



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cunninghame House,
Irvine.

10 July 2014

Cabinet

You are requested to attend a Meeting of the Cabinet of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **WEDNESDAY 16 JULY 2014** at **2.00 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

Please note this meeting will commence at the earlier time of 2.00 PM

1. Declarations of Interest

Members are requested to give notice of any declaration of interest in respect of items of business on the agenda.

2. Minutes (Page 9)

The accuracy of the Minutes of the meetings held on 1 July 2014 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

EDUCATION ITEMS FOR DECISION

- 3. Proposed Development of Education and Sports Provision in Largs (Page 13)**
Submit report by the Head of Service (Development) (Education and Skills) on proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school co-located on the site of Inverclyde Sports facilities, in partnership with sportscotland (copy enclosed).
- 4. Strategic Review of Educational Services (Page 19)**
Submit report by the Head of Service (Development) (Education and Skills) on ongoing work with The Robert Owen Centre for Educational Change (copy enclosed).

GENERAL BUSINESS FOR DECISION

Reports by the Chief Executive

- 5. Service Plan 2013/14 Year - end Performance Reports (Page 25)**
Submit report by the Chief Executive on an update of the performance of all Council Services as at 31 March 2014 (copy enclosed).
- 6. Council Plan, Performance Management Strategy and Single Outcome Agreement (SOA): 13/14 Q4 Progress Report (Page 73)**
Submit report by the Chief Executive in implementing three Action Plans, namely (1) the Council Plan, (2) the Performance Management Strategy, and (3) the Single Outcome Agreement (SOA) (copy enclosed).
- 7. Provost's Civic Events Budget and Fundraising Activity (Page 125)**
Submit report by the Chief Executive on the Provost's Civic Events Budget forecasted expenditure for period 2014/15 and details of fundraising activity from December 2013 (copy enclosed).
- 8. Scotland's Digital Participation Charter (Page 131)**
Submit report by the Chief Executive on Scotland's Digital Participation Charter. (copy enclosed).
- 9. Community Benefits from Wind Turbines and other Renewable Developments (Page 143)**
Submit report by the Chief Executive on the present position regarding Community Benefits from Wind Turbines and other Renewable Developments in North Ayrshire (copy enclosed).
- 10. Consultation on Regulations Relating to the Public Bodies (Joint Working) (Scotland) Act 2014 (Page 195)**
Submit report by the Chief Executive on the proposed response to the Scottish Government's consultation on draft regulations relating to the Public Bodies (Joint Working) (Scotland) Act 2014 (copy enclosed).

Reports by the Corporate Director (Finance and Corporate Support)

11. Implementation of a Community Benefits in Procurement Policy (Page 277)

Submit report by the Corporate Director (Finance and Corporate Support) on the implementation of a Community Benefits in Procurement Policy (copy enclosed).

12. ICT Strategy Review 2014 (Page 297)

Submit report by the Corporate Director (Finance and Corporate Support) on progress to date in relation to the ICT Strategy (copy enclosed).

13. Former Library Headquarters, Ardrossan (Page 311)

Submit report by the Corporate Director (Finance and Corporate Support) on the proposed disposal of the former library headquarters (north wing and outbuilding), Princes Street, Ardrossan to Sense Scotland (copy enclosed).

Reports by the Director (North Ayrshire Health and Social Care Partnership)

14. Chief Social Work Officer Annual Report (Page 317)

Submit report by the Director (North Ayrshire Health and Social Care Partnership) on the report of the Chief Social Work Officer to the Cabinet, as required by the Scottish Government's Guidance (copy enclosed).

Reports by Education and Skills

15. Arran Outdoor Education Centre(Page 357)

Submit report by the Head of Service (Community and Culture) (Education and Skills) on proposals for the future efficient and effective operation of Arran Outdoor Education Centre on (copy enclosed).

COMFORT BREAK

Reports by the Corporate Director (Development & Environment)

- 16. Millport Field Centre - Land Transfer and Lease Agreement (Page 363)**
Submit report by the Corporate Director (Development and Environment) on progress in the procurement of new facilities at the Millport Field Centre (MFC) (copy enclosed).
- 17. A Vision for Irvine (Page 371)**
Submit report by the Corporate Director (Development and Environment) on progress in the development of a long term vision for the regeneration of Irvine (copy enclosed).
- 18. International Strategy (Page 477)**
Submit report by the Corporate Director (Development and Environment) on the development of an International Strategy for North Ayrshire (copy enclosed).
- 19. Empty Homes Strategy (Page 613)**
Submit report by the Corporate Director (Development and Environment) on the proposed draft Empty Homes Strategy (copy enclosed).
- 20. Town Centre Parking Strategy (Page 645)**
Submit report by the Corporate Director (Development and Environment) on the finalised Town Centre Car Parking Strategy for North Ayrshire (copy enclosed).
- 21. Review of Street Lighting (Page 655)**
Submit report by the Corporate Director (Development and Environment) on the proposal to install low energy units within the Council's Street Lighting infrastructure (copy enclosed).
- 22. Grants Under the Community Outdoor Access Grant Scheme 2014/15 (Page 661)**
Submit report by the Corporate Director (Development and Environment) on the grant awards proposed for 2014/15 under the Community Outdoor Access Grant Scheme (copy enclosed).

CONTRACTS

- 23. Award of Contract - Replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine (Page 667)**
Submit report by the Corporate Director (Finance and Corporate Support) on the result of the tender exercise for the works to provide a replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine (copy enclosed).

24. Award of Contract for Shewalton No. 2 Landfill Site, Capping of Cell 4 and Construction of Cell 5 ([Page 677](#))

Submit report by the Corporate Director (Finance and Corporate Support) on the results of the tender exercise for the Capping of Cell 4 and the Construction of Cell 5 at the Shewalton Landfill site (copy enclosed).

25. Award of Contract - General Building Framework ([Page 687](#))

Submit report by the Corporate Director (Finance and Corporate Support) on the results of the tender exercise for the Framework Agreement for the provision of General Building works (copy enclosed)

GENERAL BUSINESS FOR INFORMATION

26. Change Programme: Progress as at 30 June 2014 ([Page 699](#))

Submit report by the Chief Executive on the Council-wide Change Programme (copy enclosed).

27. School Meals ([Page 711](#))

Submit report by the Corporate Director (Development and Environment) on measures being developed to further improve the uptake of school meals throughout North Ayrshire (copy enclosed).

28. Scotland's Future: Empowering Scotland's Island Communities ([Page 721](#))

Submit report by the Corporate Director (Development and Environment) on North Ayrshire's inclusion within the recent prospectus issued by the Scottish Government entitled "Empowering Scotland's Island Communities" (copy enclosed).

MINUTES

29. Housing Revenue Account Business Plan Implementation Group: 12 May 2014 ([Page 727](#))

Submit report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Housing Revenue Account Business Plan Implementation Group held on 12 May 2014 (copy enclosed).

30. Brodick Harbour Redevelopment Group :4 June 2014 ([Page 735](#))

Submit report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Brodick Harbour Redevelopment Group held on 4 June 2014 (copy enclosed).

31. Physical Environment Advisory Panel held on 09 June 2014 ([Page 741](#))

Submit report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Physical Environment Panel held on 09 June 2014 (copy enclosed).

EXEMPT ITEMS

32. Exclusion of the Public

Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following items of business on the grounds indicated in terms of Paragraphs 6 & 9 (item 32.1) and Paragraph 11 (item 32.2) of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

In terms of Standing Order 17 (Disclosure of Information) the information contained within the following reports is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

32.1 Irvine Bay Regeneration Company - Future Developments (Page 747)

Submit report by the Chief Executive on future developments in terms of the Irvine Bay Regeneration Company (copy enclosed).

32.2 Holiday Pay Entitlement (Page 759)

Submit report by the Chief Executive on a holiday pay entitlement (copy enclosed).

33. Urgent Items

Any other item which the Chair considers to be urgent.

Cabinet

Sederunt: **Elected Members**

Willie Gibson (Chair)
Alan Hill (Vice-Chair)
Marie Burns
John Bruce
Anthea Dickson
Tony Gurney
Ruth Maguire

Church Representatives

Very Reverend Matthew Canon McManus
Ms Elizabeth H. Higton
Mr Mark Fraser

Teaching Representative

Mr Gordon Smith

Youth Council Representatives

to be advised

Chair:

Attending:

Apologies:

Meeting Ended:

Cabinet
1 July 2014

Irvine, 1 July 2014 - At a Meeting of Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Alan Hill, John Bruce, Anthea Dickson, Tony Gurney and Ruth Maguire.

In Attendance

L. Friel, Corporate Director, D. Tate, Senior Manager (Housing, Assets and Investments) (Finance and Corporate Support); S. Gault, Head of Service (Children, Families and Criminal Justice (Social Services and Health), A. Sutton, Head of Community and Culture and S. Quinn, Head of Service (Development) (Education and Skills); C. Hatton, Corporate Director, D. Hammond, Senior Manager (Strategic Planning and Infrastructure) (Development and Environment); K. Dyson, Communications Officer and A. Little, Committee Services Officer (Chief Executive's).

Chair

Councillor Hill in the Chair.

Apologies for Absence

Willie Gibson and Marie Burns.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 16 and Section 5 of the Code of Conduct for Councillors.

2. Minutes

The Minutes of the meeting held on 17 June 2014 were confirmed and signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Future Model for Community Justice in Scotland

Submitted report by the Director (North Ayrshire Health and Social Care Partnership) which highlighted (a) the main points arising from the consultation on the Future Model for Community Justice in Scotland, including the proposal to place community justice planning within Community Planning Partnerships (CPPs); and (b) the creation of a national organisation called the Community Justice Improvement Scotland (CJIS) to provide leadership for community justice in Scotland. The draft response to the consultation was set out at Appendix 1 to the report.

The Cabinet agreed to (a) note the main changes being suggested in the consultation; and (b) agree the North Ayrshire response to the questions outlined in the consultation, as outlined in Appendix 1 to the report.

4. Environmental Sustainability and Climate Change Strategy

Submitted report by the Corporate Director (Development and Environment) which advised of (a) the proposed Environmental Sustainability and Climate Change Strategy; (b) various priorities for action across the five separate workstreams that form part of the strategy; (c) the recommendation that the Council become a signatory to the Covenant of Mayors, which is an internationally recognised commitment to going above and beyond in furthering the sustainable energy agenda. The proposed strategy document was set out at Appendix 1 to the report.

Members asked questions and were provided with further information in relation to:-

- the Carbon Management Strategy and Implementation Plan which is well on target to realise in excess of a 14.5% reduction in CO₂ emissions by March 2015;
- the construction of affordable homes built under the Council house building programme to 'very good' or 'excellent' eco homes standards;
- a business case for a pilot district heating scheme in North Ayrshire to provide affordable warmth;
- the Scottish Planning Policy that sets out how the principles of sustainability are woven through national planning policy; and
- the provision of energy advice to improve the energy efficiency of private owned housing

The Cabinet agreed to (a) approve the Environmental Sustainability and Climate Change Strategy as detailed in Appendix 1 to the report; and (b) the Council becoming a signatory to the Covenant of Mayors.

5. Award of Contract - Measured Term Contract (MTC) for the Design and Installation of Disability Discrimination Act (DDA) Modular Ramps to Council Houses

Submitted report by the Corporate Director (Finance and Corporate Support) on the result of the tender exercise for the Measured Term Contract for Disability Discrimination Act Modular Ramps.

The Cabinet agreed to approve the award of the contract to William P. Whiland and Son, at a contract value of £127,500.

6. Award of Contract - Saltcoats Town Hall Restoration Works

Submitted report by the Corporate Director (Finance and Corporate Support) on the result of the tender exercise for Saltcoats Town Hall restoration works.

Members asked questions and were provided with information in relation to the number of companies that did not meet the minimum requirements of the contract at Stage 1 of the process, as a result of the specialist nature of the work.

The Cabinet agreed to approve the award of the contract to Taylor and Fraser, at a contract value of £2,843,121.49.

7. Economic Development & Regeneration Board : 2 June 2014

Submitted report by Corporate Director (Development and Environment) on the minutes of the meeting of the Economic Development and Regeneration Board held on 2 June 2014

Noted.

8. Community and Lifelong Learning Advisory Panel : 9 June 2014

Submitted report by Head of Service (Community and Culture) (Education and Skills) on the minutes of the meeting of the Community and Lifelong Learning Advisory Panel held on 9 June, 2014

Noted.

9. Exclusion of the Public

The Cabinet resolved, in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following items of business on the grounds indicated in terms of Paragraph 9 of Part 1 of Schedule 7A of the Act.

10. Cunninghame House Refurbishment

Submitted report by the Corporate Director (Finance and Corporate Support) on the award of the contract for Phase 2 of the refurbishment works using the negotiated tendering process via competitive negotiation with the contractor currently undertaking Phase 1 of the works.

The Cabinet agreed to approve the request to undertake contract negotiations with James Frew Ltd and to award the contract if appropriate.

The meeting ended at 2.55p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

16 July 2014

Cabinet

Subject: Proposed Development of Education and Sports Provision in Largs.

Purpose: To seek Cabinet approval to develop proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school co-located on the site of the sportscotland National Centre Inverclyde, in partnership with sportscotland; and to seek Cabinet approval to explore and bring forward proposals on the future provision of early years and primary education in Largs. The proposal is subject to the development of a sustainable and affordable business case.

Recommendation: That Cabinet: (a) Authorises officers to develop proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school co-located on the site of the sportscotland National Centre Inverclyde, in partnership with sportscotland subject to confirmation by sportscotland of external funding; (b) Authorises officers to explore and bring forward proposals on the future provision of early years and primary education in Largs, informed by an early engagement process with a range of stakeholders and appropriate partners, including sportscotland and South West HubCo; (c) Instructs officers to submit proposals, informed by the early engagement process, outlining the preferred options for education provision and related funding in Largs, to Cabinet on 23rd September 2014; (d) Notes proposals to develop a robust consultation process to commence in October 2014, which meets statutory requirements; (e) Agrees to submit a proposal to Scottish Futures Trust (SFT) in relation to accessing funding for arrangements for the future delivery of education and sports provision in Largs, subject to an acceptable rationale being developed; and (f) Notes that the outcome of the strategic review of education and the future of educational provision throughout North Ayrshire's neighbourhoods, including that of the Three Towns, will be presented to Cabinet for its consideration in early 2015. Further consultation with stakeholders will inform this process.

1. Introduction

- 1.1 North Ayrshire is currently engaged in a strategic review of education which aims to raise educational attainment and achievement, review educational assets within North Ayrshire and provide an educational estate which is fit for the 21st century and which demonstrates the Council's ambitions in relation to education in North Ayrshire. This North Ayrshire wide review will present its proposals in early 2015 and will include the Three Towns.

2. Current Position

- 2.1 Separately, yet complementing the review, there has arisen a unique and time limited opportunity for North Ayrshire to submit proposals to Phase Three of the Scottish Futures Trust (SFT) programme to improve the delivery of education provision in North Ayrshire.
- 2.2 The sportscotland National Centre Inverclyde is currently developing a strategy to secure the future success of the facility as an inclusive venue encompassing a wide range of sports and physical activities. Options are being explored in collaboration with key organisations, including North Ayrshire Council to potentially redevelop and improve key components of the Centre, with the objective of enhancing its contribution to the development of a world class sporting system in Scotland. The sportscotland Board has agreed in principle to allocate capital investment to this exciting redevelopment project.
- 2.3 Given the time limited nature of the Scottish Futures Trust Schools for the Future programme, the Council is required to prioritise and identify an appropriate project which can satisfy the programme requirements and timescale, i.e. the project must be complete by 31st March 2018. Based on current available information, and the specific availability of a single appropriate site, it has been identified that addressing the education and sports provision needs in Largs, particularly the replacement of Largs Academy, would best meet the criteria to enable potential access to this significant external funding. Equally, the opportunity to work in partnership with sportscotland is constrained due to the timescales required to take forward the redevelopment of key components of its National Centre Inverclyde.
- 2.4 The unique and exciting opportunity now therefore exists for the development of proposals for a joint education and sport campus on the site of sportscotland's National Centre Inverclyde, which would include a modern fit for purpose secondary school with access to world class sporting facilities and the redevelopment of sportscotland's National Centre Inverclyde. This would provide North Ayrshire's second state of the art education and sport hub project, the first of which will be the new Garnock Campus, currently in development.

- 2.5 In developing these innovative proposals, the Council should maximise the opportunity offered by a joint campus approach by exploring the potential benefits in relation to early years and primary school provision in Largs. This would be achieved alongside the enhancement of the sportscotland National Centre Inverclyde which would maximise its potential as an inclusive sports development asset, serving national, regional and local groups, while supporting the local economy by attracting sports (including sailing) events and competitions to Largs and North Ayrshire.

3. Proposals

- 3.1 It is proposed that the Council begins early engagement with a range of stakeholders to inform the Council's proposals in relation to this unique opportunity for a new campus development in partnership with sportscotland and to explore options for the future delivery of early years and primary school provision in Largs.
- 3.2 It is also proposed that this early engagement will inform a robust consultation process to be undertaken once proposals have been considered by the Cabinet in September 2014.
- 3.3 It is further proposed that the Council agrees to submit an application to the Scottish Futures Trust in relation to accessing funding for the above developments.
- 3.4 It should be noted that this development is subject to:
- The joint development of a sustainable partnership business plan;
 - sportscotland securing additional external funding for the redevelopment of its National Centre Inverclyde;
 - The Scottish Futures Trust approving the allocation of available funding to the project; and
 - Identification of funding to meet North Ayrshire Council's contribution to the project.

4. Implications

Financial Implications

- 4.1 There are no financial implications arising directly from this report although the proposal is subject to developing a financially sustainable business case.

Human Resource Implications

- 4.2 There are no human resource implications arising directly from this report.

Legal Implications

- 4.3 There are no legal implications arising directly from this report.

Equality Implications

- 4.4 There are no equality implications arising directly from this report.

Environmental and Sustainability Implications

- 4.5 There are no environmental implications arising directly from this report.

Implications for Key Priorities

- 4.6 The key priorities which will be addressed by this report are:
- 3a "opportunities for lifelong learning have increased."
 - 4a "levels of educational attainment and achievement have improved."
 - 6b "health inequalities have reduced."
 - 6e "people are more active more often" and
 - 11b "partnership working between the public, community and voluntary sector has improved."

5. Consultations

- 5.1 Consultations have taken place with sportscotland. The Council recognises the importance of robust consultation and engagement processes. These will involve the early engagement with a range of stakeholders at a development stage and a full public consultation process once proposals have been developed.

6. Conclusion

- 6.1 A unique and time-limited opportunity has arisen to work in partnership with sportscotland to make an application to the Scottish Futures Trust to develop an educational and sporting centre of excellence in Largs, subject to financial sustainability. Consultation and engagement with the local community and other stakeholders will be critical to shaping the proposals and it is recommended that Cabinet approves the above proposals to progress this opportunity.



STEVEN QUINN
Head of Service (Development)

Reference : SQ

For further information please contact Steven Quinn, Head of Service (Development), on 01294 324413.

Background Papers

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NORTH AYRSHIRE COUNCIL

Agenda Item 4

16 July 2014

Cabinet

Subject: **Strategic Review of Educational Services**

Purpose: To advise of the ongoing work with The Robert Owen Centre for Educational Change and to seek approval for the recommendations proposed.

Recommendation: That the Cabinet agrees to:

- a. Note the continued work with the Robert Owen Centre for Educational Change to carry out context specific research within, between and beyond our schools to support the improvement programme that will raise attainment and promote more equitable outcomes for our young people;
 - b. To seek approval to procure in principle the services of the Robert Owen Centre using the negotiated tendering procedure; and
 - c. Approve expenditure of up to £150,000: £90,000 in year one; £40,000 in year two; and £20,000 in year three, to procure the services of the Robert Owen Centre.
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1. Introduction

- 1.1 The Robert Owen Centre for Educational Change has been established by the University of Glasgow and aims to promote more equitable education systems through theory driven, applied research underpinned by a commitment to the principles of social justice and lifelong learning.
- 1.2 In early May 2014, members were advised of the Strategic Review of Education's Programme Board's discussions with the Robert Owen Centre about how national and international research could assist in the Review.

- 1.3 The Robert Owen Centre has considerable experience in conducting policy related evaluations and has worked extensively in supporting Government, local authorities and schools on collaborative enquiry, systems change and improvement. The research will be led by Professor Chris Chapman and an internationally renowned reference group of experts who have been instrumental in the development of contemporary Scottish Education and researching school improvement.
- 1.4 The Programme Board met with Professor Chris Chapman on 11 March 2014 and a briefing on this meeting was provided to Cabinet on 25 March 2014. On 28 May 2014, the Head of Service (Development) and the Head of Service (Community and Culture) and the Review's Project Management team met with Professor Chris Chapman, Professor Graham Donaldson and the senior research team of The Robert Owen Centre to have detailed discussion on the recommended approach and the bespoke research programme being proposed. The proposal entitled "Making Education Work for All: A Coalition for Equity and Innovation" is the result of this formal dialogue.

2. Current Position

- 2.1 Research over the last few years, including work carried out by the National Attainment Group, the Association of Directors of Education in Scotland, The Joseph Rowntree Foundation and more recently, Audit Scotland, all point to an agreed summary of what can make a difference in schools. This includes: stronger parental engagement in supporting learning; a continued focus on literacy and numeracy; developing leadership capacity at all levels; empowering and supporting teachers to rise to the challenge of raising standards; continuous self-evaluation and intelligent use of data and evidence.

North Ayrshire's schools already demonstrate good practice in these areas. However, there is a need for greater consistency in delivery and rigour in ensuring there is robust practice across all of our schools.

- 2.2 The Programme Board has identified three key areas of challenge to be tackled through the proposed partnership with the Robert Owen Centre:
- There is a need to move from thinking about educational change in terms of school improvement – doing the same things more effectively – to thinking about it in terms of educational innovation: daring to think about doing things which replace the current orthodoxies of practice.

- There is a need to use performance and contextual data more 'intelligently'. Emerging evidence from a range of school based networks shows that collaborative practice which is based upon the use of high quality, relevant data will drive approaches that can positively impact learning outcomes for marginalised and disadvantaged groups of students.
 - There is a need to develop approaches that place schools at the centre of their communities and broader public service provision. Creating a context whereby young people from the most disadvantaged backgrounds can effectively engage in the educational process is key to ensuring that the link between disadvantage and low educational attainment is broken.
- 2.3 The Robert Owen Centre proposes to work collaboratively with North Ayrshire to develop a programme that will be designed to stimulate deep and sustainable change within schools and across the authority.
- 2.4 There is now a requirement to consider the most appropriate means to procure the research services to undertake this work. The Strategic Review of Education Programme Board and the Corporate Procurement Unit (CPU) have jointly assessed the following options:
- Appoint the Robert Owen Centre via negotiation; or
 - Undertake a competitive tender exercise.
- 2.5 In assessing the above options, the following benefits were considered to be achieved by appointing the Robert Owen Centre via negotiation:
- There is no other viable alternative provider of research and consultancy support which delivers within this specialist area of educational attainment in Scotland.
 - The unique status of the Robert Owen Centre has been recognised by Scottish Government in their procurement of the research into the impact of the Schools Improvement Partnership Programme (SIPP), commissioned by Education Scotland.
 - The Robert Owen Centre is the only Research Centre with a robust model and commitment to develop theory-driven applied approaches to raise educational achievement and tackle educational inequity in the UK.
 - The unique blend of expertise and experience contained in the Centre involves in-depth knowledge and understanding of the Scottish system.

- The Centre acts as a Special Advisor to Scottish Government on the future of inspection, as part of the What Works Scotland Centre (ESRC/Scot Gov). The Centre is also the lead research, development and evaluator on the School Improvement Partnership Programme (SIPP) which uses collaborative inquiry to rethink roles and responsibilities across classroom, school, community and local authority boundaries. These insights to current and emergent policy initiatives place the Centre in a unique position to scan the horizon for future opportunities and to shape and influence their direction.

- 2.6 The Improving Children's Outcomes project aims to involve families, children and young people more effectively in service planning through gathering information about their wellbeing. This will be gathered using school and community based surveys and will provide an overall picture on how children are developing. There is close alignment between the objectives of the Improving Children's Outcomes project and the Strategic Review of Educational Services.
- 2.7 On 11 December 2013, the Council agreed proposals to invest £300,000 in the Dartington approach to develop an evidence based commissioning strategy to improve children's outcomes. On 29 April 2014, the Cabinet agreed to participate in an Improving Children's Outcomes Project, supported by the Dartington Social Research Unit and the Scottish Government. The Cabinet further agreed to contribute funding and £31,000 has been allocated for this purpose. In addition, £100,000 was set aside from the Change Fund to fund the costs of the Strategic Review of Educational Services.
- 2.8 The proposed overspend of up to £50,000 in the Strategic Review of Education Fund resulting from the costs of up to £150,000 for the research by the Robert Owen Centre would be drawn from the funding identified to work with the Dartington Social Research Unit.

3. Proposals

- 3.1 It is proposed that Cabinet approves the collaboration with the Robert Owen Centre to:
- Enable full understanding of why levels of attainment vary between schools and different groups of pupils in a context relevant to North Ayrshire.
 - Facilitate the development and implementation of strategies to reduce the gaps in performance between the lowest and highest achieving pupils.
 - Develop plans that contain clear priorities and actions that set out what has to be achieved in the short, medium and longer term.

- 3.2 The Council's Standing Orders Relating to Contracts, paragraph 10.5 allow a Chief Officer to recommend the use of the negotiated procedure to award a contract.
- 3.3 It is proposed that Cabinet approves the request to use the negotiated procedure with the Robert Owen Centre for year one, in the first instance, with an option to continue into years two and three.
- 3.4 It is proposed that Cabinet approves the proposal to spend up to £150,000 on the procurement of research services by the Robert Owen Centre and that the underspend on the Improving Children's Outcomes fund is used to meet the shortfall in the funds available in the Strategic Review of Education fund.

4. Implications

Financial Implications

- 4.1 Budget provision is contained within the funds set aside for the Strategic Review of Education and the work with the Dartington Social Research Unit.

Human Resource Implications

- 4.2 None

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental and Sustainability Implications

- 4.5 None

Implications for Key Priorities

- 4.6 The Strategic Review of Educational Services will support SOA outcomes of children and young people are safe, healthy, active aspiring and achieving and the life chances of vulnerable children and young people are improved. The Review will also support Council plan priorities of improving educational attainment and operating more efficiently and effectively. It will also go some way in helping the Council realise its ambition for North Ayrshire to be the best place in Scotland to Grow Up. Finally, this broad approach will aim to reframe education as core to each community within North Ayrshire, involve the wider community as well as our young people from ages 3 - 18.

5. Consultations

- 5.1 The Programme Board has been involved in discussions with the Robert Owen Centre and has been fully consulted on this report.

6. Conclusion

- 6.1 The Strategic Review of Education's Programme Board has been in discussions with The Robert Owen Centre for Educational Change about the use of national and international research and data that could assist in the Review. The Robert Owen Centre has proposed to work with North Ayrshire schools on collaborative enquiry, systems change and improvements resulting in a programme of change that will raise attainment across North Ayrshire schools.
- 6.2 The Strategic Review of Education's Programme Board is seeking approval by Cabinet to use the negotiated tendering procedure to enable it to enter into extended discussions and procure the services of the Robert Owen Centre to carry out this work.
- 6.3 Budget provision to cover the costs of the research has been made within the Strategic Review of Education fund and the funding for the Dartington Social Research Unit.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Steven Quinn, Head of Service (Development), (Educational Services) on 01294 324413

Background Papers

nil

NORTH AYRSHIRE COUNCIL

Agenda Item 5

16 July 2014

Cabinet

Subject: Service Plan 2013/14 Year - end Performance Reports

Purpose: To provide Cabinet with an update on the performance of all Council Services as at 31 March 2014.

Recommendation: That the Cabinet (a) notes the performance of all Services as at 31 March 2014 against the objectives, key performance indicators and actions in the 2013/14 Service Plans; and (b) refers the Service Plan 2013/14 Progress Reports for the consideration of the Scrutiny and Petitions Committee.

1. Introduction

- 1.1 The layout of the Service Plan 2013/14 - Year End Performance Reports is the same as that used for six monthly performance reports as at 30 September 2013 and are based on Council's organisational structures for 2013/14.
- 1.2 This continues a period of stability in the production and use of the reports since this layout was accepted by Elected Members in March 2011.
- 1.3 These reports highlight the significant progress that have been made to achieve those priorities in the respective 2013/14 Service Plans that support the four core objectives in the Council Plan and achieve our vision – '*North Ayrshire - the place to be*'. In addition the reports provide further evidence of the positive work being carried out across the Council on its Good to Great journey.

2. Current Position

- 2.1 Executive Summaries for each Service Performance Reports are set out in Appendices as follows:-

Directorate	Appendix
Democratic & Administration Services	Appendix 1
Education & Skills	Appendix 2
Social Services & Health	Appendix 3
Finance & Corporate Support	Appendix 4
Development & Environment	Appendix 5
Housing	Appendix 6

- 2.2 In line with the principle that our performance management system should be founded on robust and candid self-assessment, each Executive Summary provides the relevant CMT member's assessment of:

- overall performance of the Service
- its capacity for improvement
- financial performance, both revenue and capital
- progress against each "Priority" identified in the 2013/14 Service Plans

- 2.3 The Executive Summaries report financial information calculated on data as at 31 March 2014 (Unaudited Accounts 2013/14 - Outturn) reported to the Council on 25 June 2014 both from revenue and capital perspectives, thereby ensuring that non-financial information is considered in overall context.

- 2.4 The Executive Summaries provide a narrative on progress made in relation to the identified "Priorities" (defined in the Service Planning Guidance as the handful of matters that need focused management attention during the year.

- 2.5 Each Service has used Covalent to produce a more detailed Service Year-end Performance Report against each objective, action and indicator in each Service Plan 2013/14.

- 2.6 The detailed Service Plan 2013/14 Year-end Performance Reports are available to Elected Members on the 'Members Info' tab on Navigate under "*Service Performance Reports*" and on the Council's Public website, *North Ayrshire Performs*. In addition, a hard copy is available in the Members' lounge.

3. Proposals

- 3.1 It is proposed that the Cabinet (a) notes the performance of all Services as at 31 March 2014 against the objectives, key performance indicators and actions in the 2013/14 Service Plans; and (b) refers these reports for the consideration of the Scrutiny and Petitions Committee.

4. Implications

Financial Implications

- 4.1 There are no financial implications arising from this report.

Human Resource Implications

- 4.2 There are no human resource implications arising from this report.

Legal Implications

- 4.3 There are no legal implications arising from this report.

Equality Implications

- 4.4 There are no equality issues arising from this report. No Equality Impact Assessment is required, as the report does not represent any new or revised policy.

Environmental and Sustainability Implications

- 4.5 There are no Environmental issues arising from this report. No Strategic Environmental Assessment is required, as the report does not represent any new or revised policy.

Implications for Key Priorities

- 4.6 The purpose of this report is to enable scrutiny of performance, it directly supports Core Objective 4 - Operating more Efficiently and Effectively contained in the Council Plan 2012/17.

5. Consultations

- 5.1 The Corporate Management Team (Directors and Heads of Service) have considered the Service Plan 2013/14 Year-end Performance Reports.
- 5.2 All detailed Service Plan 2013/14 Progress Reports will be published on the Council's public website, North Ayrshire Performs to encourage the sharing of good practice across and within Services.

6. Conclusion

- 6.1 The overview of local government in Scotland 2014 report, produced by Audit Scotland on behalf of the Audit Commission (March 2014) emphasised to scrutinise and assess services, Councillors need good information on performance and costs of current service activities. This is crucial information which highlights what is working well and where there may be emerging problems, where improvement may be needed and whether value for money is being achieved. The report also referred to a previous report " *Managing performance: Are you getting it right?*" which sets out the key aspects of performance management, including the key characteristics for managing performance and improvement. The report emphasises that everyone in the Council has a role in managing performance and that, together, council officers and councillors are responsible for ensuring their council meets the Best Value duty.
- 6.2 The Service Plan 2013/14 - Year End Performance Reports provide a concise balanced view of performance against actions, key performance indicators and risks in the 2013/14 Service Plans.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Andrew Fraser, Head of Democratic & Administration Services on 01294 324125

Background Papers

Nil

Democratic & Administration Services – Executive Summary

1. Democratic & Administration Services Assessment

- 1.1 Overall performance is assessed as *Good*
- 1.2 Capacity for improvement is assessed as *Very Good*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial performance

- 2.1 Democratic & Administration Services was underspent by £0.388m (9.8% of the annual budget) for the year. The main reasons for this underspend are:

Legal

Underspend of £0.027m includes £0.016m underspend within employee costs and £0.006m over-recovery of Licensing income.

Policy, Performance & Community Planning

Underspend of £0.153m comprises of £0.162m underspend within employee costs partly due to vacancies within the Information Compliance Team of £0.097m and an employee being seconded into a Change Team post. Offset by small overspends within Supplies and Services & Administration Costs.

Committee & Members Services

Underspend of £0.109m includes £0.043m underspend within employee costs and minor underspends in Administration of £0.022m. £0.056m requires to be carried forward into 2014/15 to fund future Election costs. The net underspend is therefore £0.053m.

Change Programme

Underspend of £0.094m relates to employee cost due to one vacancy and two employees being seconded away from this team.

3. Democratic & Administration Services - Priorities¹ for 2013/14

This section provides a summary of progress against the Service's identified priorities for 2013/14.

Priority 1: Review governance arrangements & decision making processes.

A pilot of new procedures to deal with items of business was agreed by Council in December 2013. This pilot will inform a full revisal of Standing Orders in June 2014. The revised Scheme of Administration was agreed in July 2014. Delegation to the Chief Officer of the Health and Social Care Partnership and arrangements for the governance of the Transitional Integration Board were also agreed in March.

Revisal to the Scheme of Delegation will go to Council in July 2014, following completion of the review of management responsibilities arising from the integration of adult health and social care. A review of Policy Boards has been completed and their replacement by Advisory Panels was agreed by Cabinet in October 2013. A revised Member Officer Protocol has also been drafted for submission to Council.

Priority 2: Establish the Ayrshire Area Support Team (AST).

The AST has been established; all recruitment to support the support AST completed and is now fully operational.

Priority 3: Prepare for the 2014 European Parliamentary Election /2014 Referendum on Scottish Independence.

The European Election has been delivered and interim feedback received is positive. Project planning for the Referendum in September is ongoing. The recruitment of an Elections Co-ordinator will provide a dedicated support for election planning going forward.

Priority 4: Co-ordinate and support the implementation of the CPP Audit Improvement Plan.

Co-ordination and support of actions ongoing. The Improvement Plan received approval by CPP Board in June 2013 and implementation commenced after that date. The majority of actions are now implemented but it is acknowledged by CPP Board that some actions will require implementation over a longer period and will require continuation into 2014/15.

¹ A priority is the most important thing for the Service.

Priority 5: Co-ordinate and support the implementation of the SOA 2013-17 including the integration of neighbourhood planning and priorities.

A series of Neighbourhood Planning Profiles have been completed and initial meetings of the neighbourhood planning forums held. Feedback will be taken into account when finalising the Areas of Family Resilience Report. Progress report on CPP Resource Mapping Group submitted to CPP Board in March 2014. This group is continuing to meet to consider how the resource mapping information can be turned into a partnership planning tool. A series of CPP Board development sessions have been held including a session on resource mapping.

Priority 6: Develop, maintain and communicate a long term change programme to match with future funding gap, service demand projections and align with national public service reform agenda.

Key activities undertaken include ongoing support for Outcome Based Budgeting and implementation of this is progressing well. The adoption of a Lean Six Sigma approach is ahead of schedule with training delivered to the Business Change Team and representatives from each Directorate. Further training has been arranged for the Health & Social Care Integration project and 'Champions' training has been being piloted with key project sponsors.

A combined approach to '*Strategic Partners*' has now been agreed with IT including closely co-ordinating project management resource and project selection.

Support is being provided to the Strategic Review of Education, broadening the scope of activity undertaken.

The Outcome map has been deferred, to prioritise Outcome Base Budgeting, Lean, and Strategic Review of Education.

Work is underway to take stock of the initiatives the team is supporting and to get a strategic view of how those initiatives align to the Council priorities.

Priority 7: Drive implementation of the Performance Management Strategy.

A report to Cabinet on the 29 April 2014 highlighted the current situation with performance management across the Council.

Following the Council wide self-assessment in 2013 a Corporate PSIF Improvement Plan has been developed. Sponsors from the Extended Corporate Management Team have been identified to progress activity across thematic areas of -

- Leadership, Strategy and Performance Management;
- People Management; and
- Stakeholder Engagement/Customer Services.

Improvement activity includes strengthening the golden thread; the development of a balanced scorecard, and the identification of key processes.

A Performance Management Forum chaired by the Director of North Ayrshire Health and Social Care Partnership has been established with the remit to embed a high performance culture in North Ayrshire Council. Membership of the Forum includes Performance Officers from all Directorates. A Work Plan has been developed and a number of actions are being progressed under key performance areas:

- Developing a consistent approach to performance management;
- Strengthening our approach to public performance reporting;
- Supporting a culture of constructive challenge between services;
- Promoting a culture of learning from best practice;
- Developing a culture of self-evaluation and improvement which informs the service planning process;
- Encouraging and supporting applications for external recognition; and
- Facilitating the Council's contribution to the Research Information Evaluation Group (RIPE)

A review of the Performance Management Strategy will be undertaken in 2014.

The Council is on its *Good to Great* journey and a Recognised for Excellence submission document will be submitted to Quality Scotland in December 2014.

Priority 8: Monitor and evaluate the implementation of the Council's Communications Strategy.

The Communications Team has launched the eight-weekly Team Talk process; the Weekly News In Brief email and the quarterly Staff magazine Staff Talk. A review of the implementation of the Council's Communications Strategy will begin in the summer of 2014, including an evaluation of the new processes/approaches which have been introduced.

Priority 9 Ensure a comprehensive and quality legal support to the Council

Legal Services continues to deliver a comprehensive and quality legal support and service to the Council.

To enhance this service a benchmarking exercise took place through the Society of Local Authority Lawyers & Administrators in Scotland (SOLAR) to review opportunities for efficiencies and identify best practice. It is anticipated that this exercise will be repeated in succeeding years and that all Councils will take part.

In addition Legal and Licensing Services continues to attend the SOLAR Working groups across many disciplines to ensure and embed the service in best practice.

A Data Led Licensing Policy Statement has been approved by the Board and is now fully operational

Legal Services has worked with other relevant Services within the Council to produce a draft Policy on Gypsy Travellers to be submitted to the Cabinet in June, 2014.

Following a Regulation of Investigatory Powers (Scotland) Act 2000 (RIPSA) inspection an improvement plan has been agreed by the inspectorate and a rigorous and comprehensive system of training and regulation across the Council has been commenced and will continue to be implemented going forward.

Legal Services continues to support the Integration of Adult Health and Social Care.

Education and Skills – Executive Summary

1. Education and Skills Assessments

1.1 Overall performance is assessed as *Good*

1.2 Capacity for improvement is assessed as *Very Good*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial Performance

The Service's revenue budgetary control final outturn position for the 2013/14 financial year identified an underspend of £0.005m within the service against a net budget of £152.214m. An explanation of Education and Skills major variances is provided below;

1. **EARLY YEARS EDUCATION - £0.339m underspend**

Early years practitioners' salaries are underspent by £0.125m due to the age profiles of the children attending. Budgets were set for staffing at full capacity but it has taken longer to get to full capacity than expected. This is linked to the increase in the number of vulnerable children requiring support. Payments to private and voluntary nursery groups are underspent by £0.100m due to lower than anticipated places required. There was a further £0.132m underspend in the Early Years preventative initiative Capacity Building with Parents. Early Years underspend has increased by £0.018m from the period 10 figure.

2. **PRIMARY EDUCATION - £0.183m underspend**

School based salaries are overspent by £0.072m due to the year-end accrual for holidays that teachers are entitled to while on Maternity and Long Term Sick leave. The salary costs in respect of Early Intervention practitioners are underspent by £0.042m as some staff left in advance of the redeployment into Early Years Centres per the Cabinet report on October 29, 2013. There were also underspends on CIRF (Capital Items Replacement Fund) £0.176m, PPP Unitary Charge £0.028m and Software licences and support £0.022m. The underspend in Primary Education has decreased by £0.121m from the period. This is mainly due to the cost of accrued holidays for teachers on maternity leave not included at period 10.

3. **SECONDARY EDUCATION - £0.511m underspend**

Within the PPP schools there are savings of £0.166m in respect of contract deductions (£0.080m) and the Unitary Charge (£0.086m) as a result of changes in utility costs. Salaries are underspent by £0.092m due to savings realised from Maternity and Long Term Sick payments. There were also underspends on Educational Supplies £0.099m and Determined to Succeed payments £0.103m while

School meal Income was also £0.099m more than anticipated. The underspend in Secondary Education is in line with what was reported in period 10.

4. ADDITIONAL SUPPORT NEEDS (ASN) - £0.279m overspend

ASN Residential and Day placement fees are overspent by £0.240m and £0.134m respectively. Salary costs were £0.180m overspent which was offset against the income recovered from other Local Authorities who have children placed in North Ayrshire Schools which was £0.186m more than budget. The expenditure incurred for children placed in schools outwith North Ayrshire was £0.049m underspent. Minor Adaptations was also underspent by £0.026m. The overspend on ASN Education is in line with what was reported in period 10.

5. EDUCATION - OTHER - £0.477m overspend

VER costs were £0.565m. School Security Works are underspent by £0.065m mainly due to an over accrual in 2012/13. Salary costs were underspent by £0.049m and Health & Safety costs underspent by £0.012m. PVG (Protection of Vulnerable Groups) checks across the whole of Education and Skills overspent by £0.010m. There was an under-recovery of external income of £0.120m and an over-recovery of £0.031m Income from other NAC departments in respect of Arran Outdoor Education Centre. Other overspend is in line with the reported figure at period 10.

6. CULTURAL AND COMMUNITY - £0.216m underspend

The majority of the underspends are in employee costs. £0.013m accrued due to amended work patterns within museums, £0.036m has accrued from over-achieved savings as a result of amended work patterns and reduced overtime costs in Community Facilities. A £0.104m underspend in Community Development is as a result of early achievement of anticipated savings from the Community Development Review. This is offset by redundancy payments totalling £0.206m and a £0.025m payment to Kilwinning Sport Club due to contractor/arbitration issues. There is a £0.028m underspend in Childrens Services salaries due to difficulties in sourcing staff. There is a £0.040m underspend in Healthy Start Clubs due to delay in setting up new clubs. There is a further £0.154m underspend of varying amounts over all the Culture & Community Sectors which attributes to this. Culture and Community underspend has increased by £0.121m from that which was reported at Period 10 which is as a result of numerous small differences across a variety of budget lines

3. Education and Skills - Priorities for 2013/14

This section provides a summary of progress against the services identified priorities in the 13/14 Service Plan

Priority 1: Maintain and improve service quality across Education and Skills in current and future financial climate.

Education and Skills has continued to maintain a financial management framework which supports the business objectives of the service and which ensures greater transparency of resource allocations and rigour around matching resources against intended outcomes and impact. Findings from a range of external and internal self-evaluations along with evidence we have collected on the progress of our key

strategic performance measures and key strategic actions over the 2013-2014 period indicate that the quality of our services continues to be maintained, and in many cases improved, against a background of reducing resources.

The service has improved its approach to school self-evaluation through provision of additional support to schools to ensure increased rigour in undertaking in-depth analysis of SQA results and ensuring they are able to analyse more fully the impact of their raising attainment strategies. As a result of analysis of school level performance data, strengths and areas for improvement have been identified and utilised in each of our secondary school's improvement planning process.

Education and Skills has continued to adopt a robust approach to performance management and quality improvement to ensure services are focused on achieving the best outcomes for service users. The service has continued to undertake systematic benchmarking activities to allow effective comparison of our performance levels against partner authorities and we have engaged effectively with the wider benchmarking agenda through participation in the LGBF 'Positive Destinations' pilot. Community and Culture achieved top quartile rankings in the SOLACE LGBF measures in relation to levels of customer satisfaction in four areas of cultural and leisure provision. These were achieved in the areas of libraries, leisure facilities, museums and galleries and parks and open spaces.

Additionally, within the Directorate there has been a significant review and restructure of both Community Learning and Development and also Quality Improvement and we have continued to promote the principles of community engagement and provide communities with opportunities to influence the development and delivery of services.

The service has continued to improve the focus and impact of education support in line with GIRFEC and the Children and Young People (Bill) and have strengthened partnership arrangements with Social Services and Health to ensure improved outcomes for vulnerable young people and their families. Positive progress has been achieved in planning the provision of the 600 hours of free nursery education for three and four year-olds and looked after two year olds from August 2014.

Priority 2: Continue to develop Curriculum for Excellence in order to deliver improved attainment and achievement leading to more positive post school destinations.

For a number of years now our schools have been planning and implementing courses based on the CfE design principles. In the secondary sector, schools have been delivering a seamless curriculum progression through the BGE into National qualifications and in the case of National 5 on into the new Highers, establishing a clear educational rationale for all schools to move to the new higher provision for the 2014/15 S4 cohort.

Analysis of the 2012/2013 SQA exam results indicated that 80% of S4 pupils in North Ayrshire achieved 5 or more Standard Grades at general level (or equivalent) and 35% of S4 pupils achieved five or more at credit level, or equivalent. These represent our best S4 performance at every level in the last ten years. At S5, 41%

achieved one or more Highers, or equivalent awards, a slight reduction on the 42% achieved last year and in S6 the performance at Higher and Advanced Higher was the strongest in the last ten years.

93.8% of North Ayrshire's school leavers moved into a positive destination when they left school in 2013. 16+ coordinators in all of our schools have worked hard to ensure that positive progressions into further & higher education, employment and training are at a higher level than ever before and are also higher than the national average. A particular focus has been engagement with local and national employers to ensure that our leavers are aware of all the options open to them, including apprenticeships and jobs with training. This engagement is important so that the young people make an informed decision that not only leads to a positive destination but one that is also sustained over a period of time.

We have developed the remit of the External Placement Monitoring Officer to improve transition planning and post-school destinations for young people educated outwith the authority. Procedures were developed and implemented which allow us to address issues arising from educational provision that takes place out-with the local authority area. These ensure that all transition planning for these pupils is undertaken timeously and that post school planning is subject to our scrutiny. Along with partners we have also examined the transitions and post-school options for young people with multiple and complex needs. A successful CPD event was held and attended by a range of partners including Head Teachers of ASN schools where the emphasis focused on transition planning for pupils in their final year of school, and the need to ensure that a positive destination remained the key priority. The service has continued to develop the 'UKCAT project' to enable more able pupils to successfully apply for 'High Tariff' university courses. This has involved hosting a UKCAT conference for NAC applicants to high tariff university course and offering mock interviews for applicants. Additionally, a one day conference for general UCAS applicants was held in December 2013 with positive feedback from participants.

As part of our on-going development of 16+ Employability Activity Programmes and Apprenticeship offers for the 16+ age group our range of programmes and apprenticeship opportunities are delivering above national average positive outcomes for participants. Negotiations are continuing with new partners to broaden the apprenticeship programmes further during 2104/15. Additionally, Employability input in partnership with Economic Development has continued in our secondary schools and a number of schools have organised their own in-house careers events targeted at pupils considering employment as their first option. Schools are using the SDS My World of Work website and the Gateway website to develop awareness of local & national career opportunities.

The service has also developed effective partnership arrangements with Ayrshire Chamber of Commerce to enhance school-business links which has resulted in extensive employer engagement in our schools and in local authority organised events. This focus on engagement with local and national employers helps to ensure that our leavers are aware of all the options open to them, including apprenticeships and jobs with training. We have continued to work towards establishing formal transition arrangements with the new Ayrshire College which continues to be a work in progress. However, all partners are moving towards a better sharing of more

appropriate data with a view to ensuring that more vulnerable learners sustain their college places. In partnership with local business organisations we have established a range of opportunities for young people to improve their awareness and understanding of the local job market. This has included organising a successful 'Girls into STEM' event which was held in November 2013 with the full participation of key local employers.

Priority 3: Continue to develop community empowerment and capacity building in order to improve community involvement, economic activity, culture and participation, lifelong learning and physical activity.

Community and Culture has continued to successfully engage communities with increased participation and activity across the sector with levels of community capacity also increasing, including further developments in community sports clubs and health and well-being initiatives. The "Nurturing Communities" fund has assisted organisations to increase their capacity to develop their own ambitions and a number of demonstration projects have been identified to be supported by the Community Development Fund. These include a number of asset transfer projects, including heritage and sports initiatives, and a ground breaking project in North Ayrshire in relation to the transfer of assets to the community association in Fullarton.

North Ayrshire has piloted a Scottish Government "Partners for Change" programme to improve and formalise the Council's approach to third sector partnerships and commissioning. An action plan has now been agreed which includes the establishment of a third sector collaborative forum, led by the Third Sector Interface, to be known as the "Third Sector Voice." A review of community councils is also under way and the initial consultation has taken place. Proposals are now in preparation for a revised scheme.

Library visits have continued to grow, reaching 1.1million. North Ayrshire is the first Scottish local authority to introduce free music streaming and digital music downloads in public libraries services. A digital skills programme for early years, Appiness and the Scottish Library and Information Council's Technology Petting Zoo helped the public increase the use of digital devices and library services like e-books, digital magazine sand the library app. Computer bookings grew by over 15,000 and job clubs have been introduced in a few libraries.

The Country Park visitor numbers continue to exceed 300,000 visitors per annum with an ever increasing involvement of the local community in the estates management for conservation and education. Additionally, the Harbour Arts Centre has exceeded its target of 100,000 visits and has supported a range of educational, cultural and recreational events and the Heritage Centre has run a Blair House exhibition, participated in the Luminate Creative Aging festival and carried out school workshops on World War 2.

Four schools of sport have now been established, including a Scottish first for basketball and a recent additional school of rugby at Garnock Academy; Nurturing Excellence funds in arts and culture sport continue to have a positive effect on young people's participation and performance. North Ayrshire Council has worked on

further developments with sports clubs, including Irvine, to progress their aspirations in relation to sports development and improving their capital assets.

A number of community cultural initiatives have been supported to deliver exciting and economically beneficial events. These include the Largs Viking Festival and 750 celebrations; the Harbourside Festival and Marymass celebrations; and the Ardrossan Music Experience. Plans are in place for sharing information about the Gaelic Language and two Gaelic Awareness sessions have been delivered to date.

The Children and Families Team have run family learning events including 'Let's Get Mawkit and Drookit' and a celebration of National Play Day at Eglinton County Park, as well as BookBug, Healthy Start Clubs and supporting the Rights Respecting Schools and Families and Schools Together programmes.

Priority 4: Establish resource-based locality planning groups to progress outcome budgeting

Meetings have been held with Headteachers to explore the potential of resource-based locality planning. In addition, Senior Managers are now in place for each of the localities and further work is being done on a locality basis on joint planning. Work on the resources will progress in line with the Councils Outcome Budgeting plans.

Priority 5: Progress the review and associated consolidation of the Education & Skills' Estate in line with the Corporate Asset Strategy and associated Corporate Asset Plans.

As highlighted in table 1 below there has been a significant level of investment in the school estate in the 2013-2014 period. This has resulted in the delivery of new and enhanced primary school developments including Dreghorn, Castlepark, Woodlands and Elderbank Primary Schools. Future investment will also see the development of a community campus for the Garnock Valley, a new Leisure Centre located in Irvine as well as an extension to St Luke's Primary School which will address capacity issues.

Table 1. Education and Skills Estate Improvements 2013-2016

Project Name	Level of Investment	Delivery Date
Dreghorn PS(new school)	£8.3m	Oct 2013
Woodlands PS (nursery and classroom extension)	£1.8m	May 2013
Castlepark PS (extension and internal refurbishment and replacement community nursery)	£5.6m	Aug 2013
Elderbank PS (new school)	£10.6m	Aug 2014
St Luke's PS (extension)	£952K	Apr 2015
Haysholm School ASN School (internal remodelling)	£81K	Aug 2014
James McFarlane ASN School (modular accommodation)	£58K + £36K per annum	Aug 2014

Stanley PS (modular accommodation)	£110K + £59K per annum	Aug 2014
Garnock Campus	£39.3m	Aug 2016 (under review)
Irvine Royal Academy/Ayrshire College	£1.6m	Jan 2015 (estimated)
Leisure Centre	£20.5m	Sept 2016

These works have aligned with the broad Corporate Asset Management Strategy aim that all council assets will be managed in such a way that they are fit for purpose, meet the needs of service providers and users and support the overall aims of the council and its partners. To assist this corporate approach to asset management both property functions and associate resource have transferred from Education and Skills to Property Management & Investment.

Priority 6: Implement the Councils early intervention strategy in order to ensure equity and improve outcomes for children and young people.

Education and Skills has continued to develop integrated support in Early Years Centres in partnership with Social Services.

The five Early Years Centres in North Ayrshire have continued to develop a high quality service to children and families, with parents receiving a high level of targeted and appropriate support in our Early Years Centres. Working in partnership with other services the Centres provide a variety of courses and opportunities for parents including healthy eating, behaviour management, aerobics, curriculum information, baby massage, Bookbug and Stay and Play sessions. The creation of a Parent Link worker in each centre has further developed the support available and enabled individual parents to have tailor made programmes to suit their needs. Kilwinning Early Years Centre was inspected by Education Scotland in May 2013 and the evaluations were very good and excellent.

The nurture work with pupils aged 5 to 8 continues in six schools. This model is very effective and we are currently exploring ways to provide a similar model in other schools. Information on the model for improvement from the early years collaborative has been shared with Early Years staff and they have been encouraged to focus on key change areas within their establishments.

We also continued to develop reading and literacy in early years through delivery of 'Bookbug' Programme in NAC libraries with 2395 children and 1771 adults participating between April 2013 and February 2014. Partners in the Bookbug Assertive Outreach are continuing to be trained and the Steering Group meets regularly to keep this on track and report to Scottish Book Trust. Bookbug sessions are being run in a variety of locations including the Redburn travellers' site, the Harbour Arts Centre and Heritage Centre.

We have continued to increase awareness of the benefits of play through promotion of the Play Strategy with parents, nurseries and schools and an update on Play in North Ayrshire has been developed for the Communities and Lifelong Learning Advisory Panel. A major conference for partners in Planning for Play has been organised with Play Scotland and held at Greenwood Conference Centre on 31st March 2013, attracting over 150 people from across Ayrshire and including representatives from health, Police Scotland and the Fire Service. North Ayrshire Council will be piloting the Professional Development Award in Strategic Planning for Play, following this introductory event, with staff from across the council.

Priority 7: Further develop self-evaluation, performance management and continuous improvement in line with the self-improving school systems model.

Education and Skills has continued to maintain a robust approach to performance management and quality improvement to ensure services are focused on achieving the best outcomes for service users. We have continued to utilise the Covalent performance management system to monitor and track the progress of all the services strategic plans and their associated performance indicators, actions and risks using Covalent. The service has continued to undertake systematic benchmarking activities and participate in a wide range of benchmarking groups which continue to provide opportunities to learn from best practice taking place in other authorities. These have included Subject Network meetings, ADES Network meetings and SEEMIS Group meetings.

Across the 2013-2014 school sessions the service has worked at improving school self-evaluation. SQA visits by the extended leadership team have ensured that schools have increased the rigour in carrying out an in-depth analysis of SQA results and have analysed more fully the impact of their raising attainment strategies. More effective use has also been made of component data and we plan to utilise the information provided by the Senior Phase benchmarking Tool (available in August 2014) to benchmark the performance of our schools against appropriate comparators. As a result of analysis of school level performance data, strengths and areas for improvement have been identified and utilised in each of our secondary school's improvement planning process. Schools and senior officers have also continued to be involved in monitoring progress and measuring the impact of these improvement initiatives.

Community and Culture have continued to integrate their approach to quality assurance and self-evaluation processes. Staff across the service have gained EFQM qualifications and taken part in an external EFQM assessment and contributed to the assessment of submissions to national awards such as the COSLA Awards. Additionally, Community Development have continued to develop and embed Performance Information and Evaluation system across the services with partners with the Irvine Learning Community Inspection Report highlighting the level of good practice in this area.

Priority 8: Review Community and Culture and develop a thematic problem solving approach to service delivery, focussing on outcomes in neighbourhoods.

Community and Culture has now reviewed the operational staffing requirements within Community Development to take account of on-going and new business pressures and community demands. Strong partnership working with local communities, voluntary organisations, public sector organisations and other NAC services is empowering local communities in the planning, delivery and evaluation of local services. Delivery of key outcomes to improve the life chances of children, young people, adults and their communities is a key feature of this approach.

The review also addresses the need to meet the Community Learning Development (CLD) Strategic Guidance which was issued in June 2012, and the issue of a Scottish Statutory Instrument for the requirements for Community Learning and Development (Scotland) Regulations 2013. This is now being progressed through the Community Engagement Reference Group.

The review takes account of both national and local policy drivers including adopting a neighbourhood planning approach. By implementing a thematic problem solving approach to service delivery, the aim is to meet local needs through an asset based, outcome focussed model which deploys resources in line with local priorities, including Community Development staff.

Priority 9: In partnership with social services undertake a review of pupil support and welfare services and create integrated, multi-disciplinary area-based support services.

A Joint Review of Pupil Support Services (including Home School Inclusion Workers, School Welfare Officers and the Social Services Young Person's Support Team) was undertaken by Social Services and Education and Skills and concluded in mid-2013. Based on this review a report was written which contained the key recommendation to further integrate the work of these teams within the local area models already established within Education and Skills and Social Services. The key aims of this arrangement was to allow the Council to more effectively target our resources, promote a clearer and more robust continuum of support for children and young people at risk and to help avoid incidents of service overlap or duplication.

Whilst work was initiated to establish a detailed operational model, which included the size and location of teams and the development of a new delivery model, this was put on hold following the decision to undertake a full Review of Educational Services in November 2013. The intention is to look again at the initial recommendations from the Joint Review of Pupil Support and Welfare Services on conclusion of the wider Review of Education Services in late 2014. Whilst no decision has yet been taken it is hoped that the position of Home School Inclusion and School Welfare services will be reviewed for the beginning of financial year 2015/2016.

Social Services & Health Executive Summary

Social Services

1. Social Services Assessments

1.1 Overall performance is assessed as *Good*

1.2 Capacity for improvement is assessed as *Very Good*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial performance

2.1 Social Services

The Service's revenue budgetary control final outturn position for the 2013/14 financial year, reported to Council on 9 June 2013, identified an overspend of £4.359m within the service against a net budget of £88.828m. This reflects increasing demands for service in a number of key areas.

Overspends in:

- Residential care home placements for older people £0.555m
- Care at home provision (internal, purchased and direct payments) - £2.480m
- Care packages for adult service users £1.551m
- Residential schools placements and Respite for children £0.232m
- Care packages for children with disabilities £0.275m
- Equipment for service users in the community (includes £0.200m carry forward to address underlying waiting list) £0.436m
- Family placement care packages - £0.162m
- Carry forward approved for Preventative Service Initiative - £0.145m
- Throughcare costs - £0.124m

Underspends in:

- Employee costs across the service (excludes overspend in care at home staffing) - £1.695m

- Additional income from charges to service users - £0.508m

3. Social Services - Priorities for 13/14

This section provides a summary of progress against the services identified priorities in the 2013/14 Service Plan

Priority 1: Protection of vulnerable children, adults and the public

The number of children on North Ayrshire's Child Protection Register continues to rise with figures of 106 on the register in April 2014 compared to 97 in April 2013. A Joint Inspection of Children's Services report of North Ayrshire, graded the service as good and very good on seven aspects (Good: 'Providing help and support at an early stage', 'Planning for individual children', 'Leadership and improvement for change'. Very Good: 'Impact on children and young people', 'Planning and improving services', 'Participation of children, young people, families and other stakeholders', 'Improving the well-being of children and young people'). The inspection reflected the positive impact of multi-agency partnership working required to secure the well-being of our young people in North Ayrshire. Subsequent to the publication of the Inspection report a number of other Local Authorities (including Perth and Kinross and East and South Ayrshire) have visited North Ayrshire to learn more about a number of initiatives highlighted by the Care Inspectorate as areas of good practice. Furthermore, our work in areas such as Youth Justice and our Multi-Agency Domestic Abuse Response Team have been show cased at national events.

More recently an Independent Chair of the Child protection Committee has been appointed and the service continues to work with partner agencies to ensure that information is shared appropriately to assess and manage the risks presented to vulnerable young people. An electronic system, AYRshare, has now been established to build on the appropriate sharing of information.

A contact centre model has been established that will improve on the service's ability to properly assess the improvement of parenting skills or otherwise of children who are placed in the care of the local authority away from the parental home. The model seeks to identify sooner whether children can be rehabilitated successfully or whether they require some form of permanent care to allow the child to reach their full potential.

Adult Support and Protection (ASP) activity has also increased, possibly as a consequence of a successful programme of awareness rising sessions delivered across council services and with partner agencies. This has had the impact of an increase of 123% in ASP referrals in 2013/14 compared to 2012/13. To support the assessment and recording process, the service's information systems have been further developed and a suite of referral, assessment and review forms are now

available which will allow greater capture of information for government returns. The Adult Protection Committee has endorsed a portfolio of documentation that will support the development of all areas relating to this area of work over the next two years. These include governance, self-evaluation & audit, continued development and carers' and service users' engagement strategies and frameworks.

Criminal Justice Social Work (CJSW) continues to offer a range of accredited group work programmes to support people who offend to examine the reasons for that offending and develop strategies and skills to desist from offending in the future. A 'Mutual Aid Support Group' has been established to allow service users to examine issues that they consider led to continued offending and to facilitate opportunity through peer challenge to consider alternative responses that they can use in future.

Through Community Payback Orders with an unpaid work requirement Criminal Justice Service has provided a wide range of placements and opportunities that have benefitted the local community. Service users on these orders are also provided with the opportunity to receive employability support and further qualifications.

Continuous development is a feature in CJSW and the service has taken part in a national supported process of self-evaluation. Overall, the self-evaluation assessed CJSW in North Ayrshire as 'Good', demonstrating strengths in the service. The process also identified areas that would benefit from improvement. An improvement plan focussing on risk assessment and risk management has been developed.

Priority 2: Delivery of the Social Services change programme

Social Service's change programme has involved a significant re-organisation in the way in which services, particularly Community Care services, are delivered in North Ayrshire. The focus has been on working in partnership with service users and carers to streamline the service user journey and to maximise choice and control over the services required to enable continued support, safely, within their community. The new model was implemented on 4th November 2013. New arrangements were established for accessing services. The Community Care and former Reception Services (now Service Access) workforce was reviewed and aligned to the teams within the new model.

The model of practice paves the way for integration of health and social care and the requirements of the Self Directed Support Act 2014. The model focusses on enabling service users to achieve their maximum level of independence. Service users who require continued support have a supported self-assessment. They can now opt to take control of how they wish their support package to be delivered. The progress made by North Ayrshire Social Services with regard to the personalisation agenda has been shared with our colleagues at ADSW and has been well received.

The concept of maximising choice and control has been supported by the establishment of CareNA, a web-based information and advice service that provides

a forum for service users and providers to identify the type and level of support required for them. This innovative service launched in July 2013 has achieved recognition, winning the COSLA Gold award in February 2014.

Construction of the Dirrans Centre is scheduled for completion in January 2015. This purpose built centre will be a valuable resource for service users with long term conditions and provide them with enablement, rehabilitation and day services.

To support delivery of the change programme our management information systems, particularly the CareFirst system, have been substantially remodelled. A care at home scheduling system is also being introduced. The use of these systems will enable the service to improve efficiency and performance reporting and improve financial control in the face of rising demand and budgetary constraints.

Strategic framework documents with regard to the Learning Disability and Mental Health services have been shared with respective NHS partners. Discussions have been taking place through the Officer Locality Group (OLG) subgroup structure (Mental Health/Learning Disability partnership group) regarding how best to take forward the plans in line with the integration of health and social care.

Priority 3: Develop proposals in partnership with the NHS and prepare the service for integration with the NHS.

A programme board chaired by the Chief executive was established to oversee the council's plans for integration. A sub-group of the Strategic Alliance, reporting to the Chief Executives of the three Ayrshire councils and the NHS board was also established to take forward work which was best managed on a pan-Ayrshire basis.

In October 2013, Iona Colvin was appointed as Director of the North Ayrshire Health & Social Care Partnership. In November a Transition Integration Board comprising elected members from North Ayrshire Council and Ayrshire & Arran Board members began to meet to oversee plans for the creation of a shadow partnership which would function during 2014/15. From the 1st April 2014 a Shadow Integration Board (SIB) will be established. It will comprise of voting members (4 NAC elected members and 4 members of NHS Ayrshire & Arran Board) and a number of non-voting stakeholder members, representing staff, service users, carers, the third sector and independent sector together with professional representatives including the Partnership Director and the Chief Social Work Officer. An early priority for the shadow partnership will be to prepare a strategic plan, setting out the initial priorities for the first few years of delivering an integrated health and social care service in North Ayrshire.

During the 2013-14 service year, work has been undertaken to develop a Pan-Ayrshire Sensory Impairment Service. This work has involved developing a business case with East Ayrshire and South Ayrshire Council, Action on Hearing Loss and the

Royal National Institute of Blind People. It is anticipated that this service will be established by the 2015-16 service year.

Discussions have taken place to further develop the proposed business model of a pan-Ayrshire joint equipment service to include a more specific service specification and review potential costings. Discussions have also taken place about the appointment of a project manager to develop a project plan to take this forward.

Priority 4: Respond to the impact of Welfare Reform on people who use our services.

The Money Matters team has worked throughout the year to ensure service users in need of advice and support in relation to benefit and debt issues have speedy access from the point of first contact to more complex support and financial assessments to improve upon their financial capability. Money Matters continue to work with Social Services front line staff and partner agencies to ensure that training and skills are updated, the workforce understands about the evolving changes in the benefit agencies' implementation of welfare reform and the impact this then has on claimants. Partnership working with NACAS has developed, with both agencies identifying through a common performance framework the positive financial outcomes they have achieved for the citizens of North Ayrshire who require their support. The use of an agreed cross agency referral pathway ensures an effective response to enquiries and increased efficiency is achieved through targeting support to appropriate client groups.

Priority 5: Continue to implement, with our partners, early intervention and prevention programmes for children and families to improve longer term outcomes

The Children and Families service continues to prioritise initiatives focussed on early intervention and prevention programmes for children and families and does so by focussing on the range of needs across all age groups to achieve positive outcomes.

Social worker support and a money advice service have now been established in the five Early Years Centres. Parents have seamless access to support and advice on a range of issues that can impact upon their ability to manage a situation. Group work programmes are delivered by the social work staff that focus on improving parenting skills and confidence. Early intervention for practical support and advice in home management and childcare is delivered by the Family Support Service, commissioned from Quarriers and family care workers attached to fieldwork teams.

Eight project workers have been recruited and trained to deliver the Stop Now and Plan initiative. This accredited programme will assist troubled young children and their parents learn how to manage their emotions and responses so that they do not reach the stage of conflict, anti-social or aggressive behaviours.

The Programme Approach Team has extended the youth justice support provisions available to vulnerable 18 – 21 year olds. The team also works closely with the Criminal Justice Social Work service and partner agencies to ensure that those young people who are involved in the Court process are provided with support during this period and the Courts are confident that they have viable and effective sentencing alternatives to custody.

Following the appointment of a senior throughcare worker in November 2013 to co-ordinate the recruitment and training of supported carers, three carers are now in place providing three young people aged 16 – 18 years with accommodation and a supportive environment for learning independent living skills. A further potential carer is currently undergoing the assessment process. The Throughcare service is also funding one young person to benefit from this provision in an external placement. The importance of this opportunity to achieve positive outcomes for vulnerable young people has resulted in planning a recruitment campaign and a proposal to seek extra payments for supported carers will be going forward in 14/15.

North Ayrshire is currently participating in a partnership with the Scottish Government and the Social Research Unit at Dartington. This will support North Ayrshire and its partners to work together to improve outcomes for local children, families and communities by commissioning, designing and implementing evidence-informed children's services.

An Area Wellbeing Profile (AWP) is being progressed through a representative household survey of parents and children aged 0-8 years, and local school children aged 9-16 years. The analysed data will comprise an authority profile, individual high school reports and primary schools' reports by cluster. The AWP is scheduled to be completed at the end of Sept 2014.

Priority 6: Develop actions in response to the outcome of Criminal Justice Review

In December 2013, the outcome of the Criminal Justice Review was published. It concluded that, although a local model was the preferred one, building on the Community Planning Partnerships (CPPs), a further period of consultation was required to identify the detail of this model. The outcome of this further consultation is due in April 2014.

Priority 7: Develop a strategy to tackle inequalities in North Ayrshire

Three meetings of the Inequalities Programme Board have taken place. Each meeting has a wide representative membership from across both the CPP and with other interested parties. A literature review of current inequalities strategies was undertaken by the North Ayrshire CHP Facilitator. This review revealed that no Scottish examples of Inequalities Strategies at CPP level currently exist, indicating that North Ayrshire is leading the agenda in this aspect.

A draft CPP Inequalities Strategy has been produced and will be considered at the CPP Board in June 2014. The Board will be asked to approve a three month consultation on the document after which a revised paper will be taken to the board for ratification.

Priority 8: Ensure that service proposals build and contribute to locality working and the neighbourhood approach

The operating model for Community Care aligns service access arrangements with the neighbourhood planning areas. As the Strategic Plan is developed by the North Ayrshire Health & Social Care Partnership the needs assessments that underpin the strategy will be developed to include analysis by the neighbourhood planning areas.

Consultations will be undertaken with relevant stakeholders in the localities and a neighbourhood approach to service design and delivery will be developed.

Priority 9: Continue implementation of the Organisation Development Plan and establish regular review, development and promotion of progress throughout the Directorate, including through the Staff Reference Group.

The integration programme plan overseen by the Strategic Alliance on a pan-Ayrshire basis identifies an organisational development plan which will be taken forward by the individual partnerships over the forthcoming year. The Service continues to have an active staff reference group which management attend. There is also a joint working group comprising members of the Senior Management Team and the Staff Reference Group. The objective of the joint working group is to discuss the development of strategic objectives and how best staff can positively influence and be involved at the appropriate stages.

Finance and Corporate Support – Executive Summary

1. Finance and Corporate Support Assessments

- 1.1 Overall performance is assessed as *Very Good*
- 1.2 Capacity for improvement is assessed as *Very Good*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial Performance

- 2.1 Within Finance and Corporate Support the projected underspend of **£0.444m** reported at Period 10 has increased to a net underspend of **£0.440m**, after carry-forward of **£0.956m**. There are a number of contributory factors:

Underspends within Financial Management (**£0.082m**), Business Support (**£0.057m**) and Revenues & Benefits (**£0.112m**) are as a result of vacant posts and in the latter case, the implementation of a revised structure.

The Property Maintenance Budget has underspent by **£0.503m** due to project delays. This amount will be carried forward into 2014/15.

In terms of Welfare Reform spending, there is an overall underspend, after carry forward of **£0.410m** in respect of the Scottish Welfare Fund, of **£0.610m**, comprising mainly Discretionary Housing Payments (DHP) and Scottish Welfare Fund (SWF) variances. The Council set aside £0.394m to fund DHP top up in 2013/14, which was not required due to the receipt of additional funding from the Scottish Government and the Department for Work and Pensions. Further to this, Scottish Welfare Fund grants monies are underspent by £0.410m. This amount will be carried forward into 2014/15.

There is also an underspend of £0.104m in relation to Welfare Reform funding for the Benefit Cap on Temporary Accommodation.

There are a number of offsetting overspends as follows:

- a) Property Management & Investment have experienced an overspend of **£0.219m**, of which £0.085m relates to the purchase of Carbon Allowances as a result of recent changes to the scheme which increased the levels of energy consumption applicable to the allowances. In addition, there is an under-recovery of income from

other departments within Minor Works of £0.106m. Following the introduction of the Corporate Landlord model in 2013/14, such internal fees have become obsolete. The budget will be removed in 2014/15.

- b) Property Costs have overspent by **£0.115m** largely due to an under-recovery of rental income of £0.156m as a result of void commercial premises.
- c) Following the recent restructure and a review, the Housing Assets & Investment budget has been reduced to a net surplus of **£0.114m** and all net expenditure incurred has been recharged to the HRA. This budget will be reduced to a break-even position for 2014/15.
- d) Corporate Procurement overspent by **£0.053m** due to lower than anticipated recovery of costs from capital, due to delays in the progress of key projects.

2.2 In the Capital Account, the service spent £7.565m against a revised budget of £8.584m, an underspend of £1.019m (or 13.5% of the annual budget), which will be carried forward into 2014/15.

2.3 The £1.019m projected underspend includes £0.574m in relation to the Council's IT Strategy, where equipment and works are ordered but will not be carried out until early in 2014/15, and £0.626m in respect of the completion of all the Bridgegate projects. These are partially offset by earlier than anticipated spend on the sun server replacement of £0.172m

3. Finance and Corporate Support - Priorities for 2013/14

This section provides a summary of progress against the Service's thirteen identified priorities for 2013/14.

Priority 1: Developing the Council's financial planning and management arrangements for revenue and capital resources.

This continues to be a key priority for the Service. The focus is on establishing strong partnerships with Services to help inform key business decisions. Given the complexity of the service, significant investment has been made in the development of Social Services and Health management and financial information. Substantial progress has been made in the strengthening of the Council's approach to the delivery of its capital programme, with project boards now in place and increased scrutiny of risks, issues and achievement of key milestones.

Priority 2: Support the development and implementation of the integrated Health and Social Care Partnership.

North Ayrshire is making good progress developing its approach to the financial aspects of health and social care integration, prioritising the key elements of the Integration Scheme. Finance and Corporate Support is actively participating in the national work stream which is now developing the next stages of the financial guidance.

The NHS and three Council finance forum, chaired by North Ayrshire, meets on a monthly basis. Three sub groups are now in place to progress key elements of the work plan. Initial draft budgets have been established and will be presented to the Shadow Integration Board. North Ayrshire is piloting development of hospital budgets with the Scottish Government.

Priority 3: Develop, implement and support corporate roll-out for ‘Outcomes Based Budgeting’ model and scrutiny.

The first outputs of the Outcome Based Budgeting exercise have been produced. A number of work streams have been identified to contribute to the next stage of the Council’s Transformation programme and to feed into the Council’s medium term financial plan.

Priority 4: Contributing to the Council’s transformation agenda by developing a Council wide Business Support Model.

Phase 2 of the structure has now been completed and was fully implemented on 1 August 2013. Business Support now provides administrative services to Finance and Corporate Support, Development and Environment and Democratic and Admin Services. Work is on-going to improve operational efficiency and reduce costs through the streamlining of processes and development of the use of technology. This includes the roll out of eForms.

Priority 5: Implement the Council’s Corporate Property Management approach.

Property Management & Investment (PMI) has now established clear governance arrangements around all major capital investment projects. Monthly Project Board meetings are held with all relevant Council Services and Stakeholders. A number of the larger scale projects have stand-alone project board meetings, in order to ensure all projects risk, issues and concerns are addressed in-line with the requirements of Audit Scotland’s ‘Capital Investment In Councils’ guidance.

The 2014/15 investment and maintenance plans, funded via the property maintenance budget, are focussed and prioritised in accordance with property condition.

The PMI restructure is now fully implemented, with all six teams working to ensure a consistently high service is experience by internal and external customers.

Priority 6: Improve communication with staff across Finance and Corporate Support.

This is a key priority for the Service and is being progressed actively in a number of ways:

- Key actions from the FACS improvement plan as a result of the feedback from the Council's 2012 Employee Engagement Survey have been implemented
- A Staff Panel was established in 2013; further work is required to develop this into an effective forum to improve communication across the Service
- Outputs from the FACS 'pulse survey' carried out in September 2013 have been incorporated into Service and Operational Plans, alongside actions from the FACS PSIF exercise.

Monthly directorate briefings have been in place for a number of months, highlighting key issues and good news stories within the Service.

Priority 7: Manage, maintain and improve the Council's housing stock through the achievement of the Scottish Housing Quality Standard (SHQS) by April 2015.

The Council continues to be one of the top performers across all Scottish Local Authorities, ranked 2nd out of 32. With a compliance rate in excess of 97% as at March 2014, the target compliance rate for 2013/14 was exceeded by approximately 5%.

The high performance in this area is reflective of the effective asset management principles employed by the Council over the last few years.

Priority 8: Implement the reforms contained in the Welfare Reform Act 2012.

Scottish Welfare Fund - Introduced from 1 April 2013 and administered by the Benefits Service. During the first year of the scheme the service received 4,316 crisis grant applications, and 2,129 community care applications.

The Scottish Welfare Fund team is meeting the Scottish Government performance targets.

A pan Ayrshire promotional campaign was carried out between January 2014 and March 2014 and resulted in a 42% and 49% increase in expenditure for community care grants and crisis grants respectively.

Spare room subsidy - The Benefits Service implemented the DWP reduction in Housing Benefit due to under occupation of social rented accommodation by 14% for one bedroom and 25% for two or more bedrooms.

Discretionary Housing Payment (DHP) - During 2013/14 4,507 DHP applications were received and 3,443 awards were made, totalling £904k, an increase of over 600% from 2012/13 (545 awards).

Council Tax Reduction scheme - The Council Tax Reduction scheme replaced Council Tax Benefit from 1 April 2013. The scheme was successfully implemented and administered by the Revenues and Benefits Service.

Benefit Cap - The Benefits Service implemented the Benefit Cap during 2013/14.

General - Work continues promoting the support which is available to those affected by the reforms and developing options for the delivery of local support services. The Council continues to engage with the work which is taking place nationally to influence the future agenda.

Priority 9: Review and implement the Council's ICT Strategy and Action Plan and improve focus on the citizen.

Progress has been made in a number of areas and is monitored through the ICT Strategy Action Plan. Points of note are:

ICT, in conjunction with Services, has undertaken a strategic assessment of all major applications to determine their appropriateness to deliver their Service over the next 5 years. IT Services are now working with Services to develop options where applications require replacement or upgrade.

Over 1,000 desktop devices have been replaced since January 2012. A significant number of devices have been replaced with laptops, increasing the opportunity to move to home and wireless working.

In line with the requirements of the Ayrshire and Arran Data Sharing Partnership, the 'Ayrshare' system which enables the electronic sharing of child care assessment and chronology information, now integrates with the Council's Social Care application, Carefirst.

The ICT Change Advisory Board (CAB) has been introduced as the assessment body for all IT investment and changes. The aim is to coordinate and prioritise the Council's ICT investment aligning the investment with the business needs of the Council.

Strategic and Operational ICT/Service Review Meetings are established in most Services and are facilitating ICT/business understanding.

Priority 10: Implement WAN/LAN investment project and track/report on realisable benefits.

The Wide Area Network contract with Capita PLC has now been signed with work commencing shortly on the core network which will provide staff with more effective connectivity to applications and the internet.

Contracts are currently being negotiated with Provista and Capita for the implementation of Local Area Network, Wireless in Schools and IP Telephony. This

will provide a much needed investment in new technology for Council services, including schools, libraries and remote offices.

Priority 11: Implement key actions within Customer Services Strategy. Key actions include: website development, channel shift and first point of contact expansion.

Channel Shift - A review of telephone numbers (including 0845, 0800 & geographic numbers) across the Council was carried out and a new single geographic number has been introduced to make it easier and cheaper to contact the Council.

Expansion of first point of contact - Council Tax and Benefit enquiries have transferred to Bridgegate Customer Service Centre, and Welfare Fund calls are supported via the Contact Centre.

Complaint Handling - A two-stage Complaint Handling Procedure was introduced which has significantly improved the way the Council handles complaints.

Priority 12: Develop and implement a streamlined and aligned approach to HR plans with a 'People Management Strategy'.

The development of a new People Strategy will follow planned corporate work on defining a shared 'vision and values' across the Council. Background research has been undertaken to help underpin the new strategy. This work will progress in 2014/15 following the launch of employer brand and involving focus groups already established for this.

Priority 13: Implement the objectives of the Modern Apprenticeship expansion programme which sets out a revised target of 180 apprentices by 13/14 and review long-term effectiveness of the programme.

The number of Modern Apprentices employed as at 31st March 2014 was 118 which was below the target of 180. A number of interventions have been implemented to attract and support young people into the MA programme. Some examples of these are - working with schools to actively promote MA vacancies to pupils (e.g. text alerts, class announcements etc.) Supporting pupils to fill out job applications and providing feedback on mock interviews. Recruiting managers have also been provided with a simplified recruitment process to use when recruiting MAs, e.g. use of a generic bank of MA role profiles which saves time at advert stage, non-competency based recruitment, making it easier for both the applicant and manager at application, shortlist and interview stage. Note this priority transferred to Development Planning from 1 October 2013.

Development & Environment Service – Executive Summary

1. Development & Environment Assessments

- 1.1 Overall performance is assessed as *Good*
- 1.2 Capacity for improvement is assessed as *Very Good*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial performance

- 2.1 Development & Environment was underspent by £3.410m (5.7% of the annual budget) for the year. This compares to a projected underspend of £2.167m at 31 January 2014. The service is, however, requesting that a total of £1.040m be carried forward into 2014/15 after which the underspend reduces to £2.370m or 4% of the annual budget. There are various over and underspends across all divisions of the service, the details of which can be found in Appendix 5. The significant over and underspends are summarised below:

- An underspend of £3.070m within Economic Development is due, in part, to significant carry forwards from previous years and additional European grant funding. There are also underspends in the Modern Apprentice programme (£0.278m) and the graduate programme (£0.379m) due to the lead time to fully develop the programmes. At the Cabinet meeting on 28 January 2014, Members approved the carry forward of £0.500m in respect of Business Gateway due to the slow start up of the project following a change of contractor. The service requested approval to increase the carry forward to £0.513m. The service is also seeking approval to accept grant funding of up to £1.088m to support youth employment in 2014/15 and to carry forward a further £0.282m of grant income already received in order to enhance current employability programmes;

- Planning and Protective Services realised an underspend of £0.572m for the year partially due to funding set aside for the Local Development Plan, the Local Bio Diversity Action Plan and the improvement project at Market Road, Brodick not being fully utilised and which resulted in an underspend of £0.236m. In addition, there were savings in employee costs of £0.099m and an over recovery of income of £0.145m. Approval has already been granted to carry forward £0.075m of the underspend for the Kilbirnie CARS scheme in 2014/15;
- There was an overspend of £0.546m within the Roads service largely due to additional costs of storm damage (£0.100m), costs of electrical power exceeding budget by £0.133m, an adjudication payment to the previous lighting maintenance contractor of £0.207m, increased costs for hire of plant and vehicles (£0.156m) and emergency pothole and resurfacing work of £0.120m. These overspends were partially offset by a saving in the Winter Maintenance budget of £0.294m due to milder weather conditions;
- Streetscene was overspent by £0.100m due to additional staff costs (£0.150m) which were offset by additional income of £0.035m and early realisation of 2014/15 savings of £0.053m;
- Waste Management incurred an underspend of £0.153m due to savings in employee costs (£0.063m) and in the supply of refuse containers (£0.090m) due to reduced uptake in tenements and flatted properties;
- There was an overspend of £0.212m within Facilities Management mainly attributable to one-off severance costs of £0.285m which were met from within the directorate. Approval has already been granted to carry forward £0.120m of the underlying underspend into 2014/15 in order to fund the replacement of essential cooking and serving equipment within schools;
- An underspend has arisen in Other Housing mainly due to early realisation of savings in respect of the redesign of the Community Wardens' service of £0.170m plus underspends in provider contracts of £0.176m. Approval is requested to carry forward £0.051m of the underspend to meet initial costs in relation to the Roughsleepers Initiative.

2.2 Statutory trading accounts are required to at least break-even over a three-year rolling period. Building Services is the only statutory trading account in operation within the Council, and has exceeded its targeted surplus in each of the last three years as follows:

Building Services	Income £m	Expenditure £m	Net Surplus £m	Targeted Surplus £m	Over-achievement against target £m
2011/12	18.378	16.641	1.737	0.366	1.371
2012/13	20.231	18.755	1.476	0.712	0.764
2013/14	20.000	19.555	0.445	(0.046)	0.491
Total	58.609	584.951	3.658	1.032	2.626

The final underspend for 2013/14 of £0.491m compares to a projected underspend at 31 January 2014 of £0.465m. In recognition of the significant financial challenges to be addressed in future years, the full Building Services surplus for the year is being retained within the Council's General Fund.

- 2.3 In the Capital Account, at 31 March 2014 the service had incurred expenditure of £8,607m against the profiled budget of £9,574m, an under-spend of £0.967m (or 10.1% of budget). The principal underspends are in respect of SPT Funded Projects (0.393m), Irvine Town Centre Car Park (£0.193m), Shewalton Landfill Site (£0.135m) and Kilbirnie Flood Prevention Scheme (£0.093m).

3. Development & Environment Service - Priorities for 2013/14

This section provides a summary of progress against the Service's identified priorities for 2013/14.

3.1 Environment and Related Services

Priority 1: Continued implementation of the Council's Waste Strategy which will ensure the Council achieves the National and International Waste and Recycling Targets.

Various actions contained within the Waste Strategy Implementation Plan for 2013/14 have been progressed during 2013/14 including;

- Continued to work in partnership with the Clyde Valley Residual Waste Project to procure a long-term residual waste treatment solution for non-recyclable waste;
- Introduced an expanded Commercial Waste Recycling Service and new Food Waste Collection Service;
- Established a partnership with the 3rd Sector (Cunninghame Furniture Recycling Company) for the reuse, recycling and recovery of bulky waste;
- The extension of food waste collections to all households on the mainland was completed in January 2014.;
- A trial was completed to establish the recyclable content of the street sweepings to assess the viability of recycling the material through a longer term contract;
- The continued development of Shewalton Landfill Site to enable continued capacity and compliance with the PPC Permit; and
- The completion and connection of the gas pipeline to allow the export of landfill gas to the energy generation compound at the Waste Transfer Station at the opposite side of the A78.

The actions have enabled the Council to achieve a recycling rate of 56% thus exceeding the recycling targets within Scotland's Zero Waste Plan.

Priority 2: Implementing the new operating models for Waste Services and the Facilities Management Service

Introduced new waste collection route layouts incorporating new commercial waste collection service and additional organic collections from residential properties.

The Hub & Spoke Catering Model has now been fully implemented.

Facilities Management have commenced gathering data to identify best practice in janitorial services to inform a review of Janitorial Services during 2014/15

Implementation of the agreed improvement plan for Building Services

Good progress continued on substantial delivery of priority improvements through the transformation programme, with particular highlights as follows;

- The new Intelligent Coordination Centre (Workflow Planning Unit) has now been implemented, providing a new approach to coordinating, planning and delivering work.
- A simpler, more transparent, job costing and charging mechanism was implemented in June 2013 and is in operation.
- Progress on the new property repairs and maintenance IT system project has continued with ROCC Computers Ltd. Stage one implementation is currently estimated as September 2014.
- The review of materials and supplies progressed, Stores management and materials coordination is now incorporated into the ICC hub; while responsive repairs vans have been restocked with appropriate supplies to closely match the most commonly used repair types. A business case was completed in March 2014 identifying a number of potential models with a view to completing an options appraisal in 2014/15.
- Building Services is now being utilised to undertake additional Council work based on value for money. A series of Non Housing projects have been awarded to Building Services since April 2013, with a value to date of £560,000.

3.2 Development Planning

Priority 1: Continued implementation of the Economic Development & Regeneration Strategy

The implementation of the ED&R strategy is continuing at pace helping to deliver the eight strategic objectives.

The launch of the new Business Support Offering for North Ayrshire took place in November 2013. The new Account Managed Approach, Team North Ayrshire and One Stop Shop Web Portal have been widely regarded as a step change in support for local business. The offer is continuing to be developed and enhanced through Team North Ayrshire with specific focus on developing our Sector Specific offer through a forum engagement model, a creation of an International Strategy, development of the offer for Innovation and R&D, an enhanced resource for the Account Managed Approach and development of support programmes specifically aimed at companies with growth potential.

The collaboration seen through Team North Ayrshire is building an environment for growth to make North Ayrshire businesses more competitive in the market.

Employability & Skills have continued to tackle the priority issue of unemployment including youth unemployment and have delivered:

- 440 16-24 year olds supported into employment by the Council in 2013/14 (exceeding target of 308)
- 1,119 people entered employment through Economic Development sponsored initiatives in 2013/14
- The 16-24 year old claimant unemployment rate has decreased by 3.3 percentage points from 11% in March 2013 to 7.7% in March 2014
- The 16-64 claimant unemployment rate has decreased by 1.2 percentage points from 6.6% in March 2013 to 5.4% in March 2014.

A focus of attention has been on working to deliver the five work streams proposed by Rocket Science in the report Employability & Skills Review January 2014 which emphasized the need to work with businesses to address recruitment and skills requirements, to work with the supply side to provide skilled work- ready candidates and to effectively act as broker in order to reduce the unemployment figure. In this quarter we have placed particular importance on working in the most deprived areas of Ardrossan, Saltcoats and Stevenson as well as working with those furthest away from the labour market which was also a key recommendation in the Rocket Science report

There are also a number of Regeneration projects helping underpin the ED&R strategy including the completion of public realm works at the Bridgegate in November 2013. Other projects to note are:

- Millport Field Centre towards which external funding of £1.5m has been secured. A contractor for a £3m design and build contract is to be appointed by July 2015.
- The Council's response to the Hunterston Competitive Advantage Study including an Action Programme was approved by Cabinet in September 2013;
- Brodick Harbour redevelopment will be tendered in summer 2014. The Council have agreed to provide funds of £1.2m, and have submitted applications to the Coastal Communities Fund and Strathclyde Partnership for Transport towards the project costs.
- Sales continue to progress at the Persimmon Homes development at Montgomerie Park, Irvine;
- The Council agreed a preferred option for the redevelopment of Millport Pier in February 2014 subject to external funding being secured;
- Conservation projects in Kilbirnie and Irvine continue to progress and a contractor has been appointed to undertake improvements to the Walker Hall in Kilbirnie. A series of workshops have also been held with the community, officers and local Members to develop a long term strategic vision for Irvine which will build on its natural strengths and identify opportunities.

Priority 2: Continue to develop the Flood Risk Management Plan as lead authority for Ayrshire, Key Actions for 2013/14

Following approval to adopt the National FRM Strategy currently being developed by SEPA as the model on which the All Ayrshire FRM Strategy will be based, work has progressed slower than expected due to the delay in the National characterisation work being completed.

The Second All Ayrshire Flood Steering Group meeting was held on the 30 January 2014 to discuss SEPAs Pluvial Characterisation work and agree to the four Surface Water Priority Areas recommended within the report. There are two locations identified within North Ayrshire which cover Irvine as one location and Kilwinning, Stevenston and Saltcoats as another (this also includes Ardrossan within this catchment). These groups are based on the waste water treatment work catchment areas.

The Full Characterisation Work which is being led by SEPA and currently behind schedule will now be submitted to the All Ayrshire Flood Steering Group for agreement by the end of the July 2014, prior to it being submitted for approval through the relevant approval processes within each of the participating Councils. The Objective Settings and Short List of Measures are progressing in parallel, taking cognisance of the delay in receiving the full characterisation work and it

is proposed that the public consultation period for the SEPA FRM Strategy will now start on the 22 December 2014.

The integrated Catchment Management Study for the Meadowhead Catchment Area is progressing according to the programme. All Data collection and survey work has been completed enabling a robust model to be built, which has now passed 50% of the verification process.

The design of The Upper Garnock Flood Prevention Scheme has made good progress throughout the year to a point where detailed designs and costs are being finalised for the options under consideration, cost/benefit ratios are being calculated, hydraulic modelling is nearing completion and initial discussions have been held with landowners. A preferred scheme will then be presented to Cabinet prior to undertaking further public consultation in line with the requirements of the Flood Risk Management (Scotland) Act, 2009. It is intended that an approved scheme will be confirmed later this year, closely followed by a submission to the Scottish Government for funding to implement the works.

Priority 3: Formal adoption of the Local Development Plan for North Ayrshire

The Report of Examination of the Local Development Plan (LDP) was received from the Scottish Government in March 2014. The changes to the LDP required by the independent reporters were presented to LDP Committee on 4th April 2014, and approval was secured to adopt and publish the LDP. The procedural steps for adoption, which include a press advertisement and notification letter to all objectors to the draft LDP, are in hand. The LDP is anticipated to be adopted prior to the end of May 2014, following the 28 day notification period required by legislation.

Priority 4: Develop a sustainable energy management strategy for North Ayrshire

A brief for this strategy was prepared and subsequently issued in February 2014. The procurement process is split into two stages. The first stage is complete, and a shortlist of six tenderers has been compiled. The second stage of the process is scheduled for completion in May, after which the successful tenderer will be appointed.

The overall timescale for completion of the strategy is October 2014.

Priority 5: Develop a strategy to halt and reverse the projected decline in the population of North Ayrshire

The 2011 Census results show the population of North Ayrshire has increased to 138,146, an increase of 1.7% since the 2001 Census. The development of a strategy is to be progressed in 2014.

Priority 6: Development of a shared services model for Roads

The Detailed Business Case for the introduction of an All Ayrshire Roads Service was completed and submitted to Cabinet in March 2013. Following consideration it was agreed that an internal transformation plan provided the best opportunities for the Council to improve its Roads Service.

Development & Environment

Housing Services

1. Housing Services Assessments

1.1 Overall performance is assessed as *Excellent*

1.2 Capacity for improvement is assessed as *Excellent*

Quality Descriptors	Description
Excellent	Outstanding, sector leading
Very good	Major strengths
Good	Important strengths with some areas for improvement
Satisfactory	Strengths just outweigh weaknesses
Weak	Important weaknesses
Unsatisfactory	Major weaknesses

2. Financial Performance

2.1 The Service's revenue budget variance report for the year ended 31st March 2014 shows an underspend for HRA of £1,796m budgeted against a break-even position. This is due mainly to:

Savings and underspend

- An underspend on Responsive Repairs achieved due to improved processes and revised rates - £0.536m
- Vacancy management savings of £0.275m
- A saving in charges from other Council departments - £0.285m
- Lower than budgeted costs of rent arrears for Homelessness Team - £0.134m
- Vacancy management savings within the Homelessness Team - £0.126m
- A reduction in the provision for bad debts - £0.084m
- An underspend in Office Accommodation costs - £0.045m
- An underspend against loan charges due to slippage on the capital programme and external borrowing levels falling below anticipated levels- £0.366m

Offsetting overspends

- A shortfall in house rental income, mainly due to closures in relation to regeneration projects - £0.282m
- Void repairs overspend due to an increase in the level of voids - £0.359m

Housing Services - Priorities¹ for 2013/14

This section provides a summary of progress against the Service's identified priorities for 2013/14

Priority 1: Plan and manage for the implications of Welfare Reform to include mitigating the impact for Tenants, Homeless clients & the HRA Business Plan

A number of actions and measures were implemented during 2013/14 to manage and mitigate the housing related implications of welfare reform:-

- ❖ A dedicated Welfare Reform Advice Team for Council has been established to provide advice and support for Council tenants affected by the changes to Housing Benefit. To date, the team has helped over 2000 tenants, providing information on budgeting, housing options, the financial assistance available to move to a smaller home and applications to the Discretionary Housing Payment Fund. 1,857 tenants who were under-occupying were awarded a Discretionary Housing Payment.
- ❖ The Council and 5 other Ayrshire landlords have created a new partnership with 1st Alliance Credit Union to help tenants prepare for the changes being introduced.
- ❖ To help address the issue of under-occupancy and the shortage of one-bedroom properties in North Ayrshire, the Council has reviewed its Housing Allocation Policy and increased the points awarded to tenants with surplus bedrooms, agreed that all one bedroom properties in the area will be suspended from the Right to Buy scheme and launched a new online mutual exchange scheme. The Council's Local Housing Strategy has also been amended to allow the development and purchase of one bedroom properties in the social housing sector
- ❖ Staff have contributed to the Corporate Communications Strategy on Welfare Reform. The methods of communications include, website, DVD, Members briefing pack, a poster and radio campaign and the Housing Tenants Newsletter. A number of new welfare reform leaflets for tenants have also been published

Whilst arrears as a percentage of the annual net debit have increased from 3.6% at end of March 2013 to 5.1% at end of March 2014, early benchmarking with other authorities indicates that, in comparison to other authorities, the impact has been minimised.

¹ A priority is the most important thing for the Service. (Usually a year in the context of the service plan)

Priority 2: Ensure the successful delivery of the new Council House Building Projects

❖ ***Copeland Crescent***

The project has been completed on budget and within agreed timescales. All 12 homes have now been allocated.

❖ ***Redstone Avenue***

The development remains within budget and on target for the completion of 46 homes in June 2014. First handovers/allocations are scheduled for April 2014.

❖ ***John Galt***

The construction phase of the project continues, with first handover of the 80 homes anticipated for July 2014.

❖ ***Stevenson Institute***

The on-site start date has now slipped until 14 July 2014, nonetheless, the project of 11 amenity flats remains on target for completion by end March 2015.

Priority 3: Continue to improve approach to housing options advice with North Ayrshire Housing Register partners.

An improved approach to delivering housing options advice for housing register applicants was developed in partnership with the North Ayrshire Housing Register landlords. After a successful pilot it was launched in February 2014.

This enhanced approach to housing advice has introduced personalised housing options action plans for housing register applicants. These plans highlight all options available to maximise the potential for applicants to address their housing needs. This approach to housing options is also now available as an online service.

Priority 4: Develop a communication strategy for ASB in conjunction with Safer North Ayrshire Partnership and Corporate Communications

The Safer North Ayrshire Partnership rebranded its multi-agency deployments in local communities 'Safe Positive Communities' in 2013/14. Deployments are now planned and publicised further in advance with the aim of raising local awareness as early as possible, thereby encouraging greater community engagement and interaction. Banners, posters, leaflets, press articles and social media were used to promote the services in each community as part of the communication plan. A similar plan has been developed for 2014/15 to continue to raise the profile of Safe Positive Communities.

Priority 5: Develop new Tenant Participation Strategy

The draft Customer Involvement and Empowerment Strategy 2014-2017 is due to be approved by Cabinet in May 2014. The strategy reflects recognised methods of good practice for involving tenants and meets the requirements of the Scottish Housing Regulator's new Regulatory Framework which requires councils to strengthen their approach to assessing their performance with

tenants and other customers. The strategy sets out what we plan to do, how we will consult with our customers, options available for customer involvement, how we will take account of their views and how we will feedback to customers.

Priority 6: Develop new performance management framework to take account of the new Scottish Social Housing Charter

The new Performance Management Framework has now been approved by the Senior Management Team and takes effect from April 2014. Performance related information will undergo a full review during 2014 In line with the PMF.

NORTH AYRSHIRE COUNCIL

Agenda Item 6

16 July 2014

Cabinet

Subject: **Council Plan, Performance Management Strategy and Single Outcome Agreement (SOA): 13/14 Q4 Progress Report**

Purpose: To advise in implementing three Action Plans, namely (1) the Council Plan, (2) the Performance Management Strategy, and (3) the Single Outcome Agreement (SOA).

Recommendation: That the Cabinet agrees to (a) note the progress made in implementing the three Action Plans for the Council Plan, Performance Management Strategy and SOA; (b) note that detailed progress on the Council Plan indicators will be incorporated into the Public Performance Reporting report to Cabinet on 7 October 2014 and (c) refer the report to the Scrutiny and Petitions Committee for its consideration.




1. Introduction

- 1.1 On 30 April 2013 the Cabinet approved the Council Plan Action Plan 13/14 and the Performance Management Strategy Action Plan 13/14.
- 1.2 The Cabinet agreed to receive six monthly reports on the Council Plan and Performance Management Strategy.
- 1.3 On 14 March 2013 the Community Planning Partnership (CPP) Board approved the SOA 13/17. The SOA Action Plan 2013/14 was approved on 13 June 2013.

2. Current Position

- 2.1 Updates have been produced on the Covalent system which allows services to provide information on progress by: -
 - Estimating the percentage of the action's planned activity for 2013/14 which is complete;
 - Selecting one of three red, amber or green "expected outcomes" to indicate whether the action is on target, slightly adrift of target or significantly adrift of target;
 - Providing a short narrative on quarterly progress

The icon key is explained below.

Action Expected Outcome Status Key	
	Significantly adrift of target
	Slightly adrift of target
	On target

- 2.2 A summary of the overall status of all actions is provided in the attached Appendices. A detailed update is provided for those actions which are significantly adrift or adrift of target in Quarter 4. Progress against each action is shown as a percentage.

Council Plan Action Plan 2013/14

- 2.3 The expected outcomes shown for the 58 actions in the action plan listed in Appendix 1 indicate:-

- 51 (88%) are complete or on target (i.e. expected to be completed in line with the original plan)
- 5 (8%) are slightly adrift of target
- 2 (4%) are significantly adrift of target

- 2.4 The actions which are slightly adrift are:-

SP1314DE_A_A10 Develop a strategy and action plan to stabilise the population of North Ayrshire

2013/14 - Quarter Four Update: Paper has been prepared by officers which would form the basis of a population growth strategy which will be considered by Members during 2014/15.

CP1314_02.05 Implement early years intervention and prevention programme

2013/14 - Quarter Four Update: Good progress is being made in most projects, particularly with MADART, but recruitment delays have affected a number of projects. The ABCD project is mainstreaming its activities and the Stop Now and Plan project is now moving forward. The Parent Capacity co-ordinator is in place. The Together We Can service was launched in March. Three pioneer sites are being developed through the Early Years Collaborative and tests of change are continuing throughout the early years.

CP1314_2.12 Implement Employee Health Improvement Programme

2013/14 - Quarter Four Update: The draft Healthy Working Lives (HWL) strategy and action plan has been agreed with the HWL advisor and the CMT before submitting for the Gold Award.

SP1314DE_A_B02 Submit an application to Scottish Government to create a Flood Prevention Order for the Upper Garnock Valley

2013/14 - Quarter Four Update: During this period, further work has progressed in a number of key areas which include the topographical survey, hydraulic modelling, landscaping detail, liaising with public utilities, geotechnical assessment, river flow patterns, flood storage area, review of structures, design of both flood storage areas and direct flood defences, and land ownership issues. A draft scheme has been developed for consideration by cabinet for submission in 2014.

SPSS_A_A06 Support more vulnerable people in their own homes by providing effective Telecare solutions which minimise risk and promote independence

2013/14 - Quarter Four Update: Enhanced Telecare packages will now be offered to those with dementia on referral for services and those who are already in receipt of other services. The enhanced telecare services can fluctuate as service users come off service for various reasons e.g. admitted to care home, passed away, no longer require equipment etc. In Q3 there were 607 service users with enhanced telecare but in Q4 this had reduced to 525. Stalls and information events have been targeted to continue to enhance awareness and subsequent usage.

2.5 The actions which are significantly adrift are:-

SPSS_A_B01 Implement the National Assessment Toolkit across all Children and Families Fieldwork teams.

2013/14 – Quarter Four Update: There are three aspects involved in ensuring that the National Risk Framework (NRF) is implemented successfully across social services Children and Families Fieldwork Teams:

- training
- developing practice to incorporate training
- quality assurance of NRF to support continuous improvement towards our identified outcomes (staff are confident and competent in using the NRF and assessments are of a consistently high quality)

75% of staff have now been trained. Team Managers have agreed to begin with incorporating the use of the framework in initial assessments of risk/need undertaken during child protection investigations. Team Managers also introduced auditing activity in respect of this on 3rd February 2014. This action will be incorporated into the 14/15 plan.

SP1314FC_A_A01 Develop a People Management Strategy which supports change and organisational performance

2013/14 – Quarter Four Update: This action has not been progressed and will not progress until the Employer Brand project is progressing sufficiently to allow the People Strategy to be drafted. This action is therefore shown as significantly adrift of target and will be carried over into 2014/15.

- 2.6 Detailed progress on performance indicators including the Council Plan indicators will be reported to the Elected Members in the Public Performance Reporting/Annual Performance Report 2013/14 on the 7 October 2014.

Performance Management Strategy Action Plan 2013/14

- 2.7 The Action Plan 2013/14 provides more detail of what we need to do under the following headings:
- Leadership and vision for North Ayrshire
 - Partnership Working
 - Developing capacity for improvement
 - Embedding performance management / continuous improvement
 - Identifying, sharing and implementing best practice
 - Acknowledging and celebrating success
 - Developing performance management systems
 - Public Performance Reporting
 - Engaging staff
 - Engaging communities

The owners of the 33 actions under the above headings have provided updates on progress over the six-month period from April to March 2014.

- 2.8 Progress for each of the 33 actions is provided in a detailed report in Appendix 2.

2.9 The expected outcomes shown for the 33 actions in the action plan indicate: -

- 29 (91%) are complete or on target (i.e. expected to be completed in line with the original plan)
- 3 (9%) are slightly adrift of target

2.10 The actions which are slightly adrift of target are:-

SP1314D&AS_A04 Co-ordinate and support the implementation of the CPP Audit Improvement Plan

2013/14 - Quarter Four Update: Co-ordination and support of actions ongoing. Improvement Plan received approval by CPP Board in June 2013 therefore actions commenced implementation after that date. Majority of actions now implemented but acknowledged by CPP Board that some actions will require implementation over a longer period and will require to continue into 2014/15.

PM1314_2.5 Develop a CPP leadership programme

2013/14 - Quarter Four Update: Delay in holding first meeting of Task and Finish Group to develop CPP Organisational Development Plan due to difficulties in making arrangements for this. Two meetings now held and feedback from CPP Board Development Session on this taken into account. Pilot exercise to be undertaken with Safer North Ayrshire Partnership, mapping what learning and development in relation to community planning and SOA is already taking place by partners and any gaps needed to deliver on the SOA Outcomes. Further Leadership Retreat for CPP Partners under consideration for summer 2014, following last summer's successful one.

PM1314_2.4 Develop and implement a multi agency self assessment programme

2013/14 - Quarter Four Update: Development sessions held for CPP Board facilitated by Improvement Service on partner contributions to the SOA, Resource Mapping and developing a CPP Organisational Development Plan. Partnership self assessment to be undertaken in the second half of 2014 facilitated by Improvement Service. This action will therefore continue into 2014/15 due to action on CPP Audit Improvement plan commencing after approval by CPP Board in June 2013 and due to Improvement Service scheduling of support to CPPs being fully taken up already in first half of 2014.

SOA Action Plan 13/14

2.11 Progress on each of the 87 actions is detailed in Appendix 3 and details are included on the action being taken to address any delays.

2.12 The expected outcomes shown for the 87 actions in the action plan indicate: -

- 74 (85%) are complete or on target (i.e. expected to be completed in line with the original plan)
- 5 (6%) are slightly adrift of target
- 8 (9%) are significantly adrift of target

2.13 The actions which are slightly adrift of target are:-

SOA1314_NP10 - Neighbourhood Planning - Undertake local self-evaluation and develop an improvement programme

2013/14 - Quarter Four Update: Successful Neighbourhood Planning Development Day held in September 2013. The focus of the event was to (a) examine the strengths and needs of communities within each of the six neighbourhoods and (b) set the template for consulting local communities on the findings emerging from the Areas of Family Resilience Study.

Six community based consultative workshops have been held and tailored area profiles have been distributed. These will inform the development of localised baselines and subsequent improvement programmes for neighbourhoods.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP7 - Neighbourhood Planning - Identify priorities within each of the neighbourhoods and identify opportunities for co-location and shared service developments

2013/14 - Quarter Four Update: The Areas of Family Resilience Study 2013 has identified the key priorities within each of the neighbourhoods. Opportunities for co-location and shared services will be examined by emerging Neighbourhood Forums on advice from joint working groups within the CPP.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA - CE1 - Community Engagement - All Partners to confirm that they have an awareness of the National Standards for Community Engagement (published by Scottish Community Development Centre 2005). All partners to confirm whether they have formally adopted the National Standards and make use of them within their organisation

2013/14 - Quarter Four Update: Template has been circulated to CPP partners requesting they confirm their awareness of the National Standards for Community Engagement and note whether their organisation has adopted the standards and make use of them when Engaging with the community. The response level to this exercise has been poor and follow up work is required. This will take place in 2014-15.

SOA_CE2 - Community Engagement - Partnership training to be provided for Community Engagement Champions in the use of the Community Engagement Toolkit

2013/14 - Quarter Four Update: The toolkit is still being developed, due to limited numbers of staff available and the prioritisation of developing Community Engagement training and VOICE training the trainers course. These are now both in place and so focus can now be made on the toolkit. There are ongoing discussions at the Community Engagement Reference Group (CERG) regarding hosting the toolkit but it is anticipated that this will be on both the CPP website and TSI site (cross linked). The CERG decided to not progress the community champions training at the moment and to wait and reconsider this when more info available re neighbourhood planning.

SOA_CE6 - Community Engagement - The Chair of the CERG to delegate an appropriate partner(s) to produce a summary of the community engagement strategy for community groups/organisations

2013/14 - Quarter Four Update: Third Sector Interface North Ayrshire has prepared a plain English version of community engagement/community planning and SOAs for community use. Discussions are ongoing about the production and circulation of this. This will be completed in 2014-15.

2.14 The actions which are significantly adrift of target are:-

SOA1314_NP1 Neighbourhood Planning - Develop a central CPP data repository and adopt a standard data sharing protocol for the partnership

2013/14 - Quarter Four Update: System requirements have been specified and funding to be approved by CMT in 2014/15 to develop bespoke system. Repository to serve as a central data resource for CPP and to encourage data sharing arrangements. Data sharing protocol to be developed in line with system development. At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP12 - Neighbourhood Planning - Develop an operational implementation plan

2013/14 - Quarter Four Update: Operational implementation plans would be developed and monitored by members of the emerging Neighbourhood Forums. These would be aligned closely with the targets and outcomes articulated within agreed Neighbourhood Plans once these are signed off by the respective Forum.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14

SOA1314_NP13 - Neighbourhood Planning - Consider local multi-agency leadership and management arrangements

2013/14 - Quarter Four Update: These would be taken forward by respective Neighbourhood Forums when constituted.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP14 - Neighbourhood Planning - Align the Area Committee structures

2013/14 - Quarter Four Update: Meetings have taken place with some Area Committees regarding the impact of the evolving Neighbourhood Forums. Further consultation with Area Committees will take place during 2014/15 to ensure members are informed of key stages.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP15 - Neighbourhood Planning - Identify community assets

2013/14 - Quarter Four Update: Work has taken place with The Ayrshire Community Trust to identify gaps in community provision across areas of need. TACT have been undertaking their own asset mapping exercise engaging with relevant Partners.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP5 - Neighbourhood Planning - Evaluate resource allocation solutions across North Ayrshire and within each neighbourhood

2013/14 - Quarter Four Update: These will be explored at senior management level across the CPP. At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP8 - Neighbourhood Planning - Identify opportunities to realign resources and develop area specific initiatives

2013/14 - Quarter Four Update: Proposals for area specific initiatives and opportunities to realign resources will be identified in Partnership and in consultation with Neighbourhood Forums.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

SOA1314_NP9 - Neighbourhood Planning - Agree a performance framework and develop local outcomes and indicators for neighbourhoods

2013/14 - Quarter Four Update: A performance management framework, local outcome and associated indicators will be identified in Partnership and in consultation with Neighbourhood Forums.

At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.

- 2.15** Detailed progress on all SOA performance indicators will be reported via the SOA Annual Report which will be presented to the September CPP Board and Elected Members thereafter.

3. Proposals

- 3.1** That the Cabinet agrees to (a) note the progress made in implementing the three Action Plans for the Council Plan, Performance Management Strategy and SOA; (b) note that detailed progress on the Council Plan indicators will be incorporated into the Public Performance Reporting report to Cabinet on the 7 October 2014 and (c) refer the report to the Scrutiny and Petitions Committee for its consideration.

4. Implications

Financial Implications

- 4.1 There are no financial implications.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 There are no legal implications.

Equality Implications

- 4.4 There are no equality implications.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 This report links to all of the SOA priorities and to all four of the Council's core objectives.

Community Benefit Implications

- 4.7 There are no community benefit implications.

5. Consultations

- 5.1 The Extended Corporate Management Team has considered this report.

6. Conclusion

- 6.1 By 31 March 2014, 88% of actions in the Council Plan Action Plan, 91% in the Performance Management Strategy Action Plan and 85% of actions in the SOA Action Plan were on target.
- 6.2 More detailed progress on the Council Plan will be incorporated into the Public Performance Reporting report to Cabinet on the 7 October 2014.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Anne Todd, Policy and Performance Officer on 01294 324140

Background Papers

Council Plan 2012/17



Performance Management Strategy 2012/15

Single Outcome Agreement 2013/17

Objective 1. Regenerating our communities and increasing employment














Expected Outcome	
On Target / Complete	13
Slightly Adrift of Target	1










Code	Action Description	Progress	Expected Outcome
HS - 1.1	Ensure the successful delivery of the following Council house building projects; Redstone Avenue, Kilwinning Copeland Crescent, Millport John Galt Primary School site, Irvine Stevenson Institute, Largs	<div><div>100%</div></div>	●
SP1314DE_A_A01	Continued implementation of the Economic Development & Regeneration Strategy	<div><div>100%</div></div>	●
SP1314DE_A_A01b	Develop and implement a one stop shop approach to businesses support including start-ups, existing businesses and inward investors (Invest in North Ayrshire)	<div><div>100%</div></div>	●
SP1314DE_A_A02a	Life Sciences – Work with Irvine Bay URC to develop life sciences offer and support the continued development of the Enterprise Area	<div><div>100%</div></div>	●
SP1314DE_A_A03b	Work with Scottish Government to deliver the next generation broadband investment programme	<div><div>100%</div></div>	●
SP1314DE_A_A03d	Continue to deliver on town centre regeneration including Kilbirnie, Irvine and Saltcoats and the development of plans for other key towns	<div><div>100%</div></div>	●
SP1314DE_A_A04a	Deliver current Employability programmes, continue to secure funding and ensure proper closure of European funded programmes	<div><div>100%</div></div>	●
SP1314DE_A_A07	Formal adoption of the Local Development Plan for North Ayrshire	<div><div>95%</div></div>	●
SP1314DE_A_A10	Develop a strategy to halt and reverse the projected decline in the population of North Ayrshire	<div><div>60%</div></div>	⚠
SP1314DE_A_C09	Develop a new Local Transport Strategy for implementation in 2014	<div><div>80%</div></div>	●
SP1314FC_A_B01	Train, assess and manage trainees on Councils Modern Apprenticeship and Training for Work Programmes as per contract with Skills Development Scotland (SDS)	<div><div>100%</div></div>	●
SP_ES_A_D02	Develop and deliver core skills programmes across schools and communities to enhance employability and achievement	<div><div>100%</div></div>	●

SP_ES_A_E01	Encourage and support an asset based community development approach to increase the capacity of communities in North Ayrshire	<div><div>100%</div></div>	
SP_ES_A_E05	Support individuals to participate in community based volunteering activities	<div><div>100%</div></div>	






Objective 2. Protecting Vulnerable People

Expected Outcome	
On Target / Complete	17
Significantly Adrift of Target	1
Slightly Adrift of Target	4

Code	Action Description	Progress	Expected Outcome
CP1314_2.02	Contribute to the reduction of fuel poverty and increase energy efficiency within the North Ayrshire housing stock by implementing a programme of loft, cavity and external wall insulation measures	<div><div>100%</div></div>	
CP1314_2.03	Lead the Council's approach and implementation of the Welfare Reform Act 2012	<div><div>100%</div></div>	
CP1314_2.05	Implement early years intervention and prevention programme	<div><div>80%</div></div>	
CP1314_2.08	Implement national physical activity guidelines for early years through Play Strategy with parents, early years establishments and schools	<div><div>100%</div></div>	
CP1314_2.09	Support vulnerable children (8-16 years) through mentoring and involvement in community	<div><div>100%</div></div>	
CP1314_2.12	Implement Employee Health Improvement Programme	<div><div>90%</div></div>	
CP1314_2.13	Implement the Anti-social Behaviour Strategy and Action Plan 2013-14	<div><div>100%</div></div>	
CP1314_2.14	Monitor the outcomes achieved by the multi agency domestic abuse team	<div><div>100%</div></div>	
CP1314_2.16	Implement the personalisation model across Mental Health, Learning Disability, Independent Living Services, and Children with a disability	<div><div>100%</div></div>	
CP1314_2.19	Take action to prevent homelessness and reduce homeless presentations	<div><div>100%</div></div>	
HS - 1.7	Implement the New North Ayrshire Older Person Housing Strategy	<div><div>100%</div></div>	
HS - 3.1	Plan and manage for the implications of Welfare Reform.	<div><div>100%</div></div>	
SP1314D&AS_B03	Co-ordinate and support the implementation of the Specific Duties of the Equality Act.	<div><div>100%</div></div>	














SP1314DE_A_B02	Submit an application to Scottish Government to create a Flood Prevention Order for the Upper Garnock Valley	<div><div>85%</div></div>	
SP1314DE_A_B03	Continue to implement the Road Safety Plan 2011-2014	<div><div>100%</div></div>	
SP1314DE_A_B06a	Review the Outdoor Access Strategy and the Core Paths Plan in partnership with North Ayrshire Outdoor Access Forum (NAOAF)	<div><div>100%</div></div>	
SP_ES_A_B04	Increase the provision of free nursery education for three and four year-olds and looked after two year olds, consistent with the level of financial provision granted by the Scottish Government	<div><div>100%</div></div>	
SP_ES_A_C01	Deliver the North Ayrshire 'Fit for the Future' 2010-15 Strategy outcomes	<div><div>100%</div></div>	
SPSS_A_A06	Support more vulnerable people in their own homes by providing effective Telecare solutions which minimise risk and promote independence	<div><div>80%</div></div>	
SPSS_A_B01	Implement the National Assessment Toolkit across all Children and Families Fieldwork teams.	<div><div>35%</div></div>	
SPSS_A_B05	Increase the availability of foster placements for children needing to be Looked After and Accommodated.	<div><div>100%</div></div>	
SPSS_A_F01	Develop Money Matters to prepare and support individuals and families who will be affected by Welfare Reform, with a specific focus on identifying and supporting the most vulnerable in North Ayrshire.	<div><div>100%</div></div>	





Objective 3. Improving Educational Attainment

Expected Outcome			
On Target / Complete		5	
Code	Action Description	Progress	Expected Outcome
SP_ES_A_A01	Ensure consistent and effective implementation of Curriculum for Excellence across all North Ayrshire Council educational establishments	<div><div>100%</div></div>	
SP_ES_A_A02	Improve the attainment levels of North Ayrshire pupils across all age groups	<div><div>100%</div></div>	
SP_ES_A_A04	Build capacity to allow school leavers to make effective transitions into sustained employment, education or training	<div><div>100%</div></div>	
SP_ES_A_A06	In partnership with the new Ayrshire College, HE and employers, develop and deliver a range of programmes to ensure school leavers are able to progress to a positive post school destination.	<div><div>100%</div></div>	
SP_ES_A_B07	Strengthen partnership arrangements with Social Services and Health to ensure improved outcomes for vulnerable young people and their families	<div><div>100%</div></div>	

Objective 4. Operating More Efficiently and Effectively


Expected Outcome	
On Target / Complete	16
Significantly Adrift of Target	1

Code	Action Description	Progress	Expected Outcome
CP1314_4.12	Implement the Customer Services Strategy	<div><div>100%</div></div>	
CP1314_4.13	Review and implement the Council's ICT Strategy Action Plan	<div><div>100%</div></div>	
CP1314_4.16	Implement the Council's Office Accommodation Strategy including the development of Bridgegate and Cunninghame House	<div><div>100%</div></div>	
CP1314_4.17	Continue to develop the Council's approach to asset management, optimising the use of assets whilst ensuring the needs of Council services and the wider community are met	<div><div>100%</div></div>	
SP1314D&AS_A06	Develop, maintain and communicate a long term change programme to match with future funding gap, service demand projections and align with national public service reform agenda	<div><div>100%</div></div>	
SP1314D&AS_A07	Drive implementation of the Performance Management Strategy 2012-15	<div><div>100%</div></div>	
SP1314D&AS_A08	Monitor and evaluate the implementation of the Council's Communications Strategy	<div><div>100%</div></div>	
SP1314DE_A_C04	Analyse journeys and use of transportation through the transport hub	<div><div>90%</div></div>	
SP1314DE_A_C05	Continue to implement the improvement plan for Building Services	<div><div>100%</div></div>	
SP1314DE_A_C06	Development of a Shared Services Model for Roads	<div><div>100%</div></div>	
SP1314DE_A_C07	Deliver the annual road network improvement programme	<div><div>100%</div></div>	
SP1314DE_A_C12	Develop a sustainable energy management strategy for North Ayrshire	<div><div>100%</div></div>	
SP1314DE_A_C23	Continued implementation of the Council's Waste Strategy which will ensure the Council achieves the National and International Waste and Recycling Targets	<div><div>100%</div></div>	

SP1314DE_A_C26	Implement the 'hub and spoke' catering model	<div><div></div>100%</div>	
SP1314FC_A_A01	Develop a People Management Strategy which supports change and organisational performance	<div><div></div>8%</div>	
SP1314FC_A_C01	Develop outcome budgeting	<div><div></div>100%</div>	
SP1314FC_A_C25	Review the Maximising Attendance procedure and support Services to achieve their agreed 2013/14 attendance at work targets	<div><div></div>100%</div>	

1. Regenerating our communities and increasing employment


Expected Outcome	
Slightly Adrift of Target	1


Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SP1314DE_A_A10	Develop a strategy to halt and reverse the projected decline in the population of North Ayrshire		<div><div>60%</div></div>	2013/14 - Quarter Four Update Paper has been prepared by officers which would form the basis of a population growth strategy which will be considered by Members during 2014/15.	31-Mar-2014	Karen Yeomans	Alasdair Laurensen


Risks linked to these actions	
Code & Title	Managed By


2. Protecting Vulnerable People


Expected Outcome	
Significantly Adrift of Target	1
Slightly Adrift of Target	4

Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
CP1314_2.05	Implement early years intervention and prevention programme		<div><div>80%</div></div>	2013/14 - Quarter Four Update Good progress is being made in most projects, particularly with MADART, but recruitment delays have affected a number of projects. The ABCD project is mainstreaming its activities and the Stop Now and Plan project is now moving forward. The Parent Capacity co-ordinator is in place. The Together We Can service was launched in March. Three pioneer sites are being developed through the Early Years Collaborative and tests of change are continuing throughout the early years.	31-Mar-2014	Carol Kirk	Marjorie Adams
Risks linked to these actions							
Code & Title					Managed By		

Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
CP1314_2.12	Implement Employee Health Improvement Programme		<div><div>90%</div></div>	2013/14 - Quarter Four Update The draft Healthy Working Lives (HWL) strategy and action plan has been agreed with the HWL advisor and the CMT before submitting for the Gold Award.	31-Mar-2014	Andrew Fraser	Sandra Bale ; Andrew Hale
Risks linked to these actions							
Code & Title					Managed By		

Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SP1314DE_A_B02	Submit an application to Scottish Government to create a Flood Prevention Order for the Upper Garnock Valley		<div><div>85%</div></div>	2013/14 - Quarter Four Update During this period, further work has progressed in a number of key areas which include the topographical survey, hydraulic modelling, landscaping detail, liaising with public utilities, geotechnical assessment, river flow patterns, flood storage area, review of structures, design of both flood storage areas and direct flood defences, and land ownership issues. A draft scheme has been developed for consideration by cabinet for submission in 2014.	31-Mar-2014	Karen Yeomans	Crawford Forsyth
Risks linked to these actions							
Code & Title					Managed By		
D&ES-5 Statutory obligations from the Flood Risk Management(Scotland) Act 2009					Craig Hatton		


Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SPSS_A_A06	Support more vulnerable people in their own homes by providing effective Telecare solutions which minimise risk and promote independence		<div><div>80%</div></div>	2013/14 - Quarter Four Update Enhanced Telecare packages will now be offered to those with dementia on referral for services and those who are already in receipt of other services. The enhanced telecare services can fluctuate as service users come off service for various reasons e.g. admitted to care home, passed away, no longer require equipment etc.. In Q3 there were 607 service users with enhanced telecare but in Q4 this had reduced to 525. Stalls and information events have been targeted to continue to enhance awareness and subsequent usage.	31-Mar-2014	John McCaig	Marlene Harkis; Helen McArthur
Risks linked to these actions							
Code & Title	SPR_SS2 Rising Demand Outstrips Available Resources				Managed By	Lisbeth Raeside	

Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SPSS_A_B01	Implement the National Assessment Toolkit across all Children and Families Fieldwork teams.		<div><div>35%</div></div>	<p>2013/14 – Quarter Four Update – There are three aspects involved in ensuring that the National Risk Framework is implemented successfully across social services Children and Families Fieldwork Teams:</p> <ul style="list-style-type: none">1. training2. developing practice to incorporate training3. quality assurance of NRF to support continuous improvement towards our identified outcomes (staff are confident and competent in using the NRF and assessments are of a consistently high quality) <p>75% of staff have now been trained. Team Managers have agreed to begin with incorporating the use of the framework in initial assessments of risk/need undertaken during child protection investigations. Team Managers also introduced auditing activity in respect of this on 3rd February 2014.</p> <p>(This action should be incorporated into the 14/15 plan)</p>	31-Mar-2014	Sheena Gault	David MacRitchie
Risks linked to these actions							
Code & Title	SPR_SS2 Rising Demand Outstrips Available Resources				Managed By	Lisbeth Raeside	
	SR04.2013/14 Health Inequalities					NAC - CMT	

4. Operating More Efficiently and Effectively

Expected Outcome	
Significantly Adrift of Target	1

Parent Action




Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SP1314FC_A_A01	Develop a People Management Strategy which supports change and organisational performance		<div>8%</div>	2013/14 - Quarter Four Update This action has not been progressed and will not progress until the Employer Brand project is progressing sufficiently to allow the People Strategy to be drafted. This action is therefore shown as significantly adrift of target and will be carried over into 2014/15.	31-Mar-2014	Gavin MacGregor	Fiona Walker

Risks linked to these actions

Code & Title	F&CS-3 Strategic Workforce Issues	Managed By	Laura Friel
	SR06.2013/14 Strategic Workforce Issues		NAC - CMT








Objective 01. Leadership and Vision for North Ayrshire

Expected Outcome	
On Target / Complete	2
Slightly Adrift of Target	1




Code	Action Description	Progress	Expected Outcome
PM1314_1.2	Implement Council Plan 2012-17	<div><div>100%</div></div>	
SP1314D&AS_A04	Co-ordinate and support the implementation of the CPP Audit Improvement Plan	<div><div>84%</div></div>	
SP1314D&AS_A06	Develop, maintain and communicate a long term change programme to match with future funding gap, service demand projections and align with national public service reform agenda	<div><div>100%</div></div>	

Objective 02. Partnership Working






Expected Outcome	
On Target / Complete	5
Slightly Adrift of Target	2

Code	Action Description	Progress	Expected Outcome
PM1314_2.2	Monitor the project plan for the implementation of the neighbourhood approach	<div><div>100%</div></div>	
PM1314_2.3	Monitor the actions within the CPP Audit and Childrens' Services Inspection Improvement Plan	<div><div>100%</div></div>	
PM1314_2.4	Develop and implement a multi agency self assessment programme	<div><div>50%</div></div>	
PM1314_2.5	Develop a CPP leadership programme	<div><div>60%</div></div>	
PM1314_2.6	Develop a partnership approach to tackling health inequalities	<div><div>100%</div></div>	
SP1314D&AS_A05	Co-ordinate and support the implementation of the SOA 2013-17 including the integration of neighbourhood planning and priorities.	<div><div>100%</div></div>	
SP_ES_A_E04	Further develop working arrangements with the Third Sector Interface to promote social innovation through the Partners for Change programme	<div><div>100%</div></div>	


Objective 03. Developing Capacity for Improvement

Expected Outcome			
On Target / Complete		3	
Code	Action Description	Progress	Expected Outcome
PM1314_3.1	Develop and implement an Elected Member Development programme	<div><div>100%</div></div>	
PM1314_3.2	Continue to implement High Impact Leadership programme	<div><div>100%</div></div>	
PM1314_3.3	Provide a wide variety of learning initiatives to support the on going development of employees focusing on skills, knowledge and behaviour	<div><div>100%</div></div>	



Objective 04. Embedding performance management and continuous improvement

Expected Outcome			
On Target / Complete		5	
Code	Action Description	Progress	Expected Outcome
EES_CW_1214_3.1d	Develop Performance Management Frameworks within all services across the Council as a means of involving managers and staff in target setting, actively encouraging staff to make decisions in line with policies and procedures; giving accountability to all staff at various levels; and assigned areas/teams/responsibilities to staff that are then accountable for the performance within them.	<div><div>100%</div></div>	
HS - 6.4	Develop new performance management framework to take account of the new Scottish Social Housing Charter.	<div><div>100%</div></div>	
PM1314_4.1	Undertake a Council wide PSIF self assessment	<div><div>100%</div></div>	
PM1314_4.2	Support Services in undertaking a proportionate programme of self-assessment activities	<div><div>100%</div></div>	
PM1314_4.3	Lead on the Council Wide Recognised for Excellence (R4E) submission	<div><div>100%</div></div>	




Objective 05. Identifying and implementing best practice

Expected Outcome			
On Target / Complete		1	
Code	Action Description	Progress	Expected Outcome
PM1314_5.1	Increase the use of benchmarking including the SOLACE Improving Local Government indicators as a way of raising quality standards and improving performance across the Council	<div><div>100%</div></div>	

Objective 06. Acknowledging and celebrating success



Expected Outcome			
On Target / Complete		2	
Code	Action Description	Progress	Expected Outcome
PM1314_6.1	Promote and support external Excellence awards	<div><div>100%</div></div>	
PM1314_6.2	Reinforce and promote 'North Ayrshire Achieves' as a means of celebrating and rewarding individual or team contributions, good practice, etc	<div><div>100%</div></div>	

Objective 07. Developing performance management systems

Expected Outcome			
On Target / Complete		3	
Code	Action Description	Progress	Expected Outcome
PM1314_7.1	Drive the Covalent Development Group to meet demand from Services to use Covalent	<div><div>100%</div></div>	
PM1314_7.2	Deliver Covalent training programme	<div><div>100%</div></div>	
PM1314_7.3	Develop the potential of Covalent to reflect the contribution of a range of partners to the delivery of shared outcomes	<div><div>100%</div></div>	



Objective 08. Public performance reporting

Expected Outcome	
On Target / Complete	2

Code	Action Description	Progress	Expected Outcome
PM1314_8.1	Support Services to fulfil the Council's Public Performance Reporting obligations by providing a balanced picture of performance	<div><div>100%</div></div>	
PM1314_8.2	Undertake a review of performance measures on North Ayrshire Performs	<div><div>100%</div></div>	

Objective 09. Engaging staff

Expected Outcome	
On Target / Complete	2

Code	Action Description	Progress	Expected Outcome
PM1314_9.2	Implement the Council's Employee Engagement Survey Improvement Plan and support Services to implement their Improvement Plans	<div><div>100%</div></div>	
PM1314_9.3	Develop Organisational Development interventions which support the Council's move to become a high-performing organisation through engaging employees and realising their full potential	<div><div>100%</div></div>	




Objective 09. Engaging staff; 10. Engaging communities

Expected Outcome	
On Target / Complete	1

Code	Action Description	Progress	Expected Outcome
SP1314D&AS_A08	Monitor and evaluate the implementation of the Council's Communications Strategy	<div><div>100%</div></div>	

Objective 10. Engaging communities


Expected Outcome	
On Target / Complete	3

Code	Action Description	Progress	Expected Outcome
PM1314_10.2	Conduct People's Panel survey and develop action plan from findings	<div><div>90%</div></div>	
PM1314_10.3	Conduct household survey and develop action plan from findings	<div><div>100%</div></div>	
SP_ES_A_E03	Promote the principles of community engagement and provide communities with opportunities to influence the development and delivery of services	<div><div>100%</div></div>	

01. Leadership and Vision for North Ayrshire

Expected Outcome	
Slightly Adrift of Target	1

Parent Action

Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
SP1314D&AS_A04	Co-ordinate and support the implementation of the CPP Audit Improvement Plan		<div><div>84%</div></div>	2013/14 - Quarter Four Update Co-ordination and support of actions ongoing. The Improvement Plan received approval by CPP Board in June 2013 and implementation commenced after that date. The majority of actions are now implemented but it is acknowledged by CPP Board that some actions will require implementation over a longer period and will require continuation into 2014/15.	31-Mar-2014	Andrew Fraser	Sandra Bale


Risks linked to these actions

Code & Title	D&A_1 CPP Audit Improvement Plan	Managed By	Andrew Fraser
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02. Partnership Working


Expected Outcome	
Slightly Adrift of Target	2

Parent Action

Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
PM1314_2.4	Develop and implement a multi agency self assessment programme		<div><div>50%</div></div>	2013/14 - Quarter Four Update Development sessions held for CPP Board facilitated by Improvement Service on partner contributions to the SOA, Resource Mapping and developing a CPP Organisational Development Plan. Partnership self assessment to be undertaken in the second half of 2014 facilitated by Improvement Service. This action will therefore continue into 2014/15 due to action on CPP Audit Improvement plan commencing after approval by CPP Board in June 2013 and due to Improvement Service scheduling of support to CPPs being fully taken up already in first half of 2014.	31-Mar-2014	Andrew Fraser	Sandra Bale

Risks linked to these actions

Code & Title	Managed By
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Parent Action							
Code	Description	Expected Outcome	% Progress	Latest Note	Due Date	Managed By	Assigned To
PM1314_2.5	Develop a CPP leadership programme		<div><div>60%</div></div>	2013/14 - Quarter Four Update Delay in holding first meeting of Task and Finish Group to develop CPP Organisational Development Plan due to difficulties in making arrangements for this. Two meetings now held and feedback from CPP Board Development Session on this taken into account. Pilot exercise to be undertaken with Safer North Ayrshire Partnership, mapping what learning and development in relation to community planning and SOA is already taking place by partners and any gaps needed to deliver on the SOA Outcomes. Further Leadership Retreat for CPP Partners under consideration for summer 2014, following last summer's successful one.	31-Mar-2014	Andrew Fraser	Sandra Bale
Risks linked to these actions							
Code & Title					Managed By		

SOA Action Plan 2013/14 Quarter 4

Objective A Healthier North Ayrshire

Expected Outcome	
On Target / Complete	22























Code	Action Description	Progress	Expected Outcome
SOA1314_HNA1	Introduce a Family Support Service with Quarriers	100%	●
SOA1314_HNA2	Deliver Parenting Programmes	100%	●
SOA1314_HNA3	Mainstream learning from the Asset Based Community Development project	100%	●
SOA1314_HNA5	Develop the Children Experiencing Domestic Abuse Recovery project (CEDAR)	100%	●
SOA1314_HNA6	Deliver health promotion initiatives including Childsmile on oral health	100%	●
SOA1314_HNA7	Deliver health promotion initiatives including Fresh Airshire on smoking cessation	100%	●
SOA1314_HNA8	Implement the Family Nurse Partnership and the Vulnerable Pregnancy Service	100%	●
SOA1314_HNA9	Reconvene the Sexual Health Programme Board and Teenage Pregnancy sub group to develop in partnership a long term Teenage Pregnancy Action Plan	100%	●
SOA1314_HNA10	Signpost to specialist addiction service in NHS, NAC and community support provisions and provide an A&E Alcohol Liaison Service within acute hospital	100%	●
SOA1314_HNA11	Commission a new service to commence 1st July 2013 that will provide specific pre and post support to enhance recovery journeys at all stages and complement current addiction service providers	100%	●
SOA1314_HNA12	Promote the recovery orientated systems of care model which will enhance engagement at all levels within organisations and the community to identify and improve engagement in the resources being available to support needs	100%	●
SOA1314_HNA13	Target those aged between 40-65 in the most deprived areas and provide an annual health check, health improvement advice and refer to health services for treatment as required.	100%	●

SOA1314_HNA14	Deliver the Older People Joint Commissioning Strategy implementation plan		
SOA1314_HNA15	Implement year two of the Ayrshire and Arran Tobacco Control Strategy		
SOA1314_HNA16	Continue to work with partners to increase awareness and understanding of their role in mental health improvement, along with supporting the mental health improvement dimension of local health improvement strategies		
SOA1314_HNA17	Carry out a social marketing campaign to raise awareness of the benefits and importance of mental wellbeing across the population		
SOA1314_HNA18	Deliver training to build mental health improvement knowledge and skills across partner agencies		
SP_ES_A_C01	Deliver the North Ayrshire 'Fit for the Future' 2010-15 Strategy outcomes		
SP_ES_A_C02	Support North Ayrshire schools in sports development to increase young people's involvement in activity and sports		
SP_ES_A_C03	Promote and support the development of community based sports clubs and hubs		
SPSS_A_B07	Develop an action plan to deliver improvements in permanency planning following consultation with the 'Centre for Excellence for Looked after Children In Scotland' (CELCIS) working group.		
SPSS_A_B09	Implement the new Vulnerable Children Support (0-5) Service		
SPSS_A_B10	Provide integrated Social Work, Early years and Money Advice support within Early Years Centres.		

