3-year work programme.

The Council continued service user and carer engagement on charging issues through the establishment of a group to review charges. The group will seek to revise the charging policy against the latest COSLA guidance and look to client review processes linked to charging, including financial assessment and billing, to again improve the client / carer experience of and involvement in charging.

There was a widespread consultation on the East Lothian Health Social Care Partnership Strategic Plan which involved contributions from social care staff, health staff, provider organisations, service user groups and carers groups. There was also agreement on a new planning group structure to support the work as detailed in the strategic plan action plan.

There has been wide stakeholder consultation on the provision of day services for older people with a view to increasing scope of service provision in day centres.

The CSWO and social work colleagues have been involved in wide public consultation relating to the new East Lothian Community Hospital.

### Challenges

These achievements and many others were delivered despite some significant challenges. Reducing budgets and increasing volumes and levels of need across all social work provision continued to be a key issue and this is likely to continue for the foreseeable future. This will require some difficult choices to be made in the coming years.

A significant challenge for Children's Services is that of increasing capacity in local care provision for foster care. During 2015/16, the use of external residential and external foster care placements increased to help cope with demand. This has resulted in a significant increase in costs. Recruitment drives are ongoing encouraging local residents to step forward as care providers and join our carer cohort.

Secure and external residential educational placements for young people with complex need (Additional Support Needs and Social Emotional Behavioural Needs) e.g. autism related challenging behaviour, remain challenging. Exit strategies and transitions into adult services are proving to be complex to determine given the limited local capacity of services and partners to provide appropriate care and education and onward to independent/semi-independent living settings for such young people.

The service provision landscape for older people remains challenging with fragility in the care home and care at home sectors.

## **2. Partnership Structures/Governance Arrangements**

### CSWO Arrangements

During 2015-16, significant progress was made in relation to the Health and Social Care Partnership structure with consequences for CSWO governance arrangements.

The first stage involved the merging of the Heads of Service posts for Adult and Children's Wellbeing – into the post of Head of Child and Adult Services. From April 2016 onwards, reporting to the Director of the Health and Social Care Partnership, are the Head of Older People and Access and the Head of Child and Adult Services; providing leadership and management to the full range of health and social care services remitted to the Council and NHSL for provision under the Public Bodies (Joint Working) (Scotland) Act 2014. The East Lothian Health and Social Care Partnership was formally instituted in July 2015. At this stage in the restructuring, the CSWO role was placed at Service Manager level. The Acting CSWO continued in this role.

Since April 2016, significant progress has been made in relation to management structures with the second stage now achieved. One consequence of this has been the siting of the CSWO position alongside the Group Service Manager post for Adult Statutory Services, reporting directly to the Director of Health and Social Care. Work is currently being carried out on governance and clear reporting mechanisms, with CSWO attending key strategic, management and practitioner meetings e.g. Council Management Team, Committees, Operational Management Teams, etc.

Within ELC, the CSWO sits on the Public Protection Critical Services Oversight Group (CSOG) which consists of Chief Officers of both East Lothian Council and Midlothian Council. During 2015 and 2016, CSOG undertook self-evaluation with specific focus on Leadership. From this, an action plan was put in place to improve communication and engagement with the workforce, as well as ensuring self evaluation and scrutiny is embedded within this group's vision for the strategic plan.

Arrangements remain in place for formal monthly meetings with the Chief Executive and weekly meetings with Cabinet Members for Child and Adult Services and senior managers in Health and Social Care. Informal meetings/discussions are encouraged as and when issues arise.

### Integration

During 2015-16, the East Lothian Integrated Joint Board (IJB) was established and held its first meeting on 1 July 2015. The IJB has responsibility for setting the strategic direction as to how Health and Social Care services will jointly work together to deliver health and social care services for adults and NHS services for children.

The Strategic Plan for the IJB was developed and consulted upon widely during 2015-16 and was formally adopted by the IJB from 1 April 2016. It sets out the wider strategic direction for the Health and Social Care Partnership for 2016-2019, with resources delegated from this date by the Council and NHS Lothian to the IJB to deliver the approved functions which are set out within the Scheme of Integration. The establishment of the IJB and in particular the formal adoption of the Strategic Plan will change the way in which services across Adult Health and Social Care in East Lothian will be delivered, and in turn how resources are allocated. Part of this process is the establishment of new integrated management and operational structures, which will allow joint

planning of services in local areas to deliver shared goals, better experiences and better outcomes for the citizens of East Lothian.

The CSWO is a non-voting member of the IJB. Being able to inform and influence the IJB ensures that the most vulnerable in society, who are often a minority in the population, are not ignored or excluded from strategy and policy decisions. As we move forward with the Health and Social Care Partnership, the IJB will drive forward the Strategic Plan for services within the county and the CSWO is able to actively participate in and influence the strategic discussions and decisions that are made now and in the future.

### Community Justice

During 2015-16, Community Justice and the new delivery model has been driven forward within the council. A reducing re-offending group – chaired by the CSWO – has focussed on the key tasks. It was agreed that within the Council, a Reducing Reoffending Board would sit alongside the Safe and Vibrant Partnership, which is part of East Lothian's Community Planning Partnership. This Board will have governance over community justice within East Lothian following its creation early in 2016.



### 3. Social Services Delivery Landscape

#### Population

Although the population of East Lothian is relatively small (101,360 in 2013), it is forecast to grow by 23.3% between 2012 and 2037. During these years, the number of people aged over 65 is forecast to grow by 72.2%, with the number of 0-15 year olds to increase by 27.5%.

Population growth and demographic change is likely to generate different needs and pressures within communities. For example, increasing numbers of houses that are suitable for older people living alone will have to be provided and accommodation in the community will be required for adults with a disability. The increase in the younger age groups will also increase demand on children's services with, for example, increased demand for care placements.

Whilst East Lothian has lower levels of deprivation than most local authorities in Scotland, there are some areas which fall within the most deprived 20% of areas in the country. These areas tend to be concentrated on the west of the county (Musselburgh, Prestonpans, Wallyford and Tranent), with small pockets in Haddington and Dunbar.

[http://www.eastlothian.gov.uk/downloads/file/9816/east\\_lothian\\_profile\\_summary](http://www.eastlothian.gov.uk/downloads/file/9816/east_lothian_profile_summary)

#### Delayed Discharge

East Lothian has historically had a relatively high level of delayed discharge from hospital. In 2015/16 this improved substantially reaching an all time low of 14 delays in July 2015. Recent difficulties with care homes and home care capacity have seen this figure rise again over the 2016 summer months. As the population increases and ages it will be necessary to work with both external providers and internal services from both health and social care in new and innovative ways to release capacity to reduce delays.

#### Drugs and Alcohol

Issues around the use and misuse of alcohol and drugs affects all communities with for example, levels of hazardous drinking linked to East Lothian's more affluent areas. However, it is in our most deprived communities where the impact of the misuse of alcohol and drugs is greatest with levels of admission to a general hospital with an alcohol related diagnosis 8 times more frequent for individuals living in the most deprived areas compared to those in the least deprived areas.

#### Children's Services Delivery

Children's Services has 167 full-time and part-time staff, working in Randall House, Macmerry, alongside several 3<sup>rd</sup> sector partners e.g. Children 1<sup>st</sup>. It also operates two children's residential units known as Lothian Villa, with placements for 12 young people and one children and family centre, Olivebank, with placements for 45 children. Children's Services has recently become part of the East Lothian Health and Social Care Partnership along with Health Visiting and School Nursing.

All of our work is linked to the wellbeing indicators which are part of Getting it Right for Every Child (GIRFEC) and focus on appropriate levels of intervention and an inclusive approach. We also use the Signs of Safety practice model as an approach to work with our families where significant concerns have been identified and need to be discussed in an honest and open way.

A regular monthly children's services performance report is produced which is shared with partners giving statistical information, data trends and service highlights. In addition, key outcomes are also recorded and monitored in line with the Children and Young People Services Plan which links to the East Lothian Single Outcome Agreement. This affords partners an evidence base on which to focus their work, for example, the Musselburgh Total Place: Family Focus Pilot, which stemmed from an analysis of outcomes for children county-wide informed by the Children's Services voluntary and statutory intervention geographic performance data e.g. incidence of staged assessment and intervention and child protection processes.

[http://www.eastlothian.gov.uk/downloads/file/11075/east\\_lothian\\_children\\_and\\_young\\_peoples\\_plan\\_2016-19\\_summary\\_version](http://www.eastlothian.gov.uk/downloads/file/11075/east_lothian_children_and_young_peoples_plan_2016-19_summary_version)

Children's Services give partnership funding to a number of Third Sector Agencies to allow them to provide services to vulnerable families and young people. These agencies include: Children 1<sup>st</sup>, Circle, Who Cares?, Places for People, Homestart, Aberlour Child Care Trust, Action for Children, Children's Hospice Association Scotland, East Lothian Special Needs Playscheme, Scottish Adoption Association and St Andrew's Children's Society. In addition, the local Third Sector Interface, STRiVE, contribute in partnership to achieve the outcomes in the Children's Services Plan.

Children's Services obtain feedback from users and clients which is used to look at developing and improving our services and use the Golden Rules for Participation (Children and Young People's Commissioner for Scotland) across all our work. Our Foster Carer community regularly contribute to service development fora. Our looked after young people complete Viewpoint online questionnaires to be able to effectively share their experiences of care provision, with year on year feedback improvements being evidenced.

In 2015-16 Children's Services had over 900 allocated cases which meant that one East Lothian child in every 25 (aged 0-18) had an involvement with the service. The Contact Centre received over 6000 calls in relation to vulnerable children. There were 2848 referrals during 2015-16, equating to 55 per week. The majority of referrals were received from the Police, with the towns of Musselburgh and Tranent being the largest sources.

Between 31/3/15 and 31/3/16 the number of looked after children increased slightly from 219 to 224, a rise of 2.3%. The rate per 1000 population (0-17) stood at 10.5 compared to a national rate of 15.1, which reflects the support and early intervention approach the service has worked hard to develop.

During the same period the number of children on the Child Protection Register rose from 25 to 30, a 20% increase. This equates to an East Lothian rate of 1.3 per 1000 (0-15) population set against a national rate of 3.2.

There has been a significant attempt to increase the number of Local Authority Foster Carers in East Lothian. Placements for older children and sibling placements are rare and as a consequence the Authority has been forced to look to external placements in greater numbers than at any other time. East Lothian has 90 children and young people in foster care and approximately 17% are with external providers.

[http://www.eastlothian.gov.uk/downloads/file/11577/fostering\\_and\\_adoption\\_annual\\_report\\_2015](http://www.eastlothian.gov.uk/downloads/file/11577/fostering_and_adoption_annual_report_2015)

### Adult and Older People's Service Delivery

Adult and Older People's services has around 600 staff employed in various locations. This includes staff directly providing services in care homes, home care, day services and staff responsible for assessment and other areas such as public protection, client review, mental health, substance misuse, commissioning and contracting etc.

In 2015-16, these services received an average 582 referrals each month compared to 642 in 2014/15. An average of 208 assessments were completed each month, compared to 223 in 2014/15. An average of 12 carers assessments were completed each month, compared to 14 in 2014/15.

The service provided ongoing care at home for clients aged 65+ , on average, to 1123 clients per month, compared to 1150 clients per month in 2014/15. For the under 65 year old client group, 399 clients received care at home per month, compared to 406 clients per month in 2014/15.

During 2015-16, adult services experienced levels of demand for care at home services which could not be met; at 31 March 2016, 931 hours of unmet client need existed. This exemplifies the work underway to develop the care at home provider market and local workforce capacity.

Self Directed Support Assessments completed per month during 2015-16 averaged 42, compared to 20 in 2014-15. The expectation is that assessments will increase year on year.

Although the numbers of clients receiving Care at Home has fallen slightly over the last couple of years, the average hours provided per person per week has risen from 27.4 to 30.0 for under 65s and from 9.65 to 10.0 for over 65s. This suggests that we are targeting those more in need.

Also, the Balance of Care figure (which is a well established measure) has remained steady at over 40.0% for a couple of years, with the Scottish average being around 35%. This figure is the proportion of over 65 clients receiving intensive care at home rather than being in a nursing or residential home setting thus allowing people to stay in their own homes for longer.

The Council directly provides 100 residential care home places in three care homes, Crookston in Tranent, Eskgreen in Musselburgh and Abbey in North Berwick. In addition NHS Lothian provides 20 step down care places for older people in Crookston Care Home.

The Council provides day support for adults with complex needs in three day centres, Tynebank in Haddington, Fisherrow in Musselburgh, and Port Seton Day Centre, in addition to purchasing a wide range of day time support in other forms.

Adult and Older People's services commission £17.5m of care at home services and £10m of residential care services through contracts with external providers in the third and independent sectors.

In 2015/16 there was a degree of stability in these sectors in East Lothian which allowed the number of delayed discharges to reduce significantly. However, there is also a fragility in these sectors which can affect service delivery at short notice. This includes private sector care homes that encounter service quality issues and care at home providers that have significant recruitment problems. The care at home sector is also vulnerable to changes in business structure including mergers and acquisitions. Managing these issues can be resource intensive. The progress made

nationally in 2015/16 towards agreement on the payment of the Living Wage in these sectors is welcome.

Adult services changed its approach to monitoring performance during 2015/16 and there is now a weekly key data summary that allows management to track measures that affect operational performance. This is supported by a larger monthly data report that tracks a wider range of measures. This also allows the service to liaise closely with the finance function to better understand monthly finance out-turns and predict full year performance.

## 4. Finance

### 2015-16 Financial Performance – Health and Social Care Partnership

The total approved budget for the Health and Social Care Partnership (covering both Children and Adult Services) in 2015-16 was £58.502 million. Of this, £12.664 million was allocated to Children Services with £45.838 million for Adult Services.

In 2015/16, both service areas continued to face significant financial pressures largely as a result of increasing service and demographic demands. Recognising the extent of the financial pressures, both Children and Adult Services were identified as “high risk” to overspend during the 2015-16 year and recovery actions and additional financial controls were introduced by management to mitigate the extent of these financial pressures.

Despite this, during the year, the Children’s Service delivered an overspend of £0.072m. This was largely resulting from an increased number of placements within secure accommodation and residential schools outwith the East Lothian area, with significant financial pressures on external fostering and adoption payments caused predominately as a result of reduced capacity to deliver these services within the East Lothian area.

Adult Services delivered an operational overspend against budget in 2015/16 of £1.207m. Most of the financial pressures were as a result of a increased packages of care across many of the main client groups. In particular, the over-65s, individuals with Learning Disabilities and Mental Health care needs.

### Financial Challenges 2016 and Beyond

The Council’s Financial Strategy sets the overall financial direction for the Council, with the current strategy covering the period from 2016 to 2019. The strategy has continued to serve the Council well in recent years where services have been redesigned to ensure they continue to meet the needs and requirements of the East Lothian community, within the resources which are available. However, many significant financial challenges still lie ahead of us, coupled with the anticipation that the prolonged period of financial austerity measures across the public sector will largely continue. Developing future sustainable operating budgets within a reduced cost base remains a critical balancing component in order to meet new cost and demand pressures emerging across a wide range of service areas.

East Lothian Council area has a growing population, and by 2037, the Council is set to have the highest percentage change in population across Scotland. Given this, there remains significant demographic pressure on both Adult and Childrens services to deliver increased packages of care within a finite level of resources and therefore the requirement to secure improved ways of working and related efficiencies is critical.

In addition, there remains a wide range of legislative and contractual commitments within both service areas which will significant financial impacts including; the delivery of new duties within the Children and Young People’s Act, and commitments relating to the costs associated with delivering the National Care Home Contract Uplift and Living Wage across the Care Sector. It is therefore important that such new burdens are adequately reflected within the annual finance/grant settlement. The East Lothian Integration Joint Board became fully operational in

April 2016, and it will be necessary to recognise the role of the IJB in budget setting as well as the challenges and opportunities that will arise through closer alignment of both Health and Local Authority budgets.

It remains clear however, that the ability to maintain services and deliver the required outcomes for individuals within an environment of reduced resources and increasing demands will be challenging for the foreseeable future. The establishment of the Health and Social Care Partnership will take us a step closer, working in partnership and with our communities, to embed new ways of working which should divert significant financial resources away from expensive bed based models into community based services, at the same time ensuring the outcomes for the community of East Lothian are delivered.

## 5. Service Quality and Performance

### Children

Within Children's Services, there have been no large-scale inspections this year. Our individual regulated service inspections continue to maintain and improve on their high standards, e.g. our Young People's Residential Service gained three out of four ratings of "Excellent" during the year. The Olivebank Children's Centre had gained 4 out of four gradings of excellent the previous year.

Children's Services successive employee engagement surveys show that Children's Services staff have a positive attitude towards their work. 96% of staff feel their work is interesting and uses their skills and capabilities. 96% of staff feel that they know how their job / individual objectives contribute to the objectives of the Council and 96% of staff feel that their team has a good team spirit.

### Older People

From June to October 2015, the Care Inspectorate and Healthcare Improvement Scotland carried out a joint inspection of health and social work services for older people in East Lothian. The inspectors met with older people and carers, several hundred staff, read file records in both sectors, and many other documents relating to service delivery.

The Joint Inspectors assessed over 9 quality indicators. The inspection outcomes were favourable with good progress being made in relation to the Health and Social Care Partnership. Of these indicators, 3 were rated 'good' with the remaining 6 as 'adequate'. 10 recommendations for improvement were made. The inspection report, published in May 2016, can be accessed at [www.careinspectorate.com](http://www.careinspectorate.com).

Since this inspection, a draft Improvement Plan and progress reporting is overseen by the Head of Older People and Access, engaging with the Care Inspectorate to evidence developments and progress made.

Overall, the inspection was a positive experience which also highlighted the progress we are making with regards the partnership. However, the inspection was hugely time consuming and, for some staff, brought a significant amount of additional work. Whilst we welcome inspections, the number of, and intensity of, have major consequences for the workforce.

There were several other regulatory inspections within Older People's services in 2015/16 including care homes and home care. The Council's newest care home, Crookston, in Tranent, experienced its first care inspectorate inspection in July 2015. Grades of 5 were received across the board.

The older people's day centres programme is aiming to encourage early intervention and prevention in all centres by developing them as health and social care centres and community hubs, providing more integrated service links to both social work and health services and community based partner 3<sup>rd</sup> sector and voluntary organisation. This challenges and creates opportunities for us to enable a shift in the balance of care with greater focus on supporting people in their communities close to their home. This is in line with the Scottish Government's

priority of shifting the balance of care. As part of this strategy all day centres were supported to become registered providers and some began the registration process in 2015/16.

### Adults

There were inspections of day services and the adult placement service with positive findings with many areas of high quality service identified. Some areas for improvement were highlighted and these were addressed.

During 2015-16, the commencement of re-commissioning of care at home began with the intent of making a significant shift away from paying providers by the hour to provide care at home, with a move towards establishing a personal budget for the client. This would be costed around the individual assessment which helps inform the support plan, where personal outcomes are the focus of what needs to be achieved. This very much embraces personalisation and SDS.

The project will pilot new models of service delivery, including Neighbourhood Networks, which enables a person to become part of a group of service users in their immediate community and relies on peer support with minimal staff input. This helps develop independence as well as combating social isolation. The work will also plan how to support people differently at night through the greater use of Technology Enabled Care.

### Mental Health

In Mental Health the key strategies which have provided the framework for mental health work in East Lothian have been the *Mental Health Strategy for Scotland 2012-2015*, *A Sense of Belonging: A Joint Strategy for Improving the Mental Health and Wellbeing of Lothian's Population 2011-2016* and the *Suicide Prevention Strategy, Scotland 2013-2016*. Consultation is currently taking place in relation to a new Scottish Mental Health Strategy.

How we support those in emotional distress and crisis has been recognised as a priority need through the national agendas. Front line staff in social work teams, reception staff and finance teams have shared concerns about lacking confidence and skills in how they could support people who contact them in significant distress, sometimes considering suicide. A working group was set up to consider how we address this locally and through monies allocated to this work from the Mental Health Innovation Fund, CHANGES in Musselburgh (a resource which supports adults with mental health concerns) has completed a comprehensive scoping exercise which will inform how this work is progressed. This work is very near completion and from the sharing of its content to date, it is anticipated that themes to improve our responses will include training for front line staff; development of peer support work responses; out of hours phone line support; improved protocol with GPs and better signposting to services and supports, through new GP Practice Link Workers.

### Self-Evaluation

Social work services are part of the Council's improvement process – HGIOC (How Good Is Our Council) which creates an annual tracked improvement plan.

### Public Protection

The MAPPA Thematic Review reported in 2015 with positive comments. The review did not identify separate local authorities, but praised Lothian and Borders for its effective multi-agency working.



Within public protection, the Performance and Quality Improvement sub-group, of the East Lothian and Midlothian Public Protection Committee, led the development of the Performance Framework which was implemented in April 2015, providing the framework for self-evaluation, audit and scrutiny of all partnership work relating to public protection, and to child and adult protection in particular. The Performance Framework was reviewed in January 2016. The data from this framework is helping to ask the 'so what?' question in relation to outcomes. What we are achieving and how we are helping people in their lives, is now the main focus.

### Complaints and Compliments

During 2015-16, 69 complaints were received about social work services:

- 23 were dealt with at Stage 1 (directly at point of service)  
(18 - Adults, 5 – Children)
- 46 were dealt with at Stage 2 (formal investigation and response)  
(33 – Adults, 13 – Children)
- 2 complaints progressed to the Complaints Review Committee (CRC)

Stage 1 issues tend to be limited to lack of contact / communication concerns. Stage 2 issues tend to be more complex.

In terms of Adult Services, complaints range over a variety of services including OT assessments; OT equipment supply; SDS payments, and conduct / decisions taken by staff.

In terms of Children's Services, there would appear to be no common trend other than disputed decisions taken by social workers in terms of contact from family members and disputed decisions taken in relation to the care of the children concerned.

Of the stage 2 cases:

- 9% fully upheld
- 39% partially upheld\*
- 52% not upheld

Complaints can result in a service improvement. As a result of a recent CRC complaint case, Adult Wellbeing have agreed to review the information/guidance provided to families with regards to the assessment process for admittance of a family member to a care facility. It became apparent that the guidance is not sufficiently informative or helpful.

In relation to compliments, 83 compliments were received and of these:

- 33% were for standard of care in Crookston/Abbey/Eskgreen older people residential care facilities
- 25% were for Community Care (Care at home) staff.

## 6. Delivery of Statutory Functions

### Public Protection

The East and Midlothian Public Protection Office (EMPPO), (supporting the East and Midlothian Public Protection Committee: EMPPC), includes officers from adult support and protection, child protection, and the domestic abuse service. This team is co-located with the local Police Scotland Public Protection Unit and Midlothian and East Lothian Drug and Alcohol Partnership. The primary aim of the team is to work in a more integrated way to strengthen practice and generate operational gains across the whole public protection arena.

Committee structures were also streamlined, and EMPPC was established in July 2014 incorporating the duties and functions of the Adult Protection Committee, Child Protection Committee, Offender Management Committee and Violence Against Women Partnership and to ensure robust links with Midlothian and East Lothian Drug and Alcohol Partnership (MELDAP). This was the first such committee in Scotland to be established in this way.

In addition there is a joint East and Midlothian Critical Services Oversight Group (CSOG) which brings together both local authority Chief Executives and senior managers from all partner agencies to oversee the delivery of public protection arrangements.

Activities delivered by the EMPPO include Community and Agency staff public protection awareness raising, education and risk management initiatives, specific initiatives to address identified harm to groups – e.g financial harm, sexual exploitation and investigation and protection planning. A range of policies and procedures have been developed and / or refreshed to apply across both East Lothian and Midlothian.

The main benefits and impacts identified are:

- Taking a “Lifespan” approach to protection issues
- Putting the person at the centre of the process and looking at the situation with a wider lens
- Sharing staff capacity resulting in a broader more flexible base
- Reducing duplication of effort
- Achieving more effective and efficient processes
- Reducing overall costs.

The EMPPC oversees a Performance and Quality Improvement Sub-Group which has developed a public protection performance framework which came into operation in April 2015. This provides performance and quality data indicators to inform self-evaluation and quality assurance audit and scrutiny activity across the public protection framework. The first annual report of the East Lothian and Midlothian Public Protection Committee is publicly available, reporting on this performance framework.

### Children’s Services

In 2015/16 service performance data shows that there were 2,848 referrals to Children’s Services. This equates to 55 referrals per week. The 2015/16 figure was 12.6% lower than 2014/15 but 0.2% higher than 2013/14. Despite the drop from last year, the overall trend is an upward one

with nothing to suggest that the increasing population and Benefit Reform will do anything other than add to demand. The 2014 mid year population estimate showed that on average in Scotland, 20.5% of the population is aged 0-18. In East Lothian this figure is 22.1% meaning a skewed distribution towards this age group. 50% of all referrals during the year came from the west of the county. Whilst this information does not necessarily tell us anything new, it does remind us of the need to target resources based on empirical evidence, as is the intent in our Musselburgh Total Place: Family Focus Pilot.

The number of allocated children’s cases at March 2016 was 902, a record number for Children’s Services. Two years ago the total was 697, i.e. almost 30% increase. This has led to an average caseload of 17.1 which is a significant increase on eighteen months ago when the average was 13.7; staffing levels have not increased but our ways of working have improved. A high volume of this work attributes to early intervention and prevention activity, embedding our signs of safety practice model and approach into working with children and families, containing and collaboratively managing risks through voluntary rather than statutory measures.

Child Protection

At the end of 2015-16, 30 East Lothian children (representing 17 families) were on the Child Protection Register; a rate per 1,000 (0-15) population of 1.6. This compares very positively to a national rate per 1,000 of 3.2. 33% of cases on the Register related to children below 12 months old, or pre-birth.

The East Lothian Looked After population of children and young people at the end of 2015/16 comprised 224 as follows:

<b>March 2016</b>	Number	Monthly Change	Annual Change	Rate per 1,000*	Scotland Rate per 1,000*
Home Supervision	60	7	6	2.8	4.0
Foster Care	93	-1	2	4.4	5.6
Formal Kin Care	48	3	1	2.3	4.0
Residential Care	23	-1	-4	1.1	1.4
(Secure Accommodation = 2)					
<b>Total</b>	<b>224</b>	<b>8</b>	<b>5</b>	<b>10.5</b>	<b>15.1</b>

This is the largest number of looked after population in East Lothian since June 2009 when the total was 230. Whilst this number is high for East Lothian, it is still well below the Scottish average rate of 15.1; East Lothian’s rate per 1,000 (0-17 population) is 10.5. A rise of 7 in the number of children and young people on a home supervision requirement has brought the total to 60. This means that 73.2% of Looked After Children are accommodated away from home which is slightly less than the Scottish average of 74.5%.

The number of children and young people in Formal Kinship Care has risen to its highest ever total of 48. If this is combined with children and young people who are with Informal Kin Carers, the total surpasses 100. The national Kinship Care ‘parity model’ was introduced in October of last year.

Informal Kinship care includes non looked after children, who live in an informal kinship care arrangement. These children may be subject to a Section 11 of the Children (Scotland) Act 1995 or may be living in a completely private arrangement with extended family, with no local authority involvement at all. Scotland has recognised the important role played by kinship carers in providing secure, stable and nurturing homes for children and young people when they are no longer able to live with their birth parents. Despite the record number in Formal Kin Care, the rate per 1,000 of 2.3 in East Lothian is still well below the national average of 4.0.

Placement Moves for Looked After and Accommodated Children (LAAC) are a key indicator for the service, being closely linked to positive outcomes and general wellbeing. The average number of placement moves for all LAAC has fallen from 2.1 to 1.8 at the end of March 2015 i.e. in 2 years.

Accommodation Type	Average number of Placements	Annual Change
Foster Care	1.9	0
Formal Kin Care	1.3	-0.1
Residential Care	2.6	-0.6
All LAAC	1.8	-0.2

Children’s Services submits annual financial and performance indicators in relation to the services we provide as part of the Local Government Benchmarking Framework. The 2014/2015 (i.e. most current data available) national indicators published in spring 2016 show that East Lothian Council’s spend on children and families social work equated to £609 per head of 0-17 population in 2014/15. National spend on children and families social work in 2014/15 was £856 per head of 0-17 population. Taking account of the better than national average performance levels delivered within the service, as outlined above, at lower than national average spend, this gives evidence to the successful approaches in practice adopted within Children’s Services in East Lothian.

#### Adult and Older People’s Services

2015-16 saw 2 Large Scale Inquiries take place, involving 2 external care agencies. The multi professional dimension of these investigations has improved as we develop new ways of integrated working.

The Adult Services SDS team continued to develop SDS practices in order to improve outcomes for clients with individual budgets and ensure efficiencies regarding direct payments.

Engaging with key partners continues to be a focus of activity. For example, co-working with Transport services to improve the organisation, systems and delivery of transport services to adult clients.

A full review of current Adult Support and Protection (ASP) operational processes has begun to specifically look at the client journey, duplication of tasks for front line staff and introducing quality audit processes to ensure clients and workers are both protected in the process. Work is also underway to explore how the Signs of Safety practice model deployed in Children and Family Services could be implemented in Adult Services.

East Lothian’s commitment to the Scottish Appropriate Adult Network continues, as there is a real challenge to deliver training for staff to increase our pool of Appropriate Adults. We are currently in discussion with West Lothian to join together to pool resources.

### Mental Health (Care & Treatment) (Scotland) Act 2003

From the figures provided by the Mental Welfare Commission (MWC) in their Mental Health Act Monitoring 2015/16 report published in September 2016, 73 (rate per 100,000 population) short term detentions were completed in East Lothian. This is an increase from the previous year of 60. The number of Compulsory Treatment Orders completed in East Lothian for 2015/16 was 33 (rate per 100k population) which again is an increase from 23 the previous year. These figures will be monitored to assess whether there is any specific reason for these rises, and whether there is any negative impact/outcome as a result.

Proposed amendments to the Mental Health (Care and Treatment) (S) Act 2003 are currently being consulted on. While this cannot be confirmed, the implications for MHOs could be an increase in their responsibilities.

