



**MINUTES OF THE MEETING OF THE  
POLCY AND PERFORMANCE REVIEW COMMITTEE**

**WEDNESDAY 11 JANUARY 2017  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

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**Committee Members Present:**

Councillor P MacKenzie (Convener)  
Councillor J Gillies  
Councillor J Goodfellow  
Councillor F McAllister  
Councillor P McLennan  
Councillor K McLeod  
Councillor J Williamson

**Other Councillors Present**

Councillor J McMillan

**Council Officials Present:**

Ms M Patterson Depute Chief Executive (Partnerships and Community Services)  
Mr J Lamond, Head of Council Resources  
Mr T Shearer, Head of Communities and Partnerships  
Mr P Vestri, Service Manager – Corporate Policy and Improvement  
Mr E John, Service Manager – Sport, Countryside and Leisure  
Mrs K MacNeill, Service Manager – Licensing, Administration and Democratic Services  
Mr K Christie, Service Manager – Revenues  
Ms D Robertson, Team Manager – Unified Business Support  
Ms H Tiffin, Customer Feedback Team Leader  
Ms A Stewart, Rent Income Team Leader  
Ms A McIntyre, Performance and Business Development Officer  
Ms T Moncrieff, Welfare Development Officer  
Ms J Lothian, Outdoor Access Officer  
Mr I Reid, Roads Officer

**Clerk:**

Mrs F Stewart

**Apologies:**

Councillor D Berry

**Declarations of Interest:**

None

*Today's meeting was chaired by the Committee's Vice Chair, Councillor Peter MacKenzie.*

## **1. MINUTES FOR APPROVAL – PPRC 9 NOVEMBER 2016**

The minutes of the meeting of the Policy and Performance Review Committee of 9 November 2016 were approved. There were no matters arising.

## **2. TRANSFORMATION PROGRAMME UPDATE**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) providing the Committee with an update on the Council's Transformation Programme.

Paolo Vestri, Service Manager for Corporate Policy and Improvement, presented the report. He stated that significant changes had been taking place for some time in order to achieve the Council Plan and Single Outcome Agreement at a time of reducing resources, increasing demand on services and cost pressures. The transformation process had delivered major changes to the Council structure, delivering budget savings in line with the Council's Financial Strategy. Projects in the transformation programme included Worksmart (flexible working), Buysmart and Efficient Workforce Management. Mr Vestri stated that the Council's Financial Strategy 2016-19, approved by Council on 9 February 2016, had highlighted the need for the Council to maximise its efficiency and to focus on key priorities. He also outlined a number of other projects, including a review of Council accommodation, an Electronic Data Retrieval Management System (EDRMS) and the implementation of a Digital Strategy. The Council would also seek to increase opportunities for partnership working and for generating new sources of income.

In response to questions from Members, Mr Vestri confirmed that there were now a number of shared posts with Midlothian Council. He also advised that wide ranging consultations would be carried out on the development of a new Council website.

Councillor McLennan referred to a recent news story concerning another local authority which had issued bonds on the stock exchange. He asked if this was an option which had been considered by the Council Management Team and Jim Lamond, Head of Council Resources, replied that the local Authority concerned was in a different financial position to East Lothian Council. For that reason, and due to prevailing professional advice, it was unlikely that East Lothian Council would trade on the the stock market.

In response to a question on whether savings from the transformation programme were on target, Mr Vestri replied that, as projects became defined and approved, budget savings would be identified. The savings were required as the support grant received from the Scottish Government had been reduced over the past few years, reducing the resources available to the Council.

Councillor McLeod enquired who would monitor Best Value and Mr Vestri replied that this Committee, the Audit and Governance Committee and Audit Scotland all had a role to play. Mr Lamond added that Best Value continually tested the Council's performance.

Councillor McAllister asked if merging some local services and creating cultural hubs might bring benefits and Tom Shearer, Head of Communities and Partnerships, replied that the Council would always be alert to opportunities that would bring greater efficiencies. However, he re-assured Members that any such changes would need a robust business case and not affect the quality of services.

