



## MINUTES OF THE MEETING OF EAST LoTHIAN COUNCIL

TUESDAY 11 DECEMBER 2018  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON

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### Committee Members Present:

Provost J McMillan (Convener)	Councillor J Henderson
Councillor S Akhtar	Councillor W Innes
Councillor L Bruce	Councillor G Mackett
Councillor S Currie	Councillor K Mackie
Councillor F Dugdale	Councillor C McGinn
Councillor J Findlay	Councillor P McLennan
Councillor A Forrest	Councillor K McLeod
Councillor N Gilbert	Councillor F O'Donnell
Councillor J Goodfellow	Councillor T Trotter
Councillor N Hampshire	Councillor J Williamson

### Council Officials Present:

Mrs A Leitch, Chief Executive  
Ms A MacDonald, Acting Director of Health and Social Care  
Mr A McCrorie, Depute Chief Executive (Resources and People Services)  
Ms M Patterson, Depute Chief Executive (Partnerships and Community Services)  
Mr J Lamond, Head of Council Resources  
Mr D Proudfoot, Head of Development  
Mrs F Robertson, Head of Education  
Ms S Saunders, Head of Communities and Partnerships  
Ms J Tait, Head of Adult and Children's Services  
Ms F Brown, Principal Officer (Business Unit), Education  
Ms L Brown, Chief Operating Officer, Education  
Mr S Cooper, Team Manager – Communications  
Ms C Dora, Executive Officer  
Ms S Fortune, Service Manager – Business Finance  
Ms H Gillanders, Head Teacher, Dunbar Primary School  
Mrs K MacNeill, Service Manager – Licensing, Admin and Democratic Services  
Mr R Parker, Service Manager – Education (Strategy and Ops)  
Ms C Rodgers, Transformation Programme Manager  
Ms P Smith, Principal Officer (Information and Research)  
Mr P Vestri, Service Manager – Corporate Policy and Improvement

### Visitors Present:

None

### Clerk:

Mrs L Gillingwater

**Apologies:**

Councillor S Kempson

Councillor B Small

**Declarations of Interest:**

Councillors Forrest and Mackie declared an interest in Item 12 – Referral to Council by Musselburgh Common Good Committee, as they are Trustees of the Brunton Theatre Trust.

*Prior to the commencement of business, the Provost announced that Councillor Kempson was recovering well from her recent hospital treatment and was joined by Members in wishing her a speedy recovery.*

**1. MINUTES FOR APPROVAL**

The minutes of the Council meeting specified below were approved:

**East Lothian Council – 30 October 2018**

*Item 12: Notice of Motion, P1 Testing* – Councillor Currie asked if officers were aware of concerns raised by head teachers in relation to the impact of P1 testing. Helen Gillanders, Head Teacher of Dunbar Primary School, reported that within her own cluster, and having spoken to other colleagues, she was not aware of any such issues. The Head of Education, Fiona Robertson, added that guidance to schools as regards the implementation of the assessments had been revised. She also noted that the Council would participate in the review of P1 assessments.

*Item 6: East Lothian Council Proposed Local Transport Strategy* – Councillor McLennan asked for detail on the public consultation on the Strategy. The Depute Chief Executive, Monica Patterson, advised that Members would be informed of the consultation timescales and associated public events.

**2. MINUTES FOR NOTING**

The minutes of the Local Review Body (Planning) meeting of 11 October were noted.

**3. BEST VALUE ASSURANCE REPORT**

A report was submitted by the Chief Executive advising Council of the findings and recommendations of the Accounts Commission's Best Value Assurance Report on East Lothian Council and seeking approval for the response and improvement action plan arising from the report.

The Chief Executive presented the report, advising that following publication of the report, a cross-party group had met with representatives from the Accounts Commission to discuss the findings. She noted that the report was positive, and demonstrated that the Council was a self-aware local authority, with strong performance management and continuous improvement processes across all services. She further advised that the report had recognised the strong professional working relationship between officers and councillors, and between the Council and partners and Council and communities. She believed that the findings of the report reflected the 4-star rating awarded to the Council by Quality Scotland. She concluded by reporting that many of the actions highlighted by the Accounts

Commission were already in the Council's Improvement Plan and that Members would be updated on progress on a regular basis.

Paolo Vestri, Service Manager – Corporate Policy and Improvement, summarised the key findings of the report, which included strengths in leadership, governance, scrutiny, self-evaluation, community empowerment, partnership working and transformation. He drew Members' attention to the recommendations, noting that all of these could be delivered by the Council; work on many of these was now underway. He advised that a progress report would be presented to the PPRC early in 2019, and that Members would soon be consulted on the draft of a new format for the Council Annual Report.

Councillor Innes welcomed the report, commenting that the Council should be proud of the outcome. He pointed out that the Council was comparing favourably with other local authorities, and paid tribute to staff for their efforts in delivering high quality services. He indicated that the report would give the public confidence in the Council.

Councillor Henderson felt reassured by the report, and welcomed the opportunity to participate in the cross-party group. She looked forward to working on the Improvement Plan.

Councillor Akhtar highlighted improvements within the Education Service, and the commitment of staff to improving performance, particularly as regards attainment and exclusion rates. She also spoke of the leadership of head teachers, and paid tribute to Helen Gillanders, Head Teacher of Dunbar Primary School, which had recently won a national award [the Excellence in Professional Learning Award for Schools and Learning Communities]. She commended Council staff for their dedication and commitment.

Councillor Currie highlighted the Council's culture of continuous improvement since the previous Best Value Audit in 2007. He warned that the future would be more challenging, particularly around education and how the Council would deliver its services. Responding to comments in the report as regards community engagement, he believed that the Council engaged well with its communities. He thanked the Chief Executive for her leadership and the staff for their hard work.

Welcoming the positive report, Councillor Hampshire remarked that the Council had had to take difficult decisions in order to continue delivering services, and more difficult decisions would need to be taken in the coming years. He made reference to population growth and the impact that would have on existing communities, and called on the Council to work as a team to deliver everything that was required.

Councillor O'Donnell echoed the sentiments of other Members, and also thanked officers within the Health and Social Care teams and NHS partners, as well as those in the third and independent sectors. She highlighted the benefits of health and social care integration.

Councillor McMillan concluded the debate by pointing out that the report provided assurances that the Council had arrangements in place to meet future challenges. He highlighted the need to carry on the transformational change and improvement work, and joined other Members in thanking staff for their efforts.

## **Decision**

The Council agreed:

- i. to note the Best Value Assurance Report and the Accounts Commission's Findings (available in the Members' Library, Red: 176/18, December 2018 Bulletin); and

- ii. to approve the Improvement Plan, which addressed the recommendations made in the Best Value Assurance Report and to note that progress on implementing the Improvement Plan would be presented to Council during 2019.

#### **4. FINANCIAL REVIEW 2018/19, QUARTER 2**

A report was submitted by the Depute Chief Executive (Resources and People Services) informing the Council of the financial position at the end of September 2018.

The Head of Council Resources, Jim Lamond, presented the report, informing Members that at the end of Quarter 2 the overall financial position showed a marginal underspend, and that the Finance Team were working with services to forecast the year-end position. He warned that the Council was facing an overspend at the end of the year, which could amount to as much as £2m, which would place additional strain on reserves. He drew attention to those services currently underspent and those overspent, noting that social care services and additional support for learning services were at high risk of overspending at the year-end; cost recovery plans were being put in place. Mr Lamond anticipated that 90% of planned efficiency savings would be achieved. On the Housing Revenue Account, he reported an underspend of £0.9m. It was expected that there would be a slight overspend on new housing by the end of the year; however, this would be offset by underspends in the modernisation programme and the mortgage to rent scheme. As regards the capital programme, an updated position was provided in Appendix 4 to the report, which reflected adjustments made to the capital budget.

Responding to a series of questions from Councillor Currie, Mr Lamond advised that Adult Wellbeing, Children's Wellbeing and Older People's Services had all been asked to prepare cost recovery plans in order to identify ways to bring spending back in line with the approved budget. He conceded that it was unlikely that this would be achieved, and that underspends from other services or unallocated reserves could be used at the year end to offset any existing overspend. He further explained that the overspends were due to additional demands on services, demographics and inflationary price rises. The Council was working closely with the NHS as regards shifting the balance of care, which was another contributory factor, and it was hoped that there would be a shift in resources to balance that – this was not reflected in the report. As regards the pay award, Mr Lamond explained that projections had been made in accordance with the public sector pay policy, namely 2.7% in 2018/19. However, the latest pay offer was 3%; he noted that for every additional 1%, this would amount to a £1.4m cost to the Council. On the overspend in Roads Network, Mr Lamond confirmed that this was not related to capital expenditure, and that it was due to an under-recovery of income through coastal car parking charges. However, he reported that this situation was improving.

Councillor McLennan asked questions in relation to the cost recovery plan associated with the additional support for learning budget. Fiona Robertson, Head of Education, advised that transport arrangements were being reviewed, and that a consultant had been employed to look at the overall service being provided. As regards the financial position of secondary schools, Sarah Fortune – Service Manager, Business Finance, confirmed that three secondary schools were considered to be at high risk of overspending, and that work was underway to address this.

Mr Lamond provided an explanation as to how staff vacancies were being dealt with as regards contributing to efficiency savings. He also noted that a change in the criteria for care leavers had resulted in a 120% increase in children eligible for ongoing support.

Councillor Henderson questioned the impact of staff shortages on the Council house modernisation programme. Douglas Proudfoot, Head of Development, explained that it had

not been possible to recruit a team manager, and that there was a number of other vacancies, which had impacted on the programme, particularly as regards the delivery of new kitchens. Efforts were being made to recruit to these vacancies.

Responding to a question from Councillor Henderson concerning the impact of the severe weather in the spring, Mr Lamond advised that there was a link between the capital programme and the severe weather, in that it was a single workforce that covered both roads and winter maintenance, and that in years affected by severe weather, capital works could be displaced.

On the costs associated with providing care for unaccompanied children, Judith Tait, Head of Adult and Children's Services, pointed out that there was a significant funding gap – the UK Government provided funding of £200 per week for each child; however, it cost the Council approximately £2,000 per week to provide the necessary care. She advised that there were two such children in the care of the Council at present, and that the Council was not currently in a position to take additional children.

As regards coastal car parking income, Mr Lamond confirmed that this income had been generated through the cost of tickets and season tickets, but did not include parking enforcement income. He added that a report on the review of coastal car parking charges would be presented to the next PPRC meeting, and that the Head of Infrastructure could provide additional information on planned projects.

Councillor Akhtar asked about the likelihood of the Council receiving attainment challenge funding. Mr Lamond advised that the Council was currently not receiving any such funding and he did not think this position would change. Ms Robertson added that the Council did receive pupil equity funding, which was based on free school meal uptake.

Councillor Bruce asked how the Council was ensuring that the transformation programme targets would be achieved. Mr Lamond noted that significant savings had already been realised, for example, through the new website, CRM and School Pay facilities. He did warn, however, that the targets may not be fully achieved, and that individual services, which were in effect benefitting from the work of the programme team, would need to make a contribution to this.

Councillor McLennan expressed concern at the ongoing financial pressures on health and social care services and additional support for learning. He asked for more detailed information on cost recovery plans for these services within the next month, in order to be better informed during the budget process. Mr Lamond agreed to provide this information as part of the budget preparations.

Councillor Akhtar indicated that the Council's budget had been reduced by 4% over the past five years, leading to significant pressures on Council services. She anticipated that these pressures would increase, with an aging population and growing numbers of young people, as well as a rise in inflation.

Councillor Innes commended managers across the Council for their efforts to operate services within budget. However, he recognised the pressures on a number of services and anticipated that cost recovery plans in place would help address these issues.

Councillor Currie voiced his concern that efficiency measures within some services were not being achieved, and that those services would inevitably start the new financial year in an overspend position. He indicated that this overspend was approximately £3m, and that this could not be met through the use of reserves. He added that this position would represent a significant risk to the Council and have an impact on communities. He suggested that the budget was not adequate, and that this constituted a failure of policy.

Councillor Innes claimed that Councillor Currie was scaremongering, pointing out that 90% of efficiency savings would be realised. He reminded Members that additional funding had been allocated to the Adult Wellbeing budget in February 2018, and that further work would be done to address any outstanding financial issues.

Councillor Hampshire stressed that the transfer of funds from the NHS to the Council was still to be negotiated, which would alleviate the pressure on the budget. He spoke of the pressures on services due to the population growth, and paid tribute to managers for managing their budgets effectively. He added that ways of increasing income to the Council were being explored, commenting that £250,000 of additional income had been realised through the coastal car parking charges.

Councillor O'Donnell advised that the IJB was working hard on the recovery plan for health and social care services, and reiterated the Council's commitment to provide services for vulnerable people. She remarked that the SNP budget proposals had included an additional £600,000 of efficiency savings for those services.

## **Decision**

The Council agreed to note the financial performance at the end of the second quarter of 2018/19 against approved budgets.

## **5. FINANCIAL STRATEGY 2019-24**

A report was submitted by the Depute Chief Executive (Resources and People Services) setting out an updated Financial Strategy for the Council, covering the five-year period from 2019 to 2024, and also incorporating the new requirement to produce a Capital Strategy.

The Head of Council Resources, Jim Lamond, presented the report. He advised that the Financial Strategy and Capital Strategy provided direction on how Council resources would be managed. He stressed the importance of forward planning, but recognised the uncertainty associated with the UK's withdrawal from the EU. He drew attention to the key aspects of the report, noting that it was unlikely that the pay settlement would be reflected in the Scottish Government funding settlement. He highlighted the estimated funding gap over the next five years, as well as future capital commitments, the reserves strategy, pressures on services resulting from the delivery of the Local Development Plan, and the need to maximise income streams. He concluded his presentation by outlining the proposed strategy for the budget-setting process.

Councillor McLeod asked for the updated position as regards reserves. Mr Lamond advised that he could not provide information on this before the end of the financial year.

In response to questions from Councillor McLennan on the Council sharing services and the UK's withdrawal from the EU, Mr Lamond pointed out that partnership and collaborative working, which included shared services, was included in the Financial Strategy. On Brexit, Mr Lamond indicated that it was difficult to know at this stage if an emergency budget would be required in the event of a 'no-deal Brexit'. However, he warned that it could have a significant impact on the Council, and that a working group had been established to look at issues such as the workforce, supply chain and funding. He added that Members had been informed of progress through the Joint Consultative Committee, and that he would be happy to provide further detail to all Members. The Chief Executive offered to arrange a Members' briefing in January for this purpose.

Councillor O'Donnell made reference to a CoSLA review of the Carers Act, and asked if information was available as regards the costs associated with free personal care for younger adults, and when funding for this new duty would be made available to councils. Mr Lamond expected that this matter would be addressed as part of the Scottish Government budget, and that funding would be allocated through the financial settlement to councils.

Councillor Currie asked how the Council would deal with any overspends and underspends at the end of the financial year. Mr Lamond explained that this would be covered in the budget briefing to Members. He advised that in-year budget pressures were taken into account when preparing for the budget, and that adjustments would be made accordingly.

On the review of the Council's asset base, Mr Lamond noted that this was an issue that was kept under constant review as part of the Corporate Asset Management Plan, and that a range of options were considered, including renting or disposing of assets.

With reference to capital investment in the school estate, Councillor Hampshire asked if it was expected that the Council would receive further funding from the Scottish Futures Trust (SFT). Mr Lamond reminded Members that the Council had received funding from the SFT and Scottish Government for the construction of the new Wallyford Primary School. He added that officers were working to secure further funding for school estate expansion, believing that the Council had a good case for such funding.

Councillor Goodfellow welcomed the inclusion in the Strategy of retaining £1m in reserve as regards the Housing Revenue Account.

The Provost noted that in order to approve the framework for amendments in respect of the budget development process, which was a departure from Standing Orders, the support of two-thirds of Members present was required. The Council unanimously agreed to approve this change.

## **Decision**

The Council agreed:

- i. to approve the Financial Strategy, set out at Appendix 1 to the report, together with the new Capital Strategy, attached as Appendix 2 to the report; and
- ii. to approve the further refinements to the new budget development process, as set out in Section 3.6 of the report.

## **6. OUTCOME OF THE FEASIBILITY STUDY ON A SECONDARY SCHOOL COMMON SCHOOL DAY**

A report was submitted by the Depute Chief Executive sharing the findings of the feasibility study in relation to the potential educational benefits arising from a common secondary school day and seeking approval to take forward plans to implement a common secondary school day to realise the potential educational benefits arising from a common secondary school day.

The Head of Education, Fiona Robertson, presented the report, drawing attention to the consultation process and noting that, if approved, further consultation with affected staff and trades unions would take place. She indicated that the responses to the consultation had been largely positive, with 72% of respondents in favour of a common secondary school day, and 61% in favour of a 32-period week. Ms Robertson highlighted the educational benefits

of the proposals, and noted that, if approved, home-to-school transport contracts would take account of the changes.

Councillor Akhtar welcomed the proposals, believing that it would result in a more equitable education experience and enhanced collaborative working across secondary schools. She also advised that a common school day would benefit looked after children and those with additional support needs, as well as providing more vocational opportunities for children.

## **Decision**

The Council agreed:

- i. to note the outcome of the feasibility consultation;
- ii. to approve the phased implementation of a common secondary school day, including the necessary changes to any affected primary school and specialist provision; and
- iii. to approve the introduction of an agreed period allocation per week for all secondary schools to support consortia arrangements.

## **7. OUTCOME OF THE STATUTORY SCHOOL CONSULTATION ON THE PROPOSED CLOSURE OF PRESTONPANS INFANT AND NURSERY SCHOOL AND PRESTONPANS PRIMARY SCHOOL AND THE ESTABLISHMENT OF A NEW NON-DENOMINATIONAL PRIMARY SCHOOL STRUCTURE AND ITS ASSOCIATED CATCHMENT AREA FOR PRESTONPANS**

A report was submitted by the Depute Chief Executive (Resources and People Services) sharing the outcome of the proposal to close Prestonpans Infant and Nursery School and Prestonpans Primary School and establish a new non-denominational single primary school structure covering Nursery to P7 and its associated catchment area for Prestonpans. The report sought approval for the recommendation set out within the consultation report (available in the Members' Library, Ref: 177/18, December 2018 Bulletin) to close Prestonpans Infant and Nursery School and Prestonpans Primary School and establish a new non-denominational single primary school structure covering Nursery to P7 and its associated catchment area for Prestonpans.

The Head of Education, Fiona Robertson, presented the report, advising of the consultation process and responses. Members were advised that 33% of respondents were in favour of the proposals and 60% of respondents were not in favour, and that there were differing views between the two Parent/Carer Councils. However, she highlighted the educational benefits of having one single school, as set out in the report by Education Scotland. She noted that, if approved, there would be an eight-week call-in period by Scottish Ministers. There would also be further engagement with the community.

In response to questions from Members, Ms Robertson referred to a recent inspection report for Prestonpans Primary School, which had identified gaps in numeracy and literacy for pupils moving from P3 to P4; she advised that this issue would be resolved through effective curriculum planning. She also informed Members that a transition action group would be established to look at a variety of issues, including school name, uniform and communication plan. On pupil equity funding, Ms Robertson advised that such funding for the schools would be brought together and could be used in a more efficient and targeted way. On children with additional support needs, she explained that there would be benefits in that their support staff could move with them through their school years.



Helen Gillanders, Head Teacher of Dunbar Primary School, highlighted the wider opportunities for teaching staff in a through-school, as well as them having a fuller understanding of all stages of the school.

Ms Robertson spoke of the importance of engaging with parents and carers, noting that a number of meetings had been arranged, and that Mrs Gillanders would also provide input to that process, particularly as regards continuity and consistency of approach.

Councillor Innes emphasised the importance of this matter, particularly considering the differing opinions on the proposals among the community. He paid tribute to the head teachers and teachers in both schools. Referring to issues raised during a recent inspection report of Prestonpans Primary School, he accepted that improvements were required, and that it was therefore appropriate to look at the school structure as part of addressing these issues. He also recognised that some people in the community would be disappointed if the proposals were approved. However, he felt that the proposals would benefit the community in the long term, and declared that he would support them. He asked the Head of Education to advise Members further on any additional support required.

Councillor Bruce concurred with Councillor Innes' comments, adding that creating one school was central to the continuity of progress.

Councillor O'Donnell commented that there was a great deal to be gained by creating one school, particularly as regards delivering change, adopting a consistent approach, supporting children with additional needs, and being able to target pupil equity funding more effectively.

Councillor Gilbert highlighted the importance of continuity and of the need to improve the transition between P3 and P4. He advised that he would support the proposals.

With reference to the recent creation of a new primary school in Haddington, Councillor Trotter advised that this proposal would benefit the children's education. His views were shared by Councillor McLennan, who referred to the set-up in Dunbar, which was viewed positively by pupils, parents and teachers. He added that performance had improved, due to the leadership of Helen Gillanders and her team. Councillor Hampshire shared this view, anticipating that the concerns of parents would be addressed once the change had taken place.

Councillor Akhtar thanked members of the community for their engagement in the process. She also emphasised the importance of the transition action group.

## **Decision**

The Council agreed 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. subject to the conclusion of the Scottish Ministers' eight-week call-in period or the notification of the outcome of a call-in, as appropriate, Prestonpans Infant and Nursery School and Prestonpans Primary School would be closed and a new single primary school structure covering Nursery to P7 and its associated catchment area would be established for Prestonpans; and
- ii. the closure of Prestonpans Infant and Nursery School and Prestonpans Primary School and the establishment of a new single primary school structure and its associated catchment area would take effect from February 2019, or as soon as possible thereafter.

## **8. LOCAL GOVERNANCE REVIEW – EAST LoTHIAN COUNCIL RESPONSE FOR AGREEMENT**

A report was submitted by the Depute Chief Executive (Partnerships and Community Services) seeking approval of the Council's response to the Local Governance Review currently being carried out by the Scottish Government and CoSLA.

Christine Dora, Executive Officer, presented the report, advising that the cross-party working group had met a number of times, and had been assisted by officers and Professor James Mitchell of the University of Edinburgh. She drew attention to the proposed Council response to the review.

A number of Members thanked Ms Dora and other officers for their input, noting that the process had been positive and beneficial.

### **Decision**

The Council agreed to approve the proposed response to the Local Governance Review, as set out in Appendix 1 to the report.

## **9. STATUTORY REVIEW OF POLLING DISTRICTS AND POLLING PLACES 2018**

A report was submitted by the Depute Chief Executive (Resources and People Services) informing Members of the outcome of the statutory review of polling districts and polling places, as required by the Electoral Registration and Administration Act 2013, Part 2, Section 17.

The Head of Council Resources presented the report, advising that only minor changes were proposed. He noted that there had only been one response to the consultation, which was in favour of the changes.

### **Decision**

The Council agreed to approve the proposed polling scheme for East Lothian Constituency, attached as Appendix 1 to the report.

## **10. AMENDMENTS TO STANDING ORDERS – SCHEME OF DELEGATION**

A report was submitted by the Depute Chief Executive (Resources and People Services) seeking approval of proposed changes to the Scheme of Delegation.

The clerk advised that the proposed changes related to the duties and responsibilities of the Heads of Infrastructure and Development, as well as the addition of statutory appointments as regards Licensing and Data Protection and Records Management.

### **Decision**

The Council agreed to approve the proposed changes to the Scheme of Delegation, as set out in Appendix 1 to the report.

## **11. SUBMISSIONS TO THE MEMBERS' LIBRARY, 20 OCTOBER – 3 DECEMBER 2018**

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 20 October and 3 December 2018, 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 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.

### **Referral to Council by Musselburgh Common Good Committee**

A private report referred to Council from Musselburgh Common Good Committee in respect of an application for funding submitted by the Brunton Theatre Trust was continued to a future meeting of the Council.



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

**THURSDAY 15 NOVEMBER 2018  
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

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**Committee Members Present:**

Councillor W Innes (Chair)  
Councillor J Findlay  
Councillor N Gilbert

**Advisers to the Local Review Body:**

Mr L Taylor, Planning Adviser to the LRB  
Mr C Grilli, Legal Adviser to the LRB

**Committee Clerk:**

Mrs F Stewart

**Declarations of Interest**

None

**Apologies**

None

Councillor Innes, elected to chair the meeting by his colleagues, welcomed everyone to the meeting of the East Lothian Local Review Body (ELLRB).

A site visit had been carried out for each of the four planning applications on the agenda prior to the meeting.

**1. PLANNING APPLICATION 18/00355/P – REVIEW AGAINST CONDITION ERECTION OF GARAGE, WALLS, GATE, INSTALLATION OF OIL TANK, BOILER AND FORMATION OF HARDSTANDING AREAS AT 10 GLEBE CRESCENT, ATHELSTANEFORD**

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.

Leigh Taylor, Planning Adviser, stated that the subject of this application was a two storey semi-detached house located in the Athelstaneford Conservation Area. Planning permission had been originally sought for the erection of a single storey pitched roof garage and installation of a tank and boiler in the rear garden, the erection of 1 metre high gates and 1 metre high sections of wall to the front boundary, and the formation of hard standing driveway in the rear, side and front garden area. Consent was subsequently granted for all works except for the erection of the new front boundary walls and gates. This aspect of the proposal was viewed by the Planning Case Officer to be contrary to Local Plan 2008 policies ENV4 and DP2, as the prominence of the wall and gates would be an incongruous feature in the Conservation Area. A precedent would also be set whereby other boundary walls could be erected, incrementally changing the streetscape of this part of the Conservation Area. Also of relevance were policies CH2 and DP2 of the proposed Local Development Plan (LDP) which became the adopted plan for East Lothian on 27 September 2018.

The Planning Adviser stated that consultation with East Lothian Council's (ELC) Roads Division had raised no objections and he advised that the Decision Notice for this application had been issued on 4 June 2018.

The Chair thanked the Planning Adviser for his presentation and invited questions. Councillor Findlay enquired if the wall already constructed would have to be restored to its original form if consent was not granted and the Planning Adviser confirmed that enforcement action would be recommended. The Planning Adviser was also asked if the Planning Department had any control over the appearance of the wall and he advised that a condition (s) could be applied to the consent in this respect.

The Chair asked his colleagues if they now had sufficient information to proceed to determine the application today and they unanimously agreed to proceed. Comments on the application followed.

Councillor Findlay stated that the types of boundary in Glebe Crescent were diverse. He was therefore minded to overturn the decision of the Planning Officer provided that the Planning Authority approved the types of materials used in the construction of the wall.



Councillor Gilbert noted that this was the first such development in Glebe Crescent and he considered that it would set an undesirable precedent. He was therefore minded to uphold the decision of the Case Officer to refuse consent for the new front boundary walls and gates.

The Chair shared the view of Councillor Findlay. He had observed, what was in his view, a similar boundary to a nearby property and was therefore minded to uphold the appeal, subject to the same condition requested by Councillor Findlay.

## **Decision**

The ELLRB agreed by a majority vote to overturn the original decision of the Appointed Officer and granted planning permission for the new front boundary walls and gates subject to the condition below:

1. The colour of the render to be applied to the new lengths of walls hereby approved shall be submitted to and approved by the Planning Authority prior to the commencement of the rendering of the walls. The colour of the render to be used shall accord with the sample so approved.

Reason:

To safeguard the character and appearance of the house and the character and appearance of the Athelstaneford Conservation Area.

## **2. PLANNING APPLICATION 18/00591/P – REVIEW AGAINST REFUSAL PROPOSED NEW DWELLING IN GARDEN GROUND TOGETHER WITH NEW VEHICULAR ACCESS TO EXISTING HOUSE AT CRAIGOUR, BROADGAIT, GULLANE**

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.

Leigh Taylor, Planning Adviser, advised that the application proposed to construct a two storey detached house accessible via the existing entrance from Broadgait. The application site was located within a predominantly residential area of Gullane and contained a number of trees protected by Tree Preservation Order 135. The planning history of this site showed that, on three separate occasions (December 2014, March 2017 and June 2017), applications for planning permission had been submitted seeking consent for a new dwelling. Each application had been subsequently withdrawn before being determined.

The Planning Adviser advised that the Council had previously consented to the felling of trees on the site. It was, however, a condition that replanting was carried out and the locations of the replacement trees had not been agreed with the Council.

Consultation with the Council's Landscape Division had resulted in an objection to the proposal. They did not consider the removal of T622 to be acceptable in order to accommodate the new house, being contrary to policy DP14 which sets out the reasons when tree removal may be acceptable. Landscape Officers also raised general concerns over the cumulative loss of trees on the site both as a result of the

current proposal and from previous felling of four protected trees covered by TPO 135. They were also concerned that trees could be damaged during the construction process.

The Planning Adviser stated that the Planning Case Officer had concluded that, whilst the proposed dwelling would not have a detrimental impact on the amenity of neighbouring properties, the placing of a house in this location would have a significant impact on a group of trees within this site which made a significant contribution to the landscape and visual amenity of this part of Gullane. The Case Officer also considered that it had not been demonstrated through adequate technical details that the proposed development could be carried out without damage to, or loss of, protected trees which are required to be retained on the site.

Relevant to the determination of this application were Local Plan 2008 policies DP2, DP7, DP14, NH5 and T2. Also relevant were proposed LDP policies RCA1, DP2, DP7, NH8 and T2. Planning permission was refused on the 26 July 2018.

The Chair thanked the Planning Adviser for his presentation and invited questions. Councillor Findlay enquired if there was an equivalent policy to DP14 in the new adopted Local Plan and the Planning Adviser replied that policy NH8 would be a near equivalent. He added that there were also references to trees in policy DP2. Councillor Gilbert asked if all the trees felled on the site had been replaced and the Planning Adviser circulated an image showing the site before the trees had been removed. The Legal Adviser advised that a condition could be applied to planning consent to the effect that trees would have to be planted in certain areas. The Chair sought confirmation that the trees felled on the site had been felled with the approval of the Council and the Planning Adviser confirmed that approval had been given. He also advised that, in some cases, the trees had been felled as they were damaged.

The Chair asked his colleagues if they now had sufficient information to proceed to determine the application today and they unanimously agreed to proceed. Comments on the application followed.

Councillor Gilbert had noted that the replacement trees had not been planted in a similar place to the original trees, as required by the legislation. Also, as two more trees would need to be removed and other trees could be damaged during the construction process, he was minded to uphold the decision of the Case Officer to refuse the application.

Councillor Findlay considered that the only tree of significance on the site was a Himalayan birch tree which was not indigenous to the Gullane area. Provided another tree was planted to replace this tree, he could see no reason to refuse consent for the applicant's proposals.

The Chair was similarly minded. While he considered that trees were important, he did not consider that the Himalayan birch tree was of significant importance to refuse the application. He was therefore minded to uphold the appeal.

## Decision

The ELLRB agreed by a majority vote to uphold the appeal subject to the following conditions:

1. No development shall take place on site unless and until final site setting out details have been submitted to and approved by the Planning Authority.

The above mentioned details shall include a final site setting-out drawing to a scale of not less than 1:200, giving:

- a. the position within the application site of all elements of the proposed development and position of adjoining land and buildings;
- b. finished ground and floor levels of the development relative to existing ground levels of the site and of adjoining land and building(s). The levels shall be shown in relation to an Ordnance Bench Mark or Temporary Bench Mark from which the Planning Authority can take measurements and shall be shown on the drawing; and
- c. the ridge height of the proposed house shown in relation to the finished ground and floor levels on the site.

Reason: To enable the Planning Authority to control the development of the site in the interests of the amenity of the area.

2. Prior to the new house hereby approved being brought into use, the vehicle access, turning and parking arrangements for the new house and the formation of the new vehicular access and parking arrangements for the existing house of Craigour shall have been formed in their entirety and made available for use as shown on drawing no. AL(0)100 Rev A docketed to this grant of planning permission on, and thereafter the access, turning and parking areas for the existing and proposed houses shall be retained for such uses and kept free from obstruction.

Prior to any use being made of the existing vehicular access and the proposed vehicular access hereby approved a visibility splay of at least 2.5 metres by 70 metres in both directions as defined by: a) a line 2.5 metres long measured along the access road from the nearside edge of the main road carriageway; b) a line 70 metres long measured along the nearside edge of the main road carriageway from the centre of the access road in both directions and c) a straight line joining the termination of the above two lines, shall be provided for each of the two vehicular accesses and thereafter the visibility splay at each of the two vehicular accesses shall be maintained. No obstruction shall lie within each of the visibility splays above a height of 1.05 metres measured from the level of the carriageway of the adjacent public road.

Prior to any use being made of the existing vehicular access and the proposed vehicular access hereby approved the first 2 metres of land measured from the back edge of the adjacent carriageway of the public road and of the full width of each of the two accesses shall be hardsurfaced and thereafter retained as such.

No use shall be made of the driveways for the new house hereby approved or the driveway for the house of Craigour if any gates erected across the junction of those driveways with the public road are installed so as to open outwards towards the adjacent public road.

Reason: To ensure a safe means of access and a satisfactory level of car parking and turning provision to serve the house hereby approved and the existing house of Craigour in the interests of road safety.