### Adults with Incapacity (Scotland) Act 2000

The MWC reports on the number of guardianship orders granted between 2015 and 2016. Of note and in keeping with good practice, East Lothian is one of only 5 Local Authorities who do not have any orders granted to local authorities for a period of up to 5 years. In relation to the duration of orders granted to private individuals over this period of time, East Lothian has only 1 order for an 'indefinite' duration - only one other local authority has no orders of an 'indefinite' duration. This practice supports the principle of 'least restrictive' and is commendable.

The national information shows that since 2010/11 the proportion of guardianship applications for people with learning disability has continued to increase, whilst the proportion of people with dementia has continued to decrease. East Lothian's balance of applications between learning disability and dementia has varied slightly from the national pattern in that we have had a more equal balance of applications for a number of years now.

### Criminal Justice Service

Following the closure of Haddington Sheriff Court in January 2015, all Court business was transferred to Edinburgh. This loss was deeply felt by the people of East Lothian as they had been able to identify the Court process with local justice.

In relation to statutory work, Community Payback Orders appear to have the confidence of sentencers with numbers rising year on year since their introduction. We continue to build community links with a variety of organisations and agencies – voluntary, 3<sup>rd</sup> sector, public and private – in relation to unpaid work. This includes both individual placements through to work parties. Work ranges from working in shops through to path laying and gardening e.g. a further 25 household gardens were reinstated as part of ongoing work with ELC Tenancy Support staff.

MAPPA (Multi Agency Public Protection Arrangements) is well imbedded within the Lothian and Borders area with all partners working effectively together. Following the Joint Thematic Review of MAPPA in Scotland during 2015, we received feedback from Inspectors who positively commented on the multi agency working and collaboration that was working effectively to manage high risk offenders in the community.

The new model for Community Justice comes into being in April 2017. To assist with this, draft versions of the National Strategy for Community Justice, Outcomes, Performance & Improvement Framework and Guidance for local partners are now available on the [Community Justice Redesign](#)

[Knowledge Hub](#). These three documents provided a base for our development work during 2015-16, giving a vision for community justice, tools to measure progress towards this vision and guidance to help partners work together effectively under the new model. Further, these documents are being made available to partners in draft to assist with their planning for the first Community Justice Outcomes Improvement Plan. They will be subject to further design work over the summer before the final versions are formally launched at a national event on 24<sup>th</sup> November 2016.

### Substance Misuse

MELDAP (Midlothian and East Lothian Drug and Alcohol Partnership) continue to deliver positive services and outcomes for East Lothian.

The ban on the sale of the New Psychoactive Substance (NPS) ethylphenidate in April 2015 had a positive impact locally. It was reported by partner services that this particular type of NPS was being used by a group of men, most with a long term history of opiate injecting, in a highly risky manner resulting in increased exposure to a range of health harms including increased levels of psychosis, BBV and infected wound sites. Recent feedback from workers has indicated that this useage has considerably reduced with clients presenting with improved health.

Treatment services continued to deliver a high level of performance throughout 2015-16 in terms of the HEAT A11 standard (3 weeks referral to treatment) with a level of performance consistently greater than the 90% national standard.

Throughout 2015-16, work continued in relation to enhancing the development of a Recovery Orientated System of Care (ROSC). A Recovery Co-ordinator was appointed to support a range of recovery initiatives including providing direct support to the Starfish Recovery Cafe in Musselburgh which continued to attract some 45+ customers weekly as well as provide outside catering for a number of events. The cafe is now seen a community resource and provided employment and socialisation opportunities for a number of volunteers many with a history of addiction or mental health issues. The Unpaid Work Service (Criminal Justice Service), provide vegetables to the cafe during the summer months from their allotment.

The MELDAP Recovery College continued to attract healthy numbers of students with a total number of 31 referrals for East Lothian, with 21 starting the college. For many, this was the first time in their lives that they sustained engagement with education and had gained any form of qualification. In summary, 12 achieved SQA Personal Effectiveness; 3 in SQA Job Seeking Skills; and 2 in ICT Core Skills. A total of 5 students progressed to further education.

## 7. User and Carer Empowerment

### Children's Services

The East Lothian Champion's Board came into being in May 2015 and provides care experienced young people (aged 14 to 25) with a platform to have their voice heard and influence transformation change (and services) in the lives of care leavers. The Champion's Board was successful in its Life Changes Trust funding application for £224,000. Care experienced young people have identified 8 priorities for change. It is the role of senior officers from within the community partnership, as ambassadors, to act on these priorities for change and report back to young people about progress. The Champion's Board will also set up an individual grant programme for care leavers. (<https://www.facebook.com/championsboard/>)

Family Led Information Point (FLIP) is a group for parents and carers who have children with additional support needs/disability. FLIP meets once a month and parents get an opportunity to access information about services available to children with additional support need. Facebook has an active facebook page with over 200 friends. Representatives from FLIP participate in the Autism Strategy Implementation group and the SDS Implementation Group. One parent representative successfully completed the Partners in Policy Making course during 2015/16. (<https://www.facebook.com/Family-Led-Information-Point-212229942145246/?fref=ts>)

Viewpoint is an online computer assisted interviewing tool that is used to obtain the views of care experienced young people to inform their personal outcomes identified within their review meeting. Children and young people who are also involved in child protection, where placements end and those who are 15 plus can also complete relevant viewpoint questionnaires to inform their personal care plans.

The Children's Strategic Partnership adopted the 'Golden Rules for Participation' (<http://www.sccyp.org.uk/education/golden-rules>). These golden rules have been developed by the Scotland Commissioner for Children and Young People through consultation with children and young people across Scotland. "Listen More Assume Less" is a six monthly report that shares the views and experiences of children and young people and their families. The report is shared with key partners, professionals and children, young people and their families. The report includes a section 'You said, we did, so what' ([http://www.eastlothian.gov.uk/downloads/download/2242/listen\\_more\\_assume\\_less\\_8](http://www.eastlothian.gov.uk/downloads/download/2242/listen_more_assume_less_8))

Development of our new community planning Children and Young People Services Plan 2016-2019 saw young people participate in developing the Plan and designing the consultation pack, including an easy read version of the plan and online video in which they 'starred'. Subsequently, a 5<sup>th</sup> year pupil designed the final publicly available abridged version of our Plan as part of his Higher Graphics exam submission. The Plan was launched in April 2016.

Our community of East Lothian Foster carers continue to meet as a consultative group, with 2 consultation events taking place during 2015-16. Carers directly contributed to the development of new Foster Care documentation and recruitment materials and the development of a new Carers' Learning and Development Passport. Local Foster Carer Support Groups continue to meet monthly around the county.

In addressing the national framework and and implementation of the 'parity model' for Kincare during 2015-16, local policy and guidance was developed with significant contribution from the Citizens Advice Bureau and Children 1<sup>st</sup>.

Children and families living with multiple conditions and complex needs, assisted the Education and Children's Disability Service in specification and design of a new secondary school 'communications provision' at Knox Academy, Haddington. This saw the Council make significant investment during 2015-16 to provide an appropriate day care and learning environment for children with intensive support needs, and with autism in particular. This significant investment improves services for children and families, aides multi-agency working with them, and engages the community in supporting and including young people in community activity. Importantly, this keeps children at home with their families instead of being placed away from home in specialist education and care provisions.

### Adult and Older People's Services

The IJB hosted a major event billed as the "Big Conversation" which engaged a large number of services users and carers in activities designed to influence the IJB Strategic plan. The IJB established a Strategic Planning Group with representatives of service users, carers and service providers in its membership.

A Charges Review Group was set up to involve service users and carers in the issues around charging for services. This is now a standing group.

As part of the programme to recommission home care services there was significant engagement with service users and carers and advocates in late 2015/16 which has continued on into 2016/17. This is designed to influence the models of care that are commissioned and to inform people about progress and likely changes.

Within adult day centres, a successful service user conference was held in May 2015 which involved clients, families, and advocates. A second conference is being planned with the theme based on "The Keys to Life" document which can be used to demonstrate to people the numerous options and choices they have.

In general, the Health and Social Care Partnership developed its engagement with the 6 Area Partnerships during 2015/16. These discussions included engagement and consultation on the IJB strategic plan.

### Criminal Justice Service

Within Criminal Justice, feedback is requested from clients and stakeholders – much of which is then used within the Community Payback Annual Report. This report is a statutory requirement and one which clearly shows what services and outcomes are being delivered. Staff engagement surveys help to identify and address areas that require review and development.

One major difficulty with client feedback is trying to liaise with individuals who failed to complete orders or licences successfully. Their input would prove invaluable. Unfortunately, once their order is revoked, we have no contact with them. This is a national issue.

As part of the new Community Justice model, community engagement is a statutory requirement. Whilst this is welcome, often the greatest resistance to having offenders (particularly sex



offenders) living in the community is from the community itself. This area will require considerable focus and thought from all partners.

### Substance Misuse

The Recovery Network set up in 2015 is led by people in recovery from substance misuse and or with mental health problems. 'Recovery Connections' was established in January 2016. Recovery Connections provided a forum for individuals affected by alcohol and drug use to share information, advice and support in a recovery-orientated environment. Its aims were:

- 1) To enable individuals and families to access recovery supports which meet their needs
- 2) To provide a communication network between different recovery communities and activities
- 3) To support recovery groups and organisations to flourish and grow
- 4) To normalise recovery and contribute towards reducing stigma in the communities of East Lothian and Midlothian.

These forums are progressing well with members taking active roles in delivering and developing this type of service.

## 8. Workforce

### Children's Services

Children's Services experienced an improved level of staff attendance through 2015-16, with working days lost to sickness equating to 5.6%, compared to 6.75% the previous year.

In Children's Services, focus continued on supporting implementation of the Signs of Safety practice model. During 2015-16, 134 practitioners attended one of 7 x half-day introductory courses delivered in-house on a multi-agency basis, reaching staff from social work, housing, primary and secondary schools, health visiting, LAC Nursing Service, Speech and Language Therapy, Who Cares? and Children1st. Similar half-day courses were delivered (twice) directly to residential social work staff.

Children's Services continued to support the broader development of the Social Work profession, hosting 7 Social Work degree students on placement during the year. In addition, 5 newly qualified Social Workers were supported to complete their post registration training and learning (PRTL).

The service continued to run monthly Child Protection Level 1 courses for East Lothian Council and partners across the area; each session offers 25 places with typical turnout of 21 (i.e. 250 attendees over the year).

We continue to run Introductory courses on Signs of Safety (10 months out of 12) jointly with health colleagues with particular emphasis on including other agencies who are involved in multi-agency processes with families.

All Residential Children's Services staff received bespoke training on Child Sexual Exploitation in recognition of the particular role they play with Looked After young people.

### Older People's Services

Adult Services experienced an improved level of staff attendance through 2015-16, with working days lost to sickness equating to 8.4%, compared to 9.1% the previous year.

The Workforce Development Strategy and Essential Learning and Development Policy ensures that frontline workers and their managers are clear of the learning and development requirements for their job role. A new on-line Learning Management System began development during 2015-16. This can readily identify learning and development pathways and opportunities for individual staff roles.

Implementation of Self Directed Support has been further supported during 2015-16 through a joint initiative between the Council's Social Work Services and Social Work Scotland; a series of practitioners reflective practice sessions (the Practitioners Forum) focussing on personalisation and Self Directed Support have been delivered.

The SSSC Professional Registration of Home Care opens for Care Support Workers in 2017. East Lothian has achieved over 90 per cent qualification to SVQ Level 2 Social Services. As registrants have a three year period following the opening of the register to meet qualification requirements, it is planned to have a fully qualified workforce within Home Care in relation to professional registration well in advance of the register closing for new registrants.

A Palliative Care training initiative for ELC Care Home and Home Care staff was developed during 2015/16. Over 80 per cent of the staff in these services have received single day awareness training and/or online learning qualification in order to raise specialist skills/knowledge in the workforce.

Within Crookston Care Home, a number of workforce training and development activities have taken place. These include:

- April 2015 – Staff nominated to complete SVQ 2 in oral health. This was the first time this qualification had been made available to staff.
- October 2015 – A Palliative care programme launched by Marie Curie began. All care staff at Crookston attended single day awareness sessions. A further 6 staff chose to go on and complete the online 3 month course.
- January 2016 – introduced ‘Playlist for Life’ into Crookston which involved Key Workers working with residents to develop playlists. Staff also attended doll therapy training and a doll was purchased for use by the residents.

### Adult Services

The most recent *Mental Health Officers (Scotland) Report 2015* by the SSSC was published in August 2016. It shows a national picture which is challenging for the Mental Health Officer (MHO) service. Nationally, there is shortfall in the numbers of practising MHOs particularly in the area of Adults with Incapacity. The increase in demand under the Adults with Incapacity legislation would be in keeping with the pattern of work for East Lothian MHOs.

According to National Records of Scotland between 2009 and 2015, the number of MHOs WTEs per 100,000 population by local authority, East Lothian has been in the bottom 4 in terms of ratio. Since 2014 East Lothian has risen by one place from 3<sup>rd</sup> lowest to 4<sup>th</sup> lowest. Whilst we welcome an improvement, the degree of improvement is not enough.

The impact of the low number of MHOs is shown in the high case loads the individual MHOs carry. Further, there is a waiting list for reports in relation to private guardianship applications. Section 57(4) of the Adults with Incapacity (S) Act 2000 sets a statutory responsibility on the local authority to prepare a report within 21 days of receiving notification of the intention to make an application. East Lothian Council is currently unable to fulfil their statutory responsibilities.

It is anticipated that the moving on of staff through retirement will be accommodated through the internal growth of our own MHOs. There has been a commitment to growing our own MHOs with 1 social worker being successfully supported through the MHO training annually since 2013. At time of writing a further Social Worker has been accepted onto the next MHO training course to start in September 2016.

MELDAP continued to work with partners to deliver training. NPS training was delivered to some 100 participants and Children affected by Parental Substance Misuse (CAPSM) training to 56 staff from a number of different services. A 5-week, one day a week course for peer volunteers was delivered attracting 12 participants.

## Health and Social Care Partnership Management Development

During 2015-16, senior health and social care managers across the Health & Social Care Partnership participated in the NHS Lothian, 'Playing to Your Strengths' management development programme. This supported the development of integrated and collaborative working.

## Chief Social Work Officer

The Postgraduate Diploma Chief Social Work Officer at Glasgow Caledonian University has been a welcome addition to CSWO development and succession planning, as these areas had been lacking in relation to professional and personal development. East Lothian's CSWO is currently undertaking this course.

As part of the new governance arrangements within East Lothian Council, the CSWO will be meeting with senior social work managers to agree a learning forum where CSWO duties, responsibilities and role can be identified. This will help to promote the role of the CSWO within the East Lothian's workforce, and ensure that governance structures are firmly in place.

## **9. Improvement Approaches and examples/case studies of improvement activities**

### Children's Services

Children's Services are participating in an SDS pilot project called 'Doing things differently'. This work is in partnership with Social Work Scotland, with East Lothian being one of three local authorities involved. The pilot aims to test out how an SDS approach and individual budgets can be used to support young people involved in child protection processes and young people who are looked after. 'Doing things differently' is building on work in Middlesbrough Children's Services where individual budgets are used to support children and young people at risk of going into care or young people who are returning home having being accommodated.

Musselburgh Total Place:Family Focus pilot developed in partnership over 2015-16, intent on creating a targeted service for commencement in late 2016, will work with a small number of families who have multiple complexity of needs. This will involve working in partnership, to 'shift' resources to enhance service delivery in one geographic area and make it not only easier for individuals to access early intervention support experiences, but be more positive with regard longterm outcomes.

Children's services ongoing roll-out of a consistent approach to Core Groups using Signs of Safety tools and philosophy remains a priority. This will see us further develop the case conference minute separating the minute from the plan so the plan is available earlier as a working tool for all - clients and workers alike.

The Youth Group for young people who are looked after is now called 'FAMILY' (Forever Always Mates in LAC Youth) Group. Throughout 2015/16, an average of eight care experienced young people attended the group every Tuesday. Due to high demand for the youth group, an additional group for young people that are looked after aged 10- 14 is going to run every Tuesday from September 2016 onwards. The Youth groups are a partnership between Who Cares? Scotland, Community Learning and Development and Children's Services – and are supported by our Champion's Board.

Children and Adult services held 4 social care practitioner forums. The forums were facilitated by Shona McGregor (SDS Development Officer from Social Work Scotland). The sessions provided practitioners with an opportunity to reflect on practice relating to SDS, share ideas and learn from each other. The forums covered the following topics: personalised support planning, supporting carers, working with individuals that do not want to engage with us, working with transitions. Feedback from staff indicates that they would like the practitioner forum to continue.

### Older People

The Health and Social Care Partnership has been actively working to address the challenges of delayed discharge through early intervention measures such as the establishment of the Hospital at Home service which has expanded into a responsive 7 days a week service, and establishing ELSIE (East Lothian Service for Integrated care for the Elderly) to improve our capacity to prevent admissions to hospital.

## Adult Services

### Employment

In November 2014 it was calculated that 3,930 people in East Lothian between the ages of 16 -64 were claiming Employment Support Allowance or Incapacity Benefit. While it cannot be confirmed, it is estimated that around 50% of this group have registered mental health problems as their primary health barrier to achieving paid employment. In response to this a working group with representation from health, local authority, 3rd sector, DWP, Peer Support and DWP was created to consider how East Lothian can better support those seeking employment with a mental health problem. An event was held in May 2015 to enable discussions on what is required in East Lothian. The response and engagement from those seeking employment with a mental health concern and agencies that would facilitate this was very positive. A further event was held in September 2016 and the priorities were to consider what support is needed for employers to enable them to confidently support people with mental health concerns and what is needed to effectively support those in employment with mental health concerns.

### Support for those in Emotional Distress

Support for those in emotional distress and crisis has been recognised as a priority need through the national agendas. At a local level the need to consider how to support those with a mental health concern in emotional distress has been raised through different sources and over a significant period of time. More recently front line staff in social work teams, reception staff and finance teams have shared concerns about lacking confidence and skills in how they support people who contact them in significant distress, sometimes considering suicide. A working group was set up to consider how to address this and through monies allocated to this work from the Mental Health Innovation Fund, CHANGES in Musselburgh, a resource which supports adults with mental health concerns, has completed a comprehensive scoping exercise which will inform how this work is progressed. This work is very near completion and from the sharing of its content to date, it is anticipated that themes to improve our responses will include training for front line staff; development of peer support work responses; out of hours phone line support; improved protocol with GPs and better signposting to services and supports.

With the introduction of Universal Credit in East Lothian the Benefit Teams and libraries are finding that they have to support individuals using their resources who are struggling to manage the change. Joint work between internal teams, advocacy services, DWP and mental health 3rd sector providers is taking place to consider how we can best support staff to support those having to cope with these changes. We are promoting access to mental health awareness and training.

### Mental Health Rehabilitation in East Lothian

The local rehabilitation resource, Cameron Cottage, in Musselburgh is a house which accommodates 8 adults with mental health problems. Support in Cameron Cottage is provided by Carr Gomm and is presently funded by NHS Lothian. Cameron Cottage supports people with the transition from hospital to home as well as providing a period of more intensive rehabilitation to prevent a possible hospital admission. Following a full review the service now runs at almost maximum capacity and training needs of staff have been identified and are being addressed. Consideration is being given as to to develop Cameron Cottage as a 'rehabilitation hub' a part of a wider community rehabilitation service.

### Information Systems

In 2015/16 Framework-i (the social work information system) undertook major preparations for the expected update in 2016/17. These included readiness for the interagency information exchange portal ("The Portal") to enable social care staff to see core health data and vice versa.

### Technology Enabled Care

Funding was secured to further expand the use of Technology Enabled Care (TEC) across the Partnership including Telehealth, which is currently being progressed. The Partnership has committed that TEC is included in planning groups to identify where it can be used and see technology as a key enabler to keeping people at home or returning people to home. The aim is for TEC to become an integral part of assessments and ensure better outcomes for users and carers.

### East Lothian Community Hospital

During 2015-16, significant development for investment in a new Community Hospital for East Lothian progressed. This has subsequently been approved for development and work commences in Autumn 2016. This will make a significant contribution to enabling the Health & Social Care Partnership to generate new approaches to service delivery to meet the strategic aims of the IJB.

### Conclusion

The Health and Social Care Partnership has made a positive start with the Strategic Plan now firmly in place. Work is currently underway to build on our initial achievements with focus on service redesign, system redesign and workforce planning and development. This will ensure we continue to meet the needs of people who are assessed as requiring a service.

**Fiona Duncan**

CSWO

October 2016





**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**8**

**SUBJECT:** Local Government Boundary Commission Review

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## **1 PURPOSE**

- 1.1 To inform the Council of the outcome of the Local Government Boundary Commission's review of Councillor numbers and boundary arrangements as these apply to East Lothian.
- 1.2 To seek authority from Council either to accept the said outcome or to continue to challenge both the process and the outcome by means of a Judicial Review of the decision of Scottish Ministers to accept the LGBC's recommendation.

## **2 RECOMMENDATIONS**

- 2.1 To note the Local Government Boundary Commission's recommendation to reduce councillor numbers in East Lothian from 23 to 22 with a consequential change to ward boundaries and to note the acceptance of that recommendation by Scottish Ministers.
- 2.2 To consider whether a Judicial Review of the decision is appropriate, taking account of legal advice, possible cost and risk and, if so, authorise officers to progress such an action.

## **3 BACKGROUND**

- 3.1 The LGBC has now completed its fifth review of local authority ward boundaries and councillor numbers. When making its recommendations it must consider fixed criteria:
  - The number of electors per councillor in each ward should be, as nearly as may be, the same;
  - Subject to this it will have regard to:

- Local ties that would be broken by fixing a particular boundary; and
  - The desirability of fixing boundaries that are easily identifiable
- 3.2 As part of its methodology for the current review the LGBC, for the first time, categorised each council on the basis of levels of deprivation and population distribution rather than solely on population distribution. As has been reported to Council through a series of reports, East Lothian Council, along with a number of other authorities across Scotland, responded to the consultation on the review to the effect that it considered it inappropriate to use levels of deprivation as a factor in determining the size of a council. There have been no councillor caseload studies in the last 20 years that suggest that levels of deprivation contribute significantly to a councillor's workload. In addition, the Council's response pointed to the high level of population growth in East Lothian during the period 2001–2011 and the projected population growth in future years. Finally, having fulfilled its statutory obligation to consult with the Council on a proposed reduction to 21 councillors, the LGBC failed to consult with the Council on its final recommendation, being a reduction to 22 councillors.
- 3.3 As a consequence of the reduction in the number of from 23 to 22, there has been a consequential redrawing of the ward boundaries, as shown on Appendix 1 to this report. These new boundaries cut across existing, well-established communities, school catchment areas, local area partnerships and local natural and historical connections. It is considered that these are not in the best interests of effective local government and breach the Commission's statutory requirement to have regard to local ties and easily identified boundaries. These boundary changes would also require complete redrawing of how the Council carries out its business, and would involve considerable time and effort being diverted, from core Council business.
- 3.4 Despite extensive correspondence between the Council, COSLA, SOLACE and the LGBC objecting to both the process being followed and the outcome of that process, the LGBC's recommendation was submitted to Scottish Ministers in May 2016 and, despite the Council's objections on the foregoing grounds, was accepted by Scottish Ministers with a Statutory Order implementing this recommendation issued on 14 September 2016. The chronology of the interaction between the Council and the various interested parties is set out in Appendix 2 to this report.
- 3.5 Following the decision by Scottish Ministers to adopt the majority of the recommendations of the LGBC, a number of councils considered whether or not to initiate a legal challenge to the process followed by the LGBC. Counsel's Opinion had previously been obtained by East Renfrewshire Council (May 2015) and this suggested that there were sufficient grounds to raise such an action. East Lothian Council's cross-party group on the Boundary Review met on 4 October 2016 to consider this matter and agreed that East Lothian Council should participate in a legal challenge

(with the Leader of the Opposition dissenting). At that time, it was understood that three other councils had decided to participate in the court action with another three still to decide. In reaching a decision on whether to participate, the Chief Executive, acting under delegated authority, took account of the views of the cross-party group, the legal opinion on the matter, the likely share of the overall cost that would fall to East Lothian Council and the overall risk to the Council of challenging the decision as opposed to accepting the decision.

- 3.6 On 11 October we were advised that two of the councils that had intended to participate in the court action had reconsidered matters and were now not proceeding. This leaves East Lothian Council and one other authority to take this matter forward. In light of this, the Council's share of the cost of raising the action will increase significantly along with its share of the potential costs of the defenders should the action ultimately be unsuccessful. Officers are seeking to ascertain a clearer understanding of the possible extent of that liability. In addition, the reduction in number of councils pursuing the action may have an effect on the strength of the legal case. Officers are meeting with the Advocate who provided the Opinion in May 2015 to seek an update on the prospects of success in light of this new situation. An update will be provided to Members on both aspects at the Council meeting.
- 3.7 In light of the significantly changed circumstances, it is now considered appropriate that Members reach a decision on whether they wish the Council to continue its opposition to the review process by means of a court action or whether they are now content to accept the decision of Scottish Ministers to accept the recommendation of the LGBC to reduce councillor numbers to 22 with the consequential boundary changes as shown in Appendix 1.

#### **4 POLICY IMPLICATIONS**

- 4.1 None

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – Participation in a legal challenge will involve costs to the Council. Should the action be unsuccessful, the costs of the LGBC and Scottish Ministers could be awarded against the Council(s) raising the action. The likely level of costs will be confirmed to Council on 25 October when officers have undertaken further investigations.

6.2 Personnel - None

6.3 Other - None

## **7 BACKGROUND PAPERS**

7.1 Council Report – 22<sup>nd</sup> April 2014

7.2 Council Report – 21<sup>st</sup> April 2015

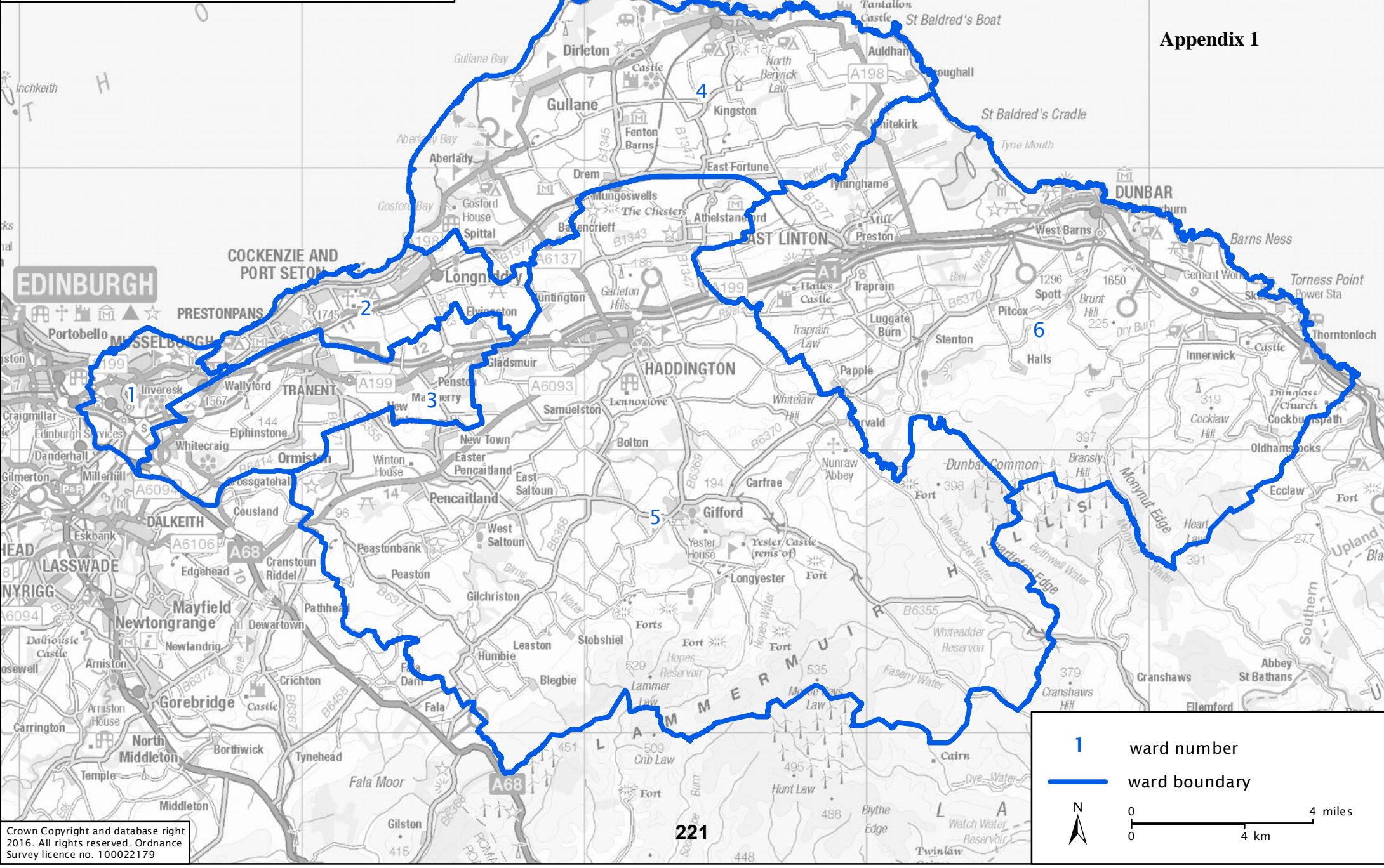
7.3 MLS Report – 3<sup>rd</sup> June 2015

7.4 Council Report - 25<sup>th</sup> August 2015

7.5 Appendix 1 – New Ward Boundaries for East Lothian Council area

7.6 Appendix 2 – Chronology of engagement on 5<sup>th</sup> Boundary Review

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<b>DATE</b>	14 <sup>th</sup> October 2016





