



MINUTES OF THE MEETING OF EAST LoTHIAN COUNCIL

TUESDAY 19 DECEMBER 2017
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON

Committee Members Present:

Provost J McMillan (Convener)
Councillor S Akhtar
Councillor L Bruce
Councillor S Currie
Councillor F Dugdale
Councillor J Findlay
Councillor A Forrest
Councillor N Gilbert
Councillor J Goodfellow
Councillor N Hampshire
Councillor J Henderson

Councillor S Kempson
Councillor G Mackett
Councillor K Mackie
Councillor C McGinn
Councillor P McLennan
Councillor K McLeod
Councillor F O'Donnell
Councillor B Small
Councillor T Trotter
Councillor J Williamson

Council Officials Present:

Mrs A Leitch, Chief Executive
Mr A McCrorie, Depute Chief Executive (Resources and People Services)
Ms M Patterson, Depute Chief Executive (Partnerships and Community Services)
Mr D Small, Director of East Lothian Health & Social Care Partnership
Mr J Lamond, Head of Council Resources
Mr R Montgomery, Head of Infrastructure
Mr D Proudfoot, Head of Development
Ms F Robertson, Head of Education
Ms S Saunders, Head of Adult & Children's Services
Mr T Shearer, Head of Communities and Partnerships
Mr S Cooper, Team Manager – Communications
Ms C Dora, Executive Officer
Ms S Fortune, Service Manager – Business Finance
Mr A Forsyth, Team Leader – Assets & Regulatory (Transportation)
Mr C Grilli, Service Manager – Legal and Procurement
Mr A Stubbs, Service Manager – Road Services
Mr P Vestri, Service Manager – Corporate Policy and Improvement

Visitors Present:

None

Clerk:

Mrs L Gillingwater

Apologies:

Councillor W Innes

Prior to the commencement of business, Councillor Currie asked if a redacted version of the private item on the agenda – Governance Review: Musselburgh Joint Racing Committee – could be made available to the public. The Chief Executive advised that the report was confidential as it contained commercially sensitive information, and suggested that this matter could be discussed further during the private session.

1. MINUTES FOR APPROVAL

The minutes of the Council meeting specified below were approved:

East Lothian Council – 31 October 2017

Matter arising: Item 9 – Referring to the decision made by the Council as regards the housing land supply and interim planning guidance, and to a subsequent decision by the Planning Committee to approve planning permission for a site not included in the Local Plan, Councillor Currie asked for confirmation of the Council's housing land supply, and how the Council could defend itself from applications coming forward that were not in the Local Plan. Councillor O'Donnell also asked if extra care housing for older people had been factored into the housing land supply figures.

Iain McFarlane, Service Manager – Planning, explained that the housing land supply was calculated annually, based on housing completions throughout the year and taking account of projections for sites, and that the Council was required to maintain a five-year housing land supply. He confirmed that the Council currently had 6.17 years of effective housing land supply, and that the policy approved by the Council on 31 October remained in place, although the Council could continue to consider speculative planning applications. As regards extra care housing, he noted that there was no specific allocation for that, although the Housing Needs and Demand Assessment did take account of provision for specific needs, and that it would be for the Council and the IJB to take forward proposals to provide housing for particular needs within the 25% affordable housing allocation for approved sites.

Matter arising: Item 5 – Councillor McLennan voiced his disappointment that proposals for shared services options had not been included in the budget documentation provided for Members. Jim Lamond, Head of Council Resources, indicated that there were currently no proposals for large-scale shared services, but that it remained a viable option and would be considered as part of the transformation change programme and service redesign. He suggested that political groups may wish include shared services options within their own budget proposals.

Matter arising: Item 7 – Councillor Akhtar noted the importance of ensuring that the level of support to head teachers should not diminish once the Regional Improvement Collaboratives (RICs) were in place and that RICs should not become bureaucratic structures.

Matter arising: Item 3 – Councillor McLeod recalled that he had asked at the meeting who would be paying for the MJRC Governance Review, but had not received a response. The Chief Executive advised that this matter could be dealt with during the debate on that item.

2. MINUTES FOR NOTING

The minutes of the Local Review Body meeting of 21 September 2017 were noted, subject to an amendment to the sederunt reflecting Councillor Findlay's attendance at the meeting.