3. A schedule of materials and finishes, including the colour(s) of such finishes, for the roof, walls, windows and external doors of the house has been submitted to and approved in advance in writing by the Planning Authority prior to the use of such materials and finishes

in the development hereby approved, and thereafter the materials and finishes used shall accord with the details so approved.

Reason: To enable the Planning Authority to control the materials, finishes and colour to be used to achieve a development of good quality and appearance in the interest of the visual amenity of the area.

- 4 Details and a sample(s) of the surface materials of the hardstanding areas in the form of the driveway and footpaths of the new house hereby approved and the new driveway of the existing house of Craighour also hereby approved shall be submitted to and approved in advance in writing by the Planning Authority prior to their use in the development hereby approved. Thereafter, the surfacing materials used to surface the driveways and footpaths shall accord with the details and sample(s) so approved.

Reason: In the interests of safeguarding the character and visual amenity of the area.

- 5 Prior to the occupation of the house hereby approved a 1.8 metres high close boarded timber fence shall be erected on the north boundary of the site, extending from the east boundary of the site to the east side of the two on-site parking spaces, in accordance with details shown for it on drawing no. AL(0)100 Rev A docketed to this grant of planning permission. Thereafter, that length of 1.8 metres high close boarded timber fencing shall be retained in situ at that height, unless replaced with an alternative means of boundary enclosure (i.e. fence, wall, hedge) that would be of equal height, length and as solid or dense in form as the fence it has replaced. Such alternative boundary enclosure shall be erected or maintained in place in accordance with details of it to be submitted for the prior inspection and approval of the Planning Authority. That alternative means of enclosure shall thereafter remain in place in accordance with such details approved unless otherwise approved in writing by the Planning Authority. If the alternative means of enclosure is hedging, then in the event that such hedging dies, is removed, or becomes seriously damaged or diseased within a period of 10 years following its approval it shall be replaced in the next planting season with new hedging of similar size and species unless otherwise approved in writing by the Planning Authority.

Reason: In the interests of preserving the amenity of the neighbouring property of Craighour to the north.

- 6 Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (Scotland) Order 1992, as amended by The Town and Country Planning (General Permitted Development) (Scotland) Amendment Order 2011, or any subsequent Order amending, revoking or re-enacting that Order, no windows or other glazed openings including roof windows shall be formed at first floor or attic level within the northwest elevation wall of the house hereby approved other than those already shown for that elevation.

Reason: In the interests of safeguarding the privacy and amenity of the neighbouring residential property of Craighour to the north.

- 7 Other than those trees to be removed from the application site as denoted on drawing no. 18521/2 of the Tree Survey and Arboricultural Implication Assessment report (dated June 2018) docketed to this grant of planning permission, no trees or bushes, which are to be retained on the site, shall be damaged or uprooted, felled, lopped or topped without the prior written consent of the Planning Authority.

Reason: To ensure the retention of vegetation important to the appearance and environment of the development.

- 8 No development shall take place on site until temporary protective fencing in accordance with Figure 2 of British Standard 5837: 2012 "Trees in relation to design, demolition and construction" has been installed, approved by a suitably qualified and experienced Arboriculturist and confirmed in writing by the Planning Authority. The temporary protective fencing shall be erected in the positions shown for it on drawing no. 18521/2 of the Tree Survey and Arboricultural Implication Assessment report (dated June 2018) docketed to this grant of planning permission, and thereafter the temporary protective fencing shall be retained in situ until completion of development. All weather notices shall be erected on said fencing with words such as "Construction Exclusion Zone – keep out". Within the fenced off areas creating the Construction Exclusion Zones the following prohibitions must apply: (i) no vehicular or plant access; (ii) No raising or lowering of the existing ground level; (iii) No mechanical digging or scraping; (iv) No storage of temporary buildings, plant, equipment, materials or soil; (v) No hand digging; (vi) No lighting of fires; (vii) No handling discharge or spillage of any chemical substance, including cement washings. Planning of site operations should take sufficient account of wide loads, tall loads and plant with booms, jibs and counterweights (including drilling rigs), in order that they can operate without coming into contact with retained trees

Reason: To ensure the retention of vegetation important to the landscape character and appearance and environment of the development and their protection in the interests of safeguarding the landscape character of the area.

- 9 A landscape planting scheme for the planting of replacement trees and hedges on the site to mitigate for the loss of trees from the site shall be submitted for the prior written approval of the Planning Authority prior to the commencement of development on the site. Any replacement tree and hedge planting shall be carried out in the first planting and seeding season following the occupation of the house or the completion of the development, whichever is the sooner, and in the event that any such new trees and hedges die, are removed or become seriously damaged or diseased they shall be replaced in the next planting season with others of similar size and species, unless the Planning Authority give written consent to any variation.

Reason: To ensure appropriate replacement tree planting on the site in the interests of the landscape character of the area.

- 10 No development shall take place on site until a person who, through relevant education, training and experience, has gained recognised qualifications and expertise in the field of trees in relation to construction, has been employed by the developer to inspect and monitor any work in close proximity of trees on the site, in accordance with section 4.9 (Arboricultural Supervision) of the Tree Survey and Arboricultural Implication Assessment report (dated June 2018) docketed to this grant of planning permission, and including, but not exclusively, the installation of the tree protection fencing and the construction of the driveways, parking and turning areas, hardstanding areas and the installation of services. All tree work shall be carried out in accordance with BS3998: 1989 'Recommendations for Tree Work' and must be approved in writing by the Planning Authority before work is carried out.

Reason: To ensure the retention of vegetation important to the landscape character and appearance and environment of the development and their protection in the interests of safeguarding the landscape character of the area.

- 11 Prior to the commencement of development on the site, details for the construction, including the use of a cellweb material, of the parking/turning area within the root protection areas of trees T611 and T612, the new driveway to serve the existing house of Craighour, and the hardstanding areas across the width of the existing vehicular access and the proposed vehicular access, as required by condition 2, shall be submitted to and approved in writing in advance by the Planning Authority, and thereafter the construction of the parking/turning area, driveway and the hardstanding areas at the existing and proposed vehicular accesses shall accord with the details so approved.

Reason: To ensure the retention of vegetation important to the landscape character and appearance and environment of the development and their protection in the interests of safeguarding the landscape character of the area.

- 12 Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (Scotland) Order 1992, as amended by The Town and Country Planning (General Permitted Development) (Scotland) Amendment Order 2011, or any subsequent Order amending, revoking or re-enacting that Order, no development of the types specified in Part 1 of Schedule 1 of the Order or in any statutory instrument revoking and/or re-enacting that Part of the Order shall be undertaken on the new house hereby approved, or on any part of the application site, other than the development shown on the drawings docketed to this planning permission, unless with the prior approval of the Planning Authority.

Reason: In the interests of the retention of vegetation important to the landscape character and appearance and environment of the development and their protection in the interests of safeguarding the landscape character of the area.

### **3. PLANNING APPLICATION 18/00410/P – REVIEW AGAINST REFUSAL EXTENSION TO HOUSE AND CONVERSION OF THE EXISTING GARAGE TO FORM ANCILLARY ACCOMMODATION AT 7 SPRINGFIELD COTTAGES, WHITECRAIG**

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.

Leigh Taylor, Planning Adviser, stated that the property was a single storey cottage located within a collection of properties to the south east of Whitecraig, adjacent to the A6124. The application proposed to extend the property in a single storey linear manner by erecting an approximately 33.6m long extension in a south westerly direction, attached by an extended hallway to the north west elevation of the existing property. The extension would comprise of a garage, games room, sitting area, gym and swimming pool (with a room in the roof above the swimming pool) and the extension would be finished with areas of facing brickwork and wet dash render to match the existing house, with a slate roof to match. He advised that relevant to the determination of this application was Strategic Development Plan (SDP) policy 1B and Local Plan 2008 policies DC1, DC2 and DP6.

The Planning Adviser stated that, in considering the application, the Case Officer had noted that the size and scale of the proposed extension would significantly increase the overall floor space and would be partially visible from the A6124 public road. He had also noted the planning history of the site. The Case Officer's conclusion was that, although there would be no detrimental impact on the amenity of neighbouring properties by the proposed extension, and the conversion of the garage to form ancillary accommodation would not impact upon visual amenity or neighbour amenity, the extension itself would be a dominant addition to the existing house and would not be subservient to the original, already extended house, contrary to Local Plan policy DP6.

Consultations with the Council's Landscape and Roads Divisions had resulted in no objections. However conditions were requested by Landscape relating to the protection of trees during construction.

The Chair thanked the Planning Officer for his presentation and invited questions. Councillor Findlay enquired if any public objections to the application had been received and was advised by the Planning Adviser that none had been received.

The Chair asked his colleagues if they now had sufficient information to proceed to determine the application today and they unanimously agreed to proceed. Comments on the application followed.

Councillor Findlay stated that, in his view, the proposals were acceptable. He considered that the extension would be in keeping with the original building and would not be especially visible from the road. He also noted that neighbours had not objected to the proposals. He was therefore minded to uphold the appeal.

Councillor Gilbert concurred with his colleague. As the proposed extension would only have one storey and there was a considerable area of land around the original property, he was also minded to uphold the appeal, since there had been no objections from neighbours.

The Chair noted that the cottage had been extended a number of times in the past, and he had no concerns over the present proposals. In his view, they would have no detrimental impact on the surrounding landscape or on neighbouring properties. He too was therefore minded to uphold the appeal.

## **Decision**

The ELLRB unanimously agreed to overturn the original decision to refuse planning permission and granted consent for planning application 18/00410/P, subject to the following conditions:

1. No development shall take place on site until temporary protective fencing has been installed in accordance with Figure 3 of British Standard 5837\_2012 "Trees in relation to design, demolition and construction", comprising of 1.8 metres high Heras fencing with weldmesh panels and ground fixings positioned parallel to the front garden boundary with the A1624 to the west side of the entrance driveway offset by 6 metres and returned and tied into the driveway gatepost to the east and the neighbouring boundary to the west; and positioned parallel to the neighbouring property (6 Springfield Cottages) to the west and offset by 3 metres and returned and tied back to the property boundaries.

All weather notices shall be erected on said fencing with words such as "Construction Exclusion Zone - Keep Out" and the fencing shall remain on site and intact through to completion of the development.

The area within the temporary protective fencing is sacrosanct and the following prohibitions must apply:-

- No vehicular or plant access
- No raising or lowering of the existing ground level
- No mechanical digging or scraping
- No storage of temporary buildings, plant, equipment, materials or soil
- No excavations

- No lighting of fires
- No handling discharge or spillage of any chemical substance, including cement washings

Planning of site operations should take sufficient account of wide loads, tall loads and plant with booms, jibs and counterweights (including drilling rigs), in order that they can operate without coming into contact with retained trees.

Reason:

To ensure the retention of trees which are important to the landscape character of the area.

2. The ancillary residential accommodation hereby approved shall only be used for purposes incidental to the residential use and enjoyment of the dwellinghouse of Station House, 7 Springfield Cottages, Carberry, Musselburgh and shall at no time form a separate residential unit or be used for any business, trade or other commercial use.

Reason:

To enable the Planning Authority to control the use of the development in the interests of safeguarding the character and residential amenity of the area and that of the dwellinghouse of Station House, 7 Springfield Cottages, Carberry,

#### **4. PLANNING APPLICATION 18/00463/P – REVIEW AGAINST CONDITION ALTERATION TO HOUSE AND FORMATION OF RAMP AT ROSE COTTAGE, 121 CHURCH STREET, TRANENT**

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.

Leigh Taylor, Planning Adviser, stated that the application concerned a review against condition 1 attached to planning permission 18/00463/P which sought consent for alterations to the house including the formation of an access ramp to the front elevation, installation of one large rooflight to rear elevation, three tile vents to the front and five to the rear, and a new duct grill to the rear. The property was a Category C Listed Building within the Tranent Conservation Area. Relevant to the determination of this application was Strategic Development Planning (SDP) policy 1B and Local Plan 2008 policies ENV4, DP6 and T2.

The Planning Adviser advised that the Planning Case Officer had concluded that the proposed ramp, tile vents and duct grill would not have a significant detrimental impact on the architectural merit of the Listed Building or to the character and appearance of the Tranent Conservation Area. He had, however, considered that the proposed large rooflight to the rear of the building would be harmful to the architectural merit of the Listed Building and to the character and appearance of the Conservation Area. Consent had been subsequently granted for all works with the exception of the large rear rooflight as it would be contrary to Local Plan 2008 policies ENV4 and DP6. The Decision Notice was issued on the 4 September 2018.

The Chair thanked the Planning Officer for his presentation and invited questions. Councillor Findlay sought clarification on the options for the rooflight and was advised by the Planning Adviser that the applicant was prepared to consider one long rooflight or three separate rooflights. They did not wish to install two rooflights. The Adviser stated that the applicant had submitted samples of rooflights and, should the appeal



be upheld, the details of the rooflights would need to be agreed with the Planning Authority. The Legal Adviser advised that Listed Building consent had already been refused and if approval for the rooflights was granted, the applicant would need to seek Listed Building consent before proceeding. Councillor Findlay asked if Members were required to recommend which style of rooflight should be installed and was advised by the Legal Adviser that they could stipulate a type of roof light or attach conditions to planning permission.

The Chair asked his colleagues if they now had sufficient information to proceed to determine the application today and they unanimously agreed to proceed. Comments on the application followed.

Councillor Gilbert was content to allow the applicant to install a roof light (or lights) and was therefore minded to uphold the appeal.

Councillor Findlay was also minded to uphold the appeal and to allow the Planning Authority to attach appropriate conditions.

The Chair stated that additional light was needed in the roof space and he was therefore minded to uphold the appeal and grant consent for the rooflight(s) in accordance with specifications and details agreed with the Planning Authority.

## **Decision**

The ELLRB unanimously agreed to uphold the appeal and planning permission was approved, subject to the following planning condition:

1. Details of the rooflight window/ rooflight windows to be installed within the rear roof slope of the single storey part of the dwelling shall be submitted to and approved in writing by the Planning Authority prior to their use in the development. The submitted details shall show that the rooflight window/rooflight windows shall be installed in a manner that ensures that their upper surface is as near flush as possible with the upper surface of the roof into which it will be installed and with minimum flashing.

The rooflight window/rooflight windows shall thereafter be installed with the details so approved.

Reason:

In the interest of safeguarding the architectural or historic character of the listed building and the character and appearance of the Tranent Conservation Area.

Signed .....

Councillor W Innes  
Convener of Local Review Body (Planning)



**REPORT TO:** East Lothian Council  
**MEETING DATE:** 26 February 2019  
**BY:** Depute Chief Executive (Resources & People Services)  
**SUBJECT:** Financial Review 2018-19: Quarter 3

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**3**

## **1 PURPOSE**

- 1.1 To inform Council of the financial position at the end of December 2018.

## **2 RECOMMENDATIONS**

- 2.1 The Council is asked to note the financial performance at the end of the third quarter of 2018-19 against approved budgets.

## **3 BACKGROUND**

- 3.1 At its meeting on 13 February 2018 the Council approved a budget for 2018-19 for both General Services and Housing Revenue Account (HRA) revenue and capital, and outline budgets for the subsequent two financial years.

### **Budget Summary**

- 3.2 The approved General Services revenue budget for 2018-19 included the following:
- After providing for £23.5 million of corporate commitments, funding amounting to over £213 million to support service delivery;
  - Utilisation of £2.140 million of General Reserves;
  - The requirement to deliver over £5 million of recurring planned efficiencies.
- 3.3 This report sets out the financial position for the Council as at the end of December 2018 against the approved budgets. An analysis of the

financial position across service groups is set out in **Appendix 1** with further detail summarised below.

### **Budget Adjustments**

- 3.4 The Finance Settlement announced mid-December provided funding to support new policy obligations in 2018-19. In total, additional Revenue Support Grant (RSG) of £0.232 million has been received as follows:
- School clothing grants (£0.098m)
  - Access to sanitary products (£0.064m)
  - Free child burials (£0.005m)
  - Rapid re-housing transition plan support (£0.04m)
  - Whole system approach (£0.025m).

### **General Services Summary for Quarter Three – 2018-19**

- 3.5 Three service areas: Children’s Wellbeing, Adults Wellbeing and Additional Support for Learning (ASL), remain High Risk with a high degree of certainty that the services will not operate within approved budgets. As highlighted in quarter two financial report, in accordance with Standing Orders, respective Heads of Service have considered actions to constrain costs and operate within budgets where at all possible and have prepared supporting Recovery Plans
- 3.6 Four service area: Secondary Schools, Asset Planning & Engineering, Roads Services and Roads Network have been categorised as Medium Risk, indicating that there is a significant potential that these services will incur an overspend against the approved budget during the year.
- 3.7 Work is ongoing with services to attempt to ensure that those service areas categorised as High or Medium Risk deliver their financial commitments with available resources. Given that the overall financial projections remain exceptionally challenging, all services areas remain under close review during the remainder of the financial year with managers and budget holders instructed to operate within budgets and where possible, preserve areas of underspend.
- 3.8 The summary below sets out the key challenges and risks across each of the directorates.
- 3.9 The **Resources and People Directorate** is reporting an underspend of £1.088 million (1.4%). The **Education Group** covering Pre-school, ASL, Primary, Secondary and School Support is reporting a collective underspend of £463,000 (0.7%), however, forecasts indicate that Group will deliver a slight overspend due to continued pressure on ASL budgets.
- The Pre-school budget is currently reporting an underspend of £455,000 (7.3%) most of which relates to staffing underspends. Work has been ongoing within the council to revise the current expansion

plans in line with available resource to support the new national policy requirement to deliver 1140 hours of early learning and childcare.

- Pressures remain within the ASL budget with the service reporting an overspend of £512,000 (7.9%) which is expected to increase further by the end of the financial year. Most of the pressures relate to transport and the provision of an increased number of external placements and work is ongoing to mitigate these pressures. This area is under regular review due to both the numbers and complexity of children requiring support needs.
- It is expected that most of the Primary Schools will operate within approved carry forward limits; however, three out of six secondary schools are currently forecasting an overspend position. Work is ongoing with the service to manage these budgets within available resources and in accordance with the Devolved School Management scheme.
- Across Council Resources service areas are reporting a collective underspend of £625,000 and this position is expected to continue throughout the rest of the financial year largely due to the non-filling of vacant posts in anticipation of future planned savings.

3.10 The **Health & Social Care Directorate** (covering Children's, Adults and Older People) is reporting an overspend of £2.874 million (6.6%). All service areas within the directorate have been categorised as High Risk and cost recovery plans with enhanced controls are now in place to mitigate the pressures as far as possible.

- Within Children's, the service is reporting an overspend of £1.498 million (14.9%). The main pressures are due to increased demand and average costs for residential school and secure accommodation placements. The additional investment in 2018-19 is being used to increase internal fostering provision and other early interventions that will if successful, help minimise future escalation of costs. Despite some compensating underspends across the service, it remains highly unlikely that the service will be able to contain costs within available budgets. Work is ongoing to consider options to mitigate the impact of these cost pressures both in year, and in the future.
- Within Adults and Older People the service is reporting a collective overspend of £1.376 million (4.1%). The main cost pressures relate to commissioned care costs in Care Homes, Care at Home and Community Support, with increasing demand pressures from clients with Physical and Learning Disabilities. Current projections indicate that it remains highly unlikely that these pressures will be contained within existing budgets. However, while there is evidence around improved patient outcomes, this is coming at an increasing cost to council services. In order to mitigate this pressure discussions are ongoing with the IJB and NHS Lothian to fully consider the financial implications arising from the agreed policy drive to shift the balance of care towards

the community sector and to develop a framework to ensure that appropriate resource transfer takes place in a timely manner.

3.11 Within the Partnership & Community Services Directorate budgets are reporting an underspend of £670,000 (1.9%) with forecast suggesting that whilst an underspend is likely to continue until the end of the year this may be lower due to a number of on-going pressures within service areas. Four service areas within the directorate are categorised as Medium Risk: Facilities Services, Asset Planning & Engineering, Roads Network and Roads Trading with more detail set out below.

- Facilities Services are currently reporting an overspend of £72,000 (2.6%) with forecasts suggesting that this overspend is likely to reduce slightly by the end of the financial year. Most of the overspending relates to planned savings within Public Conveniences that will not be fully achieved.
- The Asset Planning & Engineering Service includes a number of specific service areas including Estates, Investment Properties, Building Standards & Engineering Services, Strategic Asset management and General Fund Property repairs. The main pressure area relates to increasing expenditure commitments within property repairs, with a reported overspend of £10,000 (0.3%) but the expectation this will increase to £100,000 by the end of the year due unplanned critical work at Randall House as noted in the Quarter 2 report. There remains a continued pressure on the wider property estates portfolio to support repairs and maintenance on the existing asset base and this budget will continue to be monitored closely during the remainder of the year.
- Roads Network includes a number of elements including both Decriminalised Parking (DPE) and Coastal Car parking. As at December 2018 the service is reporting an overspend of £275,000 (8.8%), of which most of this relates to under-recovery of income relating to Coastal Car Parking and increased DPE costs.
- Roads Services (Trading Activity) is currently reporting a small overspend with current forecasts suggesting that overall this area will deliver within planned budget levels. Nevertheless, this area is at risk to any impact arising from adverse winter weather conditions and this will be closely monitored.

3.12 The 2018 annual pay award, effective from 1 April 2018 has yet to be agreed for any of the component staff groups. Year-end forecasting assumes a 3.5% increase for non-teaching staff and a 3% increase for teaching staff (with the remainder assumed to be funded by the Scottish Government) all of which matches the current offer. Should the pay award be in excess of this level, this would place a significant additional strain upon council finances.

- 3.13 An assessment of progress in implementing planned efficiencies is set out in more detail within **Appendix 2** of the report. The current “RAG” status for 2018/19 is:
- £2.822 million (56%) are achieved and are assessed as “Green”.
  - £1.842 million (37%) have plans in place and are expected to be achieved, they are assessed as “Amber”. These efficiencies are subject to on-going monitoring during the remainder of the year.
  - £353,000 (7%) of savings are unlikely to be achieved and are assessed as “Red”. Heads of Service are working to ensure the delivery of savings of an equivalent value in 2018/19 in order to mitigate this pressure.
- 3.14 Overall, the Council continues to operate within extremely challenging financial conditions and, notwithstanding ongoing efforts made to constrain expenditure; the Council is likely to overspend approved budgets this financial year. The Corporate Management Team (CMT) remains actively engaged around the financial position of the Council including the delivery of planned efficiency savings, and are constantly seeking alternative proposals and preservation of underspending to ensure that as much as possible, wider council expenditure can be delivered within approved budget levels.
- 3.15 The financial forecasts for the year continue to indicate that the Council continues to be at high risk of overspending of between £1million and £2 million (0.5%-1.0%). As reported previously, Senior Managers continue to work on a number of options to mitigate the impact of the overspending during the year, which includes a wider review of all areas of council services, negotiation with NHS Lothian and also a full balance sheet review.

### **Housing Revenue Account Summary - Quarter Three**

#### **Revenue**

- 3.16 At the end of December 2018 the Housing Revenue Account reported an underspend against planned budget of £0.782 million. This position reflects higher than anticipated income, and underspends on most of the operational revenue budgets, including employee costs due to vacancies and less borrowing than planned. There continues to remain some pressure on void rents, which is overspent by around £76,000, with the expectation that this will remain a pressure during the remainder of the year.
- 3.17 It is anticipated that the HRA will deliver a higher than planned underspend during the year, and in line with the existing financial strategy whereby the council should maximise any flexibility arising from revenue balances to minimise the future impact of debt charges, it is anticipated that any additional surplus arising during 2018-19 will be applied in this manner.

## Capital

- 3.18 Details of the Housing Revenue Account capital budgets and expenditure incurred to date is set out in **Appendix 3** of this report. The total capital budget approved for HRA was £24.364 million including fees and mortgage to rent purchases. At end of December 2018 the actual spend incurred was £9.584 million (39%). Although this does seem low for this such an advanced stage in the financial year, a number of significant investments are planned for the final quarter and it is estimated that around £22.2 million of the budget will be spent. The modernisation programme is forecasting an underspend of around £1.5 million and the New Affordable and Council Housing Programme expected to spend its budget. Most of the underspend relates to the following areas:
- The planned kitchen programme is likely to deliver an underspend against budget of £140,000. This is partly due to an increased focus on void properties through the voids policy review ensuring that these are turned over in as short a timescale as possible. Kitchen completions are projected at around 441 new kitchens in this financial year.
  - Bathrooms are expected to underspend by around £60,000 (3%) with 479 completions expected.
  - Underspending on project works of around £225,000 most of which has been earmarked for specific projects which are now likely to come forward next financial year.
  - Delays in the procurement of a major project will mean that roofing projects will underspend by £550,000.
- 3.19 Despite relatively low spend to date of £2.662 million on the Affordable Housing Programme, current forecasts suggest that this budget will be slightly overspent by the end of the financial year. Much of the planned spend was profiled for the last quarter of this financial year and there are risks around the projected spend on the programme due to the timing of new build completions and completion of land purchase transactions.
- 3.20 There has been no Mortgage to Rent applications received and it is anticipated that this position will remain to the end of the financial year.

## General Services Capital Summary – Quarter Three

- 3.21 There has been further re-profiling of the capital budget. This is an ongoing process to ensure that in particular, the delivery of improvements to the education estate remains aligned to related housing and population demand projections.
- 3.22 **Appendix 4** sets out the 2018-19 re-profiled budgeted expenditure to the end of December 2018 with actual expenditure currently totalling £28.2 million. The gross projected spend for the full financial year is £42.9



million, a £1.675m reduction from the reported quarter 2 projections. The net borrowing requirement position is expected to outturn at £17.9 million.

3.23 The summary table below provides a narrative of the status of key capital projects, and main movements from Quarter 2.

Project	Narrative
ICT	<b>Replacement CRM Project</b> – Reprofile of expenditure.
Fleet	<b>Vehicles / Amenities Machinery &amp; Equipment Replacement</b> – Overspend in expenditure to be offset against additional income received from vehicle part exchange
Open Space	<p><b>Cemeteries</b> - No spend now anticipated in the year due to delays in site negotiation. Planning permission has been lodged and spend expected in to be delayed until 2019-20.</p> <p><b>Coastal/Flood Protection – Musselburgh</b> – Project re-profiled - survey work not expected to complete until 2019-20.</p> <p><b>Coastal Car Parks/Toilets</b> – Project scope under review. No significant spend likely during 2018-19</p> <p><b>Mains Farm Sports Pitch &amp; Pavilion</b> - Rugby Pitch and play area to be delivered in 2018-19. Pavilion is now anticipated to be delivered during 2019-20 due to delays in design.</p>
Roads, Lighting and related Assets	<p><b>Parking Improvements</b> – Work now on site and in progress at Humbie and Longniddry. Some of the other sites may extend into 2019-20.</p> <p><b>Roads</b> – Current projections to deliver budget – however there remain some risks to delivery with winter weather.</p> <p><b>Roads – Externally Funded projects</b> – Budget has increased significantly due to £577,000 funding for electric charging points.</p>
Property – Education	<p><b>Aberlady Primary</b> – Client team have been working with Environmental Health team in order to resolve issues surrounding the construction of the first outdoor classroom in East Lothian. Majority of spend now expected in 2019-20.</p> <p><b>Dunbar Grammar</b> – Overspend has been caused by a number of contractual issues resulted in delays to the start of the project, resulting in additional legal costs. School building has been fully handed over by the contractor.</p>

Project	Narrative
	<p><b>East Linton Primary</b> – Acceleration of surveys into 2018-19.</p> <p><b>Gullane Primary</b> – Total project spend has increased due to redesign of project to include an Early Learning centre within school under Scottish Government Early Learning and Childcare scheme. This increase will be covered by 1140 hours grant income.</p> <p><b>Meadowpark Communication Provision</b> – No further spend anticipated in current year. Remaining works will be carried out in 19/20.</p> <p><b>North Berwick High School</b> – Contractor appointed and due to be on site during the remainder of 2018-19.</p> <p><b>Pinkie St Peters</b> – Project outturn has increased due to updated estimates for materials and updated design under auspices of Early Learning and Childcare scheme. The increase will be covered by external 1140 hours grant income.</p> <p><b>Prestonpans Infant School</b> – Project delayed due to change in building specification.</p>
Property – Other	<p><b>Accelerating Growth – Enabling Infrastructure</b> – Current year spend and associated grant income increased to reflect Blindwells HIF funding.</p> <p><b>Brunton Hall Improved Community Access</b> – Project has been moved into future years due to various options being considered for best use for community.</p> <p><b>Court Accommodation</b> – Contract soon to be awarded for Phase 1. Budget reprofiled.</p> <p><b>Haddington Corn Exchange</b> – Works now unlikely to commence until March.</p> <p><b>Meadowmill Depot</b> – Design costs currently being quantified. No further spend is anticipated this year.</p> <p><b>Port Seton Community Centre</b> – No further spend anticipated in current year due to extended tendering process.</p> <p><b>Property Renewals</b> – Projected overspend due to essential fire safety works.</p> <p><b>Whitecraig Community Centre</b> - Reprofiled expenditure – works due to be completed Summer 2019</p>

#### **4 POLICY IMPLICATIONS**

- 4.1 There are no direct policy implications associated with this report. 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 19 December 2017 – Item 4 – Financial Strategy 2018-23
- 7.2 Council 13 February 2018 – Item 2a – Administration Amendment General Services budget proposals
- 7.3 Council 13 February 2018 – Item 3 – Rent Proposals
- 7.4 Council 28 August 2018 – Item 5 – Quarter 1 Financial Review
- 7.5 Council 11 December 2018 – Item 4 – Quarter 2 Financial Review

