



NORTH AYRSHIRE
COUNCIL

Cunninghame House,
Irvine.

22 August 2013

Cabinet

You are requested to attend a Meeting of the above mentioned Committee of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **TUESDAY 27 AUGUST 2013** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

1. Declarations of Interest

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

2. Minutes (Page 7)

The accuracy of the Minutes of the special meeting of the Committee held on 13 August 2013 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).

GENERAL BUSINESS FOR DECISION

Reports by the Corporate Director for Development and Environment

3. Consultation on a Proposed Members' Bus Regulation (Scotland) Bill (Page 15)

Submit report by the Corporate Director (Development & Environment) on the prepared response to the consultation on a proposed Bus Regulation (Scotland) Bill. (copy enclosed).

Reports by the Corporate Director for Finance & Corporate Support

4. Home Energy Efficiency Programme for Scotland (HEEPS) and Energy Company Obligation (ECO) – second round funding bid (Page 37)

Submit report by the Corporate Director (Finance & Corporate Support) on the second round HEEPS funding application submitted to the Scottish Government and report progress being made in attracting additional ECO contributions to North Ayrshire (copy enclosed).

Reports by the Corporate Director for Social Services and Health

5. Vineburgh Regeneration Project, Irvine (Phase 4) (Page 41)

Submit report by the Corporate Director (Social Services and Health) on the sale of the land, which comprises Phase 4 of the Vineburgh Regeneration project, to Cunninghame Housing Association (copy enclosed).

6. Regulation of Social Housing in Scotland (Page 47)

Submit report by the Corporate Director (Social Services and Health) on the progress in implementing the Scottish Social Housing Charter (copy enclosed).

GENERAL BUSINESS FOR INFORMATION

7. Step Change 2015 (Highlands & Islands) (Page 57)

Submit report by the Corporate Director (Development & Environment) on the current position of the Step Change 2015 (Highlands and Islands) Project (copy enclosed).

8. Welfare Reform progress report at 30 June 2013 (Page 63)

Submit report by the Corporate Director (Finance & Corporate Support) on welfare reform-related matters and the progress made against the welfare reform action plan at the end of 30 June 2013 (copy enclosed).

CONTRACT APPROVAL

9. Flexible Intervention Service (Mental Health and Learning Disabilities) (Page 83)

Submit report by the Corporate Director (Social Services and Health) on proposed tender exercise to appoint a service provider to provide a flexible care and support service to individuals with mental health problems and learning disabilities.(copy enclosed).

10. Appointment of a 24-hour Care Provider (Page 87)

Submit report by the Corporate Director (Social Services and Health) on a tender exercise to appoint a care provider to provide a 24 hour support service for four adults with learning disabilities (copy enclosed).

11. Currie Court Care Service, Ardrossan (Page 93)

Submit report by the Corporate Director (Social Services and Health) of the outcome of the tender exercise for the appointment of a provider organisation to provide care and support services to the individuals living in tenancies within the reconfigured ex-residential unit at Currie Court (copy enclosed).

12. Framework Agreement for the provision of Combined Central Heating and Electrical Re-Wiring Works - Tender Outcome (Page 103)

Submit report by the Corporate Director (Finance & Corporate Support) on result of the tender exercise for the Framework Agreement for the provision of Combined Central Heating and Electrical Re-Wiring Work and present a recommendation for award of the Framework Agreement and for the first phase of the works (copy enclosed).

13. Framework Agreement for the provision of Surveying Services - Tender Outcome (Page 111)

Submit report by the Corporate Director (Finance & Corporate Support) on the tender exercise for the Framework Agreement for the provision of Surveying Services and present a recommendation for award of contract (copy enclosed).

EXEMPT INFORMATION

14. Exclusion of the Public and Press

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 that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 3, and 6 and 8, respectively, of Part 1 of Schedule 7A of the Act.

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.

15. Support for Employment, Prestwick Airport

Submit report by Corporate Director (Development & Environment) on support for employment in respect of Prestwick Airport (copy enclosed).

- 16. Social Work Complaints Review Committee: Complaint by Mr C.**
Submit report by the Chief Executive on the findings and recommendations arising from the Social Work Complaints Review Committee meeting of 19 July 2013 (copy enclosed).
- 17. Social Work Complaints Review Committee: Complaint by Mr P**
Submit report by the Chief Executive on the findings and recommendations arising from the Social Work Complaints Review Committee meeting on 22 July 2013 (copy enclosed).
- 18. Urgent Items**
Any other items which the Chair considers to be urgent.

Cabinet

Sederunt: **Elected Members**

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

Chair:

Attending:

Apologies:

Meeting Ended:

Cabinet
13 August 2013

Irvine, 13 August 2013 - At a meeting of the Cabinet of North Ayrshire Council at 2.30 p.m. in Cunninghame House, Irvine.

Present

Alan Hill, Marie Burns, John Bruce, Anthea Dickson, Tony Gurney and Alex McLean.

In Attendance

L. Friel, Corporate Director, D. Tate, Senior Manager (Housing, Assets and Investments) and A. Blakely, IT Manager (Finance and Corporate Support); C. Hatton, Corporate Director and R. McCutcheon, Head of Environment and Related Services (Development and Environment); C. Kirk, Corporate Director (Education and Skills); I. Colvin, Corporate Director and S. Gault, Head of Children, Families and Criminal Justice, A. Adrain, Interim Head of Housing and J. McCaig, Interim Head of Community Care (Social Services and Health); A. Fraser, Head of Democratic and Administration Services, K. Dyson, Communications Officer and M. Anderson, Committee Services Officer (Democratic and Administration Services) (Chief Executive's Service).

Chair

Councillor Hill in the Chair.

Apologies for Absence

Willie Gibson.

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 accuracy of the Minute of the Special Cabinet, held on 25 June 2013, was agreed and the Minutes signed in accordance with paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Service Plan 2012/13 Year-end Performance Reports

Submitted report by the Chief Executive which provided an update on the performance of all Council Services as at 31 March 2013, with Appendices 1-5 of the report setting out five Service Plans, based on the Council's organisational structures for 2012/13.

Members asked questions, and received clarification, on the following:-

Chief Executive's Service

- the anticipated timescale for the restructure of the Council's Area Committees in line with the new Neighbourhood Planning Approach; and
- the extent to which HR and Organisational Development contributes to the performance and achievements of individual Services and cascades best practice to other Services.

Education and Skills

- the current position in terms of the availability of supply teachers; and
- the duplication of wording within the Secondary Education and Additional Support Needs sections of Appendix 3.

Finance and Infrastructure

- the potential for the Shewalton landfill site achieving a "very good" rating from SEPA; and
- the background to the reported overspend of £0.237m within Housing Assets and Investments.

Social Services and Health

- whether, in relation to permanency planning, the Council was under any pressure to return children to their families.

The Corporate Director (Education and Skills) undertook to circulate to Members information omitted in error from Appendix 3 to the report, in relation to secondary education provision.

The Cabinet agreed to (a) note the performance of all Services as at 31 March 2013 against the objectives, key performance indicators and actions in the 2012/13 Service Plans; and (b) refer the Service Plan 2012/13 Progress Reports to the Scrutiny and Petitions Committee for its consideration.

4. Upper Garnock Valley Flood Protection Scheme Progress Report

Submitted report by the Corporate Director (Development and Environment) which (a) outlined the outcome of the first public engagement exercise carried out as part of the on-going development of the Upper Garnock Flood Protection Scheme; (b) indicated a clear preference for the upstream storage solution (Option 2); and (c) advised on the next steps in the project and key dates in respect of the development of the scheme.

Members asked questions, and received clarification, on the potential for dredging, as referred to by a number of public engagement exercise respondents.

The Cabinet agreed to (a) note the progress made to date; and (b) approve the next steps in the process, as set out in the report.

5. Abandoned Shopping Trolley Policy

Submitted report by the Corporate Director (Development and Environment) which (a) advised of the adoption of Schedule 4 of the Environmental Protection Act 1990; (b) provided information on the current informal agreement with supermarkets in connection with the uplift of abandoned shopping trolleys; and (c) sought approval for the proposed Abandoned Shopping Trolley Policy set out at Appendix 1 to the report.