## Chronological Summary of Events

Date	
2011-13	LGBC consulted on methodology for future Review – existing methodology considers population distribution and density.
6 June 2013	LGBC writes to ELC Chief Executive advising that substantive work on Fifth Review will commence in autumn 2013 and asking for preliminary views on the number of Councillors in the area
October 2013	New Chair appointed to LGBC. Board meeting - Deprivation discussed as a possible factor but dismissed
24 Oct 2013	LGBC writes to ELC Chief Executive requesting information on new housing forecasts, established communities and other locally recognised boundaries, including community council areas and school catchment areas.
November 2013	LGBC Board meeting – Board asked that further analysis be carried out including deprivation as a factor
December 2013	LGBC Board meeting – new analysis presented and Board chose method that categorises Councils according to their levels of deprivation and population density rather than one that took account of deprivation, population and population density
January 2014	LGBC considers 6 options – 5 using deprivation as a factor and one using existing methodology. Confirms its intention to incorporate deprivation into its methodology.
21 Feb 2014	LGBC commences Fifth Review of Electoral Arrangements
	2 month statutory period of consultation with Councils on <b>Councillor numbers</b> commences – Proposal for East Lothian is reduction from 23 Councillors to 21. Guidance Booklet advises that deprivation had been used as a factor in categorisation of Councils.
	LGBC meets with all Councils to provide background to Review
22 April 2014	Council Report seeking authority to for consultation response opposing reduction to 21 Councillors on basis that there is no evidence that deprivation has an impact on Councillor workload; that EL's growing population is likely to lead to increases in workload; that the reduction in numbers will lead to boundary changes that will cut across established communities and that, if deprivation was a relevant factor, the reduction in numbers did not take account of the areas of deprivation within EL.
23 April 2014	Chief Executive writes to LGBC in terms approved by Council
7 May 2014	LGBC advises that public consultation on Councillor numbers will commence on 29 May 2014 and that responses received from Councils will be 'useful in refining the scope of research which the Commission plans to initiate later this year on the role of Councillors, which it hopes will be of value for future reviews of electoral arrangements'.
29 May 2014	LGBC commences public consultation on Councillor numbers – consulting on same proposals on which it consulted Councils.
3 July 2014	COSLA write to LGBC expressing concern about lack of a clear and comprehensive methodology for the review; singling out of deprivation as a factor that might impact workload rather than a comprehensive examination of the range of factors that might impact; the fact that the link to deprivation was asserted but not proven in the review; the limits selected for maximum and minimum numbers of Councillors with no reasons given and the fact that there can be no overall increase in Councillor numbers meaning that any increase in representation in one area must come at the expense of a decrease elsewhere.
21 July 2014	LGBC acknowledges ELC response to consultation and asks for more information about assertion that there is no evidence that Councillors in deprived areas have a greater workload than others, including a request for any published evidence that would be of interest to the Commission and others. Advising that proposal to increase representation in deprived areas is to provide additional accountability and decision making capacity within a Council facing challenges – it is not primarily driven by the Commission's view on the impact of deprivation

	on Councillor workload.
11 Aug 2014	Letter from LGBC to COSLA
20 Aug 2014	Chief Executive responds to LGBC – directs them to 2005 study on Councillors' Workloads commissioned by Scottish Govt, which found no link between deprivation and workload. Pointed out that the LGBC's approach failed to take account of Accounts Commission report – An Overview of Local Government 2014; the effect of multi member wards; the fact that any decrease in numbers in EL would be in the areas of most deprivation; the fact that no account has been taken of which Councils no longer have housing stock to manage.
25 Aug 2014	COSLA write again to LGBC reiterating concerns with methodology and lack of evidence regarding deprivation.
16 Oct 2014	<p>LGBC advise ELC that they are now looking at Ward boundaries for EL – two options proposed.</p> <p>Both Options place Musselburgh as one Ward. Ward 2 merges into Wards 1 and 4 and is split along the railway line.</p> <p>Option B retains the existing boundary of wards 5 and 7; extends the boundary of Ward 3 to include Macmerry; extends the boundary of Ward 6 to include Ward 4.</p> <p>Option B1 retains the existing boundary of Ward 6; creates new ward boundaries in Wards 4 and 5 and adds Longniddry to Ward 5.</p> <p>Both proposals are for 21 Councillors.</p> <p>Officers asked not to share this information with Councillors pending a formal consultation with the Council and then the public in 2015.</p>
November 2014	Richard Kerley of QMU and Neil McGarvey of Strathclyde University commissioned to undertake survey into Councillors' roles and workloads on behalf of LGBC
21 Nov 2014	Chief Executive writes to LGBC in her capacity as Chair of SOLACE advising that it is not reasonable to ask officers not to share proposals with Councillors prior to public consultation in 2015 and that the proposals are premature in advance of the findings from the above study commissioned by LGBC.
21 Nov 2014	Chief Executive writes to LGBC in similar terms to letter above.
16 Dec 2014	LGBC (New Secretary – Isobel Drummond-Murray) response to ELC. Proposals only shared for option of comments from officers on local issues prior to formal consultation process. Confirmed that outputs from commissioned study would inform future reviews but not this one due to timing. Believe there is 'a plausible case to be made for using deprivation' as a factor that impacts on a Council's corporate capacity and may impact on Councillors' workload.
18 Dec 2014	LGBC Board Meeting held. Minutes – noted possible extension of franchise to 16 and 17 year olds but confirmed it would not materially affect current review or methodology for calculating Councillor numbers. With regard to East Lothian, noted that there were three Options – Options A and B both proposing a reduction of 2 Councillors with Ward boundary changes and Option C with a reduction of 1 Councillor and 'minor' Ward boundary changes. Noted that the Commission's methodology had suggested a reduction of 2 Councillors to 21 – would have been a greater reduction were it not for the 10% limit to change rule that the Commission has chosen to apply. Noted ELC's opposition to proposal and high level of public engagement in response to consultation. Noted that it is sensible to have Musselburgh as a single Ward under each of the Options. Noted that whilst change has to be accommodated, disruption to existing Wards and local communities is to be minimised. Taking all this into account, Commission adopted Option A as its initial proposal for consultation.
20 Feb 2015	Chief Exec writes to Chair of LGBC, in her capacity as Chair of SOLACE, to feedback on the position of SOLACE re lack of engagement with Councils; failure to take on board concerns expressed by Councils; lack of consultation on new criteria; dissatisfaction the methodology used, regardless of outcomes; prematurity in pressing on before research results were known; use of out of date electorate numbers.
19 March	LGBC advise ELC that it is proposing 21 Councillors and associated ward boundary changes.



2015	Consultation with Council runs from now to 19 May 2015 with a public consultation to follow.
March 2015	Chief Exec writes to Chief Executive of COSLA, in her capacity as Chair of SOLACE, reiterating concerns raised by COSLA and suggesting that it is now appropriate for that body to take these forward.
21 April 2015	Report to Council seeking authority to request an extension of time to respond to the consultation due to the impending General Election and, if refused, to authorise officers to respond.
May 2015	Counsel's Opinion obtained by East Renfrewshire Council on prospects for a legal challenge to LGBC's process. Tentatively positive view taken by Counsel subject to obtaining further information through FOI requests
29 May 2015	ELC responded to consultation, reiterating its opposition to reduction in Councillor numbers and use of deprivation as a factor and advising that proposal would cut across established local ties and school clusters and catchment areas.
3 June 2015	ELC Members Library report advising Members of terms of above response.
7 July 2015	LGBC Meeting – reviewed proposals for East Lothian and approved an alternative proposal for 22 Councillors and associated Ward boundary changes, very similar to one of the proposals originally considered and rejected at meeting in December 2014. <b>This proposal was then subject to public consultation but not further consultation with ELC.</b>
13 July 2015	FOI request submitted by East Renfrewshire Council regarding use of deprivation as a factor
20 July 2015	LGBC responds to ELC updating on process. Proposals about to be submitted for public consultation – not final. Following public consultation, LGBC will revisit all 32 reviews before deciding on next steps.
30 July 2015	Public consultation on new proposal begins. ELC advised they can submit a further representation during this period.
24 Aug 2015	FOI request submitted by ELC regarding use of deprivation as a factor and internal consultation procedures
25 Aug 2015	Report to EL Council seeking authority for officers to submit response to LGBC reiterating its opposition to new proposal
22 Sep 2015	LGBC responds to ELC FOI request.
22 Oct 2015	Council responds to LGBC consultation restating its opposition to the new proposal, raising concerns re legality of consultation process and calling for a local inquiry.
22 Oct 2015	Public consultation period ended. 42 responses received regarding East Lothian. Main themes- support for retaining current position due to expected population growth; concern that changes to ward boundaries will affect school catchment areas; proposals break Local Area Partnership boundaries; Inveresk village will be split between wards; and proposal breaks local ties of Tranent and Musselburgh.
25 Nov 2015	ELC reminder to LGBC re legality of consultation process and call for local inquiry
8 Dec 2015	COSLA write to Marco Biagi, MSP, advising of cross party unanimity opposition to review.
8 Dec 2015	LGBC Board meeting - considered all responses received, discussed further options and decided to make a minor change to boundary between wards 1 and 3 to avoid breaking local ties at Inveresk. Recognised strong opposition to proposals for reducing Councillor numbers but noted that, without 10% limit, number for East Lothian would be 20. Decided to retain proposal because they improved overall forecast parity; improved local community ties in Musselburgh and minimised change by retaining 3 existing ward boundaries.
10 Dec 2015	LGBC response to ELC – confident it has complied with legal requirements for consultation and will consider whether it requires to hold a local inquiry
Feb 2016	COSLA President writes to Deputy First Minister calling for a delay in process to address fundamental and cross party unanimous opposition to review
19 Apr 2016	LGBC Board meeting - confirmed Final Recommendation for East Lothian.
25 May 2016	Final recommendations Report from LGBC issued to ELC – 6 weeks for comments. Final recommendation is an alternative proposal first considered by LGBC at its meeting in December 2014 and confirmed at its meeting in July 2015 – 22 Councillors and associated Ward boundary changes.
28 May	LGBC submits Final Recommendations to Scottish Ministers

2016	
15 June 2016	Letter sent to Joe FitzPatrick MSP on behalf of number of Councils requesting that he not approve Final Recommendations for those Council areas
20 June 2016	ELC write to Joe FitzPatrick MSP reiterating strong opposition to proposal and requesting that he reject recommendation from LGBC.
30 June 2016	Meeting between COSLA Presidential team and Joe FitzPatrick, MSP – Minister advised that he will look at every review individually; will be looking for cross party and community views in each local area response to their review; Scottish Govt will discuss parameters for next review with COSLA
14 Sep 2016	Order implementing Final Recommendations laid before Parliament
30 Sep 2016	Order comes into force – effective for elections held on or after 4 <sup>th</sup> May 2017
10 Oct 2016	East Renfrewshire Council receives response from LGBC to FOI request – confirming that no report is yet available on the outcome of the research into Councillor Workload and that no report on this subject was submitted to Scottish Ministers in support of the LGBC recommendations

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Interim Review of Polling Districts and Polling Places

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9

## **1 PURPOSE**

- 1.1 To inform Members of an impending interim review of polling districts and places, now required as a result of The East Lothian (Electoral Arrangements) Order 2016 which requires Council ward boundary changes to be made.

## **2 RECOMMENDATIONS**

- 2.1 Members are asked to note that formal public consultation for this review will commence on 18 October 2016. Given the time pressures that apply in respect of the forthcoming publication of the Electoral Register, members are also asked, upon completion of the review, to delegate final approval of the proposed new polling scheme to the Chief Executive (Returning Officer) in consultation with the Leader/Depute Leader of Council and the Leader of the Opposition.

## **3 BACKGROUND**

- 3.1 East Lothian Council ward boundaries have been changed by the Local Government Boundary Commission for Scotland, as a result of their Fifth General Review of Electoral Arrangements. The number of wards has been reduced from 7 to 6 and the number of councillors has been reduced from 23 to 22. This necessitates an immediate review of polling districts and polling places.

- 3.2 New Wards are as follows:

Ward 1: Musselburgh 4 councillors

Ward 2: Preston, Seton and Gosford 4 councillors

Ward 3: Tranent, Wallyford and Macmerry	4 councillors
Ward 4: North Berwick Coastal	3 councillors
Ward 5: Haddington and Lammermuir	4 councillors
Ward 6: Dunbar and East Linton	3 councillors

- 3.3 Although electoral ward boundaries, names and numbering have been changed, **it should be noted that no physical change to polling districts and polling places is proposed. Voters will still vote where they have been accustomed to in recent years.** There is no requirement to change any existing arrangements in a polling place review; however, any change or decision to make no change must be supported by a reason.
- 3.4 The first stage of the review is publication of the authority's intention to conduct a review and invite comments on the proposals. The Returning Officer must submit a report on the suitability of existing and any proposed new polling places, as part of the reference documents required for this review.
- 3.5 As a comprehensive statutory review was carried out in 2013, involving visits to all polling places, with supporting assessments against existing Capability Scotland and Electoral Commission standards as well as Equalities Impact and Fire Risks, it is not intended to repeat these on this occasion. The next statutory review is due in 2018.
- 3.6 Other reference documents necessary to assist with the review include:
- A set of large scale maps
  - A Polling Place Scheme
  - A list of elector numbers broken down into wards and polling districts.
  - Any records on responses from polling place inspectors and polling station staff on the condition and accessibility of the currently used polling places.
  - Any comments or complaints regarding the current arrangements from the public, elected members and other bodies.

## 4 POLICY IMPLICATIONS

- 4.1 There are no policy implications associated with this report.

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – any costs associated with the review will be contained within the approved Elections budget
- 6.2 Personnel - the review will be carried out by members of the Council's Election Team
- 6.3 Other – none at this stage

## **7 BACKGROUND PAPERS**

- 7.1 The East Lothian (Electoral Arrangements) Order 2016
- 7.2 Electoral Registration Office notes on required changes

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<b>DATE</b>	17 October 2016



**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Report of the East Lothian Poverty Commission

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**10**

## **1 PURPOSE**

- 1.1 To share the work and report of the East Lothian Poverty Commission with the Council.

## **2 RECOMMENDATIONS**

- 2.1 Council is asked to:
- i. Welcome the report from the Poverty Commission and thank Commissioners for their work
  - ii. Support and agree the recommendations of the report in principle,
  - iii. Recommit the Council to reducing inequalities and breaking the cycle of poverty, and agree that the Commission's findings and recommendations will form a central part of the draft Council Plan 2017–2022 and new East Lothian Plan
  - iv. Ask officers to prepare an action plan to implement the recommendations made by the Commission.

## **3 BACKGROUND**

- 3.1 The review of the Council Plan carried out in October 2014 included an assessment of the levels of inequality in East Lothian. Given the evidence of growing levels of deprivation and relative inequality across East Lothian the Council agreed that the existing Council Plan commitment to tackling inequalities should be given a higher priority by adopting the East Lothian partnership's overarching priority: *To reduce inequalities across and within our communities*. The Community Planning Partnership also contains a strong commitment to tackling inequality

through the Single Outcome Agreement. Outcome number 2 in the SOA is 'the cycle of poverty will be broken'.

3.2 A number of work streams contribute to the Council and Partnership approach to tackling poverty with a core statement reflecting the Partnership commitment to reducing inequality. This statement reflects a preventative approach: moving from a model of public services that focuses on crisis intervention – providing services to put people and communities together again after things have failed – to a model that concentrates on preventing failure at the earliest opportunity. Some key examples of current work to tackle poverty include:

- Integrated Impact Assessment (incorporating poverty and inequality)
- Support from the Start
- Shifting the balance of care for older people
- Programmes aimed to improve employability including East Lothian Works
- Musselburgh Total Place/ Family Focus project
- Attainment Fund
- Welfare Reform Action Plan
- Improved single, comprehensive advice services contract.

3.3 In October 2015 the Council agreed to establish the East Lothian Poverty Commission to bring a new perspective and greater understanding of the problem of poverty and the cycle of deprivation in East Lothian. The establishment of the Poverty Commission supports the Council and East Lothian Partnership to meet the objective of reducing inequalities across and within our communities. The Commission was chaired by Annette Bruton, Principal of Edinburgh College, and its members included:

- Anne Hastie, former manager of Haddington Citizen's Advice Bureau
- Morag Alexander, ELCAP Board Member and former Equality and Human Rights Commissioner
- Chris Knights, Church and Community Development Worker for the Musselburgh Area and (former) Chair of the Musselburgh Area Partnership
- Clare MacGillivray, Tenant Participation Specialist and Local Activist
- Zoe Van Zwanenberg, Leadership Specialist.

3.4 The Council provided secretariat, administrative, research and policy support to the Commission but the Commission set its own agenda and produced its own recommendations.

3.5 The Commission began its work in January 2016 and over the course of the following months they worked to:



- define the scope of their work including developing an understanding of the changing face of poverty in the current economic context and understanding more about inequality and human rights
  - hear evidence from a range of national and local experts on a range of topics related to poverty including education, employment, the economy, housing and fuel poverty, health inequality, financial inclusion, criminal justice, mental health and wellbeing.
  - listen to those with lived experience of poverty through face to face meetings, online discussions and written feedback. They also maintained a Facebook page to engage with members of the public through social media.
  - review written evidence and reports about poverty from national and local organisations including the Scottish Index of Multiple Deprivation, the Joseph Rowntree Foundation, Carnegie Trust and Citizens Advice Scotland.
  - hold engagement events with practitioners and stakeholders to gather their ideas and feedback on the Commission's recommendations.
- 3.6 In October 2016, the Commissioners shared their draft report in an event for stakeholders giving them the opportunity to comment on the draft report and recommendations. This feedback is currently being considered and will be incorporated into the final report from the Commission.
- 3.7 The draft Poverty Commission report has been provided to members in full and the report's recommendations have been extracted and appended to this covering report for ease of reference.
- 3.8 The Poverty Commission report frames poverty in a human rights perspective and challenges a traditional view of poverty instead highlighting the issues of in work poverty, the impact of a cycle of poverty and the strain that living in poverty places on peoples individual and family mental health and overall wellbeing. The report also highlights the ongoing stigma and social isolation experienced by those living in or close to poverty. Commissioners say 'everyone has the right to a decent standard of living- a right to a life free from poverty' and challenges everyone to pay more attention to poverty.
- 3.9 The report presents 56 recommendations and evidence based around the following themes:
- Having a home
  - Financially included
  - Secure and Protected

- Educated
  - Working your way out of Poverty
  - Healthy and Well
  - Connected to the Community
  - Empowered and responsible
- 3.10 Within the recommendations there is a mixture of short term and longer term outcomes. During the course of the work of the Commission some progress has been made to progress work on some recommendations, including for example work to develop a Credit Union facility in Prestonpans.
- 3.11 The report also recognises that change at a national and UK wide level, poverty and inequality will continue to impact on the lives of local people. Therefore the report contains also series of national recommendations.
- 3.12 The Scottish Index of Multiple Deprivation 2016 results were published by the Scottish Government on 31 August; too late to be taken into account by the Commission. SIMD 2016 highlights some improvements on previous results but pockets of persistent deprivation still exist.
- 3.13 East Lothian is the first local authority area in Scotland to move on to the Universal Credit Full Service and this was heavily reflected in feedback from both individuals and practitioners working with those who have lived experience of poverty. The recommendations in relation to benefits and Universal Credit are of particular significance as we can see from the SIMD 2016 results that income deprivation has actually increased in some of our most deprived communities.
- 3.14 The Scottish Government published their first 'Fairer Scotland Action Plan' on 5 October. The Action Plan focuses on five high level ambitions:
- A fairer Scotland for all
  - Ending Child Poverty
  - A strong start for all young people
  - Fairer working lives
  - A thriving third age.
- 3.15 It outlines fifty actions to tackle poverty, reduce inequality and build a fairer and more inclusive Scotland. There is a lot of synergy between the Scottish Government Action Plan and the East Lothian Poverty Commission report, though the Commission will need to consider the Scottish Government approach fully before finalising their report to ensure that all opportunities to tackle poverty are included.

- 3.16 The Poverty Commission report has been well received by organisations working to tackle poverty across the county. The Commissioners are clear that a collective effort to continue to tackle poverty is needed. Enabling local communities to realise their rights and empowering communities to find solutions and ways out of poverty are important aspects of the report.

#### **4 POLICY IMPLICATIONS**

- 4.1 The report of the East Lothian Poverty Commission provides a set of evidence based recommendations for actions that the Council and the East Lothian Partnership can put in place to contribute to reducing inequalities and breaking the cycle of poverty in East Lothian.

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The report of the Poverty Commission has not been impact assessed. Equalities groups and issues were included as part of work of the Commission and the Commission's report is a rich source of evidence to inform future impact assessments. Any action plans developed by the Council or its partners will be impacted assessed.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – The Commission's Report contains a number of recommendations each with different resource implications. These will be considered as part of the action planning process.
- 6.2 Personnel – none.
- 6.3 Other – none.

#### **7 BACKGROUND PAPERS**

- 7.1 Appendix 1: Poverty Commission: List of Recommendations.
- 7.2 'Poverty: It's not a lifestyle choice' Report by the East Lothian Poverty Commission

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<b>Having a home</b>
1. Ask the Scottish Government to develop national guidance or definition of what 'affordable housing' really means.
2. Increase supply and range of affordable housing options, increasing the supply of socially rented stock in particular.
3. Increase supply of appropriate temporary accommodation to reduce the reliance on B&B accommodation and provide improved long term outcomes for those who find themselves homeless.
4. Increase awareness and uptake of housing benefit and other related benefits to those living in the private rented sector i.e. warm home discounts, council tax reduction and empty homes advice.
5. Improve the quality of private rented housing and campaign to introduce a minimum standard of energy efficiency in private tenancies.
6. Exploit the potential of community bulk buying energy and heat exchange initiatives in local communities.
7. Challenge utility companies on the high cost of prepayment tariffs.
8. Increase 'life skills' as part of basic education in school including cookery skills, understanding fuel systems e.g. how to take meter readings.
9. Continue the Tenancy Support Service and the Pre-tenancy Support offered by Housing services as part of their preventative approach which are increasingly important during a time of significant changes to benefits.
10. East Lothian Council should consider the impact of current welfare reforms on their housing allocations policy and communicate the policy widely as part of their work with tenants
11. Ensure that all areas of EL continue to be supported in tenant participation activity, giving residents a range of opportunities for local involvement that suit them.
12. Consider services for tenants that will reduce bills (e.g. cheaper preferred energy supplier such as Our Power)
<b>Financially included</b>
13. East Lothian Partnership to consider a range of ways to increase access to affordable credit in the area and working to establish pan Lothian partnerships if appropriate (considering both credit union models and community development finance institutions). Any model developed should be designed to meet the needs and preferences of those it is aimed at.
14. Financial education should be included in the curriculum from an early age to ensure that young people have the financial capability they need for the future.
15. Work with local employers to increase their partnerships with credit unions to make savings and repaying loans via payroll deduction a standard workplace benefit.
16. Review current practice of income maximisation checks through statutory services including health, education and social work services and raising awareness of advice services available in the community.
17. Enhance the impact of existing advice services by improved targeting of those who are most vulnerable at the point of need. Develop an improved referral system between all services working in East Lothian to encourage closer working and early intervention. This should include

consideration of how local advice agencies can provide advice on sources of suitable and most appropriate sources of credit alongside other financial inclusion issues (where possible to do so).
<b>Secure and protected</b>
18. The DWP consider the development of a rural model of service delivery which meets the needs of individuals in rural or remote areas.
19. The DWP, UK and Scottish Government should consider the implications of the current administration of universal credit and other benefit changes on vulnerable people and make adjustments to ensure a fairer and more just approach in future.
20. The DWP should implement a clear policy for benefits sanctions ensuring people have the information and support needed to avoid sanctions, challenge sanction decisions and apply for DWP Hardship Payments if they are sanctioned
21. Establish a pioneer pilot to test a redesign of incentives and sanctions and their role in helping people into work
22. Explore the potential for doctors to undertake assessments for disabled people for the purposes of their benefit claim and to provide the information needed for appeals should be provided free of charge to those who need it. The current practice of GP's charging for assessments needs to change
<b>Educated</b>
23. East Lothian Education Authority should develop a whole school approach to raising awareness of the impact of poverty on education and what education can do to mitigate the cycle of poverty.
24. East Lothian Education Authority should develop clear policies to reduce inequality in schools. The City of Edinburgh Council guide to poverty provides a good example of key steps to take.
25. Learn from Pinkie St Peters and Prestonpans Infants current provision of activities and food during the summer holidays and expand efforts to address holiday hunger and morning hunger for children and young people to improve their educational attainment and overall well-being.
26. Schools should consider how they can use their existing digital resources to support wider engagement and development of digital skills for families.
27. Schools need to work towards reducing the attainment gap with a real understanding of the way in which poverty affects attainment.
28. East Lothian Education Authority review its policies in relation to the cost of the school day, and to minimise the cost of school trips.
<b>Working your way out of poverty</b>
29. East Lothian should work to attract good quality jobs into the area, providing opportunities for career progression and in work training to ensure longer term benefit for both employees and the local economy.
30. East Lothian should become a 'Living Wage' local authority area and East Lothian public sector partners should lead this process by becoming achieving Scottish Living Wage Accreditation.
31. Develop a range of options for childcare for working parents and carers including parent lead childcare opportunities, social enterprises and other models which support parents to return to or sustain employment/

education and which are flexible to meet the needs of families in urban and rural communities.
32. Consider the current processes used to administer free childcare hour entitlement to ensure it works for parents who want to return to work or education.
33. East Lothian Works should develop a focused project to improve skills, confidence and opportunities for parents in receipt of Priority 2 funding to allow them to return to work or education and lead to better long term outcomes for their young families.
34. The Commission recognises the importance of ‘Developing the Young Workforce[1]’ recommendations East Lothian Works should work more closely with education and facilitate closer engagement between schools and the local business community, building on examples from the relationship between Knox Academy and Canon.
35. East Lothian Works should work with the business community and other partners to provide more support for skills development, focusing on those further from the labour market e.g. those with mental health issues.
36. East Lothian Council should consider the range of adult learning opportunities available in the area to ensure that they incorporate the right provision to ensure people can continue to develop and expand their skills.
37. Continue to support volunteering opportunities as a key way in which to build skills and networks for mutual benefit between communities and individuals.
<b>Identity, valued and understood</b>
38. Sign up to the Poverty Alliance ‘Stick your Labels’ Campaign[1] and commit to a stigma free culture and organisational practice.
39. Develop relevant poverty awareness and sensitivity training for all those working in service design and delivery and those involved in making funding decisions at local community level.
40. Include ‘poverty attitude’ questions within Citizen’s Panel and other social attitude surveys to measure any changes in the perceptions of local people.
41. Work with local media to promote the work of the Poverty Commission as a catalyst for change towards a more positive and empathetic reflection of poverty in local media.
42. East Lothian Partnership and its partners should continue to use the Integrated Impact Assessment processes as a tool to understand the impact of decisions in relation to poverty.
<b>Healthy and Well</b>
43. The Commission recognise and value the role played by food banks in tackling crisis food poverty. However, the Commission strongly feel that we need to address the causes of the need for this increased demand and avoid normalising emergency food parcels as a safety net. The Scottish and UK Governments should work towards food justice considering the need for sustainable food production, income levels and education.
44. Many of the recommendations across this report should contribute to positive health for local communities. Ensuring that we create safe

environments, have good quality and accessible services and good working environments (with good pay, conditions and prospects) are all key in reducing health inequalities.
45. Support those with additional health needs or disabilities through person centred approaches and investment in modern technology which enable people to maintain their independence, self esteem and established social networks is important.
46. Support current local movements to develop food networks/ clubs/ projects increasing access to food, cooking skills and facilitating social interaction which are sustainable and reduce reliance on emergency food.
<b>Connected to the Community</b>
47. The Commission recommends the development of more integrated travel solutions that better meet local need, particularly in more rural areas e.g. the use of 8 seater taxi's.
48. Consider the potential of the development of a bus pass scheme allocating free travel passes to individuals who are returning to work or education or those who require it to support them to improve their life chances e.g. to access free childcare provision.
49. Consider the development of local/ regional employer supported transport initiatives e.g. Standard Life operated a bus route for their employees.
50. Increase access to wifi in public spaces including maximising the use of existing IT resources across the county.
51. Develop plans for non-commercial tariff for digital broadband to be available to all social housing tenants and develop access to WiFi and broadband.
<b>Empowered and responsible</b>
52. The East Lothian Partnership should continue its strong commitment to tackling poverty and inequality as its core ambition within the next Single Outcome Agreement and related organisational plans e.g. the Council Plan. Organisational leaders need to share and speak about their vision for a fairer and more equal East Lothian gaining full organisational buy in to achieving real change.
53. The Partnership needs to consider its response to the Community Empowerment Act to enable further involvement of local communities including the development of Participatory Budgeting and Human Rights based budgeting at the highest level and also at Local Area Partnership level.
54. Develop a pilot project to monitor poverty using the international human rights standards and track progress against the progressive realisation of rights relating to the adequate standard of living. Aspects of this would include the identification of appropriate tools and training and supporting local people to use human rights based approaches to hold public bodies to account.
55. East Lothian's Area Partnerships are a significant move towards increasing access to decisions over local services by local people. Further work and support is required to ensure that the voice of those experiencing disadvantage are included and projects at local level are informed by a sound understanding of poverty and inequality.



56. The Council and its partners should continue to work toward building community capacity and resilience and responsibility to enable and empower local communities to take forward initiatives which mobilise community spirit to tackle poverty and inequality and make a positive difference in people's lives.
<b>National Recommendations</b>
We support the Scottish Government's development of a fresh approach to tackling Child Poverty and will contribute to the consultation on any new proposals arising from the 'Shifting the Curve[1]' report, including the introduction of the socio economic duty.
We strongly encourage the Scottish Government to build a social security system that is based on achieving social justice and provide a decent standard of living for all.
Proposals for the replacement for the Money Advice Service must be based on a principal of ensuring access to money advice services by those who need it most.
Protect the Human Rights Act and work towards enabling a better understanding of human rights and the consideration of poverty as a human rights issue.
Continue a national focus on reducing inequality and prevention.
The Scottish Government should investigate the practicality of piloting a citizen's wage.
The Scottish Government should set a standard minimum amount for the school clothing grant to ensure that all children have the uniform they need to encourage their time in school.