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<b>DATE</b>	8 February 2019



2018-19 Q3 Financial Review - Appendix 1

Budget Monitoring 2018/19

Service	Head of Service	Business Unit	2018/19 Budget	2018/19 Actual to Date	2018/19 Budget to Date	2018/19 Budget Variance to Date	Variance	Financial Risk Assessment
				£'000	£'000	£'000	%	
Resources & People	Education	Pre-school Education & Childcare	7,329	5,746	6,201	-455	-7.3%	Low
Resources & People	Education	Additional Support for Learning	7,789	6,953	6,441	512	7.9%	High
Resources & People	Education	Schools - Primary	36,850	26,138	26,364	-226	-0.9%	Medium
Resources & People	Education	Schools - Secondary	39,118	27,414	27,621	-207	-0.7%	Low
Resources & People	Education	Schools - Support Services	3,547	2,641	2,728	-87	-3.2%	Low
<b>RESOURCES &amp; PEOPLE</b>	<b>EDUCATION TOTAL</b>		<b>94,633</b>	<b>68,892</b>	<b>69,355</b>	<b>-463</b>	<b>-0.7%</b>	
Resources & People	Council Resources	Financial Services	1,650	1,259	1,423	-164	-11.5%	Low
Resources & People	Council Resources	Revenues & Benefits	1,923	946	1,142	-196	-17.2%	Low
Resources & People	Council Resources	IT Services	2,012	1,379	1,480	-101	-6.8%	Low
Resources & People	Council Resources	Legal & Procurement	539	628	631	-3	-0.5%	Low
Resources & People	Council Resources	Human Resources & Payroll	1,506	1,149	1,229	-80	-6.5%	Low
Resources & People	Council Resources	Licensing, Admin & Democratic Services	3,434	2,528	2,609	-81	-3.1%	Low
<b>RESOURCES &amp; PEOPLE</b>	<b>COUNCIL RESOURCES TOTAL</b>		<b>11,064</b>	<b>7,889</b>	<b>8,514</b>	<b>-625</b>	<b>-7.3%</b>	
<b>RESOURCES &amp; PEOPLE TOTAL</b>			<b>105,697</b>	<b>76,781</b>	<b>77,869</b>	<b>-1,088</b>	<b>-1.4%</b>	
Health & Social Care Partnership	Childrens & Adults	Childrens	13,884	11,577	10,079	1,498	14.9%	High
Health & Social Care Partnership	Childrens & Adults	Adults	19,391	12,187	11,516	671	5.8%	High
Health & Social Care Partnership	Access & Older People	Older People	31,330	22,580	21,875	705	3.2%	High
<b>HEALTH &amp; SOCIAL CARE PARTNERSHIP TOTAL</b>			<b>64,605</b>	<b>46,344</b>	<b>43,470</b>	<b>2,874</b>	<b>6.6%</b>	
Partnerships & Community Services	Development	Planning	1,116	788	858	-70	-8.2%	Low
Partnerships & Community Services	Development	Economic Development & Strategic Investment	1,820	1,163	1,242	-79	-6.4%	Low
Partnerships & Community Services	Development	Property Maintenance Trading Account	-763	-28	71	-99	-139.4%	Low
Partnerships & Community Services	Development	Community Housing	1,979	1,579	1,889	-310	-16.4%	Low
<b>PARTNERSHIPS &amp; COMMUNITIES SERVICES</b>	<b>DEVELOPMENT TOTAL</b>		<b>4,152</b>	<b>3,502</b>	<b>4,060</b>	<b>-558</b>	<b>-13.7%</b>	
Partnerships & Community Services	Infrastructure	Facility Support Services	3,362	2,885	2,813	72	2.6%	Medium
Partnerships & Community Services	Infrastructure	Facility Trading Activity	-205	-1,375	-1,422	47	-3.3%	Low
Partnerships & Community Services	Infrastructure	Asset Planning & Engineering	2,346	2,969	2,959	10	0.3%	Low
Partnerships & Community Services	Infrastructure	Landscape & Countryside Management	5,458	5,033	4,982	51	1.0%	Low
Partnerships & Community Services	Infrastructure	Roads Network	4,428	3,410	3,135	275	8.8%	Medium
Partnerships & Community Services	Infrastructure	Roads Trading Activity	-763	-362	-366	4	-1.1%	Medium
Partnerships & Community Services	Infrastructure	Transportation	1,163	336	337	-1	-0.3%	Low
Partnerships & Community Services	Infrastructure	Waste Services	7,309	5,335	5,313	22	0.4%	Low
Partnerships & Community Services	Infrastructure	Healthy Living	3,429	2,233	2,272	-39	-1.7%	Low
<b>PARTNERSHIPS &amp; COMMUNITIES SERVICES</b>	<b>INFRASTRUCTURE TOTAL</b>		<b>26,527</b>	<b>20,464</b>	<b>20,023</b>	<b>441</b>	<b>2.2%</b>	
Partnerships & Community Services	Communities & Partnerships	Corporate Policy & Improvement	996	796	852	-56	-6.6%	Low
Partnerships & Community Services	Communities & Partnerships	Community & Area Partnerships	6,547	5,123	5,406	-283	-5.2%	Low
Partnerships & Community Services	Communities & Partnerships	Protective Services	1,090	1,476	1,440	36	2.5%	Low
Partnerships & Community Services	Communities & Partnerships	Trading Standards	162	93	121	-28	-23.1%	Low
Partnerships & Community Services	Communities & Partnerships	Arts Development	689	313	340	-27	-7.9%	Low
Partnerships & Community Services	Communities & Partnerships	Customer Services Group	3,429	2,981	3,176	-195	-6.1%	Low
<b>PARTNERSHIPS &amp; COMMUNITIES SERVICES</b>	<b>COMMUNITIES &amp; PARTNERSHIPS TOTAL</b>		<b>12,913</b>	<b>10,782</b>	<b>11,335</b>	<b>-553</b>	<b>-4.9%</b>	
<b>PARTNERSHIPS &amp; COMMUNITY SERVICES TOTAL</b>			<b>43,592</b>	<b>34,748</b>	<b>35,418</b>	<b>-670</b>	<b>-1.9%</b>	
<b>SERVICE TOTAL</b>			<b>213,894</b>	<b>157,873</b>	<b>156,757</b>	<b>1,116</b>	<b>0.7%</b>	
Corporate Management		Asset Management	15,708	6,977	6,869	108	1.6%	Low
Corporate Management		Corporate Income	-233,998	-169,094	-169,348	254	-0.1%	Low
Corporate Management		External Audit	312	18	20	-2	-10.0%	Low
Corporate Management		Housing Benefit	1,380	1,752	1,872	-120	-6.4%	Low
Corporate Management		Renewable Energy	-71	-52	-52	0	0.0%	Low
Corporate Management		Valuation Joint Board	636	477	477	0	0.0%	Low
Corporate Management		Cycle to Work Scheme	0	14	14	0	0.0%	Low
Corporate Management		Childcare Vouchers	0	-36	-36	0	0.0%	Low
Corporate Management		Car Salary Sacrifice Scheme	0	86	86	0	0.0%	Low
Corporate Management		Pupil Equity Fund	0	0	0	0	0.0%	Low
Corporate Management		Criminal Justice Social Work Funding	1,129	0	0	0	0.0%	Low
Corporate Management		Apprenticeship Levy	508	346	339	7	2.1%	Low
Corporate Management		Pension Reserve	503	336	335	1	0.3%	Low
<b>CORPORATE MANAGEMENT TOTAL</b>			<b>-213,893</b>	<b>-159,176</b>	<b>-159,424</b>	<b>248</b>	<b>-0.2%</b>	
<b>TOTAL GENERAL SERVICES</b>			<b>1</b>	<b>-1,303</b>	<b>-2,667</b>	<b>1,364</b>		
<b>TOTAL HRA</b>			<b>0</b>	<b>-13,379</b>	<b>-12,597</b>	<b>-782</b>	<b>6.2%</b>	<b>Low</b>

## 2018-19 Q3 Financial Review - Appendix 2

### Delivery of approved Budget Efficiencies

Service	2018-19		
	Achieved	Achievable	TBC
	£'000	£'000	£'000
Education	678	491	17
Council Resources	214	5	0
H&SCP	781	470	0
Communities	367	31	0
Development	141	67	0
Infrastructure	641	441	73
Corporate	0	337	263
<b>Total</b>	<b>2,822</b>	<b>1,842</b>	<b>353</b>

### Savings Currently Red

Service	Proposal	Value £'000	Comments
Education	Service review of schools based technician service	17	Saving unlikely to be delivered in 2018-19
Facilities Management	Review of toilets	73	Balance of saving unlikely to be delivered in 2018-19
Corporate	Transformation	263	Balance of saving unlikely to be delivered in 2018-19
<b>Total</b>		<b>353</b>	

## 2018-19 Q3 Financial Review - Appendix 3

### HRA Capital Programme

	<b>2018/19 Budget (£'000)</b>	<b>Actual December 2018 (£000s)</b>	<b>Over/(Under) (£000s) Notes</b>
Modernisation Spend	11,297	6,922	(4,375)
New Affordable and Council Housing	11,010	2,622	(8,388)
Mortgage to Rent	769	0	(769)
Fees	1,288	0	(1,288) Allocated at financial year end
<b>Gross Total Housing Capital Spend</b>	<b>24,364</b>	<b>9,544</b>	<b>(14,820)</b>

2018-19 Q3 Financial Review - Appendix 3

General Services Capital

<u>Key - project lifecycle indication</u>	
1 - Feasibility	1
2 - Design	2
3 - Out to tender	3
4 - Tender Accepted	4
5 - Under Construction	5
6 - Operational/Retention	6
7 - Annual Budget allocation	7

<u>Key - project status</u>	
Project proceeding as planned	✓
Additional information - please refer to narrative	*
Project not yet started	—

Expenditure

<u>Annual (In-Year)</u>			
<u>Budget</u> <u>2018 /19</u>	<u>Actual</u> <u>2018 /19</u>	<u>Projected</u> <u>Outturn</u> <u>2018 /19</u>	<u>Budget-</u> <u>Projected</u> <u>Variance</u> <u>2018 /19</u>
<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>

<u>Cumulative (Totals)</u>				<u>Project</u> <u>lifecycle</u> <u>indication</u>	<u>Project Status</u>
<u>Total</u> <u>Project</u> <u>Budget</u>	<u>Total</u> <u>Project</u> <u>Spend</u>	<u>Projected</u> <u>Project</u> <u>Outturn</u>	<u>Lifetime</u> <u>Budget-</u> <u>Projection</u> <u>Variance</u>		
<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>		

<u>Community Projects</u>
Community Intervention
Support for Business / Town Centre Regeneration
Synthetic pitches
<b>Total Community Projects</b>

200	194	194	(6)
905	-	108	(797)
181	181	181	-
<b>1,285</b>	<b>375</b>	<b>483</b>	<b>(803)</b>

-	-	-	-	<b>7</b>	✓
3,301	224	3,301	-	<b>1</b>	-
200	181	200	-	<b>6</b>	✓
<b>3,502</b>	<b>405</b>	<b>3,502</b>	-		

<u>ICT</u>
IT Program

2,000	1,618	2,000	-
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-	-	-	-	<b>7</b>	✓
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Replacement - Corporate booking system	32	-	-	(32)	32	5	5	(27)	-	-
Replacement - CRM Project (Customer Services)	225	-	99	(126)	225	-	225	-	4	*
Social Care - IT - Retention	9	9	9	-	84	84	84	-	6	✓
<b>Total ICT</b>	<b>2,266</b>	<b>1,628</b>	<b>2,108</b>	<b>(158)</b>	<b>341</b>	<b>88</b>	<b>313</b>	<b>(27)</b>		

<b>Fleet</b>										
Amenties - Machinery & Equipment - replacement	100	121	121	21	-	-	-	-	7	*
Vehicles	1,365	497	1,379	14	-	-	-	-	7	*
<b>Total Fleet</b>	<b>1,465</b>	<b>619</b>	<b>1,500</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		

<b>Open Space</b>										
Cemeteries	440	-	-	(440)	927	-	927	-	2	*
Coastal / Flood Protection schemes	1,308	224	939	(369)	17,637	224	17,637	-	2	*
Coastal Car Park Toilets	434	6	6	(428)	600	6	600	-	2	*
Core Path Plan	50	12	75	25	-	-	-	-	7	✓
Mains Farm Sports Pitch & Pavilion	376	129	276	(100)	712	143	712	-	5	*
Pavilions - Ormiston - Retention	53	37	53	-	766	738	755	(11)	6	✓
Polson Park	12	13	13	1	162	26	162	-	1	✓
Waste - New Bins	90	110	135	45	-	-	-	-	7	✓
Waste - Machinery & Equipment - replacement	40	4	15	(25)	-	-	-	-	7	✓
<b>Total Open Space</b>	<b>2,804</b>	<b>535</b>	<b>1,512</b>	<b>(1,291)</b>	<b>20,804</b>	<b>1,137</b>	<b>20,793</b>	<b>(11)</b>		

<b>Roads, Lighting and related assets</b>										
Cycling Walking Safer Streets	142	3	143	1	-	-	-	-	7	✓
Parking Improvements	689	81	275	(414)	1,592	81	1,178	(415)	5	*
Roads	6,009	3,883	6,025	16	-	-	-	-	7	*
Roads - externally funded projects	297	429	1,195	898	-	-	-	-	7	*
<b>Total Roads, Lighting and related assets</b>	<b>7,137</b>	<b>4,397</b>	<b>7,638</b>	<b>501</b>	<b>1,592</b>	<b>81</b>	<b>1,178</b>	<b>(415)</b>		

<b>Property - Education</b>										
Aberlady Primary - outdoor facility incl 1140	116	6	8	(108)	118	6	68	(51)	1	*
Campie Primary - 1140	4	0	4	-	77	0	77	-	2	✓
Dunbar Grammar - extension	5,374	5,468	5,698	324	10,331	10,337	10,570	239	6	*

East Linton Primary - extension	-	19	86	86	1,169	19	1,517	348	2	*
East Saltoun Primary - 1140	8	1	-	(8)	247	1	147	(100)	2	✓
Gullane Primary - extension	100	-	91	(9)	2,505	-	3,650	1,145	2	*
Haddington Infant School - upgrades	264	238	264	-	270	238	270	-	5	✓
Kings Meadow Primary - hosting	3	-	3	-	131	120	131	-	6	✓
Law Primary - extension	1,117	1,175	1,175	58	8,460	8,545	8,545	85	6	✓
Letham Primary - New School	230	14	230	-	8,937	14	8,937	-	4	✓
Loretto Primary - 1140	2	0	2	-	36	0	36	-	2	✓
Meadowpark Communications Provision - upgrades	293	194	194	(98)	300	194	300	-	6	*
Musselburgh Primary - 1140 upgrades	2	0	2	-	34	0	34	-	2	✓
New Musselburgh Additional Secondary Education Provision	3,703	-	3,703	-	41,603	16	41,603	-	2	✓
Wallyford Primary - New School	13,140	11,965	13,140	-	19,202	18,162	19,202	-	5	✓
North Berwick High School - Extension	50	-	208	158	7,880	-	7,880	-	4	*
Ormiston Primary - extension	2	7	15	13	1,231	7	1,231	-	2	✓
Pinkie St Peter's Primary - Retention	3	68	68	64	5,167	5,237	5,237	70	6	✓
Pinkie St Peter's Primary - extension incl. 1140	130	-	70	(60)	4,637	-	4,844	208	2	*
Prestonpans Early Learning and Childcare Centre - Retention	10	-	10	-	10	-	10	-	6	✓
Prestonpans Infant School - extension incl. 1140	699	85	85	(614)	1,274	85	1,472	198	1	*
Ross High School - extension	150	-	254	104	8,830	-	8,830	-	2	✓
St Gabriels Primary - extension	5	-	-	(5)	125	-	125	-	2	✓
<b>Total Property - Education</b>	<b>25,404</b>	<b>19,242</b>	<b>25,310</b>	<b>(95)</b>	<b>122,574</b>	<b>42,983</b>	<b>124,716</b>	<b>2,142</b>		

<b>Property - Other</b>										
Accelerating Growth - Enabling Infrastructure	270	116	405	135	50,800	1,445	50,935	135	1	*
Brunton Hall - Improved Community Access	230	-	-	(230)	1,450	19	1,450	-	1	*
Court Accommodation - upgrades	294	-	64	(230)	1,822	-	1,822	-	3	*
Haddington Corn Exchange - upgrades	299	23	30	(269)	849	23	849	-	3	*
Herdman Flat	200	-	40	(160)	200	-	200	-	1	-
Inveresk Mills - upgrades	150	-	40	(110)	150	-	150	-	4	✓
Meadowmill - New Depot	170	73	74	(96)	1,000	73	1,000	-	2	*
New ways of working Programme	13	52	13	-	608	52	608	-	2	✓
Port Seton - Community Centre Extension	600	11	11	(589)	1,150	11	1,150	-	3	*
Prestongrange Museum - Retention	4	3	4	-	1,140	3	1,140	-	2	✓

Property Renewals	1,000	785	1,135	135	-	-	-	-	7	*
Residential Care Homes Provision, subject to Older People	5	5	5	-	1,005	5	1,005	-	1	✓
Sports Centres	200	140	212	12	-	-	-	-	7	✓
Torness Strategic Coordination Centre - Retention	-	8	8	8	-	8	8	8	6	✓
Whitecraig Community Centre	1,162	156	733	(430)	1,508	330	1,508	-	5	*
Winterfield Welfare - Retention	-	1	1	1	-	1	1	1	6	✓
<b>Total Property - Other</b>	<b>4,597</b>	<b>1,374</b>	<b>2,774</b>	<b>(1,823)</b>	<b>61,682</b>	<b>1,972</b>	<b>61,825</b>	<b>144</b>		
<b>Total Property - Education and Other</b>	<b>30,002</b>	<b>20,616</b>	<b>28,084</b>	<b>(1,918)</b>	<b>184,256</b>	<b>44,955</b>	<b>186,542</b>	<b>2,286</b>		
Capital Plan Fees	1,604	-	1,604	-	-	-	-	-	7	✓
<b>Total Gross Expenditure</b>	<b>46,563</b>	<b>28,169</b>	<b>42,929</b>	<b>(3,634)</b>	<b>210,495</b>	<b>46,667</b>	<b>212,328</b>	<b>1,833</b>		

<b>Income</b>				
<b>Total Income</b>	<b>(25,591)</b>	<b>(10,773)</b>	<b>(24,988)</b>	<b>603</b>

<b>Borrowing Requirement</b>	<b>20,972</b>	<b>17,395</b>	<b>17,941</b>	<b>(3,031)</b>
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**REPORT TO:** East Lothian Council  
**MEETING DATE:** 26 February 2019  
**BY:** Depute Chief Executive (Resources & People Services)  
**SUBJECT:** Treasury Management Strategy 2019-20 to 2023-24

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**4**

## **1 PURPOSE**

- 1.1 To seek the approval of the Council of the Treasury Management and Investment Strategies for 2019-20 to 2023-24.

## **2 RECOMMENDATIONS**

- 2.1 The Council is recommended to :
- i. Approve the Treasury Management Strategy referenced within sections 3.5-3.18.
  - ii. Approve the Investment Strategy referenced in Sections 3.19-3.21.
  - iii. Approve the repayment of loans fund advances by the statutory method before 1 April 2016 and by the asset life method after 1 April 2016 in Section 3.6, and agree that this may need to be reviewed subject to the outcome of the promised legislative changes at a national level.
  - iv. Approve the Operational Boundaries for external debt as detailed in Section 3.14.
  - v. Approve the Authorised Limits for external debt as detailed in Section 3.15.
  - vi. Approve the delegation of authority to the Head of Council Resources to effect movement between external borrowing and other long-term liabilities as detailed in section 3.18.
  - vii. Note the detailed Treasury Management Strategy Statement which has been submitted to the Members Library (Ref: 19/19, February 2019 Bulletin).

### 3 BACKGROUND

3.1 It is a statutory requirement under Section 93 of the Local Government Finance Act 1992, that the Council produces a balanced budget. In particular, a local authority must calculate its budget for each financial year to include the revenue costs that flow from capital financing decisions. This therefore means that increases in capital expenditure must be limited to a level whereby any increases in charges to revenue arising from the elements reflected below are limited to a level that is affordable and within the projected income of the Council for the foreseeable future. These elements include:

- Increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
- Any additional running costs from new capital projects

3.2 The Treasury Management Code of Practice, updated by CIPFA in 2017, requires the Council to approve a Treasury Management Strategy and an Investment Strategy in advance of each financial year.

3.3 As from 2019-20, all local authorities are required to prepare a Capital Strategy report, which is intended to firmly place decisions around borrowing in the context of the overall longer-term financial position of the authority and to provide improved links between the revenue and capital budgets. The Capital Strategy was approved by Council on 11 December 2018.

3.4 The full Treasury Management and Investment Strategy for the period 2019-20 to 2023-24 has been lodged in the Members Library. This report outlines the key points from those strategies. The figures used are based on those reflected within setting the Council Tax, HRA rents and supporting budgets on 12 February 2019.

#### Treasury Management Strategy

3.5 The actual capital expenditure incurred in 2017-18 and the estimates of total gross capital expenditure plans and how these are to be financed for 2018-19 and future five years in line with approved capital budgets are detailed below in Table 1 below. Not all of this spending will be funded by borrowing, with any shortfall of resources results in a borrowing need.

Table 1

Capital expenditure £'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
General Services	29,536	44,361	52,074	74,932	68,374	60,887	56,295
HRA	21,302	22,321	32,890	31,499	35,305	35,291	35,856
<b>Total</b>	<b>50,838</b>	<b>66,682</b>	<b>84,964</b>	<b>106,431</b>	<b>103,679</b>	<b>96,178</b>	<b>92,151</b>

Financing of capital expenditure £'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
<b>General Services</b>							
Capital receipts	(13,825)	(9,585)	(27,112)	(26,082)	(18,778)	(28,005)	(19,137)
Capital grants	(11,990)	(11,429)	(9,465)	(12,156)	(13,602)	(11,146)	(11,278)
CFCR	(113)						
<b>General Services Total</b>	<b>(25,928)</b>	<b>(21,014)</b>	<b>(36,577)</b>	<b>(38,238)</b>	<b>(32,380)</b>	<b>(39,151)</b>	<b>(30,415)</b>
<b>HRA</b>							
Capital receipts	(2,111)						
Capital grants	(3,905)	(5,304)	(6,222)	(5,619)	(6,401)	(5,479)	(2,534)
CFCR	(2,500)	(1,700)	(6,700)	(3,350)	(3,200)	(5,400)	(5,400)
<b>HRA Total</b>	<b>(8,516)</b>	<b>(7,004)</b>	<b>(12,922)</b>	<b>(8,969)</b>	<b>(9,601)</b>	<b>(10,879)</b>	<b>(7,934)</b>
<b>Net financing need for the year</b>	<b>16,394</b>	<b>38,664</b>	<b>35,465</b>	<b>59,224</b>	<b>61,698</b>	<b>46,148</b>	<b>53,802</b>

- 3.6 The net financing need for the year is financed by Loans Fund advances. The operation of the loans fund is regulated by statute, with updated regulations: (The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 (the 2016 Regulations)) coming into force on 1 April 2016. The current regulations state that the statutory method for loans fund advances made after 31 March 2021 is not available. However, as highlighted in the Budget report to Council on 12 February 2019, the Cabinet Secretary for Finance has formally announced his intention to bring forward legislative changes for Council's to vary loans fund advances made prior to 1 April 2016.
- 3.7 The Council will apply the following strategy for loans fund advances, but this may change subject to the outcome of the wider review, detail of which will be reported to Council in due course.
- For loans fund advances made before 1 April 2016, the Council's policy has been to maintain the practice of previous years and apply the **Statutory Method** with all loans fund advances being repaid by the annuity method.
  - For loans fund advances made after 1 April 2016 (with regard to the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016), the Council's policy for repayment of loans will be to move to the **Asset Life Method** with all loans fund advances continue to be repaid by the annuity method.
- 3.8 For illustrative purposes, assuming no further advances are made after year 5, the General Services and HRA expected loans fund balances are shown below in the tables 2 and 3 below.

**Table 2 - General Services**

General Services £'000	Opening Balance	Advances	Repayments	Closing Balance
Year 1	220,643	15,258	12,352	223,548
Year 2-5	223,548	119,258	64,357	278,450
Year 6-10	278,450		79,241	196,143
Year 11-15	196,143		41,434	154,709
Year 15-20	154,709		24,968	129,740
Year 21-30	129,740		22,073	107,667
Year 31-40	107,667		21,784	85,883
Year 41-50	85,883		27,760	58,122
Year 51-60	58,122		40,979	17,144
Year 61-70	17,144		17,144	

**Table 3 - HRA**

HRA £'000	Opening Balance	Advances	Repayments	Closing Balance
Year 1	191,264	19,968	3,728	207,504
Year 2-5	207,504	100,568	18,202	289,869
Year 6-10	289,869		30,189	259,681
Year 11-15	259,681		36,079	223,602
Year 16-20	223,602		38,446	185,156
Year 21-30	185,156		78,839	106,317
Year 31-40	106,317		36,058	70,259
Year 41-50	70,259		28,223	42,036
Year 51-60	42,036		29,696	12,340
Year 61-70	12,340		12,340	

3.9 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The Council does not associate borrowing with particular items or types of expenditure. The authority has an integrated Treasury Management Strategy and has adopted the CIPFA Code of Treasury Management in the Public Services. The Council has at any point in time a number of cash flows both positive and negative. In day-to-day cash management, no distinction is made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. However, other than to manage short-term cash flows, the Council is not allowed to borrow for revenue purposes.



3.10 Table 4 below sets of the capital financing requirement (CFR) and the movement in CFR for the Council setting out the 2017-18 actual, forecast 2018-19 position, and the forecast CFR based on approved budget plans from 2019-2024.

**Table 4 - CFR**

£'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
<b>Capital Financing Requirement (including PFI &amp; Finance Leases)</b>							
CFR – General Services	249,223	258,889	260,447	282,608	303,522	299,586	309,096
CFR – HRA	178,877	191,264	207,504	226,026	247,394	267,063	289,869
<b>Total CFR</b>	<b>428,100</b>	<b>450,153</b>	<b>467,951</b>	<b>508,634</b>	<b>550,916</b>	<b>566,649</b>	<b>598,965</b>
<b>Movement in CFR</b>	<b>130</b>	<b>22,053</b>	<b>17,798</b>	<b>40,683</b>	<b>42,282</b>	<b>15,733</b>	<b>32,316</b>
<b>Movement in CFR represented by</b>							
Net financing need for the year (above)	16,394	38,664	35,465	59,224	61,698	46,148	53,802
GS -Less loan fund repayments and other financing movements-	(13,263)	(13,681)	(13,939)	(14,534)	(15,079)	(25,672)	(16,370)
HRA - Less loan fund repayments and other financing movements	(3,001)	(2,930)	(3,728)	(4,007)	(4,337)	(4,743)	(5,116)
<b>Movement in CFR</b>	<b>130</b>	<b>22,053</b>	<b>17,798</b>	<b>40,683</b>	<b>42,282</b>	<b>15,733</b>	<b>32,316</b>

3.11 Capital investment decisions should be made in accordance with the following fundamental principles of the Prudential Code:

- Service objectives e.g. achieving the Council Plan objectives
- Stewardship of assets e.g. asset management planning
- Affordability e.g. implications for Council Tax and Rent levels
- Value for money e.g. option appraisal
- Prudence and sustainability e.g. implications for external borrowing
- Practicality e.g. is the investment proposal practical given other competing pressures on the service involved

3.12 Prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital

investment plans on the councils overall finances. Some of these are set out in more detail below.

- One of the main prudential indicators is the ratio of financing costs to net revenue streams which identifies the trend in the cost of capital against income. Actual 2017-18 figures, and estimates of the ratio of financing costs to net revenue stream for the current and future years are set out in the table 5 below.

**Table 5 – Ratio of financing costs to net revenue streams**

£'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
GS Revenue Stream	226,773	229,902	238,805	246,519	249,655	249,655	249,655
GS Financing Costs	19,069	29,729	19,802	20,651	21,250	23,541	24,833
General Services	8.41%	8.30%	8.29%	8.38%	8.51%	9.43%	9.95%
HRA Revenue Stream	27,896	29,729	31,862	34,139	36,590	39,109	41,524
HRA Financing Costs	8,971	9,388	10,763	11,627	13,583	14,169	15,926
HRA	32.16%	31.58%	33.78%	34.06%	37.12%	36.23%	38.35%

- The gradual increase in the General Services ratio largely reflects the standstill in corporate income against a background of increased capital investment plans to support the infrastructure requirements associated with future growth plans. The increase in the HRA ratio reflects the large planned investment in new affordable housing, which is mainly financed through borrowing. This borrowing has to be repaid with interest and this leads to increased financing costs.
- Furthermore, the incremental impact of capital investment decisions on council tax and housing rent levels identify the revenue costs associated with the approved changes to the five year capital budget compared to the councils previously agreed commitments and plans, as set out in Tables 6 and 7 below.

**Table 6 - Impact on Council Tax**

£	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
General Services Debt £'000	209,500	220,644	223,549	247,254	269,745	267,376	278,451
Band D Equivalents	47,174	48,200	48,501	49,391	50,281	51,000	51,800
Debt per Band D Equivalent £	£4,601	£4,578	£4,609	£5,006	£5,365	£5,243	£5,375

**Table 7 - Impact on Rent**

£	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
HRA debt £m	178,877	191,264	207,504	226,027	247,394	267,063	289,869
Number of HRA dwellings	8,698	8,738	8,835	8,947	9,094	9,188	9,351
Debt per dwelling £	£20,565	£21,889	£23,487	£25,263	£27,204	£29,066	£30,999

3.13 The Council's treasury portfolio position at 31 March 2018, with forward projections are summarised in Table 8 below. The table shows the actual external debt (the treasury management operations) against the underlying capital borrowing need (the Capital Financing Requirement – CFR) highlighting any over or under borrowing.

**Table 8 – Treasury Portfolio**

£'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
<b>External Debt</b>							
Debt at 1 April	344,247	358,026	379,084	396,806	438,504	479,239	511,577
Expected change in Debt	13,779	21,058	17,722	41,698	40,735	32,338	42,251
Other long-term liabilities (OLTL)	41,319	39,724	38,246	36,899	35,354	33,777	32,211
Expected change in OLTL	(1,595)	(1,478)	(1,347)	(1,545)	(1,577)	(1,566)	(1,566)
Actual gross debt at 31 March	<b>397,750</b>	<b>417,330</b>	<b>433,705</b>	<b>473,858</b>	<b>513,016</b>	<b>543,788</b>	<b>584,473</b>
The Capital Financing Requirement	<b>428,100</b>	<b>450,153</b>	<b>467,951</b>	<b>508,634</b>	<b>550,916</b>	<b>566,649</b>	<b>598,965</b>
Under / (over) borrowing	<b>30,350</b>	<b>32,823</b>	<b>34,246</b>	<b>34,776</b>	<b>37,900</b>	<b>22,861</b>	<b>14,492</b>

3.14 The key treasury management indicator of prudence is that external borrowing should not exceed the CFR for the preceding year plus additional CFR in the current and two following years. This year is projected to be within this indicator - External Debt £417m and CFR £509m (£428m+£22m+£18m+£41m). At the close of the 2017/18 financial year, the Council was well within this indicator, as the CFR for the actual year was £428 million and external borrowing was £398 million.

## Boundaries for Debt

3.15 In line with the requirements, the Council is asked to approve limits beyond which external debt is not normally expected to exceed. The operational boundaries for gross external debt are set out in Table 9 below.

**Table 9 – Operational Boundaries**

<b>Operational boundary £'000</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
Debt	411,907	431,052	473,280	517,139	534,438	568,320
Other long term liabilities	38,246	36,899	35,354	33,777	32,211	30,645
<b>Total</b>	<b>450,153</b>	<b>467,951</b>	<b>508,634</b>	<b>550,916</b>	<b>566,649</b>	<b>598,965</b>

3.16 Furthermore the Council must set maximum levels of borrowing by way setting Authorised Limits for its gross external debt. Table 10 below sets out the maximum authorised limits for the next five years. These limits separately identify borrowing from other long-term liabilities such as finance leases.

**Table 10 – Authorised Limits**

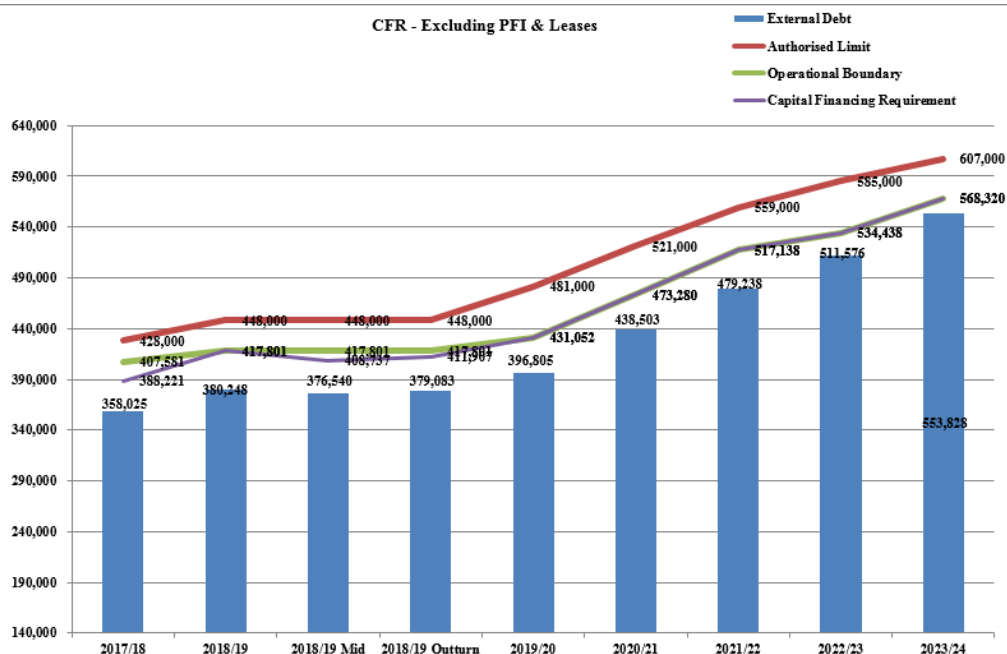
<b>Authorised limit £'000</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
Debt	448,000	481,000	521,000	559,000	585,000	607,000
Other long term liabilities	39,000	37,000	36,000	34,000	33,000	31,000
<b>Total</b>	<b>487,000</b>	<b>518,000</b>	<b>557,000</b>	<b>593,000</b>	<b>618,000</b>	<b>638,000</b>

3.17 These authorised limits are consistent with the Council's current commitments, and approved budget for capital expenditure and financing. The limits are based on the estimate of the most likely, but prudent but not worst-case scenario with, and includes sufficient headroom over and above this to allow for the operational management of unusual cash flows, such as debt restructuring, or timing issues with expected capital income.

3.18 A summary of the CFR against the planned external debt is set out in Table 11 and the further graph set out overleaf.

**Table 11**

Excluding PFI & Leases	2017/18	2018/19	2018/19 Mid	2018/19 Outturn	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Authorised Limit	428,000	448,000	448,000	448,000	481,000	521,000	559,000	585,000	607,000
Operational Boundary	407,581	417,801	417,801	417,801	431,052	473,280	517,138	534,438	568,320
Capital Financing Requirement	388,221	417,801	408,737	411,907	431,052	473,280	517,138	534,438	568,320
External Debt	358,025	380,248	376,540	379,083	396,805	438,503	479,238	511,576	553,828



3.19 In line with the approved standing orders, the Council has delegated authority to the Head of Council Resources to effect movement between borrowing and long-term liabilities within the total authorised limits and operational boundaries approved. Any such movement would be reported to Council / Cabinet via the Members Library and as part of Treasury Management update reports.

### Investment Strategy

3.20 The Council's Investment strategy is developed in line with Local Government Investments (Scotland) Regulations 2010, (and accompanying Finance Circular 5/2010), and the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017, ("the CIPFA TM Code").

3.21 The Investment strategy details the approach which the Council will take to minimise the risk to investments and lists the investments which the Council will be permitted to use. The regulations and guidance place a high priority on the management of risk. **The Council's investment priorities will be security first, liquidity second and then return.**

- 3.22 Common Good and Charitable Trust funds are managed on behalf of the Council by an external investment management firm. The strategy details the Council's policy on the investment of these funds. The indicator below sets a limit on the total level of investments held for longer than 364 days.