3. EMPOWERING SCHOOLS: A SCOTTISH GOVERNMENT CONSULTATION ON THE PROVISIONS OF THE EDUCATION (SCOTLAND) BILL

A report was submitted by the Depute Chief Executive (Resources and People Services) informing the Council of the Scottish Government's publication Empowering Schools: a Scottish Government Consultation on the provisions of the Education (Scotland) Bill. The report also sought approval to provide a Council response to the detailed policy proposals being taken forward by the Scottish Government in the Education (Scotland) Bill.

The Head of Education, Fiona Robertson, presented the report, drawing Members' attention to the key points of the consultation, including: a move away from local improvement plans to regional improvement plans, the establishment of a Head Teachers' Charter, and parental and pupil participation. She highlighted the next steps in the process, noting that there would be a public meeting on 9 January at Musselburgh Grammar School and that the consultation would close on 21 January.

Ms Robertson responded to a series of questions from Members, advising that she was currently attending weekly meetings with her counterparts from the other authorities in the Regional Improvement Collaborative (RIC) to develop a regional improvement plan. She noted that every head teacher and other staff members had been involved in this process. She also commented on the rapid pace of change and the tight deadlines to prepare the regional improvement plan. On the Head Teacher Charter, she indicated that head teachers were seeking further details on their new responsibilities and the implications. She pointed out that her role in the RIC would be to ensure that work already underway in East Lothian would be enhanced, that the strengths of education within East Lothian would be recognised and that there would be a focus on the priorities set out in the Council Plan. Ms Robertson also informed Members of the structure of the RIC, noting that all councils had equal membership.

On the consultation process, Ms Robertson advised that parent and carer councils and trades unions had received communications, and that the Council's Communication Team were assisting with the public meeting, which would be hosted by Council staff. In addition, the consultation was available on the Council's consultation hub. She stressed that the views of the public would be put forward within the Council's response, adding that Members may also wish to submit individual responses. She indicated that she would be happy to circulate the Council's response to members of the Education Committee prior to submission.

As regards staffing, Ms Robertson reported that she had been asked to develop a workforce plan, and that until that had been finalised, it was not clear what the implications would be for staff currently supporting the Education Service. On staff redeployment, she advised that head teachers would no longer be obliged to comply with redeployment requests. She noted that she was currently spending the equivalent of one day per week preparing for the changes, and that no additional funding had been allocated by the Scottish Government to the RIC.

Councillor Akhtar opened the debate by expressing concern that the changes would have an adverse impact on the Council's education plans and Education Service resources. She opposed the removal of local improvement plans, remarking that the RIC would become a bureaucratic organisation, and she felt it was unacceptable that no additional resources had been allocated. She informed Members that the Chair of CoSLA's Education and Young People's Group had written to the Education Secretary outlining cross-party concerns about the changes. She urged people to contribute to the consultation.

Councillor Currie reiterated that the proposed Council response should be circulated to the Education Committee for their comments prior to it being submitted.

Councillor Mackie spoke in support of greater autonomy for head teachers. However, she stressed that the extent of that autonomy had to be clarified. She questioned whether the establishment of RICs would result in improved attainment levels, and was concerned about the pace of change. She welcomed the consultation and encouraged everyone to respond.

Councillor McLennan remarked that the views of all Members should be reflected in the Council's response. Councillor Akhtar noted that the Council's response would reflect the views of all those who had participated, adding that political groups could also submit their own responses.

The Chief Executive offered to call a special meeting of the Education Committee on conclusion of the consultation in order that the Committee could consider the draft response prior to its submission to the Scottish Government. Ms Robertson undertook to contact the Scottish Government to seek an extension of the deadline for submission of the Council's response.

Decision

The Council agreed:

- i. to note the contents of the report;
- ii. to note the contents of the Empowering Schools: a Scottish Government Consultation on the Provisions of the Education (Scotland) Bill;
- iii. to note that a range of consultation activities would be undertaken to gather the views of stakeholders in relation to the policy proposals set out in the Education (Scotland) Bill; and
- iv. to consider the consultation responses at a special meeting of the Education Committee prior to submission of the Council's response to the Scottish Government Consultation.

4. FINANCIAL STRATEGY 2018-2023

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of an updated Financial Strategy for the Council, covering the period 2018-2023.