# **‘Poverty: It’s not a lifestyle choice’**

**A draft report by the East Lothian Poverty  
Commission**

**Draft v1 29-07-16 Rebecca Spillane**

**Draft v 2 23-08-16 Rebecca Spillane**

**Draft v3 29-09-2016 Rebecca Spillane**

**“Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life.”**

**Nelson Mandela**

Poverty is not a lifestyle choice but forced onto people through a complexity of circumstances. We believe that poverty is about more than a lack of money. Poverty is a human rights issue. Poverty is stressful. People have a right to an adequate standard of living, to feel included and able to participate in their community. We want to thank all those who told us their story and helped to shape this report. This report presents our findings from our recent work in East Lothian and our recommendations for the future.

## **Contents:**

- 1. What did the Poverty Commission do?**
- 2. What is Poverty?**
- 3. What did the Commission Learn?**
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  - **Financially Included**
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  - **Identity: Understood and Valued**
  - **Healthy and Well**
  - **Connected to the Community**
  - **Empowered and responsible**
- 5. National Asks and Comments**
- 6. Reflections from the Poverty Commissioners**
- 7. The Numbers- measuring poverty in East Lothian**
- 8. Resources and reports considered by the Poverty Commission**

## 1. What work did the Poverty Commission do?

### Why were we set up?

East Lothian Council and its partners have a core objective to reduce inequality within and between our ward areas in East Lothian. This is a key focus of the Council's Plan and also its work with partners through the East Lothian Partnership<sup>1</sup>. When we look at data from across the county, we can see that there are significant differences between different parts of the county and even within some ward areas. With recognition that there was already a significant amount of work underway to tackle poverty and inequality, it was agreed that now is an important time to consider what more could be done to tackle poverty and address inequality locally.

In this context the Poverty Commission was established and we were asked to examine poverty in East Lothian. We focused on identifying key actions that local organisations working in partnership can undertake to help people to move out of poverty or lessen its impact.

### Who are we?

The Commission has six members who bring a range of knowledge and expertise and give up their time on a voluntary basis to support this work. We all have strong connections with East Lothian's communities and are deeply passionate about inequality. We were supported by officers from East Lothian Council.

### Poverty Commission Members

- Chair: Annette Bruton, Principal of Edinburgh College
- Anne Hastie, former manager of Haddington Citizen's Advice Bureau
- Morag Alexander, ELCAP Board Member and former Equality and Human Rights Commissioner
- Chris Knights: Church and Community Development Worker for the Musselburgh Area and Chair of the Musselburgh Area Partnership
- Clare MacGillivray, Tenant Participation Specialist and Local Activist
- Zoe Van Zwanenberg, Leadership Specialist

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<sup>1</sup>The East Lothian Partnership is the overarching partnership in East Lothian and it is responsible for delivering community planning. You can find out more via this link [http://www.eastlothian.gov.uk/info/200135/community\\_planning/1749/east\\_lothian\\_partnership](http://www.eastlothian.gov.uk/info/200135/community_planning/1749/east_lothian_partnership)

## What did we do?

We met from February to June 2016 and worked to gather as much information, evidence and opinion about poverty in East Lothian as possible. We spoke to local people experiencing poverty, held themed sessions and invited practitioners, local projects and national experts to come to talk to us about poverty. Our key questions were:

- a) How extensive is poverty across East Lothian?
- b) What are the causes of poverty in East Lothian?
- c) What is it like to live in poverty in East Lothian; in particular what is the impact on children?
- d) How are different organisations working locally to tackle poverty/ multiple deprivation?
- e) What is the impact of existing measures in tackling poverty?
- f) What more can we do to tackle poverty and lessen its impact?
- g) How can we empower people to take action in their own communities?

## How local people were involved?

As Commissioners we felt it was essential to have voices of those with real experience of living in poverty at the heart of our discussions. We invited people to share their experiences with us through face to face meetings, an online submission and through inviting Commissioners to meet with local groups in our Communities. We also sought to hear about real life experiences of people through the evidence we heard from practitioners and this focus on real lived experience was at the heart of the questions we asked. The Commissioners also held an event for local practitioners to come together to share their experiences and observations from their work in the Community. We want to thank all those who told us their story and helped to shape this report.

## What did we agree and what will happen next?

This report sets out our findings and recommendations for tackling poverty in East Lothian. The report is structured around the evidence sessions we held and highlights key things local people talked to us about. Our recommendations contain both long and short term ambitions that will:

- a) Actively support organisations, agencies and individuals who are working now to mitigate against the impact of poverty
- b) Encourage and actively support the development of policies, processes and practices within and between organisations, agencies and individuals that will prevent or reduce poverty and

**'People don't understand what circumstances people are in. A lot of people are poor or very close to it. We need to pay more attention to poverty.'**

**Young Person, Musselburgh**

- c) Actively encourage the spread of knowledge and understanding about the causes and impacts of poverty and support the work that will change attitudes to the current culture of inequality.

The recommendations we have made will be considered by the Council and the East Lothian Partnership and taken forward through an action plan. The overall findings will influence the development of the Partnership's Single Outcome Agreement and the revised East Lothian Council Plan.

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### 3. What is 'poverty'?

#### Defining Poverty

As a Commission, we believe that poverty is about more than a lack of money. Poverty is a human rights issue. People have a right to an adequate standard of living<sup>2</sup> that enables them to take part in family and community life.

Poverty is not a lifestyle choice but forced onto people through a complexity of circumstances. The traditional view of poverty is now outdated and the modern experience of poverty is complex.

Poverty is not a static condition. Resources rise and fall as do needs and people's ability to meet them. Individuals can move in and out of poverty over time – so it may be temporary, recurrent or persistent over longer periods. Many of those who gave information to the Poverty Commission described themselves as 'close to poverty' and described a fear of falling back into poverty. This aspect of living with or close to poverty seemed to the Commissioners to be one of the most important things to recognise if we are to have a sustainable plan to support people and communities to have long term solutions.

Though the *risk* of experiencing poverty exists for many more than are *in poverty* at any one point in time, some people and groups are far more vulnerable to poverty than others. Thinking about poverty in a dynamic way gives us a focus on preventing poverty as well as seeking routes out of it.<sup>3</sup>

There is no agreed or standard definition of poverty and so considering different definitions is useful in building a comprehensive understanding of the factors and influences of poverty on people's lives. As a Commission we used the following definitions of poverty and equal opportunity to inform and guide our work.

#### **European Commission, Joint Report on Social Inclusion 2004**

"People are said to be living in poverty if their income and resources are so inadequate as to preclude them from having a standard of living acceptable in the society in which they live. Because of their poverty they may experience multiple disadvantage through unemployment, low income, poor housing, inadequate health care and barriers to lifelong learning, culture, sport and recreation. They are often excluded and marginalised from participating in activities (economic, social and cultural) that are the norm for other people and their access to fundamental rights may be restricted"

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<sup>2</sup> <http://www.un.org/en/universal-declaration-human-rights/>

<sup>3</sup> Joseph Rowntree Foundation (2014) 'A definition of Poverty' <https://www.jrf.org.uk/report/definition-poverty>

## **Definition of equal opportunity** UK Equality Review 2007

“An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish. An equal society recognises people’s different needs, situations and goals and removes the barriers that limit what people can do and be.” UK Equalities Review 2007 . This definition of equality captures three aspects of equality:

Opportunity - whether everyone really has the same chance to reach their potential

Agency - what degree of choice and control an individual has in taking part

Process – whether discrimination (or the way we do things) causes or contributes to a particular inequality.

## **The UK Poverty Line**

Most official definitions of poverty use relative income to measure who is in poverty; an income threshold is set and those who fall below it are seen to be ‘in poverty’.

The key UK government measures take 60 per cent of median income as the poverty line. Each year they undertake a Households Below Average Income survey to identify the number of low income households. For more information about how this is calculated, have a look at this infographic.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/432843/hbai-low-income-how-is-it-measured-infographic.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/432843/hbai-low-income-how-is-it-measured-infographic.pdf)

## **Before and After Housing Costs**

Measuring income before housing costs means that we treat spending on things such as rent and mortgage interest like we do spending on food or heating. Increased income means that you're better off, and if you choose to spend the increase on housing then that is reflected in your living standards.

Measuring income after housing costs is a bit different. This measures well-being by the amount that you have left to spend *after* paying for housing (assuming that housing cost is a necessary unavoidable cost).

## **Poverty and Gender**

National research tells us that women are at greater risk poverty than men. Factors including the gender pay gap and greater responsibilities for care within the home are deep routed causes of the poverty for women. Women are also more financially dependent on social security than men and also women have fewer financial assets and less access to occupational pensions than men. Across the UK 92% of lone parents are women and women

make up 95% of lone parents dependent on Income Support. With the impact of current welfare reform measures coming to light we can see that women are at greater risk of deeper and more sustained poverty. The links between the women's and child poverty is widely known. The Commission are concerned about the payment of Universal Credit as a single 'household payment' as further reducing women's economic autonomy/independence and placing significant pressure on household budgets.

### **Poverty and Disability**

In March 2015, the Scottish Government produced a report on 'Severe Poverty' reported that households which include a disabled adult have a much higher risk of relative poverty than those who do not. Factors including employment levels for disabled people, higher care costs and impact of welfare reforms are all underlying factors in this.

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#### 4. What did the Commission learn?

Poverty exists in East Lothian. We heard directly from people about how poverty was causing them to worry constantly. We know that poverty is limiting people's opportunities. We know that poverty is not always recognised and fully understood by those who design services. We also recognise that people living in or close to poverty are rightly proud and often slow to disclose or talk about their circumstances.

In the following section of the report we will share our recommendations and tell you why we have made these recommendations. We will highlight good practice and key levers for change. We have also included quotes from some local people reinforcing the key messages of this report.

Here are 5 key things to remember when thinking about poverty in our county:



## 5. Our Recommendations

As Commissioners we have made a number of recommendations that we feel are important ways in which poverty and inequality can be tackled. The majority of our recommendations are aimed at the Council and its Community Planning partners through the East Lothian Partnership. We have also included recommendations for specific agencies and some with a community focus. Later in our report we have also included some national asks and comments.

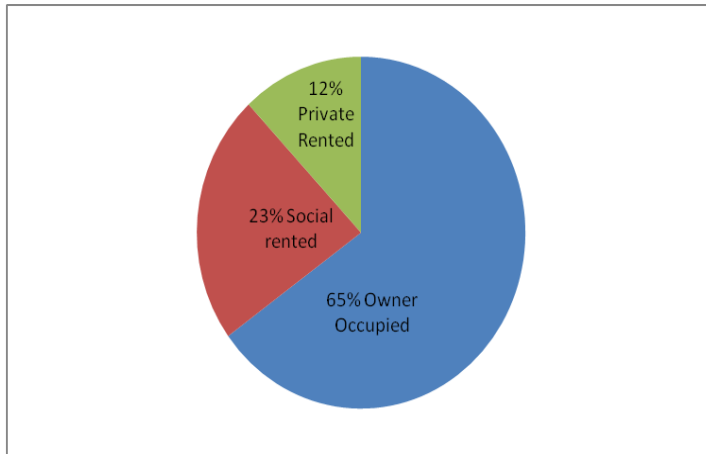
### 1. Having a Home

#### Our Recommendations:

- 1.1 Ask the Scottish Government to develop national guidance or definition of what 'affordable housing' really means.
- 1.2 Increase supply and range of affordable housing options, increasing the supply of socially rented stock in particular.
- 1.3 Increase supply of appropriate temporary accommodation to reduce the reliance on B&B accommodation and provide improved long term outcomes for those who find themselves homeless.
- 1.4 Increase awareness and uptake of housing benefit and other related benefits to those living in the private rented sector i.e. warm home discounts, council tax reduction and empty homes advice.
- 1.5 Improve the quality of private rented housing and campaign to introduce a minimum standard of energy efficiency in private tenancies.
- 1.6 Exploit the potential of community bulk buying energy and heat exchange initiatives in local communities.
- 1.7 Challenge utility companies on the high cost of prepayment tariffs.
- 1.8 Increase 'life skills' as part of basic education in school including cookery skills, understanding fuel systems e.g. how to take meter readings.
- 1.9 Continue the Tenancy Support Service and the Pre-tenancy Support offered by Housing services as part of their preventative approach which are increasingly important during a time of significant changes to benefits.
- 1.10 East Lothian Council should consider the impact of current welfare reforms on their housing allocations policy and communicate the policy widely as part of their work with tenants

- 1.11 Ensure that all areas of EL continue to be supported in tenant participation activity, giving residents a range of opportunities for local involvement that suit them.
- 1.12 Consider services for tenants that will reduce bills (e.g. cheaper preferred energy supplier such as Our Power)

**Why we have made these recommendations:**



- East Lothian has 12% of residents living in the private rented sector. Private renting has now become a long term option for many people. Those living in the private rented sector are typically facing higher rents than those in social housing and are also much less likely to claim housing benefit.
- The House Condition Survey

suggests that those living in the private rented sector often face poorer house conditions, higher inflation of rental prices and insecurity of tenure, all contributing to a higher vulnerability to poverty.

- In April 2016, 3,900 households were on the waiting list for housing with an average of 400 properties becoming available each year.
- Demand for homelessness services remains at around 1,600 clients per year. Since legislative change in 2012, homelessness services have faced significant pressure to provide temporary accommodation and still rely on B&B to meet demand. There are significant health and other negative outcomes arising from being homeless, especially in relation to long term homelessness.
- East Lothian Council rent levels are the second lowest in Scotland. Despite this the Council faces a high level of rent arrears and changes to the benefit system are already affecting of the ability of tenants to pay their rent.
- Local people expressed concern about the high cost of utilities. Many cited the choice between eating or heating their homes. For many people on low incomes, shopping locally is the only option available due to the cost, availability and practicality of public transport, particularly in more outlying areas of the county. In reality this means higher food prices and a lack of variety and choice of fresh produce. For many, while they could see the benefit of services such as home

delivery from supermarkets being desirable, these were not available to them due to a lack of digital access or access to a credit/ debit card.

- In East Lothian, 15,000 households suffer from fuel poverty. Some rural areas have particularly high instances of fuel poverty (due to the lack of gas network, lower incomes and harder to treat properties) but the major issues of fuel poverty are located in towns where there is a high correlation with instances of multiple deprivation. Prepayment meters are popular for those on low incomes as they can avoid people getting into debt, although tariffs are often higher.

## 2. Financially Included

### Our recommendations:

- 2.1 East Lothian Partnership to consider a range of ways to increase access to affordable credit in the area and working to establish pan Lothian partnerships if appropriate (considering both credit union models and community development finance institutions). Any model developed should be designed to meet the needs and preferences of those it is aimed at.
- 2.2 Financial education should be included in the curriculum from an early age to ensure that young people have the financial capability they need for the future.
- 2.3 Work with local employers to increase their partnerships with credit unions to make savings and repaying loans via payroll deduction a standard workplace benefit.
- 2.4 Review current practice of income maximisation checks through statutory services including health, education and social work services and raising awareness of advice services available in the community.
- 2.5 Enhance the impact of existing advice services by improved targeting of those who are most vulnerable at the point of need. Develop an improved referral system between all services working in East Lothian to encourage closer working and early intervention. This should include consideration of how local advice agencies can provide advice on sources of suitable and most appropriate sources of credit alongside other financial inclusion issues (where possible to do so).

**'I tried to feed the kids and cut down on everything'.**

### Why we have made these recommendations:

- There is high demand for credit services and they have a diverse user profile. However, young people, people on low incomes, those living in more deprived areas, women, social housing tenants and single parents are disproportionately represented amongst

users of non mainstream lenders such as pay day lenders (both online and retail), home credit lending and pawn broking. Nationally 37% of users of online payday loan customers were defined as vulnerable compared to 77% of home credit customers.

- Figures from the local Citizens Advice Bureaux show that 34.7% of all enquiries relate to debt and 28.6% relate to benefits. In 2015/16 average debts per client are £18,744 for Haddington CAB and £13,069 for Musselburgh with credit card debt totalling just under £1,000,000.
- In East Lothian the awareness of and membership of the Credit Union remains low. Capital Credit Union has no physical presence in the community.
- Research from the Money Advice Service shows that many people from their views on money by the age of seven and also that support at times of significant change are crucially important e.g. birth of a baby, family breakdown etc.

### **3. Secure and Protected**

#### **Our Recommendations:**

- 3.1 The DWP consider the development of a rural model of service delivery which meets the needs of individuals in rural or remote areas.
- 3.2 The DWP, UK and Scottish Government should consider the implications of the current administration of universal credit and other benefit changes on vulnerable people and make adjustments to ensure a fairer and more just approach in future.
- 3.3 The DWP should implement a clear policy for benefits sanctions ensuring people have the information and support needed to avoid sanctions, challenge sanction decisions and apply for DWP Hardship Payments if they are sanctioned
- 3.4 Establish a pioneer pilot to test a redesign of incentives and sanctions and their role in helping people into work
- 3.5 Explore the potential for doctors to undertake assessments for disabled people for the purposes of their benefit claim and to provide the information needed for appeals should be provided free of charge to those who need it. The current practice of GP's charging for assessments needs to change



### Why we have made these recommendations:

- East Lothian Council is one of the first local authority areas to roll out Universal Credit Full Service. While the full implications of universal credit are still emerging the Commission heard extensively from local practitioners and local residents about the impact of universal credit and the administrative processes that support it. The following are the main concerns raised:
  - Digital application process is long and complicated requiring a high level of digital skill and confidence to complete applications
  - Lengthy queues for DWP telephone based advice and support and lengthy time for form completion– often meaning people are unable to hold the phone for the length of time required.
  - Long delays in payments being made- up to 8 weeks for some of those we spoke to as part of our work. This results in individuals falling into arrears for rent, council tax, utilities and other services which has further negative implications. In some cases, bank charges have also been incurred further increasing crisis for individuals and families.
  - Universal credit is paid monthly in a single payment. This requires families to plan on a monthly basis which is a significant change and can be challenging for some. Practitioners have also raised concerns about payments being made to one member of the family and the potential for financial abuse or control.
  - The cost of travelling to the job centre is a significant burden for those living in more outlying parts of the county e.g. Dunbar and North Berwick.
  - Local support services are struggling to provide appropriate support to people to make their claims successfully, often requiring over one and a half hours to complete an initial application for universal credit.

**‘There is no compassion just numbers. You just want people to be cared for and have the basics. You want people to listen to you. It’s all about regulations and forms. It all adds to the stress.’**

**‘It makes my depression worse; I find it very stressful having to deal with the benefits system. I wish I could get back to work but I can’t at the moment.’**

- Personal Independence Payments now require mandatory reassessment which is completed by third parties. These are the cause of stress and anxiety for many vulnerable people and their carers. The cost of travelling to assessment appointments can also be prohibitive.

### **One Young Mum's Story of Universal Credit:**

'My baby was born 7 weeks prematurely. I hadn't got anything ready for him really – I was waiting til the last minute and trying to save my money. I think the reason he was early was because I was given anti-biotics. My baby was in the neo natal ward in Edinburgh for a few weeks. I found it really difficult to visit him as I was on benefits and didn't have the money for the bus trips every day to the hospital as they are expensive. The food at the hospital is very expensive too. My mum had to help me out.

I rang the DWP about my tax credits but got bad advice from the advice line. They told me I need to fill out some forms and it took two weeks for them to get to me. It was another two weeks before the DWP got back to me and then I was told that I actually needed to move onto Universal Credit. By that time it was four weeks since my last benefit payment.

I was told I needed to fill out my Universal Credit online. I'm not great with computers and so my friend tried to help me with my application. She couldn't help me so I asked my mum. My mum is really good with computers but she struggled too. She had to get help to download the app you need. You needed to send ID over email and this was tricky trying to scan it and now you need to keep track of the journals.

While the DWP were processing this I got nothing for 5 weeks. Because I had no tax credits I got no milk tokens. I went to the CAB for advice and they told me to apply for a welfare fund payment. I was given £110 for the week and then couldn't apply again for 28 days. I got a Foodbank parcel but it was full of tinned peaches and not much else. They don't do baby milk or nappies. I got a benefit advance but you need to pack this back.

When I eventually got my money it was about 5/6 weeks later. I had missed direct debit payments and so had to pay bank charges and also to pay back my benefit advance so I had very little left for the coming month.

It's hard to even think about what the next few weeks will be like. I keep getting letters about rent and council tax arrears but I just put them in the drawer. I need to feed my baby before I pay my rent. I live in a one bed flat and would like to apply for an exchange. People with rent arrears are not allowed to apply for an exchange.

The whole situation has made me really depressed and low. I feel like I can't enjoy my baby because of it.

## 4. Educated

### Our Recommendations

- 4.1 East Lothian Education Authority should develop a whole school approach to raising awareness of the impact of poverty on education and what education can do to mitigate the cycle of poverty.
- 4.2 East Lothian Education Authority should develop clear policies to reduce inequality in schools. The City of Edinburgh Council guide to poverty provides a good example of key steps to take.
- 4.3 Learn from Pinkie St Peters and Prestonpans Infants current provision of activities and food during the summer holidays and expand efforts to address holiday hunger and morning hunger for children and young people to improve their educational attainment and overall well-being.
- 4.4 Schools should consider how they can use their existing digital resources to support wider engagement and development of digital skills for families.
- 4.5 Schools need to work towards reducing the attainment gap with a real understanding of the way in which poverty affects attainment.
- 4.6 East Lothian Education Authority review its policies in relation to the cost of the school day, and to minimise the cost of school trips.

'Kids can't learn if they are hungry'  
Teacher, Haddington

### Why we have made these recommendations?

- To address poverty and other forms of exclusion, we need to talk about these issues specifically and fully understand their impact within the school. Poverty blindness within schools fails to address poverty and can expand inequalities and the attainment gap.
- The report showed that 11.6% of children in East Lothian were living in poverty in Q3 of 2013/14. This figure rose to 18.6% when housing costs were included. An average of 12.9% and 20.6% of children were living in poverty across Scotland's 32 local authority areas before and after housing costs respectively. For many children, free school meals provide essential nutrition during the school week. However, morning time and school holiday hungers remain a reality for many children.
- Parents who gave evidence to the Commission cited many examples of the high cost of the school day. Issues such as the cost of school uniforms end of term gifts for teachers,

school trips and extra curricular activities were leaving children excluded or putting unnecessary financial pressure on families.

- The gap between children from low-income and high-income households starts early. By age 5, it is 10–13 months. Lower attainment in literacy and numeracy is linked to deprivation throughout primary school. By age 12–14 (S2), pupils from better-off areas are more than twice as likely as those from the most deprived areas to do well in numeracy. Attainment at 16 (the end of S4) has risen overall, but a significant and persistent gap remains between groups.
- At times, thresholds for free school meals and clothing grant see some families miss out on support when it can be really needed.
- Examples of good practice from Pinkie St Peter’s, and Prestonpans Infant School and others show the importance of engaging wider family members and the wider community in the life of the school. This allows greater opportunity to develop learning and support for learning leading to better outcomes overall.
- Schools are encouraging and supporting the use of digital technology in schools and encouraging children to develop their digital skills. While this is to be encouraged, schools also need to be aware of the level of access to digital technology and skills at home and consider how they can use school based resources for wider community and family benefit.

**‘I had no energy to walk the kids to school and it was hard to focus at work. For the school October holiday club I had no money to give the kids for snack. They went and asked other children for something and I felt awful.’**

**‘Camp cost £250. You could get help with this but you still need to pay up front before you can claim it back which is very unhelpful.’**

**Parent, Tranent**

### **Top Ten for Schools:**

1. Talk about poverty regularly in school – make it part of the school ethos to reduce inequality in every way possible. Talk about it with all parents and encourage them to support this way of working – show them how it benefits everybody and that they have a role to play too.
2. Keep the same uniform between infant school and primary school. Don't change the colour of the jumper! Let parents buy non branded uniform and develop other innovative ways to build school identity e.g. button on badges.
3. Don't have a deficit view of the community. Find out what the local issues are for the children in your school. Use this information to tackle particular issues for the children and build on community strengths e.g. is there a local business that would sponsor/provide extra PE kit for your school?
4. Make a school rule about Christmas and end of term gifts for teachers – only accept thank you notes – no gifts.
5. Hunger: think of innovative ways to offer children nutritious snacks in the morning or late afternoon to tackle hunger and improve concentration and learning.
6. Be clear with parents about the resources that all children are entitled to for free e.g. pens/ paper/ jotters etc.
7. Hold regular school uniform swaps/ exchange days as part of school open days, eco days etc.
8. School trips: think local first! Make it about building friendships and learning from the outdoors rather than expensive entrance fees. Give parents as much notice as possible.
9. Think digital: can everyone access the technology they need to complete homework etc. How can you use resources to encourage families to build their skills too?
10. Have a box of communal stationary in the classroom that all children can access if they need it.

## **5. Working your way out of poverty.**

### **Our Recommendations:**

- 5.1 East Lothian should work to attract good quality jobs into the area, providing opportunities for career progression and in work training to ensure longer term benefit for both employees and the local economy.
- 5.2 East Lothian should become a 'Living Wage' local authority area and East Lothian public sector partners should lead this process by becoming achieving Scottish Living Wage Accreditation.
- 5.3 Develop a range of options for childcare for working parents and carers including parent lead childcare opportunities, social enterprises and other models which support parents to return to or sustain employment/ education and which are flexible to meet the needs of families in urban and rural communities.
- 5.4 Consider the current processes used to administer free childcare hour entitlement to ensure it works for parents who want to return to work or education.
- 5.5 East Lothian Works should develop a focused project to improve skills, confidence and opportunities for parents in receipt of Priority 2 funding to allow them to return to work or education and lead to better long term outcomes for their young families.
- 5.6 The Commission recognises the importance of 'Developing the Young Workforce'<sup>4</sup> recommendations East Lothian Works should work more closely with education and facilitate closer engagement between schools and the local business community, building on examples from the relationship between Knox Academy and Canon.
- 5.7 East Lothian Works should work with the business community and other partners to provide more support for skills development, focusing on those further from the labour market e.g. those with mental health issues.
- 5.8 East Lothian Council should consider the range of adult learning opportunities available in the area to ensure that they incorporate the right provision to ensure people can continue to develop and expand their skills.
- 5.9 Continue to support volunteering opportunities as a key way in which to build skills and networks for mutual benefit between communities and individuals.

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<sup>4</sup> <http://www.educationscotland.gov.uk/learningandteaching/thecurriculum/dyw/about/index.asp>

### Why we have made these recommendations:

- The old premise that a job was the best way out of poverty is no entirely longer true. Many people who are in work are still struggling to make ends meet. They may be earning slightly higher wages than minimum standards for benefits and therefore receive no additional help.
- Job insecurity, zero hours contracts, unsocial hours, poor working conditions and seasonality are all factors contributing to in work poverty or a cycle in and out of poverty for local people, sometimes described as a 'revolving door'. Employers often invest little in training and staff development, trapping people at low level jobs.
- There is a need to upgrade the skills of those already in employment to ensure that employment continues to provide for a better standard of living. Literacy and numeracy and personal development opportunities are needed alongside other provision – particularly for those with multiple barriers to employment.
- Childcare remains a barrier to many people seeking to return to employment or education. Lack of access to registered childcare, high cost and administrative procedures pose barriers that result in people not accepting jobs or returning to training or education.
- Transport is also a barrier for local people accessing employment, training and educational opportunities in neighbouring authorities. High fares and infrequent services make it difficult or impossible to travel to these.
- There is a strong tradition of volunteering in East Lothian with a wide range of opportunities available in the community. This is being further developed through the recently launched Volunteering Strategy.

'There are some jobs in East Lothian but not many that you would want to do for a long time'.

Young Person, Whitecraig

## 6. Identity: Understood and Valued

### Our Recommendations:

- 6.1 Sign up to the Poverty Alliance 'Stick your Labels' Campaign<sup>5</sup> and commit to a stigma free culture and organisational practice.
- 6.2 Develop relevant poverty awareness and sensitivity training for all those working in service design and delivery and those involved in making funding decisions at local community level.
- 6.3 Include 'poverty attitude' questions within Citizen's Panel and other social attitude surveys to measure any changes in the perceptions of local people.
- 6.4 Work with local media to promote the work of the Poverty Commission as a catalyst for change towards a more positive and empathetic reflection of poverty in local media.
- 6.5 East Lothian Partnership and its partners should continue to use the Integrated Impact Assessment processes as a tool to understand the impact of decisions in relation to poverty.

### Why we have made our recommendations:

- The highest number of comments made to the Commission was about the stigma of poverty. The impact of poverty on the self-esteem and mental health of people cannot be under estimated.
- Media portrays those living in poverty in a very negative light often placing the blame for poverty on the individual themselves rather than on wider structural, economic or socially constructed circumstances.
- Recent changes to the benefit system and the administration of the new systems have left many people feeling very vulnerable and stigmatised.

**'I'm sometimes embarrassed to have people round to the house as its all second hand furniture and mixed up but that's what we have.'**

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<sup>5</sup> [http://www.povertyalliance.org/policy\\_campaigns/syl](http://www.povertyalliance.org/policy_campaigns/syl)



- Certain life events can often be the point at which people fall into poverty. These life events can also be traumatic (e.g. ending of a relationship, or death of a family member), in other ways and therefore people experience multiple areas of stress which compound each other and make it more difficult to seek advice and help. Helping people at an early age is most likely to reduce the risk of poverty and to prevent it having a long term effect.
- People spoke about services and communities being 'blind to poverty'. If services cannot recognise poverty and understand its impact, then common policies or ways of working can continue to perpetuate poverty and reinforce the barriers that people living in poverty face.
- Many people are faced with difficult choices every day. Talking about your circumstances is difficult and becomes even harder when you are surrounded by people who seem to have access to money and resources more easily. In some cases people are getting into further difficulty trying to 'keep up' with others and/ or not wanting their children to miss out.

## 7. Healthy and Well

### Our recommendations:

- 7.1 The Commission recognise and value the role played by food banks in tackling crisis food poverty. However, the Commission strongly feel that we need to address the causes of the need for this increased demand and avoid normalising emergency food parcels as a safety net. The Scottish and UK Governments should work towards food justice considering the need for sustainable food production, income levels and education.
- 7.2 Many of the recommendations across this report should contribute to positive health for local communities. Ensuring that we create safe environments, have good quality and accessible services and good working environments (with good pay, conditions and prospects) are all key in reducing health inequalities.
- 7.3 Support those with additional health needs or disabilities through person centred approaches and investment in modern technology which enable people to maintain their independence, self esteem and established social networks is important.