<b>Maximum principal sums invested &gt; 364 &amp; 365 days</b>			
<b>£m</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Principal sums invested > 364 & 365 days	£m 10	£m 10	£m 10

#### **4 POLICY IMPLICATIONS**

- 4.1 There are no direct policy implications associated with this report although clearly, the report provides a strategic context and direction within which all future financial plans should be considered. On-going monitoring and reporting of the Council's financial performance is a key part of the approved Treasury Management Strategy.

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

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

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – these strategies are interwoven with the revenue and capital budgets. The expenditure and debt limits are consistent with the revenue budgets approved by the Council on 12 February 2019.
- 6.2 Personnel - none directly from this report although there may be implications arising from capital investment decisions.
- 6.3 Other – capital investment choices made have a major impact on the property, equipment and IT resources available for the delivery of services.

#### **7 BACKGROUND PAPERS**

- 7.1 CIPFA (2017) – “Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes”
- 7.2 CIPFA (2017) – “The Prudential Code for Capital Finance in Local Authorities”

- 7.3 The Local Government (Scotland) Regulations 2010
- 7.4 The Local Authority (Capital Financing and Accounting) (Scotland) Regulations 2016
- 7.5 Capital Investment & Treasury Management Strategy 2019-20 to 2023-24 (lodged in Members Library Service, Ref: 19/19, February 2019 Bulletin)
- 7.6 Council 12 February 2019 – Administration budget papers – General Services and HRA

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<b>DATE</b>	11 February 2019





**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

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

**SUBJECT:** Support for East Lothian Businesses Loan to East Lothian Investments Ltd (ELI)

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**5**

## **1 PURPOSE**

- 1.1 To approve a loan to East Lothian Investments Ltd (ELI) and to authorise the Head of Council Resources to finalise and enter into a loan agreement on behalf of Council.

## **2 RECOMMENDATIONS**

- 2.1 The Council is recommended to:
- approve a loan of £300,000 to ELI;
  - authorise the Head of Council Resources to finalise the loan agreement satisfying to requirements set out in section 3.8.

## **3 BACKGROUND**

- 3.1 In 2009, the Council approved a loan facility of £300,000 to ELI which was repayable over a 3-year period, and which provided funds that ELI could lend to local businesses. In addition, a further loan of £300,000 was approved in December 2011 by the then Head of Finance and a report was lodged in the Members' Library, and a subsequent loan of equal value approved by Council in February 2013.
- 3.2 All of these loans were issued on similar terms where ELI would repay these funds with interest through 36 equal monthly instalments. ELI would fund this from the repayments received from local business plus the 5% administration charge they make on each interest-free loan.

- 3.3 The loans offered to business are typically unsecured funding up to a ceiling of £10,000 repayable over a maximum period of 36 months. The Board of ELI awards loans based on due diligence for each application by the fund manager and subsequent detailed Board debate. All companies applying for a loan must provide a detailed business plan, cash flow and at least 2 years of P&L accounts.
- 3.4 The ELC loans have supplemented the funds of ELI and the scheme has been highly successful and is regarded by many as innovative and award winning. Since April 2008 and the start of credit crisis it has:
- Awarded £2,815,100 from 321 loans
  - Received 517 loan applications
  - Created 815 jobs and protected 1,500
  - Levered in private sector funds of £16,459,637
- 3.5 The Council appoints 2 of the 5 directors, with the other 3 being representatives of the local business community. Councillors McMillan and Innes are the current Council appointments. The Council's Economic Development Unit provides the Company Secretary and supports the activities of the company. East Lothian Investments Ltd is authorised and regulated by the Financial Conduct Authority.
- 3.6 All of the original loan facilities have operated without any difficulties and has been repaid to the Council in full and on time.
- 3.7 The Directors of ELI have approach ELC for a further loan facility of £300,000 as their loan capital is fully committed. Applications for loans from ELI are currently closed until funds are replenished and any new demand from local business is not currently able to be supported. In recognition of the previous track record of timely repayment, and the continuing need to support local business, it is suggested that the Council should offer a loan facility to a maximum of £300,000.
- 3.8 If approved by Council, it is recommended that the Head of Council Resources is remitted to offer an additional 3-year loan to ELI to a maximum value of £300,000. ELI would be required to make 36 monthly payments of incorporating an interest rate set at an appropriate level to ensure compliance with the State Aid rules. It is currently estimated that this monthly payment would be approximately £8,742.88.
- 3.9 In providing financial support to business the Council must be mindful of State Aid regulations designed to prevent the distortion of competition within the market. In effect, the Council would be financing some business loans of £10,000 or less, which would be well below the current State Aid de minimis level of 200,000 Euros. Assessed cumulatively, the proposed loan to ELI is in excess of the de minimis level but, as long as a commercial rate of interest is applied by the Council to this loan, it does not constitute State Aid. The most recently issued guidance from the EU Commission

provides that an interest rate of 1.19% or above will generally be considered to meet the test of commerciality. The relevant PWLB interest rate is currently 1.78%. However, in order to comply with the rules relating to State Aid, the Council must carry out an assessment of the credit worthiness of the loan recipient, in this case ELI, and apply an interest rate that appropriately reflect the credit worthiness of the company and the nature of the facility offered. This facility has been carried out and there remains no concern around the credit worthiness of ELI. In addition the Council intends to enter into a robust loan agreement with ELI to ensure we apply the appropriate controls.

#### **4 POLICY IMPLICATIONS**

- 4.1 The loan will directly link in with the Economic Development Strategy 2012-22 (refreshed in 2018) and in particular, the two key policies of job creation and increasing the level of business density in the county.

#### **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 – the cost of the additional loan will be met by ELI with the exception of administrative costs. Each party will fund their own administrative costs. Although the interest rate used in the loan will be set with reference to the PWLB rates applicable on agreement day, the Council will fund the loan as part of its normal treasury management activities and will not specifically borrow these funds from PWLB. This means the sum loaned will be funded using the most financially efficient method available along with the day-to-day revenue and capital cash requirements normally managed by the Head of Council Resources.
- 6.2 The flexibility to apply this loan facility is allowable within the Council's Treasury Management Strategy.
- 6.3 Personnel - none
- 6.4 Other – none

#### **7 BACKGROUND PAPERS**

- 7.1 Supporting East Lothian Businesses – report to Council 26 May 2009

- 7.2 Loan to East Lothian Investments – MLS Report December 2011
- 7.3 Support for East Lothian Business – report to Council 26 February 2013
- 7.4 East Lothian Investments – report to Audit and Governance June 2018

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<b>DATE</b>	14 February 2019

**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

**BY:** Depute Chief Executive, Partnerships and Communities

**SUBJECT:** East Lothian Local Development Plan: Report on Consultation Responses on Supplementary Planning Guidance – Affordable Housing

**6**

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## **1 PURPOSE**

- 1.1 To inform Members of the results of the public consultation exercise on Supplementary Planning Guidance for Affordable Housing to the East Lothian Local Development Plan 2018.
- 1.2 To seek Members' approval for amendments to the supplementary planning guidance arising from the consultation responses received.
- 1.3 To seek Members' approval to adopt the supplementary planning guidance as amended.

## **2 RECOMMENDATIONS**

- 2.1 That Council approves the amendments proposed to the supplementary planning guidance arising from the consultation responses received.
- 2.2 That Council adopts the Supplementary Planning Guidance: Affordable Housing.
- 2.3 That the supplementary planning guidance be reviewed and updated every two years, unless there is a material change in the market. Any changes will be reported through the Members' Library Service.

## **3 BACKGROUND**

- 3.1 At its meeting of 26 June 2018 Council approved a draft consultation document for non-statutory Supplementary Planning Guidance: Affordable Housing.
- 3.2 The Council has now replaced the East Lothian Local Plan 2008 with a new Local Development Plan, the adopted East Lothian Local

Development Plan 2018 (ELLDP 2018), adopted as of 27 September 2018. The above non-statutory supplementary planning guidance to the Local Development Plan, if approved, would add further guidance to the plan's policies to guide decision makers.

- 3.3 Supplementary planning guidance is non-statutory and does not require the approval of Scottish Ministers. It provides detail on a range of subject areas and can be updated during the lifetime of the plan.
- 3.4 The intention is that matters to be addressed within non-statutory Supplementary Planning Guidance are those that would be too detailed for inclusion in the plan, but merit more detailed policy guidance to assist with the operation of policies or proposals and the delivery of the plan. The Supplementary Planning Guidance for Affordable Housing will supplement Policy HOU3: Affordable Housing Quota and Policy HOU4: Affordable housing Tenure Mix.
- 3.5 On 6 September 2016, the Council approved for consultation a draft of the Affordable Housing Supplementary Planning Guidance, which coincided with the representation period for the proposed LDP. Publicity was by way of advertisement, the Council's web page and consultation hub and direct contact with developers and housing providers.
- 3.6 The formal consultation which took place during the period 19 September 2016 to 7 November 2016 yielded no responses; however, there were responses received in relation to policies on affordable housing provision set out within the LDP. These responses were specific around the inclusion of 25% affordable housing for amenity, sheltered and retirement homes and were addressed within the Report of Examination of the Proposed ELLDP.
- 3.7 The guidance was redrafted to provide additional guidance and clarity for all those with an interest in affordable housing with specific reference to the following: Specialist Housing; updated eligibility criteria for Mid-Market Rent with revised income thresholds; updated eligibility criteria for discounted sale with revised house prices; and updated commuted sum figures.
- 3.8 This redraft was subsequently subject to further consultation to ensure statutory compliance and to ensure that stakeholders had the opportunity to comment on the updated version.
- 3.9 The further Consultative Draft Supplementary Planning Guidance was approved by Council for consultation on 26 June 2018 and formal consultation subsequently took place between 7 July 2018 and 17 August 2018. During this period a meeting was held with Homes for Scotland to discuss their concerns and at the end of this period a total of 9 organisations submitted their responses to the consultation.
- 3.10 All 9 responses to the draft Supplementary Planning Guidance have been considered with some areas being amended accordingly. These amendments will provide further clarity and substance for those with an interest in affordable housing. A full summary of the responses are attached in Appendix 2, however, the main areas of change include:

### **SPG – Affordable Housing February 2019 (Appendix 1): Chapter 3 - Evidence of Need**

While the consultative draft provides information on housing need, clarity was requested in relation to the need for social rented accommodation. Further detailed evidence is made available within the adopted Local Housing Strategy 2018 and Strategic Housing Investment Plan 2018/19-2023/24. Links to both documents are now referenced within this Proposed Supplementary Guidance.

### **SPG – Affordable Housing February 2019 (Appendix 1): Chapter 4 – Securing the Affordable Housing Contribution**

The Proposed Supplementary Guidance requires in all circumstances agreement must be reached between the applicant and the Strategic Housing Authority on all matters relating to the approach and delivery of affordable housing. All applicants must agree affordable housing locations, areas and numbers of units with the Strategic Housing Authority in advance of lodging any planning application in order to secure planning permission.

Applicants are encouraged to engage with the Council as early as possible to discuss key policy areas at outline stage.

Following this, applicants must agree locations, housing mix, types and design elements at planning application stage and a Section 75 agreement will conclude the consent with a trigger for agreeing the method as to how the units will be delivered.

A delivery schedule will then be required confirming the Affordable Housing Provider, delivery mechanism and tenure for each development. As a guide, the requirement will be to deliver a minimum of 80% social rented units with the remainder delivered through those other intermediate tenures set out in chapter six of the Supplementary Guidance.

The cascade provisions within the Section 75, outlined in chapter 4 will remain largely unchanged with the preferred provision being onsite delivery through serviced land or units. There will however be an additional option made available to developers through the delivery of units by adding the option to enter into a construction contract where the Affordable Housing Provider can do so as well introducing the option of staged payments as opposed to purchase on completion only.

### **SPG – Affordable Housing February 2019 (Appendix 1): Principles for Mid-Market Rent / Intermediate Rent (Appendix 1)**

The table providing detail of expected rent levels and income range has been amended to reflect the relevant Housing Market Areas.

- 3.11 This proposed SPG is intended to provide further information and detail on how the relevant policies of the ELLDP 2018 should be interpreted and applied. It provides a framework for the implementation of East Lothian Council's Affordable Housing Policy (as it relates to LDP policy i.e. quota, tenure mix, specialist provision etc.) and outlines the mechanisms by which

affordable housing can be delivered within a broader economic context. It aims to set out detailed guidance alongside the Strategic Development Plan (SDP1) and ELLDP 2018 policies on affordable housing. This proposed SPG on Affordable Housing has been prepared to:

- Set out information and advice to individuals and organisations with an interest in affordable housing
- Provide clarity in relation to the affordable housing requirement and contributions to be sought
- Promote transparency and consistency with regard to the developer's affordable housing obligations.

3.12 Following approval, this Supplementary Planning Guidance will be updated every two years or earlier if there are material changes within the market that require action. Any changes will be reported through the Members' Library Service.

3.13 A finalised version of the document is appended as Appendix 1 of this report. If approved the document will be published as adopted supplementary planning guidance to the ELLDP 2018.

#### **4 POLICY IMPLICATIONS**

4.1 The Supplementary Planning Guidance described within this report will become an essential component of delivering the strategy and policies of the ELLDP 2018.

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

5.1 The subject of this report has been through the Integrated Impact Assessment process through the ELLDP 2018 and no negative impacts have been identified.

#### **6 RESOURCE IMPLICATIONS**

6.1 Financial – There are no direct financial implications associated with approval of this Proposed Supplementary Planning Guidance, although the delivery of subsequent Affordable Housing obligations will impact on the detailed financial planning over the term of the Strategic Housing Investment Plan and financial planning arrangements for the Council's HRA capital programme.

6.2 Personnel - none

6.3 Other - none

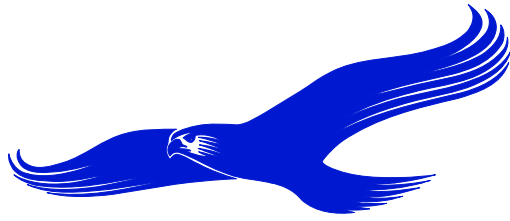


## **7 BACKGROUND PAPERS**

- 7.1 East Lothian Local Development Plan – Proposed Supplementary Planning Guidance: Affordable Housing - Appendix 1 to this report.
- 7.2 Report to 26 June 2018 meeting of East Lothian Council: East Lothian Local Development Plan 2018 – Supplementary Guidance / Supplementary Planning Guidance Consultation.
- 7.3 Responses received to consultation as detailed in Appendix 2 to this report.

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<b>DATE</b>	12 February 2019





**East Lothian**  
Council

**Supplementary Planning Guidance:  
Affordable Housing  
February 2019**

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## 1. Purpose of Document

This Supplementary Planning Guidance (SPG) on Affordable Housing supplements *Policy HOU3: Affordable Housing Quota* and *Policy HOU4: Affordable Housing Tenure Mix* of the East Lothian Local Development Plan (LDP) 2018 in relation to the delivery of affordable housing. It sets out how the planning system can assist with facilitating the delivery of affordable housing.

This SPG is non-statutory and is intended to provide further information and detail on how the above policies of the East Lothian LDP 2018 should be interpreted and applied. As such it provides a framework for the implementation of East Lothian Council's Affordable Housing Policy (as it relates to LDP policy i.e. quota, tenure mix, specialist provision etc.) and outlines the mechanisms by which affordable housing can be delivered within a broader economic context. It aims to set out detailed guidance alongside the Strategic Development Plan (SDP) and LDP policies on affordable housing.

This SPG on Affordable Housing has been prepared to:

- Set out information and advice to individuals and organisations with an interest in affordable housing
- Provide clarity in relation to the affordable housing requirement and contributions to be sought
- Promote transparency and consistency with regard to the developer's affordable housing obligations.

## 2. National and Local Strategic and Policy Context

This SPG on Affordable Housing has been informed by the national and local strategic and policy context outlined as follows:

### 2.1 National Strategic and Policy Context

**Homes Fit for the 21<sup>st</sup> Century (2011)** – This policy paper sets out the Scottish Government’s Strategy and action plan for housing for the period 2011-20. It identifies a need to build new high quality affordable homes (including social housing) to meet need and demand from a growing and ageing population, including households on lower incomes.

**2.1.1 Scottish Planning Policy (2014)** - The only definition of affordable housing comes from Scottish Planning Policy (SPP), which defines affordable housing as:

*“Housing of reasonable quality that is affordable to people on modest incomes. In some places the market may be able to meet most affordable housing needs but this will not be the case everywhere. Affordable housing may be provided in the form of social rented accommodation; mid-market rented accommodation; shared ownership housing; shared equity housing; housing sold at a discount (including plots for self-build) and low-cost housing without subsidy” (SPP 2014).*

The term ‘affordable housing’ can be controversial and an emotive subject for many, as what may be affordable to some people, may not be for others. SPP states that where the Housing Need and Demand Assessment (HNDA) and Local Housing Strategy (LHS) identify a shortage of affordable housing, it should be addressed in the LDP as part of the housing land allocation. The HNDA provides the evidence base for defining housing supply targets in LHSs and allocating land for housing in LDPs.

SPP 2014 is supported by a wide range of Planning Advice Notes (PANs) including PAN 2/2010: Affordable Housing and Housing Land Audits (August 2010)<sup>1</sup>. This sets out information regarding technical planning matters and provides a statement of advice on developing planning policy in relation to affordable housing and housing land audits. It describes a range of tenure types that can contribute to affordable housing and alternative means of delivering affordable housing (considered in Section four of this SPG). The nature of the contribution is typically the provision of serviced land e.g. a proportion of the site which can be developed by or for the local authority or other affordable housing provider. PAN 2/2010 does stress that its advice must be applied constructively and with flexibility in response to financial and market conditions.

<sup>1</sup> PAN2/2010 revoked PAN74 Affordable Housing (March 2005).

**2.1.2 Local Housing Strategy Guidance (2014)** - The Local Housing Strategy (LHS) is the local authority's sole strategic document for housing in its area, covering a five-year period. It sets out the strategy, priorities and plans for the delivery of housing across all tenures, to meet identified need. LHS Guidance (2014) supports local authorities in the preparation of their LHS. In accordance with Guidance, the LHS must consider the scale and distribution of the affordable housing requirement for a specified area. Where a shortage of affordable housing is identified, the LHS should clearly set out the role that affordable housing policies are anticipated to play in addressing this.

**2.1.3 Housing Need and Demand Assessment (HNDA) Guidance (2014)** - The Housing (Scotland) Act 2001 states that the LHS must be supported by an assessment of housing need and demand, with the HNDA forming a key part of the evidence base for the LHS and setting Housing Supply Targets. The HNDA also informs Development Plans, with local authorities (as both the statutory housing and planning authority) responsible for assessing housing requirements, ensuring a generous supply of housing land and enabling the delivery of both market and affordable housing.

HNDA Guidance provides a step-by-step approach to assessing need and demand across all tenures. Local authorities are encouraged to undertake this assessment at housing market area level and provide a clear understanding of the operation of the housing system as a whole. The HNDA should provide evidence to inform policies in relation to the level of affordable housing required.

**2.1.4 Joint Housing Delivery Plan for Scotland (2015)** - Halfway through the decade it was considered appropriate to reaffirm Scotland's shared public and private commitment to the vision set out in Homes Fit for the 21<sup>st</sup> Century. A Housing Policy Advisory Group was established and a Joint Housing Delivery Plan for Scotland published to ensure delivery of the strategic objectives set out in Homes Fit for the 21<sup>st</sup> Century and other Scottish Government Strategies with a bearing on housing.

**2.1.5 More Homes Scotland (2016)** – Following publication of the Joint Delivery Plan, the Scottish Government set a target of building 50,000 affordable homes by 2020 (35,000 of which are to be social rent) in a £3 billion investment programme, to increase the supply of affordable housing nationally by 67%. It is anticipated this housing investment will help to sustain 20,000 jobs, bring over £10 billion into the economy and be key to tackling poverty.

The More Homes Scotland approach is focussed on investing more public and private money in housing, getting land ready for housing and making sure we plan for new housing effectively. The approach includes although is not limited to:

- Increasing subsidy levels for affordable housing
- Establishing a Rural Housing Fund
- Providing support for City Deals
- Inviting proposals for the expansion of mid-market rent housing
- Market testing a private rented sector rental income guarantee scheme
- Investing £160 million to support affordable home ownership

## **2.2 Local Strategic and Policy Context**

**East Lothian Local Housing Strategy 2018-23** - In accordance with LHS Guidance, the East Lothian LHS 2018-23 provides the strategic direction to tackle housing need and demand and inform future investment in housing across the county.

The East Lothian LHS 2018 covers the period 2018-23. It contains six priority outcomes including *'Priority Outcome 2: The supply of housing is increased and access to housing improved across all tenures'* The implementation of SPG on Affordable Housing contributes towards meeting this outcome.

**2.2.1 East Lothian Strategic Plan for Health and Social Care Integration (2016)** - The LDP, LHS and East Lothian Strategic Plan support the principle of specialist housing provision and provision for specific housing needs. There is also a commitment across strategies and plans to achieving National Health and Wellbeing Outcomes, in particular Outcome 2 *'People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community'*.

**2.2.2 East Lothian Strategic Housing Investment Plan 2019/20–2023/24** - East Lothian Council is required to prepare a Strategic Housing Investment Plan (SHIP) annually, to cover a five-year period. The most recent SHIP sets out East Lothian's strategic housing investment priorities for the period. It contributes towards achieving the outcomes set out in the LHS and demonstrates how investment in affordable housing will be targeted to meet these objectives. It is also the key document for identifying the strategic housing projects which will assist the successful delivery of the Scottish Government's target of 50,000 affordable homes by 2020/21.



### 3 The Need for Affordable Housing

This Section of the SPG sets out the identified need for affordable housing and corresponding key issues.

#### 3.1 Assessing the Need for Affordable Housing

Planning Circular 1/2013<sup>2</sup> sets out Scottish Ministers' determination of the boundaries of the four Strategic Development Plan (SDP) areas across Scotland:

- 4 Glasgow and Clyde Valley (Clydeplan);
- 5 Aberdeen City and Shire;
- 6 Dundee, Perth, Angus and North Fife (TAYplan) and
- 7 Edinburgh and South East Scotland (SESplan).

East Lothian is situated within the Edinburgh and South East Scotland Strategic Development Plan (SESplan) area, comprising of the City of Edinburgh; East Lothian; Fife<sup>3</sup>; Midlothian; Scottish Borders and West Lothian Council administrative areas. Given this, Housing Need and Demand Assessments (HNDAs) prepared for the SESplan area, cover the administrative area of East Lothian. Three housing market areas are identified across the county, with the HNDA carried out at an East Lothian wide and housing market area level. The three housing market areas comprise Musselburgh, Haddington, Tranent etc; East Lothian Coastal Settlements and Dunbar and its Hinterland.

SESplan HNDA was signed off as robust and credible by the Scottish Government in June 2011. It provides an estimate of total housing need by calculating current housing need and estimating future housing demand. Estimated supply from stock turnover is then deducted to provide net housing need. Table 3.1 shows an estimated 232 households are projected to require affordable housing in East Lothian per annum, net of existing turnover.

<b>Table 3.1: SESplan HNDA: East Lothian Total Household Need for Affordable Housing (Net of Turnover) – Average Applying Over Next 10 Years (per annum)</b>			
	<b>East Lothian</b>	<b>Lothian</b>	<b>SESplan</b>
<b>Housing Need</b>			
<b>Existing Need</b>	138	1,306	1,908
<b>Future Need</b>	408	4,074	6,116
<b>Total Housing Need</b>	547	5,380	8,025
<b>Housing Supply</b>			
<b>Supply from Turnover</b>	314	3,009	5,265
<b>Net Housing Need</b>			
<b>Housing Need – Net of Turnover</b>	232	2,383	2,807

Source: SESplan HNDA Final Report, 2011

<sup>2</sup> Planning Circular 1/2013 represents a change to the previous TAYplan boundary and revokes Planning Circular 3/2008

<sup>3</sup> Fife comprises of the southern half of Fife for SESplan purposes, with the northern half falling into the TAYplan area.

SESplan HNDA also provides an estimate of demand for market housing, with demand for new houses net of turnover for East Lothian at 11,770 from 2009-32 as shown in Table 3.2. Table 3.2 sets out the % split in relation to need and demand for market and affordable housing. In the short term up to 2019, it demonstrates that affordable housing need is more acute, with a 41% requirement.

**Table 3.2: SESplan HNDA – East Lothian Demand for New Houses Net of Turnover, 2009-32 (per annum) and % Affordable Housing Requirement**

	Yrs 1-5 (2009-14)		Yrs 6-10 (2015-19)		Yrs 11-15 (2020-24)		Total Housing Demand 2009-24	Yrs 16-20 (2025-29)		Total Housing Demand 2009-32	
	No.	%	No.	%	No.	%	No.	No.	%	No.	%
<b>Affordable</b>	197	41	232	41	143	26	2,860	122	25	3,844	33
<b>Market</b>	282	59	331	59	405	74	5,090	360	75	7,926	67
<b>TOTAL</b>	479		563		548		7,950	482		11,770	

Source: SESplan Housing Technical Note, 2011

SPP suggests the quota of affordable homes that can be expected from a market housing site should normally be no more than 25% of units. In East Lothian, the primary requirement in relation to affordable housing is for social rented housing, however it is recognised that other affordable housing models are required to meet need and demand.

The LDP requires to ensure sufficient housing land is available to deliver 6,250 homes in the period 2009-19 and a further 3,800 homes over the period 2019-24. In total, sufficient housing land is needed in order to deliver 10,050 homes in the period 2009-24.

The most recent HNDA (SESplan HNDA2) evidences a need for increased housing per annum (including affordable housing) until the year 2030. Housing development in East Lothian is therefore likely to continue to grow at a fast pace, aiming to make an appropriate contribution to the Scottish Government target of 50,000 new affordable homes by the end of this parliament. It is therefore critical that East Lothian Council maximises its opportunities to increase the supply of affordable housing through the LDP.

### 3.2 Key Issues Identified in SESplan HNDA

SESplan HNDA identifies a range of issues in relation to the need and demand for housing across the county, informing an evidence base for the LHS 2012-17. These issues are summarised as follows:

- Circa 4,000 households on the Council’s housing list
- Identified need for 10,050 houses in East Lothian between 2009 and 2024
- Requirement for 6,250 units of housing between 2009 and 2019
- Further requirement for 3,800 units of housing to be delivered between 2019-2024
- Lack of availability of land to deliver affordable housing is a major problem
- 33% affordable housing needed within the overall housing supply figure
- High demand for all types and sizes of housing in East Lothian

- A combination of a growing population; households becoming smaller and an ageing population is likely to mean that more affordable housing is required, particularly smaller units
- An ageing population is likely to mean more affordable housing is needed for older people and people with a physical disability
- Changes to homelessness legislation will put increased pressure on affordable housing and mean more new build affordable housing is needed
- High house prices and challenges around borrowing from lenders create difficulties in relation to purchasing on the open market, particularly for first time buyers
- An increased range of tenures are available that should be supported
- The economic climate has caused the house building industry to slow down, affecting the amount of affordable housing which can be built
- The private rented sector can be difficult for people to access and afford
- Welfare Reform is causing difficulty for some household groups with regard to the affordability of housing costs and for landlords to be able to invest in new housing
- Existing housing stock is highly pressured and must be used effectively

### **3.3 Assessing Local Need for Affordable Housing**

While SESplan HNDA provides information at a county wide and housing market area level, more detailed evidence is available within the LHS 2018-23

[https://www.eastlothian.gov.uk/downloads/file/27328/east\\_lothian\\_local\\_housing\\_strategy\\_2018-23](https://www.eastlothian.gov.uk/downloads/file/27328/east_lothian_local_housing_strategy_2018-23). East Lothian Council's Strategic Investment Team will prepare a Local Investment Framework by June 2019 to improve this intelligence and create a tenure mix for specific areas. Until this is in place, the Strategic Investment Team will assess each site on its own merits.

The Strategic Housing Investment Plan (SHIP) 2018/19-2023/24 currently provides further detail on those sites coming forward over the next 5 years. This SHIP is required to be updated annually.

#### **3.3.1 Assessing the Need for Specialist Provision**

Demographic trends indicate that the population of older people is increasing and will continue to increase in the future, as older people are living longer. The number of people of pensionable age is projected to increase in all council areas across Scotland, with the second largest increase projected in East Lothian at 42% from 2014-39<sup>4</sup>.

By 2039, seven local authority areas across Scotland are projected to have half of their households headed by someone aged 60+. In East Lothian, 44% of households are projected to be headed by a person aged 60+ by 2039. Table 3.3 sets out household projections for older households headed by a person aged 75 and over in East Lothian.

<sup>4</sup> NRS 2014-based population projections

<b>Table 3.3: Household Projections for Households Headed by a Person Aged 75+ in East Lothian, 2014-39</b>					
	2014	2039	Average Annual Change	Overall Change 2014-39	
				No.	%
<b>East Lothian</b>	6,286	12,169	235	5,883	94
<b>Scotland</b>	311,183	556,107	9,797	244,924	79

Source: NRS 2014-based Household Projections

A significant proportion of older people will live alone or in smaller households, increasing the need for smaller sized homes. There are currently more single adult households aged 65+ than two person households and the projected growth in single person households is substantial. However, with projected increases of 29.0% for older single person households and 39.6% for older two-person households from 2012 to 2026, this gap is likely to begin to close across the county. This will mean there are likely to be increasing levels and substantive numbers of couple households wishing to remain together for longer in mainstream housing. In turn, this may impact upon care and support requirements.

A high proportion of older people are likely to have dementia and / or complex needs, despite increasing healthy life expectancy, which will have major implications for housing support and specialist housing provision. The projected changes to the population and household trends point to a shift towards a higher level of dependence within our population.

The majority of older people in East Lothian currently live in private mainstream housing (67%). However a potentially substantial proportion of older people are unlikely to have sufficient equity available in their existing homes, to have the capacity to fulfil their housing and care needs in the private market.

In addition to an ageing population, the need for specialist provision is and will continue to become increasingly important for people with a physical disability; people with a learning disability and people with a complex mental health condition. This is attributable to a growing population generally; an increase in complex needs and dementia; the policy objective of the Scottish Government to continue to shift the balance of care away from institutional settings and increasing public expectations of service provision.

The HNDA focusses on the need and demand for affordable and market housing, with the most recent HNDA (SESplan HNDA2) breaking this down into need and demand for privately owned housing; private rented housing; intermediate tenures i.e. mid-market rent, low cost home ownership and social housing. However, East Lothian Council considers the evidence in relation to housing need for specialist provision for particular needs groups to be limited in comparison. To enhance HNDAs, a Housing Need and Demand Assessment for Specialist Provision for Particular Needs Groups in East Lothian has been prepared. This analyses the scale, nature and location of need and demand for particular needs groups across the county. This shared evidence base is critical to

informing strategic planning for the delivery of future specialist housing provision and supports the wider integration of Housing and Health and Social Care.

It is clear that addressing the housing needs of increasing numbers of older people and other vulnerable groups will require a major rethink and redesign of services and building new, affordable and sustainable housing is a key priority. A variety of house types and sizes will be required, to promote mobility in the housing system and enable downsizing where appropriate. This may result in some lower densities on some affordable housing sites. Accessible and adaptable smaller sized homes and developing appropriate specialist housing will be critical.

All developments which propose to develop housing defined under use class 9 (whether a conversion, amenity, sheltered or retirement) will fall under the affordable housing policy and the 25% affordable housing quota.

### **3.4 Town Centre Provision**

Town centres are an important part of the settlement strategy, providing a focus for a wide mix of land uses including housing. East Lothian Council has signed up to the '*Town Centre First Principle*'<sup>5</sup>, which supports continued investment in town centres, to help communities to thrive. The East Lothian LHS considers the opportunities that exist for supporting town centre living and the scope that town centres may provide to contribute to meeting local housing need and demand. East Lothian Council's Strategic Housing Investment Team will consider funding initiatives to help resource affordable housing and complement wider regeneration activity. Housing and tenure mix is key to the success of sustainable and vibrant town centres, with affordable units dispersed evenly throughout.

### **3.5 Rural Housing Provision**

Rural parts of the county although very different in character, have a distinct set of issues in common in relation to housing. Demand for housing is high across all tenures in East Lothian, but there is particularly acute pressure in rural areas, due to a shortage of affordable housing. In part this is due to a loss of properties through the Right to Buy, which impacted significantly upon rural areas. Demand for housing in rural areas keeps house prices high, with evidence suggesting that house prices in rural areas are higher than in the main settlements. There is also national evidence that households living in rural areas typically need to spend 10-20% more on everyday requirements than those in urban areas.

New build housing development in the countryside will be supported in the LDP in circumstances where there is a justified operational requirement and no appropriate existing building suitable for conversion, identified as being available in the locality.

In the case of small scale housing proposals in the countryside, the LDP will support new affordable housing if evidence can be provided of need and the affordable housing provider can ensure that the dwellings will remain affordable in the longer term.

