

# MINUTES OF THE MEETING OF EAST LOTHIAN COUNCIL

# TUESDAY 29 OCTOBER 2024 COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON AND VIA HYBRID MEETING FACILITY

#### **Committee Members Present:**

Provost J McMillan (Convener) Councillor S Akhtar Councillor E Allan Councillor R Bennett Councillor C Cassini Councillor D Collins Councillor F Dugdale Councillor J Findlay Councillor A Forrest Councillor N Gilbert Councillor N Hampshire Councillor L Jardine Councillor C McFarlane Councillor C McGinn Councillor G McGuire Councillor S McIntosh Councillor K McLeod Councillor L-A Menzies Councillor B Ritchie Councillor T Trotter Councillor C Yorkston

#### **Council Officials Present:**

Ms M Patterson, Chief Executive Ms L Brown, Executive Director for Education and Children's Services Ms S Fortune. Executive Director for Council Resources Ms F Wilson, Director of Health and Social Care Ms H Barnett, Head of Corporate Support Ms E Dunnet, Head of Finance Ms N McDowell, Head of Education Ms W McGuire, Head of Housing Mr R Montgomery, Head of Development Mr T Reid. Head of Infrastructure Ms C Rodgers, Head of Communities Mr J Baker, Service Manager – Economic Development Ms E Barclay, Democratic Services Assistant Mr S Cooper, Service Manager – Communications Mr C Grilli, Service Manager – Governance Mr M Hayman, Project Officer – Local Heat and Energy Efficiency Mr P Iannetta, Service Manager – Engineering Services Mr G Marsden, Project Manager – Growth and Sustainability

#### **Visitors Present:**

None

Clerk: Mrs L Gillingwater

# Apologies:

**Councillor Bruce** 

#### **Declarations of Interest:**

For transparency purposes, in relation to Items 2 and 3, Councillors Forrest and McGinn declared that they were trustees of the Brunton Theatre Trust (appointed by the Council). Councillor Forrest declared an interest in Item 15, advising that he had assisted Musselburgh and Inveresk Community Council; he confirmed that he would leave the meeting for the duration of that item.

The Provost advised that the meeting was being held as a hybrid meeting, as provided for in legislation; that the meeting would be recorded and live streamed; and that it would be made available via the Council's website as a webcast, in order to allow public access to the democratic process in East Lothian. He noted that the Council was the data controller under the Data Protection Act 2018; that data collected as part of the recording would be retained in accordance with the Council's policy on record retention; and that the webcast of the meeting would be publicly available for six months from the date of the meeting.

Prior to the commencement of business, the Provost made a statement regarding the former Scottish First Minister, Alex Salmond, who died on 12 October, and whose funeral was taking place on 29 October. The Provost advised that he had asked for the flag to be flown at half-mast to mark the death and funeral of Mr Salmond, and that he had sent condolences to Mrs Salmond on behalf of the Council.

The clerk recorded the attendance of Members by roll call.

### 1. MINUTES FOR APPROVAL

The minutes of the following meeting were approved: East Lothian Council, 27 August 2024.

#### 2. FINANCE UPDATE

A report was submitted by the Executive Director for Council Resources providing an update on key developments relating to the in-year financial position, future budget setting, and transformation.

The Head of Finance, Ellie Dunnet, presented the report. She provided a summary of the inyear position, an update on the pay settlement, the forecast overspend, and the risks relating to grant funding for maintaining teacher numbers (all set out at Section 3.2 of the report). She drew Members' attention to the financial pressures facing the Integration Joint Board (IJB), to a letter from the Chief Financial Officer of the IJB on this matter (attached at Appendix 1 to the report), and to the recommended strategy for the Council (outlined at Section 3.6). Ms Dunnet also referenced the budget timetable and budget development work, advising that the Scottish Government had not yet outlined its intentions in relation to council tax increases. On the Brunton Theatre Trust, she proposed that a letter of comfort be provided, and she also highlighted ongoing transformation projects.

In relation to the Housing Revenue Account (HRA), Councillor Forrest asked about plans to continue building social housing. Ms Dunnet made reference to the reduction in Scottish Government funding for affordable housing, which had resulted in a scaling-back of the Council's new-build programme in 2024/25. This would have an impact on the homelessness budget. The Housing Service was looking at ways to maximise supply and would also be reviewing rent levels for 2025/26.

As regards the IJB overspend, Councillor Hampshire noted that the IJB had transferred £3m of reserves back to the NHS. He asked if the Council would need to fund the overspend should the IJB's recovery plan be unsuccessful. Ms Dunnet confirmed this to be the case, adding that it was for the IJB to determine how its reserves were used, and that the £3m would be used to offset the overspend on NHS services run by the IJB.

In response to questions from a number of Members on the IJB overspend, Ms Dunnet reported that of the £7.5m overspend, £3m related to Council services. She advised that demand-led services were facing significant pressure as a result of population growth and demographic change. She undertook to provide further financial details regarding input into the IJB in cash terms by both partners, and confirmed that the IJB was working towards a break-even position for all of its budgets.

Councillor Allan sought an update on the development of new income streams. Ms Dunnet informed her that the proposal for a visitor levy and additional council tax charges for long-term empty and second homes were two such examples.

Responding to questions from Councillor Menzies on housing matters, Wendy McGuire (Service Manager for Housing) referred to a recent Cabinet report on a homelessness action plan. She advised that the review of homelessness was ongoing, and she hoped to report back to Members on this by the end of the year. She stressed that there was significant pressure on the HRA, especially due to the reduction in capital funding. On the rent consultation, Ms McGuire advised that the survey was in the process of being designed and was due to be issued, so for this year, it would not be possible to involve Members in that process.