Members asked questions, and received clarification, on the following:-

- the extent to which the problem of abandoned shopping trolleys extended to areas outwith Irvine;
- the continuation of the current informal arrangements for uplifting and charging for abandoned shopping trolleys pending implementation of the new policy; and
- the operation of the informal agreement with supermarkets outwith Irvine.

The Cabinet agreed to (a) adopt Schedule 4 of the Environmental Protection Act 1990; (b) approve the policy for managing abandoned shopping trolleys throughout North Ayrshire, as set out at Appendix 1 to the report, effective from 1 December 2013; and (c) approve the fee of £33 per trolley for removing abandoned shopping trolleys, with this charge to be reviewed annual through the Annual Fees and Charges report presented to Cabinet each year.

6. Creative Scotland: Creative Places and Place Partnership Awards

Submitted report by the Corporate Director (Education and Skills) which provided information on progress in relation to Creative Scotland: Creative Places and Place Partnership Awards, including the proposed postponement of the Three Towns Creative Place Award application and support for the application currently being developed by the arts community on Arran.

The Cabinet agreed to (a) authorise officers to support the Creative Scotland Creative Place Award 2014 application by Arran for 2014; (b) continue to develop creativity in the Three Towns in preparation for a Creative Place Award application; and (c) continue to work with Creative Scotland in the context of the Creative Scotland Place Partnership, as approved by Cabinet in April 2013.

7. Revocation of the Demolition Order at 20 Castlepark Drive, Fairlie

Submitted report by the Corporate Director (Finance and Corporate Support) on the current condition of the property at 20 Castlepark Drive, Fairlie, which was made the subject in 2009 of a Demolition Order, having previously failed to meet a condition that was compliant with the recognised Tolerable Standard as defined by the Housing (Scotland) Act 2006.

The Cabinet agreed to approve the removal of the Demolition Order in respect of 20 Castlepark Drive, Fairlie.

8. Council Tax and Non-Domestic Rates Write Off 2012-13

Submitted report by the Corporate Director (Finance and Corporate Support) on the write-off of Non-Domestic Rates and Council Tax debts during 2012-13, as detailed in Appendices 1 and 2 of the report, respectively.

The Cabinet agreed to homologate the write-off of Non-Domestic Rates and Council Tax for 2012-13, as set out in Appendices 1 and 2 of the report.

9. Tenant Satisfaction Survey

Submitted report by the Corporate Director (Social Services and Health) on the results of the 2013 Tenant Satisfaction Survey, which allows the Housing service to address any areas of concern, target improvements and ensure it successfully delivers the outcomes outlined in the Scottish Social Housing Charter.

Members asked questions, and received clarification, on the following:-

- whether the survey afforded tenants an opportunity to provide information on the reason for any dissatisfaction expressed; and
- the number of gypsy/traveller sites consulted.

The Cabinet agreed (a) to accept the findings of the survey; (b) that a summary of the findings be issued to tenants, staff and other stakeholders; and (c) that an action plan be developed to address areas with lower levels of satisfaction.

10. Children and Young People (Scotland) Bill : Call for Written Evidence

Submitted report by the Corporate Director (Social Services and Health) which sought retrospective approval for the submission of evidence in respect of the Children and Young People (Scotland) Bill.

The Cabinet agreed to approve the statement submitted on behalf of North Ayrshire Council, as set out at Appendix A to the report.

11. Ayrshire Wide Social Work Out of Hours Response Service

Submitted report by the Corporate Director (Social Services and Health) on the first year of operation of the Ayrshire Wide Social Work Out of Hours Response Service hosted by East Ayrshire Council.

Members asked questions, and received clarification, on the following:-

- the rationale for the application of a management fee by East Ayrshire Council; and
- whether it might be possible to quantify the savings achieved through the early intervention action offered by the Out of Hours Response Service, in terms of avoiding hospital and nursing home admissions.

The Cabinet agreed to (a) note (i) the progress made in establishing and operating an Ayrshire Wide service and (ii) the positive outcomes of the model for the residents of Ayrshire; and (b) receive a further update as the model is developed.

12. Audit Scotland report: Scotland's Public Finances, Addressing the Challenges (follow-up report)

Submitted report by the Corporate Director (Finance and Corporate Support) which (a) summarised the findings of the recent Audit Scotland report on Scotland's Public Finances; and (b) set out both the good progress made by North Ayrshire Council and the issues still to be addressed.

Noted.

13. Millport Marine Biological Station

Submitted report by the Corporate Director (Development and Environment) which provided information on progress with the proposed operation of the Millport Marine Biological Station by the Field Studies Council and the support which continues to be provided by North Ayrshire Council and other stakeholders to facilitate this.

The Cabinet agreed (a) to record its appreciation of the work of officers of the Council in contributing to the recent positive developments in respect of the Millport Marine Biological Station; and (b) otherwise, to note the content of the report.

14. ICT Infrastructure Strategic Review - Award of Contract - LAN, Wireless Access in schools and IP Telephony

Submitted report by the Corporate Director (Finance and Corporate Support) which (a) provided information on the results of the tender exercise for the provision of LAN, Wireless Access in schools and IP Telephony; and (b) presented a recommendation for the award of contracts.

The Cabinet agreed to approve the award of 5-year contracts commencing in September 2013 and with the option to extend for 24 months, to Capita Business Services Ltd. for IP Telephony at a cost of £455,166 over 5 years, and to Provista UK Ltd. for LAN and WLAN provision at a cost of £1,011,514 and £456,345, respectively, over 5 years, subject to finalisation of contracts and agreement on work schedules.

15. Framework Agreement for the provision of Insulated Overcladding Works

Submitted report by the Corporate Director (Finance and Corporate Support) which provided information on the actions taken to award the Framework Agreement for the provision of Insulated Overcladding Works and the first phase of the works.

The Cabinet agreed to homologate the actions taken to award (i) the framework agreement to five contractors (Marley Contract Services, CCG (Scotland) Ltd, Apollo Property Services Ltd, Wates Construction Ltd and AC Whyte Ltd) and (ii) the first phase of the works to Marley Contract Services.

16. North Ayrshire Carers Centre

Submitted report by the Corporate Director (Social Services and Health) which sought approval to undertake a tender exercise to appoint a provider to deliver practical and emotional support to Carers and Young Carers.

The Cabinet agreed that a tender exercise be undertaken to appoint a provider to deliver a support service for Carers and Young Carers.

17. Procurement of Streetlighting Maintenance 2014/15

Submitted report by the Corporate Director (Development and Environment) which (a) outlined the current position in respect of the delivery of streetlighting maintenance through a collaborative contract issued in partnership with Inverclyde and South Ayrshire Councils; and (b) sought agreement on the procurement method to be utilised for the provision of streetlighting maintenance from 1 January 2014.

Members asked questions, and received clarification, on the operation of the current collaborative arrangement for the provision of this service.

The Cabinet agreed that an interim 12-month contract for streetlighting maintenance for 2014/15, with a 12-month optional extension, be procured through the Government Procurement Service (GPS) Traffic Management Technology Framework.

18. South West Hub Territory Partnering Board held on 25 April 2013

Submitted report by the Corporate Director (Finance and Corporate Support) on the Minutes of the South West Hub Territory Partnering Board meeting held on 25 April 2013.

Noted.

19. Housing Revenue Account Business Plan Implementation Group: Minutes of meeting held on 15 May 2013

Submitted report by the Corporate Director (Social Services and Health) on the Minutes of the Housing Revenue Account Business Plan Implementation Group meeting held on 15 May 2013.

Noted.

20. Health and Social Care Policy Board : Minutes of Meeting held on 27 May 2013

Submitted report by the Corporate Director (Social Services and Health) on the Minutes of the Health and Social Care Policy Board meeting held on 27 May 2013.

Noted.

21. Environment and Infrastructure and Economy and Employment Joint Policy Board held on 20 May 2013

Submitted report by the Corporate Director (Development and Environment) on the Minutes of the Environment and Infrastructure and Economy and Employment Joint Policy Board meeting held on 20 May 2013.

Noted.

22. Environment and Infrastructure Policy Board held on 3 June 2013

Submitted report by the Corporate Director (Development and Environment) on the Minutes of the Environment and Infrastructure Policy Board meeting held on 3 June 2013.

Noted.

2.3 Corporate Equality Group held on 13 June 2013

Submit report by the Chief Executive on the Minutes of the Corporate Equality Group meeting held on 13 June 2013.