Objective A Safe and Secure North Ayrshire

Expected Outcome	
On Target / Complete	22









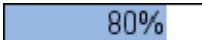





Code	Action Description	Progress	Expected Outcome
EAP1314_2.2	Deliver 16 Days of Activism Against Gender Based Violence for North Ayrshire	<div><div>100%</div></div>	<div></div>
HS - 2.1	Develop a communication strategy for ASB in conjunction with Safer North Ayrshire Partnership and Corporate Communications	<div><div>100%</div></div>	<div></div>
SOA1314_18	Using a community capacity building approach support groups or individuals in communities targeted by the MAPSG to deliver local initiative-	<div><div>100%</div></div>	<div></div>
SOA1314_SSN10	Invest in the long term fire safety of local communities by delivering fire safety education in schools	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA1	Improve the collective understanding of violence in North Ayrshire by Community Planning partners sharing data and analysis of violence related incidents	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA2	Deliver No Knives Better Lives educational programme across schools and community based groups	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA3	Deliver ACEs (Ayrshire Community Education and Sport) for Primary 7s across North Ayrshire	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA4	Target the issues of drugs and serious and organised crime groups through the delivery of an interventions toolkit for partners within North Ayrshire	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA5	Roll out routine enquiry on domestic abuse within NHS Ayrshire and Arran	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA6	Focus community engagement activities to increase fire safety awareness amongst those people at a risk from fire within high activity areas	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA7	Target home fire safety visits to increase the number delivered to those at higher risk from fire	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA8	Use information sharing with CPP partners to identify those members of the community at a higher risk from fire and employ joint multi agency tasking for early fire safety intervention	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA9	Work with partners to reduce secondary fires through the tasking and coordinating group	<div><div>100%</div></div>	<div></div>
SOA1314_SSNA11	Improve the image of young people in North Ayrshire and inspire other young people by introducing	<div><div>100%</div></div>	<div></div>

	youth ambassadors		
SOA1314_SSNA12	Improve the image of young people in North Ayrshire by working in partnership with the Youth Champion to develop a programme of activities	 100%	
SOA1314_SSNA13	Increase the deployment of multi agency diversionary activities within MAPSG areas	 100%	
SOA1314_SSNA14	Support young people to participate in the Environmental Visual Audit	 100%	
SOA1314_SSNA15	Deliver improvements as identified through Environmental Visual Audits	 100%	
SOA1314_SSNA16	Community Planning partners will increase their visibility in North Ayrshire communities	 100%	
SOA1314_SSNA17	Conduct regular meetings between CPP and Corporate Communications to identify opportunities to promote the CPP and ensure information is distributed across the CPP	 100%	
SOA1314_SSNA18	Reduce road casualties and crashes through the delivery of a programme of enforcement activities	 100%	
SP1314DE_A_B03	Continue to implement the Road Safety Plan 2011-2014	 100%	
SPSS_A_C03	Develop opportunities for service users sentenced to Community Payback Order - Unpaid Work Requirement, to obtain qualifications and improve their employability.	 100%	
CP1314_2.14	Monitor the outcomes achieved by the multi agency domestic abuse team	 100%	
SPSS_A_B04	Extend Early and Effective intervention model to include 16 and 17 year olds	 100%	

Objective A Working North Ayrshire








Expected Outcome	
On Target / Complete	20

Code	Action Description	Progress	Expected Outcome
SP1314DE_A_A01a	Implementing initiatives to support business development	100%	●
SP1314DE_A_A01c	Develop an account management approach to support existing businesses with growth potential	100%	●
SP1314DE_A_A01d	Review the package of implement for businesses and develop new programmes	100%	●
SP1314DE_A_A01e	Develop and support an export support programme	100%	●
SP1314DE_A_A01f	Complete delivery of existing European business support programmes, evaluate and review and continue the work to secure funding from the new European Programmes	100%	●
SP1314DE_A_A02a	Life Sciences – Work with Irvine Bay URC to develop life sciences offer and support the continued development of the Enterprise Area	100%	●
SP1314DE_A_A02b	Tourism – Ensure that the pan Ayrshire team deliver on priorities for North Ayrshire and develop a NAC approach to develop the local tourism offer/products	100%	●
SP1314DE_A_A03b	Work with Scottish Government to deliver the next generation broadband investment programme	100%	●
SP1314DE_A_A03d	Continue to deliver on town centre regeneration including Kilbirnie, Irvine and Saltcoats and the development of plans for other key towns	100%	●
SP1314DE_A_A03e	Complete the strategic review of the development opportunities of Hunterston	100%	●
SP1314DE_A_A03f	Develop a strategy for the provision of modern high quality business accommodation including incubator space to larger units	100%	●
SP1314DE_A_A04a	Deliver current Employability programmes, continue to secure funding and ensure proper closure of European funded programmes	100%	●
SP1314DE_A_A04c	Develop a refreshed set of programmes to support North Ayrshire residents into work	100%	●
SP1314DE_A_A05	Skills Development - Develop and implement a skills investment plan for North Ayrshire	100%	●

SP1314DE_A_A06a	Support the delivery of an 'Invest in North Ayrshire' approach including the development and agreement of messages and key content	 100%	
SP1314DE_A_A06b	Develop a web based presence to support the promotion of 'Invest in North Ayrshire'	 100%	
SP1314DE_A_A06d	Develop a marketing campaign aimed at promoting North Ayrshire to key audiences	 100%	
SP1314DE_A_C07	Deliver the annual road network improvement programme	 100%	
SP1314DE_A_C09	Develop a new Local Transport Strategy for implementation in 2014	 80%	
SP_ES_A_A01	Ensure consistent and effective implementation of Curriculum for Excellence across all North Ayrshire Council educational establishments	 100%	
SP_ES_A_A04	Build capacity to allow school leavers to make effective transitions into sustained employment, education or training	 100%	

Objective Community Engagement

Expected Outcome	
On Target / Complete	4
Slightly Adrift of Target	3

Code	Action Description	Progress	Expected Outcome
SOA_CE1	All Partners to confirm that they have an awareness of the National Standards for Community Engagement (published by Scottish Community Development Centre 2005). All partners to confirm whether they have formally adopted the National Standards and make use of them within their organisation	<div><div>75%</div></div>	
SOA_CE2	North Ayrshire Council Community Development staff will work with the Chair of the CERG in the design and delivery of a joint training programme for partners to include ; · Awareness training - National Standards for Community engagement · Refresher training (as above) · Training for Managers (as above) · Awareness Training in Voice. (Visioning outcomes in community engagement provided by SCDC)	<div><div>100%</div></div>	
SOA_CE3	Partnership training to be provided for Community Engagement Champions in the use of the Community Engagement Toolkit	<div><div>75%</div></div>	
SOA_CE4	TSI-North Ayrshire to further develop their current thematic group arrangements, within which representatives of community groups and organisations can contribute directly to the Community Planning process (civic forum).	<div><div>100%</div></div>	
SOA_CE5	Partners agree to engage on issues specifically related to the Single Outcome Agreement themes and report the results of engagement within the CERG.	<div><div>100%</div></div>	
SOA_CE6	The Chair of the CERG to delegate an appropriate partner(s) to produce a summary of the community engagement strategy for community groups/organisations	<div><div>75%</div></div>	
SOA_CE7	Partners to develop a Community Engagement Action Plan / Calendar of engagement activities, to ensure co-ordination, a shared approach and a reduction in unnecessary duplication of consultative activity. An officer from each of the partners to be nominated to forward, update and maintain the Engagement calendar actions. The CERG Chair to ensure that the Engagement Action Plan/ Calendar is kept current and encourages a shared approach by partners.	<div><div>100%</div></div>	

Objective Neighbourhood Planning



Expected Outcome	
On Target / Complete	6
Significantly Adrift of Target	8
Slightly Adrift of Target	2


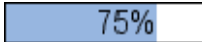
Code	Action Description	Progress	Expected Outcome
SOA1314_NP1	Develop a central CPP data repository and adopt a standard data sharing protocol for the partnership	<div><div>25%</div></div>	✗
SOA1314_NP2	Identify the staffing and services allocated to neighbourhood areas	<div><div>75%</div></div>	●
SOA1314_NP3	Identify and map physical assets for each neighbourhood	<div><div>100%</div></div>	●
SOA1314_NP4	Identify public spend per head of population within neighbourhoods	<div><div>75%</div></div>	●
SOA1314_NP5	Evaluate resource allocation solutions across North Ayrshire and within each neighbourhood	<div><div>0%</div></div>	✗
SOA1314_NP6	Develop an Inequalities Strategy	<div><div>90%</div></div>	●
SOA1314_NP7	Identify priorities within each of the neighbourhoods and identify opportunities for co-location and shared service developments	<div><div>50%</div></div>	⚠
SOA1314_NP8	Identify opportunities to realign resources and develop area specific initiatives	<div><div>0%</div></div>	✗
SOA1314_NP9	Agree a performance framework and develop local outcomes and indicators for neighbourhoods	<div><div>0%</div></div>	✗
SOA1314_NP10	Undertake local self-evaluation and develop an improvement programme	<div><div>50%</div></div>	⚠
SOA1314_NP11	Agree the pilot areas for implementation	<div><div>100%</div></div>	●
SOA1314_NP12	Develop an operational implementation plan	<div><div>10%</div></div>	✗
SOA1314_NP13	Consider local multi-agency leadership and management arrangements	<div><div>0%</div></div>	✗
SOA1314_NP14	Align the Area Committee structures	<div><div>25%</div></div>	✗

SOA1314_NP15	Identify community assets	<div><div>25%</div></div>	✗
SOA1314_NP16	Develop Elected Members and communities to allow them to feed into the identification of area priorities	<div><div>100%</div></div>	●

Objective Community Engagement


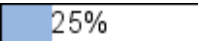

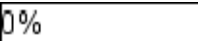
Expected Outcome	
On Target / Complete	4
Slightly Adrift of Target	3


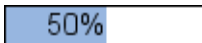

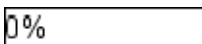


Code	Description	Expected Outcome	Progress Bar	Note	Due Date	Managed By	Assigned To
SOA_CE1	All Partners to confirm that they have an awareness of the National Standards for Community Engagement (published by Scottish Community Development Centre 2005). All partners to confirm whether they have formally adopted the National Standards and make use of them within their organisation		<div style="width: 75%; background-color: #ADD8E6; border: 1px solid black; display: inline-block;"></div> 75%	2013/14 - Quarter Four Update Template has been circulated to CPP partners requesting they confirm their awareness of the National Standards for Community Engagement and note whether their organisation has adopted the standards and make use of them when Engaging with the community. The response level to this exercise has been poor and follow up work is required. This will take place in 2014-15.	31-Mar-2014	Barbara Hastings	
SOA_CE3	Partnership training to be provided for Community Engagement Champions in the use of the Community Engagement Toolkit		<div style="width: 75%; background-color: #ADD8E6; border: 1px solid black; display: inline-block;"></div> 75%	2013/14 - Quarter Four Update The toolkit is still being developed, due to limited staff available and the prioritisation of developing Community Engagement training and VOICE training the trainers course. These are now both in place and so focus can now be made on the toolkit. There are ongoing discussions at the Community Engagement Reference Group (CERG) regarding hosting the toolkit but it is anticipated that this will be on both the CPP website and TSI site (cross linked). The CERG decided to not progress the community champions training at the moment and to wait and reconsider this when more info	31-Dec-2013	Pam Crosthwaite	



				available re neighbourhood planning.			
SOA_CE6	The Chair of the CERG to delegate an appropriate partner(s) to produce a summary of the community engagement strategy for community groups/organisations			2013/14 - Quarter Four Update TSI North Ayrshire has prepared a plain English version of community engagement/community planning and SOAs for community use. Discussions are ongoing about the production and circulation of this.	31-Mar-2014	Barbara Hastings	


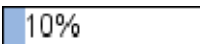

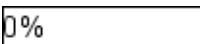

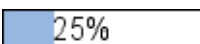
Objective Neighbourhood Planning

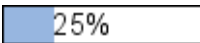
Expected Outcome	
On Target / Complete	6
Significantly Adrift of Target	8
Slightly Adrift of Target	2

Code	Description	Expected Outcome	Progress Bar	Note	Due Date	Managed By	Assigned To
SOA1314_NP1	Develop a central CPP data repository and adopt a standard data sharing protocol for the partnership			2013/14 - Quarter Four Update System requirements have been specified and funding to be approved by CMT in 2014/15 to develop bespoke system. Repository to serve as a central data resource for CPP and to encourage data sharing arrangements. Data sharing protocol to be developed in line with system development. At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14. Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.	31-Mar-2014	Iona Colvin	Damien Griffith
SOA1314_NP5	Evaluate resource allocation solutions across North Ayrshire and within each neighbourhood			2013/14 - Quarter Four Update These will be explored at senior management level across the CPP At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.	31-Mar-2014	Iona Colvin	Damien Griffith

				Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.			
SOA1314_NP7	Identify priorities within each of the neighbourhoods and identify opportunities for co-location and shared service developments			2013/14 - Quarter Four Update The Areas of Family Resilience Study 2013 has identified the key priorities within each of the neighbourhoods. Opportunities for co-location and shared services will be examined by emerging Neighbourhood Forums on advice from joint working groups within the CPP. At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14. Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.	31-Mar-2014	Iona Colvin	Damien Griffith
SOA1314_NP8	Identify opportunities to realign resources and develop area specific initiatives			2013/14 - Quarter Four Update Proposals for area specific initiatives and opportunities to realign resources will be identified in Partnership and in consultation with Neighbourhood Forums. At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14. Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.	31-Mar-2014	Laura Friel	Damien Griffith
SOA1314_NP9	Agree a performance framework and develop local outcomes and indicators for neighbourhoods			2013/14 - Quarter Four Update A performance management framework, local outcome and associated indicators will be	31-Mar-2014	Iona Colvin	Damien Griffith

				<p>identified in Partnership and in consultation with Neighbourhood Forums.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.</p> <p>Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>			
SOA1314_NP10	Undertake local self-evaluation and develop an improvement programme			<p>2013/14 - Quarter Four Update</p> <p>Successful Neighbourhood Planning Development Day held in September 2013.</p> <p>The focus of the event was to (a) examine the strengths and needs of communities within each of the six neighbourhoods and (b) set the template for consulting local communities on the findings emerging from the Areas of Family Resilience Study.</p> <p>Six community based consultative workshops have been held and tailored area profiles have been distributed. These will inform the development of localised baselines and subsequent improvement programmes for neighbourhoods.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.</p> <p>Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>	31-Mar-2014	Iona Colvin	Damien Griffith

SOA1314_NP12	Develop an operational implementation plan			<p>2013/14 - Quarter Four Update Operational implementation plans would be developed and monitored by members of the emerging Neighbourhood Forums. These would be aligned closely with the targets and outcomes articulated within agreed Neighbourhood Plans once these are signed off by the respective Forum.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14. Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>	31-Mar-2014	Iona Colvin	Damien Griffith
SOA1314_NP13	Consider local multi-agency leadership and management arrangements			<p>2013/14 - Quarter Four Update These would be taken forward by respective Neighbourhood Forums when constituted.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14. Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>	31-Mar-2014	Iona Colvin	Damien Griffith
SOA1314_NP14	Align the Area Committee structures			<p>2013/14 - Quarter Four Update Meetings have taken place with some Area Committees regarding the impact of the evolving Neighbourhood Forums. Further consultation with Area Committees will take place during 2014/15 to ensure members are</p>	31-Mar-2014	Andrew Fraser	Damien Griffith

				<p>informed of key stages.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.</p> <p>Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>			
SOA1314_NP15	Identify community assets	✗		<p>2013/14 - Quarter Four Update</p> <p>Working with The Ayrshire Community Trust to identify gaps in community provision across areas of need. TACT have been undertaking their own asset mapping exercise engaging with relevant Partners.</p> <p>At the instigation of the Neighbourhood Planning Approach a range of ambitious actions were set for 2013-14, as the approach has developed it has become apparent that they cannot all be delivered in 2013-14.</p> <p>Significant areas of work such as the Areas of Family Resilience Report and the Resource Mapping Exercise also took more staff time and resource than originally anticipated.</p>	31-Mar-2014	Audrey Sutton	Damien Griffith

NORTH AYRSHIRE COUNCIL

Agenda Item 7

16 July 2014

Cabinet

Subject: **Provost's Civic Events Budget and Fundraising Activity**

Purpose: To inform the Cabinet of (a) the Provost's Civic Events Budget forecasted expenditure for period 2014/15; and (b) details of the Provost's fundraising activity from December 2013.

Recommendation: That the Cabinet (a) notes the contents of the report; (b) approves the requests for funding to date; and (c) agrees to receive an update in six months.

1. Introduction

- 1.1 At its meeting on 10 December 2013 the Cabinet agreed to receive an update on the Provost's Hospitality Budget and Fundraising Activity. The available budget for period 2014/15 is £16,000. The budget is allocated to civic events and receptions including Marymass Festival and Largs Viking Festival; contributing toward the costs of the annual Provost's Civic Pride and Charity Awards Dinner, Irvine Remembrance Service and Town Twinning activity in Largs and in Irvine.
- 1.2 In September 2012, the Provost began fundraising for local charities and encouraged North Ayrshire Council staff to assist with this. To date a total of £57,299 has been raised. From December 2013, £23,572 has been raised.

2. Current Position

- 2.1 The Provost's Civic Events Budget has been committed to the end of the financial year as detailed in Appendix 1. £2,950 remains available to 31 March 2015.

3. Proposals

- 3.1 The Cabinet is requested to (a) note the contents of the report; (b) approve the requests for funding to date; and (c) agree to receive an update in six months.

4. Implications

Financial Implications

- 4.1 A total of £57,299 has been raised for charity since May 2012.

Human Resource Implications

- 4.2 None arising from this report.

Legal Implications

- 4.3 None arising from this report

Equality Implications

- 4.4 The Provost's fundraising activities support a range of equality groups, in particular charities which provide assistance to people with disabilities.

Environmental and Sustainability Implications

- 4.5 None arising from this report

Implications for Key Priorities

- 4.6 The Provost's fundraising activity supports Single Outcome Agreement: Local Outcome 11a "Levels of voluntary action and community involvement have increased.

5. Consultations

- 5.1 None arising from this report.

6. Conclusion

- 6.1 The Provost takes part in a significant range of civic engagements and fundraising events for the benefit of the local community. The Provost greatly appreciates the considerable contribution made by staff in fundraising for charity.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Garry Hamilton, Provost's Office
Co-ordinastor on 01294 324123

Background Papers

0

Provost's Civic Events Budget 2014/15

Date	Description	Amount	Balance
June 2014	3 Ayrshire Councils - Armed Forces Day Event and Reception	£500	£15,500
July 2014	Sponsorship of North Ayrshire Open Arts Exhibition	£200	£15,300
August 2014	Marymass Festival Receptions	£5,500	£9,800
August 2014	Accommodation costs for French Delegation attending Marymass Festival	£500	£9,300
September 2014	Viking Festival Reception	£1,000	£8,300
October 2014	Ayrshire Hospice Ball	£850	£7,450
October 2014	Irvine Incorporated Trades – Annual Celebration dinner	£400	£7,050
October 2014	Sponsorship of Juvenile Solo Piping Festival	£100	£6,950
November 2014	Remembrance Service	£1,000	£5,950
March 2015	Contribution to Provost's Civic Pride and Charity Awards Dinner	£2,000	£3,950
March 2015	Corporate Gifts	£1,000	£2,950
	Uncommitted Balance	£2,950	£0

NORTH AYRSHIRE COUNCIL

Agenda Item 8

16 July 2014

Cabinet

Subject: Scotland's Digital Participation Charter

Purpose: To seek Cabinet's approval to sign Scotland's Digital Participation Charter.

Recommendation: That Cabinet agrees to remit to the Chief Executive to sign Scotland's Digital Participation Charter on behalf of the Council.

1. Introduction

- 1.1 Digital technology is undoubtedly transforming our society and changing the way we live - how we buy goods and services, how we build and maintain friendships and how we communicate with people and organisations in our local communities and across the world.
- 1.2 The Scottish Government has a vision for Scotland to be a world-leading digital nation by 2020. This vision is underpinned by the need to ensure Scotland's businesses, public services and citizens have the confidence, capability and skills to take full advantage of the benefits the digital economy can bring.
- 1.3 The term 'digital' in this context is used to refer to those activities that involve Internet technologies. This includes digital infrastructure (fibre, wireless, etc), digital platforms (websites, mobile, etc) and digital content (information, entertainment, etc).
- 1.4 The Scottish Government set out its Digital Strategy in *Scotland's Digital Future: A Strategy for Scotland*, published in March 2011. The Strategy consists of four inter-related strands:
 - **Connectivity:** Closing the digital divide by putting the right, world-class, future-proofed next generation broadband infrastructure in place to ensure the whole of Scotland can participate in the digital world.
 - **Participation:** Ensuring that businesses, whatever their size, and the people of Scotland, whatever their location, age or income, can choose digital first. It is essential that everyone has access to the right technology and are capable and confident in its use at home and at work.

- **Economy:** To encourage a vibrant and thriving digital economy where our research base and indigenous companies are recognised internationally and are supported and encouraged to grow. Our workforce has the digital skills required to support that continued growth to ensure Scotland remains an attractive destination for inward investment.
- **Public Services:** Transforming public services to ensure they can be provided online whenever possible and are shaped around peoples' needs.

1.5 The Scottish Government also established a single, integrated digital directorate to oversee and ensure the delivery of this strategy in a coordinated manner. More recently it launched the Digital Scotland website (www.digitalscotland.org) which summarises the progress being made within each element of the strategy, as well as signposting opportunities for those who wish to get involved.

2. Current Position

2.1 On 24 April 2014, the Cabinet Secretary for Culture and External Affairs launched a second strategy document *Digital Participation: A National Framework for Local Action*. This document sets out how the Scottish Government will work in partnership with public, private and third sector organisations to ensure that all sections of Scottish society are able to make confident use of digital technologies and the Internet.

2.2 The Digital Participation Charter (Appendix 1) is at the heart of the Government's approach to building levels of digital participation across Scotland. The Charter was originally launched in 2011 and has recently been refreshed in order to set out how organisations can contribute to increasing digital participation. The Charter already has 40 signatories (Appendix 2).

2.3 All organisations that commit to the Charter agree to:

- ensure that all their staff and volunteers have an opportunity to learn basic online skills and they take advantage of this opportunity.
- encourage and support their staff and volunteers to help other people learn basic online skills, and help organisations to embrace digital tools.
- contribute resources and practical support for digital participation initiatives in Scotland in whatever ways they can.

- channel their efforts through the Digital Participation Programme, so that their activities can be coordinated for maximum impact and measured consistency.
 - use common language based on participation and basic online skills, to make their thinking and actions as clear as possible.
- 2.4 In terms of the commitments outlined in the Digital Participation Charter, it should be noted that the Council already does much of this. For example, the Council provides citizens with free computer and Internet access, mainly via its network of libraries.
- 2.5 The Council also provides support to its employees and volunteers, local businesses and the wider North Ayrshire community to develop their digital skills. This support is provided via a range of learning and development courses, masterclasses, volunteer programmes, clubs and, of course, partnership working arrangements. A short Briefing Note is attached at Appendix 3 giving a flavour of these various support mechanisms.
- 2.6 The Council's IT and Customer Services Teams have also worked in conjunction with a number of customer focus groups to redevelop the Council's website which recently achieved a four star rating from SOCITM (Society of Information Technology Management).
- 2.7 Various services contributed to this work and have helped to develop a range of online services including reporting repairs and faults, viewing Council Tax accounts, making payments, submitting planning and housing applications, as well as the ability to apply for jobs within the Council and request services and information.
- 2.8 The Council has also embraced mobile technology with the development of its awarding winning 'Report It' App which allows citizens to report various issues such as dog fouling, fly-tipping, graffiti, potholes, etc via smartphones and tablets and allows them to track repairs and clean-ups from start to finish through live progress updates. Additionally, the Library App provides access to free music streaming, ebooks and digital magazines.
- 2.9 More recently, the Council has developed the groundbreaking careNA Community Portal in conjunction with hundreds of social service users and care providers. The portal allows users to find information on social care and community activities throughout North Ayrshire. This is accessible via different methods including, PC's, laptops, tablets and smartphones.
- 2.10 In terms of future developments, work will continue to address the needs of residents and businesses by further developing services to allow them to access these in a place that works for them and via the device they want to use.

- 2.11 North Ayrshire still faces challenges with broadband speeds and connectivity and work is taking place with the Scottish Government and partner agencies to improve local broadband infrastructure and investigate the possibility of additional free public wifi.
- 2.12 Public access to computers has seen a dramatic and sustained increase in bookings. This is linked to changes being introduced through Welfare Reform. The Welfare Reform Working Group is currently mapping existing computer access points for public use in Council buildings, partner organisations to ensure free, supported and convenient access is available. This includes exploring where the public can get access during weekends, after 5 p.m. and during holiday periods
- 2.13 In order to support Charter signatories to deliver their commitments, the Scottish Government has funded a dedicated team within the Scottish Council for Voluntary Organisations (SCVO), led by the Director of Digital Participation. This team is responsible for:
- acting as a "matchmaker" - identifying complimentary partners and funding/resource opportunities.
 - developing and managing the tools, resources and information required by Charter signatories in order to help them deliver on their Charter commitments.
 - agreeing and delivering a national plan, in conjunction with national and local government, to promote digital participation which brings meaningful benefits to people who are currently digitally excluded.
 - promoting digital skills and the use of digital technology within the third sector itself.
 - working with other organisations to achieve the shared goal of tackling digital exclusion.
- 2.14 SCVO has created a cross-sector (public, private and third sector) Leadership Group, of which the Chief Executive is a member, to steer the digital participation agenda. This Group is currently highlighting that in order to achieve the ambition of a being a world-leading digital nation by 2020 more organisations need to sign up to the Charter and help improve levels of digital participation.

3. Proposals

- 3.1. The Cabinet is requested to remit to the Chief Executive to sign the Digital Participation Charter on behalf of the Council.

4. Implications

Financial Implications

- 4.1 There are no Financial Implications arising directly from this report.

Human Resource Implications

- 4.2 There are no Human Resource Implications arising directly from this report.

Legal Implications

- 4.3 There are no Legal Implications arising directly from this report.

Equality Implications

- 4.4 Signing Scotland's Digital Participation Charter shows the Council's continued commitment to help support the development of digital participation initiatives for hard to reach groups.

Environmental and Sustainability Implications

- 4.5 There are no Environmental and Sustainability Implications arising directly from this report.

Implications for Key Priorities

- 4.6 Signing of the Digital Participation Charter will show a commitment to developing skills and knowledge of local citizens in terms of internet and web based technologies which in turn will go someway in achieving a number of Single Outcome Agreement and Council Plan objectives.

Community Benefit Implications

- 4.7 There are no Community Benefit Implications arising from this report.

5. Consultations

- 5.1 Consultation has taken place with the Corporate Management Team, Head of Community and Culture and the IT Services Manager.

6. Conclusion

- 6.1 The signing of Scotland's Digital Participation Charter will give a clear indication of the Council's continued commitment to increasing the level of digital participation amongst citizens and businesses in North Ayrshire.



ELMA MURRAY
Chief Executive

Reference : EM/BT

For further information please contact Barry Tudhope, Corporate Business Manager (Chief Executive's) on (01294) 324113 or by email: btudhope@north-ayrshire.gov.uk

Background Papers

- Scotland's Digital Future: A Strategy for Scotland, published in March 2011 (available at www.scotland.gov.uk)
- Digital Participation: A National Framework for Local Action, published in April 2014 (available at www.scotland.gov.uk)

Digital Participation Charter

Our shared ambition is for Scotland to be a world-leading digital nation by 2020. Central to achieving this, and maximising the benefits from Scotland's investment in digital infrastructure, is ensuring that everyone has the access, motivation and basic online skills required to participate fully in our digital world.

Efforts to scale up and accelerate activity in Scotland are coordinated through a Digital Participation Programme led by the Scottish Council for Voluntary Organisations, with a Leadership Group drawn from the public, private and third sectors.

This charter establishes a framework for organisations in Scotland to support the Digital Participation Programme and to pursue our shared ambition. Signatories to the charter commit to working together in a spirit of partnership to promote digital participation in Scotland.

Together we commit to:

1. Ensuring that all of our staff and volunteers have an opportunity to learn basic online skills, and that they take advantage of this opportunity
2. Encouraging and supporting our staff and volunteers to help other people learn basic online skills, and help other organisations to embrace digital tools
3. Contributing resources and practical support for digital participation initiatives in Scotland in whatever ways we can
4. Channelling our efforts through the Digital Participation Programme, so that our activities can be coordinated for maximum impact and measured consistently
5. Using common language based on digital participation and basic online skills, to make our thinking and actions as clear as possible

Signed: _____

To find out more and to pledge your support, please contact digital@scvo.org.uk.



Digital Participation Charter Current Signatories

1. Aberlour
2. BT
3. Capita
4. Carnegie UK Trust
5. Children 1st
6. Cisco
7. Digital Fife
8. Edinburgh City Council
9. Experian
10. Fujitsu
11. Hewlett Packard
12. Improvement Service
13. JP Morgan
14. Liberata
15. MacKay Hannah
16. Microsoft
17. MJI Business Solutions
18. Muon
19. Mydex
20. Nesta
21. NHS24
22. O2
23. Opportunity Enhancement Trust
24. Patient Opinion
25. Peopletoo
26. Rathbone
27. RNIB (Scotland)
28. ScotlandIS
29. The Scottish Government
30. Scottish Council for Voluntary Organisations
31. Sopra Group
32. Scottish Qualifications Authority
33. Stormid
34. Swirrl
35. Unit4 Business Software
36. University of Edinburgh
37. Virgin Media
38. Wheatley Group
39. Wise Group
40. Young Scot

Briefing on Digital Participation Activities

This briefing note provides a flavour of the Council's activities across North Ayrshire to ensure that citizens have confidence, capability and skills to take advantage of the benefits of digital technology.

SUPPORTING OUR ELECTED MEMBERS, EMPLOYEES AND VOLUNTEERS

The Council has a suite of e-learning courses to support its Elected Members, employees and volunteers in the use of digital technology.

Example packages include a 'Basic Concepts of IT' course suitable to those that have little or no PC experience, and 'British Computer Society Information & Communication' which focuses on them explaining the Internet and using this securely.

In addition to providing a variety of e-learning packages on Microsoft Office software, the Council is an accredited centre for delivering and assessing the European Computer Driving Licence, a recognised qualification for employees wishing to demonstrate their understanding on a variety of IT packages.

Certain locations within the Council, such as Greenwood Conference Centre and Cunninghame House, have 'Touchdown areas', which provide the facility to work through these e-learning packages away from the employee's normal work location.

Training is also provided on specific technology or software packages, as this is required. For example, Elected Members have recently been offered group training sessions and 1-2-1 coaching on the use of Apple Ipad.

SUPPORTING LOCAL BUSINESS

The Council's Business Growth programme offers support to businesses in developing their e-business skills.

The programme aims to advise businesses on making the best use of their available resources, in addition to supporting them in attracting investment and funding. It assists businesses in various areas such as:

- developing and implementing an e-business strategy
- assisting the business to improve customer and supplier communications and systems by encouraging the take-up and development of e-business

The Council can also provide businesses with funding towards the development of their website, search engine optimisation, e-booking/sales, electronic stock control as well as funding towards staff training for e-businesses.

In addition, the Economic Development Service periodically provides social media Master Classes for local businesses in order to raise awareness of social media channels and help them develop a social media plan for their business.

WIDER NORTH AYRSHIRE COMMUNITY

The Community and Culture Service offers a range of learning and development opportunities to the wider North Ayrshire Community, examples are provided below:

Training in New Technologies Project

The Training in New Technologies is a project funded by SLIC (Scottish Library and Information Council) and run jointly between Inverclyde and North Ayrshire Libraries. The project has involved creating an online training programme primarily for frontline library assistants which gives them hands-on experience with new and mobile technologies, such as tablets, eReaders and MP3 players. The overall aim of the project has been to build up the confidence of front-line library staff in using these new technologies, so that they can in turn support library users in their use of mobile devices. To date 29 staff have participated.

Computer Buddy Scheme

Computer Buddy schemes operate in a number of libraries across North Ayrshire and allows volunteers to share their experience and computing skills and knowledge with other members of the community. In 2013/14, 19 computer buddies worked with 75 participants

Macmillan Volunteers

Basic IT training (including internet use) is provided to Macmillan Volunteers, based in libraries, to support them with the recording of information, staff rotas etc.

Garnock Valley Family History Group

Support is provided to volunteers to develop digital skills such as using iPads to record interviews and undertake online video editing.

North Ayrshire's Yesterd@ys digitisation project

Sessions are held in libraries to raise awareness of the Council's online photograph collection. The Ayrshire Community Trust have been working with young people and training volunteers to create and upload new content. Over 300 people have participated in this project.

North Ayrshire Reads

Provided learning opportunities for older people to allow them to engage in digital skills through familiarisation with a range of devices to provide access to the library catalogue, e-books and online resources including the North Ayrshire Yesterd@ys Project.

Short courses have been delivered in libraries. Participants learned how to use new technology to download and read eBooks and access other online resources.

Mindfulness Project

North Ayrshire MindFULLness initiative is aimed to support older library learners in developing digital skills. Digital skills workshops have been delivered in libraries, day centres and sheltered housing units throughout North Ayrshire. Sessions delivered in libraries reached 58 participations, with outreach sessions reaching 251 participants.

Employability Support

A number of libraries and community centres operate computing for employment courses which provide assistance to job seekers in terms of applying for jobs online and uploading CVs etc.

Appiness Project

Appiness builds on our digital engagement to develop capacity in our communities. The project offers a programme of digital learning for parents and their pre-school children through nurseries and early year providers. This enables them to develop digital skills and to look at ways in which younger children's minds can be stimulated and their learning accelerated. It also teaches parents about internet safety.

June 2014

NORTH AYRSHIRE COUNCIL

Agenda Item 9

16 July 2014

Cabinet

Subject: **Community Benefits from Wind Turbines and other Renewable Developments**

Purpose: To review the present position regarding Community Benefits from Wind Turbines and other Renewable Developments in North Ayrshire in light of the Scottish Government publication 'Practice Principles for Community Benefit from Onshore Renewable Developments'.

Recommendation: That Cabinet agrees:- (a) that the Directorate of Economy and Communities should prepare a policy on Community Benefits from Wind Turbines and other renewable developments which would seek a level of Community Benefit commensurate with the Practice Principles; and (b) to note that a review of the criteria for wind turbines in terms of Policy P19 of the Local Development Plan is currently being progressed.

1. Introduction

- 1.1 It is normal in the case of certain developments, notably wind turbines, that the developer provides some form of community benefit. These benefits can be in kind or a regular financial payment to the Council, local fund or other representative community organisation.
- 1.2 While the promise of finance might assist a developer in gaining local support and minimise objections, strictly speaking such financial benefits form no part of the planning application process. This is because the planning process relates to the suitability of a specific site for a particular use and no amount of financial inducement should justify a development which would otherwise not be acceptable on proper planning grounds.

- 1.3 Nevertheless, the level of community benefits are usually agreed at the time of granting planning permission. Many authorities have a clear policy on community benefits. This sets out the community benefits which are expected and provides certainty and transparency to developers, community and Council. It also separates the planning process from the process of negotiating community benefits. Moreover such a policy tends to result in a much higher level of community benefits than would otherwise be paid..
- 1.4 On 24 April the Scottish Government published 'Practice Principles for Community Benefit from Onshore Renewable Developments' which states that community benefits should be an entirely separate process from planning decisions and should be based on the specific needs of local people, not on the impact of the project
- 1.5 These 'Practice Principles' state that such developers should provide community benefits of at least £5000 per megawatt (MW), index linked to inflation for the lifetime of the development, together with the consideration by developers of the scope for community involvement. The Practice Principles are attached at Appendix 1.

2. Current Position

- 2.1 Prior to the commencement of wind turbine developments in the 2000s', planning law and guidance was to the effect that any benefits sought from a developer should directly relate to the development. For example, it could be justifiable to ask a supermarket developer to pay for the installation of a new roundabout and traffic lights outwith their development site as this directly arose from their development. Similarly it would be possible to require the developer to provide a bond to pay for the cost of restoration. However it was not legally possible to require a developer to make payments into a community fund as the use of this money would not be directly linked to the development.
- 2.2 While this remains the underlying legal position, wind turbine developers in the 2000s' voluntarily started to offer payments to local communities. This has now become the norm for wind turbines and renewable developments, including hydro schemes. As detailed in the 'Practice Principles', the Scottish Government is keen to see community benefits promoted across all renewable technologies and they are very encouraged by the willingness of onshore renewables developers to offer voluntary community benefits packages and to register these on the Scottish Governments Register of Community Benefits.

2.3 A number of other local authorities have adopted a strategic policy which makes clear the level of community benefits which developers are expected to provide and how this can be used. These generally require a contribution of between £2500 and £5000 per megawatt with each turbine usually producing either two or three megawatts. Examples of other schemes are: -

- East Ayrshire Council £2500 per MW – the funds are administered by EAC. For a period of ten years from the commencement of construction work all contributions are directed towards local projects within ten kilometres of the wind turbine boundary. Thereafter 50% of contributions received will be directed towards local projects with 50% being reserved for use in the wider East Ayrshire area. The fund is used to finance community and environmental projects;
- South Lanarkshire – £2500 per MW – the funds are administered by the Council's renewable energy fund to effected communities and improve the quality of life and economic prosperity in the local area. Eligible projects are within a ten kilometre radius of each site. SLC expect their fund to be collecting over £2million per annum;
- Highland Council – £4000 - £5000 per MW – The geographical distribution of funds varies according to local circumstances; and
- Dumfries and Galloway Council - £5000 per MW – funds are administered by Dumfries and Galloway Council. Contributions are spent on the basis of 50% within a 15k radius from the outer boundary of the wind turbines and 50% through a region wide socio-economic fund.

2.4 The maximum community benefit paid by any wind turbine development in North Ayrshire is £1570 per MW. The relatively low level of community benefit reflects the fact that there is no corporate strategic policy and developers approach local community groups directly. Inevitably the disparity of negotiating strength between companies and local community groups has been reflected in the relatively low level of community benefits paid which remains clearly much lower than current Scottish Government guidance.

2.5 The present position in North Ayrshire is as follows: -

- Busbie Muir, Ardrossan – 15 turbines or 30MW. £800 per MW is given to the Three Towns Area Committee for local and environmental projects. It is also understood that £800 per MW is given to a local West Kilbride Trust;

- Kelburn – 14 turbines or 28MW. This pays £1570 per MW. It is the only fund within North Ayrshire where payments are index linked. The fund is administered by the wind turbine operator RES and by a board comprising of local business people, councillors etc;
- Wardlaw Wood, Dalry – 6 turbines or 18MW – the scale of annual contributions is unknown as no formal Trust fund is in place. Community Windpower does operate an Energy Advice Centre in Dalry, employ an educational ranger who assists local schools and others and makes ad hoc grants. While the register of community benefits maintained by the Scottish Government suggest that the company provide £2500 per MW, the company have been unable to provide specific details of this when requested. Accordingly the level of actual contributions is neither known or transparent; and is not within the control of the community;
- Millour Hill Dalry – 6 turbines or 18MW. This was an extension to the Community Windpower development and while the register of community benefits maintained by the Scottish Government suggest that the company provide £5000 per MW, the register refers only to single grant for a scout hall roof. Again, the level of actual contributions is neither known or transparent; and is not within the control of the community.

2.6 It is evident that the ad hoc manner in which community benefits from wind turbine developments have been paid has resulted in a considerable loss to North Ayrshire. Based on a potential £5000 per MW recommended in 'Practice Principles for Community Benefit from Onshore Renewable Developments' North Ayrshire Council should receive £470,000 per annum towards community benefits whereas it presently receives about 20% of this.

2.7 Over and above the significant loss of income which could be used to spend on neighbourhood priorities the present arrangement has the following disadvantages: -

- Developers approach local community groups directly to promise money. Inevitably such groups are unaware of the potential sums on offer and have not been able to maximise these in discussions with wind turbine developers. There is little meaningful consultation of the type recommended in the Government's Practice Principles and the process is not transparent;

- The promise of money to certain areas and not others can be divisive. Benefitted communities may expect ward members to support money coming to their community, perhaps at the expense of other communities within the ward. In multi-member wards this can create challenges for members. It should also be noted that in terms of the Councillors' Code of Conduct, members have a duty to promote the interests of the entire local authority area, not just their ward;
- Worse still, the prospect of money can lead to lobbying of members by community groups who wish the development granted for financial reasons unconnected to the planning merits of the development. This is one of the reasons why the Government's Practice Principles state that the process of negotiating community benefits is kept separate from the grant of planning permission;
- Monies tend not to be distributed in a systematic way, linked to the needs of an area, whether local or regional. For example, the Government's Practice Principles recommend the creation of Community Action Plans for each community benefit. There is an obvious opportunity for such Action Plans to align with Neighbourhood Priorities agreed with Community Planning Partners and Communities as part of the neighbourhood planning process, regardless of who holds and distributes the benefits. Section 8 of the Government's Practice Principles discusses this in more depth;
- The holding of community benefits in a larger Council-wide fund gives an opportunity for further contributions to be made to the fund, whether by the Council or through match funding. The overall administration involved in running a number of separate funds is also more costly and time consuming than running one fund;
- If benefits are solely distributed to the immediate locality of the development, this results in a disparity of resources available to different communities. For example, while the Garnock Valley could benefit from onshore windfarms, neither it nor Kilwinning would be able to benefit from offshore renewable developments which are likely to supersede onshore windfarms . This is not necessarily an argument against those communities nearest wind turbines being the sole beneficiaries of community benefits however the fact that some communities receive such benefits and others do not, is something which needs to be balanced when the Council allocates resources;

- The scope for further onshore wind turbines in North Ayrshire may be limited, in the short-term by landscape capacity and in the medium term by the fact that their viability depends on Government grants. As more productive renewable technology, such as offshore renewables is developed, grants will inevitably be directed towards this. However in future there will be community benefits offered by other types of renewable development, hydro power might be a good example. This is a good time for a policy to try and address and maximise such benefits for the wider North Ayrshire community.
- 2.8 Section 6 of the Government's Practice Principles suggests that the onus should be on developers to contact community groups. It proposes that in advance of a full public consultation developers undertake a survey to determine a) what should be the geographical area to benefit and b) within that area who should be the appropriate contacts and communities of interest. It suggests that community councils might have a role in this.
- 2.9 The Practice Principles suggest that in determining an effected community, developers should have regard to any local authority policy. The Principles also recognise the scope for a region-wide fund which could be held by the local authority. Following the principle that community benefits should not form any part of the planning process, it emphasises that local authorities cannot use the planning application process to enforce use of a local authority policy on community benefits.
- 2.10 Section 8 of the Government Practice Principles highlights that "achieving effective spend of community benefit funds to support community led action can contribute to the long-term sustainability of local communities and encourage a focus on devising strategic action plans with community backing. With local strategic community action plans, proportional to the income to be received from community benefits, communities can realise a long-term vision that reflects their own priorities, for example contributing to employment and regeneration, local housing, energy efficiency or other local needs".
- 2.11 The Government's Practice Principles are helpful in supporting communities to maximise community benefits, and ensure that benefits are spent in a more coordinated manner linked to the priorities of a community. However the fact that developers are recommended to make direct contact with communities and determine which areas benefit, may just continue many of the problems identified in section 2.9 of this report. Nor will developers necessarily wish to be caught in the middle of different communities, each desperate to maximise community benefit for their own benefit. While the Practice Principles refer to a role for Community Councils, many areas of North Ayrshire do not have a Community Council.

3. Proposals

3.1 For the following reasons it is recommended that the Council develop a policy on community benefits:-

- It provides a clear separation between the planning application process and the community benefit process;
- Experience to date has been that direct discussions between developers and communities has not maximised community benefits as set out within current Scottish Government Guidance. A clear policy with appropriate officer support will help this;
- It provides certainty for developers, members and communities as to what is recommended in North Ayrshire and helps developers to determine a) what should be the geographical area to benefit and b) within that area who should be the appropriate contacts and communities of interest;
- It supports communities to develop a Community Action Plan focussed on the needs of their community, ensuring effective and targeted spend of any community benefits;
- A policy would help support work by Community Planning Partners on Neighbourhood Planning and by the Council on community capacity building and empowerment;
- It supports appropriate and transparent governance arrangements, either through a Council administered fund or local arrangements.

3.2 It is proposed that the Directorate of Economy and Communities produce a policy relating to community benefits. This would set out the level of community benefits which are expected from wind turbine and other developments. It would also set out the arrangements for delivery of these. At least £5000 per MW would be expected, index linked to inflation for the lifetime of the development, together with the consideration by developers of the scope for community involvement in line with 'Practice Principles for Community Benefit from Onshore Renewable Developments'

3.3 It is also proposed that the Directorate of Economy and Communities considers the opportunities to target community benefits toward the priorities of neighbourhoods and to how these can support community capacity building and empowerment within North Ayrshire;

3.4 Planning Policy - The determination of an application for planning permission is made in terms of the Development Plan unless material considerations indicate otherwise. Policy PI 9 of the approved North Ayrshire Local Development Plan supports wind turbine developments subject to the proposal satisfying certain criteria primarily aimed at the preservation and protection of the intrinsic landscape of the area. The policy is supported by approved supplementary guidance on landscape capacity studies. It is considered that the current policies do not fully reflect either the Council's strategic priorities of economic

development and regeneration, sustainability and building stronger communities or the Scottish Government's policy support for sustainable economic development and renewables (e.g. the current wind turbine development at GSK). A review of these policies on these terms is currently being progressed.

4. Implications

Financial Implications

- 4.1 There are no financial implications arising from this report.

Human Resource Implications

- 4.2 There are no human resource implications arising from this report.

Legal Implications

- 4.3 There are no legal implications arising from this report.

Equality Implications

- 4.4 There are no equality implications arising from this report.

Environmental Implications

- 4.5 There are no environmental implications arising from this report, although community benefits can be used to support environmental improvements..

Implications for Key Priorities

- 4.6 Additional income available through new community benefits supports the Council priority of being effective and efficient but, more importantly, an increase in funds could also be used to support wider Council Priorities.

Community Benefit Implications

- 4.7 The ad hoc nature of community benefits from wind turbines in North Ayrshire has resulted in substantial financial loss to the area compared to wind turbine benefits payable elsewhere in Scotland. The proposal for a new policy would result in additional financial resources being available to communities and would contribute to individual and community capacity building and improved community empowerment.

5. Consultations

5.1 CMT.

6. Conclusion

6.1 The adoption, implementation and adherence to a policy clearly setting out expected community benefit payments, based on Scottish Government guidance would support community empowerment and engagement, maximise community benefits across North Ayrshire and clearly separate these from determination of planning applications, thus protecting local members.



ELMA MURRAY
Chief Executive

Reference : AF/cf

For further information please contact Andrew Fraser, Head of Democratic Services on 01294 324125

Background Papers

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Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments

Scottish Government Good Practice Principles

for

Community Benefits from Onshore Renewable Energy Developments

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1 Foreword

Renewable energy in Scotland presents an unprecedented opportunity for communities to share in the benefits of their local energy resources. The Scottish Government has no powers to oblige developers to pay community benefits but has been very encouraged by the willingness of onshore renewables developers to offer voluntary community benefits packages and to register these on the Scottish Government's Register of Community Benefits.

2013 saw the launch of the Onshore Wind Community Benefit Protocol published by Scottish Renewables, which details a consistent approach to community benefits across Scotland. Community benefits present an opportunity for social, economic and environmental improvements to communities and individuals across Scotland. The protocol, which is the first of its kind for Scotland, outlines a number of key commitments from Scotland's onshore wind sector, including a commitment to explore the potential for greater community ownership from onshore wind farms and a pledge to sign up to the online Register of Community Benefits from Renewables. This protocol is an important step in the right direction as we move towards a position where as many wind farms as possible, still to be commissioned, including small scale developments, are able to sign up to these industry commitments.

We know that the processes and administration of community benefits are evolving, and will be shaped by the local context, but we do think there is scope to encourage models that allow communities to invest strategically in order to maximise local gains.

This document details good practice principles and procedures promoted by Scottish Government. It is intended as a practical guide to the process but also, through examples of what is already being achieved, as a showcase to inspire success.

This Guidance has drawn mainly on experience from the onshore wind sector but the Scottish Government would like to see community benefits promoted across all renewables technologies and hence most of the principles and procedures herein will be applicable to other onshore renewable energy technologies. In 2014, Scottish Government Guidance will be developed to cover community benefits from offshore renewables.

While intended for developers of renewable energy projects in Scotland, it is also expected to be a valuable tool for other stakeholders, such as community groups and local authorities, to understand the expected process.

Finally we are grateful for the work of the informal stakeholder group, as listed in Annex 11.4, convened under our Community and Renewable Energy Scheme (CARES), in helping to develop this Guidance. We think this effort has produced a very helpful national reference to guide what is a voluntary local process, and we are committed to working together to ensure that the Guidance is reviewed and updated to stay relevant.

A handwritten signature in black ink, reading 'Fergus Ewing'. The signature is written in a cursive style with a large loop for the 'F' and a long tail for the 'g'.

Fergus Ewing

The Scottish Government Register of Community Benefits from Renewables is available at www.localenergyscotland.org/register and showcases projects funded through community benefits from renewable energy to date.

2 Introduction and Overview

Community benefits offer a unique and unprecedented opportunity to communities across Scotland. Scottish Government recognises that many developers have individual company policies and approaches which work well to deliver community benefits, and this guidance is intended to share and build upon the progress in the field to date for forthcoming operational projects. There is a national imperative to look for greater consistency across Scotland in order to maximise the returns to communities from renewable energy developments and the associated voluntary packages, however the Scottish Government recognises that no one size fits all when it comes to community benefits and that decisions on the details are best led locally, creating unique outcomes. **Hence the key principles of our national guidance are the promotion of a national rate for onshore wind community benefits packages equivalent to at least £5,000 per MW per year, index linked for the operational lifetime of the development, together with the consideration by developers of the scope for community investment** (Section 3).

A key component of this guidance is the provision of information regarding community benefits pre-consent of the renewable energy development. This is considered a vital step in allowing time for capacity building and developing ideas for implementation of the community benefit package.

Community benefits packages from commercial renewables developments are not limited to annual monetary payments into a community fund. Section 4 highlights that the Scottish Government is very keen to see communities get the chance to invest in local developments so that they have a direct stake in the energy being generated locally. Several innovative schemes have successfully been deployed in Scotland in recent years, and we want to encourage similar projects. There is an ambition to build on these examples and on the excellent record of voluntary community benefits schemes in Scotland to date to create a new paradigm for “mutual benefit”, with support for community investment from national schemes such as CARES and the Renewable Energy Investment Fund (REIF).

Community benefits packages have the opportunity to support sustainable development in a number of different ways beyond providing funding or direct investment opportunities. This can take the form of other voluntary benefits including in kind (Section 5). As with community investment, there are numerous innovative schemes operating across the country and the Scottish Government is keen to ensure these opportunities are considered.

It is recognised that community benefit schemes can be divisive locally given that they usually operate within geographical boundaries and sometimes across communities with varying needs and opportunities. It is vital then to identify the appropriate communities to be involved in such schemes so as to maximise the opportunity. The Scottish Government encourages this process to begin pre-consent where possible to allow community groups time to identify their resources and build capacity, and to enable discussion and

identification on an appropriate area of benefit. Section 6 provides guidance on this key element of any community benefits package.

Section 7 covers local consultation which is an important component of any community benefits scheme. The creation and strengthening of mutual trust and relationships should be regarded as integral to the overall process. Consultation should take place from the outset of considering benefits and should be open, timely, fair and inclusive, and everyone should have the chance to get involved. Done well, it can also improve the likelihood of developers and their host communities getting the most out of the community benefits opportunity while at the same time building trust and understanding locally about the renewables development more widely.

The Scottish Government believes that Scotland's greatest asset is its people. The country is enriched by the work of thousands of volunteers and community groups. Their actions play a crucial role in delivering improved social, economic and environmental outcomes. The Community Empowerment (Scotland) Bill is one way that this community action will be supported. Section 8 highlights that achieving effective spend of community benefit funds to support this community-led action can contribute to the long-term sustainability of local communities and encourages a focus on devising strategic action plans with community backing. With local strategic community action plans, proportional to the income to be received from community benefits, communities can realise a long-term vision that reflects their own priorities, for example contributing to employment and regeneration, local housing, energy efficiency or other local needs.

Effective spend relies on responsive fund administration and good governance. Section 9 encourages developers to ensure funds are set up in a way which will support and promote local decision making. There are a number of different models and approaches. Developers, communities and others involved in the process need to be prepared to be flexible so as to find the best solution for their local area, including considering how to align funding from renewables developments by other developers in order to maximise local benefit.

The final section on the ongoing role of the developer recognises that it is in the developer's interest to ensure community benefit schemes are well run over the long term delivering maximum positive impact to communities, the developer and Scotland as a whole.

For ease, this document uses the term „developers' throughout, however the principles are expected to apply to developers and/or operators of renewable energy developments as appropriate. Community benefits are expected to last for the full 20-25 year lifetime of the development and the responsibilities set out in this document are applicable to the ongoing operator.

Relevant support and further reading is available for each topic. Where possible, examples have been included to show existing good practice from schemes across Scotland. A glossary and further supplementary information are available in the Annexes, and an auxiliary document of supporting case studies is also available from www.localenergyscotland.org.

This guidance is designed to be applicable to all renewable energy developments in Scotland which are not yet operational. However, the provision of community benefits (as specified in this Guidance at 3.1, points 3-5) is not linked to planning consent, and is not a material planning consideration.

Scottish Government recognises that the work required in creating a community benefit package is proportional to the size of the renewable energy development, and that smaller scale developments will be unlikely to undertake all the steps outlined in this document in detail. However, the basic principles are expected to apply to all developments over 50kW, and simplified processes are set out in Annex 11.1 for projects of between 50kW and 5MW.

Projects which are assessed by local authorities through the Town and Country Planning (Scotland) Act 1997 are encouraged to respect the principles in this document.

Additionally, this guidance should be followed by applicants seeking consent for proposals under Section 36 of the Electricity Act. Information available here:

<http://www.scotland.gov.uk/Topics/Business-Industry/Energy/Infrastructure/Energy-Consents/Guidance>

3 Basic Principles of Community Benefits

Community benefits offer a unique and unprecedented opportunity to communities across Scotland. Scottish Government recognises that many developers have individual company policies and approaches which work well to deliver community benefits, and this guidance is intended to share and build upon the progress in the field to date for forthcoming operational projects. There is a national imperative to look for greater consistency across Scotland in order to maximise the returns to communities from renewable energy developments and the associated voluntary packages, however the Scottish Government recognises that no one size fits all when it comes to community benefits and that decisions on the details are best led locally, creating unique outcomes.

Hence the key principles of our national guidance are the promotion of a national rate equivalent to at least £5,000 per MW per year, index linked for the operational lifetime of the onshore wind development for community benefits packages, together with the consideration by developers of the scope for community investment.

A key component of this guidance is the provision of information regarding community benefits pre-consent of the renewable energy development. This is considered a vital step in allowing time for capacity building and developing ideas for implementation of the community benefit package.

3.1 Community benefits

The local benefits arising from renewable energy developments can include:

1. Benefits derived from undertakings directly related to the development such as improved infrastructure,
2. Wider socio-economic community benefits in terms of job creation,
3. Benefits derived from community ownership in the development, referred to in this document as „community investment’,
4. Voluntary monetary payments to the community that are not related to anticipated impacts of the planning application usually provided via an annual cash sum, often referred to as a community benefit fund,
5. Other voluntary benefits which the developer provides to the community, (i.e. in-kind works, direct funding of projects, one-off funding, local energy discount scheme or any other site-specific benefits.).

Community benefits are an opportunity for communities to share in the rewards from their local energy resource. **This document refers to “community benefits” as those which fall under points 3., 4. and 5. above, the provision of which is a voluntary undertaking and is not a material consideration in the planning process;** planning permission will be assessed against the provisions in the local authority’s development plan and any other material considerations.

Being a voluntary contribution, community benefit should therefore be an entirely separate process from planning decisions and should be based on the specific needs of local people, not on the impact of the project.

3.2 Expected level

Community benefits can therefore take the form of a comprehensive package, which may include monetary payments or other benefits. Scottish Government recommends that part of this package is composed of an annual cash sum which involves a degree of local control.

Scottish Government recommends a community benefit package for onshore wind developments with a value to the equivalent of at least £5,000 per installed megawatt per annum, index-linked for the operational lifetime of the project.

Additionally, Scottish Government would like to see opportunities for increased levels of community investment explored.

3.3 Right to express view on the development

The provision of community benefits must not be dependent on support from the community for the development. The following should be made clear by the developer to all community members at the outset of the project, to underline the separation between community benefit discussions and the planning process:

Contributing to community benefit discussions does not affect an individual or organisation's right to express a view on the development proposals, and objecting to or supporting the development does not affect their right to discuss the community benefit proposals.

This discussion should be logged or minuted, and reaffirmed when appropriate.

3.4 Community identification and consultation

In advance of submitting a planning application, it is recommended the developer undertakes an initial study to identify the relevant local community or communities that may benefit from any package through engagement with relevant local groups. This early conversation is vital to allow all parties to consider the scope of a potential community benefit package (as specified at 3.1, points 3-5), and begin to consider how any such package might benefit their community.

There should be scope for the community to be involved as this process develops, contributing to the identification of further stakeholders and shaping the consultation process. Ongoing consultation and dialogue should be designed and tailored for each project, in-keeping with existing standards on consultation and engagement, as detailed in Sections 6 and 7. Where possible, this consultation should be separate from any consultation over the development itself and is likely to be phased, starting with engagement of a small group of stakeholders.

3.5 Further Reading

- vento ludens Research Report “*Securing the Benefits of Wind Power in Scotland*” provides process flowcharts on how to develop community benefit offers and a reference list for further reading:
 - <http://www.ventoludens.co.uk/cms/upload/unternehmen/presse/Securing-the-Benefits-of-Wind-Power-in-Scotland-website.pdf>

4 Community Investment

Community benefits packages from commercial renewables developments are not limited to annual monetary payments into a community fund. The Scottish Government is very keen to see communities get the chance to invest in local developments so that they have a direct stake in the energy being generated locally. Several innovative schemes have successfully been deployed in Scotland in recent years, and we want to encourage similar projects.

There is an ambition to build on these examples and on the excellent record of voluntary community benefits schemes in Scotland to date to create a new paradigm for “mutual benefit”, with support for community investment from national schemes such as CARES and REIF.

4.1 Increased community investment

The Scottish Government would like to see developers and communities explore the opportunities presented by increasing the level of community ownership in a development.

The Scottish Government encourages developers to consider an increased level of direct community involvement in the project. A range of community ownership models are developing and the advantages and disadvantages of each should be considered; there is no prescribed fit to suit all communities. It is essential to consider options at an early stage to allow communities the necessary time to identify their needs, resources and appetite for involvement. Developers should provide clear and accessible information upfront to communities about investment possibilities.

Good practice can be seen on the public estate, for example in new commercial wind and hydro developments on the National Forest Estate where, as well as receiving community benefits payments of £5,000 per installed MW per year, communities have the opportunity to invest up to 49% of equity.

Where the community is required to raise finance to invest in the development, there is likely to be a considerable degree of time and effort required. This role is often undertaken by community volunteers and can be a laborious process; however Scottish Government support is available to communities through the Community and Renewable Energy Scheme (CARES), which can also provide access to finance available under the Renewable Energy Investment Fund (REIF). Developers should recognise the increased workload and resources required from the community in such an arrangement, and understand and respect that there may be a need to be flexible and coordinate and align priorities and timescales.

Case Study: Allt Dearg Wind Farmers LLP owns the 10MW Allt Dearg Community Wind Farm. The partners include two estates who own the land and secured the planning consents, two equity investors who also provide commercial management, a small renewable energy developer, and the Ardrishaig Community Trust (via a trading subsidiary).

The Ardrishaig Community Trust's trading subsidiary borrowed £300,000 from Allt Dearg Wind Farmers LLP, which they then used to invest in the project to secure a 1/12th share. The price of Ardrishaig's share was based upon 1/12th of the equity required to fund the £15m build cost - this was at a significant discount to the project market value. The senior debt funding was provided by the Co-Operative Bank. Allt Dearg generated £130,000 of cash for the Ardrishaig Trust in the first nine months of operation to September 2013. The annual income to the Ardrishaig Trust is estimated at £100,000; income will increase substantially as bank debt is paid off after 15 years. In addition to the Ardrishaig Trust's ownership, by way of a wider community benefit Allt Dearg provides £30,000 of annual funding to a local Educational Trust.

Developers who wish to further explore such an arrangement are encouraged to contact Local Energy Scotland to discuss the support available through the Scottish Government's Community and Renewable Energy Scheme (CARES).

4.2 Support

4.2.1 Relevant support

- Identifying appropriate partners and pathways:
 - See Auxiliary Document: Case studies on community investment models
 - Opportunities for community involvement in wind developments here: <http://www.forestry.gov.uk/website/forestry.nsf/byunique/inf-d-94nk2l> .
 - Opportunities for community involvement in hydro developments here: <http://www.forestry.gov.uk/website/forestry.nsf/byunique/inf-d-94njv8>.
 - Development Trust Association Scotland: <http://www.dtascot.org.uk/>
 - Co-Operatives UK: <http://www.uk.coop/>
 - Co-Operative Development Scotland: <http://www.scottish-enterprise.com/microsites/co-operative-development-scotland.aspx>
- Regional support for community involvement from Scottish Government's CARES programme:
 - Delivered by Local Energy Scotland: www.localenergyscotland.org

4.2.2 Further reading

- Owning a community asset
 - Community Land Scotland supports community land ownership in Scotland and provides networking and knowledge sharing. Several wholly community-owned renewable energy developments have been supported to date: <http://www.communitylandscotland.org.uk/>.

- Development Trusts Association Scotland offer case studies on community-owned assets including Fintry community wind turbine:
<http://www.dtascot.org.uk/content/what-is-a-development-trust/case-studies>
- Raising funds and finance
 - Communities required to raise funds may wish to use online resources such as <http://www.energysavingtrust.org.uk/scotland/Communities/Finding-funding> and <http://www.greenspacescotland.org.uk/funding-sources.aspx>.

5 Benefits In Kind and Other Forms of Community Benefit

Community benefits packages have the opportunity to support sustainable development in a number of different ways beyond providing funding or direct investment opportunities. This can take the form of other voluntary benefits .

As with community investment, there are numerous innovative schemes operating across the country and the Scottish Government is keen to ensure these opportunities are considered.

5.1 Identifying opportunities

In addition to a traditional community benefit fund and community investment opportunities, there are other ways in which the community could benefit from a proposed development such as benefits in kind and wider economic benefits.

Benefits delivered in this way can provide local improvements that respond to the needs or aspirations of the community and in many cases, can be delivered efficiently as part of the development and construction process. These opportunities often grow out of discussions with the community and in relation to the nature and scale of the proposed development. The earlier these conversations begin, the greater the opportunity for benefits to be identified and delivered effectively.

These benefits are not to be confused with planning-based mitigation, but may complement actions that are being taken as part of the development process.

Examples of this voluntary approach include:

- Habitat enhancement
- Visitor / recreation facilities
- Community amenities
- Apprenticeships and job creation initiatives
- Local electricity discount
- Wider economic benefits arising from local employment and contractor initiatives
- Improving local areas - Enhancing the town centres, coordinating special events and markets; Establishing visitor centres and local tourist facilities improvements (museums etc); Offering high speed broadband more general infrastructure improvement (such as utility service improvements)

Not all types of benefits in kind will be available to or appropriate for all developers or all developments, but the principle of benefits in kind should be considered at a scale appropriate to the development and in consultation with the local community.

5.2 Support

- vento ludens' Research Report Securing the Benefits of Wind Power in Scotland provides an outline of types of community benefit in Chapter 5:
 - <http://www.ventoludens.co.uk/cms/upload/unternehmen/presse/Securing-the-Benefits-of-Wind-Power-in-Scotland-website.pdf>

Case Study: The Local Electricity Discount Scheme (LEDS) is a new RES initiative which seeks to deliver direct and tangible benefits to people living and working closest to RES' proposed wind farms. The scheme is being introduced at all new RES' sites over 5MW that are being submitted into planning, as well as projects that are consented and awaiting construction, across the UK. Under the scheme £3,000 per installed megawatt for LEDS is available in addition to £2,000 per installed megawatt for a Community Benefit Fund. LEDS has been developed in response to research and feedback from local communities around RES' existing wind farms on how projects can deliver maximum benefits to them.

LEDS offers an annual discount (£100 minimum), paid directly to the electricity bills of those properties closest to a proposed RES wind farm. The scheme is open to all residential, business and community buildings (including schools, places of worship and village halls) within a qualifying area for the operational lifetime of the wind farm. Participation in the scheme is voluntary and does not require any change of electricity supplier or tariff. As a fixed amount (index linked), rather than a percentage of electricity bills, LEDS does not reward higher electricity users over lower users or encourage energy profligacy.

6 Identification of the Community

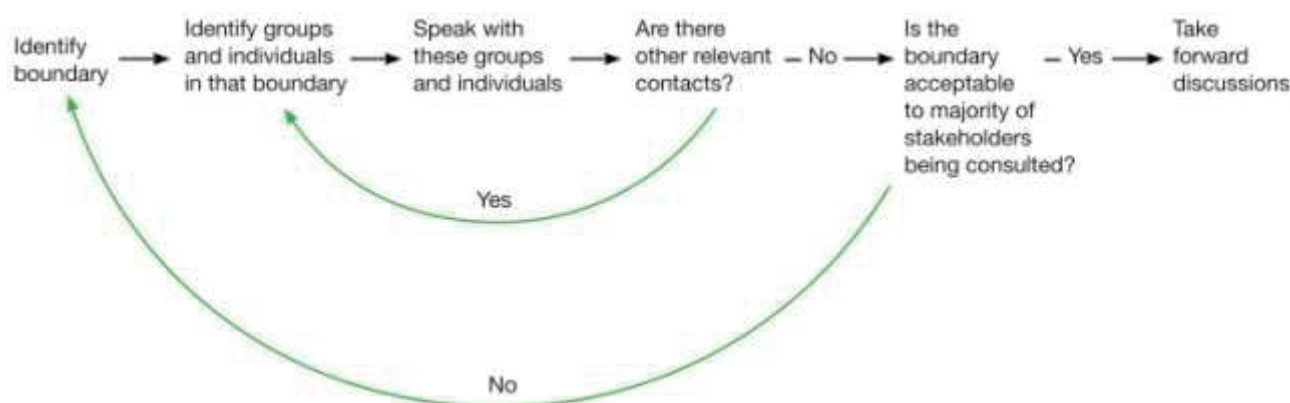
It is recognised that community benefits schemes can be divisive locally given that they usually operate within geographical boundaries and sometimes across communities with varying needs and opportunities. It is vital then to identify the appropriate communities to be involved in such schemes so as to maximise the opportunity. The Scottish Government encourages this process to begin pre-consent where possible to allow community groups time to identify their resources and build capacity, and to enable discussion and identification on an appropriate area of benefit. This section provides guidance on this key element of any community benefits package.

6.1 Initial identification

The Scottish Government considers that flexibility is fundamental to every development, and developers should look to tailor community benefit packages to be site specific, while retaining consistency across their portfolio where appropriate. These discussions should start as early as possible but will continue throughout the development phase of the project. The specific timing of these ongoing discussions should be agreed by the developer and relevant stakeholders. This process should adhere to the National Standards for Community Engagement¹ and Planning Advice Note 03/2010: Community Engagement².

In advance of a full public consultation on a community benefit package, the developer is recommended to undertake an initial study to determine a proposal for:

- a) What should be the geographical area to benefit;
- b) Within that area, who should be the appropriate contacts and communities of interest for consultation.



Consultation on community benefit schemes should reach at least the same geographical area as the required consultation on the development itself. As mentioned in Section 3.3, **any discussions on the provision of community benefits are not a material consideration of the planning process**. To maintain this distinction, Scottish Government recommends that discussions on the development itself and discussions on community benefit proposals are held in two separate forums or at separate times in the development process, though it is recognised that this may not always be possible owing to the scale of the project or available resource and capacity within a community. When the concept of and

¹ The Standards are available at: <http://www.scotland.gov.uk/Resource/Doc/94257/0084550.pdf>

² Planning Advice Note 03/2010 is available at: <http://www.scotland.gov.uk/Publications/2010/08/30094454/0>

approach to community benefit is introduced, it should be made clear that it is independent of the planning process and is not a material consideration in deciding an application.

6.1.1 Factors to consider in identifying the appropriate geographical area:

In the first instance discussions should be held with every community council which the application site covers, and any community council which has a direct border with the application site, where appropriate. A fair and transparent process should be employed to identify the appropriate groups to consult, and individual groups must not be cherry-picked.

Using the boundary of the relevant community council(s) as a foundation, the following factors may also be incorporated to identify an appropriate geographical area to be included in a proposed community benefit fund. Note that this is not a checklist to be applied to every development, nor is it an exhaustive list. The number and nature of the factors selected will be dependent on the local context and developers' company policies.

- Proximity to site (perimeter/boundary may be dependent on scale of project)
 - Concentric circles may give a starting point for identifying an area of benefit. Larger developments (installed MW) should generally have a larger circle. However, a concentric circle may pose challenges for example when this divides community councils; administrative boundaries should be respected in conjunction with other factors.
- Geography and topography
- Characteristics of development
 - Size, scale, siting and visibility of development
- Construction
 - The communities which will be affected in either short-term or long-term by the construction of the development.
- Immediate / adjacent / surrounding postcode areas
 - Consult a map of local postcodes to identify appropriate area boundaries.
- Demographics – population density/spread
 - Be sensitive to any significant populations which may have been overlooked, and for example in more rural areas the funds may more appropriately be spread over a wider area to include a larger population and the locations of key services or facilities used by those within the wider area.
- Consider local authority policy/guidelines
 - Acknowledge local authority community benefit policies or guidelines. These guidelines are not obligatory, but should be discussed with the community in the consultation period if relevant.

6.1.2 Identifying stakeholders

Once the developer has considered an appropriate geographical boundary for consultation, links should be explored and where possible developed with individuals and groups as listed below.

- Local residents
- Local businesses
- Land managers
- Community councils (often likely to be an important lever into the wider community)
- Social groups, for example youth groups, sports groups or lunch clubs for the elderly
- Local development trust
- Housing associations

- Other existing community groups
- Local environmental bodies including Climate Challenge Fund projects³
- Local Chamber of Commerce or Federation of Small Businesses
- Other key service providers, e.g. village hall committees, schools, colleges, healthcare facilities, residential facilities, care providers, community transport services, credit unions etc.

These stakeholders should be invited to propose any other communities of place or communities of interest which they feel should be included in the process at this stage. The VOICE community engagement tool helps identify all the relevant people with an interest, available at: <http://www.scdc.org.uk/what/voice/>

Once appropriate contacts have been identified, these stakeholders could then be invited to form a contact group or „community liaison group’ to take forward further discussions, or any other appropriate method of working together can be employed, for example community open days or events. The stakeholders identified at this stage should be invited to have the opportunity to influence decision making on fund administration and distribution, rather than being invited to engage as a beneficiary of the fund.

6.2 Local context

6.2.1 Further factors of which to be aware

Secondary to those listed above, some further factors for consideration in identifying the benefitting community include:

- Proposed and existing community benefit fund arrangements in the area (renewable energy community benefit or otherwise)
- Resources of communities
 - Recognise that some groups may require support to fully contribute to discussions. Some well-resourced communities may have established networks which can be utilised.
- Needs of communities
 - Existing action plans or similar which can be supported.
 - Community issues identified through other means such as the Scottish Index of Multiple Deprivation⁴ and/or areas in fuel poverty (identified through consultation with local authority and community members)
- Other relevant stakeholder areas
 - The catchment area of any local schools
 - Travel to work areas

Developers are encouraged to communicate and work together where possible and appropriate, and to be aware of other nearby renewable energy developments. The Scottish Government encourages developers to work collaboratively and consider the potential to align local approaches and strategies and also administration arrangements. Working collaboratively is likely to optimise opportunity and impact for the community and achieve high credibility by developers, while reducing the burden on community volunteers.

³ Climate Challenge Fund projects can be located here: <http://www.keepsotlandbeautiful.org/sustainability-climate-change/climate-challenge-fund/projects/map/>

⁴ SIMD areas can be found here: <http://simd.scotland.gov.uk/publication-2012/>

Case Study: E.ON proposed a fund in an area where an established SSE community fund administered by Foundation Scotland was in operation with active community Panel. The existing SSE fund had a broad purpose informed by community profiling and a consultation exercise undertaken by Foundation Scotland. E.ON recognised the value of embracing the same purpose given their fund was directed across the same geography.

The communities in the area were looking for consistency in administration and were cautious about developing overly complex or differing arrangements for different funds affecting the same geographical community.

Brokered by Foundation Scotland as a third party, SSE and E.ON were content to „share’ the same overall purpose and work through a single community panel whilst retaining and respecting separate funds and corporate identities. The two funds continue to operate through a shared Panel although SSE now administers their fund - SSE Achany - and Foundation Scotland continue to administer the E.ON Rosehall Fund.

6.2.2 Widening the area of benefit

This stage of pre-consent consultation may also inform any plans to widen a fund’s area of benefit to a larger - less immediate - geography. The community benefit consultation could also inform how the fund might position itself in relation to any kind of regional fund that may exist in the area. At times such regional funds may be led by a local authority, a developer, or they may be led by communities themselves pooling funds across a defined geographical area.

6.2.3 Local Authority Guidelines

Some local authorities have policies or guidelines to aid regional consistency in the administration and distribution of funds and to ensure the benefits of renewables reach people and groups in the wider area. Please note that these policies represent one possible route, and developers and communities are not obliged to adhere to these. Developers and communities should discuss the relevant local authority approach, and arrive at a mutual agreement on whether this is the most suitable pathway to follow.

Local authorities should be aware that their policies on community benefit from renewables cannot be enforced through the planning system and must remain as optional guidance.

Case Study: vento ludens ltd appointed a community consultation specialist Docherty Consulting Ltd (DCL) to engage with the local community at an early stage in their Balnacoll wind farm project. During the early stages of community engagement, the question of community benefit was raised by the community councils and local residents. The Highland Council made DCL aware of their aspirational policy and clarified that it was ultimately up to the community to decide how they wish to proceed.

All four community councils were asked if they wished to discuss community benefit at the pre-planning stage and all four agreed. An initial meeting was held with representatives from all four organisations to discuss whether the Highland Council policy should be adopted. Although discussions were still on-going at the time of going to print, all four organisations indicated that they wished to continue to negotiate directly with the developer.

The groups also considered lessons from neighbouring wind farm community benefit schemes, how the organisations would wish to work together to develop the offer and how to effectively define the area of benefit. Through discussion, the community, vento ludens and DCL will work together to agree an arrangement which retains a strategic view of investment opportunities in the surrounding area.

6.3 Support

6.3.1 Relevant support

- Identifying local groups
 - Community Energy Scotland membership network: http://www.communityenergyscotland.org.uk/about/our_members
 - DTA Scotland membership: <http://www.dtascot.org.uk/content/directory-of-members>
 - Housing associations can be identified via Scottish Federation of Housing Associations: <http://www.sfha.co.uk/>
 - Local authorities may be able to provide information on region-specific networks.
 - Local chambers of commerce: <http://www.scottishchambers.org.uk/>
 - Social enterprises can be found in the Social Enterprise Scotland directory: www.socialenterprisesotland.org.uk/our-story/directory/
 - Sustainable Community Energy Network Ltd: <http://connect.scenetwork.co.uk/home.php>
 - The local third sector interface may be able to help identify local charities: http://www.voluntaryactionsotland.org.uk/Find_an_interface.asp
 - Scottish Community Alliance is the representative body for a community sector intermediaries and networks in Scotland: <http://www.localpeopleleading.co.uk/>
 - Climate Challenge Fund projects can be located here: <http://www.keepsotlandbeautiful.org/sustainability-climate-change/climate-challenge-fund/projects/map/>

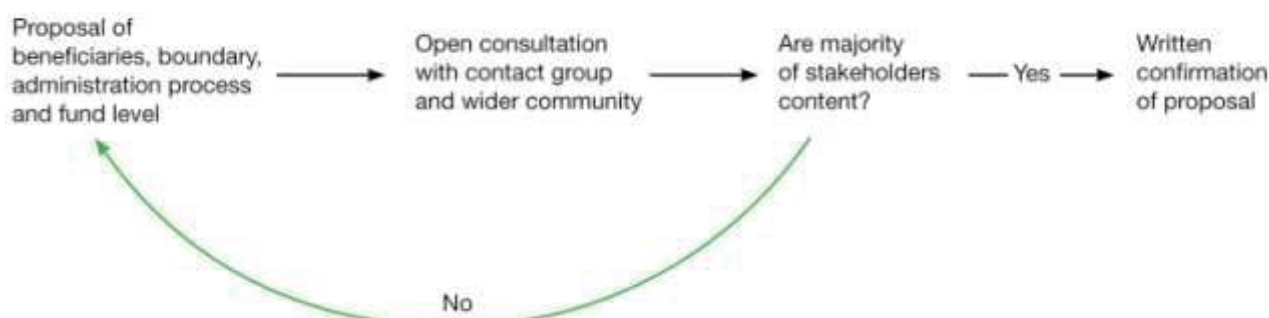
6.3.2 Further reading

- DECC Community Energy Strategy: <https://www.gov.uk/community-energy>

7 Public Consultation on Community Benefit Schemes

Local consultation is an important component of any community benefits scheme. The creation and strengthening of mutual trust and relationships should be regarded as integral to the overall process. Consultation should take place from the outset of considering benefits and should be open, timely, fair and inclusive, and everyone should have the chance to get involved. Done well, it can also improve the likelihood of developers and their host communities getting the most out of the community benefits opportunity while at the same time building trust and understanding locally about the renewables development more widely.

7.1 Principles of consultation



The focus of this early consultation – encouraged to begin at a pre-consent stage – is on the broad parameters of any proposed community benefit scheme rather than a wider consultation to inform effective fund spend.

Developers are encouraged to engage with those identified in the area defined as „the community’ according to Section 6 of this guidance. The consultation process should be designed and tailored for each project as no one method or approach will fit every situation. The Scottish Government encourages flexible, well-planned consultation processes which are inclusive, meaningful and respond to the communities’ needs, in keeping with existing standards on consultation and engagement, specifically National Standards for Community Engagement⁵ and its associated engagement planning tool VOICE⁶. There should be scope for the community to be involved in shaping the consultation process, for example suggesting appropriate methods to be used or questions to be included.

The Scottish Government understands that it can be helpful to all stakeholders to raise the topic of community benefit at an early stage, most likely pre-consent. Although the Scottish Government is aware too that local opponents to the development itself may deem such conversations inappropriate, in the longer term it is the considered view of the Scottish Government that early stage conversations help build engagement in and commitment to local renewable energy developments. If the elements of a wider community benefit package are to be considered (as listed at 3.1) then conversations should be commenced as soon as possible. It is recommended that the principle of the community benefit approach is addressed in an open forum before a planning application is submitted, while

⁵ The Standards are available at: <http://www.scotland.gov.uk/Resource/Doc/94257/0084550.pdf>

⁶ VOICE is available at: <http://www.scdc.org.uk/what/voice>

detailed discussions can be reserved until later (See Section 8 on Supporting Effective Fund Spend). Initially it is important to agree the critical issues identified at 7.1.1 below. All stakeholders should be willing to partake in (and more widely encourage) early engagement and local authorities should recognise the need for these discussions to take place in advance of (and separate to) planning consent.

7.1.1 Content of consultation

The developer should be as transparent and clear as possible in their consultation process, and be prepared to be flexible on the following:

- Where
The boundary defining the benefitting area,
- Who
Identify local representative groups to be involved in the consultation,
- What
What the community benefit will deliver, (i.e. the proposed package and potential areas of needs and opportunity to be addressed),
- How
The mechanism of governance and delivery.

In consultation with the wider community, developers should engage openly with the wider community and these aspects should each be explored and agreed as democratically as possible. Developers should be open and transparent in making policies clear, and in explaining any site-specific restrictions or other limitations on the community benefit package proposal. Developers should consider and address barriers to participation in the consultation process, and should strive to create a consultation process which is as inclusive as possible. It should be recognised that it is likely to take time to develop and implement a thorough and effective consultation process.

Case Study: vento ludens ltd. approached three community councils in the Moray Council area identified through their initial community profiling stage. The community councils suggested including three further community councils in the Aberdeenshire Council area as stakeholders. vento ludens consequently included all six community councils in the consultation process. Through dialogue at public exhibitions and meetings, it was agreed by all that the initial three community councils were the most appropriate stakeholders, and discussions were progressed with these groups accordingly.

7.1.2 Methods of consultation

Scottish Government would expect all consultation to be conducted in an open and transparent manner. Encouraging and facilitating ongoing dialogue should be the focus of the process, alongside ongoing provision of information about different aspects of community benefit. Developers need to be clear at the outset about what elements of the community benefit package can be shaped by the consultation and what cannot. There are

a range of engagement methods which developers are expected to draw on and tailor to specific developments and communities. The following non-exhaustive lists suggest some starting points for designing the consultation process.

Possible methods of facilitating dialogue:

- Community drop-in session;
- Presence at local community event;
- Stakeholder forum/workshop;
- Telephone hotline;
- Workshops and focus groups,
- Web-based consultation;
- Meetings in homes,
- Street stalls.

Possible methods of providing information

- Press releases;
- Community newsletters;
- Letter notification;
- Public meetings;
- Mail drops;
- Use of social media and internet;
- House visits;
- Information road show;
- Letter, email or telephone contact;
- Formal consultation documentation;
- Mobile exhibitions;
- Via community stakeholders such as community council representatives.

The process should continue after views have been gathered from the community; developers should provide feedback on how and why points were or were not accepted.

Case Study: ScottishPower Renewables consulted on a site which straddled three local authority areas. A range of consultation methods were undertaken to engage groups throughout the region. Information was distributed through newsletters, mail drops and house visits to raise awareness of the project. The area had few active community councils and no local venues, so a mobile exhibition was used to reach individuals. Although a time-consuming process, this successfully created strong relationships between the community and ScottishPower Renewables and the mobile exhibition gave the opportunity for the community to voice concerns.

7.2 Commitment to Agreement

The developer should provide an ongoing clear point of contact and ensure that the community groups are able to access relevant support within the developer's organisation and externally.

These discussions can take place over a number of years and it is likely that changes in personnel will occur. There can be a considerable time lapse between a development being granted consent and the start of its construction and subsequent commissioning. For this reason, it is recommended that all meetings, conversations and agreements are minuted and shared with all involved, and when possible an agreement is reached between communities, developers and other relevant agents. Scottish Government recommends that a document is signed to give confidence to all parties that the agreements will be honoured.

This document should detail:

- The proposed community benefit package;
- The proposed roles of all involved, including any third parties;
- The commitment to honour any agreements should the site be sold on, (and the document should be passed to the subsequent owner(s) as part of the development).

Case study: Engagement with the local community councils began in 2010 during the pre-application consultation period for the prospective Sallachy Wind Farm in the Highlands being proposed by WKN AG. At this time, Lairg and Creich Community Councils (those neighbouring the site) asked the developer to include a third community council area, Ardgay and District, in community benefit discussions, which, although not in close proximity to the site, was adjacent to the other two community council boundaries. The three organisations had a standing agreement between them that any future community benefit offers would be shared across the combined community council areas as they felt they operated as a region. Preliminary community benefit discussions began in March 2011 prior to submission of the application in late 2011.

Following further consultations with the three community councils during 2012, WKN AG signed a fixed payment benefit scheme with the three community councils that will take effect should the project go ahead. The agreement guarantees the level of an annual fund in addressing critical local challenges around, for example, jobs & skills training, affordable housing, transport and tourism. In addition, WKN AG has drawn up a tripartite agreement with Energy North and North Highland College's Environmental Research Institute, part of the University of the Highlands and Islands in respect of a graduate placement scheme and supply side incubator to bolster education and skills in the region during the period of construction, should the wind farm be consented.

7.3 Support

7.3.1 Relevant support

- Scottish Government provides support through the Community and Renewable Energy Scheme (CARES), delivered by Local Energy Scotland at www.localenergyscotland.org. CARES can provide:
 - Grant support for communities to look into forming a constituted group or develop an action plan
 - Advice and support from regional development officer
 - Online community guidance package to help with the process
 - Scottish Government Register of Community Benefits from Renewables available online
 - Advice on engaging in joint venture partnerships and increased community ownership models
 - Advice to access further tailored funding and support
- Capacity building for communities is likely to be a focus at this stage – ensuring individuals and groups are equipped to contribute effectively to discussions. Developers should work and engage with stakeholders and agencies that can support the process, and in the early stages of consultation should signpost community groups to further support, including:
 - The Scottish Government's Community and Renewable Energy Scheme supports communities across Scotland: www.localenergyscotland.org
 - Community Energy Scotland provides networking services and capacity building: www.communityenergyscotland.org.uk
 - Education Scotland provides support with community learning and development, including community capacity building: <http://www.educationscotland.gov.uk/communitylearninganddevelopment/communitycapacitybuilding/index.asp>
 - The Scottish Community Development Centre provides support and training in building community capacity: <http://www.scdc.org.uk/what/building-community-capacity/>
 - DTA Scotland provide support to groups wishing to form a community development trust: <http://www.dtascot.org.uk/>
- Planning4Real offer a community planning process based on a 3D model which allows residents to register their views on a range of issues: www.planning4real.org.uk
- Scottish Government Register of Community Benefits from Renewables can provide examples and inspiration at www.localenergyscotland.org

7.3.2 Further reading

- Building Community Capacity: Resources for Community Learning and Development Practice available at: <http://www.scotland.gov.uk/Publications/2007/12/10132433/25>
- Community Ownership Support Service, Involving Your Community, available from: http://www.dtascommunityownership.org.uk/sites/default/files/COSS_Involving_Community_WEB.pdf

- Community Places, Community Planning Toolkit - Community Engagement, available from: <http://www.communityplanningtoolkit.org/sites/default/files/Engagement.pdf>
- National Standards for Community Engagement available at: <http://www.scotland.gov.uk/Resource/Doc/94257/0084550.pdf>
- Statutory pre-consultation process requirements. This is set out in the [Town and Country Planning \(Development Management Procedure\) \(Scotland\) Regulations 2008](#)

8 Supporting Effective Fund Spend

The Scottish Government believes that Scotland's greatest asset is its people. The country is enriched by the work of thousands of volunteers and community groups. Their actions play a crucial role in delivering improved social, economic and environmental outcomes. The Community Empowerment (Scotland) Bill is one way that this community action will be supported.

Achieving effective spend of community benefit funds to support this community-led action can contribute to the long-term sustainability of local communities and encourages a focus on devising strategic action plans with community backing. With local strategic community action plans, proportional to the income to be received from community benefits, communities can realise a long-term vision that reflects their own priorities, for example contributing to employment and regeneration, local housing, energy efficiency or other local needs.

8.1 Process

Once the primary area of benefit has been clarified alongside the delivery arrangements associated with an annual fund, the developer will be expected to consult further with the relevant communities about the income. The objective of such a consultation will be to explore funding priorities and plan for effective fund spend. The output of community benefits should be driven by local community members, who should play an active role in determining how funds are spent. It is important to make sure the correct mechanism and governance is in place to allow for the community's wishes to be met, and developers should consider whether a grant application process, direct funding of infrastructure projects or other in-kind benefits is most appropriate.

The Scottish Government recommends the following features that are likely to be relevant to all scales and types of fund:



Developers are not required to have ongoing input throughout the lifetime of the scheme, but rather to ensure the fund is structured appropriately i.e. through community identification and consultation, outlined in Sections 6 and 7, and to provide or signpost support when necessary. The developer should ensure the fund is set up in a way which allows for each component of the above process to be thoroughly considered.

Determining the Fund Priorities

Identifying community needs, opportunities and aspirations.

Community Action Plan

The developer should accommodate the development of a plan that has credibility throughout the community. This should identify a range of projects at varying scales to improve the social, economic and/or environmental wellbeing of that community. Where there are existing community planning processes in place, the developer should look to support the implementation of these through the community benefit package.

Ensuring Effective Distribution Arrangements

Clarifying whether funds are to be made available on a competitive basis and how; and/ or if they are to be targeted to particular projects or themes from the outset.

Ongoing Administration

Ensuring efficient promotion of the fund, assessing of applications/bids and ensuring effective monitoring and evaluation procedures are implemented.

Supporting „good’ decision making

Ensuring an effective vehicle is in place through which decisions on fund spend can be made. The Scottish Government supports and promotes local decision making where appropriate but recognises there are occasions where expert knowledge can be brought in to assist with decision making.

Evaluation, Review & Learning

At periodic intervals the above elements of the fund should be reviewed and its impact assessed. The governance and infrastructure of a fund should be sufficiently flexible so changes can be made to increase efficiency, effectiveness and impact as necessary.

8.2 Creation of community action plan

Good practice requires the developer to ensure that the fund is structured in a way that will allow effective and strategic spend. It is to the community to decide what „effective’ and „strategic’ will mean for that specific area, and for the developer to confirm that the approach is acceptable. A focus on sustainability and long-term legacy spending is to be encouraged by the developer.

Developers should support creation of a community action plan or implementation of an existing plan where appropriate. The community may take some time to build such a plan and the developer should respect this as an important capacity-building and consensus-forming phase of the scheme. Plans will be site specific, dependent on the scale of the

project and other factors. There are example community action plans available in Annex 11.5 to show community groups the varying approaches to this piece of work.

This work can be conducted by a local community organisation, an external organisation or the developer. This can be funded by the community, the developer or Scottish Government through CARES. An agreement on the best approach to this should be reached through consultation. Developers should signpost community groups to the relevant local, regional and national support organisations who can help build capacity to achieve strategic and effective fund spend.

Scottish Government recognises that developers may have common exclusion principles. These principles and their underlying explanations should be detailed to communities at an early stage.

8.3 Identifying principles for fund spend

Scottish Government recognises that priorities will change over time. It will be appropriate to revisit and review the community's needs and wishes, and the fund purposes and outputs. Communities will evolve naturally over time, and as the income is used to build local capacity, so too should priorities and ambitions evolve and shift. It is important that the process of developing community action plans recognises this and that provision is made for communities to make appropriate changes over the medium and longer terms.

Community benefit schemes can contribute to a sustainable, healthy society. A long-term vision should be encouraged, through a process of evolution and ongoing evaluation throughout the lifetime of the project. While local priorities will vary, a starting point for discussion could focus on community capital, or the concept of sustainability, for example:

Community capital (See Annex 11.6):

- Financial community capital
- Built community capital
- Human community capital
- Social community capital
- Natural community capital
- Cultural community capital
- Political community capital⁷

Sustainable development

- Economic
- Environmental
- Social

The nature and scope of each community's action plan will be site specific and it is vital to allow the community opportunity to shape and develop the plan.

⁷ Community benefit funds are not expected to support Political party purposes, but rather the development of political community capital, such as the community becoming empowered, inclusive and active.

A robust community action plan will enable communities to consider opportunities to use community benefit funds as „match-funding’ to secure income for specific projects. Furthermore, developers may wish to consider proposals of frontloading payments to allow for large-scale projects where this has been identified by the community and may leverage other funds through match-funding as described.

Case Study: A community group had a focused priority of buying a local pub and retaining the building as a community asset. The community secured funding from a number of sources but had a high financial target to achieve in a short space of time. The group applied to the Clyde (Borders) wind farm fund, provided by SSE, and were awarded several future years’ of funding in one lump sum, allowing the group to reach their target. The community have since bought out the pub and are now the owners of the asset, looking forward to developing the site into a thriving local hub.

Further suggestions of community priorities may include:

- Investment opportunities to secure income beyond project lifetime
- Development of a revenue-generating community-owned renewable energy project with support from www.localenergyscotland.org
- Purchase of a community building
- Domestic energy efficiency advice/improvements for example helping individuals access existing Scottish Government schemes, i.e. Home Energy Scotland through workshops or home visits (www.homeenergyscotland.org)
- Local skills and employability
- Sports clubs
- Social clubs, societies and groups
- Contributing to charitable causes
- Contributing to the Scottish Government’s Climate Justice Fund– communities may opt to contribute a proportion of their income to this fund which assists the world’s poorest communities to adapt to the impact of climate change:
<http://www.scotland.gov.uk/Topics/Environment/climatechange/climatejusticefund>
- Local energy discounts – where this isn’t an explicit part of a community benefit package already, as listed at 3.1, the developer or community may subsequently look to set up a local energy discount scheme, where this is feasible
- Supporting outdoor visitor centres or rebuilding of walkways and paths
- Local museums, galleries or other cultural assets

8.4 Support

8.4.1 Relevant support

- See Auxiliary document: Case studies on innovative fund spend
- Education Scotland provides support with community learning and development, including undertaking action plans:
http://www.educationscotland.gov.uk/resources/w/genericresource_tcm4656326.asp
- Further support with creation of action plans is available from:
 - Development Trust Association Scotland: www.dtascot.org.uk

- Foundation Scotland works with developers and communities to facilitate arrangements for establishing and implementing community benefit funds. Foundation Scotland also directly administers community funds on behalf of developers and in partnership with communities across Scotland. : www.foundationscotland.org.uk
- Scottish Community Development Centre: www.scdc.org.uk
- The Scottish Government's Community and Renewable Energy Scheme supports communities across Scotland: www.localenergyscotland.org

8.4.2 Further readings

- Joseph Rowntree Foundation and Alan Caldwell Associates, *Re:Sourcebook, Planning for your Community*, available at: <http://www.jrf.org.uk/publications/resourcebook-planning-your-community>
- Scottish Government *Investment in Rural Community Development: A Community Capitals Approach*, available at: <http://www.scotland.gov.uk/Publications/2012/03/8336/0>

9 Fund Administration and Governance

Effective spend relies on responsive fund administration and good governance. This section encourages developers to ensure funds are set up in a way which will support and promote local decision making. There are a number of different models and approaches. Developers, communities and others involved in the process need to be prepared to be flexible so as to find the best solution for their local area, including considering how to align funding from renewables developments by other developers in order to maximise local benefit.

9.1 Delivering funds effectively

Effective fund administration requires the ongoing functionality to manage and distribute money successfully. It may also involve coordinating the strategy, producing the fund material, making payments in the form of grants and/or loans and monitoring and evaluating impact.

This aspect of a fund will closely relate to the governance structure under which a fund is delivered and the work required will vary:

- Where a new legal entity is established to hold and manage the fund, there will be a level of administrative work around processing the fund, fulfilling legal requirements, ensuring it is resourced and demonstrating accountability
- Where an existing community structure or vehicle is used, that body must be aware of the additional work required to administer the fund
- Where the fund is managed through a third party or directly by a developer, the administration will be undertaken by that third party or developer, while all decision making should be kept local.

The Scottish Government encourages a review of the fund process, purpose and spend every 3-5 years. This review should assess the impact of the fund and measure the socio-economic benefits to the community from the annual income. The governance arrangement and administration structure must be fit for purpose, enabling the community to realise its goals.

While Scottish Government supports a general principle of simplifying community benefit delivery arrangements to best suit community needs, the „busy’ landscape of community benefits means that while desirable, administering the income through one harmonised stream or administrator for a defined geographical area may not always be possible.

See Annex 11.33 for several outlines of administration options. Whichever model is selected, it is important that both developers and communities are aware of the potential for volunteer fatigue when requiring input from community members in their own time.

9.2 Direct funding of projects

Following creation of a community action plan, large-scale long-term projects and actions may be identified which are agreed as a priority for the local area. It may be appropriate to use the income (or a proportion) to directly support implementation of these actions. Flexibility is key, and the community must be involved in agreeing the best approach for the area.

9.3 Grant programmes

Many community benefits funds are administered through an open grant scheme, where individual projects in the community will apply for funding and their application will ideally undergo an objective assessment with funding decisions to be decided on by a panel, usually composed of local community representatives.

9.3.1 Decision making

Decision making on awards or spend should be vested with a group mandated for that purpose. Scottish Government recommends a group is established which reflects the interests, knowledge and ambitions of the relevant communities. Where pre-existing groups are used, it is important to be aware of potential conflicts of interest. In any decision-making group the Scottish Government would wish to see Conflicts of Interest policies developed and adhered to.

9.4 Regional Fund

Regional funds can widen the area of benefit to reach a greater number of individuals and fund area-wide projects. For some larger schemes where feasible, it may be appropriate to split the fund to allow both local and regional benefits, particularly where the longer term economic impacts of the fund are a focus point. Regional funds are likely to be successful when implemented with grassroots engagement and support. Such funds should have a degree of bottom-up input and control to ensure that they are well received by communities across the relevant region. Regional funds may be led by a local authority, a developer, or by communities themselves. Priorities for regional funds will vary according to the needs and aspirations of each wider regional community.

In cases where the local authority has established a region-wide fund, and where the developer and community feel this is appropriate, a proportion of funds can contribute to this region-wide fund to be shared across the local authority area. As set out at 6.2.3 above, local authorities should be aware that guidelines cannot be enforced through the planning system and must remain as optional guidance.

9.5 Support

9.5.1 Relevant support

- There are a range of external bodies that currently administer funds.
 - Local authorities
 - Foundation Scotland administer funds on behalf of developers and communities across Scotland: www.foundationscotland.org.uk

9.5.2 Further reading

- Scottish Community Energy Network (SCENE) provides information on each Scottish local authority's policy on community benefits, available at: <http://scenetwork.co.uk/node/86>

10 Ongoing Role of Developer/Operator

It is in the developer's interest to ensure community benefit schemes are well run over the long term delivering maximum positive impact to communities, the developer and Scotland as a whole.

10.1 Provision of Contract

Once the arrangements of the fund have been confirmed, the developer is encouraged to provide a legally binding contract with the fund administrator for the lifetime of the project. However, over the 20-25 year lifetime of the development, communities and organisations can change and there should be flexibility built into all agreements to ensure that funds continue to be managed effectively.

Agreements should outline the intended action in the case of:

- Dissolution of the recipient organisation
- Sale of development
 - This contract must outline the commitment to honour all agreements should the site be sold on at any stage during the lifetime of the project.
- Decommissioning of the development

Once the fund has been set up and the scheme becomes operational, the developer should continue to provide a clear point of contact and open channel of communication with the community if required. The developer is not required to be involved in the ongoing fund administration process but should keep up-to-date with the fund's outputs and outcomes.

10.2 Reporting

Developers should request an annual report detailing the projects funded in the previous financial year, and any projects planned for the forthcoming year. The production of an annual report will highlight how funds are being implemented. Where help to spend funds is requested by the community, the developer should signpost the community to further support to build capacity and develop ideas. An annual report will boost confidence in the wider community to show what has been achieved with the funds and will help prospective communities to understand the potential community benefits from renewable energy developments.

10.3 Scottish Government Register of Community Benefits from Renewables

Good practice requires all developers of operational projects to submit „provider' details to the Scottish Register of Community Benefits from Renewables, and to encourage community groups to submit „recipient' details. Scottish Government expects a community update to the Register, and this should be encouraged by the developer as part of annual reporting requirements.

View the Register here: www.localenergyscotland.org/register

10.4 Review

Scottish Government would encourage a review to be undertaken on a regular basis, likely to be every 3-5 years as detailed in 8.1. This review should look to develop the community's planning and vision and ensure the fund's priorities are aligned with the long-term goals of the group. The developer does not need to be involved in this process, but may wish to be and should ask for a report on the outcomes of the review and any intended changes the community wishes to make to the scheme.

Close

It is recognised that a great deal of good practice exists to date in Scotland and it is hoped that this guidance will continue to drive Scotland's place as a leader in renewable energy policy and implementation. There is no single approach deemed to be „best practice' and Scottish Government hopes that this guidance inspires innovative arrangements and discussions. This document will be reviewed on a regular basis to capture case studies showing the range of options open to those involved in the process.

11 ANNEXES

11.1 SMALL SCALE PROJECTS (50kW – 5MW)

Small scale projects receiving FITS are encouraged to provide community benefits.

The Scottish Government provides support for community and locally-owned renewable energy projects across Scotland through the Community and Renewable Energy Scheme (CARES). CARES offers financial support to help communities, rural businesses and land managers take forward renewable energy developments over 50kW. Most of the projects supported will be under 5 MW. Developments supported through the scheme must have a local focus, and rural business applicants to CARES are required to provide community benefit of £10,000 per installed MW. As an example, a 100kW scheme would pay £1,000 per year to the local community. Such developments must adhere to the „Community Benefit Guidance for CARES Applicants’ available at www.localenergyscotland.org.

Although the Scottish Government recognises that site-specific factors and financial models may affect individual projects, small-scale projects are still encouraged to provide community benefits proportionate to the scale of the development

Simplified processes of good practice:

- Identify the appropriate community body or bodies. You may consider proximity, visibility, construction impact and any existing community networks. It is helpful to start discussions with the community council in which the site is situated. This group may be willing to receive income, or may be able to help identify an appropriate alternative where feasible
- Explain your proposals and agree a method of administration. Once finalised, you should look to confirm these agreements in a contract.
- Once operational, encourage annual reports from the community group to keep informed of projects which the fund is supporting.
- Submit your details on the Scottish Government Community Benefit Register and encourage the community to do so.

11.2 ANNEX: GLOSSARY

Action Plan	Document outlining the community’s priorities and the changes local people would like to see.
Capacity Building	Identifying barriers to development and enhancing abilities to allow individuals and groups to achieve sustainable results.
CARES	Community and Renewable Energy Scheme, funded by Scottish Government and delivered by Local Energy Scotland.
Community of interest	A community of people who are bound together because of a shared interest or passion. Members of such a community may engage with one another to share information or ideas around the shared topic.
Community of place	A community of people who are bound together because of where they reside, work, visit or otherwise spend a continuous portion of their time. Such a community can be a neighbourhood, town, coffeehouse, workplace, gathering place, public space or any

	other geographically specific place that a number of people share, have in common or visit frequently.
Consultation	A process undertaken to understand people's views and opinions on a topic.
Grassroots	Activity or movement driven by a community.
Index-linked	Adjusted according to the value of a retail price index.
Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Match-funding	The stipulation set by a grant-providing body that the grant recipients raise a certain percentage of the money they require.
Memorandum of Understanding	Document describing an agreement between two or more parties. This document is not legally binding, but indicates an intended common line of action.
MW	Megawatt: Unit of power in which renewable energy installations are measured.
REIF	Renewable Energy Investment Fund
Stakeholder	A person with interest or concern in something.
Town and Country Planning (Scotland) Act 1997	This Act requires that decisions on planning applications should be made in accordance with the development plan unless material considerations indicate otherwise. Material considerations should be related to the development and use of land.

11.3 ADMINISTRATION OPTIONS

11.3.1 ScottishPower Renewables – Mark Hill, Arecleoch and Wether Hill

ScottishPower Renewables' approach is to allow the community to determine the best way for them to administer the fund:

At the Mark Hill and Arecleoch windfarms in Ayrshire, the Board has recruited Carrick Futures, a local social enterprise to undertake the administration responsibilities as the communities felt that this was the most appropriate vehicle. The social enterprise offers assistance to complete all grant applications, advises on how to achieve match funding, works with the 12 directors (2 from each of the six relevant community council areas) to process suitable applications and meet reporting requirements. The social enterprise operates transparently and provides regular reports to both the wider community and ScottishPower Renewables.

At Wether Hill, the community benefit fund is administered by the community directly through the Carsphairn Renewable Energy Fund Ltd., as this was deemed the most appropriate approach during the consultation phase. The community has set up a company limited by guarantee to process the funds, and holds quarterly meetings of the directors (local volunteers) to consider and approve applications for grants.

11.3.2 RES – Hill of Towie

RES set up a Community Liaison Group (CLG) during the construction of Hill of Towie Wind Farm in Moray. The CLG consisted of community councils, resident associations, local interest groups, councillors and local residents. As well as allowing RES to communicate with the wider community on various aspect of the construction process, the CLG was also actively involved in setting up the Community Benefit Fund. The CLG received two

presentations from prospective fund administrators - one from a national organisation which manages community funds and one from a local group called REAP. REAP were selected to administer the fund.

A Community Benefit Fund Working Group was then established representing all groups on the CLG, supported by REAP and RES. This working group developed the fund's purpose, the area of benefit, guidelines and application forms.

The Community Benefit Fund has been operating since June 2012 and has a decision-making panel made up of representatives from the community councils, local residents from each village, councillors, students and the head teacher of the high school. REAP provides the administration service and supports the decision-making panel.

11.3.3 RWE Npower Renewables – An Suidhe

In April 2011, RWE npower renewables (RWE NRL) gave local people the opportunity to have their say in how the An Suidhe Wind Farm Community Benefit Package might be developed.. RWE NRL consulted on various options regarding the structure and the administration of the community fund with a view to ensuring the effectiveness of the fund was maximised. A consultation document was sent to all relevant Community Councils neighbouring the site of our An Suidhe Wind Farm and the consultation document was made available on our website. Local press releases made the general public aware the consultation was taking place and that it was open to all groups and individuals. The consultation generated a lot of interest and 5 local organisations submitted formal written feedback. As a result Foundation Scotland was appointed to administer one single fund. Decisions about the awards of all grants were to be made by a grants panel with representatives from the communities within the area of benefit originally proposed and confirmed through the consultation process.

11.3.4 Infinis - Glenkerie

During 2011 the community local to the Infinis Glenkerie Wind Farm considered how best to administer their community benefit. They researched setting up their own Trust and invested time and money to understand the legal implications of this arrangement. They also tried to understand the administrative impact of pursuing this route. During this process they also met with Foundation Scotland to better understand how Foundation Scotland's services might support and assist them. The community decided quite late on in their set up process to work with Foundation Scotland instead of setting up their own Trust. Their arrangement with Foundation Scotland puts them in the driving seat of the strategy and decision making associated with the Fund but assures them of a degree of protection, overall governance and administration that otherwise they would have been wholly responsible for themselves and which, they didn't have the capacity for.

11.3.5 SSE – Achany, Clyde (Borders), Drumderg, Fairburn, Gordonbush, Griffin, Toddleburn

SSE worked successfully for many years with a third party administrator of their community funds. However, with an increased focus on the work SSE carries out in communities and SSE's projections for community benefit funds in the future, the company decided to bring

the management of their funds in-house in January 2012 in order to build a closer relationship with the communities near their renewable projects. As administrator, SSE takes no part in the decision making process beyond ensuring that applications comply with the fund criteria. Decisions on which projects to support from the fund are made by a local advisory panel of community members with representation from community councils and local residents in the benefit area. The local panel is assigned a community investment advisor from SSE's specialised community investment team who assists the panel in the management of the fund and ensures complete accountability and transparency with regard to how the fund is used.

Since taking the funds in-house, SSE has been able to build a direct relationship with the communities near their wind farm developments. There is a greater level of trust and many more opportunities to promote the positive impacts of the funds in the local area and beyond to the mutual benefit of both the developer and the communities involved.

11.4 STAKEHOLDER GROUP REPRESENTATIVES

Scottish Government wishes to thank the following representatives who took part in the informal stakeholder group and informed the development of this document:

Jennifer Ramsay, Local Energy Scotland (Chair)
Rachel Anderson; RES
Gillian Arnot; ScottishPower Renewables
Tom Black; Foundation Scotland
Yana Bosseva; RenewableUK
Joss Blamire, Scottish Renewables
Chris Bunyan; Shetland Community Benefit Fund Limited
Elaine Cleary; Aberdeenshire Council
Meg Deasley; Docherty Consulting
Charles Dixon-Spain; Colintrave and Glendaruel Development Trust
Kristy Docherty; vento ludens ltd
Ross Easton, SSE
Andrew Faulk; Consumer Futures
Debbie Harper; ScottishPower Renewables
Graeme Keddie; SSE
Susanne Mueller; vento ludens ltd
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Rachel Searle-Mbullu; Foundation Scotland
Colin Williams; Muirhall Energy
Ciara Wilson; SSE

With further thanks to:

Community Energy Scotland, Consumer Futures, Scottish Renewables, Foundation Scotland

11.5 EXAMPLE COMMUNITY ACTION PLANS

11.5.1 Lochaber:

<http://www.highland.gov.uk/NR/rdonlyres/4E640F34-C928-4ABF-9AD4-9BD331B4FC18/0/LochaberCDPNov08MASTERv11.pdf>

11.5.2 Neilston:

<http://www.neilstontrust.co.uk/about-us-2/publications-documents/category/3-ndt-reports.html?download=24:neilston-town-charter>

11.5.3 Kirknewton Development Plan:

http://www.kirknewton.org/assets/0000/1534/Community_Development_Plan_Nov_11.pdf

11.5.4 Sustaining Dunbar Action Plan:

<http://www.scribd.com/doc/71442230/Sustaining-Dunbar-2025-Local-Resilience-Action-Plan>

11.5.5 Kildrummy, Lumsden and Towie Community Action Plan:

<http://www.marrareapartnership.org.uk/Kildrummy,%20Lumsden%20&%20Towie%20Community%20Action%20Plan%20-%20low%20res%20-%20final%20-%20july2013.pdf>

11.6 Community Capitals

From “*Scottish Government Investment in Rural Community Development: A Community Capitals Approach*” available at: <http://www.scotland.gov.uk/Publications/2012/03/8336>

Capital	Examples of relevant assets	Examples of flows of goods and services in a rural context
Financial	Income; wealth; security; credit; investment	Models of finance - eg commercial loans; private sector partnerships Shares in the community shop
Built	Housing; transport and telecommunications infrastructure; utilities; buildings	Broadband connection Community transport Renewable energy
Human	Self-esteem; education; skills; health	What you know can benefit your community - eg as a local historian, folk musician, botanist Local leadership development programme Local schools encouraging place-based education
Social	Leadership; groups; bridging and bonding networks; trust; reciprocity	Committee for the agricultural show Farmers' market Rural women's network

Natural	Natural resources; ecosystems (land; minerals/energy; soils; water)	Raw materials (eg land used for crops; water/barley used for whisky) Food produced from the land Fish/farm stock
Cultural	Language, rituals and traditions, a sense of place	Festivals to celebrate significant local events Revival of indigenous language; respect for dialect Place-based learning
Political	Inclusion; voice; power	Local authority Community planning partnership Development trust



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NORTH AYRSHIRE COUNCIL

Agenda Item 10

16 July 2014

Cabinet

Subject:	Consultation on Regulations relating to the Public Bodies (Joint Working) (Scotland) Act 2014
Purpose:	To agree a response to the Scottish Government's consultation on draft regulations relating to the Public Bodies (Joint Working) (Scotland) Act 2014.
Recommendation:	That the Cabinet agrees to approve the response set out in the report.

1. Introduction

- 1.1 The Public Bodies (Joint Working) (Scotland) Act 2014 provides for Scottish Ministers to put in place a number of Regulations and Orders which will provide additional prescription regarding the integration of health and social care. An indication of the likely contents of the Regulations was given in the policy statements that accompanied the passage of the legislation. The draft Regulations are not substantially different from the policy statements.

2. Current Position

- 2.1 The draft Regulations were published for consultation in two sets. The first set covers the following matters:
- Prescribed information to be included in the Integration Scheme.
 - Prescribed functions that must be delegated by Local Authorities.
 - Prescribed functions that may or that must be delegated by a Health Board.
 - Prescribed National Health and Wellbeing Outcomes.
 - Interpretation of what is meant by the terms health and social care professionals.
 - Prescribed functions conferred on a Local Authority Officer.

The consultation on this set of regulations will run until Friday 1st August 2014.

2.2 The second set of regulations covers:

- Membership, powers and proceedings of integration joint boards.
- Groups which must be consulted regarding integration schemes, prescribed consultees for draft strategic plans, prescribed consultees for localities, prescribed consultees for revised integration schemes.
- Prescribed membership of strategic planning groups.
- Prescribed form and contents of performance reports.

2.3 In addition to the above, there is a further draft regulation which applies only to partnerships that have chosen the lead agency arrangement for integration in preference to the body corporate model.

The consultation on the second set of regulations runs until Monday 18th August 2014.

2.4 On conclusion of the consultation, Scottish Ministers will work with stakeholders to consider the responses and the final versions of the Regulations will be laid before Parliament from late September 2014, coming into force by the end of the year.

2.5 The draft Regulations are accompanied by summary statements of each Regulation. These have been combined in a single document and are reproduced at Appendix 2. The draft Regulations themselves are reproduced at Appendix 3.

3. Proposals

3.1 A proposed response to the consultation on both sets of Regulations is set out in Appendix 1 to this report. No comment has been made on the draft Regulation titled "Establishment, membership and proceedings of integration joint monitoring committees" as this applies only to the delegation between partners model of integration which has not been adopted for North Ayrshire.

3.2 The main issues in the draft Regulations which the proposed consultation response addresses are detailed below:

Information to be included in the integration scheme

3.3 In relation to complaints, the proposed response asks for a decision by Scottish Government about the future of Social Work Complaints Review Committees, which has been awaited for some time.

Functions that must be delegated by local authorities

- 3.4 The main issue here is around the housing functions that the draft Regulations stipulate must be included. North Ayrshire Council has not delegated any housing functions to the Shadow Integration Board. While equipment and adaptations could be delegated relatively easily, delegation of housing support would be problematic for other Housing Services functions remaining within the Council, particularly the homelessness service that draws heavily on housing support. Our proposed response asks that the mandatory delegation is limited to aids and adaptations.

Functions that must or may be delegated by a Health Board

- 3.5 The main issues around the delegation of Health functions are two fold; firstly, public health/health improvement is identified within the list of community services to be delegated and secondly, that a proportion of hospital budgets relating to emergency care, are delegated but only in a strategic planning sense.

Our proposed response welcomes the inclusion of health improvement within the partnership but asks for further clarification around some areas under public health functions, for example, infection control.

We also propose to welcome the idea of giving partnerships influence and control over some hospital budgets. This is a complex proposal but important if partnerships are to be able to deliver better outcomes for people in the community and shift the balance of care from hospitals.

Membership, powers and proceedings of Integration Joint Boards

- 3.6 The draft Regulation stipulates that the Health Board should nominate at least two non-executive directors. In North Ayrshire, this would mean two non-executive and two executive directors. Our proposed response asks that this be amended to require that a majority of the Health Board nominees should be non-executive Directors of the Health Board as this would provide better independent scrutiny of the performance of the services delegated to the integration joint board.
- 3.7 Our draft response also asks for provisions to be made in the event that a declaration of a conflict of interest by a voting member results in an imbalance between the Council and the Health Board in order that the parity between the two bodies is retained.
- 3.8 The draft Regulations include the requirement for a quorum being two thirds of the voting members from the local authority and two thirds of the voting members from the Health Board. It is considered that that may be hard to achieve consistently and the proposed response therefore proposed that "two thirds" be amended to "half".

4. Implications

Financial Implications

- 4.1 There are no financial implications arising from this report.

Human Resource Implications

- 4.2 There are no human resource implications arising from this report.

Legal Implications

- 4.3 The Regulations in their final form, will impose legal obligations on NHS Ayrshire & Arran, North Ayrshire Council and, when it is established, the North Ayrshire Integration Joint Board.

Equality Implications

- 4.4 There are no equality implications arising from this report.

Environmental and Sustainability Implications

- 4.5 There are no environmental implications arising from this report.

Implications for Key Priorities

- 4.6 The integration of health and social care will contribute to the delivery of the "Healthier North Ayrshire" priority in the 2013-2017 Single Outcome Agreement.

Community Benefit Implications

- 4.7 There are no community benefit implications arising from this report.

5. Consultations

- 5.1 Members of the Shadow Integration Board (SIB) are holding a workshop on the draft Regulations. Any representation that the SIB might wish to make to the Cabinet will be reported at the pre-agenda meeting. Members should note that the SIB decided at its meeting on 11th June that it would not respond to the consultation in its own name, although individual members of the SIB might decide to respond in their own right.

- 5.2 Officers involved in the Health & Social Care Programme Board were also consulted in the draft regulations.

6. Conclusion

- 6.1 The Regulations give considerably more detail as to how the integration of health and social care will operate. The consultation allows the Council to raise those issues which could cause difficulty for the Council if the Regulations were laid before Parliament and approved in their current form.



ELMA MURRAY
Chief Executive

Reference : IC/KS

For further information please contact Elma Murray, Chief Executive, North Ayrshire Council on 01294 324124.

Background Papers

None

CONSULTATION ON THE DRAFT REGULATIONS AND ORDERS RELATING TO PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

RESPONSE BY NORTH AYRSHIRE COUNCIL

PRESCRIBED INFORMATION TO BE INCLUDED IN THE INTEGRATION SCHEME

We agree with the prescribed matters to be included in the Integration Scheme and do not propose any additional matters for inclusion.

We note the operational role of the Chief Officer is included in the regulations, however the responsibilities of the Chief Officer are not. Section 10(7) of the Act states “the responsibilities of a Chief Officer are subject to the agreement of the Scottish Ministers”, we therefore feel further clarification is required.

We feel further clarification is required around “an integration authority which is....a Health Board and local authority acting jointly”. It is unclear whether this refers to an Integration Joint Board under s.1(4)(a) or the integration model in s.1(4)(d).

We note the requirement for the integration scheme to contain information about the management of complaints. As services are delivered on a more integrated basis it will be important for partnerships to have processes and accountability for complaints management that are clear and easy to follow for people who may have a complaint to make. In this context we note that there has been no decision as regards the future of Social Work Complaints Review Committees and it would clarify the complaints landscape if a decision were made as to their continuation or otherwise.

As regards the question of a dispute resolution procedure, we are of the view that almost all disputes should be capable of local resolution, either informally or by way of the agreed procedure. We note that the model Integration Scheme, which is the subject of a separate consultation, sets out a dispute resolution process. North Ayrshire Council welcomes this approach.

PROPOSALS FOR PRESCRIBED FUNCTIONS THAT MUST BE DELEGATED BY LOCAL AUTHORITIES

The list of functions that must be delegated, with the exception of aids and adaptations and housing support services, are already within the scope of delegation by North Ayrshire Council.

We understand that some councils, who have undertaken a housing stock transfer, will manage housing support services within their Social Work departments and that in that case, a delegation to the Health & Social Care Partnership will be the most effective way of managing that service.

Other councils, including North Ayrshire, continue to have a full housing service in which housing support services are located. Disengagement of housing support from other services, such as homelessness, which draw on them, is not necessarily the most effective or efficient way of delivering these services. Strong strategic and operational links between Housing Services and Health & Social Care Partnerships will be a necessary component of the transfer of the balance of care from institutional to community settings but how this is achieved will vary between Partnerships. Our view is that housing support should not be included in the mandatory delegation meantime but that local solutions should be developed to ensure joined up working between Housing and Health & Social Care services.

We do not believe that the draft regulations are sufficiently clear as to what is included in “housing support” and it is not clear from the regulations why section 92 of the Housing (Scotland) Act 2001 has been included in the functions which must be delegated, as the promotion or development of registered social landlords does not appear to come under the heading of housing support services, or any other function which must be delegated. If the function is that under s.92 (2)(a) which states “a local authority may provide assistance to a registered social landlord or to any other person concerned with - (a) providing, improving, adapting, repairing, maintaining and managing housing” - and it is the “improving” and “adapting” which falls under housing support services, then this should be clarified by including a limitation in Column B and by referring to applicable sub section. The wording in parenthesis should also be revised.

Nevertheless, it remains the Council’s view that s.92 of the Housing (Scotland) Act 2001 should not be included in the mandatory delegation. This function sits better within the housing functions remaining with councils.

The Council requests that mandatory delegation of housing functions be limited to equipment and adaptations

PRESCRIBED FUNCTIONS THAT MAY OR THAT MUST BE DELEGATED BY A HEALTH BOARD

We welcome the proposals that a Health Board must delegate all of its functions as they relate to adult primary and community health services. In the main, these services are already delegated to the Shadow Health and Social Care Partnership by NHS Ayrshire & Arran. The one area which requires further clarification relates to Public Health / Health Promotion. The Council is firmly of the view that the health improvement functions should be embedded within the HSCP and that effective delivery of health improvement measures should be delivered alongside operational services. The area for further delineation relates to the Public Health function where a pan Health Board response may be more effective, for example, infection control response.

We also welcome the other main proposal within these regulations relating to delegation of functions of a proportion of hospital sector provision mainly relating to unscheduled hospital care. As we understand it, the intention is that the partnerships must have a degree of influence and control over emergency care pathways through strategic planning. We understand that this is an attempt to

ensure transparency around resource allocation between community and acute services and to facilitate a shift in the balance of care. We recognise that this is complex and along with our partners in East and South Ayrshire and NHS Ayrshire and Arran, we have volunteered to assist the government in developing the arrangements and mechanisms required.

NATIONAL HEALTH AND WELLBEING OUTCOMES

We welcome the proposed national Health and Wellbeing outcomes. These reflect the work that has been completed over the past few years around Community Care outcomes and in particular the work led by the Joint Improvement Team around Talking Points. Social care practitioners have raised concerns that the proposed outcomes may not be meaningful to people who use services. These outcomes would benefit from a more explicit link to Talking Points in the Regulations.

Outcome 8, “People who work in health and social care services are supported to continuously improve the information, support, care and treatment they provide and feel engaged with the work they do” would benefit from a link between improving outcomes for service users and the corresponding outcomes for staff.

INTERPRETATION OF WHAT IS MEANT BY THE TERMS HEALTH AND SOCIAL CARE PROFESSIONALS

We agree that the groups listed prescribe what “health professional” means for the purposes of the Act. We also agree that identifying Social Workers and Social Service Workers through registration with the Scottish Social Services Council (SSSC) is the most appropriate way of defining Social Care Professionals provided that this is read with sections 3(b) and (c) of the draft Statutory Instrument which widens that description to include persons who would be registered with the SSSC were they not already registered with another named body and persons who are not eligible to be registered with the SSSC but who nonetheless provided care and support to users of social care services, for example care at home staff and social work assistants.

PRESCRIBED FUNCTION CONFERRED ON A LOCAL AUTHORITY OFFICER

We agree that the definition of a “Council Officer” for the purposes of Adult Support and Protection will not change from that contained within the Adult Support and Protection (Scotland) Act 2007 i.e. registered/part registered social workers, occupational therapists and nurses, with at least 12 months post qualifying experience.

However, we recognise in the case of Integration Joint Boards, this role can be conferred to an officer of the Health Board where they meet the prescribed conditions stated above i.e. occupational therapists and nurses.

In addition, the age limit of 18 to define “adults” within the Regulations, does not fit with the age limit of 16 being used to define “adults” in relation to the Adult Support and Protection Act.

PRESCRIBED GROUPS WHICH MUST BE CONSULTED WHEN PREPARING OR REVISING INTEGRATION SCHEMES; PREPARING DRAFT STRATEGIC PLANS; AND WHEN MAKING DECISIONS AFFECTING LOCALITIES

North Ayrshire Council agrees that the draft Regulations include the right groups of people to be consulted.

MEMBERSHIP, POWERS AND PROCEEDINGS OF INTEGRATION JOINT BOARDS

The Council is in agreement with the list of non-voting members who should be appointed to the Integration Joint Board.

The Council recognises the difficulty that Health Boards may experience in identifying a sufficient number of non-executive directors to Integration Joint Boards, particularly where a single Health Board area covers a number of Integration Joint Board areas. The provision in the draft Regulation that the Health Board should nominate at least two non-executive directors could result in there being an equal number of executive and non-executive directors on the Integration Joint Board where the number of NHS and Council appointees is four. In view of the potential conflict of interest on the part of executive directors and the need to ensure independent scrutiny, the Council requests that the draft Regulation be amended to require that the majority of NHS appointees to the voting membership of Integration Joint Boards should be non-executive Directors of the NHS Board.

From time to time members will have to declare an interest in the business being decided by the Integration Joint Board and will not be eligible to participate in the discussion or to vote. Provision should be made in the Regulations for the impact that that will have on the balance of voting membership between members appointed by the NHS Board and members appointed by the Council in the event that a vote is taken on which one of the voting members has declared an interest.

The Council notes that an Integration Joint Board may pay all reasonable expenses relating to travel and subsistence costs incurred by its members in connection with their membership of the Integration Joint Board. From time to time some non-voting members may be in paid employment and may suffer loss of earnings as a result of their participation in the work of the Board. The Council accordingly asks that the draft regulations be amended to allow members to be reimbursed for loss of earnings.

In respect of the matters to be included in Standing Orders, the Council notes that at least two thirds of the voting members nominated by the Health Board and two thirds of the voting members nominated by the local authority are required to constitute a quorum. It may be difficult to sustain that level of attendance on all occasions and therefore the Council asks that the regulation is amended to prescribe that one half of the voting members nominated by the Health Board and one half of the voting members nominated by the local authority will constitute a quorum.

The Council notes that the Policy Statements previously noted the Health Board Director of Finance of the local authority s.95 officer should be included in the non-

voting members of the Integration Joint Board. This position seems to have been revoked in the statutory instruments and therefore further clarification is sought regarding the position of this role.

PRESCRIBED MEMBERSHIP OF STRATEGIC PLANNING GROUPS

North Ayrshire Council is in agreement with the proposed groups of people listed in the draft Regulation as requiring to be represented on the strategic planning group.

CONTENT OF PERFORMANCE REPORTS

North Ayrshire Council is in agreement with the prescribed matters to be included in the performance report. We welcome the ability to include such other information in the performance report as the integration authority sees fit. This will enable integration authorities to adapt performance reporting to their own situation and make them more relevant to local circumstances.

Introduction to the draft Regulations – Set 1 (published on 12 May 2014)

DRAFT REGULATIONS RELATING TO PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014 – SET 1

Public consultation on the first set of draft Regulations to accompany the Public Bodies (Joint Working) (Scotland) Act 2014.

Consultation Paper

Introduction

The Public Bodies (Joint Working) (Scotland) Act 2014 provides a framework to support improvements in the quality and consistency of health and social care services through the integration of health and social care in Scotland. The policy rationale for integrating health and social care services is: to improve the quality and consistency of services for patients, carers, service users and their families; to provide seamless, joined up, high quality health and social care services in order to care for people in their homes, or a homely setting, where it is safe to do so; and to ensure resources are used effectively and efficiently to deliver services that meet the needs of the increasing number of people with longer term and often complex needs, many of whom are older. Set one of the draft Regulations relating to The Public Bodies (Joint Working) (Scotland) Act 2014 are within this consultation. Their purposes are:

1. Prescribed information to be included in the Integration Scheme Section 1(3)(f) of the Public Bodies (Joint Working) (Scotland) Act 2014

The Integration Scheme is a document to be prepared in respect of each Local Authority area, by the Local Authority and the relevant Health Board. It sets out models of integration that the Health Board and Local Authority have opted to use in practice. It contains the key agreements that have been made between Health Boards and Local Authorities to make integration a success and describes the necessary processes and procedures that will be put in place.

Section 1(2) of the Public Bodies (Joint Working) (Scotland) Act 2014 together with sections 2(3) and 2(4), which make provision for the case where there is more than one Local Authority within a Health Board area, requires that Health Boards and Local Authorities prepare an Integration Scheme. Section 1(3)(a-e) of the Public Bodies (Joint Working) (Scotland) Act 2014 sets out the key information that must be included in the Integration Scheme, such as the scope of the functions delegated, the resources delegated and the model of integration chosen.

These Regulations sets out the other matters that Scottish Ministers intend to prescribe for inclusion in the Integration Scheme, and information about these matters, which Health Boards and Local Authorities must provide. They include provisions about the following matters:

- Local governance arrangements
- Local operational arrangements
- Clinical and care governance
- Workforce
- Finance
- Claims management and indemnity arrangements
- Dispute resolution
- Stakeholder and public engagement
- Complaints
- Data sharing
- Risk management

2. Prescribed functions that must be delegated by Local Authorities Section 1(7) of the Public Bodies (Joint Working) (Scotland) Act 2014

The policy intention set out within the Public Bodies (Joint Working) (Scotland) Act 2014 is to achieve the integration of adult health and social care functions, while providing local flexibility to integrate further for other specified functions of Local Authorities.

Section 1(5) of the Public Bodies (Joint Working) (Scotland) Act 2014 introduces Part 1 of the schedule, which sets out the functions of Local Authorities that may be delegated. Section 1(7) of the Public Bodies (Joint Working) (Scotland) Act 2014 allows Scottish Ministers to prescribe in Regulations those functions that must be delegated by a Local Authority, as they relate to specific services for adults. These Regulations sets out those functions.

3. Prescribed functions that must or may be delegated by Health Boards Section 1(6) &1(8) of the Public Bodies (Joint Working) (Scotland) Act 2014

The Public Bodies (Joint Working) (Scotland) Act 2014 requires Local Authorities and Health Boards to enter into an Integration Scheme, which provides the basis for Health Boards and Local Authorities to plan integrated arrangements for the delivery of adult health and social care services.

Section 1(8) of the Public Bodies (Joint Working) (Scotland) Act 2014 allows the functions of a Health Board that must be delegated under an Integration Scheme to be prescribed within Regulations.

Section 1(6) of the Public Bodies (Joint Working) (Scotland) Act 2014 allows the functions of a Health Board that may be delegated under an Integration Scheme to be prescribed within Regulations. These Regulations sets out the functions of a Health Board that must be delegated and the functions of a Health Board that may be delegated under an Integration Scheme.

4. Prescribed National Health and Wellbeing Outcomes Section 5(1) of the Public Bodies (Joint Working) (Scotland) Act 2014

Section 5(1) of the Public Bodies (Joint Working) (Scotland) Act 2014 allows Scottish Ministers to prescribe National Health and Wellbeing Outcomes. National Health and Wellbeing Outcomes are high-level statements of purpose which apply to the planning, delivery, review and inspection of the arrangements that are made for the integration of health and social care services. They aim to achieve the improvement in the lives of patients and services users and the quality of service users. These Regulations set out the nine National Health and Wellbeing Outcomes prescribed under Section 5(1) of the Act.

5. Interpretation of what is meant by health and social care professionals Section 68(1) of the Public Bodies (Joint Working) (Scotland) Act 2014

Section 68(1) of the Public Bodies (Joint Working) (Scotland) Act 2014 provides definitions of key terms, which assist with interpretation of the Act. Under this section, the terms “health professionals” and “social care professionals” are defined as including such groups of persons, engaged in the provision of health and social care respectively, as Scottish Ministers prescribe.

These Regulations contain prescribed descriptions of persons who, for the purposes of the Act, are to be within the meaning of the terms health 150 professionals and social care professionals. Sections 5, 12, 16 and 51 require health professionals and social care professionals to be consulted in relation to the National Health and Wellbeing Outcomes and in relation to any proposed staff transfers to take place under the powers in the Act. This

Regulation sets out the individuals, or groups, that Scottish Ministers consider to be representative of health professionals and social care professionals and who should therefore be included in any such consultation.

6. Prescribed functions conferred on a Local Authority officer Section 23(1) of the Public Bodies (Joint Working) (Scotland) Act 2014

The policy intention set out within the Public Bodies (Joint Working) (Scotland) Act 2014 is to achieve the integration of adult health and social care functions, while providing local flexibility to integrate further for other specified Local Authority functions. The Act states that Scottish Ministers may, by Regulation, prescribe those functions which Local Authorities must delegate under an Integration Scheme.

There are a range of functions, conferred by, or under, the Adult Support and Protection (Scotland) Act 2007 on, specified persons who can be authorised to perform the functions of a “council officer”. These relate to functions of Local Authorities which will require to be delegated. These Regulations, arising from Section 23(1) of the Act enable functions of a “council officer” to be exercised by suitably qualified employees from any of the bodies which prepared the Integration Scheme. This Regulation sets out which functions, conferred on an officer of a Local Authority, are prescribed.

DRAFT REGULATIONS AND ORDERS RELATING TO PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014 – SET 2

Public consultation on the second set of draft Regulations and Orders to accompany the Public Bodies (Joint Working) (Scotland) Act 2014

Consultation Paper

Introduction

The Public Bodies (Joint Working) (Scotland) Act 2014 provides a framework to support improvements in the quality and consistency of health and social care services through the integration of health and social care in Scotland. The policy rationale for integrating health and social care services is:

- to improve the quality and consistency of services for patients, carers, service users and their families;
- to provide seamless, joined up, quality health and social care services in order to care for people in their homes, or a homely setting, where it is safe to do so;
- and to ensure resources are used effectively and efficiently to deliver services that meet the increasing number of people with longer term and often complex needs, many of whom are older.

Set 2 of the draft Regulations and Orders relating to the Public Bodies (Joint Working) (Scotland) Act 2014 is contained within this consultation. Their purposes are:

1. Prescribed groups which must be consulted when preparing Integration Schemes,

Section 6(2)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014

Prescribed groups, a representative of which must be sent a copy of the second draft strategic plan and invited to give views, Section 33(6) of the Public Bodies (Joint Working) (Scotland) Act 2014

Prescribed groups who must be consulted on decisions which significantly affect a locality, Section 41(4) of the Public Bodies (Joint Working) (Scotland) Act 2014

Prescribed groups of persons who must be consulted when revising Integration Schemes, Section 46(4)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014. These Regulations prescribe who must be consulted - when preparing Integration Schemes, in the development of the strategic plan, for locality planning and when revising Integration Schemes.

2. Membership, powers and proceedings of Integration Joint Boards

Section 12(1) of the Public Bodies (Joint Working) (Scotland) Act 2014

The Public Bodies (Joint Working) (Scotland) Act 2014 requires Health Boards and Local Authorities to agree one of four models of integration. One of these models, set out in section 1(4)(a) of the Act, is described as 'body corporate' and allows the delegation of functions and budgets from the Health Board and Local Authority to a newly established Integration Joint Board. This draft Order makes provision as to how an Integration Joint Board established under the Public Bodies (Joint Working) (Scotland) Act 2014 is to operate. This includes who is required to be included in the membership of the board, which members may vote, and other procedures relating to the operation of the board.

The Order also makes provision allowing Integration Joint Boards to enter into agreements or contracts which are necessary for them to carry out their duties under the Act. For example, contracts to enable the Integration Joint Board to receive professional advice such as legal or accounting, or when making arrangements in relation to premises, equipment and staff.

Section 12(1) of the Act provides for Scottish Ministers to make provision about the membership, proceedings and powers of Integration Joint Boards; the supply of services or facilities to Integration Joint Boards by a Local Authority or Health Board; the establishment of committees by Integration Joint Boards; the operation of committees of Integration Joint Boards; and the delegation of functions conferred upon Integration Joint Boards by an Integration Scheme to the chief officer, any member of its staff or any committee.