<sup>5</sup> <http://www.gov.scot/Topics/Built-Environment/regeneration/town-centres/TheTownCentreFirstPrinciple>

## **4 Affordable Housing Contribution**

In accordance with SPP, this Section of the SPG sets out East Lothian Council's approach to how the affordable housing contribution is agreed and secured.

Based on evidence from SESplan HNDA and the LHS, a specific policy intervention in the planning process in the form of an affordable housing policy is identified as being required, to help increase the supply of affordable housing across the county.

SESplan HNDA evidences a 33% requirement for affordable housing during the period 2009-32, with a more acute requirement of 41% during the earlier period up to 2019. However, SPP suggests the quota of affordable homes that can be expected from a market housing site should normally be no more than 25% of units.

### **4.1 Site Thresholds**

#### ***Policy HOU3: Affordable housing quota***

Development proposals that bring forward five or more dwellings must make provision for affordable housing as part of the proposal. The required proportion of affordable housing to be provided will be 25% of the total number of dwellings proposed for the site.

This includes all housing developments which propose to develop housing defined under use class 9, whether a conversion, student accommodation, amenity, sheltered or retirement housing.

To allow for the transition between Plans, affordable housing quotas for previously allocated sites will remain as set by the previous Local Plan. The affordable housing quota of the previous Plan was 25%, other than at Blindwells and at Letham Mains, Haddington where 30% and 17% quotas were set respectively. Both exceptions remain in the current LDP. Other than these exceptions, an Affordable Housing Contribution of 25% of the total number of units will be required. Where the 25% is not a whole number, it will be rounded off to the nearest whole number.

The process of securing and delivering the 25% Affordable Housing requires early engagement between the Council and Developer to discuss and set out the key policy requirements.

### **4.2 Affordable Housing Mix and Tenure**

East Lothian Council will seek to promote sustainable and mixed communities, developing a range of affordable housing to match local needs. East Lothian Council is currently preparing a Local Investment Framework, to build on existing intelligence. In the future this will indicate the requirement for the delivery of specific tenures and client groups within each of the sub-housing market areas. Until such time, the Council will require a tenure mix which delivers 80% social rent with the remaining 20% delivering intermediate tenures i.e. mid-market rent or low cost home ownership (refer to Chapter 6 for further detail).

It is important that particular demographic / geographical requirements are considered within the context of available subsidy. This can only be achieved through close collaborative working with developers, RSLs and other partners as agreed by the Council.

Developers must engage with East Lothian Council, prior to the submission of a planning application, to discuss and agree the affordable housing requirement pertaining to individual sites. This will include the area and location of land; number of units/ density; tenure; house types; design and where practicable, the method of delivery.

The overarching priority of East Lothian Council is to secure onsite delivery of affordable housing units preferably for social rent, through the transfer of serviced land or through the delivery of units. The Council also acknowledges that there is a need to increase choice for those in need of affordable housing and deliver other affordable tenures. As a guide, the Council would like to see a minimum of 80% of the affordable units delivered as social rent with the remaining percentage delivered through those other intermediate tenures.

In the event that East Lothian Council accepts that onsite delivery for social rent is not the priority or is undeliverable, consideration will be given to the delivery of alternative tenures i.e. mid-market rent or low cost home ownership, which are outlined in Section Six of the SPG.

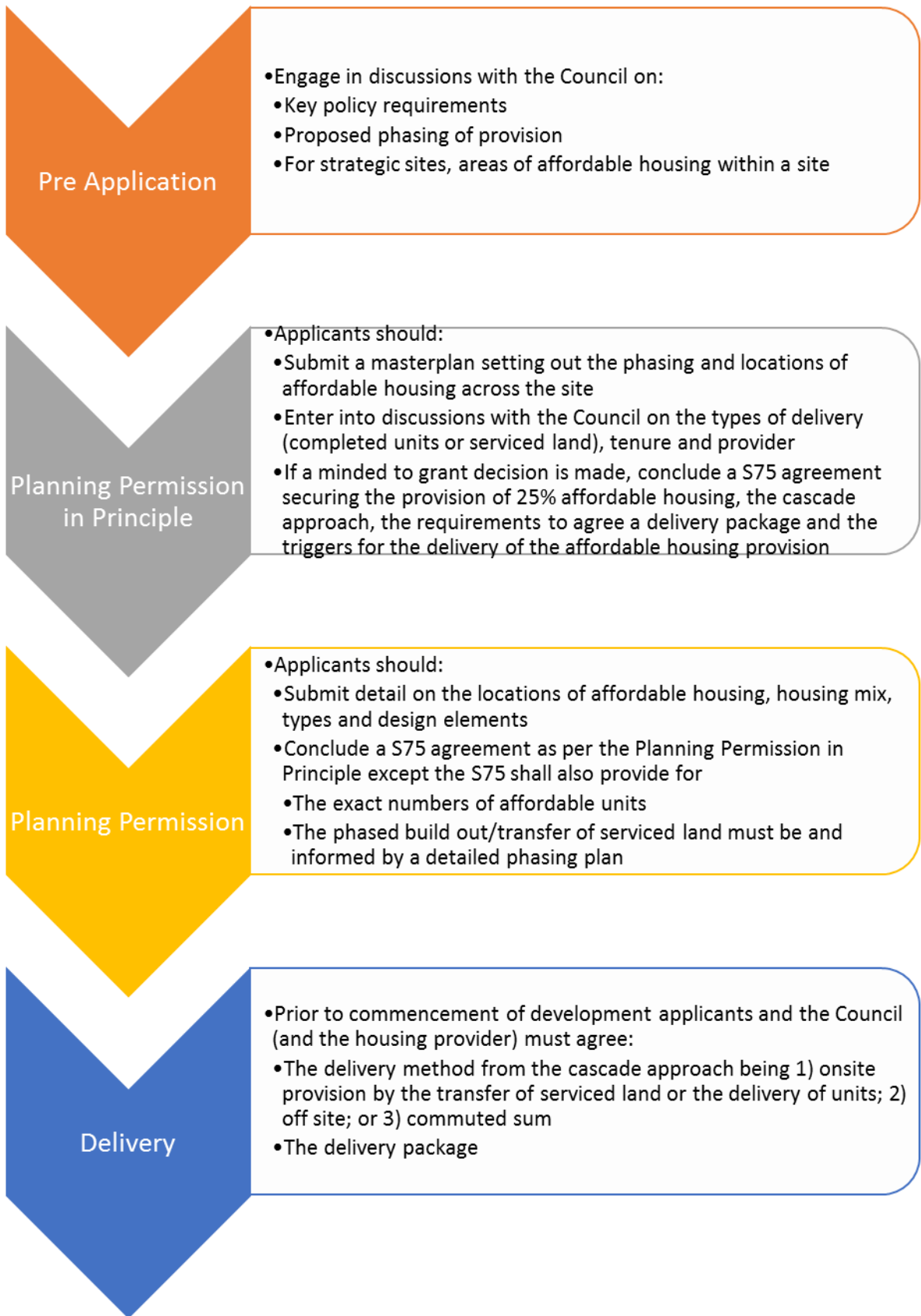
#### **4.3 Delivery Partners**

In addition to delivering its own programme, East Lothian Council works collaboratively with the Scottish Government and a number of Registered Social Landlords operating in the area. It is therefore important that agreement on the preferred affordable housing provider is reached with the Council to ensure support from the Scottish Government in its allocation of subsidy.

The SHIP provides details of the Affordable Housing Provider for each site identified over the next 5 years and a guide as to the tenure mix required on the sites identified. This is updated annually and the current SHIP can be found on the Council's website [https://www.eastlothian.gov.uk/info/210550/housing/12399/strategic\\_housing\\_investment\\_plan\\_ship/1](https://www.eastlothian.gov.uk/info/210550/housing/12399/strategic_housing_investment_plan_ship/1)

#### **4.4 Application engagement**

The Council encourages and seeks to support all pre-application discussions on affordable housing. The Council advises that applicants engage as early as possible to discuss the key policy requirements. In all circumstances, the approach to delivering affordable housing must be agreed with the Council. There are various stages to agree, secure and deliver and affordable housing provision for a Planning Permission in Principle or a Planning Permission, this is illustrated below.





#### **4.4 Securing the Affordable Housing provision – Section 75**

**Any Affordable Housing contribution is secured by a planning obligation (by virtue of Section 75 of the Town and Country Planning (Scotland) Act 1997). Section 75 permits a planning authority and any person, by agreement ( in respect of land in the district of the planning authority) to enter into a planning obligation** for the purpose of restricting or regulating the development or use of the land, either permanently or for a period as detailed in an agreement. The Section 75 agreement for both the planning permission in principle and the planning permission will contain:

- 1) The cascade approach as detailed below being :-
  - 1.1 On site provision of the transfer of serviced land or the delivery of units
  - 1.2 Off site provision
  - 1.3 Payment of a commuted sum
  
- 2)The delivery package to be agreed between the applicant and the Affordable Housing provider prior to the commencement of development of (1) any phase of development in a planning permission in principle which has an affordable housing provision or(2) development pursuant to the grant of a planning permission.
  
- 3)The triggers for the transfer of the affordable housing provision ( either transfer of serviced land or the delivery of units) to the Affordable Housing Provider. For planning permissions in principle, this is linked to phases. For Planning Permissions, this is linked to the phased completion of market units.

The Section 75 agreement will be concluded prior to the issuing of any associated planning consent. It is East Lothian Council's requirement that a Section 75 should be concluded within six months of any minded to grant decision from the Council on a planning application, or permission could then be refused. Any delay in these timescales may impact on the timescales or way in which a planning application will be determined

#### **Delivery Package**

For Planning Permissions in Principle and Planning Permissions a delivery package must be agreed between the applicant and the Council prior to the commencement of development of (1) any phase of development in a planning permission in principle which has an affordable housing provision and (2) development pursuant to the grant of a planning permission.

The purpose of the delivery package is to agree the mechanism of how the affordable units will be delivered. The delivery will be by an affordable housing provider such as the Council, a Registered Social Landlord or another type of affordable housing provider agreed with the Council. The Council has to agree to provide the support necessary to secure subsidy from the Scottish Government. Other aspects of the delivery package include the client group, tenure , density, phasing , the specification and the construct of the actual delivery i.e. serviced land, completed units either through turnkey, D&B or property transaction with staged payments.

The information is required to ensure that the affordable housing provision is in an appropriate layout and form of development, which meets the need for that area.

The delivery package will be agreed in terms of the schedule (which may be subject to change) annexed to this Supplementary Planning Guidance

#### **4.6 Cascade**

##### **On site provision by transferring serviced land, delivering units**

###### **Transfer of serviced land:**

The Council and Developer may decide that the transfer of an agreed area of serviced area to an affordable housing provider agreed by the Council is the preferred delivery option.

Serviced land is defined as 'land that is certified as ready for development and which benefits from the availability of utility service connections to the boundary, including surface water drainage; water mains; electricity; gas; telecoms including digital connectivity; mains sewer with an access point and route of vehicular and pedestrian access. Special care must be taken to ensure that the different elements of the development are successfully integrated and that the areas earmarked for the affordable housing element are not subject to any disproportionate or unreasonable development constraints.

Where serviced land is being transferred to East Lothian Council or a Registered Social Landlord, it will be valued at an appropriate end-use value determined by the District Valuer, in accordance with the current Royal Institution of Chartered Surveyors (RICS) Valuation Professional Standards, or at a value agreed by all parties involved in line with RICS standards. Where the land is being transferred to the Council, the valuation report will be instructed jointly with the expense being shared between the council and the developer.

Developers should take the requirement for affordable housing and any other Section 75 contribution into account in their own land and property negotiations with landowners to ensure the reduced land value is reflected in the purchase price. For the purposes of land negotiations it should be noted that the affordable housing valuation is nominal and very often results in a NIL value.

PAN 2/2010 states '*where non-market housing is to be provided as part of the development or part of the site is to be purchased by the Council or a Registered Social Landlord at a value lower than market housing, this will affect the price which can be paid for the land and will require to be negotiated with the site owner.*'

###### **Delivery of Units**

The Developer and the Affordable Housing Provider may wish to explore the delivery of units as an integral part of a mixed residential development with the landowner, rather than the transfer of serviced land. This can often provide a positive outcome in terms of a mixed residential development resulting in a tenure blind development. East Lothian Council's Strategic Investment & Regeneration Team will be happy to explore options with developers who wish to build and transfer affordable homes.

Timing, specification and design (as set out in chapter 5), costs and values would need to satisfy best value in these circumstances.

Please note that the same principles will apply i.e. The Council must agree the location and area of land to deliver the required affordable housing mix. The Council is also responsible for agreeing the Affordable housing provider and tenure delivery on site.

**The developer and the Affordable Housing Provider will agree the appropriate mechanism for delivery of the units i.e.**

• **Building Contract -**

It will be for the Developer and Affordable Housing provider to decide what type of contract should be used for a specific development to be constructed and to set forth the legally-binding terms and conditions in a contractual agreement.

• **Property Transaction with Staged Payments**

The Council may in some circumstances consider entering into a contract with a developer/affordable housing provider which facilitates payments for an affordable unit at an agreed stages of construction. The contract would also secure a final balancing payment in exchange for the transfer of an affordable housing unit. However this option will be subject to the developer being able to demonstrate sufficient security to the Council including ( but not limited to) granting a security over the affordable housing land, providing all necessary and relevant warranties for the construction and delivering the units in small tranches.

• **Turnkey**

A turnkey project is a type of project that is constructed by the developer and sold to the Affordable Housing provider as a completed product with a unit price to be agreed.

**Off-site Provision**

The provision of an off-site contribution is only deemed appropriate in circumstances where it is not practicable to deliver on-site, for example:

- Site-specific constraints,
- High development costs,
- The alternative site may be in a better location and deliver a better outcome for the affordable housing,
- The timeframe for the development of an off-site alternative could benefit East Lothian Council or a Registered Social Landlord.

Any off-site contribution must be agreed with the Council in the first instance, have planning consent and be in the form of fully serviced land and / or completed units, as outlined in accordance with preferences one and two.

The site area and number of affordable units provided off-site must equate to that which would have been provided on-site. If off-site provision is deemed acceptable, the units must be over and above any affordable units already required by this site.

### **Commuted Sums**

A commuted sum will only be considered as a last resort, where neither on-site nor off-site provision is deemed to be practicable by the Council .

Commuted sums will be paid to East Lothian Council and reinvested in the provision of affordable housing in East Lothian. The funds will be used to acquire sites, fund build costs and / or acquire units within the same market area.

A commuted sum is calculated as ‘the value equivalent to the cost of providing the proportion of serviced land required by East Lothian Council’s Affordable Housing Policy’.

The valuations will be updated every two years or earlier if there has been a material change in the market.

The financial contribution for each East Lothian market area has been assessed in accordance with the District Valuer’s methodology and are set out in Appendix Five.

Please note that these sums only apply to the six main towns of Musselburgh, Prestonpans, Tranent, Haddington, North Berwick and Dunbar. Any development out with the main towns e.g. Longniddry, Aberlady, Direlton etc. will be valued independently.

### **4.7 Subdivision of sites**

Where East Lothian Council considers that developers have submitted multiple planning applications for housing on the same or adjacent sites in order to reduce the provision of affordable housing required in terms of the Affordable Housing Policy, such applications will be processed as a single application.

### **4.8 Rural Housing Sites**

Where an opportunity is identified for development in a rural area which has no new build provision and is not well served by public transport and local amenities, it can often be unsuitable for social rented housing. The Council will consider alternative affordable housing tenures on such developments, providing the developer ensures that the dwellings will remain affordable in the longer term.

The Local Development Plan is supportive of new build housing development in the countryside, where there are no existing buildings suitable for conversion. In the case of small scale housing proposals, the Proposed Local Development Plan will support affordable housing if need is evidenced and the affordable housing provider ensures that dwellings will remain affordable in the longer term.

### **4.9 Viability Assessments**

East Lothian Council accepts that anticipated provision of affordable housing can affect land values for residential development. However, developers are expected to take account of planning policies and this SPG, including its effect on land values, prior to entering into land and property negotiations.

It is acknowledged there are often other contributions and unknown costs at the time of purchase, which together could make the development unviable. Where a scheme is considered to be unviable, developers will be required to demonstrate this by submitting a financial viability assessment on an 'open book' basis. In some cases, East Lothian Council's Strategic Investment & Regeneration Team may instruct an independent appraisal and only in exceptional circumstances will exemption be given.

The following costs are not typically considered to be abnormal:

- Site purchase / acquisition
- Site clearance works including levelling
- Removal of known contamination / remediation
- Provision of access
- Drainage
- Grouting

## **5 Affordable Housing Design Requirements**

**5.1** This section of the SPG sets out the specification and design requirements for the affordable housing.

PAN2/2010 advises that affordable housing ought to be, as far as possible, indistinguishable from the general mix of other houses on a site in terms of style and layout, use of materials, architectural quality and detail. Both 'pepper potting' of individual affordable houses throughout a development and large groupings of houses of the same tenure are best avoided. As a guide, the Council would normally expect areas between 30 and 60 units, however the Council will apply this guide flexibly in some situations depending on specific circumstances. Concentrating affordable housing for rent in small groups will ease the subsequent management of the homes by the Council or an RSL and contribute towards providing mixed balanced and sustainable communities.

The provision of affordable housing is about more than just bricks and mortar. It is about supporting place-making to ensure new housebuilding fosters good community relations and promotes positive health impacts. It is about creating vibrant, balanced communities which incentivise diversification in housing. It is also about the quality of what is provided, irrespective of tenure or type. Good design can contribute to health and wellbeing and improved quality of life and new housing should be innovative in terms of design, layout, open space provision, construction and energy efficiency. National planning policy set out in *Designing Streets* and SPP, aims to achieve high quality, well-designed homes in all new housing developments, including affordable housing and attention should be on both individual homes and the layout and design of the wider community.

The demographics of East Lothian are changing and with a growing ageing population there is a corresponding increase in demand for affordable housing suitable for older people and the specific design or management requirements this necessitates. To enable the delivery of quality housing and related services for a growing number of households across the county it is important to explore opportunities for future proofing housing designs.

### **5.2 Assessment of Sites**

As set out in the previous chapter, the approach to delivering affordable housing must be agreed with East Lothian Council on all matters related to delivery, including the location, number, type, tenure, density and design of affordable housing as well as the affordable housing provider and delivery method. The areas for affordable housing must be identified on the masterplan for the development and be capable of accommodating the required type, mix and number of affordable units to be built on them.

The availability of funds to support the delivery of affordable housing will be set out in the Council's Strategic Housing and Investment Plan. The Scottish Government confirm the Council's definite resource allocation on an annual basis with minimum resource allocations publicised for future years to assist with longer term programming.

The delivery of the affordable units is complex and East Lothian Council recognises that the availability of public subsidy is important in determining which form of affordable tenure may be provided i.e. subsidy is critical in helping to deliver social housing therefore The rate of phasing and timing for affordable housing is therefore critical to allow for programming of funding and resource planning. Understanding the timing and phasing of delivery can often make it difficult to confirm the tenure as developments may not feature within the current programme and budget.

***Developers should note that where subsidy is not available, East Lothian Council's requirement to deliver affordable housing remains.***

### **5.3 Quality and Design**

East Lothian Council require all affordable homes to be of a good design and quality and fit for purpose. Affordable housing should be innovative in terms of design, layout, open space provision, construction and energy efficiency. The following are key considerations in the design of affordable housing on any scheme.

#### **5.3.1 Integration**

When designing affordable housing, it is important to ensure integration to blend the affordable housing aspects within the overall development rather than isolating these areas to ensure the development is tenure neutral. The aim must be to prepare a design that delivers a mixed community with a sense of place and identity.

Smaller groups of affordable housing should be distributed throughout a large site, as opposed to being concentrated in one area. Each affordable plot should be clearly separate from one another and located such that they can be developed consistent with any proposed phasing plan. The creation of large single tenure areas will be unacceptable. Higher densities for the affordable housing in comparison to the market housing should also not be assumed to be acceptable.

#### **5.3.2 Layout:**

- Must be located where possible, close to public transport, paths and active travel links and community facilities and amenities
- Located to maximise solar gain
- Should contribute to opportunities for open space and green network enhancement wherever possible
- Must be of an area sufficient to accommodate the required number of units at a suitable density to provide an appropriate housing mix to meet the assessed local housing need.

### 5.3.3 Housing Types

Achieving the correct type and size of housing, including special needs is key and an appropriate mix of the following house types will be expected:

1bed/2apt/2person flats

2bed/3apt/3person and 4person flats

***Cottage style flats with main door access are preferable to flats with common stairs.***

2bed/3apt and 4apt/4person houses

3bed/4apt and 5apt / 5 person houses

4bed/5apt and 6apt / 6 person houses

2bed/3apt/3 and 4person wheelchair bungalow or ground floor flat

3bed / 4apt / 4 and 5 person wheelchair bungalows or housetypes with ground floor bedrooms

### 5.3.4 Specification

All matters of design must be discussed and agreed with the affordable housing provider for whom the properties are being delivered.

Room sizes and layouts must meet the requirements of the affordable housing provider to ensure they reflect individual allocation policies e.g. minimum space standards for bedroom sizes, build in storage requirements.

As a minimum, affordable homes must comply both internally and externally with the relevant Essential design criteria from Housing for Varying Needs (HfVN) to ensure they address the requirements of the Scottish Government and Local Authority.

Developments should aim to achieve Secure by Design accreditation.

Depending on the client group, a percentage of affordable dwelling will be required to comply both internally and externally with HfVN part 2: Housing with Integral Support.

### 5.3.5 Meeting the needs of Older People

Housing provision for older persons will be mainly directed at specific design solutions through mainstream affordable housing such as the provision of bungalows, flats with lifts and sheltered housing that can meet the needs of individuals outside of institutional care. Design aspects of proposals for this client group should deliver housing that incorporates flexible designs which enable adaptation for future needs and uses in terms of internal and external spaces. Incorporating features such as dementia friendly design and compliance with the requirements of HfVN applying to dwellings specifically for older and ambulant disabled people are also important.

Specific accommodation for the elderly will be expected to be provided in sustainable locations where there is reasonable access to facilities such as public transport, health care, shopping and other community facilities.

Use class 8 under planning legislation relates to nursing and care homes; and

Use class 9 relates to dwelling houses in general.



Use class 8 will not count towards affordable housing, however use class 9 will. This will include those hybrid proposals such as extra care housing schemes that accommodate individual dwellings that are self-contained (e.g. sheltered). Those instances that propose a mix of use class 8 and 9 the provisions for contributions of affordable housing will be applied on all use class 9 proposals.

### **5.3.6 External features**

External design is also important with an expectation of a minimum area of usable garden space and areas for clothes drying wherever these are deliverable.

Incorporating features such as dementia friendly design and other features suitable for particular needs client groups.

Car parking provision for the affordable housing dwellings are usually required at 100% of the housing units.

### **5.3.7 Energy Efficiency**

Scotland's Sustainable Housing Strategy sets out a vision for the new build market and developers to maximise the potential of innovative design and construction techniques to deliver more, greener, warmer, higher quality, affordable homes as part of sustainable neighbourhoods, creating export and other economic opportunities which will support low carbon economies and prevent fuel poverty.

It is therefore important that sustainable development is considered and integrated into plans and house types including the application of low carbon energy.

The Scottish Government supports Greener Standards in house building which also increases the energy efficiency of properties. Extra funding is available through the Government's Affordable Housing Supply Programme (AHSP) for homes meeting the 'silver' standard for emissions and energy use within section 7 of the 2011 building regulations in respect of energy for space heating.

### **5.3.8 Factoring**

Developments often include design features which increase the management and maintenance costs of a development. Wherever possible affordable developments should not have a factoring charge and where they do this should be kept to a minimum e.g. it may be possible for the affordable housing provider to take on the maintenance of areas within the affordable housing location.

## 6 Affordable Housing Tenures

This Section of the SPG sets out the range of tenures recognised by East Lothian Council as comprising 'affordable housing', in accordance with SPP and definitions set out in PAN2/2010.

**6.1 Social Rent:** Housing provided at an affordable rent and managed by a local authority, Registered Social Landlord or other not for profit social housing provider, regulated by the Scottish Housing Regulator. To qualify for Scottish Government subsidy, the design specifications require to meet 'housing for varying needs' criteria (see 5.3.5). Developments are not guaranteed to receive public subsidy, therefore early initial discussions with East Lothian Council's Strategic Investment Team are critical to ensure inclusion within the SHIP.

**6.2 Mid-Market / Intermediate Tenure Rent:** Accommodation available at rents below market rent levels in a defined local area. Rents are typically lower than Local Housing Allowance levels. This tenure may be provided by a Registered Social Landlord, developer or alternative organisation agreed by East Lothian Council's Strategic Investment Team. Rents and eligibility criteria will be set in agreement with East Lothian Council and the provider.

**6.3 Subsidised Low Cost Home Ownership for Sale (shared equity):** A publicly funded subsidised unit, sold at a level identified as being affordable within a local context. The householder pays for the majority share in the property with a Registered Social Landlord, local authority or Scottish Government holding the remaining share under a shared equity agreement. No rent or occupancy payment is taken and the householder owns the property outright. The householder may be required to buy out the equity balance at an agreed point in the future.

**6.4 Low Cost Home Ownership (Shared Ownership):** The householder purchases part of the dwelling and pays an occupancy payment to a Registered Social Landlord in respect of the amount outstanding. The householder has the ability to buy the dwelling in its entirety or increase the level of ownership of the dwelling in the future.

### 6.5 Unsubsidised Low Cost Home Ownership

**6.5.1 (Discounted Sale Model):** A standard dwelling sold by a developer in partnership with East Lothian Council, to an agreed identified client group, at a specified price below market value. The methodology for calculating the discounted sale assumes a multiplier of three times the median income level for each market area. The Tables set out at Appendix 2 of this document show income details for each housing market area<sup>6</sup>.

A Deed of Conditions is attached to the missives, in order to maintain the dwelling as an affordable unit to subsequent purchasers. The conditions are set out and agreed between East Lothian Council and the developer within a Section 75 agreement.

<sup>6</sup> These figures will require to be reviewed annually

### **6.5.2 Unsubsidised Low Cost Home Ownership**

**(Golden Share):** A model similar to Discounted Sale, with the exception of a difference in criteria in relation to pricing and eligibility. Typically the asking price is set at 80% of the market value in perpetuity, with the market value being set by an independent or District Valuer to the satisfaction of East Lothian Council. Eligible purchasers must be able to evidence a local connection and an ability to finance the purchase of the full market value of the property.

### **6.5.3 Unsubsidised Low Cost Home Ownership**

**(Unsubsidised Shared Equity):** The householder purchases part of the dwelling, typically 60- 80% of the value, with the remainder of the stake held by the developer.

**6.6 Self Build:** Self-build refers to housing built by individuals or a group of individuals for their own use. This will involve developers selling serviced plots for self build to the intended owner occupier at a discounted price. East Lothian Council do not have any current guidance on self build, however The Scottish Government are currently working with relevant organisations to review best practice and current self-build procedures and guidance. The Council's Strategic Investment and Regeneration team will consider how to effectively support self-build with a new £4million self-build loan fund anticipated to become available during 2018 across Scotland.

***Note – Not all of the above tenure options will deliver affordable housing in perpetuity. All tenure proposals must be agreed and supported by East Lothian Council's Strategic Investment Team***

## 7 Partnership Working

Developers are expected to work in partnership with East Lothian Council and Registered Social Landlords, to ensure affordable housing needs are met i.e. tenure, house type and size. Collaborative working is also required in relation to masterplanning.

This Section of the SPG sets out East Lothian Council's approach to partnership working, providing clarity on the roles and responsibilities of the various Council Teams, developers and Registered Social Landlords.

- **East Lothian Council's Strategic Investment & Regeneration Team**
  - Provide advice to developers on the preference for delivery i.e. onsite provision, offsite provision or a commuted sum
  - Provide information on the affordable housing requirement for individual areas
  - Agree the best locations and plot sizes for the affordable units
  - Provide a housing mix and house types based on need
  - Agree the affordable housing provider
  
- **East Lothian Council's Planning Team**
  - Attend pre-planning application meetings with key personnel invited
  - Consult with the Strategic Investment & Regeneration Team to seek comments on planning applications and ensure discussions between the Team and developer are reflected in applications
  - Ensure the Planning Officer report reflects the Strategic Investment & Regeneration Team's affordable housing requirements.
  - Ensure that the affordable component is secured through the s75 agreement
  
- **Planning Obligation Officer**
  - Monitor the progress of development and ensure the requirements of the s75 agreement are being met
  - Securing the Affordable Housing provision within the s75
  
- **East Lothian Council's Legal Team**
  - Securing the Affordable Housing provision within the s75
  - Securing Affordable Housing Agreements
  
- **Registered Social Landlords**
  - Seek support from the Council to deliver affordable housing
  - Agree housing mix and house types with the Strategic Investment & Regeneration Team
  - Ensure the Council is aware of phasing and timing for the purposes of the SHIP and Scottish Government's Affordable Housing Supply Programme.
  - Develop good working relations with developers to co-ordinate joint proposals

- **Developers**
  - Seek early discussions with East Lothian Council's Planning Department
  - Seek early discussions with the Strategic Investment & Regeneration Team to determine affordable housing requirements
  - Ensure that the requirements for affordable housing and any other Section 75 requirements are reflected within land negotiations
  - Develop good working relations with both the Council and Registered Social Landlords to co-ordinate proposals

## **8 Monitoring and Review**

This SPG and associated mechanisms for delivery will be reviewed in accordance with the development planning cycle in relation to the HNDA, LDP and LHS and any other relevant information. It is anticipated that this SPG will be reviewed every two years. Reviews will be more regular if a material change takes place i.e.

- changing legislation, policy or guidance
- housing need assessments reflect significant changes
- a material change in market conditions is evidenced which impacts upon commuted sum values

Monitoring of planning approvals and completions via the Housing Land Audit and SHIP will also inform Affordable Housing Policy review. The SHIP will be submitted to the Scottish Government every two years with the next submission due in November 2016.

The availability of Scottish Government subsidy will also change. This is confirmed annually at present, which creates difficulties in relation to agreeing tenure splits. It is anticipated that these annual programmes will change in coming years to reflect a three year programme.

Commuted sums and affordable sale prices will be reviewed every two years or earlier if there is a considered material change in market conditions. It is therefore anticipated that this guidance will also be reviewed every two years to reflect changing circumstances.

**Appendix 1 – Delivery Package Schedule**

**AFFORDABLE HOUSING AGREEMENT BETWEEN**

**East Lothian Council**

**And**

.....

1. Project Location/Description
  
2. Agreed Project Objectives  
*Affordable Housing Provider*
  
3. Anticipated Outputs  
*What the project(s) will produce – proposed number of units, house types/client groups, tenure mix*
  
4. Phasing  
*Assumed date / type of next submission to East Lothian Council*  
*Assumed phasing*  
*Assumed site start date*  
*Assumed Completion Date*
  
5. Any other Conditions/Requirements

Signature (East Lothian Council) .....

Signature .....

Date of Agreement .....

## **Appendix 2: Principles for Mid-Market Rent/Intermediate Tenure Rent**

Properties to be made available as mid market or intermediate rent should be made available at a level below Local Housing Allowance rates.

### **Eligibility Criteria**

In the allocation of mid market rent housing priority will be given to applicants who fulfil the following criteria:

- Applicants must have sufficient income to allow them to pay rent without the need to apply for Housing Benefit.
- Meet income criteria – set out below.
- You have a local connection to the housing area. A local connection consists of those applicants who currently live or work within the housing area or have immediate family in the area.
- The property must be appropriate for the household size. (Properties should be allocated according to the occupancy levels detailed in the Council’s allocations policy for example a couple with 1 child would be eligible for a 2 bed property)
- The property must be occupied as the households’ sole and principle home.
- Applicants who don’t have a regular income, but have access to other funds will be considered.
- Applicants will be required to provide satisfactory references and have a good credit record.

### **Priority Groups and Ranking**

When allocating mid market rent properties, preference will be given to the following in order of:

- Those households accepted for housing under the homeless legislation/statutory homeless.
- Those households at risk of homelessness.
- Those on Council or Housing Association waiting lists who have a local connection to the Housing Area.
- Those on Council or Housing Association waiting list who have a local connection to East Lothian.
- Those currently living in unaffordable private rented housing or with relatives within the East Lothian area.
- Those who have been forced to sell their home due to a change in circumstances (e.g. reduced income) and who cannot obtain a mortgage nor afford private market rents.
- Potential first-time buyers in employment but unable to secure a mortgage.