Councillor Burns highlighted the intention to provide equality and diversity training to Elected Members, in particular those serving on the Council's Staffing and Recruitment Committee.

Noted.

2.4 Community Empowerment Policy Board held on 17 June 2013

Submit report by the Corporate Director (Education and Skills) on the Minutes of the Community Empowerment Policy Board meeting held on 17 June 2013.

Noted.

The meeting ended at 4.10 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

27 August 2013

Cabinet

Subject: **Consultation on a Proposed Members' Bus Regulation (Scotland) Bill**

Purpose: To seek the approval of the Cabinet to submit the response attached at Appendix 1 to the consultation on a proposed Bus Regulation (Scotland) Bill.

Recommendation: That the Cabinet agrees to approve the proposed consultation response, contained within Appendix 1, to be submitted on behalf of North Ayrshire Council prior to the consultation deadline of 30 August 2013.

1. Introduction

- 1.1 This is a consultation on a draft Private Members' Bill by Iain Gray MSP on Bus Regulation. The aim of the Bill is to give Transport Authorities greater control over bus services in their area by enabling Authorities to regulate how they are delivered. If approved the Bill would allow Transport Authorities to group profitable and non-profitable routes and franchise them as a package, set a minimum level of service within the franchise, and use Local Authority fleets to provide socially useful services for any gaps in the service. The Bill would also include new powers for the Traffic Commissioner to impose financial penalties on operators who fail to meet the terms of the franchise, and provide scope for Transport Authorities to run services on how they see fit.
- 1.2 The consultation does not provide any information in respect of the financial implications of the Bill.

2. Current Position

- 2.1 In North Ayrshire, there is a higher dependence on public transport in comparison to the national average. 36.6% of the population does not own a car, 10.7% of the population live within our rural communities, and 26% of our population is found within the 15 most deprived data zones in Scotland. These factors point to the critical nature of the provision of local bus services in North Ayrshire.

- 2.2 Strathclyde Partnership for Transportation (SPT) is the Regional Transport Authority for North Ayrshire in relation to bus powers, with Member representation on the Board. SPT's role involves planning and delivering transport solutions for all modes of transport across the former Strathclyde region, in conjunction with member Councils and industry partners. SPT is at the centre of the region's transport planning; analysing all travel needs and developing the transport system for now and the future.
- 2.3 North Ayrshire Council operate a fleet of vehicles for internal Council use and do not directly provide a public bus service. As part of the Council's budget strategy the vehicle fleet has been and continues to be, rationalised ensuring optimum use of vehicles. Any direct provision by the Council would require a substantial financial investment. However the Council make a financial contribution to SPT which includes the provision of socially necessary supported services 'My Bus' and Community Transport within North Ayrshire.
- 2.4 Bus Operators currently register their services with one of seven Traffic Commissioners in the UK covering eight geographical areas with the Commissioner for Scotland being based in Edinburgh. The Traffic Commissioner is appointed by the Secretary of State for Transport under the Public Passengers Act 1981, and is the Licensing Authority for the bus and coach industry in Scotland and applies the regulatory regime. The Traffic Commissioner's responsibilities include the licensing of bus operators, the registration of local bus services and ensuring that operators keep their vehicles in a roadworthy condition.
- 2.5 The priorities of Traffic Commissioners include:-
- Encouraging operators to adopt robust systems, ensuring fair competition and safe operation of goods and public service vehicles.
 - Considering and imposing traffic regulation conditions to prevent anger to road users and / or reduce traffic congestion and / or pollution.
 - Engaging with stakeholders – listening to industry, meeting with Local Authorities, trade organisations, passenger groups and operators.
- 2.6 Within North Ayrshire, bus services provided through the unregulated market offer a substantial and wide level of bus service provision, with SPT subsidising non-profitable but necessary routes. Where the unregulated market partnerships fail, it is currently difficult to implement quality contracts between Transport Authorities and bus operators. The Transport Authority is required to demonstrate that the unregulated market failed and, under current legislation, this can be problematic.

- 2.7 At the meeting of North Ayrshire Council on 8 May 2013, following concern about the reduction or removal of bus services in Kilwinning and Ardrossan, the Council resolved "to (a) note the difficulties being experienced by North Ayrshire communities with the reduction or removal of bus service provision; (b) note that in terms of SPT's own Conditions of Contract "the Operator shall not make any change of any kind to the services without obtaining the prior approval of SPT"; and (c) resolve in the first instance to invite representatives of SPT to attend a special meeting of the Scrutiny and Petitions Committee to explain the position in respect of the reduction or withdrawal of service from North Ayrshire and to explore ways of ensuring that the views of the Council are obtained in future in respect of such changes prior to their implementation".
- 2.8 At the meeting of Scrutiny and Petitions Committee on 12 June 2013, representatives from SPT provided the Committee with a range of information in relation to bus services: 90% of bus services are commercial services and do not receive a subsidy; the Traffic Commissioner for Scotland requires to register local bus services and 10 weeks' notice is required for any changes or cancellation of services; and there are a range of factors that can result in services becoming marginal and being withdrawn, such as reductions in the level of operator's grant and in the level of reimbursement provided to operators for free travel.
- 2.9 SPT has prepared and submitted a 10 Point Plan to the Scottish Government, attached at Appendix 2. The Plan makes a number of recommendations, including an increase in the period when services can be changed from 90 to 180 days; the provision of operator cost and revenue figures to confirm a subsidy is required in areas where there is a monopoly; and the requirement for consultation when changes or cancellations of bus services are proposed. The Committee agreed that the Bus Regulation (Scotland) Bill and 10 Point Plan be circulated to the Committee.

3. Proposals

- 3.1 The proposed Bill aims to provide Transport Authorities with greater control over failing unregulated bus services in their area by enabling Authorities to regulate how these services are delivered through franchises.
- 3.2 Using these powers, Transport Authorities would be able to:-
- 'Bundle' profitable and non-profitable routes and franchise them as a package.
 - Set a minimum level of service within the franchise agreed with the operator.

- Use Local Authority fleets to provide socially useful services where there are gaps in provision.
- 3.3 The proposed Bill would also introduce new powers for the Traffic Commissioner to impose financial penalties on operators who do not meet the terms of franchises. Transport Authorities will also be able to seek redress for the cost of re-tendering routes where operators have walked away from franchise agreements.
- 3.4 The financial implications associated with the proposals are unknown but are likely to be significant. It is difficult to provide a considered response without appropriate financial analysis.
- 3.5 The Cabinet is invited to approve the proposed consultation response, contained within Appendix 1, to be submitted on behalf of North Ayrshire Council prior to the consultation deadline of 30 August 2013.

4. Implications

Financial Implications

- 4.1 There may be additional financial pressures imposed on North Ayrshire Council through an increased contribution required by SPT, arising from the grouping of profitable and non-profitable routes, and the use of Local Authority fleets to provide socially useful services where there are gaps in provision. Further clarification is required on these matters.

Human Resource Implications

- 4.2 There are no human resource implications for North Ayrshire Council associated with this proposal.

Legal Implications

- 4.3 There are no legal implications associated with this proposal.

Equality Implications

- 4.4 There are no equality implications associated with this proposal.

Environmental Implications

- 4.5 There are no environmental implications associated with this proposal.

Implications for Key Priorities

- 4.6 The implementation of this proposal contributes to the following Single Outcome Agreement outcomes:-

- 1a Transport links and services to and from North Ayrshire have improved.
- 7c Disadvantage on the basis of race, disability, gender, age, religious belief and sexual orientation is reduced.
- 14b The public sector's carbon footprint has reduced.

Community Benefit Implications

- 4.7 Improvements in public transport can alleviate transport poverty, making a positive economic impact on communities and addressing mobility problems for those in areas with poor transport links.

5. Consultations

- 5.1 The consultation paper on the Bus Regulation (Scotland) Bill is intended to seek views from a wide range of stakeholders, in order to best understand what changes people would like to see in bus services and how this might be possible. The responses will inform a Members' Bill proposal to be put before parliament later this year. No consultation has been carried out by North Ayrshire Council with the general public.

