



**MINUTES OF THE MEETING OF
THE CABINET**

**TUESDAY 9 MARCH 2010
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Committee Members Present:

Councillor D Berry (Convenor)
Councillor R Currie
Councillor S Currie
Councillor R Knox
Councillor P MacKenzie
Councillor P McLennan
Provost S Richardson
Councillor B Turner

Other Councillors Present:

Councillor J Gillies
Councillor D Grant
Councillor N Hampshire
Councillor W Innes
Councillor M Libberton
Councillor J McNeil
Councillor J Williamson

Council Officials Present:

Mr P Collins, Executive Director of Environment
Mr A McCrorie, Executive Director of Corporate Resources
Ms M Patterson, Executive Director of Community Services
Mr A Forsyth, Head of Community Housing and Property Management
Mr G Miller, Head of Adult Social Care
Mr K MacConnachie, Head of Law and Licensing
Mr A Gillespie, Finance Manager
Mr D Heaney, Transformation Manager
Ms J Mackay, Media Manager
Ms M Johnston, Manager Landscape and Countryside Management
Mr D Russell, Communications and Democratic Services Manager
Ms S Smith, Economic Development Manager

Clerk:

Ms J Totney

Apologies:

Councillor S MacKinnon

Mr A Blackie, Chief Executive

Declarations of Interest:

None

1. FINANCIAL REVIEW – QUARTER 3 2009/10

A report was submitted by the Executive Director of Corporate Resources informing Cabinet of the financial position at the end of the 3rd quarter of the 2009/10 financial year.

The Finance Manager spoke to the report, outlining the financial performance during the nine months to December 2009. He requested that Members note the surplus position of £2.5 million, which is broadly similar to the position at the end of the 2nd quarter. However, this drops to £1.4 million when the Housing Revenue Account and schools under the Devolved School Management scheme are excluded. He advised that it is unlikely that the Council will require to use the full amount of planned reserves for 2009/10 and detailed the reasons for this. He referred to the performance of each Group across the Council and highlighted the areas of financial risk within Adult Social Care, Landscape and Countryside, and Healthy Living groups. He advised that the Education and Children's Services Department is expected to end the year with a broadly balanced budget, but pointed out that the exception continues to be the Pupil Support Group and that the budget management of this group would continue into future financial years. Regarding Environment, he pointed out that the figures do not generally include the costs of works carried out in response to the severe weather and estimated that these could be in the region of £800,000. He concluded by detailing capital spending to December 2009 and highlighting the budget adjustments that require approval.

In response to questions from Councillor Berry, the Executive Director of Environment clarified that the figure of £800,000 related solely to works associated with gritting and clearing snow and did not include road repairs. He added that Amenity Services would be recharging the Environment Department with some costs associated with this work.

The Finance Manager advised Councillor Innes that cost control measures have been introduced in Amenity Services since the budget planning activities in October 2009.

Councillor S Currie commented that overall the situation was very encouraging and reminded Members that, on occasion, capital expenditure may straddle more than one financial year if completion dates change.

Councillor Berry considered it positive that the budget is anticipated to be back in line by the end of the final quarter.

Decision

The Cabinet agreed to note the financial performance of services at the end of December 2009.

2. ECONOMIC DEVELOPMENT PROJECTS 2010/11

A report was submitted by the Executive Director of Environment requesting Cabinet approval to implement the range of Economic Development projects listed during 2010/11.

The Economic Development Manager spoke to the report, updating Members on matters regarding business development, tourism and other projects. In particular she highlighted the Business Gateway results and the success of the shop local and food and drink initiatives. She added that tourism is a key sector for East Lothian and that visitor growth had been stimulated by UK-based tourism and Homecoming events, adding that an events strategy would be created for 2010/11. She advised that the Tyne/Esk Leader Programme would continue but that East Lothian Council would be withdrawing from Membership of the East of Scotland European Consortium from 2010/11. However, she confirmed that European engagement would continue in other ways. Finally, she informed Members that additional income from Scottish Enterprise would be the subject of a future report.