3. Establishment, membership and proceedings of joint monitoring committees

Section 17(1) of the Public Bodies (Joint Working) (Scotland) Act 2014

The Public Bodies (Joint Working) (Scotland) Act 2014 requires Health Boards and Local Authorities to agree one of four models of integration. Three of these models are described as 'lead agency' and allows the delegation of functions and budgets between the Health Board and Local Authority. Section 1(4)(b)(c)(d) of the Act sets out these three models of delegation as follows:

- The Health Board may delegate functions and resources to the Local Authority;
- The Local Authority may delegate functions and resources to the Health Board; or
- The Health Board and the Local Authority may delegate functions to each other.

Section 15(3) of the Act provides that where the Health Board and the Local Authority agree to use one of these models of integration, they are required to jointly establish an integration joint monitoring committee for the purpose of monitoring the carrying out of the integration functions for the Integration Authority area.

This draft Order covers the matters that Scottish Ministers intend to prescribe relating to the operation of integration joint monitoring committees. It includes provisions about the following matters:

- Membership term of office of members
- Membership where Integration Scheme is prepared by two or more Local Authorities
- Appointment of the Chairperson
- Disqualification
- Resignation of Members
- Removal of Members
- Replacement of Members
- Expenses of Members
- Proceedings/Standing Orders

4. Prescribed membership of strategic planning group

Section 32(2) of the Public Bodies (Joint Working) (Scotland) Act 2014

The Public Bodies (Joint Working) (Scotland) Act 2014 requires each Integration Authority to establish a strategic planning group. Under the Act, the strategic planning group must be consulted during the preparation, review and amendment of the strategic plan. These draft Regulations prescribe the people that must be represented on the group. The group should comprise health and social care professionals, third and independent sector providers, service users and carers, representative groups and housing providers.

5. Prescribed form and content of performance report

Section 42(3) of the Public Bodies (Joint Working) (Scotland) Act 2014

Integration Authorities will have responsibility for the planning and resourcing of a significant proportion of health and social care services within Scotland. It is important that the Integration Authority reports and accounts for their activities so that the public are able to assess the progress made to improve outcomes by the Integration Authority that serves them.

Section 42(1) of the Public Bodies (Joint Working) (Scotland) Act 2014 requires that each Integration Authority prepare an annual performance report. Section 42(3) of the Public Bodies (Joint Working) (Scotland) Act 2014 gives Scottish Ministers the power to make Regulations that prescribe the form and content of performance reports.

The draft Regulations include provisions requiring the performance report to contain information about the following matters: Progress against the national health and wellbeing outcomes; Progress against a suite of key measures and indicators; Progress against the integration delivery principles with particular reference to strategic and locality planning; An overview of the integrated budget and the proportional changes within it; The flexibility to allow reporting on local outcomes and priorities. And, where a lead agency model of integration is used: Details of any recommendations and associated responses from and to the integration joint monitoring committee.

Draft Regulations Relating to Public Bodies (Joint Working) (Scotland) Act 2014 – Set 1

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2014 No.

HEALTH, SOCIAL CARE

**Public Bodies (Joint Working)(Integration Scheme)(Scotland)
Regulations 2014**

Laid before the Scottish Parliament in draft

Made - - - - *****

Coming into force - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by sections 1(3)(f), 1(15) and 20 of the Public Bodies (Joint Working) (Scotland) Act 2014 (a) and all other powers enabling them to do so.

Citation, commencement and interpretation.

1.—(1) These Regulations may be cited as the Public Bodies (Joint Working)(Integration Scheme)(Scotland) Regulations 2014 and come into force on *(tbc)*.

(2) In these Regulations:

“integration model” means an integration model describe in section 1(4) of the Act’; and

“the Act” means the Public Bodies (Joint Working) (Scotland) Act 2014.

Content and effect of integration scheme

2.An integration scheme must include, in relation to each prescribed matter listed in column A of the table, the prescribed information set out in column B of the table, insofar as that prescribed matter is relevant to the integration model chosen by the Health Board and local authority.

3.The prescribed information is to be agreed between the Health Board and local authority when they are preparing the integration scheme.

4. The local authority, Health Board and the integration joint board or, as the case may be, integration joint monitoring committee, established in pursuance of the integration scheme must act in accordance with the prescribed information that is set out in the scheme.

St Andrew’s House,
Edinburgh

Name
A member of the Scottish Government

SCHEDULE

<i>Column A</i> <i>Prescribed Matters</i>	<i>Column B</i> <i>Prescribed information</i>
Local governance arrangements for the integration joint board where the integration scheme is prepared under section 1(3) or 2(3) of the Act	<p>The number of members that will be appointed on the nomination of the local authority.</p> <p>The number of members that will be appointed on the nomination of the Health Board.</p> <p>Whether the first chairperson of the Board will be a member appointed on the nomination of the local authority or from the Health Board.</p> <p>The term of office of the chairperson.</p>
Local governance arrangements for an integration joint board where the integration scheme is prepared under section 2(4) of the Act.	<p>The membership of the integration joint board including in particular:</p> <p>(a) the number of members that will be appointed on the nomination of each local authority;</p> <p>(b) the number of members that will be appointed on the nomination of the Health Board;</p> <p>and</p> <p>(c) the arrangements that have been made for ensuring that the integration joint board includes at least one person who is a chief social work officer, one person who is an associate medical director or clinical director of the Health Board, the Health Board director of finance or one person who is a local authority proper officer, and representatives of staff, carers, service users and the third sector.</p> <p>The arrangements for appointment of the chairperson and vice chair-person.</p> <p>The term of office of the chairperson.</p>
Local governance arrangements for the integration joint monitoring committee where the integration scheme is prepared under section 1(3) or 2(3) of the Act	<p>The number of members that will be appointed on the nomination of the local authority.</p> <p>The number of members that will be appointed on the nomination of the Health Board.</p> <p>Where the committee will comprise members in addition to the members required by Order, information about these additional members, including in particular a description of the role held by each additional member or, as the case may be, the group to be represented by each additional member.</p>

	The arrangements for provision of administrative support to the committee.
	The arrangements for financing the committee.
Local governance arrangements for an integration joint monitoring committee where the integration scheme is prepared under section 2(4) of the Act.	<p>The membership of the integration joint monitoring committee including in particular:</p> <p>(a) the number of members that will be appointed on the nomination of each local authority;</p> <p>(b) the number of members that will be appointed on the nomination of the Health Board;</p> <p>and</p> <p>(c) the arrangements that have been made for ensuring that the joint monitoring committee includes at least one person who is a chief social work officer, one person who is an associate medical director or clinical director of the Health Board, the Health Board director of finance or one person who is a local authority proper officer, and representatives of staff, carers, service users and the third sector.</p> <p>The arrangements for the appointment of the chairperson of the committee, and the arrangements for changing the person who is appointed as chairperson.</p> <p>The arrangements for provision of administrative support to the committee.</p> <p>The arrangements for financing the committee.</p>
Local operational delivery arrangements for the functions delegated to an integration joint board	Information on the governance arrangements for the carrying out of integrated functions, to include in particular arrangements which have been made for the involvement of the members of the integration joint board in overseeing the carrying out of integration functions by the constituent authorities.
Performance targets, improvement measures and reporting arrangements which relate to integration functions	The process to be used to prepare a list of all targets, measures and arrangements which relate to integration functions and for which responsibility will transfer, in full or in part, to the integration authority, to include a statement of the extent to which responsibility for each target, measure or arrangement is to transfer to the integration authority.

Performance targets, improvement measures and reporting arrangements which relate to functions of the local authority and Health Board which are not integration functions

The process to be used to prepare a list of any targets, measures and arrangements which must be taken account of by the integration authority when it is preparing a strategic plan but which relate to functions of the Health Board or local authority which are not integration functions.

Clinical and Care Governance of services provided in pursuance of integration functions.

The arrangements for clinical governance and care governance which will apply to services provided in pursuance of integrated functions

Details of how these arrangements will provide oversight of, and advice to, the integration authority in relation to clinical and care governance.

Details of how these arrangements will provide oversight of, and advice to, the strategic planning group in relation to clinical and care governance.

Details of how these arrangements will provide oversight of and advice in relation to the clinical and care governance of the delivery of health and social care services in the localities identified in the strategic plan.

Information on how the clinical and care governance arrangements which apply in relation to the functions of the local authority and Health Board will interact with the clinical and care governance arrangements to be established in respect of integration functions.

Information about the role of senior professional staff of the Health Board and the local authority in the clinical and care governance arrangements for integrated functions.

Information about how the clinical and care governance arrangements set out in the scheme relate to the arrangements for the involvement of professional advisors in the integration joint board.

The operational role of the chief officer

Information on the structure and procedures which will be used to enable the chief officer to work together with the senior management of the constituent authorities to carry out functions in accordance with the strategic plan.

The line management arrangements for the chief officer	A description of the line management arrangements which the constituent authorities will put in place to ensure that the chief officer of the integration joint board is accountable to each of the constituent authorities.
Plans for workforce development	<p>A list of the plans that the Health Board and local authority will develop and put in place to support such of its staff as are employed in relation to services provided in pursuance of integration functions including at least:</p> <ul style="list-style-type: none"> (i) a plan relating to the development and support to be provided to the workforce; and (ii) a plan relating to the organisational development of the Health Board, local authority and, as the case may be, the integration joint board, in relation to integration functions.
The transfer of staff between the constituent authorities of an integration joint board.	Where, in connection with the delegation of functions by the constituent authorities, any members of staff of a constituent authorities are to transfer to the employment of another constituent authority the approximate number of staff who are to transfer.
Financial management of an integration joint board	<p>A statement of which constituent authority will maintain financial ledgers for the purpose of recording the transactions of the integration joint board.</p> <p>A statement of the arrangements that the Health Board and local authority have agreed will be made for the preparation of annual accounts, the financial statement prepared under section 39 of the Act, the financial elements of the strategic plan, and such reports on financial matters as the integration joint board may require in relation to the exercise of its functions.</p>
Payments to the integration joint board	Information about the process that the constituent authorities will use to agree a schedule of the amounts and dates of payments to be made to the integration joint board by the constituent authorities for each financial year.
Financial reporting to the integration joint board and chief officer by the constituent authorities.	The frequency with which each constituent authority is required to provide financial monitoring reports to the integration joint board and the chief officer for the purpose of financial monitoring of the carrying out of

	integration functions.
	The frequency with which the Health Board is required to provide financial monitoring reports to the integration joint board and the chief officer in relation to amounts which have been set aside for use by the integration authority.
	The agreed content of the financial monitoring reports.
Financial management of an integration authority which is a Health Board, a local authority, or a Health Board and local authority acting jointly	A statement of the arrangements which are to be made for hosting the financial ledgers for recording the transactions of the integration authority, including in particular the details of any temporary or transitional arrangements.
Payments to of an integration authority which is a Health Board, a local authority, or a Health Board and local authority acting jointly	Information about the process that the Health Board and local authority will use to agree a schedule of the amounts and dates of payments to be made to the integration authority for each financial year.
Financial reporting to an integration authority which is a Health Board, a local authority, or a Health Board and local authority acting jointly	<p>The frequency with which the integration authority is required to provide financial monitoring reports to the Health Board or, as the case may be, the local authority.</p> <p>The agreed content of the financial monitoring reports.</p>
Financial reporting to an integration authority which is a local authority or a Health Board and local authority acting jointly.	<p>The frequency with which the Health Board is required to provide financial monitoring reports to the integration authority in relation to amounts which have been set aside for use by the integration authority.</p> <p>The agreed content of the financial monitoring reports.</p>
The process for addressing variance in the spending of the integration authority.	The process to manage in-year or year-end underspend or overspend by the integration authority in relation to the amounts paid to it, or amounts set aside for use by it, for delivery of integration function.
Redetermination of payments to, and amounts set aside for the use of, the integration authority	The method by which any variations to the amounts determined under the methods set out in the scheme by virtue of section 1(3)(d) and (e) of the Act will be determined, including the conditions which will require to be met before variations may be made.

The use of capital assets in relation to integration functions	The process which will be followed by the Health Board, local authority and integration authority to determine the use of capital assets of the local authority and Health Board in relation to integration functions.
Participation and engagement	<p>The list of person, groups of persons and representatives of groups of persons consulted in the development of the integration scheme.</p> <p>Details of the means by which the consultation required by section 6(2) of the Public Bodies (Joint Working) (Scotland) Act 2014 was undertaken in the development of the integration scheme.</p> <p>The process for developing a strategy for engagement with members of the public, representative groups or other organisations by the Health Board, local authority and integration authority in relation to the carrying out of integration functions and the decisions taken by the integration authority.</p>
Information sharing and data handling	<p>An information sharing accord, including in particular the principles to which the local authority, Health Board and, as the case may be, integration joint board, will adhere in relation to the sharing of information in connection with their functions under the Act and the integration functions.</p> <p>The process and procedures that will apply to the sharing of information between the local authority, Health Board and integration authority.</p>
Complaints in relation to services provided in pursuance of integration functions.	The arrangements for management of complaints relating to services provided in pursuance of integration functions, to include in particular information on the process by which a service user may make a complaint.
Handling of claims against the Health Board, local authority or integration authority in relation to integration functions	The arrangements for the management and settlement of claims arising from the exercise of integration functions, and any arrangements which will be made for indemnity, between the Health Board and local authority, in relation to such claims.
Risk management	Information on the risk management strategy which will be applied by the Health Board, local authority and integration authority in relation to the carrying out of integration functions, including in particular information on how a risk management procedure will be

developed and information on the resources which will be made available by the local authority and Health Board to support risk management.

Information on the way in which the local authority, Health Board and, as the case may be, the integration joint board will produce a list of the risks to be reported under the risk management strategy including provision for the list to be amended.

Dispute resolution

The procedure that will be used to resolve any dispute between the local authority and Health Board in relation to any of the matters provided for in the integration scheme or any of the duties or powers placed on them by the Act.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe matters, and information about those matters, that must be included in an integration scheme (a “scheme”) prepared under section 1(2), 2(3) or 2(4) of the Public Bodies (Joint Working) Scotland Act 2014.

Article 2, together with the schedule, sets out the requirement to include the prescribed information about the prescribed matters in a scheme. Column A of the schedule sets out the prescribed matters that must be included in the scheme, and Column B sets out the prescribed information that the scheme must include. Column A makes provision for certain matters to be prescribed only when they are relevant to the other content of the integration scheme, in particular the integration model that the parties have chosen to use, as set out in the scheme.

Article 3 sets out that the prescribed information included in the scheme must be such information as has been agreed between the Health Board and local authority preparing the scheme.

Article 4, in exercise of the powers in section 20 of the Public Bodies (Joint Working) Scotland Act 2014, sets out that the effect of prescribed information being included in the scheme is to require the Health Board and local authority who prepare the scheme, and the integration joint board or as the case may be integration joint monitoring committee established in pursuance of the scheme, to act in accordance with the provisions of the scheme.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2014 No.

HEALTH, SOCIAL CARE

The Public Bodies (Joint Working) (Prescribed Local Authority Functions) (Scotland) Regulations 2014

Laid before the Scottish Parliament in draft

Made - - - - *****

Coming into force - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by sections 1(7) and 69(1)(b) of the Public Bodies (Joint Working) (Scotland) Act 2014^(a) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as The Public Bodies (Joint Working) (Prescribed Local Authority Functions)(Scotland) Regulations 2014 and come into force on *(tbc)*.

Prescribed functions

2. The functions conferred by or by virtue of enactments listed in column A of the table in the Schedule are prescribed for the purposes of section 1(7) of the Public Bodies (Joint Working) (Scotland) Act 2014.

3. Where an entry in column B of the table specifies a limitation in relation to a function listed in column A, that function is prescribed only to that extent.

4. The parenthetical description of each function listed in the schedule is given for illustrative purposes only and does not restrict the extent to which that function is prescribed.

	<i>Name</i>
St Andrew's House, Edinburgh	A member of the Scottish Government

(a) 2014 asp 9. Section 68 contains a definition of "prescribed" relevant to the exercise of the statutory powers under which these Regulations are made.

SCHEDULE

<i>Column A</i>	<i>Column B</i>
<i>Enactment conferring function</i>	<i>Limitation</i>
National Assistance Act 1948	
Section 22 (The fixing of a standard rate to be paid for accommodation provided under Part III of that Act or accommodation regarded as provided under that Part(a), the assessment of a person's ability to pay that rate and the determination of a lower rate to be paid for such accommodation.)	
Section 26 (The inclusion in arrangements for accommodation of provision for payment in respect of the accommodation, the determination of the rate of payment, and the recovery of amounts from the persons for whom accommodation is provided.)	
Section 45 (The recovery of expenditure incurred under Part III of that Act where a person has fraudulently or otherwise misrepresented or failed to disclose a material fact.)	
Section 48 (The protection of property of a person admitted to hospital or accommodation provided under Part III of that Act.)	
The Disabled Persons (Employment) Act 1958	
Section 3 (The making of arrangements for the provision of facilities for the purposes set out in section 15(1) of the Disabled Persons (Employment) Act 1944.)	
The Social Work (Scotland) Act 1968	
Section 1 (The enforcement and execution of the provisions of the Social Work (Scotland) Act	So far as it is exercisable in relation to another delegated function.

-
- (a) By virtue of section 87(3) of the Social Work (Scotland) Act 1968, accommodation provided under that Act or under section 25 of the Mental Health (Care and Treatment) (Scotland) Act 2003 is regarded as accommodation provided under Part III of the 1948 Act

1968.)

Section 4

(The making of arrangements with voluntary organisations or other persons for assistance with the performance of certain functions.)

So far as it is exercisable in relation to another delegated function.

Section 8

(The conducting of, or assisting with research in connection with functions in relation to social welfare and the provision of financial assistance in connection with such research.)

So far as it is exercisable in relation to another delegated function.

Section 10

(The making of contributions by way of grant or loan to voluntary organisations whose sole or primary object is to promote social welfare and making available for use by a voluntary organisation premises, furniture, equipment, vehicles and the services of staff.)

So far as it is exercisable in relation to another delegated function.

Section 12

(The promotion of social welfare and the provision of advice and assistance.)

Section 12A

(The assessment of needs for community care services, the making of decisions as to the provision of such services and the provision of emergency community care services.)

Section 12AZA

(The taking of steps to identify persons who are able to assist a supported person with assessments under section 12A and to involve such persons in such assessments.)

Section 12AA

(The compliance with a request for an assessment of a carer's ability to provide or to continue to provide care.)

Section 12AB

(The notification of carers as to their entitlement to make a request for an assessment under section 12AA.)

Section 13

(The assistance of persons in need with the disposal of their work.)

Section 13ZA

(The taking of steps to help an incapable adult to benefit from community care services.)

Section 13A

(The provision, or making arrangements for the provision, of residential accommodation with nursing.)

Section 13B

(The making of arrangements for the care or aftercare of persons suffering from illness.)

Section 14

(The provision or arranging the provision of domiciliary services and laundry services.)

Section 28

(The burial or cremation of deceased persons who were in the care of the local authority immediately before their death and the recovery of the costs of such burial or cremation.)

Section 29

(The making of payments to parents or relatives of, or persons connected with, persons in the care of the local authority or receiving assistance from the local authority, in connection with expenses incurred in visiting the person or attending the funeral of the person.)

Section 59

(The provision of residential and other establishments.)

So far as it is exercisable in relation to another delegated function

Section 86

(The recovery of expenditure incurred in the provisions of accommodation, services, facilities or payments for persons ordinarily resident in the area of another local authority from the other local authority.)

So far as it is exercisable in relation to another delegated function

Section 87

(The recovery of charges for services and accommodation provided by a local authority.)

So far as it is exercisable in relation to another delegated function

The Local Government and Planning (Scotland) Act 1982

Section 24

(The provision, or making arrangements for the provision, of gardening assistance and the recovery of charges for such assistance.)

Health and Social Services and Social Security Adjudications Act 1983

Section 21

(The recovery of amounts in respect of accommodation provided under the Social Work (Scotland) Act 1968 or Section 25 of the Mental Health (Care and Treatment)(Scotland) Act 2003.)

Section 22

(The creation of a charge over land in England or Wales where a person having a beneficial interest in such land has failed to pay a sum due to be paid in respect of accommodation provided under the Social Work (Scotland) Act 1968 or Section 25 of the Mental Health (Care and Treatment)(Scotland) Act 2003.)

Section 23

(The creation of a charging order over an interest in land in Scotland where a person having such an interest has failed to pay a sum due to be paid in respect of accommodation provided under the Social Work (Scotland) Act 1968 or Section 25 of the Mental Health (Care and Treatment)(Scotland) Act 2003.)

Disabled Persons (Services, Consultation and Representation) Act 1986

Section 2

(The making of arrangements in relation to an authorised representative of a disabled person and the provision of information in respect of an authorised representative.)

Section 3

(The provision of an opportunity for a disabled person or an authorised representative of a disabled person to make representations as to the needs of that person on any occasion where it falls to a local authority to assess the needs of the disabled person for the provision of statutory services by the authority, the provision of a statement specifying the needs of the person and any services which the authority proposes to provide, and related duties.)

Section 7

(The making of arrangements for the assessments of the needs of a person who is discharged from hospital.)

In respect of the assessment of need for any services provided under functions contained in welfare enactments within the meaning of section 16 and which have been delegated.

Section 8

(Having regard, in deciding whether a disabled person's needs call for the provision of services, to the ability of a person providing unpaid care to the disabled person to continue to provide such care.)

In respect of the assessment of need for any services provided under functions contained in welfare enactments within the meaning of section 16 which have been delegated.

The Housing (Scotland) Act 1987

Section 5

(The provision of facilities for obtaining meals and laundry facilities and services in connection with the provision of accommodation by a local authority under section 2 of the Housing (Scotland) Act 1987.)

The Adults with Incapacity (Scotland) Act 2000

Section 10

(The general functions of a local authority under the Adults with Incapacity (Scotland) Act 2000.)

Section 12

(The taking of steps in consequence of an investigation carried out under section 10(1)(c) or (d).)

Sections 37, 39 and 41-45

(The management of the affairs, including the finances, of a resident of an establishment managed by a local authority.)

Only in relation to residents of establishments which are managed under delegated functions.

The Housing (Scotland) Act 2001

Section 92

(The promotion of the formation or development of registered social landlords and the provision of assistance to a registered social landlord or any other person concerned with housing matters.)

The Community Care and Health (Scotland) Act 2002

Section 4

(The functions conferred by Regulation 2 of the Community Care (Additional Payments) (Scotland) Regulations 2002 in relation to the provision, or securing the provision, of relevant accommodation.)

Section 5

(The making of arrangements for the provision of residential accommodation outside Scotland.)

Section 6

(Entering into deferred payment agreements for the costs of residential accommodation.)

Section 14

(The making of payments to an NHS body in connection with the performance of the functions of that body.)

The Mental Health (Care and Treatment) (Scotland) Act 2003

Section 17

(The provision of facilities to enable the carrying out of the functions of the Mental Welfare Commission.)

Section 25

(The provision of care and support services for persons who have or have had a mental disorder.)

Section 26

(The provision of services designed to promote well-being and social development for persons who have or have had a mental disorder.)

Section 27

(The provision of assistance with travel for persons who have or have had a mental disorder.)

Section 33

(The duty to inquire into a person's case in the circumstances specified in 33(2).)

Section 34

(The making of requests for co-operation with inquiries being made under section 33(1) of that Act.)

Section 228

(The provision of information in response to requests for assessment of the needs of a person under section 12A(1)(a) of the Social Work (Scotland) Act 1968.)

Section 259

(The securing of independent advocacy services for persons who have a mental disorder.)

The Housing (Scotland) Act 2006

Section 71

(The provision of assistance in connection with the acquisition or sale of property or work on land or in premises for the purposes mentioned in section 71(2).)

The Adult Support and Protection (Scotland) Act 2007

Section 4

(The making of enquiries about a person's well-being, property or financial affairs.)

Section 5

(The co-operation with other councils, public bodies and office holders in relation to inquiries made under section 4.)

Section 6

(The duty to have regard to the importance of providing advocacy services.)

Section 11

(The making of an application for an assessment order.)

Section 14

(The making of an application for a removal order.)

Section 18

(The taking of steps to prevent loss or damage to property of a person moved in pursuance of a removal order.)

Section 22

(The making of an application for a banning order.)

Section 40

(The making of an application to the justice of the peace instead of the sheriff in urgent cases.)

Section 42

(The establishment of an Adult Protection Committee.)

Section 43

(The appointment of the convener and members of the Adult Protection Committee.)

Social Care (Self-directed Support) (Scotland) Act 2013

Section 3

(The consideration of an assessment of an adult's ability to provide or continue to provide care for another person and the making of a decision as to whether an adult has needs in relation to care that the adult provides for another person, the decision as to whether support should be provided to that adult in

relation to those needs, and the provision of that support.)

Section 5

(The giving of the opportunity to choose a self-directed support option.)

Section 6

(The taking of steps to enable a person to make a choice of self-directed support option.)

Section 7

(The giving of the opportunity to choose a self-directed support option.)

Section 9

(The provision of information.)

Section 11

(Giving effect to the choice of self-directed support option.)

Section 12

(Review of the question of whether a person is ineligible to receive direct payments.)

Section 13

(Offering another opportunity to choose a self-directed support option.)

Only in relation to a choice under section 5 or 7 of the Act.

Section 16

(The recovery of sums where a direct payment has been made to a person and the circumstances set out in section 16(1)(b) apply.)

Section 19

(Promotion of the options for self-directed support.)

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe certain functions of local authorities for the purpose of section 1(7) of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”).

The 2014 Act requires Health Boards and local authorities to agree arrangements for joint working in their area in relation to certain of their statutory functions. This will have the effect that adult health and social care services are provided, in all local authority areas, in a way which is integrated from the point of view of a person using those services. These joint working arrangements will involve the delegation of functions by a local authority, or by the Health Board, or both. Where a local authority is to delegate functions it must delegate the prescribed functions and may also delegate additional functions as provided for by the 2014 Act.

Regulation 2 introduces the schedule to the Regulations, column A of which contains a list of the enactments which confer prescribed functions. Regulation 3 describes the effect of the limitations on the prescription of certain functions which are set out in column B of the schedule.

The functions prescribed by virtue of these Regulations may be broadly described as relating to social care services provided by local authorities. The effect of prescribing these functions is that in every local authority area in Scotland, the statutory functions relating to adult social care services will be held by the same body as holds statutory functions relating to adult primary and community health services.

The social care services that are provided under the prescribed functions include social work services for adults, including adults with physical disabilities or learning disabilities; social work services for older people, mental health services, drug and alcohol support services, adult protection services, housing support service and health improvement services.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

HEALTH, SOCIAL CARE

Laid before the Scottish Parliament in draft

Coming into force - - in accordance with article 1

Citation and commencement

Prescribed functions

(2) Each function prescribed for the purposes of section 1(8) is prescribed for that purpose only to the extent that—

- Name*
A member of the Scottish Government

(a) TBC

SCHEDULE 1

Functions prescribed for the purposes of section 1(6) and 1(8) of the Act

The National Health Service (Scotland) Act 1978

All functions of health boards conferred by, or by virtue of, the National Health Service (Scotland) Act 1978, other than Section 2CB(1) and (2) (provision of a service outside Scotland); Section 17L(1) (power to enter into a general medical services contract); Section 47(1) (duty to make available such facilities as appear reasonably necessary for education and research).

Disabled Persons (Services, Consultation and Representation) Act 1986

Section 7 (making of arrangements for the assessments of the needs of a person who is discharged from hospital).

Community Care and Health (Scotland) Act 2002

All functions of health boards conferred by, or by virtue of, the Community Care and Health (Scotland) Act 2002.

Mental Health (Care and Treatment) (Scotland) Act 2003

All functions of health boards conferred by, or by virtue of, the Mental Health (Care and Treatment) (Scotland) Act 2003 other than Section 22 (requirement to maintain a list of medical practitioners).

Education (Additional Support for Learning) (Scotland) Act 2004

Section 23 (co-operating with education authority).

Civil Contingencies Act 2004

All functions of health boards conferred by, or by virtue of, the Mental Health (Care and Treatment) (Scotland) Act 2003.

National Health Service Reform (Scotland) Act 2004

All functions of health boards conferred by, or by virtue of, the National Health Service Reform (Scotland) Act 2003.

Public Health etc. (Scotland) Act 2008

All functions of health boards conferred by, or by virtue of, the Public Health etc. (Scotland) Act 2008 other than section 3 (designation of competent persons).

Certification of Death (Scotland) Act 2011

All functions of health boards conferred by, or by virtue of, the Certification of Death (Scotland) Act 2011.

Patient Rights (Scotland) Act 2011

All functions of health boards conferred by, or by virtue of, the Patient Rights (Scotland) Act 2011.

Public Services Reform (Scotland) Act 2010

All functions of health boards conferred by, or by virtue of, the Public Services Reform (Scotland) Act 2010.

SCHEDULE 2

Services to which functions prescribed under section 1(8) relate

Unplanned inpatients

(Medical care for the treatment of urgent or emergency conditions that require an unplanned admission to hospital)

Outpatient accident and emergency services

(services provided within a hospital for the treatment of urgent or emergency conditions)

Care of older people

(medical care for older people when not covered by unplanned inpatients)

District nursing

Health visiting services

Clinical psychology services

Services provided by Community Mental Health Teams

(services delivered in the community for those with mental health problems)

Services provided by Community Learning Difficulties Teams

(services delivered in the community for those with learning difficulties)

Services for persons with addictions

Women's health services

(services providing the assessment, diagnosis care, planning and treatment of women's health, sexual health and contraception services)

Services delivered by allied health professionals

GP out-of-hours services

Public Health Dental Service

Continence services

(Assessment, investigation, diagnosis and treatment of those with continence problems)

Dialysis services delivered in the home

Services designed to promote public health

General Medical Services

GP pharmaceutical services

(prescribing and dispensing of medicine and therapeutic agents by GPs, nurse prescribers, and prescribing pharmacists working in GP practices.)

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations prescribe certain functions of health boards for the purpose of section 1(6) and (8) of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”).

The 2014 Act requires Health Boards and local authorities to agree arrangements for joint working in their area in relation to certain of their statutory functions. This will have the effect that adult health and social care services are provided, in all local authority areas, in a way which is integrated from the point of view of a person using those services. These joint working arrangements will involve the delegation of functions by the local authority, or by the Health Board, or both.

These Regulations prescribe the functions which a Health Board must delegate to an integration authority (regulations 2(1), (2)), and the broader range of functions which a Health Board may delegate to an integration authority (regulation 2(1)).

The functions which a Health Board may delegate to an integration authority are listed in Schedule 1 (regulation 2(1)).

The functions which a Health Board must delegate to an integration are also those functions listed in Schedule 1 (regulation 2(1)), but only insofar as they are exercisable in relation to adults and the health care services listed in Schedule 2 (regulation 2(2)).

The statutory functions of Health Boards are very broad and each may be capable of covering a wide range of health services. The extent to which Health Boards must delegate these functions can be most clearly prescribed by reference to the services listed in Schedule 2. The listed services encompass primary and community services which must be delegated by Health Boards in respect of adults.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2014 No.

HEALTH, SOCIAL CARE

Public Bodies (Joint Working)(National Health and Wellbeing Outcomes)(Scotland) Regulations 2014

Laid before the Scottish Parliament in draft

Made - - - - *****

Coming into force - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by sections 5(1) of the Public Bodies (Joint Working) (Scotland) Act 2014 (a) and all other powers enabling them to do so.

In accordance with section 5(2) of that Act they have consulted with each local authority, each Health Board and persons representing each of the groups mentioned in section 5(3) of that Act.

Citation and commencement

1. These Regulations may be cited as Public Bodies (Joint Working)(National Health and Wellbeing Outcomes)(Scotland) Regulations 2014 and come into force on *(tbc)*.

National Health and Wellbeing Outcomes

2. The national health and wellbeing outcomes prescribed for the purpose of section 5(1) of the Public Bodies (Joint Working)(Scotland) Act 2014 are the outcomes listed in the Schedule to these Regulations.

Name

A member of the Scottish Government

St Andrew's House,
Edinburgh

SCHEDULE

National Health and Wellbeing Outcomes

1. People are able to look after and improve their own health and wellbeing and live in good health for longer.
2. People, including those with disabilities, long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.
3. People who use health and social care services have positive experiences of those services, and have their dignity respected.
4. Health and social care services are centred on helping to maintain or improve the quality of life of service users.
5. Health and social care services contribute to reducing health inequalities.
6. People who provide unpaid care are supported to reduce the potential impact of their caring role on their own health and well-being.
7. People who use health and social care services are safe from harm.
8. People who work in health and social care services are supported to continuously improve the information, support, care and treatment they provide and feel engaged with the work they do.
9. Resources are used effectively in the provision of health and social care services, without waste.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe national health and wellbeing outcomes (“the outcomes”) which apply in relation to the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”). The schedule to these Regulations sets out the outcomes.

The 2014 Act requires Health Boards and local authorities to agree arrangements for joint working in their area in relation to certain of their statutory functions. This will have the effect that adult health and social care services are provided, in all local authority areas, in a way which is integrated from the point of view of a person using those services.

The 2014 Act makes the following provisions as to the effect of the outcomes in the context of integrated arrangements for adult health and social care:

- The local authority and Health Board are required to have regard to the outcomes when preparing the integration scheme (section 3(2));
- The outcomes are relevant to consideration of the circumstances when an order under section 27(6) may be made (section 27(7));
- The strategic plan prepared by an integration authority must set out how arrangements for the delivery of integration functions are intended to contribute to achieving the outcomes (s29(2)(b));
- The integration authority is required to have regard to the outcomes when preparing or reviewing the strategic plan (section 30(2)(b) and section 37(2)(a)(ii));
- An integration joint board’s constituent authorities can jointly require the strategic plan to be replaced if it prevents or is likely to prevent either of them from carrying out their functions in a way which contributed to achieving the outcomes (section 38(2));
- The persons carrying out integration functions must have regard to the outcomes (section 40(b)); and
- Healthcare Improvement Scotland and Social Care & Social Work Improvement Scotland are able to inspect health and social care services for the purpose of reviewing and evaluating how the planning and provision of services is contributing to the achievement of the outcomes. Alongside this they are able to encourage improvements and make recommendations in relation to the implementation of strategic plans in order to contribute to achieving the outcomes (sections 54 and 55).

The outcomes apply to all integration authorities, and to all persons carrying out integration functions. By reference to the outcomes, the effect of integrated health and care services on the health and wellbeing of individuals can be measured. As the outcomes apply nationally, their application will provide for the reduction of unwarranted variation in the quality of health and care services between geographical areas.

2014 No.

HEALTH, SOCIAL CARE

**Public Bodies (Joint Working) (Health Professionals and Social
Care Professionals) (Scotland) Regulations 2014**

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by section 68(1) of the Public Bodies (Joint Working) (Scotland) Act 2014(a) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as the Public Bodies (Joint Working) (Health Professionals and Social Care Professionals) (Scotland) Regulations 2014 and come into force on *(tbc)*.

Prescribed descriptions of health professionals

2. For the purpose of section 68(1) of the Act, “health professionals” means persons to whom one of the following prescribed descriptions apply:-

- (a) a person who is included in the register of medical practitioners kept by the registrar of the General Medical Council under section 2(1) of the Medical Act 1983(b);
- (b) a person who is included in the dentists register kept by the registrar of the General Dental Council under section 14(1) of the Dentists Act 1984(c);
- (c) a person who is included in the dental care professionals register kept by the registrar of the General Dental Council under section 36B of the Dentists Act 1984(d);
- (d) a person who is included in the register of optometrists or the register of dispensing opticians maintained by the General Optical Council under section 7 of the Opticians Act 1989(e);
- (e) a person who is included in the register of osteopaths maintained by the Registrar of the General Osteopathic Council under section 2(3) of the Osteopaths Act 1993(f);
- (f) a person who is included in the register of chiropractors maintained by the registrar of the General Chiropractic Council under section 2(3) of the Chiropractors Act 1994(g);

(a) 2014 ASP 9.

(b) 1983 C.54; section 2(1) was amended by S.I. 2006/1914 article 4(a).

(c) 1984 C.24; section 14 was amended by S.I.2007/1301, part 7, regulation 11.

(d) Section 36B was inserted by the Dentists Act 1984 (Amendment) Order 2005, S.S.I. 2005/2011 article 29.

(e) 1989 C.44; section 1 was amended by S.I. 2005/848, article 7(1)(a) and (b).

(f) 1993 C.21.

(g) 1994 C.17.

- (g) a person who is included in Part 1 (pharmacists) or Part 2 (pharmacy technicians) of the register maintained by the registrar of the General Pharmaceutical Council under Article 19 of the Pharmacy Order 2010(a);
- (h) a person who is included in the register of qualified nurses and midwives maintained by the Nursing and Midwifery Council under Article 5 of the Nursing and Midwifery Order (2001)(b); or
- (i) a person who is included in the register of members of relevant professions maintained by the Health and Care Professions Council under Article 5 of the Health and Social Work Professions Order 2002(c).

Prescribed descriptions of social care professionals

3.For the purpose of section 68(1) of the Act, “social care professionals” means persons to whom one of the following descriptions apply:-

- (a) a person who is included in the register of social workers and social service workers maintained by the Scottish Social Services Council under section 44 of the Regulation of Care (Scotland) Act 2001(d);
- (b) a person who, aside from the fact that they are an excluded person by virtue of article 3 of the Regulation of Care (Social Service Workers) (Scotland) Order 2005(e), would be included in the register of social workers and social service workers maintained by the Scottish Social Services Council under section 44 of the Regulation of Care (Scotland) Act 2001; or
- (c) a person to whom (a) and (b) do not apply but who is engaged in the provision of care or support to users of social care services which are provided in the pursuit of integration functions.

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(a) S.I. 2010/23.
 (b) S.I. 2002/235.
 (c) S.I. 2002/254.
 (d) 2001 ASP 8. Section 44 has been amended by S.I.2007/3101, regulation 257.
 (e) S.S.I. 2005/315.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe descriptions of persons who, for the purposes of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”), are within the definition of “health professionals” or “social care professionals”.

Article 2 sets out prescribed descriptions of health professionals. The effect of this is that persons registered with a range of regulatory bodies covering the medical and nursing professions, allied health professions and other health services such as optometry, pharmacy and dentistry will be treated as “health professionals” for the purposes of (“the 2014 Act”).

Article 3 sets out prescribed descriptions of social care professionals. In contrast with health professionals, there is a single regulatory body for social service workers (including social workers) in Scotland, the Scottish Social Services Council (“SSSC”). Paragraph (a) provides that persons who are registered with the SSSC are a prescribed description of social care professional for the purposes of the 2014 Act. Paragraph (b) provides that persons working in social care, but who are exempt from registration with the SSSC, are also a prescribed description of social care professional. This exemption applies to persons who are regulated by another professional body as set out in the Regulation of Care (Social Service Workers) (Scotland) Order 2005. Paragraph (c) describes other types of social care worker, who are directly involved in the provision of care or support to service users, but who are not regulated by the SSSC.

2014 No.

HEALTH, SOCIAL CARE

Public Bodies (Joint Working) (Prescribed Functions of Local Authority Officers) (Scotland) Regulations 2014

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by section 23(1)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014(a) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as the Public Bodies (Joint Working) (Prescribed Functions of Local Authority Officers) (Scotland) Regulations 2014 and come into force on *(tbc)*.

Prescribed functions

2.—(1) The functions conferred on a council officer by or by virtue of sections 7, 8, 9, 10, 11, 14, 16 and 18 of the Adult Support and Protection (Scotland) Act 2007 are prescribed for the purposes of section 23(1)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”).

Prescribed condition

3.—(1) The following condition is prescribed for the purpose of section 23(1)(b) of the 2014 Act.

(2) A officer on whom the function is deemed to have been conferred must meet the requirements specified in Article 3, or as the case may be, Article 4 of the Adult Support and Protection (Scotland) Act 2007 (Restriction on the Authorisation of Council Officers) Order 2008(b).

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(a) 2014 ASP 9. Section 68 contains a definition of “prescribed” relevant to the exercise of the statutory powers under which these Regulations are made.
(b) S.S.I. 2008/306. Article 3 was amended by the Health and Social Act 2012 (Consequential Provision – Social Workers) Order 2012/1479 Schedule 1(1) paragraph 58.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe certain functions of officers of local authorities for the purpose of section 23 of the Public Bodies (Joint Working) (Scotland) Act 2014 (“The 2014 Act”).

The 2014 Act requires Health Boards and local authorities to agree arrangements for joint working in their area in relation to certain of their statutory functions. Section 23 of the 2014 Act makes provision to allow certain prescribed functions, in the context of these joint working arrangements, to be exercised by persons other than the persons on whom the functions are directly conferred.

Regulation 2 sets out the functions which are prescribed for the purpose of section 23 of the 2014 Act. These are functions which, in respects of a local authority area, are conferred directly on an officer of that local authority. The effect of regulation 2(1) is that a person who is an officer of the Health Board (or any other local authority) with which a local authority has made joint working arrangements under the 2014 Act may exercise those functions in respect of the area of that local authority providing that the condition in regulation 3 is satisfied.

Regulation 3 sets out a prescribed condition for the application of section 23 of the 2014 Act to the prescribed functions. A person who is not an officer of a local authority may only exercise the prescribed functions for the area of that local authority if the person meets the criteria set out in the Adult Support and Protection (Scotland) Act 2007 (Restriction on the Authorisation of Council Officers) Order 2008 which are relevant to the function in question.

Draft Regulations and Orders Relating to Public Bodies (Joint Working) (Scotland) Act 2014 – Set 2

2014 No.

HEALTH, SOCIAL CARE

**The Public Bodies (Joint Working) (Prescribed Consultees)
(Scotland) Regulations 2014**

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - ***

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by sections 6(2)(a), 33(6), 41(4), and 46(4)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014(a) and all other powers enabling them to do so.

Citation, commencement and interpretation

1. These Regulations may be cited as The Public Bodies (Joint Working) (Prescribed Consultees) (Scotland) Regulations 2014 and come into force on [date].

2. In these Regulations—

“third sector” includes representative groups, interest groups, social enterprises and community organisations; and

“standard consultees” means the groups of persons listed in the Schedule.

Prescribed groups of persons to be consulted

3. The groups of persons prescribed for the purposes of sections 6(2)(a) and 46(4)(a) (consultation on integration scheme) are—

- (a) the standard consultees;
- (b) staff of the local authority likely to be affected by the integration scheme;
- (c) staff of the Health Board likely to be affected by the integration scheme; and
- (d) other local authorities operating within the area of the Health Board preparing the integration scheme.

4. The groups of persons prescribed for the purposes of section 33(6) (preparation of the strategic plan) are the standard consultees.

5. The groups of persons prescribed for the purposes of section 41(4) (localities) are—

- (a) the standard consultees;
- (b) staff of the Health Board;
- (c) staff of the local authority; and

(a) TBC

(d) residents of the locality,
but only insofar as they are likely to have an interest in the decision to which section 41(1) applies.

6. The persons, and groups of persons, prescribed by these regulations are only prescribed insofar as—

- (a) in the case of users of health care or social care, they reside within the local authority area;
- (b) in the cases of carers of users of health care or social care, they care for a person who resides within the local authority area; or
- (c) in any other case, they operate within the local authority area.

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[Date]

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SCHEDULE

Standard Consultees

Regulation 2

Health professionals

Users of health care

Carers of users of health care

Commercial providers of health care

Non-commercial providers of health care

Social care professionals

Users of social care

Carers of users of social care

Commercial providers of social care

Non-commercial providers of social care

Non-commercial providers of social housing

Third sector bodies carrying out activities related to health or social care

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations prescribe persons and groups of persons for the purposes of sections 6(2)(a), 33(6), 41(4), and 46(4)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”). The effect of the Regulations is to provide for the groups of persons who must be consulted on integration plans; strategic plans; or significant decisions in a locality.

Regulation 2 of the Regulations introduces the Schedule. The Schedule lists ‘standard consultees’, being groups of persons who are prescribed in respect of each of the purposes covered by the Regulations.

Regulation 3 prescribes the persons and groups of persons who appear to the Scottish Ministers to have an interest for the purposes of sections 6(2)(a) and 33(6) of the 2014 Act. Under the 2014 Act, these groups of persons must be jointly consulted by a local authority and Health Board when preparing, or revising, an integration scheme.

Regulation 4 prescribes the groups of persons who appear to the Scottish Ministers to have an interest for the purposes of section 33(6) of the 2014 Act. Under the 2014 Act, a representative of each of those groups must be sent a copy of the second draft of the strategic plan and be invited to express their views (section 33(4)-(6)).

Regulation 5 prescribes the groups of persons who appear to the Scottish Ministers to have an interest for the purposes of section 41(4) of the 2014 Act. Under the 2014 Act, the integration authority must take action to secure that these groups are involved in, and consulted on, decisions which significantly affect the provision of services in a locality (section 41). The groups of persons are only prescribed insofar as they are likely to have an interest in the particular decision being taken.

The groups of persons prescribed by these Regulations are only prescribed insofar as they operate within the area of the local authority; use health or social care services within the local authority; or care for someone who uses such services.

2014 No.

HEALTH, SOCIAL CARE

**Public Bodies (Joint Working) (Proceedings, Membership and
General Powers of Integration Joint Boards) (Scotland) Order
2014**

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - *in accordance with article 1*

The Scottish Ministers make the following Order in exercise of the powers conferred on them by section 12 and 69(1) of the Public Bodies (Joint Working) (Scotland) Act 2014 (a) and all other powers enabling them to do so.

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Public Bodies (Joint Working) (Proceedings, Membership and General Powers of Integration Joint Boards) (Scotland) Order 2014 and comes into force on *(tbc)*.

(2) In this Order—

“the Act” means the Public Bodies (Joint Working)(Scotland) Act 2014;

“chairperson” means the chairperson of the integration joint board for the time being appointed under article 4 or in accordance with arrangements made under article 6(b);

“service users” has the meaning provided by section 4(2) of the Act; and

“voting member” means a member appointed by virtue of article 3(1)(a), 3(1)(b), 5(1)(a) or 5(2)(b).

Application of this Order

2.—(1) Articles 3, 4 and 9 of this Order apply where the integration scheme is prepared under section 1(2) or 2(3) of the Act.

(2) Articles 5, 6 and 7 of this Order apply where an integration scheme is prepared under section 2(4) of the Act.

(3) Except as provided for by paragraphs (1) or (2), the provisions of this Order apply to all integration joint boards.

Membership where integration scheme prepared by one local authority

3.—(1) An integration joint board must include the following members—

(a) 2014 asp 9.

- (a) the number of councillors nominated by the local authority determined in accordance with paragraphs (3);
 - (b) the number of persons nominated by the Health Board determined in accordance with paragraph (3);
 - (c) the chief social work officer of the local authority;
 - (d) a registered health professional employed by, and chosen by, the Health Board;
 - (e) the chief officer of the integration joint board; and
 - (f) one person appointed by the integration joint board in respect of each of the groups described in paragraph (2).
- (2) The groups referred to in paragraph (1)(f) are:
- (a) staff of the constituent authorities engaged in the provision of services provided under integration functions;
 - (b) third sector bodies carrying out activities related to health or social care in the area of the local authority;
 - (c) service users residing in the area of the local authority; and
 - (d) persons providing unpaid care in the area of the local authority.
- (3) The number of persons to be nominated under article 3(1)(a) and (b) is—
- (a) three; or
 - (b) such number as the constituent authorities agree; or
 - (c) such number as the local authority specifies which does not exceed 10 per cent of the number of members of the local authority,
- whichever is the greatest.
- (4) Except where paragraph (5) applies, the members nominated by a Health Board under article 3(1)(b) must be non-executive directors of that Health Board.
- (5) If the Health Board is unable to nominate the number of non-executive directors determined in accordance with paragraph (3)—
- (a) it must nominate at least 2 non-executive directors; and
 - (b) the remainder of the persons nominated under article 3(1)(b) must be appropriate persons.
- (6) Subject to paragraph (7), the integration joint board may appoint such additional members as it sees fit.
- (7) An additional member appointed under paragraph (6) may not be a councillor or a non-executive director of the Health Board.
- (a) In this article,
 - “appropriate person” means a member of the Health Board, but does not include any person who is both a member of the Health Board and a councillor; and
 - “third sector bodies” includes non-commercial providers of health or social care, representative groups, interest groups, social enterprises and community organisations.

Appointment of chairperson and vice-chairperson where integration scheme prepared by one local authority

- 4.—**(1) The constituent authorities must agree —
- (a) the period, not exceeding three years, for which an authority is to be entitled to appoint the chairperson (the “appointing period”); and
 - (b) which of them is to appoint the chairperson in the first appointing period.
- (2) The constituent authorities must alternate which of them is to appoint the chairperson in respect of each successive appointing period.

(3) The constituent authority which is not entitled to appoint the chairperson in respect of an appointing period must appoint the vice-chairperson of the integration joint board in respect of that period.

(4) A constituent authority may change the person appointed as chairperson or vice-chairperson during an appointing period.

(5) The local authority may only appoint as chairperson or vice-chairperson a member of the integration joint board nominated by it in accordance with article 3(1)(a).

(6) The Health Board may only appoint as chairperson or vice-chairperson a member of the integration joint board nominated by it in accordance with article 3(1)(b) who is a non-executive director of the Health Board.

Membership where integration scheme prepared by two or more local authorities.

5.—(1) Subject to paragraph (2), where an integration scheme is prepared by a Health Board jointly with more than one local authority under section 2(4) of the 2014 Act, the membership of the integration joint board is to be such as the Health Board and local authorities agree.

(2) The membership of an integration joint board to which this article applies must include the following members:

- (a) if the scheme is prepared by two local authorities, two councillors nominated by each local authority or, if the scheme is prepared by more than two local authorities, one councillor nominated by each local authority;
- (b) a number of persons nominated by the Health Board which is equal to the number of councillors required to be nominated under (a);
- (c) the chief social work officer of one of the local authorities;
- (d) a registered health professional employed by, and chosen by, the Health Board,
- (e) the chief officer of the integration joint board; and
- (f) one member appointed by the integration joint board in respect of each of the groups described in paragraph (3).

(3) The groups referred to in paragraph (2)(f) are:

- (a) staff of the constituent authorities engaged in the provision of services provided under integration functions;
- (b) third sector bodies carrying out activities related to health and social care for the area of the local authority;
- (c) service users in the area of the local authority; and
- (d) persons providing unpaid care in the area of the local authority.

(4) Except where paragraph (5) applies, the members nominated by a Health Board under article 5(2)(b) must be non-executive directors of that Health Board.

(5) If the Health Board is unable to nominate the number of non-executive directors required under article 5(2)(b)—

- (a) it must nominate at least two non-executive directors; and
- (b) the remainder of the persons nominated under that article must be appropriate persons.

(6) In this article—

“appropriate person” means a member of the Health Board, but does not include any person who is both a member of the Health Board and a councillor; and

“third sector bodies” includes non-commercial providers of health and social care, representative groups, interest groups, social enterprises and community organisations.

Appointment of chairperson and vice-chairperson where integration scheme prepared by two or more local authorities

6.—(1) The constituent authorities must agree —

- (a) the period, not exceeding three years, for which an authority is to be entitled to appoint the chairperson (the “appointing period”); and
- (b) whether the chairperson will be appointed by the Health Board or by one of the local authorities in the first appointing period.

(2) The appointment of the chairperson is to alternate between the Health Board and a local authority, so that in each second alternating appointing period the chairperson is appointed by the Health Board.

(3) The Health board, or as the case may be, a local authorities, which is not entitled to appoint the chairperson in respect of an appointing period must appoint the vice-chairperson of the integration joint board in respect of that period.

(4) A constituent authority may change the person appointed as chairperson or vice-chairperson during an appointing period.

(5) A local authority may only appoint as chairperson or vice-chairperson a member of the integration joint board nominated by it in accordance with article 3(1)(a).

(6) The Health Board may only appoint as chairperson or vice-chairperson a member of the integration joint board nominated by it in accordance with article 3(1)(b) who is a non-executive director of the Health Board.

Temporary vacancies where integration scheme prepared by two or more local authorities.

7. The arrangements in relation to temporary vacancies in membership are to be such as the constituent authorities agree.

Term of office of members

8.—(1) Subject to paragraph (2), the term of office of a member of the integration joint board member is to be determined by the constituent authorities, but is not to exceed three years.

(2) A member appointed under article 3(1)(c)-(f) or, as the case may be, article 5(2)(c)-(f) is to remain a member for as long as they hold the office in respect of which they are appointed.

(3) A member who is a councillor appointed on the nomination of the local authority is not required to resign before the expiry of the term of office determined under paragraph (1) only by reason of ceasing to be a councillor.

(4) At the end of a term of office determined under paragraph (1), a member may be reappointed for a further term of office.

(5) This article is subject to the effect of article 13 (resignation of members) and 14 (removal of members).

Voting

9.—(1) All questions put to a meeting of an integration joint board are to be decided by a majority of the voting members attending and voting at the meeting.

(2) If there is an equality of votes on any question put to a meeting of an integration joint board the chairperson or, in the absence of the chairperson, the vice-chairperson is to have a second or casting vote.

Temporary vacancies in voting membership

10.—(1) Where there is a temporary vacancy in the voting membership of the integration joint board, the vote which would be exercisable by a member appointed to that vacancy may be

exercised jointly by the other members nominated by the constituent authority which is entitled to nominate a member to fill the temporary vacancy.

(2) In this article a reference to a “temporary vacancy” means a vacancy in respect of which a constituent authority is required to nominate a person, but is unable for the time being to do so.

(3) Paragraph (4) applies where, due to two or more temporary vacancies, the number of members nominated by one of the constituent authorities under article 3(1)(a) or (b) is one, or a constituent authority has been unable to nominate any members, and where by virtue of article 4, the chairperson is to be appointed by that constituent authority.

(4) Where this paragraph applies the chairperson of the integration joint must be temporarily appointed by the other constituent authority.

(5) Where a temporary vacancy, or the circumstances in which paragraph (4) applies, persists for longer than six months the Chairperson of the integration joint board must notify the Scottish Ministers in writing of the reasons why the vacancy remains unfilled.

Effect of vacancy in membership

11. A vacancy in the membership of an integration joint board shall not invalidate anything done or any decision made by that integration joint board.

Disqualification

12.—(1) A person to whom paragraph (2) applies is disqualified from being a member of the integration joint board.

(2) The persons to who this paragraph applies are—

- (a) a person who has within the period of five years immediately preceding the proposed date of appointment as a member of the board been convicted in the United Kingdom, the Channel Islands, the Isle of Man or the Irish Republic of any offence in respect of which they have received a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine);
- (b) a person who has been removed or dismissed, other than by reason of redundancy, from any paid employment or office with a Health Board or local authority;
- (c) a person who is insolvent;
- (d) a person who has been removed from a register maintained by the registrar of a regulatory body, other than where the removal was voluntary;

(3) For the purposes of (2)(a) the date of conviction shall be deemed to be on the date on which the days of appeal expire without any appeal having been lodged, or if an appeal has been made, the date on which the appeal is finally disposed of or treated as having been abandoned.

(4) In this article:

- (a) a person is “insolvent” if:
 - (i) the person’s estate is sequestrated;
 - (ii) the person is adjudged bankrupt;
 - (iii) an individual voluntary arrangement proposed by the person is approved under Part VIII of the Insolvency Act 1986;
 - (iv) the person enters into a debt arrangement programme under Part I of the Debt Arrangement and Attachment (Scotland) Act 2002 as the debtor; or
 - (v) the person enters a trust deed for creditors;
 - (vi) a bankruptcy restrictions order has been made in respect of the person; or
 - (vii) the person has given a bankruptcy restrictions undertaking.
- (b) The term “registrar of a regulatory body” means the following:
 - the Registrar of Chiropractors;

the registrar of dentists and dental care professionals;
the registrar of the General Medical Council;
the registrar of the General Optical Council;
the Registrar of health professionals;
the Registrar of nurses and midwives;
the Registrar of Osteopaths;
the registrar of pharmacists; and
the Scottish Social Services Council.

- (c) A “voluntary” removal from a register maintained by a regulatory body includes removal by reason of retirement or otherwise ceasing to practice as a regulated professional.

Resignation of members

13.—(1) Subject to paragraph (3), a person may resign their membership of the integration joint board at any time by giving notice in writing to the chairperson.

(2) If a voting member gives notice under paragraph (1) the chairperson must inform the constituent authority which nominated that member.

(3) Paragraph (1) does not apply to a member appointed under article 3(1)(c)-(e) or, as the case may be, article 5(2)(c)-(e).

Removal of Members

14.—(1) A constituent authority may remove a member which it nominated by providing one month’s notice in writing to the member and the chairperson.

(2) If a member has not attended three consecutive meetings of the integration joint board, and the absence was not due to illness or other reasonable cause, the integration joint board may remove the member from office by providing the member with one month’s notice in writing.

(3) If the member acts in a way which brings the integration joint board into disrepute or in a way which is inconsistent with their membership of the board, the integration joint board may remove the member from office.

(4) If a member becomes disqualified under article 8 during a term of office they are to be removed from office.

(5) Paragraphs (1)-(4) do not apply to a member appointed under article 3(1)(c)-(f) or, as the case may be, article 5(2)(c)-(e).

Expenses

15.An integration joint board may pay to its members all reasonable expenses relating to travel and subsistence costs incurred by them in connection with their membership of the integration joint board.

Committees

16.—(1) An integration joint board may establish committees of its members for the purpose of carrying out such of its functions as the board may determine.

(2) When an integration joint board establishes a committee under (1), it must determine who will act as chairperson of that committee.

Remote participation in meetings

17.—(1) A meeting of the integration joint board or a committee of an integration joint board may be conducted either—

- (a) by all members being present together in the place specified in the notice of the meeting;
or
- (b) in any other way in which each member is enabled to participate despite not being present with other members.

(2) Participation in a meeting by virtue of paragraph (1)(b) is to be treated as attendance at that meeting.

Standing orders of the integration joint board

18.—(1) An integration joint board must make, and may amend, standing orders for the regulation of its procedure and business, and all meetings of the integration joint board or of a committee of the integration joint board shall be conducted in accordance with them.

(2) Standing orders prepared under paragraph (1) must include the matters set out in the Schedule and may include such additional provision as the integration joint board sees fit.

General powers of the integration joint board

19. An integration joint board may enter into a contract with any other person in relation to the provision to the integration joint board of goods and services for the purpose of carrying out functions conferred on it by the Act

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SCHEDULE

Article 19

MATTERS TO BE INCLUDED IN STANDING ORDERS

Calling meetings

1.—(1) The first meeting of an integration joint board is to be convened at a time and place determined by the chairperson.

(2) The chairperson may call a meeting of the integration joint board at such times as they see fit.

(3) A request for a meeting of the integration joint board to be called may be made in the form of a requisition specifying the business proposed to be transacted at the meeting and signed by at least two thirds of the voting members, presented to the chairperson.

(4) If a request is made under paragraph (3) and the chairperson refuses to call a meeting, or does not call a meeting within 7 days after the making of the request, the members who signed the requisition may call a meeting.

(5) The business which may be transacted at a meeting called under paragraph (4) is limited to the business specified in the requisition.

Notice of meetings

2.—(1) Before each meeting of the integration joint board, or committee, a notice of the meeting specifying the time, place and business to be transacted at it signed by the chairperson or a member authorised by the chairperson to sign on the chairperson's behalf is to be delivered electronically to every member or sent to the usual place of residence of every member so as to be available to them at least three clear days before the meeting.

(2) A failure to serve notice of a meeting on a member in accordance with paragraph (1) shall not affect the validity of anything done at that meeting.

(3) In the case of a meeting of the integration joint board called by members in default of the chairperson the notice is to be signed by the members who requisitioned the meeting in accordance with paragraph 1(3).

Quorum

3. No business is to be transacted at a meeting of the integration joint board unless at least two thirds of the voting members nominated by the Health Board, and at least two thirds of the voting members nominated by the local authority, are present.

Conduct of meetings

4.—(1) At each meeting of the integration joint board, or a committee of the integration joint board, the chairperson, if attending the meeting, is to preside.

(2) If the chairperson is absent from a meeting of the integration joint board, the vice-chairperson is to preside.

(3) If the chairperson and vice-chairperson are both absent from a meeting of the integration joint board, a voting member chosen at the meeting by the other voting members attending the meeting is to preside but may not exercise a casting vote on any decision put to the meeting.

(4) If it is necessary or expedient to do so a meeting of the integration joint board, or of a committee, may be adjourned to another date, time or place.

Deputies

5.—(1) If a voting member is unable to attend a meeting of the integration joint board the constituent authority which nominated the member, is to use its best endeavours to arrange for a suitably experienced deputy, who is either a councillor or, as the case may be, a member of the Health Board, to attend the meeting.

(2) A deputy attending a meeting of the integration joint board under (1) may vote on decisions put to that meeting.

(3) If the chairperson or vice chairperson is unable to attend a meeting of the integration joint board, any deputy attending the meeting under (1) may not preside over, or exercise any casting vote at, that meeting.

Conflict of interest

6.—(1) If a member or any associate of their has any pecuniary or other interest, direct or indirect, in any item of business to be transacted at a meeting of the integration joint board, or a committee, which that member attends, that member shall disclose the nature of the interest and must not vote on any question with respect to that item of business.

(2) A member is not to be treated as having an interest in any item of business if it cannot reasonably be regarded as likely to significantly affect or influence the voting by that member on any question with respect to that item of business.

Records

7.—(1) A record must be kept of the names of the members attending every meeting of the integration joint board or committee.

(2) Minutes of the proceedings of a meeting of the integration joint board or a committee, including any decision made at that meeting are to be drawn up and submitted to the next ensuing meeting of the integration joint board or the committee for agreement after which they must be signed by the person presiding at that meeting.

EXPLANATORY NOTE

(This note is not part of the Order)

Integration joint boards may be established by the Scottish Ministers under section 9 of the Public Bodies (Joint Working)(Scotland) Act. This Order sets out provisions which will apply in relation to the membership, proceedings and operation of all integration joint boards so established.

Article 3 makes provision for the persons who must, and may, be included in the membership of an integration joint board where the integration joint board will operate only in a single local authority area. Paragraph (1) and (2) set out the persons who must be included, as a minimum, in all integration joint boards to which this article applies. This includes members to be nominated by the Health Board and local authority which prepared the integration joint board (the “constituent authorities”), holders of key posts within the constituent authorities or the integration joint board, and representatives of groups having an interest in the integration joint board. Paragraphs (3)-(7) set out arrangements for flexibility for an integration joint board to appoint additional members, or different member, to those provide for in paragraphs (1) and (2), in certain circumstances.

Article 4 provides for the chairperson and vice chairperson to be appointed from among the members nominated by each constituent authority. The constituent authorities will have responsibility for these appointments on an alternating basis, with the maximum term of appointment to be three years.

Article 5 makes provision for the persons who must, as a minimum, be included in the membership of an integration joint board which will operate in two or more local authority areas, and provides that additional members may be appointed as agreed between the constituent authorities. Article 6 makes provision for appointment of the chairperson to alternate between the health board on the one hand, and the local authorities on the other hand.

Article 8(1) provides that the term of office for members is not to exceed three years. An exception to this is set out in 8(2) where a person is a member by virtue of holding a particular post within a constituent authority or the integration joint board. In such circumstances, the member may remain in office as long as they hold the relevant post. Article 8(3) sets out that where a member is a councillor, and ceases to hold office as a councillor, they may continue to hold office as a member of the integration joint board. Article 8(4) clarifies that members may be appointed for more than one successive term of office. By virtue of Article 8(5), a member may resign or be removed during their term of office as provided for in this Order.

Articles 9 and 10 provide for voting on questions of the integration joint board, including in the circumstances where, due to vacancies in the membership, the constituent authorities are not represented equally in the membership. Article 11 clarifies that an integration joint board may continue to operate if there is a vacancy in its membership.

Article 12 sets out categories of persons who are disqualified from being appointed as a member.

Articles 13 and 14 provide for the resignation or removal of members.

Article 15 sets out the expenses that may be paid to members.

Article 16 confers powers on integration joint boards to establish committees and delegate functions to those committees. Article 17 makes provision to allow a meeting of a board, or a committee, to take place where members are participating remotely, for example by videoconference technology.

Article 18 imposes a requirement on each integration joint board to create its own standing orders, Paragraph (2) introduces the schedule which sets out certain matters that must be included in the standing orders of every integration joint board.

Articles 19 provides for all integration joint boards to be able to enter into contracts for the purpose of carrying out their functions, for example to obtain administrative support, accounting or legal services.

2014 No.

HEALTH, SOCIAL CARE

**The Public Bodies (Joint Working) (Membership and Operation
of Integration Joint Monitoring Committees) (Scotland) Order
2014**

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - *in accordance with article 1*

The Scottish Ministers make the following Order in exercise of the powers conferred on them by sections 17 and 69(1) of the Public Bodies (Joint Working) (Scotland) Act 2014(a) and all other powers enabling them to do so.

Citation, commencement and interpretation

1.—(1) This Order may be cited as The Public Bodies (Joint Working)(Membership and Operation of Integration Joint Monitoring Committees)(Scotland) Order 2014 and comes into force on *(tbc)*.

(2) In this Order—

“the Act” means the Public Bodies (Joint Working) (Scotland) Act 2014;

“chairperson” means the chairperson of the integration joint monitoring committee for the time being appointed under article 4 or, as the case may be, article 6; and

“nominated members” means the members of the integration joint monitoring committee appointed under article 3(1)(a) and (b) or, as the case may be, 5(1)(a) and (b).

Application of this Order

2.—(1) Article 3 applies only where an integration scheme is prepared under sections 1(2) or 2(3) of the Act.

(2) Article 4 applies only where an integration scheme is prepared under section 2(4) of the Act.

(3) Except as provided for by paragraphs (1) or (2), the provisions of this Order apply to all integration joint monitoring committees.

Membership where integration scheme prepared by one local authority

3.—(1) An integration joint monitoring committee established by a Health Board and local authority under section 15(3) of the 2014 Act must include the following members:

(a) three councillors nominated by the local authority;

(b) three persons nominated by the Health Board;

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- (c) the chief social worker officer of the local authority;
 - (d) a registered health professional employed by, and chosen by, the Health Board;
 - (e) where the integration authority is the local authority, or is the Health Board and local authority acting jointly, the proper officer of the local authority appointed under section 95 of the Local Government (Scotland) Act 1973;
 - (f) where the integration authority is the Health Board, or is the Health Board and local authority acting jointly, the Director of Finance of the Health Board;
 - (g) one member appointed by the integration joint monitoring committee as a representative of each of the groups described in paragraph (2).
- (2) The groups referred to in (1)(g) are:
- (a) where the integration authority is the Health Board, or is the Health Board and local authority acting jointly, staff of the Health Board engaged in the provision of services provided under integration functions
 - (b) where the integration authority is the local authority, or is the Health Board and local authority acting jointly, staff of the local authority engaged in the provision of services provided under integration functions;
 - (c) third sector bodies carrying out activities related to health or social care in the area of the local authority;
 - (d) users of health and social care services residing in the area of the local authority; and
 - (e) persons providing unpaid care in the area of the local authority.
- (3) Except where paragraph (4) applies, the persons nominated by the Health Board under article 3(1)(b) must be non-executive directors of that Health Board
- (4) If the Health Board is unable to nominate three non-executive directors—
- (a) it must nominate two non-executive directors and
 - (b) it must nominate an appropriate person.
- (5) The integration joint monitoring committee may appoint such additional members as it sees fit.
- (6) In this article
- “appropriate person” means a member of the Health Board, but does not include any person who is both a member of the Health Board and a councillor; and
- “third sector bodies” includes non-commercial providers of health and social care, representative groups, interest groups, social enterprises and community organisations.

Membership where integration scheme prepared by two or more local authorities

4.—(1) Subject to the provisions of this article, where an integration scheme is prepared by a Health Board jointly with more than one local authority under section 2(4) of the 2014 Act, the membership of the integration joint monitoring committee shall be as the health board and local authorities may agree.

(2) The membership of an integration joint monitoring committee to which this article applies shall include at least:

- (a) three councillors nominated by the local authorities, or if the integration scheme is prepared by more than three local authorities, one representative of each local authority;
- (b) three persons nominated by the Health Board
- (c) the chief social worker officer of one of the local authorities;
- (d) a registered health professional employed by, and chosen by, the Health Board;
- (e) Where the integration authority is a local authority, or is the Health Board and local authority acting jointly, the proper officer of that local authority appointed under section 95 of the Local Government (Scotland) Act 1973;

- (f) Where the Integration Authority is the Health Board, or is the Health Board and local authority acting jointly, the Director of Finance of the Health Board;
 - (g) one member appointed by the chairperson of the integration joint monitoring committee as a representative of each of the groups described in paragraph (3).
- (3) The groups referred to in (2)(g) are:
- (a) staff of the health board engaged in the provision of services provided under integration functions
 - (b) staff of the local authorities engaged in the provision of services provided under integration functions;
 - (c) third sector bodies carrying out activities related to health or social care in the area of the local authority;
 - (d) users of health and social care services residing in the area of the local authority; and
 - (e) persons providing unpaid care in the area of the local authority.
- (4) Except where paragraph (5) applies, the persons nominated by the Health Board under article 3(1)(b) must be non-executive directors of that Health Board
- (5) If the Health Board is unable to nominate three non-executive directors—
- (a) it must nominate two non-executive directors and
 - (b) it must nominate an appropriate person.
- (6) In this article—
- “appropriate person” means a member of the Health Board, but does not include any person who is both a member of the Health Board and a councillor; and
- “third sector bodies” includes non-commercial providers of health and social care, representative groups, interest groups, social enterprises and community organisations.

Term of office of members

5.—(1) Subject to paragraph (2), the term of office of a member of the integration joint monitoring committee is to be determined by the Health Board and local authority, but is not to exceed three years.

(2) A member appointed under article 3(1)(c)-(f) or, as the case may be, article 4(2)(c)-(f) is to remain a member for as long as they hold the office in respect of which they are appointed.

(3) A member who is a councillor appointed on the nomination of the local authority is not required to resign before the expiry of the term of office determined under paragraph (1) only by reason of ceasing to be a councillor.

(4) At the end of a term of office determined under (1), a member may be reappointed for a further term of office.

(5) This article is subject to the effect of article 9 (resignation of members) and article 10 (removal of members).

Appointment of Chairperson

6.—(1) When an integration joint monitoring committee is established, the Health Board and Local Authority must appoint a chairperson from among the nominated members.

(2) The local authority and Health Board may by agreement, and where it is reasonably practicable to do so by providing one month’s notice to the chairperson, change the member that is appointed as chairperson.

Vacancy in membership

7. A vacancy in the membership of an integration joint monitoring committee shall not invalidate anything done or any decision made by that committee

Disqualification

8.—(1) A person to whom paragraph (2) applies is disqualified from being a member of an integration joint monitoring committee.

(2) The persons to whom this paragraph applies are—

- (a) a person who has within the period of five years immediately preceding the proposed date of appointment been convicted in the United Kingdom, the Channel Islands, the Isle of Man or the Irish Republic of any offence in respect of which they have received a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine);
- (b) a person who has been removed or dismissed, other than by reason of redundancy, from any paid employment or office with a Health Board or local authority;
- (c) a person who is insolvent; or
- (d) a person who has been removed from a register maintained by the registrar of a regulatory body other than where the removal was voluntary.

(3) For the purposes of (2)(a) the date of conviction shall be deemed to be on the date on which the days of appeal expire without any appeal having been lodged, or if an appeal has been made, the date on which the appeal is finally disposed of or treated as having been abandoned.

(4) In this article:

- (a) a person is “insolvent” if—
 - (i) the person’s estate is sequestrated;
 - (ii) the person is adjudged bankrupt;
 - (iii) an individual voluntary arrangement proposed by the person is approved under Part VIII of the Insolvency Act 1986;
 - (iv) the person enters into a debt arrangement programme under Part I of the Debt Arrangement and Attachment (Scotland) Act 2002 as the debtor;
 - (v) the person enters a trust deed for creditors;
 - (vi) a bankruptcy restrictions order has been made in respect of the person; or
 - (vii) the person has given a bankruptcy restrictions undertaking.
- (b) the term “registrar of a regulatory body” means the following—

The Registrar of Chiropractors;

The registrar of dentists and dental care professionals;

The registrar of the General Medical Council;

The registrar of the General Optical Council;

The Registrar of health professionals;

The Registrar of nurses and midwives;

The Registrar of Osteopaths;

The registrar of pharmacists; and

The Scottish Social Services Council; and

- (c) a “voluntary” removal from a register maintained by a regulatory body includes removal by reason of retirement or otherwise ceasing to practice as a regulated professional.

Resignation of Members

9.—(1) A member may resign their membership of the integration joint monitoring committee at any time by giving notice in writing to the chairperson.

(2) If a nominated member gives notice under (1), the chairperson of the integration joint monitoring committee must give notice to the local authority or, as the case may be, Health Board which nominated the member.

Removal of members

10.—(1) A local authority or Health Board may remove a member which it nominated by providing one month's notice to the member in question and to the chairperson.

(2) If a member has not attended three consecutive meetings of the integration joint monitoring committee, and absence was not due to illness or other reasonable cause, the committee may remove the member by providing the member with one month's notice in writing.

(3) If a member has acted in a way which brings the integration joint monitoring committee into disrepute or in a way which is inconsistent with their membership of the committee, the committee may, with the agreement of the health board and local authority, and by giving notice in writing to the member in question, remove the member from office.

(4) If a member becomes disqualified under article 8 during a term of office they are to be removed from office.

(5) Paragraphs (1)-(4) do not apply to a member appointed under article 3(1)(c)-(f) or, as the case may be, article 4(2)(c)-(f).

Expenses of Members

11. An integration joint monitoring committee may pay to its members all reasonable expenses relating to travel and subsistence costs incurred by them in connection with their membership.

Remote participation in meetings of the integration joint monitoring committee

12.—(1) A meeting of the integration joint monitoring committee may be conducted either—

- (a) by all members being present together in a place specified in the notice of the meeting; or
- (b) in any other way in which each member is enabled to participate despite not being present with other members.

(2) Participation in a meeting by virtue of paragraph (1)(b) is to be treated as attendance at that meeting.

Standing Orders

13.—(1) An integration joint monitoring committee must make, and may amend, standing orders for the regulation of the its procedure and business, and all meetings and the proceedings of the integration joint monitoring committee shall be conducted in accordance with them.

(2) Standing orders prepared under (1) must include the matters set out in the Schedule and may include such additional provision as the integration joint monitoring committee thinks fit.

Name

A member of the Scottish Government

St Andrew's House,
Edinburgh

MATTERS TO BE INCLUDED IN STANDING ORDERS**Calling meetings**

1.—(1) The first meeting of an integration joint monitoring committee is to be convened at a time and place determined by the chairperson.

(2) The chairperson may call a meeting of the integration joint monitoring committee at such times as the chairperson sees fit.

(3) A request for a meeting of the integration joint monitoring committee to be called may be made in the form of a requisition specifying the business proposed to be transacted at the meeting, and signed by at least two thirds of the members, presented to the chairperson.

(4) If a request is made under paragraph (3) and the chairperson refuses to call a meeting, or does not call a meeting within 7 days after the making of the request, the members who signed the requisition may call a meeting.

(5) The business which may be transacted at a meeting called under sub-paragraph (4) is limited to the business specified in the requisition.

Notice of meetings

2.—(1) Before each meeting of the integration joint monitoring committee a notice of the meeting specifying the time, place and business to be transacted at it, signed by the chairperson or a member authorised by the chairperson to sign on the chairperson's behalf is to be delivered electronically to every member or sent to the usual place of residence of every member so as to be available to them at least three clear days before the meeting.

(2) A failure to serve notice of a meeting in accordance with sub-paragraph (1) does not affect the validity of anything done at that meeting.

(3) In the case of a meeting of the integration joint monitoring committee called by members in default of the chairperson the notice is to be signed by the members who requisitioned the meeting in accordance with paragraph 1(3).

Quorum

3. No business is to be transacted at a meeting of the integration joint monitoring committee unless at least two thirds of the nominated members are present.

Conduct of meetings

4.—(1) At each meeting of the integration joint monitoring committee the chairperson, if attending the meeting is to preside.

(2) If the chairperson is absent from a meeting, the person appointed by the committee as vice chairperson, or such other member as may be chosen by the members attending the meeting, is to preside.

(3) If it is necessary or expedient to do so a meeting of the integration joint monitoring committee may be adjourned to another date, time or place.

Voting

5. Every question at a meeting of the integration joint monitoring committee is to be determined by a majority of the votes of the members attending the meeting, and in the case of any equality of votes, the person presiding at the meeting is to have a second or casting vote.

Deputies

6.—(1) If a nominated member is unable to attend a meeting of the integration joint monitoring committee the Health Board or local authority which nominated that member is to use its best endeavours to arrange for a suitably experienced deputy to attend the meeting.

(2) A deputy attending a meeting of the integration joint monitoring committee may vote on decisions put to that meeting.

Conflict of interest

7.—(1) If a member or any associate of theirs has any pecuniary or other interest, direct or indirect, in any item of business to be transacted at a meeting of the integration joint monitoring committee at which that member is present, that member shall disclose the nature of the interest and must not vote on any question with respect to that item of business.

(2) A member is not to be treated as having an interest in any item of business if it cannot reasonably be regarded as likely to significantly affect or influence the voting by that member on any question with regard to that item of business.

Records

8.—(1) A record must be kept of the names of the members attending every meeting of the integration joint monitoring committee.

(2) Minutes of the proceedings of a meeting of the integration joint monitoring committee, including any decision or resolution made at that meeting are to be drawn up and submitted to the next ensuing meeting of the integration joint monitoring committee for agreement after which they must be signed by the person presiding at that meeting.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order sets out provisions which will apply in relation to the membership, proceedings and operation of all integration joint monitoring committees established under section 15(3) of the Public Bodies (Joint Working) (Scotland) Act 2014.

Articles 3 and 4 makes provision for the persons who must, and may, be included in the membership of an integration joint monitoring committee, depending on whether the integration joint monitoring committee is established by a Health Board acting with one, or more than one, local authority. This includes members to be nominated by the Health Board and local authority which established the committee, holders of key posts within the Health Board and local authority board, and representatives of groups having an interest in the committee.

Article 5(1) provides that the term of office for members is not to exceed three years. An exception to this is set out in 5(2) where a person is a member by virtue of holding a particular post within a health board or local authority. In such circumstances, the member may remain in office as long as they hold the relevant post. Article 5(3) sets out that where a member is a councillor, and ceases to hold office as a councillor, they may continue to hold office as a member of the integration joint board. Article 5(4) clarifies that members may be appointed for more than one successive term of office. By virtue of Article 5(5), a member may resign or be removed during their term of office as provided for in this Order.

Article 6 provides for the chairperson of the committee to be appointed from among the members nominated by the Health Board and local authority.

Article 7 clarifies that an integration joint monitoring committee may continue to operate if there is a vacancy in its membership.

Article 8 sets out categories of persons who are disqualified from being appointed as a member.

Articles 9 and 10 provide for the resignation or removal of members.

Article 11 sets out the expenses that may be paid to members.

Article 12 makes provision to allow a meeting of a committee, to take place where members are participating remotely, for example by videoconference technology.

Article 13 imposes a requirement on each integration joint monitoring committee to create its own standing orders. Paragraph (2) introduces the Schedule which sets out certain matters that must be included in the standing orders of every integration joint board.

2014 No.

HEALTH, SOCIAL CARE

Public Bodies (Joint Working) (Membership of Strategic Planning Group) (Scotland) Regulations 2014

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - - - ***

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by section 32(2) of the Public Bodies (Joint Working) (Scotland) Act 2014 (a) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as The Public Bodies (Joint Working) (Membership of the Strategic Planning Group) (Scotland) Regulations 2014 and come into force on [date].

Prescribed groups of persons

2.—(1) The groups of persons listed in the Schedule are prescribed for the purposes of section 32(2) (establishment of strategic planning group).

(2) The groups of persons listed in the Schedule are only prescribed insofar as—

- (a) in the case of users of health care or social care, they reside within the local authority area;
- (b) in the case of carers of users of health or social care, they care for a person who resides within the local authority area; or
- (c) in any other case, they operate within the local authority area.

(3) In these Regulations, “third sector” includes representative groups, interest groups, social enterprises and community organisations.

St Andrew’s House,
Edinburgh
[Date]

Name
A member of the Scottish Government

(a) TBC

SCHEDULE

Regulation 2

Groups of persons to be represented in the membership of a strategic planning group

Health professionals

Users of health care

Carers of users of health care

Commercial providers of health care

Non-commercial providers of health care

Social care professionals

Users of social care

Carers of users of social care

Commercial providers of social care

Non-commercial providers of social care

Non-commercial providers of social housing

Third sector bodies carrying out activities related to health or social care

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations prescribe groups of persons for the purposes of section 32(2) of the Public Bodies (Joint Working) (Scotland) Act 2014 (“the 2014 Act”).

Regulation 2(1) introduces the Schedule. The Schedule lists the groups of persons who appear to the Scottish Ministers to have an interest for the purposes of section 32(2). The effect of Regulation 2 is that an integration authority’s strategic planning group must include a representative of each of the groups of persons listed in the Schedule. Regulation 2(2) provides some limitations to the extent to which the groups are prescribed.

2014 No.

HEALTH, SOCIAL CARE

The Public Bodies (Joint Working) (Content of Performance Reports) (Scotland) Regulations 2014

Made - - - - - ***

Laid before the Scottish Parliament ***

Coming into force - - - *in accordance with article 1*

The Scottish Ministers make the following Regulations in exercise of the powers conferred on them by section 42(3) and 69(1) of the Public Bodies (Joint Working) (Scotland) Act 2014(a) and all other powers enabling them to do so.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Public Bodies (Joint Working) (Content of Performance Reports) (Scotland) Regulations 2014 and come into force on *(tbc)*.

(2) In these Regulations —

“reporting year” has the same meaning as in section 42(8) of the Act;

“service users” has the same meaning as in section 4(2) of the Act; and

“the Act” means the Public Bodies (Joint Working) (Scotland) Act 2014

Prescribed content of performance report

2.—(1) A performance report prepared by an integration authority must include—

- (a) a description of the extent to which the arrangements set out in the strategic plan and the expenditure allocated in the financial statement have achieved, or contributed to achieving, the national health and wellbeing outcomes during the reporting year;
- (b) information about the integration authority’s performance against key indicators or measures in relation to the national health and wellbeing outcomes during the reporting year;
- (c) information about the way in which the arrangements set out in the strategic plan, and expenditure on those arrangements, have contributed to the provision of services in pursuance of integration functions in accordance with the integration delivery principles during the reporting year;
- (d) a description of the way in which the consultation and involvement of groups in decisions about localities under section 41 of the Act has contributed to compliance with the integration delivery principles during the reporting year, and

(a) 2014 asp 9.

an assessment of the effect that such consultation has had on decisions about the planning and delivery of health and social care services in pursuance of integrated functions in localities;

- (e) information about any significant decisions that have been made by the integration authority under section 36 of the Act during the reporting year;
- (f) information about financial performance, including in particular details of any underspend or overspend against the budget of the integration authority for the reporting year;
- (g) information about the way in which the amounts paid to the integration authority, or set aside for use by the integration authority have been used during the reporting year including in particular the total amount spent by, or under the direction of, the integration authority on each of the matters listed in (2); and
- (h) information setting out the proportion of the integration authorities total spend that was spent on each of the matters listed in (2).

(2) The matters are—

- (a) health care services provided in pursuit of integration functions to hospital inpatients;
- (b) health care services provided in pursuit of integration functions other than those provided to hospital inpatients;
- (c) social care services provided in pursuit of integration functions to service users who are provided with a care home service or adult placement service;
- (d) social care services provided in pursuit of integration functions to support unpaid carers in relation to needs arising from their caring role;
- (e) social care services provided in pursuit of integration functions which are not within (c) or (d) above; and

(3) A performance report must include, in respect of the information which is included in the report by virtue of regulation 2(1)(b), (g) and (h), a comparison between the reporting year and at least the 5 preceding reporting years.

(4) In this article—

“adult placement service” and “care home service” have the meaning ascribed to them by Schedule 12 to the Public Services Reform (S) Act 2010 ; and

“inpatient” means a patient whose treatment requires the patient to be admitted to, and remain in, the place of treatment overnight.

3. If, during the reporting year, the integration authority has carried out a review of the strategic plan, the performance report must include:

- (a) a statement of the reasons for carrying out the review;
- (b) a statement as to whether, following the review, a revised strategic plan was prepared by the integration authority; and
- (c) where a revised strategic plan was prepared, a description of the changes made in revising the strategic plan.

4. If, during the reporting year, a report prepared by an integration joint monitoring committee has included a recommendation as to how integration functions should be carried out, the performance report must include a list of all such recommendations, and the integration authority’s response to each recommendation.

5. A performance report prepared by an integration authority may include such other information relating to the performance of the integration authority during the reporting year as the integration authority thinks fit.

Name

A member of the Scottish Government

St Andrew's House,
Edinburgh

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe the content that is to be included in performance reports prepared by integration authorities under section 42 of the Public Bodies (Joint Working) (Scotland) Act 2014. A performance report is to be prepared by each integration authority annually in respect of the preceding reporting year.

Regulation 2(1), read with 2(2), sets out matters that must be included in every performance report prepared by an integration authority. Regulation 2(3) requires that a performance report must include a comparison with previous reporting years in respect of certain of the prescribed matters.

Regulation 3 sets out matters that must be included in a performance report in the circumstances where an integration authority has carried out a review of its strategic plan during the reporting year.

Regulation 4 sets out matters that must be included in a performance report in the circumstances where an integration joint monitoring committee has made a recommendation to an integration authority during the reporting year.

Regulation 5 provides that, in addition to the matters which must be included by virtue of regulations 2-4, an integration authority may also include additional information about its performance during the reporting year in a performance report.

NORTH AYRSHIRE COUNCIL

Agenda Item 11

16 July 2014

Cabinet

Subject: **Implementation of a Community Benefits in Procurement Policy**

Purpose: To seek approval from the Cabinet to implement a Community Benefits in Procurement Policy.

Recommendation: That the Cabinet (a) supports the introduction of Community Benefits clauses in contracts across all Supplies, Services and Works; and (b) authorises the implementation of a Community Benefits in Procurement Policy.

1. Introduction

- 1.1 Community Benefit clauses enable the Council to include contractual requirements in contracts to ensure that suppliers deliver wider social benefits as part of the contract.

2. Current Position

- 2.1 The Corporate Procurement Strategy (2013-2016) requires Targeted Recruitment & Training (TR&T) requirements to be considered for all works contracts over the value of £1m and all service contracts which last for at least 4 years.
- 2.2 This approach has successfully delivered Community Benefits in the form of new apprentices being employed in council house new builds and the construction of new schools. However numerous public sector case studies evidence that it is within the Council's powers to adopt a much wider approach to the inclusion of Community Benefits across lower value contracts for supplies, services and works. Examples of Community Benefits which the Council could achieve through contracts for Supplies, Services and Works are included in Appendix B of the Community Benefits in Procurement Policy (see Appendix 1).
- 2.3 The implementation of a Community Benefits in Procurement Policy was considered by the Corporate Management Team on 19 March 2014 and the Economic Development and Regeneration Board on 2 June 2014. The attached policy reflects feedback from both meetings.

3. Proposals

- 3.1 The implementation of the proposed Community Benefits in Procurement Policy (see Appendix 1) will involve the key changes noted below which will ensure that Community Benefits are considered for all types of contract and will introduce a formal consistent process which will maximise the delivery of Community Benefits across Council contracts.
- 3.2 The delivery of Community Benefits will be assumed as the default position on the following contract value thresholds :
- Supplies & Services >£50k
 - Works >£100k
- 3.3 Community Benefits will be included on the basis of the following approach:
- **Core** – where Community Benefits are directly linked to the core purpose of the contract (ie apprenticeships on works contracts) Community Benefits will be included as a contractual requirement and may also be evaluated at both the prequalification and tender award stage.
 - The Council will adopt the Construction Industry Training Board (CiTB) Client Based Approach for core Community Benefits. The CiTB Client Based Approach will provide the Council with a toolkit to deliver employment, apprenticeships and training on any type and size of construction project. The toolkit includes model documentation and benchmarks which are updated regularly.
 - **Non-Core** - where Community Benefits do not directly link to the core purpose of the contract but still relate to the contract in a proportionate, non-discriminatory and transparent manner, then they will be included as a contractual requirement but will not be evaluated at either the pre-qualification or tender evaluation stage.
 - **Voluntary** - where it is inappropriate to include core or non-core Community Benefits, suppliers will be given the opportunity to offer relevant community benefits on a voluntary basis.
- 3.4 Where it is relevant and proportionate to the nature of the contract, companies will be required to maximise subcontracting opportunities to SME's and thirdsector organisations and to provide development assistance to these organisations where appropriate.

- 3.5 Companies will also be required to maximise community engagement, examples being to provide support to Education Services through the provision of school visits, career advice and life experiences that will support Curriculum for Excellence and Science, Technology, Engineering and Mathematics (STEM).

4. Implications

Financial Implications

- 4.1 There are no financial implications.

Human Resource Implications

- 4.2 The Community Benefits in Procurement Policy expressly excludes the use of workfare placements by suppliers whilst delivering Community Benefit requirements.

Legal Implications

- 4.3 The Community Benefits in Procurement Policy will ensure compliance with the Procurement Reform (Scotland) Act 2014.

The Head of Democratic and Administrative Services has reviewed the policy.

MacRobert Solicitors (acting on behalf of Ready for Business) have also provided advice whilst developing the policy.

Equality Implications

- 4.4 There are no Equality Implications.

Environmental Implications

- 4.5 There are no Environmental Implications.

Implications for Key Priorities

- 4.6 The implementation of the Community Benefits in Procurement Policy will contribute towards North Ayrshire's Single Outcome Agreement 2013-17 which states that:

“Over the next ten years we will increase jobs density in North Ayrshire by 33% and ensure that levels of worklessness are at the Scottish level and there is less inequality within North Ayrshire.”

The inclusion of Community Benefits clauses will assist in the above by contributing as follows:

- Increase the numbers of the working age population in employment;
- Create a broad spectrum of sustainable jobs; and
- Support young people to sustain positive destinations including self-employment.

Community Benefit Implications

- 4.7 The implementation of the proposed Community Benefits in Procurement Policy will introduce a formal consistent process which will maximise the delivery of Community Benefits across all Council contracts.

5. Consultations

- 5.1 During the development of this policy consultation has taken place with:

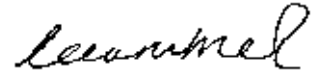
- Internal Services including Economic Development, Education & Skills and Democratic & Administrative Services;
- Suppliers including current works contractors and local SME's;
- Councils including East Renfrewshire , Renfrewshire and West Lothian Councils; and
- Other relevant organisations including CiTB, Ready for Business, MacRoberts Solicitors, CEIS and The Ayrshire Community Trust (TACT).

6. Conclusion

- 6.1 Approval from the Cabinet to implement a Community Benefits in Procurement Policy will ensure that North Ayrshire maximises the Community Benefits that are achieved through external contracts by delivering:

- apprenticeships, training and work experience to younger people and the long term unemployed;
- increased supply chain opportunities for both SME's and Third Sector Organisations through the inclusion of relevant supply chain targets within Community Benefit clauses; and

- support to Education Services through the provision of school visits, career advice and life experiences that will support Curriculum for Excellence and STEM.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference : AM/21.5.14

For further information please contact Alistair Munn, Community Benefits
Officer on 01294 324592

Background Papers

Appendix 1 - Community Benefits in Procurement Policy



North Ayrshire Council

Community Benefits

in

Procurement

Policy

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Community Benefits in Procurement Policy

1. Introduction

- 1.1 Community Benefit clauses enable the Council to include contractual requirements in contracts to ensure that suppliers deliver wider social benefits as part of the contract.
- 1.2 North Ayrshire Council's key objectives include:
- increase the numbers of the working age population in employment
 - create a broad spectrum of sustainable jobs
 - support young people to sustain positive destinations including self-employment
- 1.3 North Ayrshire Council has consistently high rates of unemployment, deprivation and poor health which in turn lead to lower life expectancy, lower attainment and greater demand on Council Services.

Audit Scotland in its report "Health Inequalities in Scotland", published December 2012, identified and estimated that if the death rate for the most deprived rate improved then estimated average economic gain would be £10b.

Employment has been identified as one of the key routes out of deprivation, bringing lower demand on Councils and other Public Services and lower costs to Councils.

Therefore in considering the "Most Economically Advantageous Tender" it is important to recognise not only the social, but also the financial benefits of Community Benefits in Procurement.

- 1.4 The purpose of the Council's Community Benefits in Procurement Policy is to ensure that consideration is given to the inclusion of Community Benefits across all supplies, services and works contracts to support the above key objectives through:
- the creation of apprenticeships, training and work experience for younger people and the long term unemployed.
 - Increasing supply chain opportunities for both SME's and Third Sector companies.
 - Providing support to Education Services through the provision of school visits, career advice and life experiences that will support Curriculum for Excellence.
- 1.5 The Community Benefits in Procurement Policy expressly excludes the use of workfare placements by suppliers whilst delivering Community Benefit requirements.

2. Statement of Principles

2.1 The current legislative framework in terms of Community Benefits in procurement is as follows:

- under Part 3 of the Local Government in Scotland Act 2003 a Scottish local authority has an express power to do anything that it considers likely to achieve the wellbeing of the whole or any part of its area and/or all or some of the persons within that area;
- the Public Contracts (Scotland) Regulations 2012 and the European Procurement Directives enable public bodies to include Community Benefits in the procurement process;
- the Procurement Reform (Scotland) Act 2014 requires Council to:
 - consider including community benefit requirements when tendering a contract with a value equal to or greater than £4,000,000 and if it decides not to it must include a statement of its reasons.
 - consider including community benefit requirements when tendering a supply and/or services contract with a value equal to or greater than £50k or a works contract with a value equal to or greater than £1m. Consideration should include how the procurement can improve the economic, social, and environmental wellbeing of the authority's area, facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process.

2.2 In addition to 2.1 above the above North Ayrshire's "Partners for Change" Commissioning Improvement Plan (May 2013) contains the following desired outputs and outcomes:

- Community Benefits clauses are considered for use within all Council contracts in order to maximise local social, economic and environmental impacts and are used in the selection and award procedures for contracts.
- At a basic level contracts should be assessed for:
 - Targeted training and recruitment opportunities.
 - Promoting/engaging local 3rd sector organisations in the contractual supply chain.
 - Promoting community engagement.
- A better understanding across the Council as to what community benefits in procurement are.

- The social, economic and environmental impacts of the Council's contracts are maximised, thus increasing the benefit of contract awards to local North Ayrshire communities.

2.3 The North Ayrshire Council Community Benefits in Procurement Policy requires Community Benefit Clauses in tenders for supplies and services contracts over £50k and all works contracts over £100k unless there is a compelling economic argument not to do so. Contract threshold values have been set lower than the Procurement Reform (Scotland) Act 2014 to maximise the quantity and range of Community Benefits delivered through Council contracts.

3. Roles and Responsibilities

To ensure that the Community Benefits in Procurement Policy achieves its potential and maximises its contribution to economic, social and environmental wellbeing across North Ayrshire all Services must work together, be aware of and support the policy.

3.1 The Role of Council Services

- Actively support the Community Benefits in Procurement Policy. Where applicable give consideration to the inclusion of Community Benefit Clauses in specifications for supplies & services contracts over £50k and all works contracts over £100k.
- Provide clear objective reasons on occasions when Community benefits clauses are not relevant.
- Work with the Community Benefits Officer to identify potential new and innovative community benefits that relate to the Service.
- Ensure the "lotting" of contracts to provide an opportunity for SME's and/or Third Sector organisations to tender for contracts unless there is a compelling economic argument not to do so.
- Actively support local economic regeneration and innovative delivery solutions by providing opportunities for Team North Ayrshire SME's to meet with relevant staff.

3.2 The Role of the Corporate Procurement Category Teams

- Include Community Benefit Clauses in tenders for supplies & services contracts over £50k and all works contracts over £100k whilst preparing the contract strategy unless there is a compelling economic argument not to do so.
- On occasions when Community Benefits clauses are not relevant record the reason in the contract strategy document.
- Work with the Community Benefits Officer to identify the Community Benefit targets for each tender exercise.
- Ensure Contract Notices, Pre Qualification Questionnaires, Invitation to Tender documents and Contract Award documents contain relevant Community Benefit clauses.
- Ensure that when Community Benefits are core to the contract that Community Benefits are either included as 10% of the total evaluation weighting or included

as minimum requirement where the contract is being evaluated on the basis of lowest cost.

3.3 The Role of the Community Benefits Officer

- To act as the central point of contact for all internal and external Community Benefit/Targeted Training & Recruitment issues
- To input into the design of contracts to ensure maximum benefit is gained for NAC through the use of Community Benefit Clauses.
- To assess the viability of Community Benefit responses as part of the Councils procurement tender evaluation process.
- To represent the Council on various national Community Benefit forums.
- To work with providers in proactively developing robust and effective approaches to delivering Community Benefit requirements.
- To monitor and assess the delivery of Community Benefit Clauses across all awarded contracts.
- To liaise with Economic Development to ensure effective working between Contractors and local employability provision.
- To maximise third sector benefit from public sector spend
- To work with providers in proactively developing robust and effective approaches to delivering Community Benefit requirements.
- To work with Education and Skills to promote the opportunities for young people offered through Community Benefits.
- To engage with other public bodies to learn from leading practice across the range of Community Benefit Clauses, in both Capital & Revenue contracts.
- To regularly update the relevant Council committees on the delivery of Community Benefits.

3.4 The Role of Economic Development

- To liaise with the Community Benefits Officer to ensure effective working between Contractors and local employability provision.

4. Community Benefits in Procurement Process

Thresholds

- 4.1 Community Benefits clauses will be included in all contracts with a total contract value above the following thresholds:

- Supplies & Services >£50k
- Works >£100k

Process

- 4.2 For all contracts with a total contract value above the thresholds the Category Manager will meet with the Community Benefits Officer to discuss the inclusion of Community Benefits in the Contract and agree which route to follow. Appendix A contains a summary flowchart of the three routes.

Route 1 - Voluntary

- 4.3 Where it has been agreed that the inclusion of Community Benefits as a contractual requirement is not appropriate Community Benefits will be included on the basis of a voluntary arrangement.
- 4.4 Where Community Benefit clauses are not applicable the reason must be recorded in the Contract Strategy
- 4.5 The voluntary route will encourage suppliers to support the Council in improving the economic, social or environmental wellbeing of the authority by identifying any Community Benefits they can provide on a voluntary basis.
- 4.6 When following the voluntary route the Community Benefits Menu (Appendix B) should be issued with the Invitation to Tender documents.
- 4.7 Community Benefits responses cannot be included as part of the evaluation process at either the selection and/or award stage and cannot be included as minimum criteria. However where an applicant is successful and has submitted voluntary Community Benefits then the Community Benefits will be incorporated into the contract award documentation.

Route 2 – Non Core

- 4.8 Where the Community Benefits do not directly link to the core purpose of the contract, however they relate to the contract in a proportionate, non-discriminatory and transparent manner, then the non-core approach should be followed.
- 4.9 The Community Benefits Calculator (Appendix C) shall be utilised to calculate the level of Community Benefits that can be included in the specification.
- 4.10 Applicants will be given the required level of Community Benefits and they will select from the Community Benefits Menu how they will achieve the required level of community benefits.
- 4.11 Regardless of 4.10 the Council may select certain Community Benefits from the Community Benefits Menu as a mandatory requirement subject to the following duties:
- treat relevant economic operators equally and without discrimination;
 - act in a transparent and proportionate manner.

- 4.12 Relevant Community Benefits clauses must be included in the following documentation:
- Contract Notice
 - Specification
 - Invitation to Tender Document
 - Contract Award/Contract Documentation
- 4.13 Non-core Community Benefits cannot be included as part of the evaluation at either the selection or award stage. They can however be used as minimum quality criteria subject to them being non-discriminatory, treat all applicants equally and proportionate to the contract value and type.
- 4.14 As part of the pre-qualification stage applicants can be requested to submit details of what types and levels of Community Benefits they have experience of providing on similar contracts. This information can be utilised to assist the Council in setting relevant Community Benefit requirements in the Invitation to Tender however responses must not be used to evaluate pre-qualification submissions.
- 4.15 Non-core Community Benefits must be included as a contractual requirement within the contract award documentation.

Route 3 Core

- 4.16 Where the Community Benefits relate directly to the subject matter of the contract and can be articulated and evaluated against objective criteria then the core approach should be followed.
- 4.17 For works and property related maintenance contracts the Council will follow the CiTB “Client Based Approach” for setting Community Benefit Targets.
- 4.18 For non-works related contracts which meet the requirements of the core approach the Community Benefits Calculator (Appendix C) should be used to determine which Community Benefits should be included as core requirements.
- 4.19 In addition to 4.17 and 4.18 the Community Benefits Menu will be issued to allow applicants to propose additional voluntary Community Benefits.
- 4.20 Relevant Community Benefits clauses must be included in the following documentation:
- Contract Notice
 - Pre-Qualification Questionnaire
 - Specification
 - Invitation to Tender Document
 - Contract Award/Contract Documentation

- 4.21 Core Community Benefits can be evaluated at both the selection and award stage however any additional voluntary community benefits cannot be taken into account during the evaluation stages.
- 4.22 The default weighting for community benefits at both PQQ and/or ITT stage will be 10% unless otherwise agreed with the Community Benefits Officer. Where the tender evaluation is lowest cost then Community Benefits should be included as minimum requirement.
- 4.23 Core Community Benefits must be included as a contractual requirement within the contract award documentation.

Clauses

- 4.24 Relevant wording and clauses are maintained and controlled by the Community Benefits Officer. Prior to any Contract Notice being placed for contracts over the threshold values Category Managers must liaise with the Community Benefits Officer to ensure that appropriate and most recent versions of wording and clauses are being used.

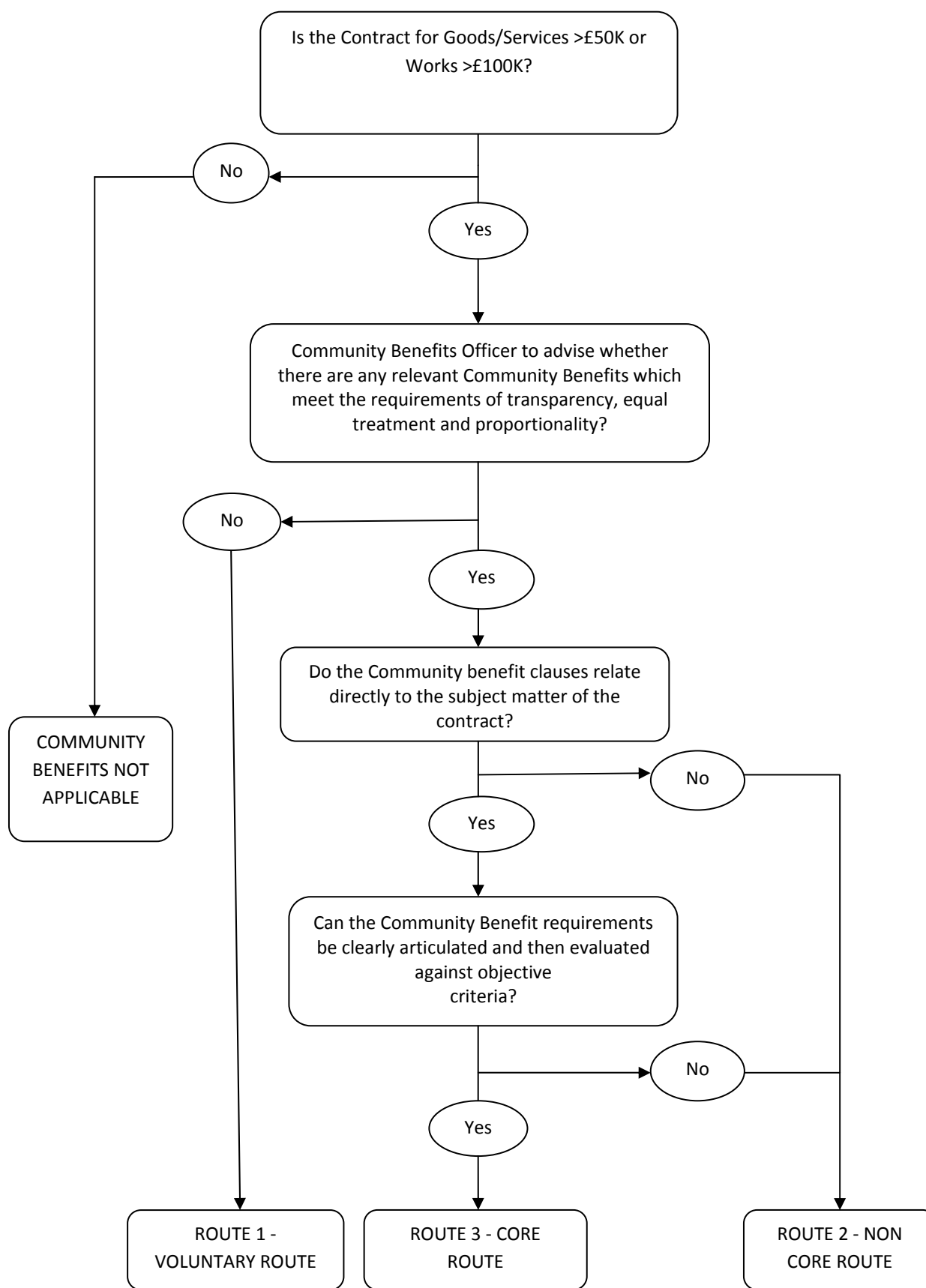
Pre-Qualification / Tender Evaluation

- 4.25 The Community Benefits Officer will be responsible for evaluating, and if applicable scoring, the Community Benefit submissions for voluntary, non-core and core community benefits.

Recording, Monitoring & Reporting Community Benefits

- 4.26 After the contract has been awarded the Community Benefits Officer will :
- record the Community Benefits in an appropriate database
 - meet with the supplier and NAC Services to facilitate and finalise the arrangements for the delivery of Community Benefits
 - act as point of contact for the supplier during the contract period
 - update and monitor the delivery of the community benefits against target on an on-going basis
 - report the delivery of Community Benefits to Cabinet on a quarterly basis

Appendix A – Community Benefits Process Flowchart



Appendix B – Community Benefits Menu

1	A project agreed in conjunction with Education & Skills involving local school pupils or community groups.
2	A workshop either in a school in North Ayrshire or on-site linked to Curriculum for Excellence and relating to Science, Technical, Engineering or Maths (STEM).
3	A workshop in a community group or youth group in North Ayrshire with a view to introducing/developing employability skills.
4	Work placement for a minimum of 5 days for an S4, S5 or S6 pupil from a North Ayrshire School.
5	Work placement for a minimum of 5 days for a teacher from an North Ayrshire school
6	Programme of 5 career talks in North Ayrshire schools
7	Work experience of a minimum of 5 days for unemployed person (not necessarily young person)*
8	Extended work placement for a total period of 15 days for a school pupil from a North Ayrshire School. nb Placement could be over a period of time with individual placements ie one day or a week and not necessarily a block placement.
9	Provide one-to-one mentoring to a young person from North Ayrshire – one hour per month for 12 months
10	Extended work placement for young person from a Council employability support programme (3-6 months)*
11	Support a programme of mock interviews for pupils (equal to 3 days input, not necessarily in the one school).
12	One to one or small group tutoring support for youngsters working towards their Construction Skills Certification Scheme (CSCS) card.
13	Community based training programme for people who are unemployed.
14	Recruiting of candidates for jobs from young people facing challenges (as defined by North Ayrshire Council)*
15	Offer sub-contracting opportunities in an open transparent way, holding promotional events in the local area
16	Provide training or mentoring for staff in the supply chain
17	Recruit and commence an additional formal apprenticeship*
18	Re-employ an unemployed / transferred apprentice*
19	Recruit a young person facing challenges (via North Ayrshire Council) who will pursue a modern apprenticeship*
20	Recruitment of candidates for jobs from people with disabilities (learning or physical) or mental health problems*
21	Engage with SME's from the Team North Ayrshire Project and provide business, management and/or tendering development support. This can be through one to one support or workshops.
22	Engage with Third Sector Organisation's from the Councils Third Sector Procurement Register and provide business, management and/or tendering development support. This can be through one to one support or workshops.

*** Suppliers are not permitted to use workfare placements whilst delivering Community Benefit requirements.**

Appendix C – Community Benefits Calculator

CONTRACT DESCRIPTION:			
CONTRACT VALUE:			
CONTRACT DURATION:			
Q1. Is contract value > £50,000 ?	No	DO NOT INCLUDE COMMUNITY BENEFITS	
	If annual value < £25k	Use voluntary CB's.	
	Annual Value : £25k-£50k	Let X = Contract Value/30000	
	Annual Value : £50k-75k	Let X = Contract Value/22500	
	Annual Value : £75k-£100k	Let X = Contract Value/15000	
	Annual Value : £100k-£250k	Let X= Contract Value/11250	
	Annual Value : >£250K	Let X= Contract Value/7500	
		X =	
Q2. Is contract duration >6months ?	No	Use voluntary CB's.	
	Contract Duration : 6-12 months	Let Y = X*0.5	
	Contract Duration : 12-18 months	Let Y = X	
	Contract Duration : 18-24 months	Let Y = X*1.5	
	Contract Duration : >24 months	Let Y = X*2	
		Y=	
Q3. Is contract for Services ?	No	Go to Q4	
	<50% labour	Let Z = Y*0.5	
	50-75% labour	Let Z = Y	
	+75% labour	Let Z = Y*1.25	
		Z=	
Q4. Is contract for Supplies ?	Is the contract for a one off delivery ?	Use voluntary CB's.	
	Frequent deliveries to schools and/or other council offices ?	Let Z = Y*0.5	
	Otherwise	Let Z = Y*0.25	
		Z=	

APPENDIX 1 - CBiP Policy Version 03/3rd July 2014

<u>COMMUNITY BENEFIT</u>	<u>POINTS*</u>	<u>NOS of UNITS</u>	<u>SUB TOTAL</u>
A project agreed in conjunction with NAC Education & Skills involving local school pupils or community groups.	5	0	0
Carry out a workshop either in a school in North Ayrshire or on-site linked to Curriculum for Excellence and relating to Science, Technical, Engineering or Maths (STEM).	5	0	0
Carry out a workshop in a community group or youth group in North Ayrshire with a view to introducing/developing employability skills	5	0	0
Work placement for a minimum of 5 days for an S4, S5 or S6 pupil from a North Ayrshire School	5	0	0
Work placement for a minimum of 5 days for a teacher from an North Ayrshire school.	5	0	0
Programme of 5 career talks in North Ayrshire schools	5	0	0
Work experience of a minimum of 5 days for unemployed person (not necessarily young person).	5	0	0
Extended work placement for a total period of 15 days for a school pupil from a North Ayrshire School. nb Placement could be over a period of time with individual placements ie one day or a week and not necessarily a block placement.	15	0	0
Provide one-to-one mentoring to a young person from North Ayrshire – one hour per month for 12 months	15	0	0
Extended work placement for young person in Council-run employability support programme (3-6 months)	50	0	0
Support a programme of mock interviews for pupils (equal to 3 days input, not necessarily in the one school).	15	0	0
One to one or small group tutoring support for youngsters working towards their Construction Skills Certification Scheme (CSCS) card.	5	0	0
Community based training programme for people who are unemployed	50	0	0
Recruiting of candidates for jobs from young people facing challenges	100	0	0
Offer sub-contracting opportunities in an open transparent way, holding promotional events in the local area	100	0	0
Provide training or mentoring for staff in the supply chain	100	0	0
Recruit and commence an additional formal apprenticeship	300	0	0
Re-employ an unemployed / transferred apprentice	300	0	0
Recruit a young person facing challenges (via North Ayrshire Council) who will pursue a modern apprenticeship	400	0	0
Recruitment of candidates for jobs from people with disabilities (learning or physical) or mental health problems'	400	0	0
Engage with SME's from the Team North Ayrshire Project and provide business, management and/or tendering development support. This can be through one to one support or workshops.	5	0	0
Engage with Third Sector Organisation's from the Councils Third Sector Procurement Register and provide business, management and/or tendering development support. This can be through one to one support or workshops.	5	0	0
		TOTAL:	0
		Z VALUE:	0
		BALANCE:	0

*NB POINTS MAY BE AMENDED OVERTIME BASED ON LESSONS LEARNT

NORTH AYRSHIRE COUNCIL

Agenda Item 12

16 July 2014

Cabinet

Subject: ICT Strategy Review 2014

Purpose: To provide Cabinet with an update on progress to date in relation to the ICT Strategy.

Recommendation: That the Cabinet agrees to (a) note progress; (b) agree priorities for next 2 years; and (c) receive reports on progress every 6 months.

1. Introduction

- 1.1 The CMT and Executive Committee approved the Council's [ICT Strategy 2011-16](#) in December 2011 and have received 6-monthly progress reports.
- 1.2 This report outlines progress on the ICT Strategy during the first 2 years, highlights the need to re-focus and details the priorities for the next 2 years.

2. Current Position

- 2.1 Key deliverables from the first 2 years of the Strategy are highlighted below. Further details are provided in the ICT Strategy Review 2014 attached.
 - Review of Corporate Applications
 - Network Infrastructure Upgrade, including procurement and planning
 - Consolidation of Windows Server Replacement
 - Desktop Replacement Programme
 - Improved and extended Remote Access
 - Provision of eMail for all Pupils and Teaching Staff
 - Secondary Data Centre Provision for Disaster Recovery and Business Continuity
 - ICT Support for Corporate Property Rationalisation Programme
 - Digital Services (Web Re-design)
 - Public Service Network Accreditation

Strategic Priorities for the Next 2 Years

- 2.2 The Strategy recognised that it would evolve in response to the future shape of the Council, its changing needs and emerging technology.

The following initiatives highlight the need to re-focus the priorities of the ICT Strategy to ensure the Council meets today's challenges and tomorrow's opportunities, as well as build on the sound foundations already established during the first 2 years of the Strategy. The Council's ICT Strategy needs to align with the National and Local Government ICT Strategies published in early 2013 and the Council's Transformational Change Programme.

The focus over the next 2 years is:

- Digital Services;
- Cost Reductions; and
- Transformational Change

3. Proposals

- 3.1 The Cabinet is invited to note progress and agree strategic priorities for the next 2 years.

4. Implications

Financial Implications

- 4.1 The ICT Strategy is underpinned with an existing capital programme totalling £3,549,987 and Change Service Redesign Fund. However, as initiatives progress and solutions, and business cases will be developed for appropriate consideration.

Human Resource Implications

- 4.2 None

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental and Sustainability Implications

- 4.5 Consideration of the Council's sustainability objectives is incorporated within ICT projects, e.g. reduced power consumption and air conditioning as part of the virtual server replacement project.

Implications for Key Priorities

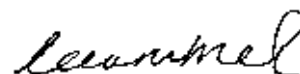
- 4.6 The ICT Strategy continues to contribute to the Council's Single Outcome Agreement and, in particular, will assist in achieving SOA outcome 15b - Public Services are more effective and efficient.

5. Consultations

- 5.1 Regular updates are provided to the CMT and ICT Steering Group.

6. Conclusion

- 6.1 Cabinet is being asked to note progress to June 2014, agree key priorities and receive a further report in 6 months.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Lorna Morley, Team Manager (Strategy and Performance) on telephone number 01294 324254.

Background Papers

None



***‘ICT is transforming the way
in which the Council delivers real services
to North Ayrshire citizens,
businesses and communities.’***

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ICT Strategy Review 2014

1. Introduction

The ICT Strategy 2011-16 and Action Plan was agreed by Cabinet in December 2011. A number of the key priorities have now been delivered and are detailed within the report.

The Strategy supports the Council's core objective of operating more efficiently and effectively and is based on 3 themes with 9 objectives. These are:

Our People

- Use emerging technologies to improve collaboration, communication and online participation
- Deliver a positive impact for customers
- Grow the ICT competency to ensure effective use of the available ICT resources

Our Information

- Maximise the use of Core Business applications
- Promote and support the effective management and use of information
- Maintain alignment of ICT investment with the Council's priorities

Our Infrastructure

- Provide an ICT infrastructure that is reliable, flexible and secure, and conforms to appropriate technical standards

2. Review of the Past 2 Years

The first 2 years of the Strategy has realised the following key deliverables:

KEY DELIVERABLES	
Introduction of the ICT Change Advisory Board (CAB).	ICT governance arrangements have been improved with the introduction of the CAB. The CAB offers multiple perspectives necessary to ensure that ICT investment is aligned to the Council's outcomes. It will become an enabler for transformation across the Council, by improving outcomes for stakeholders.
Review the role of the ICT Steering Group	The remit and membership of the ICT Steering Group was reviewed and is the recognised sounding body for all ICT initiatives. It is responsible for monitoring the performance of IT Services and ensures open communication between IT Services and other Services.
Corporate Applications Review	A review of the corporate applications has provided the Council with a better understanding of the fitness for purpose of the business applications to deliver a service over the next 5 years.
Network Infrastructure	The Council approved the investment for an ICT Infrastructure that is reliable, flexible and secure, conforms to appropriate technical standards and will enable staff to be more agile in how they deliver services to the public.
Windows Server Replacement	Servers holding business data have been centralised and migrated to a virtual server environment resulting in 130 physical and ageing servers being decommissioned over the last 2 years. In addition, the virtual environment has reduced power consumption and air conditioning for the corporate data centre by approximately 5.6% per annum, contributing to the Council's Green Agenda. Windows Servers were also replaced in all Secondary Schools. This has led to the provisioning of a robust and resilient server environment.

ICT Strategy Review 2014

Desktop Replacement Programme	Customers have modern tools to support their IT requirements, reducing support calls to IT Services. 75% of customers use a desktop device that is less than 3 year old with all devices being less than 5 years old. To support agile working many are mobile devices, such as laptops and toughpads.
Remote Access	Improved remote access (working from home) is now available to all staff to ensure they have the technology which supports them to work outside a Council office.
eMail for all Pupils and Teachers	As part of the national Glow initiative all pupils and teachers have access to eMail allowing them to work in schools or at home.
Disaster Recovery and Business Continuity	To support the Council's Business Continuity Plan the Council has invested in a secondary data centre at Bridgegate House. The implementation phase is complete and regular testing of the solution will be scheduled.
Property moves to support Corporate Property Rationalisation Programme	ICT have supported the Council's property rationalisation programme at various locations, in particular Bridgegate House. Work has included, relocation of equipment, decommissioning of networks and cessation of telephony circuits.
Digital Services (Website Redesign)	The Council's re-designed website offers relevant, up-to-date information, is easy to use, is easy to search and navigate and provides customers with the opportunity to carry out online transactions. The 4* website now delivers a vehicle for channel shift giving our customers access to a broad range of self-services options.
Microsoft Enterprise Agreement	Customers are provided with standard, current operating systems and office applications, which has eliminated earlier issues related to file sharing compatibility. Staff have the opportunity to procure MS Office for their home device at minimal cost. The provisioning of this agreement has also supported PSN compliance.
Public Service Network (PSN)	The Council needs to meet rigorous compliance requirements to continue to access government applications. Significant effort has already been invested over the past 2 years to gain the Code of Connection (CoCo) compliance. This is assessed annually and continued effort and funding will be required to retain this accreditation.

3. Capital Investment Supporting ICT Strategy 2011-2016

The ICT Strategy is underpinned with an existing capital programme totalling £3,549,987. Change Service Redesign Funds have also been earmarked:

ICT CAPITAL PROGRAMME 2013-16			
	2013/14	2014/15	2015/16
PC Replacement	£222,649	£38,904	
Microsoft Office Upgrade	£273,980	£265,188	
Unix Server Replacement	£172,472	£27,528	
Windows Server Migration	£18,705	£40,774	
Council ICT Strategy	£307,441	£11,383	
Total	£995,247	£383,777	
Network Infrastructure	£2,170,963		
TOTAL	£3,549,024		
Change Service Redesign Fund		£500,000+	

However, as initiatives progress and solutions are sought, additional funding may be required to deliver any such solutions.

4. Review of Priorities

The ICT Strategy to 2016 was agreed in December 2011 and is reviewed annually. The Strategy recognised that it would evolve in response to the future shape of the Council, its changing needs and emerging technology.

The following initiatives highlight the need to re-focus the priorities of the ICT Strategy to ensure we meet today's challenges and tomorrow's opportunities as well as build on the sound foundations already established during the first 2 years of the Strategy and align with the National and Local Government ICT Strategies published in early 2013.

4.1 Transformational Change Programme

The Council's Transformational Change Programme is driving change with a greater dependency on technology to provide the tools to deliver modern services. This means that reliability, robustness and scalability are increasingly important.

The Council's Transformation Programme has particular focus on improvements around:

- Data sharing and provision of management information
- Mobile and agile working
- Collaborative working
- Business continuity & resilience
- Cost reduction

The success of this programme requires the involvement and support of IT Services, both as a key stakeholder at the strategic level and as a change agent on specific technology enabled improvements.

4.2 Digital Service Strategy

The Council's vision for digital services is outlined in the Digital Services Strategy, published in 2012 and is reviewed annually. It supports the migration for customer services to be delivered digitally: *"Provide efficient, **customer-focused** digital services via the devices and platforms our citizens prefer to use."*

4.3 Organisational Change and Strategic Developments

The ICT Strategy recognises the need for partnership working and exploitation of shared services and shared contract arrangements. It also recognises the need to invest in our people by improving ICT skills and assisting with any changes to service delivery. For example:

- a. The Integrated Health and Social Care Partnership is changing the way in which the Service is delivered. There is an expectation that partnership working will require integrated methods of communication and secure sharing of data. An ICT Steering group and Technical sub-group have been formed to take these initiatives forward.
- b. The **Education Review** is currently underway and the development of an Education ICT Strategy for Schools will define the way forward with regards to the provisioning of ICT in schools that is better aligned to the curriculum.

The ICT Strategy Action Plan should consider outcomes from both initiatives.

4.4 Emerging Technologies

The Council's ICT Strategy will provide the infrastructure and systems necessary to enable the Council to deliver the objectives within the Single Outcome Agreement, Council Plan and the Transformational Change Programme.

The Council supported the Strategy with significant investment of almost £2.2M, to provide an ICT infrastructure that is reliable, flexible and secure, conforms to appropriate technical standards and will enable staff to be more agile in how they deliver services to the public. The next 2 years should realise the benefits of this investment, including increased levels of bandwidth delivered to many Council sites, improved application and internet services, improved voice and data solutions, improved disaster recovery and business continuity.

The new ICT infrastructure will allow the Council to take advantage of emerging technologies in support of transformational change.

4.5 National and Local Government ICT Strategies

Since the Council's ICT Strategy was agreed in 2011 the following strategies have emerged:

- a. The Local Government ICT Strategy for Scotland, Jan 2013
- b. National ICT Strategy: Scotland's Digital Future – Delivery of Public Services, Feb 2013

In order to achieve the outcomes of all programmes of work it is important to consider what can be delivered best by which organisation. The following national and cross-service initiatives are already underway:

ICT Strategy Review 2014

- Scottish Wide Area Network (SWAN)
- Next Generation Access,
- Customer Authentication and
- Public Services Network (PSN)
- Health and Social Care Partnership
- Procurement Framework
- Shared Contracts

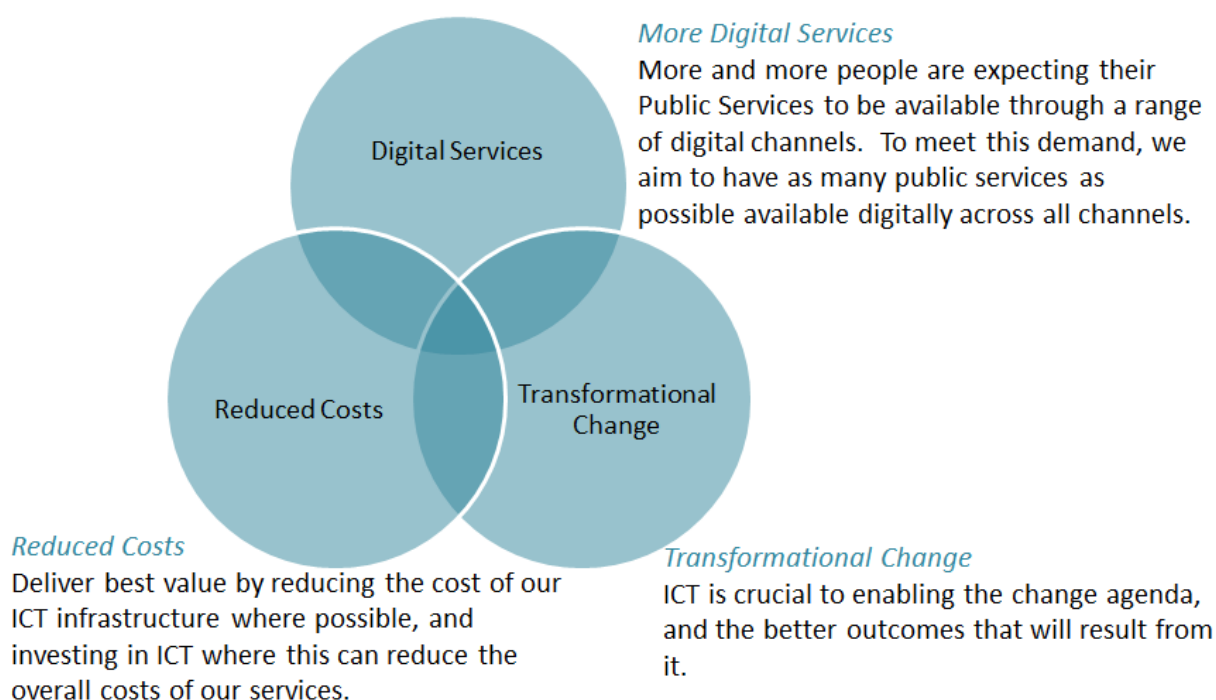
These initiatives are taken into consideration as the ICT Strategy progresses.

5. Priorities for the Next 2 Years

In line with the National and Local Government ICT Strategies the focus over the next 2 years will be:

- Digital Services
- Cost Reductions; and
- Transformational Change

The following diagram indicates the integration of these initiatives:



As actions progress and solutions are sought, additional funding may be required to deliver any such solutions.

5.1 ICT Strategy Action Plan

The following Action Plan details the key priorities:

	ACTIONS	OUTCOME
1	DIGITAL SERVICES	
	Deliver Customer Focused Services	
A	Deliver a Scottish Wide Area Network (SWAN)	Secure network for data sharing and collaborative working across Scotland
B	Consider Hosted Services and Cloud Computing	Potential to reduce costs through joined up working
C	Next Generation Access	Superfast broadband provision across all parts of Scotland
D	Meet the demands and requirements for Public Service Network (PSN) compliance	Retain secure eMail and access to third party systems, eg DWP
E	Integrate Council Systems with Customer Relationship Management (CRM) System	Services delivery can be optimised through integrated platforms, through data and information flow, eliminating human intervention
F	Increase online services	Enhances further the Council's transactional website and mobile channels making data and information accessible to our citizens and businesses and in turn reducing cost
2	REDUCED COSTS	
	Agile	
A	Implement new telephony in main Council buildings	Supports agile working
B	Increase availability of Remote Access	Supports remote and home working
C	Expand Wi-Fi throughout the Council	Supports flexible working, with greater speed, resilience and operational efficiencies. Expansion of public wi-fi
	ICT Asset Rationalisation	
D	Expansion of desktop virtualisation	Potential to reduce cost of installation, decrease security risks and extends the lifespan of the desktop. Supports hot-desking and agile working
E	Expansion of data storage and archiving	To support data growth with document retention on less expensive hardware
F	Further investment in corporate server infrastructure	Greater resilience, with reduction in power consumption
G	Continuation of the Microsoft Enterprise Agreement	Software assurance for Office applications
H	Standardise operating systems and MS Office in schools	Standardisation and simplification of data sharing

I	Digital Infrastructure Amend contract terms for future procurements to allow sharing and hosting of applications	Potential to substantially reduce costs
J	Continue to implement the actions of the Infrastructure Review by upgrading the WAN, LAN, telephony and wireless provision in schools	Provision of infrastructure that is robust, resilient and reliable
3	TRANSFORMATION PROGRAMME	
A	Transformation Programme As part of the Council's Education Review develop and implement an ICT Strategy for Schools	Sustain And Improve
B	As a key enabler of the Health and Social Care Partnership implement agreed ICT initiatives	Supports partnership working, secure data sharing and collaborative working
C	Business Applications Review Management Information provision and re-design the Council's Intranet	Improves and supports business continuity. Potential for integration with other systems and easier workflow. Management information is recognised as a valuable Council asset.
D	Review the benefits of migrating from Lotus to Microsoft environment, including eMail, databases and collaboration tools	Use emerging technologies to improve collaboration, communication and online participation, whilst providing an ICT infrastructure that is reliable, flexible and secure, and conforms to appropriate technical standards.

6. Background Reading/Referenced Documents

- [McClelland Review of ICT Infrastructure in the Public Sector in Scotland](#)
- [The Local Government ICT Strategy for Scotland](#)
- [National ICT Strategy: Scotland's Digital Future – Delivery of Public Services](#)
- [Christie Commission – Commission on the Future Delivery of Public Services 2011](#)
- [North Ayrshire Council ICT Services Strategy 2011-16](#)
- [North Ayrshire Council Digital Services Strategy 2012](#)
- [North Ayrshire Council Customer Services Strategy 2012](#)
- [North Ayrshire Council Communications Strategy 2012-15](#)
- [North Ayrshire Council Information Management Strategy 2012](#)
- North Ayrshire Council Strategy for Information Technology for Education (draft)

NORTH AYRSHIRE COUNCIL

Agenda Item 13

16 July 2014

Cabinet

Subject: **Former Library Headquarters, Ardrossan**

Purpose: To seek Cabinet approval to proceed with the disposal of the former library headquarters (north wing and outbuilding), Princes Street, Ardrossan to Sense Scotland.

Recommendation: That the Cabinet approves the disposal of the north wing and outbuilding of the property at nil consideration to Sense Scotland.

1. Introduction

- 1.1 The former library headquarters is situated within the public library building, Princess Street, Ardrossan. The building is split into two wings, with the south wing being used as the Ardrossan public library and the north wing formerly housing the Council's library headquarters.
- 1.2 The north wing of the building ceased being operational in 2011 and at that time was declared surplus to the operational requirements of Education & Skills.

2. Current Position

- 2.1 It is proposed that an agreement is entered into with Sense Scotland, resulting in their acquisition of the surplus accommodation.
- 2.2 Sense Scotland is a registered charity, which works to support the interests of children, young people and adults who have communication support needs, caused as a result of deafness, blindness, sensory impairment, learning or physical disability. The organisation is managed by a Board of Trustees. It has in the region of 1,000 employees.
- 2.3 Sense Scotland has an aspiration to develop the north wing of the building into a sector leading facility that would be known as 'TouchBase Ayrshire.'
- 2.4 The vision that Sense has for the facility would be for the people they work with to live independent lives, in a way that supports them to achieve their own ambitions.

- 2.5 Through the delivery of services from the proposed 'Touchbase Ayrshire,' Sense would seek to lead the field in communicative and innovative person centred support services for people with challenging behaviour and complex health care and support needs.
- 2.6 In terms of the use of the property, Sense is proposing to invest in the region of £0.500m in the proposed facility. This investment will allow the delivery of the following specific activities and functions:
- A base for adult support services;
 - Development of children support services;
 - Rebound therapy, art, music and sensory activities;
 - A base for outreach services within the North Ayrshire area;
 - Personal care suites;
 - A sensory garden;
 - After school care;
 - Potential for the development of a cyber café; and
 - Shared flexible use of the property with complementary service providers.
- 2.7 The north wing of the property has been vacant for approximately three years, with little evidence to suggest that an alternative use can easily be developed.
- 2.8 A valuation of the north wing of the property was carried out in 2013. The valuation indicated that the north wing had a market value of £0.240m.
- 2.9 By progressing this transaction with Sense, the Council will avoid significant future costs, including approximately £45,000 per annum associated with repair and maintenance costs and travel costs incurred by transporting North Ayrshire service users to the Sense facility in Glasgow. In addition to this, the stock condition information held by the Council suggests that over the next five year period the north wing will require repairs and maintenance investment of approximately £0.360m.
- 2.10 The transfer of a property at less than market value requires to comply with the requirements of the 'Disposal of Land by Local Authorities (Scotland) Regulations 2010.' These regulations enable a local authority to dispose of assets, outwith the Housing Revenue Account, at less than best value without the prior consent of the Scottish Ministers. The local authority must appraise the proposal and be satisfied that the proposal is reasonable and contributes to economic development or regeneration, health, social well-being or environmental well-being.

2.11 In order to satisfy the above noted regulations, the Council has considered a number of factors and concluded that the proposal is reasonable and compliant. The factors considered included the following:

- Service users currently travel from North Ayrshire to the Sense facility in Glasgow. The creation of 'TouchBase Ayrshire' will substantially reduce the daily commute for these service users and will provide them with local, fit-for-purpose facilities;
- Sense currently provides services from a small industrial unit in Saltcoats. By providing a bespoke facility, the quality and range of services available to the service users will improve significantly and will be tailored to their individual needs;
- The proposal will create 40 new jobs, with the intention being that many of these positions will be filled locally;
- The Council will forego a potential capital receipt for a property with a market value of £0.240m. However an annually recurring cost saving of £45,000 will be made;
- Sense will assume all maintenance responsibility for the north wing. Over the forthcoming five year period this represents a cost avoidance of potentially £0.360m to the Council;
- The delivery of the proposal will assist the Council in delivering a number of key priorities.

2.12 The proposal is subject to the Council being satisfied that the transaction is compliant with State Aid Regulations. An enquiry has been submitted to the Scottish Government's State Aid Unit. The transaction will not proceed until the Council has been assured that the appropriate regulations have been adhered with.

2.13 Before Sense can progress with their proposal, planning permission requires to be obtained in relation to the change of use now being proposed. Amongst other things, this will involve consideration of the parking arrangements for the new facility. Initially discussions between Planning Services and Sense will be facilitated by Property Management & Investment.

3. Proposals

3.1 It is now proposed that the Council disposes of the north wing of the building to Sense at nil consideration subject to the issues identified above.

4. Implications

Financial Implications

- 4.1. The Council will forego a capital receipt for the north wing of the property. The market value of this wing is £0.240m.
- 4.2 The Council will make an annually recurring costs saving of approximately £0.045m and will avoid future investment costs of £0.360m over the forthcoming five-year period. Appropriate adjustments will be made to budgets.
- 4.3 A clawback provision will be included as part of the transaction. Should Sense dispose of its interest for a purpose other than a day care facility, or to an organisation that is not a registered charity then the Council will be entitled to recover 50% of the market value of the property. This provision will remain in force for a period of 10 years from the date of entry.
- 4..4 In the event Sense fail to commence with refurbishment works within 12 months of concluding missives, or fail to commence with service delivery within 24 months of concluding missives, the Council will have the right to acquire the property for £1.

Human Resource Implications

- 4.5 There are no known human resource implications arising from this report.

Legal Implications

- 4.6 Subject to Cabinet approval, Legal Services will be instructed to progress the disposal of the north wing of the property.
- 4.7 Legal Services will be asked to provide advice in relation to compliance with State Aid Regulations.

Equality Implications

- 4.8 There are no known equality implications arising from this report.

Environmental and Sustainability Implications

- 4.9 Daily transport to and from Glasgow for a number of service users will be avoided, thereby contributing to reducing carbon emissions within North Ayrshire.