<b>Area</b>	<b>Affordable Housing rent</b>
Musselburgh	90%
Wallyford	80%
	85%
Tranent	80%
Haddington	90%
Dunbar	80%
North Berwick	90%

<b>Local Housing Allowance</b>	<b>Bedroom Size</b>	<b>Income Range @ 80% LHA</b>	<b>Income Range @ 90% LHA</b>
£535.69	1	£16,600 - £20,800	£18,700- £23,400
£649.09	2	£20,200 - £25,000	£22,600 - £28,400
£808.04	3	£25,000 - £33,000	£29,000 - £36,400

Local Housing Allowance is updated annually on the Council's website [https://www.eastlothian.gov.uk/info/210559/council\\_tax\\_and\\_benefits/12087/housing\\_benefit/5](https://www.eastlothian.gov.uk/info/210559/council_tax_and_benefits/12087/housing_benefit/5)



### Appendix 3: Income Details / Sale Prices –

Income and sale price will be dependent on the circumstances and size of property being marketed. The applicant will need to demonstrate that they cannot buy a house suitable for their needs on the open market and the amount they can contribute is the maximum mortgage they can reasonably obtain plus their contribution towards the deposit.

Ward	Housing market area	Median household income	single income	Average flat price	Mortgage multiplier x3	Discounted flat price 15% deposit
1	Musselburgh West	£32,124	£28,361	£130,000	£85,085	£100,100
2	Musselburgh East and Carberry	£28,783	£25,500	£125,000	£76,500	£90,000
3	Preston/Seton/Gosford	£32,296	£29,920	£120,000	£89,760	£105,600
4	Fa'side	£32,009	£30,600	£120,000	£92,800	£108,000
5	North Berwick Coastal	£42,092	£39,746	£167,000	£119,238	£140,280
6	Haddington and Lammermuir	£36,182	£31,166	£125,000	£93,500	£110,000
7	Dunbar and East Linton	£37,213	£31,166	£125,000	£93,500	£110,000

Source: CACI data (2013) and DV calculation of commuted sum figure for each East Lothian ward area (August 2014)

Income Figures and Suggested Discounted Sale Price for a 2bedroom 4 person house 85sqm						
Ward	Housing market area	Median household income	Average household income	Average 2bed House Price	Mortgage multiplier x3	Discounted 2bed House price 15% deposit
1	Musselburgh West	£32,124	£37,956	£172,500	£113,868	£133,962
2	Musselburgh East and Carberry	£28,783	£34,399	£167,500	£103,197	£121,408
3	Preston/Seton/Gosford	£32,296	£37,895	£152,500	£113,685	£133,747
4	Fa'side	£32,009	£38,048	£150,000	£114,144	£134,287
5	North Berwick Coastal	£42,092	£50,029	£210,000	£150,087	£176,573
6	Haddington and Lammermuir	£36,182	£42,948	£172,500	£128,844	£151,581
7	Dunbar and East Linton	£37,213	£44,066	£167,500	£132,198	£155,527

## **Appendix 4: Criteria for Unsubsidised Low Cost Home Ownership (Discounted Sale Model)**

### **Who is Eligible?**

- **Those who are first time buyers**

Gross annual household income will be taken into consideration. Savings will also be taken into account. The income of each applicant will be verified by East Lothian Council.

Purchasers must be able to secure a mortgage for their contribution.

Purchasers must be able to fund fees associated with the purchase of the property.

**Note: this is just a guide and other Applicants may also be considered e.g. those who can evidence a significant change in household circumstances.**

- **Those second time buyers**

In need of a larger property and unable to step up on the open market.

Overcrowded and evidence that the applicant is unable to step up

Disabled person in unsuitable accommodation and the property being purchased is suitable for their needs.

Marital break down

Circumstances and savings will also be taken into account. The income of each applicant will be verified by East Lothian Council.

***(Please note that the size and property offered will be dependent on income and sale price)***

The applicant will need to demonstrate that they cannot buy a house suitable for their needs on the open market and the amount they can contribute is the maximum mortgage they can reasonably obtain plus their contribution towards the deposit.

## Appendix 5: Commuted sums

Ward	HMA	commuted sum	
		house	flat
3	Preston/Seton/Gosford	£26,000.00	£7,400.00
5	North Berwick Coastal	£72,300.00	£45,400.00
1	Musselburgh West	£41,200.00	£15,400.00
2	Musselburgh East and Carberry	£37,000.00	£11,400.00
6	Haddington and Lammermuir	£41,200.00	£11,400.00
4	Fa'side	£25,500.00	£7,400.00
7	Dunbar and East Linton	£37,000.00	£11,400.00

**These values are a guide and specific sites may require a separate valuation depending on the specific circumstances**

## **Appendix 7: Contact List**

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## Affordable Housing Supplementary Guidance

### Consultation Responses

Respondent	Response received	Comments
<b>Persimmon</b>		
1. Purpose of Document	Inclusion of wording to reflect that all matters require to be discussed and agreed with the Council's Strategic Investment & Regeneration Team undermines clarity and that all references where it is stated that a developer must agree parameters should be caveated with the requirement for the team to 'act reasonably'	Happy to insert 'acting reasonably'
4.1 Site Threshold (Policy HOU3)	Last sentence of para 3 – the provision of serviced land should be transferred to deliver an affordable housing contribution should be addressed under section 4.5  Wording should be changed to accurately reflect LDP HOU3	Amended  This does reflect this policy position
4.2 pre-application discussions	Include 'act reasonably'	
4.3 Affordable Housing Mix	Lack of detail on specific tenures undermines confidence in the process and does not provide the level of clarity considered necessary  Delivery of social rent through the transfer of serviced land or completed units. Detail of procurement process needs to be clarified to allow developers to fully assess and guide commercial decisions	Agreed to keep existing policy decision and refer to an 80:20 tenure split in favour of social rent.  Included options for delivery including the provision of stage payments

4.4 Delivery Partners	Concern around ELC having absolute right over who the housing provider should be. Overly prescriptive and not in accordance with policy HOU3 and 4. Guidance should also set out the process of selecting or approving an affordable housing provider	A Link to the SHIP has been provided within the document, which provides guidance on the preferred Affordable Housing provider.
4.5 Securing the affordable housing contribution	Limitation of who the affordable housing provider is considered overly restrictive	The Affordable Housing Provider must be agreed with the Strategic Housing Authority
4.9 viability Assessment	Question definition of abnormal development costs in line with normal valuation practices	Disagree. Advice sought from the District Valuer
<b>Walker Group</b>		
1. Purpose of the Document	Falls far short of providing clear, transparent and consistent advice. It cannot assist in the early negotiations with landowners as requirements are too basic i.e. 25% contribution	Should assume social rent. Reinstated existing policy requirement to deliver 80:20 tenure split in favour of social rent.
2. National and local context	Misinterprets national policy by suggesting that SPP14 and the PAN advise the nature of the contribution is typically the provision of serviced land when this is not the national policy position – it is that the contribution is likely to be made in a variety of ways depending on the nature of the affordable housing required  Reference to local housing policies do not clarify or confirm the affordable requirements in anyway	Para 19 of the PAN 2/2010 2 <sup>nd</sup> sentence clearly sets out the requirements  Para 20 – advised of other contributions which the policy also acknowledges  A link to the new LHS has now been inserted
3. Identified Need	No evidence to support social rented housing. Use of the word primary is misleading and implies other affordable models are secondary	They are but difficult to evidence using HNDA 1
4. Approach to affordable housing delivery	Reference to serviced land should be amended to clarify that where the delivery of affordable	Reflected within the document



	housing land is agreed as the provision of serviced land otherwise this looks like it is the only option	
4.1	Approach is not clearly set out as it refers to negotiation on a site by site basis.	A link to the current SHIP has been inserted and a tenure split of 80:20 has been reinstated.
4.2	Acknowledgement that It is not always possible to ensure development of the affordable housing can be developed in tandem since location within a site and servicing constraints may arise issues of H&S in respect of multiple developers operating together	The policy refers to phasing and delivery mechanisms to be agreed which should reflect this.
4.3	Reference to preference to social rent should be removed.  Objection to the requirement to reach agreement with ELC in relation to the AH provider as this prevents the full range of affordable housing tenures available.	This reference has remained with the previous policy requirement of 80% social rent reinstated.  Agreement must be reached with the Strategic Housing Authority
4.5	Object to agreeing the delivery package prior to COD as this is contrary to the test of reasonableness in circular 3/2012 Planning obligations and good neighbour agreements. This requirement could delay the development of housing land. This should be prior to completion of the housing site or after a period of time following commencement  Cascade approach is operating a sub cascade i.e. preference of serviced land and transfer of units.	Clarity around the meaning of delivery package has been inserted and a schedule appended.  This has been amended to clarify that onsite provision is the preference with both serviced

	This is not supported by the LDP policy or national policy guidance. Furthermore, reference to serviced land being valued at an appropriate end use is not in line with policy HOU3	land and units being equal, although this still requires to be agreed between the developer and affordable housing provider.
5	Clarity around commuted sums areas i.e. towns or sub market areas	Commuted sum methodology was consulted on and is fixed for 2 years
6	Delete sentence referring to densities should not be assumed to be higher than market housing  SPG should contain acceptable housing mixes  Unreasonable request not to burden affordable housing with factoring costs when it is the council requiring all the open space	This has not been deleted.  A list of house types has been provided, however acceptable housing mixes will depend on the site, location and timing of the development. This detail cannot be provided in this document
7	Acceptable tenures are not clear in the guidance	Reference to an 80:20 tenure split has been reinstated. Chapter 6 clearly sets out the different affordable tenures.
8	Developers need the council to guarantee to respond to the masterplan and design matters in a timely response and that failure to do so will not affect the developer's ability to proceed with a development proposal. If the council cannot adhere to committed timescales then the developer should be able to rely upon his own interpretation as the SPG does not provide the clarity	Agreement must be reached between the Strategic Housing Authority and the Developer
<b>Homes for Scotland</b>		
	Concern that what is happening in practice is not always in line with what is set out in guidance	Guidance has yet to be approved / adopted

	<p>Concern default position is always to speak to the housing team. This undermines the guidance as every site is taken on a case by case basis</p> <p>The SPG needs to include more detail on what will actually be required in terms of mix and tenure.</p>	<p>We have provided house types but the mix will be depended on the site, location and timing to reflect current need. A tenure split of 80:20 has been reinstated.</p>
	<p>Cascade approach in the s75 gives less flexibility than the guidance suggests. PAN states that a range of tenure types can contribute to affordable housing</p> <p>HOU4 also provides a range of options therefore it would be pragmatic to include detail of these requirements and then consider a flexible approach to the contribution which may not always be serviced land</p>	<p>The s75 provides the flexibility required with onsite provision being the preference either through serviced land or units.</p> <p>This has been amended to give serviced land and units equal options and reference to an 80:20 tenure split has been reinstated as per previous policy.</p>
	<p>Query the reliance of ELC's small number of affordable housing providers and the preference of these over others in terms of allocation of funding. Further it is currently unclear how the process of selecting an AH provider is carried out. This should include the developer.</p>	<p>A link to the SHIP has been inserted which provides clarity on preferred Affordable Housing provider. Agreement must be reached with the Strategic Housing Authority</p>
	<p>Policy HOU3 requires agreement of affordable housing provision and provider, however, in practice this is being dictated by the authority with no input from the developer</p> <p>Policy HOU4 states affordable housing tenures will be supported, including the requirement for social rent as well as targets for proportional split between other acceptable tenures and how</p>	<p>Agreement must be reached with the Strategic housing Authority to ensure support for Scottish Government subsidy.</p> <p>Reference to an 80:20 tenure split has been reinstated to reflect our previous policy and provide more clarity.</p>

	these models should be delivered – SPG does not do this.	
<b>Holder Planning</b>		
HOU4	Guidance does not provide flexibility of tenures and states preference is for social rent. There is no evidence to support this. Guidance needs to be amended to provide a more balanced provision strategy to take account of the flexibility contained in SPP and PAN 2/2010	A link to the adopted LHS has been inserted to provide further evidence on the need for social rent. Other tenures are also acknowledged and reference to 80:20 tenure split has been reinstated to reflect current policy.
	Guidance limits options to deliver for a range of needs. In addition, the value being offered by the council means developers cannot viably build the units for sale. Other social housing providers can provide more competitive values due to a wider funding pull. However, ELC are preventing RSL's from negotiating directly. ELC are creating a monopoly on affordable delivery	ELC require agreement to be reached with the Strategic Housing Authority to ensure support for Scottish Government subsidy. The policy reflects other methods of procurement.
	It is clear from the emerging SESplan2 that flexible approaches to the delivery of affordable housing will be essential to meet the scale of delivery expected. The council should reconsider its guidance to ensure that it does not act as a deterrent to achieving its objectives	The guidance acknowledges this and requires agreement as early as possible.
	Amending the guidance to include details of the actual requirements in terms of housetype and tenure mix will provide more clarity and certainty for developers	This has been acknowledged
	Question the reliance on a small number of providers and clarity over selection process needs clarity. This process should also include the housebuilder	A link to the current SHIP has been inserted to provide more clarity around the preferred Affordable housing providers.

<b>Cruden</b>		
1	No comment	
2	Set out clearly	
3	<p>Figures are based on need from previous years. Is there evidence to suggest this need for affordable housing between 2009-18 has been met</p> <p>Does this impact on projections from 2018-32</p> <p>Net housing need of 232 units per annum appears low – are ELC trying to front load delivery to meet SG targets?</p>	A link to the new LHS 2018-23 has been inserted to provide further clarity
4	Too prescriptive with the council in control of the whole process. Nervousness that this could prolong delivery and make it more complicated	Agreement must be reached with the Strategic Housing Authority. A link to the SHIP has also been inserted to provide further clarity.
<b>CALA</b>		
1	<p>No evidence to clarify need for social rent</p> <p>Aim to promote consistency is undermined as matters are treated on a site by site basis</p> <p>Mix of house types and tenure mixes on a sub area basis would be helpful</p>	<p>A link to the 2018-23 LHS has been inserted</p> <p>An 80:20 tenure split has been reinstated</p> <p>As above, although the development of a Local Investment Framework in the future will improve this.</p>
2	This section needs to be more aligned with the LDP policies	Reflected
3	<p>Require further evidence on need for specific tenures</p> <p>SPG does not set out targets as stated in HOU4</p>	80:20 split now inserted

	<p>therefore does not provide the suitable framework for implementing HOU4</p> <p>SPG references an ageing population. There are cases where an affordable housing provider has provided evidence of need for MMR for over 55's but this is not been taken into account by the council. It would be helpful if tenure splits were identified earlier</p>	As above
4	Often the council / ah provider determines their interest in a site without any discussions with the developer and the council allocates funding without input from the developer on timescales for delivery. It would be helpful if the actual owner of the site were involved.	This is not the case. The SHIP aligns with the HLA, which the developer has input into.
5	Commuted sum would be better on a site by site basis as there is not sufficient flexibility to respond to any changes in circumstances in the short term	Individual valuations can be instructed if the developer feels the commuted sum does not reflect the value of a specific site
6	Helpful if the council agreed a standard range of housetypes. This would allow applicants to allocate a suitable area within masterplans at PPP stage to plot the mix that would meet council requirements	This has been inserted, however a mix cannot be agreed until a proposal has been received.
7	HOU4 is not reflected. Concern that the default if serviced land to the council for social rented housing	Agreement must be reached with the Strategic Housing Authority
8	Does not meet requirements of HOU3 and HOU4	
<b>DCHA</b>		
1	How enforceable is the SPG	Agreement must be reached with the Council

2	Ambitions for affordable housing are more than reasonable	
3.1	Why HNDA1 and not HNDA2	To ensure this aligns with the LDP
4.3	Two delivery mechanisms are too restrictive, both having disadvantages. Land transfer results in higher costs and turnkey results in limited control over design and quality. D&B should be an option	This has now been reflected within the revised document
4.4	ELC should have a strategy to include the proportion of the council's affordable housing programme, how the RSLs can support this programme and to what degree are developers encouraged to engage with them	A link to the SHIP has been inserted
5.3.8	Welcome factoring section, however this needs to be stronger i.e. expected rather than wherever possible.	
6.2	Amend wording to reflect MMR may be provided via an RSL – current legislation does not allow an RSL to let MMR.  MMR rent level will be agreed and will be lower than LHA levels. A constraint on the level of rental increase could be mentioned to ensure MMR units remain at an affordable level in perpetuity	Noted
Appendix	Income range is narrow and consideration of council tax in some areas is high	
	MMR for older people should be included i.e. recommended criteria being in employment should be removed as this is not applicable to this client group	Noted

<b>PPF</b>		
4.1 Threshold	Threshold of 5 or more is too low – should be increased to 20	This would prevent delivery in some rural areas
5.3.3 House types	PPF's allocation policy do not allow for 3p units 3bed flats should be considered in urban areas	The House types are just a guide. Consideration will be given to reflect specific sites, location and need.
	Preference for cottage flats rather than flats over 2 storey high  Should refer to minimum room sizes based on HfVNs and SHQS	Noted
6 Tenures	Suggestion that a tenure split of say 70/30 would be beneficial to them and developers.	80:20 split has been reinstated.
7. Partnership working	Importance of Council contacting the RSL at its earliest convenience for the developer to begin negotiations with the RSL i.e. invite to pre-planning discussions	Noted



**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

**BY:** Depute Chief Executive (Partnerships and Communities)

**SUBJECT:** East Lothian Local Development Plan 2018 –  
Supplementary Guidance: Town Centre Strategies,  
Report on Consultation; and Supplementary Planning  
Guidance: Green Networks; Design Standards for New  
Housing Areas, Report on Consultation

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## **1 PURPOSE**

- 1.1 To inform Members of the results of the public consultation on Draft Town Centre Strategies (Supplementary Guidance (SG) to the East Lothian Local Development Plan 2018). To consider the proposed changes resulting from the public consultation and consider the final document for approval for submission to Scottish Ministers.
- 1.2 To consider the responses received to the public consultation on the Draft Green Networks (Supplementary Planning Guidance (SPG) to the East Lothian Local Development Plan 2018) and to agree the resulting proposed changes and consider the final document for adoption.
- 1.3 To seek Members' approval for further work to be carried out on the preparation of draft non-statutory Supplementary Planning Guidance (SPG) titled Design Standards for New Housing Areas, associated with the adopted East Lothian Local Development Plan 2018. The revised Design Standards for New Housing Areas SPG will, once finalised, be reported to a future meeting of East Lothian Council for decision.

## **2 RECOMMENDATIONS**

- 2.1 That the Council notes the results of the public consultation on the draft Supplementary Guidance: Town Centre Strategies, approves the officer responses, recommended changes and the updated guidance in the form appended to this report and agrees to forward it, along with a report on its publicity and consultation, to Scottish Ministers for approval. This report recommends that the Council adopt the Town Centre Strategies as statutory SG if the Scottish Ministers give clearance to the Council that it

may adopt them. As such, as soon as the Scottish Ministers give clearance to the Council that their review of the Town Centre Strategies is complete, or if no response is received within 28 of submission to Scottish Ministers, then the Council may adopt the Town Centre Strategies without any further modification. The Town Centre Strategies would become constituted as adopted SG. This is intended to provide the Council with up-to-date development plan coverage as quickly as possible.

- 2.2 That Council notes the results of the recent public consultation, considers the Officer responses and recommended changes and adopts the final Green Networks Supplementary Planning Guidance to the East Lothian Local Development Plan.
- 2.3 That Council agrees to defer consideration of draft Design Standards for New Housing Areas SPG to allow additional work to be carried out on the document, and for this guidance to be brought to a future meeting of East Lothian Council where approval will be sought to re-consult on the revised version.

### **3 BACKGROUND**

#### ***Purpose and processes for preparing statutory Supplementary Guidance (SG) and non-statutory Supplementary Planning Guidance (SPG)***

- 3.1 Now that the ELLDP 2018 is adopted, the Council's intention is that it will be supported by both statutory Supplementary Guidance and non-statutory Supplementary Planning Guidance. The Council has previously approved Supplementary Planning Guidance on the following: Cultural Heritage and the Built Environment, Development Briefs, Farm Steading Design Guidance, and Special Landscape Areas. These documents provide support to the policies within the adopted Local Development Plan 2018 and are a material consideration in decision-making.
- 3.2 The Town and Country Planning (Scotland) Act 1997, as revised, sets out the process to be followed in preparing Supplementary Guidance. The Town and Country Planning (Development Planning) (Scotland) Regulations 2008 make provisions for consultation and adoption of SG. A copy of the proposed Supplementary Guidance must be submitted to the Scottish Ministers and a period of at least 28 days must then elapse before the Supplementary Guidance can be adopted.
- 3.3 There are no statutory provisions setting out the scope or process for preparing non-statutory Supplementary Planning Guidance; however, if it is to carry enhanced weight as a material consideration in planning decisions, it must be consulted on and adopted by the Council. For this type of guidance, there is no requirement for the Scottish Ministers to review it before the Council adopt it.
- 3.4 The intention is that matters to be addressed within both statutory Supplementary Guidance and non-statutory Supplementary Planning Guidance are those that would be too detailed for inclusion within the main

plan, but nonetheless merit more detailed policy guidance to assist with the operation of policies or proposals and the delivery of the plan. Supplementary Guidance may only deal with the provision of information or detail in respect of the policies or proposals set out in the Local Development Plan and then only provided that those are matters which are expressly identified in the plan as matters which are to be dealt with in Supplementary Guidance. In contrast there is no pre-requisite for a policy 'hook' in the main plan in order to enable the preparation of non-statutory guidance. The preparation and adoption processes for non-statutory guidance can provide for more rapid policy responses to changes in operational practice than statutory Supplementary Guidance. However, non-statutory guidance carries less weight than statutory guidance in planning decisions.

- 3.5 Once approved, Supplementary Guidance forms part of the Local Development Plan and the same weight can be applied to the SG as the Local Development Plan in the determination of planning applications. Once adopted, non-statutory Supplementary Planning Guidance may be taken into account as a material consideration in planning decisions.

### **Town Centre Strategies - SG Report on Public Consultation**

- 3.6 Following approval of the draft Town Centre Strategies SG, draft Design Standards for New Housing Areas SPG and draft Green Networks SPG for public consultation at the meeting of East Lothian Council on 30 October 2018, a six-week period of consultation was held from Friday 9 November to Friday 21 December 2018. Prior to the start of the consultation period, letters were sent to each Community Council, Area Partnership and Business Association in East Lothian alerting them to the consultation.
- 3.7 'Drop-in' events were arranged at suitable venues in each town centre covering the afternoon and early evening. An exhibition and documentation was available and Planning staff were on hand to discuss the consultation and answer any queries. An advert was placed in the East Lothian Courier to advertise these events and a poster went to each of the Council's libraries, along with reference copies of the consultation documents. The events were publicised as a news item on the Council web page and via Council social media. The consultation hub was used and a questionnaire which allowed the public to comment on one or more town centre strategy and then to submit any other comments was used. All of the Town Centre Strategies received responses in this way but it is noted that in some cases the respondents declared themselves to be users of a town centre rather than resident in that town.
- 3.8 The report on publicity and drop-in sessions (lodged in the Members' Library, Ref: 21/19, February 2019 Bulletin) highlights the number of attendees at each town centre drop in event and a broad summary of the range of issues raised by visitors. The 'drop in' events covered all three SG/SPG documents on consultation. As these were intended for giving information to support people in making their responses, comments made at the events were not formally recorded though a brief note was kept that has informed the summary. Written submissions to the consultations were

received via the consultation hub or via email. Comments were received from SEPA and Historic Environment Scotland, Dunbar and Pencaitland Community Councils, Musselburgh Area Partnership and 34 other responses. Most were submitted via the consultation hub.

- 3.9 A detailed 127-page report on all of the comments made by those who responded, the officer's response to these and any recommended changes to the SG (lodged in the Members' Library, Ref: 22/19, February 2019 Bulletin) has been placed in the Members Library. Many of the comments from the public related to issues such as parking and traffic within town centres. Others suggested detailed actions that could be taken to improve town centres.
- 3.10 A final version of the Town Centre Strategies, with the proposed changes tracked (lodged in the Members' Library, Ref: 23/19, February 2019 Bulletin), has been placed in the Members Library. A final version of the Strategies (with all new amendments) has been lodged in the Members' Library (Ref: 20/19, February 2019 Bulletin).
- 3.11 In summary, the hub questionnaire asked for comments on the Strengths, Weaknesses, Opportunities and Threats (SWOT) section within the healthcheck of the town centre strategy; there was general agreement for the SWOT analyses included in the Health Check for each Town Centre. Those suggested changes that are recommended to it are included in the report on Combined Responses to the draft SG (MLS Ref: 22/19).
- 3.12 Overall, the majority of respondents agreed with the aims set out for each town centre in the draft SG. There was no significant support for a particular aim, nor was there clear disagreement on any one aim. Overall the aims were supported fairly equally. The same level of support applied to each Town Centre. There were, however, additional comments which sought amendment to the aims or the addition of a new aim. Those suggested changes that are recommended to it are included in the report on Combined Responses to the draft SG (MLS Ref: 22/19). Given the overall support for the aims in the draft strategies, the changes are minimal.
- 3.13 In Musselburgh, Tranent, Prestonpans and Dunbar there was overwhelming support for regeneration. The reasons vary but include "looking old and tired", "need a greater variety of shops" and "to give visitors a better experience". The results for Haddington and North Berwick are not as clear cut with only 56% in Haddington and 55% in North Berwick in favour of regeneration.
- 3.14 Respondents were asked which actions (as proposed in the draft Town Centre Strategies) would make a positive difference to each Town Centre. In Musselburgh there was most support for *visual improvements to shopfronts and advertisements; statutory action to require external repair of privately owned buildings in multiple ownership and encouraging the re-use of vacant and underused buildings in the Town Centre*. In Tranent there was most support for *visual improvements to shopfronts and advertisements; improving open space and finding new uses for older buildings, such as the former Co-Op building and the Fraser Centre*. There

was overall support for most of the proposed actions, although there was a split on the proposed one-way system and civic square with some respondents choosing the 'strongly disagree' option or the 'don't know' option. In Prestonpans there was most support for *visual improvements to shopfronts and advertisements and making the most of the heritage*. There was also a lot of support for *finding a new use for Harlaw Hill House*. In Dunbar there was most support for *encouraging buildings at risk to be brought back into positive use and sourcing funding for repairs to buildings*. There was also support for *statutory action to require external repairs of privately owned buildings in multiple ownership as well as encouraging the repair of stone walls within the Town centre*. In Haddington there was most support for *external repair of privately owned buildings in multiple ownership and improved access to the town centre*. The majority agreed with *encouraging the redevelopment of sites at the east end of Market Street and improving small spaces within the town centre*. In North Berwick there was most support for *external repair of privately owned buildings in multiple ownership*.

- 3.15 For each Town Centre there was overall support for all the proposed actions, with the exception of the introduction of public Wi-Fi in each town centre except Haddington, which already has public Wi-Fi. Most respondents did not favour the provision of public Wi-Fi. However, the provision of public Wi-Fi in town centres remains a part of the Council's approved Digital Strategy for East Lothian and the Council's Economic Development and Strategic Investment Manager and the Area Partnerships are in favour of retaining it as part of the town centre strategy. SEPA and HES were supportive of the SG.
- 3.16 The questionnaire also asked whether respondents felt the town centre strategy should contain a vision for the town centre and if so what that vision might should contain. Again, in all town centres the clear majority was in favour of each strategy having a vision. Accordingly, a vision statement, based on the comments received, is recommended to be inserted into each vision, along with a shorter summary vision statement for each strategy front cover. The vision statements to be included are detailed in the report on Combined Responses to the draft SG and highlighted in purple in the revised Town Centre Strategies.

### **Green Networks SPG – Report on Public Consultation**

- 3.17 Responses were received on the consultation via the consultation hub and directly by email. The issues raised, and how they are proposed to be addressed are summarised in the Consultation Report – Green Network Strategy SPG (lodged in the Members' Library. Ref: 25/19, February 2019 Bulletin). Some of the comments have resulted in changes to the document. A final version of the Green Network Supplementary Planning Guidance is available in the Members' Library (Ref: 24/19, February 2019 Bulletin). Support for the creation of the document was received from SEPA and HES. SNH gave detailed comments on how the document could be improved. Other organisations that commented were the John Muir Birthplace Trust, and the Scottish Geodiversity Forum, and 3 members of the public. The John Muir Birthplace Trust sought a higher profile for John Muir as the leading naturalist from the area. The Scottish Geodiversity

forum sought additional recognition of geodiversity issues including signature of the Scottish Geodiversity Charter.

3.18 Comments were also made at the 'drop-in' events. As these were intended for giving information to support people in making their responses, comments made at the events were not formally recorded; however, a brief note was kept. Some comments were made on specific green assets (for example Polson Park, Musselburgh Lagoons), as well as potential improvements, such as better paths through Tranent or facilities for teenagers, as well as comments on process. Members of the public sought changes including a greater consideration for eastern areas of East Lothian; maintenance issues; protection of the coastline from erosion; involvement of community groups; need for circular walking routes; recognition of the importance of use of seeds of local origin; retention of hedgerows; sufficient parking provision at recreational destinations; increased green areas in towns; removal of 'jargon'; shortening of the developer checklist; need to assert rights of way; importance of cross-boundary historic routes; lack of permeability between developments which affects social equality. There was agreement that the SPG will have a positive impact on equality groups, and those vulnerable to or in poverty.

3.19 The main changes to the Green Network SPG are:

- Re-ordering sections so it is clearly divided into Strategy, Delivery and Guidance for Developers; this should make it clearer and easier to use
- Removing the section on information provision, for which there was little enthusiasm through consultation.
- Improving the mapping including separating out the Nature Network map to improve clarity.
- Re-ordering of some aims to make sure those that apply throughout are in Themes, while those that are spatially specific are in the Tasks.
- SNH request that the wording of the Habitat Regulation Appraisal caveat accords with the LDP; this has been done.
- Additional material on John Muir has been added

### **Design Standards for New Housing Areas SPG – Report on Public Consultation**

3.20 The consultation responses raised a number of common issues with the content of the Design Standards for New Housing Areas SPG (the responses to the consultation have been lodged in the Members' Library, Ref: 29/19, February 2019 Bulletin). These include (but are not limited to) the following:

- **Accessibility / Walkability / Open Space**
  - The SPG should more fully recognise that path networks must be accessible to all user groups, including children and those with

- disabilities, and provide more detail guidance on how development layouts help improve walkability and memorability.
- The SPG should provide more references and guidance on inclusive play spaces.
  - The SPG should provide more guidance on accessibility to bus stops and public transport.
- **Best Practice**
    - The SPG requires more references to best practice and case studies published by other professional and advisory bodies.
    - Better choice of images should be included in the SPG. These examples should illustrate how good quality and inspiring design can be achieved.
  - **Layout / Streets & Movement**
    - A requirement for 'Primary streets' within new developments is unnecessary and hinders the Designing for Streets principles
    - Section on home zones should be revised to focus more on children, elderly and disabled.
    - Examples needed to clarify the requirements of the setting out of spaces (such as a mews street, residential street, courtyard setting) relative to the built form.
    - The SPG should clarify how ELC's internal requirements e.g. on roads adoption may influence the completed projects/developments
  - **Car Parking**
    - The SPG should include some guidance/consideration on electric vehicles charging points.
    - The SPG should clarify its position on the principle of car parking provision to the rear of the buildings and its approach to internal garages.
    - The SPG should more fully consider different parking requirements for different housing tenures.
  - **Heritage**
    - The SPG requires more references to LDP policies covering heritage and landscape issues.
    - The SPG should acknowledge that historic stone walls are an important feature in East Lothian and their setting should be respected.
  - **House Design**
    - Design policies require use of appropriate materials, but the SPG should have a detailed section on this with good visual examples.
    - The SPG should set out approaches to dealing with or improving the impacts of standardised house types, which are preferred by volume house builders, on the overall design of new developments.

- The SPG should include more guidance on the provision of green infrastructure
  - The SPG should include more detail on sustainable design
  - The SPG should include more guidance on the provision of small-scale infrastructure (street furniture) such as litter bins or post boxes
- 3.21 As a result of some of the issues raised within these consultation responses, including issues raised during the collaborative process with other ELC Services, the need to make further changes to the content of the SPG has emerged. This is to ensure that the guidance achieves the Council's primary desired outcome – to improve the quality of built development in East Lothian by providing supplementary information to the design policies within the Local Development Plan 2018. The guidance must also be enforceable at project level through the application of the design principles and detailed design techniques. These will once finalised, help to inform the design and/or masterplanning stages and other documents submitted as part of planning applications, and decision making on proposals.
- 3.22 This additional work will involve editing and restructuring of the content of the Design Standards for New Housing Areas SPG to the extent that it will be necessary to carry out further public consultation.
- 3.23 It is proposed that the re-consultation period for this non-statutory Supplementary Planning Guidance would be for a further 6 weeks. The dates of this consultation will be confirmed before the Design Standards for New Housing Areas SPG is brought back to East Lothian Council seeking approval of the revised draft for consultation.

#### **4 POLICY IMPLICATIONS**

- 4.1 The supplementary guidance on Town Centre Strategies and the supplementary planning guidance on Green Networks will both be used to support the ELLDP 2018 providing further detail in support of its policies and will be a material consideration in the determination of planning applications.