Councillor S Currie commented on the vast range of tourism opportunities in East Lothian, drawing particular attention to those associated with golf.

In response to Councillor Knox, the Economic Development Manager advised that details of the feedback on the Homecoming Events would be circulated or placed in Members' Library Service once all the details have been received.

Councillor McNeill commended the staff in the Economic Development Unit for the retail initiatives in Haddington and thanked all Officers who worked diligently to clear the snow and keep the pavements safe during the adverse weather.

Councillor Berry commented that extending the tourism season is essential and acknowledged that, in addition to East Lothian Council, many organisations are taking the initiative to make East Lothian attractive for tourists.

Decision

The Cabinet agreed the programme outlined with expenditure indicated being met from the Economic Development Division's budget or external funding.

3. A COASTAL TOURISM STRATEGY FOR EAST LoTHIAN

A report was submitted by the Executive Director of Environment seeking approval of the Coastal Tourism Strategy.

The Executive Director of Environment spoke to the report, advising that this report is central to the Council's strategy for Economic Development and that the East Lothian coastline is a very important environmental asset. He pointed out that the strategy consists of a technical report and a strategy document and outlined an all-year-round vision for coastal tourism. He then pointed out the key outcomes and actions required to meet the strategy's objectives, and proposed that a short-life internal Working Group should be established to implement the strategy.

Councillor McLennan remarked that this was a very detailed and thorough paper, which had been prepared by external consultants in conjunction with key businesses, individuals and Community Groups in East Lothian. He added that the coastline is an integral part of East Lothian's successful economy and thanked the Economic Development Manager and the Manager Landscape and Countryside Management for their work in producing this strategy.

In response to Provost Richardson, the Executive Director of Environment outlined the various support mechanisms that are in place to conserve the coastline. In this regard, the Manager Landscape and Countryside Management stated that the Council is in a unique position in Scotland as it owns/manages around 75% of the coastline.

Commenting in turn; Councillor MacKenzie stressed that it is important to encourage repeat visitors to East Lothian, Councillor Hampshire stated that visitor numbers are putting financial pressure on the Council, Councillor Turner advised that initiatives that would get more people onto the sea would be welcome, Councillor Knox indicated that a long term view on preservation and protection should be factored into future plans and Councillor S Currie added that he would like to see more focus on East Lothian's harbours.

Contributing further to the debate, Councillor McNeill pointed out that as custodians of East Lothian's coastline, the Council would continue to look after this beautiful part of Scotland and agreed that this report is a very important document.

Councillor Libberton commented on the success of the Three Harbours Arts Festival.

Councillor Berry agreed that it was important to retain working harbours, expressed his delight that such a detailed document had been produced, and stressed that the Administration would commit to supporting the improvement of public transport links.

Decision

The Cabinet agreed:

- i. to approve the Coastal Tourism Strategy for East Lothian.

- ii. to the setting up of a short-lived internal Working Group to develop a delivery mechanism and action plan to implement the strategy and engage the industry sector.

Sederunt: The Finance Manager left the meeting

4. DRAFT OLDER PEOPLE'S STRATEGY – FEEDBACK FROM CONSULTATION

A report was submitted by the Executive Director of Community Services informing Cabinet of the outcome of the recent consultation process carried out in relation to the draft Older People's Strategy, and to set out arrangements for completion of the final strategy.

The Transformation Manager spoke to the report, outlining the consultation processes that had taken place since April 2009. He advised that over 700 responses had been received and that key themes had been identified as Hospital Services in East Lothian, Response and Rehabilitation, Dementia and Mental Health, Support for Carers, Respite Care, Care Homes, Housing and Housing Support and Community Resources. He concluded by informing Members that work was now underway to prepare a final strategy document that incorporated the feedback, which would then be presented to Full Council on 27 April 2010.

