



**MINUTES OF THE MEETING OF
THE CABINET**

**TUESDAY 10 OCTOBER 2012
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Committee Members Present:

Councillor W Innes (Convener)
Councillor S Akhtar
Councillor T Day
Councillor D Grant
Councillor N Hampshire
Councillor J McMillan
Councillor M Veitch

Other Councillors Present:

Councillor D Berry
Provost L Broun-Lindsay
Councillor S Brown
Councillor J Caldwell
Councillor S Currie
Councillor J Gillies
Councillor J Goodfellow
Councillor P MacKenzie
Councillor F McAllister
Councillor P McLennan
Councillor K McLeod
Councillor J Williamson

Council Officials Present:

Mrs A Leitch, Chief Executive
Mr A McCrorie, Executive Director (Support Services)
Ms M Patterson, Executive Director (Services for Communities)
Dr R Jennings, Head of Housing & Environment
Mr J Lamond, Head of Council Resources
Ms F Currie, Committees Assistant
Ms J Mackay, Media Manager
Mrs K MacNeill, Corporate Legal Adviser
Ms C McCorry, Community Housing Services Manager
Mr R Sinclair, Communications Officer
Ms S Smith, Economic Development Manager
Mr P Vestri, Corporate Policy Manager
Ms E Wilson, Housing Strategy Manager

Visitors:

Professor Alan McGregor, University of Glasgow (Item 1)
Mr Alex McTier, University of Glasgow (Item 1)

Clerk:

Mrs L Gillingwater

Apologies:

None

1. EAST LOTHIAN COMMUNITY PLANNING ECONOMIC DEVELOPMENT STRATEGY AND ACTION PLAN

A report was submitted by the Executive Director (Support Services) seeking approval for the East Lothian Community Planning Economic Development Strategy and accompanying Action Plan.

The Head of Policy & Partnerships, Tom Shearer, presented the report. He explained the background to the Strategy, drawing particular attention to the challenging economic climate, youth unemployment and the need to encourage businesses to set up or move to East Lothian. He highlighted the need for a collaborative approach involving community planning partners and business associations. He introduced Professor Alan McGregor, who had developed the Economic Strategy and Action Plan.

Professor McGregor informed Members that the Strategy focused on the East Lothian economy and on increasing the jobs base. He spoke of the importance of improving the skills and employability of people in order for them to take advantage of high quality job opportunities. He encouraged all areas within the Council to contribute where possible to economic development, and for the Council to work with partners and businesses to put East Lothian in a stronger position. He recommended that the points set out in the Action Plan should be implemented before the end of 2015 and that, in order to achieve this, a Strategic Board should be established to oversee its implementation, with a Joint Group taking responsibility for the day-to-day work on the Strategy. He called on the Council and its partners to be ambitious.

Councillor McLennan asked for guidance as to the types of jobs and scale of businesses the Council should be looking to attract to East Lothian, and also how the Strategy would be implemented and monitored. Professor McGregor commented that the Strategy was a high level document and that it was for the Council and its partners to decide what sort of businesses should be targeted and how the Strategy would be implemented. He did advise, however, that a degree of flexibility should be retained. He also welcomed ideas put forward by Councillor McLennan in relation to increasing money spent in East Lothian and increasing capacity within the social enterprise sector.

In response to Councillor McLennan's question in relation to monitoring progress, the Chief Executive reported that she had already met with key partners to discuss the establishment of the Strategic Board. She noted that there were a number of possible routes for progress reporting, including the Skills and Enterprise Group or the Policy & Performance Review Committee. She added that a number of the targets were high level and that additional steps would need to be incorporated in order to implement and monitor the Strategy. She undertook to report regularly on progress.

Responding to comments from Councillor Hampshire regarding the protection of existing jobs, Professor McGregor suggested that it was important to build strong relationships with businesses.

Councillor Berry remarked that the location and quality of jobs was a key component of implementing the Strategy. Professor McGregor noted that that was the reason the

document did not contain much detail, and that it was for the Council and its partners to make choices within the framework of the Strategy.

Councillor McMillan stated that the Council would work to create a flourishing economy in East Lothian, which would protect and create jobs, especially for young people. He mentioned the importance of the relationship with the Edinburgh population and with the various employment sectors. He thanked Professor McGregor for his work on the Strategy, which would give the Council and its partners a framework within which to progress.

Councillor MacKenzie voiced his concern about the future of Cockenzie Power Station and the lack of progress in relation to the creation of the proposed settlement at Blindwells. He advised that agriculture and fishing should not be overlooked as these industries employed many people in East Lothian, and that there were opportunities involving these industries to expand coastal tourism, e.g. boat trips, sea angling and restaurants.