6. Conclusion

- 6.1 The consultation was launched in connection as the first stage in the process of introducing a Members' Bill in the Scottish Parliament. The consultation is currently going through the required minimum 12 week consultation with responses to be returned before 30 August 2013. This report provides North Ayrshire Council's proposed response to the eight questions contained within the consultation document and Members are asked to agree this response, which will be returned prior to the deadline on 30 August 2013.

- 6.2 Whilst the proposals within the Bill would strengthen the powers of Transport Authorities, further detail of the financial implications are required to provide a considered response in support of the Bill.

A handwritten signature in black ink, appearing to be 'CH', written over a horizontal line.

CRAIG HATTON
Corporate Director (Development and Environment)

Reference : JHM

For further information please contact James Miller, Senior Manager,
Planning, Transportation and Regeneration on telephone number 01294
324315.

Background Papers

N/A

Consultation on a proposed Members' Bus Regulation (Scotland) Bill

Question

- 1) Do you support the general aim of the proposed Bill? Please indicate 'yes/no/undecided' and explain the reasons for your response.

Answer

No, the proposed Bill cannot be supported at this time as further details are required on how the proposals can be economically delivered and there is a need for discussion with the operators on the implications of the proposed changes.

Question

- 2) What would be the main practical advantage of the legislation proposed? What would be the disadvantages?

Answer

Passing of the Bill would enable Transport Authorities to secure 'whole' routes that better reflect the travel patterns of their communities and allow operators to align commercial services to the network aspirations. However, the proposed franchises may be more costly to operators and the knock on effect may be increased fares as these costs are transferred to the customers or increased contribution from North Ayrshire Council.

Question

- 3) In what way do you envisage reregulation being used to improve bus services?

Answer

The Bill aims to give Transport Authorities greater power over how bus services are run, including a new power to tender contracts for profitable and non-profitable routes together without seeking ministers' consent or having to demonstrate market failure.

Question

- 4) How can community transport be better utilised to serve local communities and particularly low volume routes?

Answer

Community transport is playing a more and more important role in helping to ensure rural communities remain buoyant and sustainable. An improvement in the coordination of Community Transport provision will provide better utilisation of the resources available from the different providers. An increase in the funding of these services will provide services on low volume and 'door to door' routes where these cannot be met by regular public transport provision. The importance of community transport should not be understated and these groups provide a vital lifeline to many people in North Ayrshire.

Question

- 5) Do you agree that the Traffic Commissioner should be able to impose greater financial penalties on operators who a) fail to meet the terms of the franchise or b) walk away from the franchise altogether ?

Answer

North Ayrshire Council agrees that the Traffic Commissioner should be able to impose greater financial penalties on operators where franchise agreements are broken.

Question

- 6) What is your assessment of the likely financial implications of the proposed Bill to you or your organisation? What other significant financial implications are likely to arise?

Answer

Further details would be required to clarify the extent of any additional financial pressures that would be imposed on North Ayrshire Council as a result of the introduction of the new Bill. There may be a requirement to increase the current contribution made to SPT by North Ayrshire Council as a result of the increase in costs associated with the combining of profitable and non-profitable routes. In addition the proposed use of local authority fleets to provide socially useful services has not been costed.

Question

- 7) Is the proposed Bill likely to have any substantial positive or negative implications for equality? If it is likely to have a substantial negative implication, how might this be minimised or avoided?

Answer

The Bill would provide more accessible services to those isolated and without access to regular bus services. North Ayrshire has a high rural population and access to a regular bus service is important for the economic growth and improved equality for all bus users.

Question

- 8) Do you have any other comments or suggestion that is relevant to the need for or detail of this Bill?

Answer

North Ayrshire Council cannot support the proposed Bus Regulation (Scotland) Bill at this time until further work has been carried out with our partners on the likely financial implications.



Proposals to seek variations to the existing regulatory provisions to improve the co-ordination and delivery of bus services

Committee Operations

Date of meeting 9 March 2012

Date of report 1 March 2012

Report by Assistant Chief Executive (Operations)

1. Object of report

- 1.1 The object of this report is to seek approval for SPT's proposals to seek variations to the existing regulatory provisions to improve the co-ordination and delivery of bus services – attached at Appendix 1 – and their dissemination to the Scottish Government and other relevant organisations.

2. Background

- 2.1 At its meeting on 10 February 2012, the Partnership approved a report entitled 'Competition Commission (CC) Inquiry into the Local Bus Market: Final Report and Next Steps for SPT'. The paper outlined the CC's decisions, their impact on SPT's work, and that officers would continue to develop SPT's proposals for an improved bus policy, including taking account of the CC's decisions.

3. Proposals

- 3.1 SPT has been liaising with council officers, other RTPs, the Confederation of Passenger Transport (CPT), operators, and other agencies, in addition to Transport Scotland, to promote SPT's views on bus. Furthermore, additional work has been undertaken to flesh out the actions required therein, taking account of market changes or other factors, including, for example, the CC's Inquiry.
- 3.2 The outcome of this further development can be summarised as follows:
 - To allow Public Transport Authorities (PTAs) – like SPT – to secure (or provide) bus services where there is clearly a need, even if it may be in conflict with the perceived commercial view of the operator.
 - The payment of Bus Service Operators Grant (BSOG) for new or varied registered mileage should only be made where that registration has been confirmed as not operating to the detriment of overall provision in that area.

- Public Transport Authorities should be given powers to require compulsory participation in ticketing schemes that they may introduce in their areas
- The modifications to provisions on Statutory Quality Partnerships introduced in England and Wales in the Local Transport Act 2008 should also be introduced in Scotland.
- The minimum period a service should operate as registered should be increased to 180 days. In addition, regulations should be made in accordance with S.46 of the Transport (Scotland) Act 2001 restricting dates on which local services may be varied in local areas.
- Consideration should be given to compliance inspectors vehicle inspection engineers employed by PTAs who would be trained and certified to VOSA standards, being given relevant powers equivalent to VOSA officers.
- The Traffic Commissioner should consider not accepting local service registrations submitted by Community Transport groups (S. 22 permit holders) unless the registration is supported by the PTA and the group is registered on the Community Transport database. Additionally, a date should be set for the revocation of all existing Community Bus permits which may then be re-issued subject to application and compliance with minimum quality standards.
- Where a bus operator enjoys an effective monopoly and may be seeking subsidy from the PTA, the PTA should be given access to service cost and revenue figures to satisfy themselves that the operator is not seeking excessive subsidy costs or acting in an anti-competitive manner.
- Electronic Bus Service Registration (EBSR) to become the mandatory format for submitting bus registration particulars by 2014, and that such submissions are not accepted without the PTA acknowledging receipt of such information as prescribed in regulations.

3.3 SPT has invested significantly in providing high quality infrastructure to stimulate and improve the bus market and continues to do so. Our 5 year Capital Programme has included:

Projects	Cost £m
Bus station developments	£8.4
Bus Infrastructure (shelters, stops, roads and signals)	£19.6
Quality Bus Corridors	£4.8
Real Time Passenger Information	£3.0
New small fuel efficient buses	£5.3
Ticketing systems	£1.8
Public transport Interchanges	£4.3
Total	£47.2

Even with this investment and quality operators benefiting from SPT's commitment, to create the required 'step change' in the overall provision of the delivery of bus services requires changes to the existing regulatory regime as noted in the proposals.

3.4 These suggestions, if adopted, would positively impact across a range of themes, including:

- Providing a more consistent, passenger focused, integrated bus network
- Providing opportunity for PTAs to ensure best value for public money in securing subsidised services
- Creating a far more secure bus network
- Improved information for passengers, and a more efficient method of receiving that information, thus reducing cost to public purse
- Safer buses on the roads
- A stronger community input to the transport sector
- Better targeting of public funds where they are needed most
- A more attractive, seamless, convenient ticket offering for passengers
- A workable mechanism to achieve a higher quality bus network
- A more co-ordinated approach to network planning and development.

3.5 Most importantly, implementation of these suggestions would lead to significant improvements in the provision of bus services in communities across Scotland.

4. Committee action

4.1 The Committee is recommended to:

- Approve SPT's proposals for additional bus powers attached as Appendix 1 and their dissemination to the Scottish Government and other relevant organisations.

5. Consequences

Policy consequences	<i>In line with Regional Transport Strategy and SPT's Proposals for an Improved Bus Policy in Scotland.</i>
Legal consequences	<i>Implementation of some of these proposals would require changes to legislation.</i>
Financial consequences	<i>None at present.</i>
Personnel consequences	<i>None at present.</i>
Social Inclusion consequences	<i>Implementation of these proposals could have a significant positive impact on communities across the SPT area.</i>

Risk Consequences

None identified at present.