In response to Councillor Hampshire, then Councillor Berry, the Transformation Manager advised that of the 347 people who had been invited to the feedback session at Knox Academy in Haddington, 91 had attended, and that the draft strategy had contained eight key themes but that 12 new themes had emerged following the consultation process. He acknowledged that there was no indication of the weightings given to these key themes and reported that the highest level of response related to hospitals in East Lothian.

Following questions from Councillors Innes and Grant, the Transformation Manager advised that an outline financial framework had identified where cost releases and reinvestment would take place and that issues about funding had been raised and answered at the event at Knox Academy. He then went on to advise that a feasibility study was now under way regarding the best options for the number and size of Care Homes.

Responding to Councillors Grant and McNeill, Councillor Berry made it clear that this report covered the consultation feedback and that any questions about the final locations for Care Homes could not be properly answered until the strategy is finalised. Summarising a dialogue between Councillor Richardson and the Transformation Manager, Councillor Berry advised that it was encouraging to learn that the consultation had not solely focused on East Lothian hospitals, but that there had been the opportunity to discuss all the points in the strategy.

Councillor R Currie, Cabinet Member for Partnership and Social Care, reminded Members that the report is for noting only and added that the information, which informed the report, would be posted in Members' Library Services.

Councillor Hampshire advised that there were concerns in the Community regarding the consultation process and suggested that the response rates were low and not representative of the people in East Lothian.

Councillor Innes commented that he would be participating in the debate when the final strategy is presented to a meeting of Full Council. In relation to Care Homes, he enquired if land had already been purchased; to which Councillor R Currie advised that the Capital Investment Plan recommends supporting the building of a Care Home as part of the development of the Wire Works site in Musselburgh. Councillor Berry added that if further information was required this could be obtained from Council Officers, and that until the final strategy was agreed, decisions could not be made regarding final locations for Care Homes.

Decision

The Cabinet agreed to note the outcome of the consultation process and the arrangements for completion of the final strategy.

5. COMMUNITY HOUSING AND PROPERTY MANAGEMENT – EXTERNAL GRANT AWARDS AND CONTRIBUTIONS 2010/11

A report was submitted by the Executive Director of Community Services recommending external Grant Awards as detailed in Appendix 1.

The Head of Community Housing and Property Management spoke to the report, outlining the background to these external awards and reminding Members that these procedures have been in place since 2003, before listing the beneficiaries of the awards.

Decision

The Cabinet agreed to approve the External Grant Awards totalling £607,893 as detailed in Appendix 1.

6. PROPOSED ALTERATIONS AND REFURBISHMENT TO POLWARTH PARK PAVILION, PRESTONPANS

A report was submitted by the Executive Director of Community Services to note the decision to award the contract for the Proposed Alterations and Refurbishment to Polwarth Park Pavilion, Prestonpans to Messrs Cornhill Building Services Ltd, Edinburgh.

The Head of Community Housing and Property Management spoke to the report and made Members aware that savings had been achieved through direct negotiations.

Councillor McLennan welcomed the investment and Councillor Innes advised that the community would appreciate the facilities.

Decision

The Cabinet agreed:

- i. to note the decision of the Executive Director of Community Services (per the Head of Community Housing and Property Management) as appointed representative under Standing Order Rule 51 (ii) and delegations Appendix 2a (Tenders) thereto and after consultation with the Provost and the Executive Director of Corporate Resources to accept Messrs Cornhill Building Services Ltd's revised tender amounting to £357,457.85 after checking, correction and negotiated savings and noting that it is open for consideration until 19 February 2010 for the Proposed Alterations and Refurbishment to Polwarth Park Pavilion, Prestonpans
- ii. to note that the Executive Director of Community Services has approved the award of this contract.

Sederunt: Mr D Heaney and Mr G Miller left the meeting

7. PROPOSED NEW UPPER PRIMARY SCHOOL AT DUNBAR

A report was submitted by the Executive Director of Community Services noting the decision to award the contract for the Proposed New Upper Primary School at Dunbar to Messrs McLaughlin & Harvey Ltd, Co Antrim.