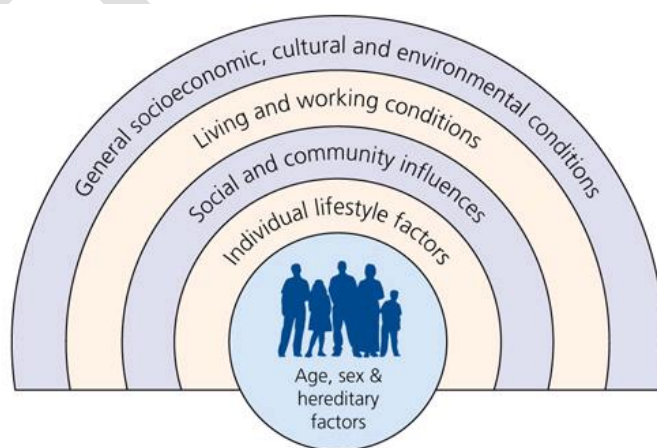
#### How does poverty make you feel?

- **Isolated**
- **Alone**
- **Frightened**
- **Hopeless**
- **Humble**

7.4 Support current local movements to develop food networks/ clubs/ projects increasing access to food, cooking skills and facilitating social interaction which are sustainable and reduce reliance on emergency food.

**Why we have made these recommendations:**

- Poverty can be seen as both a cause and effect of health inequality. For many families living in chaotic homes, poverty is nearly always a compounding factor in people's negative life experiences, particularly leading to poor mental health.
- Health problems accumulate with age and this happens more quickly for those who are experiencing deprivation. East Lothian has an aging population which places significant pressure on existing services.
- Health is determined by a wide range of elements as shown in this diagram. Although life expectancy in East Lothian is relatively high, there are significant differences between the East and West areas of the county (reflecting areas of most and least deprivation) e.g. men in the least deprived area live up to 4 years longer than those in the most deprived areas.
- Well planned spaces and access to good incomes have a significant impact on health and health inequality.
- Hunger is a reality for many people in East Lothian. The number of people accessing food banks has risen steadily over the past two years. The impact of welfare reform and the rising cost of food are contributing to this demand.
- Communities and individuals who are at risk of food poverty are well-placed to lead their own responses to it and are experts in their own experience. Could community-led responses be a key part of increasing food security: initiatives such as local food hubs, community shops, food co-operatives and community gardens & allotments?
- Two different models of Foodbank operate in East Lothian. The Basics Bank is a smaller scale Foodbank based in Musselburgh and Dunbar which supports people to access food and toiletries and also offers support through a cafe environment. The East Lothian Foodbank operates through the Trussell Trust model providing delivered food parcels across East Lothian.



## 8. Connected to the community

### Our recommendations:

- 8.1 The Commission recommends the development of more integrated travel solutions that better meet local need, particularly in more rural areas e.g. the use of 8 seater taxi's.
- 8.2 Consider the potential of the development of a bus pass scheme allocating free travel passes to individuals who are returning to work or education or those who require it to support them to improve their life chances e.g. to access free childcare provision.
- 8.3 Consider the development of local/ regional employer supported transport initiatives e.g. Standard Life operated a bus route for their employees.
- 8.4 Increase access to wifi in public spaces including maximising the use of existing IT resources across the county.
- 8.5 Develop plans for non-commercial tariff for digital broadband to be available to all social housing tenants and develop access to WiFi and broadband.

### Why we have made these recommendations:

- The Commissioners recognise the high cost of travel across the county – particularly in the east of the county where a return fare to Edinburgh costs over £7. This is almost twice the national minimum wage per hour for someone under 18 or an apprentice and two-thirds of the national minimum wage for someone aged 18-20.
- The high cost of transport is compounded by a restricted timetables and routes, creating barriers for those wishing to travel to the other parts of the county to access work, education or other essential services, including the job centre.
- People on lower incomes also tend to pay more for transport as they pay a daily rate for travel rather than being able to access discounts for paying monthly or annually via direct debit.

**'People were great and gave us food but it was always stuff that they didn't want themselves so it was never very healthy but you can't complain'.**

**Dad of three, Prestonpans**

- Internet Access is now seen as essential to allow people to participate in modern life and a key means of communication. While this issue was raised in relation to access to the benefits system in particular, others raised the issue in terms of increasing social isolation, lack of access to online discounts and inability to apply for jobs as being key factors in digital exclusion. A lack of IT skills was also raised as an area of concern by practitioners and young people where it is often assumed that people have the IT skills required to access online services.

## 9. Empowered and responsible

### Our recommendations:

9.1 The East Lothian Partnership should continue its strong commitment to tackling poverty and inequality as its core ambition within the next Single Outcome Agreement and related organisational plans e.g. the Council Plan. Organisational leaders need to share and speak about their vision for a fairer and more equal East Lothian gaining full organisational buy in to achieving real change.

9.2 The Partnership needs to consider its response to the Community Empowerment Act to enable further involvement of local communities including the development of Participatory Budgeting and Human Rights based budgeting at the highest level and also at Local Area Partnership level.

9.3 Develop a pilot project to monitor poverty using the international human rights standards and track progress against the progressive realisation of rights relating to the adequate standard of living. Aspects of this would include the identification of appropriate tools and training and supporting local people to use human rights based approaches to hold public bodies to account.

9.4 East Lothian's Area Partnerships are a significant move towards increasing access to decisions over local services by local people. Further work and support is required to ensure that the voice of those experiencing disadvantage are included and projects at local level are informed by a sound understanding of poverty and inequality.

9.5 The Council and its partners should continue to work toward building community capacity and resilience and responsibility to enable and empower local communities to take forward initiatives which

'When I was very ill, subsisting on benefits and unable to afford more than a very basic diet, I actually couldn't have afforded the travel from North Berwick to the nearest food bank.'

mobilise community spirit to tackle poverty and inequality and make a positive difference in people's lives.

Why we have made our recommendations:

- We consider poverty to be a human rights issue. Living in poverty is more than suffering material deprivation – it is being marginalised, being without power or influence over decisions that affect your life. Being able to realise your rights is important and valuable.
- People spoke to us about the benefit of feeling empowered and the power that this gives people to make positive changes in their lives. This included the importance of strong and supportive communities which allow friendships and circles of support to develop. These factors played a significant role in people feeling supported and able to make positive changes in their lives or work through difficult times.
- We need to encourage our young people to become responsible citizens recognising their moral and social responsibilities to the communities in which they live.

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### Section 3 National Recommendations

As Commissioners our main focus was on local solutions to the experience of poverty in East Lothian. We have made a significant number of recommendations for local change and local action. However, we also need to recognise that, without change at national and UK wide level, poverty and inequality will continue to impact on the lives of local people. In this part of our report we want to include some key comments and recommendations to challenge those with power to consider taking further action to tackle poverty and inequality.

Our comments and asks:

- We support the Scottish Government's development of a fresh approach to tackling Child Poverty and will contribute to the consultation on any new proposals arising from the 'Shifting the Curve'<sup>6</sup> report, including the introduction of the socio economic duty.
- We strongly encourage the Scottish Government to build a social security system that is based on achieving social justice and provide a decent standard of living for all.
- Proposals for the replacement for the Money Advice Service must be based on a principal of ensuring access to money advice services by those who need it most.
- Protect the Human Rights Act and work towards enabling a better understanding of human rights and the consideration of poverty as a human rights issue.
- Continue a national focus on reducing inequality and prevention.
- The Scottish Government should investigate the practicality of piloting a citizen's wage.
- The Scottish Government should set a standard minimum amount for the school clothing grant to ensure that all children have the uniform they need to encourage their time in school.

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<sup>6</sup> <http://www.gov.scot/Publications/2016/01/1984>

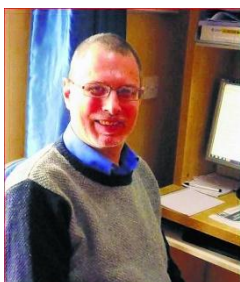
## 6. Personal reflections from the Commissioners

### Annette Bruton - Chair



'I grew up in East Lothian in a mining and farming community. People were close and helped each other out at times of financial crisis. Society has changed greatly since then and whilst we see more signs of greater affluence than I grew up with, I believe the distance between the haves and have nots has widened. East Lothian is beautiful place to live and a tough place to be poor. I've spent my entire professional life working to reduce inequality and give people chances through education. I was therefore delighted and honoured to be asked to support the work of East Lothian Council and its partners who really want to make a difference in reducing poverty, and improving human rights. I commend this report to all those who have both the opportunity and the influence to bring the change asked for by the people of East Lothian.'

### Rev. Chris Knights



'While poverty may not be as widespread in East Lothian as in other places, my experience working in Musselburgh with the Basics Bank, with people in recovery and with young homeless people showed me that poverty is a reality for too many people in our county. We have to do all that we can both to reduce poverty and the stigma that living in poverty still carries'.

### Morag Alexander



'Since I became a trustee of ELCAP in 2010, I've learned about some of the positive initiatives by public sector and voluntary organisation to support vulnerable and marginalised people. But the lived experiences of East Lothian people living in poverty and the stark statistics detailing the incidence of homelessness, poor mental health, rising use of food banks, households in fuel poverty and children living in poverty all emphasise that we need to do much more to eliminate poverty and create a more equal East Lothian. I very much hope the Council, the East Lothian Partnership and the Scottish and UK Governments will act urgently on our recommendations'.

**Zoe Van Zwanenberg**



‘Whilst poverty in East Lothian is not as widespread as in some other areas of Scotland, it is a serious and growing sign of the inequalities in our society. Anyone who is concerned with the future well being of our communities and who values the area we live in must wish to take action to reduce this inequality and to demonstrate the importance of everyone who lives here.’

**Anne Hastie**



‘Some years ago, I remember we tried to set up an Anti-Poverty Forum however this was discouraged as “there was no poverty in East Lothian”. In my working life with Haddington CAB, I knew that this view was so very wrong and therefore I very much welcomed the establishment of the East Lothian poverty Commission and the invitation to contribute as a Commissioner. I look forward to our recommendations being taken forward to improve lives and reduce poverty and inequality”.

**Clare MacGillivray**



## 7. The Numbers- measuring poverty in East Lothian

More detailed information about poverty in East Lothian can be found in 'East Lothian by Numbers' and the Ward Profiles which you can view here

[http://www.eastlothian.gov.uk/info/200135/community\\_planning/1751/east\\_lothian\\_and\\_wards\\_by\\_numbers](http://www.eastlothian.gov.uk/info/200135/community_planning/1751/east_lothian_and_wards_by_numbers)

### 7.1 Scottish Index of Multiple Deprivation (SIMD 2016)

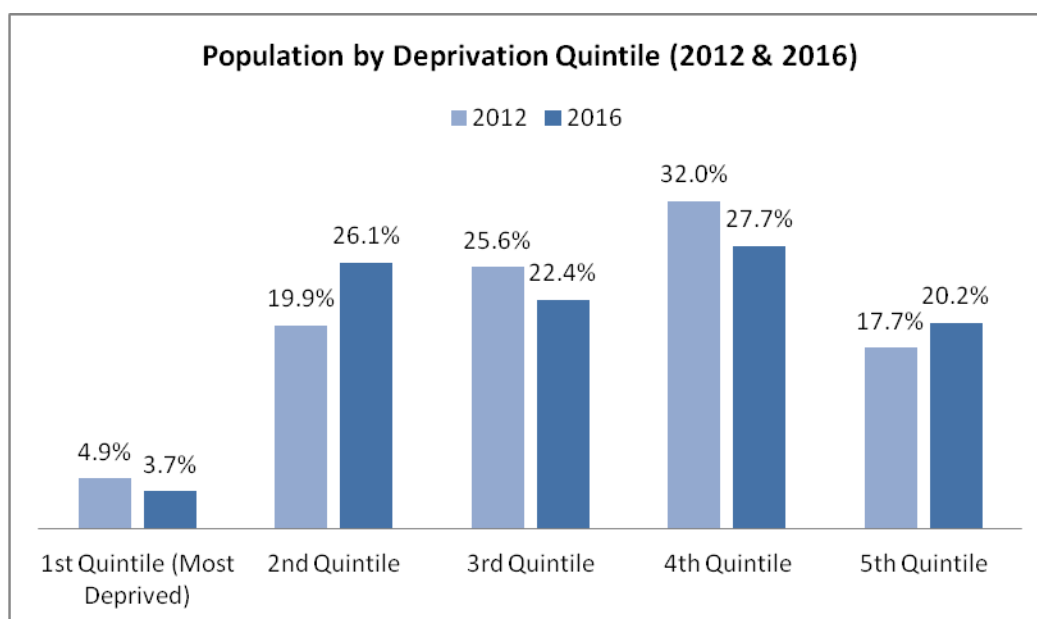
#### Deprivation by Ward

Table 1/shows the distribution of deprivation within each of the Wards in East Lothian. Musselburgh East & Carberry, Fa'side and Preston Seton Gosford account for 25 out of 26 of the 20% most deprived datazones in East Lothian. On the other hand, 8 of North Berwick Coastal's 18 datazones are amongst the 20% least deprived.

**Table 1: SIMD top and bottom deciles by multimember ward (SIMD 2016).**

Ward	Datazones most deprived 20%	Datazones most deprived 50%	Datazones least deprived 50%	Datazones least deprived 20%
(number of datazones)	(1-26)	(1-66)	(67-132)	(106-132)
Dunbar & East Linton (17)	0	3	14	3
Fa'side (24)	8	15	9	2
Haddington & Lammermuir (15)	1	8	7	2
Musselburgh East & Carberry (19)	9	16	3	2
Musselburgh West (15)	0	7	8	3
North Berwick Coastal (18)	0	3	15	8
Preston Seton Gosford (24)	8	14	10	7

Table 2 shows the change in population in each quintile for East Lothian and Scotland. Less people now reside in the lowest quintile and more in the highest when compared to 2012



### Fuel Poverty

Table 2 shows the percentage of people that are fuel poor (required fuel costs are > than 10% of income) in East Lothian and Scotland. Pensioners and people who live in social housing are more likely to experience fuel poverty.

**Table 2. Percentage of households that are and are not in fuel poverty in East Lothian and Scotland (SHCS 2012-14).**

	Overall	Owner-occupied	Social Housing	Private Rented	Families	Pensioners	Adult Only
East Lothian	33%	30%	40%	*	14%	49%	32%
Scotland	35%	33%	38%	32%	21%	51%	31%

Table 3 shows the percentage of people that are in extreme fuel poverty (required fuel costs are >20% of income).

In Scotland, 10% of households were identified as being in extreme fuel poverty and East Lothian has a figure of 7%. In general fewer people in East Lothian are in extreme fuel poverty than the Scottish average. Pensioners are more likely to experience extreme fuel poverty.

**Table 3: Percentage of households that are in extreme fuel poverty, in East Lothian and Scotland, by type (SHCS 2012-14).**

	Overall	Owner-occupied	Social Housing	Private Rented	Families	Pensioners	Adult Only
East Lothian	7%	7%	8%	*	0%	11%	7%
Scotland	10%	10%	7%	10%	4%	15%	9%

### Crisis Grants

Crisis grants are part of the Scottish Welfare fund and provide a discretionary amount of money to those who need it quickly – usually because of an unforeseen event or an extreme circumstance. Local authorities award grants to eligible applicants depending on circumstance, priority of the application, and the amount of funding left in the budget. These grants do not have to be repaid.

Table 4 shows the total number of Crisis Grant award applications made to East Lothian Council in 2014/15 and the number of applications accepted. The figures are rounded to the nearest 5 and so may not total.

Crisis Grant applications are lower in East Lothian than the Scottish average and also lower than most other Local Authorities for this period.

**Table 4: Crisis Grant award applications to East Lothian Council, 2014/15 (Scottish Government 2016).**

	Jan to Mar 2015	Apr to Jun 2015	Jul to Sep 2015	Oct to Dec 2015
Total No. Applications	295	270	305	395
No. Applications Accepted	620	530	575	575
% Applications Accepted	47%	51%	53%	67%

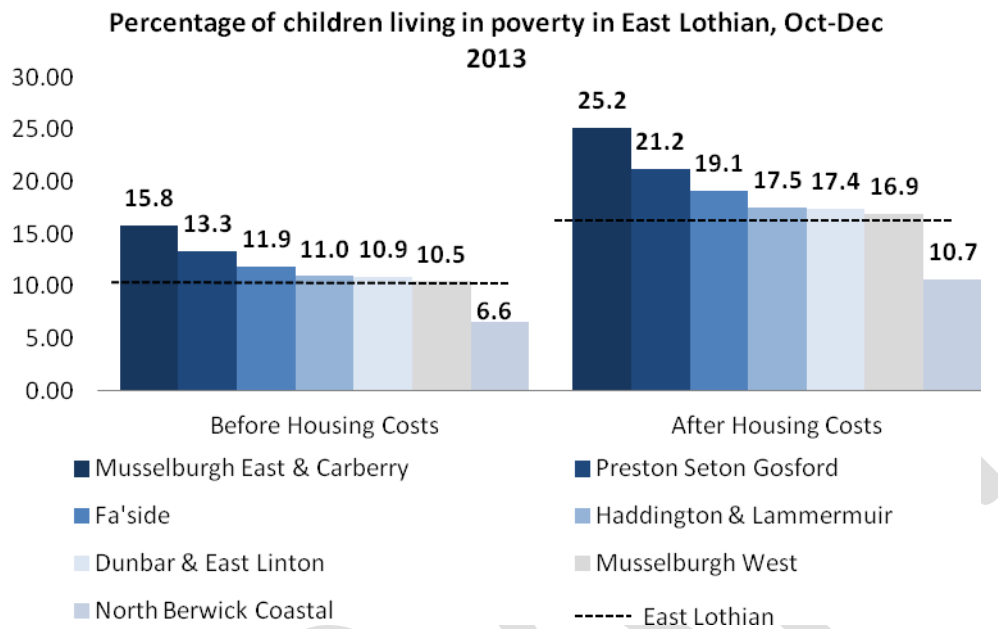
### Child Poverty

A report released by campaign group End Child Poverty, produced on their behalf by Loughborough University, highlighted the extent of child poverty across Scotland and the United Kingdom. The report showed that 11.6% of children in East Lothian were living in poverty in Q3 of 2013/14. This figure rose to 18.6% when housing costs were included. An average of 12.9% and 20.6% of children were living in poverty across Scotland's 32 local authority areas before and after housing costs respectively.

Musselburgh East & Carberry is the ward with the highest levels of child poverty in East Lothian, although Preston Seton Gosford and Fa'Side both have higher levels of child

poverty than the East Lothian figure. Figure 2.10 shows the percentage of children living in poverty in East Lothian and in each multimember ward before and after housing costs are included.

**Figure 2.10: Percentage of children living in poverty in East Lothian and multimember wards (End Child Poverty 2014).**



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**Food bank parcels issued by ward (31/03/15-31/03/2016)**

<b>Ward</b>	<b>No of Vouchers</b>	<b>Adults</b>	<b>Children</b>	<b>Total No. of People</b>
<b>Dunbar and East Linton Ward</b>	<b>59</b>	<b>73</b>	<b>47</b>	<b>120</b>
<b>Fa'side Ward</b>	<b>269</b>	<b>381</b>	<b>335</b>	<b>716</b>
<b>Haddington and Lammermuir</b>	<b>169</b>	<b>200</b>	<b>90</b>	<b>290</b>
<b>Musselburgh East and Carberry</b>	<b>339</b>	<b>426</b>	<b>280</b>	<b>706</b>
<b>Musselburgh West</b>	<b>217</b>	<b>259</b>	<b>71</b>	<b>330</b>
<b>North Berwick coastal</b>	<b>40</b>	<b>60</b>	<b>21</b>	<b>81</b>
<b>Unknown</b>	<b>39</b>	<b>49</b>	<b>31</b>	<b>80</b>
<b>NFA</b>	<b>22</b>	<b>24</b>	<b>1</b>	<b>25</b>
<b>Total</b>	<b>1354</b>	<b>1733</b>	<b>1073</b>	<b>2806</b>

## 10 Resources and reports considered by the Poverty Commission:

Here are some of the reports and papers that we considered as part of reaching our recommendations.

- 'A Scotland Without Poverty' by Joseph Rowntree Foundation 2016  
<https://www.jrf.org.uk/report/scotland-without-poverty>
- 'Gateway to Affordable Credit' by Carnegie Trust 2016  
<http://www.carnegieuktrust.org.uk/project/affordable-credit/>
- 'Living at the Sharp End' Citizens Advice Scotland 2016  
<http://www.cas.org.uk/publications/living-sharp-end>
- 'The Cost of the School Day Report' Child Poverty Action Group  
<http://www.cpag.org.uk/content/cost-school-day-report-and-executive-summary>
- 'Dignity: Ending Hunger Together in Scotland' - The Report of the Independent Working Group on Food Poverty 2016  
<http://www.gov.scot/Publications/2016/06/8020>
- 'Shifting the Curve' Independent Advisor on Poverty and Inequality: Shifting the curve - a report for the First Minister 2016  
<http://www.gov.scot/Publications/2016/01/1984>
- East Lothian Partnership Tackling Inequality Framework
- East Lothian Partnership Single Outcome Agreement  
[http://www.eastlothian.gov.uk/info/200135/community\\_planning/1750/the\\_east\\_lothian\\_plan\\_soa\\_201323](http://www.eastlothian.gov.uk/info/200135/community_planning/1750/the_east_lothian_plan_soa_201323)
- East Lothian Council Integrated Impact Assessment Guidance  
[http://www.eastlothian.gov.uk/downloads/download/2309/integrated\\_impact\\_assessment\\_guidance](http://www.eastlothian.gov.uk/downloads/download/2309/integrated_impact_assessment_guidance)
- Poverty – Human Rights Issue
- Closing the Attainment Gap in Scottish Education (Joseph Rowntree Foundation May 2014) <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/education-attainment-scotland-summary.pdf>
- Gender and Welfare Reform in Scotland: A Joint Position Paper by Engender  
<https://www.engender.org.uk/content/publications/engenderwelfarereport.pdf>
- Severe Poverty In Scotland (March 2015) Scottish Government  
<http://www.gov.scot/Publications/2015/03/4673>

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Consultation on Social Security in Scotland: East Lothian Council Response

**11**

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## **1 PURPOSE**

- 1.1 To seek agreement from the Council for the Council's response to the Scottish Government's consultation on Social Security in Scotland.

## **2 RECOMMENDATIONS**

- 2.1 That Council approves the response to the Scottish Government's consultation on Social Security in Scotland.

## **3 BACKGROUND**

- 3.1 The Scottish Government launched a consultation<sup>1</sup> on devolved Social Security powers on 29 July 2016. The closing date for the consultation is 28 October 2016.
- 3.2 The Scottish Government is undertaking a separate options appraisal around the delivery mechanisms for Social Security. Phase 1<sup>2</sup> of this process saw the initial high level appraisal completed. Phase 2 will involve a more detailed appraisal around 'back room' delivery functions and will focus on value for money, financial affordability and achievability of options.
- 3.3 The consultation paper is more than 140 pages long and contains more than 150 questions. The paper and questions are structured around three parts:

Part 1: A principled approach – this section contains questions around:

- principles for the new Social Security Agency,
- outcomes and the user experience,
- delivery of social security in Scotland,

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<sup>1</sup> <https://consult.scotland.gov.uk/social-security/social-security-in-scotland>

<sup>2</sup> <http://www.gov.scot/Resource/0049/00494859.pdf>

- equality and low income and
- Independent advice and scrutiny.

Part 2: The Devolved Benefits – this section contains questions on:

- each of the powers being devolved to Scotland in the area of Social Security.

Part 3: Operational Policy – this section contains questions covering:

- advice
- representation
- advocacy
- complaint
- reviews and appeals
- residency and cross-border issues
- overpayments and debts
- fraud
- protecting information
- uprating of benefits.

- 3.4 The Council's response (Appendix 1) is based on the response being submitted by the Convention of Scottish Local Authorities (COSLA) which was prepared with inputs from officers representing SOLACE (Chief Executives), Directors of Finance, and Social Work Scotland (SWS). It also took account of representations made by council officers who attended consultation events held jointly with Scottish Government in Edinburgh and Perth on 14 and 15 September. Elected members on COSLA's Community Well-being, Resources and Capacity, and Health and Well-being Executive Groups considered early drafts of the COSLA response and comments received at these meetings were included in the final draft of the COSLA response which was approved at COSLA Leaders' meeting, 30 September 2016.
- 3.5 Staff from various Council services contributed to reviewing the COSLA response and providing additional commentary based on East Lothian's perspective and experience of the existing and emerging social security system.
- 3.6 The Council's response comments on all parts of the consultation. However, there is a particular emphasis on the links with public sector reform, the potential to shape the landscape, the possibilities for synergies with existing Local Government services and a strong push on integrated services at a local level leading to improved outcomes. The response also draws on the Council's experience of East Lothian being the first area in Scotland to be subject to full service Universal Credit (see section 13 of the response).
- 3.7 The themes listed below provide a broad overview of the response with detail being available in the appended draft Council response.
- Principles & legislation (Claimant Charter) – the Council's response highlights the importance of the culture within the agency being paramount to achieving the principles as established.



- User experience & outcomes – Commentary is given around the importance both of including those with a lived experience of the scheme in all levels of design and the of ensuring those with experience of delivering these types of supports, e.g. DWP and Local Authority staff being involved early in the design processes.
  - Communication & technology – the response highlights the need to use all existing technology, to ensure communication is available in many accessible formats and the need to build an evidence base for the reach and availability of face to face services.
  - Local Government role in delivery – throughout the submission the need for integration, joined up offerings and reduction in complexities for those claiming is reinforced. Commentary also stresses the need for the outcomes expected from the various forms of support to be clear to prevent confusion which can lead to lack of take up.
  - Given that Local Government could well be involved in delivery of significant elements of the new powers, we must be at the design table with the Scottish Government we will be able to influence and understand the funding which will come to Scotland, the adequacy and the timing of this, as well as how it will subsequently be deployed here.
  - Benefits, support & flexibility (Goods/Cash) – the Council's submission, whilst not ruling out the possibility of in kind services or purchase of other support, does highlight this may conflict with the broad principles around dignity and respect and may also be more expensive to deliver.
  - Assessment, appeals & advice – the response highlights the need for an independent appeals process adequately supported by advice and advocacy for those who need it. The response also notes the cluttered funding landscape for advice and support agencies across the piece and the need for an understanding of this before decision can be taken on the way forward.
- 3.8 The analysis of the consultation responses will be collated, with results published early in 2017, alongside details of the second stage of the options appraisal discussed in paragraph 5 of this report. The Scottish Government have signalled their intention to bring forward a Social Security Bill before the end of this parliamentary year.

## **4 POLICY IMPLICATIONS**

- 4.1 The Council's response to the consultation on Social Security in Scotland provides the opportunity for the Council to set out its views on the Scottish Government's proposals for developing a distinct Scottish Social Security system based on the Council's experience of the existing system and the changes brought about by the introduction of Universal Credit. The Scottish

Government's proposals will have major implications not just for the Council in delivering and supporting the delivery of benefits but also for East Lothian residents who receive or could receive benefits.

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – none.  
6.2 Personnel – none.  
6.3 Other – none.

## **7 BACKGROUND PAPERS**

- 7.1 Appendix 1: East Lothian Council's Response to the Scottish Government's Consultation on Social Security in Scotland  
7.2 A New Future for Social Security: Consultation on Social Security in Scotland: (Members' Library Ref: 194/16, October 2016 Bulletin)

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**Appendix 1: East Lothian Council Response to: A New Future for Social Security Consultation on Social Security in Scotland**

**PART 1: A PRINCIPLED APPROACH**

**1. Fixing the principles in legislation**

**Q: Which way do you think principles should be embedded in the legislation?**

(please tick the option/s you prefer)

A. As a 'Claimant Charter'?	
B. Placing principles in legislation?	X
C. Some other way, please specify	X

Why do you favour this/these option/s?

Please explain your answer  
 Principles would be easier to enforce if embedded within legislation (in the same way as it is with the Scottish Welfare Fund.  
 We are concerned that the term 'Claimants Charter' could re-enforce the stigma associated with welfare benefits/ social security.  
 If benefits/ social security are a right, then there needs to be a move away from people needing to be claimants and a change in terminology.  
 The Charter should also cover providers of services so has to be wider than 'Claimants'. We note the 'claimant charter' in an NHS setting has both what the patient should expect by way of services, processes etc. but also has expectation around how patients and/or their representatives should conduct themselves – should a 'claimant charter' be adopted it is critical both elements – rights and responsibilities are detailed.

If you think option A, 'a Claimant Charter' is the best way to embed principles in the legislation please advise: **Q: What should be in the Charter?**

Please explain your answer  
 See comments above regarding terminology and the scope of a Charter  
 More detail on how claimants should be expected to be treated and the standard of service they should be able to expect.

**Q: Should the Charter be drafted by:**

(please tick the option/s you prefer)

A. An advisory group?	
B. A wider group of potential users and other groups or organisations?	
C. Both	X
D. Some other way, please specify	

Why do you favour this/these option/s?

Please explain your answer

Scottish Government must ultimately be responsible for the process but should aim to draw upon lived experience of those claiming and stakeholder groups delivering and providing assisting those claiming assistance. Gathering views from both organisations tasked with delivering assistance and those who actually receive assistance could lead to a better understanding of the challenges faced on both sides and ultimately a more realistic Charter.

**Q: We are considering whether or not to adopt the name, “Claimant Charter”. Can you think of another name that would suit this proposal better? If so, what other name would you choose?**

Please specify below

See comments above. The term claimant has negative connotations with how the DWP currently view welfare recipients.

The term client or customer might be more appropriate. Whatever name is chosen; care needs to be taken to avoid any confusion with the ‘Claimant Commitment’ which is a statement of claimant obligations under Universal Credit and to avoid stigmatising people who are in receipt of benefits/ social security.