The Provost advised that an amendment to the report had been submitted by the Conservative Group, which would be heard following the officer's presentation and questions. He also noted that the support of two-thirds of Members would be required to approve the proposed approach as regards amendments to the Administration's draft budget, as this was a departure from Standing Orders.

Jim Lamond, Head of Council Resources, presented the report, providing a summary of the key aspects of the Financial Strategy (attached as Appendix 1 to the report), including anticipated pay award pressures, the delivery of the Local Development Plan and the Capital Plan, the delivery of City Region Deal projects, the Council's efficiency programme, the levels of reserves, and the delivery of affordable housing.

As regards the budget process, Mr Lamond advised that the proposed arrangements for amendments would ensure that the required competency checks could be carried out prior to the Council's budget-setting meeting in February.

In response to questions from Councillor Currie, Mr Lamond confirmed that all General Services reserves were earmarked or identified for specific purposes. On the Capital Plan, he remarked that bringing forward projects in order to take advantage of low interest rates would only bring marginal economic benefits and may also affect the timing of other projects. As regards the delivery of affordable housing, he noted that, in broad terms, the Council would be in a position to fund one-third of new affordable housing. Douglas Proudfoot, Head of Development, added that the delivery of affordable housing was complex and involved partners and different tenures. He noted that the Local Housing Strategy would be presented to Cabinet in January 2018. On the Housing Revenue Account (HRA) reserves, Mr Lamond suggested that the HRA surplus should not fall below £1m, and that any surplus could be used to fund construction of new homes or the modernisation of existing homes. In relation to the Adult Wellbeing budget, Mr Lamond indicated that there would be very little flexibility in 2018/19 to provide additional funding.

Councillor McLennan asked if any thought had been given to introducing a tourist levy in East Lothian. Mr Lamond advised that such a proposal would require the involvement of the Scottish Government. He noted that this matter could be raised as part of the City Region Deal discussions.

Councillor O'Donnell asked if the additional £1.237m for health and social care services would be sufficient to deliver the requirements of the Carers Act and other aspects of health and social care. Mr Lamond reported that this was new money, but was earmarked for specific obligations. He added that he was awaiting additional information from the Scottish Government on the funding settlement, and that it would therefore be premature for him to provide a view on the additional funding at this point.

Councillor McLeod asked if benchmarking information could be provided as regards the upper limits for the ratio of debt charges to income. Mr Proudfoot undertook to look into this, and would circulate any relevant information to Members.

In response to a question from Councillor Akhtar on the removal of the public sector pay cap, Mr Lamond confirmed that no additional funding was being provided to the Council to meet increased pay awards.

Councillor Henderson then proposed an amendment, by way of an additional recommendation, as follows: 'Given the importance of oversight of the Council's financial well-being that the regular quarterly financial reviews are presented to meetings of the full Council until further notice.' She believed that there was an increased requirement for short-term focus and scrutiny of the Council's financial arrangements, and that bringing the financial review reports to Council would allow the Council to be more proactive and deliver the benefits of 'real time' scrutiny.

Councillor Small seconded the proposed amendment, adding that it would strengthen the Council's scrutiny function, involving all political groups.

Mr Lamond confirmed that quarterly financial reports would continue to be presented to Cabinet as well as to Council.

Councillor Hampshire welcomed the revised Financial Strategy. He advised that the Administration would work with the other political groups to ensure a smooth budget process. He recognised the financial challenges facing the Council at a time when demand for services was increasing, and warned that difficult decisions would have to be taken in order to deliver services.

Councillor Currie expressed concern as regards the Council's ability to deliver the required number of affordable homes. He also had reservations over the Capital Plan and the levels of reserves. Whilst he understood the need to approach the budget process in a different way, he required further information on how amendments would be dealt with. He advised, therefore, that the SNP Group would not vote in favour of the report recommendations. He noted, however, that he would support the proposed amendment.

The Provost then moved to the vote on the proposed amendment, which was supported unanimously.

The Provost then moved to the vote on departing from Standing Orders for the specific purpose of the budget process as regards submission of amendments:

For: 15
Against: 0
Abstentions: 6

The Provost then moved to the vote on the recommendations, as amended:

For: 15
Against: 0
Abstentions: 6

Decision

The Council agreed:

- i. to approve the Financial Strategy, set out in Appendix 1 to the report;
- ii. to approve the further refinements to the new budget development process, set out in Section 3.4 of the report; and
- iii. that, given the importance of oversight of the Council's financial well-being, the regular quarterly financial reviews are present to meetings of the full Council until further notice.