Eric Stewart
Assistant Chief Executive (Operations)

Gordon MacLennan
Chief Executive

For further information, please contact Bruce Kiloh on ext 3740

Enc: Appendix 1 – 'Proposals for additional powers/regulations to assist Public Transport Authorities in securing an integrated, comprehensive bus network to better serve communities across Scotland'

Proposals for additional powers/regulations to assist Public Transport Authorities in securing an integrated, comprehensive bus network to better serve communities across Scotland.

- 1.) **To allow Public Transport Authorities (PTAs) – like SPT - to secure (or provide) bus services where there is clearly a need, even if it may be in conflict with the perceived commercial view of the operator.**

Current position:

- PTAs have powers to secure bus services they deem socially necessary to meet the needs of communities in their respective areas.
- Operators fundamentally structure their bus services to generate an operating margin, (i.e. they focus on the most profitable routes), meaning some communities are often bypassed by bus services if the operator feels they will not deliver a significant profit.
- Current legislation¹ limits PTAs to only provide those services which otherwise would not be commercially viable for a private operator, and where commercial services would not be unreasonably affected.
- This can lead to PTA's being reluctant to secure a service for fear of legal challenge on the grounds of interfering with the commercial market, and PTA-secured services being unattractive to users or potential contractors through having contrived, fragmented or circuitous routes, and restrictions imposed on them e.g. passenger eligibility.
- This current position may not be in best interests of passengers or communities and in reality serves to maximise profit and revenue for commercial operators.

Required action:

- ***Modify legislation so that PTAs simply have a power to secure those services they consider necessary to meet the requirements of their area.***
 - ***Modify Transport Act 1968 - S.9A(1) to read '....within their area' and delete S.9A (4)(a).***
 - ***Modify Transport Act 1985 - S.63 (2)(a) to read '...within their area' and delete S.63(5)(a).***

Benefits:

- PTAs able to design and secure 'whole' routes that better reflect the travel patterns of their communities.
- Commercial operators more likely to consider the consequences of their operations if, when maximising profit, they may precipitate the introduction of a subsidised competitor thereby reducing their income.
- Operators likely to more closely align commercial services to the network aspirations of PTAs.
- In addition, when bidding for any subsidised transport element additional to a commercial service, the possibility of competition over the whole route would moderate bids by the incumbent.

- 2.) **The payment of Bus Service Operators Grant (BSOG) for new or varied registered mileage should only be made where that registration has been confirmed as not operating to the detriment of overall provision in that area.**

¹ S.9A of the Transport Act 1968 and S.63 of the Transport Act 1985,

Current position:

- Currently, BSOG is paid to all operators of registered local bus services, irrespective of the value that each service may provide to the passenger. As a result, the BSOG 'subsidy' can, in some cases, contribute towards wasteful or predatory services that may also, in the longer term, affect the viability of other services and incur additional public subsidy.
- Examples include the registration of duplicated journeys several minutes ahead of a competitor, rather than splitting headways, the registration of journeys only at profitable times abstracting from a more comprehensive provision, and registering journeys over subsidised services in the short-term to potentially and allegedly 'game' the award of contracts.
- Such tactics are legal, but in a time of severe economic restraint it is considered that efforts should be made to target public subsidy more effectively.

Required action:

Each bus registration should be evaluated by the relevant PTA to consider whether it would stimulate passenger growth or whether it is merely a predatory registration to abstract passengers from a previously registered bus route, and in particular with regard to the timing of bus provision on the route. BSOG should not be paid for mileage that brings no public benefit or does not stimulate the bus market in a sustainable way.

Benefits:

- The positive impacts of this action for passengers would be a more effective, integrated and complementary provision of bus services in their area.
- The withholding of BSOG for other than beneficial service provision to passengers would discourage bus operators from indulging in 'wasteful' competition.
- When combined with the suggestion that registrations operate for a minimum 180 days, the measures would be a significant disincentive to predatory behaviour.
- Additionally, the BSOG subsidy would be targeted to maximise benefit to the passenger, rather than the operator.

3) Public Transport Authorities should be given powers to require compulsory participation in ticketing schemes that are introduced in their areas

Current position

- Whilst PTAs currently have power to introduce Ticketing Schemes they can only do so following the failure of operators to introduce Ticketing Arrangements
- Any Ticketing Scheme or Arrangement can be frustrated by bus operators who may determine the price of the ticket and apply a high premium, rendering the ticket uneconomic to the user.
- Operators of registered local bus services are currently required to participate in the National Concessionary Travel Scheme ticketing arrangements.

Required Action:

- ***Adopt the recent remedy recommendations for multi-operator tickets of the Competition Commission's investigation into the bus market.***

Benefits:

- Attractive integrated ticketing for the passenger stimulating growth.

- This action would address the anti-competitive aspects of dominant operators.
- It would reduce the perceived fragmentation of bus services in some communities, providing more seamless, attractive, convenient ticketing arrangements.

4) The modifications to provisions on Statutory Quality Partnerships introduced in England and Wales in the Local Transport Act 2008 should also be introduced in Scotland.

Current position

- S. 3 of the Transport (Scotland) Act 2001 limited the ability of PTAs to prescribe the operation of services in an SQP.
- The process of introducing an SQP is protracted.
- The PTA requires to invest significant capital monies prior to the introduction of any SQP when the outcomes of the mechanism are uncertain.
- There is no significant sanction to ensure compliance

Required Action:

- ***Provisions of Transport (Scotland) Act 2001 should be relaxed to permit the specification of maximum frequencies/timings in SQPs as per Local Transport Act 2008***
- ***PTAs should be permitted to define 'registration criteria' to prevent the provision, variation or withdrawal of services in an SQP area. The Traffic Commissioner would determine whether to accept specific registrations/variations/cancellations by reference to these criteria***
- ***Consideration should be given to fines or reduction in BSOG for non-compliance with SQP undertakings***
- ***Consideration should be given to the establishment of an adjudicator, or board, to consider admissible objections to the making of an SQP. This would reduce the likelihood and costs of delays associated with operators seeking to frustrate the introduction of an SQP to which they are unable or unwilling to commit***

Benefits:

- A higher quality bus offering for passengers across communities where SQPs are implemented
- SQPs would become easier to implement
- PTAs would be encouraged to introduce SQPs as outcomes are more assured.

5.) The minimum period a service should operate as registered should be increased to 180 days. In addition, regulations should be made in accordance with S.46 of the Transport (Scotland) Act 2001 restricting dates on which local services may be varied in local areas.

Current position:

- In Scotland, a bus service must operate, as registered, for a minimum period of 90 days².
- Operators can introduce, vary or withdraw registrations at any time, subject to minimal notice requirements.
- Operators often seek to modify registrations simply to gain a temporary advantage over a competitor.
- This can lead to excessive change in bus service provision creating consumer confusion and loss of confidence in network stability.

² This condition, in addition to the 70-day notice requirement, contributed to the reduction in service changes in the SPT area from 1300 per year to around 900.

- Railways, express buses and ferry companies generally adhere to two timetable changes per year at recognised times.

Required action:

- ***Amend time period for which a service is required to operate from 90 days to 180 days.***
 - ***S.45 of the Transport (Scotland) Act 2001 to be amended and regulations under S. 46 of to be made to restrict the dates on which services may be varied to no more than 4 dates a year.***
- ***Acknowledging that there are often unforeseeable circumstances which require a quick change, there should be an added requirement that application to the Traffic Commissioner to register, vary or withdraw services at short notice must be accompanied by support from the public transport authority.***
 - ***Amend S. 6(2) of the Transport Act 1985 to reflect this requirement.***

Benefits:

- The above actions would yield significant benefits for customers. Greater network stability, improved reliability of service for customers, and more consistent information, with a longer 'shelf life.
- A reduction in the ability of bus operators to introduce short-term modifications to services to deter competition through over-bussing or head-running.
- A reduction in cost to the public purse through less network changes or requests for subsidy for withdrawn or varied services.

6.) Consideration should be given to compliance inspectors/ vehicle inspection engineers employed by PTAs who would be trained and certified to VOSA standards, being given relevant powers equivalent to VOSA officers.