**Q: Do you have any further comments on the ‘Claimant Charter’?**

Please specify below

No further comments

If you think option B ‘placing the principles in legislation’ is the best way to embed principles in the legislation, please advise:

**Q: On whom would you place a duty to abide by the principle that claimants should be treated with dignity and respect? (please tick the option you prefer)**

A. The Scottish Government	<input checked="" type="checkbox"/>
B. The Scottish Ministers	<input checked="" type="checkbox"/>
C. The Chief Executive of the Social Security Agency	<input checked="" type="checkbox"/>
D. Someone else, please specify	<input type="checkbox"/>

Please specify below

Everyone who has any part to play in any elements of social security in Scotland should have to abide by the principles that claimants should be treated with dignity and respect – this duty must also be recognised in the application set up, promotional material and the general messages around social security moving forward if Principle two is to be truly realised.

It should also be noted that customers/ clients of the social security system will have a responsibility to treat those administering schemes with dignity and respect.

**Q: Do you have any further comments on placing principles in legislation**

Please specify below  
No further comments

**Q: Do you have any further comments or suggestions in relation to our overall approach, to fix our principles in legislation? For example, do you feel that there is no need to fix principles in legislation?**

(please tick one box)

<b>Yes</b>	<b>X</b>
<b>No</b>	

Please explain your answer

If it is felt important to have overriding principles, then they should be stated in legislation. However, some concepts e.g. 'treated with dignity and respect' may be difficult to define legally given their subjective nature regardless of whether the principles are in legislation and/or guidance the culture and practical application of these principles will be the most important judgement of whether this outcome is achieved.

**2. Outcomes and the user experience**

**Q: Are the outcomes (shown in the table on page 17 of the consultation) the right high level outcomes to develop and measure social security in Scotland?**

(please tick one box)

<b>Yes</b>	
<b>No</b>	<b>X</b>

Please explain your answer

They are reasonable short and long term outcomes to have for the impact of the overall system. However, some appear difficult to determine in practice whether they are being met and will require some accepted measures of performance and evidence framework to determine periodically how far in practice they outcomes are being achieved.

The proposed outcomes measure the users experience but do not measure the outcome of the Social Security system. There need to be outcomes related to the Social Security system – what is it meant to achieve in terms of income and deprivation, dignity, the right to live a life free from poverty

**Q: Are there any other outcomes that you think we should also include (and if so, why?)**

See comments above.

We are pleased to note that there are objectives on effective integration with the reserved benefit system and about effective integration with other public services to ensure people get the support they need. These are key outcomes for a successful devolved social security system.

**Q: How can the Scottish social security system ensure all social security communications are designed with dignity and respect at their core?**

Recognition that the concepts around dignity and respect must be apparent at all levels of the organisations involved with Social Security is important and will take both time and effort to achieve.

Ensure staff receive appropriate disability and poverty awareness training and are courteous at all times. Our experience of Universal Credit full service in East Lothian suggests that staff also require training in supporting clients who have problems with literacy and numeracy and also clients who might have mental wellbeing problems.

Consult with stakeholders to ensure use of plain language communications and appropriate arrangements for those with visual impairments, learning disabilities and other conditions.

Awareness that those accessing the benefits devolved may well have multiple barriers to communication so the use of plain language is important but also ensuring access to things like language line for those who do not have English as their first language is also critical.

Use a variety of means of communication and direct people to easily accessible sources of information and advice. Consideration to communications undergoing specific equality impact assessments as well as policies might be an option.

**Q: With whom should the Scottish Government consult, in order to ensure that the use of language for social security in Scotland is accessible and appropriate?**

Those with lived experience both positive and negative must be given the opportunity to share their views and thoughts on how this can be achieved.

The full range of key stakeholders, local authorities, voluntary organisations and the disability organisations. Consideration might be given to buying in or commissioning expertise in this area if it is not sufficiently available within government.

**Q: Are there any particular words or phrases that should not be used when delivering social security in Scotland?**

(please tick one box)

<b>Yes</b>	<b>x</b>
<b>No</b>	

Please state below which words or phrases should not be used:

Take care to avoid any stigmatising language, including terms which may be in common use in the past but are now regarded as stigmatising to those to whom they are applied, in policy documents and communications is important.

However, it is also equally important to recognition that the media, politicians and others have contributed to certain phrases being seen as toxic around welfare and ensuring unhelpful contributions do not go unchecked is also important.

The Poverty Alliance 'Stick your labels' campaign highlights many of the phrases that are unhelpful. COSLA and a number of Scottish Councils have endorsed this campaign and are actively seeking to raise awareness amongst staff of words and phrases that are unhelpful.

**Q: What else could be done to enhance the user experience, when considering the following?**

- When people first get in touch
- When they are in the processes of applying for a benefit
- When a decision is made (for example, about whether they receive a benefit)
- When they are in receipt of a benefit

- Good customer care
- Transparency in decision making
- Acknowledging applications and information received.
- Advise what will happen next with clear timescales – if these timescales are not going to be met explain why and what timescales will actually be.
- Provide accessible contacts for more information taking customer's needs in to account.
- Advise what people can do if not satisfied with decisions clearly and consistently at all stages in the application process.
- Consider when access to services and support is available, traditional office hours are different across organisations, localities and departments – user requirements must be understood and provision provided where possible.

**Q: How should the Scottish social security system communicate with service users? (For example, text messaging or social media)?**

It is reasonable and desirable to use all modern forms of communication – e mail, text messages etc. and to encourage use of digital channels. However, not everyone including many people with disabilities are comfortable or able to use digital communication, so alternate appropriate communication should also be utilised. Caution also is needed in relation to using social media when communicating with a service user to avoid disclosing personal data to the general public.

Frequently asked questions – visible and accessible in various means of communication, across the spectrum of benefits, would be helpful.

**Q: What are your views on how the Scottish Government can ensure that a Scottish social security system is designed with users using a co-production and co-design approach?**

Co-production and co-design in the truest sense includes experiences from both claimant and other perspectives and requires barriers to be understood, broken down and addressed before the process can helpfully take place.

The commentary associated with this question mentions those who are existing Scottish DWP claimants working with Scottish Government however if co-production in its broadest sense is to be achieved those with experience of delivering the service must also be involved. Involving those with experience of both received and providing services will also ensure considerations around cost implications and limitations will factor in the process.

Recognising those with lived experience of claiming social security may need assistance to be involved with things like travel expenses, child care and other types of assistance.

Work closely with local government and other key public services to hardwire integrated approaches into the new system at the start, not as an afterthought.

Scotland has a unique opportunity to do things differently here to achieve a more joined up customer experience. Consult not just on social security allowances but on how the process of application might trigger access to other forms of help and support and on how social security support fits into broader policies and outcomes in key areas.

The views of Stakeholders and those identified as responsible for delivering these services will be particularly important in any design and /or review stages of Social Security development. That said, consultation will need to be balanced against the requirement to deliver the required Social Security schemes within a short time frame. (The ongoing rollout of Universal Credit by the UK Government requires the Scottish Government to be able to deploy the devolved schemes as soon as possible).



**Q: We are considering whether or not to adopt the name “User Panels”. Can you think of another name that would better suit the groups of existing social security claimants which we will set up?**

Please specify below

Following on from the point above ‘user panels’ would not be appropriate if those with experience in administering the system were also involved.

It is not clear from the commentary notes whether those involved in ‘user panels’ would also be involved in the Advisory Panels discussed elsewhere in the document. It may be a missed opportunity if those with experience of using the system were not involved in all levels of the governance.

### **3. Delivering social security in Scotland**

**Q: Should the social security agency administer all social security benefits in Scotland?**

(please tick one box)

Yes	<input type="checkbox"/>
No	<input checked="" type="checkbox"/>

This question may be too simplistic since by definition the devolved benefit powers will inevitably have to compliment and dovetail with existing UK welfare provision. Whilst it may be more cost effective to deliver some of the newly devolved elements from a centralised Scottish agency it should be borne in mind that Scottish Local Authorities already have a good track record in administering and delivering UK & Scottish Government welfare schemes and one would think that they would be more responsive to local needs. However, whilst much of this expertise exists currently within Local Government it may soon be eroded and lost as the ongoing rollout of Universal Credit progresses. The question will be whether the Scottish Government can move quickly enough to establish the Agency and its devolved Social Security schemes in time to take advantage of currently existing capabilities.

Integration with those services already engaged with those entitled to the various different elements being devolved must surely be considered. We are not suggesting all the elements being devolved fit within the local government family but would assert not all social security benefits should be administered by the social security agency.

Local authorities already have extensive experience of administering various elements of social security type funds in Scotland both entitlement based and discretionary against a backdrop of financial reductions. For instance, Housing Benefit and Council Tax Reduction (previously *Benefit*) is published by local authorities. Data since 12/13 shows the cost of administration per claim reducing from £42.03 to £40.14 (14/15); processing times for new claims down from 26 days to 23 days over the same period.

Councils have a proven track record of being able to quickly put in place delivery arrangements, this was demonstrated for the Scottish Welfare Fund which saw Councils across Scotland quickly put in place arrangements to deliver in a local setting nationally agreed policy. To suggest an untried and untested new agency would be better placed to deliver many of the elements being devolved does not appear to be supported by the evidence available at this time.

Local authorities are in a strong position to be able to expand a role in delivery and administration, using existing infrastructure and accountability arrangements which could take place within a consistent national entitlement and eligibility framework. Synergies already exist at local levels around many of the areas the benefits being devolved cover.

Having face to face facilities to allow claims to be made, evidence provided and assistance through the claims process is vital for those who require it. However, it must be recognised regardless of who provides this type of service it will always be more expensive to run than digital or telephony service and will require adequate funding. Local Authorities already have a presence in all localities throughout Scotland and already provide similar services around for example Council Tax Reduction. LAs will also continue to provide Personal Budgeting Support as part of the Universal Credit customer journey and there is an opportunity to align the support being provided to access DWP services with support required to access the new Social Security arrangements in Scotland.

Local authority delivery options do not rule out national applications, back office payment mechanisms and collaboration between Scottish Government, Local Government and relevant stakeholders.

DWP and LA relationships will still exist. If another interface is set up over and above that already in situ this will incur significant added expense and has the potential to increase customer's confusion. This is against the widely endorsed principles of the Christie Commission, doesn't take cognisance of the public services reform agenda and would be a missed opportunity to invest in services to provide services via one port of call in an integrated manner.

**Q: Should the social security agency in Scotland be responsible for providing benefits in cash only or offer a choice of goods and cash?**

Yes	
No	X

Options of providing benefits in a range of formats , (not just cash) should be considered since cash only may have a number of unintended consequences which could include:

- Security
- Greater transactional costs involved with cash handling
- An increased risk of creating a welfare dependency

**Q: How best can we harness digital services for social security delivery in Scotland?**

Scottish Government must recognise the challenge in Scotland is twofold in that individuals may well experience barriers to digital service but that some geographical regions across Scotland also have digital access issue – both challenges need to be overcome to ensure equality of access to Social Security in Scotland.

It is reasonable to promote and facilitate digital claims and seek to develop this as the main channel for many people. It is important however to retain alternative channels for those who are unable for whatever reason to access digital services and these are better provided at a local level with support from and integration with locally provided services.

Whilst online claims may be the preferred channel this cannot be allowed to “digitally disadvantage” more vulnerable people or those who do not have good access to digital services. It may be that local government could be appropriately resourced to help facilitate face to face and digital access for their residents facilitating (amongst other things) Social Security claims.

**Q: Should social security in Scotland make some provision for face to face contact?**

(please tick one box)

<b>Yes</b>	<b>x</b>
<b>No</b>	

There is no doubt some customers will struggle to use a system with no face to face contact and for that reason it might be necessary to provide some.

However, we would expect the availability of face to face contact to be proportionate to the likely level of need which will be determined by the ease of use of application process, access to other supporting information via existing data and the requirements around reviews and appeals.

Where face to face contact is deemed necessary this is best done locally and customer outcomes are likely to be increased if wrap around services are also discussed at the same time.

East Lothian’s experience of Universal Credit shows that cases are becoming increasingly complex. Marrying up the Scottish Social Security system and the growing range of mitigating measures (such as DHP and Scottish welfare Fund) with Universal Credit and other legacy benefits not devolved to Scotland will prove to be more complex than will be thought of originally.

**Q: Who should deliver social security medical assessments for disability related benefits?**

Clarity would be helpful here around whether this is a decision maker having access to a customer’s existing medical records and deciding accordingly or a customer being asked to attend a medical assessment in support of their claim before this is forwarded to a decision maker for a decision.

Regardless the person’s own medical practitioner – GP, consultant or primary care practitioner would seem like the best person to be involved. Individuals could be asked who would be best, although they would have to be able to provide a qualified opinion.

Arrangements around awareness, conflict of health professional relationship and costs would need to be discussed with relevant interested parties in further details once more detail is clear around what disability benefits will look like once devolved.

<b>Yes</b>	<b>x</b>
<b>No</b>	

Yes, particularly where there is existing experience of similar responsibilities as in local government. This is also best to promote integration with local services/supports and likely cheaper and more cost effective over time as it could make for a more joined up offering using existing infrastructure and data sets where possible. This would however still allow it to be delivered in the context of consistent national entitlement and eligibility.

**Q: Should any aspect of social security be delivered by others such as the 3<sup>rd</sup> sector, not for profit organisations, social enterprises or the private sector?**

(please tick one box)

<b>Yes</b>	
<b>No</b>	<b>x</b>

Whilst not necessarily ruling out the 3<sup>rd</sup> sector, not for profit organisation and social enterprises it is difficult to point to an organisation in this sector who has the infrastructure and governance to make this option seem attractive.

In terms of social security delivery via the private sector the narrative around the Scottish Welfare Fund and out sourcing suggest there is no appetite in Scotland to have private companies involved.

#### **4. Equality and low income**

##### **Q: How can the Scottish Government improve its partial EqIA so as to produce a full EqIA to support the Bill?**

These prompts could be helpful in framing your answer:

- What does the Scottish Government need to do, as it develops a Scottish social security system, to ensure that equality implications are fully taken into account?
- What does the Scottish Government need to do, as it develops a Scottish social security system, to ensure that any implications for those on low incomes are fully taken into account?
- Are there equality considerations for individual benefits that you would like to draw to our attention?
- Are there considerations about individual benefits for those on low incomes that you would like to draw to our attention?
- What are your views on how we can best gather equality information for the new Scottish benefits?
- What does the Scottish Government need to do to ensure that its social security legislation (including secondary legislation and guidance) aligns its vision and principles with equality for all those who need assistance through Social Security support?
- What does the Scottish Government need to do to ensure that a Scottish social security system provides the right level of support for those who need it, and what are the possible equality impacts of this?

The Impact Assessment should also consider and take Human Rights into account.

As well as focusing on the implications of policies and arrangements in relation to particular benefits a full EqIA needs to consider how benefits interact with other public services and the reserved benefits system. A narrow focus on Scottish benefits alone might not cover consequences for various groups of the potential for a more confused landscape to get the support they need. How will arrangements for Scottish social security interface with access to other supports and service and make access smoother for various groups?

There is a need to consider more broadly the consequences and outcomes for e.g. disabled people across the full range of public services within Scotland. Decisions to invest additional resources in social security in Scotland could have the potential to neglect investment in other services provided by local authorities and others with unintended consequences.

The questions posed within an EqIA need to be broader than just asking what needs to be done by a Scottish social security system since the right level of support may require both investment in other services and thought to how effectively services can be joined up to achieve outcomes.

## **5. Independent advice and scrutiny**

**Q: Do you think that there is a need for an independent body to be set up to scrutinise Scottish social security arrangements?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

A Scottish independent scrutiny body should be set up to provide scrutiny, expert analysis and comment on how new arrangements are working, this could work in much the same way as the current system in place across the rest of the UK.

**Q: If you agree, does the body need to be established in law or would administrative establishment by the Scottish government of the day be sufficient?**

(please tick one box)

<b>Yes</b>	<b>x</b>
<b>No</b>	

Please explain your answer

Such a body should be established in legislation with wide powers to investigate aspects of the social security system and requirements to produce regular reports.

**Q: If yes, what practical arrangements should be made for the independent body (for example, the law could state how appointments to it are made and the length of time an individual may serve as a member of the body)?**

It needs to be independent with a range of expertise and should be given broad powers in law so that it can carry out its functions. While it would have no role in policy making, it should be able to comment on how policies are working in practice, particularly how far objectives and outcomes are being achieved. The body should also be able to make recommendations to ministers, the social security agency and other bodies involved in delivering the social security powers.

**Q: Should there be a statutory body to oversee Scottish social security decision making standards?**

Yes	
No	X

Please explain your answer  
Could the scrutiny body not also take responsibility for overseeing standards of decision making?

**Q: If yes, should this be a separate body in its own right?**  
(please tick one box)

Yes	
No	X

Please explain your answer  
Not necessarily. Either this role might be combined with the responsibilities of a scrutiny body or could be taken on by an existing public body.

**Q: Do you have any other views about the independent scrutiny of social security arrangements in Scotland (e.g. alternative approaches)?**

Please specify below:  
No comment

## **PART 2: THE DEVOLVED BENEFITS**

### **General comments on the proposed benefits**

- The following questions do not seem to be those we would need responses to if we are to develop a new social security system based on the principles already set out by Scottish Government. These questions start from 'where we are now' rather than developing those principles into a new model for social security. Clearly there are constraints in terms of the linked elements of the social security systems that will not be devolved; and at some point there will be a need to situate any new model within those constraints but we need to look beyond the transitional phase (will, in order to minimise disruption to people receive support through the current UK system). We understand the priority to ensure a smooth transfer but we would anticipate the development of a more strategic development framework rather than a focus on the system Scotland is inheriting.
- Already Scottish Government have introduced a constraint through the commitment to maintaining the current level of disability benefits once the powers have been transferred. It is unclear whether this is a minimum or a maximum nor whether this will apply to any new model.
- The commitment to reform aspects of devolved disability benefits also imply a lack of transformational thinking.
- Consideration needs to be given to situating the benefits system that consider a disabled persons' needs in context of the person centred social and health care that is being provided.
- Furthermore the relationship between the financial support provided through all benefits and the charges paid by the individual for care services needs to be examined. Also the whole system of how a transformed social security system should be funded alongside that for social care. There is an opportunity to directly link social security and benefits to the financial assessment that is carried out when people are assessed for social care.
- Relationship and compatibility with other support arrangements for disabled people in Scotland e.g. the existing and new stand-alone provision for people with severe disabilities through ILF Scotland.
- The need to harmonise social security (disability) benefits with social care through person centred approaches already being rolled out such as Self-directed support.



**6. Disability Benefits** (Disability Living Allowance, Personal Independence Payment, Attendance Allowance, Severed Disablement Allowance and Industrial Injuries Disablement Benefit)

**Q: Thinking of the current benefits, what are your views on what is right and what is wrong with them?**

### **Disability Living Allowance (DLA)**

What is right with DLA?

The is surely an academic question since DWP will continue roll-out of PIP and SG have indicated that they will not further burden claimants (moving from DLA to PIP) with any more assessments during the transition.

Motivation of reform of DLA through its replacement with PIP was two-fold:

- i. reduce overall support by 20% and
- ii. provide a system of support which is more up to date and in tune with disabled peoples' needs in 21<sup>st</sup> Century.

It would seem odd to base any new developments on DLA as DLA in itself would not support any of the bolder aspirations suggested in the accompanying notes.

Disable people organisations and disabled people might say that one of the good points is that DLA is not means tested.

What is wrong with DLA?

Among the drivers cited for replacement of DLA was is the reduction of waste, fraud and inefficiency and the need to eliminate structurally embedded welfare traps which prevented people from moving from welfare and into work. Implicit in that was the desire to reduce the current level of expenditure which has increased over time. It should be noted that the number of people living longer within our communities with disabilities or extreme frailty has risen and that this has led to, and could be argued as a result of, increased expenditure on DLA and other related supportive benefits.

### **Personal Independence Payment (PIP)**

What is right with PIP?

In these early days it is difficult to see the advantages that PIP has introduced as compared with DLA particularly given the range of issues that claimants are reported to have experienced during the initial implementation stage.

What is wrong with PIP?

There is apparently no way of identifying individuals that are currently in receipt of DLA who are about to be 'invited' to apply for PIP. So there is significant potential for vulnerable people to slip through the net.

Despite their efforts to inform and prepare people in their communities – DWP had advised that because of the random selection of people information could not be secured or shared with councils in order that that could target individuals who might need support and advice.

In terms of overall expenditure, we understand that the anticipated reduction of 20% has not been achieved, and that no significant savings have been made. The changes in criteria from DLA to PIP have effectively shifted the profile of the supported group so that many who would not have qualified for DLA now qualify for support through PIP. This could be interpreted as either a right or wrong of the new approach.

PIP was intended to focus on individuals with the most severe challenges in day-to-day life might be seen as short-termism if the support available to those with lower level needs is withdrawn and those needs then escalate. We are therefore concerned that the proposals will merely pass responsibility for meeting need from the DWP to local authority social work budgets, which are already under great strain.

Processes for applying for PIP are extremely long, complicated and not customer friendly, the length of the form, the types of information requested and the standard of communication provide all make it difficult for those in need to access the support.

Medical assessments have become more prevalent with the introduction of PIP – this is potentially counterproductive for those claiming assistance and has ultimately saw costs associated with administer PIP increasing.

### **Attendance Allowance (AA)**

What is right with AA?

AA for the most part is seen as fit for purpose.

AA has not been subject to review in the same way as PIP and claims appear to be treated with less toxicity by DWP.

What is wrong with AA?

Whilst the provision itself could be seen as fit for purpose the application process and evidence requirements discussed around PIP are true to some extent for AA.

**Q: Is there any particular change that could be made to these disability benefits that would significantly improve equality?**

Please specify below

Examination / review of age barriers – necessary to review the different rules across the age ranges to confirm if there is evidence to support these differences.

Realistic timescales for review of awards reintroduced based on customer's individual circumstances and prognosis.

We want to make sure that the process is clear and accessible from start to finish, and that people claiming devolved benefits understand how and when their claim will be dealt with.

**Q: In relation to the above how should the new Scottish social security system operate in terms of:**

- A person applying for a disability related benefit
- The eligibility criteria set for disability related benefits
- The assessment/consideration of the application and the person's disability and/or health condition
- The provision of entitlements and awards (at present cash payments and the option of the Motability Scheme)
- The review and appeal process where a person isn't content with the outcome

Please specify below

How the new Scottish social security system should operate will be appropriate to the benefit being applied for, the criteria associated and the outcomes the benefit is trying to achieve. The process itself if impossible to determine before it is clear what this will be, whether access to medical records and/or assessment is required etc.

**Q: With this in mind, do you think that timescales should be set for assessments and decision making?**

Yes	X
No	

Please explain your answer

Timescales should be set for both assessments and decision making – surely these would be set out in either/or both legislation and the 'customer charter' if this is adopted.

Those applying for support and the wider public at large should have a clear understanding of the length of time things should take to ensure confidence in the system and to hold however is delivering the service to account.

**Q: What evidence and information, if any, should be required to support an application for a Scottish benefit?**

Please specify below

The evidence and information required to support an application will change dependent on the benefit being applied for and the criteria set. The evidence and information required will also be determined by what is available via existing data sets is appropriate.

Who should be responsible for requesting this information?

Please specify below

The person responsible for making the decision should be responsible for requesting it.

Who should be responsible for providing it?

Please specify below

This would depend on what was requested and who would be able to supply the information.

Please explain why

No comment

**Q: Should the individual be asked to give their consent (Note: consent must be freely given, specific and informed) to allow access to their personal information, including medical records, in the interests of simplifying and speeding up the application process and/or reducing the need for appeals due to lack of evidence?**

Yes	X
No	

If no, please explain why

No comment

**Q: If the individual has given their permission, should a Scottish social security agency be able to request information on their behalf?**

Yes	X
No	

If no, please explain why

No comment

**Q: Do you agree that the impact of a person's impairment or disability is the best way to determine entitlement to the benefits?**

<b>Yes</b>	<b>X</b>
<b>No</b>	

If yes, which aspects of an individual's life should the criteria cover and why?  
The impact is the sensible way to determine entitlement. But we note that some emerging SG policy commitments, such as those associated with community care charging seek to based entitlement on specific conditions e.g. extend free personal and nursing care (FPNC) to people under 65 who have dementia.

If no, how do you suggest entitlement is determined?

**Q: Currently there are only special rules for the terminally ill but should there be others?**

<b>Yes</b>	
<b>No</b>	<b>x</b>

Please explain why  
The rules for the terminally ill are specific and well understood – to start to add others would lead to an ever increasing list of issues being treated under special rules which could be expensive and ultimately lead to unnecessary delays.

**Q: What do you think are the advantages and disadvantages of automatic entitlement?**

Please specify below  
East Lothian Council would not necessarily be against the introduction of 'automatic entitlement' but agree the matter is complex and would require careful consideration.

**Q: Would applicants be content for their medical or other publicly-held records, for example, prescribing and medicines information or information held by HMRC, to be accessed to support automatic entitlement where a legal basis existed to do this?**

Please specify below  
No comment

**Q: Do you agree that the current UK-wide PIP and AA process for supporting people with terminal illnesses is responsive and appropriate?**

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>

No comment

If no, how could the approach could be improved?

**Q: Should there be additional flexibility, for example, an up-front lump sum?**

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>

Please explain your reasons

Unclear whether this is for all disability payments or those specifically received by those who are terminally ill?

Evidence would be required as to how lump sum payments would assist with the needs of those with a disability in a way which ongoing payments do not.

**Q: In the longer term, do you think that the Scottish Government should explore the potential for a consistent approach to eligibility across all ages, with interventions to meet specific needs at certain life stages or situations?**

(please tick one box)

Yes	<input checked="" type="checkbox"/>
No	<input type="checkbox"/>

Please explain why

Worth exploring in terms of age equalities but need to be careful about terms like interventions in so far as enabling decisions to be made by individuals rather than state interference.

**Q: What would the advantages and disadvantages of a single, whole-of-life benefit be?**

Please specify below

The current system intervention points should be explored to determine the advantages and disadvantages for those receiving them as this will differ for those at both ends of the age spectrum.

**Q: Could the current assessment processes for disability benefits be improved?**

Yes	X
No	

Please explain how  
Single local point of contact / single application for all benefits and financial assessments?  
Provision of information/application to other local services available.  
Medical information provided in written form to reduce the number of face to face assessments required.

**Q: For those people that may require a face-to-face assessment, who do you think should deliver the assessments and how?**

For example, private organisation, not-for-profit organisation, public sector body or professional from health or social care.

Please specify below  
Single local interface, with relevant professional input from cross-sector e.g. HSCPs

**Q: What are the advantages and disadvantages of different types of assessments?**

e.g. paper based, face-to-face, telephone

Please specify below  
No comment

**Q: How could the existing assessment process be improved?**

Please specify below  
Only rely on face to face assessments for those conditions/applicants who are unable to provide suitable medical information via other means – DLA was previously assessed face to face by exception – a return to this type of system would be seen as an improvement to the existing PIP process.

**Q: Could technology support the assessment process to promote accessibility, communication and convenience?**

Yes	X
No	

Please explain why  
All available technology should be used to increase accessibility, communication and convenience – information from those with disabilities should be sought to understand the barriers they face and technologies sought to address these where possible.

**Q: If yes, please explain what technology would be helpful**

Please specify below  
Skype, video-calling, online accounts etc. would all be beneficial to different customer groups.

**Q: If the individual's condition or circumstances are unlikely to change, should they have to be re-assessed?**

Yes	
No	

Please explain why  
Might be helpful where permission is given for a light touch review to be carried out periodically by decision maker reviewing the customer's medical notes to ensure the level of support was equivalent to need. Evidence of the numbers of those likely to need reassess etc. would be required before an informed conversation around this point could take place across Scotland.

**Q: What evidence do you think would be required to determine that a person should / or should not be reassessed?**

Please specify below  
Day to day medical evidence being available to decision makers, as appropriate, would allow a judgement to be made for a large number of customers regarding whether reassessment was required that was only a subset of those potentially with changeable conditions would require reassessed.

**Q: Who should provide that evidence?**

Please specify below  
If decision makers have access with consent to medical records this would be provided that way.

**Q: Do you think people should be offered the choice of some of their benefit being given to provide alternative support, such as reduced energy tariffs or adaptations to their homes?**

Yes	
No	X



Please explain why  
Adaptations are already available through other means. This highlights the need to ensure that there is a joined up approach to the development of the Scottish social security system with existing social care support and entitlements to adaptations and other support.

There are other means by which people can access reduced energy tariffs and other support to tackle fuel poverty.

What alternative support do you think we should be considering? (Please specify below)

No comment

**Q: Would a one-off, lump sum payment be more appropriate than regular payments in some situations**

(please tick one box)

Yes	
No	X

Please explain the reason for your answer  
Evidence would need to be collected and assessed to confirm the types of one of expenses that would require one off payments to be made.

If yes, what are they?

**Q: What would be the advantages and disadvantages of such an approach?**

Please specify below  
No comment

**Q: Should the new Scottish social security system continue to support the Motability scheme?**

Yes	x
No	

Please explain why  
The Motability scheme is seen by those entitled to assistance as a positive experience and restricting access to this provision would prove unhelpful for many.

**Q: How could the new Scottish social security system support older people with mobility problems not eligible for a mobility allowance?**

Please specify below  
No comment

**Q: How could the new Scottish social security system better support people of all ages with mobility problems who are in receipt of a mobility allowance?**

Please specify below  
No comment

**Q: What kind of additional support should be available for people who need more help with their application and during assessment?**

Please specify below  
The type of support available should be determined in line with the customer group applying, the type of support they are accessing. User panels will be crucial in determining what that currently looks like and what they would find useful in future.

**Q: How could disability benefits work more effectively with other services at national and local level assuming that legislation allows for this e.g. with health and social care, professionals supporting families with a disabled child.**

Please specify below  
Integration with those services already engaged with those entitled to the various different elements being devolved at design stage is critical.  
Sharing information across the agencies and ensuring the work being done at national and local level is complementary.

**Q: How do you think this might be achieved?**

Please specify below  
Involving services at both national and local level in policy, operational and administrative discussions as early as possible – recognising the huge cross over between the support provided by way of social security, supports that will remain devolved and services provided locally.

**Q: What are the risks?**

Please specify below  
Failure to share information and design integrated service will be costly and will lead to an even more clutter landscape of services in Scotland.