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

- 5.1 The subject of this report has been through the Integrated Impact Assessment process through the ELLDP 2018 and no negative impacts have been identified.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – none
- 6.2 Personnel – none



6.3 Other – none

## 7 BACKGROUND PAPERS

- 7.1 East Lothian Local Development Plan 2018 draft Supplementary Guidance on Town Centre Strategies 30 October 2018 (Members' Library Ref: 20/19)
- 7.2 Combined Responses to public consultation on draft Town Centre Strategies Supplementary Guidance (9th November - 21st December 2018) Copy in Members Library (Members' Library Ref: 22/19)
- 7.3 Town Centre Strategies – Tracked Changes Report on Town Centre Strategies, Copy in Members Library (Members' Library Ref: 23/19)
- 7.4 East Lothian Local Development Plan 2018 draft Supplementary Planning Guidance on Green Networks (Members' Library Ref: 24/19)
- 7.5 Summaries of responses to public consultation on draft Green Networks Supplementary Planning Guidance (Members' Library Ref: 25/19)
- 7.6 East Lothian Local Development Plan 2018 draft Supplementary Planning Guidance on Design Standards for New Housing Areas (Members' Library Ref: 26/19)
- 7.7 Summaries of responses to public consultation on draft Design Standards for New Housing Areas Supplementary Planning Guidance (9th November - 21st December 2018) (Members' Library Ref: 27/19)

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**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

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

**SUBJECT:** Adopted East Lothian Local Development Plan 2018:  
Draft Sustainable Drainage Systems (SuDS)  
Supplementary Planning Guidance

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## 1 PURPOSE

- 1.1 This report seeks Council approval for consultation on draft non-statutory Supplementary Planning Guidance (SPG) titled Sustainable Drainage Systems (SuDS), associated with the adopted East Lothian Local Development Plan 2018 (ELLDP 2018).

## 2 RECOMMENDATIONS

- 2.1 That the Council approves for consultation the draft non-statutory Sustainable Drainage Systems (SuDS) SPG.

## 3 BACKGROUND

### ***Purpose and processes for preparing non-statutory Supplementary Planning Guidance (SPG)***

- 3.1 Now that the ELLDP 2018 is adopted, the Council's intention is that it will be supported by non-statutory Supplementary Planning Guidance. The Council has previously approved Supplementary Planning Guidance on Cultural Heritage and the Built Environment, Development Briefs, Farm Steading Design Guidance, and Special Landscape Areas. These documents provide additional weight to the policies within the adopted Local Development Plan 2018 and decision making.
- 3.2 Whilst there are no statutory provisions setting out the scope or process for preparing non-statutory Supplementary Planning Guidance, if it is to carry enhanced weight as a material consideration in planning decisions, it must be consulted on and adopted by the Council. For this type of

guidance, there is no requirement for the Scottish Ministers to review it before the Council may adopt it.

- 3.3 The intention is that matters to be addressed within non-statutory Supplementary Planning Guidance are those that would be too detailed for inclusion within the main plan, but nonetheless merit more detailed policy guidance to assist with the operation of policies or proposals and the delivery of the plan. There is no pre-requisite for a policy 'hook' in the main plan in order to enable the preparation of non-statutory guidance. The preparation and adoption processes for non-statutory guidance can provide for more rapid policy responses to changes in operational practice than statutory Supplementary Guidance can, albeit non-statutory guidance carries less weight than statutory guidance in planning decisions.
- 3.4 Once approved for consultation, non-statutory guidance documents may be taken into account as material considerations in planning decisions as appropriate, but cannot carry as much weight in the determination of planning applications as if they are adopted by the Council. Approval for public consultation of the draft document at this stage is intended to help ensure that its preparation is progressed without delay with the intention that the document, once finalised following their period of public consultation and any other procedures as relevant, may be adopted by the Council as soon as possible.

***East Lothian Council Guidance on Sustainable Drainage Systems: Supplementary Planning Guidance***

- 3.5 Sustainable Drainage Systems (SuDS) is a term given to systems which include a range of features above and below ground that are used to manage surface water and flood risk. SuDS are primarily used to manage surface water run-off by attenuating it and then releasing it in a controlled manner, thereby helping to protect people and the natural environment from harmful effects of flooding. SuDS also help to remove pollutants from the water before it is returned to the environment. SuDS can vary widely in terms of type, size, design and effectiveness depending on their function and location. SuDS can also provide a range of secondary benefits, such as improving biodiversity through habitat creation, and providing attractive environments in residential developments which can encourage more active and healthy lifestyles.

***National policy on Sustainable Drainage Systems***

- 3.6 The subject of Sustainable Drainage Systems is covered in national policy and guidance. Scottish Planning Policy (SPP) requires the planning system to take a precautionary approach to managing flood risk, and promotes flood avoidance through the requirements of Sustainable Drainage Systems.
- 3.7 The Strategic Development Plan for Edinburgh and South East Scotland (SDP1) requires Local Development Plans to avoid new development in areas of medium to high flood risk, and to (where appropriate) promote enhancement of the water environment.

- 3.8 The ELLDP 2018 contains within chapter 6 (Our Natural and Cultural Heritage) information and guidance on the protection and enhancement of the water environment. Relevant policies include NH9 (Water Environment), NH10 (Sustainable Drainage Systems) and NH11 (Flood Risk). These policies aim to provide an integrated approach to managing the water environment and the effects of climate change.

***Regulatory requirements and general responsibilities***

- 3.9 The Flood Risk Management (Scotland) Act 2009 provides the Local Authority with general powers to manage flood risk in its area and to carry out flood protection work within or outwith its area. This includes the ability to make and build flood protection schemes. It also requires Local Authorities to lead on the preparation of local flood risk management plans, which supplement the national strategies prepared by SEPA and ensure actions are locally targeted and delivered. The Council works closely with SEPA and Scottish Water to facilitate regulatory requirements and to deliver flood risk management policies and strategies. These responsibilities are also underpinned by a duty to cooperate on the Local Development Plan preparation process.

***Current guidance on Sustainable Drainage Systems***

- 3.10 Scottish Water and SEPA have produced their own guidance on SUDS. Scottish Water's document, *Sewers for Scotland* (SfS) provides technical detailed design guidance for water and drainage infrastructure, including the design and management of SuDS. This has been modified and re-published a number of times. The most recent publication is *Sewers for Scotland Fourth Edition* (effective from 1 January 2019). The Scottish Environment Protection Agency (SEPA) SuDS guidance provides detail on the role of this organisation in relation to SuDS within the development planning and development management processes.
- 3.11 A number of Key Agencies are involved with the Sustainable Urban Drainage Scottish Working Party (SUDSWP) including SEPA, Scottish Water and SNH (plus stakeholders from the public and private sectors) and have collaboratively produced the *Water Assessment and Drainage Assessment Guide* (2018). This document is intended to assist those involved in the installation of water infrastructure with the processes for obtaining relevant permissions and consent, and the stakeholders involved at each stage.
- 3.12 The Construction Industry Research and Information Association (CIRIA) is widely recognised in the built environment and construction industries for their influential SuDS Manual. Originally produced in 2007, the SuDS Manual has been revised and updated with the latest version being C753 (2015). It is a detailed and comprehensive guide to assist with the effective implementation of SuDS within new and existing developments, and provides guidance on how to maximise amenity and biodiversity benefits, managing flood risk, and improving water quality.

### ***The need for local guidance on Sustainable Drainage Systems***

- 3.13 Although there exists a range of guidance documents on designing and maintaining SuDS features, there is a general focus on either the technical requirements such as engineering detail or the statutory process involved with obtaining relevant consents. Additionally, these guides did not provide sufficient clarity on the roles and responsibilities for the adoption and ongoing maintenance arrangements for SuDS, particular the specific requirements that allow Local Authorities to take on responsibility for maintaining these features. There is also a need to highlight that at the local level, for SuDS to be included as part of open space requirements in new developments (LDP 2018 Policy OS3) they must achieve both suitable surface water treatment and reduced flood risk and additional benefits for the development such as enhanced landscape, wildlife habitat and recreational usability. There emerged a need for a simplified guide on SuDS to address these issues with specific reference to East Lothian.
- 3.14 Additionally, whilst there is a national policy requirement for SuDS features to be incorporated into development layouts as a means of managing surface water and reducing flood risk, the guidance that existed was intended to be generic across all geographical areas. This was found to have resulted in the type of SuDS features being designed and incorporated into development layouts within East Lothian not always maximising locational opportunities or otherwise significantly enhancing the quality of the built environment. There is often too much focus on the primary engineering function of SuDS to manage surface water, leading to designs that do not achieve the other wide ranging amenity and biodiversity benefits.
- 3.15 The ELLDP 2018 aims to address these issues through the policy approach given in the Protection and Enhancement of the Water Environment section of the plan, and specifically through the application of policy NH10 as part of decision-making on individual planning applications. The requirement for SuDS features to be incorporated into all developments (except single dwellings) highlights their importance. Policy OS3 also references the use of SuDS within informal open space subject to their design. There is, however, a need to provide more detailed guidance that relates specifically to the local opportunities and constraints of East Lothian's landscape to encourage SuDS designed to suit the specific opportunities and constraints of each individual site.
- 3.16 This Supplementary Planning Guidance on SuDS provides a simple and straightforward guide to the functionality of each type of SuDS feature, the benefits of each SuDS type, and where they can be most appropriately sited and any requirements for maintenance and ensuring safety for users. The SPG also discusses the details that are required on SuDS to be submitted at planning application stage, and the need to have clear arrangements in place for the future management and maintenance of SuDS following their construction. The SuDS SPG was produced through a multi-disciplinary team consisting of ELC Planning Service, ELC Flooding, ELC Roads and ELC Amenity Services. The SuDS SPG is intended to be used by professionals who are involved in the design and integration of SuDS within development layouts. It can also be viewed by

members of the public and community council's so they are aware what the East Lothian Council expects from developers. It is anticipated that this SuDS SPG will allow for a greater level of consideration being given during the design process and masterplanning stage to the most appropriate type of SuDS feature to be used on each site, and how the natural environment and surrounding community can benefit from them.

- 3.17 The Sustainable Drainage Systems SPG has been prepared in consultation with the Key Agencies. Early responses to feedback on the draft document indicate a level of support for this guidance, with no conflicts being identified in relation to existing Key Agency guidance that is available.

### ***Consultation on the Sustainable Drainage Systems SPG***

- 3.18 It is proposed that the consultation period for this non-statutory Sustainable Drainage Systems Supplementary Planning Guidance be for a six week period commencing on Friday 8<sup>th</sup> March and ending on Friday 19<sup>th</sup> April 2019, to allow for documents to be printed and circulated, and a questionnaire prepared for the consultation hub. Key agencies, Area Partnerships and Community Councils will be separately notified of the consultation and a press advert published.

## **4 POLICY IMPLICATIONS**

- 4.1 The Sustainable Drainage Systems Design Supplementary Planning Guidance supports the ELLDP 2018 providing further detail in support of its policies.

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report has been through the Integrated Impact Assessment process through the ELLDP 2018 and no negative impacts have been identified.

## **6 RESOURCE IMPLICATIONS**

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

## **7 BACKGROUND PAPERS**

- 7.1 East Lothian Local Development Plan 2018 Draft Supplementary Planning Guidance: Sustainable Drainage Systems

7.2 Key Agency pre-consultation responses to draft Sustainable Drainage Systems SPG

7.3 East Lothian Local Development Plan 2018

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East Lothian Council  
Sustainable Drainage Systems (SuDS)  
Supplementary Planning Guidance

Cross-service SuDS Working Group  
East Lothian Council  
**Draft Version - November 2018**



## Executive Summary

Sustainable Drainage Systems (SuDS) deal with excess water from a site and return it to the water system in a controlled manner, to alleviate flood risk and reduce discharge of diffuse pollutants. Since 2006 SuDS have been a legal requirement for most new developments. SuDS should replace the traditional system of road gullies entering directly into combined surface water and foul water sewers and aims to deal with surface water within the site boundaries.

Scottish Water's latest edition of *Sewers for Scotland* provides advice on the technical standards for SuDS features that they will vest. East Lothian Council will consider adopting SuDS features adjacent to carriageways where these deal with road run-off only. The day-to-day maintenance of SuDS features, such as grass cutting and litter picking, should be covered by a factoring arrangement. CIRIA's latest edition of *The SuDS Manual* provides advice on designing SuDS, some of which Scottish Water will vest if the SuDS also complies with their *Sewers for Scotland* guidance. Unfortunately, existing guidance has often been interpreted in a way which has resulted in a standard, single function solution which occupies a considerable area on many sites.

This SuDS Supplementary Planning Guidance document has been prepared by East Lothian Council's cross-service SuDS Working Group to assist in the design of SuDS features that will look good and add value in terms of recreation and biodiversity, while being straightforward to maintain.



Figure 1: Detention basin providing water detention as well as usable attractive amenity space.

Source: *The SuDS Manual C753*

### Credits

All images courtesy of Woods Ballard, B, Wilson, D, Udale-Clarke, H, Illman, S, Scott, T, Ashley, R, Kellagher, R (2015) *The SuDS Manual C753*, CIRIA, London (ISBN: 978-0-86017-759-3) [www.ciria.org](http://www.ciria.org)

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## Overview

Sustainable Drainage Systems (SuDS) manage surface water run-off by treating it as near to source as possible, slowing down the rate of discharge, treating water naturally and releasing it in a controlled way, preferably to watercourses or groundwater rather than into sewers. Since 2006 SuDS have been a legal requirement<sup>1</sup> for most new developments<sup>2</sup>.

SuDS must be considered at the outset of project design. Many types of SuDS require significant areas of land, and sufficient space for SuDS must be safeguarded in site layouts. The design should ensure that the benefits to green networks, flood risk management, water quality, amenity, biodiversity, climate change adaptation and economic gain are maximised. Engineers should work with architects and landscape architects to ensure a holistic approach.

The level of SuDS required is dependent on the nature and size of the proposed development and the environmental risk posed by it.

Following a change to Water Quality parameters in 2015 SEPA now support the use of the “Simple Index Approach” (SIA) to direct designers towards what level of treatment is appropriate for their development. Rather than prescribing levels of treatment the SIA is an online tool that compares land use pollution hazard indices to SuDS mitigation indices. Guidance on use of the SIA can be found in SEPA’s Regulatory Method 08 (WAT-RM-08) or Chapter 26.7.1 of the CIRIA SuDS Manual C753.

SuDS can be designed to integrate with and enhance the built environment and surrounding landscape and contribute to green space. SuDS can offer a wealth of opportunities within developments for both passive and active recreation for the local community. SuDS features include swales, filter trenches, permeable paving, detention basins and ponds. Multiple SuDS features are usually present within a single site, providing the necessary treatment. The type of SuDS feature must be designed for its location and provide additional benefits beyond the engineering requirement.

To be considered as part of the Council’s on site open space requirements for new housing the SuDS need to provide both suitable surface water treatment (including flood attenuation and water quality) and enhanced landscape setting, meaningful habitat value or useable recreational space. East Lothian Council will support well designed SuDS solutions including detention basins, swales and ponds/wetlands or other suitable solutions, within amenity areas.

In terms of public safety for ponds and similar features, the Council promotes soft boundaries (i.e. planting) and avoiding steep drops or sudden changes in level. However, this would always require to be considered via an appropriate risk assessment by the developer.

<sup>1</sup> Water Environment (Controlled Activities) (Scotland) Regulations 2011 (as amended):

<sup>2</sup> Exceptions are single dwellings and low-risk direct discharges to coastal waters

# Design Guidance

## Detention Basins

Detention Basins are indentations which capture surface water run-off in times of flood, and release it slowly into the downstream system. They are expected to be dry for much of the year. Detention basins can be designed for either infiltration or attenuation, depending on site conditions.

If detention basins are to be included as recreational open space, consideration should be given to the following:

- The area must be accessible to all. This means side slopes of a suitable gradient for at least part of the basin or accessible paths across steeper slopes.
- It must be easy for people to escape the basin in times of a flood.
- *Sewers for Scotland* notes that the dual use of detention basins as passive public open space for recreation activities can be considered where the area is subject to flooding from events less frequent than the 1-year return period and where it can be clearly distinguished from the area providing flood storage for more frequent events.
- Where a dual use is proposed, the installation of educational and warning signage i.e. explaining purpose/operation of the basin and the installation of safety equipment
- Detention basins with a flat base size of a minimum of 60m x 40m can form an informal sports pitch.
- Although *Sewers for Scotland* specifies that the side slopes of basins must not have a gradient steeper than 1 in 4 East Lothian Council strongly encourages shallower slopes. Detention basins and side slopes that are grass covered and designed to be cut must not have slopes steeper than 1 in 8, although a variety of slope gradients are expected to create interest.
- Planting should be low maintenance.

If other adequate informal recreational space is delivered elsewhere within the development and within an adequate radius of the housing units then a detention basin can be considered to form part of the landscape setting and potentially biodiversity enhancement. Although detention basins are typically grassed, other vegetation is supported where this enhances the appearance and amenity value of the basin and increases its biodiversity by providing wildlife habitats. Planting can also help prevent erosion and slow flows across the basin thereby increasing sediment settling.



*Figure 2: Detention basins with amenity planting and easy access for maintenance*

*Source: The SuDS Manual C753*

Topsoil depths should be appropriate for the type of planting.

- 100mm subsoil for wildflower meadow planting
- 150mm topsoil for amenity grass
- 450mm for shrub planting
- Trees will require individual pits up to 1m in depth

Planting within SuDS basins must be robust plants that are tolerant of a wide range of conditions, wet and dry. Small pools planted with wetland and marginal plants may be included as a feature of a detention basin. However, consideration must be given to the possibility of these drying out completely in summer months and the consequences for the planting; or alternatively a small amount of water remaining and becoming stagnant and unattractive.

A full maintenance schedule should be provided at planning stage to allow assessment of the long-term maintenance burden for the Council. An example of a maintenance schedule is given in table 22.1 on page 483 of the CIRIA SuDS guidance.



*Figure 3: Detention basin providing water detention as well as usable attractive amenity space with raised areas for planting and a variety of side slope gradients. Source: The SuDS Manual C753*

## Swales

Swales are shallow, flat bottomed, vegetated open channels. They can have multiple functions including:

- Water conveyance – the swale collects surface water run-off and moves it to another part of the treatment system
- Water treatment – if the swale includes a filter trench in the base this provides water collection and treatment through a filter medium

- Water retention - swales can also be designed to be wet with a permanent shallow level of water in the base supporting wetland planting

Swales provide the opportunity to introduce green vegetated areas into road corridors where there would be limited open space value of grass as play space. Vehicles must be prevented from parking or over-running the edges. Short sections of swale between driveways are discouraged due to the potential for vehicle encroachment. If these are desired, they should be planted with shrubs or trees rather than grassed.



*Figure 4: Shallow formal grassed swale wide and shallow enough to be cut by a ride-on mower. Note low fence to prevent vehicle over-run. Source: The SuDS Manual C753*

In any case, as it can be difficult for grass-cutting equipment to navigate the swales alternative planting material should be considered as appropriate for the function of the swale and whether it is expected to be predominantly wet or dry. Where side slopes are to be covered with grass and require cutting the slopes and cross section through the swale must have a gradient no greater than 1 in 8 to allow cutting by a ride-on mower. The side slope gradient and width of any swale will require agreement and approval from the council's amenity services department.

Planting in a swale in natural soil must be robust and tolerant of a wide range of conditions, wet and dry. Planting schemes in an under-drained swale must be drought tolerant. Trees should be kept to the natural soil banks.

As swales are generally shallow surface features they should not present significant risk or danger to the health and safety of the public. However, this needs to be considered as part of an appropriate risk assessment by the developer.

Scottish Water will only vest swales which are 'end of pipe' SuDS.





Figure 5: Examples of wet and dry planted swales.  
Source: The SuDS Manual C753

Figure 6: Natural play within a swale. Source: The SuDS Manual C753



## Ponds or wetlands

Well-designed and maintained permanent water bodies can offer important aesthetic, amenity and wildlife benefits to development sites. While in dense urban environments, a hard landscaped pond may be appropriate, in the semi-rural setting of East Lothian it is generally expected that ponds or wetlands are naturalistic features with shallow planted and grassed side slopes.

Ponds which are to function as SuDS features should be designed by appropriately skilled landscape professionals in conjunction with engineers in order to ensure aesthetic quality, effective integration within the landscape and performance as a community resource.

Ponds and wetlands provide valuable landscaping and biodiversity value. Depending on their location, the balance of visual amenity and habitat provision can be adjusted accordingly:

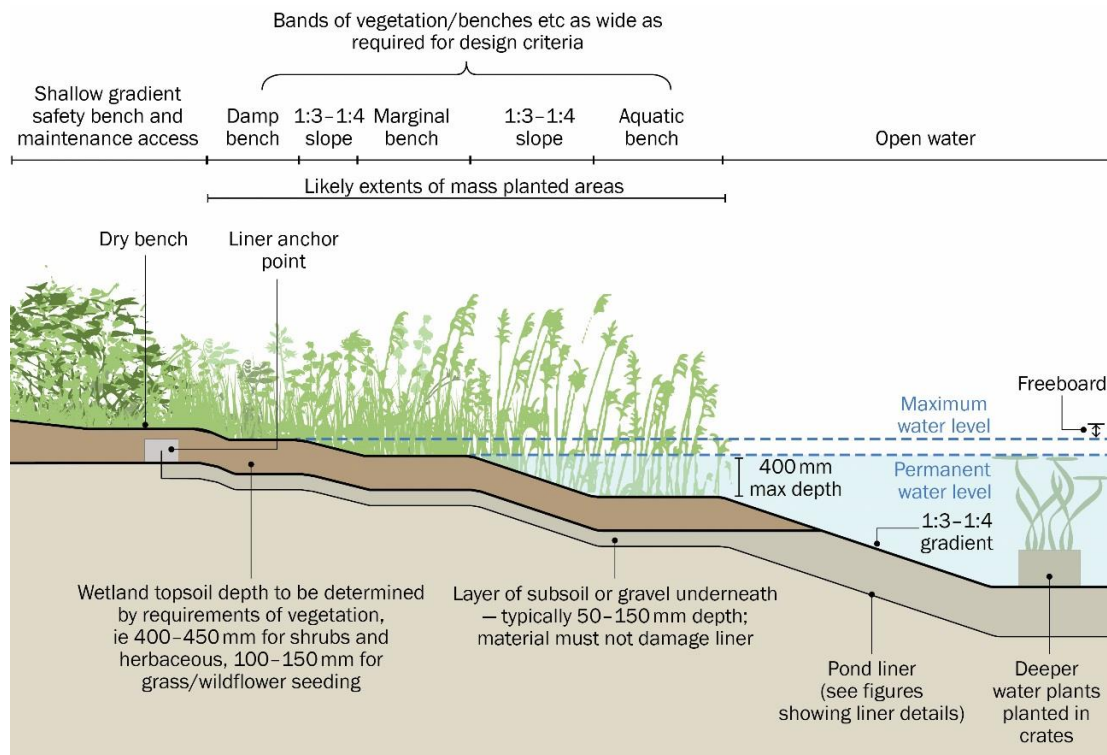
- At the core of the development – a pond or wetland should provide an aesthetically pleasing feature with a range of habitats to suit indigenous and desirable species.
- As part of the wider landscape setting or on the periphery of the site - the focus should be on biodiversity and habitat provision within a landscape that reflects indigenous species. In

such cases the design should demonstrate connectivity with adjacent green corridors to enable species migration.

In terms of public safety, the Council promotes soft boundaries and avoiding steep drops and sudden changes in level. However, this would also require to be considered via an appropriate risk assessment by the developer. This approach also allows efficient maintenance by allowing the use of ride on grass cutting equipment and eliminating the long-term burden of fence repairs. Soft boundaries can be achieved by incorporation of low to medium height marginal planting, varying grass cutting heights and gentle shelves to ponds.

In order to provide effective water treatment functions the 'effective' area of a pond needs to be 1 metre deep. However, there should be a mix of water depths (as indicated in Figure 7 below) and a minimum of 150mm water depth to provide adequate capacity to sustain desirable species. Gentle changes in slope around the pond perimeter as indicated in Figure 7 below allow the development of different types of wetland vegetation. Locating new ponds close to existing water bodies can benefit biodiversity.

Figure 7: Typical Planted Pond Edge Detail. Source: The SuDS Manual C753



Notes: Width, surfacing and extent etc of safety bench and maintenance access all dependent on site, size of pond, maintenance requirements etc

Further information on the design on ponds can be found in Appendix B of this document and in the CIRIA guidance. Information on appropriate planting for ponds can be found in Appendix C.

Figure 8: Examples of design approaches to ponds.  
Source: The SuDS Manual C753



Above: barrier planting prevents access to standing water.

Below: dipping platform over shallow water



## Filter Trenches

Filter drains or filter trenches are linear features filled with a filter material such as gravel. They may have perforated pipes along the bottom to convey the water that percolates down through the filter material. They can be positioned at the bottom of dry swales or be on their own. They must be protected from silting up through upstream protection. Roadside filter trenches can be of the 'French style' that are open, usually stone filled up to the ground surface, or enclosed under a hard or soft surface. With reference to the following section on permeable paving it is the Council's preference, in residential areas, to have filter trenches located underground, fed by road gullies and interspersed with access chambers at significant changes in direction or at a maximum spacing of 20 metres to facilitate ease of maintenance.

Scottish Water will only vest piped filter trenches which are 'end of pipe' SuDS.

## Permeable paving

Permeable paving can be accepted in private parking areas and driveways. Services should not run under permeable paving, as when maintenance access is needed, it is likely that the paving will not be correctly reinstated. East Lothian Council will not generally accept permeable paving on roads and parking areas that will be adopted by the Council.

## Further Guidance

A number of examples of best practice exist and applicants are recommended to reference these. In particular, The CIRIA SuDS Manual Version 6 and subsequent updates published by CIRIA, offers detailed guidance on the technical requirements of SuDS design as well as demonstrating how the ethos of combining technical requirements with amenity, aesthetic and biodiversity considerations can be best achieved.



*Figure 9: Swale planted for biodiversity and amenity.  
Source: The SuDS Manual C753*

*Figure 10: Wet swale example  
Source: The SuDS Manual C753*



## Information required for Planning Applications

Sufficient information must be submitted with a planning application to describe all elements of the proposals and allow them to be fully assessed. A drainage impact assessment should be submitted with relevant planning applications. Planning Advice Note 79 Water and Drainage should be referred to. The assessment and accompanying drawings must demonstrate that the SuDS features have been sized to the required Treatment Volume, and confirm that the proposals have been designed to Sewers for Scotland standards.

Although every site and proposal will vary, the following information should be provided, in addition to the engineering and technical details, to allow the full assessment of proposed SuDS features:

### Applications for Planning Permission in Principle

- **An overall drainage strategy** - including a flood risk assessment and drainage impact assessment
- **SuDS Plan** - An appropriately scaled annotated site plan should show the approximate locations and land-take of the proposed SuDS features

### Applications for Detailed Planning Permission

- **SuDS Plan** - An appropriately scaled annotated site plan should show the locations and land-take of the proposed SuDS features
- **SuDS sections** – Cross- and longitudinal-sections through SuDS basins and pond features to clearly identify the design elements
- **SuDS Features Maintenance Schedule** - Details of the annual and long-term maintenance which will be required for the system.
- **SuDS Maintenance Agreement** – if being carried out by a non-statutory body.
- **SuDS Features Risk Assessment** – Demonstrating that risks have been appropriately mitigated
- **Confirmation of compliance with *Sewers for Scotland***

Formal Scottish Water approval will be required in order to obtain Road Construction Consent, and it is worth consulting Scottish Water as early as possible in the design process in order to confirm the features which they are likely to vest/maintain.

Proposals for enhancement of biodiversity in and around SuDS features should be in line with the East Lothian Biodiversity Action Plan (ELBAP) and reflect connectivity with the wider landscape, helping to implement the ELBAP and Green Network strategies. The location of SuDS and their amenity value should also be considered in relation to providing points of interest along sustainable travel corridors.

Applicants will also have to demonstrate that changes to the existing topography will not have a detrimental effect on existing wetlands, habitat, groundwater or watercourses.

Where a detention basin is proposed, applicants will be required to provide adequate information on the soil permeability rate and water table levels and the balance between that and the site's ability to retain flood water for an adequate period to effect controlled release.

In addition to technical compliance, when considering a SuDS proposal we will be asking:

- Does the SuDS positively contribute to the visual amenity of the development?
- Does it contribute positively to the biodiversity value of the site?
- Is the developer proposing this as part of their open space requirements and if so is it accessible and useable for the majority of the year?
- Why has this location and design been chosen?
- What alternatives have been considered? Why have they been dismissed?

## Appendix A - Planning Policy Relevant to SuDS

### Scottish Planning Policy

Scottish Planning Policy 2014 clearly sets out that planning has a role in managing flood risk and drainage. Paragraph 255 states that the planning system should promote, 'avoidance of increased surface water flooding through requirements for Sustainable Drainage Systems (SuDS) and minimising the area of impermeable surface a role'. It also notes that SuDS can form part of Green infrastructure.

Further national guidance is given in Planning Advice Note 61 Planning and Sustainable Urban Drainage Systems and Planning Advice Note 79 Water and Drainage.

### Local Planning Policy

#### The East Lothian Council Local Development Plan 2018

##### **POLICY NH10: Sustainable Drainage Systems**

Policy NH10 of the East Lothian Local Development Plan (ELLDP) states:

All development proposals must demonstrate that appropriate provision for Sustainable Drainage Systems (SuDS) has been made at the time of submitting a planning application, except for single dwellings or developments in coastal locations that discharge directly to coastal waters where there is no or a low risk to designated bathing sites and identified Shellfish Waters.

Sufficient space for proposed SuDS provision, including the level and type of treatment appropriate to the scheme of proposed development, must be safeguarded in site layouts. Provision must also be made for appropriate long-term maintenance arrangements to the satisfaction of the Council.

A drainage assessment may also be required to show the impact of a 1 in 200-year rainstorm event. SuDS schemes should be designed with an allowance for climate change.

Proposals must also demonstrate how SuDS will be used to promote wider benefits such as placemaking, green networks and biodiversity enhancement.

The ELLDP refers to SuDS in several places:

- **Open space:** 'SuDS areas may form part of informal open spaces subject to their design and provided they contribute to and do not harm the amenity value of the wider open space (para 3.127).
- **Green network:** 'It will be made up of green spaces (parks, public spaces, woodland spaces etc.) and blue spaces (rivers, streams wetlands and SuDS etc.). Although the Green Network will not compensate for the loss of flood plains, it can provide some mitigation for flooding and some adaptation for climate change. It aims to maintain and improve quality of place, including in relation to the setting and identity of settlements, and address environmental inequalities, promote active travel and enhance health and well-being. The development of the Green Network over time will help improve the quality of life in the area and connections for people and biodiversity (para 5.24).

- **Protecting and Enhancing the Water Environment:** The planning regime is a key tool assisting the delivery of River Basin Management Plans (RBMP), protecting and restoring the water environment through influencing developments. This will help increase the environment's capacity to cope with and support future developments, for example through the protection of existing flood plains or wetlands and the use of Sustainable Drainage Systems (SuDS) (para.6.26).

Paragraph 6.29 states that SuDS should be designed in accordance with:

- CIRIA SuDS Manual C753 (or any revision)
- The current edition of *Sewers for Scotland* where the scheme is to be adopted by Scottish Water,
- The SuDS for Roads Manual where the proposals include roads, or any subsequent revisions of these documents.

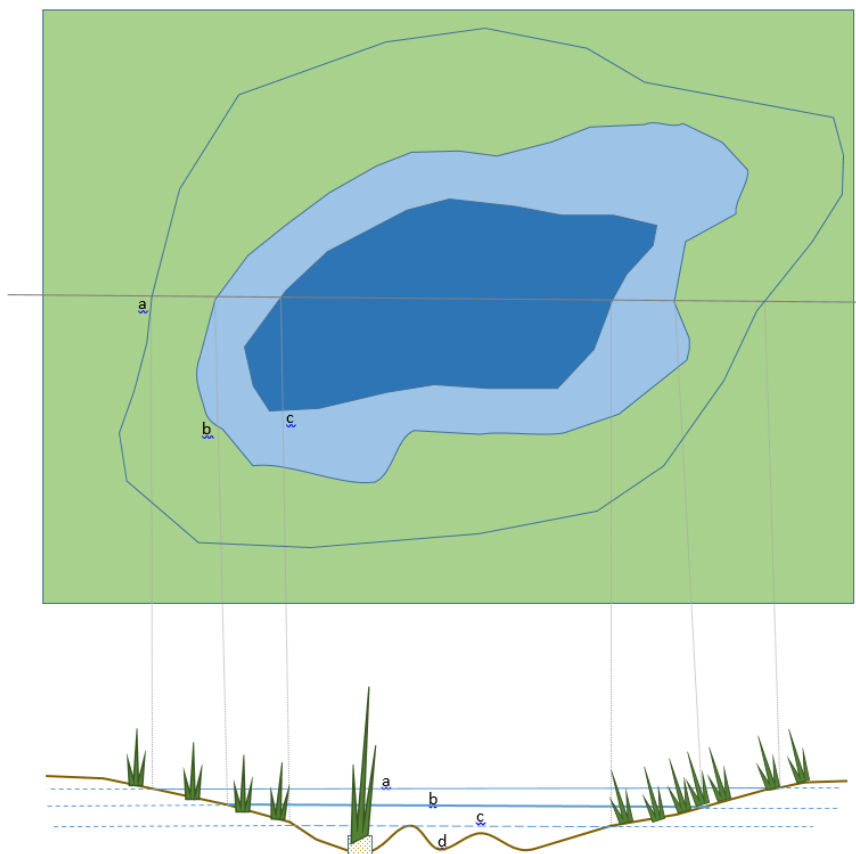


## Appendix B - Design Guidance for Biodiversity Ponds

The following points should be borne in mind when designing a biodiversity pond; for detailed design refer to chapter 23 of the CIRIA SuDS Manual<sup>3</sup>

- A biodiversity pond should be the last layer of water treatment, not the first
- Pond design should be informed by management requirements, with low maintenance being preferred. A gentle gradient of slope should allow for vehicle-based management of vegetation and for de-silting.
- Biodiversity ponds should be located close to structure planting or natural habitats to provide an appropriate landscape setting.
- Avoid a design that appears overly regular, e.g. concentric circles or ovals, around the different water levels. The best biodiversity ponds have more complex shapes, including undulations across the base of the pond. See e.g. Figure11.
- Plant different areas around the pond with different species to give a diversity of structure and a more natural appearance. See e.g. Figure 12
- Controlled species, where appropriate, should be planted 'downwind' to reduce the likelihood of seeds colonising areas of smaller vegetation.