5. EAST LOTHIAN COUNCIL DRAFT LOCAL TRANSPORT STRATEGY

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) presenting the Council with the draft Local Transport Strategy (LTS) and associated plans (subject to consultation and amendment as appropriate), and noting the consultation on the scoping on the Strategic Environmental Assessment (SEA) accompanying the Local Transport Strategy and associated plans.

Alan Stubbs, Service Manager – Road Services, presented the report, advising that the draft Local Transport Strategy was subject to consultation and amendment. He set out the reasons for revising the Strategy, noting that it would meet both local and national objectives, and he drew attention to the five themes of the Strategy. He informed Members that a six-week consultation would commence in January, with a consultation report and final draft being presented to Council in April for approval.

Mr Stubbs responded to a number of questions from Members in relation to the draft Strategy, how the consultation would be publicised, and engagement with community groups. He also explained how the LTS would be linked to the Council's Local Development

Plan. He undertook to provide information to Members on the number of Penalty Charge Notices (PCN) issued.

Peter Forsyth, Team Manager – Assets and Regulatory, advised of work underway with Transport Scotland and Network Rail as regards improvements at railway stations and proposals to increase capacity on the rail network.

There following a lengthy debate, during which the Conservative and SNP Groups indicated that they were not prepared to support the draft Parking Management Strategy in its current form. Ray Montgomery, Head of Infrastructure, stated that the Parking Management Strategy was an integral part of the LTS and advised against removing it from the consultation.

Following an adjournment, Mr Montgomery suggested that the Parking Management Strategy could be revised, especially Parking Policies 4, 5 and 8; he stressed, however, that as coastal car parking charging was already in place, it should not be removed from the draft Strategy.

Councillor Small proposed that the report be continued to a future meeting to allow for revisions to be made, particularly in relation to the Parking Management Strategy. Councillor Currie seconded this proposal.

Councillor Hampshire expressed his disappointment that the consultation could not take place as planned, but accepted the views of other Members to continue this item.

The Provost moved to the vote to continue the report on the draft Local Transport Strategy to a future Council meeting:

For:	18
Against:	3

The motion to continue the report was therefore carried.

Decision

The Council agreed to continue the report on the draft Local Transport Strategy to a future meeting of the Council to allow for revision of the draft Strategy, associated plans and supporting supplementary documentation.

6. AMENDMENTS TO STANDING ORDERS – SCHEME OF ADMINISTRATION

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of proposed changes to the Scheme of Administration in order to strengthen the Council's governance arrangements, and to address recommendations made by Audit Scotland in their East Lothian Council 2016/17 Annual Audit report, which was presented to Council on 31 October 2017.

The Provost advised that an amendment to the report had been submitted by the SNP Group, which would be heard following the officer's presentation and questions.

Jim Lamond, Head of Council Resources, presented the report, suggesting that the proposed changes would strengthen the governance arrangements and address specific concerns raised by Audit Scotland. He advised that the changes related, in the main, to membership and quorum of committees, and would allow for action to be taken when

political proportionality could not be achieved, thereby reducing the risk of meetings being inquorate.

Councillor Currie then proposed an amendment to the report recommendations, by way of nominations to committees, sub-committees and partnerships by the SNP Group. The proposals were seconded by Councillor McLennan.

Councillor Henderson welcomed the nominations put forward by Councillor Currie. Her comments were shared by Councillor Goodfellow, although he voiced his disappointment that Councillor Currie had not made any nominations to the Licensing Board. Councillor Currie advised that, should political proportionality be applied to the Licensing Board, then he would be happy to take up places.

Welcoming the nominations, the Provost moved to the vote on the amendment, which was approved unanimously.

Decision

The Council agreed:

- i. to approve the proposed changes to the Council's Scheme of Administration, as set out in Appendix 1 to the report, and
- ii. to approve the following committee nominations by the SNP Group:

Audit & Governance Committee	Councillor S Currie Councillor K McLeod Councillor J Williamson
Policy & Performance Review Committee	Councillor N Gilbert Councillor P McLennan Councillor T Trotter
Licensing Sub-Committee	Councillor T Trotter Councillor J Williamson
Resilient People Partnership	Councillor J Williamson
Safe & Vibrant Communities Partnership	Councillor N Gilbert
Sustainable Economies Partnership	Councillor P McLennan

7. APPOINTMENTS TO OUTSIDE BODIES

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of the appointment of an Elected Member representative to the East Lothian Community Justice Partnership.