**Q: If DLA and PIP help meet the additional costs of disability, what is the role of Industrial Injuries Disablement Benefit (IIDB) and its supplementary allowances (Constant Attendance Allowance, Reduced Earnings Allowance etc.) in the benefits system?**

Please specify below No comment
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**Q: In addition to the issues set out at page 47 of the consultation, please tell us:**

<b>What is right with the IIDB scheme?</b> No comment
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<b>What is wrong with the IIDB scheme?</b> No comment
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<b>Please explain your answer</b> No comment
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**Q: Should different approaches be taken for people with life limiting conditions compared to people with less severe conditions?**

<b>Yes</b>		No comment
<b>No</b>		

**Q: Are there situations where a one off lump sum payment would be more appropriate than a regular weekly IIDB benefit payment?**

<b>Yes</b>		No comment.
<b>No</b>		

**Q: Should the Scottish Government seek to work with the UK Government to reform the IIDB scheme?**

<b>Yes</b>	
<b>No</b>	

**Q: Do you agree with the Scottish Governments approach to Severe Disablement Allowance?**

<b>Yes</b>		No comment
<b>No</b>		

## **7. Carers Allowance**

**Q: Do you agree with the Scottish Government's overall approach to developing a Scottish Carer's Benefit?**

<b>Yes</b>	
<b>No</b>	<b>x</b>

Please explain why

Overall the approach does not give enough consideration of the potential to deliver a more joined-up approach by integrating delivery mechanisms with those in place to implement the Carers Act. A 'twin track' approach is mentioned, but there is little discussion of the options here, for example, the potential for a single portal for financial and other support for carers. The approach also seems confused about the primary purpose of the benefit, which raises a number of issues described below.

The paper seems confused about the purpose of CA. It is described as 'income replacement', which normally requires means testing to establish the income-deficit that requires to be replaced, yet a commitment is given that CA will not be means-tested.

There is no rationale given for selecting JSA as the benefit to level CA with. JSA is a means-tested benefit for the purpose of income replacement and bringing everyone up to a certain level of income. Again, this raises questions about why carers will be exempt from means-testing resulting in associated questions about equity with other claimant groups.

Raising the level of CA for those caring for more than one child will raise expectations amongst those caring for more than one adult, and further thought needs to be given to the rationale behind this. If the purpose of the benefit is to offset the costs of caring, why are the costs for adults thought *not* to increase for more than one person, yet the costs for children are? Conversely, if the purpose of CA is income replacement, why is the impact on ability to work thought to increase when caring for multiple children, but not for multiple adults?

**Q: Do you agree with our proposed short to medium term priorities for developing a Scottish carer's benefit?**

<b>Yes</b>	
<b>No</b>	<b>x</b>

See previous comments regarding the potential for integration with health and social care services and the provisions of the Carers Act.

The approach to young carers whereby they are encouraged to 'sustain the caring role if they wish' would be problematic for very young carers, or for those where the caring burden is high. The approach within social care in these circumstances may

be to minimise, or even exit from, the caring role. The proposals do not give sufficient recognition to the fact that caring can have a negative impact on health and wellbeing and that public services have duties to protect the wellbeing of children and young people. It also needs to be clear at what age young carers allowance would be made available and how this might interact with other benefits such education maintenance allowance etc.

**Q: How can we improve the user experience for the carer (e.g. the application and assessment process for carer’s benefit)?**

Please specify below

The development of a single portal for accessing all financial and other support would greatly simplify the process for carers. This would allow for a single integrated assessment which considers the carer’s needs in a holistic way and allows financial and other resources to be pooled, with the carer having maximum choice and control over how this is invested to meet their needs. The systems and processes in place to deliver self-directed support have significant potential in this respect.

**Q: Should the Scottish Government offer the choice of exchanging some (or all) of a cash benefit for alternative support (e.g. reduced energy tariffs)?**

Yes	x
No	

Please explain why

See comments about flexibility and maximising choice above.

**Q: What alternative support should be considered?**

Consultation with carers themselves will give the most helpful indication of this. It may be worth exploring whether ‘regular’ expenditure items, such as utility bills, would more helpful than one-off expenditure items which can be harder to finance if unexpected – e.g. replacing a broken washing machine.

**Q: How can we achieve a better alignment between a future Scottish carer benefit and other devolved services?**

The development of a single portal for accessing all financial and other support would greatly simplify the process for carers. This would allow for a single integrated assessment which considers the carer’s needs in a holistic way and allows financial and other resources to be pooled, with the carer having maximum choice and control over how this is invested to meet their needs. The systems and processes in place to deliver self-directed support have significant potential in this respect.

**Q: Do you agree with our proposed long term plans for developing a Scottish Carer's Benefit?**

Yes	
No	

Please explain why

The main focus for the longer-term appears to be on changing the definition of a carer. The Carers (Scotland) Act significantly widened the definition of who is a carer and this will result in an expectation that any new Scottish definition for welfare purposes follows this. Differing definitions could give rise to concerns about equity. However, using such a broad definition to define eligibility for CA would result in a significant cost. There may be a need to consider other approaches to deciding who is eligible for CA and what level of benefit is awarded to different groups.

**Q: Do you have any other comments about the Scottish Governments proposals for a Scottish Carer's Benefit?**

No further comment

## **8. Winter Fuel and Cold Weather Payments**

**Q: Do you have any comments about the Scottish Government's proposals for Winter Fuel and Cold Weather Payments?**

Please specify below

Extending Winter Fuel Payments to families with disabled children on higher rate of DLA and making early payments to those households who live off the gas grid is a helpful suggestion in the short term. COSLA also welcomes the intention to consider the reports of the Fuel Poverty Strategic Working Group and the Scottish Rural Fuel Poverty Task Force when they are published later in the year and COSLA looks forward to discussing options for longer terms strategies to potentially use Winter Fuel Payments and Cold Weather Payments to as effective use as possible.

**Q: Could changes be made to the eligibility criteria for Cold Weather Payments? For example, what temperature and length should Cold Weather Payments be made on in Scotland?**

Please specify below

Again depending on the reports from the fuel groups and the evidence available across Scotland COSLA would not rule out changes being made regarding temperatures and length of time across Scotland however these changes would need to be discussed in term of benefits to those in receipt and increased costs should they be likely.

## **9. Funeral Payments**

### **Q: Proposals for Funeral Payment: What should the benefit cover?**

Please specify below

The benefit should cover as a minimum the cost of a dignified funeral and we welcome the intent to set up Ministerial round table events and a national conference on funeral poverty to further debate this area.

### **Q: Which of these elements do you think should be paid for by the Funeral Payment?**

	YES	NO
Professional funeral director fees – advice and administration etc.	X	
Removal or collection of the deceased	X	
Care and storage of the deceased before the funeral	X	
Coffin	X	
Hearse or transport of the deceased	X	
Limousines or other car(s) for the family		
Flowers		
Death notice in a paper/local advertising to announce details of funeral (time and location)		
Fees associated with the ceremony e.g. for the minister or other celebrant		
Order of service sheets		
Catering for wake/funeral reception		
Venue hire for a wake/funeral reception		
Memorial headstone or plaque		
Travel expenses to arrange or attend the funeral	X	

### **Q: Are there other elements that you think should be included or explicitly excluded?**

Yes	
No	X

Please explain why  
No comment

**Q: How can we improve the process for identifying whether someone is responsible for the funeral and should receive the funeral payment?**

Please specify below

The DWP process for identifying who is responsible for the funeral and who should receive payment of the funeral payment in itself does not appear to be the problem with the existing system rather the delays in assessing applications and the way in which these are communicated seem to cause issues.

**Q: In terms of the Scottish Funeral Payment, are there any qualifying benefits (e.g. Pension Credit) that you would add to or take away from the current qualifying benefit list?**

Yes	
No	X

Please explain your answer

Increasing eligibility to include other groups would increase the total amount spent on this provision across Scotland – it would seem more sensible to encourage more people to save for funeral costs going forward than to increase those who are entitled to assistance.

**Q: Is the three month application window for a Funeral Payment sufficient time for claimants to apply?**

Yes	x
No	

If no, please explain your answer and suggest an alternative length of time in which a claim could be made.

No comment

**Q: What are your views on the options for speeding up and simplifying the payment?**

Please specify below

Increase the amount of information passed from statutory agencies as opposed to requiring applicants to gather information at a time when they are potentially less able to do this having been recently bereaved.

Seek consent from the applicant to contact funeral providers on their behalf.



**Q: The other funds which are deducted from the DWP funeral payment are listed below. What sorts of funds do you think it is appropriate to deduct from a Scottish FP?**

	YES	NO
Funds in the deceased's bank account	X	
Funeral plan/insurance policy	X	
Contributions from charities or employers	X	
Money from an occupational pension scheme	X	
Money from a burial club	X	

**Q: Are there any other funds that you think are appropriate to deduct?**

Please specify below  
No comment

**Q: Which services should promote awareness of the funeral payment to ensure that claimants know about it at the relevant time?**

Please specify below

Registrars  
DWP  
Local Authorities  
Council Tax Teams  
DWP  
NHS  
Advice and Support Agencies

**Q: Are there any other points that you would like to raise in connection with the new Scottish Funeral Payment?**

Please specify below  
No comment

## **10. Best Start Grant**

**Q: What are your views on who should receive the Best Start Grant (BSG)?**

Please specify below

Under the current scheme more families receive and benefit from a grant albeit a smaller one than under the new scheme. The proposal increases the value of each grant (by almost a 3<sup>rd</sup>), with limited funding it will have to be targeted on families with very low incomes / those most deprived. The proposal will inevitably see a reduction in the number of families who can receive a grant.

**Q: Should we continue to use the same system to determine who is responsible for a child for the purposes of the BSG application?**

(please tick one box)

<b>Yes</b>	<b>x</b>
<b>No</b>	

Please explain why:

The person who receives child benefit or who lives with that child and is responsible for their welfare should be the claimant and be assessed for the BSG.

**Q: Do you agree that each of the three BSG payments should only be made once for each child?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

If no, what exceptions would you make to this rule?

With exceptions in limited circumstances, e.g. changes to guardians.

**Q: Should we continue to use the same method as the SSMG to determine whether a child is the first child in a household?**

<b>Yes</b>	<b>X</b>
<b>No</b>	

Please explain why:

Family relationships can be complicated and more straight forward if it can be identified how many children (under 16) are in a household already.

**If no, what alternative method should we use?**

**Q: Do you agree that we should retain the requirement to obtain advice from a medical professional before making a maternity payment?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

Please explain your answer:

Having the requirement that mothers are only eligible for a grant if they have received medical advice reinforces the importance of attending antenatal care. This should mean those at greatest risk will increase access to medical advice and hence improve health outcomes.

**Q: Are there other points during the first five years of a child's life when families face greater pressure than at the start of nursery (other than birth and the start of school)?**

The 3 identified transition points are the areas of greatest pressure for a family.

**Q: What are your views on defining 'the start of nursery' as the point of entitlement to a funded early learning and childcare place, for the purposes of making the second payment?**

Flexibility is required as 'the start of nursery' can vary greatly depending on individual family circumstances.

**Q: Are there any particular issues related to the nursery payment that you think we should consider?**

The issue of sustainment of the nursery placement after the payment has been made, ensuring the child continues to access this placement opportunity.

**Q: Are there any particular issues related to the school payment that you think we should consider?**

We would need to understand what the additional expenses are that are incurred as a child starts school not already provided via school clothing grants and free school meals.

**Q: Should the school payment be payable to all eligible children who begin primary school for the first time in Scotland, or should an upper age limit be included?**

Payment should be made to all eligible children who begin primary school for first time. An upper age limit could be detrimental to a child's transition.

**Q: What are your views on our proposals in relation to the BSG application process?**

We support the proposed process of 3 separate payments over a 5 year period as this will benefit people whose circumstances change either positively or negatively over the period. The extension of the 1<sup>st</sup> payment window would benefit claimants and address concerns under the current scheme that the window is too short.

**Q: What are your views on establishing an integrated application process for the BSG and Healthy Start?**

An integrated application process for both grants would be positive as this could reduce bureaucracy, duplication and improve efficiencies.

**Q: What are the advantages and disadvantages of this approach?**

More streamlined, reduce duplication, improve awareness of both among mothers.

**Q: Would the option to receive items rather than a cash payment as part of the BSG have benefits?**

(please tick one box)

Yes	<input checked="" type="checkbox"/>
No	<input type="checkbox"/>

Difficult for some to manage large sums of cash, whilst ensuring appropriate use of funds to support outcomes and improvements. A catalogue would offer value for money due to purchasing power which would help constrained budgets.

**Q: Which services should promote awareness of the BSG to ensure that claimants know about it at the relevant time?**

Health visitors, Jobcentre, social work department.

## **11. Discretionary Housing Payment**

**Q: Could the way that Discretionary Housing Payments (DHPs) are currently used be improved?**

<b>Yes</b>	<b>X</b>
<b>No</b>	

Please explain why

It would be desirable to move towards full mitigation of the bedroom tax in Scotland as part of the way UC is calculated for Scottish claimants rather than use DHP as a means of doing so. However, it is understood this will not be fully possible until all working age claimants have migrated to UC.

Consideration should be given to using DHP to focus equally on all the elements of housing need and welfare reforms. In some authorities, other measures such as LHA changes are having more of an impact than the bedroom tax yet the way authorities have been funded and the differing priorities of UK and Scottish Governments means that those affected by other measures are subject to prioritised assistance while those impacted by the bedroom tax experience full mitigation.

It is important that local authorities continue to exercise discretion on local priorities as Scotland experiences quite different housing markets and pressures in different areas which national priorities are unlikely to address adequately.

**Q: Could the administration of DHP applications be improved?**

<b>Yes</b>	<b>X</b>
<b>No</b>	

Please explain why

Local authorities will always strive to improve on efficiency of administration by way of continuous improvement particularly with regard to speed of response however it is important that DHPs are able to respond to local pressures and impacts in different housing markets and local authorities continue to exercise discretion on local priorities.

**Q: Does the guidance for local authorities on DHPs need amending?**

<b>Yes</b>	<b>X</b>
<b>No</b>	

Please explain why

Guidance will require on- going review in the light of new pressures and impacts and this should be completed with input from all relevant stakeholders.

## **12. Job Grant**

**Q: What should the Scottish Government consider in developing the Job Grant?**

Please specify below

It is important to consider how making this payment integrates with local employability offerings so that public assistance has maximum impact.

Some authorities already provide cash payments to assist with appropriate clothing, tools etc. and it is important that there is no duplication of effort.

There is a strong argument for devolution of this to Local Government to enable alignment with the employability pipelines creating better integration and value for money.

Devolution to Local Government may also provide the opportunity to have this Job Grant up and running earlier than other elements of Social Security as Councils already have the existing infrastructure to make one of payments via arrangements set up to provide Scottish Welfare Fund and or Education Maintenance Allowances.

### **13. Universal Credit flexibilities**

**Q: Should the choice of managed payments of rent be extended to private sector landlords in the future?**

<b>Yes</b>	
<b>No</b>	

Please explain why

While this might be considered at some point, it is important to put in place the arrangements to address the specific risks for payment of rents in the social sector as a priority.

The arrangements for the payments of APAs under UC which are open to private sector tenants are not dissimilar to the current arrangements under Housing Benefit and LHA.

It is not clear what problem extending the choice of managed payments to PRS tenants would be seeking to address and any change in policy should not be embarked upon without a clear evidence base and evaluation of the costs to introduce such extended arrangements versus the benefits gained.

Further research is required on the impact that UC is having on the private rented sector. There is a concern that a reduction in private sector landlords will reduce houses for rent and contribute to an increase in homelessness and a reduction in temporary accommodation for homeless people.

**Q: Should payments of Universal Credit be split between members of a household?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

It would be important to have this choice to address situations of possible domestic abuse or when the payment may be going to a member of a household who is not the tenant with the responsibility for payment or rent.

However again we would point out this provision is already available in the existing Universal Credit system as is – we would expect evidence to be sought around need for an extended provision in Scotland, costs and benefits realised before making an informed judgement on the requirement for this.

If Yes, please indicate if you think the default position should be:

a) automatic payments to individuals, with the option to choose a joint payment	
Yes	<input type="checkbox"/>
No	<input checked="" type="checkbox"/>
To have this as the default position might produce significant difficulties in ensuring the rent is paid. This would be a radical step to take without a very clear evidence base on the likely behavioural impacts.	
b) automatic household payments, with the option to choose individual payments?	
Yes	<input checked="" type="checkbox"/>
No	<input type="checkbox"/>

**If Yes, how do you think payments should be split? For example, 50/50 between members of a couple or weighted towards the person who is the main carer if the claim includes dependent children?**

It would be important to have this choice to address situations of possible domestic abuse or when the payment may be going to a member of a household who is not the tenant with the responsibility for payment or rent.	
The proportion of splitting payments may need to be determined in the light of evidence in individual cases, unless there is a clear evidence base which would give confidence on the likely behavioural impacts.	

**Q: Do you have any other comments about how the Scottish Government's powers over Universal Credit administrative flexibilities will be delivered?**

<p>East Lothian Council is very concerned about the impacts of UC on rent collection and the potential for large build- up of rent arrears as numbers and complexity of need increases in UC rollout.</p> <p>East Lothian is the first area in Scotland to be subjected to Universal Credit full service since March 2016. We are therefore in a unique position to understand the impact and implications of UC on areas such as Council house rent collection and Council Tax Reduction.</p> <p><b>Housing element of Universal Credit</b></p> <p>As a social housing provider, the Council must maximise income, sustain tenancies and reduce homelessness. This means engaging with customers, establishing a payment culture and understanding their needs, whilst identifying and managing risk. All of this must be done whilst cutting costs and delivering value for money.</p> <p>We have carried out an impact assessment of UC on our rent collection and estimate by the time we have reached full UC caseload, Council Officers will need to collect</p>
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£8.3m direct from Council house tenants receiving UC. In most cases, this is currently paid direct to the rent account in the form of Housing Benefit.

In recent years, due to the economic climate and now in particular due to the rapid increase in UC claims, collection of Council house rent and Council Tax is becoming even more challenging. In order to minimise the impact on Council house tenants, in terms of both finance and wellbeing, and to ensure that we maximise collection and safeguard the Council's income, our Officers are having to spend significant time supporting UC claimants, particularly the more vulnerable in our community.

Our Officers are having to effect early engagement from tenants moving onto UC by way of arranging face to face contact, often in tenants' homes, to ensure that they understand their obligation to pay their rent and Council Tax from their UC payment and to verify that adequate provision has been made to do so. We are finding that, as UC is paid in arrears and there is a six week assessment period prior to payment being made, this is placing significant financial pressure on tenants during this period. Our Officers are having to ensure that all forms of financial assistance have been applied for and our experience is that, in most cases, rent arrears are accruing or increasing during this time. As you will appreciate, this is a very resource intensive and costly service to provide. It has been estimated that such interviews, which may have previously lasted around 15 minutes, are now taking up to 1.5 hours.

As identified in some of the early UC pilots, Council Officers are often just discovering vulnerability of some tenants and residents, as many previously received maximum Housing Benefit and there was not always a full awareness of their circumstances e.g. mental health issues, addictions, literacy, numeracy and financial difficulties. It is likely that Job Centre staff will have established these circumstances as part of the claim process but unfortunately it would seem that this personal information cannot be shared with local authorities, which means that Officers are having to undertake in depth tenant profiling work to determine the level of support required to manage individual situations. All of this gives rise to significant pressure being put on already stretched Council services.

When the Council is notified of a new UC claim for a Council tenant, we issue an Evidence of Rent Liability form to the tenant as proof of their housing costs. The information contained within this form is almost identical to the SRS Verification of Housing Costs form, which is subsequently issued to the Council by the DWP for completion. This appears to be a clear example of duplication of effort and is something which could be done more efficiently.

### **Council Tax Reduction**

One of the unintended consequences of the introduction of UC coming on the shoulder of the introduction of the Council Tax Reduction (CTR) scheme in Scotland is that we are now facing a significant problem in Council tax collection. People eligible for CTR who are also claiming UC now have to submit a separate claim to the Council for their CTR.

The Council has experienced a significant decline in the number of people claiming

CTR and consequent reduction in CTR expenditure since UC was introduced. Whilst we recognise that a number of factors can affect CTR take up there is a clear correlation between claimants no longer being able to claim Housing Benefit and CTR jointly and this decline. Whilst the UC process should mean that the Council is informed by the DWP Service Centre that a claimant wishes to claim CTR, we have seen evidence that some notifications have been sent to the wrong organisation. In the case of those that have been received the Council can no longer rely on confirmation of the claimant's UC award being available on the DWP's Customer Information System. As a result of this, the Council has to resort to asking claimants to confirm their UC award which, because of the waiting period and built in UC processing delay may not be available for 6 to 7 weeks. Inevitably, many customers are not supplying this information and are losing out on their CTR entitlement. Consequently, this is continuing to have a detrimental effect on Council Tax collection performance.

East Lothian Council would strongly recommend that the Scottish Government should use its UC administrative flexibilities to re-introduce direct payments of the Housing element of UC to local authorities as soon as possible.

The Scottish Government should also review how the CTR scheme operates in view of the complications and negative impacts associated with UC.

**Q: Do you have any comments about the Scottish Government's powers over the housing element of Universal Credit?**

The Scottish Government's response to UC cannot be restricted to the housing element of UC.

It is East Lothian Council's experience so far, that the 7 day waiting period at the outset of the UC claim process and the 6 week assessment period is creating significant financial difficulties for claimants. Routinely, claimants do not have sufficient savings or financial means to get through this lengthy period before they receive their first payment. It is often the case that a reduced first UC payment is made, as a portion is retained to cover any DWP advance, leaving insufficient funds to pay all outstanding household expenses and housing costs, let alone budget for the forthcoming month. The Council is regularly putting repayment arrangements in place to cover rent and Council Tax debt from the day the UC claim is made.

The decision to pay UC monthly in arrears is also placing significant strain and creating debt for claimants.

These pressures are manifested in increasing demand on Scottish Welfare Fund and increased demand for services such as Foodbanks.

It has been highlighted that, in many cases, UC claimants are visiting Council offices to use telephone facilities to contact the DWP Helpline about their claim as they have no credit on their phone. Although East Lothian Council provides online access in various Council offices, our experience is that many claimants are not able, or

confident enough, to access their UC journal themselves and that they would prefer to speak to someone from DWP about their claim.

Whilst recognising that UC is not being devolved to the Scottish Parliament we suggest that the Scottish Government needs to ensure that the development of a Scottish social security system and its powers over UC administrative flexibilities take into account and where possible put in place measures to mitigate the problems being encountered through the roll out of UC full service as soon as possible.

While in future such powers would allow the Scottish parliament to exercise different choices to mitigate benefit retrenchment by the UK Government, careful consideration would need to be given to the impact of e.g. a more generous Scottish regime. There is potential for adjustments to the block grant if cuts go ahead in rest of the UK but are mitigated by the exercise of these powers in Scotland and any extra public investment in Scotland might be better made in other areas of public policy e.g. affordable housing, education, social care etc.

The experience of East Lothian Council and other authorities that are beginning to roll out full service UC will be invaluable to the Scottish Government as it develops its proposals for a Scottish social security system. In particular we have much to learn both in terms of good practice, but also bad practice in developing new benefits systems and the relationship between national agencies (DWP or a new Scottish Social Security agency) and local authorities that are administering parts of the system.

### **PART 3: OPERATIONAL POLICY**

#### **14. Advice, representation and advocacy**

**Q: What role[s] should publicly funded advice providers play in the development of a new Scottish social security system?**

Please specify below

Publically funded advice providers should play a full part in the development of the new Scottish social security system – they have significant experience across the social security landscape, both in terms of entitlement based systems and discretionary payments, to exclude publicly funded advice providers would risk losing significant experience and opinion on the areas identified.

**Q: What steps need to be taken, to understand the likely impact of the transfer of the devolved benefits on publicly funded advice in Scotland?**

Please specify below

As a first step it is important to gain a current understanding of the current landscape across Scotland around publicly funded advice agencies. Scottish local government, Scottish government and the UK government provide funding to various organisations, for various lengths of time to do various types of work. Sometimes the funding is to do benefit specific work and at others general work around signposting etc. without understanding the current landscape it will be difficult to assess what the impact across the various parts.

Having a complete picture around what is currently available, what will continue to be available and what each ‘advice agency’ specialises in will allow a truer understanding of the impact and therefore more realistic actions required to allow publicly funded advice services to assist those affected by changes appropriately.

**Q: How could the transfer of the devolved benefits to Scotland be used to drive improvements in the provision of publicly funded advice?**

Please specify below

No comment

**Q: Do you think that Independent Advocacy services should be available to help people successfully claim appropriate benefits?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

No comment

**Q: What next steps would you recommend that would help the Scottish Government better understand the likely impact of the transfer of the devolved benefits on independent advocacy services?**

It is important to understand the current provision around Advocacy available, look at the breadth of subjects/localities serviced and agree actions moving forward to strengthen those areas that are sparse without ending up with over-provision in other areas.

**15. Complaints, reviews and appeals**

**Q: Do you agree that we should base our CHP on the Scottish Public Services Ombudsman’s ‘Statement of Complaints Handling Principles’?**

(please tick one box)

<b>Yes</b>	<b>x</b>
<b>No</b>	

Basing the CHP on the SPSO Statement of Complaints Handling Principles seems sensible and would align the Scottish Social Security complaints procedure with other large public bodies e.g local authorities already operating in Scotland.

**Q: How should a Scottish internal review process work?**

As mentioned in the notes accompanying the consultation questions internal reviews are normal practice across much of public sector in Scotland.

Internal reviews when carried out using established (and published) procedures in set timescales, allow public bodies to remedy disputes at the lowest level possible – ensuring timely resolution and good feedback mechanism to prevent re-occurrences.

The same principles as noted above should apply to the Mandatory reconsideration process within DWP however opinion seems to suggest the lack of clarity around the process and timescales has led to public confidence in mandatory reconsideration being extremely low.

The Scottish Social Security internal review process should be simple to apply, follow a set process and have published timescales attached, to ensure transparency and confidence in the process.

**Q: What would be a reasonable timescale for the review to be carried out?**

Timescale should be discussed as part of co-production work and also work with those agencies who have experience of decision making processes.

**Q: Should a tribunal be used as the forum for dispute resolution for the Scottish social security system?**

Yes	x
No	

The issues being appealed via the Scottish Social Security system with a few notable exceptions will be around on-going entitlement to benefits e.g Carers Allowance as opposed to one off discretionary support e.g Scottish Welfare Fund.

**Q: If no, are there any alternative methods of dispute resolution that you think would be preferable to a tribunal?**

No comment

**Q: How can we ensure that our values underpin the appeals process for a Scottish Social Security agency?**

We assume regardless of the final option chosen for the appeals process for Social Security that the legislation and 'claimant charter' if adopted would also apply to the appeals service – all of the suggested action for the agency earlier in this submission would be as relevant to the appeals service to ensure the values as highlighted are carried through.

**Q: Are there any other values that you feel should be reflected in the design of the appeals process?**

No comment

**Q: What do you consider would be reasonable timescales to hear an appeal in relation a decision on a devolved benefit?**

Please specify below  
Timescale should be discussed as part of co-production work and also work with those agencies who have experience of decision making processes.

**Q: In order to ensure a transparent appeals process, what steps could be taken to ensure that those appealing fully understand and are kept informed at each stage of the appeals process?**

Process should be developed with all relevant stakeholder and should be consistent across the range of Social Security benefits being devolved.  
Decision Making guides etc. should be available to the general public.  
Ensuring communications are provided in a way that best suits the applicant and local supports available to guide them through the process are critical.  
Regular reports on the performance of appeals processes etc. should also be part of the process.

**Q: How could the existing appeals process be improved?**

Reduce delays  
Make it more customer friendly  
Ensure appeals can be heard both orally and in writing  
Ensure technology is utilised to minimise disruption where possible

**16. Residency and cross-border issues**

**Q: Should Scottish benefits only be payable to individuals who are resident in Scotland?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

Individuals who are residing in Scotland should be able to access Scottish benefits – those living out with Scotland are not part of the tax base.

**Q: What are your views on the ‘habitual’ residence test currently used in the UK by DWP?**

The current ‘habitual’ residence test is consistent and long established – to apply a different test for those benefits devolved to Scotland would surely cause confusion and some unhelpful results e.g DWP rule customer not habitually resident for Universal Credit and Scottish Social Security Agency rule habitually resident for Disability Benefits?

**Q: Are there other issues that the Scottish Government should take into account when it comes to residency rules?**

No comment

**Q: What factors should Scottish Government consider in seeking to coordinate its social security system with other social security systems in the UK?**

How the Scottish Social Security system deals with those who live on one side of the border and work on another requires careful consideration to ensure fairness of access and equality are maintained.

**Q: How can the Scottish Government ensure that no-one either falls through the cracks or is able to make a ‘double-claim’?**

Data sharing will be an important tool for the prevention of ‘double claiming’. Clear and concise eligibility rules including residency checks etc. will also be paramount to prevent the new system being vulnerable to misuse.

## **17. Managing overpayments and debt**

**Q: Could the existing arrangements for recovering social security overpayments be improved in the new Scottish social security system?**

<b>Yes</b>	<b>x</b>
<b>No</b>	

Deductions from source are done in a piecemeal fashion at present with little prioritisation or recognition of the overall effect on those claiming assistance – Scottish Government should consider working with DWP, utilities companies and LAs to ensure the overall effect across the benefits landscape is considered.

**Q: What are your views on the role that financial advice can play in the recovery of overpayments?**

Financial advice is important in the recovery of overpayment and for that matter in many other elements of social security – financial advice needs to be available in various forms (face to face, telephony and online) and also needs to be suitably independent to ensure those affected are being advised accordingly.

## **18. Fraud**

**Q: Should the existing Scottish Government approach to fraud be adopted for use in our social security system?**

<b>Yes</b>	
<b>No</b>	

If no, what else should be used instead?

We would suggest a significant refresh of the existing Scottish Government approach is required as Scottish Social Security becomes a reality.

Consideration will be required around joining up offerings with work being done locally, (and nationally via the Fraud Investigation Service) providing the legal basis for other work moving forward and also joining up the Scottish system with the work ongoing to protect the benefits not being devolved to Scotland.

Local Government, DWP and other stakeholders have much experience and insight that will be invaluable in this area of work moving forward.