Implications for Key Priorities

- 4.10 The proposed transaction will contribute to the following Council Plan core objectives:

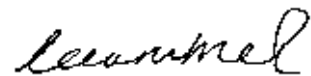
- ‘Regenerating our communities and creating employment’
- ‘Protecting vulnerable people’
- ‘Operating more efficiently and effectively’

5. Consultations

- 5.1 Internal consultation has taken place with Legal Services in relation to compliance with the Disposal of Land Regulations and State Aid Regulations and Social Services in relation to service users potentially affected by the proposal.

6. Conclusion

- 6.1 The proposed transaction provides the opportunity to attract Sense to North Ayrshire and create a base from which valued services will be provided.
- 6.2 Subject to the Council agreeing legally binding terms with Sense and being satisfied that the transaction complies with State Aid Regulations, it is recommended that Cabinet approves the disposal of the north wing of the property to Sense Scotland.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference : DT/HW

For further information please contact David Tate, Senior Manager (Property Management & Investment) on 01294 225051

Background Papers

N/A

NORTH AYRSHIRE COUNCIL

Agenda Item 14

16 July 2014

Cabinet

Subject: **Chief Social Work Officer Annual Report**

Purpose: To provide the report of the Chief Social Work Officer to the Cabinet, as required by the Scottish Government's Guidance.

Recommendation: That the Cabinet note and endorse the report set out at Appendix 1.

1. Introduction

- 1.1 There is a requirement for every local authority to appoint a professionally qualified Chief Social Work Officer (CSWO) and this is contained within Section 3 of the Social Work (Scotland) Act 1994, Section 45. The particular qualifications are set down in Regulations and require that the post holder is a qualified social worker registered with the Scottish Social Services Council. This is one of a number of statutory requirements in relation to posts, roles or duties with which local authorities must comply.

2. Current Position

- 2.1 As outlined in the guidance, the CSWO should prepare an annual report to the local authority on the statutory, governance and leadership functions of the role. The 5th annual report for North Ayrshire Council covering the period April 2013 to March 2014 is attached at Appendix 1.

3. Proposals

- 3.1 It is proposed that the Cabinet notes and endorses the report set out at Appendix 1.

4. Implications

Financial Implications

- 4.1 There are none.

Human Resource Implications

- 4.2 There are none.

Legal Implications

- 4.3 There are none.

Equality Implications

- 4.4 There are none.

Environmental and Sustainability Implications

- 4.5 There are none.

Implications for Key Priorities

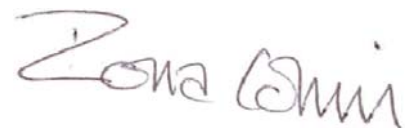
- 4.6 This report covers matters which contribute to outcomes 5(a), 6(a), 6(c), 6(d), 8(a) and 9(a) of the Single Outcome Agreement.

5. Consultations

- 5.1 No consultation was required in preparation of this report.

6. Conclusion

- 6.1 The CSWO Annual Report complements the service planning and reporting arrangements that are routinely in place within the Council for the Director (North Ayrshire Health & Social Care Partnership). It refers particularly to those statutory interventions which will be carried out by the registered social worker.



IONA COLVIN

Director (North Ayrshire Health and Social Care Partnership)

Reference : SG/NS

For further information please contact Sheena Gault, Head of Service,
Children, Families and Criminal Justice/Chief Social Work Officer on 01294
317734

Background Papers

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NORTH AYRSHIRE
COUNCIL

CHIEF SOCIAL WORK OFFICER

ANNUAL REPORT

APRIL 2013 – MARCH 2014

CONTENTS:

- 1. Introduction**
- 2. Governance**
- 3. Statutory Duties and Decisions**
- 4. Protection and Risk Management**
- 5. Regulation, Inspection and Improvement Activity**
- 6. Complaints**
- 7. Workforce Development**
- 8. Conclusion**

1. Introduction

The requirement for every local authority to appoint a professionally qualified Chief Social Work Officer (CSWO) is contained within Section 3 of the Social Work (Scotland) Act 1968. The particular qualifications are set down in regulations.

The overall objective of the CSWO post is to ensure the provision of effective, professional advice to local authorities, elected members and officers, in the authorities' provision of social work services. The post should assist authorities in understanding the complexities of social work service delivery including in relation to particular issues such as corporate parenting, child protection, adult protection and risk management and the key role social work plays in contributing to the achievement of national and local outcomes.

There are some duties and decisions that relate primarily to the curtailment of individual freedom and the protection of both individuals and the public, which must be made by the Chief Social Work Officer or by a professionally qualified social worker to whom the responsibility has been delegated by the Chief Social Work Officer and for which the latter remains accountable.

This is the 2013 – 2014 annual report from the Chief Social Work Officer of North Ayrshire Council which outlines the activity surrounding the statutory, governance and leadership functions of the role of the CSWO.

2. Governance and Quality Assurance

The responsibility of social work services is to promote people's safety, dignity and independence and to protect communities by reducing offending and managing the risk posed by known offenders. This is done within a framework of statutory duties and powers imposed on the Council. Services are required to meet national standards and to provide best value. Our services are delivered in partnership with a range of stakeholders including, most importantly, the people who use them.

The Practice Governance Framework (2011) compliments the Role of the Chief Social Work Officer (2009), the Role of the Registered Social Worker in Statutory Interventions: Guidance for Local Authorities (2010), The Social Care and Social Work Improvement Scotland (Registration) Regulations (2011), Scottish Social Services Council's Codes of Practice (2009), SWIA Guide to Supported Self-Evaluation (2009) and the Framework for Continuous Learning in Social Services (2008) to highlight the Social Work responsibilities in delivering safe, effective and personalised practice.

The guidance on the role of the Chief Social Work Officer articulates the expectations on local authorities with regard to professional governance and quality assurance of social work and social care services. A reporting framework compliant with the guidance which prioritises corporate parenting, child protection, adult protection and the management of dangerous offenders, is in operation within Social Services and Health.

The role of the Chief Social Work Officer is:

- Performance improvement and the identification and management of corporate risk insofar as they relate to social work services;
- To ensure the provision of appropriate professional advice in the discharge of local authorities statutory social work duties;
- To be positioned at a level of seniority commensurate with being able to advise the local authority and undertake the complex duties as described in the guidance;
- A 'proper officer' in relation to the social work function: an officer given particular responsibility on behalf of a local authority, where the law requires the function to be discharged by a specified post holder;
- To provide professional governance, leadership and accountability for the delivery of social work and social care services, whether these are provided by the council or purchased from the third or independent sectors;
- To brief portfolio holders, the Shadow Integration Board (SIB) and COSLA Executive group representatives as required, to assist them in fulfilling their functions and in understanding the complexities of the social work task;
- To provide professional advice to North Ayrshire Council on the provision of social work services. Through membership of the Extended Corporate Management Team specialist advice is provided to senior officers and through attendance at council meetings and meetings of the Cabinet of the council to elected members. This includes contributing directly to the budget setting processes of the council and to the determining of the council's priorities and assessment of its risks.

From 01 April 2014 the Transition Integration Board (TIB) will become a Shadow Integration Board (SIB). The Chief Social Work Officer will continue to provide information to the Shadow Integration Board which will assume operational responsibility for all services within the remit of the North Ayrshire Health & Social Care Partnership during the shadow year 2014/2015 in preparation for full integration on 01 April 2015.

The Corporate Director for Social Services and Health has undertaken the role of Chief Social Work Officer until her appointment to the post of Director of the North Ayrshire Health and Social Care Partnership (HSCP). With this appointment she has assumed responsibility for overseeing the transfer of services from the Council and NHS Ayrshire & Arran into the new partnership arrangements.

Within the Partnership the CSWO will sit at Head of Service level. Whilst they will report directly to the Director of the HSCP, they will also have a line of accountability to the Chief Executive of the Local Authority in relation to the CSWO function.

The Head of Service (Children, Families and Criminal Justice) has taken on the role of Chief Social Work Officer on an interim basis since February 2014. This will continue until the new Head of Service arrangements for the Health and Social Care Partnership are in place.

3. Statutory Duties and Decisions

The Chief Social Work Officer has overall responsibility to ensure that the social work service operates efficiently and effectively in relation to particular issues such as corporate parenting, child protection, adult protection, the management of high risk offenders and the key role social work plays in contributing to the achievement of national and local outcomes.

Mental Health Officer Service

The Mental Health Officer Service undertakes assessments in relation to three pieces of legislation:

- The Mental Health (Care and Treatment) (Scotland) Act 2003 (MH(C&T)SA2003)
- The Criminal Procedure (Scotland) Act 1995 (CP(S)A95)
- The Adults with Incapacity (Scotland) Act 2000 (AWIA)

Mental Health Officer assessments and the related statutory tasks are required under a range of provisions contained within these Acts, depending on the circumstances of the service user, whether compulsory measures are for assessment, treatment, provision of community care services or a combination of these and whether they are a result of civil or criminal procedures. The process of assessment, consent to or making application for orders, requires competent knowledge of risk and risk management.

The main duties of a Mental Health Officer with regard to Compulsory Detention are:

- To provide consent with regard to an Emergency or Short-Term Detention Certificate;
- To apply for a Compulsory Treatment Order;
- Interview patients who may be detained under the Act and prepare comprehensive reports and care plans;
- To advise patients of their rights, including the right to have access to an independent advocate and to have a named person to look after their interests;
- To prepare reports for Court in terms of the necessity for Compulsion Orders, and Restriction Orders (CORO), Hospital Directions, Guardianship Orders and/or Supervision and Treatment Orders in relation to mentally disordered offenders;
- To be the Designated Mental Health Officer in accordance with the legislation.

Compulsory detention in hospital or compulsory treatment in the community takes place under the auspices of the Mental Health (Care and Treatment) Act 2003. For those involved in the Criminal Justice System, there are provisions under the MH (C&T) Act 2003, such as the transfer from prison to hospital for mental health treatment (Transfer for Treatment Direction) as well as disposals available to the Courts in terms of the CP(S)A95 (as amended). The Mental Health Officer has a significant role to play during the course of an order and works closely with health colleagues in delivering an agreed care and treatment plan, contributing expert knowledge to on-going assessments and presenting information and reports to both the Mental Health Tribunals and Courts as required. The following information highlights the 2013/14 activity indicative of volume of work as reflected in numbers and types of orders made. Figures are provided for the previous two years for trend analysis, however, it should be noted that whilst changes in recording guidelines

have enabled more accurate data collection, this also means that comparison are not always available.

MHO Activities (MH(C&T)(S)2003	2011/12	2012/13	2013/14
Emergency Detentions	7	11	30*
Short Term Detentions	66	59	71
Compulsory Treatment Orders**	n/a (22)	n/a (21)	48** (18)
Warrants undertaken	n/a	n/a	2
MHO Activities (CPSA 95)			
Compulsion Orders with Restriction Order(CORO's)		4	4
Compulsion Orders		2	4
Hospital Directions	n/a	n/a	1
Assessment Order	n/a	n/a	4
Treatment Orders	n/a	n/a	2
Transfer for Treatment Direction	n/a	n/a	1

*17 Emergency Detentions were undertaken by Ayrshire Out of Hours Service

** Figures in red brackets indicate new orders made over the period, numbers included in total figure shown

The increase in the number of Emergency Detentions which were undertaken by Ayrshire Out of Hours service is positive and reflects the improvement in service provision and the confidence of health staff in the quality of response from the Ayrshire Out of Hours service. The previous service, based in Glasgow, found it difficult to respond to requests and there were often time delays.

Draft proposals contained within the Mental Health (Scotland) Bill are currently out for consultation. North Ayrshire Council has provided a response to the proposals. This draft Bill brings forward changes which seek to improve the operation of the Mental Health (Care and Treatment) (Scotland) Act 2003 which are likely to result in amendments to the Mental Health Officer Role.

The Adults with Incapacity (Scotland) Act 2000

The Adults with Incapacity (Scotland) Act 2000 sets out a legal framework for regulating intervention in the affairs of adults who may not have capacity to make important decisions to safeguard his or her welfare and/or property and finances. A number of significant roles are charged to the CSWO. These roles emphasise the importance of the social work profession in relation to the guardianship of adults with incapacity.

The roles of the CSWO under the Act are:

- To act as guardian to an adult with incapacity where the guardian's power relates to the welfare of the adult;
- To act as the recipient of notices that applications for guardianship or intervention orders are to be made, and to ensure that appropriate reports are provided for the court process; and
- To provide suitability reports to court for all applications for welfare powers.

The Mental Health Officer Service is required to prepare reports for Guardianship Orders undertaken by the Chief Social Work Officer.

Where the adult lacks capacity as a consequence of mental disability a report from a Mental Health Officer is required. Where the adult lacks capacity as a consequence of inability to communicate due to a physical condition a report from the Chief Social Work Officer is required. This is delegated to a Social Work Officer who does not need to be a specialist in mental health.

The Mental Health Officer Service is also required to prepare reports for Court in terms of Private applications for Welfare Guardianships. The Local Authority, through the Mental Health Officer service, is required to provide supervision to Private Welfare Guardians once a Welfare Guardianship order is made.

The co-ordination, allocation and processing of all reporting arrangements is undertaken by the Mental Health Officer Service.

AWIA - Welfare Guardianship

The Local Authority will only apply to appoint the Chief Social Work Officer as Welfare Guardian where no one else is willing or able to make an application. This will only be done when an individual lacks capacity and powers and a Welfare Guardian may be required in order to safeguard the individual's personal welfare, property or financial affairs. The main powers (although not exclusive) sought are:

- To decide where the Adult should reside and be cared for.
- To determine what support the Adult requires and to arrange for such support to be provided.

AWIA - Financial Guardianship

Local Authority involvement in Guardianships is mainly confined to Welfare Orders although they still have responsibilities regarding applications relating to financial powers. The Local Authority may have to apply for Financial Guardianship if no one else can be identified. They cannot act as Financial Guardians however, only as Financial Interveners. If no one else is willing or able to apply the Local Authority can nominate a suitable person, such as a Solicitor or Accountant as Financial Intervener.

Type of Intervention	2011/12	2012/13	2013/14
Supervision of private Welfare Guardians*	168 (51)	205 (70)	204 (48)
CSWO Guardianships*	33 (10)	36 (8)	44 (14)
Financial Intervention Orders undertaken by the LA*	N/A (6)	N/A (15)	42 (28)
AWIA suitability reports	60	63	79

*figures in red denote the new orders made within that year, numbers included in total figure shown.

Adult Support and Protection

The Council's Adult Protection responsibilities are contained within the Adult Support and Protection (Scotland) Act 2007. Specific responsibilities under the Act apply to adults (16 years and over) who are known or believed to be at risk of harm and meet the three point criteria of the Act:

- They are unable to safeguard their own well-being, property, rights or other interests;
- Are at risk of harm; and
- Because they are affected by disability, mental disorder, illness or physical or mental infirmity, are more vulnerable to being harmed than adults who are not so affected.

The multi-agency North Ayrshire Adult Protection Committee undertake a strategic and monitoring function in relation to the implementation of the Act and its associated responsibilities and is convened by an independent Chair. A range of public bodies and their office holders have a duty to report Adult Protection concerns and to co-operate with adult protection enquires made by the Council.

Social Services staff seek to uphold the principles of the Act by ensuring that the least restrictive option to support and protect is used and any plans made take the adult's wishes into account. The Adult Support and Protection process involves an initial inquiry into any concerns reported. This may be followed by an investigation where harm is identified and the Adult meets the three point test contained in the Act.

In some instances this will lead to a multi-agency Case Conference (which the adult is invited to attend) in order to further assess risk and agree a Protection Plan for the adult.

When it is felt necessary, the Act allows the Council (or the adult) to apply for Protection Orders to assist with supporting and protecting the adult. These Orders (for assessment, removal or banning) must be applied for to the Sheriff Court.

	2011/12	2012/13	2013/14
ASP Referrals	293	282	631*
ASP Case Conferences	25	19	24
Protection Order	7	3	9

*Analysis is on-going in relation to the sharp increase in ASP referrals for 2013 - 2014.

North, South and East Ayrshire have all experienced a marked increase in ASP referrals from Police during this period. Many of these referrals however did not progress beyond inquiry stage in North Ayrshire. The reason for this reflects the temporary nature of the adults being unable to safeguard themselves due to alcohol and/or drug misuse. We are currently collating information in relation to West of Scotland and will gather national figures from the biennial reports later this year.

Children's Services

The Children and Families social work services main objective is to help ensure the safety and wellbeing of vulnerable children. This is achieved by progressing the GIRFEC agenda and through partnership working to ensure that integrated assessments and action plans are robust and are as outcome focused as possible.

The Children and Families service assesses, supports and provides services for children, young people and their families who are experiencing difficulties and need help. The service contributes to both the prevention and early intervention and the corporate parenting agendas. The service also provides support to children who are unable to live with their parents and are placed in alternative settings appropriate to their needs.

Early Intervention and Prevention

The Community Planning Partnership Board approved the Early Intervention and Prevention Strategy: Early Years in June 2013. An early intervention strategy will also be developed for 8-18 year olds.

The Early Intervention and Prevention Programme is designed to improve outcomes for vulnerable children in North Ayrshire and has been implemented over the past two years by CPP partners. Funding will continue into the financial year 2014-2015.

Projects included in Year 1:

- Parenting Programmes
- Early Years Centres
- Family Support Service
- Multi Agency Domestic Abuse Response Team (MADART)
- Permanent Care for Children
- Family Nurse Partnership
- Asset Based Community Development (ABCD)

In Year 2 the following projects were added:

- Vulnerable Children Support (0-5 years)
- Capacity Building with Parents
- Stop now and Plan approach
- Supported Carers Scheme
- Integrated Support in Early Years Centres

The improvement work underway through the Early Years Collaborative supports the CPP's commitment in the Single Outcome Agreement 2013-2017 in achieving a shift from crisis intervention to early intervention and prevention.

In partnership some of the key achievements have been:

- Recruiting over 50 pregnant young women from North Ayrshire to the Family Nurse Partnership;
- Over 150 staff trained in the Solihull Parenting Approach and other parenting programmes;

- A review of the process placing children for adoption has been completed to shorten time taken.

Good progress has been made with parents in:

- Positive work through Early Years Centres – such as engaging with fathers through football coaching, healthy eating and reading;
- Building capacity with parents through Parent Network Scotland – some have gone on to co-facilitate parenting courses and others continue to provide support in Early Years Centres;
- Parents completed Parents Early Education Parenting Training (PEEP) and have delivered to other parents;

Other partnership achievements include:

- 'Learning Language and Loving It' sessions run by the ABCD Project;
- Delivery of the Hanen programme 'It Takes Two to Talk' delivered by speech and language therapy;
- Ican speech and language packs have been purchased to provide training to build capacity to work with parents and young children – this is at an early stage;
- Commissioning Quarriers to provide a family support service to families struggling to cope but not yet in crisis;
- Social Workers and Money Matters staff based in Early Years Centres allowing earlier identification of issues and provision of support;
- The Younger Persons Project delivered a summer programme including specific group work, programmes and activities for 320 young people (47% increase from the previous year);
- Twelve week Mentoring Project providing pro-social modelling intervention to 50 socially isolated young people;
- Free school meals initiative delivered during the school Christmas break, with substantial numbers in the Three Towns, Irvine and Garnock Valley;
- Early and Effective Intervention (EEI) Approach to young people on the cusp of offending. A Social Worker based in Saltcoats Police Office, continues to demonstrate positive outcomes. Scottish Children's Reporters Authority figures for 2012/13 (the most recent available) highlighted a 35% decrease in offence related referrals from the previous year, with the figure at a ten year low;
- 35 reports recorded to the Children's Reporter 2013/14 for offences committed by 29 children (which requires confirmation from the SCRA - August 2014). This is a 40% reduction from 58 on the previous year
- Of the 134 referrals the EEI Co-ordinator received, only 17 or 12% of these young people re-offended;
- Time taken from receipt of offence to disposal was reduced from the previous year's 15.4 days to 11 days;
- Early identification is being piloted through AYRshare. This provides effective, timely and secure sharing of chronological information between North, South and East Ayrshire Councils and NHS Ayrshire and Arran to help address concerns about the well-being and protection of children and young people. It directly supports the implementation of "Getting it Right for Every Child" (GIRFEC).

North Ayrshire Council and North Ayrshire Shadow Integration Board have agreed funding to participate in the Improving Children's Outcomes Project. This is a partnership between participating local authorities, the Scottish Government and the Social Research Unit at Dartington (SRU).

Work is likely to commence in September 2014 and involves a community survey of approximately 600 parents/carers of children aged between 0 and 8 years and an online survey of all pupils from P5 to S4.

The Project will support local authorities and their partners to work collaboratively to improve outcomes for local children, families and communities by commissioning, designing and implementing evidence informed children's services.

Corporate Parenting

Corporate Parenting refers to the partnerships between the local authority departments, services and associated agencies who are collectively responsible for meeting the needs of looked after children and young people (as defined in The Children (Scotland) Act 1995) and care leavers.

The Scottish Government publication *These Are Our Bairns: A Guide for Community Planning Partnerships* (2008) states that corporate parenting operates at strategic, operational and individual levels. It highlights three key elements of the role of a corporate parent:

- The statutory duty on all parts of a local authority to co-operate in promoting the welfare of children and young people who are looked after by them, and a duty on other agencies to co-operate with councils on fulfilling that duty;
- The co-ordination of the activities of the many different professionals and carers who are involved in a child or young person's life, and taking a strategic child centred approach to service delivery;
- The shift in emphasis from 'corporate' to 'parenting' defined by Jackson et al (2003) as 'the performance of all actions necessary to promote and support the physical, emotional, social and cognitive development of a child from infancy to adulthood'.

North Ayrshire residential childcare units have maintained good and very good inspection grades over the past 12 months, with two units receiving elemental excellent grades.

Residential and health staff delivered a joint presentation at the CELCIS National Conference in October 2013 in relation to the implementation of the Health Improving Care Establishment Framework.

The average occupancy level for residential childcare services for the period was 31.5 young people out of a possible 33 maximum capacity indicating that the level provided meets current need.

Residential and Throughcare Services both completed extensive consultation exercises involving all stakeholders. Feedback on both services was overwhelmingly positive and service improvement plans for 2013-2015 were developed and are currently in the process of implementation.

These consultations were used as evidence for conducting self-evaluation using the Performance Improvement Model (PIM) which concluded that the services were achieving very good outcomes in the majority of indicators and good on others.

Young people from Residential and Throughcare Services have been supported and encouraged to attend a number of national conferences promoting their views on proposed legislative changes and anti-stigma issues.

Five young people have gained apprenticeships within North Ayrshire Council including working in youth work, social care and with the Scottish Reporter's Administration.

The service has been successful in gaining support from the Early Effective Intervention Project Board to fund a senior throughcare worker to further develop the Council's Supported Carers Service. The worker commenced in November 2013 and is funded until 31st March 2015. Funds were also made available to pay for additional carers. A recruitment campaign has been developed, one additional carer has been recruited, three enquiries have been made and two are going forward to assessment. One specialist carers placement has been purchased from an external provider for a young person with complex needs.

The service has successfully managed its residential schools budget and dramatically reduced its overspend from the previous year. It is challenged with reducing this budget further by £884,000 in 2014-15.

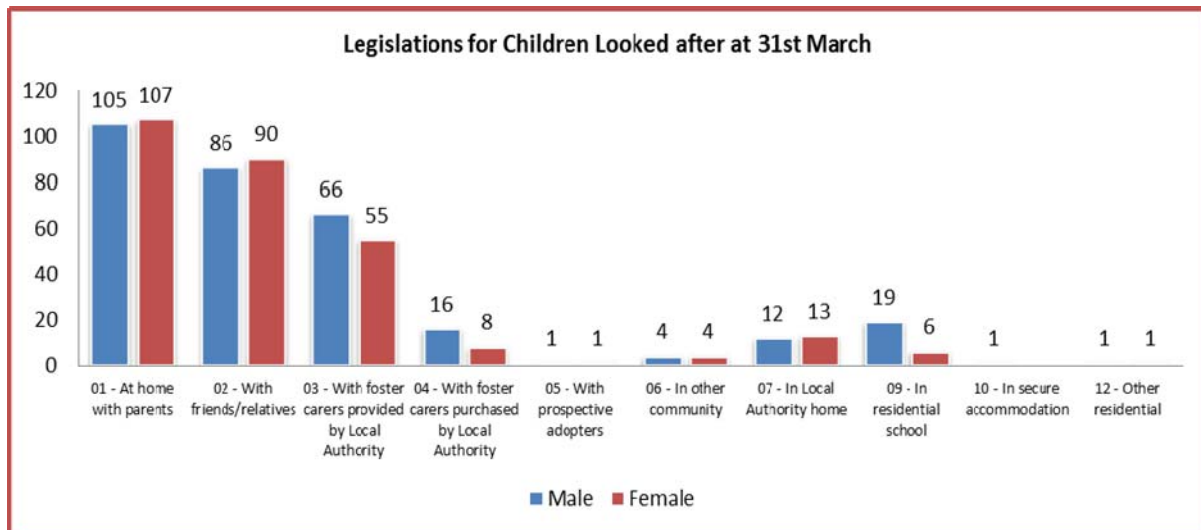
The introduction of guidance for staff dealing with young people at risk of self-harm and suicide has successfully strengthened procedures. Staff are more confident in dealing with issues, more able to seek out further training/awareness. Using the risk assessment within the guidance has provided a more coherent and consistent response.

This has been successfully adapted to be used as a Pan Ayrshire multi-agency guidance document which is currently being rolled out.

North Ayrshire Council Housing/Throughcare protocol has successfully provided all care leavers with the securest form of tenancy available to them dependant on support needs and independent living skills. 18 young people secured permanent tenancies during 2013-2014 through the protocol. There have been no evictions since the service was launched in 2010. There has been one abandonment whereby one young man refused to follow the correct procedure to relinquish his tenancy despite a significant level of support and input from both Throughcare and the housing office staff.

Children looked after by Placements

These include; At Home, Kinship Care (within family/ friends), Carers (LA Provided), With Potential Adopters, In Other Community Placements, in Local Authority Children's Units, Residential Schools, Secure Accommodation and other Residential Placements.



Fostering

North Ayrshire Council operates two fostering schemes. Fostering First caters for short term placements of younger children who will either return home to birth families, move to kinship care or remain within the 'looked after and accommodated' system and be cared for on a permanent basis. Permanent care is either adopted or under a Permanence Order which in effect means that they are secured legally and the local authority is able to act in a parenting capacity.

Fostering Xtra caters for children who can be more challenging and who are older, i.e. 10 years plus, on a long term basis. Generally such children are subject to Permanence Orders.

There has been a significant increase in demand for foster placements over 2013/14 and it is envisaged that, similar to national trends, these numbers will continue to rise.

Number of Foster Care Placements	As at 31 March 2013	As at 31 March 2014
In House	108	123
External	20	30

Permanent Care for Children

Most children who are accommodated in foster care in North Ayrshire have been placed there due to the concerns and difficulties

created by their parent's substance misuse and domestic violence. It is largely due to the intractable nature of these problems that most of these children are unable to be rehabilitated with their parents.

Securing early permanent alternative family-based care for children unable to remain with their birth family is one of the most important factors in their healthy emotional development. Permanency planning continues to be an area of priority and developments are on-going to support best practice in this area.

	2011/12	2012/13	2013/14
Number of Permanency Plans Approved:	13	15	25
Adoption – Approved and Placed:	12	11	3
Adoptions Granted:	14	10	9
Permanence Orders Approved	15	11	27
Permanence Orders Granted	9	12	12
Permanence Order with Authority to Adopt Approved	2	0	1
Permanence Order with Authority to Adopt Granted	1	2	1

Kinship Care

Social Services have seen a steady increase in kinship care placements over the last few years and the service established a Kinship Care Team in 2011. This team is growing to meet demand and will consist of 3 social workers and one social work assistant. The following range of supports have been developed:

- Kinship Carer Newsletter
- Kinship Carer Handbook
- Establishment of a Kinship Carer Panel for approving placements
- Annual reviews for all kinship carers
- Kinship Carer Support Groups
- Advice and guidance as required

The following table outlines the number of kinship carers and children in placement over the past three years:

	2012	2013	2014
Number of Kinship Carers as at 31 st March:	138	159	190
Number of Children in a Kinship Care Placement as at 31 st March:	201	225	251

On-going developments are taking place within the service to promote the use of Residence Orders to secure children within the kinship care placement where appropriate. At 31 March 2013 there were 48 children subject to residence orders. By 31 March 2014 this figure had increased to 75 children. We await the secondary

guidance and regulations in relation to kinship care as part of the Children and Young People (Scotland) Act 2014.

Children with Disabilities

The Children with Disabilities Team continue to provide both a Fieldwork component as well as a service via the IMPACCT (Involving More Parents and Carers of Children Together) Shared Care Service. IMPACCT is a family based short breaks scheme providing flexible breaks to children and young people affected by disability on a shared care basis.

The Fieldwork Service has seen the number of cases rise significantly and as at 31 March 2014 there were 176 open cases. These figures also include children who are in permanent foster care who have been transferred to the team. The team continue involvement within child protection cases and can utilise two workers if the case is open to the team or act in the capacity of the second worker as and when required.

The team have been actively involved in the Personalisation agenda and have helped to design the children's Resource Allocation System (RAS) for North Ayrshire.

The IMPACCT Shared Care Service currently caters for 18 children who use the IMPACCT Carers on a regular basis for respite. The scheme gives priority to children who have profound and significant disabilities for whom a 1:1 or 2:1 ratio is required. Four new children joined the scheme in 2013/14 and one new carer is currently being assessed.

Whole Systems Approach

The Whole Systems Approach involves putting in place streamlined and consistent planning, assessment and decision making processes for young people who offend, ensuring they receive the right help at the right time. The ethos of the approach suggests that many young people could and should be diverted from statutory measures, prosecution and custody through early intervention and robust community alternatives.

The approach aims to support all local areas to achieve positive outcomes for some of the most vulnerable young people, to ensure they reach their full potential and become successful contributors to their communities and wider society.

The Whole Systems Approach continues to work to reduce offending by those under 18 years old through appropriate interventions and supports. Through partnerships we have continued to support young people who are high risk of custody through the Children's Hearings or courts.

For the second consecutive year we have had only two young people in secure care for offending reasons, one young man at the authorisation of the Chief Social Work Officer and another through the Sheriff court. The average number of days in security was 75 per young person. By comparison in 2009/10 there were 13 young people in secure care for offending, 11 of whom had been remanded through the courts.

For young people who found themselves being held in police custody to appear at court the following day, the likelihood of remand was high. Through the partnership approach between Youth Justice and Court Social Workers, the use of the Court Note is now well embedded in practice, reducing the likelihood of remand. In 2013/14 there were 52 court notes completed, with 44 of these (85%) resulting in the young person being bailed to work with supports from Social Services within the community.

In line with North Ayrshire Guidance, Risk Management approaches continue to be well utilised with 26 Risk Management discussions, conferences or reviews being held throughout the year. These meetings related to 10 young people where sexually harmful behaviour was considered for Risk Management. These processes now also include the facility to manage risks relating to violence. One of the young men discussed under this protocol was placed in secure care through the Chief Social Work Officer route due to concerns for him and others. He is now managed safely back in the community.

A total of 18 under 18s were placed on a Community Pay Back Order, all of whom were managed by the Programmes Approach Team. Of this high tariff group of young people, 12 (67%) completed their Community Payback Orders successfully, including unpaid work requirements.

4. Protection and Risk Management

The assessment and management of risk posed to individual children, vulnerable adults and the wider community are part of the core functions of social work. The Chief Social Work Officer has an overview of related risk management activity, both within the council and across agency boundaries.

Reflecting the importance of joint working and highlighting the complexity of the landscape, the following multi-agency mechanisms are in operation:

- North Ayrshire Chief Officers Group
- North Ayrshire Child Protection Committee
- North Ayrshire Adult Protection Committee
- Criminal Justice Joint Committee
- North Ayrshire Community Health Partnership through the Transition Integration Board (Shadow Integration Board from April 2014).
- Whole Systems Approach Partnership
- North Ayrshire Alcohol and Drugs Partnership
- MAPPA

Children

As the lead agency for child protection, social services continue to work with partners to raise awareness and understanding of child protection through multi-agency training and joint working. The level of substance misuse and domestic violence in North Ayrshire continues to present a threat to the safety and wellbeing of children and an area of challenge for services.

The following tables detail the figures:

	2011/12*	2012/13*	2013/14**
Child Protection Concerns:	761	971	885
Child Protection Referrals (CPIs):	390	504	578
Child Protection Initial Conferences:	145	193	81
Pre Birth Conferences	33	39	26
Children on Child Protection Register:	74	92	89
Children looked after at home:	223	225	212
Children looked after away from home	387	376	384

*Data covers period 01 August – 31 July for 2011/2012 and 2012/2013

** Data covers period 01 April – 31 March 2013/2014

Domestic Abuse

The multi-agency domestic abuse response team (MADART) continues to deliver on the intended outcomes. Two social workers and a Housing Officer are co-located with the police at Kilmarnock Police Office to assess and respond to all incidents of domestic violence reported to police. This has improved the response time to victims and their children from 10.7 days to 1.5 days.

The total number of children referred to the Scottish Children's Reporter's Administration (SCRA) in 2012/13 fell by 31% and the number of formal report requests relating to domestic violence fell by 20%. In 2012/13 however we had seen a significant rise in the number of Child Protection Investigations and registrations related to domestic abuse as well as an increase in the number of children accommodated because of the impact of domestic abuse. This was evidence that we were more effectively targeting our resources at those children most at risk and it was hoped that 2013/14 would begin to see those significant increases reduce.

With the exception of statutory supervision orders, all other measures relating to children affected by domestic violence did indeed reduce as can be seen from the table below:

OUTCOME OF DOMESTIC ABUSE INCIDENT:	2011/12	2012/13	2013/14
Number of Children Involved	1347	1030	883
Formal Report Request (IAR/SBR):	233	188	186
Voluntary Supervision Order:	27	36	33
Statutory Supervision Order:	16	12	29
Child Protection Investigation Initiated:	16	50	37
Name Placed on Child Protection Register:	2	17	11
Child Accommodated:	2	5	2

Addictions

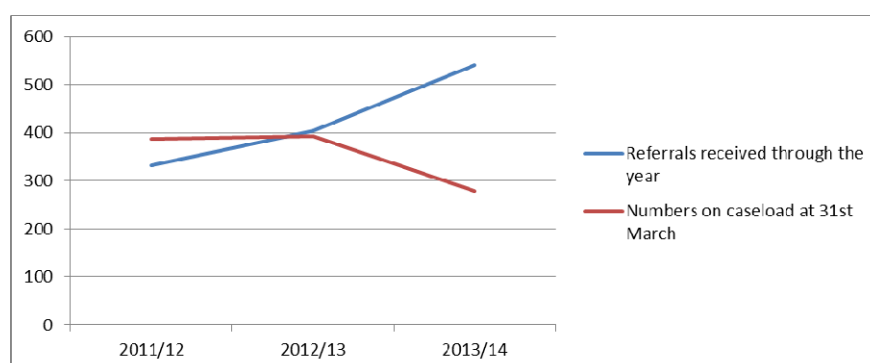
The North Ayrshire Alcohol and Drug Partnership (ADP) is a multi-agency strategic planning group. The key responsibilities are to develop and drive forward a strategy to tackle issues around drug and alcohol problems and to co-ordinate actions around these issues. Members of the ADP include:

- NHS Ayrshire & Arran
- North Ayrshire Council
- North Ayrshire Licensing Board
- Fire and Rescue Scotland
- Police Scotland
- South West Scotland Community Justice Authority
- Jobcentre Plus
- Voluntary Sector

North Ayrshire ADP operates within the North Ayrshire CPP and contributes to the achievement of the Single Outcome Agreement and National Outcome Indicators.

North Ayrshire Council Addiction Services (NACAS) provide a range of supports to individuals to initiate and sustain recovery from problem alcohol and substance use by providing a range of treatment options in an empowering, person centred and socially inclusive way. The treatment options are from a predominantly psychosocial perspective designed to deliver on recovery outcomes which benefit individuals, families and communities.

The graph below highlights the referrals received through each of the last three years as well as the overall number of cases on the caseloads at the 31st March each year.



As reflected above whilst there has been a continued rise in referrals, 2013/14 saw a 30% reduction in caseloads. This is related to the fact that the nature of referrals is changing with only 9% of referrals through the year relating to people with heroin issues whilst alcohol was the predominant issue for approximately 56% of referrals. Indeed, other substances such as diazepam and cannabis were more prevalent than heroin. This low number of new referrals relating to heroin reflects that the majority of referrals go to the NHS team in the first instance, but also reflects a wider trend away from the use of heroin.

This shift away from heroin means that the interventions required have also changed, with fewer people requiring long-term support. Data collated through 2013/14 shows that a significant number of individuals were seen for an average of 14 weeks and exited from the service with the majority having a successful outcome. The longer term caseloads are characterised by adults with parenting responsibilities; a history of opiate abuse, trauma and wider adversities; and those mandated to attend via Community Payback Order (CPO) and Criminal Justice action plan agreements.

The reduction in referrals relating to heroin use is a trend being witnessed across Scotland with heroin use being replaced by the use of other drugs. Locally there may also have been under recording of alcohol use. Changes in CareFirst recording systems this year will allow for better future trend data.

In Recovery work, various strands of group work have been delivered including:

- The Allotment site was attended by 17 service users. This has won two awards - Community Plot of The Year and the North Ayrshire Achieves, Light Bulb Moment Award. Five of the Service Users have moved on to their own Allotment plot;
- The FITba4U project made the final of NA Achieves and won the Provost Civic Pride Award – Sports Category. The project averages 18 participants per week and in 2014 will be represented at the Commonwealth Games and Homeless World Cup;
- The Health and Wellbeing group included gym sessions, supported by staff and attended by 18 individuals;
- For those seeking to enhance employment skills, 35 referrals were made to Lookahead Employability Service. Seven service users began college courses and five secured employment;
- Ten service users were involved in various strands of an animated puppet show production, telling recovery stories through puppetry;
- Women In North Ayrshire (WINA) continue to offer an introductory group work programme based on the specific support needs of females in recovery;
- Across these various strands a total of 328 sessions were delivered, resulting in 1,248 client contacts and 942 activity hours.

Offenders

Criminal Justice Social Work (CJSW) has been in a formal partnership with East and South Ayrshire Councils for over ten years. This CJSW Partnership has a joint committee of elected members. North Ayrshire Council hosts the majority of partnership services including the Programme Delivery Team (who deliver accredited programmes such as the Caledonian System and the Community Sex Offender Groupwork Programme) throughout Ayrshire, a Women Offender's Team, and the Drug Treatment and Testing Team. The CJSW Partnership is currently under review. The table below relates to offenders in the community subject to statutory supervision at 31 March 2014.

	Male	Female	Total
Probation Orders (including 229s):	59	16	75
Community Service Orders:	8	1	9
Community Payback Orders:	508	98	606
Drug Treatment and Testing Orders:	8	7	15
Bail Supervision:	28	16	44
Statutory supervision of released prisoners e.g. life licence, parole, extended sentences, supervised release orders:	75	2	77

It was anticipated that following the introduction of Community Payback Orders (CPOs), Probation, Community Service and Supervised Attendance Orders would reduce significantly and this is reflected in the table above. CPOs are now fully established and our second CPO Annual Report was submitted to the Scottish Government in October 2013 reflecting the work undertaken.

In this year we have established a joint pilot with East Ayrshire Council and we both invested additional resources in the Social Work Unit at Kilmarnock Sheriff Court, so that Court Social Workers had the capacity to undertake more Criminal Justice Social Work Reports (CJSWRs). In this pilot Court Social Workers complete all CJSWRs on individuals who are not open cases. We believe that this model of delivery may be a more efficient and effective way of providing CJSWRs, but also ensures that Fieldwork Social Workers supervising service users subject to CPOs will be better able to plan services, as there will be significantly less interruptions to complete CJSWRs. This pilot will be evaluated during 2014/2015.

Multi Agency Public Protection Arrangements (MAPPA)

MAPPA in the South West of Scotland Community Justice Authority (CJA) has been strengthened in the last year. The job profile for the MAPPA Coordinator had been changed to make the post more strategic so it can better support the Strategic Oversight Group (SOG) and a former Police Detective Superintendent has been recruited to the post. A MAPPA Social Work post has been created to address operational issues. The SOG had agreed that MAPPA processes can be used for some violent offenders and the impact of this will be assessed. A new process for the management of Level 1 individuals has been agreed by the SOG and this will be implemented in 2014/2015.

Registered Sex Offenders dealt with through MAPPA are categorised on three levels:

- Level 1: normally low to moderate risk of serious harm offenders described as “ordinary risk management”, requiring only one agency to manage the risk;
- Level 2: normally moderate to high risk of serious harm offenders, requiring Multi Agency Public Protection Arrangements, MAPPA Level 2 meetings are chaired by a Team Manager or Police Inspector;
- Level 3: described as the “critical few”, normally high to very high risk of serious harm offenders, requiring Multi Agency Public Protection Panels (MAPPPs), meetings are normally chaired by the Head of Service or Police Superintendent.

The Number of Individuals subject to MAPPA (Both Custody & Community) as at 31 March 2014		
LEVEL 1:	LEVEL 2:	LEVEL 3:
120	11	0

The Scottish Government's review of community justice and in particular the most recent consultation paper the "Future Model for Community Justice in Scotland, will present a significant challenge for Social Services & Health, North Ayrshire Council and our Community Planning partners. The process of the transfer of planning for community justice from Community Justice Authorities to Community Planning Partnerships will begin during 2014/2015, with the first reducing reoffending plan scheduled for 2016/2017.

Emergency Community Support and Response

UK wide legislation under the Civil Contingencies Act (2004) is supported by additional regulations “Preparing Scotland – Scottish Guidance on preparing for Emergencies (2006). All local authorities are designated as a Category 1 Responder which identifies specific duties in response to a major civil emergency.

Social Services & Health has the responsibility to open and manage rest centres in accordance with the Care for People Guidelines in conjunction with Police Scotland if appropriate; co-ordinate the work of organisations providing support at the centres; co-ordinate emergency food and distribution arrangements in consultation with other services; identify vulnerable persons within the affected population, assess their needs and respond accordingly.

There have been no major incidents to deal with this year, though lessons have been learned from the severe weather incident in Arran in March 2013.

5. Regulation, Inspection and Improvement Activity

Inspections of Registered Services

Since the Public Services Reform (Scotland) Act 2010 and the introduction of Social Care Social Work Improvement Scotland (SCSWIS) in 2011, minimum frequency of inspection is informed by a risk based, targeted inspection regime.

The tables below set out the quality of registered services managed by North Ayrshire Council as at 31 March 2014.

CHILDREN'S SERVICES						
Care Service	Sub type	Service Name	Quality of Care and Support	Quality of Environment	Quality of Staffing	Quality of Management and Leadership
Adoption Service	Children & Young People	North Ayrshire Council - Adoption Service	5		5	5
Care Home Service	Children & Young People	Mount View	4	5	4	4
Care Home Service	Children & Young People	Cannore	5	5	5	5
Care Home Service	Children & Young People	Abbey Croft	5	5	5	5
Care Home Service	Children & Young People	Achnamara	5	5	5	5
Care Home Service	Children & Young People	The Meadows	5	5	5	5
Fostering Service	Children & Young People	North Ayrshire Council - Fostering Service	5		5	5

ADULT SERVICES						
Care Service	Sub type	Service Name	Quality of Care and Support	Quality of Environment	Quality of Staffing	Quality of Management and Leadership
CBS	Adult Services		5	4	4	4
Interlink	Adult Services		5	4	4	2
Dirrans Head Injury Day Service	Adult Services	Rehab Centre	6	5	5	5

OLDER PEOPLE'S SERVICES						
Care Home Service	Older People	Montrose House Residential Home	4	4	4	3
Care Home Service	Older People	Anam Cara	3	4	3	4
Support Service	Other than Care at home	Gowanlea Day Service	4	5	4	4
Support Service	Other than Care at home	Burns Day Service	4	4	4	4
Support Service	Other than Care at home	Stronach Day Service	5	4	4	4
Support Service	Other than Care at home	Castleview Day Care	4	4	4	4
Support Service	Other than Care at home	Strand Day Services	4	5	4	4
Support Service	Other than Care at home	Thistle Day Service	4	5	4	5
Support Service	Care at Home	North Ayrshire Council - Irvine and Garnock Valley	3		3	3
Support Service	Care at Home	North Ayrshire Council - North Coast and Community Alarm	3		3	3
Support Service	Care at Home	North Ayrshire Council - Three Towns and Arran	3		3	3
Support Service	Care at Home	Dementia Support Service	4		4	4

A significant number of services continue to evidence improvements and have been inspected as good or very good (4 or 5) for the themed areas of quality of care, environment, staffing and management and leadership. Services as weak or adequate (2 or 3) have current action plans to address these issues. All inspection reports are analysed and action plans are developed in response to these.

Joint Children's Inspection

The Care Inspectorate pilot joint inspection of services for children and young people in the North Ayrshire Community Planning Partnership area took place in March and April 2013. The publication 'How well are we improving the lives of children, young people and families? A guide to evaluating services for children and young people using quality indicators' (Care Inspectorate 2012) provides the draft framework for inspection.

It covered the range of services that had a role in providing services to benefit children, young people and families across the North Ayrshire Community Planning Partnership area including the islands of Arran and Cumbrae.

Findings were very positive for the eight key indicators which were examined:

How well are the lives of children and young people improving?	
Providing help and support at an early stage	Good
Impact on children and young people	Very good
Assessing and responding to risks and needs	Adequate
Planning for individual children	Good
How well are services working together to improve the lives of children, young people and families?	
Planning and improving services	Very good
Participation of children, young people, families and other stakeholders	Very good
How good is the leadership and direction of services for children and young people?	
Leadership of improvement and change	Good
Improving the well-being of children and young people	Very good

Inspectors are very confident that services for children and young people will continue to improve in:

- Implementing robust, systematic approaches to joint self-evaluation across services for children and young people;
- Developing and implementing an effective joint commissioning strategy to reflect the CPP vision and ambitions; and
- Continue to improve the joint assessment of risks and needs for individual children and young people.

A current action plan is in place to address Assessing and Responding to Risks and Need.

Quality Assurance of Purchased Care Services

The Contract Management Framework was introduced in 2011/12 to:

- Ensure appropriate levels of supplier management are in place;
- Secure the best outcomes for service users; and
- Achieve best value in terms of quality and cost.

It is now firmly embedded to ensure that services being delivered meet service user outcomes, contract and regulatory requirements and provides a mechanism for continuous improvement.

The partnership is between the provider who is responsible for the quality assurance of the service, care managers responsible for individual care planning and reviewing and contract monitoring officers who collate and analyse information. Prompt action is taken by means of a joined up approach to addressing any care deficiencies.

Monthly collating and analysis of comments regarding care feeds into an overall risk rating. A six monthly contract monitoring return has been developed which providers make use of to self-assess their performance across a range of performance indicators including service user outcomes, quality, service, delivery and cost.

Areas for improvement and developing best practice are shared through quarterly Provider Forums and regular performance reports are submitted to the Senior Management Team

We continue to spend around £47 million on purchased care services , with 70% of the budget (£33 million) being delivered by 49 independent and third sector providers across seventy-three services within the Contract Monitoring Framework. The remaining £14million of purchased service is delivered by 73 providers. This comprises:

- Services currently at decommissioning stage;
- Contract managed at a national level;
- Provision that is out-with North Ayrshire boundaries and
- One off payments for small value, low risk services.

Where services are purchased out-with North Ayrshire and are for one individual, cross authority payments, placements are managed through care management and review processes.

The average inspection grades for services managed through the contract management process are as follows:

Registration Type	No. of services	Care & Support	Environment	Staffing	Management & Leadership
Adult Placement Service	1	5 'Very Good'		5	5
Child Care Agency	1	4 'Good'		4	4
Fostering Service*	9	5		5	5
Housing Support Service	15	5		5	5
Support Service (with Care at Home)	7	4		4	4
Care Home Service Adults	12	5	4	5	4
Care Home Service C&YP **	9	5	5	5	4
Care Home Service (Older People)	22	4	4	4	4
Support Service Without Care at Home	5	5	5	5	5

*Details of current commissioned services plus those services signed up the National Foster Care contract in order to inform Managers of levels of service available.

**Details of average grades across all providers NAC currently purchase residential child care services from.

Not all of whom are subject to contract management due to the small number of children/young people in each care home whereby service provision is monitored via social workers.

Performance Management

In line with the Council's vision to "have sector-leading performance management systems and a supporting culture in place", the Social Services and Health Performance Management System performNA has been developed to focus on continuously improving our service to the citizens in North Ayrshire.

Based on the best practice already in place, performNA ensures that all managers and front line staff work together to deliver the commitments we make in Corporate and Service Plans, the requirements of our regulators are exceeded and our Services are relevant, effective and have the right information to develop and improve.

The approach builds on systems already in place e.g. Public Sector Improvement Framework (PSIF) to monitor levels of achievement against Corporate and Service plans, to develop and support people to deliver services and to focus on results through performance measurement. It has the same emphasis as the European Foundation for Quality Management (EFQM) on leadership, people, strategy, processes, services and results, and is consistent with Care Inspectorate processes thus avoiding unnecessary bureaucracy by using the systems in place to better effect.

PerformNA is a combined quality assurance and performance management system to measure:

Efficiency – doing things right – quality assurance

Effectiveness – doing the right things – performance management

Economy – providing value for money – maximizing outputs from inputs

The purpose is to combine quality assurance – "doing things right" as set out in National Standards regulated by the Care Inspectorate and Council standards and procedures – with performance management – "doing the right things" as set out in National and Council policy, corporate and service plans, e.g. delivering personalisation throughout all services.

Each service will clearly outline the purpose and objectives of delivering the service and ensure that people using services, managers and staff know what these are and regularly review whether they are being achieved. The critical components are Self-Assessment and Key Performance indicators and these need to be agreed for each service.

The new policy was approved by the Social Services and Health Governance Board in March 2014 for full implementation from April 2014.

CareNA

The Community Portal: Care and Support North Ayrshire or 'careNA' was officially launched by Councillor Anthea Dickson at the Social Services and Health annual exhibition of care and support providers in July 2013.

This important new development connects service users to service providers and community supports at the click of a mouse. It enables service users and carers to make the most of their options, make informed decisions and manage their care and support.

The Portal enables people to quickly access support, guidance and advice appropriate to their circumstances. Informed decision-making will facilitate choice and control and support the co-production of care plans. As a result, providers are becoming truly demand and outcomes led.

A key aspect of developing the portal was early and ongoing input from service users and carers. Providers were engaged at an early stage through Provider Forums. The views of the partners were clear - to make the Community Portal as user-friendly and accessible as possible.

The Home Page presents the key areas of support informally through a 'big button' approach, clear layout and colour coding. There is also an opportunity to access details on the latest news and upcoming events from providers and partners. Feedback, comment and discussion is invited through an 'Ask Carena' option. Latest news and upcoming events provide an opportunity to raise the profile of key developments and events across North Ayrshire.

Access is available through applications suitable for desktops, laptops, tablets and mobile phones. Social media has been utilised with a Facebook page being established to encourage greater accessibility and two-way communication with the public and providers.

Community Connectors are employed to assist third sector organisations to become involved. Their key functions include identifying what services are available, exploring what is possible, building the knowledge base and the provision of information, intelligence and support to service users, carers, social care workers and the community.

In March 2013 CareNA was awarded a Gold COSLA Award for Service Innovation and Improvement.

Participation

Social Services have recognised the unique and valuable contribution that people who use services and family carers can make to our practice.

The National Standards for Community Engagement (2005) provide a framework to develop and support better working relationships between communities and public service agencies. These standards are measurable performance statements which can be used to improve the quality and process of the engagement. They set out key principles, behaviours and practical measures that underpin effective engagement.

These standards are being adopted by the North Ayrshire Community Planning Partnership to inform, engage and consult about delivery, commissioning, redesigning and co-production of services.

This is reflected in the Social Services and Health Participation Strategy (2013) which guides services in ensuring that the participation and involvement of those who access Social Care Services is central to all our contact. The strategy is intended for use by all staff, care and service groups, which is monitored, analysed and reported upon by the Planning & Performance Team.

Carers Strategy

North Ayrshire Council led on developing the North Ayrshire Carers Strategy which was launched in November 2013. This strategy was developed in partnership with NHS Ayrshire and Arran, the third sector, carers and young carers. The Strategy has established a Carers Strategy Advisory Panel which is chaired by the North Ayrshire Carers Champion Councillor Robert Steel.

The Strategy does take account of many of the proposals contained in the proposed Carers legislation and North Ayrshire should be well placed to meet the challenges the legislation will present across partners.

Service User Involvement Improvement Group

The service improvement group methodology was piloted in a short life working group on service user involvement within community care services. The focus was on how to improve practice around service user and carer involvement which in turn improves the quality of service they receive as an outcome.

The work will relate directly to performNA (performance management system), Community Engagement Standards and the Social Services and Health Participation Strategy. The group, which had representation from across services used the NHS Improvement Journey model to work logically through this area of improvement.

By drawing on the experience of education, housing and children and family services which are further developed in the approach, there are key themes linking to timescales, training, quality, evidence base of practice, resources, personnel and use of appropriate self- assessment tools, other service user involvement tools. These will need to be considered by the Senior Management Team to fully embed the strategy into practice in the forthcoming year.

Service Improvement Group

If an improvement action has been identified across a group of services within or across care groups, then the use of a short life Service Improvement Group (SIG) can be used as part of performNA. This is a group convened to examine a particular improvement area involving people from all levels in the service and people who use services. The seven step NHS Improvement Journey is recommended methodology to systematically work through the improvement area.

Case File Audit

The Case File Audit programme is currently under review with a more fit for purpose audit tool being sought. This should be completed and implemented before the end of 2014.

Staff Reference Group

The Staff Reference Group was established in December 2011 to ensure that social services staff can make a full and on-going contribution to the continuous improvement of service development and delivery.

Two of the key roles of the SRG are to ensure an effective two-way communication channel between staff and senior management is maintained and to act as a vehicle for staff to respond to strategic and operational initiatives. The group continues to be closely involved in helping to test and develop solutions within social services.

Key achievements have been:

- Vision and Values Statement;
- Change Programme;
- New Operating Model;
- Personalisation;
- Health and Social Care Integration;
- Communication Plan including Staff Talk;
- Employee Engagement Strategy;
- Participation Strategy;
- Mobile Phone Policy.

6. Complaints

The Council's social services are required by statute to report annually on complaints received from service users, their carers and representatives. The nature of the complaints are such that they can often require detailed investigation resulting in response times that do not always correspond with corporate time-scales. The tables below demonstrate the number of Stage 2 complaints and the response times over the last two years:

2012 – 2013

Period	Number of complaints received in the Quarter:	Number acknowledged within 5 days:	% acknowledged within 5 days:	Number responded to within 28 days:	% responded to within 28 days:
Apr – Jun 12	30	29	97%	26	87%
Jul – Sep 12	24	24	100%	18	75%
Oct – Dec 12	31	31	100%	23	74%
Jan – Mar 13	27	27	100%	18	67%
Totals:	112	111	99%	85	76%

Analysis of Complaints Received 2012/2013	
Category of Complaint	Number
Failure to provide a service	6
Failure to achieve standards / quality of service	48
Failure to fulfil statutory responsibilities	0
Bias or unfair discrimination	1
Service adjustment or withdrawal	1
Dissatisfaction with the way Council policies are carried out	4
Failure to consider relevant matters in coming to a decision, or with action taken in implementing that decision	10
Conduct of actions of individual employees	29
Delays in responding, or about the administrative process	8
Other	5

Outcome	Apr – Jun	Jul - Sept	Oct – Dec	Jan - Mar	Number
Upheld	9	8	8	9	34
Partially upheld	6	5	11	9	31
Not upheld	15	11	12	9	47

2013 – 2014

Analysis of Complaints Received 2013/2014	
Category of Complaint	Number
Failure to provide a service.	3
Failure to achieve standards / quality of service.	22
Failure to fulfil statutory responsibilities.	1
Bias or unfair discrimination.	0
Service Adjustment or Withdrawal	0
Dissatisfaction with the way Council policies are carried out.	4
Failure to consider relevant matters in coming to a decision, or with action taken in implementing that decision.	5
Conduct or actions of individual employees.	32
Delays in responding, or about the administrative process.	4
Other	7

Outcome	Apr – Jun	Jul - Sept	Oct – Dec	Jan - Mar	Number
Upheld	6	1	6	5	18
Partially upheld	5	6	4	3	18
Not upheld	7	13	13	8	41
Awaiting Outcome				1	1

Analysis

The total number of complaints received (78) has reduced quite significantly compared to the previous 2 years (2012/13 = 112; 2011/12 = 103);

The percentage number of complaints responded to within timescale has improved marginally to 79% (2012/13 = 76%; 2011/12 = 75%);

The percentage of complaint outcomes that are either upheld or partially upheld has reduced to 46% (2012/13 = 58%; 2011/12 = 63%)

There is one complaint from March is still on-going and therefore the outcome for this is outstanding.

On-going analysis continues to inform continuous improvement.

Planning for Change

The Social Services and Health Change Programme was established in 2013 to review access to the service and the service delivery model. The exercise was considered necessary because of levels of demand for service, demographic change, and the introduction of Self-Directed Support legislation, as well as ongoing budget pressures. The overarching approach is one of enablement and reablement. The model has been designed to align how we deliver our services much more closely with activities which support Service Users in achieving their outcomes.

Practical consequences of implementing this new model included a restructuring of teams and some changes to the locations as to where these teams are based. Services on Arran remain unchanged.

The model was introduced in November 2013 for Older People's Services to deliver:

Improved Service Access arrangements. This is designed to deal with as many customers at the front door and signposting to existing community services and supports wherever appropriate.

Assessment and Enablement Teams_based geographically where services users are able to receive a service for a maximum of 12 weeks, based on a reablement approach.

Care Management and Review Teams_based geographically to assess and review service users with longer term care needs, including those based in care homes. Services for adults with physical disabilities, learning disabilities, mental health and addiction issues continue to be delivered on a centralised basis.

Self Directed Support

The primary purpose of the Social Care (Self-directed Support) (Scotland) Act 2013 is to give service users more choice and control over how services and support are provided. Local authorities will have to demonstrate the following principles are embedded in our practice: Involvement, informed choice, collaboration, participation in local community and promotion of dignity.

Since 2011 Social Services and Health have been preparing for the implementation of the new Act which will become operational from 01 April 2014. This involved a major change programme throughout 2013 focusing on being ready for the new duties and powers included in the Act which come into effect on 01 April 2014. This is also in line with the North Ayrshire Personalisation Strategy.

The result is that Social Services and Health is in a strong position to meet the challenges this new legislation presents. However, as with any other major change there are still potential trials that will test the effectiveness of our processes and contests traditional practice and service provision.

To address these challenges the following measures have been put in place:

- Mandatory training in Self Directed Support and “Talking Points” outcome focused approach for all staff;
- Implementation of outcome focused supervision and reflective learning to develop a cycle of continuous improvement (Working Group established February 2014);
- Self Directed Support to be added as a standing agenda item to Team Meetings and Supervision;
- Build in dedicated time for staff and team development;
- Practice forums to be established;
- Identify Self Directed Support Champions to mentor staff;
- Assessment paperwork and processes in place and to be reviewed;
- Implementation of the Resource Allocation System to identify estimated budget for each SDS option and to facilitate budgetary planning;
- Review and interpretation of the legislation and statutory regulations.

7. Workforce Development

Workforce planning and development remain a key priority to meet the challenges of the future. Our focus continues to be on developing a more competent, confident and capable workforce who are skilled and empowered to improve outcomes for service users and carers.

Practice Learning

Practice learning is an essential component of social work training and our service is committed to provide practice learning opportunities for social work students via the West of Scotland Learning Network. North Ayrshire Council Social Services is well regarded as a source of good quality learning opportunities and we value the partnership working and knowledge exchange activities with our colleagues from the relevant universities.

During the academic year 2013/14 we provided 16 practice learning opportunities for student social workers. We have also assessed and supported 2 candidates who have undertaken the Post Qualification Awards in Professional Development Award Practice Learning (PDAPL), 3 Practice Assessor/Mentors for Mental Health Officers (MHO) Award and 2 Candidates who have completed the Mental Health Officers Award. We continue to promote and facilitate Practitioners Forums to encourage a learning exchange culture.

Learning and Development

Seventy seven different course titles are available to staff through the Social Services and Health Learning and Development calendar. Based on the demand, 62 of these titles were delivered between April 2013 and March 2014 to 3779 staff.

Staff have accessed other social services training such as Moving and Handling, CALM, Adult Support and Protection and the North Ayrshire Council corporate calendar for Policies and Procedures and Management and Leadership training, the Child Protection Committee, GIRFEC, Women's Aid and NHS training for other specialist training.

Twenty one Social Services and Health staff were supported to undertake a range of further professional studies.

A learning needs analysis is in the process of being completed which will prioritise training over the coming year along with recent changes to legislation governing Children's Services and Self Directed Support. The outcome of staff's individual development plans through the PPD process will further contribute to determining what learning and developments needs staff requires or aspire to undertake.

Moving and Handling and CALM Training

The service has adopted the Scottish Local Government Manual Handling Passport requirements in designing the new format of moving and handling training.

A total of 690 employees are actively involved in moving and handling activity. The new format including theoretical workbook and the half-day refresher training creates capacity for further bespoke training sessions aimed at specific issues as identified by staff. The passport is currently out for consultation.

Social Services and Health have achieved the CALM (Crisis, Aggression, Limitation and Management) Quality Assurance Award. A total of 330 Social Services & Health employees are actively involved in undertaking CALM Training.

Qualifying the Workforce

The North Ayrshire Social Services SVQ Assessment Centre (NASSAC) delivers awards ranging from 6 months to three years duration. Fifty two staff and seven Modern Apprentices completed their award within this period and a further thirty seven are currently working towards completion. Future candidates will be prioritised to meet SSSC registration requirements.

Good progress has continued in relation to qualifying the residential workforce in line with the Scottish Social Service Council registration requirements. Targets set for both older people's and children's care groups have been reached during 2013/2014 and continue to be closely monitored.

At April 2013 93% of staff in residential care homes for older people had achieved the qualifications required for registration. At 31 March 2014 this figure had decreased to 87%. A number of factors such as closure of a care home, staff redeployment and staff turnover have been key factors.

At April 2013 86.5% of staff in residential care homes for children and young people achieved the qualifications required in order to register with the Scottish Social Services Council. At 31 March 2014 this figure had risen to 89%.

Meanwhile the centre continues to support the internal Care at Home services to map out the route and timescales for staff groups to attain their qualifications in line with regulatory and registration requirements.

In the annual inspection undertaken by SQA the NASSAC received a glowing report with particular reference made to the high standard of assessment and the quality of evidence provided by candidates.

The centre has submitted an application for approval to deliver the PDA in Health & Social Care Supervision.

Priority will be given to groups of staff who require a supervisory qualification to meet SSSC registration requirements – primarily care at home and residential services for older people. However there will be an opportunity for any staff member who has supervisory responsibilities to develop their knowledge and skills by completing the qualification.

Centre staff are preparing for the new SVQs in health and social care which were launched in January 2014. The first candidates will be inducted in May 2014. These awards have more use of common terminology used through self-directed support and refer to “outcomes” throughout. Other changes include a strong focus on the safeguarding of individuals.

Knowledge Exchange

The Knowledge Exchange was introduced in 2011 as an innovative forum for the open and frank exchange of ideas across Social Services and Health. As the Change Programme has gathered pace, some services such as residential child care and addiction services have adapted the approach at local level. The priority for sessions over the year has focussed on the service user journey and new workforce model, integration of health and social care and early intervention and prevention.

In addition work has commenced to take forward different strands of practice through a Learning Exchange model which will be further developed in the forthcoming year.

8. Conclusion

This annual report of the Chief Social Work Officer complements the service planning and reporting arrangements that are routinely in place within the Council for the Chief Social Work Officer. It refers particularly to those statutory interventions which have been carried out by, or on behalf of, the Chief Social Work Officer.

In addition it reflects some of the key achievements, developments and challenges which new legislation, policies and other best practice guidance is bringing to social services in order to bring about change and a framework of continuous improvement to deliver on outcomes for those who use our services.

Sheena Gault
Chief Social Work Officer

30 June 2014

NORTH AYRSHIRE COUNCIL

Agenda Item 15

16 July 2014

Cabinet

Subject: Arran Outdoor Education Centre

Purpose: To provide proposals for the future efficient and effective operation of Arran Outdoor Education Centre.

Recommendation: Cabinet is asked to approve proposals for the future sustainability of Arran Outdoor Education Centre, while maintaining a high quality service for young people in North Ayrshire.

1. Introduction

- 1.1 The Arran Outdoor Education Centre (AOEC) is a well-established provider of outdoor education for young people and adults. The centre moved to a new, purpose built facility in 2008 and includes a mountain forest retreat, Cloud Base, which provides an overnight experience for centre visitors. The centre caters mainly for primary school children, including children with a range of additional support needs, and also provides a venue for courses for secondary age young people.
- 1.2 The centre achieves an income each year based on a charging policy for school children and other groups and individuals who use the centre. There is also a mainland based service which provides outdoor learning opportunities for schools.
- 1.3 When it reopened in 2008, the centre moved to a more commercial model which included corporate team building and recreational activities. This market was identified in a business plan for the centre. Arran as a whole is projected to benefit from an increase in visitor numbers as a result of the Road Equivalent Tariff and there is scope to increase both the use of the centre and the income generated through targeting adventure tourism. In addition there is scope to provide facilities to support activities such as art courses, photography courses and conferences of a specialist nature. Development Planning provided support for the development of the business plan.
- 1.4 In November 2013 Cabinet agreed to instruct officers to continue to identify and develop opportunities for the future sustainability of Arran Outdoor Education Centre, within a reduced budget, and to conclude the review of the operation of the centre while maintaining a high quality service for young people in North Ayrshire.

2. Current Position

- 2.1 Arran Outdoor Centre is funded by North Ayrshire Council and income generated by related activity. The budget for 2014-5 is as follows:

BUDGET 2014/15	Arran Outdoor Centre	Mainland Service	TOTAL
Employee Costs	£519,501	£74,761	£594,262
Property Costs	£2,979	£0	£2,979
Supplies & Services	£64,550	£6,000	£70,550
Transport & Plant	£5,290	£1,500	£6,790
Administration Costs	£12,550	£2,582	£15,132
Other Agencies, Bodies & Persons	£23,610	£0	£23,610
Income	-£277,200	-£31,000	-£308,200
Total	£351,280	£53,843	£405,123

- 2.2 Efficiencies require to be achieved within the Education and Skills budget over the next three years, and all areas of provision are being examined in this context.
- 2.3 Many other outdoor centres across the country operate within a range of different business models and sectors, including public, private, charitable and voluntary, and a mix of the above.
- 2.4 The Centre's activity and income generating ability is market dependent. However, a review of the operating and business model of the Centre has allowed Education and Skills to create opportunities for the Centre to continue to operate more sustainably in future.

2.5 Review Arrangements

- 2.5.1 Roseangle was appointed in May 2013 to undertake a review of the business plan and future opportunities for growth. It reported to the Head of Service, Community and Culture.
- 2.5.2 Roseangle's lead partners are experienced in heritage leisure and actively involved in the Arran visitor offer as well as in other local authority outdoor education options appraisals.

2.6 Review Conclusions

2.6.1 The purpose of the review was to build positively on the Council's plans for change.

2.6.2 The review:

- Made recommendations to improve short term financial performance by increasing net earned income;
- Considered operational factors that impact on financial performance and proposed areas for short / medium term action; and
- Reviewed options for longer term governance & management of the centre.

2.7 Progress

2.7.1 Comparative information from other outdoor education centres shows that Arran Outdoor Education Centre was developed as Rolls Royce of centres in terms of both its physical facilities and the qualifications of people employed to provide outdoor physical activity experiences. The offer, particularly currently to young people, is of high quality and involves the requirement for a high level of qualifications and safety licences.

2.7.2 A review of staffing has resulted in the continued emphasis on the safe delivery of adventurous activities at the centre. This has resulted in the removal of two management posts, that of the centre manager and depute manager. This has been achieved through VER. At present, the centre is now in the temporary remit of the Senior Manager, Community Development. It is managed by an interim centre supervisor, previously a centre instructor. It is proposed that the interim arrangements at the centre become permanent. This will result in a full year saving of approximately £115,000.

2.7.3 As part of the review and rationalisation it also proposed that the service ceases to offer the mainland outreach service in its current form. This will deliver a further saving of £53,843.

2.7.4 The review also found that directly managed local authority centres face difficulties when trying to maximise and exploit commercial revenue streams. Understanding the market is problematic. Staffing, terms and conditions of employment and reporting are not structured around an offer intended to make a profit that reduces net operating cost to the authority.

- 2.7.5 A review has resulted in a proposed reshaping of staff working patterns, including the use of seasonal posts, especially for watersports activities which are not able to be delivered all year round, resulting in a reduction in required core annual hours. This reduction can be managed within revised staffing structures and costs. The use of licensed activity experts has also been increased, negating the need for the centre to have on-site expertise in all activities. This brings the centre into line with practice in all other local authorities. The Council is working with South Ayrshire Council to maximise opportunities for joint working and the sharing of activity specific staff, especially during holiday periods. This will also result in more efficient use of resources. A budget is required to cover costs of off site experts and sessional staff. This is recommended to be set at £40,000.
- 2.7.6 The above measure will reduce the gross budget for 2015-16 and beyond by £128,843 per annum. This will allow the income budget to be set out at a more realistic level.
- 2.7.7 Arran Outdoor Education Centre as a public asset has not been as engaged in the Arran community as it might be. There is a view that more frequent/ regular use of the assets might be made without adverse impact on the centre's operation or benefit to North Ayrshire pupils. Recent activity has included open days for the island community and press and promotion in relation to opportunities for day activities and short breaks at the centre. The website will reflect these new and accessible opportunities.
- 2.7.8 The Council has consulted with businesses on Arran that are in the outdoor activity market. They are developing opportunities for collaboration and more intensive use of both the Council's physical assets and people skills / time on a fee paying basis. Relationships are developing, as are potential Business to Business relationships with organisations (e.g. accommodation providers) that might be encouraged to choose Arran Outdoor Education Centre for annual block bookings during the summer period. Research shows that such relationships exist at other centres and the Council is actively exploring the potential for Arran.
- 2.7.9 North Ayrshire Council is also continuing to review and explore options for the centre in three further contexts as follows:
- Leadership opportunities for young people in secondary schools and staff is a key area of focus for the centre. Options are being explored to review the current operating model for North Ayrshire schools to allow the centre to exploit more fully the Centre calendar and external market opportunities available to it, with some early successes;

- The current charges for school activity have been benchmarked against other centres and are due to be increased with the Council's charging policy. It is proposed that the centre consults with schools and agrees a modest charging increase to be implemented for new bookings only; and
- Development Planning is currently examining the role of North Ayrshire Council and others in encouraging economic growth on Arran with businesses on the island. As discussed above in 2.7.8, it is anticipated that the centre will become more integrated into the activity on the island while still retaining its integrity as a nationally recognised outdoor education centre.

3. Proposals

3.1 It is proposed that Cabinet approves the above proposals to ensure the future sustainability of Arran Outdoor Education Centre, and instructs officers to formalise the review of the operation of the centre, while maintaining a high quality service for young people in North Ayrshire.

3.2 These are as follows:

- Confirmation of the revised staffing structure, deleting two management posts, based on the permanent appointment of a centre supervisor. This will result in a full year saving of approximately £115,000;
- The cessation of the mainland service and associated costs, saving £53,843 per annum;
- The creation of a sessional and associated budget of £40,000;
- A modest, negotiated increase in school and other booking charges;
- Continued development of additional schools and business opportunities, including leadership courses; and
- Continued work with partners to share staffing and resources.

4. Implications

Financial Implications

4.1 The proposals contained within the report will deliver £128,843 of efficiencies offsetting the current estimated shortfall in budgeted income.

Human Resource Implications

4.2 Human resource implications will be managed within the Council's HR policies and procedures.

Legal Implications

4.3 There are no legal implications arising directly from the current report.

Equality Implications

- 4.4 There are no equality implications arising from this report.

Environmental and Sustainability Implications

- 4.5 There are no environmental implications arising from this report.

Implications for Key Priorities

- 4.6 The information contained within the report will assist in achieving the following outcomes:

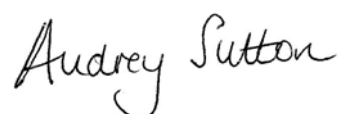
- 3a "opportunities for lifelong learning have increased."
- 4a "levels of educational attainment and achievement have improved."
- 6b "health inequalities have reduced."
- 6e "people are more active more often" and
- 11b "partnership working between the public, community and voluntary sector has improved."

5. Consultations

- 5.1 Consultations have taken place with Education and Skills staff, Development Planning, external experts, other local authorities and a range of external stakeholders.

6. Conclusion

- 6.1 The current review of the centre has been concluded and £128,843 of efficiencies will be delivered annually offsetting the current shortfall in income. Further income will be derived from modest increases in charges for centre customers, and from additional business opportunities. These proposals bring the centre into line with business models which exist elsewhere in the country, while still delivering an excellent service to local and external customers.



AUDREY SUTTON
Head of Service (Community and Culture)

Reference : AS/JN

For further information please contact Audrey Sutton, Head of Service (Community and Culture) on 01294 324414

Background Papers

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NORTH AYRSHIRE COUNCIL

Agenda Item 16

16 July 2014

Cabinet

Subject: **Millport Field Centre - Land Transfer and Lease Agreement**

Purpose: To allow progress in the procurement of new facilities at the Millport Field Centre through a land ownership and lease agreement between the Council and the Field Studies Council.

Recommendation: That Cabinet agree to the transfer of land at the Millport Field Centre to the Council, and the subsequent lease of newly developed teaching and accommodation facilities to the Field Studies Council.

1. Introduction

- 1.1 North Ayrshire Council has led the response to the threatened closure of the Millport Marine Biological Station (MMBS) since early 2013, further to the decision by the University of London to end its provision of education and research services in marine science at the MMBS. The Cabinet of 30 April 2013 agreed to respond to this announcement by investigating an alternative operational structure to safeguard employment and economic activity on the site. The Cabinet has since heard of the positive outcome of the Field Studies Council (FSC) agreeing to operate the Station, now recently reopened as the Millport Field Centre (MFC).
- 1.2 The involvement of FSC has been secured on the basis that investment will be undertaken in new teaching and accommodation facilities. To allow this, the Cabinet of 25 March agreed to commence legal negotiations in relation to i) the purchase of an area of land required to accommodate new teaching and accommodation facilities; and, ii) the grant of a lease to the Field Studies Council (FSC) for the new facilities.
- 1.3 This report provides an update on the procurement of facilities, and seeks approval to conclude the above negotiations.

2. Current Position

- 2.1 Cabinet of 11 June 2013, agreed to support the proposed operation of the MFC by the FSC and to provide capital funds of up to £1.5m in support of the capital investment requirements of the FSC. North Ayrshire Council's (NAC's) contribution will form part of a first phase of investment of up to 3m which will allow the construction of new accommodation and teaching facilities. A second phase of c.£1m investment will allow for the further refurbishment of the existing accommodation and teaching facilities.
- 2.2 The first phase will provide new accommodation for around 60 academic students to allow increased numbers to be accommodated at the FSCM. Phase 1 will also include elements such as parking, services, and sewerage to serve the accommodation and teaching provision. This will be financed by the capital contributions from NAC (up to £1.5m), Highlands and Islands Enterprise (£1m) and the Scottish Government (£500,000). An energy centre will be procured separately by the FSC.
- 2.3 The procurement of a design and build contract has been led by NAC, with an 'Employers Requirements' brief issued to contractors on the Modular Buildings Framework in late December 2013. Contractor responses to this were received in late March, and further revisions received in mid May. Portakabin Ltd have been appointed as the preferred contractor subject to ownership of the land being transferred to NAC. Portakabin provided a response which entirely met the requirements of the brief, and this also represented the lowest price submission.
- 2.4 To allow the formal award of the contract and its implementation in line with Council procurement requirements and European State Aid regulations, the procurement of phase 1 requires ownership of the relevant land to be transferred from the FSC to the Council. A plan of the land which will accommodate the first phase and which will be the subject of the proposed land transfer is included at Appendix 1. The proposed terms for the purchase of the land are as follows;
 - The land will be purchased from FSC for £1; and,
 - The land to be purchased will include any areas required for car parking, rights of way and required servitudes (Appendix 1).

- 2.5 On completion of the first phase, it is then proposed that the teaching and accommodation provision be let to the FSC to allow their operation to be expanded. The proposed terms for the lease are as follows;
- The lease to FSC for the facilities will be on Full Repairing and Insuring terms;
 - The lease will run for a period of 25 years;
 - A peppercorn rent will be payable (this represents a commercial rate as assessed independently);
 - Rent reviews will occur at 5 yearly intervals;
 - At year 10 there will be a mutual option to break the lease agreement;
 - At year 10, FSC will have a right to acquire the facility from the Council at market value for an educational training facility;
 - The lease will contain robust provisions in relation to terminal dilapidations in keeping with the FRI nature of the lease;
 - There will be a requirement for the provision of energy from the energy centre owned by FSC to serve the land and property owned by the Council; and,
 - The Council will ensure robust clawback provisions are in place within the option to purchase clause within the lease. These provisions will protect the Council should FSC dispose of their interest within a specified timescale after exercising their option to purchase.
- 2.6 The heads of terms listed at 2.4 - 2.5 will form the basis of a legal agreement between NAC and FSC which will require to be agreed prior to the award of the construction contract.
- 2.7 Subject to the above and once the construction contract has been formally awarded, it is envisaged that work will start on site in September 2014 and be completed by March 2015.

3. Proposals

- 3.1 It is proposed that Cabinet agree to the transfer of land at the Millport Field Centre to the Council, and the subsequent lease of newly developed teaching and accommodation facilities to the Field Studies Council in line with the heads of terms listed at 2.4 - 2.5.

4. Implications

Financial Implications

- 4.1 A maximum commitment of £1.5m has been made by the Council to support the continued use of the MMBS. These funds have been allocated from the town centre regeneration budget within the approved capital programme. The exact level of contribution will be confirmed on formal award of the design and build contract.

Human Resource Implications

- 4.2 There are no Human Resource Implications arising from this report.

Legal Implications

- 4.3 Legal Services will commence negotiations in relation to the purchase of the land and the subsequent lease to FSC based on the principles contained within the report and prior to the formal award of the design and build contract.

Equality Implications

- 4.4 There are no equality implications arising from this report.

Environmental Implications

- 4.5 There are no environmental implications arising from this report.

Implications for Key Priorities

- 4.6 This proposal supports the Council Plan core objective 1 – 'Regenerating our communities and increasing employment.'

Community Benefit Implications

- 4.7 There are no community benefit implications arising from this report.

5. Consultations

- 5.1 The project has been led by the Council's Development Planning Service with support from Procurement, Estates, Property Management and Investment and Legal. The proposed construction project will be managed by the Council's Property Management and Investment Team.

6. Conclusion

- 6.1 North Ayrshire Council has played a key role in the implementation of a sustainable business plan to safeguard the long term future of the Millport Marine Biological Station. The safeguarding of the future of the Station has already secured a continuation of employment, the levels of which are projected to rise as the facility grows, also generating up to 13,000 visitor bed nights through the provision of additional accommodation and additional expenditure within the local economy.



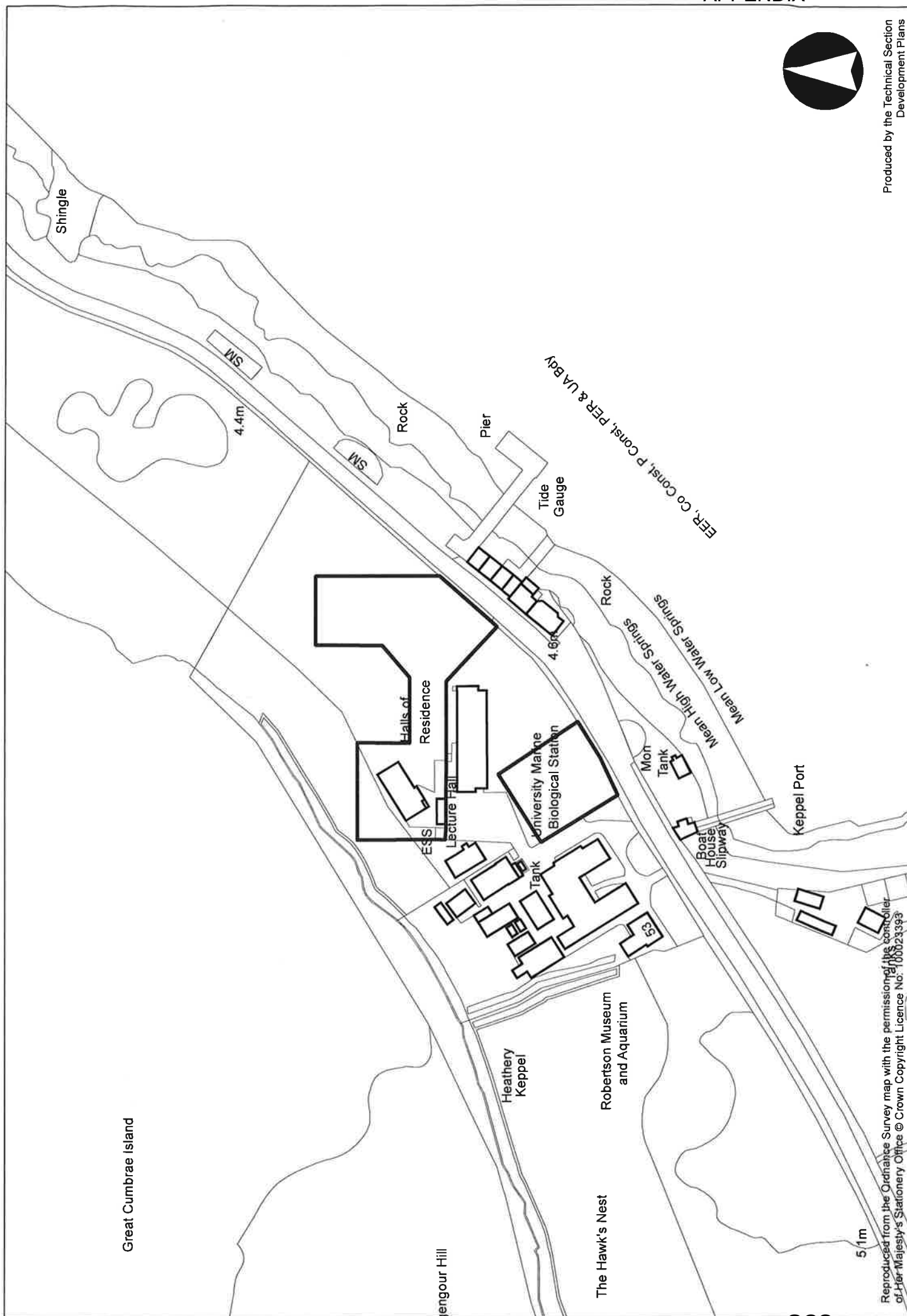
CRAIG HATTON
Corporate Director (Development and Environment)

Reference : AL/KY

For further information please contact Alasdair Laurenson, Senior Manager (Regeneration) on 01294 324758

Background Papers

None



NORTH AYRSHIRE COUNCIL

Agenda Item 17

16 July 2014

Cabinet

Subject: **A Vision for Irvine**

Purpose: To advise Cabinet of progress in the development of a long term vision for the regeneration of Irvine.

Recommendation: That the Cabinet agrees to (a) approve the attached draft Vision for consultation; and, (b) agrees to the progression of actions identified within the Vision including the formation of i) an Irvine Partnership to oversee the delivery of the vision and ii) internal sub groups to advance the development of projects within key geographies.

1. Introduction

- 1.1 North Ayrshire Council is committed to supporting the development of our towns. Support for towns forms a key part of the regeneration outcomes contained within the Economic Development and Regeneration Strategy and the 2014 Development and Environment Service Plan.
- 1.2 A cabinet paper was approved on 11 June 2013 which emphasised the need to prioritise the key towns of Irvine and Saltcoats within North Ayrshire. Irvine was recognised as the principal town in which investment should be prioritised. This report provides an update on the development of an 'Irvine Vision', a draft of which has been completed following a series of consultation exercises. This is attached in Appendix A.

2. Current Position

Background

- 2.1 As the key town within North Ayrshire, with a population of 38,380, Irvine offers the scale of population, infrastructure, skills and resources not available to other centres within North Ayrshire. The Irvine Vision advises that Irvine, as the primary residential centre, administrative and business capital of North Ayrshire has a critical and leading role to grow as a successful regional hub, create employment, become an economic driver for North Ayrshire and become a place with a strong, distinctive and aspirational appeal. A stronger profile and the promotion of Irvine can support growth, attract business, commerce, investment and enterprise within key sectors. The strategic Vision will more strongly support wider economic goals across North Ayrshire and is complementary with the wider strategy for the regeneration of smaller towns and local centres.
- 2.2 If Irvine does not develop to realise its potential as the principal town with North Ayrshire, it is very likely to lose out to the neighbouring Ayrshire towns and to the wider Glasgow metropolitan area.
- 2.3 Irvine is currently seeing the benefits of recently completed major projects such as the Bridgegate House refurbishment, the new Bridgegate public realm and the refurbishment of the Trinity Church as part of a Conservation Area Regeneration Scheme. The development of the Irvine Leisure centre is also underway with the site comprehensively cleared and tenders prepared. Irvine also currently benefits from the identification of Enterprise Area status for the I3 Business Park.
- 2.4 It is proposed to build on these positive developments by directing future investment through a long term vision for Irvine. Within this, the need to involve the community to a greater degree in the future of the town is recognised.
- 2.5 The Irvine Vision process has been a learning journey for the Council, in both depth and development, with significant emphasis being placed on the consultation process. It is the intention to continue with this consultative based approach to the further development of the Vision, in order to ensure maximum buy in from the Irvine community.

Developing an Irvine Vision

- 2.6 The Irvine vision has been developed through a series of workshops which outlined the history of the development of Irvine, issues common to towns, potential projects, mechanisms for community involvement, etc. A report detailing the consultation process is attached at Appendix B. Consultations have been held with:

- The Working for Irvine Together community group;
- Key members of the business community;
- North Ayrshire Council officers;
- Irvine Councillors; and
- Irvine Royal Academy students

- 2.7 In developing a Vision, the aim has been to identify how collectively we may build on Irvine's economic strengths and build a 'whole town' appeal that promotes Irvine's Clyde coast location, its connections to Glasgow and its quality of life attributes, to offer a successful, vibrant town offer. The Irvine Vision articulates this goal as:

A coast that offers opportunity to breathe, enjoy and be all you can be.

A town to grow, share, succeed, and develop.

An enterprise location in which to invest.

A confident and aspiring community.” (Irvine Vision 2014, page 3)

The Vision highlights seven key challenges that the town will need to address. These include:

- Addressing Economic Regeneration;
- Defining Sub-Regional Role;
- Promoting City Region Connections;
- Building Place Quality Identity & Destination;
- Responding to North-Ayrshire Town Hierarchy;
- Linking-Up Town Centre to Secure Added Value; and
- Engaging with Stakeholders and Communities.

- 2.8 These challenges are further considered across five geographic areas:

Town Centre: This will involve promotion of the heritage and experience of the historic Old Town as a place to explore and enjoy, with independent shops and events. Priority projects include: the development of the new leisure centre; the development of a masterplan for East Road/Quarry Road; the development of alternative provision for bus movements alongside improved public realm and pedestrian facilities; and, the implementation of the emerging parking strategy.

Coast and Beach Park: This will seek to enhance the experience, facilities and image of Irvine's distinctive coast. Priority projects could include, introducing activity to the Beach Park that promotes a range of residential and leisure uses. One of the options identified, includes creating a major play park based on maritime themes.

Harbourside: This will seek to improve the experience of the Harbourside and the River Irvine linked closely to the National Maritime Museum offer. Key actions could include the promotion of residential opportunities, alongside public realm improvements to create a heritage trail that links the harbourside attractions. Building on the success of the Maritime Museum and the Harbour Arts Centre, should also be key to future development and promotion.

Retail Park: This recognises the value of a successful retail park on the edge of the centre in acting as a draw for visitors and supporting jobs and economic activity. Priority projects would be aimed at linking the retail park area to the wider town and working with the Rivergate owners on a strategy for investment that re-energises the shopping experience and enhances the functionality of the park.

Enterprise Park (EA): This seeks to build on the vibrancy of a 'growth sector industry' to create a positive sense of opportunity and quality of employment attractive to inward investors. This will see a continuation of the positive work undertaken by Irvine Bay Regeneration Company and include key actions from the emerging Inward Investment strategy. Specific actions may include targeted marketing to identified growth sectors and physical works to increase the attractiveness of the EA. Opportunities to develop 'test facilities' linked to Scottish Research Institutes and Universities will also be developed alongside a long term strategy for post EA designation.

Engagement and Implementation

- 2.9 As important as the physical representation of the vision, is the knowledge that its implementation will see a closer working relationship between the Council and partners in both the business and wider community. To continue the positive engagement that has contributed to the vision thus far, and to ensure that resources are harnessed towards a common goal, it is proposed that the nascent Irvine Partnership become the forum for engaging with the community and progressing the shared vision. This is open to all and could include representation from the Council, public sector partners such as the NHS and Scottish Enterprise, local community groups and the local business community. Options include the partnership being chaired by an independent chair and meeting around three times per year. The emerging approach to Neighbourhood Forums will also play a key role in advancing the Irvine Vision. The exact nature of this and the relationship between the Neighbourhood forum and Irvine Partnership will become clearer as the agenda around Neighbourhood Forums develops.

- 2.10 In addition to the Irvine Partnership, the intention in delivering the vision is to set up internal sub groups across a multi directorate account plan that would develop projects within the 5 key geographies. These sub groups would be made up of Council officers and key partner organisations where appropriate. This is reflective of the 'whole town' nature of the Irvine Vision, in that it would require a range of disciplines to realise its key strategic aspirations.
- 2.11 It is anticipated that these sub groups will further analyse and develop options for project implementation and present these to the partnership and cabinet. The initial focus will be on the Town Centre and Harbourside.

3. Proposals

- 3.1 That the Cabinet agrees to (a) approve the attached draft Vision for further consultation; and, (b) agrees to the progression of actions identified within the Vision including the formation of an Irvine Partnership to oversee the vision.

4. Implications

Financial Implication

- 4.1 The Irvine Vision represents a 'whole town' approach to regeneration, and recommends a series of activities that will require additional budgetary requirements from both capital and revenue sources. There will be a requirement to consider the implications of the Vision on the ten year capital programme previously endorsed in 2013 for Town Centre Regeneration. Consideration will also need to be given to match funding opportunities in the development of the forward project portfolio.

Human Resource Implication

- 4.2 The Irvine Vision will be implemented primarily by officers within the Regeneration team. As matters progress, a series of sub groups will be established in support of the identified key geographies. It is anticipated that these sub-groups will comprise of officers from across a range of Council directorates.

Legal Implications

- 4.3 None.

Equality Implications

- 4.4 None.

Environmental Implications

- 4.5 Any environmental implications for activity contained within the Irvine Vision will be considered on a case by case basis and as part of any future project feasibility work.

Implications for Key Priorities

- 4.6 The Vision will advance key priorities contained within the Economic Development and Regeneration Strategy and the Development and Environment 2014 Operational plan.

Community Benefit Implications

- 4.7 The community benefits of the Irvine Vision have been critical to the evolving process and community priorities are contained within the draft vision strategy for consideration. The Vision is clear that the role of the community will be vital to advancing matters. Further work will be undertaken, recognising the emerging role of Neighbourhood Forums and the ongoing work of the Irvine Partnership through the Working Together For Irvine group. This will consider both roles and responsibilities and will seek to develop a governance model for the ongoing relationship with the Irvine Partnership.

5. Consultations

- 5.1 One to one consultations and Review Workshops have been held with:

- Community Group;
- Business Group;
- Officer Group;
- Local Members Group and Young People Group.

6. Conclusion

- 6.1 Irvine is the primary town, the administrative and business capital of North Ayrshire and has a critical role to play in delivering the Council's ambitions for sustainable growth that serves the needs of its communities.
- 6.2 The draft Irvine Vision highlights a substantive opportunity to re-shape Irvine around a new, more aspirational, more innovative and more dynamic place that can drive economic activity within North Ayrshire and that can allow Irvine to develop as a competitive location to rival both Ayr and Kilmarnock.

- 6.3 It is recommended that the draft Irvine Vision be placed on the Council's external website for a period of 3 months and that comments and suggestions be invited before a final version is presented to Cabinet for approval. It is further recommended that a limited number of draft vision documents be printed and placed in key public buildings across North Ayrshire, in order to ensure an inclusive approach to consultation. As part of this, a dedicated 'stall' will be placed at the contact centre at Bridgegate House, alongside information boards, detailing the Vision, copies of the draft Vision and a comments box for gathering the views of the wider Irvine community.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : Reference : GH/FM

For further information please contact George Hunter, Town Centre
Regeneration Manager on 01294 225177

Background Papers

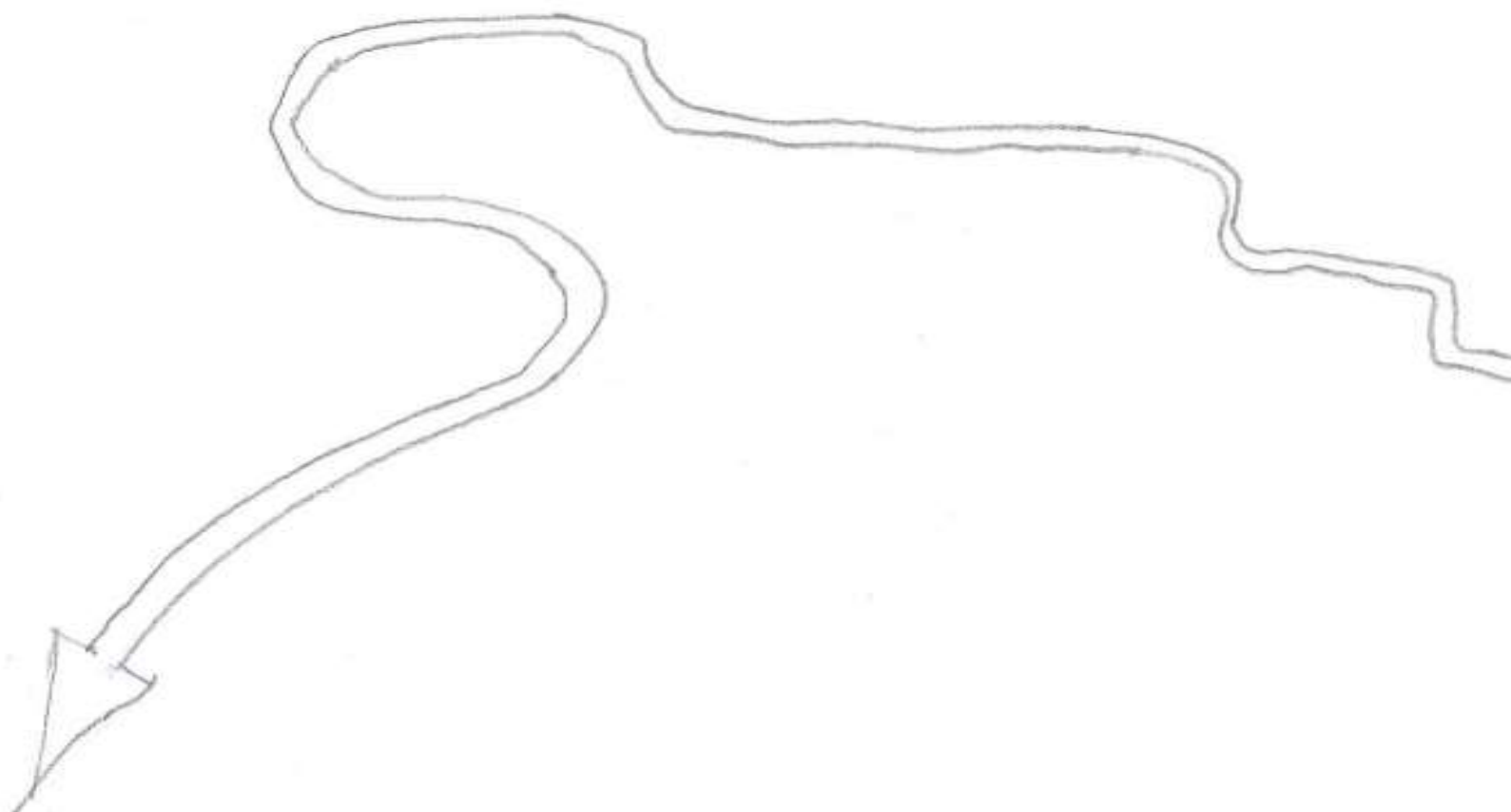
Appendix A: Irvine Vision

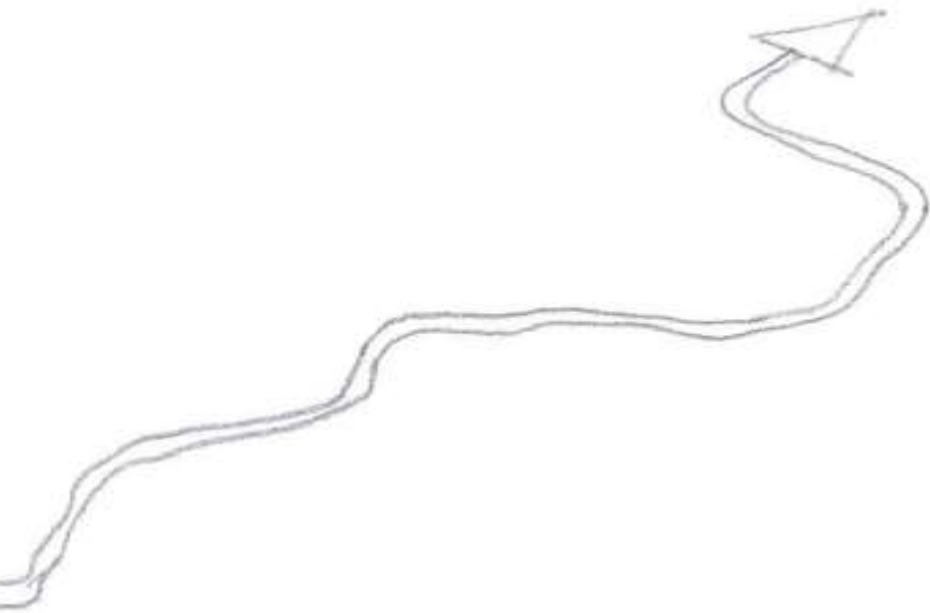
Appendix B: Consultation Process



Draft Final Vision Report

8172 | 21st May 2014





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Section A: Vision - Shaping a High Level Vision

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- Stakeholder Groups

Section D: Vision - Setting a Project Framework

- Introduction
- Promoting an Aspirational Place
- Spatial Elements
- Development of Quarters
- Project Evaluation Toolkit

Appendix 1: Consultation Report



Experience



Lifestyle



So



Choice



A Place to Enjoy



Appeal



Well-being



Families



Connected



EXECUTIVE SUMMARY

Aspirational

Irvine is a traditional Scottish coastal town straddling the River Irvine and was expanded in the 1960s and 70s as a Scottish New Town. This legacy has delivered positive benefits associated with infrastructure and capacity for growth whilst arguably eroding elements of place quality, community infrastructure and the ease of sustainable movement and connectivity. The Vision looks to address these and the wider challenges of Irvine and set a framework for positive change.

Irvine has major opportunities to grow as a successful regional hub, create employment, become an economic driver for North Ayrshire and a place with a strong, distinctive and aspirational appeal.

It needs to strengthen its appeal. Irvine needs to feel vibrant, fresh and innovative. It needs to support wealth, jobs and employment. It needs to innovate and promote a quality of life. It needs to appeal to aspirational consumers and offer life-style choices. Irvine's strengths are about people and place that embrace heritage, its coast, its river and its diverse range of community interests. The vision seeks to link these strengths.

The Vision

In developing a Vision the aim is to collectively identify and build on Irvine's economic strengths and build a 'whole town' appeal that promotes Irvine's Clyde coast location, its connections to Glasgow and its quality of life attributes, to offer a successful, vibrant town offer.

Vision: *Irvine - a place for you*

A coast that offers opportunity to breathe, enjoy and be all you can be

A town to grow, share, succeed, and develop

An enterprise location in which to invest

A confident and aspiring community

The vision has been developed through review of the economic, physical and social context and included extensive consultation and engagement to better understand the issues and opportunities facing Irvine.



Regeneration will deliver stronger and more beneficial outcomes when it combines balanced 'top down' and 'bottom up' initiatives.

Vision In Context

The Vision has been developed with an understanding of the historical, economic and cultural setting of Irvine.

Top Down – Bottom Up Approach

The Vision for Irvine is based on both a 'Top-Down' approach typically involving interventions directed by external bodies and agencies (e.g. Major funder / Development Bodies & Corporations / Policy Led Initiatives) combined with a 'Bottom-Up' approaches focussed more heavily on third sector and community based initiatives.

Irvine needs to be ambitious both in terms of leveraging external funds and partnership activity with external partners, enterprise bodies and funders whilst being equally committed to engagement locally and empowering local communities and enterprise activity. Facilitating these approaches is a key role of the local authority.

7 Key Challenges were identified:

- Addressing Economic Regeneration
- Defining Sub-Regional Role
- Promoting City Region Connections
- Building Place Quality Identity & Destination
- Responding to North-Ayrshire Town Hierarchy
- Linking-Up Town Centre to Secure Added Value
- Engaging with Stakeholders and Communities

Vision and Engagement

Consultation has been at the heart of developing the vision. Engagement has involved a combination of one-to-one consultations (officers / community representatives/agencies/etc) together with Visioning Workshops.

Future engagement should ensure successes are celebrated, lessons are learnt, participation is supported and that monitoring is effective. Engagement should seek to ensure that new capacity and aspiration is developed and new initiatives set as the vision is realised.

The vision sets out 5 key thematic areas that need to be addressed and embedded within the activities of North Ayrshire Council, its partner organisations and within the community. These include:

Promoting an Aspirational Place

- Creating a strong and distinctive appeal
- Raising the profile of Irvine
- Internationally (Life Sciences / Enterprise Area / heritage –Place)
- Glasgow Metropolitan Area
- Regionally working with Ayrshire Partners & Wider Agencies
- Developing Strong Communications & Engagement
- Utilise and Promote using Multi-media
- Creating a Distinctive Offer for Aspirational Interests
- Promoting Innovative Experiences

Building a Stronger & Distinctive Economy

- Building on the NAC Economic Strategy
- Building on Life Sciences / Enterprise Area
- International Profile in Key Growth Sectors
- Developing stronger Supply Chain activity around growth companies
- Being innovative around Test / Pilot facilities
- Promoting leisure, tourism and recreational sectors
- Encouraging enterprise / entrepreneurship / SME sector
- Developing a Post Enterprise Area Strategy

Developing Educational Standing & Skills

- Continue to build the School Attainment Plan
- Develop strong links to Ayrshire College
 - Participate in Strategic Campus Review
- Review opportunity for Irvine Campus
- Centre of Excellence in Life Sciences / Science
- Build Business sector links to FE/HE/Skills Dev
- Ensure access to HE /FE in Irvine

Engaging & Empowering Stakeholders

- Integrate Vision with Community & Neighbourhood Planning
- Engage with local communities and stakeholders
- Identify appropriate arrangements: Irvine Forum
- Support independence of wider community & stakeholder groups
- Encourage and empower local action
- Establish roles / relationships with wider partners
- Develop clear accountable framework for communication
- Support local action

Quality Place & Experience Building

- Develop Town Centre quality
- Raise standard & Sense of Welcome through Signage / Gateways
- Develop Parking /Access & Information Strategy for Town Centre
- Create quality places that enrich user/visitor experience
- Develop connectivity between Quarters
- Actively Promote Events and Urban Dressing

Active Partnership Working and Leadership

The Next Steps need close partnership working through economic and community partnership structures and across all Council departments and service areas. The new Community Engagement model will assist in this regard.

The vision identifies a number of key whole town requirements and opportunities within the 5 defined town quarters. These include:

- Enterprise Quarter (EA-i3)
- Old Town Quarter
- Retail Quarter
- Harbourside Quarter
- Beach Quarter

Delivery Activity and Actions

Actions are set out in terms of Immediate / Short / Medium term activity to deliver the vision. The key priorities are seen to be:

- Develop Signage and Gateway proposals
- Secure the Town Centre Leisure-Heritage projects
- Promote a Harbourside Development Plan
- Raise Profile through Active Promotion
- Develop Connectivity Strategy & Rivergate
- Support Festival/Events and Urban Dressing

Next Steps

The Draft Vision will be subject to further public consultation as part of the commitment to working with stakeholders and the community. We hope this will develop ideas and help build links with wider groups and broaden participation in the Irvine vision.



Bourtreehill North

A78

Stanecastle

East Park

Annickbank

Retail Park

Beach Park

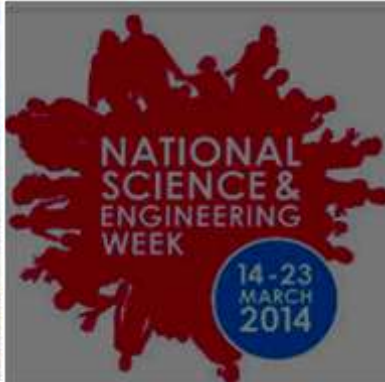


INTRODUCTION

Irvine is unique. All towns are different and towns need to exploit their differences alongside their strengths to create a clear and distinctive proposition for investors, stakeholders, residents and visitors. It is through the investment of its communities, businesses and civic authorities that towns and regions flourish.

Shaping a vision involves developing a clearer understanding of the competitive strengths of a place and linking these strengths with community aspirations and interests. Communities are central to the success of towns. They provide the skills, workforce, the customer base and the civic cohesion and vitality essential to vibrant places.

The vision builds on the earlier ideas and the aspirations of local groups and communities. These promote Irvine as self confident town where people aspire to live and work and which through its people, place and heritage aim to inspire residents and visitors alike.





IRVINE VISION

Delivering a vision needs support and a broad consensus that supports the idea of change. Delivering change needs to recognise the critical role of local stakeholder engagement and leadership. These are critical in terms of securing support and ensuring the measures (projects / initiatives / programmes) adopted align with the objectives and deliver best opportunities to add value and drive success.

Building on Strengths and Place Appeal

A vision for Irvine needs to build on its strengths and unique and special qualities. Irvine needs to play to its strengths and convey to all the qualities of place and lifestyle choices that the town can offer. Irvine needs to avoid the 'me-too' town, defined by what it doesn't have and copying other centres in a game of catch-up.

Towns are competitive. We live in the age of choice and people make daily choices where they invest, shop, choose to live, spend leisure time, start a business, put down roots. To grow and be more successful Irvine needs to re-think and re-energise its appeal to existing and new audiences. It needs to make an offer that is more appealing, more on-trend, more responsive to the 21st century consumers.

It needs to strengthen its appeal. Irvine needs to feel vibrant, fresh and innovative. It needs to support wealth, jobs and employment. It needs to innovate and promote a quality of life. It needs to appeal to aspirational consumers and offer life-style choices. Irvine's strengths are about people and place that embrace heritage, its coast, its river and its diverse range of community interests. The vision seeks to link these strengths

Vision: Irvine - a place for you

A coast that offers opportunity to breathe, enjoy and be all you can be

A town to grow, share, succeed, and develop

An enterprise location in which to invest

A confident and aspiring community





NEW PLACES NEW LIFESTYLES

The vision is a connected whole town vision. It seeks to build an inclusive future based on an outstanding quality of opportunity, lifestyle and choice. It looks to a more enterprising future built around a strong economy, bolder aspiration and enhanced place quality. It looks to promote Irvine as a more attractive and appealing place that celebrates its special qualities built around a sense of economic vitality, lifestyle choices, events and activity that makes full use of its coast, heritage and the participation of local communities.

Irvine's vision promotes a place that connects to the young. A place that is fresh, addresses the future through innovation, lifestyles and design, and is engaging, welcoming and distinctive.



Quality Destination



Choice



Families



Leisure



A Place to Enjoy



Quality Connections



Jobs

VISION OBJECTIVES

Objectives

Objectives are statements of specific outcomes that are to be achieved. Objectives will overlap and may be delivered through varied mechanisms but should guide investment decisions and priorities.

An Enhanced Profile for the Town

Securing a new profile for Irvine based on a dynamic, contemporary sense of place that makes the town and the town centre an attractive place to visit, live, work and invest and a place where its residents feel proud to be part of.

Celebrating a Clyde Coastal Location

Capturing value from Irvine's Clyde coast and location on the River Irvine that promotes aspirational lifestyle and recreational opportunity, links the town's profile with its maritime heritage and strengthens its appeal both as a visitor destination and place to live

Facilitating Economic Activity and Success

Generating new employment and inward investment in high value growth sectors and across SME businesses that create jobs and opportunities maximising educational attainment, skills development and training activities

Promoting Growth within the Town

Promoting new housing within the town that takes advantage of the coast, river, harbourside and connections to make the town more liveable and supports the demand for town centre goods and services

Strengthening Town Centre Appeal

Strengthening the attractiveness of the Town Centre through a combination of promotion, public realm enhancement, functional improvements and the securing of new facilities to support the visitor experience and the family appeal of the centre

Promoting a Dynamic Sense of Place and Experiences

Developing an events programme with wider stakeholders to support and extend the existing visitor infrastructure, raise the profile and facilitate promotion of the town's appeal. Visitors have increasing choice and are seeking places with a special appeal and experience.

Improved Connectivity

Enhancing physical, social and digital connections to promote sustainable place-making including connections to the city region, wider North Ayrshire and securing easier mobility and access within Town Centre quarters.



Appeal



Choice



Leisure



A Place to Enjoy



Social



VISION PRINCIPLES

Principles

Design adds value and enhances the experience. Design quality can significantly contribute to the delivery of success and support the primary objectives. Increasingly users are seeking more successful projects / initiatives / programmes than goods and services and expect a town visit to offer a varying and valued range of experiences.

Commitment to High Design Quality

A principle of all investment will be the promotion of high quality design in all capital works; the promotion of a Masterplanning approach for all Town quarters and major development and the use of design review processes to support quality of design, designers and public art.

Sustainable & Adaptable Places

Irvine seeks to develop a momentum for change that needs to build cumulatively a place quality and a profile over a number of years and different project initiatives. Best Value will be secured by ensuring projects / initiatives / programmes are aligned, complementary, durable and adaptable to future change.

Building Connections and Networks

Building connections adds strength to Irvine's sense of place and helps overcome perceptions of peripherality. Irvine needs to be an appealing, welcoming, walkable place and connections need to support social cohesion and successful Town Centre economies. Engagement with communities and stakeholders that builds consensus is also critical in building the connections with the end user and wider audiences.



Scottish Government policy highlights the importance of design and place-making in the development planning process.



Experience



Lifestyle



Leisure

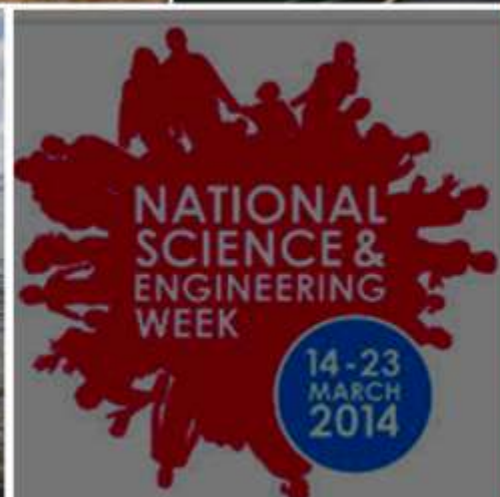
Choice



A Place to Enjoy



Well-being



Families

STRATEGIC DELIVERY

Successful places that have managed to promote positive change create stronger futures for their communities. Irvine needs to drive an agenda for change. Delivery will require clear leadership and close stakeholder engagement that recognises change management is best delivered through initiatives that combine 'top-down' and 'bottom-up' approaches. The vision highlights the key elements supporting change and successful delivery needs to be based on:

Delivery Through Growth

Irvine needs to grow. Growth helps deliver investment and increases the demand for goods and services that support enterprise and business activity. Balanced growth offers the opportunity to positively address long term change, refreshing the business base, renewing assets, supporting demographics change, and promoting quality place-making

Delivery Through Engagement with Stakeholders to Support and Extend Community Aspirations

Engagement adds value to activity and is fundamental to building a stronger future as is investment. Engagement involves a commitment to working more collectively and facilitating participation across stakeholder interests. Engagement is a long term commitment that should evolve, learn lessons and develop over time. Engagement needs to be effective and inclusive and as broadly based as resources allow.

Delivering Added Value Through a Shared Sense of Purpose

Consensus building involves engagement around shared understandings. That understanding is based on delivering meaningful benefits for local residents (current and future) and ensuring the aspirations of Young People and future generations are provided for through leadership and long term planning. Short-medium and long term project programmes are required to create a progressive momentum for change.

DEVELOPING THE VISION

Vision Based on Clear Evidence

The vision builds on earlier evidence based studies and assessments that have both informed wider policy strategies (economic assessments / demographic information/ local development plan, etc) and have been influential in informing the vision. National policy and best practice documents have been accessed together with local policy and a broad range of relevant studies and web-sites. Further detail is also provided in the Consultation Report Documents include, but are not limited to:

- Assessing the Resilience of Irvine. CLES, 2012
- Irvine Town Centre Research and Action Plan. Vector / DWA, 2013.
- North Ayrshire, Economic Development and Regeneration Strategy, 2010-2020
- Irvine Bay STEAM Report, 2012
- Visitor Attraction Monitor, 2010
- Draft South Ayrshire Economic Development Strategy
- East Ayrshire, Economic Development Strategy,
- North Ayrshire, The Place to be, Council Plan, 2012-
- Experian Report – Irvine and Town Centre Futures
- Scottish Small Towns Report 2007 – 2013
- Productive Local Economies: Creating Resilient Places
- Assessing the Resilience of Irvine (2012)
- Understanding and Supporting the Resilience of Market Towns, June 2009
- **Community and Enterprise and Scotland's Town Centres (2013)**
- North Ayrshire Local Housing Strategy 2011-2016
- Ayrshire Biodiversity Action Plan (2008)
- River Irvine Corridor Study Report (2012)
- IB-URC range of documents and reports relating to EA/3^{1/2} Regeneration
- Irvine Town Regeneration Plan (2012)
- Ayrshire and Arran Forestry and Woodland Strategy (2013)
- North Ayrshire Community Planning Partnership Single Outcome Agreement
- North Ayrshire Core Paths Plan (2009)
- Ayrshire Green Network Opportunities Study (2011)
- Scottish Government, National Planning Framework 3
- North Ayrshire Council Proposed Local Development Plan 2014
- North Ayrshire Local Plan 2005
- North Ayrshire Mainland Housing Need & Demand Assessment (2009)
- North Ayrshire Employment Land Review (2009)
- Housing Land Supply (2009)

Vision Defined through Consultation

Consultation has been at the centre of developing the vision. Engagement has involved a combination of one-to-one consultations (officers /community representatives/agencies/etc) together with Visioning Workshops.

Consultation and engagement needs to be ongoing in both developing the vision and identifying appropriate initiatives that support regeneration.

Consultations have included workshops with:

- Community Interests
- Irvine Business Group
- Young People Group
- North Ayrshire Council Officers
- Local Councillors / Members
- Varied Stakeholder interests

Vision Defined within a Clear Strategy

Visions and strategies often adopt either a top-down or bottom-up approach. Top-down typically involves interventions directed by external bodies and agencies (Major funder / Development Bodies & Corporations / Policy Led Initiatives) with bottom-up approaches focussed more heavily on third sector and community based initiatives.

The strategy for Irvine we believe needs both. We need to be ambitious both in terms of leveraging external funds and partnership activity with external partners, enterprise bodies and funders whilst being equally committed to engagement locally and empowering local communities and enterprise activity. Facilitating these approaches is a key role of the local authority.

Top-down initiatives will typically be led by the local authorities and lead agencies securing benefits through their ability to align existing programmes and facilitate and empower others. Bottom-up initiatives will typically be led by partner, third sector and voluntary interests driving change and building capacity at the local stakeholder and community level.



Regeneration will deliver stronger and more beneficial outcomes when it combines balanced 'top down' and 'bottom up' initiatives.



Bourtreehill North

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Stanecastle

East Park

TOWN CENTRE

Annick-

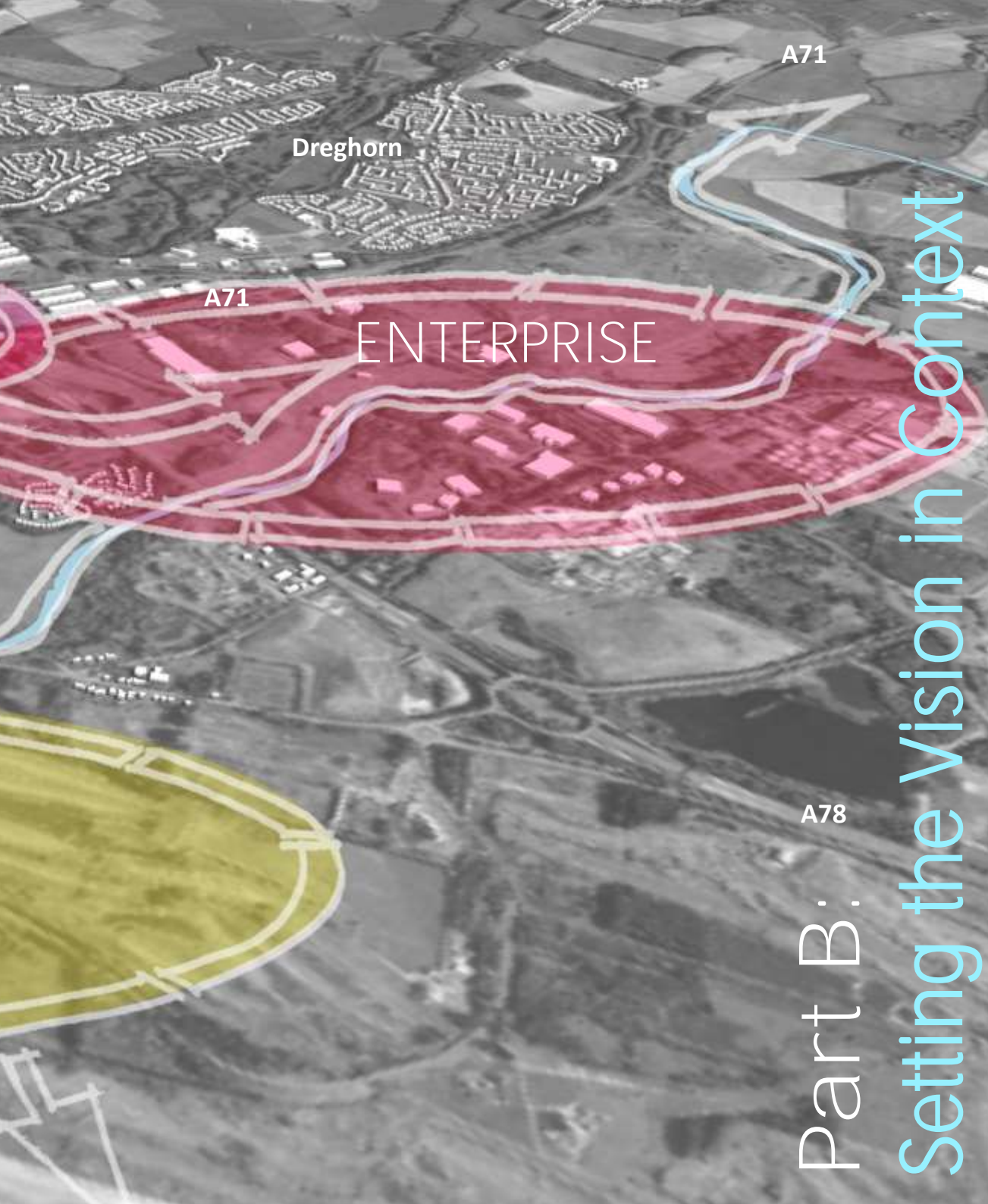
RETAIL

Retail Park

HARBOURSIDE

Beach Park

BEACH PARK



INTRODUCTION

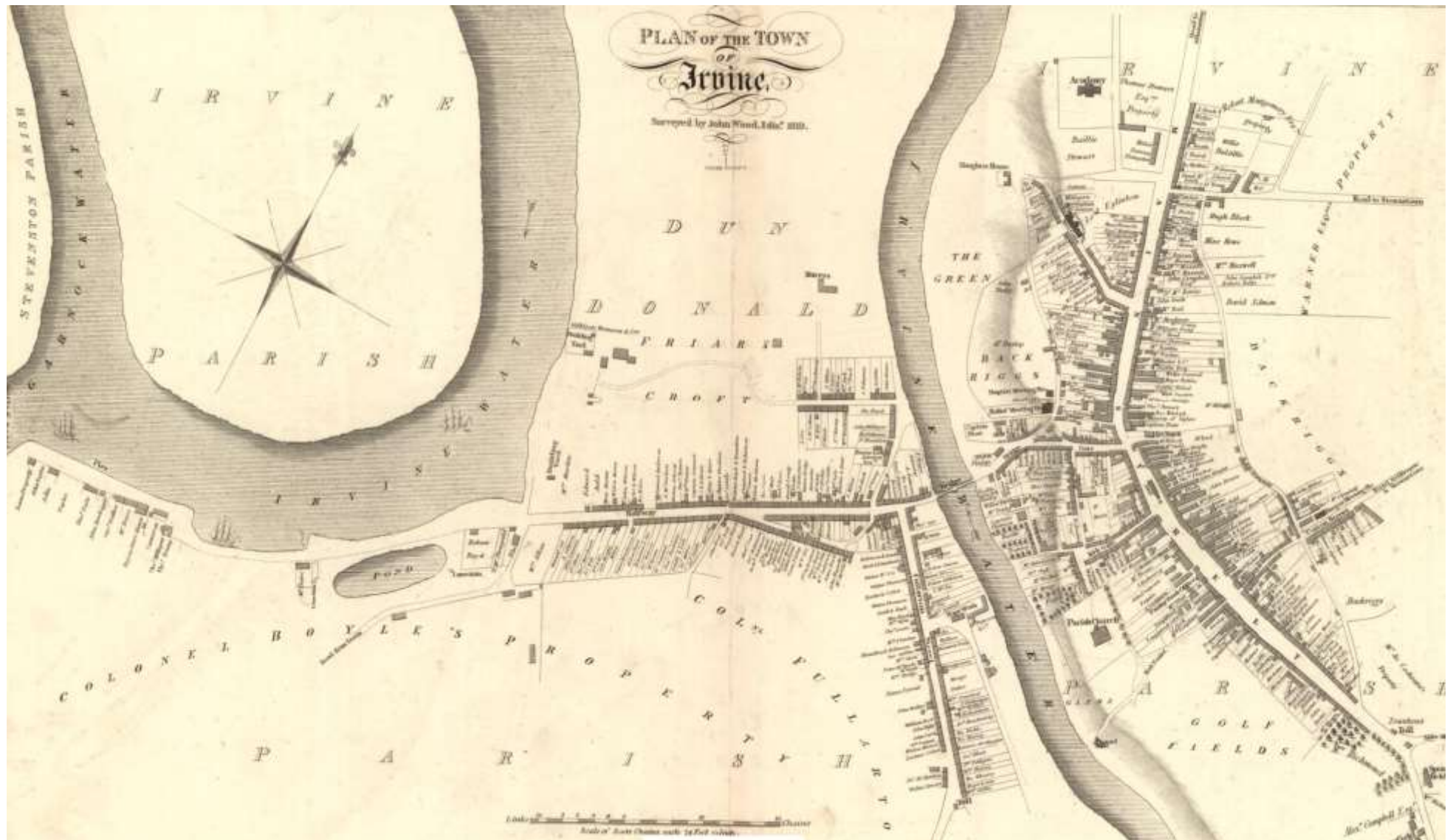
Developing the vision has been initiated by extending a dialogue with communities , stakeholders, young people and business leaders around two primary questions:

What do we like and are most proud of about Irvine and are these Irvine's key strengths ?

What type of place and what sort of experiences can we build upon that make Irvine a more special, attractive and appealing place ?

Consultation responses have shown a high level of accord around Irvine's story, its heritage; its hidden places, its coastal location and the sense of opportunity associated with its Harbourside, Beach Park and Town Centre.

As importantly, and a positive plea from stakeholders, is the desire to be involved and to feel that communities and local residents and businesses be fully engaged in developing and advancing the vision.





HISTORICAL CONTEXT

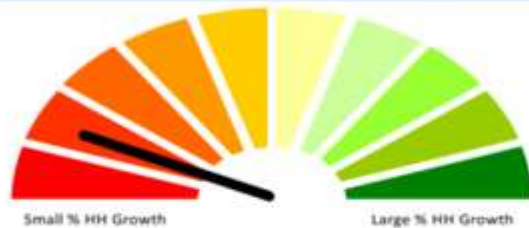
A vision for Irvine needs to build on its strengths and unique and special qualities. Irvine needs to play to its strengths and convey to all the qualities of place and lifestyle choices that the town can offer. Irvine needs to avoid the 'me-too' town, defined by what it doesn't have and copying other centres in a game of catch-up.

Irvine is a town with a strong and fascinating heritage. From Royal Burgh through a long period of prosperity secured through its port, trade and key transport connections the town grew and developed as a market town with strong industrial connections associated with shipbuilding, textiles and chemicals. Historical connections (Burns / Pope / Boyd / et al) capture a place with a strong local and national history. In the 1960's Irvine was selected as a 'growth area' and became a New Town (1966) with major new housing developments, retail parks, employment land and leisure facilities. Growth and the infrastructure to support it, transformed a small town to a town with a planned population of 116,000. Imposed on by external forces and with numerous subsequent local government re-organisations Irvine now has the opportunity to reconnect and re-define its role and context for the future.

Towns are competitive. We live in the age of choice and people make daily choices where they invest, shop, choose to live, spend leisure time, start a business, put down roots. Irvine to grow and be more successful needs to strengthen its appeal to existing and new audiences. It needs to make an offer that is more appealing, more on-trend, more responsive to the 21st century consumers.

It needs to strengthen its appeal. It needs to feel vibrant, fresh and innovative. It needs to support wealth, jobs and employment. It needs to innovate and promote a quality of life. It needs to appeal to aspirational consumers and offer life-style choices. Irvine's strengths are about people and place that embrace heritage, its coast, its river and its diverse range of community interests. The vision seeks to link these strengths

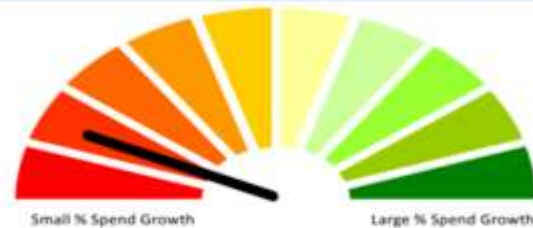
How will my catchment change?



	2012	2020	% Change 2012-2020
Population	35,355	35,804	1.3%
Households	16,088	17,010	5.7%

Total households to grow by 6%

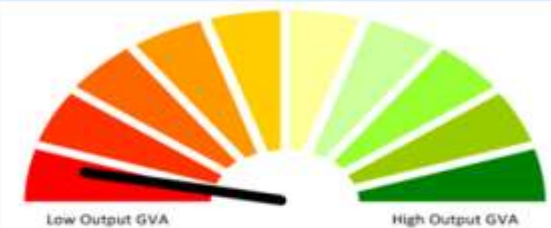
How is weekly spend likely to change?



	2012	2018	% Change 2012-2018
Comparison	£1,728,515	£1,803,498	4.3%
Grocery	£1,454,702	£1,518,815	4.4%

Comparison spend to grow by 4%

How will the local economy perform?



	2012	2020	% Change 2012-2020
Incomes	£11,762,807	£12,252,920	4.2%
Output GVA	1,640	1,621	-1.2%

Output GVA to fall by -1%

How important will E-commerce be?

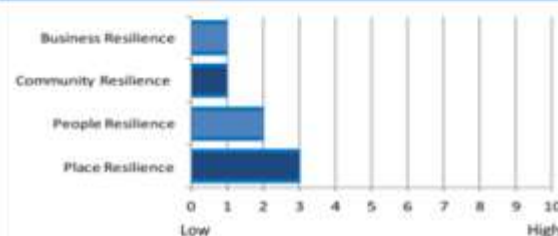


	2012	2018	% Change 2012-2018
Internet	30.7%	31.5%	3.4%
Social Media	29.4%	30.4%	2.6%

% of high propensity internet user households within catchment

Lower % of high propensity internet users

How resilient to economic shocks is my centre?



Resilience Score Decile			
Business	1	People	2
Community	1	Place	3

High resilience to change

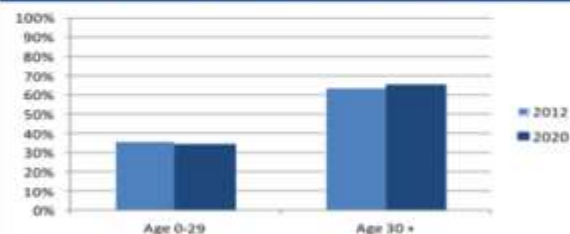
What are the employment prospects?



	2012	2020	% Change 2012-2020
Unemployment	11.3%	7.8%	-3.5%
Workforce	40.8	36.1	-11.6%

Workforce to fall by -12%

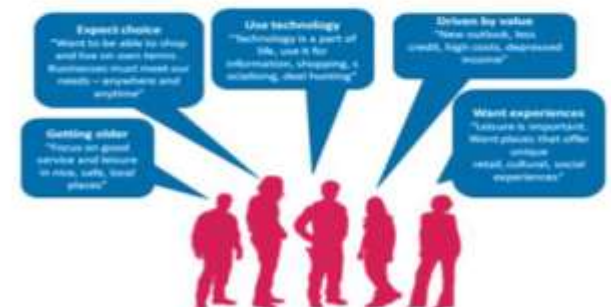
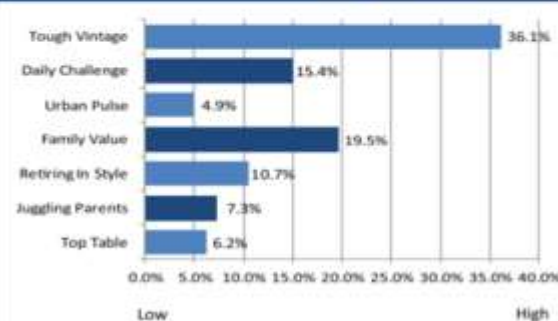
How will my demographic profile change?



	2012	2020	% Change 2012-2020
0-29 year olds	36.2%	33.6%	-2.6%
Age 30+	63.8%	66.4%	2.6%

Higher % growth in 30+ year olds

What will the profile of my consumers look like in 2018?



Key groups likely to be 'Tough Vintage' and 'Family Values' consumers

“The business of town centres is more than just retail – it includes businesses across the board in all guises, and from both private and public sectors. The town centre is a community, one that needs to be dynamic, and change with the times.”

Town Centre Futures 2020, Experian.

ECONOMIC CONTEXT

The development of the North Ayrshire economy has been a priority for North Ayrshire Council with a strategy for sustainable growth set out in the Economic Development and Regeneration Strategy 2010-2020. North Ayrshire under-performs the Scottish economy with key deficits in employment (23,000 jobs); business density (900 businesses); new business start-ups (120/annum) and additional unemployment (6500). The needs for action to support economic development are recognised in the establishment of the Urban Regeneration Company, Irvine Bay URC and a series of interventions with a focus on jobs and skills development, place-making and support measures in the most deprived and excluded sections of the community.

The Life Sciences Enterprise Area status (EA) is a major economic opportunity for the area and identifies Irvine with a high value growth sector of national and international importance. The EA has been very successful in creating a special focus on life sciences and sciences generally. Promoting the strength, skills, and capacity of this sector more widely should be a priority. The EA creates significant new opportunity for inward investment (FDI) and the strengthening of specialist technical /engineering and supply chain servicing from existing regional small and medium sized enterprises (SME's). Irvine has strong competitive advantage in terms of its physical economic infrastructure, as a legacy of the New Town (industrial sites /roads / services /utility infrastructure) and the EA focussed on the Irvine Industry and Innovations Park (i³). The Enterprise Area designation has been extended to 2020 and requires a strong focus to maximise the economic advantage of the EA during this period and beyond. Promoting the EA and extending its national and international profile should be a priority.

Economic development needs to ensure young people skills and adult training are aligned with local economic activity through a partnership between economic agencies and Ayrshire College. Employment needs should address high skills opportunities in technology, life sciences, engineering and growth sectors ensuring the benefits of economic development are secured locally whether through direct employment and indirect employment through the SME sector and jobs associated with wider economic growth.

ENVIRONMENTAL CONTEXT

Irvine is a town with diverse environmental assets. The coast is designated under the Ayrshire Joint Structure Plan as Core Investment Area Landscape Protection and provides a strategic framework for the Green Networks that links communities and extends both along the coast and embraces Eglinton Country Park and the wider greenspace assets of the town. A Greenspace Audit and Strategy including Woodlands Strategy exists for North Ayrshire and covers Irvine. Irvine has a Core Path structure and good connections to the National Cycle Network (NCN). NCN route 73 runs east from Irvine to Kilmarnock and west to Ardrossan and Arran.

The natural heritage of the area includes Sites of Special Scientific Interest (SSSIs), a Local Nature Reserve (LNR), a range of Wildlife Sites that support a wide range of important habitats with interest at the UK Biodiversity Action Plan (UKBAP) level.

Irvine Beach Park occupies a strategic location at the mouth of the estuary. The Beach Park landscape offers a range of recreational facilities and is of low sensitivity relative to negative environmental impacts associated with intensive recreational use. The Beach Park provides access to the beach and dune fringed coastline where water-sports and passive recreation are popular albeit visitor facilities are limited.

Irvine has two Conservation Areas. Irvine town Centre (focussed on the High Street) and Irvine Harbourside (focused on Harbour Street). A Conservation Area Regeneration Scheme (CARS) operates in the town centre. Perhaps more important than designations and physical heritage is the strength of Irvine's story including the connections to Burns (Glasgow Vennel); Boyd's Automatic Signalling apparatus; Marymass; Maritime Museum; etc

Environment and place making in a coastal town and the connections between the town, harbourside and coast are critical elements in developing the Green Network (NPF3 Priority) and promoting more active, healthy and engaged communities.



Important Conservation Areas exist within the historic Old Town and Harbourside with strong appeal to visitors



Town Quarters

Community activism creates positive opportunity for regeneration connecting local issues with the vision through regular and close engagement.

COMMUNITY CONTEXT

Irvine is home to a population of 37,652 people and has grown as a residential settlement since 2005. Communities are diverse and typical of New Town planning the neighbourhood structure is often segmented and poorly connected and exhibit strong territorial identities. Irvine is a traditional Scottish coastal town, but was expanded in the 1960s and subsequent change has developed around a series of 'town quarters': Harbourside Quarter, Town Centre, Retail Park Quarter, Enterprise Area Quarter and the Beach Park Quarter.

