



**MINUTES OF THE MEETING OF
THE CABINET**

**TUESDAY 20 DECEMBER 2016
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Committee Members Present:

Councillor S Akhtar
Councillor T Day
Councillor D Grant
Councillor N Hampshire
Councillor W Innes (Convener)
Councillor J McMillan
Councillor M Veitch

Other Councillors Present:

Councillor D Berry
Councillor S Brown
Councillor J Caldwell
Councillor S Currie
Councillor A Forrest
Councillor J Gillies
Councillor J Goodfellow
Councillor P MacKenzie
Councillor P McLennan
Councillor K McLeod
Councillor J McNeil
Councillor J Williamson

Council Officials Present:

Mrs A Leitch, Chief Executive
Ms M Patterson, Depute Chief Executive – Partnerships and Community Services
Mr A McCrorie, Depute Chief Executive – Resources and People Services
Mr D Small, Director, Health and Social Care Partnership
Mr T Shearer, Head of Communities and Partnerships
Mr R Montgomery, Head of Infrastructure
Mr J Lamond, Head of Council Resources
Ms S Fortune, Service Manager – Business Finance
Mr T Reid, Service Manager – Waste
Mrs M Ferguson, Service Manager – Legal and Procurement
Mr G Wilson, Senior Solicitor

Clerk:

Ms A Smith

Apologies:

None

Declarations of Interest:

None

1. MINUTES FOR APPROVAL – CABINET 8 NOVEMBER 2016

The minutes of the meeting of the Cabinet of 8 November 2016 were approved.

2. SUMMARY OF CONTRACTS AWARDED BY EAST LoTHIAN COUNCIL, 1-30 NOVEMBER 2016

A report was submitted by the Depute Chief Executive (Resources and People Services) advising Members of all contracts awarded by the Council from 1 to 30 November 2016, with a value of over £150,000.

Councillor Currie, referring to the particular contract awarded, noted that the second placed bid had been from a local company and requested an update on progress to provide assistance to local firms. The Chief Executive, Angela Leitch, stated that the Economic Development Team was working with a number of small businesses; specific details would be provided outwith the meeting. The Head of Council Resources, Jim Lamond, reiterated that efforts were being made to build the capacity of local firms in terms of their ability to bid for work effectively. He gave further details regarding proper application of various stages of the procurement process. Councillor McMillan repeated his offer, made at a previous Cabinet, to meet with any Members for further discussion on this issue.

Decision

The Cabinet agreed to note the award of contracts with a value of over £150,000, as listed in Appendix 1 to the report.

3. FINANCIAL REVIEW, 2016/17 QUARTER 2

A report was submitted by the Depute Chief Executive (Resources and People Services) recording the financial position at the end of the second quarter of financial year 2016-17.

Mr Lamond presented the report, providing an overview of the Quarter 2 position. He drew attention to General Services Revenue, which showed a 0.7% underspend. There had been significant overspending within the Health and Social Care Directorate with Adult Wellbeing services reporting an overspend of just over £1 million. Two service areas, Adult Wellbeing and Children's Wellbeing, continued to be categorised as High Risk. The Landscape and Countryside Service continued to be categorised as Medium Risk. He also gave details of the position as regards the Housing Revenue Account and General Services Capital budgets. He reported that there had been a mixed financial performance across service areas with a number of favourable variances. The overall position was satisfactory but finely balanced and remained extremely challenging.

Mr Lamond responded to questions from Councillor Currie regarding the Adult Wellbeing figures and pressures in this sector. In relation to planned efficiencies he confirmed the figures already built into budgets. Finance Officers were working closely with the service department; there had been delays in getting these efficiencies in position; the programme of measures however remained in place and it was still hoped that they could be delivered.

The budget planning process was ongoing. In relation to the cost recovery plans applied to the two high risk areas, he referenced the report appendix detailing the kind of control measures that would typically be taken also suggesting this would include strict management of staff vacancies and cost avoidance measures for other, non-staffing areas. David Small, Director of the Health and Social Care Partnership, added that there were three main areas of focus within his service area; vacancy management, income maximisation within existing policies and acceleration of existing efficiency programmes.

Responding to questions from Councillor McLennan, Mr Small advised that no specific efficiency savings were planned to any facilities in the Dunbar area; the key elements generally would be reviewing the high cost of packages of care, transport costs and use of accommodation for people with complex support needs.