The Chair thanked Mr Vestri for his report and other Officers for their contributions. He added that it was important members of the public had confidence in the transformation programme and stated that results should provide a leaner and more efficient delivery of services and not necessarily be detrimental.

### **Decision**

The Committee agreed to note the update.

### **3. IMPACT OF UNIVERSAL CREDIT ON RENT ARREARS**

A report was submitted by the Head of Council Resources informing the Committee about the impact of Universal Credit Full Service on Council house rent arrears since its introduction in East Lothian by the Department for Work and Pensions in March 2016. The report also informed Members about the work of the Revenues Service in mitigation against the impact of Universal Credit and the potential future financial impact of Universal Credit on rent collection.

Kenny Christie, the Revenues Service Manager, presented the report. He advised that there had been a rapid increase in claims across all areas of East Lothian in the 9 months since the Universal Credit (C) Full Service had begun. An assessment of the potential financial impact of UC on rent collection and it was estimated that by the time the full UC caseload was reached, Council Officers would need to collect £8.3m direct from around 2500 Council house tenants receiving UC. In most cases, this would normally have been paid direct to the Council. Rent Income staff were therefore engaging with tenants moving onto UC to ensure that they understood their obligation to pay their rent from their UC payment, particularly as UC was paid in arrears and there was a 6-week assessment period prior to payment being made. In the course of providing this support, Council Officers were discovering the vulnerability of some tenants e.g. mental health issues addictions and financial difficulties.

Mr Christie advised that the Council's Rent Income Team had been successful in reducing the current tenant arrears in each of the two financial years. However, since the introduction of UC Full Service on 23 March 2016, there had been a significant rise in rent arrears, impacting severely on mainstream Council house rent collection. Action taken by the Revenues Service to mitigate the impact of UC on rent collection included the establishment of a Welfare Development Officer to act as the Council's single point of contact for the Department of Work and Pensions, deploying previously office based staff to carry out early intervention visits to assist UC claimants and diverting more resources into supporting UC clients.

Mr Christie stated that a report to Council on 20 December 2016 had made four recommendations which could potentially have a mitigating effect in relation to the impact of UC on rent arrears, if acted upon by the S Govt and UK Govt: to ask the Scottish Government to take steps to have the housing cost element of UC paid direct to landlords; to seek financial recompense from the UK Government for the loss of Council Tax and Council house rent income as a result of UC; to ask the DWP to carry out an urgent investigation into the impact of UC in East Lothian on claimants and on the local authority and to ask the UK Government to suspend the housing cost element of UC until this investigation takes place.

Questions from Members followed. The Chair noted from the report that, of the 710 Council house tenants were known to be in arrears, 137 Alternative Payment Arrangements had been requested from the Department of Work and Pensions (DWP). Mr Christie replied that, while requesting alternative payment arrangements seemed an obvious solution, there had

been issues with the DWP and he would rather engage and negotiate with customers directly.

Councillor McLeod asked what could be done to encourage tenants to pay their rent promptly and Mr Christie replied that there were well established procedures in place which had been successful for the past two years. However, while tenants in arrears could be taken to court quickly, it could take 4 months to get a court date, making matters considerably worse. In terms of pursuit of debt, Mr Lamond stated that the Council pursued all debts.

Councillor McLennan asked Mr Christie what he would like to see in the next budget to help address rent arrears and Mr Christie replied that he hoped that a review of the discretionary housing payment budget would be considered. Additional resource to help deal with new debt would also be helpful. Councillor McLennan also asked if further legislation was due that would impact on rent arrears and Mr Christie replied that changes would be introduced in April, and the Council would work with tenants to help them understand the changes. Changes of particular note were the reduction in the benefit cap to £20,000 and benefits restricted to two children per household. Ms Moncrieff, Welfare Development Officer, advised that, in addition to discretionary housing payments, the Council had explored other sources of help for tenants suffering financial hardship.