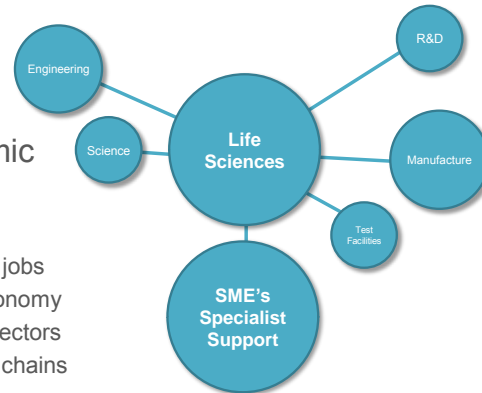
Community activism is strong typically with an active interest in addressing local issues and taking opportunity to develop Community Action Plans (eg. Fullarton & Harbourside / Vineburgh / etc) and in advancing local initiatives to develop local community facilities. Other groups have developed a dialogue around visioning, key themes and the promotion of direct action (eg. Irvine Inspire / Clyde Imagineering / Irvine Archive / Burns Club / etc) looking to raise aspirations and promote community initiatives grounded in community aspirations. These initiatives, with support and coordination, could form a strong element in promoting participation, adding to vitality and facilitating wider engagement. Opportunities exist in developing the social sector in Irvine which is relatively undeveloped. Community and stakeholder engagement through community planning should seek to promote action through established third sector bodies (National Maritime Museum / RSL's / Community Associations / Sports-Leisure-Civic Groups /and Churches).

In considering community issues it needs to be recognised that Irvine includes some deep-seated pockets of deprivation. Unemployment and issues associated with poverty, incapacity and health limit community capacity. Any vision needs to recognise the need that an agenda for change addresses the needs of the disadvantaged and ensure Irvine builds a positive and inclusive vision that meets the needs across all parts of the community. North Ayrshire Council in developing a new model for Community Planning and delivery of the Single Outcome Agreement recognise that working closely with communities is vital to build on Irvine's strengths and create a consensus around change. Community Planning is seeking to extend the 'neighbourhood planning model' to ensure all groups and interests can participate in both local community futures and contribute to the vision for Irvine.

Addressing Economic Regeneration

- Securing and protecting jobs
- Building a distinctive economy
- Identifying with growth sectors
- Developing local supply chains
- Developing skills
- Strengthening business / educational links

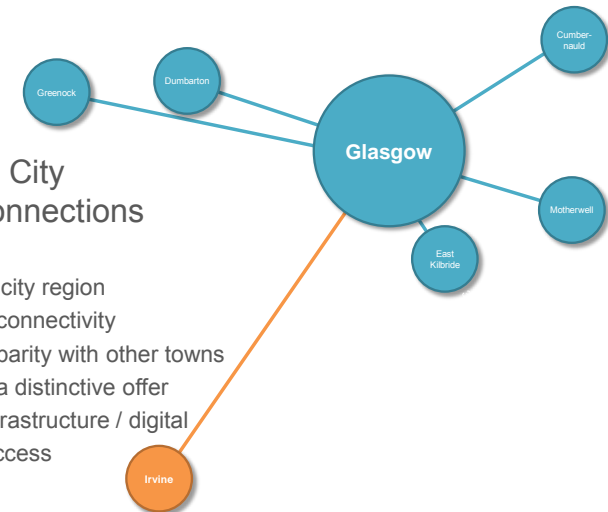
shaping a vision for Irvine



Promoting City Region Connections

- Role in the city region
- Promoting connectivity
- Promoting parity with other towns
- Promoting a distinctive offer
- People / infrastructure / digital
- Two way access

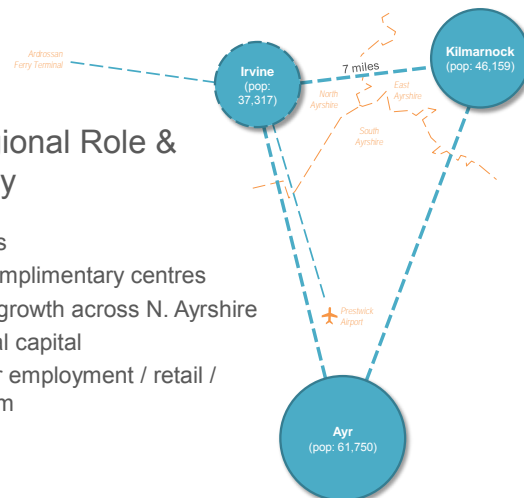
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Defining a Regional Role & Place Hierarchy

- 3 Local Authorities
- Competitive or complimentary centres
- Irvine supporting growth across N. Ayrshire
- Irvine sub-regional capital
- Primary centre for employment / retail / education / tourism

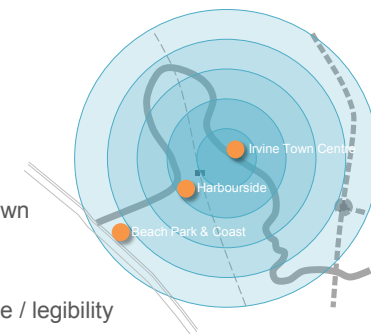
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Building Place Quality & Destination

- Whole town appeal
- High quality town centre – Old Town
- Distinctive heritage
- Diverse range of facilities
- Strong sense of identity / welcome / legibility
- Strengthening businesses

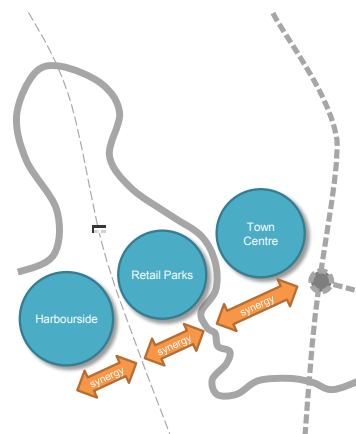
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Securing Added Value through Connectivity

- Addressing Town Quarters
- Encouraging exploration
- Improving connections
- Enhancing whole town experience



shaping a vision for Irvine

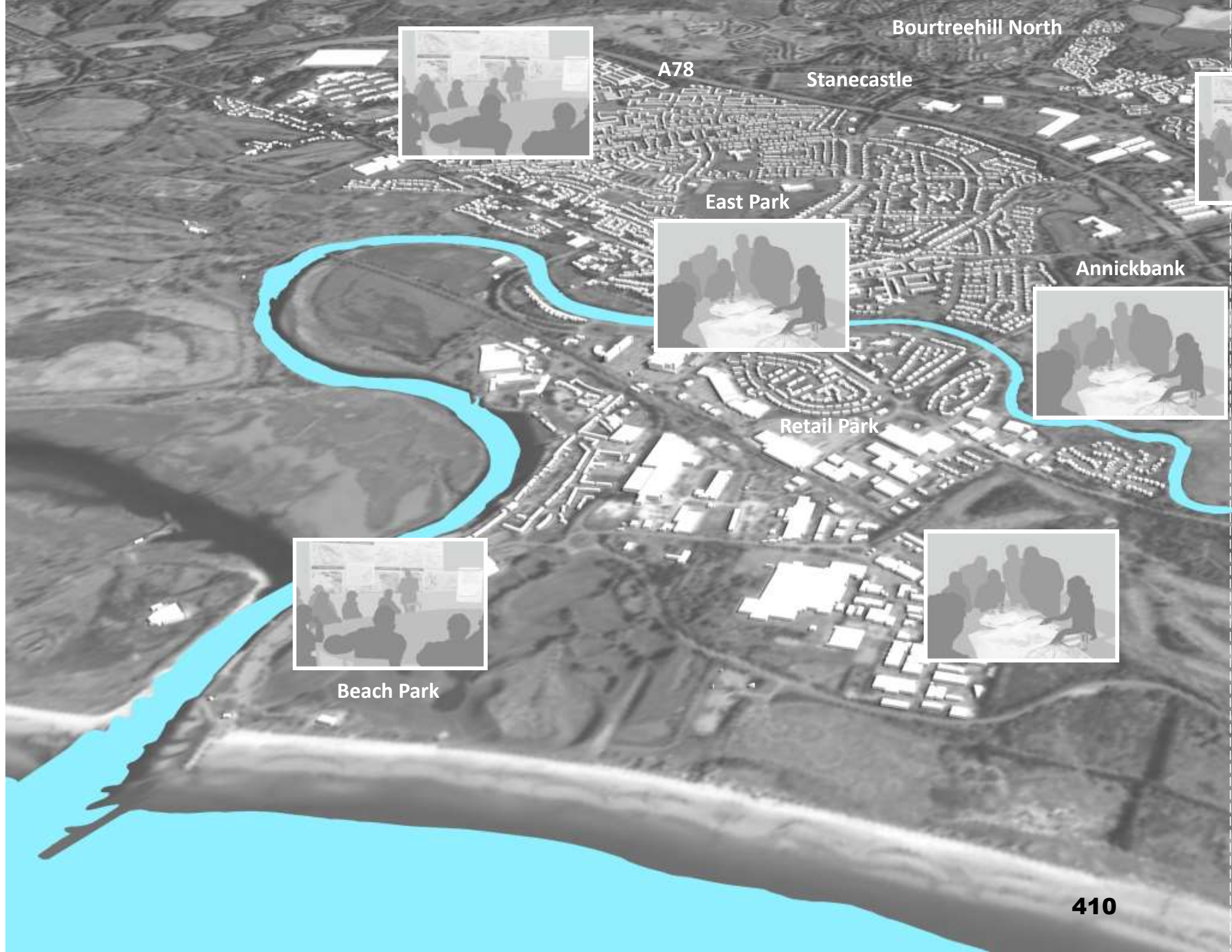
Engaging with Stakeholders & Communities

- Engaging with communities
 - Breadth of Stakeholders
- Shared visions
- Empowering community action
 - Supporting local groups
- Listening
- Community & Business champions



Understanding the context and the detailed analysis of Irvine as a town, including the journey the town has made from its origins as a river port town through varied stages of growth associated with market centre, new town and regional centre, shapes its future. The 'whole town' analysis highlights seven key challenges that the town will need to address going forward. These include:

- **Addressing Economic Regeneration**
This focuses on securing jobs and building a distinctive economy with a focus on Life Sciences, Tourism and Leisure linked to well connected local supply chains and raising achievement and the links between business and educational.
- **Defining Sub-Regional Role**
Creating a distinctive offer with adjacent Regional Centres such that growth is complimentary and supports economic growth across North Ayrshire and Ayrshire and defines Irvine's Sub Regional role.
- **Promoting City Region Connections**
Promoting a role within the City Region and building a strong identity as a quality business, residential and leisure destination that is well connected and challenges the view of peripherality.
- **Building Place Quality Identity & Destination**
Promoting a 'whole town appeal' based on an appealing town centre, coast and distinctive place appeal that connects strongly to people, place, heritage and enterprise.
- **Responding to North-Ayrshire Town Hierarchy**
Recognising that growth in North Ayrshire needs a successful Irvine and Irvine is the primary centre for hi-end services and enterprise activity (economic investment / education / cultural / retail and other social services)
- **Linking-Up Town Centre to Secure Added Value**
Developing Town Quarters as a means to encourage exploration, secure increased footfall and dwell time and improve access and mobility.
- **Engaging with Stakeholders and Communities**
Engaging with communities and stakeholders in shaping, developing and implementing a 'new future' that engages all parts of the community and listens to community voices.



Bourtreehill North

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Stanecastle

East Park

Annickbank

Retail Park

Beach Park

Bourtreehill South

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Dreghorn

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Part C: Creating Effective Delivery

shaping a vision for Irvine
PART C: Creating Effective Delivery

PARTNERSHIPS & PARTICIPATION

The Irvine Vision requires a partnership style approach. The vision will only be delivered if regeneration is delivered in a holistic way by addressing the economic, physical and social needs of communities and ensuring community interests are embraced at a core part of delivering the vision.

Successful models for partnership and participation have typically identified a Stakeholder Forum to act as custodians of the vision and to coordinate and synchronise activities and define priorities. The 1990s was a period of local authority led regeneration, typically based on major physical renewal activity. The new century heralded in the rise of bilateral public and private partnerships (Council's /SE/URC's), including new physical regeneration agencies created by government. Today multilateral partnerships (public, private, voluntary and community sectors) are seen to offer a broader platform and recognise the importance of capacity building within communities.

Regeneration requires a consultative and collaborative approach which seeks to be representative of all the stakeholders and to build a consensus about what the challenges, interventions and solutions. This consensual approach, builds capacity and helps legitimise the investment decisions and actions adopted.

Two models have demonstrated success.

Formal Partnership Working

Developing strong and viable partnership working is complex. Working in partnership is not just the simple action of putting together groups, skills, energy and resources. Partnership poses major challenges and may raise expectations including empowerment of the community that reporting and accountability structures within Council's can find difficult to adopt. Partnership working typically requires a willingness to consider change within organisational procedures and working cultures, with some degree of transformation. A good independent chairperson is typically an essential component.

Collaborative Network Forum

Regeneration networks create a looser structure facilitated through a Forum or Network Working Group. Networks are sustained by the relationships between stakeholders around a shared interest, belief or value. Networks typically operate on a voluntary basis (stakeholders and individuals join the networks. In comparison with a more structured partnership, networks are not formally constituted entities and, therefore, their boundaries are indistinct. They are also dynamic because of the nature of the individuals involved. Networks may have their own structure and level of formality that can be structured to reflect the remit and members differential access to resources and authority. A good independent chairperson is typically an essential component.



Delivering the vision needs to ensure the 'voice' of communities and stakeholders informs and shapes responses to economic development, place-making and place-promotion.

DEVELOPING AN ENGAGEMENT FORUM

Developing a Local Engagement Forum will be critical. The Forum needs to facilitate collaborative working and encourage a partnership approach to regeneration. A critical part of developing the 'partnership approach' will be developing a clear structure for engagement that defines a hierarchy of groups and interests.

Partnership and/or Networking needs to develop an effective and efficient mechanisms to link local initiatives, normally field of work for voluntary and community organisations at the community /neighbourhood level making the connection with wider policy and resource decisions, where the public and private sector more traditionally operate. Importantly the organisation should seek to offer a forum that allows:

- local neighbourhood /tenant and community groups to continue to drive local change,
- help facilitate agencies (RSL's / Charitable Bodies / 3rd Sector Organisations Community Councils) to take on and extend their roles and remits
- assist in better coordinating the delivery of core services and activity between the Council, IB-URC, Ayrshire Health Partnerships / Ayrshire College/Scottish Enterprise, and across the sister Councils of EAC/ SAC.

Engagement Group Hierarchy

Irvine Vision will require a lead body and an organisational structure that supports coordinated and accountable activity and delivery. The group will in effect be custodians of the vision and the lead coordinating body. A potential structure for this could include:

- Identification of an Independent Chair
- Clear definition of the Local Engagement Forum's remit and membership
- Securing a representation from Community /Public /Private and 3rd Sectors
- Strategic agenda setting and delegation to Sub-Groups

Partnership as a Mechanism for Communication

Partnerships are formed to support coordinated regeneration activity. Critically, and perhaps most importantly they offer a forum for communication to those who wish to have a stake in Irvine's future. They facilitate decision making close to those with experience and responsibility and allow the exploration of views. Importantly if well organised, chaired and structured they support collaborative capacity building around different groups, ways of thinking and ways of valuing outcomes.

- Effective and efficient working of the Local Engagement Forum is critical. Partnership working is complex and resource intensive. Developing simple models and making use of existing organisations helps. We would recommend:
 - A Membership of no more than 12 members
 - Open Engagement Forums held every 4 months
 - Circulation of information / updates by Newsletter and E-Bulletin

Defined Projects / Initiatives / Programmes

Partnerships often fail as they seek to deliver more than the capacity of the membership and become 'talking shops' for projects that have no defined outputs, timescales or acknowledged leadership. It will be important to:

- Rigorously align expectations with resources and capacity to ensure the lead Partnership / Engagement Forum has a limited number of deliverable project goals. We would recommend:
 - 2 major initiatives per annum
 - 4-6 projects
 - Actively empowering other groups to coordinate additional projects
- Define SMART goals such that project activity is quickly defined by SMART initiatives specific, measurable, achievable, results-focused and time-defined.
- Ensure all project initiatives are defined in terms of responsibility and roles through a Project Inception Document and Plan (PID) defining its scope and delivery

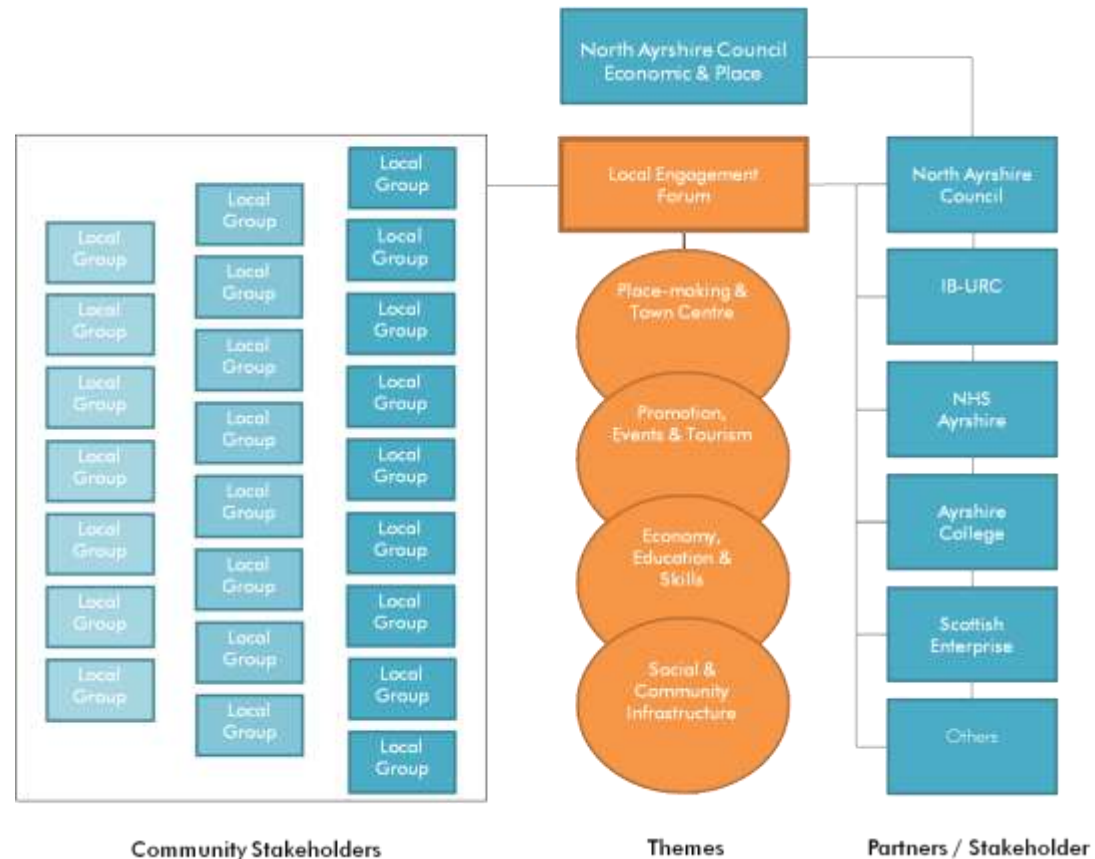
STAKEHOLDER GROUPS

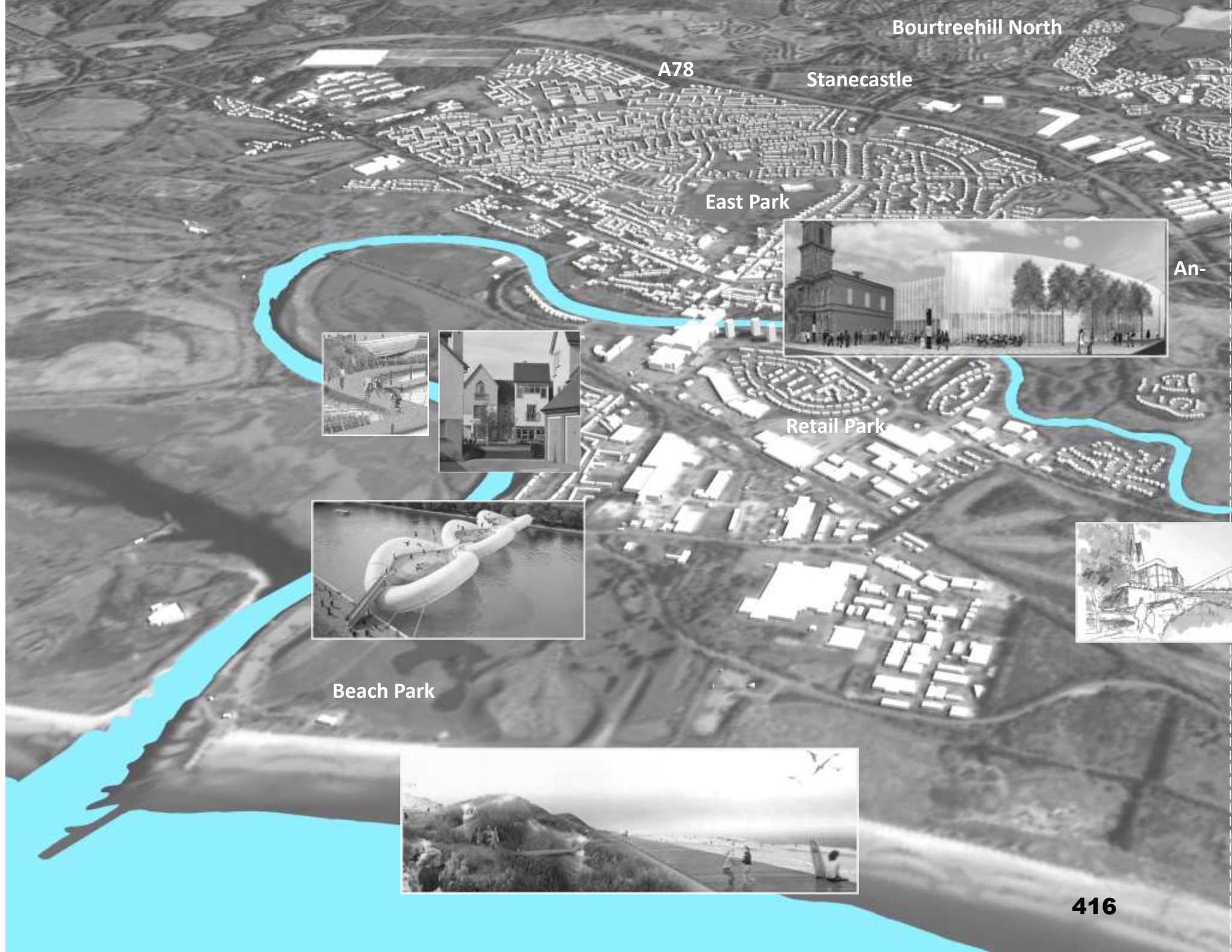
Irvine has a diverse range of groups and interests working in a loose network lead by very positive individuals. Our engagement has however highlighted concerns that the multiple organisations and interests tend to operate separately and with overlaps often limited to individual person contacts and shared interest. Building trust and framing a medium to long term structure for engagement will be important.

Delivering a vision needs to build on a strong consensus for change whilst accepting that individual groups and interests may want to retain independence. Delivery requires support for existing activity and encouragement to align and develop existing activity to secure further value.

The goal is to seek to ensure $1 + 1 = 3 +$

Facilitating collaborative working requires a dialogue and trust to build a hierarchy that allows independent action and 'local group champions' whilst creating a umbrella organisation (partnership / network / forum) that can help to add strength and support to organisations and facilitate closer working and identify synergies.





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Beach Park



INTRODUCTION

The vision outlines Irvine's aspirations for the future. It identifies Irvine's commitment to positive change and to guide strategic decisions. The vision provides the focus for activity and will seek to harness a breadth of partner and stakeholder participation around a common sense of purpose. The vision needs to be embedded across all activity that supports and delivers change.

Developing and delivering the vision will require further detailed masterplanning. Masterplanning will help add definition to projects and allow a future Action Plan to be developed that focuses investment and interventions around the delivery of the vision.

The vision seeks to inform this more detailed planning and design stage by defining a number of short / medium and longer term aspirations and to set some targets that will assist in framing the vision and defining a structure for successful delivery.



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Part D: Setting a Project Framework



The loss of the 'Irvine Bridge' and the development of the Rivergate Mall as the primary connection between the historic Town Centre and Retail Park has severed connections within the town and reduced the legibility and lost an easy, open connection that historically served the town well.

A key theme of the vision is e-building connections and a number of ideas have been suggested including a new pedestrian bridge. Detailed further investigation and feasibility assessments would be required. An alternative is to radically refresh, renew and redesign the Rivergate Mall to re-energise its retail role and create a more open, legible and user friendly connection. Illustrated is an example (Bristol) of renewed retail mall where an open structure, visual access and an enhanced retail experience have re-established a heart in a failing retail centre.

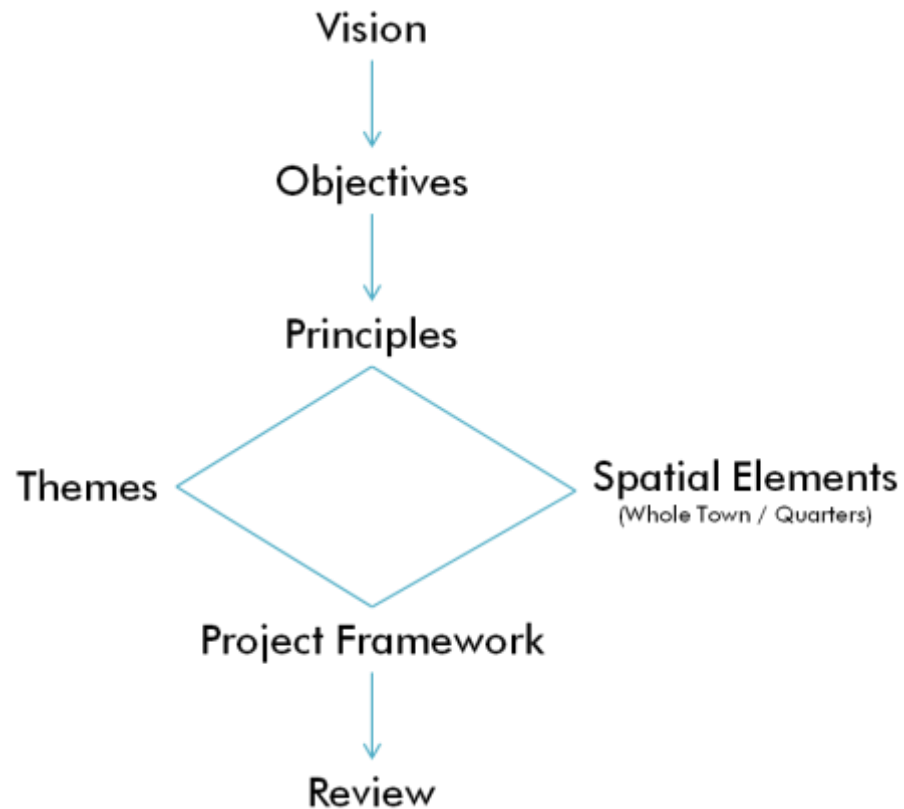
The aspiration underpinning the vision are defined around making Irvine a more appealing and attractive place to invest, live, work and visit.

Project Aspirations are therefore:

- Generating new employment and inward investment in high value growth sectors and across SME businesses that create jobs and opportunities for skills development and training
- Securing a new profile for Irvine based on a dynamic, contemporary sense of place that makes the town and the town centre an attractive place to visit, live, work and invest
- Promoting new housing within the town that takes advantage of the coast, river and town connections to make the town more liveable and supports the demand for town centre goods and services
- Capturing value from Irvine's Clyde coast location that promotes aspirational lifestyle opportunity, links the town's profile with its coastal location and strengthen its appeal both as a visitor destination and place to live
- Strengthening the appeal of the Town Centre through a combination of promotion, events, public realm enhancement, functional improvements and the securing new facilities to support evening and family appeal of the centre
- Developing an events programme with wider stakeholders to support and extend the existing visitor infrastructure, raise the profile and facilitate promotion of the town's appeal

Communication and engagement are critical. Engagement has helped to shape the vision and is equally important in maintaining and sustaining the vision. Importantly the core elements (objectives / principles / spatial) of the vision need to secure a breadth of support.

Engagement should ensure successes are celebrated, lessons are learnt, participation is supported and that monitoring is effective. Engagement should seek to ensure that new capacity and ambition is developed and new initiative set as the vision is realised.



Thematic Elements

The Irvine Vision advises that Irvine, as the primary residential centre, administrative and business capital of North Ayrshire has a critical and leading role in delivering these objectives.

The vision is intended to provide a clearer focus on the medium-longer term aspiration for Irvine. It is important to extend the sense of ownership and momentum around the vision through engagement.

The programme for action outlined is based on:

Early Action:	12 months
Short Term:	36 months
Medium Term:	60 months

Longer term opportunities need regular consideration and capturing in updates to the vision as appropriate.

PROMOTING AN ASPIRATIONAL PLACE

Irvine has major opportunities to grow as a successful regional hub, create employment, and become an economic driver for North Ayrshire and a place with a strong and distinctive appeal. It will promote an ethos of aspiration and ambition and celebrate success.

A stronger profile and the promotion of Irvine can support growth, attract business, commerce, investment and enterprise in key growth sectors. The strategic vision will more strongly support wider economic goals across North Ayrshire and is complementary with the wider strategy for regeneration of smaller towns and local centres.

Promotion and communication are important elements in advancing the vision. Irvine has many strengths. Its appeal and assets are under-valued, the quality and ease of its connections to Glasgow not appreciated and its specialist and emerging new economy unrecognised. As a medium sized town peripheral to the Central Belt it is challenged to make its voice heard and promote its strengths. Positive marketing to target audiences and place promotion through digital and social media should be advanced as a component part of a wider community and stakeholder communications plan.

Early Action:

- Communicate vision with key partner organisations
- Communicate vision and commitment to the vision within North Ayrshire Council
- Develop the public/private/social partnership networking mechanism for Irvine Vision
 - Core Partner Delivery Group (NAC/IB-URC/Education/Business/Community)
 - Business & Enterprise Forum
 - Community Forum
 - Young People Forum

Short Term Action:

- Build links with Local and National Media
- Develop Irvine Promotional Strategy
 - Creating simple logo and Brand Identity
 - Promote through Digital /Social Media (Facebook/Twitter/E-site)
 - Raising Profile Links to National Sites (Visitscotland)
- Promote Irvine for Awards ('Best Town' / Creative Place / Architecture / Leisure Awards)
- Secure National Media coverage for success and place quality

Medium Term Action:

- Develop Concept of Innovative Experiences
- Identify Aspirational Events (Smallest /Biggest /Wackiest/Weirdest)

Building a Stronger & Distinctive Economy

Building a stronger economy and securing regeneration for Irvine is critical to the wider objectives of the vision. North Ayrshire's Economic Development and Regeneration Strategy sets a vision for change. The strategy outlines ambitious and challenging goals that are supported by eight strategic objectives. Success, the strategy highlights, requires the Council and partners to develop a clear economic focus based on:

- Increasing jobs by growing companies/ attracting new businesses
- Encouraging business into increase added value activity
- Supporting access to jobs and addressing worklessness
- Stimulating demand for skills and training
- Transforming deprived areas with defined and customised approaches
- Supporting distinctive vibrant town centres and encouraging visitor spend
- Improving North Ayrshire's connections (transport/ ICT/business network)
- Clarifying and promoting more strongly North Ayrshire's offer

An important part of Irvine's future economy is securing growth from the Enterprise Area designation (one of four in Scotland) and Irvine's international profile in the Life Sciences sector. Scotland is currently home to globally

significant businesses in this sector and Irvine is a key location. Applied Sciences (Chemical and Life Sciences), engineering, advanced manufacturing and associated test facilities all offer opportunity and form part of important growth sectors for Scotland's economy. Irvine's focus will be in growth sectors and the supply chain opportunities this offers for Small and Medium Sized Enterprises (SME's) in growing a skilled employment base.

Irvine offers the scale, infrastructure, skills and resources that give it strong and competitive place advantage not available to other secondary and local centres. A stronger Irvine will support other centres, support sustainable growth and is complimentary to the regeneration and renewal of other towns and settlements.

Early Action:

- Promote the profile of the Enterprise Area and Irvine Industry & Innovation(3i)
 - Internationally and Nationally including strengthening links with SDI / CSS
- Develop closer collaboration between NAC, IB-URC and SE/SDI/Local Business
- Strengthen Life Sciences Cluster and Supply Chain/R&D support services
- Strengthen LDP support around Economic Investment

Short Term Action:

- Developing specialist science/engineering Test Facilities
 - Extending R&D and academic incubator activity with FE / HE institutions
- Targeting specific sectors and business leaders /entrepreneurs on Irvine Vision
 - Housing Developers
 - Tourism & Leisure
- Develop Business Support measures for SME's

Medium Term Action:

- Develop a strategy for post EA designation
- Developing a Life Sciences international centre of excellence.

Developing Educational / Skills

Educational attainment and access are central to economic success. Educational resources, access and skills development are critical to economic growth in a knowledge based economy. Schools, colleges and universities influence aspirational family locational choices and the availability of young skilled professionals, technologists and trainees and the access to local skills training influences investment choices for employers.

Scottish government policy recognises the role of further and higher education as a driver for growth by stimulating innovation, raising skills and supporting enterprise. The re-organisation of Ayrshire College will develop a positive link between school, training, college, university and work and help, together with the University of West of Scotland and other Scottish institutions, deliver the capability that employers and the economy needs.

School attainment and access to training, skills development and Further and Higher education is important to Irvine's future. Urban centres with high attainment and strong educational /employment networks will be better positioned to compete and serve their communities. Investment in education and the links across all educational services and to employers and the business community is critical.

Early Action:

- Continue to develop Schools Attainment Plan
 - Specific programmes to support higher attainment levels
- Continue to develop links with Ayrshire College
- Input to the long-term strategy for development of the College Campus
- Promote specialisms – Centre of Excellence in Life Sciences / Sciences
- Extend links between business and education /skills development
- Innovate in developing High School links with business /enterprise/ innovation

Short Term Action:

- Develop school assets / quality of facilities and educational initiatives
- Courses better aligned to employment opportunities
- Review further opportunities for High School branding / links to FE / HE

Medium Term Action:

- Further develop links between employers and schools and colleges
- Develop modern apprenticeship programmes
- Enhance access to FE / HE and including remote learning in Irvine

Engaging and Empowering Local Communities and Stakeholders

North Ayrshire Council across economic development, land-use and community planning policies are committed to new levels of engagement with stakeholders and community interests. Community Planning has developed a new Neighbourhood Planning Model to strengthen community participation and build addition capacity that will enable communities to have a stronger voice in the planning and delivery of services.

Stronger, more active and empowered communities will support a partnership approach to the delivery of services, increase levels of confidence, participation and skills among local people, support local ownership and enhance through engagement the level of satisfaction with the quality of life and services within Irvine. Better community engagement and participation will help support better, more responsive services and better outcomes for communities.

Early Action:

- Communicate vision with key community and voluntary sector organisations
- Communicate vision and commitment to the vision within Community Planning Partners and wider stakeholders including sister authorities
- Build on and extend the Community Planning Neighbourhood Planning model
- Integrate Community Planning into wider delivery of services
- Create a public statement / protocol indicating engagement commitments

Short Term Action:

- Establish a clear framework for Local Neighbourhood Planning
 - Develop a Irvine local forum supporting stakeholder community engagement
- Establish a Community Liaison Team / Officer with specific knowledge of Vision
- Confirm engagement relationship(s) with Community Planning Partnership
 - Healthier North Ayrshire / Safer North Ayrshire / Working North Ayrshire
- Develop a clear understanding /database of all Community Action Plans
- Create a Database of Consultees

Medium Term Action:

- Organise an annual Community Visioning Event
- Review and monitor engagement activity and lessons learnt

Quality Place Building

Creating Places and Designing Places sets out the high-level policy framework, adopted within the planning system for place making. The policies highlight the importance of quality design in successful place-making and building for sustainable growth. Quality buildings and places provide value to us as a society. They attract talent and investment and are part of the essential infrastructure which sustains business.

Quality places are often central to community life. A successful place is accessible to all and encourages people to connect with one another. The relationships which are fostered help to create communities where there is a high level of positive activity, participation and interaction. These are communities which are safe, socially stable and resilient.

Important to the Irvine Vision is strengthening the sense of community. Of building a place that expresses a strong sense of welcome, connectivity and legibility connecting people, place and enterprise. In the physical form of the town this is particularly important in terms of connections between the Old Town, Harbourside, Beach Park and Coast.

Early Action:

- Communicate vision and commitment to the vision within Town Centre Businesses / Traders and Town Centre Community Groups
- Encourage the formation of a Town Centre / Business Group consultation forum

Short Term Action:

- Raise the standards and town sense of welcome through Signage / Gateways
- Develop the Parking/Access & Information strategy for the Town Centre
- Promote Town Hall - **Southern Gateway as 'Hub' for orientation**
- Develop East Road Masterplan
- Secure regeneration opportunities through public / private partnership utilising Council land assets
- Actively promote Irvine through events and North Ayrshire / Ayrshire place appeal.

Medium Term Action:

- Promote housing in the Town Centre and where possible above shop units / residential infill and mixed-use activity including leisure and café culture
- Promote Shopfront Investment and grants linked to Business Support measures
- **Promote with Rivergate Retail Centre a new 'Arcade' linking seamlessly Bridgegate & Retail Park**
- Strengthen public realm connections – connect 'indoor' and 'outdoor' space and routes and enhance safe access and mobility
- Connectivity of Town / Rivergate / Harbourside



SPATIAL ELEMENTS

Develop the Festival & Event Programme

Irvine has a good reputation for events at community and visitor level. Building an annual events (started with summer season) programme around community activism, public agencies, schools /colleges and other bodies builds new capacity and promotes network activity. The Marymas Festival (Carters Society) already offers the highlight to a summer festival programme.

Action

- Develop the Events Programme with all Community Groups /Interests
- Promote events nationally/internationally and strengthen the links to Scottish National Festival & Events (Homecoming / Ryder Cup / Scottish Open / Commonwealth Games / Festivals etc)
- Actively promote establishment of a Evening Economy and development of local cultural centre and cinema

Benchmarks

- Bridlington
- St Ives

Lead Body

- Irvine Inspire / Carters Society / Irvine Bay / NMM / North Ayrshire Council

Develop Signage and Access Strategy

Irvine as a town lacks ready legibility. Road access, town gateways and signage are poorly defined. No single primary route exists and access to the Old Town, Retail Parks, Harbourside and Beach Park areas are often less than clear. Major route signage and tourism signage should be considered together with local attractions and facilities.

Action:

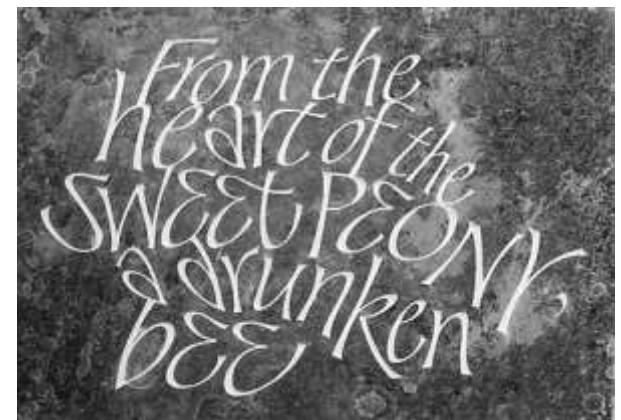
- Develop a clear Access & Signage Strategy to better showcase the town
- Develop Town Gateways with innovative high quality design and/or public art
- Signage used to better promote and support place-making
- Review Town Centre circulation and consideration of one-way access and enhanced on-street parking

Benchmarks

- Dundee Ambassador Route Strategy
- Livingston Gateways

Lead body

- North Ayrshire Council



Develop Urban Dressing Programme

Celebrating the town, its heritage and events when linked to quality contemporary design and public arts adds vitality and builds a civic quality and a dynamic around public realm space. This is reinforced when linked to events programmes and community action. City Dressing is a mechanism to dress and highlight festivals and events throughout the year.

Action

- Develop a Urban Dressing Initiative
- Develop a common town centre infrastructure for banners /lighting/ signage
- Raise the profile, sense of celebration, civic pride and community participation for summer season events

Benchmarks

- Derry City Dressing – UK City of Culture
- Edinburgh City Dressing Strategy

Lead Body

- North Ayrshire Council / Irvine Bay / Irvine Inspire

Make Irvine a more Connected Place

Connections within the varied quarters of the ‘town centre’ are problematic reducing awareness, exploration, movement, footfall and dwell time. Proposals need to be developed to create more legible and user friendly connections between the Harbourside / Retail Park – Rivergate / Town Centre and wider connections to the Enterprise Area and key employment sites.

Action

- Review options associated with Rivergate Connection
- Develop a ‘Core routes Strategy’ to connect all town centre quarters
- Improve safe access and promote Irvine as a place to explore on foot

Benchmarks

- Dundee Ambassador Routes
- Oxford

Lead Body

- North Ayrshire Council / Rivergate Retail / NMM



Celebrating Irvine through Active Promotion

Irvine can be promoted and the audiences for changing perceptions of place and the opportunity are local, Ayrshire and Glasgow and West of Scotland. Place marketing has moved forward significantly in recent years linked to both the promotion of competitive place and as a marketing support for town centre management. Increasing homogeneity of centres/ ubiquity of town offers has made differentiating special places of value. Marketing should identify key audiences and messages and define proposed outcomes. The extent of the marketing campaign and the mechanisms (Awareness Raising / Increasing Participation / Changing Perceptions) will need further specialist study.

Action

- Review potential value of a Irvine Promotional Campaign
- Benchmark with other centres
- Identify a innovative brand or message that is on-trend to key audiences

Benchmarks

- Riverside Inverclyde
- Manchester

Lead Body

- Irvine Inspire / Carters Society / Irvine Bay / NMM / North Ayrshire Council

Developing ideas and projects needs to always look to **deliver quality through design**. Clone town 'me too' solutions offer little added value and Irvine needs to be brave and innovate in ways that create profile, respect and deliver long term sustainable value. Securing this end will require good quality briefs and ensuring that high quality design professionals are appointed for all major projects. Quality of design is a critical output in shaping future perceptions of Irvine.



DEVELOPMENT OF QUARTERS

Urban quarters have been promoted in many towns, to aid legibility and define distinctive areas where the quarter allows a 'critical mass' of co-located / inter-related activity to be experienced that supports place-making. In promoting 'quarters' it is important that they have the capacity to offer a distinctive experience. Image enhancement and interpretation is often important in creating a strong sense of identity and hopefully at times of the year a critical mass of activity.

Irvine through its urban structure and the boundaries created by the coast, river, rail and road infrastructure readily divides into 4-5 clear zones or character areas. Neighbourhoods and residential and employment areas also have their own distinctive identity, these are important and in some cases overlap with the areas of visitor footfall and enterprise investment interest (eg Fullarton / Harbourside/ East Park).

The primary areas around which the vision can be expressed and developed include:

- **Coast and Beach Park**
Enhancing the experience, facilities and image of Irvine's distinctive coast
- **Harbourside**
Promoting the experience of the Harbourside and the River Irvine linked closely to the National Maritime Museum offer

- **Retail Park**
Recognising the value of a successful retail park on the edge of the centre in acting as a draw for visitors and supporting jobs and economic activity
- **Town Centre**
Promoting the fascinating heritage and experience of the historic Old Town as a place to explore, enjoy, with its independent shops and events
- **Enterprise Area (EA)**
Building on the vibrancy of a 'growth sector industry' to create a positive sense of opportunity and quality of employment attractive to inward investors.

The illustrations and summaries overleaf highlight some of the core opportunities within the quarters. The high-level vision is not a prescriptive masterplan and masterplans and project frameworks exist for some of the areas noted above. Rather the idea of 'urban quarters' is to develop a clearer focus on the opportunities in 5 key areas where coordinated project delivery will have greatest potential to deliver the aspirations captured by the vision.

This report is a vision document. We have therefore restricted ideas to hi-level vision based concepts and ideas that would strategically re-define the urban quarters and secure a legacy of change for the whole town.

Old Town Quarter

Develop Town Centre Masterplan

- Develop Town Centre Welcome / Arrival / Place
- Promote Town Centre
- Strengthen Old Town / Retail Park connections
- Develop key sites (Southern Gateway / East Park)



OUR VISION FOR THE OLD TOWN QUARTER

Our vision for the Old Town Quarter is that the historic town centre should focus on expressing its small market town qualities, heritage, bustle and activity and trades within an attractive setting combining quality urban building assemblages alongside contemporary quality building and public realm.

This should include priority activity to:

- Develop a strategy for the River Irvine connection in terms of determining whether the primary connection within the town centre is through the Rivergate Mall or by a new bridge linked to urban redevelopment
- Developing the High Street in terms of its amenity, image and facade quality through programmes to enhance architectural and heritage value of the centre including shop and facade treatments.
- Review the circulation strategy for vehicles giving **consideration to a 'one-way' route through the centre** that allows access to the High Street potentially as a shared surface with summer closures
- Promoting easy access (on-street / off-street) Town Centre parking with good signage and visitor orientation
- **Promote 'a cafe and evening economy'** by encouraging cafe culture and pavement activity and working to secure a cinema offer within the remodelled Rivergate Mall or Old Town
- Develop an innovative Heritage Trail connecting places, people and events through a specialist design sign and interpretation media.

Retail Park

- Develop Park & Ride &
- Engage with Managers on Future Strategy for Rivergate /Retail Park/Parking
- Renew Retail Park / Rivergate Offer



OUR VISION FOR THE RETAIL QUARTER

Our vision for the Retail Quarter is that this highly functional retail based activity area's continued success will be based on progressive 're-invention' of retail formats in line with national market trends. Critical to the vision is that the connections between Town Centre / Retail Park / Harbourside are enhanced and made more legible. This presents opportunities for retailing and enhanced public realm and could offer added value opportunities for the Rivergate Mall or alternatively suggests a separate new connection bridging the River Irvine. Our preference is **adopt the 'challenge' of renewal of the Rivergate Mall. This can be a core destination within a re-connected town centre by radically opening up the 'mall' into new retailing experience attractive to national multiple retailers, shoppers and those users simply making connections.**

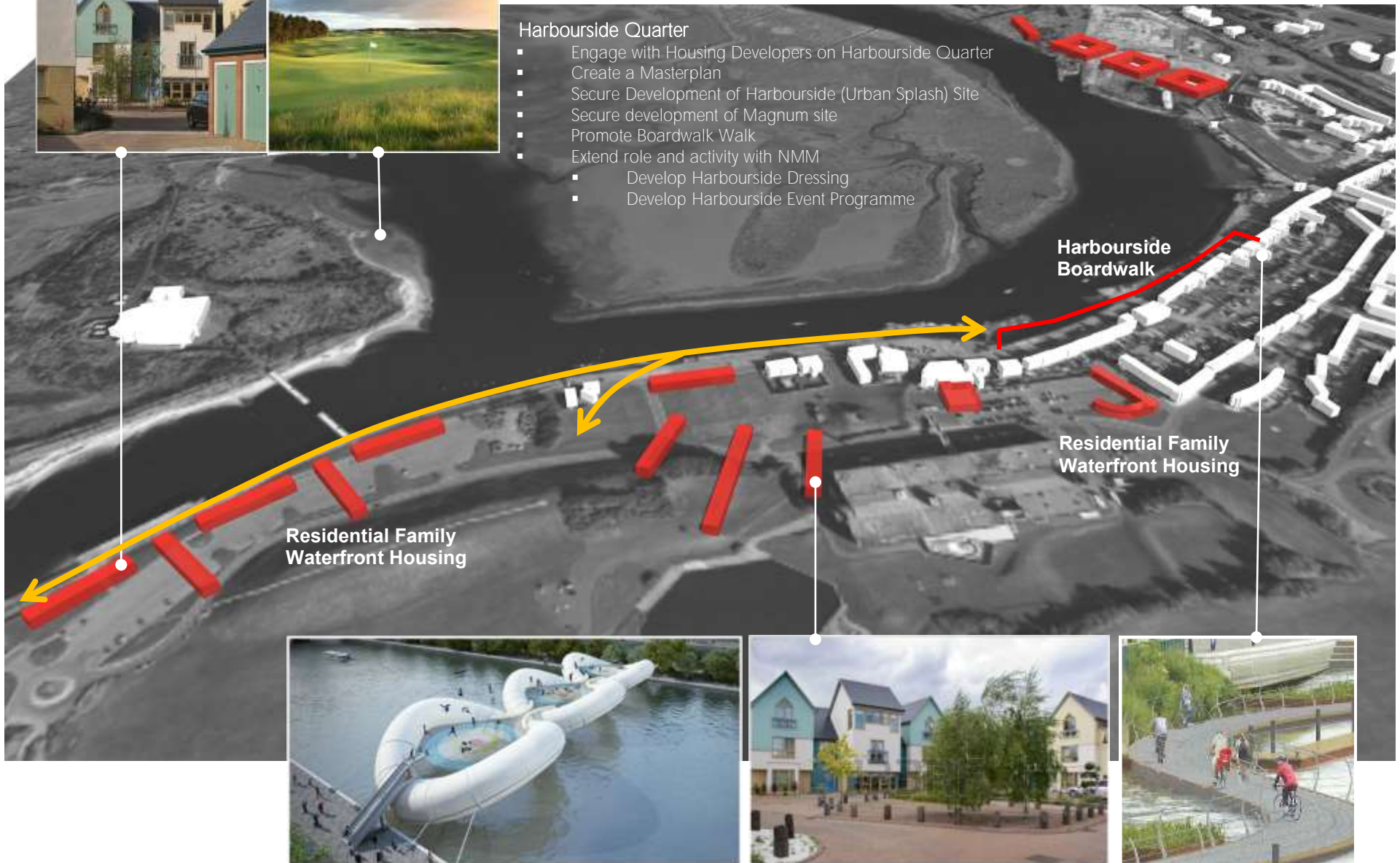
This should include priority activity to:

- Dialogue with Rivergate Mall owners /operators on the strategy and plans for investment and re-energising the shopping experience
- Dialogue with Retail Park owners on creating a highly legible path connection from Rivergate Mall to the Railway Station and through to Harbourside
- Developing through a strategic masterplan a strategy for future investment and growth that rationalises car parks and access and egress and enhances the functionality of the park.
- Reviews the future of the under-utilised multi-storey car park for development, secured through a revised masterplan layout that diversifies the retail mix, ensures parking capacity and create a more pedestrian friendly environment
- Positively looks to facilitate private / public partnerships working to release new investment opportunity and re-modelling of the existing retail experience



Harbourside Quarter

- Engage with Housing Developers on Harbourside Quarter
- Create a Masterplan
- Secure Development of Harbourside (Urban Splash) Site
- Secure development of Magnum site
- Promote Boardwalk Walk
- Extend role and activity with NMM
 - Develop Harbourside Dressing
 - Develop Harbourside Event Programme



OUR VISION FOR THE HARBOURSIDE QUARTER

Our vision for the Harbourside Quarter is that the historic port, harbour and estuary needs to celebrate its very distinctive character and become a 'bijou' appealing waterfront quarter and with the coast should be the town's most distinctive natural feature and visual and recreational centrepiece of the community. Mixed-use development will enhance the special qualities of place, animate frontages and provide the supporting cafe, pub, cultural and leisure facilities that good vibrant waterfront quarters thrive on. Development of Further and Higher educational campus facilities in the medium-longer term would add an additional dynamic.

This should include priority activity to:

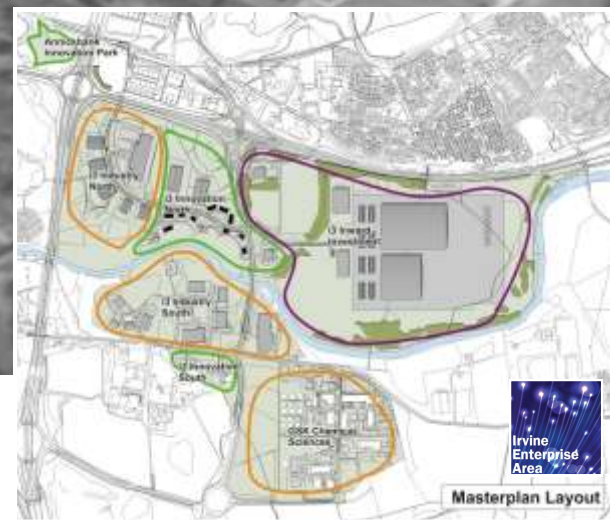
- Promote residential developments that take advantage of publicly owned land to secure a momentum for investment and allow niche and creative developers to JV with public bodies protecting quality and allowing sharing of risks/ rewards.
- Promote a new Public Realm connected through boardwalks and waterfront quays that further develops the a heritage trail linking the National Maritime Museum, Puffer Cafe, HAC, Ship Inn, etc creating a series of 'hubs' along the waterfront connected to the wider Irvine heritage
- Continue to promote innovation and the profile of the National Maritime Museum as a national attraction specifically seeking funding support and opportunity to show UK/European National Exhibitions in Scotland related to creative arts.
- Support and extend the Harbourside / Fourthport event utilising Linthouse Building and pubs /cultural buildings to further develop / raise the profile of the Marymass / Harbourside Festival Week (music / Folkfest/ arts / etc)
- Use the River/Waterfront to support creative innovation (see above) with 'Dressing / Participatory / Unique Events' (Irvine Dragon Boat Challenge / etc) that capture the spirit of innovation and aspiration.

- Extend Supply Chain & Local Business Networks
- Extend EA Promotion (Internationally /Nationally)
- Update EA Masterplan
- Develop additional advance SME Business space

Irvine Enterprise Area

Masterplan Layout

- Create an Enterprise Area Forum
- Raise International / National profile
- Extend Supply Chain & Local Business Networks
- Extend EA Promotion (Internationally /Nationally)
- Update EA Masterplan
- Develop additional advance SME Business space



OUR VISION FOR THE ENTERPRISE QUARTER

Our vision for the Enterprise Quarter is to see the Enterprise Area as a primary driver for 'growth' in the leading edge Life Sciences and science and technology sectors that defines Irvine as a positive locus for industry and innovation. Irvine Bay (URC) has created a gateway (profile /infrastructure/ confidence) and opportunity (sites / utility networks) for significant further growth. Every opportunity to strengthen the EA and Life Sciences / Science / Technology based profile of Irvine should be adopted and key links to national educational research and development networks together with Ayrshire College and UWS should be supported.

This should include priority activity to:

- Raising the profile (continuing to raise profile) of Irvine Enterprise Area and Life Sciences in Irvine internationally, nationally and locally.
- Invest in market-ready incubation and R&D space within the Enterprise Area to ensure available capacity
- Advancing opportunity to capture 'Test Facilities' and leading edge R&D facilities linked to work within Scottish Research Institutes and Universities
- Building a partnership with global companies (UPM / GSK / Vogel / Howco / etc to promote Irvine and develop B2B collaboration around SMART technologies, services, utilities use and training.
- Developing for the Enterprise Area a long term strategy for post EA designation and support for local / new supply chain companies in key sectors
- International Life Sciences Skills Academy
- Create strong offer in Enterprise Space and facilitate opportunities for SME and science and engineering supply chain companies



Beach Park & Coast

- Develop Beach Park Strategy
 - Public Facilities & Access
 - Private Sector Opportunities
- Advance Upgrading of Beach Park
- Restore Tide Signalling Tower



OUR VISION FOR THE BEACH PARK QUARTER

Our vision for the Beach Park is to give stronger recognition to Irvine as a coastal town by ensuring the coast and beach are developed such that they represent a really positive statement of the appeal of the town and a destination for visitors. The relationship between Harbourside and Beach Park is critical with opportunity to release development opportunity to cross investment and develop facilities and public realm. Promoting summer season activity and aspirational leisure can add to the wider Irvine vision.

This should include priority activity to:

- Completing the restoration of the Pilot House Tower as a statement of intent and a demonstration to build on the areas heritage and distinctiveness for both residents and visitors
- Develop a masterplan for the former Magnum Site to promote and extend the residential quarter based on high quality waterfront/ beach front housing of distinctive character (Benchmarks: New England / Norwegian coastal developments)
- Develop a deliverable masterplan for waterfront housing that offers a protected public realm waterfront / boardwalk and re-organises visitor facilities / parking and beach access arrangements and supporting facilities
- **Create a major 'play park' based on maritime themes that is innovative and connects to NMM and Harbourside**
- Promote leisure activity through private operators under licence to deliver Leisure Activity and 'Can U Experience' events (Kite surfing / Beach Sailing / Riding / Largest Sandcastle in UK / etc /etc)

PROJECT EVALUATION TOOLKIT

The Evaluation Toolkit seeks to ensure that projects, initiatives and programmes are aligned with the Vision and promote excellence in place-making as part of the Whole Town aspiration for Irvine.

The Toolkit essentially sets a challenge for Irvine to bring forward projects which promote and deliver successful and innovative place-making, sustainable economic growth that build engagement, skills and capacity, and high quality design

The Toolkit provides a way of benchmarking projects and is a tool that should be used to ensure a appropriate 'Peer Reviews' of all future interventions and projects, the Vision and its component parts. Only projects that demonstrate positive change and delivery of value against the Vision should be taken forward for further consideration.

The Toolkit approach seeks to prevent ad-hoc initiatives that fail to address the spirit and intent of the Vision. The Toolkit promotes both cohesive proposals that build on the strengths of Irvine whilst promoting innovation and the development of a quality.

An illustrative template has been completed and is provided as an illustration. The template adopts the Bridgegate Public Realm Scheme and tests how well it aligns with the Vision. It is recommended that all projects adopt a Peer Review and Project Evaluation approach.

Deliver Value against Vision Outcomes, Priorities & Principles
Toolkit for Project Evaluation

Project Exemplar: PROJECT 1 – Town Centre Public Realm

Vision Objectives	Strength / Weakness of Alignment	Evidence	Further Action
<p>Enhancing the Profile</p> <p>Securing a new profile for Irvine based on a dynamic, contemporary sense of place that makes the town and the town centre an attractive place to visit, live, work and invest and a place where its residents feel proud to be part of.</p>	1 2 3 4 5	<ul style="list-style-type: none"> Transforms place perceptions Creates new town square New space for events / activity Puts a heart back into the centre 	Need to market and promote the space for events / visitor information etc
<p>Celebrating a Coastal Location</p> <p>Capturing value from Irvine's Clyde coast and location on the River Irvine that promotes aspirational lifestyle and recreational opportunity, links the town's profile with its maritime heritage and strengthens its appeal both as a visitor destination and place to live</p>	1 2 3 4 5	<ul style="list-style-type: none"> Enhances place quality Creates a visitor destination Interprets Irvine's history 	None
<p>Facilitating Economic Success</p> <p>Generating new employment and inward investment in high value growth sectors and across SME businesses that create jobs and opportunities maximising educational attainment, skills development and training activities</p>	1 2 3 4 5	<ul style="list-style-type: none"> Provides new 'Civic Space' Transforms place perceptions and should increase footfall in the town centre supporting local businesses 	None
<p>Promoting Growth</p> <p>Promoting new housing within the town that takes advantage of the coast, river, harbourside and connections to make the town more liveable and supports the demand for town centre goods and services</p>	1 2 3 4 5	<ul style="list-style-type: none"> Transforms place perceptions Support confidence in the developer market Promotes centre as attractive place to live and visit 	Need to further promote Café Culture/ Outdoor Eating and general promotion of the centre
<p>Strengthening Town Centre Appeal</p> <p>Strengthening the attractiveness of the Town Centre through a combination of promotion, events, public realm enhancement, functional improvements and the securing new facilities to support the visitor experience and family appeal of the centre</p>	1 2 3 4 5	<ul style="list-style-type: none"> Major contribution to place-making High Quality central location enhances connectivity through Rivergate Creates a space for events and activities 	Address Events with local businesses

Vision Objectives	Strength / Weakness of Alignment	Evidence	Further Action
Promoting Dynamic Sense of Place Developing an events programme with wider stakeholders to support and extend the existing visitor infrastructure, raise the profile and facilitate promotion of the town's appeal	1 2 3 4 5	<ul style="list-style-type: none"> Masterplan provides for event and activity programme 	Need to understand booking / use of space and maximising community and local business / market.
Improving Connectivity Enhancing physical, social and digital connections to promote sustainable place-making including connections to the city region, wider North Ayrshire and securing easier mobility and access within Town Centre quarters.	1 2 3 4 5	<ul style="list-style-type: none"> Masterplan provides for event and activity programme Investment required to create WIFI hotspot 	Secure funding for WIFI zone centred on Bridgegate
Design Quality A principle of all investment will be the promotion of high quality design in all capital works; the promotion of a Masterplanning approach for all quarters and major development and the use of design review process to support designers and public art.	1 2 3 4 5	<ul style="list-style-type: none"> Completed design review Addresses public art High quality materials throughout 	Ensure high quality maintenance commitment is adopted
Sustainable & Adaptable Irvine seeks to develop a momentum for change that needs to build cumulatively a place quality and a profile over a number of years and different project initiatives. Best Value will be secured by ensuring projects are aligned, complementary, durable and adaptable to future change.	1 2 3 4 5	<ul style="list-style-type: none"> Flexible public realm Core element of Town Centre Facilitates events / activities 	None
Builds Connections and Networks Building connections adds strength to Irvine's sense of place and helps overcome perceptions of peripherality. Irvine needs to be an appealing, welcoming, walkable place and connections support social cohesion and successful Town Centre economies. Engagement with communities and stakeholders that builds consensus is an important further element	1 2 3 4 5	<ul style="list-style-type: none"> Makes physical / social / economic connections Opportunity for Town Centre WIFI Enhances social connectivity through events 	Develop WIFI zone
Score	39 / 50		

shaping a vision for Irvine

Draft Consultation Report
8172 | April 2014

Contents

1.0 INTRODUCTION

1.1 Consultation Strategy

2.0 CONSULTEE & CONSULTATION LIST

3.0 CONSULTATION SUMMARY

Community Interest Group 10th March 2014

North Ayrshire Council Officer Group 14th March 2014

Young People Group (3rd April 2014)

Irvine Business Group 18th March 2014

North Ayrshire Council Members Group 20th March 2014

One-to-One Consultation (February / March 2014)



Section 1: Introduction

1.0 INTRODUCTION

Consultation and engagement are a central part of developing shared visions and working in an open, transparent and inclusive manner to better understand the needs, interests and experiences of a breadth of stakeholders and interests.

The Irvine Vision team recognise the importance of building a vision that embraces the broadest range of views and ideas and which looks to empower stakeholders to play a more active role in developing ideas and plans for the future.

Community engagement linked to stakeholder engagement and the operational and forward planning roles of the Council and other delivery partners is fundamental to building understanding and promoting conversations around:

- what we are collectively seeking to achieve
- why we need a vision
- how we can shape plans that relate to the vision and purpose
- how effective monitoring of progress is supported
- understanding the means by which we can evaluate the process and outcomes
- learning lessons for future activity.

Community and stakeholder engagement invites participation and seeks to initiate a new relationship with stakeholders around a common shared future.

This report represents a short summary of the engagement activity undertaken to date with various groups associated with the Irvine Vision. This is the start of a process and not an end point. North Ayrshire Council are committing to Community Planning using a Neighbourhood Planning Model.

The Irvine Vision clearly identifies the critical role of positive stakeholder engagement in shaping, taking ownership and working to support, facilitate and deliver the Irvine Vision.

1.1 CONSULTATION STRATEGY

The consultation and engagement process will involve a wide range of stakeholders (including but not limited to: community groups, stakeholder groups, council officers and members, business leaders, young people, partner organisations, etc).

North Ayrshire Council are seeking to build a strong base of local interests to inform and provide advice on the key elements around which Irvine needs to develop its special qualities of place and appeal.



Irvine Vision

Consultation to shape the vision for Irvine

Community Engagement

Name: _____

Address: _____

Email: _____

Thank you for attending this consultation. Please advise on your thoughts, ideas and vision for Irvine.

Many thanks for your contribution

Please write your comments down and give your form to one of the team or post it (to be received no later than 26th March 2014) to:

Ironside Farrar Ltd, 111 McDonald Road, Edinburgh, EH7 4NW

Alternatively you can email your comments to: albert.muckley@ironsidefarrar.com

Indicative Pro-forma for Stakeholder Engagement Events

The engagement process has been led by the leader of the vision Team who has extensive experience in working with stakeholders on similar projects and the Scottish Government Mainstream Charrette Programme and Design and planning workshops and participatory appraisals.

The engagement activity was structured as follows:

What	Workshop Style / Charrette Events
When	Date and venue agreed with consultee suitable to stakeholder group eg. daytime / evenings / local venues /
Who	Stakeholder Groups identified for early contact
Why	<p>Irvine Vision team will provide a framework for discussion using a combination of powerpoint / boards / questionnaire forms and inter-active discussion information boards explaining the Envisioning Process and the challenges that Irvine faces based on detailed studies and collated evidence. The information boards and study team will help to clarify:</p> <ul style="list-style-type: none"> ▪ What the scope of the study covers ▪ How the vision will be shaped ▪ Invite and explore views and seek comments from stakeholders e.g. local issues, perceptions, concerns and opportunities ▪ Invitation to identify Irvine's unique strengths and special qualities around which a vision can be based <p>Representatives of the NAC Regeneration / Town Centres Team were also on hand to advise and update consultees.</p>
How	<p>Workshop Events articulated by a lead facilitator and presenter. Exhibition Boards will provide information on spatial areas/ air photos with comment forms filled out on the day or emailed/posted back offering the opportunity for feedback and ideas post workshop.</p> <p>Engagement events were planned to allow up to 3 hours for consultation /discussion with a fluid agenda that allowed facilitated discussions and the ability to respond/ shape discussion around issues raised.</p>
Outputs	Discussion and exploration of ideas recorded as key points with stakeholders inputting to ideas and responding to ideas raised.
Next Steps	Consultee Report prepared with a commitment to maintaining engagement as the vision emerges and with intent to undertake a feedback event once the vision is captured and summarised.



Section 2: Consultee & Consultation List & Sources

2.0 CONSULTEE & CONSULTATION LIST & SOURCES

Identifying the extent and appropriate inputs at the early stage of en-visioning is always difficult. The objective is to secure a breadth of view across interests whilst ensuring the visioning process can retain a level of focus and useful engagement. Clearly there will be numerous other voices / opinions to be included going forward. Invitations to participate were extended to a range of consultees (some substitution for the event and/or apologies offered) with the invitation including:

Community Interest Group

Stephen Hamill (CEIS) Peter Greenway (CEIS) Donna Fitzpatrick (Fullarton Community Association) Rev. Neil Urquart (Fullarton Parish Church) Marie Blackwood (Harbour Arts Centre) Kirsty Gallagher (Impact Arts) Joan McTurk (Irvine Housing Association) Tracey Stewart (Irvine Royal Academy) AJ Morton (Morton Research) Audrey Sutton (North Ayrshire Council) Jim Cumming (North Ayrshire Council) Dianna Whyte (North Ayrshire Council) Rhona Arthur (North Ayrshire Council) David Mann (Scottish Maritime Museum) Fr. Willie Boyd (St. Mary's RC Church) Andy Slater (Seagate Rotary) Jack Sutton (The Ayrshire Community Trust) Barbara Hastings (The Ayrshire Community Trust) Chris Murray (The Ship Inn) Alex Taylor (Traders) Louise Condon (Vineburgh Community Centre) Annie McLaughlan (Vineburgh Community Centre) Geraldine O'Donnell Robert Milligan Bill McConnell, Colin Roxburgh /Leslie Campbell (Star WTFI)

North Ayrshire Council Officer Group

Joe Smith / Yvonne Baulk / Audrey Sutton / Jim Miller / David Lodge / David Hilditch / Michelle Gilmour / Craig Hatton / David Tate / Donald Wilson / Russell McCutcheon / Alex Adrain / Karen Yeomans / George Hunter / Alasdair Laurenson / Louise Kirk / Sandra Taylor / Del Delury / Patrick Wiggins (IB-URC) Anne Rae / David Hammond / Laura Friel / Ross Middleton / Scott McLelland

Young People Group

The Young People Group included 20 Young People attending Irvine Royal Academy comprising a mix of 4th / 5th and 6th form students undertaking studies in the Social Sciences Department (Modern Studies /Geography/ Modern Languages/ etc) as part of Standard and Higher grade studies.

Irvine Business Group

Gordon Bain (Irvine Inspire) Douglas Boatman (Federation of Small Businesses) Andrew Haig (A&I Accessories) Charlie Berry (Andrew Wright Windows) Shaun McLaughlin (McLaughlin Construction) Val Russell (Ayrshire Chamber of Commerce) Alistair Leighton (GSK) Gordon McLean (UPM) Guy Redford (Dundonald Links) Jackie Galbraith (Ayrshire College) Malcolm Simpson (Simpson Inns) Patrick Roberttze (Rivergate) Norrie Campbell Billy Kirkwood (Ryan Homes) Alison McLuskey (Early Bird Media) Jackie Harvey (Ernst & Young) Ian Conway (Conway Properties) Chris Watson / Lorraine Stevely

North Ayrshire Council Members Group

Cllr.William Gibson (SNP) / Cllr.Marie Burns (SNP) / Cllr.Ruth Maguire (SNP) / Cllr.Joan Sturgeon (SNP) / Cllr.John Easdale (Labour) / Cllr.Ian Clarkson (Labour) / Cllr.Matthew Brown (SNP).



One-to-One Consultation Meetings

In addition to the Workshop Groups a series of invitations have been issued to invite individuals to a one-to-one consultation with selected individuals in 60-90 min consultations to better understand specific issues. These invitations included:

- Gordon Bain Chairman Irvine Inspire
- Sandra Taylor Planning Officer
- Audrey Sutton Head of Service Culture
- Patrick Wiggins CEO Irvine Bay URC
- Jackie Galbraith Ayrshire College
- Cllr Marie Burns North Ayrshire Council (Irvine East)
- Cllr Ruth Maguire North Ayrshire Council (Irvine West)
- Cllr Ian Clarkson North Ayrshire Council (Irvine South)
- Patrick Wiggins Irvine Bay URC
- Steven Cuthbert Economic Development Employment Team
- Andrew Lee Skills Development
- David Mann Scottish Maritime Museum
- Louise Condon Vineburgh Community Centre
- Alistair Laurenson Regeneration Manager
- Ian Conway Conway Properties
- Malcolm Simpson
- Matt Strachan

Follow up emails and invitations to comment in writing have also been issued to parties providing apologies and indicating an interest in making comment or advice or as requested. These include:

- Professor Alan McGregor Glasgow University
- Colin Roxburgh Working Together for Irvine
- Crawford Fulton
- Ian Conway Conway Properties
- Matt Strachan
- Alex Dornan Irvine Harbourmaster



home objectives activities membership volunteer news about us contact us

Irvine has a beautiful, traditional Scottish Harbour

Irvine Inspire is a Scottish Charitable Incorporated Organisation (SCIO) based in Irvine, Ayrshire, that aims to advance the heritage & culture of Irvine, community development and education.

enter search phase

Welcome to the Irvine Inspire website.

Thank you for visiting our website. We have tried to load on as much information about our organisation, activities and objectives as possible. However should you require any further clarification or have a question you would like to ask please don't hesitate to contact us.

Our Objectives

We want to make Irvine a better place to be for local residents, workers and tourists who visit Irvine. This will involve promoting a positive vision of Irvine as a tourist destination, producing educational materials, improving the environment and growing a stronger feeling of civic pride within the community.

Find out more

Become a Member

Irvine Inspire is open to anyone to join and membership is FREE! You will receive a welcome pack, quarterly newsletter and more.

Find out more

Volunteer

HOME/CONTACTS THE CARTERS EVENTS & PHOTOGRAPHY

choose from:- choose from:- choose from:-

NEXT "Next" includes all pages

Tour - Next "Tour" covers a selection

Marymass Saturday 2013 (Aug. 24th)
Now 228 days ago

2013 Festival - Aug. 15 - 26
(the 3rd Saturday after the 1st Monday of August)

Irvine Community Sports Club

Function Suite Sports Bar Gym Club Events Club News Memberships Ambulance Room Café Create Sponsors

Irvine Sports Club Home Page

ATHLETICS CRICKET FOOTBALL HOCKEY RUGBY JANICE MARSHALL STAGE SCHOOL

Our wee article in the Irvine Herald and Kilwinning Chronicle, proud of what we are achieving at the club, good. to meet SWPBoGK

Irvine Sports Club @IrvineSports

Irvine club receives recognition | Irvine Times #IrvineScotland #Irvine2014 #IrvineBright star as Irvine us @IrvineSports

Irvine Sports Club @IrvineSports

Tweet to @IrvineSports

Call North Ayrshire Council on 01294 311000

hac Harbour Arts Centre

Friends of the Harbour Arts Centre : 114-116 Harbour Street, Irvine, KA12 8PZ
Tel: 01294 274059 Email: harbourarts@north-ayrshire.gov.uk

News Events Learn Visit Contact

SIGN UP to be a FRIEND of the hac

Spring Craft Fair

Posted on 31.03.14

Harbour Arts Centre

Craft Fair

6 April 2014

11am - 4pm

Free Entry

For further information call 01294 274059

Upcoming Events

11 APR Freckfest Feeder Acoustic Sessions

12 APR Easter Theatre - Show In A D

14 APR Animation A

14 APR Easter Theatre - Teen Beach

18 APR Side Splitters Improv. Com

irvinebay Home | Our vision | Enterprise Area | Projects | Working | Living | The latest | Contact

Living in Irvine Bay

The place
Irvine
Kilwinning
Stevenston
Saltcoats
Ardrossan

Visiting
Finding a home
Education
Quality of life
Transport links
Community engagement
Local Regeneration
Fund

Irvine, Scotland: restoring the town centre

There are huge opportunities in Irvine partly because the new town was completely finished. Today, the regeneration of Irvine, located on the A1, Scotland, is well under way. Bridgegate House and the surrounding Irvine Public Realm have been completely transformed and there are exciting plans to develop the town centre. New uses for older buildings in the town such as Trinity Church, are also being pursued and the Southern Gate has become a key site as plans for the new leisure centre develop.

Part of the vision for Irvine town centre is to overcome the new town legacy and restore its historic character. The amount of housing around the centre significantly increased and the shopping centre itself will be redeveloped.

Latest...

North Ayrshire Council

Resident Business Council Visitor

Education & Learning Jobs & Training Planning Leisure, Parks & Events Council Tax Bins, Litter & Recycling More...

Keep up to date with our service alerts (www.north-ayrshire.gov.uk/alert) and grating information this winter.

Education & learning
School term dates Contact a primary school Contact a secondary school Grants and allowances Aman Outdoor Education Centre School meals

Planning
Make a planning application Building warrants Search, view and track an application Comment on an application Local Development Plan

Council Tax
Pay Council Tax Exemptions Discounts Council Tax Reduction Scheme How much is my Council Tax? Change of address or tenancy Problems paying?

Jobs & training
Job vacancies How to apply for a job with us Competency Framework Starting work with us Modern Apprenticeships

Leisure, parks & events
Eglinton Country Park Sports and leisure Outdoor activities Arts and culture Festivals Events What's happening in 2014?

Bins, litter & recycling
Bin collection days Food waste information Book a special uplift Bin information Report a bin, litter or graffiti issue Recycling centres and points

More...

Housing Benefits Health & social care Libraries, archives & museums Births, marriages & deaths Roads & travel

Irvine Incorporated Trades

"The seven trades of Irvine - HAMMERMEN, WEAVERS, TAILORS, CORDINERS, SKINNERS, WRIGHTS & SQUAREMEN, AND COOPERS"

Home Crafts of Irvine Contact Us

Welcome

- Home
- Our History
- Charity Work
- Trades Diary
- Media Library
- The 200 Club
- Other Links
- Trades Graveyard Tour
- Site Map
- Contact Us

Crafts of Irvine

- Trades Introduction
- Latest Trade News

On Facebook?

Click here to add us for news, photographs and event details straight to your facebook account!

Welcome to the Irvine Incorporated Trades

Thank you for visiting our website.

Through this website we hope to give a brief outline of the history and origins of the seven Crafts - the Hammermen, Weavers, Tailors, Cordiners, Skinnners, Wrights and Squarermen, Coopers - and the Incorporation.

In addition we wish to give details of our current activities, including forthcoming events such as craft social evenings and our charity fund raising activities for the local community.

I do hope you find the site interesting and informative. If

Upcoming Events

11.04.2014 19:30 - 23:00
Shimmers Quiz Night

13.04.2014 08:30 - 16:00
Cordiners' Golf Open Day

16.05.2014 19:00 - 00:00
Trades May Ball

18.05.2014 10:00 - 12:30
Tailors Sponsored Walk

25.05.2014 07:30 - 16:00
Shimmers' Golf Away Day

Craft News

Cheques Presentation at Irvine Sports CI

In addition consultation / research has been undertaken in terms of access to information and the interests of community /stakeholder groups in terms of consultees web-sites and social /digital media continue to be used to inform forward thinking and has included and is not limited to:

Irvine Inspire	http://www.irvineinspire.org/
Irvine Burns Club	http://www.irvineburnsclub.org/
Irvine Folk Club	http://www.irvinefolkclub.trad.org.uk/marymass-folk-festival/
Marymass Festival	http://www.irvineayrshire.org/marymass/index2.htm
Irvine Sports Club	http://www.irvinesportsclub.com/
HAC	http://www.harbourartscentre.com/
VisitScotland-Irvine	http://www.visitscotland.com/info/towns-villages/irvine-p242611
Irvine Bay URC	http://www.irvinebay.co.uk/living-in-irvine-bay/the-place/irvine
Irvine	http://www.irvineayrshire.org/
NMM	http://www.scottishmaritimemuseum.org/
Ayrshire planning	http://www.ayrshire-jsu.gov.uk/ajpsq_archive.html
Irvine's Harbourside	http://www.irvineharbourside.org/
Irvine Times	http://www.irvinetimes.com/
Irvine Trades Guild	http://www.irvinetrades.org/
VisitScotland	http://www.visitscotland.com/destinations-maps/ayrshire-arran/
NA Museums	http://www.north-ayrshire.gov.uk/resident/libraries-archives-
NA Leisure	http://www.kaleisure.com/facilities/leisure/magnum-leisure
Greenspace	http://www.greenspacescotland.org.uk/irvine-bay
Chamber/Commerce	http://www.ayrshire-chamber.org/se_home.asp
GreenLinks	http://scottishwildlifetrust.org.uk/reserve/perceton-wood/
Skills Development	http://www.skillsdevelopmentscotland.co.uk/
Industry /Innovation	http://www.irvinebay.co.uk/our-changing-bay
Flood Risk	http://floodline.sepa.org.uk/floodupdates/info/group-id/5066
Eglinton Park	http://www.north-ayrshire.gov.uk/resident/leisure-park
Golf Irvine(various)	http://www.theirvinegolfclub.co.uk/index
Golf Irvine (various)	http://www.dundonaldlinks.com/
One day in Irvine	http://www.youtube.com/watch?v=iSMRMyIL83U
Fullarton Church	http://www.fullartonchurch.co.uk/
NAC Council	http://www.north-ayrshire.gov.uk/home.aspx
Safe/Secure	http://www.scotland.police.uk/your-community/ayrshire
What's On	http://www.whatsonayrshire.com

Paths /Trails	http://www.ayrshirepaths.org.uk/walkirvinentt.htm
Retail	http://completelyretail.co.uk/portfolio/Riverway-Retail-Park
Rivergate	http://rivergatecentre.com/
Irvine HA	http://www.riverside.org.uk/scotland/south_west
Irvine Beat	http://irvinebeatfm.net/
Business	http://www.ayrshire-chamber.org
Famous People	http://www.youtube.com/watch?v=uqfNmM4zefQ
Blogs	http://www.knowhere.co.uk/Irvine/Strathclyde/Scotland

Some consultees were unable to attend and issued comment by email or contributed through a workshop event rather than one-to-one meetings. All attendees and comments were gratefully received and we would like to express our thanks for the contributions and time provided to input to the Irvine vision.

Regeneration

"Regeneration cannot be achieved overnight"

Dundee City Council

"Regeneration is about poverty, at the end of the day."

SODC and Community Health Exchange

"In the future, power will be as close as possible to those who will be affected by the decisions"

Margaret Burgess, Minister for Housing and Welfare

"The voice of the people is integral to good governance."

"place communities at the core"

"capacity can be built from within communities."

Scottish Communities Alliance

- Economic potential of communities
- Lead role for communities
- Addressing deprivation
- Linking mainstream programmes to regeneration

Scottish Government Regeneration Strategy

Local Government Regeneration Committee, Feb 2014.
Delivery of Regeneration in Scotland Inquiry

Expectations

Vision Going Forward

The Vision will be built around 'whole town place appeal' and a forward looking vision based on opportunity, growth, and extending choice and aspiration:

- Community Growth & Education
 - Supporting engaged communities and community activism
- Place-making & Lifestyle Choices
 - Supporting place appeal and aspirational life-style choices
- Employment & Enterprise
 - Supporting quality jobs, enterprise and key growth sectors
- Promoting Education and Opportunities for Young People
 - Ensuring access to further and higher education training and skills development

4

7 Key Challenges

- Addressing Economic Regeneration
- Defining Sub-Regional Role
- Promoting City Region Connections
- Building Place Quality Identity & Destination
- Responding to North-Ayrshire Town Hierarchy
- Linking-Up Town Centre to Secure Added Value
- Engaging with Stakeholders and Communities

7

Outcomes

Securing the Benefits from:

- Successful Economy
- Sub-Regional Capital
- Place with Distinctive Appeal
- Quality of Life / Lifestyle Choice
- Active Engaged Communities



Section 3: Consultation Summary

3.0 CONSULTATION SUMMARY

Community Interest Group 10th March 2014

Community Interest Group had a strong interest in developing engagement and ensuring the vision offered opportunities and promoted the interests of local residents and communities. Lessons learnt from other Council initiatives were reviewed (Magnum / Town Centre / etc) with an acceptance that new routes to engagement through Community Planning needed to offer stronger and more accountable engagement. Key points included:

- Need to develop stronger engagement
- Need to build on common strengths and areas of broad support
- Need to learn the lessons on engagement regarding Magnum and Leisure Centre
- Community capacity building and showing confidence in communities important
- Communities share a common interest in promoting/supporting Irvine's success
- Appreciation that the economic position/success of the town is critical
- Community voices need to be listened to and shown respect
- Much more shared and agreed with communities interests than separates it but often it appears the other way round – need to work together and engage more closely
- Need to enhance and promote the town and town centre
- Local details around access / transport / parking / mobility are important but shared understanding that the bigger vision is also important to communities
- Important to build on the centre and its heritage and qualities
- Access and connections within the town need improving
- Harbourside / Beach Park are areas of substantial opportunity





North Ayrshire Council Officer Group 14th March 2014

Officer Group brought together a very broad spectrum of interest across Council services and functions. The importance of a clear vision and the need for high aspirations was clear from the discussions balanced by acknowledgment of the need to develop engagement, recognise the limitations of resources and funding going forward and closer collaboration and partnership working would be essential. Key points included:

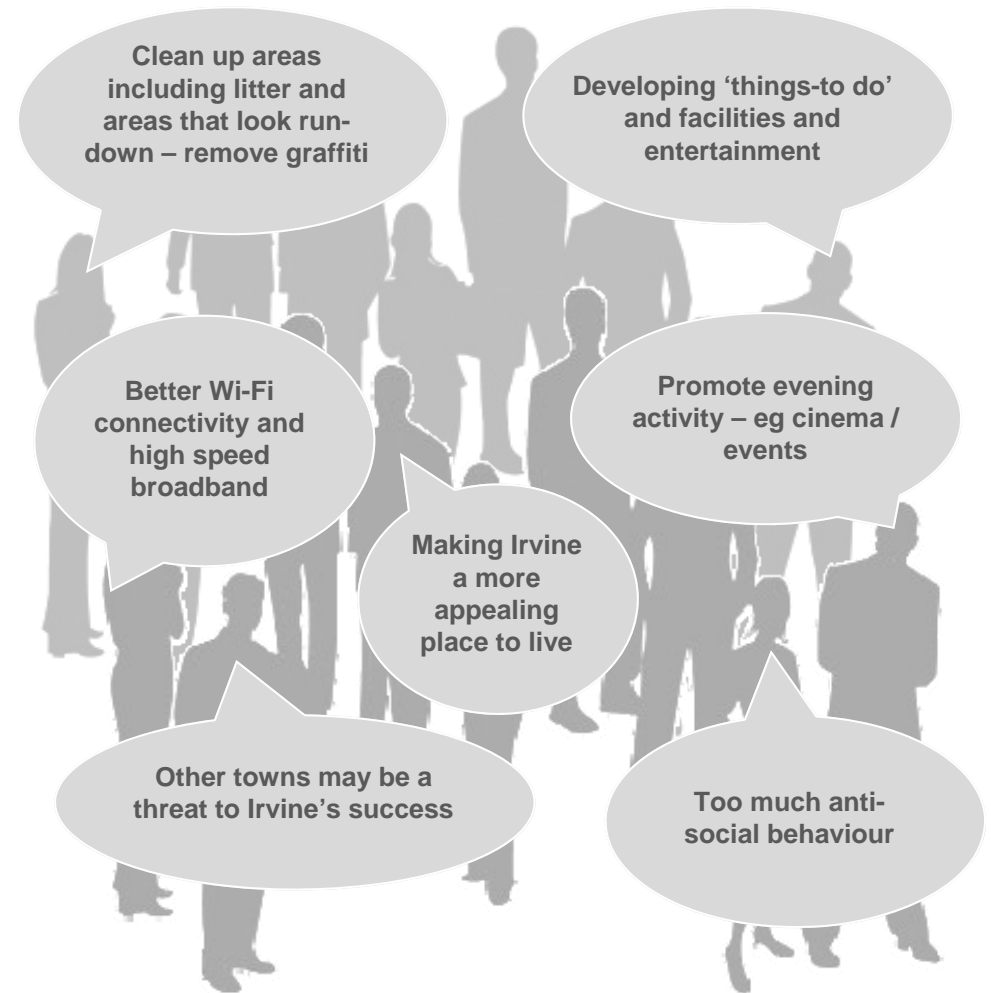
- Strong support for visioning and a whole town/area approach that addresses Irvine's competitive place and unique attributes and strengths for developing the vision
- Collaboration / integrated service delivery increasingly important in Council delivery of services and building more capacity and active participation / empowerment of community voices and roles in cultural and community life
- Reviewed issues of 'what is Irvine – Wider Irvine/Irvine Bay/Kilwinning/Saltcoats / etc'
- Vision needs to promote distinctiveness alongside collaboration / shared agendas
- Town centre fragmented and connections are weak
- Need to ensure vision lifts discussion / aspirations above the local /parochial level (these are important) but a higher vision and aspiration needs to frame decisions
- Support for importance of Irvine in North Ayrshire profile and economy. Irvine's profile will support wider district and support definition in secondary towns
- A strong Irvine can support the wider economy and make a stronger offer
- Recognition that Irvine needs to compete around its strengths and not attempt to compete in areas where it cannot provide services (eg. Silverburn retailing)
- Need to address forward thinking relative to trends and changes that are national / big social change trends.
- Economic linkages between business /education(AC/UWS)/schools) / training critical including strengthening educational attainment and image/understanding of schools
- Life Sciences and Enterprise Area is building a new industrial /technological future and is critical to long term re-profiling of Irvine
- Connections (physical /transport/digital/social) all important and a clearer and stronger relationship with Glasgow in terms of business/employment/skills transfer
- Council key role in offering leadership and concerted action in framing vision
- Marketing and promotion including range of media will be important together with working with local press and community interests
- Build a strong profile that progressively offers a 'step-change' in place perceptions impacting on the actuality of the quality of place / quality of life for local residents



Young People Group (3rd April 2014)

The Young People Group sought to express their views in terms of the Strengths / Weaknesses / Opportunities and Threats to Irvine. Discussions highlighted the need for the town to offer attractions and choice to retain young people together with jobs, education and training. Key issues for the town were how to make the town more dynamic, busy, fun and more attractive so people would choose Irvine as a place to visit, work and live. Key points included:

- Making Irvine a more appealing place to live
- Building on the strength of coast / harbour / heritage and community
- Developing 'things-to do' and facilities and entertainment
- Other towns may be a threat to Irvine's success
- Build on strengths (connections / harbour and coast / community)
- Place can be un-tidy and messy and look run down – lacking in appeal
- Address weaknesses (lack of jobs / unemployment / safety / anti-social behaviour)
- Too much anti-social behaviour / crime / lack of feeling of safety in evening
- Better Wi-Fi connectivity and high speed broadband
- Clean up areas including litter and areas that look run-down – remove graffiti
- Marymass good fun and something to be proud of – special to Irvine
- Promote evening activity – eg cinema / events





Irvine Business Group 18th March 2014

The Business Group were concerned at the competitive opportunities and competitive place standing of the town noting that if Irvine couldn't offer opportunity for investment and enterprise then inevitably opportunity would look to other centres (Kilmarnock /Ayr). Jobs and a strong economy that offered choice and addressed customer/consumer needs was important. Being 'of our time' (enterprising / flexible / innovative) would be important if Irvine was to compete successfully and this needed to be across all sectors (public/private 3rd sector).

Key points included:

- Challenge of competition with other centres
- Significant levels of leakage occur and this goes beyond retail
- Important to have a strong long term vision
- Retail offer functional but not inspiring – lack of specialist independents
- Irvine in 'Catch 22' – needs footfall but limited ability to attract and sustain quality
- Importance of promoting choice and contemporary lifestyles
- Importance of relationship with Ayrshire and strategic facilities like Prestwick
- Prestwick needs re-modelled and promoted
- Important to extend/diversify demographic base and attract new residents
- Irvine turns its back on River and needs to re-discover River /Harbourside/Beach
- Positive local employment initiatives required with apprenticeships and jobs
- Positive attitudes in planning and links between Business community and Council
- View that Irvine is 'more down on itself' than external perceptions
- Need to build a stronger profile and image
- Collaboration needs to be across Ayrshire
- Irvine needs to have stronger aspirations/promote growth/work more collaboratively





Regeneration

"Regeneration cannot be achieved overnight"
Barrow City Council

"Regeneration is about poverty, at the end of the day, social and community health change"

"The voice of the people is integral to good governance"

"Value communities at the core"

"Regeneration is about poverty, at the end of the day, social and community health change"

"The voice of the people is integral to good governance"

"Value communities at the core"

"Capacity can be built from within communities."

Local Government/Regeneration Committee: May 2016
Delivery of Regeneration in an Inclusive Way

Adding Value to Regeneration

Regeneration needs to combine:

- Strategic capital linkages
- Stakeholder based initiatives

Regeneration should be built on:

- Partnerships
- Engagement
- Employment

Regeneration secures best outcomes:

- Agreed outcomes

Strategic Opportunity: Top Down

Community Opportunity: Bottom Up

SCOPE Model

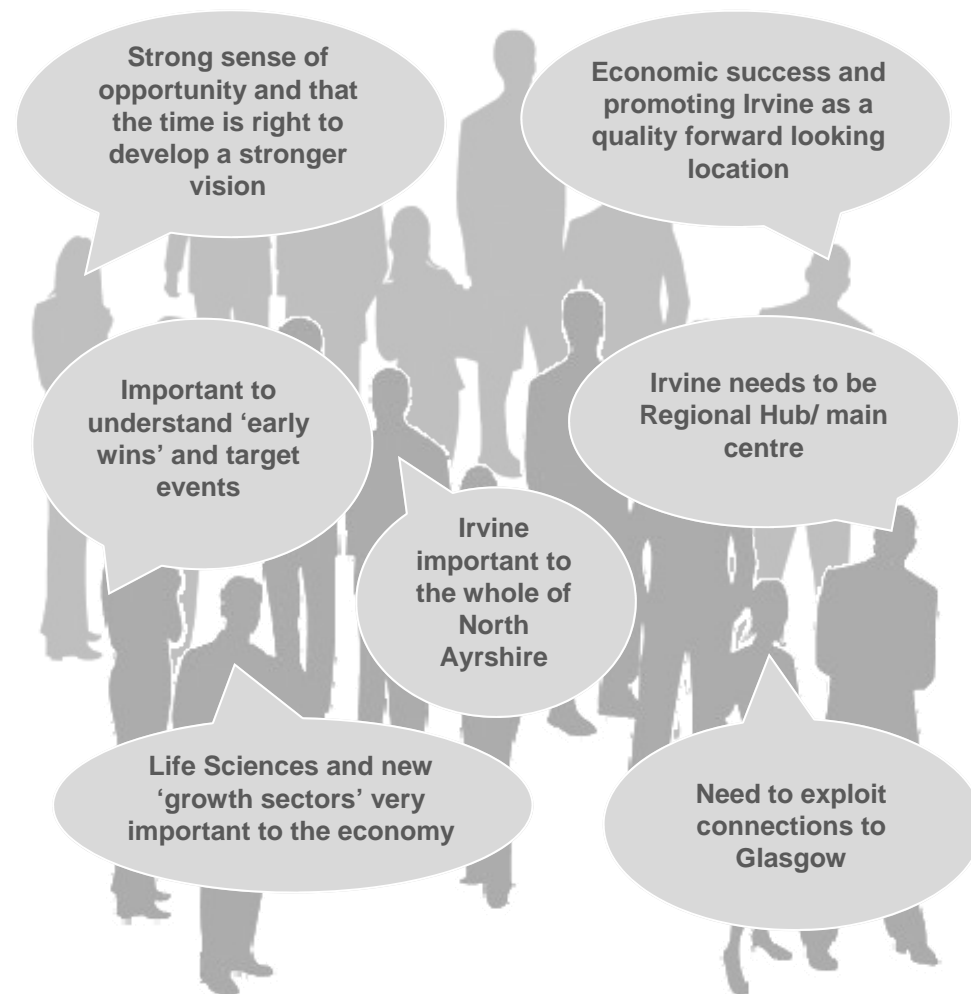
Context Urban Regeneration Quality Growth & Place Making Metropolitan Convergence Life Sciences & Development Urban & Maritime Heritage Lack of Regeneration	Obstacles & Barriers Poor Planning Dispersed Land Use & Demographics Outdated Governance Barriers to Growth Lack of Community Cohesion	Potential Strong Regeneration Place Appeal Distinctive Identity Community & Heritage Coastal Town Identity Connectivity
Competitive Place Quality Growth & Place Making Metropolitan Convergence Life Sciences & Development Urban & Maritime Heritage Lack of Regeneration	Expectations Strong Regeneration Community Growth & Cohesion Place Appeal & Life Sciences Employment & Growth Planning & Governance Opportunities for Young People	

North Ayrshire Council Members Group 20th March 2014

Members were supportive of the need to take a 'whole town approach' and recognise the need to adapt and learn from good and best practice in promoting Irvine. Stronger economic activity and growth were clearly important linked to building a clearer profile and a stronger image for the town. Community engagement and participation was endorsed as was the recognition that the harbourside represented a major opportunity / quarter for re-development.

Key points included:

- Strong sense of opportunity and that the time is right to develop a stronger vision
- Economic success and promoting Irvine as a quality forward looking location and a good place to invest and live will be increasingly important for the region
- Visions are important and having a stronger 'offer or USP' is important in ensuring policies / planning and economic and community activities are well aligned
- Irvine important to the whole of North Ayrshire and needs to build stronger links to wider towns and tourism including Arran and ferry/airport connections
- Strong sense of purpose and breadth of support for promoting change that address local needs; needs of future generations and makes Irvine a better place to invest
- Need to exploit connections to Glasgow and good train services and accept that good links and perceptions of the strength of the links works to benefit Irvine
- Life Sciences and new 'growth sectors' very important to the economy as will be traditional areas in tourism and engineering and small businesses
- Irvine needs to be Regional Hub/ main centre – as Perth / Dunfermline. Need to build on strengths whilst working collaboratively with the other towns & Ayrshire Councils
- Need to promote the potential of Irvine more strongly and positively promote the strengths and unique qualities and heritage of the town to wider audiences
- Recognition of the important roles for special interest groups/community interests
- Harbourside / Beach Park areas of considerable opportunity and reflect opportunity to promote leisure /family friendly activity and sports and recreation
- Important to understand 'early wins' and target events that will evidence success





One-to-One Consultation (February / March 2014)

One-to-One consultations highlighted a diverse range of points reflected the broad mix of consultees and the questions and issues reviewed and discussed the main points raised are summarised against individuals. A range of issues were discussed and the 'four key points' taken from the discussion are summarised below:

- **Gordon Bain Chairman Irvine Inspire**
 - Building a strong sense of place / regeneration with communities
 - Raising aspirations and promoting a 'Can do attitude'. Doing more!
 - Fixing the elements that 'fail' the town' and let the town down
 - Building on heritage, events, night time economy and community connections
- **Sandra Taylor Planning Officer**
 - Building on strengths that understand the context/ history of the town
 - Promoting Irvine as an attractive place to live/work/play
 - Addressing educational weaknesses and F&H education links
 - Town connections urban weaknesses imposed by 1970's development
- **Audrey Sutton Head of Service Culture**
 - Aligning mainstream service to offer added value and support regeneration
 - Working to raise educational attainments and business/educational links
 - Locality planning supporting empowerment of communities – important
 - Council leadership in enabling/facilitating growth based on Irvine's strengths
- **Patrick Wiggins CEO Irvine Bay URC**
 - Enterprise Area and Life Sciences are very strong boost for Irvine
 - Positive value of vision – IBURC delivered a breadth of benefits
 - Future needs to build skills /educational links /connect sciences/R&D and links to Glasgow / Universities and specialist hubs within metropolitan area
 - Promote and overcome 'peripherality' issue by exploiting 'flagship' events
- **Jackie Galbraith Ayrshire College**
 - Critical role of education /skills for visionary centres and growth towns
 - Ayrshire College major realignment of skills development with market need
 - Major opportunity and critical links between school/college/UWS/ employment
 - Access to F&HE critical – major changes in delivery and lifetime learning
- **Cllr Marie Burns North Ayrshire Council (Irvine East)**
 - Strategic leadership and policy framework critical for growth
 - Economic development important to drive change and support growth
 - Better understanding & promotion of Irvine's role/relationship to Glasgow
 - Import of defining actions, roles and target/monitorable areas of success
- **Cllr Ruth Maguire North Ayrshire Council (Irvine West)**
 - External imposed solutions have adversely impacted on Irvine and some very significant re-building is necessary to recognise and address issues arising
 - Importance of listening to all voices – not just the loudest / angriest
 - Community planning has a key role in regeneration and integrating change
 - Connecting people/place/enterprise and breaking down barriers critical to success in promoting economy/communities/place quality & identity
- **Cllr Ian Clarkson North Ayrshire Council (Irvine South)**
 - Town needs to address the issues of concerns of residents /users of town
 - Importance of building on existing strengths and addressing weaknesses
 - Local events have an important role and this means engaging local groups
 - Need to avoid complacency- people have choices and if town centre / The Mall / parking or lack of sense of welcome exists people will go elsewhere



- **Andrew Lee Skills Development**
 - Access to skilled labour and workforce with opportunity to develop important
 - Stronger alignment (pipeline) schools /college and skills development critical
 - North Ayrshire has strongest links to Glasgow and science/engineering/etc
 - Positive promotion and a real step-change in educational skills attainment

- **David Mann National Maritime Museum**
 - NMS a major opportunity but limited resources and heavily based on artefacts but extending around a narrative/ social history / story telling
 - Irvine (and Ayrshire) needs stronger promotion (Tourism Leadership Group)
 - Opportunity linked to Harbourside Development / Multiple Attractions / Events
 - Needs stronger connections / harbourside image /signage and waterfront

- **Louise Condon Vineburgh Community Centre**
 - Community engagement and active leadership required to shift negativity
 - Main opportunities around community positives
 - (Beach Park / Harbourside /Heritage / Community Events / Leisure)
 - Positive attitudes and re-building relationships and trust within communities to encourage a can do approach and to 'talk-up rather than 'talk-down' Irvine
 - Marymas and similar events important in connecting communities

- **Alistair Laurenson Regeneration Manager**
 - Regeneration works best when links strategic policy & community aspirations
 - Economic development that addresses the barriers to investment critical
 - Important that we communicate the long term process that supports regeneration and match expectations with the capacity of partners to deliver
 - Town Centre / Harbourside / Beach Park clear areas of opportunity.

NORTH AYRSHIRE COUNCIL

Agenda Item 18

16 July 2014

Cabinet

Subject: **International Strategy**

Purpose: To advise Cabinet of progress in the development of an International Strategy for North Ayrshire.

Recommendation: That the Cabinet agrees to the development of the recommendations made by Ernst & Young to:

- Develop a high quality real estate capable of attracting new businesses. The recommendation is to focus on i3;
 - Develop an inward investment and export support service.
-

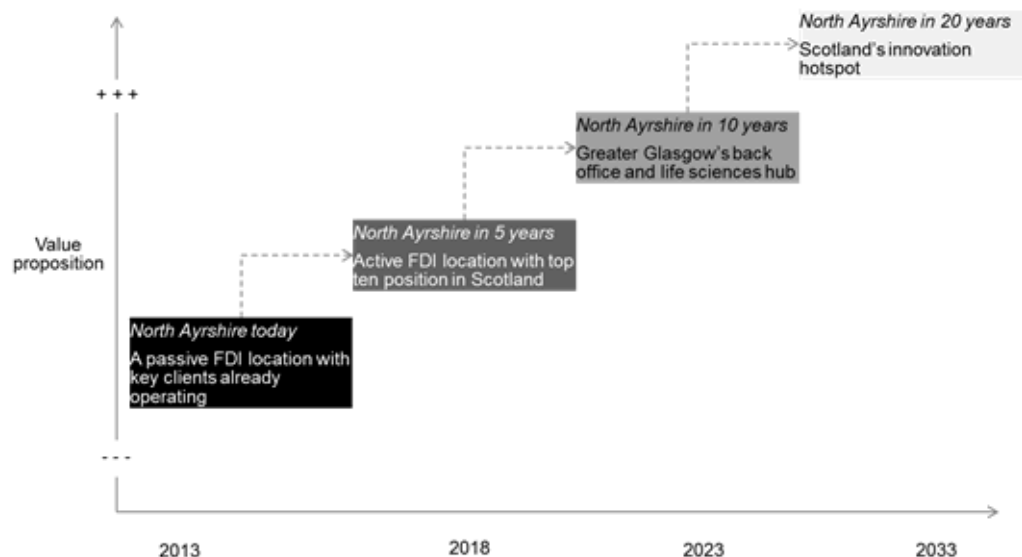
1. Introduction

- 1.1 North Ayrshire Council is committed to supporting an environment for economic growth and making North Ayrshire the place to be for business. The Economic Development and Regeneration strategy identifies increasing the number of business start ups, supporting existing businesses to grow and attracting new businesses to North Ayrshire to contribute to transforming the commercial landscape in North Ayrshire.
- 1.2 The work developing Team North Ayrshire, Account Management Approach and one stop shop web portal is primarily focused on the growth element of the strategy. This report provides an update on the work done to identify an International Strategy for North Ayrshire that covers both attracting new business to the area (Inward Investment) and export. The strategy is attached at Appendix 1. The report also identifies the significance of inward investment and highlights the potential opportunities to differentiate North Ayrshire not only as a vibrant commercial base but also in significant job creation across the value chain that could prove to be revolutionary to the local economy.

2. Current Position

Background

- 2.1 In November 2013, the new business support offering was launched which included an Account Management Approach to support existing businesses with growth potential, the development of the Team North Ayrshire concept and the establishment of a one stop shop web portal to help support business growth. As part of the on-going development of the offer, Ekosgen completed a piece of work that identified the gaps in provision of support within North Ayrshire. It was identified that access to export markets and take up of support was weak for business within North Ayrshire. The ED&R Board had already identified a need to develop an Inward Investment offering and as such Ernst & Young were commissioned to support and develop an International Strategy.
- 2.2 The proposed Strategy aims to move North Ayrshire from a passive Foreign Direct Investment (FDI) location to the top 10 in Scotland within 5 years and ultimately Scotland's Innovation Hotspot. The table below highlights the journey towards Scotland innovation Hotspot.



Current Offering: Inward Investment

- 2.3 In the last 5 Years, North Ayrshire has attracted 5 Inward Investment projects which ranks as 13th within Scotland. North Ayrshire is perceived as having a weak Inward Investment offering with little clarity and focused activity around the promotion of the “product”. This restricts North Ayrshire and our ability to compete when businesses are looking to invest.

2.4 Potential Opportunities

The Strategy proposed by Ernst & Young requires significant investment. However, projected returns will deliver a transformational effect for the area:

- Based on projected FDI projects by 2030, North Ayrshire should realise a further 12,000 direct jobs. (this does not include any knock on effect e.g. supply chain etc).
- This translates to an additional annual GVA contribution of £370m to the national economy.
- Additional exporters could rise to 80 by 2030.
- The focus on sectors and activities will also make a significant impact on the type of additional jobs with the focus realising roles that are higher up the value chain thus supporting a more robust, and resilient economy.

- 2.5 However, to realise this strategy the North Ayrshire product needs developing and Ernst & Young found a number of strengths and weaknesses within our current offer:

- Real Estate: i3 is the largest and most important real estate asset and is seen as North Ayrshire's "calling card". There are, however, concerns around the adequacy of the real estate offer to meet actual demand. There is a need to offer something beyond cheap land to appeal to investors.
- Human Resources: There is an attractive pool of available labour, competitive wages and proactive educational institutions. However, there are potential shortages in some key sectors e.g. Engineering.
- Accessibility: There is a relatively good transport infrastructure and connections to Glasgow via road and rail. However, the local and national perception of the area is that it is isolated and difficult to reach. Freight connections by rail and air underutilised.
- Visibility: Most investors are aware of the UK and Scotland in terms of offer. However, there is little awareness of North Ayrshire. There is a need to clarify sectors and activities to position North Ayrshire as a business location.
- Irvine Bay has demonstrated success with a focus on Life Sciences and Data Centres, primarily, within the Enterprise Area.

Current Offering: Export

- 2.6 77% of Account Managed businesses identified access to new markets as a main priority. However, the export market in North Ayrshire is weak with the general perception from businesses that they were either too small or too new to take advantage of export opportunities. The opportunities to develop a more robust business through increasing sales, profits, reducing risk, extending product lifecycle and improving efficiency can all be found through exporting. However, most businesses need support on entering markets and developing export links.
- 2.7 The support offering for exporting needs to be further developed and links to SDI, UKTI also need to be enhanced. A one stop shop building on the services of SDI and UKTI needs to be developed to help stimulate export activity within North Ayrshire.







Recommendations

- 2.8 In developing an International Strategy, Ernst & Young has given a number of actions and recommendations that can be broadly captured under the following:
- Develop the product
 - Develop an Inward Investment Service
 - Develop an Export Support Service

Developing the Product:

- Initial work is required to identify current assets real estate within North Ayrshire.
- i3 is identified as the strategic location to support target activities for inward investment. However, additional development is required to develop the physical, asset quality. I3 has been identified as North Ayrshire's "calling card" and has the best opportunity to develop and meet the needs of current and future demand. Development should look to enable clustering effects and lead to a business park and innovation cluster.
- The challenges to realise the ambitions within i3 are significant and will demand investment. Further work is required to investigate options including development partners, public/private sector partnerships.
- Hunterston: Identified as a regional asset in private ownership. There are currently no plans from owners to develop or invest that would capture significant inward investment opportunities. The Council should, however, still engage with owners to help develop specific aspects including a potential renewable innovation hub.

- Ardeer: The area benefits from special development order status which has world leading research and development capability. Further investigation on the supply chain is required.
- Sector/ Activities: The strategy identifies a more focused and targeted approach to inward investment looking at both supply and demand opportunities within North Ayrshire. Ernst & Young has looked at sectors and activities that will not only bring additional commercial benefit but also bring a mix of jobs across the value chain.
- Irvine Bay Regeneration Company has a focus on Life Sciences and Data Centres. However, Ernst & Young has identified strategic opportunities through sectors and activities that are more varied yet still allow for a focused and targeted approach. The table below identifies the key sectors / activities where North Ayrshire has opportunity and the top 3 source countries.

		Sectors					
		Life sciences	AEM	Business services	Finance	Logistics	Software
Activities	Call centres			●	●		●
	Manufacturing	●	●			●	
	Logistics	●	●			●	
	SSC			●	●		●
	R&D	●	●	●	●	●	●
Top 3 source countries							
		● 1st priority for investment	● 2nd priority for investment	● 3rd priority for investment			

Inward Investment Service / Export Service

- 2.9 In order to define the offer, become recognised and create a support for export, a dedicated team is recommended. This will create a proactive one stop shop for FDI and Export enquiries and build on the success of the Account Managed Approach launched in November 2013.

3. Proposals

- 3.1 That the Cabinet agrees to the development of the recommendations made by Ernst & Young to:
- Develop an inward investment product with particular strategic focus on i3;
 - Develop an inward investment and export support service.

4. Implications

Financial Implications

- 4.1 There will be financial implications to realise the team required as part of the recommendations. This will be met by initially refocusing some of the existing economic development budget. Expansion of the service to meet the aspirations set out in the strategy would require further resource which could be met as plans for IBRC are crystallised. The development of the product and enhancement of i3 may have financial implications. However, this needs to be subject to further investigation to ascertain funds, requirements and explore external funding models.

Human Resource Implications

- 4.2 The implementation of a new dedicated resource will increase staffing within Economic Development.

Legal Implications

- 4.3 None.

Equality Implications

- 4.4 None

Environmental and Sustainability Implications

- 4.5 None

Implications for Key Priorities

- 4.6 The Strategy will advance key priorities contained within the Economic Development and Regeneration strategy.

Community Benefit Implications

- 4.7 The increase in jobs and creation of a more diversified local economy will add value to local communities.

5. Consultations

- 5.1 Ernst & Young consulted with a number of businesses / bodies including:

- Local Businesses; foreign owned, potential and current exporters.
- Foreign Investors;
- Public Sector; NAC, SE, SDI, UKTI, SDS, BG
- Local Members and MPs

6. Conclusion

- 6.1 The strategy provided by Ernst & Young highlights the need to bring clarity and focus to an inward investment offering and to increase support for businesses to access foreign markets. There is a significant investment in resource required to deliver the ambitions but there is potential opportunity to realise significant economic benefits with a targeted approach.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : KY/MS

For further information please contact Matt Strachan, Senior Manager
(Business Development) on 01294 225165

Background Papers

None

North Ayrshire Council

Developing an international strategy:
planning for growth

16 June 2014



EY

Building a better
working world



Private and confidential

16 June 2014

Matthew Strachan
Senior Manager Business Development
North Ayrshire Council
Perceton House
Irvine
KA11 2DE

Dear Matt,

North Ayrshire Council: International strategy

In accordance with our engagement letter dated 12 February 2014, we have prepared our report in relation to the development of an international strategy for North Ayrshire Council.

Purpose of our report and restrictions on its use

This report was prepared on your instructions solely for the purpose of initiating an international strategy for North Ayrshire and should not be relied upon for any other purpose. Because others may seek to use it for different purposes, this report should not be quoted, referred to or shown to any other parties unless so required by court order or a regulatory authority, without our prior consent in writing. In carrying out our work and preparing our report, we have worked solely on the instructions of North Ayrshire Council and for North Ayrshire Council's purposes.

Our report may not have considered issues relevant to any third-parties. Any use such third-parties may choose to make of our report is entirely at their own risk and we shall have no responsibility whatsoever in relation to any such use. This report should not be provided to any third-parties without our prior approval and without them recognising in writing that we assume no responsibility or liability whatsoever to them in respect of the contents of our deliverables.

Scope of our work

Our work in connection with this assignment is of a different nature to that of an audit. Our report to you is based on inquiries of, and discussions with, management. We have not sought to verify the accuracy of the data or the information and explanations provided by management.

If you would like to clarify any aspect of this review or discuss other related matters then please do not hesitate to contact us.

Yours sincerely



Neil Thomson
Executive Director



Executive summary

Cities and regions continue to face the impact of globalisation and demographic shifts. Globalisation has meant that areas all over the world are more interconnected than ever before, as capital and people move freely between them. The global financial crisis has accelerated the shift in economic power from West to East and North to South.

Consequently, every region must be clear about its value proposition in order to attract people and investment – it is talented people and capital that drive innovation: competition for both has never been so fierce. Both are more mobile than ever: they will migrate to those places that have the offer most aligned to meet their needs – in terms of brand, strategy, investment, infrastructure, services and culture. Therefore regions and cities must:

- ▶ Promote an entrepreneurial ecosystem that supports the commercialisation of innovation and attracts foreign investors.
- ▶ Provide a sustainable, inclusive and vibrant community for citizens to live, work and enjoy life.
- ▶ Foster economic growth by providing the right conditions for business.

Europe and the UK remains the largest regional destination for Foreign Direct Investment (FDI) and the UK continues to attract the majority of projects within Europe. However this share is reducing and in an increasingly complex global economy, Government and local government agencies need to work together with business to continue to attract foreign investment.

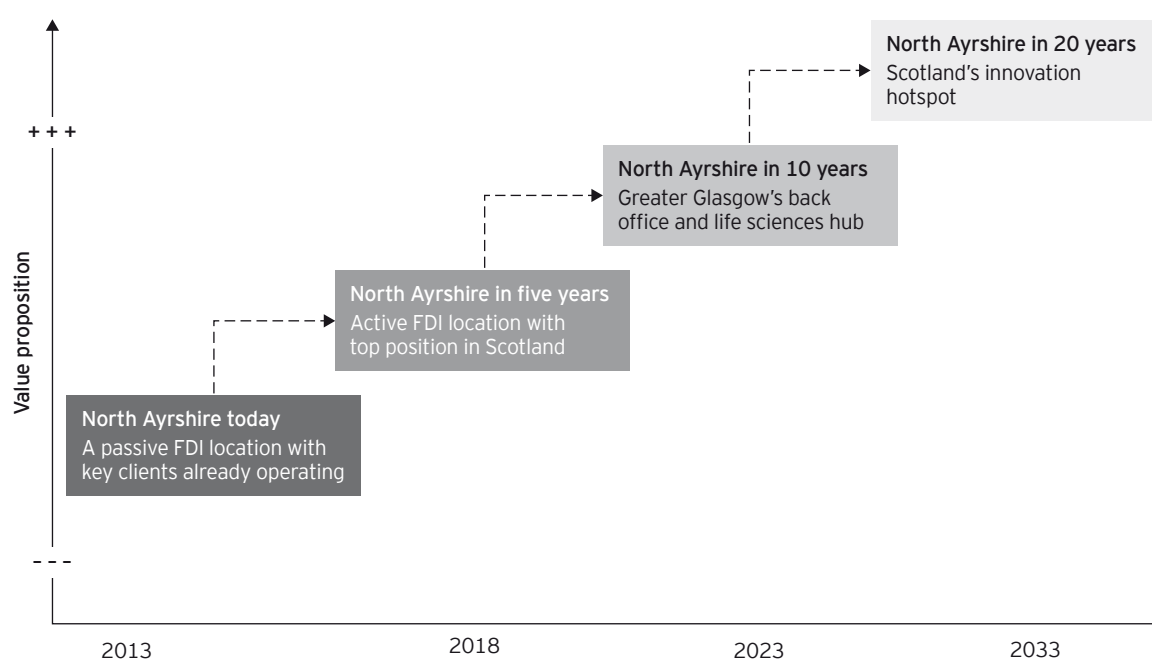
Scotland has been increasingly successful in attracting domestic and international investment, in particular attracting projects with higher levels of job creation in comparison to other areas of the UK. It makes good business sense to explore where North Ayrshire sits in relation to similar European regions. Understanding how North Ayrshire currently performs will provide a platform to develop an international strategy for the region.

An international vision for North Ayrshire

North Ayrshire attracted only five FDI projects over the past five years. By implementing a dedicated inward investment strategy and diversifying target sectors and activities, North Ayrshire's ambition could attract up to an estimated 100 new projects by 2030. These have the potential to create between

6,000 and 12,000 new jobs. This would see North Ayrshire move from a passive FDI location to an innovation hotspot as illustrated in the diagram below:

Figure 1: North Ayrshire – a vision for growth

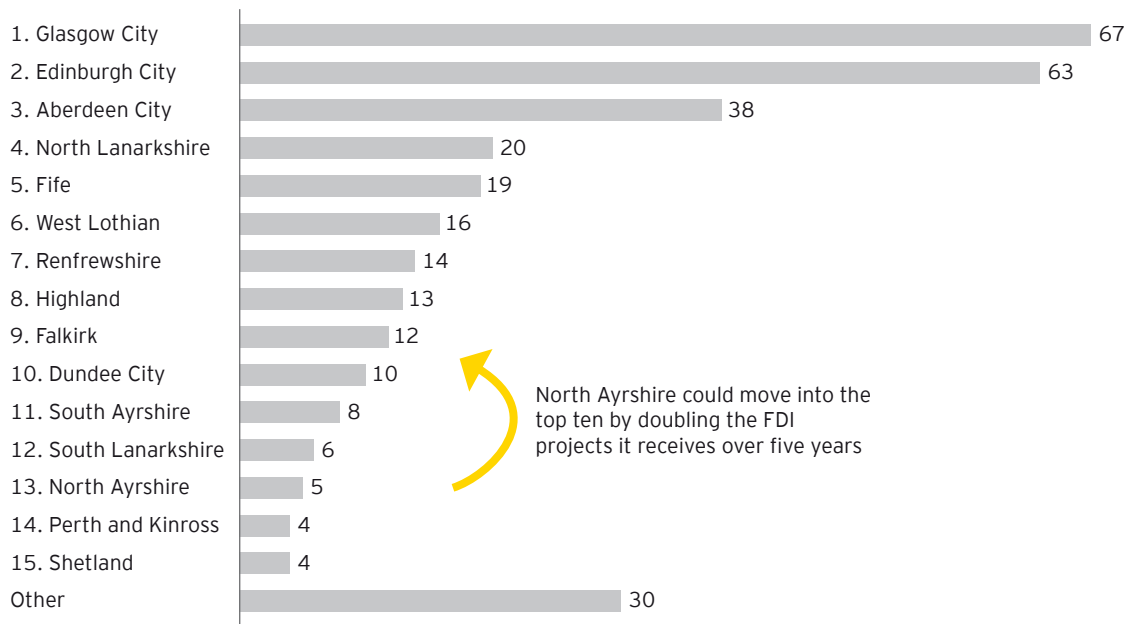


Becoming a recognised area for FDI within Scotland

In the five years to 2013, North Ayrshire attracted five inward investment projects, behind two regions with similar populations: Renfrewshire and Falkirk. By doubling the FDI projects in ten years, North Ayrshire could move from its current position of 13th into the top ten areas in Scotland and become a major regional innovation hub within Scotland and the UK.

North Ayrshire will be able to achieve this vision by leveraging the regional, Scottish and UK specific advantages and implementing a pro-active inward investment strategy with a focus on activities and sectors with a high growth potential.

Figure 2: Top council areas in Scotland for FDI



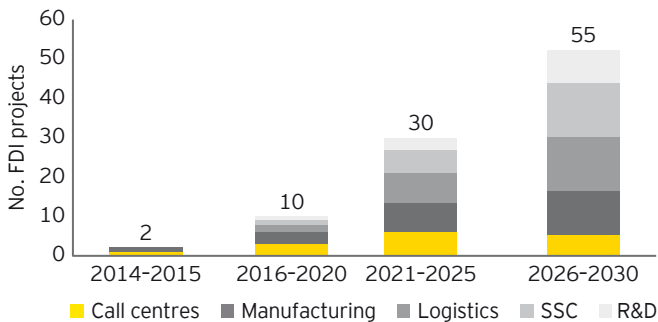
The prize for North Ayrshire

Developing an international strategy takes time and resources. However as the analysis in this report shows, the potential results are well worth the investment.

Increasing investment, creating jobs, moving up the value chain

By building on local strengths and targeting future growth sectors, North Ayrshire has the potential to increase the number of investments, attract jobs and over time move up the value chain, attracting higher value projects and employment. The projection is illustrated in the diagram below:

Figure 3: Projection of potential number of FDI projects by activities attracted by North Ayrshire



Source: EY analysis from EIM 2014

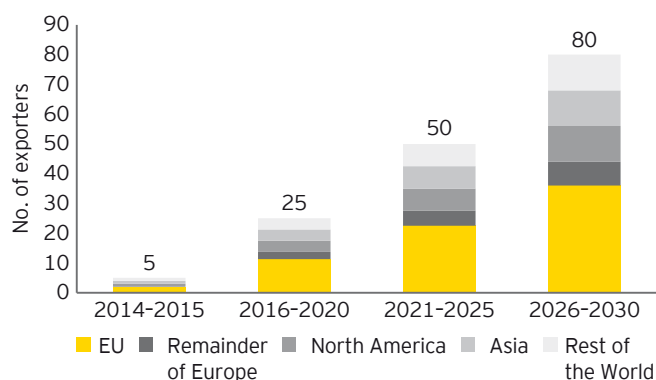
The growth in the number of FDI projects and jobs created will not be linear. It will increase gradually as North Ayrshire develops a suitable local offer for each type of activity and confirms its positioning on foreign investors' radars.

This has the potential to create up to 12,000 new jobs and add up to £370mn in GVA to the Scottish economy every year. In addition there will be shorter term benefits from construction spend on individual projects.

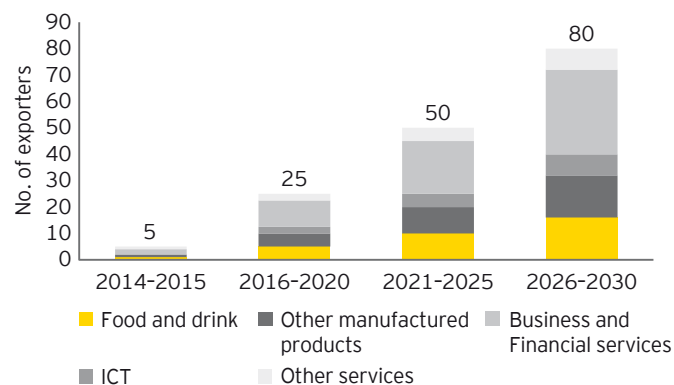
Increasing export activity, expanding beyond the domestic market

North Ayrshire businesses are missing out on exporting potential. By building on local strengths and targeting international markets, businesses have the potential to begin to export. The graphs below demonstrate the potential for exporting.

This analysis is based on the expected growth of exports within the UK and Scotland, mapping current trends. It shows North Ayrshire increasing the number of investments and moving up the value chain.

Figure 4: Projection of potential number of exporters by market

Source: EY analysis

Figure 5: Projection of potential number of exporters by sector

Areas for focus

FDI investment: a targeted approach but remain open to other opportunities

The matrix below sets out the target sectors and activities where North Ayrshire is currently strong and has the potential to grow. The matrix also sets out the geographical focus for each area.

Figure 6: North Ayrshire's international targets: priority sectors, activities and geographies

		Sectors					
		Life sciences	AEM	Business services	Finance	Logistics	Software
Activities	Call centres			●	●		●
	Manufacturing	●	●			●	
	Logistics	●	●			●	
	SSC			●	●		●
	R&D	●	●	●	●	●	●
Top three source countries							

● First priority for investment ● Second priority for investment ● Third priority for investment

Source: EY analysis

The rationale for each sector is set out in Table 1.

Table 1: Key target sectors for North Ayrshire

Target sectors	EY comments
Life sciences	<ul style="list-style-type: none"> ▶ Key accounts already operating in NA ▶ Innovation-intensive sector ▶ One of the most active FDI sectors in Europe
Software	<ul style="list-style-type: none"> ▶ N° 1 FDI project provider in Europe ▶ Second most attractive sector in Europe
Business services	<ul style="list-style-type: none"> ▶ Second most attractive sector in Europe ▶ Strong competitive advantage of the UK ▶ Presence of call centres to capitalise on in NA
Finance	<ul style="list-style-type: none"> ▶ Strong competitive advantage of the UK ▶ Innovation-intensive sector
Logistics	<ul style="list-style-type: none"> ▶ One of the most active sector in Europe (200 FDI projects in 2013) ▶ Potential to develop Prestwick Airport (or the Hunterston seaport) as an access hub
Advanced engineering manufacturing	<ul style="list-style-type: none"> ▶ Still the largest job provider of all business functions in Europe ▶ 89% of foreign investors still intend to manufacture in Europe ten years from now ▶ Labour pool with skills in engineering manufacturing skills present in NA

With its present offer, North Ayrshire can already attract more manufacturing operations and call centres. The bulk of growth should, however, come from new or underdeveloped types of activities:

Logistics: by leveraging on North Ayrshire's proximity to Glasgow, good connections to the hinterland, as well as developing the true potential of Prestwick Airport, North Ayrshire can attract a number of logistics operations.

Shared services centres and Data centres (SSC): shared services centres represent a shift from contact centres (call centres) to a higher value added type of services, including IT function, Finance & Accounting functions, HR and procurement. Leveraging on the quality of North Ayrshire's education offer, higher employment demand and lower employment saturation (compared to SSC hotspots such as Glasgow or Edinburgh) represent key assets to develop these types of operation.

Research and development (R&D): R&D operations are a significant driver of both economic growth as well as industrial activities. Attracting them means leveraging closer cooperation with industry and higher education institutions. This means engaging more closely with a wider perimeter than just the local authority. North Ayrshire already has a strong presence of companies from the highly innovative pharmaceutical industry. Adjusting its offer through strategic initiatives e.g., the creation of an innovation park and targeted marketing can enable North Ayrshire to become a mid-sized hotspot for innovation in the Scottish and UK context.

However, it is important to keep a flexible approach. While these are the sectors and activities of focus for North Ayrshire; around half of investments can come from other sectors or activities. North Ayrshire should maintain a focus on these sectors but be alert to other opportunities.

Export activity: expanding the market for local businesses

The level of exporting from North Ayrshire businesses is currently low. From discussions with local businesses there is a general perception that their business was too small or too new to export. It was not on the horizon of most of the businesses we spoke with. North Ayrshire could be missing out on the benefits that exporting can bring:

- ▶ **Increasing sales:** expanding the market beyond the local, regional and national.
- ▶ **Increasing profits:** export orders are often larger than from domestic buyers, for example importers ordering by container instead of pallet. Innovative products can command greater profit margins abroad than from the local market.
- ▶ **Reducing risk and balancing growth:** it can be risky relying on a domestic market alone. Exporting offers a diversity of markets that can help reduce the risk of companies exposed to the functions of local business cycles.
- ▶ **Minimising the effect of seasonal fluctuations in sales:** seasonal products can be sold to a wider market.

- ▶ **Extending product life-cycle:** new products are novel and sales can increase quite dramatically on market entry, slowing down as the product matures and then moving into a decline phase. Finding a new market where the product can be sold anew can extend the life cycle of a product.
- ▶ **Improving efficiency and quality:** the global market is highly competitive and businesses must become equally efficient and quality conscious. In general, successful exporters are also very successful in their home markets because of their focus on efficiency and quality.

However exporting can be daunting and most businesses need support at least in the early stages.

There is currently a lack of information on the baseline export position for North Ayrshire and this makes it difficult to set tangible future actions for the internationalisation of the area. The export position of the local area tends to be anecdotal. By systematically capturing export data as part of investor support meetings, NAC can begin to build a database against which to measure future exports.

To begin to build the export market NAC should:

- ▶ Develop their export support offering, linking with Scottish Development International (SDI) and UK Trade & Investment (UKTI). This could involve the creation of a panel of experts with international experience who can offer advice on complex, specialist areas. In the longer term this may be developed into an SSC based in North Ayrshire that could offer services to the wider Scottish export market.
- ▶ When the service is developed, NAC should engage with potential businesses through their key account meetings, by placing an emphasis on availability of export support.

Actions for growth

The analysis in this report has shown that there is substantial growth that can come from investing in an international strategy. There are a number of actions that will be required to ensure North Ayrshire is ready to attract and retain this growth.

Key principles

The actions are set in the context of five key principles:

Results first, spending second: there is a lot to be done with the means you already have, before engaging in large spending. Invest is what is required now and monitor and review based on results.

- ▶ **Investors are people:** they need trust, speed, effectiveness and dedicated contact.
- ▶ **Be pragmatic and solution oriented:** when approaching investors, be proactive and reactive. Have information ready to answer promptly precise and detailed questions that go beyond generally available data.
- ▶ **Don't spend money on general advertising:** focus as much as you can on direct contact with your existing and prospective clients.
- ▶ **Use and rely on the existing networks to the maximum:** there is no need for you to set up a representative office abroad. Use the maximum of services offered by SDI, UKTI and others.

The actions are set around four areas:

- ▶ Building networks
- ▶ Building the product
- ▶ Targeted promotion
- ▶ A delivery team.

Building networks: defining your offering and becoming recognised

It is vital that NAC build and maintain key relationships with SDI, SE and UKTI. SE, SDI and UKTI are the gatekeepers to inward investment in Scotland and the UK and maintaining these relationships will alert NAC to opportunities. Importantly it will also give SDI a clear view of what NAC is able to offer.

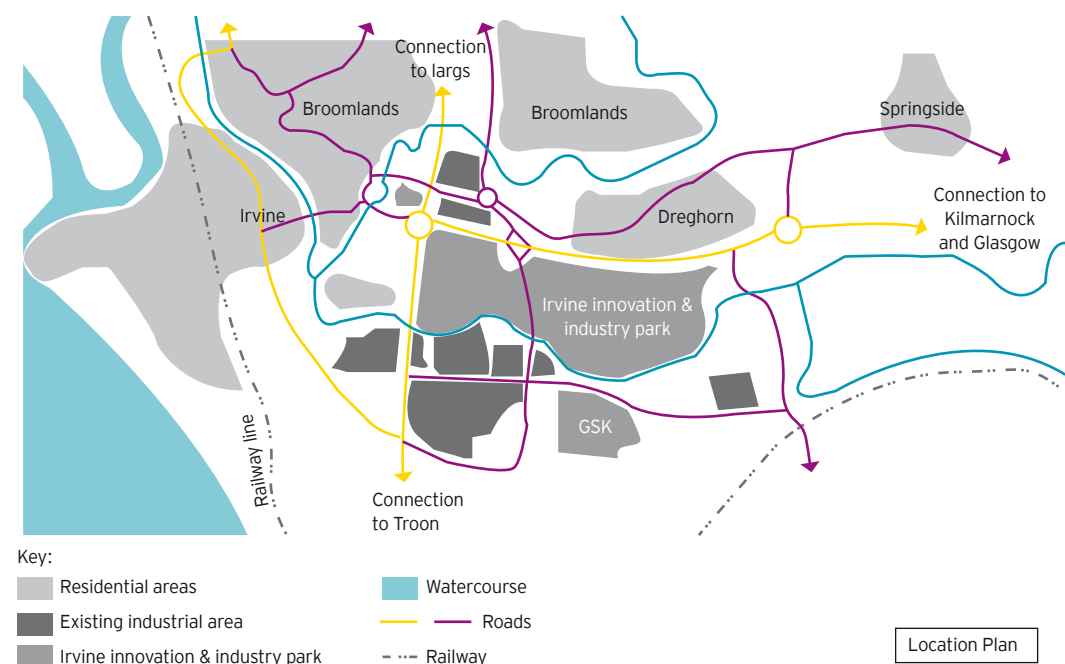
- ▶ Seek a point of contact within SDI as an informal relationship manager and provide that contact with information on current opportunities and activities in North Ayrshire. This will give you the opportunity to identify projects where North Ayrshire could have an interest.
- ▶ Build relationships with other SDI teams, particularly focused on target sectors. Building the relationship will demonstrate that NAC is a team with a clear focus and can be trusted. This could entail secondment opportunities. This will work well both in building the skills base within NAC and in developing the relationship at SDI.
- ▶ Ensure all information that SDI or UKTI will require is up to date and easily accessible.
- ▶ Outside of the relationship with SDI, there will be contacts who have a variety of overseas relationships. Any exporting business, or business travelling internationally from North Ayrshire should be conversant with the local offer and act as an ambassador for the area.

Building the product: i3 is North Ayrshire's calling card but investment is required

The i3 enterprise area is the priority strategic location to support the target activities. Irvine Bay Regeneration Company (IBRC) has been successfully promoting i3 and with the conversion of several second hand buildings has gone some way to meeting demand, however this is nearing capacity.

More conversions or additional building are required to build up a larger stock of adequate space. The area is identified below:

Figure 7: i3 Business Park Irvine's Enterprise Area



Source: i3 Business Plan

Any future development should be within a focussed area to enable clustering effects. This will create a more focussed innovation park and business park.

The funding environment has made speculative investment in i3 difficult. To overcome this barrier the responsibility falls to North Ayrshire to invest in i3. This may require a change of priority in the Council's capital programme.

Other strategic locations in Hunterston and Ardeer

Hunterston is a regional asset in private ownership. It is understood that Clydeport has no plans to invest in the near future and therefore any investment is likely to require substantial public sector investment. There is potential for a renewables innovation hub with SSE and the CEERE, building on the current work on the wind turbine testing centre. NAC should continue to engage with Clydeport and SSE in respect of that opportunity.

NAC should also continue to engage with NDA and EDF on nuclear developments. In the longer term this is a potential development opportunity for Hunterston. The current operating power station at Hunterston B was recently extended to 2023 however it is unlikely that it will be technically feasible for a further extension.

The Ardeer peninsula is unique within Scotland. Chemring Energetics (CEUK) supply the defence sector and has a world leading research and development centre on the site. The area has a special development order that is unique to Scotland. The activity is high value and there is the potential to attract supply chain activities to the area. NAC should engage with CEUK and further investigate opportunities to expand the supply chain.

Targeted promotion: a key account management approach supported by a clear promotions strategy

To market North Ayrshire as a place to invest internationally will require a targeted, key management approach supported by a clear strategy.

- ▶ Satisfied clients and key opinion leaders are the best sales people for your product. Identifying such 'ambassadors' that can champion North Ayrshire during events and client meetings is essential. This includes business leaders, scientists, artists and other well-known personalities.
- ▶ Being able to provide investors with a promotional brochure summarising key up-to-date information and assets of North Ayrshire's offer is as essential as giving a business card. Several brochures can exist: general, specific to a sector/activity, but also to types of investors (different languages, addressing different sizes of companies). Professional presentation, graphics and context is a must, customisation is an asset.
- ▶ Online marketing is among the less costly but most efficient means of marketing that can easily be done internally. The team should appoint a social media expert and establish a clear communication strategy.
- ▶ Create a regular (annual or bi-annual) event that can increase the visibility of North Ayrshire and attract the presence of visitors including national and international business leaders. This could be for example a regular conference or innovation contest that combines a sector or activity expertise of North Ayrshire.

- ▶ Create a launch event to promote North Ayrshire as open for business. This could be done in conjunction with other initiatives such as the Irvine Vision initiative.

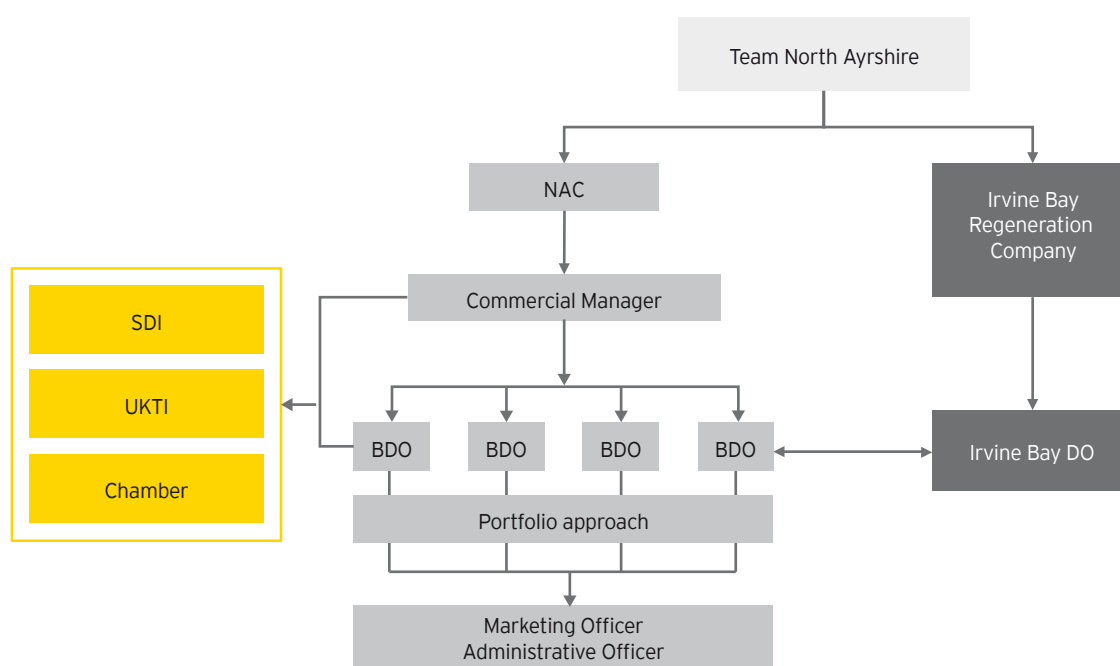
A dedicated team: planning for growth

To deliver the action plan, in the longer term, a dedicated inward investment team will be required. However in the initial stages the action plan is structured to be delivered from current resources within NAC.