Councillor McIntosh questioned the possibility and impact of a council tax freeze. Ms Dunnet indicated that the Council was planning to implement a 10% rise for 2025/26, in line with the 2024/25 budget, which would raise an additional £9m. A council tax freeze would result in additional pressures of a similar amount, so a freeze would not be desirable to the Council; the Council's position had been communicated through CoSLA.

Councillor Trotter asked for further details on the use of agency staff and income generation. Ms Dunnet explained that agency staff were used across services, especially to cover frontline vacancies; she offered to provide further information on this. On income generation, she advised that targets were set for various income streams, including garden waste collection and council tax premiums, and that work to achieve these targets was ongoing.

Councillor Akhtar asked about the impact of the IJB situation on health and social care services. Ms Dunnet referred to the letter from the IJB CFO, noting that the longer-term impact would be for the Council to consider during the budget development process.

Councillor Hampshire opened the debate, stating that services across the Council were struggling to cope with demand. He expressed his concern at the position with the IJB overspend, warning that any additional contribution required from the Council would have to be met from implementing cuts to other services. He noted that the NHS had made significant savings as a result of its partnership working with the Council to reduce levels of delayed discharge, and he was concerned that additional costs would sit with the Council. On homelessness, he advised that the Council had done what it could to provide more homes, but that the funding to deliver additional homes was no longer available. He hoped that the UK Government's budget would release funding for new affordable housing. As regards the budget development process, he accepted that difficult decisions would have to be taken and hoped that all political groups would work together in order to achieve a balanced budget.

Councillor Menzies agreed with the points made by Councillor Hampshire and welcomed the opportunity to work in collaboration with the Administration. She suggested that if there was insufficient funding allocated to Scotland in the UK Government's budget, that the Council should write to the Chancellor of the Exchequer to make her aware of the situation in Scotland. Councillor Menzies paid tribute to Council staff for their efforts to deliver services despite the financial challenges.

Councillor Akhtar also commended staff for their work in supporting communities. On the IJB situation, she pointed out that the budget for health and social care services had been underfunded for some years as it did not take account of East Lothian's population growth. She made reference to a 40% increase in demand for adult social care services, which had resulted in the IJB overspend. She stressed the importance of providing locally based social care services to allow people to access services and to remain within their communities. She also mentioned that primary care services in East Lothian had also been underfunded, and that there was a desire to carry out more 'green prescribing', but that this wasn't possible due to a lack of resources. Councillor Akhtar was concerned about the IJB reserves situation and of the short- and long-term impact of this. She also emphasised the need for the Barnett consequentials to be passed on as regards health and social care. She stated her commitment to working with the NHS to continue to providing community-based services.

Councillor Dugdale noted that many of the Council's challenges had resulted from the growth in population and the resulting demand for services. She voiced her concern about the potential for penalties of up to  $\pm 1.5$ m to be applied in relation to maintaining teacher numbers, especially as the final position on this would not be known until January.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

- i. to note the movement in-year financial projections since the quarter one report;
- ii. to note the recurring pressures and ongoing risks facing the Council in relation to its capacity to manage the financial environment;
- iii. to agree the approach to supporting the IJB funding, as set out in paragraph 3.6;
- iv. to note that the ongoing intervention measures approved by Council remain under review;
- v. to note the update on budget development;
- vi. to note the proposed approach to budget consultation for both General Services and Housing Revenue Account;
- vii. to agree to provide the Brunton Theatre Trust with a further letter of comfort to support the going concern assumption for the 2023/24 financial statements audit; and
- viii. to note the update on transformation.

# 3. THE BRUNTON HALL RAAC UPDATE, PROPOSAL FOR CLOSURE, AND ALTERNATIVE SERVICE DELIVERY ARRANGEMENTS

A report was submitted by the Executive Director for Place providing an update on the current position at the Brunton Hall, which has been compromised structurally due to the discovery and condition of Reinforced Autoclaved Aerated Concrete (RAAC).

The Head of Infrastructure, Tom Reid, presented the report, providing an update on the current condition of the building and the safety arrangements in place. He indicated that the Brunton Hall was no longer suitable for use as office accommodation and set out proposals for the relocation of the staff currently located there, as well as the closure and mothballing of the building. Mr Reid provided details of the option appraisal undertaken for the building (set out at Sections 3.22-3.23 of the report). However, he advised that none of the options listed presented value for money, and he therefore proposed that the building should be demolished. He also proposed plans for a place-based approach to future service delivery, as outlined in Section 3.26 of the report.

In response to questions from Councillor McIntosh, Mr Reid explained that the relocation of staff would take up to six months, and that there were no plans to demolish the Brunton Hall in the short term; as the building was a Common Good asset, consultation would need to be carried out on the proposed demolition of the building. A second consultation with all stakeholders would be undertaken which would inform a business case for the future provision of the arts service – the results of the consultation would be presented to Members prior to a final decision being taken. He added that a detailed report on the work carried out to date would be lodged in the Members' Library as soon as possible. As regards the relocation of staff, Mr Reid accepted that there may be some challenges, and that further work was required before the proposals were finalised; a further announcement on this would be made in the coming weeks.

Councillor McLeod requested further information on the proposed 'place-based approach'. Mr Reid advised that this approach would involve working with partners and stakeholders and would take account of the condition and utilisation of existing buildings; sustainability, maintenance and replacement costs; how buildings could be used; bringing groups together to rationalise assets; the economic impact; and the funding of replacement assets. This approach would give communities a say in how assets should be used in the future to meet their needs.

Councillor Bennett asked about the impact of the proposed demolition on the Musselburgh Common Good fund. Mr Reid indicated that there would be both revenue and capital costs associated with the remediation works, maintenance and demolition of the building that would affect the fund; further detail on these costs would be developed as part of the business case.