Councillor McAllister asked, given that East Lothian was a pilot Authority for the whole of Scotland, if there was a lack of planning evident in the UC rollout. Mr Christie replied that this was a not pilot scheme, although East Lothian was the first area in Scotland to be moved to the Universal Credit Full Service on 23 March 2016. The Council was working with the DWP through local representation and COSLA (Convention of Scottish Local Authorities) and making suggestions for improvements.

Councillor McLennan asked if a representative from the DWP could be invited to a future meeting of the PPRC to hear the concerns of Members. He also requested a report with an update on UC in 6 months.

Councillor Goodfellow asked if the delays with court proceedings had become greater since Haddington Court had closed and Mr Christie replied that there had been a significant difference since the court closure.

Councillor McLeod commented that Mr Christie and his team were doing an excellent job. Councillor McLennan stated that it was clear the Revenues Team faced a considerable challenge in the wake of the UC legislation which was having a big impact on people's lives. Both the Revenues Team and tenants had his full support. Councillor McAllister was critical of legislation which left people without benefits for 6 weeks while their claim was being assessed. Councillor Goodfellow stated that the Administration and Revenues Team were doing their best to mitigate against the adverse effects of the legislation. He was disappointed that the Scottish Government, which had had the power to act on this legislation, had done nothing.

The Chair stated that, while the Committee wanted to support the Revenues Team in the work they do, it was also important that the concerns expressed today were communicated to the UK Government. The terms of a fourth recommendation to the report was discussed and agreed.

## **Decision**

The Committee agreed:

- i. to note the social impact of Universal Credit on Council tenants affected and the operational and financial impact on the Council as a landlord;
- ii. to recognise and support the mitigation work of the Revenues service; and
- iii. to note and consider the potential, future financial impact of Universal Credit on the Housing Revenue Account income.
- iv. that, in considering responses from the Scottish Government and the UK Government following two letters which had been sent, the Chief Executive includes a request for both parties to attend a future meeting of the PPRC to learn from the Committee the serious concerns experienced in East Lothian following the roll-out of UC.

#### **4. DELIVERING CORE PATHS AND ACTIVE TRAVEL ROUTES**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) updating the Committee on recent and proposed work to improve East Lothian's core path network and cycle routes for the benefit of all users, and how this had been delivered.

Eamon John, Service Manager for Sport, Countryside and Leisure, presented the report. Iain Reid, Roads Officer for Sustainable Travel, and Jennifer Lothian, Outdoor Access Officer, were also present. Mr John stated that the report summarised the path development, active travel and awareness-raising work that had been undertaken in East Lothian to date and detailed the future work proposed. Partners in this work included East Lothian's Area Partnerships and community groups. Mr John advised that, building on a strong tradition of pathmaking, East Lothian Council had developed a connected network of core paths and active travel routes for walking, cycling and horse riding, for people of all ages and abilities, around the county. He also outlined the significant benefits of a well managed path network which included promoting health and wellbeing, promoting sustainable transport and connecting communities.

Ian Reid, formerly the Council's School Travel Co-ordinator, stated that two new pieces of legislation had been introduced in 2003; Travel to School – An Action Plan and Lets Make Scotland More Active. The Council had responded to this by engaging with all schools to find ways to support safe and healthy travel to school and to encourage children to be more active. Investment in safer routes to school, Walk to School Week campaigns and promoting the benefits of active travel around schools had resulted in East Lothian being in the top performing local Authority in Scotland for the past 8 years, with almost 90% of school pupils using active travel modes compared to the national average of 49.7% (source: Sustrans National HUS Survey Report, May 2016).