The Council is best placed to undertake the overall lead for delivery of this programme but will need additional resource to manage the programme it develops. A twelve month implementation phase will be required to set the ground work for development. This is likely to require an experienced Commercial Manager, supported by two experienced Business Development Managers. The team should also draw on the skills and experience of Irvine Bay.

In the longer term, as the results of the programme become clear, it is likely that a larger team will be required. A potential structure is set out below.

Figure 8: Potential team structure



An international plan for growth

There is much work to do achieve North Ayrshire's ambitions however the results will be worth the investment.

The strategy sets out the evidence for the potential growth and presents the action plan that will enable North Ayrshire to achieve its vision: attracting inward investment, supporting local businesses to export and ultimately improving the economy and living standards for the people of North Ayrshire.

Next steps towards implementation

Any strategy will only be successful if it is implemented. A detailed action plan sets out the steps needed to implement the international strategy over the short, medium and longer term.

In the short term, a focused 12 month implementation programme will be required to assemble the international delivery team, develop networks, develop the product and develop the focused key management approach. A workshop will be held with NAC to set out the 12 month programme, working towards the launch of the strategy during 2015.



Abbreviations

ARAW

Invest in Wroclaw Agency

BCC

British Chambers of Commerce

BDO

Business Development Officers

CAS

Competitive Advantage Study

CCS

Carbon capture and storage

CEERE

Centre of Engineering Excellence for Renewable Energy

CEUK

Chemring Energetics UK

EA

Enterprise Area

EIM

European Investment Monitor

FDI

Foreign Direct Investment

GCS

The Global Connections Survey

GMIT

Galway Mayo Institute of Technology

GSK

Glaxo SmithKline

GVA

Gross Value Add

HMRC

HM Revenue and Customs

IBRC

Irvine Bay Regeneration Company

IDBR

Inter Departmental Business Register

ILO

International Labour Organisation

IME

Index of Manufactured Exports

IT

Information Technology

ITO

International Trade Outlook

KPO

Knowledge Processes Outsourcing

LQs

Location Quotients

MOD

Ministry of Defence

NAC

North Ayrshire Council

NCBES

National Centre for Biomedical Engineering Science

NDA

Nuclear Decommissioning Authority

NRIF

National Renewables Infrastructure Fund

NUIG

National University of Ireland Galway

OMIS

Overseas Market Introductory Service

OTS

Overseas Trade Statistics

R&D

Research and Development

REIF

Renewable Energy Investment Fund

RTS

Regional Trade Statistics

SDI

Scottish Development International

SE

Scottish Enterprise

SG

Scottish Government

SIMD

Scottish Index of Multiple Deprivation

SITC

Standard International Trade Classification

SSC

Shared Service Centres

SSE

Scottish & Southern Energy

TCI

Trade Confidence Index

ToA

Taste of Arran

UKTI

UK Trade & Investment

UWS

University of West of Scotland

A photograph of a car driving on a winding road towards a bright sunset. The sun is low on the horizon, creating a strong orange and yellow glow that fills the sky and reflects on the road surface. The car is a small dark silhouette in the distance, moving away from the viewer. The road curves to the right, and there are trees and foliage on the left side.

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Introduction

Cities and regions continue to face the impact of globalisation and demographic shifts. Globalisation has meant that areas all over the world are more interconnected than ever before, as capital and people move freely between them. The global financial crisis has accelerated the shift in economic power from West to East and North to South.

Consequently, every region must be clear about its value proposition in order to attract people and investment – it is talented people and capital that drive innovation: competition for both has never been so fierce. Both are more mobile than ever: they will migrate to those places that have the offer most aligned to meet their needs – in terms of brand, strategy, investment, infrastructure, services and culture. Therefore regions and cities must:

- ▶ Promote an entrepreneurial ecosystem that supports the commercialisation of innovation and attracts foreign investors
- ▶ Provide a sustainable, inclusive and vibrant community for citizens to live, work and enjoy life
- ▶ Foster economic growth by providing the right conditions for business.

Europe and the UK remains the largest regional destination for FDI and the UK continues to attract the majority of projects within Europe. However this share is reducing and in an increasingly complex global economy, Government and local government agencies need to work together with business to continue to attract foreign investment.

Scotland has been increasingly successful in attracting domestic and international investment, in particular attracting projects with higher levels of job creation in comparison to other areas of the UK. It makes good business sense to explore where North Ayrshire sits in relation to similar European regions. Understanding how North Ayrshire currently performs will provide a platform to develop an international strategy for the region.

1.1 North Ayrshire

North Ayrshire lies on the West Coast of Scotland next to the Firth of Clyde and is approximately 20 miles south west of Glasgow. The local authority area borders Inverclyde, Renfrewshire, East Renfrewshire, East Ayrshire and South Ayrshire Councils.

The total area of North Ayrshire is 885 km² which makes it the 17th largest local authority areas in Scotland. Including its islands, it has a coastline of 225km.

The main settlements are Irvine, Kilwinning, Ardrossan, Saltcoats, Stevenston, Beith, Dalry, Kilbirnie, Largs, Dreghorn, Springside, West Kilbride, Seamill, Fairlie, Skelmorlie, Brodick and Millport. Other towns include Kilwinning, Irvine (headquarters of NAC) and Dalry. The area also includes the islands of Arran and Cumbrae.

At the last census,¹ the population of North Ayrshire was 138,146 which made up 62,498 households.

The Scottish Government (SG) published the latest version of the Scottish Index of Multiple Deprivation (SIMD) in late 2012.

Of the 179 data zones in North Ayrshire, 46 are in the 15% most deprived in Scotland, an increase of 3 since the index was last published in 2009.

On the wider measure of unemployment used by the International Labour Organisation (ILO) North Ayrshire's unemployment rate for those aged 16 to 64 years is 13.6% compared to 8.1% for Scotland.²

1.2 Purpose of the study

The purpose of this study is to develop an international strategy for North Ayrshire. The strategy will encourage inward investment to the region as well as supporting local businesses with exporting. This report provides the evidence base and the action plan to support the strategy. The report will:

- ▶ Provide an assessment of the current inward investment proposition
- ▶ Identify the key activities and sectors for the area

Figure 9: North Ayrshire



1 <http://www.north-ayrshire.gov.uk/council/key-facts-and-figures.aspx>

2 Office for National Statistics Annual Population Survey Jan 2012-Dec 2012

- ▶ Discuss the key locations that will support inward investment
- ▶ Explore the current export activity and identify the barriers to export
- ▶ Identify how North Ayrshire can best work in partnership with SDI
- ▶ Identify the delivery vehicle to take the strategy forward.

The strategy sets out an action plan for the Council to implement the strategy and move North Ayrshire from a passive FDI location to a being identified as the place to invest in Scotland.

1.3 Study objectives

The objectives for the study were agreed at the beginning of the project. They are set out in the table below.

Table 2: North Ayrshire Council international strategy objectives

Study objectives
Identify and confirm the key target sectors for an Inward Investment strategy (by industry and geography).
Assess key locations within North Ayrshire to determine those offering a genuinely competitive proposition within the Scottish, UK and international markets.
To understand how ‘international’ North Ayrshire is and identify obstacles to the attraction of Inward Investment to North Ayrshire and recommend how these can be overcome.
To review Inward Investment support services currently operating in North Ayrshire.
To identify gaps in North Ayrshire’s current Inward Investment proposition and recommend improvements.
Assess current export activity within North Ayrshire identifying potential areas for growth by sector and market.
Identify barriers for North Ayrshire businesses looking to export and comment on potential solutions.
To identify best practice from across the UK in the establishment and provision of an International strategy.
To identify areas where Public Sector influence has helped drive and support those looking to export and comment on effectiveness and potential for North Ayrshire.
To identify how North Ayrshire can best work alongside and in partnership with SDI.
To review the marketing and promotion of North Ayrshire’s assets within the context of attracting investor interest from the rest of Scotland, UK and internationally.
To produce a comprehensive International strategy for North Ayrshire with key recommendations on delivery mechanism.

1.4 Methodology

The methodology for the strategy covered two key areas:

- ▶ Information gathering and analysis
- ▶ Developing and reporting of the strategy

1.4.1 Information gathering and analysis

The information was gathered from a range of sources including desktop analysis and interviews with stakeholders.

- ▶ The desk top analysis included a range of documents provided by the Council. A full list is included within Appendix A.
- ▶ The FDI demand analysis was informed from the European Investment Monitor (EIM). This is the most comprehensive source of cross-border investment projects and trends throughout Europe; it is the benchmark for identifying trends, significant movements in jobs and industries, business and investment. From the EIM we were able to review the sectors that are investing in the UK, Scotland and Ayrshire.
- ▶ In addition, our work on the European, UK and Scottish Attractiveness Surveys has enabled us to identify the activities and sectors that current business leaders see as the areas to invest in the future.
- ▶ The export analysis is informed by HM Revenue and Customs (HMRC) Regional Trade Statistics, the Index of Manufactured Exports (IME), The Global Connections Survey (GCS) and, the British Chamber of Commerce (BCC) International Trade Outlook and Trade Confidence Index (TCI).

The analysis was further informed by a number of interviews with local economic development agencies, foreign investors, local businesses, North Ayrshire Council, Ayrshire Chamber of Commerce, Irvine Bay, HR specialists, universities and other relevant stakeholders. A full list of the companies interviewed is included within Appendix B.

We would like to take this opportunity to thank all of the individuals and organisations who have contributed to the analysis and development of the strategy, including the interviewees, Council employees and project team members.

Structure of the report

The structure of the report is set out below.

Table 3: Report structure

Objectives and methodology	Section 2	Sets out the objectives and methodology of the study and the methodology
The evidence base	Section 3	Set out the Foreign Direct Investment (FDI) analysis for the European market
	Section 4	Analyses the FDI market in the UK and Scotland
	Section 5	Presents an understanding of how international North Ayrshire is
	Section 6	Presents the export analysis. It sets out current activity and identifies barriers to exporting with potential solutions to overcoming these barriers
	Section 7	Sets out case studies of comparable regions to identify areas of best practice for North Ayrshire
	Section 8	Describes the strategic locations within North Ayrshire. It identifies the opportunities within the locations in the short, medium and long term
	Section 9	Working in partnership with Scottish Development International (SDI). As one of the gatekeepers to Scottish FDI, it is vital that North Ayrshire works in partnership with SDI. This section sets out the current relationship with the organisation and suggests how North Ayrshire can best work with SDI
The results and action plan	Section 10	Analyses the result and sets out what this means for North Ayrshire. This is where North Ayrshire should begin to identify its offering, looking to the short, medium and longer term
	Section 11	Sets out how the inward investment function will be delivered
	Section 12	Summaries the strategy and brings it together within an action plan. It identifies the steps needed within the short, medium and long term to improve North Ayrshire's position in attracting inward investment, supporting local businesses to export and ultimately improving the economy and living standards for the people of North Ayrshire

The next few sections start to build the evidence base for the international strategy for North Ayrshire. It provides an overview of the FDI market in Europe, the UK and Scotland.



The FDI market: Europe

This section sets out our analysis of FDI in Europe. The analysis is drawn from our European Investment Monitor and the views of over 500 business leaders who are interviewed as part of the European attractiveness survey for 2014. This sets the scene for the analysis that follows in the next two sections providing a more detailed analysis at the UK, Scottish and North Ayrshire levels.

2.1 FDI in Europe

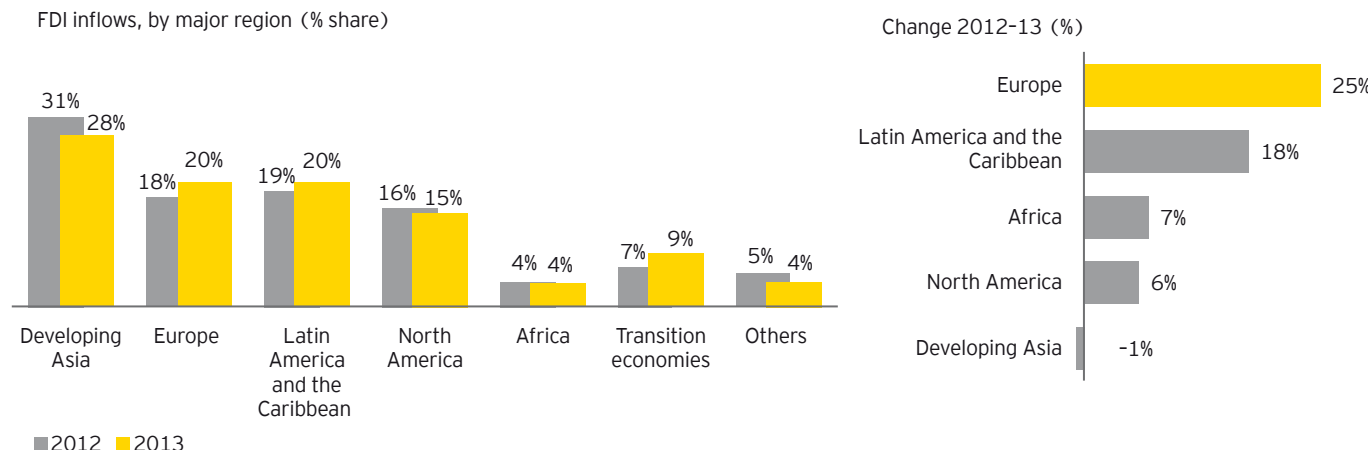
Europe ranks second for global FDI inflows

At the European level, all signs point to an increasingly positive FDI environment. According to recent UNCTAD data, Europe ranked second for FDI inflows and recorded the largest growth of any global region, growing by 25% year-on-year to reach a 20% market share. Within the UK, the growth in FDI was even more remarkable, reaching 38% in 2013.

Figure 10: International FDI inflows 2012-2013

Europe pulled 20% of global FDI inflows in 2013; registered the fastest growth over 2012

FDI inflows, by major region (% share)



Source: UNCTAD

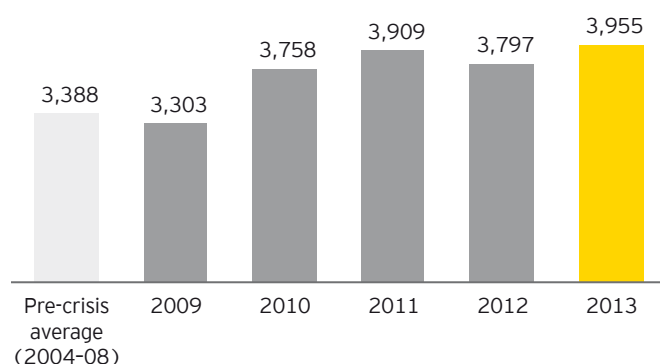
The number of greenfield and expansion FDI projects is increasing, although they are smaller in size

These increases were also reflected in the FDI project numbers for 2013. Europe registered 3,955 inward investment decisions in 2013, a record high for the continent and a 5% increase over 2012.

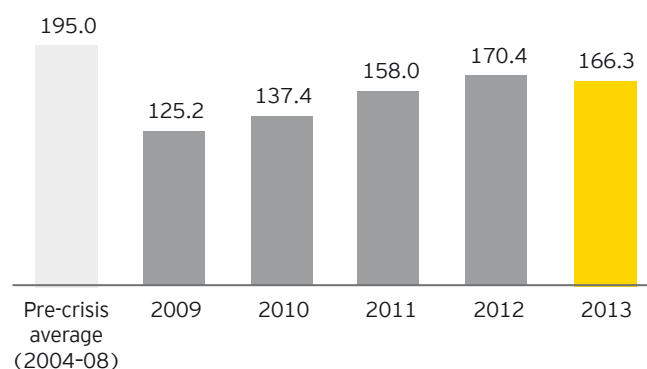
Despite growth in project numbers, job creation from FDI is still slowly recovering from the economic crisis. Job creation from FDI was only 195,000 in 2013, down 2% from 2012, and 15% below pre-crisis levels. On average, an FDI project created 42 jobs in 2013, compared to 60 jobs per project between 2004 and 2008.

Figure 11: FDI projects and jobs in Europe (2009-2013)

Number of FDI projects in Europe



Number of FDI job creation (in thousands) in Europe



Source: EIM 2014

2.2 Key sectors and activities

Business services and software are Europe's leading sectors for FDI

Europe's FDI market is relatively balanced across a large number of sectors, with no single sector accounting for more than 15% of investments. Business services and software lead in terms of FDI projects (13% and 12% market shares in 2013, respectively). Business services have been one of the fastest growing industries in the region over the last five years, with a 40% increase in FDI projects compared with the pre-crisis years. Nearly 60% of this growth has been due to the increase in the UK (+55%).

The machinery and equipment and automotive sectors follow just behind in terms of project numbers, capturing 8% and 6% of FDI projects in 2013, respectively. In general, Europe offers a strong technological and engineering profile in the aerospace, electronics, machinery, and medical and surgical equipment sectors. Although FDI in these sectors slowed during the crisis, 2013 showed project growth for advanced manufacturing, particularly in the UK.

Services projects dominate FDI in Europe

For the last decade, Europe's FDI market has been driven largely by services projects such as sales and marketing offices, shared services and contact centres, and R&D. These projects account for 67% of all FDI in Europe since 2004, and the number of FDI projects taken for services projects has grown on average by nearly 7% per year.

Sales and marketing projects (i.e., corporate representative offices of regional, national, or international reach) are of particular importance in this category, accounting for 71% of all service projects and more than half of all FDI projects in Europe in 2013. However, sales and marketing projects create very few jobs. Likely as a result of its large and dynamic consumer markets, the UK attracted 25% of all such projects.

Manufacturing projects are still strong, and create significant employment

The number of manufacturing FDI projects in Europe has remained relatively stable over the last ten years, despite the fact that the share of manufacturing in GDP has been declining. International companies announced 1,032 such projects in 2013, primarily in the automotive, machinery and equipment, and food sectors.

Manufacturing projects tend to be larger on average than service projects and are responsible for the majority of job creation from FDI. For instance, while manufacturing projects accounted for just 26% of FDI projects in 2013, they created more than half the total jobs from FDI.

Shifting geographical patterns of investment in manufacturing have seen an increasing number of manufacturing projects locate in Central and Eastern Europe to take advantage of geographic proximity to strong consumer markets and relatively low unit labour costs. Thus, while France, Germany, and the UK remain the continent's leaders in manufacturing project numbers, Central and Eastern European countries receive the majority the continent's large manufacturing projects, benefitting from 67% of the total job creation from manufacturing.

The UK is the only Western European exception to this trend, attracting 11% of the total job creation from manufacturing over the last five years, second only to Russia.

Figure 12: FDI projects in industry and services

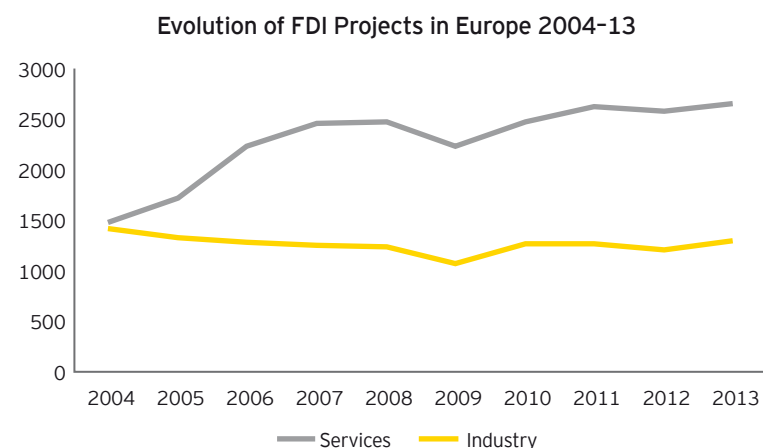
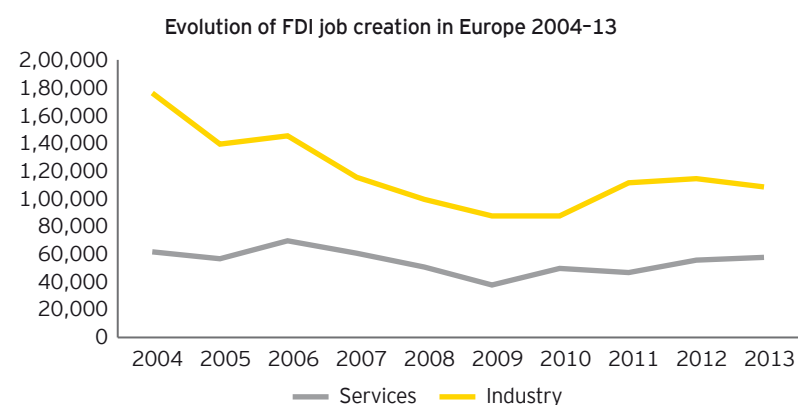


Figure 13: FDI job creation in industry and services



The next section sets out the inward investment analysis for the UK and Scotland.



FDI in the UK and Scotland

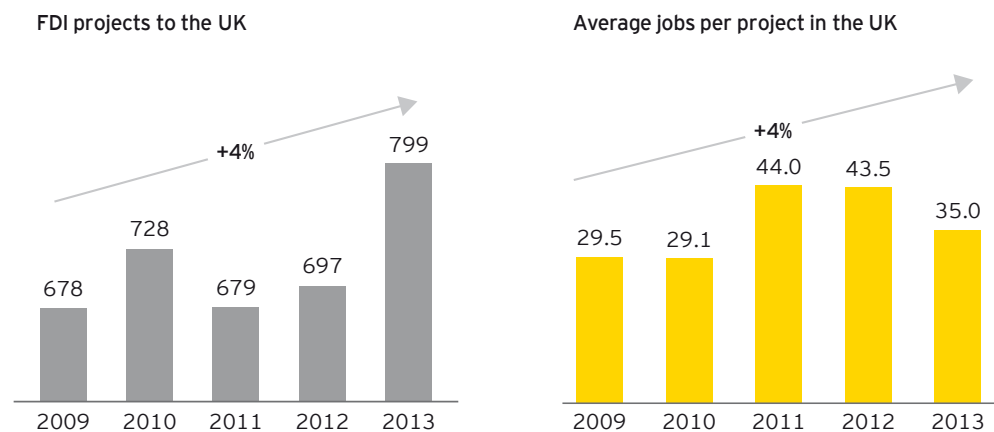
This section continues the analysis at the UK and Scotland level. This provides the sector, activity and market data that will be relevant for North Ayrshire.

FDI projects at a record high in the UK in 2013

In 2013, the country captured 20% of all FDI projects to Europe, tallying a record high of 799 projects. This represented a 15% increase over 2012.

The UK is also among Europe's strongest players in attracting job creation from FDI, attracting 27,953 jobs in 2013. Furthermore, while average project size in Europe has declined since 2009, the UK remains relatively attractive to large investment projects.

Indeed, the UK's leadership has been reinforced over the last five years even as many European countries suffered a downturn in FDI, with FDI projects growing on average 4% per year since 2009. The UK's policy and labour market flexibility and well-perceived reforms reassured investors, marking the country as a competitive safe haven for investors in Europe.

Figure 14: FDI projects and job creation in the UK

Source: EY's European investment monitor 2013

3.1 Key investors in the UK

The UK is the top location for US investment, and the second largest destination for BRICs

The US has a long established relationship with the UK; a common language and strong cultural affinity make the UK an important 'gateway' into Europe for US companies. The US is by far the country's largest single investor, with a market share of 37% over the last five years. The UK's other top investors: Germany, France, India, and Japan trail far behind in terms of volume, together accounting for only 23% of FDI over the last five years. This high proportion of US investment makes sustaining the flow of FDI from the US a top priority in maintaining the overall health of FDI in the UK; however countries such as Germany, France, and Japan, all of which invest a significant proportion of their FDI to Europe in the UK remain important potential clients.

The leading emerging markets – Brazil, Russia, India and China – are becoming key players across the global FDI landscape not only as destination countries, but also as inward investors themselves. These so-called BRICs countries are an increasingly important source of FDI to Europe. The UK is the second-most attractive destination for projects from the BRICs overall, following Germany. Meanwhile, Indian investors overwhelmingly choose the UK as the destination for their FDI projects as a result of historical and linguistic affinities.

Figure 15: Top 10 investors to the UK 2009-2013

Rank	Country	FDI projects		
		Number of projects	Share of total	Job creation
1	USA	1,331	37%	36,694
2	Germany	262	7%	12,456
3	France	219	6%	11,869
4	India	195	5%	16,841
5	Japan	169	5%	8,300
6	China	126	4%	3,847
7	Ireland	120	3%	4,057
8	Netherlands	107	3%	2,892
9	Australia	105	3%	2,124
10	Spain	102	3%	3,936
	Other	845	24%	26,372
Total		3,581	100%	129,388

Source: EY's EIM 2014

3.2 Sector and activity leadership in Europe

The UK dominates the European FDI market for services-oriented sectors

The UK is the largest European FDI market for the continent's two leading FDI sectors: business services and software. These two sectors grew significantly across Europe over the last five years, and accounted for 40% of total FDI to the UK between 2008 and 2012. The UK is also the top destination in Europe FDI for financial intermediation services, even though this sector represents a much smaller overall market share in the UK, at 5%.

Investments in all three of these sectors have historically been highly concentrated in the Greater London region, but back office services are increasingly looking to second cities in the UK to reduce operational costs. This represents a significant opportunity for other locations, including North Ayrshire, to capture service functions from these industries.

Pharmaceuticals and scientific research is a source of opportunity

The UK also leads Europe in pharmaceutical and scientific research projects, with these sectors registering 93 and 50 projects respectively between 2009 and 2013. The pharmaceutical sector in particular was hard-hit by the crisis, however, an aging population across Europe and high public spending on healthcare are positive factors.

Looking forward, investors believe that ICT and pharmaceuticals will be the sectors that drive Europe's growth (selected by 33% and 25% of respondents to the European Attractiveness Survey 2014). For the UK specifically, pharmaceuticals were overshadowed by financial intermediation, ICT, manufacturing, and energy. Significantly however, a higher proportion of American investors believed that pharmaceuticals and biotechnologies will be a leading sector in the UK in the future (15% of American investors vs. 11% of total respondents to the European Attractiveness Survey 2014).

Investors were also positive on the R&D outlook; 61% choose R&D as the activity that will attract the most FDI in Europe in the next five years. This is good news for the UK, which attracted 23% of all European FDI projects in R&D in 2012.

Scotland ranks second amongst regions in the UK for FDI projects

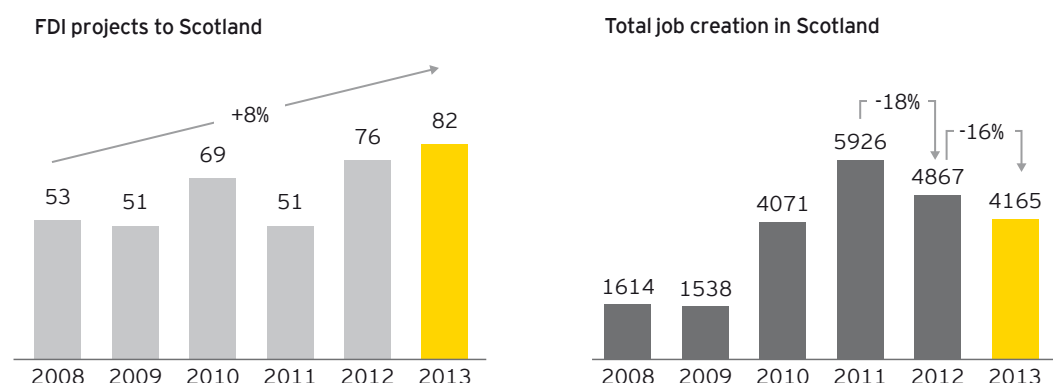
The Greater London region, in addition to being the leading region for FDI in the UK, is also the most attractive region in Europe for FDI. The Southeast region of the UK, which includes Greater London, captured 54% of the UK's FDI between 2009 and 2013, with 1,922 projects and 28,607 jobs.

Figure 16: FDI to the UK by region 2009-2013

FDI projects				
Rank	Region	Number of projects	Share of total	Job creation
1	Greater London – South East	1,922	54%	28,607
2	Scotland	329	9%	20,567
3	North West	237	7%	15,646
4	West Midlands	236	7%	15,407
5	North	150	4%	12,141
6	South West	139	4%	3,518
7	Yorkshire and Humberside	133	4%	4,110
8	Northern Ireland	130	4%	10,009
9	East Midlands	121	3%	10,228
10	Wales	103	3%	7,008
11	East Anglia	81	2%	2,147
Total		3,581	100%	129,388

Source: EY's EIM 2014

Scotland is placed second in terms of projects with a 9% share, followed by the North West with 7%. Interestingly however, Scotland rivalled the South East/Greater London in job creation, creating 20,567 jobs despite its much smaller market share. Furthermore, Scotland's FDI market has grown significantly over the last 5 years, with an 8% average annual growth rate.

Figure 17: FDI projects and job creation in Scotland

Source: EY's European investment monitor 2013

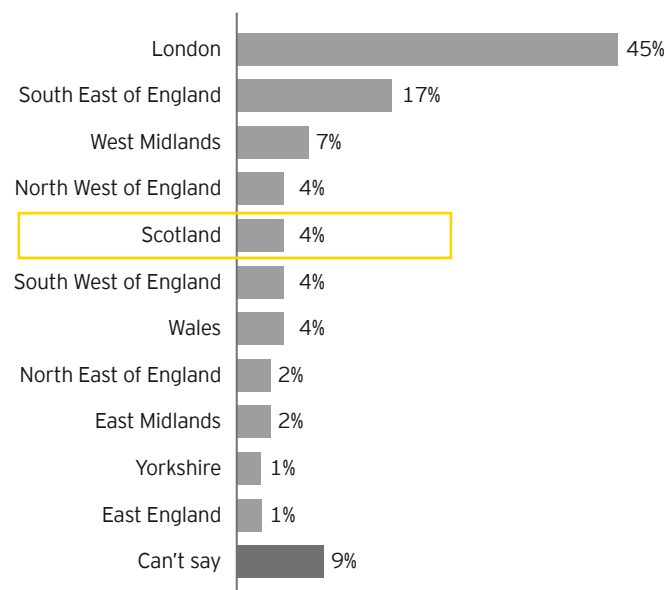
Scotland suffers from poor investor perceptions

Despite its healthy growth and status as the second destination in the UK for FDI, Scotland trails far behind other regions in terms of investors' perceptions. In 2013, investors ranked Scotland in fifth place in terms of attractiveness, behind both the West Midlands and the North West. However, 2014 data from the European Attractiveness Survey show that Scotland has moved even further down the list, to 10th position.

As investors are increasingly prioritising political and social stability in their location decisions, this loss in perception may be related to investors' uncertainty about the political stability of Scotland ahead of the independence referendum.

Figure 18: Investors' perceptions of UK regions 2013

Which region in the UK do you see as the most attractive to establish operations?



Source: EY's UK Attractiveness survey 2013

3.3 Scotland's key clients

Figure 19: FDI to Scotland by origin country (2009-2013)

FDI projects				
Rank	Country	Number of projects	Share of total	Job creation
1	USA	125	38%	7,389
2	France	32	10%	2,665
3	Germany	19	6%	636
4	Japan	19	6%	856
5	India	17	5%	893
6	Norway	16	5%	1,495
7	Ireland	10	3%	456
8	Australia	9	3%	76
9	Netherlands	8	2%	622
...
16	China	3	0.9%	6
	Other	63	2%	4,651

Source: EY's EIM 2014

As in the UK more generally, the US is Scotland's largest investor, with a 38% market share, followed by France (10%) and Germany (6%). With a 5% market share, Norway is a significant investor in Scotland that does not appear in the top 10 investors in the UK, with investments highly concentrated in the oil and gas value chain.

On the whole, BRIC FDI projects in Scotland remain relatively small. India is Scotland's fifth largest investor with 17 projects over the last five years, whereas China, in 16th place, made only three investments in Scotland over the same period. As one Scottish FDI expert pointed out, 'BRIC investments remain highly concentrated in acquisitions in Scotland and are less focused on overseas expansions.' However, M&A activity is an important precursor to other types of FDI, making the BRICs an important client for Scotland to cultivate in the longer-term.

3.4 Sectors and activities in Scotland

Scotland has a robust profile in manufacturing and research and development activities

Manufacturing is the second most important FDI activity in Scotland after sales and marketing offices; 1 in 4 FDI projects in Scotland over the last five years has been a manufacturing project. R&D comes in third place in Scotland, with nearly 20% of FDI projects. Together, these activities make Scotland a strong potential location for advanced manufacturing and innovative industries.

Scotland is strong on manufacturing and process industries in addition to business services

Business services and Software are the leading sectors for FDI in Scotland, together accounting for just under 30 % of all FDI.

However, the region is also strong in attracting FDI from companies in sectors such as machinery and equipment and electronics, which represent 12% and 7% of FDI to Scotland, respectively. Scotland's projects count for a significant market share in the UK's activity in these sectors; Scotland captures just under 20% of the FDI market in the UK for both machinery and equipment and electronics. Scotland's industrial strength is also visible in the share of process-based industries in its FDI profile. 15% of FDI to Scotland comes from just three such industries: food, pharmaceuticals, and chemicals.

Finally, Scotland leads the UK in FDI projects in the oil and gas sector, attracting 45% of all such projects between 2009 and 2013. The oil and gas sector does not appear on the list of Scotland's top ten sectors; however it is important to note that the sector's footprint is actually much larger. The oil and gas value chain is linked to other sectors such as machinery and equipment, business services, and fabricated metals.

Figure 20: Top sectors in Scotland 2009-2013

FDI projects				
Rank	Sector	Number of projects	Share of total	Job creation
1	Business Services	55	17%	4,088
2	Software	39	12%	1,697
3	Machinery and Equipment	38	12%	2,753
4	Electronics	22	7%	887
5	Food	19	6%	1,080
6	Pharmaceuticals	16	5%	404
7	Chemicals	12	4%	333
8	Scientific Research	11	3%	193
9	Financial Intermediation	10	3%	464
10	Electrical	10	3%	360
	Other	97	29%	8,308
	Total	329	100%	20,567

Source: EY's EIM 2014

The next section sets out the North Ayrshire FDI context.





FDI in North Ayrshire

This section sets out an analysis of the FDI activity within North Ayrshire. It also summaries the local offering, setting out the relative strengths and weaknesses of the area in terms of:

- ▶ Human resources
- ▶ Real estate
- ▶ Accessibility
- ▶ Visibility

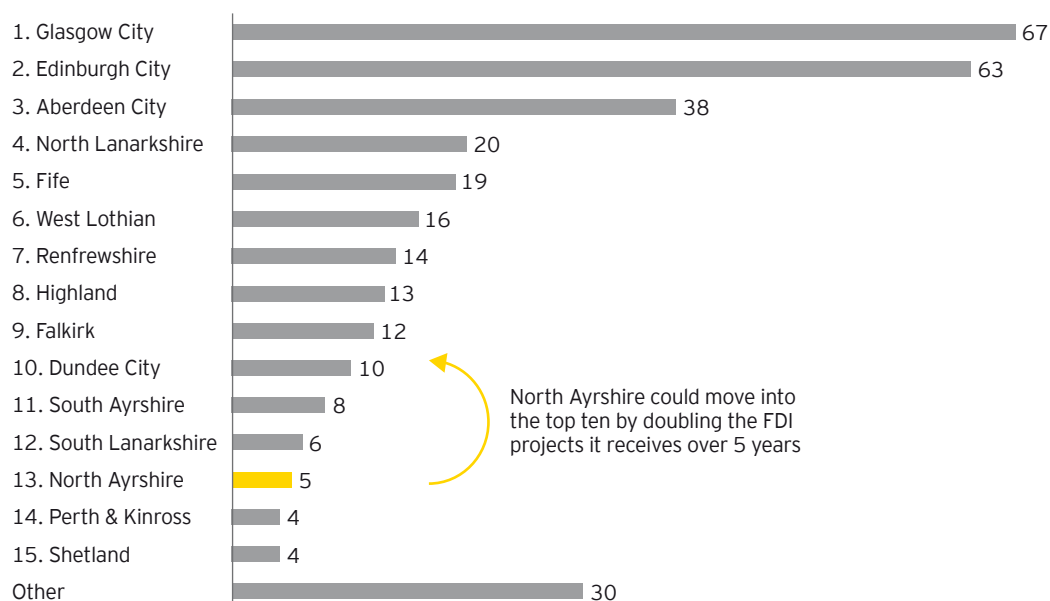
4.1 FDI in North Ayrshire

North Ayrshire has attracted 25 FDI projects over the past 15 years

Since 1997, North Ayrshire has attracted 25 FDI projects across a number of sectors. Over the last five years, the region has attracted five projects, placing it in 13th place for FDI in Scotland, behind two regions with similar populations: Renfrewshire and Falkirk.

Figure 21: Top council areas in Scotland for FDI

Top council areas for FDI in Scotland: Projects, 2009-13



Source: EY's European investment monitor 2013

Pharmaceutical and electronics companies dominate investment in North Ayrshire

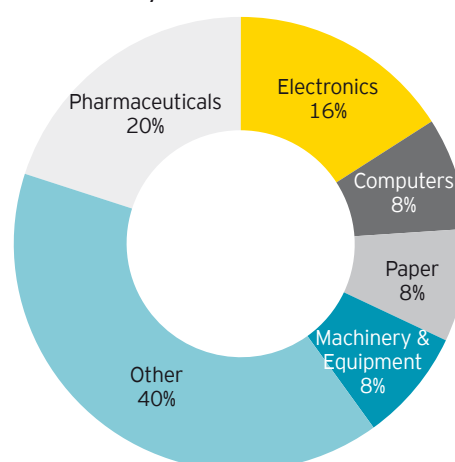
North Ayrshire has attracted five pharmaceutical projects from three companies to date, from Roche, Sigma-Aldrich, and CeNes Group. These projects have created 53 total jobs through both greenfield and expansion projects.

The electronics sector has had slightly fewer projects, but has created a significant number of jobs in the region. Four projects from Loewe, Citiraya Recycling Technology, Universal Scientific Instruments, and SCI Systems have created more than 1,000 jobs in the region according to company announcements at opening.

Other sectors present in North Ayrshire's FDI mix are computers, paper, machinery and equipment, and food, each with two projects in the region.

Figure 22: FDI sectors in North Ayrshire since 1997

FDI in North Ayrshire: Sectors

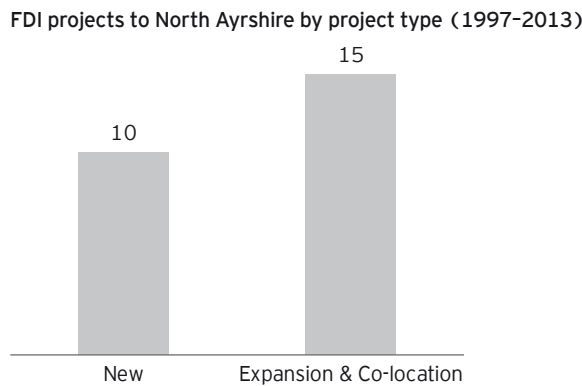


Source: EY's European investment monitor 2013

North Ayrshire’s FDI mix is heavily tilted toward repeat customers

Only ten of these projects have been new investments, while the remaining 15 projects were carried out by investors that were already present in the region. These proportions of new versus expansion investments run contrary to the results at the European level, where FDI has been dominated by new investments.

Figure 23: FDI projects in North Ayrshire by project type



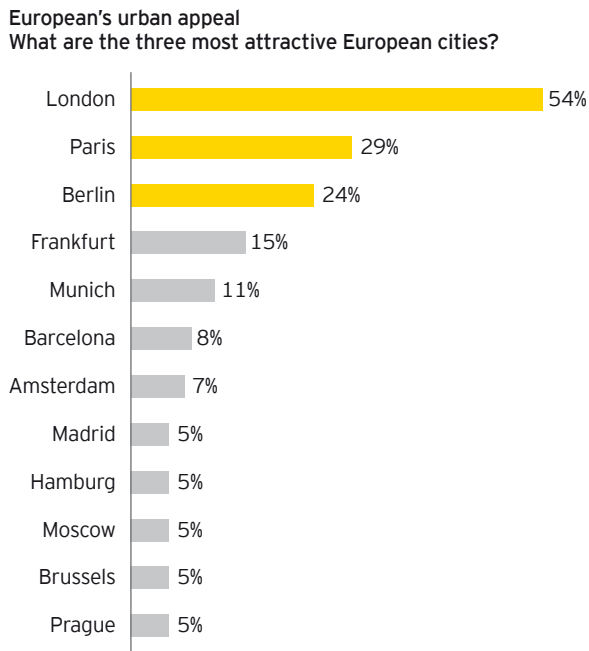
Source: EY’s European investment monitor 2013

Connecting to Glasgow: an international visibility problem

Attracting international investment requires building international visibility. One easy way for North Ayrshire to promote itself would be to connect to Glasgow’s international reputation. However, despite being Scotland’s leading destination for FDI, European Attractiveness Survey results show that Glasgow is not presently on investors’ radar for attractive European destinations.

This dovetails with one Scottish FDI expert’s observation that ‘85% of FDI in Scotland is coming from investors that are already present in the territory, once a company has invested somewhere in Scotland, it is much more likely to come back with new investments in other regions.’

Figure 24: Most attractive cities in Europe 2014



Source: EY’s 2014 European attractiveness survey. Total respondents: 803.

4.3 Location decisions: how do investors decide where to invest?

When international companies decide on where to set up, they look at a large set of factors well beyond simple cost and tax considerations. These so-called ‘location criteria’ include the local business environment, talent pool, telecommunications infrastructure and good accessibility for both supply and client delivery. Further, risk factors such as overall safety, political and social stability or the frequency of natural disasters have been receiving increased attention in recent years. This goes in line with the fact that many international investors are aware that the interruption of operations could not only incur significant cost but also harm their reputation as business partners.

For the past ten years, EY has been interviewing leaders of international companies on the top location criteria they consider when expanding abroad. Their preferences have evolved significantly. Prior to the global financial crisis, companies considered the transport and logistics infrastructure and telecommunications infrastructure the most important criteria when selecting a new location.

As shown in the table below, our 2014 survey shows, however, that the stability and transparency of the political, legal and regulatory environment has become the primary concern, followed by the size of the local market and potential productivity increase. This evolution is a new opportunity for emerging locations in mature markets, which are able to combine a sound business environment with a quality and cost-competitive local offer.

Figure 25: Investors' location criteria

Factors	2014	2012	2011
Stability and transparency of political, legal and regulatory environment	1	2	3
The country or region's domestic market	2	1	8
Potential productivity	3	5	4
Labour costs	4	3	7
Transport and logistics infrastructure	5	4	1
Local labour skill level	6	6	6
Stability of social climate	7	7	5
Corporate taxation	8	8	9
Telecommunications infrastructure	9	10	2
Flexibility of labour legislation	10	9	10

Source: EY's 2014 European attractiveness survey. Total respondent:803.

4.4 Local offer

The analysis of the local offering is further enhanced from the results of the interviews held with local businesses and other stakeholders. The analysis considers the offering and areas for development in human resources, real estate, incentives and access.

4.4.1 Human resources

North Ayrshire has an attractive pool of available labour

Compared to the rest of Scotland, North Ayrshire has a relatively large pool of available labour. Just under 60% of North Ayrshire's 135,000 residents were of working age in 2011. Of these, 17% were qualified by Scottish National Statistics as employment-deprived, 4% higher than the Scottish national average.³ Youth unemployment in North Ayrshire is a particular concern, with 10.5% of the population ages 16-24 collecting job-seekers allowance in Q4 of 2012, nearly twice the Scottish national average of 5.7%.

"North Ayrshire has a large pool of very able, motivated people. It's a good workforce ready to go the extra mile, and more cooperative and loyal than elsewhere."

"The workforce we recruit here is the workforce that doesn't want to move to Glasgow. In Glasgow they have to pay higher wages to attract labour and retain it in a competitive environment, but here we have no problem hiring and high retention rates."

³ Source: Scottish National Statistics, Neighbourhood Statistics for North Ayrshire 2012. Accessed 03/2014

Competitive wages and low turnover

North Ayrshire's relatively large population of job-seekers can be turned to its advantage for attracting inward investment. Companies actively seek out areas with high labour availability, as competition for human resources can have negative impacts such as wage inflation and high employee turnover. Indeed, many current investors in North Ayrshire highlighted the lack of labour competition as one of the region's primary competitive advantages, citing employee diligence, low wage competition, and low employee turnover as key factors in their satisfaction with the region as an investment location.

Figure 26: Average starting salaries in North Ayrshire

Area of study	North Ayrshire	Rest of Scotland	Difference between North Ayrshire and the rest of Scotland
Business	£20,000	£21,841	(9%)
Computing	£18,800	£19,720	(5%)
Creative and Cultural Industries	£17,750	£18,063	(2%)
Education	£21,152	£22,326	(6%)
Health, Nursing, Midwifery	£22,739	£23,993	(6%)
Science	£18,250	£21,824	(20%)
Social Science	£27,167	£24,435	10%
Average (all areas)	£21,610	£22,656	(5%)

Source: UWS Graduate Destination Statistics

A lack of labour competition can have a major impact on labour costs for more qualified employees. Data provided by the University of the West of Scotland (UWS) shows that the average starting salary for a university graduate in North Ayrshire is 5% lower on average than it is elsewhere in Scotland. However, the labour-cost benefits of locating in North Ayrshire vary greatly according to the skills demanded. One interviewee noted that 'while a competitive salary for an engineering position in an overheating region such as Aberdeen could reach £100,000 per year, the same position could be filled for approximately 30% less in North Ayrshire, at £60-70,000 per year.' Similarly, businesses reported uniformly low employee turnover, with a number of businesses reporting an attrition rate under 15%. EY's experience shows that standard attrition rates in back office or contact centres are between 20 and 25%, making North Ayrshire a competitive location by comparison.

Strong local skills provision

The region's two primary educational institutions, Ayrshire College and UWS are key players in the provision of skills to the local workforce. North Ayrshire and the immediate surrounding area has a student population of approximately 20,000, as well as a community of recent graduates. UWS estimates that there are 3,600 recent graduates living in North Ayrshire, meaning that approximately 18% of recent graduates stay in the region.

Both institutions have an offer that is well-adapted to the local economy, offering both vocational and higher education courses in engineering, business administration, and IT. However, a number of corporate interviewees noted that the training offered by local institutions could be more practically focused to deliver relevant on-the-job and soft professional skills such as leadership and entrepreneurship. Furthermore, several companies identified a lack of vocational and higher education courses in life sciences.

Educational institutions are actively cooperating with local businesses in order to continue to refine and adapt their course offerings to businesses' needs for human resources. For instance, Ayrshire College trains engineers through a cooperative apprenticeship program, while UWS has adapted training programs for a number of international investors, such as IBM and HP, who sought to develop specific skill sets in Western Scotland. The presence of such institutions and their proactive stance in adapting the educational offer to the local employment landscape is a major advantage for North Ayrshire; however, this cooperation remains relatively informal.

Business service skills should be scaled-up

The local skill base remains among the most important aspects of the human resource offer. North Ayrshire has a strong local offer for employees with skills in customer service and basic administration. These skills are well-adapted to work in the business services sector, particularly in call/contact centres and basic back office services. Interviewees already present in the region reported little problem filling such positions, and a general satisfaction with the competence of new hires. 'There are important opportunities emerging in lower-cost locations in Scotland in business services; this is already happening in Kilmarnock and the Moray Coast'

“There are important opportunities emerging in lower-cost locations in Scotland in business services; this is already happening in Kilmarnock and the Moray Coast.”

“North Ayrshire is positioned in a high-quality niche for business services, clients must get the quality service they pay for.”

Many interviewees noted that demand for call centres and back office functions in Scotland is growing, but that to capture this demand and ‘move up the scale with more complex processing such as technology and legal services,’ North Ayrshire would need to ‘improve IT, accounting, and language skills provision.’ This is all the more true as business services companies in North Ayrshire – and Scotland more generally – are positioned at the higher end of the global cost scale for the sector, and must therefore differentiate themselves primarily through the quality of their services

North Ayrshire faces a potential shortage in engineering skills

The Ayrshire region’s tradition in high-end manufacturing is an advantage on which North Ayrshire must capitalise. Interviewees consistently pointed to these fields as a reputational strength for North Ayrshire, but underlined that engineering skills are currently in relatively short supply. With the exception of aerospace engineering, the engineering labour force in the region is aging, and a number of interviewees expressed concerns with the lack of workforce renewal and indicated that it was difficult to fill qualified manufacturing positions such as CNC (computer numerical control) operators.

“There is no real skills base in terms of engineers. But colleges are increasingly focusing on vocational skills, which may give North Ayrshire an advantage for advanced manufacturing operations.”

These observations are mirrored by those of the region’s educational institutions: ‘We used to have strong engineering programs with lots of graduates, but enrolment began decreasing as employer demand fell in the region. However, the trend is changing again. We are seeing increasing demand recently for manufacturing-focused engineering skills, particularly for IT, mechanical, and new materials.’ These institutions are currently working to expand their skills provision in engineering, but note that greater and more consistent communication between educational institutions, businesses, and local government would help facilitate the process.

Build knowledge to attract and retain life science investments

With its critical mass of pharmaceutical businesses, North Ayrshire should have a relatively strong skills profile in life sciences. However, many interviewees identified skills shortages in this sector, pointing out that there was little or no vocational training available in the region that specialised in operations in the life sciences. Vocational skills in these sectors are of high importance. R&D labs, for example, require a significant number of lab technicians to carry out operations under the direction of a senior researcher. Providing such skills is a major concern for North Ayrshire, since, as one interviewee noted, ‘[these industries] invest where the knowledge is.’

4.4.2 Real Estate: an undoubtable asset, with a strong need for development

‘A large stock of cheap available land within the reach of 30 miles from Glasgow,’ is at the top of the list of North Ayrshire’s key assets as identified by both public and private stakeholders interviewed. Yet, this quotation gives only a partial view of the real estate offer in North Ayrshire, which is in reality more complex.

The Irvine Enterprise Area (i3) is North Ayrshire’s calling card

The Irvine Enterprise Area (i3) represents the largest and most important asset in terms of real estate. With 200 acres (80 hectares), the i3 is the largest of its kind in the Northern UK. A large part of the land is currently vacant and thus open for the construction of new sites.

“i3 is North Ayrshire’s calling card. It certainly ticks all of the technical boxes.”

Investors can count on quality servicing, i.e., access to energies and telco lines readily available, which 'certainly ticks all the technical boxes [on the check-list of investors are looking for land]', as one of the interviewees described. Finally, the cost of land in the i3 is cost-competitive compared to other locations in Scotland, with rents around £100 per sqm per annum.

The presence of large actors in life-sciences can also serve as a plus when convincing potential investors, as for example GSK would be willing to share a part of its by-products such as heat.

A drawback of the i3, on the contrary, lays in the dispersion of the current occupiers over the territory of the area, which could put off new investors.

Very little land elsewhere in North Ayrshire matches with the quality of the stock within the Irvine Enterprise Area, which is favourable for an enterprise area but less so for the council as a whole. It limits the development of other areas and may translate into an investor's lower reach for staff and key talents, some of which need to travel from Glasgow.

Concerns remain about the adequacy of the real estate offer to actual demand

According to our interviewees, the actual challenge arises when trying to offer something beyond 'available cheap land' – something many areas in Scotland can market.

"In North Ayrshire, land is not the problem. The real issue is finding land appropriate for business."

A key issue is the very limited availability of A-class buildings for industrial use and, especially, in terms of office space. The regeneration of several 'second hand' buildings has been a success although more conversions would be needed to build up a larger stock of adequate space – for which the i3 does not currently have sufficient funding available. Speculative investment in new stock does not seem likely given an overall depressed real estate market in Scotland and the fact that comparatively lower rents do not make the area attractive to private investors, as our interviewees point out. Large public investment in new stock is also risky without a real demand on the side of end-users.

Grid infrastructure a source of concern for intensive consumers

Although access to electricity is not an issue for North Ayrshire's businesses, the stability of grid infrastructure is a source of concern for intensive consumers. Some interviewees noted issues with stability of electricity supply to their operations.

4.4.3 Local taxes and incentives: no real differentiator

In a wider European context, North Ayrshire benefits from a relatively favourable UK taxation policy, zero taxation of capital gains, the patent-box scheme for deducting cost for innovation and comparatively lower employer's social charges than elsewhere in Europe (14%).

"No magic bullet for incentives structure, it depends on markets that we are trying to select and promote for NA."

Investors in the Enterprise area may apply for tax relief, which is capped at £35,000 per annum over five years and therefore may be less relevant for large actors.

4.4.4 Accessibility

North Ayrshire has high potential in terms of accessibility, but there is room for improvement

North Ayrshire suffers from a perception of being isolated and difficult to reach, a reputation that creates a 'barrier to investors.' However, these barriers remain more psychological than physical. 'At only 30 miles from Glasgow, an international investor visits North Ayrshire and reports back that it is 'right outside of Glasgow', while locally we have a tendency to think of North Ayrshire and Irvine as far-removed'.

"At only 30 miles from Glasgow, an international investor visits North Ayrshire and reports back that it is 'right outside of Glasgow', while locally we have a tendency to think of North Ayrshire and Irvine as far-removed."

"Infrastructure is a physical and psychological barrier to investors, but this is not a problem that North Ayrshire can solve on its own."

Indeed, despite its reputation, North Ayrshire is relatively well served in terms of transportation infrastructure for both passengers and freight. The region is connected by road and rail to Glasgow, and has relatively easy access to Prestwick and Glasgow City airports. In addition, North Ayrshire's coastal location gives it port access through Hunterston Port. However, there remains some room for improvement in terms of facilitating access to and from North Ayrshire for both passengers and freight.

Passenger access

Passenger links to Glasgow are of great importance to North Ayrshire, and it is 'important to facilitate access to the city in order to provide businesses and commuters with the opportunities they need.' North Ayrshire has road access to Glasgow via one primary passenger route, the A737. Congestion at Dalry and Kilwinning complicate access via the A737, and interviewees noted that alternative options to this route were limited. By contrast, the region is well-served by rail links to Glasgow, with trains running frequently to Glasgow Central and travel time limited to 30–40 minutes.

Within North Ayrshire, passenger travel is limited by a lack of public transport connections to key business areas such as the i3 Enterprise Area or Riverside. Several interviewees indicated that a lack of local public transportation to business centres impacted the business environment, as employees without cars must walk long distances or pay taxi fares in order to reach the workplace.

International passenger access to North Ayrshire is facilitated by the presence of two airports, Glasgow City and Prestwick, both of which offer direct flights to multiple destinations in Europe as well as longer connections through London. The proximity of Prestwick Airport in particular could be an advantage for passenger travel to and from North Ayrshire, in terms of ensuring tourist and business travel to the region. However, access to the airport via public transportation remains difficult, with no direct link to North Ayrshire. Furthermore, several corporate interviewees noted that the airport's destinations were tailored more to outgoing tourists than to business travel, and expressed an interest in increased connections to business hubs in continental Europe such as Frankfurt, Lyon, or Amsterdam.

Freight access

Freight access to North Ayrshire is conducted primarily by road, with trucks tending to use the A76 route to Glasgow in order to avoid congestion. Road travel south from North Ayrshire to serve markets in England is complicated by the lack of direct routes: trucks must first travel north to join the M8/M74.

Freight connections by rail and by air via Prestwick remain under-utilised, though both show strong potential for development in line with passenger traffic. Interviewees expressed potential to expand rail freight services in North Ayrshires through the rail heads present at UPM, DSM, and Hunterston, but noted that frequent passenger traffic posed a challenge.

Similarly, sea freight is relatively underdeveloped despite the presence of a deep-sea port at Hunterston. Despite its capacity, the port's potential for further development has strong limitations in terms of both geography and scale. Geographically, Hunterston's location on the west coast of Scotland makes it unsuitable for transport to and from Europe. Similarly, developing significant activity at Hunterston would require participation and cooperation of a large number of local businesses in order to create the scale necessary for sea freight.

4.4.5 Visibility

North Ayrshire has a problem with visibility, but can leverage on tourism to overcome it

While most international investors are well aware of the UK and Scotland, their knowledge is more limited when looking at the more regional and local scale.

Representatives of businesses and institutions interviewed during this project agreed that in general, there was little awareness about North Ayrshire and its offer both within Scotland and internationally. More strikingly interviewees seem unsure about North Ayrshire value proposal. 'Because the overall offer is not strong enough, North Ayrshire is sometimes overlooked by investors that come for site visits,' stated one interviewee, while emphasizing the need to decide in which sectors and activities North Ayrshire wants to position itself.

At the same time, North Ayrshire's image and notoriety should be developed. A key differentiator in terms of marketing is definitely North Ayrshire's life-style and tourism offer with assets such as golf courses, the isle of Arran and others. As one interviewee pointed out, 'North Ayrshire's life-style proposition is strong and could well be packaged with its investment offer.' Provided that a sufficient infrastructure including facilities such as hotels is available, tourism for both leisure and business can be a good lever to get North Ayrshire on the mind of business leaders. The organisation of congresses, events and seminars is a practical way of doing so.

4.5 Summary

The tables below summaries out the strengths and areas of development for North Ayrshire

4.5.1 Human resources

Strengths	For development
North Ayrshire has an attractive pool of available labour	Business services skills should be scaled up
Wages are competitive	There is a potential shortage in engineering skills, this should be developed further with UWS
Low turnover	Increase courses in life science areas to build the knowledge that will attract and retain life science investment
Strong local skills provision	
Proactive educational institutions in Ayr College and University of the West of Scotland (UWS)	

4.5.2 Real estate

Strengths	For development
i3 is the largest and most important real estate asset: it is North Ayrshire's calling card	Concerns about the adequacy of the real estate offer to actual demand
	Need to offer something beyond cheap land
	The stability of grid infrastructure is a source of concern for intensive energy consumers

4.5.3 Accessibility

Strengths	For development
Relative well serviced in terms of transport infrastructure	Local and national perception of the area as isolated and difficult to reach
Connected by road and rail to Glasgow	No direct public transport system to Glasgow airport
Relatively easy access to Prestwick and Glasgow airports	Airport destinations more tailored to tourism than to business travel
Port access through Hunterston	Freight connections by rail and air remain underutilised.

4.5.4 Visibility

Strengths	For development
Most investors are well aware of UK and Scotland	Little awareness about North Ayrshire
Lifestyle and tourism offer can be a good way of getting on the mind of business leaders	Need to decide in which sectors and activities to position itself
	Organisation of events and seminars to sell the area





Export analysis: UK and Scotland

This section sets out an analysis of the export market in the UK and Scotland. This provides a national view point which then informs the analysis at the North Ayrshire level in the following section

5.1 Export market trends: HMRC Regional Trade Statistics

The reporting below is based upon HM Revenue and Customs (HMRC) Regional Trade Statistics, 4th Quarter 2013. This represents the latest official UK based statistics for export data (data was released in March 2014).

HMRC is responsible for collecting the UK's international trade in goods data, which are published as two National Statistics series – the 'Overseas Trade Statistics (OTS)' and the 'Regional Trade Statistics (RTS)'. The RTS are published quarterly showing trade at summary product and country level, split by UK regions and devolved administrations. RTS data is compiled by linking trade data collected by HMRC with Office for National Statistics postcode data to obtain the region in which the VAT registered business is based. Because the trade is regionalised according to the location of the VAT registered business some of the trade may be allocated to the region where the head office of the business is located.

Data for Scotland is only available at a national level. RTS data is categorised by country (and for Scotland is not available at any lower, regional level) and by Standard International Trade Classification (SITC). The SITC is a relatively broad classification of goods.

5.2 UK Trends

Key export market trends are summarised below:

- ▶ The total annual value of UK exports increased marginally by 0.9% to £298.9bn in 2013; this is a similar size increase to the 0.3% increase seen in 2012. While exports from England decreased marginally during the year, Scotland, as well as Wales and Northern Ireland all saw small increases.
- ▶ Exports from Scotland rose by 3% to £20.6bn; the largest increases during the year were in Scotland's exports from the Mineral fuels, lubricants and related materials sector.

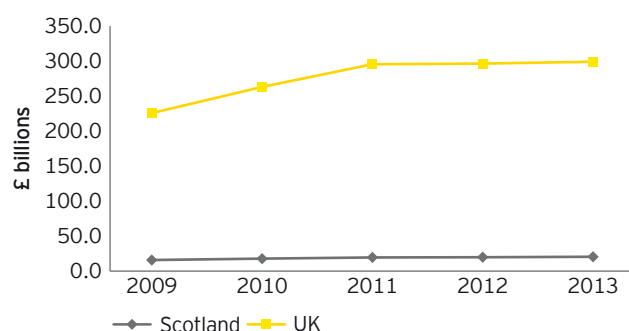
- ▶ The number of exporters fell between Q4 2012 and Q4 2013 for all UK regions except for Yorkshire & The Humber, the East Midlands, London and Wales.
- ▶ The export commodity groups with the largest annual value increases were Road vehicles (England). Petroleum, petroleum products and related materials (Scotland); Power generating machinery and equipment (Wales) and Medicinal and pharmaceutical products (Northern Ireland).

5.3 Overview of England trends

A brief overview of exporting trends for England is provided below, as a key comparator country for Scotland:

- ▶ England's top five exporting partners in 2013 were USA, Germany, France, Netherlands and the Irish Republic.
- ▶ Of the top five exporting partners, the Irish Republic saw the largest percentage increase (up 3.8%). Exports to Germany were down 9.5% and down in France by 1.9%. The largest decreases in Germany were related to Medicinal and pharmaceutical products.
- ▶ England's exports to the EU decreased by 2% in 2013 whilst exports to non-EU countries increased by 0.8%. The EU countries that have decreased most are Germany, Belgium and France. The non-EU countries that have increased the most were China (up 18.1%) and Saudi Arabia (up 31.8%). For China the largest rise was in exports from Road vehicles while for Saudi Arabia the increase came mainly from Other transport equipment, which trebled in value over the year.

Figure 27: Investors' location criteria



Source: Regional Trade Statistics, HMRC 2013

Table 4: England – top 5 export partners, year ending December 2013

Country	Year ending Dec 2013 Total £ millions	Year ending Dec 2012 Total £ millions	% change from Dec 2012	% total exports in year ending Dec 2013
USA	29,868.2	29,367.9	1.7	13.6
Germany	22,818.3	25,214.2	(9.5)	10.4
France	16,616.5	16,934.2	(1.9)	7.5
Netherlands	14,641.1	14,458.3	1.3	6.6
Irish Republic	11,377.4	10,959.3	3.8	5.2
Others	124,918.1	124,655.8	0.2	56.7
Total EU	107,809.7	110,000.8	(2.0)	49.0
Total Non-EU	112,429.9	111,588.9	0.8	51.0
Grand Total	220,239.5	221,589.6	(0.6)	100.0

Note: 2013 data are provisional. Source: HMRC Regional Trade Statistics

The table below shows that Machinery and transport equipment continues to dominate exports from England; its share of England's exports has risen from 38.9% to 41.4% over the last year, with an increase of 5.6% by value. Most of this increase came from the export of Road vehicles (up 10.2%, with exports to China up 38.4%). Exports in Other transport equipment was up 9%, the 2nd largest increase across all 65 SITC divisions.

The other top five commodity group which experienced an increase was for Miscellaneous manufactured articles. Here, much of the increase was due to Articles of apparel and clothing accessories (up 15.2% with exports to Germany up 26.8%) and Professional, scientific and controlling instruments and apparatus (up 7.2% with exports to South Korea and the USA gaining the most value).

Table 5: England – top 5 export commodities, year ending December 2013

Country (SITC code and description)	Year ending Dec 2013 Total £ millions	Year ending Dec 2012 Total £ millions	% change from Dec 2012	% total exports in year ending Dec 2013
7 Machinery and Transport Equip	91,078.6	86,232.8	5.6	41.4
5 Chemicals and related products	35,262.3	38,053.1	(7.3)	16.0
8 Miscellaneous manufactured articles	31,378.1	30,556.7	2.7	14.2
6 Manufactured goods classified chiefly by material	25,743.1	26,306.7	(2.1)	11.7
3 Mineral fuels, lubricants and related materials	20,170.1	23,236.8	(13.2)	9.2
Other SITCs	16,607.4	17,203.7	(3.5)	7.5
All SITCs	220,239.5	221,589.6	(0.6)	100.0

Note: 2013 data are provisional Source: HMRC Regional Trade Statistics

- ▶ Exports decreased for three of the top five export commodity groups in 2013. The largest decrease was for mineral fuels, lubricants and related materials (down 13.0%, with exports to Germany down 40.8%).
- ▶ For Chemicals and related products, the largest decreases were in Medicinal and pharmaceutical products (down 12.4%) and Organic chemicals (down 15.7%) – for these divisions the largest value decreases were to Germany and the USA.
- ▶ Another commodity group (not featured in the top five) which experienced a notable decrease was Crude materials, inedible, except fuels which was down 14.7%. Here, most of the reduction came from Metalliferous ores and metal scrap (down 15.1%).
- ▶ 31 of the 65 SITC divisions (48%) saw export value decreases over the year.

5.4 Scottish exports by country

Scotland's top five exporting countries remain the same as they were in 2012 – USA, Belgium, France, Netherlands and Germany. This is illustrated in the table below.

Table 6: Scotland – top 5 export partners, year ending December 2013

Country	Year ending Dec 2013 Total £ millions	Year ending Dec 2012 Total £ millions	% change from Dec 2012	% total exports in year ending Dec 2013
USA	3,202.2	3,193.1	0.3	15.5
Belgium	1,371.0	979.1	40.0	6.6
France	1,294.6	1,442.4	(10.2)	6.3
Netherlands	1,260.2	1,308.0	(3.7)	6.1
Germany	1,248.5	1,228.7	1.6	6.1
Others	12,254.2	11,883.9	3.1	59.4
Total EU	8,668.6	8,137.6	6.5	42.0
Total Non-EU	11,962.3	11,897.6	0.5	58.0
Grand Total	20,630.9	20,035.2	3.0	100.0

Note: 2013 data are provisional. Source: HMRC Regional Trade Statistics

Key findings include:

- ▶ Belgium has moved up to become the 2nd largest partner – Scotland has seen an increase of 40% in goods going to Belgium during the year.
- ▶ Exports to France from Scotland declined by 10.2%.
- ▶ Non-EU partner countries continue to dominate exports from Scotland, although the percentage of goods by value going to the EU has increased from 40.6% to 42.0% during the year. This was mainly due to the large increase in goods going to Belgium.
- ▶ Exports to the USA increased marginally (0.3%) and by 1.6% to Germany.

5.5 Scottish exports by commodity

The table below shows that annual exports from Scotland increased for three of the top five SITC sections during 2013.

Table 7: top 5 export commodities, year ending December 2013

Commodity (SITC code and description)	Year ending Dec 2013 Total £ millions	Year ending Dec 2012 Total £ millions	% change from Dec 2012	% total exports in year ending Dec 2013
7 Machinery and Transport Equip	6,214.4	6,046.1	2.8	30.1
1 Beverages and Tobacco	5,115.1	5,210.9	(1.8)	24.8
6 Manufactured goods classified chiefly by material	2,476.7	2,291.9	8.1	12.0
3 Mineral fuels, lubricants and related materials	1,998.7	1,428.3	39.9	9.7
5 Chemicals and related products	1,907.0	2,015.5	(5.4)	9.2
Other SITCs	2,919.0	3,042.6	(4.1)	14.1
All SITCs	20,630.9	20,035.2	3.0	100.0

Note: 2013 data are provisional. Source: HMRC Regional Trade Statistics

Key findings include:

- ▶ Scotland’s exports continue to be dominated by goods from ‘Machinery and transport equipment’ and ‘Beverages and tobacco’.
- ▶ The largest annual growth, both in value and percentage terms, was in exports from the Mineral fuels, lubricants and related materials sector (up 39.9%). The sub division Petroleum, petroleum products and related materials was the main contributor to this increase and exports to Belgium from this division accounted for a significant proportion.
- ▶ Other increases include manufactured goods classified chiefly by material and Machinery and transport equipment. The largest increase in Machinery and Transport equipment came from Power Generating machinery and equipment (up 13.4%).
- ▶ Further analysis for the Machinery and Transport Equipment sector (based on a snapshot of export value in February 2014) reveals that the following continents and countries are the biggest markets for the UK as a whole:

- ▶ The EU (with the largest markets being Germany, France and Belgium).
- ▶ Asia and Oceania (chiefly Singapore, China, Japan, Honk Kong, India, South Korea and Australia).
- ▶ North America (chiefly the United States).

This is summarised in the figure below.

- ▶ A sub sector within Machinery and Transport Equipment is ‘Other Transport Equipment’ – a sector which has a relative strength in North Ayrshire. This sector includes equipment for the aircraft industry and also for ships and other floating structures.
- ▶ Again, a snapshot analysis of export sales in this sub sector in February 2014 reveals that the largest export continents and countries were:
 - ▶ EU (dominated by France and Germany and to a much lesser extent, Italy).
 - ▶ North America (chiefly the United States).
 - ▶ Asia and Oceania (chiefly Singapore, China and India).

Figure 28: Export Sales February 2014 for Machinery and Transport Equipment

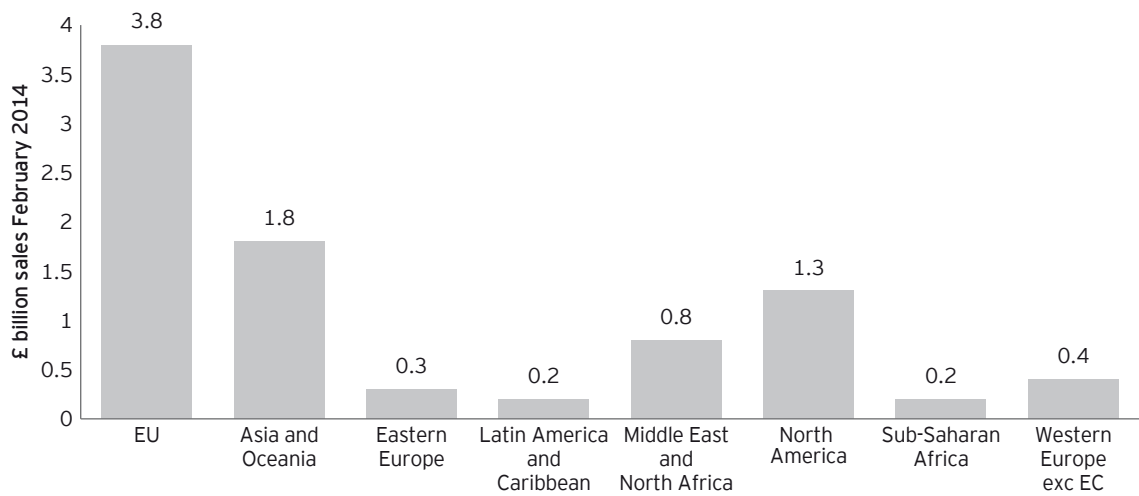
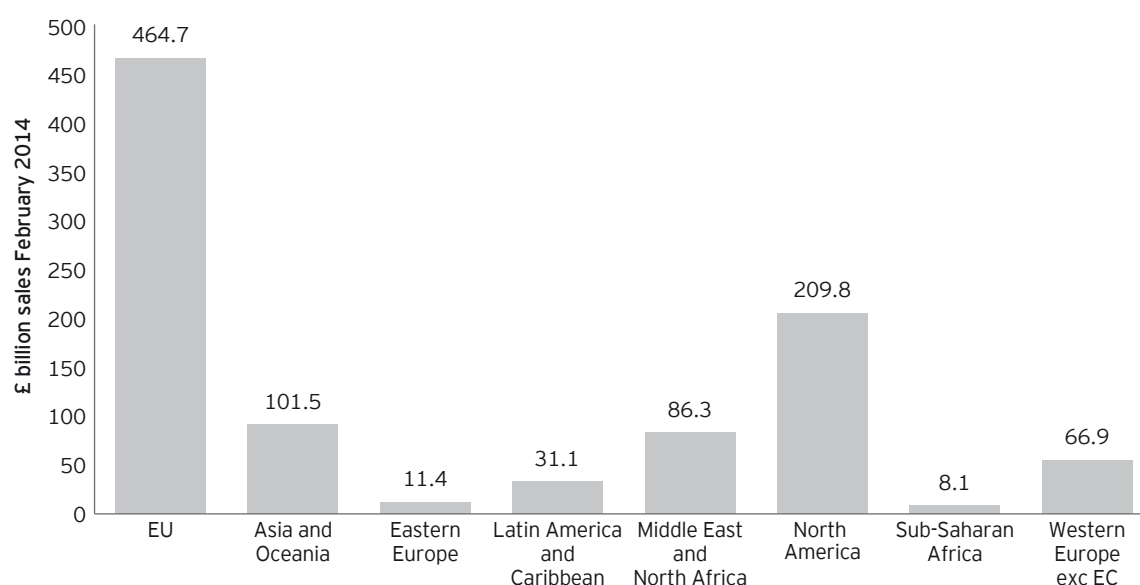
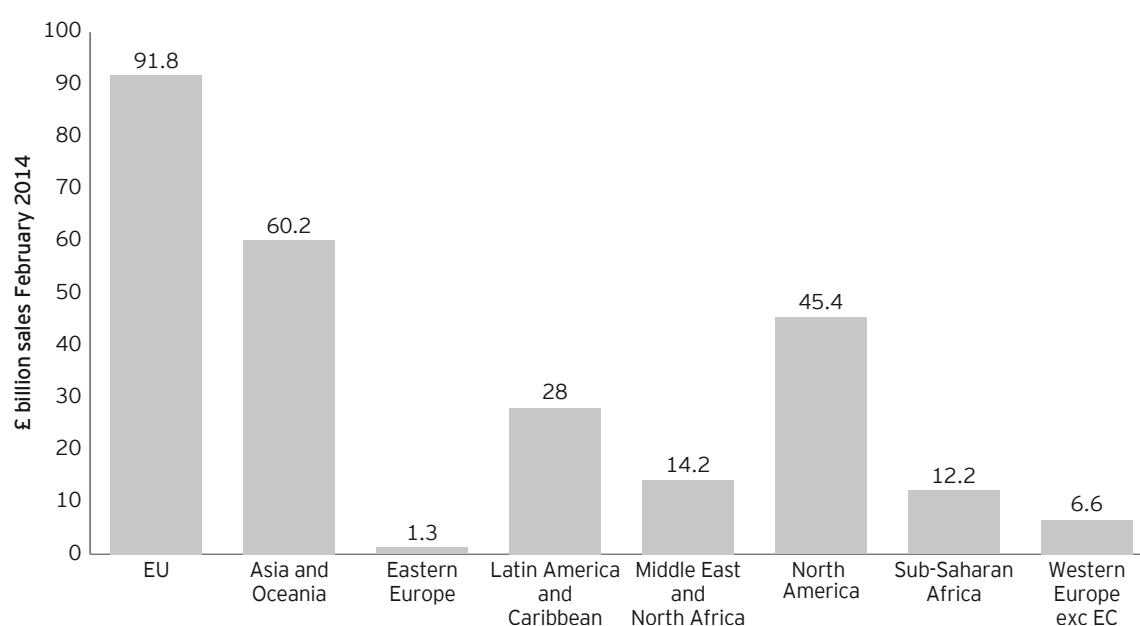


Figure 29: UK Export Sales February 2014 for Other Transport Equipment

- ▶ In Manufactured goods classified chiefly by material, the largest contributors to the overall increase were Non-metallic mineral manufacturers (up 21.2%) and Manufacture of metal (up 14.6%).
- ▶ Exports from Beverages and Tobacco decreased by 1.8% in 2013; this follows increases of 23.5% and 1.5% respectively in 2011 and 2012. Although 2013 has seen a small decrease in exports, Scotland remains the most important country in the UK for exports within this sector and takes a 71.1% share of the UK export market in 2013. The majority of the decrease was due to reduced exports of Beverages (down 1.8% with exports to Venezuela, Taiwan and China all down substantially); most of this decline was in the 2nd half of 2013. It has been widely reported that there has been a crackdown on gift giving by the Chinese government which will have had an impact on these figures.
- ▶ Within the Beverages and Tobacco sector; whisky is clearly the key sub group for Scotland and North Ayrshire. A snapshot analysis of UK export sales (which is dominated by Scottish sales) in February 2014 reveals the biggest markets to be:
 - ▶ EU (with the biggest country by far being France).
 - ▶ Asia and Oceania (Singapore and Taiwan being the biggest markets).
 - ▶ North America (dominated by the United States).

Figure 30: UK Export Sales February 2014 for Whiskies

- ▶ The other decrease in the top five sections was for Section 5. Here, most of the reduction came from division 54 Medicinal and pharmaceutical products where exports to Germany decreased by 30.0% during the year.
- ▶ Overall, of the 65 SITC divisions, 27 of them (42%) decreased in export value in 2013. The largest division-level decreases were for Electrical machinery, apparatus and appliances, Beverages and Miscellaneous manufactured articles.

5.6 Number of exporting businesses

The following analysis compares the number of active exporters in quarter 4 2013 with the number in quarter 4 2012; this is considered to be the most accurate way to undertake this analysis and excludes those who only trade with the EU and whose trade is below the Intrastat Exemption Threshold.

- ▶ For the UK as a whole, the number of exporting businesses decreased by 0.3% between Q4 2012 and Q4 2013, from 50,352 to 50,197. Scotland also saw a percentage decrease of 0.5%; with between 2,500 to 4,000 exporting businesses).

5.7 Export market trends: The Index of Manufactured Exports

The Index of Manufactured Exports (IME) is a quarterly publication measuring growth, in real terms, of overseas export sales by the manufacturing sector in Scotland. The latest estimates, relating to the fourth quarter of 2013, were published on 23 April 2014.

Key findings include:

- ▶ Scottish manufactured export sales fell 4.0 per cent in real terms during the fourth quarter of 2013.
- ▶ On a rolling-annual basis, comparing the most recent four quarters to the previous four (4Q-on-4Q), exports increased 1.9 per cent in real terms.
- ▶ Comparing the most recent four quarters to the previous four quarters, there were increases in export volumes from Non-Metallic Products, Other Manufacturing & Repair (+6.4%), and Metals & Metal Products (+24.6%). The Food & Drink sector continued to grow annually (+2.4%).
- ▶ Annual growth was negative in Wood, Paper & Printing (-4.1%), Engineering & Allied Industries (-2.9%), Textiles, Clothing & Leather (-1.4%), and Refined Petroleum, Chemical & Pharmaceutical Products (-0.6%).

5.8 Export market trends: The Global Connections Survey

The Global Connections Survey is an annual survey of businesses that collects information on exports and international connections of companies in Scotland and is the only export survey covering all sectors of the Scottish economy. Key findings include:

- ▶ Scottish international exports in 2012 (excluding oil and gas) are provisionally estimated at £26bn, an increase of £1.4bn (5.9%) since 2011. This does not include exports to the rest of the UK and excludes oil and gas.
- ▶ £15.4bn exports are attributable to manufacturing sector companies and £8.7bn to the service sector. Manufacturing sector exports increased by £1.1bn (7.9%) over the year and service sector exports increased by £465mn (5.6%).
- ▶ The two largest exporting industries in 2012, as in previous years, were manufacture of food & beverages (£4.7bn) and manufacture of coke, refined petroleum and chemical products (£4.1bn). These two sectors are followed by legal, accounting, management, architecture, engineering, technical testing and analysis (£1.7bn), wholesale retail, repair of motor vehicles and motor cycles (£1.7bn) and financial and insurance (£1.4bn). Together the top five industry sectors account for around 52 per cent of total international exports from Scotland.
- ▶ The USA continues to be Scotland's top international export destination country with an estimated £3.6bn of exports, an increase of £235mn since 2011. Netherlands was the second top export destination country, with exports of £2.7bn, although exports are estimated to have decreased by £340mn (11.3%) over the year. France is Scotland's third top export destination, estimated to be worth £2.2bn, increasing by £455mn (26.4%) in 2012.
- ▶ The top five international export markets (USA, Netherlands, France, Germany and Norway) accounted for £10.8bn of international exports (42 per cent of all international exports) from Scotland.
- ▶ Just under half of international exports are destined for countries within the European Union (estimated at £11.7bn, 45%). Within the EU, the Netherlands was the largest market, followed by France, and followed next by Germany (£1.5bn exports in 2012). A further £13.4bn was exported to the rest of the world.

5.9 Export market trends: British Chambers of Commerce

The British Chambers of Commerce (BCC) in partnership with DHL publish a quarterly International Trade Outlook (ITO). It features the DHL/BCC Trade Confidence Index (TCI) which is a measure of the UK's exporting health. The TCI generates its results from two data sources:

- ▶ Questionnaire responses submitted by c2,000 exporters, derived from the BCC's Quarterly Economic Survey (fieldwork was November to December 2013).
- ▶ Data generated from exporting activity that requires supporting documentation from BCC.

The ITO also draws upon the modelling expertise of Oxford Economics.

Key findings from the latest update (4th quarter 2013) include:

- ▶ The TCI fell by 3.1% between Q3 and Q4 2013 although it is still high by historical standards.
- ▶ Confidence levels amongst exporters continued to increase and remain high.
- ▶ There was a mixed picture across the regions and nations of the UK. The highest increase in the TCI (from the same time 2012) was recorded in Northern Ireland (+22.2%). This was followed by Wales (+16.4%) and Scotland (+7.8%).

5.10 Summary

The analysis presented here is based on various sets of official export statistics, either at UK or Scottish Government level. Each set of data has a different methodology attached to it. As such, each separate analysis is not directly comparable with each other and offers a slightly different exporting picture. However, clear commonalities can be seen from each analysis.

The most detailed analysis is based on HMRC Regional Trade Statistics. It offers the most up to date picture of exporting in the UK and can be analysed at Scottish level. A summary of the main findings is presented below and a detailed set of figures is provided in the appendices.

Other official data sources reported upon include the two main export related statistical sets as provided by the Scottish Government: the Global Connections Survey and the Index of Manufactured Exports.

5.10.1 Export market trends: findings

Although each set of export statistics offer a slightly different picture, some key overall trends are clear. These are:

- ▶ A marginal increase in exporting both in the UK as a whole and in Scotland.
- ▶ A small decrease in the number of exporters in both the UK and in Scotland.
- ▶ Scotland has seen increases in exporting to both non-EU and EU countries, whereas England has only seen increases to non-EU countries.
- ▶ Key export markets for Scotland are USA, Belgium, France, Netherlands and Germany. These mirror those seen in England with the exception of Belgium which appears to be a significant new entry for the Scottish export market.
- ▶ In England, key growing commodity markets are machinery and transport (in particular road vehicles and other transport equipment) as well as miscellaneous manufacturing sectors such as clothing (to Germany) and professional/scientific equipment (to amongst others South Korea and USA).
- ▶ In Scotland, key sectors of size and growth are mineral fuels, machinery and transport equipment and manufacturing by material type.
- ▶ Although exports of beverages (and tobacco) had declined slightly in Scotland over the last year, they are still a key export sector in which Scotland is the dominant player. Food and drink is one of the fastest growing export markets in Scotland. It has been estimated that salmon exports topped £450mn in 2013 and that 40 bottles of whisky a second are exported from Scotland. This is an area in which North Ayrshire has an identified strength with key companies manufacturing both whisky and salmon.
- ▶ A key export growth sector in both England and Scotland, as identified above, is machinery and transport sector. This is dominated by road vehicles but also includes other transport equipment, which is an identified key sector of strength in the North Ayrshire economy.

The next section now sets out the export position for North Ayrshire.



Export analysis for North Ayrshire

This chapter sets out an overview of the current employment and business base within North Ayrshire in comparison to Scotland as a whole. It presents an analysis on the export trends within the UK, Scotland and North Ayrshire. It then sets out the barriers to export and presents a plan to address these barriers and work with North Ayrshire businesses to encourage and enable export activities.

6.1 Businesses within North Ayrshire

6.1.1 Employment

One way of gauging the key industry sectors in North Ayrshire is to study absolute figures for employment along with corresponding percentages. However, by looking at this in isolation does not illustrate the relative performance of industries in the area. In order to better understand where North Ayrshire has a comparative advantage compared to elsewhere in Scotland, Location Quotients (LQs) are used. LQs present the proportion of employment in each sector within North Ayrshire compared to the equivalent percentage at the national (Scottish) level. Thus, scores of over 1.00 indicate a relatively strong representation locally while scores of over 2.00 indicate that double the proportion of employees in North Ayrshire work in the sector compared to the position in Scotland. Table 8 highlights all those sectors with a score greater than 2.00.

The public social care sector is clearly a large employer in the area including personal service activities; residential care activities and social work activities. Other sectors of significance include tourism related services such as accommodation and travel agencies; manufacturing of other transport equipment, mining and quarrying and construction. The presence of mining and quarrying in the above analysis is likely to be a reflection of the presence of the Trearne Quarry. The manufacture of other transport equipment is likely to be connected at least in part to the coastal and marine sector, including activities around the Hunterston deep water terminal.

Table 8: North Ayrshire employment location quotients

Sector	Location Quotient
96: Other personal service activities	13.35
87: Residential care activities	5.14
47: Retail trade, except of motor vehicles and motorcycles	4.34
08: Other mining and quarrying	4.20
79: Travel agency, tour operator and other reservation service and related activities	3.44
30: Manufacture of other transport equipment	3.00
91: Libraries, archives, museums and other cultural activities	2.59
88: Social work activities without accommodation	2.55
55: Accommodation	2.40
38: Waste collection, treatment and disposal activities; materials recovery	2.25
41: Construction of buildings	2.25
56: Food and beverage service activities	2.07
65: Insurance, reinsurance and pension funding, except compulsory social security	2.03

6.1.2 Number of enterprises

Another indicator to investigate is the overall stock of businesses within North Ayrshire, which will further illustrate the nature of the various sectors in the district. The data in Table 9 is produced from a snapshot of the Inter Departmental Business Register (IDBR) taken on 12 March 2013.

According to this snapshot there were just under 4,000 VAT/PAYE businesses operating in North Ayrshire at this point in 2013. It must be remembered that there will be many more businesses in the locality that are not VAT registered/operating without the need for PAYE. To put this into context, it has been estimated (source) that in Scotland as a whole 70% of businesses are sole traders and so not registered.

Nevertheless, the data does help to give an indication of important sectors in North Ayrshire. In comparison to Scotland as a whole, North Ayrshire has comparatively more businesses in:

- ▶ Retail
- ▶ Accommodation and food services
- ▶ Business administration and support services
- ▶ Arts, entertainment, recreation and other services

This largely reflects the importance of tourism in the area and its related activities. However, it also points to a strong base in business administration and support services. This suggests that North Ayrshire has a relatively high number of business services companies but of a relatively small scale in terms of their employees - business services being offered to companies through a network of small independent practices rather than larger consolidated firms

Table 9: Number and % of Enterprises in North Ayrshire and Scotland 2013

Broad Industrial Group	North Ayrshire Number	North Ayrshire %	Scotland Number	Scotland %
Agriculture, forestry and fishing	245	6.3	17,465	8.8
Production	245	6.3	10,865	5.5
Construction	370	9.5	18,270	9.2
Motor trades	100	2.6	5,140	2.6
Wholesale	120	3.1	7,450	3.8
Retail	515	13.2	23,110	11.7
Transport and storage (inc. postal)	145	3.7	6,290	3.2
Accommodation and food services	410	10.5	14,895	7.5
Information and communication	95	2.4	8,705	4.4
Finance and insurance	60	1.5	4,385	2.2
Property	70	1.8	5,725	2.9
Professional, scientific and technical	435	11.1	28,830	14.5
Business administration and support services	325	8.3	12,085	6.1
Public administration and defence	60	1.5	3,040	1.5
Education	110	2.8	5,485	2.8
Health	255	6.5	12,145	6.1
Arts, entertainment, recreation and other services	345	8.8	14,395	7.3
Total	3,905	100.0	198,280	100.0

Source: ONS (taken from IDBR snapshot 12 March 2013)

6.1.3 Number of foreign owned businesses

The proportion of foreign owned businesses in Scotland is low; estimated to be at around 5%. It can be assumed that the proportion will be similar if not lower in North Ayrshire. The latest data on foreign ownership is from 2011 and is available at a national level only. Data is taken from the Scottish Government's Annual Business Statistics information. Their categorisation (which excludes most unregistered businesses) shows 163,614 businesses in Scotland. Of these 143,511 are Scottish owned, 7,318 (4.5%) are foreign owned and the remainder (12,785) are owned by the rest of the UK.⁴

6.1.4 Relative sector strengths within North Ayrshire

The analysis has shown that compared to the rest of Scotland, North Ayrshire has a relative strength in the following sectors.

- ▶ Public social care sector (including personal service activities; residential care activities and social work activities)
- ▶ Mining and quarrying
- ▶ Manufacture of other transport equipment
- ▶ Tourism (support by retail, accommodation and food, arts, entertainment and recreation)
- ▶ Business administration and support services

The number of foreign owned businesses within North Ayrshire is estimated at 5% or less. Data is not available at the local authority level; however the proportion of foreign owned businesses within Scotland is low.

6.2 Summary: key sectors of export interest for North Ayrshire

Based on the analysis on key export trends and information on important industry sectors in North Ayrshire, the following sectors can be identified as having the most export potential:

- ▶ Machinery and transport equipment, particularly in the manufacture of 'other transport equipment' – centred around ships and floating structures
- ▶ Food and drink manufacturing – especially for whisky and seafood
- ▶ Supporting the oil and gas supply chain as Aberdeen overheats

6.3 Barriers to export

The barriers to export were identified through interviews with businesses within North Ayrshire. This also gave a better understanding of their views on exporting, their awareness and experience of public agency exporting help and their views on any barriers to exporting. A summary the barriers is set out below.

- ▶ Local businesses perception that they are too small or too new to export
- ▶ Exporting not on the horizon for most respondents
- ▶ Too many agencies offering advice/support which is confusing
- ▶ Need for one agency in charge (use NAC as first port of call)
- ▶ Freight costs too high
- ▶ Need for more direct freight links (i.e., to get product to Finland has to go via Harwich which adds time and money)
- ▶ Export finance is too long winded.
- ▶ Small companies too risky to deal with.

Other points to note from the interview results include:

- ▶ The responses were not overwhelmingly positive about SE help – negative aspects were more likely to be mentioned
- ▶ Amongst those that have used SDI/SE, in general the support sought has been relatively minimal or for one off projects.
- ▶ One respondent frustrated that on a taxation matter he had received slightly different advice from internal colleague, SE, Chamber of Commerce – didn't know who to believe. Eventually found a consultant (via SE) who was the best/most accurate, will use him again.
- ▶ All respondents were aware of SE and SDI as a source for export help: the main services mentioned were market research, training with documentation, seminars about particular markets or sectors, credit references, general advice.
- ▶ Several mentioned having attended exporting related seminars run by SE – useful, 1 had got a good contact/sales lead from it.
- ▶ There was a lower awareness of UKTI services offered – none had experience of services; one interviewee mentioned following them on twitter for country/political updates.

⁴ Source: Scotsman, April 2014

- ▶ All stated that if they needed export advice they would approach either NAC for further signposting or SE/SDI. None mentioned (or had heard of) any private sector equivalents.
- ▶ All spontaneously mentioned helpfulness of NAC – all had positive relationships and in many cases said they would go to NAC first for further signposting in regards to export support.
- ▶ One respondent mentioned Export Finance function at SE (for credit guarantee schemes) takes too long to get approval. They need quicker responses so either offer company pro-forma payment or decide to extend them credit.
- ▶ Services most likely to seek include help with health and safety legislation; government lobbying for EU member states to insist on companies having translated English websites (too much protectionism) and networking opportunities (delegations to major clients).
- ▶ Two foreign owned companies were interviewed who both export – one did have direct (site) experience of export issues; the other had no experience of it – all export issues managed elsewhere via HQ and transport and logistics based in Yorkshire.
- ▶ There was no sense of companies proactively targeting sectors or markets to export – it is happening much more organically through existing relationships/clients.

6.4 Benefits of exporting

The main theme coming from discussions with local businesses is that they are too small or too new to export. North Ayrshire could be missing out on the benefits of exporting:

- ▶ Increasing sales. Expanding the market beyond the local, regional and national.
- ▶ Increasing profits. Export orders are often larger than from domestic buyers, for example importers ordering by container instead of pallet. Innovative products can command greater profit markets abroad than at the local market.
- ▶ Reducing risk and balancing growth. It can be risky relying on a domestic market alone. Exporting offers a diversity of markets that can help reduce the risk of companies exposed to the functions of local business cycles.
- ▶ Extending product life-cycle. New products are novel and sales can increase quite dramatically on entry, slowing down as the product matures and then move towards decline. Finding a new market where the product can be sold anew will extend the life cycle of the product.

- ▶ Improving efficiency and quality. The global market is highly competitive and businesses must become equally efficient and quality conscious. In general successful exporters are also very successful in their home markets because of their focus on efficiency and quality.

However exporting can be daunting and most businesses need support at least in the early stages.

6.5 Taste of Arran: best practice in North Ayrshire and Scotland

Taste of Arran (ToA) was created in 2001, when a number of small producers on the island grouped together with the initial aim of 'exporting' their produce to mainland Scotland. It currently comprises ten premier food and drink manufacturers and acts as a single point for sales, marketing and distribution. The partnership offers its members different levels of involvement – some just use it for sales support, while others prefer to concentrate on production, leaving everything else to ToA: product development, sales, marketing and distribution.

The partnership has proved to be very successful; direct sales through ToA are c£750,000, with total sales of the participating companies reaching c£12mn. Taste of Arran has had considerable success in promoting its brand and have also won two Food Tourism awards as well as regularly winning international and national product awards.

70% of sales are concentrated in Scotland with the remainder spread throughout the rest of the UK and overseas. According to a report by SE, their success in breaking into international markets was aided by SE, HIE and SDI. Specific help received included:

- ▶ Various workshops and programmes to help prepare to export.
- ▶ Market research.
- ▶ GlobalScot Network; a collaboration set up by SE to bring the experience of Scots working all over the world to support Scottish companies wanting to branch out into new export markets. One example of how this helped is that one Global Scot member was CEO of a group of hotels in Dubai and he set up a Scottish promotion week in one of his hotels, giving Scottish companies the opportunity to showcase their produce.

There could be an opportunity for North Ayrshire Council to adopt a similar approach for other North Ayrshire companies. The shared service centre approach as used by the Taste of Arran could be adopted by North Ayrshire by creating a federation of like-minded businesses wishing to export. The aim would be that companies could share some of the costs or tasks associated with exporting, such as financial planning, market research, transport, support with trade visits or general marketing costs. A federation of companies could be set up on either a sectoral or geographical basis (in terms of the export market of interest). This would have the benefit of helping cut some of the risk associated with the route to export that many small companies face.

6.6 Actions to support exporting

Based on the export data, the discussions with companies and other experience and reports, there are a number of actions that North Ayrshire should take forward. These have been split into short, medium and long-term actions but it is acknowledged that some actions identified as short-term will continue into the medium-term and beyond; it is the initial set up of the initiative that is considered achievable in the short-term. Likewise, some actions categorised as medium or long-term are those that should ideally commence in the short-term but it is recognised that they will take much longer to come to fruition (particularly when they involve relationship building). In addition, it is possible that actions will move between short, medium and long-term depending on resources available within North Ayrshire Council.

As a matter of priority, NAC should establish stronger market intelligence on those companies exporting. This could be done through the current key account management process and would establish a base line from which to measure the additional exporting. Other actions are set out below.

6.6.1 Short-term

SDI undertakes a number of one-to-many workshops with clients and the awareness of the availability of export support provision through SDI for business appears to be high within businesses in North Ayrshire. SDI believes that whilst they have strong participation in export support awareness, and working with companies to achieve export readiness, there is scope to assist more companies in detailed market support which could result in an increase in exports. There is therefore more work to be done in recruiting companies to participate in programmes. North Ayrshire should support this activity by:

- ▶ Placing a greater emphasis on the availability of export support in account management meetings. In particular, the initiatives that are being undertaken by SDI for the relevant sector in different markets should be researched prior to company meetings – for instance the opportunity to attend a relevant trade show with SDI.
- ▶ There appears to be a large amount of emphasis on assisting smaller companies to export with the associated high decay rate between initial interest and their subsequent activity in the market. An approach which may generate greater levels of traction with companies likely to follow through on their export interest should be to target those businesses that export to one or two markets and try and extend their reach into additional markets.
- ▶ The target markets may include those locations where SDI already has a market presence (Denmark, France, Germany, Russia, Dubai, Norway, US, Canada, Brazil, China, India, Australia, Japan, South Korea, Taiwan, Singapore) but may also include locations where only UKTI offers a trade presence. SDI can manage the interface with UKTI and as a result export initiatives need not be restricted to those locations where SDI is present.
- ▶ UKTI has undertaken a slight shift in its export approach over recent years and has identified large international projects where it believes that UK businesses are in a strong position to address some of the supply chain activity needed as part of the project delivery. These projects are known as 'High Value Opportunities' and each have a dedicated project manager within UKTI and a high degree of emphasis within the organisation. North Ayrshire Council should maintain a list of these opportunities and identify North Ayrshire businesses who would be potential suppliers for each project.

- ▶ UKTI also maintains a 'Business Opportunities' portal. This is a link to all the projects identified by UKTI field staff which could benefit from a UK supplier. Many of these opportunities are tenders – but others reflect conversations that UKTI will have undertaken in the relevant country. North Ayrshire could help raise awareness of this service with its own clients – not least because UKTI brand recognition is low in North Ayrshire at present.

6.6.2 Medium-term

Working with SDI and the Chamber of Commerce to pull together export missions covering each of the core sectors (i.e., transport equipment and food and drink manufacturing) in the most relevant market for that sector (e.g., France and Germany, the US and Singapore, China and India for 'other transport equipment'). Such sector based missions can allow a detailed and relevant itinerary to be put together for the companies involved – but they also represent an opportunity for business to work with and learn from their peers. SDI already undertakes such missions but with support from North Ayrshire there is the opportunity to undertake a mission of maximum relevance to North Ayrshire companies.

Businesses that use SDI or UKTI services in the market typically do so on a single transactional basis. This may be due to a misunderstanding of the extent of the support provided and it may also reflect the fact that on occasion the field staff involved are not particularly proactive in helping the business with the next steps or suggesting the support that could allow the business to achieve success. Companies are likely to require a number of services over a period of time if they are to export successfully – and SDI/UKTI can provide many of these services in the target market and also suggest the best approach that could be taken. Given the experiences of companies in this area, where companies are not account managed by SE, there is a role for North Ayrshire to act as the interface between the company and the SDI/UKTI representative overseas at least at the beginning and end of the service provision. North Ayrshire can ensure that there is service continuity for their client and that next steps are being agreed proactively.

6.6.3 Long-term

Many of the companies interviewed questioned the value and validity of some areas of specialist advice regarding exports – tariffs, taxation, credit finance, freight issues etc. North Ayrshire Council should work to create a panel of 'experts' from professional firms with international experience who are able to offer (paid for) advice. It is recommended that general advice continues to be provided by the public agencies involved but that for more complex or bespoke queries companies are able to gain access to a panel with the appropriate experience. Where multiple firms are facing a similar problem there may be an opportunity to broker a solution between a number of businesses to gain access to the best quality advice at a cost shared by a few. Experts in food and drink manufacturing exporting as well as in transport equipment materials would be clear leads to follow.

These actions are included within the action plan set out at section 12.

This section has set out an analysis of the export market within North Ayrshire. Local businesses are reluctant to export but with assistance NAC can increase the number of exporters and help to grow the local economy.

The next section sets out a number of case studies from cities and regions of a similar size to North Ayrshire and how they have tackled the task of internationalisation.





Case studies: comparable regions to North Ayrshire

This section contains a summary of case studies on four European regions with experience relevant for North Ayrshire. The case studies summarised with full details provided at Appendix C. The four case studies are:

- ▶ Tees Valley, UK
- ▶ Galway, Ireland
- ▶ Saint Etienne, France
- ▶ Wroclaw, Poland

Each city was chosen as a result of specific characteristics that make its strategy and experience relevant for North Ayrshire. Each of the four cases begins with a general introduction, and then goes on to detail the local development objectives, the strategy implemented to achieve them, and the results achieved to date.

The strategies pursued by the four cities share several points in common: skills upgrading, business accompaniment, and infrastructure and urban regeneration investments. However, each city implemented several key 'differentiating' actions that are of particular relevance for North Ayrshire. The final section synthesises these results, highlighting 12 key lessons for North Ayrshire.

7.1 Tees Valley, UK: an industrial renaissance

The Tees Valley is a region in North-Eastern England, located between County Durham and North Yorkshire. The region covers 304 square miles and has population of 660,000 spread across five boroughs.

Like North Ayrshire, the Tees Valley is located in a predominantly rural coastal region. It enjoys relatively low housing prices and easy access to the cities of Newcastle and York.

The Tees Valley's local development agency, Tees Valley Unlimited, worked with partners to develop an economic plan in 2011 in order to attract local and international investment, develop the region's workforce and infrastructure, and support sector development.

The plan is structured around two key ambitions:

- ▶ Drive the transition to a high value, low carbon economy focused on renewable energy, new technologies, and biological feedstocks.
- ▶ Create a diversified and inclusive economy that builds on the region's strengths.

Tees Valley Unlimited reports that the region's strategic economic plan has achieved a number of positive results since its implementation in 2011:

- ▶ Attracted almost £500mn of private sector investment by bringing new companies to the area and helping existing companies grow.

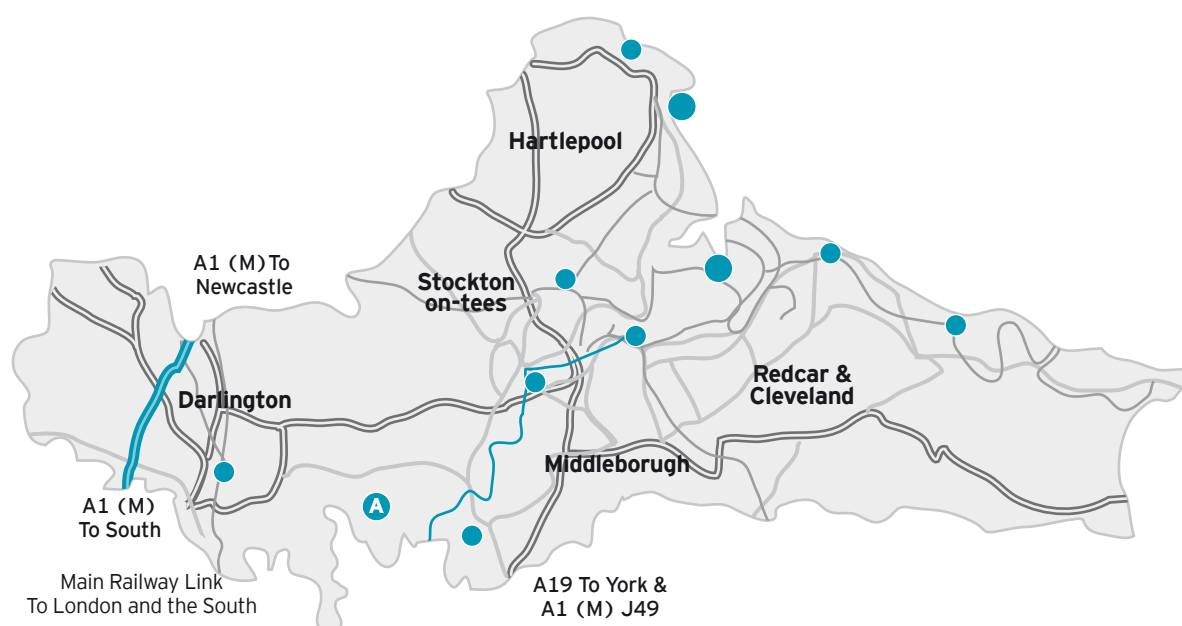
- ▶ Created or safeguarded almost 3,000 jobs in Tees Valley.
- ▶ Successfully bid for more than £57mn to improve infrastructure including developing local railway facilities, reducing road congestion, helping young people into work and setting up the Tees Valley Catalyst Fund.
- ▶ Welcomed eight companies onto the Tees Valley Enterprise Zone.
- ▶ Secured a further £42mn of Regional Growth Fund, which once taken up, has the potential to support another 5,000 local jobs.
- ▶ Helped partners access and manage £11mn of European Funding to support business, innovation, growth and enterprise.

7.2 Galway, Ireland: filling the prescription for medical technology

Galway is a city located the West Region of Ireland. With a local population of 76,000 and a catchment of 296,000 people within 60km, Galway is the major urban centre of the region and the fastest-growing city in Ireland. With two major higher education institutions, the National University of Ireland Galway (NUIG) and the Galway Mayo Institute of Technology (GMIT), the city has a student population of approximately 23,000 and significant human capital in the areas of regenerative medicine, biomedical engineering, and digital enterprise.

Galway also advertises a high quality of life and significant tourism industry, thanks to its coastal location, strong offer of leisure and tourist activities, and proximity to Connemara.

Figure 31: Map of Tees Valley



Source: Tees Valley Unlimited, 2012.

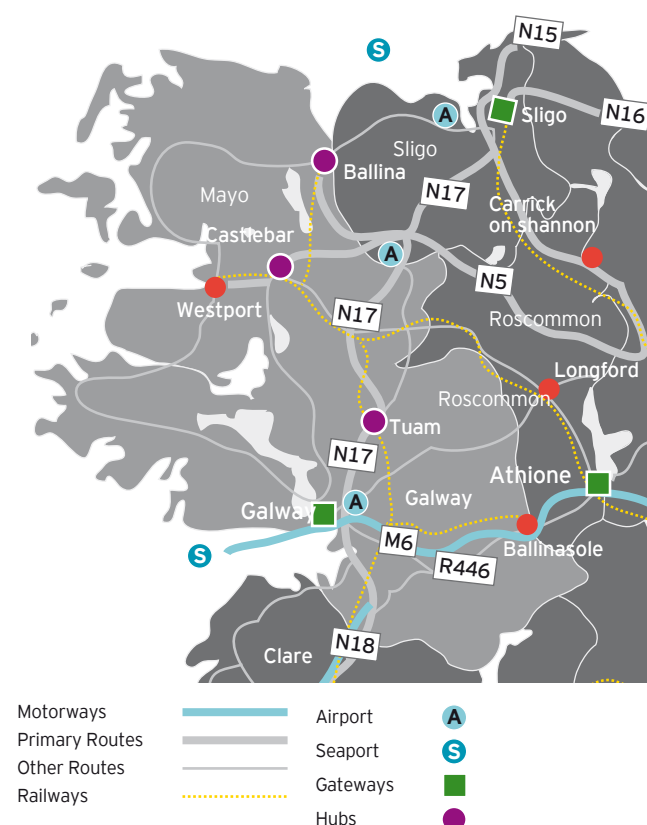
Public policy has played an important role in attracting med-tech investments to the Galway region. Initial investments in the med-tech sector were in relatively low value-added manufacturing operations. However, Galway was able to successfully leverage Ireland's national science policy in the early late 1990s and early 2000s, benefitting from public initiatives to improve skill provision and research commercialisation in the sciences. This allowed Galway to upgrade its skill profile and attract investment higher up the value chain, in particular in R&D.

The key tools for attracting inward investment include:

- ▶ Regional participation
- ▶ Cooperation with national development agency
- ▶ Leveraging on critical mass
- ▶ Collaboration between businesses and higher education institutions
- ▶ Linking local and international strategy.

Galway has experienced growth in its FDI market over the last decade, growing from 2 projects in 2003 to 12 in 2011 and 2012. Between 2003 and 2012, the region attracted 68 foreign investments in total, creating 5076 jobs.

Figure 32: Map of Galway



7.3 Saint Etienne, France: a nascent creative hub

Located in the Rhone Alpes region 60 km southwest of Lyon, Saint Etienne has a population of 180,000 inhabitants and covers an area of approximately 80 sq km. Its proximity to Lyon and a strong road and transportation network make the city an attractive location in geographical terms, and Saint-Etienne had a strong fabric of industrial throughout most of its history. However, beginning in the 1970s, the city's economy began to decline and Saint-Etienne's major industries shrank dramatically, leading to significant job losses and declining population.

Over the last five years, St. Etienne has undertaken several actions to reposition itself as dynamic location for enterprise and investment. The metropolitan area has made significant investments in urban regeneration for the city centre, constructing and renovating office and residential space to facilitate re-urbanisation and talent attraction. The city has also undergone two major neighbourhood regeneration plans in the area surrounding Saint Etienne's major train station, as well as the creation of a new 'creative quarter' with office, retail, and residential space.

Saint Etienne's strategy remains in the relatively early stages; however its impact is already being felt in the metropolitan area.

7.4 Wroclaw, Poland: from FDI zero to outsourcing hero

With a population of 632,000, Wroclaw is Poland's fourth largest city. The city is strategically located in Central Europe, between Berlin, Warsaw, Prague and Vienna. After several years of difficult adjustment following the dissolution of the Soviet Union, Poland emerged in the early 2000s as a competitive destination for service outsourcing. Its affordable, educated labour force and strategic geographic location made it highly attractive, and the city was able to successfully transition from a basic manufacturing site to one of Europe's hotspots for business services.

Wroclaw's attractiveness strategy is multifaceted, and is centred on two key elements: first, a strong and proactive public authority and second, building a strong local offer in real estate and infrastructure that complements its competitive advantages in human capital and location.

Wroclaw's FDI-driven transformation has been a success. The city received only a handful of investments between 1999 and 2003, mostly concentrated in manufacturing. However, from 2004 onwards, the number of FDI projects in the region grew significantly, jumping – in the space of just one year – from 1 project in 2003 to 16 projects in 2004.

Figure 33: Location Map of Wroclaw



*Association of Business Service Leaders in Poland

Source: Invest in Wroclaw, 'Driven by Knowledge Location Report' 2014.

7.5 Lessons for North Ayrshire

There are a number of lessons that can be drawn from the case studies:

- ▶ **Pursue service functions in existing local sectors:** Tees Valley seeks build on its current strengths in chemicals and advanced engineering and manufacturing by attracting business service functions to these sectors in addition to manufacturing.
- ▶ **Invest in national and regional transport connections:** the Tees Valley strategy attempts to put the area on the national transportation map by supporting regional infrastructure projects and lobbying intensively for better national rail, road, and air connections. Similarly, in Wroclaw, a large-scale investment in the airport and focus on raising the number of international flights is another lever for attracting business services investment, which requires good international accessibility.
- ▶ **Partner up with the national FDI/export bodies:** the Tees Valley participates in relevant national and international trade events with UKTI, and co-sponsors workshops for export and FDI capacity building for local businesses.
- ▶ **Leveraging on critical mass:** Galway was able to leverage the presence of existing international investors in their communications strategy to build legitimacy and a 'niche' reputation in medical devices in order to attract new investors in the same sector.
- ▶ **Foster cooperation between business and higher education:** Galway's success is due in no small part to its effective provision of both technical and managerial skills, and the close cooperation it fostered between investors and academic research centres.
- ▶ **Leverage on EU funds:** Galway, like Wroclaw and the Tees Valley took advantage of EU funds to assist in improving the local skills and infrastructure offer. Most importantly however, the city also provided significant support to local businesses and research centres wishing to apply for EU funding.
- ▶ **Build image and reputation gradually:** Saint Etienne recognised that it would need to 'start small' to build up a reputation over time, and has made a progressive plan to promote the city first regionally to partners in the Rhone-Alpes region, then nationally and internationally.

- ▶ **Create a single point of contact:** Saint Etienne created an investment agency structured around 'territorial developers' embedded in a specific area or business park. These developers serve as a single point of contact for existing businesses in the region.
- ▶ **Build a 'local brand':** Saint Etienne has leveraged its UNESCO qualifications and flagship local event to build a local brand centred on design. The brand helps give coherence to local development efforts and build a reputation for the city.
- ▶ **Scale up the local offer through regeneration:** like Saint Etienne, Wroclaw has scaled up its local offer through targeted investments in regeneration aimed at improving quality of life for residents and the city's 'first impression' impact.

- ▶ **Improve local international access:** Wroclaw's greatest asset is its workforce, and the city has made significant investments in improving local commuter access through investments in rail and road infrastructure, as well as in other forms of public transport.
- ▶ **Build a sound real estate offer:** Wroclaw cooperated closely with developers to build up a strong local offer in modern office space and actively helps developers fill their spaces.

This section has presented examples that North Ayrshire can use to inform the way forward for its international strategy.

Key to attracting investment is having the right product. The following section sets out an analysis of the key locations within North Ayrshire and how they can be used to attract investment.



Strategic locations for North Ayrshire

The following section sets out an analysis of three strategic locations within North Ayrshire:

- ▶ i3 enterprise area (EA) in Irvine
- ▶ Hunterston
- ▶ Ardeer peninsula

The FDI analysis has highlighted the available space within North Ayrshire. Evidence from the demand analysis, interviews and from the 2009 North Ayrshire Employment Land Review⁵ has shown that there is no shortage of development space. However, there is a shortage of development

ready space. The Council is currently undertaking a review of employment space to update the 2009 review. When this has been completed the key development areas should be reviewed for longer term development opportunities.

For now the current developed land is within the i3 enterprise area. This should be the focus for development.

⁵ Ryden, July 2009, North Ayrshire Employment Land Review

8.1 i3 enterprise area

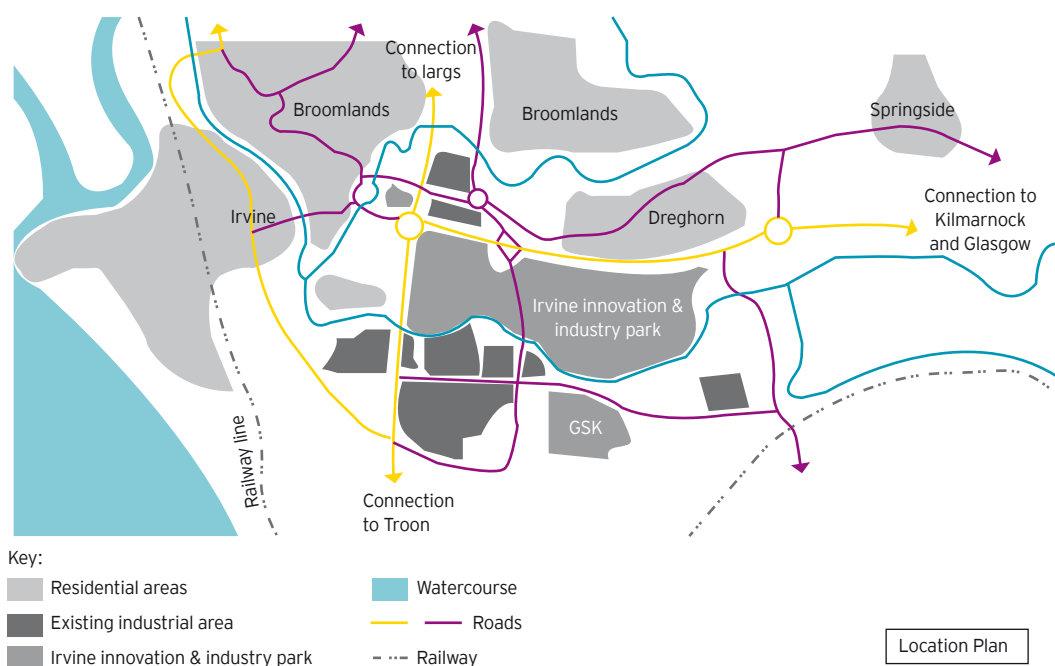
The available development space with high quality infrastructure is centred around the i3 enterprise area. In 2012 i3, Annickbank and expansion space at GlaxoSmithKline (GSK) were given EA status as part of the Scottish Life Sciences Enterprise Area. EA status brings a range of benefits to the development sites. This includes:

- ▶ Accelerated capital allowances
- ▶ Business rates relief for life science businesses
- ▶ Assisted area status and business premises renovation allowance
- ▶ Accelerated planning zone status

The EA covers an area of 132 Ha and includes land at i3 Business Park, Annickbank Innovation Campus; and expansion land at GSK. It comprises 15 development sites within the six main campuses. The site is well serviced with infrastructure and utilities having diverse fibre optic connectivity and industrial supplies of electricity, gas, water and drainage.⁶

The i3 is the largest and most important asset in terms of real estate. It is the largest site of its kind in the North of the UK. A large part of the land is currently vacant and open for the construction of new sites. The servicing of the site is of high quality with access to energy supply, broadband and telecom lines available. With rents around £100 per sqm per annum, the i3 is cost-competitive compared with other locations in Scotland.

Figure 34: i3 Business Park Irvine's Enterprise Area



Source: i3 Business Plan

The Irvine Bay Regeneration Company (IBRC) is based within the i3. Through the Irvine Enterprise Area Business Plan it has been successfully promoting the business park. The successful conversion of several second hand buildings has gone some way to meeting demand, however this is nearing capacity. More conversions or additional building are required to build up a larger stock of adequate space.

A further issue for i3 is the dispersion of the current buildings over the site. There is no focus, and therefore no clustering effect.

8.1.1 Developing the offering

In the short term, if the area is to attract quality manufacturing and call centre investment, investment will need to be made in either new buildings or in the refurbishment of further second hand properties. Any development should also be within a focussed area to enable clustering effects.

A cluster will help to attract supporting businesses to the cluster as well as induced business such as retail and hospitality. It will also improve the potential for public transport improvements.

⁶ Irvine Bay Regeneration Company, December 2012, Irvine Enterprise Area Business Plan.

NAC should work with IBRC to develop the innovation and business parks. Actions are set out further within Section 12.

8.1.2 Funding the investment

The funding environment has made speculative investment in i3 difficult. The market has consistently told us over recent years that speculative office development is challenging. Developers are reluctant in many cases to fund speculative business space development, particularly for out of town ventures.

Demand risk remains high. The public sector can accept the development risk by funding the development themselves; as Irvine Bay has been doing. Additional investment will be needed to develop the product and NAC will need to explore potential funding sources. The table below sets out a range of potential sources.

This summary provides sets out examples only, a fully costed development plan for the i3 should be developed. Any speculative investment should be made cautiously and with reference to the key sectors and activities that NAC would seek to attract.

Table 10: Potential funding sources by development type

Investment/development type	Potential funding sources
Pre-let	<p>The ideal scenario where there no speculative development is required and investment is secured by a pre-let with a prospective tenant. That would de-risk the build and improve the chances of securing development finance.</p> <p>Given the work put into the Inward Investment strategy and co-work with the likes of SE and SDI – securing pre-lets may be a possibility, certainly in the medium to longer term when the area has become more developed.</p> <p>The sources of finance for development based on pre-let would be:</p> <ul style="list-style-type: none"> ▶ Owner occupier – the tenant builds the space and funds corporately ▶ Developer funds corporately or via private finance ▶ Private sector finance (traditional routes) ▶ Local authority funding (via borrowing from PWLB) <p>SE and SDI would remain the best sources of information on finance routes</p>
Regeneration Accelerator Model	<p>There are also alternative routes being touted for development finance – in particular the new Regeneration Accelerator Model (RAM) that will underpin the St James Centre build in Edinburgh.</p> <p>RAM is a partnership between the developer, Scottish Government and SFT. This model differs from TIF in that the Government is funding an element of the development (the developer also investing). The Government gets repaid in kind through economic growth in business rates and other non-financial measures such as employment growth. This is the first time this model has been used. It has stemmed from the developer therefore a strong development idea is required – St James Centre is a huge retail development in the centre of Edinburgh so a relatively unique opportunity.</p>
Speculative	<p>Speculative development is challenging. Developers are reluctant in many cases to fund speculative business space development, particularly for out of town ventures. Demand risk remains high – Euro central in North Lanarkshire as a key example.</p> <p>The public sector can seek to de-risk this through the following means:</p> <ul style="list-style-type: none"> ▶ Providing clean, fully remediated sites. ▶ Business incentives – e.g., Enterprise Zone style reliefs such as business rate relief, enhanced capital allowances, streamlined planning, high speed broadband etc. <p>Alternatively of course, the public sector can accept the development risk by funding the development themselves – as like Irvine Bay have been doing.</p> <p>A middle ground could be explored via joint venture working between the public sector and private sector with parties sharing risk in development.</p>
Grant funding	<p>The strategy for EU Structural Funds is being signed off at present. In May 2014 the allocation of funds to Scotland was agreed by UK Government (£894m). The strategic interventions to distribute this money are being finalised by Scottish Government. There will be a very strong focus on business competitiveness and developing Scotland's workforce. The routes to distribute this money – via SE, SG directly, SDI will become clearer later in the summer. This may provide finance to support business space development.</p>

8.1.3 A future masterplan

As the innovation park develops it may be appropriate to revisit the masterplan and indeed the business plan for the i3 to reflect the changes within the development area. NAC should continue to work with Irvine Bay to further develop the masterplan and update the business plan as required.

8.2 Hunterston

The Hunterston port and surrounding area is a cornerstone of the North Ayrshire economy. The area is home to the Hunterston A and Hunterston B Nuclear Power Stations. Hunterston A ceased production in 1989 but retains a significant workforce of around 250 employed by Magnox on behalf of the Nuclear Decommissioning Authority. The Hunterston B Power Station is operated and owned by EDF. It was commissioned in 1976 and was previously planned for closure in 2011 however this has been extended to 2023 following which the decommissioning process will commence. Hunterston B employs around 670 staff.

Clydeport plc, a subsidiary of Peel Ports, is a significant landowner with around 107 ha of land to the north of the Hunterston A and B stations and with access to the Clyde coast.

In 2012 plans for a coal fired power station with carbon capture and storage (CCS) technology were abandoned. Ayrshire Power, owned by Peel Energy, blamed the economic slowdown and funding uncertainty for the withdrawal, however the plans were rejected by the Council in light of over 20,000 objections.

8.2.1 Current port facilities

Clydeport's existing operations at Hunterston comprises two facilities. The first is a bulk handling terminal comprising a jetty with deep water access, storage yard and rail terminal which was originally developed for the importation of iron ore for use at Ravenscraig. More recently it has been used for the importation of coal for power station use. The second facility is a dock for the construction of oil and gas platforms.

The site is also home to the Scottish and Southern Energy offshore turbine test centre, the site is an extension of the Centre of Engineering Excellence for Renewable Energy (CEERE). The centre received £4.3mn of funding through the Scottish Government and Scottish Enterprise through the National Renewable Infrastructure Plan (NRIP). SSE is set to invest around £20mn in the facility. The site has also been supported with funding from Department of Energy and Climate Change and Department of Business, Innovation and Skills. This funding forms part of the Efficient Offshore Wind Programme.

Siemens and Mitsubishi are currently working on the site to test two berths. The first of three turbines is now operational with the second set for completion in summer 2014. There are plans to lease the final berth to a turbine manufacturer which has plans to invest in the Scottish off-shore wind supply chain.

8.2.2 Hunterston Competitive Advantage Study commissioned by NAC and undertaken by URS

In August 2013 North Ayrshire Council and Irvine Bay Regeneration Company commissioned URS to undertake a Competitive Advantage Study (CAS) for Hunterston. The study aimed to identify which uses at the site could most effectively exploit its competitive advantage and generate socio-economic benefits for the local area.

The CAS identified potential opportunities across a range of uses and potential timeframes. The long list of opportunities identified within the study is presented at Appendix D. In the short term coal imports and leisure opportunities were identified as options. In the medium term offshore wind, maritime decommissioning and continued leisure opportunities were highlighted. In the longer term biomass, offshore wind, wave and tidal and nuclear were earmarked as opportunities.

The CAS findings were shared with Clydeport who indicated that they considered only three options viable in the short, medium and long term.

- ▶ Expanding on potential as a wind turbine test facility
- ▶ Maritime Decommissioning
- ▶ Wave and Tidal only

As the major land owner, Clydeport's views on viable options are critical. Through the CAS and Clydeport review, the future opportunities for Hunterston are summarised in Figure 36.

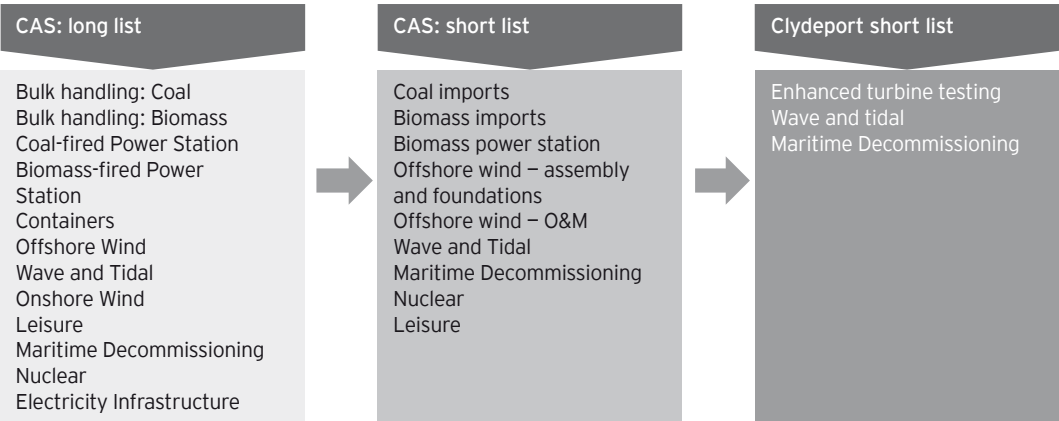
Through the CAS and feedback from Clydeport, it is clear there are a number of fundamental issues facing Hunterston.

8.2.3 Competitive environment

Across Scotland, Ireland and the North of England all port facilities recognise the opportunity presented by new technologies such as offshore wind and wave and tidal power. All face a race to modernise historic port infrastructure and wider connectivity infrastructure to meet future demand. Gaining a competitive advantage will be critical. Across the

UK and Ireland ports are at varying stages of development. Many ports have already committed to a particular strategy and have mature plans in place to service specific elements of the renewable industry. Some have contractual agreements in place with private sector partners and have significant port upgrades already underway. Those ports that have been slow to react and have been unable to finalise development strategies may already be behind.

Figure 35: Hunterston port short listed opportunities



8.2.4 Funding availability

Readying port facilities for new technologies such as wave and tidal and offshore wind and other services such as oil rig and maritime decommissioning requires significant infrastructure investment. Commercial investment remains challenging given industries remain in their infancy with many technologies still unproven and future demand largely unquantifiable. As a result, many ports are reliant on Government support to fund infrastructure.

The accumulation of these funds is under £200mn. The NRIP Stage 2 report indicated that Hunterston has the highest port infrastructure requirement, at £65mn, out of the ten identified coastal facilities. The total requirement for these ten facilities alone was around £293mn. This highlights that Government support for port infrastructure is heavily constrained and that funding will be highly competitive. In addition, funding from the private sector will be critical if upgrades are to be delivered.

In Scotland two key funding streams are available:

- ▶ The National Renewables Infrastructure Fund (NRIF) was established in 2012 and has £70mn available for infrastructure to support offshore renewable supply. Hunterston received £4.3mn from this fund for the SSE turbine test centre
- ▶ The Renewable Energy Investment Fund (REIF) has £103mn available and is targeted at marine energy, community renewable projects and district heating. An additional £18mn has been made available with the Marine Renewables Commercialisation Fund which is solely focussed on marine arrays

8.2.5 A regional priority

While the site is of regional importance, Hunterston is not included in the current National Planning Framework (NPF3). This has implications for attracting national funding for infrastructure improvements. Discussions between North Ayrshire and Clydeport also confirm that there will be no investment without substantial public sector support

8.2.6 Strategic options for Hunterston

The options considered for Hunterston carry significant challenges in terms of both funding and competition from other ports. The table below sets out an assessment of the short listed options.

Table 11: Strategic options for Hunterston

Option	Comments
Expanding on potential as a wind turbine test facility	<ul style="list-style-type: none"> ▶ Public sector funding already secured of £4.3mn and private sector funding secured through SSE of £20mn ▶ Expansion would require further investment in excess of £20mn ▶ Major renewables actors currently on site in SSE, Siemens and Mitsubishi ▶ The site is an extension of SSE's Glasgow based CEERE ▶ The original planning consent restricts construction work between March and September; a temporary relaxation of this condition is currently in place. Discussions with Clydeport reflect the need to have this status made permanent to reflect the importance of the site. ▶ Potential for assembly (as currently planned for Fife) or for maintenance ▶ Estimate of long term assembly and maintenance job creation is around 300 on site jobs. ▶ Short term potential to become an innovation hub for the renewables sector building on CEERE with links to Glasgow ▶ Review of planning status required to further support testing facility
Maritime Decommissioning	<ul style="list-style-type: none"> ▶ Infrastructure requirement includes a quay extension to 150m, a dry dock and dredging ▶ Clydeport have estimated £17mn – £20mn to ready the site for Wave and Tidal and/or oil industry decommissioning. 2010 NRIP highlighted £65mn infrastructure costs to ready Hunterston for renewable industry. Infrastructure requirement includes a potential dry dock gate costing £35mn estimated by Fairhurst (technical report commissioned by Clydeport in 2010). ▶ Competition from East Coast ports (Able, Swan Hunter, Scottish ports such as Nigg) means Hunterston likely to target East Irish Sea decommissioning ▶ East Irish Sea represents around 5% of total UK platforms (16 out of 297 with vast majority in North Sea) ▶ East Coast decommissioning would face competition from Belfast and Kishorn but both face similar infrastructure requirements. ▶ The employment benefits will depend on the size and complexity of the operations. URSD estimate between 60-80 temporary jobs. ▶ There is a limited lifespan for the operations with policy moving towards renewable energy
Wave and tidal	<ul style="list-style-type: none"> ▶ Infrastructure requirement as estimated by Clydeport is upwards of £20mn ▶ This is a potential opportunity, however wave and tidal market remains untested and is yet to be proved a viable option ▶ URS estimate 80 jobs for assembly and 210 jobs for manufacturing ▶ There is substantial competition from other ports – Orkney, Falmouth, Kishorn and Pentland Firth ▶ Potential long term proposition, however the viability is untested
Nuclear	<ul style="list-style-type: none"> ▶ Current Scottish Government policy is strongly against the development of new nuclear power stations ▶ Major stakeholders in NDF and EDF ▶ Further extension beyond 2023 for Hunterston B unlikely to be technically feasible, beyond 2023 an alternative energy source will be required ▶ Currently employs 550 people, many of whom are highly skilled ▶ New power stations likely to employ around 700 direct employees (Hinkley Point C), however long term timescale of delivering a new build site and high costs are significant barriers to entry for other developers ▶ Medium to long term potential to develop a new build site would save current jobs and has the potential to increase employment

This summary identifies:

- ▶ A number of key accounts around the Hunterston site include:
 - ▶ Clydeport
 - ▶ SSE
 - ▶ Siemens
 - ▶ Mitsubishi
 - ▶ EDF
- ▶ The short term potential to expand on the wind turbine testing facility. This should be examined in more detail with discussions with Clydeport.
- ▶ With the current testing facilities and the CEERE presence, the site could become an innovation hub for the renewables sector. This should be explored further with SSE.
- ▶ Maritime decommissioning is not a realistic option for Hunterston due to the level of investment required, limited market on the West coast and lack of job creation.
- ▶ There may be long term potential for wave and tidal operations; however Hunterston is behind in comparison to other ports in this area. The market is untested and would require substantial public investment to make the port infrastructure fit for purpose.
- ▶ There is the medium to long term potential for a new nuclear power station. The Council should engage with NDA, EDF, Scottish and UK Governments, in particular as they plan towards 2023.

8.3 Ardeer

The Ardeer site is located to the north west of Irvine, close to Kilwinning and Stevenson. It became the site of Nobel explosives and has a long history of designing and developing products for the chemical and defence industries. It was once the largest producer of explosives in the world and remains a strategically important site for the Ministry of Defence (MOD).

The site is currently the home of Chemring Energetics UK (CEUK); a world leading organisation that designs, manufactures, assembles and tests energetic products. CEUK operates at an international level, supplying products to over 80 countries. They currently employ around 300 people.

Due to the nature of the activity at CEUK, the site offers a unique opportunity for North Ayrshire. The site has Special Development Order status and is unique within Scotland.

CEUK has a world leading research and development capability at Ardeer for all high energy and propellant development and production for the Chemring Group. This requires a relatively high number of engineering and science graduates.

In addition the supply chain for the munitions sector offers high value employment which could present real opportunities for North Ayrshire.

The nature of the activity also means that it is more difficult to access information on the organisation and the supply chain. NAC should begin to engage with CEUK and further investigation is underway on the supply chain.

8.4 Summary

This section has set out an analysis of the strategic locations within North Ayrshire. It is clear that in the short term NAC should focus on the i3 enterprise area, while keeping a watching brief on Hunterston and Ardeer.

i3 is the strategic location to support the target activities but **Additional development is required**. This should be within a focused area to enable clustering effects.

Hunterston is a regional asset in private ownership:

- ▶ There are no current investment plans.
- ▶ The focus should be on the renewables innovation hub with SSE and the CEERE.
- ▶ Engage with NDA and EDF on nuclear developments for the longer term.

Ardeer has high value activity on a unique site:

- ▶ It has special development order status
- ▶ World leading research and development capability
- ▶ Engage with CEUK
- ▶ Further investigation on the supply chain, which may be difficult to fully analyse

The next section sets out how NAC best work in partnership with SDI and other stakeholders as part of the international strategy.





Working in partnership with SDI

Scottish Development International (SDI) is an agency formed between Scottish Enterprise and Scottish Government and is responsible for the internationalisation strategy for the whole of Scotland (including the Highlands and Islands and therefore work with Highlands and Islands Enterprise).

The core international activities of the organisation can be defined as helping Scottish companies to internationalise; undertaking the attraction of inward investment; and helping to ensure that international businesses already in Scotland develop and grow. The priorities of SDI and how they undertake their activity is set out below.

9.1.1 Key sectors

SDI will support any business that fits their parameters of scale of investment, growth potential or ability to export. Nevertheless the agency does set out some proactive target sectors which help to structure their activities in markets overseas. The priority sectors of SDI for the attraction of investment and promotion of trade are as follows:

- ▶ Business processing outsource activities/business services
- ▶ Chemical sciences
- ▶ Creative industries
- ▶ Financial services
- ▶ Life sciences and biotech
- ▶ Oil and gas
- ▶ Renewables
- ▶ Technology
- ▶ Textiles

The technology sector may be seen as a somewhat broad definition but the focus of activity is mainly towards Information Technology (IT) companies and their hardware, software and services.

9.1.2 Key markets

A large amount of SDI activity is taken outside Scotland – seeking investment opportunities or supporting businesses seeking to trade. To enable this to happen most effectively, SDI operates a network of overseas offices. The current office network (May 2014) is set out below.

These offices are engaged in work to maintain contact with the Head Offices of businesses which already have a presence in Scotland; promote Scottish exports and work on specific services with some companies which have reached the point where they are examining a market in detail and need local support; and working on promotional campaigns, lead generation and project support to attract investment into Scotland.