Councillor Findlay voiced his concern about the water ingress issue and asked why this had been allowed to continue. Mr Reid explained that the building had a flat roof, which had developed a minor leak, but at that point the existence of the RAAC was not known. Further deterioration had taken place in the past year, and it had not been possible to carry out remediation work on this due to the existence of the RAAC.

Responding to questions from Councillor Collins, Mr Reid confirmed that RAAC was not covered by insurance due to it being an age defect in the building. He pointed out that all of the RAAC panels in the building formed the load-bearing structure of the roof, so the entire roof of the upper floor had been compromised. He noted that there was no risk of falling materials on the lower floors but that there was risk to the services that run under the ceiling space and that there was also an asbestos risk, hence the need to relocate the staff and mothball the building.

Mr Reid informed Members that the solution developed for the RAAC problems at Preston Lodge and Ross High Schools was not suitable for the Brunton Hall due to the nature of the spaces in the building and the presence of asbestos, as well as the age and the fabric of the building.

Answering questions raised by Councillor Forrest, Paul lannetta (Service Manager for Engineering Services) advised that consideration had been given to retaining the concrete structure and building around it, but that this would be very expensive. He anticipated that it would take around six months to split the heating system (which currently serves both the Brunton Hall and Brunton Court). Mr Reid acknowledged that the demolition work would cause some disruption in the area, but that this would be carefully planned to minimise disruption.

Councillor Cassini sought an update on the future of the arts service in Musselburgh. Mr Reid pointed out that this would likely require partnership working with the UK and Scottish Governments and other agencies.

The Provost invited Councillor Menzies to speak to her amendment, which had been shared with all Members in advance of the meeting. She indicated that her amendment would alter the wording of Recommendation 2.8 to reflect that the Council should agree to 'undertake a place-based development project to prepare options for the future service delivery ensuring accommodation of the arts in the town of Musselburgh'. The amendment was seconded by Councillor Trotter.

Councillor Hampshire opened the debate by stressing the difficulty of the situation with the Brunton Hall. He agreed that it was an important facility for the whole of East Lothian, and that it would be sad to lose the building. He declared that he would be supporting Councillor Menzies' amendment, as it would let the people of Musselburgh know that the Council would do what it could to provide theatre facilities in the town and to regenerate the High Street area. However, he recognised that attracting funding would be difficult, and that private sector support would likely be required.

Councillor Bennett proposed an amendment, as follows: 'that the Council asks the Council Leader to write to the Cabinet Secretary for the Constitution, External Affairs and Culture, and the Secretary of State for Culture, Media and Sport of the UK to bring to their attention the need for theatre space in Musselburgh to protect and preserve the cultural and social benefits that culture and arts bring to East Lothian, and to ask for national and UK-level assistance to return a theatre to Musselburgh'. The amendment was seconded by Councillor Jardine.

The Provost advised that he was prepared to accept this late amendment.

Councillor McIntosh spoke in support of comments already made, and she also welcomed the views of Musselburgh and Inveresk Community Council, hoping that other members of the community would get involved with the place-based consultation. She stressed the need to support the Brunton Theatre Trust during this difficult period.

Councillor Cassini expressed her sadness at the proposed demolition of the Brunton Hall, and of the loss of the theatre. However, she welcomed the commitment to place-based arts.

Councillor Collins stated that theatres were essential community facilities. They also inspired new talent in all areas of the arts and provided a variety of jobs. She was keen for the spirit of the Brunton Theatre to be preserved and that a new facility would be built for future generations of performers. Her comments were echoed by Councillor McGinn, who commented that access to the arts was important to people across East Lothian. He also commented on the valuable work of the staff involved in the arts. Councillor Jardine commented that Councillor Menzies' amendment sought to ensure that the community would be key in the decision-making on the future provision of the arts in Musselburgh.

Closing the debate, Councillor Forrest recalled the variety of events that had taken place in the Brunton Theatre. He paid tribute to the Brunton Theatre Trust and the East Lothian Arts Service. He acknowledged that the Council would not be in a position to replace the Brunton Hall without support from the Scottish and UK Governments, other agencies and supporters.

The Provost then moved to the roll call vote on the amendment to the recommendations, as proposed by Councillors Menzies and Trotter, which was approved unanimously.

The Provost then moved to the roll call vote on the amendment to the recommendations, as proposed by Councillors Bennett and Jardine, which was approved unanimously.

The Provost then moved to the roll call vote on the recommendations, as amended, which were approved unanimously.

#### Decision

The Council agreed:

- i. to note that RAAC roof panels are present at the Brunton Hall and that structural surveys have identified significant structural issues with these;
- ii. to note the current condition of the RAAC roof panels, the challenges of maintaining statutory compliance, and the poor working environment at the Brunton Hall;
- iii. to relocate Council services currently operating from the Brunton Hall to alternative locations, at a cost of £442,000;
- iv. to approve the closure and mothballing of the Brunton Hall as soon as possible after suitable alternative arrangements for service delivery are in place;
- v. to carry out one-off mothball works at the Brunton Hall and split the heating system that serves both the Brunton Hall and Brunton Court, at a cost of £729,000 (of which £705,000 will require clarification as to whether all or an apportionment sits within the Housing Revenue Account);
- vi. to note that the potential remediation of the RAAC at the Brunton Hall is unaffordable and that the preferred option is to demolish the building at a cost of £3.6m; and
- vii. to undertake a statutory consultation under the Community Empowerment (Scotland) Act 2015 to demolish the Brunton Hall;
- viii. to undertake a place-based development project to prepare options for the future service delivery ensuring accommodation of the arts in the town of Musselburgh;
- ix. that the results of the consultation exercise and the place-based development project are reported to the Council to allow a decision on this proposal to be taken; and
- x. that the Council Leader would write to the Cabinet Secretary for the Constitution, External Affairs and Culture, and the Secretary of State for Culture, Media and Sport for the UK to bring to their attention the need for theatre space in Musselburgh in order to protect and preserve the cultural and social benefits that culture and the arts bring

to East Lothian, and to ask for national and UK-level assistance to return a theatre to Musselburgh.