Figure11: Stylised plan of a biodiversity SuDS pond



a = flood level and maximum level of water, max gradient in slope of XX degrees  
b = standard water level, max gradient of slope of XX degrees  
c = shallow gradient (max slope of XX degrees) from b to standard depth of water of 400 mm  
d = maximum water depth (from standard depth, b) of 1m. Base of pond should have an undulating profile rather than a smooth and uniform profile. Emergent species can be planted in containers to provide patches of vegetation across open water.

<sup>3</sup> <https://ciria.sharefile.com/share/view/19403f754e444e2a>

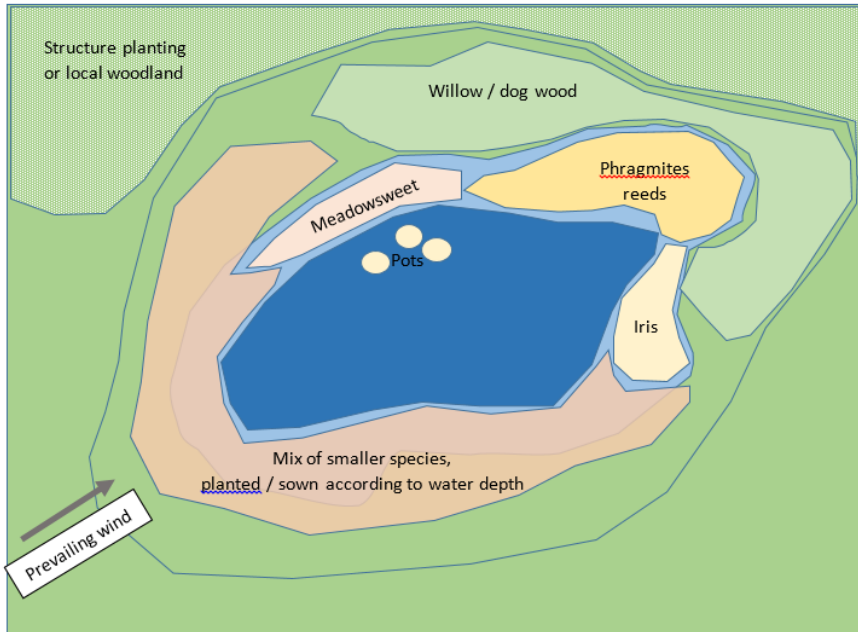


Figure 12: Stylised planting design for SUDS pond, based on Fig. 11

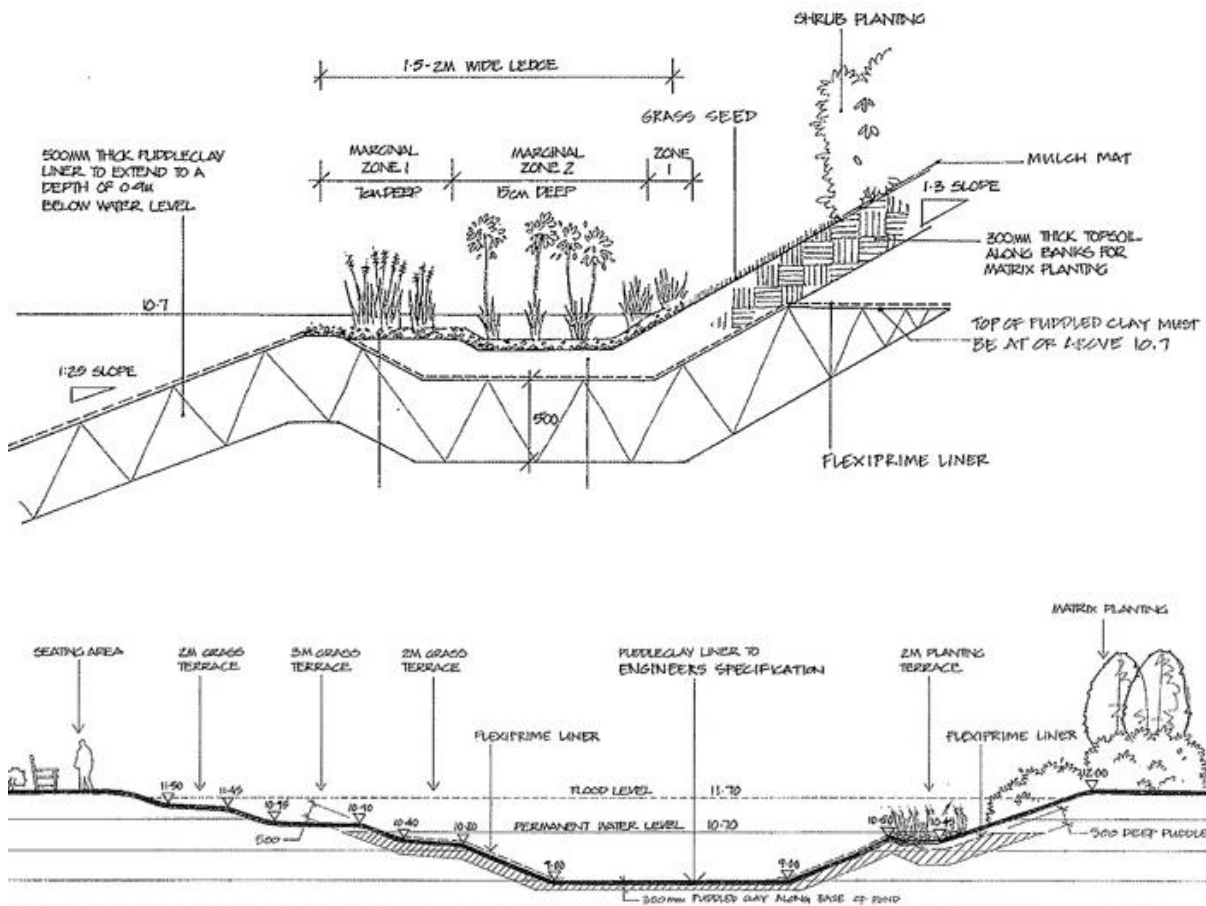


Figure 3: Examples of SUDS pond images from Google and CIRIA to aid discussions

## Appendix C - Marginal (marsh) and Aquatic Plants Species

Table 1 lists native species that should grow well in marshy or aquatic conditions in East Lothian. Each species is available from commercial stockists, either as part of a seed mix or as plug plants. The list on the left hand side shows preferred species, which commonly grow as a mix of species to create diverse wetland vegetation communities. The species on the right hand side are taller and more robust, and can become dominant if the conditions suit the species. This will reduce overall plant diversity and can reduce landscape quality by presenting a solid blanket of a single species. These species should only be used where the pond design will restrict their spread, e.g. through soil conditions or water depth.

Note that *Typha* species should **not** be used because they can totally dominate a wetland, excluding most other species.

Acceptable species	Controlled Species	Banned Species
<i>Achillea ptarmica</i> (sneezewort)	<i>Filipendula ulmaria</i> (meadowsweet)	<i>Typha</i> species (reedmace) DO NOT USE
<i>Alisma plantago-aquaticum</i> (water plantain)	<i>Iris psuedacorus</i> (iris)	
<i>Angelica sylvestris</i> (wild angelica)	<i>Juncus</i> spp (all rushes)	
<i>Caltha palustris</i> (marsh marigold)	<i>Phalaris arundinacea</i> (reed canary grass)	
<i>Carex ovalis</i> (oval sedge)	<i>Phragmites communis</i> (common reed)	
<i>Dipsacus fullonum</i> (teasel)		
<i>Eriophorum vaginatum</i> (hare's foot cotton grass)		
<i>Geum rivale</i> (water avens)		
<i>Galium palustre</i> (marsh bedstraw)		
<i>Hypericum tetrapterum</i> (square-stalked St John's wort)		
<i>Lychnis flos-cuculi</i> (ragged robin)		
<i>Lythrum salicaria</i> (purple loosestrife)		
<i>Mentha aquatic</i> (water mint)		
<i>Myosotis scorpioides</i> (water forget me not)		
<i>Polygonum amphibium</i> (amphibious bistort)		
<i>Potentilla palustris</i> (marsh cinquefoil)		
<i>Primula veris</i> (cowslip)		
<i>Primula vulgaris</i> (primrose)		
<i>Prunella vulgaris</i> (selfheal)		
<i>Ranunculus flamula</i> (spearwort)		
<i>Stachys palustris</i> (marsh woundwort)		
<i>Valeriana dioica</i> (valerian)		
<i>Veronica beccabunga</i> (brooklime)		

Table 1: Wetland plant species that are acceptable in a SuDS pond design, those that should be used under controlled circumstances and species that must not be used.



## **Appendix 2 : Key Agency pre-consultation responses to draft SuDS SPG**

### **Historic Environment Scotland (HES)**

Thank you for your email of 28 November requesting our comments on the above draft guidance. Our advice is set out below, in relation to the three specific issues you raise. Please note that our view is based on our main area of interest for the historic environment.

#### **Pre-screening for SEA**

We understand that the document is intended as supplementary planning guidance (SPG) which will provide detail to support the interpretation and application of policy NH10 in the East Lothian Local Development Plan (LDP). This policy has been subject to assessment through the LDP SEA process. On the basis of the information provided, including a copy of the draft SPG, we agree that the SPG is unlikely to have significant effects on the historic environment.

However, as you will be aware, it is the responsibility of East Lothian Council as the Responsible Authority to determine whether the SPG requires an environmental assessment and to inform the Consultation Authorities accordingly.

#### **The content of the guidance**

We have no specific advice to offer on the contents of the guidance, which does not relate to our interests.

#### **Any specific conflicts with other guidance**

We have not identified any specific conflicts with other guidance. You may, however, wish to consider references to other policy areas in the LDP that may be relevant for the type of works referred to in the document. This would include, for example, any policies relating to archaeology.

## **Scottish Environment Protection Agency (SEPA)**

Thank you for your consultation email which SEPA received on 28 November 2018. We have reviewed the draft East Lothian Council Guidance on Sustainable Drainage Systems (SuDS) and provide the comments under the relevant chapter titles of the guidance.

### **Advice for the planning authority**

#### **Summary comments**

It is very helpful to see the East Lothian Council specific requirements for SuDs within this guidance. We have made a number of comments, including the provision of further information on water quantity and flood risk requirements

We would suggest that general requirements for SuDS such as amenity, biodiversity etc are clearly outlined as part of the design guidance, and further references are made to the CIRIA manual alongside the East Lothian Council specific requirements for SuDS.

We are happy to meet to discuss and provide further support in developing this guidance if required.

#### **Executive Summary**

We consider that there is an opportunity in the Executive Summary to further describe the multifunctional benefits of SuDs, particularly in regard to placemaking. As indicated throughout the document, SuDs have multi-benefits for place-making and should form an important component of blue-green networks. Well-designed SuD features can enhance biodiversity, reduce siltation thereby enhancing water quality, alleviate flash flooding and be incorporated within and alongside active travel routes and provide an interesting educational resource. The communication of this message in the Executive Summary will assist in building wider understanding of the value of well-maintained SuDS.

#### **Overview**

We consider that SuDs should be considered as a component of blue-green networks. The opportunity should be taken to enhance and connect existing blue-green networks while creating new ones. This context should underlie the design of any SuDs scheme onsite. We consider that this could be further described within the text of the overview to ensure that readers understand what is meant by this.

We would also add in this section, that careful landscaping can usually avoid the need for fencing, avoiding unnecessary loss of connectivity between the SuD feature and wider blue-green network. Maintaining access to SuD ponds, enhances their value within public open space, making it more likely that residents will understand their role and take an interest in their long-term maintenance.

#### **Design Guidance**

We would suggest that further information to clarify responsibilities for SuDS is included in the guidance and options for SUDS ownership and adoption in East Lothian are set out. This will assist in the clarification of when Scottish Water standards need to be met and when East Lothian Council standards need to be met (or where full CIRIA manual standards can be followed). For example, in-curtilage SUDS should be considered part of the SUDS design with responsibility for ownership and maintenance being with the home owner / landowner.

However maintenance responsibilities and requirements should be made clear to any new owner in order to ensure that SuDS remain effective. We have noted this under the Executive Summary and Design Guidance section, however it may be beneficial to have a separate chapter on this.

There is also the opportunity for shared ownership of SuDS between Scottish Water and East Lothian Council under Section 7 of the Sewerage (Scotland) Act 1968. We are not clear if this has been agreed in East Lothian Council yet, however it may be helpful to include this if agreements have been established.

Overall it is helpful to see the East Lothian Council specific requirements set out clearly under the different types of SuDS. To further support the information provided we have provided further advice under several topic headings below which could be incorporated as part of overall general requirements of SuDS design.

### **Amenity**

It would be useful if East Lothian Council LDP policies in regard to open space and green networks were identified within the Design Guidance section to promote the contributions which SuDS make to these aspects of development. The CIRIA Manual provides information on design objectives and criteria for amenity and also gives detail on how different SUDS features (e.g. basins, swales and ponds) should be designed to provide amenity value and gives supporting guidance on landscape and health and safety.

### **Biodiversity**

We also consider whether it is possible for the East Lothian LDP policies with regard to biodiversity to be referenced to promote the contributions which SuDS can have in delivering biodiversity. The CIRIA Manual provides information on design objectives and criteria for biodiversity and also gives detail on how different SUDS features (e.g. basins, swales and ponds) should be designed to provide biodiversity value. We note there is discussion of this in the Information required for Planning Applications sections, however this may be better placed within the Design Guidance section.

### **Water quality**

With regard to water quality, we note that reference is made to SEPA requirement for the CIRIA SUDS manual standards for water quality to be met ([SEPA Regulatory Method WAT-RM-08 Sustainable Urban Drainage Systems](#)) at the beginning of the document. It would be beneficial if this was reiterated in the Design Guidance section.

### **Water quantity and flood risk**

We consider that there is an opportunity to provide further information with regards to water quantity and flood risk requirements in relation to SuDS. SuDS can be designed to include areas that are designated to flood on an infrequent basis, for example car park, roads, recreation areas and these areas should be designed and managed with this multifunctional purpose in mind. The CIRIA Manual provides further information including design objectives, criteria and standards for water quantity and also gives detail on the hydraulic design requirements for different SuDS features (e.g. basins, swales and ponds). The CIRIA manual also provides supporting guidance on hydrology and hydraulics.

### **Construction and maintenance**

The CIRIA manual provides information on how design should take into account maintenance requirements. We recommend that this is identified within the guidance. An

operation and maintenance manual should be made available to those responsible for the SUDS and directions to information on best practice with regard to construction.

Further information on East Lothian Council Flood risk management requirements should be provided including requirements for exceedance design E.g. all of the development including roads and access areas should have no surface water up to the 1 in 30 year rain (except in the designated drainage features). For management of more extreme rain events between 1 in 30 and 1 in 200 year areas may be specifically designated for temporary flood storage or conveyance as part of the design of the surface water management system.



## **Scottish Natural Heritage (SNH)**

The guidance would have no or minimal environmental impacts and therefore can be pre-screened for SEA.

You have said in your original email that the guidance will be non-statutory. On that basis, we agree that it would be eligible for pre-screening under Section 5(4) of the Environmental Assessment (Scotland) Act 2005.

The content of the document including the overarching aim to provide developers/designers/engineers with a local framework for designing suitable SUDS for East Lothian.

We have only given the document a quick read and will provide more detailed advice when consulted. Having said that, we welcome the emphasis on multi-functionality and what will be expected of developments in East Lothian. We consider that a place-based approach to design, rather than reiteration of other guidance, is an essential part of delivering successful, sustainable development. We understand that the selection of photos used is intended to demonstrate what good practice looks like but would encourage you to include more examples from East Lothian, if available, rather than concentrating solely on photos used in national guidance.

There would be no specific conflicts with any advice and guidance that each of the key Agencies have or intend to produce.

SNH is a member of the SUDS Working Party, along with other Key Agencies and relevant stakeholders from public and private sectors. The SUDS Working Party released the [Water Assessment and Drainage Assessment Guide](#) earlier this year. As far as I'm aware, SNH has no plans to produce further advice and guidance on SUDS.



**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

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

**SUBJECT:** Appointments to Committees, Boards and Outside Bodies

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9

## **1 PURPOSE**

- 1.1 To request the Council to approve the changes to committee membership, as proposed by the Conservative Group (as set out in Section 3.1 of the report), with immediate effect.
- 1.2 To request the Council to approve the appointment of Councillor O'Donnell as Convener of the East Lothian Integration Joint Board, with effect from 1 April 2019.
- 1.3 To request the Council to approve the nomination of Councillor Kempson to replace Councillor Henderson as the Council's representative on the East Lothian Local Access Forum, with immediate effect.

## **2 RECOMMENDATIONS**

- 2.1 That the Council approves:
  - 2.1.1 the following changes to committee membership (with immediate effect):
    - Audit & Governance Committee: Councillor Mackett to replace Councillor Small
    - Policy & Performance Review Committee: Councillor Findlay to replace Councillor Small
    - Education Committee: Councillor Henderson to replace Councillor Small
  - 2.1.2 the appointment of Councillor O'Donnell as Convener of the East Lothian Integration Joint Board.
  - 2.1.3 the appointment of Councillor Kempson to the East Lothian Local Access Forum, replacing Councillor Henderson, with immediate effect.

### **3 BACKGROUND**

3.1 The Leader of the Conservative Group has advised of proposed changes to the Group's membership of committees, as follows:

- Audit & Governance Committee: Councillor Mackett to replace Councillor Small
- Policy & Performance Review Committee: Councillor Findlay to replace Councillor Small
- Education Committee: Councillor Henderson to replace Councillor Small

3.2 In accordance with the East Lothian Integration Joint Board (IJB) Integration Scheme, the Council is asked to appoint a new convener of the IJB, to take effect from 1 April 2019 to 31 March 2021. The convener must be appointed from among the Council's voting members of the Board. The Administration is proposing that Councillor O'Donnell is appointed to this role.

3.3 Councillor Mackie has intimated that she wishes to relinquish her position as the Council's representative on the Scottish Seabird Centre Trust. It is proposed that this appointment is not replaced, and that representatives from the Scottish Seabird Centre are instead invited to brief Members on the Trust's activities twice a year.

3.4 Councillor Henderson has intimated that she wishes to relinquish her position as a Council representative on the East Lothian Local Access Forum. The Administration is proposing that Councillor Kempson is appointed as Councillor Henderson's replacement.

### **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 None.

<b>AUTHOR'S NAME</b>	Lel Gillingwater
<b>DESIGNATION</b>	Team Manager - Democratic & Licensing
<b>CONTACT INFO</b>	lgillingwater@eastlothian.gov.uk x7225
<b>DATE</b>	11 February 2019



**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

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

**SUBJECT:** Schedule of Meetings 2019/20

---

**10**

## **1 PURPOSE**

- 1.1 To set the Schedule of Meetings of the Council, committees and other forums for 2019/20.

## **2 RECOMMENDATIONS**

- 2.1 The Council is asked:
- i. to approve the proposed Schedule of Meetings for 2019/20; and
  - iii. to note that the schedule is subject to change, and that any changes will be communicated to Members and officers as soon as practicable.

## **3 BACKGROUND**

- 3.1 The annual Schedule of Meetings for 2019/20 is presented to Members for approval. There are 123 committee meetings scheduled for 2019/20. The schedule largely follows the pattern set for previous years, with a week-long mid-term break in October, a two-week winter break over Christmas/New Year, and a two-week break over the Easter period.
- 3.2 As in 2018/19, a number of additional meetings of the Planning Committee have been scheduled to take account of the increase in planning applications generated by the Local Development Plan.
- 3.3 Members should note that the Integration Joint Board (IJB) sets its own dates. As the meeting dates have not yet been approved by the IJB, they will be communicated to Members and added to the schedule in due course.
- 3.4 Members should also note that the date of the budget-setting meeting will be scheduled and communicated to Members in due course.
- 3.5 A number of dates have been included for Members' briefing sessions. Members will be advised of the topics in due course.

3.6 On approval of the dates, venues for meetings and briefings will be booked and confirmed with Members and officers. Members are asked to note that the schedule is subject to change and that any changes will be communicated as soon as practicable.

#### **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 Standing Orders

<b>AUTHOR'S NAME</b>	Lel Gillingwater
<b>DESIGNATION</b>	Team Manager – Democratic & Licensing
<b>CONTACT INFO</b>	<a href="mailto:lgillingwater@eastlothian.gov.uk">lgillingwater@eastlothian.gov.uk</a> x7225
<b>DATE</b>	4 February 2019



**East Lothian Council  
Schedule of Meetings 2019/20**

Day	Date	Time	Committee/Meeting	Venue
Tues	20 August 2019	10.00	Planning Committee	CC
Thurs	22 August 2019	10.00	Homelessness Appeals Sub-Committee	Saltire
Tues	27 August 2019	10.00	East Lothian Council	CC
Thurs	29 August 2019	10.00	East Lothian Licensing Board	CC
Tues	3 September 2019	10.00 14.00	Planning Committee Members' Briefing	CC CC
Thurs	5 September 2019	10.00 14.00	Employee Appeals Sub-Committee North Berwick Common Good Committee	CC tbc
Tues	10 September 2019	10.00 14.00 14.00	Cabinet Musselburgh Common Good Committee IJB Audit & Risk Committee	CC tbc CC
Thurs	12 September 2019	10.00 14.00	Licensing Sub-Committee Petitions and Community Empowerment Review Committee	CC CC
Tues	17 September 2019	10.00 14.00	Audit & Governance Committee Haddington Common Good Committee	CC tbc
Thurs	19 September 2019	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	24 September 2019	09.00	Musselburgh Racing Associated Committee	CC
Wed	25 September 2019	14.00	Joint Consultative Committee	CC
Thurs	26 September 2019	10.00	East Lothian Licensing Board (to be followed by meeting of East Lothian Licensing Board and East Lothian Local Licensing Forum)	CC
Tues	1 October 2019	10.00	Planning Committee	CC
Thurs	3 October 2019	10.00 14.00	Employee Appeals Sub-Committee Dunbar Common Good Committee	CC tbc
Tues	8 October 2019	14.00	Members' Briefing	CC
Wed	9 October 2019	10.00	Policy and Performance Review Committee	CC
Thurs	10 October 2019	10.00	Licensing Sub-Committee	CC
<i>Autumn Recess: 14 – 18 October 2019</i>				
Thurs	24 October 2019	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	29 October 2019	10.00	East Lothian Council	CC
Thurs	31 October 2019	10.00	East Lothian Licensing Board	CC
Tues	5 November 2019	10.00 14.00	Planning Committee Members' Briefing	CC CC
Thurs	7 November 2019	10.00	Employee Appeals Sub-Committee	CC
Tues	12 November 2019	10.00 14.00	Cabinet Musselburgh Common Good Committee	CC tbc

Thurs	14 November 2019	10.00 14.00	Licensing Sub-Committee Police, Fire and Community Safety Committee	CC CC
Tues	19 November 2019	10.00 14.00	Education Committee Haddington Common Good Committee	CC tbc
Thurs	21 November 2019	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	26 November 2019	10.00	Audit & Governance Committee	CC
Thurs	28 November 2019	10.00	East Lothian Licensing Board	CC
Tues	3 December 2019	10.00	Planning Committee	CC
Thurs	5 December 2019	10.00 14.00	Employee Appeals Sub-Committee North Berwick Common Good Committee	CC tbc
Tues	10 December 2019	10.00	East Lothian Council	CC
Thurs	12 December 2019	10.00 10.00 14.00	Licensing Sub-Committee Homelessness Appeals Sub-Committee Petitions and Community Empowerment Review Committee	CC Saltire CC
Tues	17 December 2019	09.00 14.00	Musselburgh Racing Associated Committee IJB Audit & Risk Committee	CC CC
Wed	18 December 2019	14.00	Joint Consultative Committee	CC
Thurs	19 December 2019	10.00	East Lothian Licensing Board	CC
<i>Winter Recess: 20 December 2019 – 3 January 2020</i>				
Thurs	9 January 2020	10.00 14.00	Licensing Sub-Committee Dunbar Common Good Committee	CC tbc
Tues	14 January 2020	10.00	Planning Committee	CC
Thurs	16 January 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	21 January 2020	10.00 14.00	Cabinet Members' Briefing	CC CC
Thurs	23 January 2020	10.00	East Lothian Licensing Board	CC
Tues	4 February 2020	10.00	Planning Committee	CC
Thurs	6 February 2020	10.00 14.00	Employee Appeals Sub-Committee North Berwick Common Good Committee	CC tbc
Thurs	13 February 2020	10.00	Licensing Sub-Committee	CC
Tues	18 February 2020	10.00 14.00	Audit & Governance Committee Musselburgh Common Good Committee	CC tbc
Thurs	20 February 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	25 February 2020	10.00	East Lothian Council	CC
Wed	26 February 2020	10.00	Policy & Performance Review Committee	CC
Thurs	27 February 2020	10.00	East Lothian Licensing Board	CC
Tues	3 March 2020	10.00 14.00	Planning Committee Haddington Common Good Committee	CC tbc
Thurs	5 March 2020	10.00 14.00	Employee Appeals Sub-Committee Dunbar Common Good Committee	CC tbc

Tues	10 March 2020	10.00 14.00	Cabinet IJB Audit & Risk Committee	CC CC
Wed	11 March 2020	14.00	Joint Consultative Committee	CC
Thurs	12 March 2020	10.00 14.00	Licensing Sub-Committee Petitions and Community Empowerment Review Committee	CC CC
Tues	17 March 2020	10.00 14.00	Education Committee Members' Briefing	CC CC
Thurs	19 March 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	24 March 2020	09.00	Musselburgh Racing Associated Committee	CC
Thurs	26 March 2020	10.00	East Lothian Licensing Board	CC
Tues	31 March 2020	10.00	Planning Committee	CC
Thurs	2 April 2020	10.00	Employee Appeals Sub-Committee	
<i>Spring Recess: 3 – 17 April 2020</i>				
Tues	21 April 2020	14.00	Members' Briefing	CC
Thurs	23 April 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tues	28 April 2020	10.00	East Lothian Council	CC
Thurs	30 April 2020	10.00	East Lothian Licensing Board	CC
Tues	5 May 2020	10.00	Planning Committee	CC
Thurs	7 May 2020	10.00 14.00	Employee Appeals Sub-Committee North Berwick Common Good Committee	CC tbc
Tues	12 May 2020	10.00 14.00	Cabinet Members' Briefing	CC CC
Thurs	14 May 2020	10.00 14.00	Licensing Sub-Committee Police, Fire and Community Safety Committee	CC CC
Tues	19 May 2020	10.00 14.00	Musselburgh Common Good Committee Haddington Common Good Committee	tbc tbc
Thurs	21 May 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Thurs	28 May 2020	10.00	East Lothian Licensing Board	CC
Tue	2 June 2020	10.00 14.00	Planning Committee IJB Audit & Risk Committee	CC CC
Thurs	4 June 2020	10.00 14.00	Employee Appeals Sub-Committee Dunbar Common Good Committee	CC tbc
Tue	9 June 2020	10.00 14.00	Education Committee Members' Briefing	CC CC
Wed	10 June 2020	14.00	Joint Consultative Committee	CC
Thurs	11 June 2020	10.00 14.00	Licensing Sub-Committee Petitions and Community Empowerment Review Committee	CC CC
Tue	16 June 2020	10.00	Audit & Governance Committee	CC
Wed	17 June 2020	10.00	Policy & Performance Review Committee	CC

Thurs	18 June 2020	10.00 14.00	Homelessness Appeals Sub-Committee Local Review Body (Planning)	Saltire CC
Tue	23 June 2020	10.00	East Lothian Council	CC
Wed	24 June 2020	10.00	Planning Committee	CC
Thurs	25 June 2020	10.00	East Lothian Licensing Board	CC
Tue	30 June 2020	09.00	Musselburgh Racing Associated Committee	CC

18 February 2019

**REPORT TO:** East Lothian Council

**MEETING DATE:** 26 February 2019

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

**SUBJECT:** Submissions to the Members' Library Service  
4 December 2018 – 11 February 2019

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**11**

## **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 4 December 2018 and 11 February 2019, 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>	11 February 2019

**MEMBERS' LIBRARY SERVICE RECORD FOR THE PERIOD  
4 December 2018 – 11 February 2019**

<b>Reference</b>	<b>Originator</b>	<b>Document Title</b>	<b>Access</b>
178/18	Head of Education	Protocol for Appointment of Support Staff Where Schools Close/Merge	Public
179/18	Head of Council Resources	Establishment Changes – November 2018	Private
180/18	Head of Children and Adult Services	Children and Young People Services Plan 2017-18 – Annual Performance Report	Public
181/18	Head of Communities and Partnerships	Environmental Health Services Charter 2018	Public
182/18	Head of Communities and Partnerships	Environmental Health Services Plan 2018-19	Public
183/18	Depute Chief Executive (Resources and People Services)	Expansion of Early Learning and Childcare to 1140 hours	Public
184/18	Head of Infrastructure	Sale of Land in Musselburgh	Private
185/18	Depute Chief Executive (Partnerships and Community Services)	Service Review and Staffing Report – Engineering Services and Building Standards	Private
186/18	Depute Chief Executive (Resources and People Services)	Service Review – South East Improvement Collaborative Workforce Plan	Private
187/18	Head of Infrastructure	Assignment of the Ground Lease for a Chalet Site at Belhaven Bay Holiday Chalet Park, Dunbar	Private
188/18	Head of Council Resources	Quarterly Customer Feedback Reporting	Public
189/18	Head of Development	Strategic Housing Investment Plan	Public
190/18	Head of Development	East Lothian Council – Public Sector Climate Change Reporting 2017/18	Public
191/18	Head of Development	Proposed New Housing at Letham Mains, Haddington	Public
1/19	Head of Council Resources	Establishment Changes for December 2018	Private
2/19	Head of Infrastructure	Trade Waste Charges 2019/20	Private
3/19	Depute Chief Executive (Resources & People Services)	Re-alignment of Services – Council Resources	Private

4/19	Depute Chief Executive (Partnerships & Community Services)	Proposed New Primary School at Letham Mains, Haddington	Public
5/19	Head of Communities & Partnerships	Analysis of 2018 Budget Consultation	Public
6/19	Head of Development	Proposals to Increase Council House Rents – Consultation Exercise	Public
7/19	Head of Council Resources	Service Review – Transport & Waste Services	Private
8/19	Depute Chief Executive (Partnerships & Community Services)	Building Warrants issued under Delegated Powers between 1 <sup>st</sup> October 2018 and 31 <sup>st</sup> December 2018	Public
9/19	Chief Executive	Best Value Assurance Report – Correspondence between the ELC Chief Executive and the Secretary to the Accounts Commission	Public
10/19	Depute Chief Executive (Partnerships and Community Services)	Proposed Single Point of Contact at John Muir House, Haddington	Public
11/19	Depute Chief Executive (Partnerships and Community Services)	Objection to Traffic Regulation Order TO/204/17 New Row, Tranent (One Way) Order 2017	Public
12/19	Depute Chief Executive (Partnerships and Community Services)	Development Plan Scheme No.10	Public
13/19	Head of Development	East Lothian Council Statement of Intent – Energy Company Obligation (ECO3)	Public
14/19	Depute Chief Executive (Partnerships and Community Services)	The Edinburgh and South East Scotland City Region Deal (ESESCRD) – Integrated Regional Employability and Skills (IRES) programme	Public
15/19	Depute Chief Executive (Partnerships and Community Services)	The East Lothian Community Planning Economic Development Strategy 2012-22, refresh	Public
16/19	Head of Council Resources	Establishment Changes – January 2019	Private
17/19	Depute Chief Executive (Partnerships and Community Services)	Proposed Purchase of Affordable Housing at Elder Street, Tranent	Public

11 February 2019