Table 12: SDI overseas offices

SDI overseas offices	
Americas	<ul style="list-style-type: none"> ▶ Brazil – Rio de Janeiro ▶ Canada – Calgary ▶ Canada – Toronto ▶ US – Boston ▶ US – Chicago ▶ US – Houston ▶ US – New York ▶ US – San Jose
Asia Pacific	<ul style="list-style-type: none"> ▶ Australia – Sydney ▶ China – Beijing ▶ China – Hong Kong ▶ China – Shanghai ▶ India – Hyderabad ▶ India – Mumbai ▶ India – New Delhi ▶ Japan – Tokyo ▶ Singapore ▶ South Korea – Seoul ▶ Taiwan – Taipei
Europe, Middle East	<ul style="list-style-type: none"> ▶ Denmark – Copenhagen ▶ France – Paris ▶ Germany – Dusseldorf ▶ Russia – Moscow ▶ Norway – Oslo ▶ Dubai ▶ England – London

9.1.3 UK Trade and Investment (UKTI)

The UK also has a trade and investment vehicle, UKTI, which offers similar services to SDI. UKTI also works on trade and investment initiatives for the whole of the UK. SDI works collaboratively with UKTI. Where UKTI identifies its own inward investment enquiries that will consider Scotland, SDI will provide UKTI with the support that is required.

The relationship with UKTI means that in those markets where UKTI has a presence but SDI does not, Scottish companies still have access to an export service and inward investment leads for Scotland may still be generated.

Where UKTI source inward investment leads, however, UKTI will be attempting to secure the investment for the UK and in most instances rival agencies to SDI from elsewhere in the UK will be making a pitch to secure the investment. From a trade perspective, it is also important to note that some of UKTI services to business are chargeable (Overseas Market Introductory Service – OMIS) and in this regard, differ from SDI.

9.1.4 Investor development

In keeping with the Scottish Enterprise approach to supporting businesses through an account managed relationship, SDI provide an account managed approach to overseas owned companies. This approach varies according to the classification of the business involved, but the aspiration is that every foreign owned business in Scotland will, as a minimum, be aware of SDI and who to contact in the event of an issue or opportunity.

The faster the predicted growth potential of the business, the greater the level of engagement sought by SDI. These businesses are therefore account managed for growth; account managed for their importance to the economy; on a watching brief; or simply contacted electronically on a one-to-many basis.

The result of this activity is that approximately 350 foreign owned businesses in Scotland will have an account manager and will be account managed in a similar manner to other Scottish Enterprise accounts – but with the difference that SDI will take note of the HQ/foreign decision making locations and attempt to support the account team by also securing a relationship with the key influencers and decision makers in these offices.

It is important to note that whilst the numbers will vary in any given year, SDI always generates significantly more than 50% of its FDI success by securing follow on projects from its existing base of foreign businesses.

9.1.5 Inward investment

As set out above one the key activities within the SDI work in securing investment is the work with existing investors. Apart from the generation of investment enquiries through the account managed approach, SDI will also receive enquiries through the efforts of UKTI and through direct contact from interested parties. It is important to note, therefore, that the work of the overseas offices is not the only manner in which inward investment opportunities will be gained – and in fact, the number of enquiries generated through their own promotion in overseas offices will be in the minority compared to the total number of enquiries received.

One of the key roles of the overseas offices in the support of the inward investment effort is the client relationship, provision of information and understanding the key issues and opportunities as a client is considering an investment. This is a time consuming activity with inward investment projects frequently taking more than one year to be delivered between initial idea and final contractual commitment – and with numerous requests for information throughout the client evaluation and planning of the investment. Nevertheless, the ability to deal with a client face-to-face on behalf of SDI is invaluable and a clear differentiator for Scotland against less resourced agencies (few English agencies now have any overseas presence and must rely on UKTI for client interaction where the agency then has less control over the questions/how concerns are dealt with).

Part of the role of the overseas offices is to undertake some targeted promotional work and support wider corporate initiatives on inward investment generation. SDI will target some businesses in the key sectors that are present in their overseas markets. This will represent some direct contact, some event management and the support for key initiatives such as investment events in Scotland – Commonwealth Games, Ryder Cup etc. This work will also support initiatives such as Global Scot.

9.1.6 Trade

SDI undertakes work to support companies in their efforts to export. This work is available to all and will be offered as a matter of course to account managed companies (SDI and SE) – but in reality the account managed businesses will in many cases be sufficiently large to wish to undertake their export initiatives without the help of the public sector.

As a result, to a large extent, the clients of SDI will be small and medium sized companies. SDI undertakes a large amount of work attempting to raise export awareness with these companies (events and promotional campaigns); working with them to get them ready to export (some events and also some one-on-one support); and then providing market introductory services (missions, helping clients to attend market shows, and direct support); with some direct support for individual businesses on a one-to-one basis who then have a firm project to break into a market.

The work of SDI on trade services is non-geographically targeted and Scottish based SDI staff are based across the country. Some work on missions or trade shows will be sector focused following the target sectors but not exclusively. The target sectors would not preclude SDI helping any other type of company that was interested in exporting.

SDI recognises that there is a significant drop off across the SME community between the initial awareness raising and export readiness work and this means that there is a general view in SDI that more specific work with good quality potential exporters could be undertaken in market – and this is an objective of the organisation.

9.2 Actions

The actions follow on from the nature of the relationship that SDI has with Local Authority partners across Scotland and reflects many of the findings of this report. They are set out below and again are split into short, medium and long-term actions.

9.2.1 Short-term actions

SDI has a difficult role to play in satisfying the aspirations of 32 Local Authorities across Scotland. At the same time, much of the delivery of SDI activities requires the full participation of the Local Authorities – whether through recruiting trade companies or delivering planning permission for inward investors as only two examples. Inevitably, SDI seeks to gain information efficiently and easily from its Local Authority partners whilst trying to avoid a complex relationship management exercise with all 32 Authorities. Within this construct, North Ayrshire should undertake a number of actions:

- ▶ Ensure that the knowledge management system of SDI (The Source) is filled with up to date information about North Ayrshire and ensure that the information is kept up to date. This in particular is used by overseas offices that do not have the face to face network with Local Authorities.

- ▶ Ensure that material provided to SDI it is in the format which SDI uses. The easier it is for the North Ayrshire material to be integrated with SDI, the more likely the material will be used. This may involve the provision of some 'MS Word' documents as well as 'MS PowerPoint' material. Fonts, colours and layout should mirror SDI.

As part of the building of bridges between SDI and North Ayrshire there is the opportunity to explore secondments. Some locations in Scotland have hosted SDI secondees and others have provided secondees to help resource offices. This is likely to be linked to some wider initiative or project but should be explored. These arrangements could even be part-time if that better suited the needs of the organisations. The relationships that can be built through these arrangements would be highly beneficial.

9.2.2 Medium-term actions

Once the short-term actions above have been completed, arrange an email newsletter on North Ayrshire with relevant news stories to the SDI network at least once a month. Ideally this should be readable as an email with headlines and hyperlinks to the main story – attachments should be avoided. This simply maximises the likelihood that the email will be glanced over (with stories of interest read properly). Again, focus on key export sectors of interest (e.g., food and drink manufacturing and equipment relating to marine and coastal industry).

Over time, North Ayrshire should seek a point of contact within SDI who can be identified as a 'relationship manager'. Ideally this will be a SDI member of staff with some influence and some good knowledge/affinity with North Ayrshire. Given the current arrangements within SDI, this is unlikely to be a formal role – but an informal account manager could still provide insight, influence and access to contacts within SDI. It is recommended that:

- ▶ North Ayrshire should identify the individual with whom they have most meaningful and regular dialogue
- ▶ Provide this individual with knowledge of the companies with whom North Ayrshire is working (on a confidential basis) and use this as an opportunity to gain feedback on those SDI projects in which North Ayrshire has an interest
- ▶ Seek to move to a more formal reporting arrangement where North Ayrshire's contribution, views and concerns can be discussed and addressed.

In addition to a one-on-one relationship with an individual who has affinity with North Ayrshire, there is the opportunity to treat SDI colleagues as 'multipliers' in different markets. Each of these individuals should be aware of the North Ayrshire offer (see newsletter above) but also, as far as possible, some personal contact needs to be made with SDI post holders to develop a relationship and ensure that North Ayrshire is seen as a team that can be trusted to deliver a strong performance for clients. Over time, such relationships, can add market intelligence and insight into projects at a greater depth than is typically gained by adhering to the established protocols. This is a medium term and relatively time consuming activity but which is likely to add significant value.

Not only will exporting companies identify potential opportunities – but existing businesses in North Ayrshire (and in particular foreign owned businesses in North Ayrshire) are likely to know about deals and potential investment projects which are being considered in their sector. This information needs to be better captured through the account management relationship and then the inward investment pipeline could be significantly strengthened.

9.2.3 Long-term actions

Outside of the relationship with SDI, there will be North Ayrshire contacts who have a variety of overseas relationships. These contacts can be valuable in identifying opportunities. Any exporting business, or business travelling internationally from North Ayrshire should ideally be conversant with the North Ayrshire offer. For such individuals other agencies have found the use of credit card sized fact sheets to be useful – 20 key investment facts about North Ayrshire or something similar.

These actions are reflected in the detailed action plan set out in Section 12.





What does this mean for North Ayrshire?

This section sets out the strategic recommendations for North Ayrshire in terms of:

- ▶ Attracting FDI investment
- ▶ Developing the product
- ▶ Promoting the product
- ▶ Supporting export activity
- ▶ Building networks.

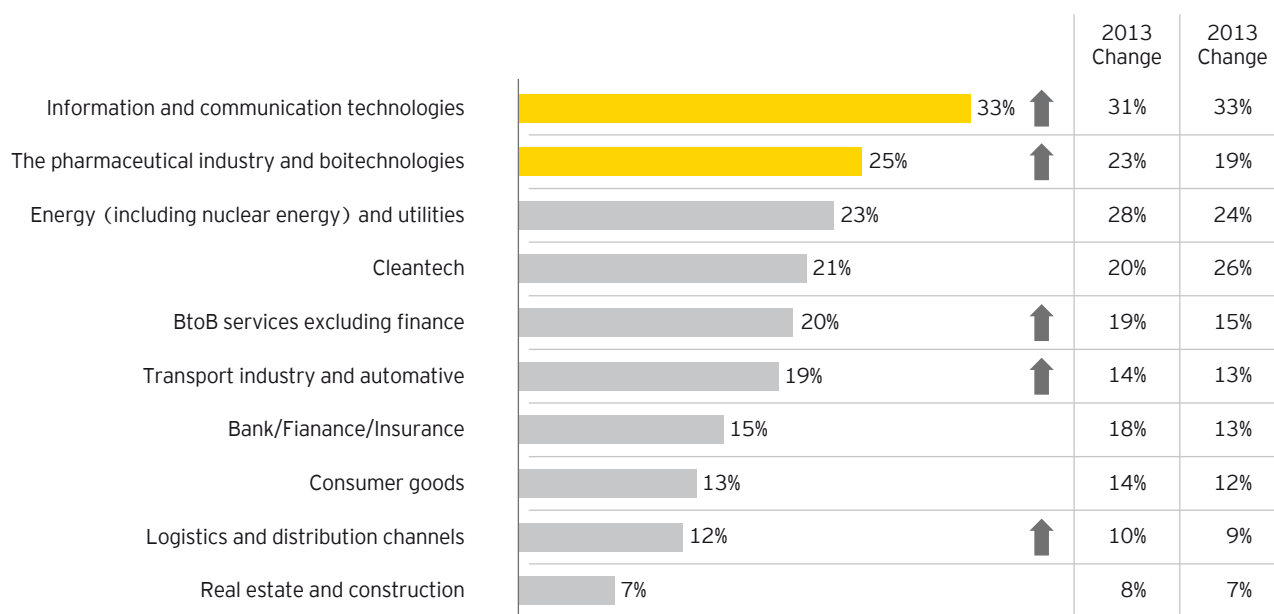
Finally, the section sets out the prize for North Ayrshire with an estimate of the potential economic benefits for the area.

10.1 Attracting FDI

10.1.1 Where investors see the future of the FDI activity in Europe ... and in the UK

Business leaders see the ICT sector (software) and pharmaceutical industry as a key driver of FDI growth in Europe in coming years. Energy and cleantech will be source of FDI opportunities too. Business services are also on the rise.

Figure 36: Europe's future growth sectors



Note: upward arrow represents an increasing trend

Source: EY's 2014 European attractiveness survey. Total respondents: 803.

10.1.2 What sectors actually bring foreign investment projects to Europe?

Business services and software are the top two FDI sectors, together accounting for 25% of the total FDI investment decisions in Europe in 2013.

In 2013, the European pharmaceutical sector attracted 141 FDI projects, up 58% from 2012. More than 40% of these were manufacturing projects while one in three was in sales and marketing.

Figure 37: Top sectors for FDI in Europe

Top sectors by FDI projects

Sector	2012	2013	Share (2013)	Change
Software	402	509	13%	27%
Business services	699	483	12%	-31%
Machinery and equipment	287	309	8%	8%
Automotive	270	244	6%	-10%
Other transport services	203	200	5%	-1%
Chemicals	174	167	4%	-4%
Electronics	168	165	4%	-2%
Food	148	159	4%	7%
Final intermediation	144	156	4%	8%

Sector	2012	2013	Share (2013)	Change
Pharmaceuticals	89	141	4%	58%
Plastic and rubber	125	123	3%	-2%
Electrical	112	114	3%	2%
Fabricated metals	73	92	2%	21%
Other transport equipment	52	88	2%	69%
Scientific research	45	88	2%	96%
Others	803	917	23%	14%
Total	3,797	3,955	100%	4%

Source: EY European Investment Monitor 2014

10.1.3 How does it apply to North Ayrshire?

The actual FDI market trends and investors' perceptions are pointing out some key sectors, and activities and transversal levers for the elaboration of North Ayrshire international strategy.

North Ayrshire's current local FDI landscape and larger European FDI market trends mean that North Ayrshire's strategy should focus on six key sectors:

- ▶ Life Sciences
- ▶ Advanced engineering and manufacturing
- ▶ Finance
- ▶ Business services
- ▶ Software
- ▶ Logistics

The first two sectors, life sciences and advanced engineering and manufacturing, are current strong points for North Ayrshire given the businesses already present in the area. Oil & Gas, Defence, and Aerospace Engineering were subsectors within advanced engineering and manufacturing that were often highlighted in interviews as key areas for growth for North Ayrshire.

Finance, business services, and software represent strong growth sectors for the UK and match well with North Ayrshire's local offer of a relatively low-cost cost competitive, English-speaking workforce with low turnover and strong customer service skills. Similarly, North Ayrshire's proximity to Glasgow, Prestwick Airport, and the Hunterston Port, as well as its important stock of available land, could ultimately provide a strong base for logistics firms looking to serve the UK market.

Table 13: Target sectors

Target sectors	Already present in NA	New opportunities to be seized in Europe	EY comments
Life sciences	X	X	<ul style="list-style-type: none"> ▶ Key accounts already operating in NA ▶ Innovation-intensive sector ▶ One of the most active FDI sectors in Europe
Software		X	<ul style="list-style-type: none"> ▶ N° 1 FDI project provider in Europe ▶ Innovation-intensive sector
Business services	X	X	<ul style="list-style-type: none"> ▶ Second most attractive sector in Europe ▶ Strong competitive advantage of the UK ▶ Presence of call centres to capitalise on in NA
Finance	X	X	<ul style="list-style-type: none"> ▶ Strong competitive advantage of the UK ▶ Innovation-intensive sector
Logistics		X	<ul style="list-style-type: none"> ▶ One of the most active sector in Europe (200 FDI projects in 2013) ▶ Potential to develop Prestwick Airport (or the Hunterston seaport) as an access hub
Advanced engineering manufacturing	X	X	<ul style="list-style-type: none"> ▶ Still the largest job provider of all business functions in Europe ▶ 89% of foreign investors still intend to manufacture in Europe ten years from now ▶ Labour pool with skills in engineering manufacturing skills present in NA

7 According to the OECD's Frascati Manual, advanced manufacturing technology is defined as computer-controlled or micro-electronics-based equipment used in the design, manufacture or handling of a product. Typically, these sectors include Pharmaceuticals; Office, Accounting and Computing Machinery; Radio, Television and Communication Equipment; Medical, Precision and Optical Instruments; Aircraft and Spacecraft; Chemicals; Machinery and Equipment; Electrical Machinery and Apparatus; Motor Vehicles and Trailers; Railroad and Other Transport Equipment.

10.1.4 Where to look for investment?

The following table sets out the top sources of greenfield and expansion FDI projects in Europe in these sectors, as well as the most significant types of activities (operations) in which investors from these sectors invest over the last five years. In more pragmatic terms, this table gives an overview of market segments that bear the largest opportunities for North Ayrshire.

Figure 38: FDI sectors with high potential for North Ayrshire: sources and types of operations

FDI sector	Top 5 countries of origin	% of FDI projects	Top 5 activities	% of FDI projects
Life-sciences (Pharma)	USA	33%	Sales & Marketing	84%
	United Kingdom	14%	Contact Centre	5%
	France	6%	Headquarters	3%
	Germany	5%	IDC	3%
	Netherlands	4%	Research & Development	2%
Software (ICT)	USA	46%	Sales & Marketing	75%
	Germany	5%	Research & Development	12%
	France	5%	Headquarters	7%
	United Kingdom	4%	Contact Centre	2%
	India	4%	IDC	2%
Business services	USA	33%	Sales & Marketing	84%
	United Kingdom	14%	Contact Centre	5%
	France	6%	Headquarters	3%
	Germany	5%	IDC	3%
	Netherlands	4%	Research & Development	2%
Finance	USA	22%	Sales & Marketing	88%
	United Kingdom	10%	Headquarters	5%
	France	5%	Shared Services Centre	4%
	China	5%	Contact Centre	2%
	Switzerland	4%	Research & Development	1%
Logistics	Germany	19%	Logistics	57%
	USA	17%	Sales & Marketing	37%
	France	10%	Headquarters	3%
	Netherlands	10%	Testing & Servicing	2%
	Switzerland	6%	Manufacturing	1%
Advanced Engineering Manufacturing ⁷	Germany	19%	Logistics	57%
	USA	17%	Sales & Marketing	37%
	France	10%	Headquarters	3%
	Netherlands	10%	Testing & Servicing	2%
	Switzerland	6%	Manufacturing	1%

In terms of origin, the US companies are the largest source of investment in each of the six groups sectors and represent a major potential for North Ayrshire. Currently underrepresented in Scotland, German companies also bear significant opportunities, especially for manufacturing and logistics operations, but also for software. In third position in five of the six sectors, French companies are another important target group. Companies from so-called rapid growth markets should also not be neglected, as they are well-positioned to become significant sources of FDI for Europe in the future. Indian ICT companies have been enlarging the footprint in Europe as have Chinese companies from the manufacturing and finance sector. Finally, although out of scope from a foreign investment perspective, UK companies are keen investor in Europe. In line with re-shoring becoming a part of more and more companies' strategies, North Ayrshire could be a competitive destination for some operations repatriated back to the UK. For each sector and activity, it is important to know who the key clients in order to be able to direct FDI attraction strategies accordingly.

In terms of the type of operation (activity), sales & marketing offices play a major role in all sectors. Beyond that, North Ayrshire should look for a balanced mix of sectors in line with its offer. In this sense, manufacturing operations represent in this sense an obvious target. The same is true for contact centres, which are among the top five in three out of the six sectors. Attracting more advanced types of operations, such as R&D centres (together with Testing & Servicing), shared services centres and logistics centres should be North Ayrshire's ambition for the future. This may require adapting the Council's offer for these investors, i.e., closer cooperation with businesses and higher education institutions on skills provision and improving the local infrastructure.

10.2 Key activities for North Ayrshire

With its present offer, North Ayrshire can already attract more manufacturing operations and call centres.

Manufacturing – throughout interviews conducted for this study, key stakeholders mentioned manufacturing as an operation in which North Ayrshire has a strong historical footprint and a skilled labour force. The new strategy of North Ayrshire should therefore continue to attract investment in this field in a broader mix of sectors.

Call centres – an English speaking work-force, good level of secondary education and an already existing base of smaller and mid-sized call centres combined with a lower level of attrition compared to other 'hotspots' incurring lower training cost. These are good sales arguments to draw further international call centres to North Ayrshire.

The bulk of growth should, however, come from new or underdeveloped types of activities.

Logistics – by leveraging on North Ayrshire's proximity to Glasgow, good connection to the hinterland, as well as developing the true potential of the Council's two transport hubs (Prestwick Airport and Hunterston seaport), North Ayrshire can attract a number of logistics operations.

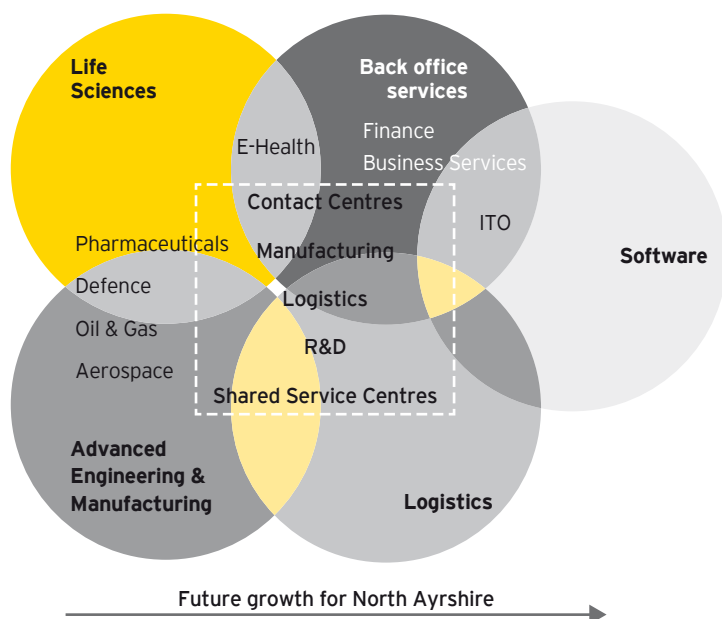
Shared services centres (SSC) – shared services centres represent a shift from contact centres (call centres) to a higher value added type of services, including IT function, Finance & Accounting function, HR, procurement etc. Contrary to call centres which offer low-skill level jobs, SSCs seek for qualified profiles with a post-secondary or tertiary education background. Leveraging on the quality of North Ayrshire's education offer and the fact that it offers a higher unemployment rate and lower saturation compared to SSC hotspots such as Glasgow or Edinburgh represent key assets to develop this type of operations.

Research and development (R&D) – R&D operations are a significant driver of both economic growth as well as industrial activities. Attracting them means leveraging on closer cooperation with industry and higher education institutions, even if it means engaging more closely in a wider perimeter than the council. North Ayrshire already has a strong presence of companies from the highly innovative pharmaceutical industry. Adjusting its offer through strategic initiatives e.g., the creation of an innovation park and targeted marketing can enable North Ayrshire to become a mid-sized hotspot for innovation in the Scottish and UK context.

Finally, it is also worth noting that this list should only be considered as a basic segmentation. Building on North Ayrshire's key assets, sectors and activities can be subject to cross-fertilisation. In this sense, two examples of possible segments to target for North Ayrshire include:

- ▶ eHealth at the cross-roads of pharmaceuticals, software and business services.
- ▶ Defence production and R&D, building on North Ayrshire's existing footprint in the sector, its relative remoteness and key competences in engineering manufacturing and life-sciences.

Below is a visual representation of North Ayrshire's target sectors and activities, which shows the way in which the different sectors and activities overlap and interact with one another, as well as the transverse role of activities.

Figure 39: Summary of target sectors and activities for North Ayrshire's FDI strategy

*Finance and business services, while two distinct sectors, have been merged in this diagram as, like the sectors present in AEM, they involve the same basic processes.

Source: EY analysis

These sector and activity targets will help North Ayrshire focus its offer on the FDI market, and should provide mutually reinforcing value propositions to potential investors. For example, the presence of a major pharmaceutical company's manufacturing operation in the area should be part of North Ayrshire's value proposition for incoming investors looking to invest in other business activities in the life science sector such as shared service centres or R&D.

However, it is important to retain flexibility in an FDI attraction strategy and not focus too narrowly on targeted sectors and activities. Leads from non-target sectors and activities will still be an important source of growth and may provide unexpected development opportunities. Furthermore, in a context of rapidly changing markets, it is important to monitor and analyse investment trends and to remain responsive to trends in FDI at the national and European level.

10.3 Developing the product

As was set out in section 8, it is the strategic location to support the target activities.

However, additional development is required. This should be within a focused area to enable clustering effects.

NAC should work with Irvine Bay to define and create an innovation cluster (designed for R&D activities in life-sciences and software) and a business park, designed for business services.

There may be longer term potential for Hunterson and Ardeer and NAC should engage with the key clients with the site and be alert to investment opportunities.

10.4 Promoting the product

To promote the product, including North Ayrshire, a targeted key management approach is required. This should be supported by a clear promotions strategy. This is summarised below and set out in further detail within the action plan.

- ▶ Set up an ambassador approach. Satisfied clients and key opinion leaders are the best sales people. Identify ambassadors from business leaders, scientists, artists and other well-known personalities.
- ▶ Create promotion brochures. Specific to a sector, activity and geography with the ability to customise.
- ▶ Establish a clear online communication strategy. A less costly but most efficient means of marketing.
- ▶ Create a regular international event. Increase visibility of North Ayrshire and attract visitors including national and international business leaders.
- ▶ Start with a launch event. This can coincide with the launch of complementary strategies such as Irvine Vision.

10.5 Supporting export activity

As was noted in section 6, there is low exporting activity in North Ayrshire with a perception that businesses are too small or too new to export. By building the export offering NAC can help local businesses to expand their markets. A number of actions are required, summarised below and set out in more detail within the action plan:

- ▶ Baseline the export position. There is currently a lack of information on the baseline export position for North Ayrshire: what is there tends to be anecdotal. Establish stronger market intelligence on companies exporting.
- ▶ Develop the export offering, linking with SDI and UKTI. These organisations need trust, speed, effectiveness and dedicated contact.
- ▶ Offer a one stop shop for FDI and exporting. Build in the services of SDI, UKTI and the Chamber of Commerce.
- ▶ Fill the gap in the business support services for exporters in Ayrshire. Offer training, events and networking opportunities.
- ▶ Engage through current key account management. Place an emphasis on the availability of support services and work with businesses and markets with the highest chance of success.
- ▶ Undertake some proactive work with sectors and market. Link this with inward investment activity.

10.5.1 Key sectors of interest for North Ayrshire

The analysis highlighted the following sectors as strong for the area:

- ▶ Machinery and transport equipment: particularly in the manufacture of 'other transport equipment' – centred around ships and floating structures.
- ▶ Food and drink manufacturing: especially for whisky and seafood.
- ▶ Supporting the oil and gas supply chain as Aberdeen overheats.

However, as for inward investment, NAC should be open to other opportunities. In reality you would provide support to any business that has the potential to export, within any sector or to any market.

10.6 Building networks

Section 9 set out the ways in which NAC can work more closely with SDI. SDI and UKTI are the gatekeepers to inward investment and support exporting. The following points present a summary of the actions for North Ayrshire; they are set out in more detail within the action plan:

- ▶ Seek an informal relationship manager within SDI and provide that contact with information on current opportunities and activities.
- ▶ Build relationships with other SDI teams. This will demonstrate that NAC is a team with a clear focus and can be trusted. Explore secondment opportunities.
- ▶ Ensure all information that SDI or UKTI will require is up to date and easily accessible.
- ▶ Recognise the opportunity that existing exporters can provide to the inward investment pipeline and working with potential exporters.
- ▶ Work with Chamber of Commerce on supporting export networks.

10.7 What is the prize for North Ayrshire?

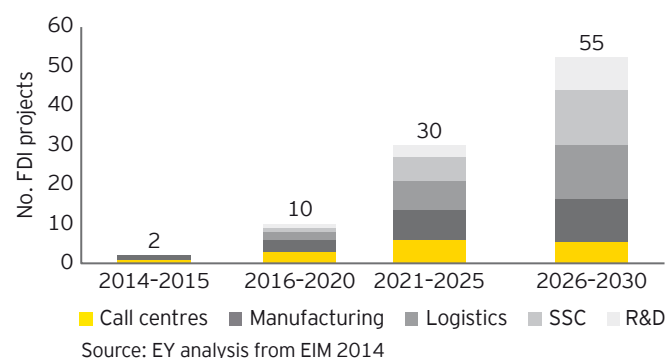
Below we have set out an estimate of the number of projects that NAC could attract and the export potential.

According to EY's EIM 2014, North Ayrshire attracted only of 5 FDI projects over the past five years (2009-2013), i.e., approximately one project per year. By implementing a dedicated inward investment strategy and diversifying target sectors and activities, we estimate that North Ayrshire's ambition could to attract up to 100 new projects by 2030. These could create up to 12,000 new jobs.

This estimation is based on the premise, that North Ayrshire will be able to leverage on regional, Scotland and UK specific advantages and implement a pro-active inward investment strategy with the outlined focus on activities and sectors with a high growth potential. For activities in which North Ayrshire is not yet positioned, a gradual growth of their share in the project mix is projected over the four periods. On the contrary, the share of activities which have an above average share in the present mix (call centres and manufacturing) is projected to decrease.

Finally, the growth in the number of FDI projects and jobs created will not be linear. It will increase gradually as North Ayrshire develops a suitable local offer for each type of activity and confirms its positioning on foreign investors' radars.

Figure 40: Projection of potential number of FDI projects and share of activities attracted by North Ayrshire



Source: EY analysis from EIM 2014

The table below provides an illustration of the potential employment and GVA growth from FDI projects over the next 15 years. The jobs created per project figure is based on the average number of jobs created in Scotland over the past five years, for each activity detailed within Figure 42.

Table 14: Potential FDI impacts: 12,000 jobs created

Metric	Past five years to 2013t	2014-2015	2016-2020	2021-2025	2023-2030	Additional between 2014-2030
FDI projects	5	2	10	30	55	97
Jobs created	53	200	1,200	3,700	6,500	11,600
Annual GVA impact (£mn)	2	8	46	155	371	368

This shows the growth potential by:

- ▶ Increasing the number of projects
- ▶ Increasing the jobs per project towards the Scottish average
- ▶ Increasing the GVA per employee towards the Scottish average

North Ayrshire has the potential to:

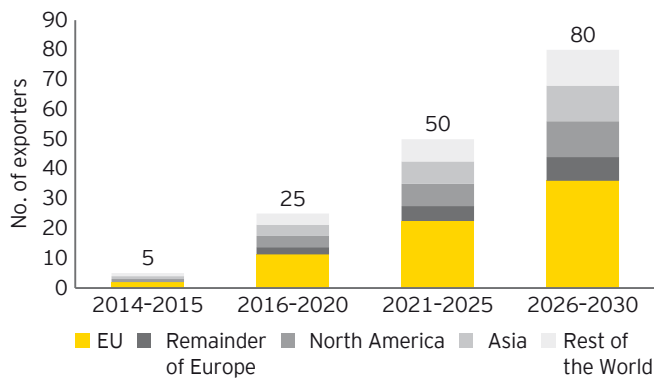
- ▶ Create almost 12,000 new direct jobs within North Ayrshire
- ▶ Contribute almost £370mn additional GVA each year to the national economy.

10.7.1 Exporting potential

Similarly, a dedicated and more focused service for exporting has the potential to increase the amount of exports from North Ayrshire.

The graphs below set out the potential number of exporters assisted by market and by sector. This is based on the analysis set out in sections 5 and 6 showing the projector of markets and sectors that are expected to expand within the UK.

Figure 41: Projection of additional number of exporters (by market)

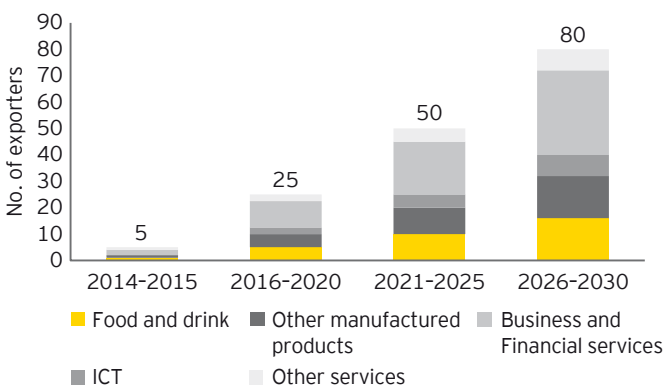


This is the additional number of exporters that could be helped into new markets. As there is no data at the local authority level at this point, an estimate of turnover is not possible. As NAC begin to collect this data an estimate should be able to be derived which will give further detail on the economic impact of the export market.

This section has set out a summary of what the analysis means for North Ayrshire. It brings together in summary the actions borne out of the evidence base. It has set out the potential prize for North Ayrshire from inward investment and the potential for exports.

The next sections begin to explain how the strategy will be delivered, by a dedicated team. This is followed by the detailed action plan that is required to implement the international strategy.

Figure 42: Projection of additional number of exporters (by sector)







Delivering the strategy

11.1 Introduction

This section focuses on the deliverability aspects of the required actions and highlights the programme, the composition of the team that will be required to undertake the work and the interrelationship it will have with certain other key stakeholders.

11.2 The action programme

To increase the level of FDI to North Ayrshire, a specific action plan has been developed that sets out the necessary tasks that need to be taken over the short term (1-2 years), the medium term (3-5 years) and the longer terms (greater than 5 years). The programme assumes a start date in 2014. Consequently, a key milestone for re-assessing North Ayrshire's position is at the five year point in 2019. By this time, the Council should expect to have seen a satisfactory return on its investment and can re-appraise the actions that are important at that time. The action programme is crucial in North Ayrshire increasing its FDI and progressing to an innovation hotspot by 2033.

11.3 The team requirement

To deliver the action plan, in the longer term, a dedicated inward investment team will be required. However in the initial stages the action plan is structured to be delivered from current resources within NAC. The Council is best placed to undertake the overall lead for delivery of this programme but will need additional resource to manage the programme it develops.

In the longer term a new team will be necessary. The Council should consider the establishment of an international delivery team consisting of four new Business Development Officers (DBO) led by an Inward Investment Manager.

This size of team is necessary to enable the effective management of a wide range of potential sectors and stakeholders. It is recommended that a portfolio approach is adopted with each of the DBOs delivering actions in relation to specific sectors and managing relationships with specific stakeholders: It is assumed that all DBOs would manage a relationship with SDI to enable each of them to represent their sectors' interests with this key stakeholder. It would be advantageous if the DBOs had experience in other areas such as marketing, media and database management.

However, we strongly recommend that the following table is seen as a target and not as a pre-requisite. We recommend that the team starts small and grows gradually depending on the results achieved.

Table 14: Potential FDI impacts: 12,000 jobs created

BDO	BDO 1	BDO 2	BDO 3	BDO 4
Key sectors	<ul style="list-style-type: none"> ▶ Business & Professional Services ▶ Education, Training & Employment ▶ Information Technology Services 	<ul style="list-style-type: none"> ▶ Engineering & Industrial Services ▶ Construction & Building Services ▶ Non-Sector Specific 	<ul style="list-style-type: none"> ▶ Health & Social Services ▶ Transport, Distribution & Packaging ▶ Manufacturing 	<ul style="list-style-type: none"> ▶ Wholesale, Retail & Consumer Services ▶ Hotels & Restaurants ▶ Tourism & Leisure
Key activities	<ul style="list-style-type: none"> ▶ Export support ▶ Account management ▶ Marketing ▶ Media 	<ul style="list-style-type: none"> ▶ Export support ▶ Account management ▶ Marketing ▶ Media 	<ul style="list-style-type: none"> ▶ Export support ▶ Account management ▶ Marketing ▶ Media 	<ul style="list-style-type: none"> ▶ Export support ▶ Account management ▶ Marketing ▶ Media
Stakeholder liaison	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire College ▶ Skills Development Scotland 	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire Chamber ▶ Centre for Engineering Excellence for Renewable Energy ▶ Highlands and Islands Enterprise 	<ul style="list-style-type: none"> ▶ SDI ▶ Irvine Bay Regeneration ▶ Department for Work & Pensions ▶ Scottish Enterprise 	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire and Arran Tourism ▶ Business Gateway
Data	▶ Source database update	▶ Source database update	▶ Source database update	▶ Source database update

Source: EY

This is illustrative and would be structured gradually depending on the early results achieved.

The allocation of sectors and stakeholders should be as complimentary as possible so that BDOs can identify and act on potential synergies amongst organisations.

11.4 Inward investment team structure

A new team for inward investment in North Ayrshire needs to have a range of skills and capabilities including:

- ▶ Excellent commercial skills, able to build strong relationships
- ▶ Excellent knowledge of the local offer and local key stakeholders (universities, real estate, etc.)
- ▶ Export support
- ▶ Account management
- ▶ Marketing management including proactive marketing campaigns in Scotland and abroad
- ▶ Media liaison
- ▶ Development and management of good relationships with SDI
- ▶ Co-ordinating activity with stakeholders
- ▶ Sector experience
- ▶ Relationship management
- ▶ Database development and management
- ▶ Undertaking promotional events
- ▶ Processing enquiries
- ▶ Reacting to opportunities.

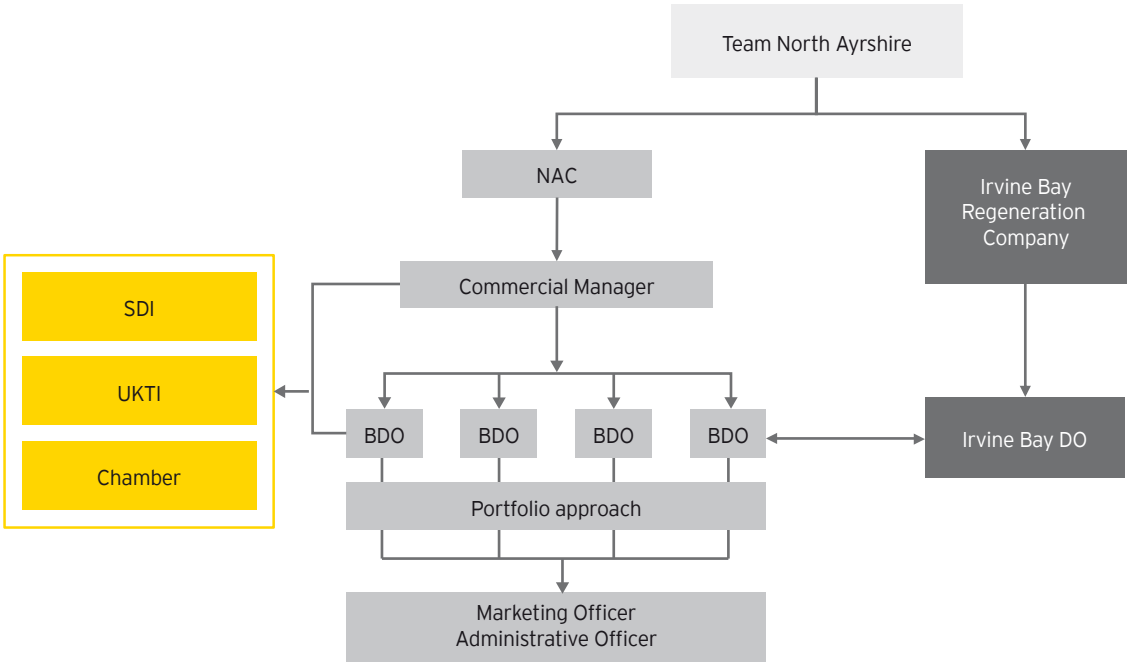
The team structure will be part of North Ayrshire Council but will interact with other 'Team North Ayrshire' organisations. The potential structure will require a mixture of business development officers with different sector experience adopting a portfolio approach. This core team will be supported by a Marketing Officer and an Administrative Officer. The possible structure is shown in the following diagram:

The team will need to develop key operational processes both as part of existing NAC processes but also as stand-alone processes that are specific in nature to inward investment activities. Key processes will be:

- ▶ FDI opportunity management (and reporting)
- ▶ Working in partnership with SDI
- ▶ Sector, client and key account management
- ▶ Cross sector development opportunities
- ▶ Pre-agreed protocols for dealing with the media and stakeholders

The structure shows at least one of the BDOs having a direct inter-relationship with Irvine Bay. Given the importance of the enterprise area, particularly to the life science sector, this is seen as an important source of expertise that should be maximised.

Figure 43: Potential team structure



Source: EY

11.5 Costs of inward investment delivery team

The cost of the illustrative team set out above is estimated at £500,000 as broken down in the following table:

Table 16: Delivery team potential costs

Role	Number	Estimated Cost (including salary and on costs)
Inward Investment Manager	1	£70,000
BDOs	4	£180,000
Marketing Officer	1	£25,000
Administrative Officer	1	£25,000
Other costs, advertising, travel, business development		£100,000
Total	7	£500,000

Source: EY estimate

This investment by the Council would give it a functional inward investment team able to manage a portfolio of key sectors and accounts whilst also liaising with SDI and other stakeholders and reacting to FDI opportunities.

11.6 The delivery team: short term actions to build on

This section has set out how the delivery team may look in the longer term. In the short term the focus should cover the following actions:

- ▶ A 12 month project development phase. This will set the groundwork for go live Team Ayrshire.
- ▶ A joint development of a costed plan for i3 with Irvine Bay.
- ▶ In the interim, continue to support FDI and exporting through current key account management.
- ▶ The initial team should be drawn from within NAC. This would be an experienced Commercial Manager, supported by two experienced Business Development Managers.

- ▶ Create a one stop shop. This will serve both FDI and export enquiries.
- ▶ Draw on the skills and experience of Irvine Bay, in particular for life science and the i3.
- ▶ Longer term a larger, dedicated team may be required. Monitor growth and increase the team incrementally.

The following sections sets out in further detail the action plan that the delivery team will require to deliver the international strategy for North Ayrshire.



An action plan for growth

The following section sets out the action plan, including the key principles and detailed actions for growth

12.1 Key principles

The actions are set in the context of five key principles:

- ▶ Results first, spending second. There is a lot to be done with the means you already have, before engaging in large spending. Invest is what is required now and monitor and review based on results.
- ▶ Investors are people. They need trust, speed, effectiveness and dedicated contact.
- ▶ Be pragmatic and solution oriented. When approaching investors, be proactive and reactive. Have information ready to answer promptly precise and detailed questions that go beyond generally available data.
- ▶ Don't spend money on general advertising. Focus as much as you can on direct contact with your existing and prospective clients.

- ▶ Use and rely on the existing networks to the maximum. There is no need for you to set up a representative office abroad. Use the maximum of services offered by Scottish Development International, UK Trade & Investment and others.

The remainder of the sections sets out the action plan for North Ayrshire Council to increase its appeal internationally.

12.2 Action plan

The actions are based on observations from North Ayrshire's competitors as described through the case studies and also based on EY's experiences of working with and advising regional economic development authorities across Europe over the past 15 years.

The table below synthesises the action plans for each area.

Table 17: Summary action plan

Action	2014-2015	2016-2020	2020-2030
Strategic FDI clients			
Set up a key account management approach			
Propose aftercare services to already operating investors			
Governance			
Create a one stop shop for FDI and export enquiries			
Work with North Ayrshire skills board			
Create an international development unit			
Reinforce links with Glasgow, economic development teams and key stakeholders			
Promotions			
Set up an ambassador approach or foreign investors club			
Create promotions brochures			
Set up a social media strategy			
Organise a launch event and an international event			
Innovation			
Continue to develop an innovation park and life science cluster			
Consider sub-contracting lead generation services			
Subcontract a PR strategy			
Develop a business park			
Build a sector specific cluster to boost innovation			
Strategic locations			
Baseline the database of existing properties			
I3 enterprise area			
Work with Irvine Bay to identify area for innovation and business cluster			
Explore creation of a university and hospital campus			

Action	2014-2015	2016-2020	2020-2030
Hunterston			
Engage with CEERE to create an innovation hub for the renewables sector			
Engage with NDA and EDF with a watching brief on nuclear developments			
Work with NDA and EDF to manage the 2023 end date for Hunterston B			
Ardeer			
Engagement with CEUK			
Increased activity from supply chain support			
Export			
Establish stronger market intelligence on those companies exporting			
Focus activity on a one-to-one approach			
Work with those businesses and markets with the highest chance of success			
Link in to the work of UKTI as well as SDI			
Undertake some pro-active work with sectors and markets			
Support the development of a one-stop-shop			
Working with SDI			
Support the existing SDI systems to provide a valued service			
Develop a relationship manager approach with SDI			
Consider SDI as your most important overseas multiplier network			
Recognise the opportunity that existing exporters can provide to the inward investment pipeline			
Follow-up and monitoring			
Identify KPIs and create an attractiveness dashboard to monitor results			

Source: EY

12.3 Strategic clients

Set up a key account management approach

Context and objectives	<p>Attracting investors requires solid knowledge management and networking.</p> <p>The key account management approach aims at helping NAC:</p> <ul style="list-style-type: none"> ▶ Adopt a selective approach by defining target investors (existing and new investors) ▶ Detect and anticipate investment projects with these investors, depending on the companies' challenges and life cycle ▶ Better position NA region on their radar
Type	Sector-specific and even investor-specific (Roche, GSK, etc.)
Key steps	<ul style="list-style-type: none"> ▶ Identify your 50 key clients and prospects ▶ Elaborate account plans for each of them ▶ Set-up knowledge-sharing workshops with the public sector partners and private third-parties ▶ Meeting with the client at highest level and presentation of the Key Account Manager ▶ Preparation of an action plan by key account ▶ Follow-up
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ Scottish Development International ▶ External consultant if needed
Resource	20-30 K€ annually in addition to staffing costs
Timeline	Start-up date at the end of 2014
Expected results	10 new investment projects over next five years

Propose 'aftercare services' to already operating investors

Context and objectives	Foreign investors already operating in NA are as important as new investors (nearly 30% of the FDI projects come from already operating investors in Europe). Many investment promotion agencies have created specific aftercare services to take care of already operating investors to make their life easier and help them expand their operations.
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Identify key existing investors ▶ Appoint one person within NAC in charge of aftercare services ▶ Make contact with the investors to set up a meeting and explore with them areas where NAC could help the company consolidate/expand their operations
Coordinator	NAC
Timeline	Immediate start-up date
Expected results	Zero unattended needs from existing investors

Sub-contract lead generation services

Context and objectives	Many competing regions resort to lead generation partners who basically prospect clients for you (ACSAN, Regional Partners, Oxford Intelligence) to bring them back and have them establish operation in your region. Such services are good but can be expensive and results are never guaranteed.
Type	Sector-specific
Key steps	Hire a lead generation partner
Coordinator	NAC
Key partners to be involved	Lead generation partner
Resource	Depends on the type of lead generation contract
Timeline	We advise NAC to make your own experience of the FDI market before sub contracting lead generation services
Expected results	Depends on the type of lead generation contract

12.4 Governance

Create a one-stop-shop for FDI inquiries and exports

Context and objectives	Business decision makers need speed, responsiveness clarity and solutions. If you make their life easier, it is a good start to hook potential investors' attention or help local business expand.
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Appoint one person in charge of answering requests and inquiries from investors and local businesses ▶ Connect with local providers of real estate, HR, universities and other businesses ▶ Gather and regularly update fundamental information from these partners on HR (salaries, size of workforce, typical profiles), RE (type of stock available, rents, vacation rates), type of study programs and vocational training including size of classes. ▶ Prepare and update an address book with key contacts among local companies to serve as a 'reference contact' for companies seeking to potentially establish operations in North Ayrshire
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ Local branch of HR agency with a global reputation ▶ Local branch of RE agency with a global reputation ▶ Universities, colleges ▶ Businesses
Timeline	Short-term: by the end of 2014
Expected results	Zero unattended needs from existing investors

Work with North Ayrshire Skills Board to facilitate collaborative skills development

Context and objectives	North Ayrshire faces a potential skill shortage for target industries such as life sciences and engineering. Building on the foundations laid out in North Ayrshire's Youth Employment Strategy, close collaboration between businesses, educational institutions, and local authorities is needed to address these shortages and anticipate the needs of North Ayrshire's labour market. The goal of the board would be to identify current and future labour market needs and adapt collaborative solutions. North Ayrshire Council's role in the organisation would be to facilitate discussion, help businesses or educational institutions apply for public grants, and provide support to Board programmes.
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Appoint 1 person in charge of Skills Board development and support ▶ Identify key persons within the local authority to participate on the board ▶ Identify key persons within educational institutions and local businesses, with particular focus on target sectors ▶ Collect and publish detailed information on current local skills offer (number of graduates yearly in each subject, engineering skill pool, language skill pool, etc.) ▶ Organise quarterly meetings to discuss opportunities ▶ Create a system of working groups to develop solutions (e.g., new educational programmes, public grants for equipment purchases, etc.) ▶ Create a collaborative local skills database that allows businesses and schools to update information on vacant posts, training opportunities ▶ Organise joint events such as career days for local students in high school or higher education, leadership workshops for local employees, etc.
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ Local businesses ▶ Educational institutions: UWS, Ayrshire College, and Glasgow Universities such as Strathclyde, etc. ▶ Skills Development Scotland ▶ North Ayrshire Council
Timeline	Short-term: as soon as possible
Expected results	Develop an attractive skills base, strengthen cooperation between education and training providers and local businesses

Create an international development unit

Context and objectives	While it doesn't make sense to duplicate the work of national agencies such as SDI or UKTI, it is useful for North Ayrshire to complement its actions through continuously identifying opportunities (sectors, companies with potential interest in investing in NAC), trends in FDI and services to investors and proposing strategies on implementing them the most relevant of them in North Ayrshire.
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Appoint 1 person in charge ▶ Create partnerships with SDI and SE to increase notoriety and be 'the first one to know' about international and domestically based companies wanting to locate or re-locate ▶ Identify key persons within the Scottish and UK administration, keep them updated with promotion arguments about NA and invite them regularly to workshops or seminars about NA ▶ Elaborate regularly reports and overview about the FDI market, economic situation and industrial trends as well as policy changes in Scotland and its relevance to NA's economy ▶ Elaborate suggestions for improving and adapting NA's local offer to remain responsive to the market
Coordinator	NAC

Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Scottish enterprise ▶ UKTI ▶ Scottish Government – Ministries in charge of business and industry
Timeline	Medium-term: by mid 2015
Expected results	New opportunities and increased visibility

Reinforce the links with Glasgow, its economic development teams and key stakeholders (large businesses and universities)

Context and objectives	North Ayrshire should leverage as much as possible on the positive image of Scotland and Glasgow as a city with an international reputation. Besides marketing North Ayrshire as a gateway to Glasgow (for example through renaming the Hunterston port to 'Glasgow Ayrshire Seaport'), much can be done by sharing information and investment opportunities between the regional metropolis and North Ayrshire, organizing joint events. Glasgow can also complement gaps in North Ayrshire's workforce, universities can send students to regular training sessions and lessons in North Ayrshire's world-class production facilities etc
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Appoint 1 person in charge of contact with Glasgow ▶ Identify key persons within the Glasgow's general administration, economic development department etc. ▶ Organise regular meetings to discuss opportunities ▶ Organise joint events: workshops, conferences in areas of North Ayrshire's strength (pharmaceuticals, tourism ...)
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Scottish enterprise ▶ UKTI ▶ Scottish Government – Ministries in charge of business and industry
Timeline	Medium-term: by mid-2015
Expected results	New opportunities and increased visibility

12.5 Promotion

Set up an ambassador approach or a foreign investors club

Context and objectives	Satisfied clients and key opinion leaders are the best sales people for your product. And this is also true in the FDI market. Identifying such 'ambassadors' that can champion North Ayrshire during events and client meetings.
Type	Sector-specific
Key steps	<ul style="list-style-type: none"> ▶ Identify key opinion leaders for North Ayrshire: business leaders, scientists, artists and other well-known personalities ▶ Elaborate an ambassador toolkit with key arguments, brochures and, possibly a promotion video ▶ Keep ambassadors regularly updated through a newsletter ▶ Organise regular meetings and events (dinners, golf games, whisky tasting, etc.) for ambassadors and their invitees
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ Local associations, businesses and personalities ▶ SDI ▶ UKTI
Resource	0.1 FTE
Timeline	Short-term: by the end of 2014
Expected results	New opportunities and increased visibility

Create promotion brochures for FDI (general, sector specific, activity specific and investors specific)

Context and objectives	Being able to provide investors with a promotion brochure summarising key up-to-date information and assets of North Ayrshire's offer is as essential as giving a business card. Information contained should be well adapted to the targeted investor – several brochures can exist: general, specific to a sector/activity, but also to types of investors (different languages, addressing different sizes of companies). Professional presentation a graphics and context is a must, customisation is an asset. Work with the Life Sciences has already commenced with Irvine Bay.
Type	Sector-specific
Key steps	<ul style="list-style-type: none"> ▶ Define targets for brochures (general, sectors/activities ...) ▶ Define languages according to key geographies ▶ Synthesize key data and key messages about North Ayrshire's offer ▶ List local companies willing to contribute with short testimonials about their activity in North Ayrshire and assets they see ▶ Subcontract the elaboration of the brochure to a DTP studio/communication agency ▶ Define communication channels: direct (NAC's website and staff) and indirect (SDI, UKTI,...) ▶ All the brochures should be in the same graphic style and content should be modular. A general section can preface all brochures. For the rest, the style of the content (layout and information) should be in a similar style. ▶ Brochures should be available in both electronic format on the investment promotion website of NA, but also printed since they serve as 'business cards' in addition to actual business cards given during personal meetings, at events, during visits, trade shows etc.
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Scottish enterprise ▶ UKTI ▶ Irvine Bay ▶ PR agency
Resource	0,25 FTE
Timeline	Short-term: by the end of 2014
Expected results	New opportunities and increased visibility

Sub-contract a PR strategy

Context and objectives	Creating a Press Relations strategy, appropriate communication in key specialised industry magazines, national and international media is a distinctive asset to increase visibility and credibility, although may come as a second or third step.
Type	Sector-specific and Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Make sure you are clear about NA selling points first (promotion brochure will help for that) ▶ Subcontract the elaboration and implementation of the PR strategy to PR professionals
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish enterprise ▶ UKTI ▶ PR agency
Resource	Not in first place, to be done rather in the long term. Resources will be based on budget available.
Timeline	Long-term
Expected results	New opportunities and increased visibility

Organise a regular international event

Context and objectives	Create a regular (annual or bi-annual) event that can increase the visibility of North Ayrshire and attract the presence of visitors including national and international business leaders. It can be for example a regular conference or innovation contest that combines a sector or activity expertise of North Ayrshire (pharma, tourism ...)
Type	Sector-specific
Key steps	<ul style="list-style-type: none"> ▶ Organise a joint meeting with local business development board and other key stakeholders (colleges, local associations,...) to deliberate on event ▶ Define budget and private co-financing possibilities ▶ In cooperation with industry and FDI promotion partners, identify likely visitors ▶ Define program combining expert discussions or panels with leisure ▶ Identify key speakers
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish enterprise ▶ UKTI ▶ PR agency
Resource	Not in the first place, to be done rather in the medium term. Budget will be based on resources available from public and private co-financing
Timeline	Medium-term
Expected results	New opportunities and increased visibility

Set up a social media strategy

Context and objectives	Online marketing is among the less costly but most efficient means of marketing that can easily be done internally – through animating a Facebook, Google+, LinkedIn, Twitter etc. website
Type	Cross-sector
Key steps	<ul style="list-style-type: none"> ▶ Appoint social media expert (can also be a student or part-timer) ▶ Establish communication strategy: what information can and should be provided, from which sources, how often ▶ Create and animate accounts on relevant social networks (see above) ▶ Create a separate website for example 'Invest in North Ayrshire' with a modern layout and linked to the general website of the NAC. ▶ Establish cooperation with social media staff in SDI/SE/UKTI or Scottish government to share your news when relevant and vice-versa
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish Enterprise ▶ Scottish Government
Timeline	Medium-term
Expected results	New opportunities and increased visibility

12.6 Innovation

Develop an innovation park and a life-sciences cluster

Context and objectives	Define and create a business park with innovation focus designed especially for R&D activities in life-sciences and software. The objective is to attract internationally sound investors in these fields (e.g., Google). Life-sciences infrastructure from present actors such as GSK and Roche could be useful. At the same time, achieving synergies between industry, universities, start-ups etc. works as a magnet for attracting new investors, but also companies at the very beginning of the life-cycle. North Ayrshire could, in the longer term, create an innovation cluster in life-sciences to leverage as much as possible on the presence of world leaders in the life-sciences industry, attract further companies and researchers.
Type	Sector specific
Key steps	<ul style="list-style-type: none"> ▶ Identify suitable area within the i3 to create a cluster ▶ Identify and generate contact with 30 key companies with possible opportunities in setting up in the park ▶ Develop suitable facilities: dedicated accommodation for researchers coming temporarily, etc. ▶ Create links to life-sciences oriented universities and research labs in the Glasgow area; students in life-sciences from all of the Glasgow area could for example come to have classes and practical training in North Ayrshire organised by GSK, Roche, Vogel or other companies,... ▶ Create an incubator for start-ups in the life-sciences sector ▶ Create common facilities (open access lab, shared offices, auditorium etc.) ▶ Create a set of events and conferences in the area
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish Enterprise ▶ NAC ▶ Scottish Government ▶ Businesses in the life-sciences sector operating in Scotland ▶ Higher education institutions and research labs in Scotland, especially in Glasgow and Western Scotland
Resource	Medium-large budget required.
Timeline	Medium/Long term: 2015-2020
Expected results	Up to 15 new companies by 2030

Develop a business park

Context and objectives	Back office and business services (BPO, ITO, call centres) require first class real estate facility and good access for a larger sized labour force and international representatives. A park with suitable (world class) and flexibly modular real estate can help to attract these activities.
Type	Sector specific
Key steps	<ul style="list-style-type: none"> ▶ Identify suitable area within the i3 to create a cluster ▶ Identify and generate contact with 30 key companies with possible opportunities in setting up in the park ▶ Develop, together with private actors new or refurbished buildings for back office functions
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish Enterprise ▶ Scottish Government
Resource	Medium-large budget required.
Timeline	Long term: 2020-2025
Expected results	Up to 15 new companies by 2030

12.7 Export support

Establish stronger market intelligence on those companies exporting

Context and objectives	<p>There is currently no baseline position on those companies achieving export success in North Ayrshire. Whilst this report has identified strengths in food & drink companies and engineering companies undertaking exports to mainly European markets, the overall position is not clearly captured and documented:</p> <ul style="list-style-type: none"> ▶ Capture more data on export activity within North Ayrshire ▶ Use the existing data to set clearer SMART objectives for export work building on those set out here ▶ Ensure that all targets are based on outcomes not activity
Type	Work of all agencies involved in meeting businesses
Key steps	<ul style="list-style-type: none"> ▶ Raise the current level of export activity and the potential for export at every account management meeting ▶ Capture the specific company export knowledge of Ayrshire Chamber of Commerce and SDI as they meet additional businesses. ▶ Create a small export database and use this to set and measure annual targets ▶ Develop a clearer understanding of the sector/market dynamic for exporters in North Ayrshire which can be contrasted with the data set out in this report which is at a Scotland wide level. ▶ Set objectives based on numbers of export orders achieved by companies
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire Chamber of Commerce
Resource	Co-ordination by one account manager within the team as a task within a wider job description
Timeline	On-going, but initial baseline to be better understood within 6 months
Expected results	Evidenced targets and performance against targets on a quarterly/annual basis.

Focus activity on a one-to-one approach

Context and objectives	<p>There is a large emphasis within UKTI and SDI on providing one-to-many support activities through seminars and workshops which engage a business in export awareness and readiness. These activities are typically aimed at SMEs. There is a high rate of decay between attendees and those businesses then seeking individual support in market. Where individual support is provided in market the output is transactional rather than based on developing a relationship which can help the business achieve export success.</p> <ul style="list-style-type: none"> ▶ All clients can consider the potential to export ▶ There are some export activities taking place but there is a drop off in client activity after the initial interest ▶ Ensure that businesses fully engage with SDI/UKTI ▶ Ensure that the business and SDI/UKTI remain engaged for all the potential requirements to support exporting
Type	Direct work with account managed/export ready clients
Key steps	<ul style="list-style-type: none"> ▶ Raise the prospect of exporting at every account management meeting ▶ Ensure that SDI/Ayrshire Chamber are following up all export enquiries (including attendees at events) and offering export support – support this activity if this work is not being undertaken on a systematic basis. ▶ Introduce interested companies to SDI in market (or UKTI if no SDI market office exists) ▶ Maintain the dialogue with the client to ensure that SDI/UKTI delivered the support required ▶ Work with the business to consider the next steps with the client – successful exporting will require many steps ▶ Measure successful export outcomes not the number of meetings/events/introductions.
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire Chamber of Commerce
Timeline	On-going
Expected results	Contribution to the 5 new company export orders per year across the team

Work with those businesses and markets with the highest chance of success

Context and objectives	<p>Much of the export work undertaken across all agencies is aimed at SMEs. There is also a large political drive for more businesses to recognise the highest growth markets. The reality, however, is that a large number of SMEs face risks and undermining opportunity costs by focusing resource on export activity and the more distant and difficult the market (irrespective of the scale of opportunity), the greater the level of risk and opportunity cost. It should also be recognised that for an SME almost every market has sufficient potential to grow the turnover of the business involved – irrespective of whether the new market is Belgium or China.</p> <ul style="list-style-type: none"> ▶ Work to a greater extent with mid-size businesses ▶ Businesses which have exported before or have activity in a limited number of export markets represent an important target opportunity ▶ Introduce first time exporters to well understood markets with greater proximity to Scotland
Type	Direct work with account managed/export ready clients
Key steps	<ul style="list-style-type: none"> ▶ Target larger and UK owned mid-scale businesses for export work. Foreign owned businesses should not be excluded but recognise that local management will need autonomy from HQ if the local management is to successfully spearhead an export initiative ▶ Focus significant activity on those businesses with some (but limited) export experience. ▶ Build up a relationship with the SDI/UKTI export field staff in those markets where Scottish business has greatest export success – Belgium, Netherlands, Ireland, France, Germany.
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ Ayrshire Chamber of Commerce
Timeline	On-going
Expected results	Contribution to the 5 new company export orders per year across the team

Link in to the work of UKTI as well as SDI

Context and objectives	<p>Businesses in North Ayrshire are very aware of the services provided by SDI and their work in export markets. These businesses are less aware of the opportunities presented by UKTI. UKTI can play a helpful supplementary role to SDI – and have significantly greater levels of resource and market spread.</p> <ul style="list-style-type: none"> ▶ Build internal awareness of the UKTI ▶ Once understood ensure that the North Ayrshire client base is also aware of the opportunities provided by UKTI
Type	Build awareness of the UKTI offer within the NAC economic development team
Key steps	<ul style="list-style-type: none"> ▶ Build internal awareness of the UKTI website for business and extent of markets and intelligence ▶ Maintain an up to date list of the High Value Opportunities (HVOs) with which UKTI are trying to build UK business engagement ▶ Promote the HVOs to relevant North Ayrshire businesses as part of the business engagement work. ▶ Raise awareness of the Business Opportunities portal for which more North Ayrshire firms should register ▶ Broker introductions with UKTI staff when local businesses have a market interest which is not covered by a SDI office
Coordinator	NAC
Key partners to be involved	▶ UKTI
Timeline	On-going
Expected results	Raise awareness of UKTI with 100% of businesses met – aim for 80% of those businesses to register on the UKTI business opportunities register (a free service)

Undertake some pro-active work with sectors and markets

Context and objectives	<p>Resource limitations means that there is limited work undertaken on pro-active export work undertaken by Ayrshire Chamber of Commerce and any SDI work on internationalisation is undertaken on a Scotland wide basis rather than focused on North Ayrshire.</p> <ul style="list-style-type: none"> ▶ Some proactive work is still undertaken by SDI and UKTI – ensure that North Ayrshire businesses are aware/take-up the opportunity ▶ Undertake an annual initiative within North Ayrshire ▶ Make the most of those businesses who do export and the experiences/support that they can provide
Type	Part of the account management function
Key steps	<ul style="list-style-type: none"> ▶ Ensure that the pro-active work being undertaken by SDI (missions etc.) is circulated to local businesses ▶ Ensure that UKTI proactive opportunities are circulated as appropriate ▶ Develop an annual North Ayrshire export initiative focused on a specific sector and market ▶ Ensure that local businesses are introduced to other (non-competitor) exporting companies for peer discussion
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI ▶ UKTI
Timeline	On-going
Expected results	Contribution to the five new company export orders per year across the team

Support the development of a one-stop-shop

Context and objectives	<p>For any exporting business, there are a range of activities that need to be undertaken and in which the business may have limited experience. The Chamber of Commerce plays a role in supporting some elements of this work such as documentation provision, but issues such as transport, credit guarantees, exchange risk, tax and duties, contracts with agents/distributors etc. are all issues which add to the burden of work which arises from exporting. There is also the possibility that collective purchasing of some of these activities could reduce costs.</p> <ul style="list-style-type: none"> ▶ Build experience and answers for the common questions affecting potential exporters ▶ Capture the experiences of those businesses who have exported successfully ▶ Develop a network of businesses that do raise questions around exports and have experiences to share ▶ Consider whether a collective problem can be solved through more collective action
Type	Internal research and work with account managed businesses
Key steps	<ul style="list-style-type: none"> ▶ Through discussion with business build the list of common export issues ▶ Develop answers to the issues through identifying how problems were overcome and through internal research ▶ Recognise that SDI/Chamber of Commerce will have the answers to many common issues ▶ Use the exporters database (above) to link businesses with particular issues to others that have faced the same problem ▶ Where very common issues arise identify ways where businesses could work together to achieve a better/shared cost solution ▶ Promote NAC as a one-stop-shop for export advice
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ Ayrshire Chamber of Commerce ▶ UKTI ▶ SDI ▶ Other interested exporters
Resource	Successful implementation could eventually require 1 FTE.
Timeline	Review need after 12 months and implement accordingly
Expected results	NAC becomes the first point of contact for export enquiries across all account managed businesses (and others that are export curious)

12.8 Working with SDI

Support the existing SDI systems to provide a valued service

Context and objectives	<p>To be effective and responsive in overseas markets, SDI needs access to information that can support the investment decision making of a client. Where information is current, compelling and easy to access/provide, an area is more likely to gain recognition from SDI and be presented to the client more often.</p> <ul style="list-style-type: none"> ▶ NAC should aim to provide SDI with the highest standard of material possible ▶ NAC should gain a reputation for responding to SDI requirements in a comprehensive manner and provide additional relevant information where it is appropriate in an attempt to add value to the SDI response
Type	Inward investment support
Key steps	<ul style="list-style-type: none"> ▶ Build the North Ayrshire content on 'the source' – the main SDI information management portal ▶ Maintain the material on 'the source' ▶ Maintain North Ayrshire investment proposition material in the format used by SDI for ease of inclusion ▶ Aim to respond to SDI investment questions (as opposed to detailed proposals) within 24 hours ▶ Always provide North Ayrshire proposals within the deadline set ▶ Where North Ayrshire does not have an offer which matches the SDI requirement, build credibility by agreeing the response/providing a minimum response ▶ Conversely where North Ayrshire considers an opportunity to be a strong match, engage with SDI to explain the rationale for the proposal made.
Coordinator	NAC
Key partners to be involved	▶ SDI
Timeline	On-going
Expected results	An increase in proactive enquiries from SDI and an increase in the number of occasions in which a North Ayrshire solution is provided to the client. This should increase month by month for the first 12 months

Develop a relationship manager approach with SDI

Context and objectives	<p>NAC must seek to build a position where it is a trusted partner of SDI and information can be shared. An area will achieve greater levels of engagement with SDI where it is understood, trusted and has built credibility. In order to share information and develop a relationship there is a need to build linkages and this is best achieved by identifying a senior management who has some affinity with North Ayrshire and developing the relationship.</p> <ul style="list-style-type: none"> ▶ Build a link with an appropriate SDI colleague ▶ Build trust and share information
Type	Internal senior management dialogue between NAC and SDI
Key steps	<ul style="list-style-type: none"> ▶ Build a link with an identified individual within SDI ▶ Share enquiry information as appropriate ▶ Discuss projects and responses to projects ▶ Understand how North Ayrshire is performing relative to other Local Authority areas ▶ Understand how the North Ayrshire team is perceived relative to other Local Authority partners ▶ Understand what SDI would regard as best practice in its Local Authority relationships ▶ Attempt to formalise the relationship into a recognised relationship management approach between NAC and SDI
Coordinator	NAC
Key partners to be involved	▶ SDI
Resource	Occasional meeting
Timeline	On-going but starting as soon as possible
Expected results	An increase in proactive enquiries from SDI and an increase in the number of occasions in which a North Ayrshire solution is provided to the client. This should increase month by month for the first 12 months

Consider SDI as your most important overseas multiplier network

Context and objectives	<p>SDI has a large number of field offices with staff continuously meeting potential investors. Before an investor has a formalised investment project, the conversation with SDI will be important in building an understanding of Scotland and building perceptions of an area. Inevitably, in conversation SDI will reference those facts, company investments and news stories that they know best. There is therefore a role for NAC in ensuring that recent information is provided to SDI field staff and some relationships are established.</p> <ul style="list-style-type: none"> ▶ Recognise that SDI is the most important multiplier network for NAC and plan appropriately ▶ There is a need for a communication strategy with SDI field staff
Type	Internal relationship building
Key steps	<ul style="list-style-type: none"> ▶ Build a database of all contact details for SDI staff ▶ Develop a monthly single page newsletter highlighting relevant developments in North Ayrshire (Ideally single page with hyperlinks to the more detailed stories). ▶ Note interactions with different staff and thereby recognise where conversations have not taken place for a period of time ▶ Particularly focus on the London office since investments to non-core cities are often second investments made by foreign owned companies.
Coordinator	NAC
Key partners to be involved	▶ SDI
Timeline	Starting immediately – newsletter once per month. Every SDI field staff member is spoken to at least once per annum.
Expected results	An increase in proactive enquiries from SDI and an increase in the number of occasions in which a North Ayrshire solution is provided to the client. This should increase month by month for the first 12 months

Recognise the opportunity that existing exporters can provide to the inward investment pipeline

Context and objectives	<p>Whilst SDI represents the most important multiplier network for NAC and is likely to represent a key source of leads, leads can emerge from a number of locations even without proactive marketing activity. A key source of investment leads could be all of those businesses operating in North Ayrshire and meeting suppliers and customers. There is a need to maximise the opportunities that emerge from the interactions of local companies:</p> <ul style="list-style-type: none"> ▶ Local businesses need to be aware of the role that they can play in support of investment ▶ Local businesses need to have the correct information to help support the work
Type	Local engagement
Key steps	<ul style="list-style-type: none"> ▶ Ensure that the support required from local businesses is discussed at every meeting with a business ▶ Attempt to create a culture of a 'team approach' ▶ Develop a small '20 key facts about North Ayrshire' credit card that could easily be carried in the wallet of every business manager ▶ For all those businesses who seem interested in supporting the area, create a feedback loop for the enquiries that they provide ▶ Circulate the newsletter (above) locally as well as to SDI
Coordinator	NAC
Key partners to be involved	▶ Local businesses
Timeline	On-going but a medium term initiative. For initiation when short term actions are complete.
Expected results	Generate at least 25% of enquiries from business referrals

12.9 Follow-up

Identify KPIs and create an attractiveness dashboard to measure the results achieved

Context and objectives	A set of indicators should be defined to follow up and benchmark with other location the performance of NA in terms of FDI offer and demand.
Type	Sector specific
Key steps	<ul style="list-style-type: none"> ▶ Identify set of indicators relative to local FDI offer: size of labour pool/profiles, education, real estate (quality, size, vacancy rate) ▶ Identify set of indicators relative to FDI demand for North Ayrshire: number of FDI projects announced, Job creation by FDI, Capital expenditure, Country of Origin, Sectors, Activity,...) ▶ Elaborate baseline situation ▶ Update regularly (once per year)
Coordinator	NAC
Key partners to be involved	<ul style="list-style-type: none"> ▶ SDI/Scottish Enterprise ▶ Scottish Government
Timeline	Create dashboard immediately and follow up.
Expected results	Ability to adapt policy, public investment and target companies to current needs.

This section has set out the action plan for implementation of the international strategy for North Ayrshire. The next step is to set out a detailed action plan for the coming year to begin the work of the strategy.

It will be an exciting time for North Ayrshire, a significant amount of resource, both in time and financial, will be required. However the prize for the area is significant. When put into action – this plan will enable North Ayrshire to achieve its vision: attracting inward investment, supporting local businesses to export and ultimately improving the economy and living standards for the people of North Ayrshire.





Appendix A

North Ayrshire Council report – Source Documents

Author	Year	Title
Ayrshire Economic Partnership	2012	Ayrshire and Arran tourism strategy 2012-2017
Business Visits & Events Partnership	2014	Events are Great Britain – Overview of the UK events industry
Chemring Energetics UK Limited		National Planning Framework 3 – National Developments Proposal Form
Ekogen	2014	Business Support Review – draft final report for North Ayrshire Council
Irvine Bay URC	2012	Irvine enterprise area – draft business plan
Mintel	2013	Inbound tourism – UK
North Ayrshire Council	2014	Infrastructure & capital investment committee – Hunterston written submission
North Ayrshire Council	2012	Ayrshire, the place to be. North Ayrshire Council plan 2012-2017
North Ayrshire Council	2010	EDR summary strategy for North Ayrshire 2010-2020
NVT Group	2014	North Ayrshire Technology Hub Pilot Scheme
Optimal Economics	2013	Ayrshire marine & coastal strategic regeneration action plan
Rocket Science UK Ltd	2014	North Ayrshire Council employability and skills review
Ryden	2009	North Ayrshire employment land review
Scotland Food and Drink	2014	Tomorrow, the world: an export plan for Scotland's food and drink industry
Scottish Engineering	2013	Engineering our future success. Ayrshire engineering sector development strategy 2013-2020
Scottish Sailing Institute	2013	Scottish Sailing Institute progress report
Taste of Arran		Summary of international business plans
URS	2013	Hunterston competitive advantage study



University of the West of Scotland



Appendix C

Case studies

Tees Valley, UK: An industrial renaissance

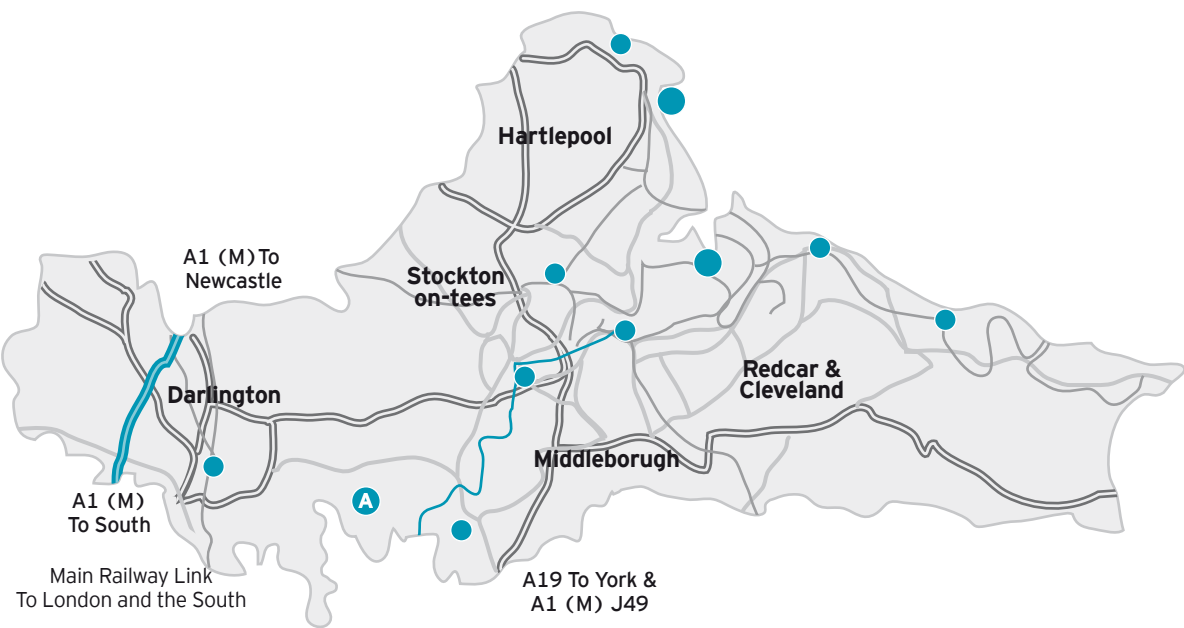
General Characteristics

The Tees Valley is a region in North-Eastern England, located between County Durham and North Yorkshire. The region covers 304 square miles and has population of 660,000 spread across five boroughs.

Like North Ayrshire, the Tees Valley is located in a predominantly rural coastal region. It enjoys relatively low housing prices and easy access to the cities of Newcastle and York.

The Tees Valley has a long industrial history, and was a major contributor to the UK’s manufacturing output in the mid and late 20th century. More recently however, the decline in manufacturing industries has reduced the region’s GVA from the third highest in the country after London and Aberdeen, to only 77% of the national average.⁸ Nevertheless the region continues to contribute more than £10bn to the UK economy each year. Tees Valley retains the largest integrated heavy industrial area in the UK, the fourth largest port in the UK at Teesport, as well as well-developed industries in advanced engineering and construction steel.

Figure 44:Map of Tees Valley



Source: Tees Valley Unlimited, 2012.

⁸ Source: Tees Valley Unlimited, 2014

Ambitions and objectives

The Tees Valley's local development agency, Tees Valley Unlimited, worked with partners to develop an economic plan in 2011 in order to attract local and international investment, develop the region's workforce and infrastructure, and support sector development.

The plan is structured around two key ambitions:

- ▶ Drive the transition to a high value, low carbon economy focused on renewable energy, new technologies, and biological feedstocks.⁹
- ▶ Create a diversified and inclusive economy that builds on the region's strengths.¹⁰
- ▶ These ambitions are in turn linked to practical objectives that the region seeks to achieve by 2025:
- ▶ Increase GVA per capita from 77% to 82% of the national average.
- ▶ Increase the number of enterprises by 25% from 241 to 300 per 10,000 population
- ▶ Increase the employment rate (63.1%) to meet the national average (70.2%)

Increase the number of people with higher level skills by 5%

In addition to supporting the growth areas listed above, the Tees Valley development strategy seeks to diversify the local economy, particularly by developing service functions in the target sectors in addition to the productive operations that have traditionally made up its base. These means targeting projects such as e-health call or data management centres in the healthcare sector, or oil & gas engineering services in the AEM sector.

The Tees Valley strategy has thus committed to:

- ▶ Support growth in back office operations across a number of sectors -particularly in health, oil & gas, and financial and business services
- ▶ Develop digital and creative services operations for key sectors
- ▶ Support the expansion of logistics services and the creation of local supply chains across all sectors

Positioning and strategy

In order to achieve the objectives outlined above, the Tees Valley seeks to leverage its strong heavy industrial base and active port in order to position itself as a nationally significant industrial centre for process-based industries such as biotech, chemicals and refining, as well as an advanced manufacturing hub.

As a part of this strategy, the Tees Valley has identified several key sectors that are already operating and attractive in the region. These sectors overlap to form three clusters in the domains of advanced engineering and manufacturing (AEM), chemicals, and healthcare.

⁹ Tees Valley Unlimited, "Economic and Regeneration Statement of Ambition" (2012), https://www.teesvalleyunlimited.gov.uk/media/10538/statement_of_ambition_revised_outcomes.pdf, p. 3

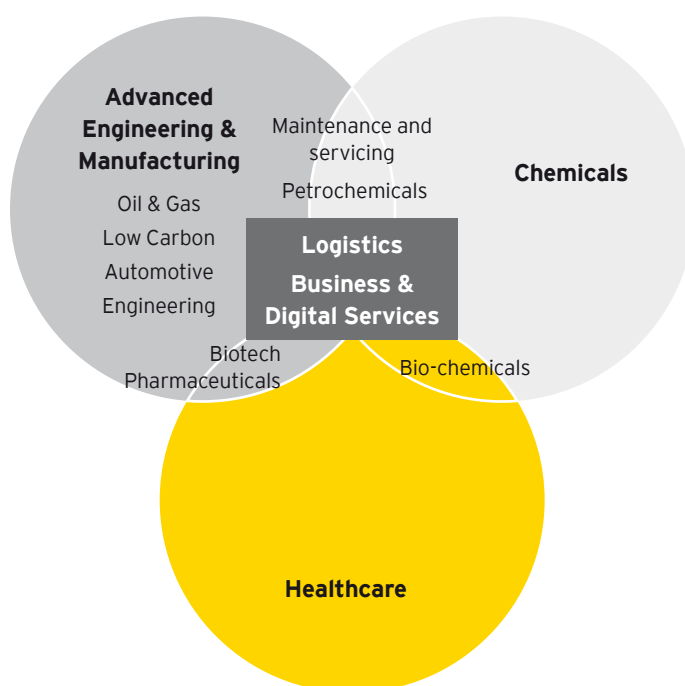
¹⁰ Ibid, p.4.

Figure 45: Growth areas in the Tees Valley

Sector	Sub sector(s)	Key accounts
Manufacturing	Advanced manufacturing & engineering in energy, defence, and machinery	<ul style="list-style-type: none"> ▶ Jacobs ▶ Cleveland Bridge UK ▶ Caterpillar
Automotive	Automotive components manufacturing	<ul style="list-style-type: none"> ▶ Nissan ▶ Johnson Controls ▶ Lear Corporation
Chemicals	Petrochemicals, industrial chemicals and gases, maintenance and servicing	<ul style="list-style-type: none"> ▶ Conoco Phillips ▶ Huntsman ▶ Lucite International
ICT/Business services	Local and back office services for public sector, data storage	<ul style="list-style-type: none"> ▶ Capita ▶ EBS ▶ Geoban/Santander
Healthcare	Biochemicals	<ul style="list-style-type: none"> ▶ MSD Biologics ▶ Cambridge Research Biochemicals
Transport services	Distribution centres, bulk transportation	<ul style="list-style-type: none"> ▶ Asda ▶ Bulkhaul ▶ Tesco
Low carbon	Biofuels, offshore wind	<ul style="list-style-type: none"> ▶ Sembcorp ▶ TAG energy solutions ▶ Heerema Fabrication Group
Oil & Gas	Offshore engineering and construction, shipbuilding	<ul style="list-style-type: none"> ▶ A&P Group ▶ Aker Solutions ▶ TAG Energy Solutions

Source: Tees Valley Unlimited, 2012

Figure 46: Sector clusters in the Tees Valley



Key tools

The Tees Valley strategy through a broad range of measures designed to attract and support businesses in the region, increase skills provision, and provide suitable sites and infrastructure to facilitate economic development.

1

Enterprise zone & incentives

In 2011, the UK government established the Tees Valley Enterprise Zone. Comprised of 12 sites spanning 423 hectares, the Enterprise Zone combines a wide range of facilities. The Enterprise Zone currently has a total of 11 office and 6 industrial units available, as well as 12,500 sq ft of start-up and grow space. The zone also features several large cleared industrial sites with access to utilities, port services and logistics.

The Tees Valley Enterprise Zone is sector-specific, offering tax and capital expenditure incentives, simplified planning, and superfast broadband to businesses in four key sectors:

- ▶ Advanced Engineering and Manufacturing
- ▶ Chemicals
- ▶ Low Carbon
- ▶ Digital

Figure 47: Incentives in the Tees Valley Enterprise Zone

Incentives	Description
Business rate relief	<ul style="list-style-type: none">▶ Up to £55,000 per year for 5 years, totalling £275,000▶ Available to new investors and companies already present in Tees Valley provided they can prove growth
Enhanced capital allowance	<ul style="list-style-type: none">▶ First-year capital allowances at 100% on qualifying plant and machinery for up to £100mn to offset against corporation tax on all investments made before 2017
Simplified planning	<ul style="list-style-type: none">▶ Local development orders and planning performance agreements reduce red tape to facilitate planning and development

Source: EY estimate

In addition to the existing Enterprise Zone, Tees Valley local authorities have also engaged in strategic land acquisitions in order to overcome the barrier of fragmented ownership and facilitate the installation of large sites in the region.

2

Human resources and skills provision

To facilitate access to skills and labour market information, Tees Valley Unlimited has created the Tees Valley Skills Portal. The portal is an online resource that seeks to assist individuals, employers, learning and skills partners, and policy makers gain access to labour market and skills intelligence. The portal collects and makes public detailed statistics on demographics, as well as graduate destinations, student populations, and apprenticeships by sector. In addition to job vacancy listing, the portal also provides more general information on the skills in demand and typical career profiles in the Tees Valley's strategic sectors, as well as on training programmes.

Tees Valley Unlimited also secured £7mn from the Government's Regional Growth Fund to deliver the Jobs and Skills Investment Scheme, launched in 2014. The scheme will offer businesses a 12-month wage subsidy of up to 50% towards the cost of a new trainee, apprentice or graduate of any age.

3

Access

In 2009, the local government initiated the Tees Valley Industrial Programme (TVIP), a £60mn investment package that seeks to promote and support industrial and economic projects in the region, through infrastructure improvements, project and product innovation, and business support. Tees Valley has used this funding to improve the capacity of the local rail network for both passengers and freight. Similarly, major infrastructure investments were undertaken at Teesport East Coast Mainline in order to facilitate the passage of large containers.

Tees Valley has also invested in improving local public transportation by increasing bus stops and renovating local train stations.

4

Internal resources and marketing

Tees Valley Unlimited has engaged in strategic marketing to promote the local economy, attract new investment, and increase opportunities for exports. They provide sector specific communications material such as journal supplements on offshore wind development and top local companies. The region has also worked with UKTI to implement an export communications workshop available to local businesses.

This communication strategy is complemented by a series of events organised by Tees Valley International, such as the Tees Valley Business Summit, held in July 2013. Similarly, the region participates with its local businesses in a number of industry events such as 'All Energy' and the 'Automotive Engineering Show' in order to increase leads and visibility.

Results

Tees Valley Unlimited reports that the region's strategic economic plan has achieved a number of positive results since its implementation in 2011:

- ▶ Attracted almost £500mn of private sector investment by bringing new companies to the area and helping existing companies grow.
- ▶ Created or safeguarded almost 3,000 jobs in Tees Valley
- ▶ Successfully bid for more than £57mn to improve infrastructure including developing local railway facilities, reducing road congestion, helping young people into work and setting up the Tees Valley Catalyst Fund.
- ▶ Welcomed eight companies onto the Tees Valley Enterprise Zone.
- ▶ Secured a further £42mn of Regional Growth Fund, which once taken up, has the potential to support another 5,000 local jobs.
- ▶ Helped partners access and manage £11mn of European Funding to support business, innovation, growth and enterprise.

EY's EIM shows that the Tees Valley has had a relatively stable level of international investment over the last 15 years. The Tees Valley has attracted 5 projects per year on average over the last 5 years, just slightly lower than the European NUTS 3 average over the same period (5.88 projects per year).

EY's EIM confirms the significance of the Tees Valley's cluster approach. The advanced engineering and manufacturing sector has been the Tees Valley's most successful cluster story, attracting 19 FDI projects and creating 2170 jobs since 2009. Although the key growth areas identified by the Tees Valley strategy – the automotive, low carbon, and oil & gas sectors – attracted 63% of FDI projects, the region was also successful in attracting investments to other parts of the value chain. Business services in engineering and training, machinery and equipment, and specialised materials manufacturing accounted for the remaining 37% of investments to the region in the advanced engineering and manufacturing sector.

Figure 48: Advanced Engineering and Manufacturing projects in the Tees Valley, 2009-2013

Subsector	Projects	Job creation
Automotive	5	175
Low Carbon	4	350
Oil & Gas	3	420
Business services	3	215
Steel	2	1000
Machinery & Equipment	1	
Other	1	10
Total	19	2170

Source: EY's European Investment Monitor 2013

This approach builds on synergies between the various subsectors and facilitates the attraction of investment across the entire value chain. Low carbon and oil & gas in particular have been shown to have strong synergies in the Tees Valley, with many companies benefitting from the overlaps in the materials and expertise necessary for offshore oil and wind exploitation. TAG Energy Solutions, for instance, is active in both markets, as are a number of marine engineering groups such as Aker Solutions. Similarly, Sahaviriya Steel Industries Ltd. established a new steel cast products plant in Redcar in 2011 that supplies materials to both offshore industries, in addition to other AEM sub sectors. The plant, which was estimated to create 1000 at announcement, was expanded in 2013.

Galway, Ireland: Filling the prescription for medical technology

General characteristics

Galway is a city located the West Region of Ireland. With a local population of 76,000 and a catchment of 296,000 people within 60km, Galway is the major urban centre of the region and the fastest-growing city in Ireland.¹¹

With two major higher education institutions, the National University of Ireland Galway (NUIG) and the Galway Mayo Institute of Technology (GMIT), the city has a student population of approximately 23,000 and significant human capital in the areas of regenerative medicine, biomedical engineering, and digital enterprise (through NUIG's Regenerative Medicine Institute, National Centre for Biomedical Engineering Science, and the Digital Enterprise Research Institute, respectively).

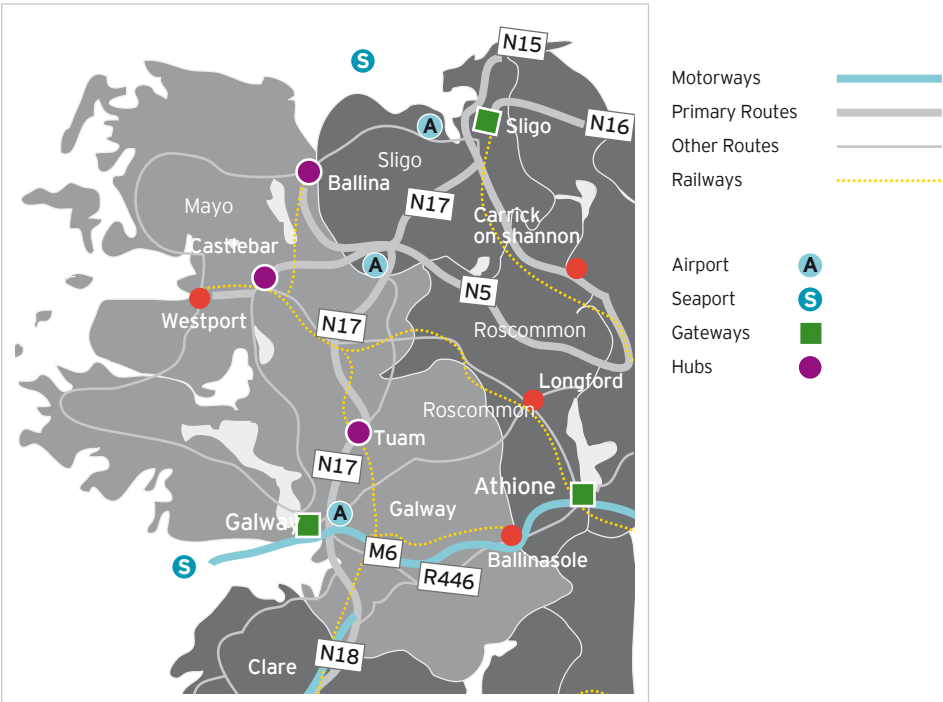
Galway also advertises a high quality of life and significant tourism industry, thanks to its coastal location, strong offer of leisure and tourist activities, and proximity to Connemara.

Positioning: Galway as a Med-Tech hub

Based on a strong skill base, European market access, and competitive fiscal advantages, Ireland has a strong global position in the life sciences industry, concentrating over 170 national and international companies in the pharmaceutical, chemical, biopharmaceuticals, medical devices and diagnostics sectors. Within this larger context, the medical technology sector has emerged as an important subsector in the Irish market. In Ireland as a whole, this sector employed 25,000 people and exported €7.9bn worth of product in 2012.¹²

Galway and the surrounding area play a key role as the country's largest med-tech cluster. Almost 40% of total employment in the medical devices sector in Ireland is located in the West region, and approximately 40 companies have invested in the region to develop, produce and market a diverse range of products including disposable plastic and wound care products, metal and orthopaedic implants, stents, and contact lenses.¹³ This has allowed for the complementary development of indigenous businesses, who act as suppliers, sub-contractors, or service providers to larger corporations.

Figure 49: Map of Galway



11 Industrial Development Agency, 'Investment locations: Galway City', <http://www.idaireland.com/locations/regions-of-ireland/west/>, accessed May 2014.
12 IBEC, http://www.ibec.ie/IBEC/BA.nsf/vPages/Business_Sectors~irish-medical-devices-association?OpenDocument, accessed May 2014.
13 Giblin, M. and P. Ryan, 'Tight Clusters or Loose Networks: the critical role of inward FDI in cluster creation,' CISC Working Paper No. 35 (March 2010).

Strategy

Public policy has played an important role in attracting med-tech investments to the Galway region. First, in the late 1990s and early 2000s, IDA, Ireland's Industrial Agency, worked to specifically target international investors and attract them to Ireland through a business-friendly corporate tax structure and attractive financial packages. In this context, Galway and the West region more generally were an attractive destination as a result of their high labour availability relative to more developed areas such as Dublin, its level human capital, and a critical mass of existing med-tech businesses, with CD Bard and Boston Scientific – a global industry leader – having established operations in Galway in 1982 and 1994 respectively.¹⁴

The Western Development Commission, the local development agency responsible for the West, helped draw investors to the region through close collaboration with the IDA, and the identification and development of several key investment sites, such as Tuam, through public-private partnerships.

Initial investments in the med-tech sector were in relatively low value-added manufacturing operations. However, Galway was able to successfully leverage Ireland's national science policy in the early late 1990s and early 2000s, benefitting from public initiatives to improve skill provision and research commercialisation in the sciences. This allowed them to upgrade its skill profile and attract investment higher up the value chain, in particular in R&D.

Thus, in 1999, the local university, NUIG, established the National Centre for Biomedical Engineering Science (NCBES), an interdisciplinary research centre that brings together scientists, engineers, IT specialists and clinicians to conduct medical research. In 2003, an additional institute for regenerative medicine – REMEDI – was established at the centre. These centres work closely with the industry on a company-by-company basis to ensure the relevance of their research and help companies maintain a competitive edge. For instance, one of REMEDI's key partners is the American medical device giant, Medtronic. As a part of the same effort, the Galway Mayo Institute of Technology, launched a degree in biomedical engineering in 1998 and continues to collaborate closely with the med-tech industry, notably through its state of the art medical technology testing centre.¹⁵

In a sector where 40% of employees have a higher education degree, the responsiveness of local higher education institutions was key in allowing the med-tech sector to develop in the Galway region. However, the region also recognised early on that managerial and leadership skills were also an important component of skills upgrading. A 1999 Western Development Commission report underlines a growing need for management training in the region in order to capture and retain investment. As a result of these skill upgrading efforts, by 2006 a Forfas report noted that the region was attractive to foreign investors primarily because of its strong pool of technical and managerial talent in life sciences sectors.¹⁶

Skills upgrading has had important spillover effects, both in encouraging the development of local businesses that participate in the medical technology value chain as suppliers or sub-contractors and in attracting other technology-based industries with similar human capital needs.

Key accounts in medical technology and devices Ireland's West Region:

- ▶ Abbott Laboratories
- ▶ Baxter Healthcare
- ▶ Boston Scientific
- ▶ Hollister ULC
- ▶ Medtronic

Source: Look West 2014

14 Ibid, p. 18.

15 Eurofound, 'Biomedical healthcare sector: Western Cluster, Ireland', EMCC case studies (2008).

16 <http://lookwest.ie/en/west-enterprise/sectors/life-sciences>.

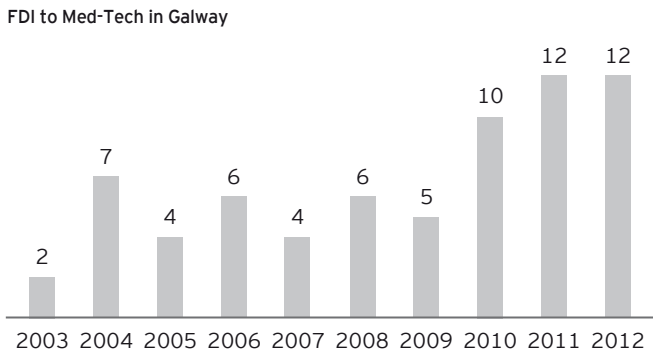
Key tools

- 1. Regional participation:** Galway has not positioned itself as an individual urban area, but rather within the broader confines of Ireland’s West Region. The Western Development Commission’s role in coordinating and interfacing between local and national authorities, as well as its work in promoting FDI, are an important element in this positioning, and have helped the city secure national and other funding for important development and infrastructure projects.
- 2. Cooperation with IDA:** close cooperation and information sharing with IDA help Galway secure investments in key sectors. While life science companies may have initially been drawn to Ireland by national fiscal incentives and reputation, collaboration with IDA from 2009 onward was key in placing new investments in Galway.
- 3. Leveraging on critical mass:** Galway used the historical presence of several key players in the med-tech industry to build its ‘niche’ reputation in medical devices. The city was able to leverage the presence of existing international investors in their communications strategy to build legitimacy and attract investors in the same sector.
- 4. Collaboration between businesses and higher education institutions:** Galway’s attractiveness for FDI in medical technology and healthcare has been due in large part to effective skills provision for these sectors and the responsiveness of higher education institutions. The creation of research and testing organisations that encouraged collaboration between businesses and higher education opened natural channels of communication and recruitment, helping the city move up the FDI value chain toward high value-added functions like R&D.
- 5. Linking local and international strategy:** Galway was able to develop a significant fabric of indigenous businesses that complemented the investments made by international companies. The Western Development Commission and local government helped encourage local business growth in these areas by providing seed funding or support in applying for EU funding for innovative local businesses in the medical technology sectors. This active local network of suppliers and subcontractors made Galway and the surrounding area even more attractive to external investors.

Results

Galway has experienced growth in its FDI market over the last decade, growing from 2 projects in 2003 to 12 in 2011 and 2012. Between 2003 and 2012, the region attracted 68 foreign investments in total, creating 5076 jobs. At an average of 6.8 projects per year and 74.6 jobs per project, this puts Galway well above the European NUTS-3 average (compared to an average 5.88 projects per year and 50.7 jobs per project for all NUTS-3 regions in Europe).

Figure 50: FDI projects to Galway, 2003-2012



Source: EY’s EIM 2014

Data from EY’s EIM further confirm the role of foreign investors in underpinning the growth in Galway’s medical technology sector: 18 investments over the last ten years were in medical and scientific instruments and pharmaceuticals. These investments created 1,457 jobs. Furthermore, Galway has also been strong on other technology-driven sectors such as software and computers and electronics. These sectors together accounted for more than 35% of FDI projects to Galway County over the period 2003-2012.

Figure 51: FDI to Galway County 2003-2013

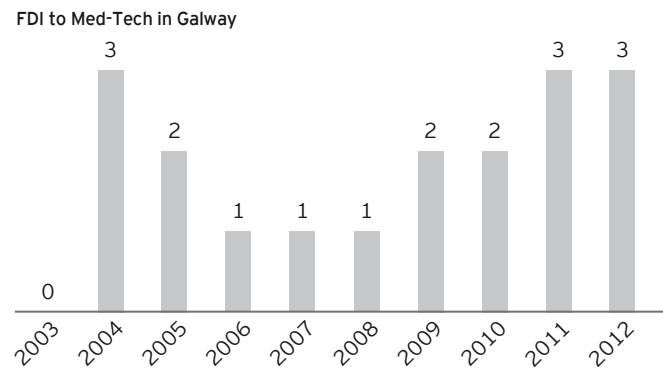
Subsector	Projects	Job creation
Software	18	1591
Med-tech & Pharmaceuticals	18	1457
Business Services	7	235
Computers & Electronics	8	468
Insurance & Pension	4	615
Other	13	710
Total	68	5076

Source: EY’s EIM 2014.

The medical devices and technology sector attracted a relatively stable amount of investment over the last ten years at around two projects per year. Although the sector was hard hit by the crisis, the recovery evident across Europe is also reflected in the project numbers for Galway, which increased significantly in 2011 and 2012.

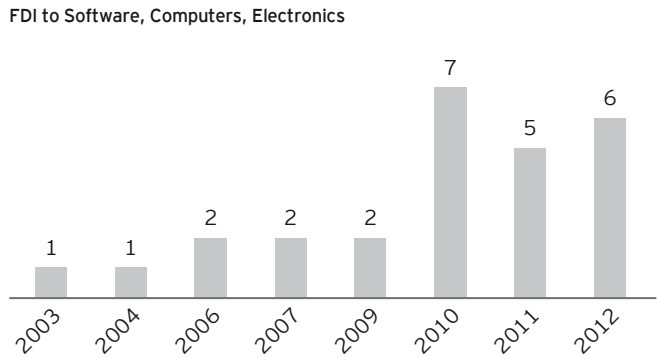
Interesting, however, is the dramatic increase in FDI from other high-technology sectors. While Galway has historically attracted some investment from the ICT sector, the software, electronics, and computing sectors have seen significant growth, reaching 5-6 projects per year between 2010 and 2012 from just 1 project in 2003 and 2004. This is undoubtedly a result of Ireland’s growing reputation for ICT through high-profile location decisions from companies such as Google. However, spillovers from Galway’s strong, technology – and engineering-oriented human capital base make it a competitive destination for these projects within the country.

Figure 52: FDI projects to the medical technology sector 2003-2012



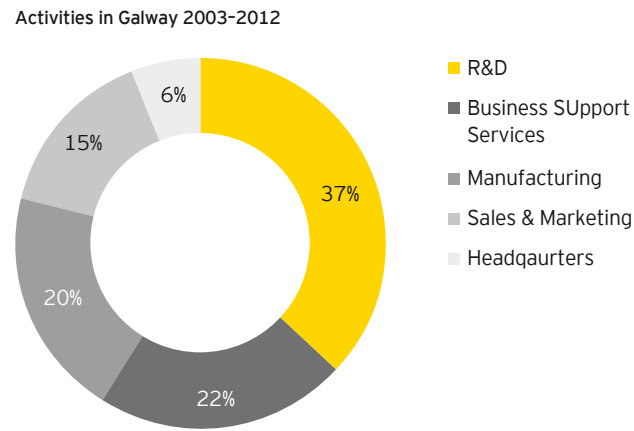
Source: EY’s EIM 2014

Figure 53: FDI to other technology driven sectors 2003-2012



Source: EY’s EIM 2014

Figure 54: FDI projects in Galway by activity



Finally, in terms of activities, Galway’s success in diversifying and moving up the value chain is apparent, with 37% of FDI projects (25) and 1,577 jobs created in these functions, followed by business support services and manufacturing at 22% and 20%, respectively.

St. Etienne, France: A nascent creative hub

General characteristics

Located in the Rhone Alpes region 60 km southwest of Lyon, St. Etienne has a population of 180,000 inhabitants and covers an area of approximately 80 sq km. The larger catchment, the St. Etienne metropolitan area, comprises 41 municipalities and has approximately 322,000 inhabitants, making it France's 16th largest urban region.

Its proximity to Lyon and a strong road and transportation network make the city an attractive location in geographical terms, and St. Etienne had a strong fabric of industrial throughout most of its history. However, beginning in the 1970s, the city's economy began to decline and St. Etienne's major industries shrank dramatically, leading to significant job losses and declining population.

Objectives and Positioning

Over the last five years, St. Etienne has undertaken several actions to reposition itself as dynamic location for enterprise and investment. The metropolitan area has made significant investments in urban regeneration for the city centre, constructing and renovating office and residential space to facilitate re-urbanisation and talent attraction. The city has also undergone two major neighbourhood regeneration plans in the area surrounding Saint Etienne's major train station, as well as the creation of a new 'creative quarter' with office, retail, and residential space.

In 2011, the city developed an urban attractiveness plan that aimed to progressively reinforce the attractiveness of St. Etienne, first at a regional and national level, and – over the longer term – at the international level.

The attractiveness plan is based around several key objectives:

- ▶ Stimulate innovation and entrepreneurialism for a creative economy
- ▶ Attract and retain skills and human capital for 'forward looking' industries through higher education
- ▶ Differentiate the city's industrial and service offers through a focus on design
- ▶ Undertake an urban transformation through infrastructure and development projects
- ▶ Increase tourism based on the region's sporting and cultural features
- ▶ Intensify marketing and communication efforts to increase awareness of St. Etienne's competitive advantages

Building on its title as a 'UNESCO City of Creative Design' in 2010 and the 'Biennale du Design,' an international design fair held biannually at the Cité du Design in St. Etienne, the city seeks to position itself as creative and innovative capital, where design is a key differentiator.

To do this, St. Etienne has attempted to leverage its proximity to a major industrial region surrounding Lyon in order to develop an offer of innovative and creative services to industry.

Strategy and Actions

Saint Etienne created a strategy to scale up investment from local and international businesses both in terms of quantity and in terms of position on the value chain.

The city created an 'Investor Service' office embedded in the metropolitan area administration designed to accompany existing businesses in the area as well as new investors. The office consists of a centralised team that helps orient businesses to public services and real estate offers, create partnerships, and locate necessary skills, as well as a team of 'Territorial Developers.' Developers are located in the different investment locations in the St. Etienne area, and provide specialised local information and continuous accompaniment for businesses in their area. Developers are intended to be a first point of contact for local businesses.

St. Etienne also identified several key sectors for activity in the region; these sectors are the primary focus of the local development team for both services and prospection; however the accompaniment services are available to businesses in every sector. The sectors identified by the city were the following:

- ▶ Optics
- ▶ Media
- ▶ Surface and materials engineering
- ▶ Other creative industrial services

St. Etienne's strategy breaks investments into three broad categories and sets specific 5-year targets by activity for moving St. Etienne up the value chain, on the premise that increasing density of basic tertiary services will improve the area's attractiveness for other service functions and complement the long-term improvements planned for the local skills, transport, and real estate offer.

3 target FDI categories for creative service investment growth in Saint Etienne

Category 1: Growth

The city aims to attract 'traditional' services such as customer relations hubs, decentralised public services, and back office functions, targeting high growth in the number of FDI projects in these sectors by 2015.

Category 2: Scaling Up

The city aims to attract one or two projects in 'decision making' functions, such as regional or functional headquarters by 2015.

Category 3: Diversification

The city aims to attract one or two FDI projects in its ultimate target subsector by 2015: creative and innovative services for industry.

Complementary to this strategy, St. Etienne has also engaged a multi-faceted plan to support its attractiveness by improving the local offer of skills and real estate, and by better promoting the benefits of locating in St. Etienne. This plan is centred on three dimensions, each with specific associated actions:

1. Improving the local offer

- ▶ Use and develop existing local centres of excellence, develop the 'creative quarter' and support the promotion of the local industrial centre specialised in optics and industrial surface treatments
- ▶ Development of residential, retail and office space, as well as a business park for industrial sites
- ▶ Creation and rehabilitation of public spaces in the city centre
- ▶ Increase frequency of rail connections to Lyon and improve road access between the two cities
- ▶ Make design visible in the city through public art
- ▶ Create partnerships with other UNESCO cities

2 Retain and attract talent

- ▶ Develop a local life science campus by regrouping the local School of Medicine, the Oncology Institute of the Loire, and the Health Engineering School in one central location
- ▶ Create a continuing education programme in design and 'executive master's programmes' in key sectors: optics, surface engineering, and media
- ▶ Create a partnership that links the R&D centre at the Cité du Design with local business needs
- ▶ Create formal links between training opportunities for students and local business: apprenticeships, research programmes, etc.

3. Promoting the advantages of St. Etienne

- ▶ Coordinate business clubs and participate in national and international events
- ▶ Use the Biennale du Design as a platform for St. Etienne to display its creative services to attract new investment and increase export opportunities
- ▶ Create a network of ambassadors who promote St. Etienne in their personal network
- ▶ Create a visual brand that unites and strengthens local promotional material: local portal, investor newsletters
- ▶ Create and maintain 'talent directory' that lists and sizes all of the available skills in the urban region

Key tools

1. **Creating a strategy for scaling up the value chain:**

St. Etienne chose an ambitious positioning as a design and creative services hub for industry, but also took into account the current situation 'on the ground'. The city created a mid-term plan that matched plans for scaling up the local offer with specific target business functions for FDI.

2. **Rapid skills upgrading:** developing executive master's or other diploma programmes in collaboration with local higher education institutions and businesses can be an effective way to provide key skills to the local economy and build cooperation between local stakeholders.

3. **Creating a network of ambassadors:** with limited resources, local ambassadors can play a role in promoting the location in their professional networks, communicating on the local offer and opportunities in the area.

4. **Leveraging an event with national or international draw:** St. Etienne has chosen to use Biennale du Design as a key element in its attractiveness, building on its reputational effects and using the event as an opportunity to promote and showcase not only local business but also the region itself.

5. **Creating a single point of contact:** St. Etienne's 'territorial developers' created a single point of contact for businesses looking for guidance or assistance in the region. In addition to orienting businesses in the vast network of local, regional, and national partners, developers also serve as an interface between the business community and the local authority: they diffuse up-to-date information on local projects and opportunities to the businesses they accompany and transmit information on businesses' needs and expectations to local policy makers.

Results:

St. Etienne's strategy remains in the relatively early stages; however its impact is already being felt in the metropolitan area.

The city succeeded in attracting a satellite campus of the 'Ecole Supérieur d'Optique' (Graduate School of Optics) in Paris, which has built significant relationships with local businesses involved in the sector through joint research programs, a start-up project incubator, and a network of business partners. This has permitted the city not only to retain key investors already present in St. Etienne, such as global leader Thales, whose optics subsidiary is located in the city, but also to generate a growing fabric of local businesses in the sector and retain engineering talent in the region.

Secondly, St. Etienne is significantly improving its attractiveness in the media sector. The city successfully signed a partnership with the World Association of Newspapers, WAN-IFRA, to create a research and training centre on new media journalism. The partnership also creates two new master's degrees in collaboration with local universities in St. Etienne and Lyon, designed to train web journalists.

Finally, the local Investor Services office has successfully accompanied a number of implantation projects in the metropolitan area, collaborating with both regional investment agencies at the Rhone-Alpes level, and with the Greater Lyon Investment Agency to help companies already present in France expand their activities to St. Etienne and the surrounding region. These successes include a new logistics site for the cold storage company Stef, which should create more than 200 jobs once in place. St. Etienne has also successfully landed projects with Canadian industrial services company Harsco and German packaging manufacturer Schütz over the last two years, as well as attracting two new businesses to its Metrotech business site, Prosegur and Aliberico, both of which were seeking a new location in the region.

Wroclaw, Poland: From FDI zero to outsourcing hero

General characteristics

With a population of 632,000, Wroclaw is Poland's fourth largest city. The city is strategically located in Central Europe, between Berlin, Warsaw, Prague and Vienna. With a highly developed higher education system, the city has a student population of approximately 150,000, almost all of whom speak English.

After several years of difficult adjustment following the dissolution of the Soviet Union, Poland emerged in the early 2000s as a competitive destination for service outsourcing. Its affordable, educated labour force and strategic geographic location made it highly attractive, and the city was able to successfully transition from a basic manufacturing site to one of Europe's hotspots for business services. Wroclaw registered the highest growth in of top Polish cities from 2006 to 2010, and remains a top site for investments in business services, as well as the top R&D site in Poland.

Wroclaw's stock of 'natural' competitive advantages, are complemented by a strong strategy targeting inward investment. Wroclaw has invested heavily in creating a modern hotel and real estate offer, promoting its image and quality of life benefits, and in building administrative institutions that accompany investors both at the time of their investment and in aftercare.

Figure 55: Location Map of Wroclaw



*Association of Business Service Leaders in Poland

Source: Invest in Wroclaw, 'Driven by Knowledge Location Report' 2014.

Ambitions and positioning

Wroclaw has sought to position itself as an FDI hotspot for the 'knowledge-based' economy, offering 'quality services at a competitive price'. The city has progressively moved up the value chain, transitioning from low-value added manufacturing to basic business and back office services. The city is currently Poland's fastest growing business services site, and employs 20,000 people in service industries, 3% of its total labour force. Key investments include Google, HP, Credit Suisse, Whirlpool, Wipro, Volvo and UPS, among others.

Building on its successes in basic services, Wroclaw is currently in the process of moving up the value chain to knowledge processes outsourcing (KPO) and more sophisticated back office functions, as well as IT and – potentially – R&D. Wroclaw has successfully secured KPO projects from both McKinsey & Company and Irevna.

Strategy

Wroclaw's attractiveness strategy is multifaceted, and is centred on two key elements: first, a strong and proactive public authority and second, building a strong local offer in real estate and infrastructure that complements its competitive advantages in human capital and location.

Wroclaw's local authority has been transformed into a metropolitan agglomeration, linking the metropolitan centre with the smaller cities surrounding it. The Invest in Wroclaw Agency (ARAW) was established in 2005 and serves 19 communities in the metropolitan area, a catchment of approximately 1mn people and 2,118 square km.

The service's missions are threefold:

- ▶ **Attracting foreign investments:** ARAW provides comprehensive services for companies interested in locating their investments in the area of Wroclaw, such as site visits, offer preparation, identifying and negotiating with suppliers and service providers, administrative accompaniment and post-investment support. The organisation serves as a 'one stop shop'.
- ▶ **Carrying out projects for local authorities:** consulting and providing services to assist in tendering procedures, capacity building for local administrations, and building public-private partnerships.
- ▶ **Attracting and coordinating EU projects:** ARAW facilitates the application process for EU funding for both local businesses and authorities, and coordinates a number of EU projects for skill building and training in the region.

ARAW's core office is composed of 16 full-time employees and 3 trainees, divided into three teams of five employees: A business support team, which works to attract foreign investments and accompany local businesses across all sectors, a services support team dedicated to Wroclaw's key sector, and a centralised team that coordinates projects with the public sector and produces editorial content.

ARAW maintains a highly detailed website and mobile application that provides detailed information on the local offer in the form of downloadable reports, and online site directories that catalogue available greenfield, brownfield and office locations.

As a result of these investments, Wroclaw currently offers some of the best investment conditions in Poland and was selected in 2013 as the best local government for foreign investors by the Association of Business Service Leaders in Poland.

In parallel to its institutional investments in the agglomeration and ARAW, Wroclaw has also invested significantly in improving its local offer. The city has not only made significant investments in infrastructure and site development, but also in human capital to help the city move up the FDI value chain.

Wroclaw is currently investing in its air, telecommunications, rail and port infrastructure to increase ease of access for both businesses and tourists, and to ensure its place as an innovative BPO and ICT hub.

- ▶ **Air transport:** Investments to Wroclaw's airport to add a new terminal and increase flight frequency. The airport currently serves about 30 destinations in Western, Central, and Eastern Europe.
- ▶ **Telecommunications:** Fibreoptic network and digital teletransmission systems implementation to upgrade the quality of voice and data transmission in the city.
- ▶ **Waterways:** Investments to develop the tourist potential of the Odra River, which connects Wroclaw to the European inland waterways system.
- ▶ **Rail:** Investments underway to extend and modernise Wroclaw's rail network to improve commuting access to the city.

Wroclaw has also built up an interesting offer in terms of attractive real estate. The city currently has a modern office stock of 307,000 sq m. concentrated in three business areas, placing it just behind Warsaw and Krakow.

The market has significant development potential, as a result of proactive government policy. Over 38% of the city is covered by spatial development plans, which facilitate zoning and investment, and the city is actively involved in attracting major commercial tenants through ARAW. In order to address a low vacancy rate relative to other Polish cities, the city added 182, 000 sq m of office space in 2012, with another 100,000 sq m in planning.

The city has also actively encouraged investments in 'quality of living factors,' such as urban regeneration, cultural events and venues, and hotel stock. The city was chosen as the European Capital of Culture for 2016.

Finally, Wroclaw has also been very active in continuing to develop and upgrade human capital, through its 'EIT Plus' innovation strategy. The strategy seeks to promote research and education in the Wroclaw metropolitan region through:

- ▶ Investing in innovation programmes in high schools and vocational schools.
- ▶ Creating a new university campus for advanced research and innovation serving both businesses and the higher education community.
- ▶ Programmes in lifelong learning to upgrade existing skills
- ▶ Targeted financing to businesses and research centres in high innovation areas.

Key tools

- 1. Dedicated investor services:** ARAW's investor services team provides a one-stop-shop to its clients before, during, and after the investment. This is a key element in encouraging investment and expansion. The team also has specialised services for the city's key sectors, allowing them to leverage sector expertise more effectively to attract new investments.
- 2. Collect and diffuse detailed and up-to-date local offer information:** ARAW works closely with real estate companies, local government, and higher education institutions to collect and diffuse up-to-date local offer information. The organisation maintains real time data bases on their website, and releases and annual report on investing in Wroclaw.
- 3. Invest in a modern office park:** Wroclaw cooperated closely with developers to build up a strong local offer in modern office space, and actively helps developers fill their spaces. The city monitors the vacancy rate for various types of real estate offers closely and facilitates zoning accordingly.
- 4. Make ease of access a focal point:** Wroclaw has positioned itself as a key location in Central Europe through its proximity to other, better known capitals. The city has coupled a marketing strategy based on proximity with investments to facilitated access to these capitals through infrastructure investments in roads, rail, and air transport.
- 5. Emphasize quality of life to attract outside talent to the region:** Wroclaw has made significant investments in cultural facilities and urban regeneration to make the city more appealing to local and outside talent. For the same reasons, the city's marketing strategy emphasizes the availability of international schools and English-language services.

Results

Wroclaw’s FDI-driven transformation has been a success. The city received only a handful of investments between 1999 and 2003, mostly concentrated in manufacturing. However, from 2004 onwards, the number of FDI projects in the region grew significantly, jumping – in the space of just one year – from 1 project in 2003 to 16 projects in 2004. Over the last ten years, the city has averaged 13.1 projects per year, more than double the European NUTS-3 average of 5.88.

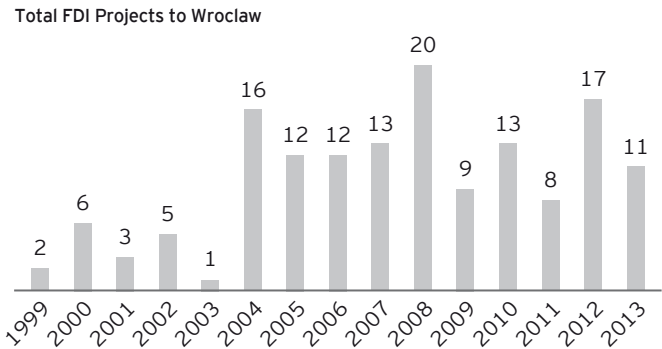
The city has also seen significant job growth as a result of its FDI strategy. With FDI projects alone creating nearly 26,000 jobs in the city.

Wroclaw’s first FDI project in business services occurred in 2002. EIM data shows that as manufacturing in the city declined from 2004 onward, other business operations such as testing & servicing, BPO and KPO, and R&D picked up the slack, contributing both jobs and projects to the city. Similarly, sales and marketing projects soared over this period. Although the region received no sales and marketing projects before 2005, Wroclaw received a total of 28 such projects between 2005 and 2013.

Nevertheless, Wroclaw’s industrial base has remained relatively strong. Manufacturing and logistics – still remain key sectors for the city in terms of FDI. Over the last five years, nearly 40% of Wroclaw’s FDI has been in the manufacturing sector.

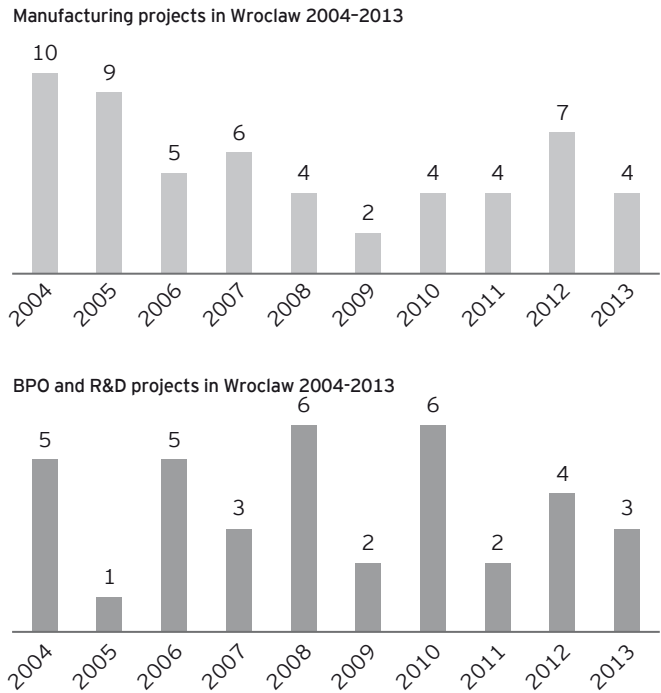
FDI to Wroclaw in services is centred on a small number of sectors, notably business services (e.g., consulting and accounting firms), financial intermediation, as well as scientific instruments, electronics, and computing for BPO and KPO services. The city has received key investments from several international banks, EY, CapGemini, Siemens, HP, and IBM, among others.

Figure 56: Manufacturing and BPO projects in Wroclaw



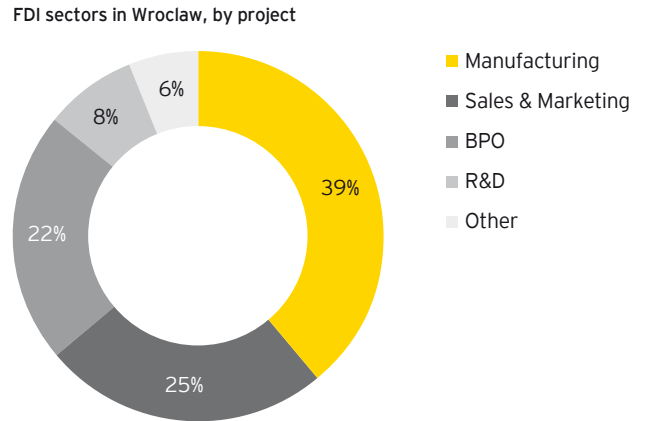
Source: EY’s EIM 2014

Figure 57: FDI to Wroclaw 1999-2013



Source: EY’s EIM 2014

Figure 58: FDI sectors in Wroclaw, by project



Source: EY’s EIM 2014



Appendix D

Hunterston: summary of opportunities

Element	Competitive Advantage	Risks	Short term viability	Medium term viability	Long term viability	Socio-economic impacts	Environmental impacts
Coal imports	<ul style="list-style-type: none"> Existing customer base Infrastructure is adequate for purposes Limited competition Assume would continue to support 93 on-site jobs 	<ul style="list-style-type: none"> Medium term risk with loss of imports due the decline of coal fired power stations within the UK 	✓	xx	-	-	-
Biomass imports	<ul style="list-style-type: none"> Potential growth sector Existing infrastructure can accommodate biomass imports with minimal investment Transport connectivity (rail) supports movements of goods offsite Supports 93 on-site jobs 	<ul style="list-style-type: none"> Government policy could negatively impact use of biomass as a power source Some existing developments are closing (e.g., Tilbury) indicating demand/market risk 	-	-	-	-	-
Biomass power station	<ul style="list-style-type: none"> Potential growth sector Port has sufficient infrastructure to support power station Potential job generation for local area Would support estimated 150 to 200 on-site jobs 	<ul style="list-style-type: none"> Government policy could negatively impact use of biomass as a power source Existing developments are closing (e.g., Tilbury) indicating demand/market risk 	X	-	-	✓	Xx
Offshore wind - assembly and foundations	<ul style="list-style-type: none"> Medium term market opportunity Site well located for West Coast round 3 zones Sufficient land available to develop as an assembly hub and foundation manufacturing site Policy supports ports developing for the offshore wind industry Estimated 80 on-site jobs for assembly and approximately 210 jobs for manufacturing 	<ul style="list-style-type: none"> Demand is short term/temporary (construction phase of wind farm) High levels of competition from other ports 	-	✓	✓	✓ (assembly) ✓✓ (manufacture)	x
Offshore wind - O&M	<ul style="list-style-type: none"> Medium to long term market opportunity Site well located for West Coast round 3 zones Sufficient land available and limited investment required Potential for 40 to 60 onsite jobs 	<ul style="list-style-type: none"> Employment over lifetime of wind farm Competition from other West Coast ports – barriers to market entry are less for O&M 	-	✓	✓	✓	-

Element	Competitive Advantage	Risks	Short term viability	Medium term viability	Long term viability	Socio-economic impacts	Environmental impacts
Wave and tidal	<ul style="list-style-type: none"> ▶ Long term growth market ▶ Site is well located to serve potential market, especially wave energy ▶ Policy support ▶ Port can offer infrastructure and land for the industry (dry dock useful for tidal stream) ▶ Estimated 80 on-site jobs for assembly and approximately 210 jobs for manufacturing 	<ul style="list-style-type: none"> ▶ Industry is in its infancy and technology is only in the development stage ▶ Competition could be high if the market develops 	X	X	√√	√ (assembly) √√ (manufacture)	X (assembly)
Maritime decommissioning	<ul style="list-style-type: none"> ▶ Large market with a limited number of competitors ▶ Site is well located to serve potential East Irish Sea market (medium term opportunity) ▶ Use of deep water and the potentially the dry dock ▶ Jobs depend on size and complexity of the installation – estimate 60-80 temporary jobs 	<ul style="list-style-type: none"> ▶ Site is not ideally located to North Sea platforms, so the business might not be a long-term commercially viable option ▶ Competition can increase (especially from East Coast ports) should the market develop ▶ Requires development of networks with existing oil platform operators ▶ Requires investment to strengthen construction yard quay and potential for dry dock gate 	-	√	-	√	X
Nuclear	<ul style="list-style-type: none"> ▶ UK electricity demand is expected to remain constant for next decade ▶ Long term capacity shortfall – Hunterston has a site which is readily accessible ▶ 550 jobs including contractors ▶ Extension of Hunterston B's operating life is possible, however this is at best uncertain and would depend on the safety case 	<ul style="list-style-type: none"> ▶ Policy does not currently support the development of new nuclear capacity ▶ Development tied to strike prices 	x	-	√	√√	x
Leisure	<ul style="list-style-type: none"> ▶ Preserve and exploit Hunterston's wildlife/scenic assets ▶ Add to wider tourism/leisure offer of the local area ▶ Development would be relatively easy ▶ Low job creation (estimated maximum 15 FTE) 	<ul style="list-style-type: none"> ▶ Policy allocation for IND4 would not support leisure uses, reflecting potential conflict with existing industry ▶ Scale and location within study area restricted given need to avoid conflict with industrial uses and existing recreational attractions in local area ▶ Unlikely to attract commercial developer 	√	√	√	-	√

Source: URS Competitive Advantage Study August 2013

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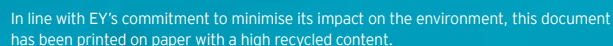
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NORTH AYRSHIRE COUNCIL

Agenda Item 19

16 July 2014

Cabinet

Subject: **Empty Homes Strategy**

Purpose: To seek Cabinet approval for the draft Empty Homes Strategy.

Recommendation: That the Empty Homes Strategy is approved and implementation of same commences thereafter.

1. Introduction

- 1.1 In 2011, the Scottish Government published 'Homes Fit for the 21st Century'. This paper sets out the national strategy for housing over the next decade, focussing on providing affordable housing which meets the needs of all Scotland's people. The paper estimated there were 25,000 long-term empty properties in Scotland, and recognised that even bringing a proportion of these back into use would represent an important contribution to overall housing supply.
- 1.2 An empty home is a property in the private sector, which has been unoccupied for more than 6 months. It is not a second or holiday home.
- 1.3 Empty homes are a wasted resource. They don't contribute to the local housing market, nor do they address housing need. They are often the target of criminal or antisocial behaviour, such as vandalism, fly tipping, graffiti and break-ins, and in turn place a burden on the resources of the Council and the emergency services, who must address these issues.
- 1.4 Owners of empty homes also face a potential significant financial drain including mortgage repayments, insurance costs, council tax and rent loss.
- 1.5 Furthermore, these often unsightly and unattractive properties can have a detrimental impact on the visual amenity of the surrounding area, and can cause a reduction in the value of neighbouring properties.
- 1.6 The North Ayrshire Empty Homes Strategy (Appendix 1) forms part of the wider North Ayrshire Local Housing Strategy 2011-2016, and as such is informed by its overarching strategic outcomes, specifically:

- The supply and quality of housing better meets needs and aspirations;
 - Housing is sustainable and contributes to stable communities; and
 - Access to high quality information and advice has improved.
- 1.7 The North Ayrshire Empty Homes Strategy seeks to bring empty homes back into use, and to stop currently occupied properties becoming empty.
- 2. Current Position**
- 2.1 There are a variety of reasons for homes becoming empty. Owners may:
- be marketing their empty properties, but due to the economic downturn find it difficult to attract prospective purchasers;
 - be unable to pay the costs associated with selling their home;
 - not know what options are available to assist them bring their property back into use;
 - be difficult to trace;
 - be unwilling to let their properties; or
 - have moved into residential care.
- 2.2 Empty homes can quickly fall into disrepair, and the longer they remain empty the greater the disrepair is likely to become. Eventually the owner may find the cost of repairing the property too expensive to allow the property to be brought back into use.
- 2.3 In June 2013 analysis found there were c.630 empty homes in North Ayrshire. Most will be empty for less than a year, with 78% being occupied within 3 years. Nonetheless, just over 1 in 5 empty homes remain so for more than 3 years, and it is these properties that are most likely to have detrimental impact on the local area and community.
- 2.4 The highest proportion of empty homes is found on Arran (5.4%), but there is also a significant number within the North Coast area (3.3%). This is also the sub housing market area with the highest affordable housing shortfall in North Ayrshire.
- 2.5 64% of all empty stock is a one or two bedroom home. Considering the impact of Welfare Reform, and the increasing demand for smaller housing, this represents a significant potential solution to addressing housing need.

- 2.6 A survey of all empty home owners (carried out by Housing Services in 2013) indicated the main reasons why properties are empty (see Table 1).

Table 1: Reasons for Empty Homes

Why is the property empty?	Percentage
I am trying to sell it	25%
It is being renovated	13%
It needs work which I cannot afford	12%
Second home	8%
Other	8%
I am trying to let the property	7%
I intend to renovate it	6%
I don't want the trouble of tenants	6%
I am waiting for the right time to sell	5%
I want to let it but I don't know how	5%
Building/Safety issues	2%
Planning issues	1%
Legal dispute over ownership	1%
Owner in hospital/care home	1%

- 2.7 More generally, other findings from the empty home owners' survey reported that:
- 79% of owners are unsure as to when their property will become occupied;
 - 51% of respondents state that their property required some form of repair work;
 - 55% of owners would be willing to work with the Council to bring their property back into use; and
 - 26% of respondents stated that owners should be free to do what they want with their empty properties, even if it caused a nuisance to others.
- 2.8 Having both assessed the extent of the problem in North Ayrshire, and considered available resources, the empty homes strategy adopts, in the main, an advice and assistance based approach to achieving its primary objective.
- 2.9 A variety of policy interventions are detailed within the strategy. These seek to encourage and support owners to explore a range of mechanisms which will allow their properties to be utilised as housing. Some of the key interventions are detailed below:

- Scheme of Assistance: The Housing (Scotland) Act 2006 places a duty on all Local Authorities to introduce a 'Scheme of Assistance', and this will be the main mechanism with which the Council support empty home owners.

Under the Scheme, advice and information is given to empty homes owners to assist them in identifying cost effective methods of addressing condition, maintenance and improvement issues in their homes. Information on various tenancy arrangements can be provided, as can information on possible methods of selling the property. The Scheme can also provide advice on how to become a landlord.

The Council's current Scheme of Assistance was approved by Cabinet in 2012.

- Rent Deposit Guarantee Scheme: This Council scheme assists homeless and potentially homeless households gain access to good quality, affordable private rented accommodation, and may be able to assist empty home owners to become landlords, by finding them a suitable tenant; preparing the necessary tenancy documents; providing a written guarantee in lieu of a cash deposit; and offering advice and support on relevant housing legislation.
- Empty Homes Loans: This established fund allows the Council to offer 0% loans for the purpose of bringing empty homes back into use. The model allows owners to earn an income from the property by renting it out in the private sector.
- Scottish Empty Homes Partnership: the Council will continue to work with this partnership, which is funded by the Scottish Government and hosted by Shelter Scotland, and which researches, collates and disseminates good practice.

2.10 The Empty Homes Strategy also details legislative powers which the Council can invoke to address problems associated with empty homes. Some of the key powers are detailed below:

- Council Tax Levy: The Council Tax (Variation for Unoccupied Dwellings)(Scotland) Regulations 2013 allow local authorities to introduce a Council Tax Levy. The legislation allows for a levy of up to an additional 100% to be charged on properties that are classified as empty (under Council Tax legislation). This means that owners of long-term empty homes could be charged double Council Tax for their property. The Strategy notes that while the Council has deferred the decision to vary the discount levy at present, it may in due course, consider introducing such a levy.

- Abatement Notices: The Environmental Protection Act 1990 s.80, allows the Council to serve notice against empty homes which are causing 'nuisance'. Nuisance is defined as properties which could have a harmful effect on health. An abatement notice orders the empty home owner to put right the problem that is causing nuisance and sets a time limit in which works must be completed.
- Wasteland Notice: In order to address issues relating to the visual amenity of an area, where this may be compromised by an empty property, the Council may use powers available under the Town and Country Planning (Scotland) Act 1997 s.179 to serve a Wasteland Notice.

The Notice maybe used where the land within the boundary or surrounding the empty home has been subject to fly tipping.

If the empty home owner fails to take appropriate action in response to the Notice, the Council can choose to rectify the situation themselves and recharge all costs incurred.

- Dangerous Buildings: The Building (Scotland) Act 2003 s29 and s30 gives the Council authority to service notice on owners of empty homes, where it is considered the condition of these homes are such that they pose a threat to the safety of the public or to adjacent property.

Where the disrepair requires an immediate solution, the Council will remove the danger. In cases where less immediate action is required, the empty home owner will be asked to carry out the necessary works. Where owners fail to do so, the Council will take action to protect those at risk and recharge all costs incurred.

- 2.11 We recognise that there a small number of properties that have fallen into extreme disrepair, or are having a significant detrimental impact on the surrounding neighbourhood. In order to address the issues arising from such cases the Council will take a corporate approach to addressing the problem.

3. Proposals

- 3.1 It is proposed that the Cabinet approve the draft Empty Homes Strategy, and that implementation of same commences thereafter.

4. Implications

Financial Implications

- 4.1 It is forecast that there will be no costs associated with the proposals outlined within the Empty Homes Strategy. All staff time involved in implementing the strategy will be absorbed by current resources. In instances where costs are incurred as a result of taking action against an owner, it is intended that these will be recovered directly from that owner.

Human Resource Implications

- 4.2 All policy interventions outlined in this strategy can be absorbed by existing resources.

Legal Implications

- 4.3 There are no legal implications arising from this strategy.

Equality Implications

- 4.4 There are no negative or discriminatory impacts arising from this strategy.

Environmental Implications

- 4.5 The adoption of this strategy may have a positive impact on the environment in terms of reducing incidents of vandalism or fly tipping. Furthermore, the Strategy may have a positive impact on the visual amenity of the area. There are no negative environmental implications identified.

Implications for Key Priorities

- 4.6 The strategic 'overarching' outcomes of this strategy feed directly into the delivery of both the national and local outcomes identified within the North Ayrshire Single Outcome Agreement. Specifically, the strategy seeks to deliver:
- National Outcome 10 – “We live in well designed, sustainable places where we are able to access the amenities and services we need”
 - Local Outcome 10b – “Availability of affordable housing has improved”.

5. Consultations

- 5.1 The Empty Homes Strategy was developed by a corporate working group which comprised:
- Building Standards;
 - Environmental Health;
 - Finance Services (Council Tax);
 - Housing Services;
 - Legal Services; and
 - Planning Services.
- 5.2 Following completion of the draft strategy, it was published on the internet for a period of 8 weeks to allow the public to review and comment on the document.
- 5.3 All feedback received has been considered and the Strategy updated as appropriate.