**Q: If yes, should our existing counter-fraud strategy be adapted in any way?**

<b>Yes</b>		No comment
<b>No</b>		



**Q: How could the new Scottish social security system ‘design out’ errors and reduce the potential for fraud at the application stage?**

Data sharing  
Clear and consistent eligibility criteria  
Joining up national policy with local knowledge  
Reducing clerical processes  
Asking for proportionate evidence at the onset and during claims.

**Q: Should the Scottish social security system adopt DWP’s existing code of practice for investigators?**

Yes	
No	

No comment

**Q: What are your views on the existing range of powers granted to investigators?**

No comment

**Q: What are your views on conducting interviews under caution?**

No comment

**Q: What improvements could be made around conducting interviews under caution?**

No comment

**Q: Should the Scottish Government retain the same list of offences which people can be found guilty of in terms of social security fraud?**

Yes	
No	

No comment

**Q: Should the Scottish Government impose the same level of penalties for social security fraud as are currently imposed?**

Yes	
No	

No comment

**19. Safeguarding your information**

**Q: Should the existing Scottish Government approach to Identity Management and Privacy Principles be adopted for use in our social security system?**

Yes	X
No	

The same principles should apply

**Q: If yes, should our existing Identity Management and Privacy Principles be adapted in any way?**

Yes	
No	

No comment

**Q: Who do you consider should be consulted in regard to the Privacy Impact Assessment and what form would this take?**

No comment

**Q: What are your views on privacy issues that may affect the new agency?**

No comment

**Q: Do you perceive any risks to the individual?**

No comment

If Yes, What solutions might be considered to mitigate against these?

**Q: Would you support strictly controlled sharing of information between public sector bodies and the agency, where legislation allowed, to make the application process easier for claimants?** For example, this information could be used to prepopulate application forms or to support applications, reducing the burden on applicants.

Yes	x
No	

Applicants have highlighted the need to make the Scottish Social Security system easier to access and use – sharing data across public sector bodies is one way in which this can be realised.

**Q: Would you support strictly controlled sharing of information between a Scottish social security agency and other public sector organisations (for example local authorities) to support service improvements and deliver value for money?**

Yes	x
No	

Yes – data sharing will become increasingly important as we move towards not only the Scottish Social Security system but across the public sector organisation more generally as Public Service Reform continues in years to come.

There must be proper robust data sharing agreements in place and the new data protection legislation which comes into force in May 2018 will need to be taken into account.

**Q: What are your views on having the option to complete social security application forms online? Can you foresee any disadvantages?**

Having the ability to complete application online is critical if social security in Scotland is to keep pace with other parts of both public/private service provision.

However, resources will need to be made available to local authorities and advocacy groups to support vulnerable people and the digitally excluded to access on-line services.

**Q: What are your views on the new agency providing a secure email account or other electronic access to check and correct information for the purposes of assessing applications (noting that any such provision would need to be audited and regulated so that the security and accuracy of the information would not be compromised)?**

Many LAs have started to pilot/introduce citizens accounts to allow residents, who wish to and are able to, check, apply for and correct information via online routes.

Experience and research from these types of projects should be drawn on for the Scottish Offering.

## **20. Uprating**

**Q: What are your views on the best way to ensure that devolved benefits keep pace with the cost of living?**

At the UK level there are different approaches to the indexation of in work benefits, pensions and other payments. The most generous is the “Triple Lock” which relates to the State Pension and is currently the higher of 2.5%, CPI and Average Earnings. There are understandable concerns over the sustainability of such an uprating

approach and it would not be advisable for the SG to adopt a similar policy for the devolved benefits.

If the general acceptance is that CPI is the “cost of living” inflation measure, then this is an option on its own (subject to the response in the 2<sup>nd</sup> question). This is in line with the UK approach and would ensure a fiscal link with the uprating of the funding due to come to the SG from the UK Government. If Scotland adopted a more generous uprating, then this would have to be funded at the expense of something else.

An automatic uprating set by regulations is more transparent and less prone to ad hoc/political adjustments however it can mean that funding is not always targeted at those in most need. However, the way to deal with that would be to factor this in when devising the new Scottish Benefits rather than making the uprating system overly complex.

**Q: Are there any devolved benefits in particular where uprating based on a measure of inflation would not be effective?**

The one which stands out as not being linked to a general inflation measure is the Cold Weather Payments/Winter Fuel Allowance which is clearly linked to Fuel costs. Measures do exist which track movements in Utility prices and if it was decided to create an annual uprating then these could be used. This annual uprating could be funded by removing the universal nature of the Winter Fuel Allowance.

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Update on the Introduction of Decriminalised Parking Enforcement and on the Introduction of Parking Charges at Coastal Car Parks

**12**

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## **1 PURPOSE**

- 1.1 The purpose of this report is to update the Council on the progress made to introduce Decriminalised Parking Enforcement (DPE) in East Lothian and to provide an update on the introduction of parking charges at coastal car parks.

## **2 RECOMMENDATIONS**

Council is asked:

- 2.1 To note progress made on the introduction of DPE and the measures necessary to implement the service subject to Transport Scotland making the necessary Orders.
- 2.2 To note the engagement of NSL Ltd as the service provider for parking enforcement to undertake duties in respect of: on-street enforcement; car pound services; pay and display services; suspension & dispensation; lines & sign maintenance; cashless parking; permit management; back-office support; notice processing and online services.
- 2.3 To enter into a collaborative working agreement with the City of Edinburgh Council to provide back-office support to process Penalty Charge Notices (PCNs), Notice to Owners (NtOs) and pursue debts through sheriff officers.
- 2.4 To note the update on the introduction of parking charges at coastal car parks.

### **3 BACKGROUND**

#### **Introduction of Decriminalised Parking Enforcement (DPE)**

- 3.1 Following a national review of Police Scotland services in June 2013, the Traffic Warden Service ceased patrols in East Lothian on 28 February 2014. Accordingly, enforcement duties fell to local police officers to resolve; however, experience has shown that with other demands on police officers' time these duties are not highly prioritised unless significant problems are evident.
- 3.2 Following a report approved at Council on 15 December 2015 officials within Road Services progressed an application to Transport Scotland to introduce DPE.
- 3.3 The Road Traffic Act 1991 is the statutory instrument that makes provision for the enforcement of traffic offences. A proviso under the Act allows a local roads authority to apply to the Scottish Government to create a Scottish Statutory Instrument (SSI) to designate East Lothian as a 'Special Parking Area' (SPA) and/or 'Permitted Parking area' (PPA) thereby decriminalising parking offences and their enforcement. The collection of parking fines can then be undertaken by the local authority through a civil court procedure.
- 3.4 A draft application was lodged with Transport Scotland on 18 December 2015 seeking approval to introduce Decriminalised Parking Enforcement within East Lothian. Following discussion with Transport Scotland a final application was lodged on 18 July 2016 and we understand a formal response will be issued confirming that the necessary Parliamentary Orders will be made by 16 December 2016.
- 3.5 The business case presented to Transport Scotland within the East Lothian Council application outlined a cost-neutral approach whereby the overall cost of the service would be offset against income generated through PCNs, tow-away, event management, and top-up funding of £55,000 from income received through coastal car parking charges.
- 3.6 The emerging proposed Parking Management Strategy that is currently being developed sets the context and objective basis for the introduction of parking enforcement; to provide balanced and appropriate parking facilities that support the economic, environmental and accessibility requirements for towns in East Lothian; and to maximise the efficient use of parking provision. The Local Transport Strategy, also under development, will prioritise sustainable transport choices that make best use of limited road space assisting with a Council desire to reduce carbon emissions and improve air quality. The parking strategy will reflect a desire to facilitate improvements in vehicle parking turn-over, an issue which is important to East Lothian's town centres economic vitality and vibrancy.

- 3.7 Through collaborative working a framework contract has been made available nationally by the City of Edinburgh Council which allows other local authorities to enter into negotiations with NSL Ltd to provide parking enforcement services. Currently, NSL Ltd provides parking services for over 60 local authorities throughout the UK including the City of Edinburgh and will shortly be entering into an agreement with Highland Council.
- 3.8 East Lothian Council has taken advantage of this framework contract and entered into a contract with NSL Ltd. The contract will be for a period of 5 years with an option to extend for a further 5 years. The introduction of parking enforcement in a decriminalised environment is a new service within East Lothian and will take time to bed in. Parking attendants (PAs) will be deployed on streets within East Lothian in week commencing 7 November 2016 and will serve warning flyers for evident infringements for a period of 2 weeks. This will be escalated to working Notices without penalty for a minimum period of two weeks until the Orders have been made.
- 3.9 Under the East Lothian contract arrangement NSL Ltd will employ 4 PAs + 1 PA supervisor. These staff will be based in Council facilities at Macmerry. They will operate on a 7-day rota (7-on/7-off). Work on the development of a shift pattern is ongoing but this is likely to represent the deployment of 3 PAs on weekdays and 2 on weekends.
- 3.10 A communication strategy is being developed to alert all local businesses and communities that DPE will be starting shortly. An article will be included in the 'Living' magazine for East Lothian residents, due to be distributed to all households from the end of November. In addition, further updates on DPE progress will be released on social media channels, including Facebook and Twitter.
- 3.11 A major refurbishment of East Lothian Council's parking web page is being undertaken. This is necessary to provide an online payment or challenge facility. The site will also carry details of all the consolidated Orders explaining the areas of restriction. Clear and transparent guidance on the Council's policies, procedures and penalties relating to parking is also being developed.
- 3.12 The Road Service – Asset and Regulatory Team is preparing parking enforcement protocols and business rules to describe the degree of enforcement on-street that will be applied. These will provide clear guidance to PAs where and when PCNs should be issued. The business rules (for example: a PA will give a period of 3 minutes' grace to allow a person to board or alight from a vehicle and to unload their personal luggage on a 'no waiting' restriction; or, a vehicle will not be served a Penalty Charge Notice until the restrictions have been in force for a full 5 minutes, i.e. a PCN should not be issued before 8.35 am in a restricted street on a time-based restriction) will be strictly enforced to ensure the maximum degree of compliance with the law and regulations.

- 3.13 PAs will gather all necessary information relating to a parking infringement by means of a hand-held computer terminal (HHCT) such that a competent Notice can be served. The information will be retained in an encrypted form and electronically archived for a minimum period of 5 years. This data is held in a secure cloud-based system provided by the service provider.
- 3.14 All PAs employed will undergo appropriate training to ensure that they are capable of undertaking their duties and responsibilities. Notwithstanding their enforcement duties in the checking of vehicles in compliance with the law and restrictions, they will monitor the coastal car park ticket issuing machines (TIMs), check and report on abandoned vehicles, assist with event management and act as ambassadors, providing a first point of contact for help and assistance to the public, where possible.
- 3.15 The Council will initially make use of the car pound service operated by NSL Ltd, which is currently located at Tower Street, Leith. It is intended to explore alternative sites central to East Lothian.
- 3.16 To facilitate appropriate traffic management arrangements at events, galas, parades, marches, for public utility operations, and on-road and building works, the Council will introduce a suspensions/dispensations service.
- 3.17 The Council will migrate resident and school street parking records to the service providers' (NSL Ltd) permit management IT system and explore new permit solutions to regulate and control parking demand.
- 3.18 Parking charge payments will only be accepted via the Council's website, by telephone or by post. No front counter facility will be made available. In accordance with Scottish Government guidance, the PCN will be levied as a Class 3 charge set at £60 per PCN, reduced to £30 if paid within 14 days.
- 3.19 The use of the Council's Feedback Policy and complaints handling procedure is included within the scope of the contract specification. The majority of complaints received will be investigated and administered as formal challenges by the contracted back-office support. It is anticipated that 10–12% of the total complaints received will be related to parking policy, which could present a significant resource burden on the feedback process.

#### **Update on the Introduction of Car Parking Charges at Coastal Car Parks**

- 3.20 On 18 December 2012 the Council approved the introduction of car parking charges at 10 coastal parks within East Lothian. Charging commenced initially at Gullane Bents and Yellowcraigs (July 2015) with sites at Longniddry Bents 1, 2 and 3; Tynninghame Links; John Muir Country Park – Linkfield; Shore Road; White Sands and Barns Ness starting charging in August 2015.



- 3.21 A charge of £2.00 is levied to park at any of the coastal car parks throughout East Lothian on the same day (8.00 am to 6.30 pm, 1 April to 30 September and 8.00 am to 4.00 pm, 1 October to 31 March) and an annual season pass, allowing parking at any time costs £40.00. As of 11 October 1100 season passes had been issued, including 173 permit renewals. Currently, there are 519 valid season tickets. A breakdown of season tickets issued by month is:

July 2015	126
August 2015	299
September 2015	161
October 2015	52
November 2015	33
December 2015	9
January 2016	31
February 2016	27
March 2016	46
April 2016	47
May 2016	23
June 2016	14
July 2016	11
August 2016	26
September 2016	15
October 2016	7

**Table 1 – Season tickets issued by month**

- 3.22 A breakdown of income collated on a monthly basis via transaction count vouchers (display tickets) and annual season tickets is detailed in Appendix A. A breakdown of income generated at individual sites from the period July 2015 through to September 2016 is contained in Appendix B.
- 3.23 In accordance with the coastal car parks charging business case, investment has been made in the upgrading and improvements of coastal car park facilities which to date has been predominantly on resurfacing works, access improvements, information boards and toilet refurbishments. To date, the investment on coastal car parks is £899,347. A breakdown of spend is contained in Appendix C – coastal car park investment expenditure
- 3.24 Further improvements are planned which will include but are not limited to, toilet upgrades, signage, furniture and improvements to the remote footpath network
- 3.25 A summary of income and costs associated with coastal car parking for the period 1 July 2015 to 1 August 2016 is:

## **Income**

Pay and display parking	£ 96,160.12
Annual pass income	£ 28,128.00
Expenditure	£ 8,063.14

**Surplus      £116,224.98**

3.26 Following approval by East Lothian Council on 18 December 2012, the Council exercised powers under Section 32 and 35 of the Road Traffic Regulation Act 1984 and promoted a Traffic Regulation Order (TRO) to introduce parking charges, prohibit parking within designated car park spaces without paying and introduced associated waiting, loading and unloading restrictions on the surrounding on-street road network. Under the Act it is currently a criminal offence not to pay the charge in accordance with the TRO. Presently, enforcement is the responsibility of Police Scotland; however, since the introduction of the Order, there have been no Excess Charge Notices (ECN) or Fixed Penalty Notices (FPN) raised by Police Scotland.

3.27 As a result of the removal of the traffic warden service the financial targets in the original business case have not been achieved and subsequent investment in ongoing car park improvements has not been possible at the level anticipated. However, following the initial improvements which were welcomed by users it is anticipated that the expenditure will increase on the basis of additional income generated once DPE and East Lothian Parking attendants are in place. It is anticipated that compliance will reach 90%.

## **4 POLICY IMPLICATIONS**

4.1 The introduction of Decriminalised Parking Management will contribute towards providing a Safer Environment - a key priority for East Lothian Council.

4.2 The introduction of Decriminalised Parking Management will also contribute towards East Lothian's Single Outcome Agreement Outcome 9 – *East Lothian's homes and roads are safer.*

## **5 INTEGRATED IMPACT ASSESSMENT**

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – The anticipated cost of operating the Decriminalised Parking Enforcement service is £232,000. Income generated through PCNs and tow-aways is estimated to be £125,000 with £52,000 generated through event management. A balance of £55,000 will be required from coastal parking charges to offset the deficit. Consequently, the service will operate on a cost-neutral basis. Any surplus generated will be re-invested into parking related activities in accordance with the Act. As indicated within the report, coastal car parking charges are not meeting current budgeted levels and it is anticipated that the introduction of enforcement measures will significantly improve the situation.
- 6.2 Personnel – An additional member of staff to manage the operation of the parking Service is identified within the business case approved by Transport Scotland. This cost is contained within the overall cost of £232,000 and Road Services are currently reviewing how this can be provided.
- 6.3 Other – None

## **7 BACKGROUND PAPERS**

- 7.1 Private Report to Council, 15 December 2015 – Proposed Introduction of Decriminalised Parking Enforcement – Parking Attendant Service

<b>AUTHOR'S NAME</b>	Ray Montgomery/ Peter Forsyth
<b>DESIGNATION</b>	Head of Infrastructure
<b>CONTACT INFO</b>	Peter Forsyth
<b>DATE</b>	5/10/16



## Appendix A – Income Collected Monthly (July 2015 – September 2016)

	Transaction Count Vouchers	Revenue Voucher(Gross)	Revenue Voucher(Net)	Season Tickets (Gross)	Season Tickets (Net)	Total (Net)	Expenditure
July 2015 (ELC) collection		£ 1,746.70	£ 1,397.36			£ 1,397.36	
Jul-2015	2151	£ 4,311.10	£ 3,448.88	£ 5,040.00	£ 4,032.00	£ 7,480.88	
Aug-2015	7592	£ 15,220.05	£ 12,176.04	£ 11,960.00	£ 9,568.00	£ 21,744.04	
Sep-2015	5930	£ 11,886.30	£ 9,509.04	£ 6,440.00	£ 5,152.00	£ 14,661.04	
Oct-2015	3486	£ 6,988.75	£ 5,591.00	£ 2,080.00	£ 1,664.00	£ 7,255.00	
Nov-2015	1643	£ 3,292.00	£ 2,633.60	£ 1,320.00	£ 1,056.00	£ 3,689.60	
Dec-2015	2461	£ 4,934.25	£ 3,947.40	£ 360.00	£ 288.00	£ 4,235.40	
<b>CY Total</b>	<b>23328</b>	<b>£ 48,379.15</b>	<b>£ 38,703.32</b>	<b>£ 27,200.00</b>	<b>£21,760.00</b>	<b>£ 60,463.32</b>	
Jan-2016	2802	£ 5,626.20	£ 4,500.96	£ 1,240.00	£ 992.00	£ 5,492.96	
Feb-2016	3144	£ 6,302.80	£ 5,042.24	£ 1,080.00	£ 864.00	£ 5,906.24	
Mar-2016	3823	£ 7,666.85	£ 6,133.48	£ 1,840.00	£ 1,472.00	£ 7,605.48	
<b>FY Total</b>	<b>33032</b>	<b>£ 67,975.00</b>	<b>£ 54,380.00</b>			<b>£ 79,468.00</b>	
Income recorded against ledger						£ 80,920.81	£ 4,977.11
Apr-2016	5257	£ 10,540.20	£ 8,432.16	£ 1,880.00	£ 1,504.00	£ 9,936.16	
May-2016	6790	£ 13,609.70	£ 10,887.76	£ 920.00	£ 736.00	£ 11,623.76	
Jun-2016	4844	£ 9,712.10	£ 7,769.68	£ 560.00	£ 448.00	£ 8,217.68	£ 852.65
Jul-2016	9152	£ 18,363.90	£ 14,691.12	£ 440.00	£ 352.00	£ 15,043.12	£ 2173.38
Aug-2016	8862	£ 17,759.00	£ 14,207.20	£ 1,040.00	£ 832.00	£ 15,039.20	
Sep-2016	5675	£ 11,370.70	£ 9,096.56	£ 600.00	£ 480.00	£ 9,576.56	
Renewals-2016				£ 6,920.00	£ 5,536.00	£ 5,536.00	
<b>Total to date</b>		<b>£ 147,583.90</b>	<b>£ 118,067.12</b>	<b>£ 36,800.00</b>	<b>£29,440.00</b>	<b>£154,440.48</b>	<b>£ 8,003.14</b>

CY – calendar Year, FY – Financial year

### Appendix B – Income Collected Per Site (July 2015 – October 2016)

Tariffs	2015-16			2016-17			Total		
Machines	Tickets	Cash (Gross)	Cash (Net)	Tickets	Cash	Cash ( Net)	Tickets	Cash	Cash (Net)
ELCPD1 - Gullane Bents 1	7933	£15,902.60	£12,722.08	2576	£5,166.55	£4,133.24	10509	£21,069.15	£16,855.32
ELCPD2 - Yellowcraigs 2	15699	£31,484.40	£25,187.52	5782	£11,601.05	£9,280.84	21481	£43,085.45	£34,468.36
ELPD03 - Longniddry Bents no.1 (E)	932	£1,868.40	£1,494.72	274	£548.30	£438.64	1206	£2,416.70	£1,933.36
ELPD04 - Longniddry Bents no.1 (W)	1747	£3,502.00	£2,801.60	518	£1,037.20	£829.76	2265	£4,539.20	£3,631.36
ELPD05 - Longniddry Bents no.2	693	£1,387.70	£1,110.16	265	£532.15	£425.72	958	£1,919.85	£1,535.88
ELPD06 - Longniddry Bents no.3 (S)	1169	£2,348.05	£1,878.44	410	£828.75	£663.00	1579	£3,176.80	£2,541.44
ELPD07 - Longniddry Bents no.3	2645	£5,296.20	£4,236.96	764	£1,530.40	£1,224.32	3409	£6,826.60	£5,461.28
ELPD08 - Longniddry Bents no.3 (N)	7134	£14,304.30	£11,443.44	297	£594.70	£475.76	7431	£14,899.00	£11,919.20
ELPD09 - Tynninghame Links	6280	£12,598.15	£10,078.52	2372	£4,754.10	£3,803.28	8652	£17,352.25	£13,881.80
ELPD10 - John Muir Country Park	7198	£14,419.80	£11,535.84	2861	£5,734.55	£4,587.64	10059	£20,154.35	£16,123.48
ELPD11 - Shore Road	2885	£5,778.85	£4,623.08	735	£1,471.55	£1,177.24	3620	£7,250.40	£5,800.32
ELPD12 - Whitesands	1255	£2,515.45	£2,012.36	224	£449.05	£359.24	1479	£2,964.50	£2,371.60
ELPD13 - Barn Ness	685	£1,371.15	£1,096.92	281	£562.50	£450.00	966	£1,933.65	£1,546.92
<b>Total</b>	<b>56255</b>	<b>£112,777.05</b>	<b>£90,221.64</b>	<b>17359</b>	<b>£34,810.85</b>	<b>£27,848.68</b>	<b>73614</b>	<b>£147,587.90</b>	<b>£118,070.32</b>

## Appendix C – Coastal car park investment Expenditure

<u>Location</u>	
<b><u>Special Schemes</u></b>	
John Muir Country Park	£ 119,804.66
Yellowcraig, Ware Road, Dirleton	£ 87,480.07
Gullane Bents car park	£ 136,389.22
Shore Road, Dunbar	£ 5,973.31
Whitesands Access Road	£ 35,488.02
Barns Ness car park	£ 28,001.68
Longniddry Bents No 1 car park	£ 133,214.01
Tynninghame Car Park, Lime Tree Walk	£ 361.47
Longniddry Bents No 2 car park	£ 60,693.12
Longniddry bents No 3 car park	£ 107,909.13
TIMs and electrical connections	£ 184,032.76
	£ 899,347.45





**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 October 2016

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

**SUBJECT:** Submissions to the Members' Library Service  
10 August – 12 October 2016

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**13**

## **1 PURPOSE**

- 1.1 To note the reports submitted to the Members' Library Service since the last meeting of Council, as listed in Appendix 1.

## **2 RECOMMENDATIONS**

- 2.1 Council is requested to note the reports submitted to the Members' Library Service between 10 August and 12 October 2016, 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 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **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

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<b>DATE</b>	12 October 2016

**MEMBERS' LIBRARY SERVICE RECORD FOR THE PERIOD  
10 August – 12 October 2016**

<b>Reference</b>	<b>Originator</b>	<b>Document Title</b>	<b>Access</b>
122/16	Head of Development	Appendices to Council Report, Ratification of SESplan Proposed SDP2	Public
123/16	Depute Chief Executive (Resources and People Services)	Confirmation of Outcome of Application for Re-evaluation of Job	Private
124/16	Head of Development	Building Warrants Issued Under Delegated Powers - July 2016	Public
125/16	Head of Development	Planning Enforcement Notices - July 2106	Public
126/16	Head of Development	Sale of Land - Athelstaneford	Private
127/16	Head of Development	Ormiston Primary School – Access Ramp	Public
128/16	Head of Communities and Partnerships	Staffing Report – Community Partnerships Service	Private
129/16	Depute Chief Executive (Partnerships and Community Services)	Service Review – Arts Service	Private
130/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 1: Planning for Housing, Housing Requirements, Housing Land Requirements and Housing land Supply	Public
131/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 5: Planning for Waste	Public
132/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 6: Planning for Minerals	Public
133/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 12: Planning for Air Quality	Public
134/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 8: Planning for Countryside Around Towns (CATS)	Public
135/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 13: Planning for Cultural Heritage	Public
136/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 3: Planning for Town Centres and Employment	Public

137/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 7: Planning for Coast	Public
138/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 4: Planning for Wind	Public
139/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 10: Planning for Biodiversity	Public
140/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 11: Planning for Geodiversity (Report & Annex 1) Annex 2 Part A Annex 2 Part B	Public
141/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review	Public
142/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix I Landscape Character Area Boundary Review	Public
143/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix II Landscape Character Area Evaluation	Public
144/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix III Public Consultation	Public
145/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix IV Historic Landscape Areas	Public
146/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix V Wildness and Soil Maps	Public
147/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 9: Local Landscape Designation Review Appendix VI Local Landscape Character Areas: A – D E – K L – P Q - Z	Public
148/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Strategic Flood Risk Assessment	Public
149/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Transport Appraisal	Public
150/16	Depute Chief Executive (Partnerships	Proposed Local Development Plan Draft Environmental Report	Public

	and Community Services)		
151/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 5: Musselburgh Area Site and Strategic Environmental Assessments	Public
152/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 6: Prestonpans Area Site and Strategic Environmental Assessments	Public
153/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 7: Tranent Area Site and Strategic Environmental Assessments: Part 1 Part 2 Part 3	Public
154/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 8: Haddington Area Site and Strategic Environmental Assessments	Public
155/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 9: Dunbar Area Site and Strategic Environmental Assessments	Public
156/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Appendix 10: North Berwick Area Site and Strategic Environmental Assessments: Part 1 Part 2	Public
157/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Habitats Regulations (HRA)	Public
158/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Monitoring Statement	Public
159/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Equalities Impact Assessment (EQIA)	Public
160/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan Technical Note 14: Draft Developer Contributions Framework	Public
161/16	Depute Chief Executive (Partnerships and Community Services)	Proposed Local Development Plan for Technical Note 2: Planning for Affordable Housing	Public
162/16	Depute Chief Executive – Partnerships & Community Services	Scottish Government Consultation on the Social Housing Charter	Public
163/16	Head of Council Resources	Confirmation of Outcome of Application For Re-Evaluation of Job	Private
164/16	Depute Chief Executive – Partnerships & Communities	Scottish Government Enterprise & Skills Review	Public
165/16	Head of Council Resources	Service Review Report - Health & Safety	Private

166/16	Head of Council Resources	Amendment to Facilities Management Services Structure – Senior Facilities Assistant in Construction & Technology Centre in Musselburgh	Private
167/16	Service Manager – Planning	Planning Enforcement Notices Issued between 1 <sup>st</sup> and 31 <sup>st</sup> August 2016	Public
168/16	Depute Chief Executive – Partnerships & Community Services	Building Warrants Issued under Delegated Powers between 1 <sup>st</sup> to 31 <sup>st</sup> August 2016	Public
169/16	Head of Council Resources	Service Review Report: Review of Management arrangements in Day Centres and Adult Placement Service to create an Adult Community Support Service	Private
170/16	Head of Development	Proposed Design and Build of Cricket Pitch & Practice Area at Meadowmill Sports Centre	Public
171/16	Head of Development	Sale of 31.4 sqms of land in Haddington	Private
172/16	Head of Development	Sale of 13.4 sqms of land in East Linton	Private
173/16	Head of Development	Proposed New Housing at Russell Walk, North Berwick	Public
174/16	Head of Council Resources	Staffing Report – Review of Communications Function	Private
175/16	Head of Council Resources	Amendment to Facilities Management Services Structure – Cleaning Post at Macmerry Primary School, Macmerry	Private
176/16	Head of Council Resources	Amendment to Facilities Management Services Structure – Cleaning post at Prestonpans Infants School	Private
177/16	Head of Council Resources	Review of Waste Services Structure	Private
178/16	Head of Development	The Grant of Servitude Rights to Facilitate Adoption of Surface Water and Foul Water Drainage Pipe over land at Mid Road Industrial Estate, Prestonpans	Private
179/16	Head of Council Resources	Community Recreation Business Unit Staffing Adjustments – Increase Establishment	Private
180/16	Head of Council Resources	Tender for Cross Class Insurance 1 <sup>st</sup> October 2016	Public
181/16	Head of Development	The Grant of Servitude Rights to Lay, Use and Maintain Electricity Cabling and for Pedestrian and Vehicular Access at Polson Park, Tranent	Private
182/16	Head of Development	The Grant of Servitude Rights to Lay, Use and Maintain Electricity Cabling and a Gas Pipe through Community Woodland, Wallyford	Private

183/16	Head of Development	Sale of 80 sqm (or thereby) of Land and the Grant of Servitude Rights in Prestonpans	Private
184/16	Head of Development	The Grant of Servitude Rights to Lay, Use and Maintain Electricity Cabling and for Pedestrian and Vehicular Access for Land to the South of the Community Woodland, Wallyford	Private
185/16	Head of Development	PPP Project – Procurement of Phase 2 of Dunbar Grammar School's Expansion Project	Public
186/16	Service Manager - Planning	Planning Enforcement Notices Issued Between 1 September and 31 September, 2016	Public
187/16	Head of Development	Proposed Alterations to Planning Department, John Muir House	Public
188/16	Head of Council Resources	Service Review Report, Dunbar Grammar School	Private
189/16	Head of Council Resources	Service Review Report, Prestonpans Primary School	Private
190/16	Head of Council Resources	Service Review Report, IT Infrastructure Service	Private
191/16	Depute Chief Executive – Communities and Partnerships	Building Warrants Issued Under Delegated Powers 1 – 31 September, 2016	Public
192/16	Head of Council Resources	Service Review Report, Dunbar Grammar School (2)	Private
193/16	Head of Council Resources	Service Review Report - Amendments to Facilities Management Services Structure	Private

12 October 2016