Current position:

- SPT currently employs vehicle inspection engineers and compliance inspectors to monitor the quality and operation of vehicles and services provided by bus operators under contract to SPT. This monitoring is undertaken primarily to protect the safety of passengers and other road users and ensure legal compliance.
- In addition, compliance officers note the operation of all local services and advise the Traffic Commissioner of observed breaches in relevant regulations, in accordance with an agreed protocol.
- Whilst carrying out monitoring, staff are often able to identify deficiencies in service operation with potentially serious implications and whilst prohibitions can be issued to operators and against vehicles contracted to SPT, they are unable to take any action with regard to the commercial services providing the majority of the bus network.
- Currently such inspectors are only able to advise the operator and vehicle inspectorate of potentially dangerous situations.
- It is suggested that, subject to training and accreditation, Inspectors employed by PTAs be given powers to inspect and prohibit vehicles commensurate with those of VOSA.

Required action:

- ***A training and certification scheme for inspectors and engineers employed by PTAs such as SPT to be established such that actions taken by them and evidence submitted to the Traffic Commissioner is deemed compliant with regulations and requirements. Legislation may be required to legally empower officers.***

Benefits:

- The primary benefits of this action would be safer vehicles on the roads for use by the travelling public, and a more effective reporting regime.
- Empowering inspectors employed by PTAs such as SPT would significantly increase the resources currently deployed on ensuring the safety and legality of bus operations in Scotland thereby maximising the effectiveness of the work of the Traffic Commissioner, who only has a small number of staff dedicated to this task at the current time.
- These additional monitoring resources will encourage bus operators to be more aware of, and adhere to, the legal and safety requirements of bus operation in Scotland.
- Currently, when operators are called to public inquiry by the Traffic Commissioner, the Commissioner may call on evidence provided by SPT staff. Much time and effort is taken up at enquiries proving the competence and jurisdiction of inspectors or engineers employed by SPT, whilst such issues are seldom raised with regard to VOSA inspectors. By certifying and empowering the PTA inspectors the business of any public enquiry can be expedited more efficiently

7.) The Traffic Commissioner should consider not accepting local service registrations submitted by Community Transport groups (S. 22 permit holders) unless the registration is supported by the PTA and the group is registered on the Community Transport database. Additionally, a date should be set for the revocation of all existing Community Bus permits which may then be re-issued subject to application and compliance with minimum quality standards.

Current position:

- Recent decisions offering BSOG to services operated by Community Transport groups and changes in powers of Community Transport Providers under the Local Transport Act 2008 (payment to drivers) are likely to encourage Community Transport groups to register and operate local bus services.
- Such measures are broadly welcome, especially in more remote areas where conventional bus services are likely to be uneconomic, but concerns exist over the governance and technical proficiency of some groups and the possibility that some registrations may affect the viability of mainstream marginal bus services, leading to their withdrawal.
- Operating costs of Community transport, along with overheads are invariably lower than conventional bus services. The maintenance regimes and vehicle standards are less onerous than those expected from the holders of PSV operators licences and often grants towards the purchase of vehicles by councils or other bodies has helped defer costs.
- Historically, S. 22 permits have been granted without time limit to groups that may have changed significantly in governance, personnel and ability since the grant. Regulations under the Local Transport Act 2008 imposes a duty on Traffic Commissioners to maintain a database of permits granted and limits the duration of new permits to 5 years.
- This enables a periodic quality check to be carried out and therefore will go some way to addressing concerns over quality. Existing permits should be revoked from a given date and re-issued where appropriate, ensuring existing permit-holders are also suitably qualified.

Required action:

Most of the necessary legislation for this proposal is in place. Regulations requiring the Traffic Commissioner to maintain records of permits issued and the time-limited nature of these new permits have already been made. A further regulation does, however, require to be made identifying a date when all previous permits should be revoked. Holders of these permits would then be required to re-apply for time-limited permits.

SPT would be willing, on behalf of the Traffic Commissioner for Scotland, to establish and maintain the database of all S.19 and S. 22 permits issued.

Benefits:

- The principal benefit in this proposal is in raising the quality and safety of community transport provision through the establishment of minimum acceptable standards for community transport, and regular review and monitoring of the proficiency of groups seeking to provide such services.
- PTAs, like SPT, see community transport providers as an essential part of the future of public transport provision, especially in times of financial constraint, and improved standards will encourage PTAs to partner these providers in improving services in their areas, further stimulating the community transport market.
- The requirement for the Traffic Commissioner to maintain a database of permits issued will assist in the monitoring of the sector, and the revocation of existing permits would necessitate their renewal providing a complete database of all groups.
- The increasing likelihood of community transport registering local services does, however, raise concerns that they may in some circumstances compete with mainstream provision. Thus, requiring all S. 22 permit holders to have applications to register services endorsed by the PTA, should reduce such conflicts.

8.) Where a bus operator enjoys an effective monopoly and may be seeking subsidy from the PTA, the PTA should be given access to service cost and revenue figures to satisfy themselves that the operator is not seeking excessive subsidy costs or acting in an anti-competitive manner.

Current position:

- Bus operators enjoy an effective monopoly in many areas of Scotland. Such monopolies can often result in alleged 'gaming' by companies, which could be perceived as being simply to extract further monies for profit from PTAs on contracted routes.
- This can result in operator's undertaking market manipulation, service reduction or variation (and subsequent request for public subsidy to replace), high fares, reduced frequencies, and predatory behaviour against other operators
- The PTAs only method of addressing this is through service subsidy or the introduction of a Quality Contract (QC), which, to date, not one PTA has introduced due to the complexity involved.

Required action:

- ***Where an operator enjoys an effective monopoly (for example, over 75% of market in an area), and the PTA considers that this could result in excessive subsidy from the public purse, the operator should be placed under a duty to detail costs, income and profit margins of relevant contracting depots.***
- ***This 'open book' approach would permit an assessment of whether the operator is abusing a monopoly position and whether action to address this is warranted.***
- ***The PTAs request for information would be subject to approval from an arbitrator e.g. Traffic Commissioner or Scottish Ministers.***
- ***Any information supplied to PTAs under this proposal would remain confidential and subject to similar conditions detailed in S.43 of the Transport (Scotland) Act 2001.***

Benefits:

- PTAs would be better informed about operation, income and therefore subsidy requirements of services in their communities, assisting the assessment of potential remedial measures.
- Operators would be less inclined to seek higher subsidy for providing a PTA-secured service enabling better use of PTA's limited financial resources to provide further vital services for communities across its area.

9.) Electronic Bus Service Registration (EBSR) to become the mandatory format for submitting bus registration particulars by 2014, and that such submissions are not accepted without the PTA acknowledging receipt of such information as prescribed in regulations.

Current position:

- Current system for receiving and processing registrations allows operators to submit completed registration forms in 2 formats: paper-based documents or an electronic copy, meaning separate processing regimes with consequent costs.
- This 'double' processing regime can lead to confusion, 'grey areas' and additional costs for the PTA and the Traffic Commissioner, all in all potentially resulting in poorer information being provided to the customer.

Required action:

- ***The Traffic Commissioner would require to advise operators that applications for registration, variation or cancellation of local service details should be submitted in the EBSR format from a given date e.g. 2014.***
- ***No submission should be accepted by the Traffic Commissioner unless it has been formally receipted by the PTA in accordance with the prescribed timescales.***

Benefits:

- By requiring that all registrations, variations and cancellations are submitted through EBSR, significant savings could be made in resources required to process and record the information
- Furthermore, this will create a more robust, resilient, auditable system of service registrations with a clear, electronic information record.
- This would result in an immediately accessible, comprehensive database of services to assist planning and emergency services.
- Lastly, but most importantly, there would be huge benefits for the travelling public through the provision of up-to-date information.

10) The Public Service Vehicles (Registration of Local Services)(Scotland) Regulations 2001 should be amended such that the duty to inform the relevant authority(ies) of an application to register, vary or withdraw a bus service is replaced by a duty to consult.

Current position:

- In Scotland bus operators are required to inform Public Transport Authorities of their applications to change or introduce bus services 14 days before the application is submitted to the Traffic Commissioner.
- Following initial uncertainty the Traffic Commissioner has determined that the information submitted to the PTAs must be a copy of the completed registration particulars.
- The period between submitting information to the PTA and submitting the registration documents to the Traffic Commissioner enables the Authority to identify any faults in the documents and advise the operator of the failings. It does not permit the Authority to enter meaningful discussions on the proposals.