#### 4. LOCAL HEAT AND ENERGY EFFICIENCY STRATEGY AND DELIVERY PLAN

A report was submitted by the Executive Director for Place presenting the Local Heat and Energy Efficiency Strategy (LHEES) and Delivery Plan for approval.

The Service Manager for Planning, Keith Dingwall, and the Project Officer for Local Heat and Energy Efficiency, Martin Hayman, presented the report, reminding Members on the progress made to date with the LHEES. Mr Hayman set out the five aims of the Strategy (outlined in Section 3.11 of the report), noting that it was aligned to the Council Plan objectives. He advised that the detailed Strategy was available in the Members' Library.

Councillor Jardine questioned why the draft strategy had not complied with the Scottish Government guidelines and asked about the costs of feasibility studies. Mr Hayman explained that the compliance issue was due to how information was presented, and the insufficient use of maps. He anticipated that the feasibility study may cost as much as c. £90-100,000 for the initial work.

In response to a series of questions from Councillor McIntosh, Mr Hayman advised that heat pumps cost c. £10-12,000 per property, but that there was grant funding available. If all homes were to be fitted with heat pumps, then significant investment in the electricity grid would be required; however, he believed that if district heat networks could be developed, then this would reduce the need for that investment. He also spoke of ambient loop heating systems, which could be installed in future housing developments, but noted that these could be expensive to run, especially in older properties. Mr Hayman stressed the importance of engaging with private landlords, both at a national and local level, on how to make properties more energy efficient. He also spoke of the valuable input into the development of the Strategy from the community and of the opportunities that could be driven at community level. Demonstrating the potential reach of district heat networks, Mr Hayman advised that the level of heat loss depended on the surface area of the pipes; as an example, he anticipated that to take heat from Dunbar to Musselburgh would result in a loss of less than 1°C of heat, and that heat loss across the network would be c. 10-15%.

Councillor Findlay asked why solar technology was being prioritised and also about the installation of new technology in multi-property buildings. Mr Hayman indicated that that solar technology would be more effective in rural properties or those set back from the street, whereas blocks of flats, etc. would benefit from a district heating solution.

Councillor Hampshire expressed concern about the cost and timeframe for implementing new systems, as well as the availability of trained tradespeople to install the technology. Mr Hayman recognised that working in partnership with colleges and existing operators would be required, noting that training would be delivered regionally. He accepted that the timelines were challenging, and it would take c. 15 years for most properties in East Lothian to be connected to a district heat network, at a rate of 3-4,000 properties being connected per year; those properties currently heated by gas would be the primary target for district heating. He added that 70% of Danish homes were now connected to district heat networks.

Councillor Yorkston asked about the progress made by Midlothian Energy and whether it would be possible for Members to visit their facility. Mr Hayman indicated that their facility at Millerhill would be operational at the end of this year, and that they had invited the Council to visit. He also referenced the sea-source heat pump system operated by Clyde Homes, another type of technology that could be explored. Mr Hayman noted that there were a number

of small-scale operators, but that it was difficult for them to attract the required level of investment.

The Provost asked about the next steps in the process. Mr Hayman advised that reporting would come through the Council's Energy Transformation Board to officers, to be followed by reports to Council, as required.

Opening the debate, Councillor McFarlane pointed out that people living in older properties were concerned about the costs of installing alternative heating systems, and she hoped that they would be supported.

Councillor Jardine spoke of the opportunities, which would help tackle climate change and fuel poverty. She commended the work of East Lammermuir Community Council, located in a ward with a number of renewables projects, for their help in engaging with other Community Councils on this issue.

Welcoming the report, Councillor McIntosh remarked that heating buildings was one of the reasons for climate targets being missed, and that there were opportunities to change that. She suggested that windfarm community benefit funds could be used as initial capital, and that using waste heat could provide cheaper fuel and alleviate fuel poverty. She urged Members to support the Strategy.

Councillor McGuire commented that windfarms were supposed to generate cheaper energy but that this had not happened.

Councillor Forrest welcomed the proposals for community engagement, noting the importance of the communities getting behind the Strategy.

Concluding the debate, the Provost highlighted the need to set goals and review outcomes, and also to engage with communities and potential providers in order to ensure that solutions could be delivered.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

- i. to approve the Local Heat and Energy Efficiency Strategy and Delivery Plan; and
- ii. that officers should continue to explore all opportunities to undertake feasibility studies where funding is available to assess the technical and financial viability of district heating and smaller-scale local heat network solutions.

#### 5. DEVELOPMENT OF A VISITOR LEVY PROPOSAL

A report was submitted by the Executive Director for Place seeking approval for the development of a Visitor Levy Proposal for East Lothian.

The Service Manager for Economic Development, Jamie Baker, presented the report. He explained the rationale for visitor levies and how this would work in Scotland, noting that each local authority could determine many elements of such a scheme. He advised of a number of Scottish local authorities who were currently looking at introducing a visitor levy, and of the

types of accommodation included within the legislation. He also set out the indicative timeline for progressing this issue, should the Council support the proposal.

Councillor Hampshire sought clarification on the timescales for introducing a visitor levy. Mr Baker indicated that the only stage of the process which could be shortened was the design stage, as the other stages had statutory timelines.