Jennifer Lothian, Outdoor Access Officer, stated that the Council was currently developing an Active Travel Improvement Plan which would promote walking and cycling as part of everyday journeys. There was also an 'East Lothian on the Move' project working with Area Partnerships which would deliver improvements local people wish to see in their communities. Ms Lothian outlined a number of current and future projects, highlighting in particular the Elphinstone to Ormiston Core Paths Improvement Project funded by the Council with match funding from Sustrans Community Links. A further £250,000 had been awarded by Sustrans to upgrade a section of the Pencaitland Railway Walk. Ms Lothian added that a recent visitor survey had also highlighted the importance to East Lothian's economy of walking tourism as walks and scenery were key attractions for visitors. A Powerpoint presentation showed examples of some paths which had recently been upgraded.

The Chair thanked Mr John and his team for their report. He stated that a leaflet was going to be produced on paths in his ward (Preston, Seton and Gosford) and he had been asked by local people if the paths would be clearly marked. Ms Lothian replied that the leaflets were intended to encourage more people to use the pathways and signage was important. There was a core paths plan online and her team would be pleased to receive any feedback on signage. There were also apps which could be downloaded and volunteer path wardens.

Councillor McLellan referred to the economic benefits of walking and asked if the amount spent by walkers in East Lothian could be quantified. Mr John replied that there was not yet accurate data, but feedback from local businesses suggested that walkers had increased their sales.

Councillor McAllister stated that the Land Reform (Scotland) Act 2003 outlined the duty of landowners to make access available to all and be free from obstructions, however unintentional. This was particularly important for path users using mobility vehicles.

Councillor Goodfellow stated that the report presented a good example of partnership working and Councillor Gillies welcomed the report, remarking that he had found the improvement to his local paths outstanding. Councillor McAllister stated that East Lothian had a heritage to be proud of and that the report was aspirational.

## **Decision**

The Committee agreed:

- i. to note and consider the content of the report;
- ii. to note stakeholder involvement in identifying and helping to take forward path improvement initiatives and the benefits these could bring to local communities; and
- iii. to continue to support the development of the walking and cycling network, and take opportunities to assist with the enhancement of the path and active travel network for the future.

## **5. CUSTOMER COMPLAINTS AND FEEDBACK – Q1 AND Q2 2016/17**

A report was submitted by the Depute Chief Executive (Resources and People Services) regarding the use of the Council's Complaints Handling Procedure for Quarter 1 and Quarter 2 (1 April to 30 September 2016) and also to bring awareness to implemented and planned improved processes.

Hannah Tiffin, recently appointed Customer Feedback Manager, presented the report. She advised that the Council complied with the complaints handling procedure for local authorities introduced by the Scottish Public Services Ombudsman (SPSO). In this model, Stage 1 complaints (Frontline Resolution) were dealt with at the point of service and Stage 2 complaints (Investigation) needed to be acknowledged within 3 working days and a response provided within 20 working days.

Ms Tiffin reported that the Council had received 626 feedback cases during Q1 and Q2 and outlined the numbers of complaints, compliments and comments. She also advised the response times to complaints, stating that an improved performance was expected for Q3 and Q4. She was working with Heads of Service and Managers with a view to better understanding the customers' experience of making a complaint and to identify any trends at

an early stage. She proposed that in future an annual report would be brought to the Committee.

Councillor McLeod asked if customers would always receive a response to their complaint in writing and Ms Tiffin replied that this was not necessary for stage 1 complaints. Customers with more complex complaints could expect to receive information by email.

Councillor Williamson referred to complaints which were upheld or partially upheld and asked if any common themes would be identified and addressed. Ms Tiffin replied that her team were committed to doing that.

The Chair thanked Ms Tiffin for her report and wished her well in her new role.

**Decision**

The Committee agreed to note the report.

**6. ANNUAL WORK PROGRAMME UPDATE 2016/17**

An updated Annual Work Programme detailed the reports already scheduled for the Committee for the remainder of session 2016/17.

Councillor McLennan requested update reports on Universal Credit in 6 months and Homelessness in September 2017. He also requested an annual update on the transformation programme.

Signed .....

Councillor P MacKenzie  
Depute Convener of the Policy and Performance Review Committee