Required action:

S.4(1) of the regulations should be amended such that the word 'consult' replaces the word 'inform'.

Benefits:

- A statutory two-way dialogue in the period before a registration is submitted will enable the PTA to advise the operator of the likely result of the proposed service changes, the response, if any, of the PTA and, as at present, any technical faults within the document.
- The operator's knowledge of the response of the PTA may influence the final proposals avoiding the requirement to tender services, the submission of successive registration documents and excessive disruption to the passenger.
- If the proposal above in relation to payment of BSOG is adopted, this consultation will advise the operator whether the registration is supported by the PTA in benefiting and sustaining the bus market.
- Overall, this proposal will ensure that a more co-ordinated approach to network planning and development is place, which is to the significant benefit of passengers and communities.
- The current method of 'informing' implies acceptance of the proposed changes. In many cases this is not the case. Consultation strengthens the requirement for dialogue, perhaps leading to moderation, and emphasises the PTAs role in endeavouring to secure satisfactory overall provision.
- The process of consultation requires some explanation of the rationale behind the proposals. By understanding this rationale the PTA is better able to either assist an operator, or consider any appropriate response.

NORTH AYRSHIRE COUNCIL

Agenda Item 4

27 August 2013

Cabinet

Subject: **Home Energy Efficiency Programme for Scotland (HEEPS) and Energy Company Obligation (ECO) – Second Round Funding Bid**

Purpose: To advise the Cabinet of the second round HEEPS funding application that has been submitted to the Scottish Government and report progress that is being made in attracting additional ECO contributions to North Ayrshire.

Recommendation: That the Cabinet agrees to (a) note and approve the content of the second round HEEPS bid; (b) delegate authority to the Corporate Director (Development & Environment) to appoint the appropriate ECO partner for project 1; and (c) approve SSE as the preferred ECO funder for project 2.

1. Introduction

- 1.1 On 25 June 2013, a report was presented to Cabinet confirming that North Ayrshire Council had been successful in attracting HEEPS funding from the Scottish Government. The total value of the funding amounted to £978,253, which represented the maximum HEEPS funding available to the Council.
- 1.2 The report also outlined the projects that would be undertaken as part of the HEEPS initiative and provided substantial detail on the ECO funding the Council was in the process of attracting. The total value of the ECO funding is expected to be in the region of £2 million.

2. Current Position

- 2.1 The Scottish Government has now formally notified the Council that not all Local Authorities submitted bids for all available funding and are now inviting additional bids as part of a second round. Bids for this second round of funding require to be submitted by 23 August.
- 2.2 In order to be in a position to submit a successful second round HEEPS bid, over the last six weeks the Housing Assets & Investment Team has actively been engaged with a number of external stakeholders, including local registered social landlords (RSLs) and the 'big six' ECO providers.

- 2.3 In-line with the Scottish Government's timetable, a second round HEEPS bid has now been submitted by the Council. Once notification has been received on the outcome of the submission, a further report seeking approval to progress, will be submitted to Cabinet.
- 2.4 Two potential projects have been identified as part of the second round funding application and these are detailed under section three below.

3. Proposals

3.1 Project One – External Wall Insulation

- 3.1.1 The Council intends to expand the current external wall insulation project that was submitted as part of the first round of HEEPS funding. This project will involve applying external wall insulation to approximately 60 houses within mixed tenure housing estates. It is estimated that approximately 50% of the houses identified will be within private ownership, with the remainder being owned by the Council.
- 3.1.2 If successful, this project will attract HEEPS funding of approximately £120,000.
- 3.1.3 In order to facilitate this project, further ECO funding will require to be secured. ECO funding bids will be invited once the confirmed level of HEEPS is known.

3.2 Project Two – Private Rented Sector / Private Tenure Elderly And Fuel Poor

- 3.2.1 Of the "big six" energy companies, SSE was the only provider to submit a proposal to assist those suffering fuel poverty within the private rented sector and elderly property owner occupiers who qualify for HEEPS and ECO funding. As such the Council intends to appoint SSE as its partner for the delivery of a whole house energy efficiency pilot programme.
- 3.2.2 The proposal involves SSE undertaking an energy assessment of the households referred to them. Following this assessment, SSE will make recommendations to the property occupiers and owners on the energy efficiency measures that could be undertaken free of charge.
- 3.2.3 Although the outcome of each assessment is likely to differ, the measures that will typically be offered will include loft insulation, cavity insulation, replacement boilers, air source heat pumps (off gas areas), gas grid connections and renewable technologies.

- 3.2.4 The HEEPS funding required for this project amounts to £200,000. This will be matched on a 3:1 basis (ECO:HEEPS) by SSE, resulting in £800,000 of energy efficiency measures being delivered to residents of North Ayrshire. The proposal does not require any element of funding from the Council.
- 3.2.5 SSE is being proposed as the Council's partner as they are the only ECO provider to propose a delivery model that will assist private tenure households in the manner outlined. The Council's Corporate Procurement Unit is satisfied with the approach being adopted and has confirmed the proposal is compliant with the Council's procurement requirements.
- 3.2.6 This project has been discussed with the Scottish Government and confirmation has been received that this delivery model qualifies for HEEPS funding.

4. Implications

Financial Implications

- 4.1 Project one will require £120,000 contribution from the HRA capital programme during 2014/15. Project two will be delivered at nil cost to the Council.

Human Resource Implications

- 4.2 None

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental Implications

- 4.5 None

Implications for Key Priorities

- 4.6 This work will contribute towards the Council's commitment to the Single Outcome Agreement, under the following objectives:-

- 6d "More vulnerable people are supported within their own communities."
 10a "The quality of social housing has improved."
 12a "Our environment is protected and enhanced."
 14b "The public sector's carbon footprint has reduced."

Community Benefit Implications

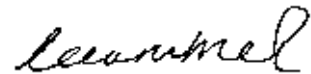
- 4.7 Community Benefit clauses are not suitable for this framework agreement due to the contract value.

5. Consultations

- 5.1 Consultation has taken place with the Corporate Procurement Unit (CPU) over the appointment of our ECO providers. The CPU has confirmed that the proposals comply with the Council's procurement requirements.

6. Conclusion

- 6.1 The Cabinet is asked to note the contents of this report and approve the recommendations contained therein.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact David Tate, Senior Manager (Housing Assets & Investment) on telephone number 01294 225051

Background Papers

Application paperwork.

NORTH AYRSHIRE COUNCIL

Agenda Item 5

27 August 2013

Cabinet

Subject: Vineburgh Regeneration Project, Irvine (Phase 4)

Purpose: To seek Cabinet approval for the sale of the land, which comprises Phase 4 of the Vineburgh Regeneration project, to Cunninghame Housing Association.

Recommendation: That the Cabinet agrees (a) subject to Scottish Government approval, that the land forming Phase 4 of the Vineburgh project, is sold to Cunninghame Housing Association for £600,000, (b) that, following the sale of the land, the Cabinet approves the recompense of extra-ordinary development costs, totalling no more than as detailed in Section 2.4 of this report; and (c) the allocation of the capital receipt in respect of Vineburgh phase 4, to the Housing Services Council house building account.

1. Introduction

- 1.1 The Vineburgh Regeneration Project is a £36,000,000, 6-year programme of demolition and redevelopment. The regeneration area is being developed in four phases with a total of 306 Council houses being demolished and 287 new social rented and shared equity houses constructed. The new properties are being developed and managed by Cunninghame Housing Association.

2. Current Position

- 2.1 239 new homes have been developed in Phases 1, 2 and 3 of the Vineburgh project, with a further 48 to be constructed in Phase 4.

Land Value

- 2.2 As the 'end use' of the land is for the delivery of affordable housing, the land is given an affordable land value (as opposed to a market land value). In 2012, the District Valuer was commissioned to value the land which forms the extent of Vineburgh Phase 4 (location plan included as Appendix 1). A gross affordable value of £600,000 was established.

- 2.3 The Council is required to seek Scottish Government approval for the disposal of any land which is held on the Housing Revenue Account. Subject to Cabinet approval, Legal Services will approach the Government for their approval to dispose of the land in question to Cunninghame Housing Association for £600,000.