In response to a question from Councillor Findlay, Mr Baker advised that c. 15 Scottish local authorities were currently considering introducing a visitor levy, with the City of Edinburgh and Highland Councils at a more advanced stage than the others.

Councillor Trotter asked about the scope of the levy and how the income would be allocated. Mr Baker explained that all overnight stays, including in hotels, bed and breakfasts, and shortterm let properties, would be subject to the levy, but that second homes and traveller sites would be exempt. He added that it would be for the Council to decide on the introduction of a cap on the length of stays, as well as how the income was used.

Councillor McIntosh asked if the Council was working in partnership with other authorities on this issue, and if there had been any discussions on how income would be used. Mr Baker pointed out that there had been discussions as regards regional projects, but that nothing had been agreed in relation to cross-border collaboration or collection. However, the Improvement Service were working on a single system that would be used across all areas. On the use of the income, he advised that that aspect would be considered if the proposal was approved, but suggested that it could be used to support, for example, the provision of affordable homes. He added that the proposal would be subject to a statutory consultation, which would include East Lothian residents.

Responding to a question from Councillor McGinn on how the levy would be implemented and enforced, Mr Baker advised that the Economic Development Service would be working on these aspects during the development phase, in collaboration with the Revenues Service. He reiterated that a national system was being developed, which should allow for payments to be made through a portal which would connect to the relevant local authority. He recognised that collecting payments for some types of properties may be more difficult than others, and that there were some anomalies that were still to be resolved.

Councillor Findlay remarked that he was broadly in favour of the introduction of a visitor levy but stressed that the process should be as simple as possible for small businesses.

The Provost commented on a similar system in place in Aubigny, France, which had generated a significant amount of income to be spent locally.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

i. to note that the Visitor Levy (Scotland) Act 2024 (the Act) was passed by the Scottish Parliament in May 2024, and received Royal Assent in July 2024. This Act gives local authorities in Scotland the power to introduce a Levy that is charged on the purchase of overnight accommodation at a percentage rate, and it is for each local authority to decide, through consultation, whether or not to introduce a Visitor Levy Scheme;

- ii. to agree that a proposal for an East Lothian Visitor Levy Scheme should be developed and, in doing so, engage with residents, businesses and other key stakeholders regarding the proposed objectives and operation of such a scheme; and
- iii. to note that developed proposals will be brought back for review and further approval prior to full public consultation, and thereafter will be reviewed and presented to Council for a decision regarding implementation.

#### 6. FORMER COCKENZIE POWER STATION SITE TECHNICAL APPRAISAL

A report was submitted by the Executive Director for Place presenting the outputs of the Technical Appraisal process undertaken for the former Cockenzie Power Station site and seeking authority to undertake community engagement to get feedback on the outputs.

The Project Manager for Growth and Sustainability, Graeme Marsden, presented the report, providing a detailed summary of the contents of the Technical Appraisal (outlined in Sections 3.6-2.12 of the report). He also highlighted the key next steps (as set out in Section 3.13 of the report).

Councillor Ritchie asked about the community engagement plans. Mr Marsden advised that community engagement events would be organised, and that officers were looking to restart the Cockenzie Community Forum, with Forum members being invited to meet with the consultants. He noted that he had already made contact with the head teacher of Preston Lodge High School with a view to engaging with the school community.

Councillor Jardine asked if there was any provision in the capital programme to take this work forward. Mr Marsden confirmed that there was no such provision currently (other than the allocation of funding for enabling works) and that it would be for the Council to consider allocating further funding in the future. He added that the project was subject to investment, and that the Technical Appraisal was a key part of developing the wider investment business case.

Councillor Yorkston made reference to concerns in the community regarding the removal of the bunds, and asked what action was being taken to alleviate these concerns. Mr Marsden explained that as part of the enabling works, Balfour Beatty and its subcontractors were taking appropriate measures as regards the monitoring and removal of asbestos and other contaminants. He noted that there were bats present in one part of the site (which would not be worked on at this time), and that a licence would be required from NatureScot as regards the provision of an alternative habitat. He added that the bat surveys had not yet finished and that officers would have a better idea of what was required once this work was complete. As regards deer, machinery would not be operated when the deer were present; the former railway gates may be opened to allow them access to the open countryside.

Responding to questions from Councillor McIntosh, Mr Marsden advised that consideration was being given to using the rail connection to the East Coast Mainline for freight, but that there hadn't been sufficient demand for this to date, and that keeping it open would come at a cost to the Council; however, the rail connection aspect would form part of the marketing of the site. On the use of sea-source heat pumps, Mr Marsden indicated that it would be for the Council to determine if this should be taken forward, and that survey work would need to be carried out if this was a preferred option.

Councillor Akhtar asked if the Council was receiving external advice as regards the marketing of the site and commercial engagement. Mr Marsden pointed out that officers met with Scottish Enterprise and other agencies regularly to discuss the emerging opportunities for the

brownfield sites, and that the Council was being advised by Galbraith on commercial engagement and marketing.

Councillor Ritchie welcomed the opportunities for the future of the site. She urged the Council to engage with the local communities on this matter.

Councillor Yorkston noted that there were 13 pockets of deprivation in the west of East Lothian, and that 50% of working residents commuted outwith East Lothian for employment. This site provided an opportunity for local jobs for local people, especially young people. On concerns for wildlife, he pointed out that fossil fuels were the biggest contributor to climate change, and that he would welcome the creation of jobs that would reduce car journeys.