6. Conclusion

- 6.1 The draft Empty Homes Strategy is presented to the Cabinet of North Ayrshire Council for approval and adoption.
- 6.2 The strategy seeks to bring empty homes back into use, and to stop currently occupied properties becoming empty. A series of policy interventions are identified to achieve this goal. The document also outlines various legislative powers which may allow enforcement action to be carried out.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference :

For further information please contact Alex Adrain, Interim Head of Housing Services on 01294 324641

Background Papers

None



NORTH AYRSHIRE
COUNCIL

North Ayrshire Empty Homes Strategy

2014

Contact Us

Throughout this document we may refer to papers, research, assessments, other strategies or plans. All of this information is available on request, as are additional copies of this strategy.

Comments and views about any aspect of the strategy's structure, content and information are always welcome (see contact details on page 1).

We would also like to encourage community involvement in the on-going monitoring and review of this strategy. If you are interested in becoming involved in this, please let us know.

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ਮੰਗ ਆਉਣ 'ਤੇ ਇਹ ਹੋਰ ਬੋਲੀਆਂ ਵਿਚ ਵੀ ਦਿੱਤਾ ਜਾ ਸਕਦਾ ਹੈ।

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該文件還有其他形式，如語音磁帶、CD、盲文版本及大字體版本。如有需求，還提供
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This document is available in other formats such as audiotape, CD, Braille and in large print. It can also be made available in other languages on request.

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Introduction

1. An empty home is a property in the private sector, which has been unoccupied for more than 6 months. It is not a second or holiday home.
2. Empty homes are a wasted resource. They don't contribute to the local housing market, nor do they address housing need. They are often the target of antisocial behaviour, such as vandalism, fly tipping, graffiti and break-ins, and in turn place a burden on the resources of the Council and the emergency services, who must address these issues.
3. Owners of empty homes also face a significant financial drain including mortgage repayments, insurance costs, council tax and even potential rent loss.
4. Furthermore, these often unsightly and unattractive properties can have a detrimental impact on the visual amenity of the surrounding area, and can cause a reduction in the value of neighbouring properties. The Royal Institution of Chartered Surveyors estimate that adjoining properties to poorly maintained empty homes can be devalued by up to 18%.
5. The North Ayrshire Empty Homes Strategy seeks to bring empty homes back into use, and to stop currently occupied properties becoming empty.
6. Having both assessed the extent of the problem in North Ayrshire, and considered available resources, this strategy adopts, in the main, an advice and assistance based approach to achieving its primary objective.
7. Through the North Ayrshire Scheme of Assistance we will encourage and support owners to explore a range of mechanisms which will allow their properties to be utilised as housing.
8. Nonetheless, we do recognise that some properties have fallen into extreme disrepair, or are having a detrimental impact on the surrounding neighbourhood. In these cases, the Council will consider a corporate response.

Strategic Framework

National Policy Framework

9. In 2011, the Scottish Government published 'Homes Fit for the 21st Century'. This paper sets out the national strategy for housing over the next decade, focussing on providing affordable housing which meets the needs of all Scotland's people.
10. The paper outlined the Government's ambition; that everyone has a warm and comfortable home, whilst also recognising the role that the housing system

has to play in enhancing economic growth and social mobility, as well as strengthening our communities.

11. In terms of Empty Homes, the paper estimated there were 25,000 long-term empty properties in Scotland, across all tenures. Even bringing a proportion of these back into use would represent an important contribution to overall housing supply.

Single Outcome Agreement

12. The strategic 'overarching' outcomes of this strategy feed directly into the delivery of both the national and local outcomes identified within the North Ayrshire Single Outcome Agreement.
13. Specifically, the strategy seeks to deliver:
 - National Outcome 10 – “We live in well-designed, sustainable places where we are able to access the amenities and services we need”;
 - Local Outcome 10b – “Availability of affordable housing has improved”.

Local Housing Strategy

14. The Empty Homes Strategy is part of the wider North Ayrshire Local Housing Strategy 2011-2016, and as such is informed by its overarching strategic outcomes, specifically:
 - The supply and quality of housing better meets needs and aspirations;
 - Housing is sustainable and contributes to stable communities; and
 - Access to high quality information and advice has improved.
15. As part of the Local Housing Strategy, the Council is also developing a strategy which seeks to address disrepair in the private sector. It is anticipated that this will be adopted by the Council during 2014.
16. It should not be assumed that because a property is empty, that it is exempt from the interventions outlined in that strategy. The actions available to the Council as outlined in the Private Sector Improvement Strategy may be adopted to address issues of disrepair in empty homes.

Equality Impact Assessment

17. The Council is committed to ensuring equality of opportunity for all North Ayrshire residents, and to addressing any form of discrimination on the grounds of:
 - Age;
 - Disability;
 - Race;

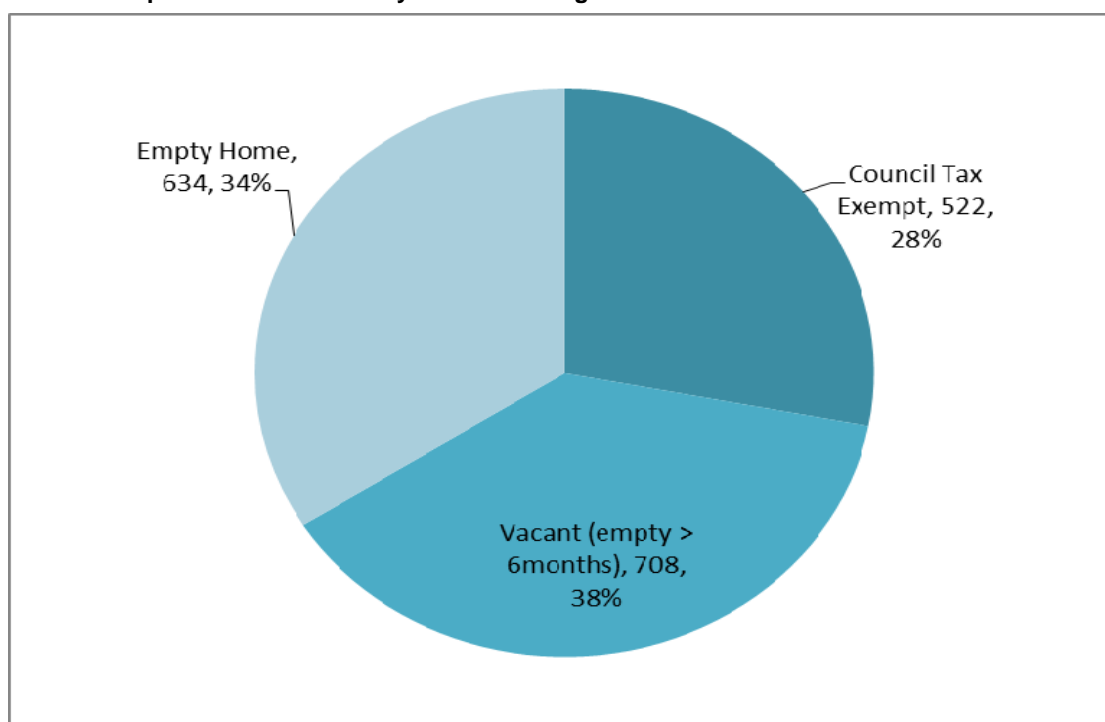
- Religion or belief;
- Gender;
- Gender Reassignment;
- Sexual orientation; and
- Maternity & Pregnancy.

18. The equality impact of this strategy is included within the overall 'Equality Impact Assessment' carried out for the Local Housing Strategy 2011-2016.

Scale of the Problem

19. There are a variety of reasons for homes becoming empty.
20. The current housing market conditions could be contributing to the problem. Owners may be marketing their empty properties, but due to the economic downturn find it difficult to attract prospective purchasers. Alternatively, owners may be unable to pay the costs associated with selling their home.
21. Other reasons for properties being empty include owners:
 - not knowing what options are available to assist them bring their property back into use;
 - being unwilling to let their properties; or
 - having moved into residential care.
22. Empty homes can quickly fall into disrepair, and the longer they remain empty the greater the disrepair is likely to become. Eventually the owner may find the cost of repairing the property too expensive to allow it to be brought back into use.
23. Research indicates that more than 15% of empty home owners cannot afford necessary repairs (Scottish Executive Central Research Unit, 2001).
24. In order to identify the scale of the problem within North Ayrshire, analysis of the Council Tax register has been supplemented by the findings of an 'Empty Home Owners' Survey'. The survey was issued to everyone in receipt of a Council Tax discount for an empty home. A response rate of 27% was achieved.
25. In June 2013, 1864 homes received a Council Tax discount, indicating they are empty. Of these 62% are either Council Tax exempt (for example because the property is being renovated) or vacant (empty for less than 6 months). The remaining 634 units (34%) are classified as empty homes for the purpose of this strategy (see Table 1).

Table 1: Properties within North Ayrshire receiving a council tax discount



Source: North Ayrshire Council, Council Tax Register (June 2013)

26. Further analysis of the Council Tax database indicates how long properties remain empty (see Table 2). Most are empty for less than a year, with 78% being occupied within 3 years.
27. Nonetheless, just over 1 in 5 empty homes remain so for more than 3 years. It is these properties that are most likely to be having a detrimental impact on the local area and community.

Table 2: Length of Time Empty

Time Empty	%Empty (NB: Numbers are rounded)
6 months – 1 year	54%
1 year – 2 years	12%
2 – 3 years	12%
3 – 4 years	6%
4 – 5 years	6%
5 – 6 years	2%
6 – 7 years	8%

Source: North Ayrshire Council, Council Tax Register (June 2013)

28. Table 3 provides a breakdown of the % of empty homes by sub housing market area. Whilst the highest proportion of empty homes is found on Arran, there is a significant number within the North Coast area. This is also the sub housing market area with the highest affordable housing shortfall in North Ayrshire.

Table 3: Empty Homes as a Percentage of Households within Sub Housing Market Area

Sub Housing Market Area	Total empty homes by SMHA	No of Households per SHMA	% of Empty Properties within SHMA
Isle of Arran	121	2,247	5.4%
North Coast	320	9,740	3.3%
Irvine	213	18,310	1.2%
3 Towns	155	14,977	1.0%
Garnock Valley	112	13,452	0.8%

Source: Council Tax Register/Local Housing Strategy 2011-2016

29. The empty home owners' survey provides stock profile (see Table 4). A key finding was that 64% of all empty stock is a one or two bedroom home.
30. Considering the impact of Welfare Reform, and the increasing demand for smaller housing, this represents a significant potential solution to addressing housing need.

Table 4: Number of bedrooms in surveyed empty properties

Number of Bedrooms	Percentage
1 Bedroom	24%
2 Bedrooms	40%
3 Bedrooms	24%
4 Bedrooms	10%
5 Bedrooms	1%
6 + Bedrooms	1%

Source: Empty Homes Owners Survey 2012

31. The empty home owners' survey also identifies why North Ayrshire properties are empty. Owners were asked to choose which reason that was most relevant to them (see Table 5).

Table 5: Reasons for Empty Homes

Why is the property empty?	Percentage
I am trying to sell it	25%
It is being renovated	13%
It needs work which I cannot afford	12%
Second home	8%
Other	8%
I am trying to let the property	7%
I intend to renovate it	6%
I don't want the trouble of tenants	6%
I am waiting for the right time to sell	5%
I want to let it but I don't know how	5%
Building/Safety issues	2%
Planning issues	1%
Legal dispute over ownership	1%
Owner in hospital/care home	1%

32. The empty home owners' survey also asked which service interventions would be the most attractive to owners, and what would provide the greatest incentive to them in terms of bringing their properties back in to use (see Table 6).

Table 6: Incentives that would encourage owners to have their homes occupied

Incentive	Percentage
None of those listed	18%
Grants for repairs/renovation	18%
Guaranteed rental income	15%
Advice on finding a buyer	12%
Advice on finding a tenant	8%
Advice on becoming a landlord	6%
Loans for repairs/renovations	6%
Advice to manage repairs	5%
Management services for repairs	5%
Other	3%
Advice on accessing private finance	2%
Legal advice/mediation	2%

Source: Empty Home Owners Survey 2012

33. More generally, other findings from the empty home owners' survey report that:
- 79% of owners are unsure as to when their property will become occupied;
 - 51% of respondents state that their property required some form of repair work;
 - 55% of owners would be willing to work with the Council to bring their property back into use; and
 - 26% of respondents stated that owners should be free to do what they want with their empty properties, even if it caused a nuisance to others.

Improving our Data

34. In order to accurately and meaningfully implement the Empty Homes Strategy it is vital that we have access to high quality, relevant information, which can be kept up to date.

Council Tax Database

35. The North Ayrshire Council Tax database is the primary resource for obtaining information on the number and location of empty homes within North Ayrshire, and legislation exists to allow this data to be shared corporately.
36. Home owners are able to claim a Council Tax exemption for the first 6 months a property is empty. This period is intended to allow owners the opportunity to address disrepair or any other issue which may be contributing to the property being empty.
37. The Council counts properties as empty homes, where they remain unoccupied at the end of this exemption period.
38. In order to ensure the Council Tax information is as accurate as possible, the Council are undertaking a review of all properties which are coded as being in receipt of an empty homes council tax discount. This exercise will be carried out during 2014.
39. Nonetheless, only properties where owners have sought a Council Tax discount for an empty home can be identified through the database. Properties which are empty, but where owners have not sought a discount, may constitute a 'hidden problem' in terms of identifying the number and scale of empty homes.
40. Therefore, we have employed a range of other mechanisms to supplement the Council Tax information, and assist in the gathering and updating of empty homes data.

Empty Homes Database

41. The Council intends to collate all the relevant information in a central database, which can be accessed by various corporate departments, who have a role in addressing issues arising from empty homes.
42. The centralised resource will allow various Council departments to update the information held on empty homes as it is received.

Report Empty Homes Website

43. North Ayrshire Council participates in the 'Report Empty Homes' website, set up by the Scottish Empty Homes Partnership (<http://reportemptyhomes.com>).

44. This website allows anyone with internet access to report empty homes within their local community. The referral is then automatically directed to the Council.
45. Local residents can also link to the 'Report Empty Homes Website' from the Council's own website (www.north-ayrshire.gov.uk).

Council's Website

46. Residents can also use the 'contact us' function within the Council's website (www.north-ayrshire.gov.uk) to report Empty Homes.

Private Sector Advice Line

47. Empty home owners, or those affected by empty homes, can call the Council's Private Sector Advice Line (01294 324644) for advice and assistance.

Policy Interventions

48. In order to achieve our primary objective (of reducing and preventing empty homes), the Council has identified a series of policy interventions.

Scottish Empty Homes Partnership

49. The Scottish Empty Homes Partnership is a project fully funded by the Scottish Government and hosted by Shelter Scotland.
50. The partnership researches, collates and disseminates good practice and lessons learned from empty homes work undertaken across Scotland, England and Wales. The Partnership also acts as a 'critical friend', in terms of reviewing our policy interventions.
51. The Council will continue to work with the partnership, utilising the wealth of experience and expertise available, in order to ensure that the Empty Homes Strategy remains subject to on-going review.

Advice & Assistance

52. The Housing (Scotland) Act 2006 places a duty on all Local Authorities to introduce a 'Scheme of Assistance'.
53. North Ayrshire Council's Scheme of Assistance aims to improve property condition in the private sector. The scheme replaces improvement grants with a range of advice, assistance and information options.
54. In terms of Empty Homes, the Scheme is both our primary method of preventing homes from becoming empty, as well as our main method of bringing homes back into the viable housing supply.
55. The Scheme allows us to support owners in identifying cost effective methods of addressing condition, maintenance and improvement issues in their homes, provide information on selling empty homes, and give advice and assistance on how to become a landlord.
56. The Council will record all contact to the Scheme of Assistance, in relation to empty homes, as well as detailing the outcome of each case. We will aspire to pursue cases where loss of contact results in no recorded outcome to the case.

Becoming a Landlord

57. Some owners may be interested in becoming a landlord but are unsure how to proceed.
58. The Council recognises the role that a good quality private rented sector plays in terms of meeting housing need. We will provide a range of advice,

assistance and support empty home owners who wish to become landlords, by supplying information on:

- Landlord Registration;
- Tenancy Deposits;
- Choosing a letting agent;
- Responsibilities and rights;
- Eviction issues;
- Managing tenants with arrears or Antisocial Behaviour;
- Improving property condition;
- Managing communal repairs; and
- The Council's Rent Deposit Guarantee Scheme.

59. We will also provide contact details of national groups which landlords may wish to join. These groups represent the interests of landlords and often provide further information and advice as well as training courses.
60. The Council holds a minimum of two Landlord Forums per year. These forums allow landlords the opportunity to network, discuss their issues, and are a mechanism employed by the Council to notify landlords of changes in legislation or provide information on landlord related issues.

Rent Deposit Guarantee Scheme

61. The Council's Rent Deposit Guarantee Scheme assists homeless and potentially homeless households gain access to good quality, affordable private rented accommodation.
62. The Scheme may be able to assist empty home owners become landlords, by:
- Finding them a suitable tenant;
 - Preparing the necessary tenancy documents;
 - Providing a written guarantee in lieu of a cash deposit; and
 - Offering advice and support on relevant housing legislation.

Empty Homes Loans

63. The Council has established a loan fund for empty home owners, which provides 0% loans for the purpose of bringing empty homes back into use. The model allows owners to earn an income from the property by renting it out in the private sector.
64. The fund offers interest free loans of between £2,000 and £15,000, to owners of empty homes to help with the cost of repairs.
65. The loan scheme will be subject to on-going review, to ensure that the terms and amounts available are attractive enough to allow for a sufficient uptake by empty home owners.

Repairing Lease

66. The Scottish Government's "Review of the Private Rented Sector: Bringing Private Sector Empty Houses into Use" notes that the repairing standard may inhibit some landlords from re-letting vacant properties, and considers repairing leases as an effective way of utilising empty homes.
67. A Residential Repairing Lease Agreement is where an empty home owner leases their home to a tenant at a very low rate of rent. The tenant, in turn, becomes responsible for all home repairs.
68. In a Residential Repairing Lease, by mutual agreement, the landlord can be contracted out of their obligation to ensure the house is fit for habitation for the duration of the lease.
69. In general terms a Residential Repairing Lease can be created provided:
 - it is stated as a term of the tenancy that the tenant is responsible for the required repair works;
 - the lease is for a period of not less than three years; and
 - neither party will have the option to terminate the lease within the first 3 years.
70. Landlords who wish to pursue this option should seek independent legal advice before proceeding.

Empty/Vacant Property Management

71. An empty home owner who is unwilling to sell in the current market and who is unwilling to become a landlord may wish to consider using an empty property management company.
72. These organisations can arrange for a property 'Guardian' to stay at the property, reducing the threat of a property falling prey to vandalism and theft, and maintaining the property's sale value.
73. If the empty home owner lives out with the area, the Guardian can also allow access to any potential buyers.
74. Guardians are not tenants and only require 3 weeks' notice to vacate a property.

Empty Homes Buy Back

75. In some exceptional cases, the Council may consider the purchase of empty homes, in areas of very high investment priority, as indicated within the Local Housing Strategy 2011-2016, and current Strategic Housing Investment Plan 2013-2018.

76. Where buy back is considered, the Council will:
- seek an independent valuation;
 - pay no more than a fair market value;
 - take account of the length of time empty;
 - assess the condition of property and the level of investment required to subsequently bring the property up to the Scottish Housing Quality Standard; and
 - take account of the issues caused by the empty property.

Auction

77. Owners who are struggling to sell their properties may wish to consider auction as an alternative to the more traditional route of selling through an Estate Agent.
78. Those selling at auction can set a 'reserve price' (ie. minimum price at which they will sell). The information in the Home Report will also provide some comfort to those bidding for the property.
79. Empty home owners may find that their homes achieve a satisfactory sale price, as well as a quick sale, through this method.

Matchmaking

80. A Matchmaking Scheme seeks to introduce empty home owners who want to sell their property, to people or organisations who may be interested in buying it.
81. The scheme can be used for any empty home, regardless of condition. Some purchasers are interested in buying homes which are in a 'move-in' condition, giving them the advantage of vacant possession. Others are attracted to development opportunities, where some form of repair is required, and where the home is being offered at a more affordable price.
82. The Council will consider the viability of a local matchmaking scheme over the lifetime of this strategy.

Financial Assistance

83. In the current financial climate, the availability of grants is significantly reduced. However, the Council understands that even small contributions can help with redevelopment costs. For example, there may be a reduced VAT rate resulting from construction works.
84. Empty home owners are encouraged to seek independent financial advice in order to ensure they are accessing all financial advantages to which they are entitled.

85. The Council will continue to monitor the availability of grants or other financial incentives and disseminate relevant information through the website (www.north-ayrshire.gov.uk – NB: This link will be updated to reflect the actual web page in the final draft).

Council Tax Levy

86. Since April 2005, Scottish Local Authorities have had the power to reduce the council tax discount for long term empty properties from 50% to a minimum of 10%. This reduction was intended to act as an incentive for owners to bring their empty homes back into use.
87. North Ayrshire Council implemented this reduction and the additional income collected as a result has been used locally to help secure additional affordable housing.
88. Currently in North Ayrshire, empty homes, which are unfurnished, may be fully exempt from Council Tax charges for a period of up to 6 months. In North Ayrshire, after the expiry of any initial exemption, a 50% discount is awarded for a further period of 6 months, with a 10% discount thereafter.
89. In addition, the Council Tax (Variation for Unoccupied Dwellings)(Scotland) Regulations 2013 now allow local authorities to introduce a Council Tax Levy.
90. The legislation allows for the discount on empty homes to be removed, and a levy of up to an additional 100% Council Tax to be charged on properties that are classified as empty under Council Tax legislation (ie. the property is not a sole or main residence, nor is it a second home and it has been unoccupied for a continuous period exceeding 12 months).
91. This means that owners of long-term empty homes could be charged double Council Tax for their property.
92. North Ayrshire Council has deferred the decision to vary the discount levy until the empty homes strategy has been operational for 6 months. The Council will continue to monitor the impact of empty homes in the area, and may, in due course, consider introducing such a levy.
93. The introduction of the Council Tax levy will be publicised before introduction.

Factoring

94. The Property Factors (Scotland) Act 2011 requires North Ayrshire Council to act as a Property Factor where the Council owns one or more properties in a common block.
95. As a Property Factor the Council has a management right to instruct repairs and maintenance to the common parts of a property.

96. In the case of empty homes, where essential works are required to factored properties, the Council will complete the works and re-charge the owner for their appropriate share of the cost.

Abatement Notices

97. The Environmental Protection Act 1990 s.80, allows the Council to serve notice against empty homes which are causing 'nuisance'.
98. Nuisance is defined as properties which could have a harmful effect on health, for example:
- unsanitary or filthy conditions;
 - verminous or infested conditions;
 - the emission of smoke, fumes or gasses; and
 - the accumulation or deposit of household waste, excessive dog fouling etc.
99. An Abatement Notice orders the empty home owner to put right the problem that is causing nuisance and sets a time limit in which works must be completed.
100. Where the empty home owner fails to meet the requirements of the Abatement Notice, the Council may choose to rectify the nuisance problem and recharge the owner for all costs, or take court action against the empty home owner.

Wasteland Notice

101. In order to address issues relating to the visual amenity of an area, where this may be compromised by an empty property, the Council may use powers available under the Town and Country Planning (Scotland) Act 1997 s.179 to serve a Wasteland Notice.
102. The Notice may be used for empty homes, where the land surrounding the property, and within the boundary of the property, has been subject to fly tipping.
103. The Notice sets out the action that needs to be taken by the owner to resolve the problem, and how long has been allowed for this.
104. If the empty home owner fails to take appropriate action in response to the Notice, the Council can choose to rectify the situation themselves. In such instances, the owner of the property can be recharged for all costs incurred by the Council.

Dangerous Buildings

105. The Building (Scotland) Act 2003 s29 and s30 gives the Council authority to serve notice on owners of empty homes, where it is considered the condition of these homes are such that they pose a threat to the safety of the public or to adjacent property.
106. Where the level of disrepair is such that it requires an immediate solution, the Council will remove the danger (carrying out all necessary works to do so, which may include demolition) and, where possible, notify the owner of the action being taken.
107. In cases where the need to take action is less immediate, the empty home owner will be asked to carry out the necessary works.
108. Where owners fail to adhere to the requirements of the notice, the Council will take action to protect those at risk. All costs and expenses in relation to any action taken by the Council will be reclaimed from the owners.

Abandoned Tenement Buildings

109. In instances where a tenement block has been entirely unoccupied for 6 months, the Tenement (Scotland) Act 2004 allows any owner of a property within the building to apply to a Sheriff for the power to sell the building.
110. The proceeds from the sale will be split between the owners.

Compulsory Purchase Orders

111. A Compulsory Purchase Order allows the Council to acquire an empty home without the owner's permission. Orders can be considered only in appropriate cases (ie. where statutory powers exist and a strong case can be made that such an Order is in the public interest).
112. Before it can proceed, a Compulsory Purchase Order has to be confirmed by the Scottish Ministers. Ministers are responsible for assessing the public benefit of an Order against the interests of the people affected. They are also responsible for fully considering any objections to the Order.
113. The Council would only consider pursuing a Compulsory Purchase Order in very exceptional cases, and only after all attempts to reach agreement for purchase with the owner had been exhausted.

Corporate Response Team

114. The Council will develop a 'hierarchy' of criteria, which will allow us to prioritise the impact empty homes have on their surrounding area, and in turn, identify the best course of action for tackling the problem.

115. In order to address the issues arising from exceptional cases, where properties are having a significant detrimental impact on the surrounding neighbourhood or environment, the Council will establish an Empty Homes Response Team.
116. The Team will meet as required, to discuss and consider how to address significant issues relating to empty homes, on a case by case basis.

Measuring Success

- 117. It is not possible to measure the success of the policy interventions outlined in this strategy just by counting how many houses are empty.
- 118. This is because homes are becoming empty for the first time throughout North Ayrshire over the course of any year. The emerging empty homes figure could offset the number of properties which have been brought back into use through policy interventions discussed in this strategy.
- 119. It is also difficult to assess how well something has been prevented (ie. the success of the Strategy in terms of avoiding a home becoming empty). This is because it is very difficult to apply a value or count to something that hasn't happened.
- 120. Improvement of data can also cause the empty homes figure to increase when the actual number of properties which are empty has not changed; it is only that we are better able to identify them.
- 121. Nonetheless, it is important to the Council that we are able to assess the success of our interventions. Therefore, we will assess the number of homes brought back into use as a result of engaging with the Council, or the implementation of the policy interventions discussed throughout this strategy.

Action Plan

Action	Output	Target	Output Date	Indicator	Frequency	Data Type	Data Source	Baseline Data
Prepare information and advice specifically targeted at empty home owners	Leaflets, web pages and private sector advice line	n/a	March 2015	Number of empty homes brought back into use as a result of engagement with the Council	Annual	Empty Homes database	Records in database	N/A
Set up an Empty Homes Loan fund to assist owners carry out necessary repairs to their properties	Loan established and homes brought back into use	n/a	Ongoing from 2013	Number of loans issued	Annual	Empty Home database	Empty Homes database	0
Set up a corporate Empty Homes Database	Better information and data available	March 16	Ongoing	Establishment of database	Once	n/a	n/a	n/a
Establish a corporate panel to consider and respond to exceptional empty homes cases which are causing a detrimental effect on the surrounding environment.	A joined up approach to addressing properties which are impacting on the neighbourhood	2015/16	Ongoing	No of Meetings of Group	Annual	n/a	n/a	n/a

Establish a 'hierarchy' of criteria, to help prioritise empty home cases, and respond appropriately.	Clear method of identifying the impact empty homes have on the surrounding area.	2015/16	Ongoing	Publication of a hierarchy of criteria	Once	n/a	n/a	n/a
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NORTH AYRSHIRE COUNCIL

Agenda Item 20

16 July 2014

Cabinet

Subject: **Town Centre Parking Strategy**

Purpose: To inform Cabinet of the consultation exercise and to seek approval of the finalised Town Centre Car Parking Strategy for North Ayrshire.

Recommendation: That Cabinet a) notes the consultation responses on the Draft Town Centre Parking Strategy, and b) approves the strategy with the addition of the following actions:-

- That a study be undertaken, in respect of potential on-street controls, (including residents parking) at Kirkgate, Seagate, Parterre and West Road, Irvine;
- That 12 months after the implementation of the strategy capacity studies be undertaken within Largs and Irvine to assess the impact of the actions to alleviate pressures on town centre parking spaces.

1. Introduction

- 1.1 At its meeting of 4 December 2012, the Cabinet agreed that the Environment & Infrastructure and Economy & Employment Policy Boards jointly develop a Parking Strategy for the Council. The Boards were subsequently superseded following a review of their operation. The work to develop a parking strategy was remitted to the newly formed Physical Environment Advisory Panel.
- 1.2 At its meeting of 10 March 2014 the Advisory Panel recommended to Cabinet actions for inclusion within a draft parking strategy for consideration. At its meeting of 25 March 2014, Cabinet subsequently agreed to the actions for inclusion within a draft parking strategy to be issued for public consultation commencing in May. The draft Town Centre Parking Strategy (attached at appendix A) was thereafter prepared and published on 23 May.

2. Current Position

2.1 The public consultation process ran for four weeks, and was completed on 20th June 2014. Consultation measures included the following:-

- Copies of the strategy were made available at libraries and online;
- Online questionnaire;
- Postal and electronic Feedback Forms;
- Public notices in local papers and a national paper;
- Notices posted within all towns; and
- Press releases.

2.2 In addition to the public consultation, specific consultation was directed to local Members, Community Councils and businesses. The following agencies were also directly consulted (no responses were received with the exception of SPT):

- Police Scotland
- Scottish Fire and Rescue Service
- Scottish Ambulance Service
- Strathclyde Partnership for Transport (SPT)
- Transport Scotland
- Mobility and Access Committee for Scotland
- Ayrshire and Arran Tourist Board
- Ayrshire Chamber of Commerce and Industry
- Community Safety Forum
- Firth of Clyde Forum
- Inclusion Scotland
- Scottish Right of Way and Access Society
- Living Streets
- Scottish Environment Link
- Sustrans

2.3 Of the agencies consulted one response was received from Strathclyde Partnership for Transport (SPT), the regional transport partnership. A bulleted summary of the main point is below:

- SPT welcomes the development of the strategy and its contribution to the priorities set in SPT's Regional Transport Strategy and associated daughter documentation. The strategy particularly aligns with SPT's Parking Action Plan.
- SPT provides support for transport studies and infrastructure developments in North Ayrshire that align with this strategy and assists with funding via SPT's Capital Programme.
- SPT strongly supports the Council's initiative to produce the North Ayrshire Town Centre Parking Strategy;

- a. The strategy is well framed and provides a logical and practical approach to parking provision and control.
 - b. It is an important element in moulding sustainable travel behaviour whilst maintaining the vitality of towns, villages and other areas attracting travel, particularly by car. It will greatly assist in providing appropriate accessibility to the diverse opportunities in Ayrshire.
 - c. It is important that that parking solutions are not sought as a first option in the future to resolve traffic and parking problems rather than provide, where appropriate, alternatives to car use that may alleviate some of the difficulties in a more sustainable way.
 - d. Linked with other transport and traffic initiatives is the opportunity to combine parking solutions with the improvements in access to public transport that can make it more convenient and attractive to use.
 - e. Encouraging more sustainable travel will reduce or alleviate pressure in the future for increased parking supply, with its associated traffic and air quality issues.
- 2.4 A total of 28 online and 43 postal feedback forms were received, the feedback comments and suggested changes are reported, along with a response.

Comments and Suggestions

1. A total of 24 respondents commented about the impact the parking strategy will have on residential streets close to the town centres and suggested that the strategy is changed to include a "Residents Only" parking scheme. Specific concerns were raised in relation to Kirkgate, Parterre and West Road in Irvine.

Response: Noted. These streets are immediately adjacent to car parks where the strategy proposes the introduction of time controls. This may result in an increase in long stay parking on these streets. It is proposed that a study of potential on street controls (including resident parking) being undertaken.

2. A total of 19 respondents commented about the availability of parking within Irvine Town Centre (17 No.) and Largs Town Centre (2 No.) and often have difficulty in finding a space. 5 respondents suggested that improved or new signage is required to assist drivers in finding spaces. Two respondents suggested additional parking is required in Largs at various times of the year to accommodate seasonal variations in parking requirements.

One respondent was satisfied with parking availability to the West of the River Irvine and that the new Park and Ride car park and weekend parking at Cunninghame House are welcome additions.

A total of 4 respondents indicated that further new car parks require to be built in Irvine and Largs. One respondent suggested demolishing buildings at the Cross in Irvine to provide more parking near the centre and purchasing redundant land near the railway station to provide Park and Ride facilities. One respondent suggested in Largs using Scott Park or demolishing buildings in Lade Street and Bath Street to provide more parking.

Response: The extensive studies carried out indicate that towns within North Ayrshire generally have sufficient parking. The actions for delivery contained within the draft Town Centre Parking Strategy require to be delivered in a coordinated and joined-up manner to deliver measured benefit. There is no single solution to improving the availability of parking.

Within Irvine a new car park is currently being constructed at East Road and an extension to the recently built Park and Ride facility will be carried out this year

Rather than provide for unfettered demand the draft strategy aims to manage parking.

The review of waiting restrictions to identify where they are no longer appropriate will increase parking availability. Improved signage of long stay or park and ride car parks will also improve parking availability.

In the case of Irvine, the balance of parking across different types of user is proposed to be addressed. The introduction of dedicated short stay off-street parking close to the main attractors of the town, where a need has been identified, along with new long stay car parks at East Road and the Railway Station will re-balance the needs of long stay and short stay users.

In Largs seasonal and weekend parking arrangements are proposed along with other measures, such as improved signing of long stay parking at Bowencraig and the Pencil, that aim to address the issues identified.

3. A total of 14 respondents commented that the existing waiting restrictions within North Ayrshire are not enforced - specifically in West Kilbride, Irvine and Largs. Seven respondents suggested that the existing waiting restrictions should be enforced and 3 respondents suggested traffic wardens as the solution.

Response: Responsibility for the enforcement of on-street controls lies with Police Scotland. The former Strathclyde Police Force withdrew the Traffic Warden Service in January 2012; reducing enforcement to parking that was dangerous or caused a significant obstruction.

A draft business case has identified the resources required for the Council to seek to take up powers to decriminalise parking enforcement (DPE). Business cases must demonstrate how the powers will be adequately discharged and be self-financing. To provide the enforcement, as required by legislation to discharge the duties of DPE, the Council would require to issue approximately 9000 tickets per year to cover costs. Any shortfall in income arising from fixed penalty notices would need to be met from within the Council's budget.

Given the desire to maintain free parking, and the current financial pressures, the Council do not intend to take up powers to decriminalise parking but instead to work in partnership with Police Scotland to address the more serious cases of illegal parking and non-compliance with waiting restrictions. (See paragraph 4.3 of the Town Centre Parking Strategy).

4. A total of 7 respondents commented/suggested that new developments and specifically the new leisure centre will make parking worse in Irvine.

Response: The strategy aims to improve the availability of parking for present and future demands through a multiple range of solutions. Within Irvine the provision of a new car park at East Road, re-addressing the balance of user demands within the town, additional park and ride car parks, and improved signage are amongst the actions proposed. Furthermore the strategy will be reviewed periodically to ensure that the proposed actions are functioning as intended.

5. A total of 6 respondents supported the idea that the Council should maintain free parking located in convenient locations. One response also agreed with short stay parking being introduced and a further respondent suggested that people should be stopped from parking all day in car parks. A total of 3 respondents suggested that car parking charging should be introduced.

Response: Noted. North Ayrshire is one of a small number of Councils that provides free parking. The key reasoning for this approach is to support local businesses in maintaining visitors within an area of high levels of economic deprivation and where there is competition from large shopping centres that offer free parking.

6. A total of 4 respondents supported the idea that the Council should encourage walking and cycling, and seek to ensure that our town centre environments are attractive uncongested places to be. A total of 2 respondents suggested the need for improved information for public transport and improved cycle parking provision.

Response: This forms a key part of this strategy which contains actions to improve sustainable modes of transport.

7. A total of 3 respondents indicated that the new car park being created in East Road in Irvine is too far away from the town centre and/or will cause congestion.

Response: The car park currently under construction at East Road is a proposed long stay car park to provide additional parking spaces for displaced car park users from the proposed short stay car parks and to accommodate the future regeneration improvements being carried out to Irvine town centre. During the planning application process, a Transportation Assessment was carried out which demonstrated that the facility is not anticipated to have a detrimental impact on the adjacent road network.

8. A total of 2 respondents commented that there is not enough parking within West Kilbride and more off street parking is required. A total of 3 respondents suggested that further consultation is required to understand the issues in West Kilbride, with a view to options for more parking spaces, the need for double yellow lines and/or the introduction of a one way system.

Response: The current investigation into transportation movements will inform opportunities to review traffic flows existing waiting restrictions and remove restrictions where they are no longer appropriate.

9. Further individual comments or suggested changes were received, summarised as follows:

- a. There is a need for considerably more short term parking in Irvine.

Response: The strategy proposes the introduction of short stay car parks in Irvine, Kilwinning and Saltcoats and the effectiveness of this action will be monitored.

- b. Support for the proposals to operate limited parking time in some car parks.

Response: Noted.

- c. The introduction of Road Equivalent Tariffs will impact on the quality and nature of the tourist trade on Arran.

Response: The impact of RET will be monitored as part of the periodic review of the strategy.

- d. There is a need to provide public parking within the Brodick ferry terminal redevelopment.

Response: Discussions in relation to parking arrangements for the new terminal are taking place with the developer as part of the design process of the redevelopment.

- e. More disabled parking spaces are required.
Response: The strategy aims to review and provide, where required, appropriate spaces for disabled persons.
- f. There is a need for a bus depot in Irvine.
Response: This is outwith the scope of the strategy. However the strategy aims to promote sustainable modes of travel. Work on the Public Transport Study in Irvine is ongoing.
- g. Charging in the car park at Largs shorefront should be changed to an hourly rate.
Response: This is a matter for the North Coast Area Committee to consider.
- h. There is a requirement to review the waiting restrictions in Ardrossan as soon as possible with a view to introduce limited waiting time.
Response: The strategy aims to review waiting restrictions. Areas where a need for on street parking has been identified, and opportunities for improvement exist, will be carried out early within the programme.

2.5 At its meeting of 30th June the Physical Environment Advisory Panel considered the findings of the consultation exercise and agreed to recommend the following amendments to the strategy.

- 1. That a study be undertaken, in respect of potential on-street controls, (including residents parking) at Kirkgate, Seagate, Parterre and West Road, Irvine;
- 2. That 12 months after the approval of the strategy further capacity studies be undertaken within Largs and Irvine to assess the impact of the actions to alleviate pressures on town centre parking spaces.

3. Proposals

- 3.1 That the cabinet notes the consultation responses on the Draft Town Centre Parking Strategy.
- 3.2 That the Cabinet approve the strategy with the inclusion of the following additions:
 - That a study be undertaken in respect of potential on-street controls, (including residents parking) at Kirkgate, Seagate, Parterre and West Road, Irvine;

- That 12 months after the implementation of the strategy further capacity studies be undertaken within Largs and Irvine to assess the impact of the actions to alleviate pressures on town centre parking spaces

4. Implications

Financial Implications

- 4.1 The 10 year capital plan has made provision to implement a number of actions arising from the strategy. However it will also be necessary to work in partnership with a number of external partners to secure funding to deliver the full range of actions.

Human Resource Implications

- 4.2 There are no human resource implications at this time.

Legal Implications

- 4.3 There are no legal implications at this stage, but considerable legal input may be expected in relation to future decisions to alter traffic orders and in the development of local controlling orders in relation to off-street parking.

Equality Implications

- 4.4 The finalised strategy will require the completion of an Equality Impact Assessment. The strategy recognises and proposes actions to ensure provision accords with the Equalities Act 2010.

Environmental and Sustainability Implications

- 4.5 The strategy proposes a number of actions that seek to reduce carbon emissions and improve air quality arising from personal transport.

Implications for Key Priorities

- 4.6 The proposals contribute to a number of key priorities within the Single Outcome Agreement and Council Plan.

Community Benefit Implications

- 4.7 There are no community benefit implications.

5. Consultations

5.1 An extensive public consultation process was conducted during September 2013 and included the following.

- On-street surveys and questionnaires;
- Community events in Ardrossan, Brodick, Irvine, Kilbirnie and Largs;
- Online questionnaire.

5.2 A number of agencies, businesses and residents were consulted on the draft Town Centre Parking Strategy during May and June 2014.

6. Conclusion

6.1 The Town Centre Parking Strategy has been developed by the former Environment and Economy and Employment Policy Boards and the Physical Environment Advisory Panel and has considered information gathered during public consultation, surveys and national legislation, policy and guidance.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : DH/CH/JA

For further information please contact David Hilditch, Transportation
Engineer on 01294 324745

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 21

16 July 2014

Cabinet

Subject: **Review of Street Lighting**

Purpose: To seek approval of Cabinet to install low energy units within the Council's Street Lighting infrastructure.

Recommendation: That Cabinet approve:- (i) a programme to retro-fit 13,500 lamp units with LED, including the provision of a Central Monitoring System, over a 2 year period; (ii) that the material costs of £3.8 million for the programme be added to the Councils Capital Plan on an 'invest to save' basis; (iii) that the Councils' change fund be utilised for the design and installation of LED units; (iv) that the current infrastructure renewal programme funded through the Capital Plan be amended to incorporate LED and a Central Monitoring System; and, (v) That the retro-fit programme be undertaken by Building Services.

1. Introduction

- 1.1 The Council as Roads Authority has a Statutory Duty under the Roads (Scotland) Act 1984 for the maintenance of street lighting infrastructure within the adopted road network of North Ayrshire Council.
- 1.2 The Council also has a duty of care for the maintenance of street lighting it has considered necessary to install in other areas for which it has property maintenance responsibilities out-with the statutory public road network.
- 1.3 The increasing energy burden associated with maintaining older, energy inefficient lighting types, coupled with continued price increases for energy supply, places growing pressures on revenue budgets. There is also a statutory requirement for the Council to comply with Carbon Reduction legislation.

2. Current Position

- 2.1 The Council currently has around 23,000 street lighting units on the adopted road network and an estimated 2,500 additional units at other locations out-with the public road network.
- 2.2 The 2,500 non-road network units were prior to the formation of the Corporate Landlord model managed across a number of services including Education, Housing, Property Maintenance and Streetscene. An exercise is currently underway to create an inventory of these assets including, condition, technology used, energy use and budgets.
- 2.3 The energy used per year in operating the road lighting network is 7,939,400 kWh equating to a current energy cost of approximately £870,000. It is anticipated that energy costs will continue to increase in future years above the rate of inflation.
- 2.4 The road lighting network has a carbon footprint of 4,327 metric tonnes of CO₂. The extension of the Carbon Reduction Commitment to Street Lighting from 1st April 2014 will result in additional annual expenditure of approximately £70,000. The CRC levy will increase annually in line with RPI.
- 2.5 The Council's Capital Plan provides an annual allocation of £1million to undertake infrastructure works including replacement of deteriorated columns and specialist safety inspection & insurance certification work.
- 2.6 A detailed review of the Council's infrastructure to identify energy saving opportunities and readiness to accept new technology has been undertaken. The review has identified that:-
 - LED technology provides both energy savings and maintenance savings through a longer bulb life. The longer bulb life is also expected to realise a reduction in service requests and complaints from residents in respect of dark lamps;
 - LED technology reduces light spill into adjacent areas and improves the clarity of light in areas that require lighting;
 - The installation of a Central Management System (CMS) will improve maintenance arrangements, greatly reduce the requirement for on-site inspection and enable remote control of lighting levels;
 - The case for removing or reducing periods of lighting (trimming and dimming) is not yet proved. Many local authorities who have implemented this approach are now re-installing lighting periods.

- Approximately 5,000 units have been replaced, through the capital funded infrastructure replacement programme, with a range of including low energy fittings in the last 8 years;
- Approximately 13,500 units are of suitable design spacing/layout and are in a sufficiently sound structural condition to be cost-effectively considered for immediate LED lantern renewal and will still meet the required design standards for each individual environmental location;
- Approximately 4,500 units are due to their deteriorating condition or layout not suitable for direct lantern conversion;
- The 2,500 non-roads network units require further assessment to determine their suitability;

2.7 In response to these findings the following 'invest to save' programme has been developed for consideration:-

- Replacement of the 13,500 units, including installation of CMS, over a two-year period. This programme will require investment of approximately £4.25 million;
- Replacement of the 4,500 units, including connection to CMS, over a 8 year period through the current capital programme;
- Replacement of the 5,000 units previously converted to low energy units to LED as part of normal maintenance arrangements.
- Consider the replacement of the 2,500 non-roads network units as a later phase once condition, including energy, assessments have been completed.

2.8 The programme will, based on current energy prices and carbon levy charges, by the end of year 8 realise £758,600 efficiency savings (of which £621,000 will be realised by the end of year 2) and a reduction in carbon emissions of 2,475 metric tonnes (of which 2,040 tonnes will be realised by the end of year 2).

2.9 The programme will require the creation of two temporary posts within the Roads Service to design, manage and verify the replacement programme.

2.10 The installation programme can be delivered by the Councils Building Service. It will be necessary to create 3 additional temporary posts to undertake the programme along with the purchase/hire of additional vehicles and equipment. The estimated installation costs have been benchmarked to ensure value for money.

3. Proposals

- 3.1 That a programme to retro-fit 13,500 lamp units with LED, including the provision of a Central Monitoring System, over a 2-year period be undertaken.
- 3.2 That the material costs of £3.8 million for the programme be added to the Councils Capital Plan on an 'invest to save' basis.
- 3.3 That the Councils change fund be utilised for the design and installation of LED units.
- 3.4 That the current infrastructure renewal programme funded through the capital plan be amended to incorporate LED and a Central Monitoring System.
- 3.5 That the retro-fit programme be undertaken by Building Services.

4. Implications

Financial Implications

- 4.1 The total cost to replace 13,500 units is approximately £4.25million of which £3.8million is to purchase replacement infrastructure and £450,000 is for design and installation costs. The programme has a pay-back period of fewer than 6 years. It will be necessary to secure capital financing for the replacement infrastructure. Any borrowing costs will be met through the savings realised through the installation of low energy lighting. The design and installation costs can be met from within the Council's Change Fund.

Human Resource Implications

- 4.2 The project will require the creation of 5 temporary posts.

Legal Implications

- 4.3 North Ayrshire Council is bound by statutory duties under the Roads (Scotland) Act 1984 and in procurement terms by the Public Contracts (Scotland) Regulations 2006.

Equality Implications

- 4.4 There are no equality implications. Service delivery provision is unaffected by the proposals which remain compliant with the lighting design requirements of BS5489-1:2013 and future maintenance cycles remain aligned to the maintenance guidance provided in UK Lighting Board: Roads Liason Group - Well Lit Highways.

Environmental and Sustainability Implications

- 4.5 The proposals result in an annual CO2 reduction of 2,475 tonnes. The proposed installations will reduce light spill and obtrusive light in line with the current requirements of BS5489-1:2013 and the ILP Guidance Note for the Reduction of Obtrusive Light.

Implications for Key Priorities

- 4.6 There are no implications for key priorities.

Community Benefit Implications

- 4.7 The provision of low energy LED lanterns across North Ayrshire will provide an economic, carbon efficient and sustainable street lighting solution, making our communities safe and secure for the future.

5. Consultations

- 5.1 Finance have been consulted during the preparation of the report and support the proposals.

6. Conclusion

- 6.1 A review of street lighting has identified a programme that will reduce the Councils expenditure and carbon emissions associated with the street lighting network.



CRAIG HATTON

Corporate Director (Development and Environment)

Reference : CH/JS/JA

For further information please contact Joe Smith, Senior Manager (Roads (Transportation)), on telephone number 01294 225203

Background Papers

none

NORTH AYRSHIRE COUNCIL

Agenda Item 22

16 July 2014

Cabinet

Subject: **Grants Under the Community Outdoor Access Grant Scheme 2014/15**

Purpose: To seek approval for the grant awards proposed for 2014/15 under the Community Outdoor Access Grant Scheme

Recommendation: That the Cabinet agrees to approve the awards outlined in Appendix One.

1. Introduction

- 1.1 The Community Outdoor Access Grant Scheme was developed in 2003 to provide a formalised route for community groups and voluntary organisations to apply for small scale grant assistance towards the implementation of outdoor access projects in North Ayrshire. The Scheme was developed to address demand for small scale assistance whilst building capacity and creating opportunities for volunteering within local communities.
- 1.2 The Scheme offers a maximum of £500 towards eligible works including:-
- Improving or extending routes
 - Path infrastructure such as seats and cycle racks
 - Waymarking and signage
 - The production/printing of promotional materials
- 1.3 The Scheme is utilised by a wide range of organisations including Community Councils and Village Improvement Groups and has delivered wide ranging benefits across North Ayrshire. This has built capacity within a number of these groups providing the skills and confidence to enable them to apply for and secure larger levels of funding.

2. Current Position

- 2.1 Applications were invited to the scheme for 2014/15. A total of 5 applications were received. These were assessed in partnership with the North Ayrshire Outdoor Access Forum. A summary of the applications and recommendations for funding is outlined as Appendix One to this report.

3. Proposals

- 3.1 That the Cabinet agrees to approve the awards outlined in Appendix One.

4. Implications

Financial Implications

- 4.1 The grants proposed can be met from within the £2,500 annual budget allocation for the Community Outdoor Access Grant Scheme (COAGS).

Human Resource Implications

- 4.2 There are no human resource implications arising from this Report.

Legal Implications

- 4.3 There are no legal implications arising from this Report.

Equality Implications

- 4.4 The projects funded by the grant scheme will provide increased opportunities and improved access for all ages and abilities to local path networks in North Ayrshire. The projects will also provide improved information for local communities and visitors to North Ayrshire.

Environmental and Sustainability Implications

- 4.5 The projects funded by the grant scheme will provide increased opportunities for active travel including cycling and walking. This in turn will promote modal shift which will improve health and well-being of communities, reduce the use of private cars and improve the air quality within North Ayrshire.

Implications for Key Priorities

- 4.6 The implementation of the projects will contribute to the delivery of the Outdoor Access Strategy, Core Paths Plan and a range of Single Outcome Agreement actions including:
- Children and young people are safe, healthy, active, aspiring and achieving
 - People are more active more often
 - Older people are more active and independent within their communities;

- Road safety has improved
- More residents engage in community activities and volunteering.

Community Benefit Implications

- 4.7 Due to the scale of the projects being funded under the grant scheme it is not possible to include community benefit clauses however a number of the projects will be delivered by volunteers which will build capacity within local communities.

5. Consultations

- 5.1 Consultation through the Outdoor Access Forum has involved a wide range of local organisations and individuals representative of all the interest groups involved in Outdoor Access. This includes representatives from access user groups, agencies, communities, land owners and land managers. All applicants are advised to inform their local member of any applications to the scheme.

6. Conclusion

- 6.1 The grant scheme enables local communities to develop small scale access projects thereby providing opportunities for volunteering and building capacity with local organisations. The works identified by these applications are wide ranging, will benefit a number of North Ayrshire communities and will assist in achieving a number of the objectives of the Single Outcome Agreement, Outdoor Access Strategy and Core Paths Plan.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : LK/KY

For further information please contact Louise Kirk, Access Officer on 01294 324766

Background Papers

North Ayrshire Outdoor Access Strategy and Core Paths Plan

Appendix One

The following table summarises the applications received under the Community Outdoor Access Grant Scheme (COAGS) 2014/15:

Applicant Organisation	Project Summary	Total Project Cost (£)	Grant Requested (£)	Funding Recommendation
West Kilbride Environmental Association	Path Improvements at Garratt Gardens and Kirktonhall Glen in West Kilbride	500*	500	To fund the project
Kilwinning Community Council	Path improvements at Woodside Path in Kilwinning	744	500	To fund the project
Brodict Improvements Committee	Path improvements to the Fisherman's Walk in Brodict on the Isle of Arran	500*	500	To fund the project
Arran Bike Club	Leaflet promoting mountain biking on the Isle of Arran	500*	500	To fund the project
Garnock Valley Allotment Association	Path improvements at the Garnock Valley Allotments site for allotment users and the public	1693	500	To fund the project
Total (£)		3937	2500	

*Please note: These projects include in kind contributions in terms of volunteer input which have not been attributed to the total project cost.

NORTH AYRSHIRE COUNCIL

Agenda Item 23

16 July 2014

Cabinet

Subject: **Award of Contract - Replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine**

Purpose: To advise the Cabinet of the result of the tender exercise for the works to provide a replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine and present a recommendation for the award of the contract.

Recommendation: That the Cabinet agrees to approve the award of the contract to Ashleigh (Scotland) Ltd.

1. Introduction

- 1.1 The Council requires to put in place a contract for the works to provide a replacement Sheltered Housing Unit at Kiln Court, East Road, Irvine. The works involve the construction of a single storey sheltered housing unit and 16 two apartment flats.
- 1.2 In order to comply with the Council's Standing Orders Relating to Contracts a formal tender exercise was undertaken under the restricted procedure using the Public Contracts Scotland portal.
- 1.3 The process resulted in thirteen pre-qualification questionnaires being received, which in turn were reduced to six companies being invited to tender.
- 1.4 The duration of the contract is fifty three weeks.

2. Current Position

- 2.1 Six tenders were received by the due return time and date. These were evaluated against the stated evaluation criteria of lowest compliant price.
- 2.2 A tender outcome report, which provides details of the tender process and award recommendation, is appended to the report.

3. Proposals

- 3.1 It is proposed that the contract be awarded to Ashleigh (Scotland) Ltd., as detailed in the tender outcome report provided at Appendix 1.

4. Implications

Financial Implications

- 4.1 The sum of £2,700,000 is included in the Council's Housing Revenue Account Capital budget to meet the construction cost of the contract. The contract price is £2,623,018 which represents a saving of £76,982 against the available budget.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The tender exercise was conducted in accordance with the Council's Standing Orders Relating to Contracts.

Equality Implications

- 4.4 None.

Environmental Implications

- 4.5 None.

Implications for Key Priorities

- 4.6 This contributes to the Council Plan Core Objective 4 "Operating more efficiently and effectively".

Community Benefit Implications

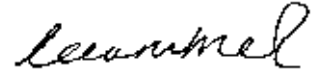
- 4.7 The contract will deliver new entrant trainee opportunities for one new entrant (one ground worker x 10 weeks) and for four new entrant apprentices (one bricklayer x 40 weeks, two joiners x 35 weeks and one painter x 36 weeks)

5. Consultations

- 5.1 None.

6. Conclusion

- 6.1 It is recommended that the award of contract is made to Ashleigh (Scotland) Ltd at a price of £2,623,018.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference : TR/CG

For further information please contact Thomas Reaney, Procurement Manager on 01294 32 4097

Background Papers

None



North Ayrshire Council

Comhairle Siorrachd Àir a Tuath

Tender Outcome Report
For Recommendations over £350K

IRV/393/049 (NAC/2023)

REPLACEMENT SHELTERED HOUSING UNIT
& 16no 2 APARTMENT FLATS
(KILN COURT SITE)
EAST ROAD, IRVINE

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IRV/393/049 (NAC/2023)

For the procurement of new a

Replacement Sheltered Housing Unit & 16no 2 Apartment Flats

(Kiln Court Site)

East Road, Irvine

1 Purpose

- 1.1 The purpose of this document is to summarise the Invitation to Tender process and present a recommendation for the replacement sheltered housing unit, (Kiln Court site) East Road, Irvine contract award. The recommendation is based on the results of the tender exercise and evaluation carried out on the responses to the replacement sheltered housing unit and 16 (no.) 2 apartment flats (Kiln Court site) East Road, Irvine Invitation to Tender. The report will provide assurance that the tender evaluation has been undertaken in accordance with EU Procurement Directives, Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) and the Council's Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council.

2 Introduction

- 2.1 This report has been compiled on behalf of the Tender Evaluation Team following the completion of the evaluation of responses to the Invitation to Tender, for the replacement sheltered housing unit and 16 (no.) 2 apartment flats (Kiln Court site) East Road, Irvine.

3 Background

- 3.1 North Ayrshire Council is required to establish a contract for a replacement sheltered housing unit and 16 (no.) 2 apartment flats (Kiln Court site) East Road, Irvine which involves the construction of a single storey sheltered housing unit and sixteen 2 apartment sheltered housing flats and a social services hub.
- 3.2 In order to comply with the Council's Standing Orders and Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) a formal tendering exercise was undertaken.
- 3.3 The contract term is for 53 weeks (inclusive of all holidays), with an anticipated date of possession of the site of 25th August 2014.
- 3.4 The estimated total value of the contract is £2,623,018.42 against a budgetary provision of £2,700,000.

4 Tender Notice, Interest and Returns

- 4.1 A formal contract notice was advertised under the restricted procedure in the Public Contracts Scotland Procurement Portal on 21st March 2014 with a return date of 11th April 2014 at 12 noon.
- 4.2 The contract notice attracted twenty three (23) expressions of interest from a wide range of potential providers of which thirteen (13) submitted Pre-qualification Questionnaires (PQs).
- 4.3 Following evaluation of the PQs the following six (6) companies were short-listed to receive an Invitation to Tender document:
- Ashleigh (Scotland) Ltd
 - CCG (Scotland) Ltd
 - Clark Contracts
 - Cruden Building & Renewals
 - McLaughlin Construction
 - McTaggart Construction
- 4.4 The return date for completed Invitations to Tender was Friday 6th June 2014 at 12 noon.

5 Evaluation Process

- 5.1 The evaluation of such tenders was in two stages.

Stage one assessed the responses to the Minimum Criteria. If, during stage one, it was apparent that a tenderer had submitted a fundamentally non-compliant tender in respect of any of the Invitation to Tender requirements, then the Council could choose to reject that tender. Clarification could be sought from tenderers at this stage, in order to determine whether their tender was complete and compliant.

- 5.2 Following completion of stage one, tenderers meeting the Minimum Criteria progressed to stage two of the evaluation.
- 5.3 Stage two of the evaluation was carried out by a Tender Evaluation Panel consisting of appropriately experienced Council Officers and each Tenderer's response was assessed against the following published criteria:

Lowest compliant price: 100%

6 Evaluation Results

- 6.1 Price 100%

Tenderers were asked to submit prices for the whole requirement which gave the following results and scores:

Company	Price Tendered	Ranking
Ashleigh (Scotland) Ltd, Dumfries	£2,623,018.42	1 st
Cruden Building & Renewals, Glasgow	£2,628,576.07	2 nd
Clark Contracts	£2,716,348.35	3 rd

McLaughlin Construction, Irvine	£2,801,547.37	4 th
McTaggart Construction	£2,828,034.60	5 th
CCG (Scotland) Ltd	£2,845,645.03	6 th

7 Recommendation

- 7.1 The recommendation of the Tender Evaluation Panel is that a contract be awarded to: Ashleigh (Scotland) Ltd.
- 7.2 Subject to approval, Letters of Intent will be issued to all successful and unsuccessful Tenderers.
- 7.3 Both successful and unsuccessful Tenderers will be provided with the opportunity to receive a full debrief in accordance with The Public Contracts (Scotland) Regulations 2012.

8 Authority to Approve

- 8.1 In line with Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council, the Tender Evaluation Panel seeks to obtain authority from the Cabinet to accept the tender and award a contract to the tenderer(s) identified in section 7.1.

NORTH AYRSHIRE COUNCIL

Agenda Item 24

16 July 2014

Cabinet

Subject: **Award of Contract for Shewalton No. 2 Landfill Site, Capping of Cell 4 and Construction of Cell 5**

Purpose: To advise the Cabinet of the results of the tender exercise for the Capping of Cell 4 and the Construction of Cell 5 at the Shewalton Landfill site and present a recommendation for the award of the contract.

Recommendation: That the Cabinet agrees to approve the award of the tender to Priority Construction Limited.

1. Introduction

- 1.1 The Council has an ongoing requirement for landfill to dispose of non-recyclable waste. The Council operates its' own landfill site which is located at Shewalton in Irvine.

2. Current Position

- 2.1 At its meeting of 4 December 2012 Cabinet agreed to a procurement exercise being undertaken to appoint contractors for landfill engineering and design services, and to undertake works at appropriate stages to cap and construct cells, until the closure of the landfill site.
- 2.2 The existing landfill cell at Shewalton (cell 4) is nearing capacity, as such a new landfill cell (cell 5 - consisting of 3 mini-cells) is proposed to be constructed within the existing site over a two year period. The existing Cell 4 requires to be capped in accordance with statutory requirements. All necessary statutory permissions are in place to construct the new cell as it forms part of the existing permitted site.
- 2.3 Consequently, a tender was prepared for the capping of cell 4 and the construction of a new cell (cell 5).

3. Proposals

- 3.1 Eight tenders were received by the due return date and time. These were evaluated against a set of minimum requirements and following this, lowest cost.
- 3.2 A tender outcome report which details the results of the tender exercise is provided at Appendix 1. The Cabinet is invited to approve the contract award to Priority Construction Limited as detailed in this report.

4. Implications

Financial Implications

- 4.1 There is a total sum of £4m in the Council's General Services Capital Budget for Shewalton. This contract represents a draw on this budget of £1.346m.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The tender exercise was conducted in accordance with the Council's Standing Orders Relating to Contracts.

Equality Implications

- 4.4 None.

Environmental Implications

- 4.5 The Contact will allow the Council to meet the requirements of the Pollution Prevention and Control permit for the site.

Implications for Key Priorities

- 4.6 This contributes to the Council Plan Core Objective 4 "Operating more efficiently and effectively".

Community Benefit Implications

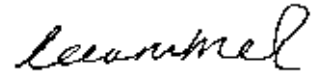
- 4.7 None due to the nature of the requirement.

5. Consultations

5.1 None

6. Conclusion

6.1 It is recommended that the contract is awarded to Priority Construction Limited for the contract price of £1,346,000.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Thomas Reaney, Procurement Manager on 01294 324097

Background Papers

None



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Tender Outcome Report
For Recommendations over £350K

NAC 3036

Capping of Cell 4 and Construction of New Cell 5,
Shewalton

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For the procurement of

Capping of Cell 4 and Construction of New Cell 5, Shewalton Landfill

1 Purpose

- 1.1 The purpose of this document is to summarise the invitation to tender process and present a recommendation for contract award. The recommendation is based on the results of the tender evaluation carried out on the responses to the Invitation to Tender for the Capping of Cell 4 and the Construction of New Cell 5, Shewalton, Shewalton Landfill. The report will provide assurance that the tender evaluation has been undertaken in accordance with EU Procurement Directives, Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) and the Council's Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council.

2 Introduction

- 2.1 This report has been compiled on behalf of the Tender Evaluation Team following the completion of the evaluation of responses to the Invitation to Tender for the Capping of Cell 4 and the Construction of New Cell 5, Shewalton, Shewalton Landfill.

3 Background

- 3.1 North Ayrshire Council required to establish a Contract for the Construction of a New Cell (Cell 5), at Shewalton Landfill site in Irvine. The purpose of this was to meet the Council's requirements for waste disposal.
- 3.2 In order to comply with the Council's Standing Orders and Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) a formal tendering exercise was undertaken.
- 3.3 Tenderers were asked to price on the basis of the Development of Landfill Cells 5A / 5B / 5C and Landfill Works involved in the Capping of Cell 4
- 3.4 The estimated annual budgetary spend to North Ayrshire Council is £2,200,000.

4 Tender Notice, Interest and Returns

- 4.1 A formal contract notice was advertised under the open process in the Bravo E-Tendering System on 27 May 2014 with a return date of 12 June 2014.
- 4.2 The contract notice attracted 23 expressions of interest from a wide range of potential providers, of which 8 submitted offers.
- 4.3 The return date for completed Invitation to Tenders was 12 June 2014.

5 Evaluation Process

- 5.1 The evaluation of the tenders was in two stages. Stage one assessed the responses to the Minimum Criteria. If, during stage one, it was apparent that a Tenderer has submitted a fundamentally non-compliant Tender in respect of any of the Invitation To Tenders requirements, then the Council could choose to reject that Tender. Clarification could be sought from Tenderers at this stage, in order to determine whether their Tender is complete and compliant.
- 5.2 Following completion of stage one, Tenderers meeting the minimum criteria progressed to stage two of the evaluation. Stage two of the evaluation was carried out by a Tender Evaluation Panel consisting of appropriately experienced Council Officers and each Tenderer's response was assessed against the following published criteria:

Price 100%

Quality 0%

6 Evaluation Results

- 6.1 All eight tenderers met the minimum criteria and passed Stage 1 of the evaluation.
- 6.2 Price 100%
- 6.3 Contractors were asked to submit prices for Construction of New Cell 5, at Shewalton Landfill which gave the following prices:

Company	Tendered Price (£)	Ranking
Priority Construction Ltd.	£ 1,346,000.00	1
Roadbridge	£ 1,592,295.73	2
RJ McLeod (Contractors) Ltd	£ 1,669,847.00	3
Wills Bros Ltd	£ 1,757,137.34	4
Advance Construction Scotland	£ 1,820,767.56	5
Jones Bros Ruthin (Civil Engineering) Co Ltd	£ 2,040,591.12	6
Gibson (Banbridge) Ltd	£ 2,098,170.97	7
Noel Regan & Sons	£ 2,250,331.32	8

7 Overall Score

- 7.1 Prices were all checked for arithmetical accuracy, and to ensure that there were no qualifications on the submitted prices.

8 Recommendation

- 8.1 The recommendation of the Tender Evaluation Panel is that a Contract be awarded to: **Priority Construction Ltd.**

- 8.2 Subject to approval, Letters of Intent will be issued to all successful and unsuccessful Tenderers.
- 8.3 Both successful and unsuccessful Tenderers will be provided with the opportunity to receive a full debrief in accordance with EU Legislation, the Public Contracts (Scotland) Regulations and Scottish Procurement Directorate guidance.

9 Authority to Approve

- 9.1 In line with Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council, the Tender Evaluation Panel seeks to obtain authority from the Cabinet to accept the Tender and award a Contract to the Tenderer identified in section 8.1.

NORTH AYRSHIRE COUNCIL

Agenda Item 25

16 July 2014

Cabinet

Subject: **Award of Contract - General Building Framework**

Purpose: To advise the Cabinet of the results of the tender exercise for the Framework Agreement for the provision of General Building works and present a recommendation for the award of the framework agreement.

Recommendation: That the Cabinet agrees to approve the award of the framework agreement to the contractors specified in the Tender Outcome Report

1. Introduction

- 1.1 The Council has an ongoing commitment for repairs to the council house stock and they are usually carried out by Building Services personnel. These repairs are categorised by urgency and response times are given accordingly. The Council is obliged to meet these response times.
- 1.2 However, on occasion the demand for repairs exceeds the capacity of Building Services personnel to meet the required response times. Having a framework agreement in place allows excess work to be allocated to contractors to support ongoing service provision.

2. Current Position

- 2.1 This existing Framework Agreement for Building Repairs is due to expire. An extension to this existing Framework was not available therefore a new Framework Agreement is required.

3. Proposals

- 3.1 The proposed Framework Agreement also allows for appointment of contractors in order to deal with emergency situations. The Framework has been split into work packages and lotted accordingly. Tenderers were allowed to submit for any number or combination of Lots. The purpose of this was to allow for a wide range, size and specialism of contractors to participate.
- 3.2 Ten tenders were received by the due return date and time, for a wide variety of Lots. These were evaluated against the stated evaluation criteria to ensure that Minimum Requirements were met.

- 3.3 Pricing for all Lots with the exception of Lot 11 (Flooring) was by means of a percentage adjustment on a nationally agreed schedule of rates (the National Housing Federation Rates). The pricing for Lot 11 (Flooring) was by means of a standard a Lump Sum.
- 3.4 The terms of the Framework allow for a direct call off. Call off will be made according to rank on the Framework, with the first ranked being offered first refusal of any work. It is stated in the terms and conditions of contract that there is no guarantee of any work from this Framework.
- 3.5 A Tender Outcome Report which details the results of the tender exercise is provided at Appendix 1.

4. Implications

Financial Implications

- 4.1 Based on historical spend, estimated spend is £2.4m over the duration of the contract (including extensions). Budget is provided for within the Housing Revenue Account.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The tender exercise was conducted in accordance with the Council's Standing Orders Relating to Contracts.

Equality Implications

- 4.4 None.

Environmental Implications

- 4.5 None

Implications for Key Priorities

- 4.6 This evaluation process contributes to the Council Plan Core Objective 4 "Operating more efficiently and effectively".

Community Benefit Implications

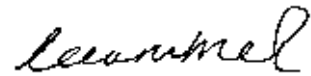
- 4.7 As there is no guaranteed work from this framework, no Targeted Recruitment and Training requirements were included in the contract. However it should be noted that 4 local companies are on the framework, and a significant range of Community Benefits are being offered on a voluntary basis regardless of the value of contracts awarded through the Framework Agreements including workshops with Team North Ayrshire sme's & Third Sector Organisations, three new apprenticeships, recruitment of person with a disability, workshops with schools & communities and work placement's for school pupils. Additional Community Benefits will be delivered subject to actual annual spend.

5. Consultations

- 5.1 Discussions have taken place between the Corporate Procurement Unit and Building Services.

6. Conclusion

- 6.1 That the successful Tenderers as identified in the Tender outcome Report be appointed to the Framework.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Thomas Reaney, Procurement Manager on 01294 324097

Background Papers

None



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Tender Outcome Report For Recommendations over £350K

NAC-3006

GENERAL BUILDING AND REPAIR WORKS

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NAC - 3006

For the procurement of

GENERAL BUILDING AND REPAIR WORKS

1 Purpose

- 1.1 The purpose of this document is to summarise the invitation to tender process and present a recommendation for Framework Agreement award. The recommendation is based on the results of the tender evaluation carried out on the responses to the NAC - 3006 General Building and Repair Works Framework Invitation to Tender. The report will provide assurance that the tender evaluation has been undertaken in accordance with EU Procurement Directives, Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) and the Council's Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council.

2 Introduction

- 2.1 This report has been compiled on behalf of the Tender Evaluation Team following the completion of the evaluation of responses to the Invitation To Tenders for the NAC - 3006 General Building and Repair Works Framework

3 Background

- 3.1 The existing Contract for the General Building and Repair Works Framework for North Ayrshire Council expires on 9 July 2014. As extension was not possible, it was agreed that the Framework Agreement would be re-let. The previous contract was reviewed and evaluated. This evaluation was taken forward into the new contract.
- 3.2 In order to comply with the Council's Standing Orders and Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) a formal tendering exercise was undertaken.
- 3.3 The contract term is for 2 years plus the option to extend for 2 years.
- 3.4 The estimated total value of the overall Framework Agreement (including any possible extensions and all collaborative partners) is £2,400,000, with an estimated annual budgetary spend to North Ayrshire Council of £600,000

4 Tender Notice, Interest and Returns

- 4.1 A formal contract notice was advertised under the Open process in the Bravo E-Tendering System on 08 May 2014 with a return date of 30 May 2014.
- 4.2 The contract notice attracted 59 expressions of interest from a wide range of potential providers of which 10 submitted offers.

5 Evaluation Process

- 5.1 The evaluation of Tenders is in two stages. Stage one assessed the responses to the Minimum Criteria. If, during stage one, it was apparent that a Tenderer has submitted a fundamentally non-compliant Tender in respect of any of the Invitation To Tenders requirements, then the Council could choose to reject that Tender. Clarification could be sought from Tenderers at this stage, in order to determine whether their Tender is complete and compliant.
- 5.2 At this stage one tenderer Wm Murchland Ltd., was identified as having submitted a fundamentally non-compliant tender. Clarifications were sought and not received to the satisfaction of the Council. This tenderer was therefore rejected and did not progress to the second stage
- 5.3 Following completion of stage one, Tenderers meeting the minimum criteria progressed to stage two of the evaluation. Stage two of the evaluation was carried out by a Tender Evaluation Panel consisting of appropriately experienced Council Officers and each Tenderers response was assessed against the following published criteria:

Price 100%

Quality 0%

6 Evaluation Results

6.1 Price 100%

Pricing for all Lots with the exception of Lot 11 (Flooring) was based on a national agreed set of rates – the National Housing Federation Rates. Tenderers were asked to submit prices in the form of a percentage adjustment on the basis of individual Lots.

Lot 11 was priced on the basis of a standard set of requirements. Tenderers to this Lot were requested to submit a nominal Lump Sum on various elements of flooring

A summary of the Lots is given below

Lot 1 - Carpentry and Joinery
Lot 2 - Electrical Services
Lot 3 - Plumbing:
Lot 4 - Drainage
Lot 5 – Glazing
Lot 6 – Plastering
Lot 7 - Building:
Lot 8 - Roofing:
Lot 9 - Timber and Dampness Treatment
Lot 10 – Fencing
Lot 11 - Flooring

Tenderers could bid for any number or combination of Lots. Tenderers would be ranked according to their submitted adjustments or prices. Each Lot will contain a maximum of 6 successful Tenderers. Where Lots had more than 6 submitted tenders the highest priced tenders above 6th rank would not be placed on the Framework. Call off will be by order of rank, with the first ranked in each Lot having first refusal

A summary of the Individual tenderers and the Lots that they submitted for is given below.

	Lot 1	Lot 2	Lot 3	Lot 4	Lot 5	Lot 6	Lot 7	Lot 8	Lot 9	Lot 10	Lot 11
Company Name	Carpentry and Joinery	Electrical Services	Plumbing	Drainage	Glazing	Plastering	Building	Roofing	Dampness Treatment	Fencing	Flooring
A McKie Building & Engineering Services Ltd	Yes						Yes	Yes		Yes	
Campbell & Kennedy Ltd		Yes									
CK Contracts	Yes			Yes		Yes	Yes	Yes	Yes	Yes	
Clark Contracts Ltd	Yes	Yes	Yes		Yes	Yes	Yes	Yes			
DAMM Environmental				Yes							
Highlander EJM (Scotland) Ltd							Yes	Yes			
Invincible Fire & Security Ltd		Yes									
McLaughlin Construction	Yes			Yes		Yes	Yes	Yes	Yes	Yes	Yes
MPMH Construction Limited	Yes					Yes	Yes	Yes	Yes	Yes	
No of bids per Lot	5	3	1	3	1	4	6	6	3	4	1

7 Overall Score

7.1 Following agreement of an overall score for each Tenderer and taking into consideration all qualitative and commercial elements of the responses, a high level summary sheet was completed as shown below. All of the Tenderers described below will be awarded a place on the Framework and ranked as noted

Lot 1 - Carpentry and Joinery	% Adjustment	Ranking
CK Contracts Ltd	-14	1
McLaughlin Construction	-12	2
MPMH Construction Limited	-2.5	3
A McKie Building and Engineering Services Ltd	0	4
Clark Contracts Ltd	3	5

Lot 2 - Electrical Services	% Adjustment	Ranking
Invincible Fire & Security Ltd	-0.05	1
Campbell & Kennedy Ltd	16.25	2
Clark Contracts Ltd	22	3

Lot 3 - Plumbing:	% Adjustment	Ranking
Clark Contracts Ltd	25	1

Lot 4 - Drainage	% Adjustment	Ranking
CK Contracts Ltd	-14	1

McLaughlin Construction	-12	2
DAMM Environmental Ltd	32.5	3

Lot 5 – Glazing	% Adjustment	Ranking
Clark Contracts Ltd	7.5	1

Lot 6 – Plastering	% Adjustment	Ranking
CK Contracts Ltd	-14	1
MPMH Construction Limited	-12.5	2
McLaughlin Construction	-12	3
Clark Contracts Ltd	25	4

Lot 7 - Building:	% Adjustment	Ranking
CK Contracts Ltd	-14	1
McLaughlin Construction	-12	2
Highlander EJM (Scotland) Ltd	-7	3
A McKie Building and Engineering Services Ltd	0	4=
MPMH Construction Limited	0	4=
Clark Contracts Ltd	45	6

Lot 8 - Roofing:	% Adjustment	Ranking
MPMH Construction Limited	-20	1
CK Contracts Ltd	-14	2
Highlander EJM (Scotland) Ltd	-10	3
McLaughlin Construction	-5	4
A McKie Building and Engineering Services Ltd	0	5=
Clark Contracts Ltd	0	5=

Lot 9 - Timber and Dampness Treatment	% Adjustment	Ranking
CK Contracts Ltd	-14	1
McLaughlin Construction	-12	2
MPMH Construction Limited	-10	3

Lot 10 – Fencing	% Adjustment	Ranking
CK Contracts Ltd	-14	1
McLaughlin Construction	-12	2
MPMH Construction Limited	-2.5	3
A McKie Building and Engineering Services Ltd	0	4

Lot 11 - Flooring:	Price (£)	Ranking
McLaughlin Construction	366	1

8 Recommendation

- 8.1 The recommendation of the Tender Evaluation Panel is that a Framework Agreement be awarded to the tenders outlined above.
- 8.2 Subject to approval, Letters of Acceptance will be issued to all successful and unsuccessful Tenderers.
- 8.3 Both successful and unsuccessful Tenderers will be provided with the opportunity to receive a full debrief in accordance with EU Legislation, the Public Contracts (Scotland) Regulations and Scottish Procurement Directorate guidance.

9 Authority to Approve

- 9.1 In line with Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council, the Tender Evaluation Panel seeks to obtain authority from the Cabinet to accept the Tenders and award a Framework Agreement to the Tenderers identified in section 8.1.

NORTH AYRSHIRE COUNCIL

Agenda Item 26

16 July 2014

Cabinet

Subject: Change Programme: Progress as at 30 June 2014

Purpose: To provide an update in relation to the Council-wide Change Programme.

Recommendation: That the Cabinet agrees to (a) note (i) the progress of the Council-wide Change Programme as at June 2014 and (ii) that the projects being delivered by the Change Team are currently being reviewed in terms of their alignment to the Council's strategic objectives. This will ensure that the Team supports the Council's priorities effectively in achieving its vision for North Ayrshire; and (b) receive a further update in six months' time.

1. Introduction

- 1.1 The Change Programme aims to bring about Council-wide transformational change to address the demographic and financial pressures facing the Council. Updates have previously been provided on progress to the Cabinet to highlight the key improvements resulting from this work.
- 1.2 This report provides an update on activity in delivering the Change Programme up to 30 June 2014.

2. Current Position

SOCIAL SERVICES AND HEALTH

Social Services & Health Change Programme

- 2.1 An update on the transformational change activity within Community Care was submitted to Cabinet on 29 October 2013. The new service user journey went live on 4 November, 2013. The realignment of staff resources was completed without the need for redundancies and the new teams were created and trained together.

- 2.2 There has subsequently been consultation seeking feedback on the implementation of the new processes over the last few months and to consider suggestions on the new way of working. Four focus groups were held to explore the issues raised and an action plan was agreed. This programme ended in April 2014.

Integration of Health and Social Care

- 2.3 The integration of Health and Social Care is being supported by a Programme Manager from the Change Team. Updates on progress are being reported separately, with the most recent report being submitted to Cabinet on 26 March, 2014.

EDUCATION AND SKILLS

Strategic Review of Educational Service

- 2.4 The Change Team is providing support to the Strategic Review of Educational Services Programme (Officers) Board. The Review was established by the Cabinet on 29 October 2013 and sets out to reduce inequality in educational attainment whilst continuing to improve attainment for all learners.
- 2.5 The first in a series of Members' Briefings on the Strategic Review of Educational Services was held on 2 May 2014. A Special Edition of "North Ayrshire News" (the Elected Member newsletter) featuring the information provided at the briefing has also been circulated to all Elected Members.
- 2.6 The key activities of the Review are contained within three work streams:
1. Educational Environment - proposals for the Council's school estate that will support educational attainment and lifelong learning.
 2. Educational Equality - a review of data and information and of approaches which will close the gap in attainment between areas of deprivation and more affluent areas.
 3. Engagement and Consultation – working with key stakeholders to enable the co-design and co-production of ideas and actions throughout the review.
- 2.7 A further update on progress in terms of the Strategic Review of Educational Services will be provided at a Members' Briefing on 23 July 2014.

Community Asset Transfer

- 2.8 The Change Team updated the Community Asset transfer process and Guidance Pack to make it easier for communities to use buildings, land, or resources that are being under-utilised and to help get them involved in decisions about the services in their community. This is a requirement of the Community Empowerment and Renewal Bill and has now been successfully implemented.
- 2.9 The Council is now reviewing its approach to handling applications to take over responsibility for community assets, to make this process faster and more effective.

Early Intervention and Prevention

- 2.10 The Early Intervention and Prevention Programme aims to improve the outcomes for vulnerable children in North Ayrshire. Its projects are now well established and the Multi Agency Domestic Abuse Response Team (MADART) is promoted nationally as an example of good practice. There was a progress report to the Community Planning Partnership Board on 6 March and there has been a recent review of the programme which is being reported to the Strategic Management Team in August.

Early Years Collaborative

- 2.11 The Early Years Collaborative is a national Improvement Programme for Community Planning Partnerships which aims to make Scotland the best place to grow up. An annual progress report has been produced on its achievements in taking forward this ambition in North Ayrshire during 2013.
- 2.12 The Collaborative has provided a major opportunity for North Ayrshire's Community Planning Partnership to focus on what it can do to improve outcomes for children. It has generated considerable activity over the last year through the national Learning Sessions, local meetings and through tests of change. This has also had benefits in terms of improving partnership working between services locally.
- 2.13 The Change Team was successful in submitting three "pioneer sites" for North Ayrshire which are using the Collaborative's model to drive improvement in:
- Support to pregnant women with addictions issues to reduce their drug misuse
 - Support following the child health review at 27-30 months

- Young children's literacy and problem solving skills through parental involvement

Improving Children's Outcomes

- 2.14 In April, the Cabinet and the Health and Social Care Partnership's Shadow Integration Board agreed to become involved in the Scottish Government's Improving Children's Outcomes Project. The Change Team is providing support for this project, liaising with the national team on its implementation. The information from the proposed surveys on children's wellbeing, together with details of current funding of children's services, will be used to assist in the planning and commissioning of children's services.
- 2.15 A further update on Improving Children's Outcomes Project will be provided at a Members Seminar on 23 July 2014.

DEVELOPMENT AND ENVIRONMENT

Streetscene IT Implementation

- 2.16 An options appraisal is underway to identify the most suitable IT system for both Roads and Streetscene and to support more mobile working across the Council.

Transport

- 2.17 Following the successful implementation of the Transport Hub, processes from services across the council were consolidated into one corporate area. The Change Team has been assisting the new service in improving their processes and procedures using Lean Six Sigma methodology.
- 2.18 The Change Team is currently scoping a new phase for the Transport review and further proposals will be submitted to the Cabinet for approval in due course.

Sustainable North Ayrshire

- 2.19 The Change Team has provided support to Development and Environment in the development of the Council's Sustainability Strategy.

Waste

- 2.20 The Change Team are providing support following the initial rollout of the Integrated Waste Management ICT Solution. Assistance is being provided in implementing the new system smoothly and in integrating it with other council services.

2.21 Success was achieved through implementing a number of initiatives and actions: -

- Good Practice Guide developed
- Staff training delivered where appropriate
- Collaboration with managers, system users and suppliers
- Advocacy of Pecos use from senior management
- Process improvements
- Increased use of Government Procurement Cards (GPC)
- Use of Lean Six Sigma process and tools
- Benchmarking and sharing of best practice with other Councils

Team North Ayrshire

2.22 In November 2013, the Change Team supported stage 1 of the Team North Ayrshire project which successfully delivered the new business development team approach and its website. This involved a high-profile launch event to the top 150 local business leaders, Elected Members, MSP's and senior Council staff with positive feedback from attendees and local and national media coverage.

Housing Access Databases

2.23 A review is underway to identify, collate and assess the 25 unsupported Access Databases in Housing with a view to replacing these with alternatives that better meet Housing needs or are aligned with Council existing systems and supported by IT. The project currently involves the Change Team, Housing, Customer Services and IT.

FINANCE AND CORPORATE SUPPORT

Corporate E Forms

2.24 The Team has led on the development of E forms to reduce the costs involved in printing, copying, internal mail, etc; speed up processing e.g. with no delays due to posting, opening and sorting forms; and improve quality. The Corporate eForms Solution was launched to Council Services on 23 June 2014.

2.25 There will be a roll out of the use of eforms. This will involve process mapping the existing arrangements and a resource analysis so that the forms meet each Service's needs and their benefits can be assessed. A programme of work will be developed with Business Support.

HR Process Review

- 2.26 This project involves reviewing all processes and forms across HR, using Lean Six Sigma methodology and the development of eforms. The review of two processes has been successfully completed to date (responsibility allowance and special leave). A review of several new processes is about to be undertaken.

Purchase to Pay

- 2.27 This project successfully delivered and surpassed its target to reduce the late invoice payments made by the Council to its suppliers which directly impacts business sustainability and its relationship with those companies.
- 2.28 The objective was to achieve a 5% improvement in one year from 82% in 2012/13. A 10% improvement was achieved resulting in 92% in 2013/14. Monthly monitoring shows a continued improvement in April & May 2014 returning approximately 94%.

HR IT Review

- 2.29 The IT systems being used by HR have been under review to integrate systems more effectively and to support the use of eforms. There should also be benefits in allowing staff to access their own personal details and to complete forms from their own mobile devices.

HR and Education Resourcing Review

- 2.30 The Change Team has been conducting a review to determine if there are any overlapping processes within the Education and HR Resourcing Teams with a view to streamlining them. More than 50% of the processes involved have now been mapped.

Agile Working - Bridgegate House

- 2.31 Work is now complete on the Change Team project supporting agile working to make Bridgegate House the main public face of the Council, relocating front facing functions to a customer services one-stop-shop. The Bridgegate programme represents a £9.3m investment, which will deliver significant benefits to customers and staff whilst contributing to the local economy and regeneration of Irvine town centre.

2.32 The Telephone Contact Centre was moved from Galt House between Christmas and New Year, Revenues and Benefits moved from Cunninghame House in January and the final moves into Bridgegate House were completed in May 2014. Familiarisation workshops were held by the Change Team for the staff prior to the moves.

2.33 The building was formally opened on 16 June 2014.

Agile Working - Cunninghame House

2.34 The Change Team is now supporting agile working arrangements which started on Phases 1A (Council Chamber and Ground Floor) and 1B (2nd Floor East) in March. The first phase (1A) is on schedule to be completed in September and 1B in October.

2.35 Planning is now underway for Phase 2 moves taking into account the recent organisational changes.

Print Management

2.36 This project sets out to reduce the Council's printing costs and to support mobile and flexible working by implementing a print management solution.

2.37 The Council's print management solution has now been rolled out throughout Bridgegate House; the 3rd and 5th Floors and 4th Floor West of Cunninghame House. There are over 600 staff on the system. Further roll-out at Cunninghame House will form part of the refurbishment plan.

2.38 The target for duplex printing is being exceeded (73% achieved, target 40%). More work is required to reduce colour printing.

Door entry & time recording system

2.39 The Council has a number of door entry and time recording systems and contracts in place across the organisation. This acts as a barrier to mobile and flexible working and carries a significant administration overhead. A new system was deployed at Bridgegate House and this is being evaluated against the requirements for the Cunninghame House refurbishment.

Lean Six Sigma

2.40 The Change Team has also been involved in developing a Lean Six Sigma (LSS) user group to support staff who have been trained in LSS methodology. It is supporting the Head of Service (HR&OD) in further developing LSS, to embed the use of the methodology and promote continuous improvement across services

Supporting Services Review

- 2.41 The review of Supporting Services, which included an options appraisal of alternative service delivery models, has now been completed. A summary of the review and the final recommendation is noted below.
- 2.42 The review of supporting services included: facilities management, revenues and benefits, human resources, property management an investment, payroll, ICT, risk and audit, procurement, communications, financial management and legal services. The review comprised a number of stages including, soft market testing to which 20 organisations responded, market research including 20 other local authorities, development of financial baselines, development of service output specifications and potential savings associated with alternative service delivery models.
- 2.43 The service models and the potential level of savings which could be delivered, shown in brackets, which were considered included;
- in house after delivering planned service efficiencies,
 - development of a service "hub" in North Ayrshire with the aim of attracting business from other public agencies and private businesses (10%),
 - development of a strategic partnership to deliver a range of services (15%) ,
 - business process outsourcing to which services could be added incrementally (20%).
- 2.44 Shared services and social enterprises were also considered but excluded at an early stage; for shared services due to the difficulties in securing partners and for social enterprise due to this not being a well established business model for the services which were being considered.
- 2.45 In developing options, evaluation criteria were established to assess the alternative service delivery models; these included; financial benefits, strategic fit, quality, impact on staff, flexibility and risk associated with the new model.
- 2.46 At the early stages of the review a couple of services fell out of scope due to lack of market interest; financial management and legal services. Three other services fell out of the "hub" model due to the specialist nature of services; risk and audit, procurement and communication - although these fell out of the hub model, there would still be scope for specific procurement of these services to be undertaken. The review concluded that the value of savings associated with these service areas did not merit further consideration.

- 2.47 The evaluation of the remaining services was carried out by a core team of 5 "independent" assessors, including iMPower and the Change Team together with representatives from the service areas which was being evaluated. The findings of the evaluation are summarised below;
- In house with planned service efficiencies; facilities management, human resources, property management and investment, payroll,
 - Outsource via service "hub"; revenues and benefits, ICT.
- 2.48 In considering the potential for the hub model as an alternative service delivery model for Revenues and Benefits and ICT, consideration should be given to the significant changes associated with Welfare Reform, with a number of the reforms being led and managed by the revenues and benefits team and the need for flexibility in implementing these reforms.
- 2.49 This suggests that now may not be the right time to consider an alternative service delivery model. In respect of ICT, the Council is currently developing both its ICT and Change strategic partnerships, to establish a stronger alignment between the change programme and the supporting ICT development. It is anticipated that this will deliver future benefits, and a more effective integration between ICT and Change. As such an alternative service delivery model is not recommended at this time.
- 2.50 All services included within this review remain in scope to deliver further savings as part of the Council's wider financial strategy.

DEMOCRATIC & ADMINISTRATION SERVICES

- 2.51 The Committee Management Information System (CMIS) project sets out to achieve increased efficiency and cost savings by improving the implementation and widening the uptake of the system across all user groups.
- 2.52 The Council purchased the CMIS system to achieve significant print cost savings and reduce the staff time taken up by distributing committee papers and agendas electronically. This project has been established through the Change Team to increase the pace and reach of the changeover process.

3. Proposals

- 3.1 The Cabinet is asked to (a) note (i) the progress of the Council-wide Change Programme as at June 2014 and (ii) that the projects being delivered by the Change Team are currently being reviewed in terms of their alignment to the Council's strategic objectives. This will ensure that the Team supports the Council's priorities effectively in achieving its vision for North Ayrshire; and (b) receive a further update in six months' time.

4. Implications

Financial Implications

- 4.1 The efficiencies generated from the various activities within the Change Programme contribute to the saving as set out in the Council's budget. As business cases are reviewed at key stages savings and costs are agreed with Finance.

Human Resource Implications

- 4.2 There are no Human Resource implications at this stage

Legal Implications

- 4.3 There are no legal implications at this stage.

Equality Implications

- 4.4 There are no equality implications at this stage.

Environmental and Sustainability Implications

- 4.5 There are no environmental implications at this stage.

Implications for Key Priorities

- 4.6 The Change Programme is designed to support the core objectives of the Council Plan

Community Benefit Implications

- 4.7 There are no community benefit implications at this stage.

5. Consultations

- 5.1 The Corporate Management Team continues to review and monitor overall progress of the Change Programme, providing the necessary decision making and strategic guidance.

6. Conclusion

- 6.1 There is a significant and sustained Change Programme which contributes to the Council's approach to managing external demographic and financial pressures.



ELMA MURRAY
Chief Executive

Reference : EM/BT

For further information please contact Barry Tudhope, Corporate Business Manager (Chief Executive's) on Tel: (01294) 324113

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 27

16 July 2014

Cabinet

Subject: **School Meals**

Purpose: To update Cabinet on measures being developed to further improve the uptake of school meals throughout North Ayrshire and to provide information on arrangements being made to introduce free school meals for all P1 - P3 pupils from January 2015.

Recommendation: That the Cabinet notes (a) that an officer working group has continued to meet to identify and develop proposals to increase the uptake of school meals; (b) that the working group has further developed its action plan which outlines a number of measures being implemented; and (c) the arrangements being made to provide free school meals to Primary 1 - Primary 3 pupils from January 2015.

1. Introduction

- 1.1 Cabinet agreed at its meeting of 29 October 2013 to note (a) that an officer working group had been established to identify and develop proposals to increase the uptake of school meals; (b) that the working group had developed an action plan outlining a number of proposals for further consideration and implementation; and (c) that further progress updates would be submitted to Cabinet as the action plan is further developed and implemented.
- 1.2 Since Cabinet's consideration of the report submitted on 29 October 2013, the Scottish Government has, with effect from January 2015, extended the current entitlement to free school meals to all Primary 1 to Primary 3 pupils.

2. Current Position

- 2.1 The officer working group established to develop proposals to increase the uptake of school meals has met on three occasions during 2013/14 to progress and further develop the actions identified.
- 2.2 The action plan has been updated to reflect progress made and is attached at Appendix 1 to this report. A number of actions have been arranged including:

- A free school meal for all P7 pupils was offered to pupil's attending Secondary school on induction week in June 2014. This free sample meal was aimed at encouraging pupils to try the school meal and continue to use the service in the future.
- P7 induction nights at Secondary School – demonstrations of school food were available at parents open evenings for parents/carers and pupils to observe the quality and variety of school meals available.
- Arrangements are in place to raise the profile of school meals in Primary Schools by presenting examples of the menu to parents and carers at school events, Parent Council and School Board meetings. Each school will be visited at least once per year.
- Four Primary Schools are piloting a “choose a healthy option and clear your plate” initiative linked into the Streetscene caricatures “Jimmy and his green dog” which provides rewards and recognition in the schools to children who eat all their lunch. The schools involved are Woodlands , Stanley, Glengarnock and Lawthorn Primary schools.
- A number of individual schools have developed a focus group to discuss Healthy Eating with a view to improving and promoting healthier outcomes and to consider appropriate measures, including potential improvements to existing meal choices, to encourage an increased uptake of school meals. Each group, where possible, consists of a representative from each year group, the Parent Council, School Management and the Catering Team . The Groups have developed a number of local promotion and awareness activities within each school and best practice will be shared via the already established Education Cluster groups and Officer working group. Schools also have a range of groups linking in to health and well-being and are being asked to include discussions on measures to increase the uptake of school meals and to consider existing meal choices on their healthy schools agenda.
- Each Secondary school has carried out a pupil survey on school meals during May/June 2014 for pupils in years 1-3. The outcomes of this survey are being analysed and will be reviewed to form the basis of developing the next phase of marketing and planning of initiatives for 2014/15.
- The recently produced "Better Eating, Better Learning" self evaluation tool-kit which is designed to increase awareness and recognition of the contribution school food and drink makes to delivering improved outcomes within schools. This will be reviewed with Head Teachers within Primary Schools from August 2014 as part of the package of measures being developed to increase awareness of school meals and their benefits.

- 2.3 During 2013/14 the uptake of school meals performance was 46.7% against a target of 44%. A number of external awards have also been achieved by the Facilities Management Team, including – winning Team of the Year and Chef of the Year at the National Cost Sector Catering awards.
- 2.4 The working group will continue to develop measures and will next meet during September 2014 to assess the effectiveness of a number of local promotional activities which have been put in place to run at the start of the new school term in August 2014 to further raise awareness of the school meals service. The group will then agree the next phase of marketing and actions to be progressed during 2014/15.
- 2.5 In January 2014, the Scottish Government announced an intention to extend the entitlement to free school meals to all P1 - P3 pupils. Revenue funding of £16.5m in 2014/15 (part year) and £54m in 2015/16 (full year) is being made available across Scotland. The individual allocation for each Council is to be based on the number of primary school pupils not already registered for free school meals. It is expected that the Council's share of this funding will be confirmed in the next Finance Circular. Capital funding is also being made available to facilitate works required within kitchens and dining areas to ensure individual schools can accommodate the increased demand. It is expected that further information on the allocation of capital funding will be made available later in the summer.
- 2.6 Within North Ayrshire, the school meals service operates on a Hub and Spoke model. This involves 25 school kitchens cooking meals for service across all schools in North Ayrshire. A group of officers from Facilities Management and Education and Skills was established to review existing facilities (including dining halls and kitchens) with a view to assessing future needs as a result of the increased demand for school meals. The group is also discussing the potential impact upon school timetables and other curriculum activities which share the dining facilities. The group has also gathered data on existing P1 – P3 pupil numbers, existing school meal numbers and free meal uptake levels to determine the likely increased demand for school meals at each school as a result of the extended free entitlement. This information has been used to inform an assessment of existing facilities and future requirements.
- 2.7 It is anticipated that within North Ayrshire there will be a demand for an additional 2000 meals per day. In order to accommodate the anticipated increase in demand for school meals, it will be necessary to increase the cooking capacity within the Hub and Spoke model by increasing the number of Hub kitchens from 25 to 30. There will also be a requirement to increase the Catering workforce capacity by around 22 FTE, through a mixture of full time and part time posts. It is estimated that this will require around 36 new additional posts to be created and recruited prior to January 2015.

2.8 Arrangements are being made to utilise the following primary school kitchens as Hub kitchens to increase cooking capacity:

- Hayocks, Stevenston
- Caledonia, Saltcoats
- Brisbane, Largs
- Glebe, Irvine
- St Luke's, Kilwinning

2.9 In addition, minor works including new service counters, designed to improve service within a number of school kitchens, will be required in preparation for the increased school meals demand.

2.10 Two existing Hub kitchens - West Kilbride Primary and Shiskine Primary - will also require significant kitchen facility upgrades including enhanced cooking equipment, improved refrigeration, increased storage accommodation and improved serving counters.

3. Proposals

It is proposed that Cabinet notes (a) that an officer working group has continued to meet to identify and develop proposals to increase the uptake of school meals; (b) that the working group has further developed its action plan which outlines a number of measures being implemented; and (c) the arrangements being made to provide free school meals to P1 - P3 pupils from January 2015.

4. Implications

Financial Implications

4.1 The cost of providing a free sample meal to all primary 7 pupils during their induction visit to their secondary school was approx. £4000 and was met from existing Facilities Management budgets. Revenue funding of £16.5m for 2014/15 and £54m for 2015/16 is being made available by Scottish Government. The individual allocation for each Council is to be based on the number of primary school pupils not already registered for free school meals. It is expected that the Council's share of this funding will be confirmed in the next Finance Circular. The anticipated funding to be received will require to be utilised for increased employee resources, increased food costs and associated costs of providing the additional school meals. Capital funding will be required to enable the necessary kitchen and dining hall improvements. The expected cost of this is estimated at £290k. There is Scottish Government Funding available for capital costs although the amount and basis of allocation is still to be confirmed. The capital works will commence on the expectation that the Scottish Government funding will be sufficient to cover the costs. However, should the capital funding allocation be less than the amount required, a reprioritisation of existing capital budgets will be required.

Human Resource Implications

- 4.2 There will be an increase of approx 22 FTE within Facilities Management to accommodate the anticipated increase in school meals.

Legal Implications

- 4.3 The requirement to provide free school meals to all P1 to P3 children is being introduced under the Children and Young People (Scotland) Act 2014.

Equality Implications

- 4.4 There are no equality Implications.

Environmental Implications

- 4.5 Encouraging young people to eat school meals will increase awareness of local produce being used in schools and increase the awareness of local environmental sustainability. Further development of the "sow and grow" initiative will improve environmental awareness.

Implications for Key Priorities

- 4.6 Increased uptake of school meals together with the introduction of free school meals for all P1 - P3 pupils will contribute to improved educational attainment levels of children through providing them with a nutritionally balanced school meal.

Community Benefit Implications

- 4.7 The increased uptake of school meals and improving the awareness of young people of the benefits of eating healthy nutritious food will encourage them to live a healthier lifestyle. The cost to a family for a primary school meal is £1.90 per day per child. A cost saving of approx. £360 per child per year from January 2015 will therefore be realised by each family with a child in P1 -P3 who was not previously entitled to a free school meal.

5. Consultations

- 5.1 Continued engagement with young people and school focus groups will facilitate the creation of a package of measures aimed at increasing the uptake of school meals across North Ayrshire. Discussions with Education and Property Management are ongoing to ensure appropriate arrangements are in place for the delivery of free school meals for all P1 - P3 pupils. Consultation will take place with the relevant Trade Unions as appropriate.

6. Conclusion

- 6.1 Through collaborative working, a package of measures has been developed to increase the uptake of school meals which will contribute to the improved health and wellbeing of young persons throughout North Ayrshire. The entitlement to free school meals will be extended to all P1 - P3 pupils across North Ayrshire from January 2015.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : KC/RM/JA

For further information please contact Russell McCutcheon, Head of Commercial Services on 01294 541570

Background Papers

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Actions	Responsible officer	Timescale	Action update as of June 2014
1 Further develop proposal to consider a one day school meal value (£1.90) for all P7 pupils to be uploaded to each pupil's school meal account when attending secondary school on induction week. This will encourage pupils to try the school meal and continue to use the service in the future. Indicative costs = £4000.	KC	March 2014	All P7 pupils received a £1.90 school meal value added to their school meal account when they attended their Secondary school induction week. 85% took up the offer and tried the school meal on the day they attended.
2 P7 Induction nights at secondary school – demonstrations of school food to be available at parents open evenings for parents/carers and pupils to see what school meals are available on each school day.	KC/DR	March 2014	During the P7 induction evenings, school meals demonstrations were carried out in all secondary schools.
3 Raising the profile of school meals in primary schools by presenting examples of the menu to parents and carers at school events, Parent Council and School Board meetings to be arranged with all schools across North Ayrshire.	KC/DR	2014/15	Meetings being attended across North Ayrshire schools by the Catering Team. Every school will have a visit at least once per year.
4 Technology has allowed the Council to provide each head teacher with a report on non-users of free school meal allowance in their school. This will allow Head Teachers to communicate with parents who may not know their child is not using their school meal allowance of £1.90 daily (£361) per academic year.	KC/HT	2014/15	Reports are now available and being discussed with each Head Teacher. Each school will agree how to make best use of the data, and will feedback to the group representative for Head Teachers who in turn will update the working group to share best practice.
5 Each school to develop a focus group that will discuss healthy eating and improving and promoting healthier outcomes, each group to consist of a representation from each year group, Parent Council, School Management, Catering Team. Each focus group to consider and develop a suite of suggested measures aimed at improving the uptake of school meals.	KC/DR/HT/UD	2014/15	A number of Individual schools have developed a focus group to discuss Healthy Eating with a view to improving and promoting healthier outcomes and to consider appropriate measures, including potential improvements to existing meal choices, to encourage an increased uptake of school meals. Each group, where

Appendix 1 Action Plan – Increase uptake of school meals

			possible, consists of a representative from each year group, the Parent Council, School Management and the Catering Team. The Groups have developed a number of local promotion and awareness activities within each school and best practice will be shared via the already established Education Cluster groups and Officer working group. Schools also have a range of groups linking in to health and well-being and are being asked to include discussions on measures to increase the uptake of school meals and to consider existing meal choices on their healthy schools agenda.
6 The focus groups will report into the established education cluster groups to allow each School to feed in actions and share best practice. The cluster groups will then update the steering group on progress.	DR/HT	October 2014	Feedback will be provided to the working group in early Autumn 2014
7 Consider a North Ayrshire young person's conference to present outcomes of focus groups and promote health and wellbeing through school meals provision.	KC/HT/DR	November 2014	Discussions are on-going with Education and Skills to attend an event, potentially in November 2014.
8 The Streetscene service will support the development of the "sow and grow" project at Mayfield and Skelmorlie Primaries and provide a schools start-up pack on how to develop a "sow and grow" project.	KC / DW	2014/15	Support was provided to the two schools by the Streetscene service. Both schools have now signed up for the national Food For life programme and are part of the first schools in Scotland to develop this programme. Arrangements being discussed to extend to other schools.
9 Four primary schools are piloting a "choose a healthy option and	LD / KC /	March –	Monitor the progress from March to June

Appendix 1 Action Plan – Increase uptake of school meals

clear your plate” initiative linked into the Streetscene caricatures “Jimmy and his green dog” which provides rewards and recognition in the schools to children who eat all their lunch. The schools involved to date are Woodlands, Stanley, Glengarnock and Lawthorn Primaries.	L O’H	June 2014	2014 and feedback to working group in September for consideration of extending to additional schools
10 Roll out the “Better Eating, Better Learning” self-evaluation toolkit with all Primary School Head Teachers to increase awareness of the benefits of school meals.	KC/DR/HT/UD	August 2014 - ongoing	Head Teachers and Catering Supervisors will develop through their “Better Eating Better Learning” tool kit a school action plan that will jointly agree, What has been achieved? and, What needs to be done? to continue the opportunities for the school meals service to enrich the learning in the classroom. Early discussions have taken place between Education and Skills and Facilities Management to prepare for the roll out of the self-evaluation toolkit from August 2014.

NORTH AYRSHIRE COUNCIL

Agenda Item 28

16 July 2014

Cabinet

Subject: **Scotland's Future: Empowering Scotland's Island Communities**

Purpose: To advise the Cabinet of:
(i) North Ayrshire's inclusion within the recent prospectus issued by the Scottish Government entitled "Empowering Scotland's Island Communities"; and
(ii) the package of measures that the Scottish Government intends to transfer to all island authorities subject to the outcome of the independence referendum.

Recommendation: That the Cabinet:
(i) notes the inclusion of North Ayrshire within the Scottish Government prospectus "Empowering Scotland's Island Communities"; and
(ii) notes the series of measures that the Scottish Government proposes to transfer to all island authorities subject to the outcome of the independence referendum.

1. Introduction

- 1.1 The Council Leader and Chief Executive met with Derek Mackay, MSP, Minister for Local Government & Planning, in May 2014 regarding 'Our Islands, Our Future'. The meeting was arranged following action initiated by the three Islands Councils of Orkney, Shetland and the Western Isles to launch the 'Our Islands Our Future' campaign. The campaign was prompted by the fact that the three Islands Councils were of the view that they faced particular challenges of geography and population and that empowering local democracy would allow them to unlock the potential of their islands for the benefit of their communities and for the country itself.
- 1.2 The campaign drew a positive response, and the Scottish Government responded with the First Minister's Lerwick Declaration, which committed the Government to subsidiarity and to the islands having the "maximum degree of local decision making". This declaration was followed by the establishment of the Island Areas Ministerial Working Group, which over six meetings has submitted a case to the Scottish Government for empowerment of local island democracies.

- 1.3 Separately, but with reference to the working group, officers submitted to the Scottish Government an overview of current issues unique to Arran and the Cumbraes (including Holy Isle, and Pladda). As a result, North Ayrshire is now represented within the recently issued prospectus entitled "Empowering Scotland's Island Communities" which is the Scottish Government's response to the working group, and other submissions made.

2. Current Position

- 2.1 The prospectus has three underpinning objectives:-

1. Promoting islands' voice;
2. Harnessing islands' resources; and
3. Enhancing islands' wellbeing.

- 2.2 The proposed package of measures summarised below is based on the transfer of all powers to the Scottish Parliament associated with independence. The measures include:-

- An 'Islands Act' to implement the measures in the prospectus that require legislation; this would place a duty on Scottish Government and other relevant public authorities to 'island-proof' their functions and decisions, where those functions and decisions will have an islands impact. Island proofing will also include consideration of transferring particular functions and responsibilities to the island communities;
- The appointment of an Islands Minister to provide a voice for island communities;
- A framework to provide the Island Councils with greater involvement in the management of the Crown Estate marine resources. This will involve local authorities and local communities by ensuring that decision making on the Crown Estate is subject to broader objectives including community benefit and community development, as well as revenue raising. It will also involve the transfer from the Crown Estate Commissioners to the Island Councils control of the management of the foreshore and the limits of jurisdiction of local authority harbours and marinas, subject to measures to ensure that community aspirations are met. Appropriate arrangements would be developed separately for ports owned by Caledonian Maritime Assets Ltd (CMAL) servicing the lifeline ferry network;

- That the Scottish Government aim to ensure that 100% of the net income from the islands' seabeds is passed to island communities (income from leasing and other legal agreements associated with the Crown Estate Commissioners' current responsibilities which includes income from leasing and other legal agreements for cables, pipelines, aquaculture, wave, tidal, offshore wind, piers, and local authority harbours and moorings in territorial waters (within 12 nautical miles of low tide);
- That Island communities would be responsible for administering their own fund from the revenues gained from the above transfer, via Community Planning Partnerships; and
- Provisions for Councils to designate local 'Island Innovation Zones' (IIZs), to provide a clear focus on the specific opportunities available in each Island area and to enable all key partners to coordinate and tailor their support to best meet the needs of the local businesses with greatest potential for expanding. The IIZs could provide, for example, a brand around which to focus promotional messages, streamlined planning commitments, bespoke skills development support, and targeted business rates relief.

2.3 The Scottish Government has committed to implement all the measures outlined in the prospectus upon transfer of powers that independence would deliver, subject to formal consultation arrangements and, where legislation is required, the scrutiny and will of the Scottish Parliament. The recently published Community Empowerment (Scotland) Bill is also relevant to the prospectus, as it proposes complementary provisions for shifting the balance of power towards communities.

3. Proposals

3.1 It is recognised that the islands of Arran and the Cumbraes have many issues similar to those of the other Island local authorities. It is therefore advantageous that North Ayrshire has been included within the Scottish Government prospectus entitled "Empowering Scotland's Island Communities" as this ensures that the Council is engaged in the debate on matters of policy with Scottish Government, other island local authorities and other public bodies and stakeholders to ensure our island issues are properly represented and considered.

3.2 Members are requested to note the inclusion of North Ayrshire within the prospectus, and that the package of measures that the Scottish Government are proposing dependent on the outcome of the independence referendum.

4. Implications

Financial Implications

- 4.1 There are no financial implications.

Human Resource Implications

- 4.2 There are no human resource implications at this stage.

Legal Implications

- 4.3 There are no legal implications at this stage.

Equality Implications

- 4.4 There are no equality implications.

Environmental and Sustainability Implications

- 4.5 The involvement of the Council as part of the Scottish Government's "Empowering Scotland's Island Communities" would help to secure a diversified and sustainable economy for our islands of Arran and the Cumbraes.

Implications for Key Priorities

- 4.6 The Council's inclusion in the prospectus accords with the Council's overall objectives included in its Council Plan, Economic Development & Regeneration Strategy and the Single Outcome Agreement to pursue the economic wellbeing of its islands and their communities.

Community Benefit Implications

- 4.7 The whole thrust of the prospectus is to provide enhanced powers to local communities and help ensure that decisions affecting local island communities are taken at the local level.

5. Consultations

- 5.1 None.

6. Conclusion

- 6.1 The Scottish Government have published a prospectus entitled "Empowering Scotland's Island Communities". The prospectus is the response to action initiated a year ago by the three Island Councils of Orkney, Shetland and the Western Isles when they launched their "Our Islands, Our Future" campaign to highlight the unique issues facing island areas within Scotland. Officers made successful representation to the Scottish Government to include North Ayrshire within the prospectus. The prospectus outlines a package of measures the Government intends to introduce subject to the outcome of the independence referendum.
- 6.2 This inclusion ensures that the Council is properly engaged with the Scottish Government, other island local authorities, and the relevant public bodies and stakeholders to discuss island specific issues, regardless of the outcome of the referendum.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : DH/KY

For further information please contact David Hammond, Senior Manager (Strategic Planning & Infrastructure) on 01294 324764.

Background Papers

1. Scotland's Future: Empowering Scotland's Island Communities

NORTH AYRSHIRE COUNCIL

Agenda Item 29

16 July 2014

Cabinet

Subject: **Housing Revenue Account Business Plan
Implementation Group: 12th May 2014**

Purpose: To submit the minutes of the meeting of the Housing Revenue Account Business Plan Implementation Group held on 12th May 2014.

Recommendation: That the Cabinet notes the minutes attached at Appendix 1.

1. Introduction

- 1.1 A Housing Revenue Account Business Plan Implementation Group was set up in 2010 and consists of Elected Members, tenant representatives and Council officers from Housing Services and Finance and Property.
- 1.2 The remit of the Housing Revenue Account Implementation Group is:
- To make recommendations to the Council's Cabinet and other bodies as appropriate;
 - To carry out an annual review and report progress on the Business Plan;
 - To assume responsibility for performance monitoring and reporting;
 - To advise and provide recommendation on the setting and use of budgets and resources;
 - To ensure the appropriate consultation is undertaken at key stages, and
 - To agree and drive forward any key priorities identified in relation to the Housing Revenue Account.

2. Current Position

- 2.1 The minutes of the meeting of the Housing Revenue Account Business Plan Implementation Group held on 12th May 2014 are attached at Appendix 1.

3. Proposals

- 3.1 It is proposed that the Cabinet notes the minutes attached at Appendix 1.

4. Implications

Financial Implications

- 4.1 There are no implications arising from this report.

Human Resource Implications

- 4.2 There are no implications arising from this report.

Legal Implications

- 4.3 There are no implications arising from this report.

Equality Implications

- 4.4 There are no implications arising from this report.

Environmental Implications

- 4.5 There are no implications arising from this report.

Implications for Key Priorities

- 4.6 There are no implications arising from this report.

5. Consultations

- 5.1 None required.

6. Conclusion

6.1 The attached minutes are submitted for information.

A handwritten signature in black ink, appearing to be 'CH', written over a horizontal line.

CRAIG HATTON
Corporate Director (Development and Environment)

Reference :

For further information please contact Alex Adrain, Interim Head of Housing
on 01294 324626

Background Papers

none

	STATUS REPORT	
	Business Plan Implementation Group	

Date: 12th May 2014

Venue: Committee Room 1, Cunninghame House, Irvine

Attendees:	Councillor R Maguire Councillor I Clarkson Councillor A Dickson Councillor J Easdale Councillor J Ferguson Councillor T Marshall Councillor C McMillan Alex Adrain Robert McGilvery Marianne McManus Carolyn Hope Keith MacDonald Ian Cathcart Alison Diamond Alastair Ross Gordon Taylor Cate Weir Alex Younger	Elected Member (Chair) Elected Member Elected Member Elected Member Elected Member Elected Member Elected Member Housing Services Housing Services Housing Services Housing Services Finance and Property Finance and Property Finance and Property Finance and Property Tenant Representative Tenant Representative Tenant Representative
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Apologies:	Councillor J Hunter Councillor R McNicol Yvonne Baulk David Tate Tracey Wilson	Elected Member Elected Member Finance and Property Finance and Property Housing Services
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Minuted by:	Claire McCartney Housing Services
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Agenda Item	Notes and Actions	Who	Date
1. Welcome	Cllr Maguire opened the meeting by welcoming everyone. Apologies were noted.		
2. Minutes of Last Meeting & Matters Arising	<p>There were no amendments to the minutes of the previous meeting.</p> <p>Cllr Maguire asked for progress on actions forwarded from the last meeting:</p> <ul style="list-style-type: none"> Alex Adrain (AA) advised that the information regarding first time applicants and those with children, would be circulated to the group. <i>(E-mailed by CH on 13th May).</i> Robert McGilvery (RM) advised that he had arranged for Cate Weir (CW) and Alex Younger (AY) to visit the recently refurbished sheltered housing units at Currie Court, Ardrossan and Woodgrove in Dreghorn CW and AY were very pleased with the quality of the work. 	AA	

3. Welfare Reform Update	<p>Marianne McManus (MM) updated the group on the progress made in 2013/14 and the current position on Welfare Reform (copy of the report distributed at the start of the meeting).</p> <p>On 6th May 2014 a report went before Cabinet with a recommendation to agree the policy for 2014/15 in relation to the recovery of under-occupation arrears. The Cabinet agreed that there should be no evictions from mainstream Council properties where rent arrears are solely due to the under-occupation penalty and where (a) it can be demonstrated that the tenant is engaging with the Council to make payment towards the arrears; or (b) the Council continues to actively pursue other options to mitigate the impact of the under-occupation charge on individual households</p> <p>Cllr Clarkson asked how the team identified those who required support. MM advised that every tenant affected by under-occupancy has been visited and written to and every tenant who requested support has received it.</p> <p>Cllr Clarkson also asked who agreed not to evict tenants due to arrears for the first year – AA confirmed it was agreed by Cabinet in April 2013.</p>		
4.HRA Operational Guidance	<p>Carolyn Hope (CH) delivered a presentation on the recently updated Scottish Government HRA Operational Guidance 2014 (Appendix 2). The guidance highlights five key principles and CH suggested areas for action or further discussion.</p> <p>AY referred to key principle 4 and asked if there could be more detail on the cost of repairs. CH suggested providing a unit cost breakdown for capital works.</p> <p>A Value for Money report was designed in conjunction with the North Ayrshire Tenant and Resident Network in 2013 and would continue to be revised in conjunction with the Network.</p> <p>Cllr Marshall asked why there was no provision made for on-going liability when title deeds were drawn up for properties sold under the Right to Buy scheme. AA advised that there are several inconsistencies within the content of the deeds for sold properties. AA cited the properties sold by IDC as an example of where the title deeds could differ. AA advised that the preparation of deeds lay with Legal Services.</p>		

5. Scottish Social Housing Charter – Value for Money	<p>CH took the group through the presentation on Scottish Social Housing Charter – Outcomes 13-15 Value for Money giving the results of the consultation with tenants on the Value for Money Report.</p> <p>The Value for Money report was presented to the Group. The feedback on the information and the way it was presented was very positive.</p> <p>Cllr Marshall asked CH if she could amend the report to reflect the “North Coast”. CH confirmed that she would update this as requested.</p> <p>Cllr Clarkson asked if there could be a table showing a comparison of spend between different Councils at a top level e.g. revenue and capital income and expenditure. CH advised that she would investigate this.</p> <p>Cllr Dickson asked if the rent comparison could be in order of amount rather than alphabetical. CH confirmed that the display could be amended. Cllr Dickson also asked if the repair categories were consistent between Councils. CH advised that NAC benchmark performance with other Local Authorities within the Scottish Housing Best Value Network (SHBVN). The SHBVN produce guidance on the classification of repairs therefore the repairs categories should be comparable. Finally Cllr Dickson asked if this report would be available to the public. AA advised that it would be published on the website.</p>	<p>CH</p> <p>CH</p>	
6. Changing Demand for Larger Properties	<p>Robert McGilvery took the group through the presentation on Changing Demand for Larger Housing (Appendix 5). He advised that Craigforth Research Consultancy Craigforth have been asked to report on the reasons why larger houses are becoming harder to let and also analyse the stock mismatch between supply and demand. They will also suggest recommendations and options to address this emerging issue.</p>		
7. Review of HRA 30 Year Business Plan	<p>AA went through the background and current position of the HRA 30 Year Business Plan (Appendix 6). He advised that due to the various changes and current economic climate a review of the assumptions and investment is needed.</p> <p>AA highlighted the areas for review in capital investment and revenue expenditure. KM advised that with regards to borrowing, the limiting factors such as rent levels and borrowing remaining at an affordable level should be considered. In relation to inflation he confirmed that the current Business Plan was based on broad assumptions and we need to look at more specific assumptions moving forward.</p> <p>Cllr Easdale asked what financial impact Universal Credit would have on the Business Plan assumptions. CH advised that she had drafted several scenarios based on levels of non-payment. As there are many uncertainties relating to the introduction of this, it is very difficult to give an estimate of financial impact at the moment.</p> <p>AY expressed concern about the proposed rent increase of 4.5% that is proposed for 2015/16. He feels this will have an adverse effect on those who have a fixed income. AA advised that the Business Plan assumptions are looked at on an annual basis and to date the rent increase has been lower than the level set in the Business Plan.</p> <p>AA advised that the Scottish Housing Regulator had recently made comment on increasing rent levels which are above the rate of inflation and the subsequent affordability for tenants. AA advised the current rate of CPI was 1.6% and RPI 2.5%, however, the agreed rent increase</p>		

	<p>for NAC was higher than this at 3.5%. This is an area for consideration at future rent increase discussions and consultations.</p> <p>AA stated that every 1% under the assumed rate within the Plan equates to approximately £400,000 of savings which would have to be found from other areas of the Plan.</p>		
8. SHQS Compliance – Monitoring Update 2013-14	<p>Ian Cathcart (IC) delivered a presentation on the current position regarding Scottish Housing Quality Standard (SHQS) compliance (Appendix 7). He advised the group on the current position regarding pass rates, fail rates and exemption levels at March 2014. IC also advised the Group of the Capital Investment Plans for 2014-15.</p> <p>IC advised the group that with effect from next April there would be a new Energy Efficiency Standard for Social Housing (EESH) to be met by 2020. Currently the SHQS compliance level is measured by SAP points. To meet the current energy rating compliance level 66 SAP points are needed, however the new level will be 69 SAP points. IC advised that identifying further areas of work to meet the higher SAP rating may be difficult.</p> <p>There then followed a discussion on the insulated render programme on timber houses in different areas and how this was progressing.</p> <p>Cllr Dickson asked if there were a specific type of property that was failing; IC confirmed that the majority of failing properties were in blocks.</p> <p>Cllr Easdale asked IC how long it took the inspectors to assess all the properties. IC said it took about 4 years to assess all 13,000 properties.</p> <p>AA asked IC if we had been aware of the EESH standard earlier, would the re-rendering programme have been revised. IC confirmed that it would have been revised.</p>		
9. Housing Revenue Account – Non Housing Assets	<p>Alistair Ross (AR) (Asset Management Team) gave the group a presentation on the current position of the HRA's non-housing portfolio (Appendix 8).</p> <p>Cllr Marshall asked if the Council paid commercial rates for properties under £10,000. AR said he would look into this.</p> <p>Cllr Clarkson asked what the total number of units let for use by the Council was. AR advised that there were very few and confirmed that the units currently in use at Glasgow Street, Ardrossan would soon be vacated.</p> <p>Finally AR confirmed that he was currently working on void management. A regular performance report would be produced which would inform any future discussion in relation to assets.</p>	AR AR	
10. AOB	No other business discussed.		
11. Next Meeting	Wednesday, 9 th July 2014 at 2pm in Committee Room 1, Cunninghame House, Irvine.		

NORTH AYRSHIRE COUNCIL

Agenda Item 30

16 July 2014

Cabinet

Subject: **Brodict Harbour Redevelopment Group 4 June 2014**

Purpose: To submit the minutes of the meeting of the Brodict Harbour Redevelopment Group held on 4 June 2014.

Recommendation: That the Cabinet notes the minutes at Appendix 1.

1. Introduction

- 1.1 The formation of the Brodict Pier Redevelopment Group was agreed by Cabinet on 25 June 2013 with the objective of pursuing the implementation of proposals. The group was later renamed the Brodict Harbour Redevelopment Group to reflect the broader development proposals.

2. Current Position

- 2.1 The Brodict Harbour Redevelopment Group is chaired by Councillor John Bruce, and the most recent meeting was held on 4 June. Represented on the group, are Caledonian Maritime Assets Ltd, Visit Arran, Transport Scotland and Highlands and Islands Enterprise.

3. Proposals

- 3.1 The Cabinet is invited to note the Minute attached at Appendix 1.

4. Implications

Financial Implications

- 4.1 Council agreed to make a contribution of capital funds of £1.2m towards the project on 2 April 2014. These funds will be expended during the financial year 2015/16.

Human Resource Implications

- 4.2 There are no financial implications arising at this time.

Legal Implications

- 4.3 There are no legal implications arising at this time.

Equality Implications

- 4.4 There are no equality implications arising at this time.

Environmental Implications

- 4.5 There are no equality issues arising at this time.

Implications for Key Priorities

- 4.6 The Council's Core Objective 1: Regenerating our communities and increasing employment is supported.

5. Consultations

- 5.1 Represented on the group are Caledonian Maritime Assets Ltd, Visit Arran & Transport Scotland.

6. Conclusion

- 6.1 The minute is attached for the information of Cabinet.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : AL/KY

For further information please contact Alasdair Laurensen, Senior Manager (Regeneration) on 01294 324758

Background Papers

None

Meeting:	Brodict Harbour Redevelopment Group	
Date/Venue:	Wednesday 4 June 2014 Aucharannie Resort, Arran	
Present:	Alasdair Dobson: Taste of Arran/Visit Arran Karen Yeomans; North Ayrshire Council Alasdair Laurenson: North Ayrshire Council Tom Docherty; CMAL Lorna Spencer; CMAL Ramsay Muirhead; CMAL Richard Hadfield; Scottish Transport Tom Tracey; Visit Arran	
Apologies:	Councillor John Bruce (Chair) North Ayrshire Council Lucinda Gray; HIE No apologies received	
No.		Responsible
1.	Welcome and Apologies A Dobson Chaired the meeting and welcomed everyone.	
2	Minutes of last minutes The minutes of the last meeting were approved and seconded by L Spence & T Tracy. The group discussed the circulation list for future meetings it was agreed to update the meeting list and keep Bod Davie (TS) on the list.	<i>F Millar/A Bennett</i>
3	Funding Position A Laurenson updated the group on the funding position. <ul style="list-style-type: none"> • North Ayrshire Council's funding was approved at Cabinet and full Council for £1.2 m. NAC have since provided a letter of confirmation of funding for CMAL, and, • SPT have approved £1m with a contribution of £500,000 to the Harbour Project. • A grant application has been submitted to Coastal Communities for £350k, with a final, decision made in November 2014. CMAL confirmed their commitment to fund the project in a single phase on the basis of the above commitments. NAC to confirm the mechanism for payment of funds to CMAL.	<i>A Laurenson</i>
4	Implication for Project & Procurement R Muirhead updated the group with computer generated views of the project which the architects had put together. <ul style="list-style-type: none"> • The group were impressed with the presentation. It was agreed copies would be sent to those who requested it, and that it would be helpful in securing good press coverage. • The passenger departure lounge usage was discussed as a possible venue for special occasions. This would be possible although the ferry services would always take priority. 	<i>R Muirhead</i>

Minute.....

	<ul style="list-style-type: none"> The group were informed there would be six bus stances with only four being used at any given time. Questions arose on the maintenance of the bus stances, it was suggested there would be a need to consult with SPT and North Ayrshire Council to confirm maintenance obligations. R Muirhead updated the group on the ground investigations. While some investigation works were completed, due to a combination of weather conditions and technical difficulties with the barge this has delayed the project by five months. CMAL are hopeful that ground investigation works will restart soon. It was suggested NAC Community Benefits Officer speak to CMAL on the potential for community benefits to be secured from the construction contract. <p>Please note below a timescale as at June 2014;</p> <p>:</p> <ul style="list-style-type: none"> Ground investigation complete late summer 2014 Detailed design – complete late summer 2014 Consent and leases complete summer 2014 Tender Process start date June 2014 at least 6 weeks to clarify; Contract award early 2015; Site start spring 2015; Construction completed summer 2016. <p>The meeting were advised CMAL would update the public once the contract was awarded, and organise progress meetings every couple of months during the project with the community.</p>	<p><i>K Yeomans/A Larurensen</i></p>
5	<p>Reuse of Terminal Building</p> <ul style="list-style-type: none"> Discussion can start on the reuse of the existing terminal building although it will be at least another 18 months before it is vacated. L Spence to set criteria on the reuse of the old terminal set around Community benefits. At this time it would be good to bring HIE back to the table for discussion on small business and step ashore facilities. Options to be investigated around the long term ownership and/or lease agreement for the building. 	
6.	<p>Brodict Harbour Development – Draft Communication Plan</p> <p>Discussion was held on the draft communication plan.</p> <ul style="list-style-type: none"> L Spence is happy to draft a statement and circulate to every 	

Minute.....

	<p>member.</p> <ul style="list-style-type: none"> • Suggestion on using someone from the business community to respond to the announcement. • High level message highlighting the large infrastructure, new way of partnership working and delivering nationally • Timing of first announcement to coincide with perhaps the ground investigation or the tender process. <p>It was agreed that L Spence would prepare a draft statement for circulation for release to the press.</p>	<i>L Spence</i>
7	<p>AOCB</p> <ul style="list-style-type: none"> • The Arran route is considered to be a priority for the procurement of a new vessel. R Hadfield to seek clarity on the process and timing for confirmation of a new vessel on the Ardrossan to Brodick route and feed back to the Ferry Committee. • CMAL to arrange another meeting in Arran before the group meet again in August 2014. • New vessels are not expected until late 2017 <p>A Dobson attended a meeting in Denmark where a world expert presented a consultation document on possible small cruise liners visiting Denmark. He worked hard to acquire a copy of the document, which could be modelled on the Clyde to accelerate thinking on economic opportunities.</p>	<i>R Muirhead</i>
8.	<p>Date of Next Meeting</p> <p>Tuesday 5 August 2014 @ Transport Scotland offices, Glasgow.</p>	

Fiona Millar June 2014
KY/FM

NORTH AYRSHIRE COUNCIL

Agenda Item 31

16 July 2014

Cabinet

Subject: **Physical Environment Advisory Panel held on 09 June 2014**

Purpose: To submit the minutes of the meeting of the Physical Environment Panel held on 09 June 2014.

Recommendation: That the Cabinet notes the minutes attached at Appendix 1.

1. Introduction

- 1.1 The Physical Environment Advisory Panel is one of two advisory panels within the Council.

2. Current Position

- 2.1 A meeting of the Physical Environment Advisory Panel was held on 09 June 2014. At it's meeting, the panel considered reports in respect of:
- Major Projects Update
 - Review of Outdoor Access Strategy & Core Path Plans
 - Environment Sustainability & Climate Change

3. Proposals

- 3.1 The Cabinet is invited to note the minutes attached at Appendix 1.

4. Implications

Financial Implications

- 4.1 There are no financial implications

Human Resource Implications

- 4.2 There are no human resource implications

Legal Implications

- 4.3 There are no legal implications

Equality Implications

- 4.4 There are no equality implications

Environmental and Sustainability Implications

- 4.5 There are no environmental implications

Implications for Key Priorities

- 4.6 None

5. Consultations

- 5.1 There have been no consultations in the formation of this report.

6. Conclusion

- 6.1 The attached minutes are submitted for information.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : CH/JA

For further information please contact Craig Hatton, Corporate Director
(Development & Environment) on 01294 324312

Background Papers

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**Physical Environment Advisory Panel
9 June 2014**

At a meeting of the Physical Environment Advisory Panel of North Ayrshire Council held on Monday 9 June 2014 at 2.00pm in the Council Chambers, Cunninghame House, Irvine.

Members Present:

Councillors Robert Barr, Marie Burns, Ian Clarkson, John Easdale, John Ferguson, John Hunter, Donald Reid

In Attendance:

Craig Hatton, Corporate Director (Development & Environment), Karen Yeomans, Head of Development Planning Services, David Hammond, Senior Manager (Strategic Planning & Infrastructure), David Tate, Senior Manager (Property Management & Investment), Louise Kirk, Access Officer (Development Planning), Loraine Barr, PA to Director of Development & Environment (Minutes)

Chair

Councillors Anthony Gurney and Ruth Maguire (Joint Chair)

Apologies for Absence:

Councillors Anthea Dickson, Tom Marshall, Elizabeth McLardy, Jim Montgomerie

1. Minute of Previous Meeting (10 March 2014)

It was noted that minutes will be circulated to the Panel within ten working days of the meeting and thereafter submitted to Cabinet.

The minute was agreed as a true and accurate record of the meeting.

2. Major Projects Update

Submitted report by David Tate, Senior Manager (Property & Investment) to update the Board in relation to major projects being undertaken during 2014/15.

Members asked if the portacabin located at Dickson Drive, Irvine would be removed prior to work being completed. D Tate advised that he would discuss with the Design Team and report back to the Panel.

Members asked questions in relation to the new Leisure Centre and Townhouse, Irvine in particular, what would happen if a decision went against the Council with regard to Jail Close. It was noted that hearing of objections was due to take place on 10 June.

Members asked if the temporary car park arrangements for Elderbank PS, Irvine had been settled. It was noted that discussions are currently underway with staff, parent groups etc. and plans will be available to view from 18 September 2014.

D Tate advised that all projects must follow Procurement guidelines although we do liaise and work with local businesses where possible.

Members asked if the Bank Counter at Bridgegate House would be completed prior to the official opening. It was confirmed that the Bank Counter would not be installed and would be delayed until after the official opening. It was further noted that snagging for Bridgegate has been completed and issues addressed and rectified.

Members asked if we had met the minimum criteria with regard to cycle locks at Bridgegate House, as it was important that we not only encourage staff to cycle to work but excel in the facilities that we can offer and ensure correct resources are in place. D Tate advised that he would confirm criteria and advise the Panel in due course.

The Panel were advised that office rationalisation is underway and as part of this, Pereceton House has been marketed for sale.

3. Review of Outdoor Access Strategy & Core Path Plans

Report submitted and presentation provided by Louise Kirk, Access Officer, Development Planning Services to update the Panel in relation to the Review of Outdoor Access Strategy & Core Path Plans.

Members asked questions in relation to signage for paths users. It was noted that appropriate signage will be put in place and discussions are currently underway with the National Farmers Union and North Ayrshire Outdoor Access Forum to look at a wide range of issues which will ensure that access users have informative guidance to use paths safely. This is work in progress and thereafter will be used for land management purposes.

Members referred the vision for 2020 whereby it is estimated that 10% of all journeys will be undertaken by bike, and asked what the percentage was for the last ten years. L Kirk advised that she would look into this and update the Panel in due course.

It was noted that Sustrans are committed to maintaining the cycle paths and tracks within North Ayrshire. A significant amount of external funding has been secured by the Council to enable the implementation of the strategy although it is unlikely that we will be able to achieve all the plans.

Members asked questions in relation to the safety of path users and it was noted that safety is at the forefront when maintenance is undertaken i.e. shrubbery cutback to ensure paths are as open as possible, appropriate lighting etc.

The Panel were also advised that training programmes were in place for young people to be given a placement to work and upgrade existing routes.

Members asked for maps of cycle paths etc. for North Ayrshire to which, L Kirk will circulate following the meeting.

Members asked if there was a scheme in place similar to the EAC project whereby bikes are recycled and made affordable and accessible for all who wish to start cycling. It was noted that the Council has a scheme in place for the recycling/re-use of cycles deposited at the Household Waste Recycling Centres.

The Panel noted the report and presentation.

4. Environmental Sustainability & Climate Change

Report submitted by D Hammond, Senior Manager (Strategic Planning & Regeneration) in respect of Environmental Sustainability & Climate Change.

Members asked questions in relation to the carbon footprint and emissions released from our fleet of refuse vehicles. It was noted that the Hub Model which is currently in use whereby, every refuse vehicle must do the furthest journey then tip and then do a part load. This has proven to be the best and most sustainable method.

Members asked if any other Authority has signed up to the Covenant of Mayors to which, it was noted that we are the third or fourth to sign up.

Members asked how North Ayrshire Council's carbon footprint targets are set. It was noted that we work with the Carbon Trust and various Energy Teams to ascertain targets.

Members asked where the seven hybrid vehicles which forms part of the North Ayrshire fleet are being used. It was noted that the vehicles are predominantly used within Building Services.

The Chair and the Panel welcomed the report and complimented all staff involved in the preparation of the strategy and taking this forward.

5. AOCB

Vacant & Derelict Land

Members expressed concern in relation to the amount of derelict properties within North Ayrshire. It was noted that a strategy will be submitted to Cabinet on 17 June 2014 and legal powers will be used where necessary to deal with vacant and derelict properties.

Recycling

Members asked if the public were aware of what plastics can be recycled in the blue bin and what promotional material was available to advise the public. It was confirmed that all plastics can be recycled through the Council's collection service.

Allotments

Discussion took place with regard to Community allotments and it was noted that these have been a success. Development & Environment will continue to work closely with Community & Culture to ensure that this project is fully supported.

6. Date of Next Meeting

The next meeting will take place on Monday 30 June 2014 at 2.00pm in the Council Chambers, Cunninghame House, Irvine.

The meeting ended at 3.10pm.