The Clerk advised of the nomination of Councillor Goodfellow to represent the Council on the East Lothian Community Justice Partnership.

Decision

The Council agreed to appoint Councillor Jim Goodfellow to represent the Council on the East Lothian Community Justice Partnership.

8. NOTICE OF MOTION: RBS CLOSURES IN DUNBAR AND NORTH BERWICK

A motion was submitted to the Council by Councillors McLennan and Currie:

East Lothian Council is highly concerned by the planned closure of RBS branches in North Berwick and Dunbar within the Council area.

Despite changes in banking practices in recent years, the social and community impact on North Berwick and Dunbar communities of these branch closures will be substantial.

Both communities are experiencing population growth through large-scale housing developments. Yet, in contradiction to the normal expectations of growing communities, RBS is choosing to close branches as the population in each town expands.

These RBS announcements come in the wake of the closure of the Bank of Scotland branch in Gullane earlier this year, which was quickly followed by the closure of the Gullane Post Office.

Small businesses in East Lothian that are core to the local economy rely on face-to-face banking services and financial advice provided by these RBS branches.

Local accessible banking services is also critical to many members of our community who are not comfortable with or confident in dealing with their bank online.

These factors of population growth, demographics of the community and demands of the local economy do not seem to have been considered in the closure decision.

The risk of jobs being lost in the county resulting from the branch closures is also of great concern.

East Lothian Council demands that the Westminster government, as a 75% owner of RBS, initiates a further review of the decision to close branches in North Berwick, Dunbar and across Scotland.

With the trend of branch closures in recent months, the government must intervene to establish a minimum provision of local banking services, which is aligned to the population, and the needs of the local economy.

Councillor McLennan spoke to the motion, highlighting the value of banks to communities and the impact that the proposed closures would have on Dunbar and North Berwick. He reminded Members that RBS was 75% owned by the public and that the Council should request a review of the closures and ask the UK Government to set minimum local banking service provision. He regretted that RBS had made the decision to close branches with no consultation or minimum provision, and urged Members to support the motion.

Councillor Currie seconded the motion. He expressed concern at the manner in which the closures had been announced, in that communities had not been given the opportunity to put forward their views. He warned that the move towards digital banking within branches would lead to further bank closures.

Councillor O'Donnell spoke in support of the motion, reminding Members that there were now no banks at all in the Preston, Seton and Gosford ward. She was concerned about the inability of local small businesses to bank cash at the end of the business day, which raised safety issues for staff. She noted that Iain Gray, MSP and Martin Whitfield, MP had also raised concerns about the closures.

The motion was also supported by other Members, who were concerned about banking services for older people, people living in rural areas with poor broadband provision, and people who did not wish to use online banking facilities. The loss of local jobs was also raised, which would impact on local communities. Councillor Goodfellow called for RBS to provide evidence that branches were not being used.

The Provost informed Members that he had been in discussions with other banks with a view to providing banking services in East Lothian in the future.

Councillor McLennan summed up, noting that he was pleased to have cross-party support for the motion. He suggested that representatives from the main high street banks should be invited to meet with Chief Executive and Council Leader to discuss future banking provision in East Lothian. Councillor Small proposed that the leaders of all the political groups should be involved. Members agreed to this proposal.

Decision

The Council agreed to approve the motion, as submitted by Councillors McLennan and Currie, and that representatives from high street banks would be invited to meet with the Chief Executive and political group leaders to discuss future banking provision in East Lothian.

9. SUBMISSIONS TO THE MEMBERS' LIBRARY, 18 OCTOBER – 6 DECEMBER 2017

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 18 October and 6 December 2017, as listed in Appendix 1 to the report.

Sederunt: Councillors Forrest and Trotter left the meeting.

SUMMARY OF PROCEEDINGS – EXEMPT INFORMATION

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

Governance Review: Musselburgh Joint Racing Committee

A private report advising of the findings of a governance review of the Musselburgh Joint Racing Committee was approved by the Council.

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