The Provost paid tribute to the late Councillor Innes, as well as Monica Patterson (Chief Executive), Douglas Proudfoot (Executive Director for Place) and Ray Montgomery (Head of Development) for their vision and work in securing the site for the Council.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

- i. to note the Stantec Technical Appraisal Report (available in the Members' Library; Ref: 129/24, October 2024 Bulletin);
- ii. that officers should engage with local communities on the Technical Appraisal Report and the report on feedback; and
- iii. that officers should engage in further commercial and marketing of the site.

#### 7. APPOINTMENT OF HEAD OF CORPORATE SUPPORT

A report was submitted by the Executive Director of Council Resources advising the Council of the decision of the Chief Officer and Head Teacher Appointments Sub-Committee to appoint Hayley Barnett to the post of Head of Corporate Support, encompassing the role of Monitoring Officer.

The Clerk advised that Ms Barnett had taken up her role as Head of Corporate Support on 2 September. She pointed out that it was proposed that Ms Barnett be appointed to the Statutory Post of Monitoring Officer, with effect from 30 October 2024.

The Provost formally welcomed Ms Barnett to the Council.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

i. to note the decision of the Chief Officer and Head Teacher Appointments Sub-Committee to appoint Hayley Barnett as Head of Corporate Support;

- ii. to advise Council that, following receipt of satisfactory pre-employment checks, Hayley Barnett was offered the post and commenced employment with the Council on 2 September 2024;
- iii. to note the minute of the Chief Officer and Head Teacher Appointments Sub-Committee held on 5 June 2024 for the appointment of the Head of Corporate Support (attached at Appendix 1 to the report); and
- iv. to approve the appointment of Hayley Barnett to the statutory post of Monitoring Officer, with effect from 30 October 2024.

#### 8. WORK OF COUNCIL CHAMPIONS 2023/24

A report was submitted by the Executive Director for Council Resources advising the Council of the work of the Council Champions during the previous 12 months.

Carlo Grilli, Service Manager for Governance, presented the report, asking Members to note the work undertaken by the Council Champions (as set out in Appendix 1 to the report) and to consider any additional areas that would benefit from a designated Council Champion. He proposed that future reports on the work of the Champions be submitted to the Members' Library.

Councillor Menzies welcomed the report, particularly in relation to recognising the work of volunteers in the community. She highlighted the recent Inspiring Volunteers Awards, which celebrated the achievements of East Lothian's volunteers, as well as paying tribute to a number of voluntary groups within her own ward. She thanked Councillor McGinn for his work with voluntary groups.

With reference to Councillor Ritchie's report, as Champion for Young People, Councillor Jardine stressed the importance of young people having a voice. On holding surgeries specifically for young people, she offered to work with Councillor Ritchie to introduce this in the Dunbar and East Linton ward.

As Champion for Veterans, the Provost commented on the valuable support and voluntary work provided by veterans, especially during the period around Remembrance Sunday.

The Provost then moved to the roll call vote on the recommendations, which were approved unanimously.

#### Decision

The Council agreed:

- i. to note the work of the Council Champions in 2022/23;
- ii. to consider whether there are any additional areas that would benefit from the appointment of a designated Champion; and
- iii. that future reports on the work of Council Champions will be submitted annually to the Members' Library.

#### 9. CROSS-PARTY GROUP ON CLIMATE CHANGE AND SUSTAINABILITY

A report was submitted by the Executive Director for Council Resources seeking approval to change the membership of the cross-party Climate Change and Sustainability Forum to allow substitutes to attend.

The Clerk presented the report, advising of the proposal to alter the membership of the Climate Change and Sustainability Forum to allow for substitutes to attend meetings.

Councillor Hampshire proposed that the Cabinet Member for Environment, Economic Development and Tourism (Councillor McMillan) should be appointed as a permanent member of this Forum. This proposal was seconded by Councillor McIntosh.

Councillor Jardine commented that it wasn't always possible to appoint a substitute within one's own political group. The Clerk advised that where that wasn't possible, then Members from other groups could be asked to substitute.

Councillor McIntosh suggested that the remit of the Forum should be reviewed and that this could be discussed at the next meeting.

The Provost then moved to the roll call vote on the amendment to the recommendations, as proposed by Councillors Hampshire and McIntosh, which were approved unanimously.

The Provost then moved to the roll call vote on the recommendations, as amended, which were approved unanimously.

#### Decision

The Council agreed:

- i. to change the membership of the cross-party Climate Change and Sustainability Forum to allow substitutes to attend; and
- ii. to appoint Councillor McMillan, as the Cabinet Spokesperson for Environment, Economic Development and Tourism, as a member of the cross-party Climate Change and Sustainability Forum.

#### 10. 2024 EAST LOTHIAN RESIDENTS' SURVEY

A report was submitted by the Executive Director for Council Resources presenting a summary of the main findings of the 2024 East Lothian Residents' Survey.

The Service Manager for Communications, Stewart Cooper, presented the report, advising that the survey had sought feedback on a broad range of issues from a representative sample of 10,000 East Lothian residents, and had been conducted using both online and paper formats. He noted that the results were summarised in the report, with the full, detailed survey being available in the Members' Library.

Councillor Jardine asked about the methodology used for the survey. Mr Cooper explained that, in order to obtain comparable results, the methodology used was the same as that used in 2021, and that the methodology had changed at that time to a self-completion process due to the COVID-19 pandemic. He advised that, going forward, consideration would be given to other methodologies and techniques, adding that the Council already engaged with residents and community groups in a variety of ways. Councillor Jardine noted that she was interested in looking further at the methodology, especially the weighting of the responses.

Councillor Hampshire suggested that it would be useful to have more detail on the responses to some questions to find out why people had responded in the way they had. Mr Cooper took note of that, in relation to the format of the survey.