Councillor McLeod also suggested that the profile of the Council could be raised through its role at Musselburgh Racecourse. Councillor Berry argued that by making East Lothian a leading sustainable economy, the Council's profile would be raised. He also commented on the large numbers of East Lothian residents who commuted to Edinburgh for work and called for efforts to be made to bring businesses to East Lothian's towns.

Councillor Innes concluded the debate by calling on all Members to support the Strategy and Action Plan.

Decision

The Cabinet agreed to approve the East Lothian Community Planning Economic Development Strategy and Action Plan.

2. UPDATE ON THE OPEN MARKET ACQUISITIONS STRATEGY

A report was submitted by the Executive Director (Services for Communities) providing Cabinet with an update on the Open Market Acquisitions Strategy.

The Head of Housing & Environment, Richard Jennings, presented the report, advising that 79 properties had been purchased to date, with 68 of those being handed over to the Council. Members were informed that £9 million had been spent purchasing the properties, and an additional £0.5 million had been invested in bringing them up to the required standard. Dr Jennings proposed that £4.4 million should be earmarked for future purchases to help meet the forthcoming legislative changes in relation to homelessness, and that £230,000 should be set aside in 2012/13 to deliver loft conversions and extensions. He advised that a revised Extensions Policy would be presented to the Cabinet in November.

Councillor Currie remarked that the approved Housing Revenue Account (HRA) budget had not contained any proposals as regards extensions and loft conversions and asked if this matter would need to be considered by the full Council. Jim Lamond, Head of Council Resources, noted that this issue would be covered in his mid-year finance report, which would be presented to the Council on 23 October.

In response to a question from Councillor Caldwell concerning the turnaround time for letting a newly acquired property, Dr Jennings reported that 16 of those properties handed over were still to be let but that they were now in the system. He added that properties could not be let instantly due to the offers system in operation. He conceded that the turnaround times had not been entirely satisfactory, but that a new system had been implemented which would speed up the process.

Councillor Berry sought assurance that the Council would only do the necessary work to bring properties up to standard. Dr Jennings confirmed this was the case, except in cases where adaptations were required. Councillor Berry remarked that the PPRC may examine the cost effectiveness of extensions and loft conversions.

Councillor Currie welcomed the reinstatement of this programme. However, he questioned the proposed investment in extensions and loft conversions, particularly given that the revised policy on this had not yet come forward. He called for this policy to be applied consistently and fairly across East Lothian.

Councillor Innes requested that the reinstatement of open market acquisitions should be publicised, but cautioned against raising people's expectations. He suggested that certain types of properties and locations should be targeted in order to address the housing need.

Decision

The Cabinet agreed:

- i. to note a budget of £4.4m has been set for the continuation of further purchase on the open market on a time limited and selective basis to meet the strategic housing needs of East Lothian residents; and
- ii. to note a budget of £230,000 has been set aside in 2012/13 to deliver extensions and loft conversions, and that a report detailing the Extensions Policy would be brought to the Cabinet meeting on 13 November 2012.

3. REVIEW OF THE HOUSING ALLOCATIONS POLICY

A report was submitted by the Executive Director (Services for Communities) seeking approval of the approach to review the Council's Housing Allocations Policy (HAP) as per the commitment in the recently approved Council Plan.

The Head of Housing & Environment, Richard Jennings, presented the report, advising that the current HAP had been in place for five years and now required to be reviewed to take account of changes in legislation and the recent publication of good practice guidance. He summarised the proposed approach to the review of the policy.

Councillor Currie welcomed the proposal to revise the policy and to the proposed cross-party approach. He made reference to the Local Lettings Policy and asked if consideration had been given to extending this policy for properties other than new build. He voiced his concern in relation to the choice-based allocations system, and also mentioned that there may be legal difficulties surrounding non-permanent tenancies that would need to be investigated.

Councillor Berry asked that local priority be considered when developing the HAP.

Councillor Innes commented on the importance of the HAP, particularly in light of the introduction of new legislation, welfare reform and demographic changes. He noted that adjustments to the current policy may be required prior to the introduction of any new HAP.

Councillors Currie, Gillies, Hampshire, Innes and MacKenzie were nominated to sit on the Programme Board.

Decision

The Cabinet agreed:

- i. to approve the approach to review the Council's Housing Allocations Policy; and
- ii. that Councillors Currie, Gillies, Hampshire, Innes and MacKenzie would be the Elected Member representatives on the Programme Board.