The Head of Community Housing and Property Management spoke to the report, advising that work is scheduled to start in April 2010, and confirmed to Councillor Hampshire that following a lengthy approvals process, this was the first meeting of Cabinet where the report could be presented.

Councillor Innes pointed out, that for some considerable time, he had been urging the Administration to review procurement procedures, as many contracts are being awarded to companies outside East Lothian. He remarked that this highlights serious problems with the procurement policy and that only one of the companies invited to tender was Scottish. He very clearly stated that local business, Hart Builders, who have extensive experience of building schools in East Lothian, had failed to make it onto the tender list. He added that, despite the praise for the work completed by Hart Builders, the Council's procurement policy excludes them from the tender list. He concluded by suggesting that, given the impact of the current economic downturn on East Lothian businesses and employment, there needs to be a mechanism for East Lothian companies to secure business from the Council.

In response, The Head of Community Housing and Property Management advised that this tender was subject to European procurement processes and that Hart Builders had not successfully completed the pre-qualification questionnaire. He stated that the Council's senior buyer provides feedback where the pre qualification process is not successful, adding that East Lothian Council's tender process is based on recognised practice. He confirmed that Hart Builders had been unsuccessful in completing the required paperwork. Councillor Innes restated that there needs to be a way for local firms to win contracts, to which Councillor Berry advised Councillor Innes to raise the matter at Scottish Government level, if he considered the current legislation to be unfair.

Sederunt: Councillor McNeill left the meeting

Councillor MacKenzie, Cabinet Member for Education and Children's Services, commented that the school would be of a very high specification in a location which would enable many pupils to walk or cycle to school.

Councillor Berry anticipated that there would be a great deal of opportunity for local employment and the Head of Community Housing and Property Management drew Members' attention to the list of sub contractors that Messrs McLaughlin & Harvey propose to use.

Decision

The Cabinet agreed:

- i. to note the decision of the Executive Director of Community Services (per the Head of Community Housing & Property Management) as appointed representative under Standing Order Rule 51 (ii) and delegation Appendix 2a (Tenders) thereto and after consultation with the Provost and the Executive Director of Corporate Services to accept Messrs McLaughlin & Harvey Ltd's tender amounting to £6,986,164.00 after checking for the Proposed New Upper Primary School at Dunbar and noting it is open for consideration until 24 January 2010.
- ii. to note that the Executive Director of Education & Children's Services has approved the award of this Contract.

Sederunt: Councillors Grant and Innes left the meeting

8. UNITED NATIONS YEAR OF BIODIVERSITY

A report was submitted by the Executive Director of Community Services advising that 2010 is the International Year of Biodiversity, as designated by the United Nations.

The Manager Landscape and Countryside Management spoke to the report, outlining developments in the last two decades, at an international level, and advising that a United Nations conference in 2010 will seek to agree actions for the years ahead. She

listed the benefits from signing up with the United Nations as a partner organisation in International Year of Biodiversity, along with the biodiversity related events already planned for East Lothian. In particular, she advised that one aspiration is for all primary school pupils to attend a biodiversity event in 2010.

In response to Councillor MacKenzie she advised that there were action plans for planting and joining up woodlands as far as the Scottish Borders.

Councillor McLennan commented on the direct link with the Single Outcome Agreement adding that community initiatives also play an important part.

Councillor Knox stated his support for the paper, Councillor Richardson praised the plans to include eco school projects and Councillor Hampshire hoped that the Council would urge major businesses, such as Scottish Power and Viridor, to support the huge potential to improve biodiversity within the land areas in East Lothian.

Councillor Berry suggested that large Estates should also be engaged and Councillor Turner stated that biodiversity should be included as part of the wider Environment Strategy.

Decision

The Cabinet agreed:

- i. To note the UN designation, its relevance to East Lothian and how the year will be marked locally and nationally.
- ii. To sign up with the United Nations as a partner organisation in International Year of Biodiversity, which will allow the Council to use International Year website to promote events and to use the 2010 biodiversity logo.

Signed

Councillor David Berry
Convener of the Cabinet