In response to a question from Councillor Dugdale regarding people who were experiencing financial difficulties and the future impact of that issue, Mr Cooper advised that he was unable comment on whether this was a national trend, but he indicated that there was information in the survey that could be shared with partners and inform the development of strategies and policies going forward.

Councillor Menzies noted that the survey would be taken into account during the budget development process. She argued, however, that due to the small number of respondents and because the responses did not cover all age groups, the evidence was flawed and that Members should be mindful of this when considering the results.

Councillor Akhtar commented on the strong sense of community demonstrated in the survey. She stressed that Community Planning Partners had an important role to play in taking forward some of the aspects of the survey and reporting back on actions taken.

Councillor Dugdale welcomed the increased use of the Council's website by residents in order to pay bills and access services. The Provost concurred, but was also mindful of those residents who found connectivity challenging.

#### Decision

The Council agreed:

- i. to note the main findings of the 2024 Residents' Survey, as presented in the report; and
- ii. to note that the findings of the survey would be used by the Council and Community Planning Partners to inform the development of future strategies and plans, including the development of budget proposals.

#### 11. NOTICE OF MOTION: WINTER FUEL PAYMENTS

A motion was submitted by Councillors Findlay and Collins on the subject of Winter Fuel Payments, as set out below:

This Council is asked to note that the withdrawal of the Winter Fuel Payments by both the UK Government in Westminster and the Scottish Government in Holyrood will have a significant and direct impact on millions of pensioners across the UK and here in East Lothian. According to estimates by the Scottish Government 900,000 Scottish pensioners will lose out and that the Scottish Parliament Information Centre estimates that over 16,000 pensioners will lose out here in East Lothian.

The Council is asked to further note that only an estimated 1,744 pensioners receive pension credit in East Lothian and will be protected from the change.

Additionally, it is believed that the choice of pension credits as a means test will not detract from the fact that there are many eligible for pension credit who don't receive it and many others who fall outwith this arbitrary means test and will suffer badly this winter, facing a choice between heating their homes and feeding themselves. It is also expected

that this policy will result in higher excess winter deaths this year, which in Scotland are already the worst in 30 years.

We call upon the Council Leader to write to both the Prime Minister and the First Minister to protest against the withdrawal of Winter Fuel Payments, outlining the negative impacts; and to ask them to reconsider their position and bring back the Winter Fuel Payment to those pensioners who are not higher rate tax payers.

We also ask that a strategic communications plan be put in place to contact as many pensioners as possible through our libraries, community centres and other spaces, informing them of their right to claim pension credit and telling them in clear and precise terms how to make such a claim.

Presenting his motion, Councillor Findlay described the withdrawal of the Winter Fuel Payment by both the UK and Scottish Governments as 'unfair and unreasonable', adding that the funding gap was partly due to the UK Government awarding above-inflation pay increases to some sectors. He believed that a full impact assessment of this policy had not been undertaken, that the means-testing of this payment had not gone far enough and, as a result, many older people would be affected, having to 'choose between heating and eating'. He suggested that older people should be encouraged to claim pension credit. He called on Members to stand up for pensioners in East Lothian by supporting the motion.

The motion was seconded by Councillor Collins, who commented that there was a misunderstanding that pensioners were wealthy. She was of the view that removing this payment just before winter was cruel, as many pensioners were on a fixed budget and would not be able to absorb the loss of that payment.

Opening the debate, Councillor Hampshire considered the motion to be premature, given that the new UK Government's budget had not yet taken place. He contended that the new Labour Government had inherited a very challenging financial situation and that it would be difficult to turn this situation around. He agreed that the cut-off for pension credit should be at a higher level, and that those people just missing out on the Winter Fuel Payment may find this loss of income difficult. He argued that many families would also be impacted by high energy prices. He attributed this problem to the previous UK Government selling off energy companies and becoming reliant on imported gas, as well as high inflation.

Councillor McIntosh expressed her surprise at the motion, arguing that the current financial situation was due to 14 years of austerity under the previous Conservative Government. She claimed that the Scottish Government's decision to withdraw the Winter Fuel Payment was due to their budget being impacted by the withdrawal of the funding by the UK Government. She was not supportive of the motion.

Councillor Bennett was critical of the policies of the previous Conservative Government, particularly in relation to the cost-of-living crisis and energy crisis; he was of the view that the motion was 'in bad faith'. His views were shared by Councillor McGinn, who voiced his disappointment that it had been put forward.

On behalf of the SNP Group, Councillor Jardine declared that her Group would not be discussing this motion, given that they had a motion on the subject of austerity on the agenda.

The Provost concluded the debate by expressing his disappointment that the motion had been submitted, as he believed that more could be achieved by cross-party working on such issues.

Having been invited to sum up, Councillor Findlay noted that he had nothing to add to his original statement.

The Provost then moved to the roll call vote on the motion:

For:	4	(Councillors Collins, Findlay, McGuire, McLeod)
Against:	10	(Councillors Akhtar, Bennett, Dugdale, Forrest, Hampshire,
-		McFarlane, McGinn, McMillan, Ritchie, Yorkston)
Abstentions:	7	(Councillors Allan, Cassini, Gilbert, Jardine, McIntosh, Menzies,
		Trotter)

The motion therefore fell.

#### 12. NOTICE OF MOTION: IMPACT OF AUSTERITY

A motion was submitted by Councillors Jardine and Menzies on the subject of the Impact of Austerity, as set out below:

Council notes with regret the recent statements, by Westminster Prime Minister on August 27th "There is a budget coming in October and it's going to be painful", and the Chancellor of the Exchequer who on July 29th advised that "difficult decisions" to find £5.5 billion of savings this year and £8.1 billion next year, will be taken, which demonstrate that after 14 years, 'austerity' will not end.