4. ABBEYLANDS, DUNBAR

A report was submitted by the Executive Director (Services for Communities) seeking approval of recommendations in relation to the Council's affordable housing projects at both the Empire and Hughes garage sites, Dunbar, known as the Abbeylands project.

The Head of Housing & Environment, Richard Jennings, presented the report, reminding Members of the background to the Council's involvement in Abbeylands sites. He proposed that the Council should not proceed with building homes on the sites on the basis that the cost per unit would not provide value for money, and called for the Cabinet to support Option C, as set out in Section 3.7 of the report.

In response to a question from Councillor Currie with regard to the money already spent on the sites, Dr Jennings advised that the land would be retained within the Housing Revenue Account and that the remaining money from the Scottish Government's contribution would also be retained and used for future housing projects.

Councillor Currie also questioned the unit costs associated with the project, arguing that they would not be as high as stated in the report once the Scottish Government and Town Centre Regeneration Fund contributions were taken into consideration. Dr Jennings provided an explanation as to how unit costs were calculated, and suggested that the Council should be making the most of Scottish Government grant money rather than using it to fund more expensive developments.

Dr Jennings went on to explain that the Council would be looking to meet the housing demand in Dunbar in a more sustainable way and that other large sites were being explored.

Councillor McLennan disagreed with this view, advising that there were over 700 people on the waiting list for a property in Dunbar.

Councillor Veitch highlighted the difficulties associated with developing this particular site, in that it would rule out any future access to and development of the Backlands site.

Councillor Currie declared that he believed the Administration was making a mistake by not proceeding with housing on the Abbeylands sites, given the demand for housing in Dunbar. He argued that such a development would help regenerate the High Street and referred to the approved Strategic Housing Investment Plan (SHIP), which had identified the development as being high demand and high priority. He objected to the idea of using the site for parking.

Councillor Innes remarked that the budget was not sufficient enough to deliver the SHIP. Jim Lamond, Head of Council Resources, confirmed that the SHIP had been pitched at an aspirational level and that many elements contained within it were not legal commitments. He noted that working within the approved capital budget and delivering individual contractual spending commitments were more important.

Councillor McLennan expressed his disappointment at the report, arguing that the Abbeylands sites did provide value for money as well as providing much needed housing in Dunbar. He asked when a development brief would be available for the sites.

Responding to comments made by Councillor Currie as regards the Housing Revenue Account, Mr Lamond advised that this budget was fully funded from rents and self-sustainable. However, he pointed out that the SHIP could not be funded in full by the approved budget.

Referring to the Economic Development Strategy, Councillor Berry commented that town centre regeneration would be boosted by people living within town centres.

Councillor Hampshire claimed the proposed development was inappropriate on the Abbeylands sites and that the Administration would be looking to build quality homes in a better environment elsewhere in Dunbar.

Dr Jennings advised that the development brief for the Backlands already existed, having been approved by Cabinet as part of the town centre regeneration work.

Decision

The Cabinet agreed:

- i. that work should cease on the new build project at the Abbeyland's site, Dunbar;
- ii. to land bank both sites to allow consideration of alternative uses that are in line with the development brief for the area; and
- iii. to note that the planning permission for this project expires on 13 October 2012.

5. LOCAL INITIATIVES – MINOR AMENDMENT TO LOCAL HOUSING PARTNERSHIPS

A report was submitted by the Executive Director (Services for Communities) seeking approval of a minor change to the membership of Local Housing Partnerships (LHPs).

The Head of Housing & Environment, Richard Jennings, presented the report, proposing that as a result of a review of the Local Housing Partnership, all Elected Members should be members of the LHP for their own ward, and that the local Community Housing Manager should chair the meetings. He added that there would be no effect on the decision-making process.

Councillor Grant welcomed this move and asked if feedback on the operation of LHPs could be provided for Members.

Decision

The Cabinet agreed to approve the change to the memberships of Local Housing Partnerships.

SUMMARY OF PROCEEDINGS – EXEMPT INFORMATION

The Cabinet unanimously agreed to exclude the public from the following business containing exempt information by virtue of Paragraphs 1 and 6 (information relating to particular employees of the Authority; 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.

Sub-Committee Minutes

The private minute of the meeting of the Employee Appeals Sub-Committee held on 6 September 2012 was approved.

The private minute of the meeting of the Tenancy Sub-Committee held on 20 September 2012 was approved.

Financial Matters

A report submitted by the Executive Director (Support Services) concerning the write-off of bad debt was approved.