Referring to the Living Wage, Councillor Akhtar queried the cost of implementing this for East Lothian. Mr Small advised that it would be approximately £1.8 million and that finance had been made available through amended allocation of the social care fund.

Councillor Currie remarked that concentrating on Adult Social Care was correct however concerns had been repeatedly expressed about this sector; he noted the additional emergency funding, but stated that more would be needed in due course. He raised a number of other areas of concern including coastal car parking income, town centre regeneration, support for businesses and non-delivery of Capital Plan projects.

Councillor Veitch stated that it was important to understand that by the end of September there was a 0.7% underspend across the organisation as a whole, this demonstrated sound financial management. The table on pages 21/22 of the report was very helpful; virtually every category was classified as low financial risk apart from the 3 highlighted by Mr Lamond. This reflected the outstanding performance from staff across the Council, all the more impressive against the backdrop of lowering of budgets by the Scottish Government.

Councillor Ahktar noted that most business groups were on target to achieve their required level of efficiencies, stating this was due to efforts of the senior management team and staff.

Councillor Hampshire endorsed comments made by his Administration colleagues; staff should be praised for their efforts in difficult circumstances. Regarding coastal car parking, income generation had been disappointing but new parking enforcement would increase this income, which would benefit countryside services.

Councillor Grant remarked that it was important to note that this was a mid-year review. There were significant challenges within the Adult Wellbeing service, but the issues for East Lothian were in context with what was happening as regards Adult Social Care throughout Scotland and the UK. This was an issue that would need to be looked at carefully during the next budget process. The Council's financial strategy was working; he welcomed the report.

Councillor McLennan, referring to Adult Social Care, stated that efficiencies would only be found by reducing care packages, clients would suffer unless funding was further increased.

The Convener also paid tribute to all staff across the Council, particularly front line staff. He stated that the results had been endorsed by the external auditors who had repeatedly praised the Council for its financial control measures.

Decision

The Cabinet agreed:

- i. to note the financial performance of services at the end of September 2016;

- ii. that Council officials be asked to continue to maintain tight financial control over their budgets with a view to preserving budget underspends between now and the end of the financial year, and that these would either be used to offset any areas of overspending and/or support future year's budgets; and
- iii. to support a £1m non-recurring budget virement from Corporate Management budgets to support Adult Wellbeing pressures and the delivery of a recurring programme of efficiencies.

4. HOUSEHOLD WASTE CHARTER AND CODE OF PRACTICE

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval for East Lothian Council to become signatories to the Scottish Government's Household Waste Charter.

The Service Manager – Waste, Tom Reid, presented the report, informing Members that the aim of the Charter was to support a circular economy and harmonise and improve recycling collection systems across Scotland. The accompanying Code of Practice supported the Charter and set out the outcomes and criteria. Signing up to the Charter was voluntary at present however all Scottish Government grant aid and support was channelled through Zero Waste Scotland and was requisite on councils first signing up to the Charter. Once signed up, councils would be expected to produce a strategic transition plan that would be audited by a panel before acceptance and grant support was allocated.

Councillor McLeod, noting that signing up was voluntary at present, asked if it was likely to become mandatory in the future. Mr Reid replied that, in his view, he would expect it to remain voluntary until the Scottish Government was able to review the position.

Councillor Hampshire stated that the Council's waste management strategy had been very successful, due to the efforts of staff and engagement by the East Lothian public. This Council was one of the most successful local authorities in Scotland in this regard. He added that if the Council was to reach the future 70% recycling target, maintaining public support was crucial.

The Convener agreed that the Council's Waste Strategy was working well; he asked Mr Reid to relay the Cabinet's thanks to his staff.

Decision

The Cabinet agreed to East Lothian Council becoming signatories to the Household Waste Charter on the following basis, noting:

- i. the priority given to recycling and the desire to further improve/invest in the services provided;
- ii. that becoming a signatory to the Household Waste Charter would facilitate access to grant funding to enhance current recycling service provision;
- iii. that becoming a signatory would enable technical support to be provided by Zero Waste Scotland to enhance current waste service provision; and
- iv. that at a recent residents' panel held to analyse waste and recycling service provision the unanimous opinion reached was that it would be proactive of East Lothian Council to support the Charter.

Signed

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Councillor Willie Innes
Council Leader and Convener of the Cabinet