Council also notes that on May 19th Wes Streeting (now Secretary of State for Health and Social Care) stated "All roads do lead back to Westminster because even though this (Health) is devolved, decisions taken in Westminster have an impact on the NHS across the whole country".

Council notes that on September 3rd the Scottish Government has had to make £500 million in savings to ease "enormous and growing pressure on the public finances".

Council notes that according to the Wales Governance Centre at Cardiff University, the Welsh government is facing "serious budgetary challenges" in the region of £683 million, or face cuts to non-protected areas.

Council also notes that 'two child benefit cap' which impacts over 1,600 children<sup>1</sup> in East Lothian is to remain, that over 16,000 pensioners in East Lothian and almost 885K pensioners across Scotland<sup>2</sup> will lose their Winter Fuel Payments, that the energy price cap will be increased by 10% in October impacting almost every household across East Lothian.

Given the above, and this month's budget statement, Council seeks a report by the Executive Director for Council Resources to be presented to the Cabinet Committee or the full Council by the end of the year as to what measures East Lothian Council can continue to take or may seek to take, to address the impact of continuing 'austerity' on our communities.

Councillor Jardine presented the motion. She accepted that the new UK Government would have to make difficult decisions; however, she was concerned that this would mean continued austerity, which would have an adverse impact on vulnerable people, as well as further cuts to public services. She was also concerned about the potential increase in employer National Insurance contributions, which would have an impact on small and medium-sized businesses, especially as most businesses in East Lothian were small. She believed that the UK Government could choose to abolish the two-child benefit cap, noting that the Scottish Government had tried to mitigate the effects of austerity by introducing measures such the

<sup>&</sup>lt;sup>1</sup> <u>https://endchildpoverty.org.uk/two\_child\_limit/</u> - see interactive summary map

<sup>&</sup>lt;sup>2</sup> Winter Fuel Payment in Scotland – SPICe Spotlight | Solas air SPICe (spice-spotlight.scot)

Scottish Child Payment. She stressed that the Council had a responsibility to seek to understand the impact of austerity.

Seconding the motion, Councillor Menzies focused on the final paragraph of the motion, urging the Council to consider the impact of austerity and what it could do to mitigate that impact. She believed that by doing this it would help Members when developing the budget.

Councillor Hampshire opened the debate, remarking that he would rather be discussing how to help people in East Lothian, rather than focusing on national politics. He reiterated that the new UK Government had inherited a challenging financial situation, and that it was not yet known what would be included in the budget. On that basis, he felt that the motion was premature and he therefore could not support it.

Councillor Ritchie commented that austerity had had a significant impact on communities, as outlined in Finance Updates and other reports to the Council. However, she noted that it was not known at this time if austerity measures would continue, given that the UK Government had not announced its budget.

Councillor McIntosh remarked that increasing taxes did not necessarily amount to austerity, and that there were options such as wealth taxes that could be considered. She also referred to energy costs, noting that electricity prices were currently tied to gas prices – she claimed that changing that system would transform the energy market. Despite having sympathy with the situation that the new UK Government had inherited, she stated that she would be supporting the motion.

Speaking in opposition to the motion, Councillor McGinn suggested that the motion should also have covered the Scottish Government's record over the past ten years.

Councillor Akhtar stated that the Prime Minister wanted to prevent austerity and to protect the public sector. She, too, considered the motion to be premature. She also made reference to the high costs associated with a number of Scottish Government policies, at a time when local services were suffering.

Councillor Cassini considered it reasonable to have a report to Council or Cabinet setting out what the Council could do to address the impact of austerity.

The Provost observed that the motion was asking for a report to come forward in advance of the Scottish Government budget being announced in December. He argued that reports would continue to come forward to Members that would inform the Council's budget discussions and priorities, but he felt that the report being requested was premature.

Summing up, Councillor Jardine pointed out that there were concerns about the UK Government's budget, hence bringing forward the motion at this time. She accepted the point made about including more about the Scottish Government's policies in the motion. She also accepted that Members would be provided with lots of information through the budget development process, but stressed that the report being requested was more concerned with the impact of austerity on communities.

The Provost then moved to the roll call vote on the motion:

For:	11	(Councillors Allan, Cassini, Collins, Findlay, Gilbert, Jardine,
		McGuire, McIntosh, McLeod, Menzies, Trotter)
Against:	10	(Councillors Akhtar, Bennett, Dugdale, Forrest, Hampshire,
		McFarlane, McGinn, McMillan, Ritchie, Yorkston)
Abstentions:	0	

The motion was therefore carried.

#### Decision

The Council agreed that a report by the Executive Director for Council Resources should be presented to a Cabinet or Full Council meeting by the end of the year as to what measures East Lothian Council could continue to take, or may seek to take, to address the impact of continuing 'austerity' on communities.

#### 13. SUBMISSIONS TO THE MEMBERS' LIBRARY SERVICE, 12 AUGUST – 13 OCTOBER 2024

A report was submitted by the Executive Director for Council Resources noting the reports submitted to the Members' Library since the meeting of the Council in August 2024.

#### Decision

The Council agreed to note the reports submitted to the Members' Library Service between 12 August and 13 October 2024, 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 of Schedule 7A to the Local Government (Scotland) Act 1973.

#### **Civic Amenity Site, Macmerry Industrial Estate**

A private report submitted by the Executive Director for Place seeking determination of the future of the Civic Amenity Site at Macmerry Industrial Estate was approved.

#### Application for Common Good Funding

An application for funding from the Musselburgh Common Good Committee was approved, with Musselburgh and Inveresk Community Council being granted £64,407.13 to replace lighting, and associated works, at the Rennie and Roman bridges in Musselburgh.