Extra-Ordinary Development Costs

- 2.4 The Council has undertaken site investigations, which have allowed the identification of maximum (capped) levels for which extra-ordinary development costs may be reclaimed from the Council, by CHA. These are as follows:

- Demolition and service disconnection - £110,000.
- Piling foundations (note: de-gassing is excluded) - £130,000.

- 2.5 These capped amounts will be included in the sale of land contract which Legal Services will prepare on behalf of the Council.

- 2.6 Furthermore, the Council will appoint a consultant engineer to monitor and authorise payments of recompense where evidence of extra-ordinary developments costs incurred by the Association has been provided and found to be in order.

3. Proposals

- 3.1 It is proposed that the Cabinet agrees (subject to Scottish Government approval) that the land forming Phase 4 of the Vineburgh project, is sold to Cunninghame Housing Association for £600,000.

- 3.2 It is also proposed that, following the sale of the land, the Cabinet approves the recompense of extra-ordinary development costs, totalling no more than as detailed in Section 2.4 of this report.

- 3.3 It is further proposed that the capital receipt from the sale of the land be allocated to Housing Service's council house building account which will assist in funding future new build developments.

4. Implications

Financial Implications

- 4.1 The Council would receive a Housing Revenue Account receipt of £600,000 for the sale of the site at Vineburgh, Irvine. This would, in turn, be reduced by the recompense of any extra-ordinary development costs which are claimed by Cunninghame Housing Association (to a maximum level as detailed within Section 2.5 above). A net receipt of approximately £360,000 would, therefore, be due to the Council.

- 4.2 Allocation of this receipt to Housing Services council house building account would assist in funding future new build sites which following the introduction of welfare reform, may become more challenging in future years.

Human Resource Implications

- 4.2 There are no Human Resource implications for the Council.

Legal Implications

- 4.3 The Council is required to seek Scottish Government approval for the disposal of any land which is held on the Housing Revenue Account. The Council's Legal Services would ensure this is obtained before the sale of land proceeds.

Equality Implications

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

Environmental Implications

- 4.5 The Environmental implications of this development are addressed within the Strategic Environmental Assessment for the Local Development Plan.

Implications for Key Priorities

- 4.6 These projects help deliver the SOA national outcome "We live in well designed, sustainable places where we are able to access the amenities and services we need" and the North Ayrshire Outcomes "The quality of social housing has improved" and "availability of affordable housing has improved".

5. Consultations

- 5.1 Consultation has been ongoing between Cunninghame Housing Association and the following Council services:

- Finance and Corporate Services: Finance & Property
- Chief Executive: Legal

6. Conclusion

- 6.1 This report seeks Cabinet approval for the sale of land at Vineburgh, Irvine to Cunninghame Housing Association, and also that the Council can recompense the Association for specific and agreed extra-ordinary development costs, upon production of evidence that the cost has been incurred.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference : TF

For further information please contact Alex Adrain, Interim Head of Housing on telephone number 01294 324641

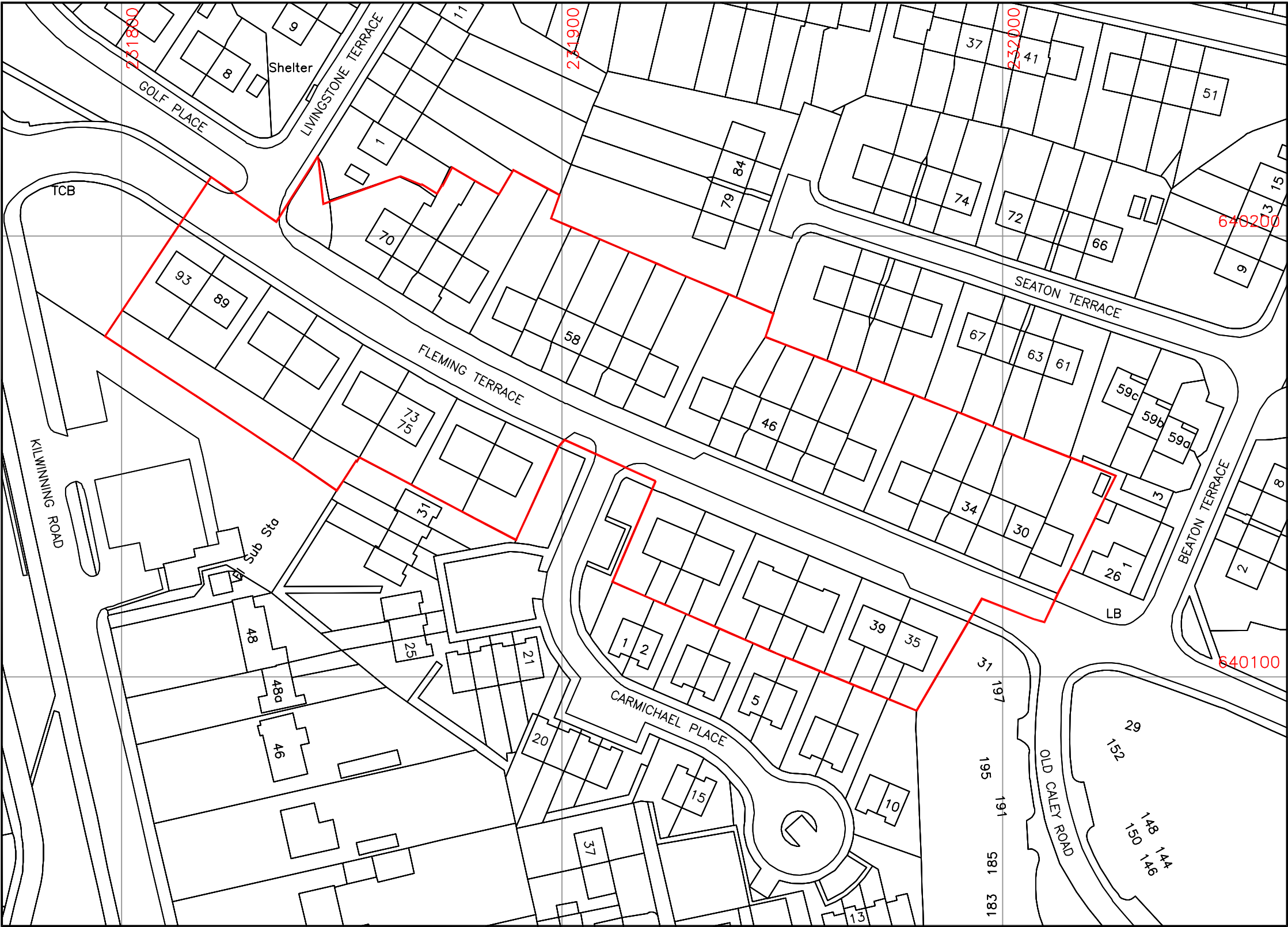
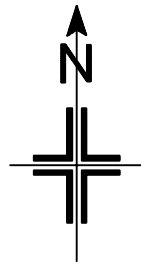
Background Papers

None

THIS IS THE PLAN REFERRED TO IN THE FOREGOING
DISPOSITION BY THE NORTH AYRSHIRE COUNCIL
IN FAVOUR OF CUNNINGHAME HOUSING ASSOCIATION LIMITED OF:

Vineburgh Phase 4, Ground at Fleming Terrace, Irvine

Area within red boundary = 1.31 hectares or thereby

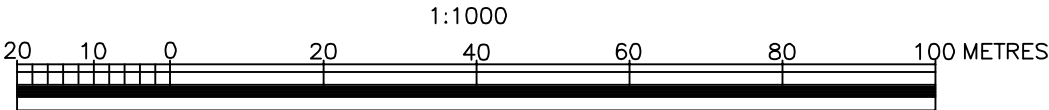




North Ayrshire
COUNCIL
INFRASTRUCTURE &
DESIGN SERVICES

DRAWN BY	Diane Wildridge
DATE	15 / 04 / 2013
DRAWING No	2146 V3

SCALE	1:1000
OS SHEET	NS3140SW



NORTH AYRSHIRE COUNCIL

Agenda Item 6

27 August 2013

Cabinet

Subject: **Regulation of Social Housing in Scotland**

Purpose: To update the Cabinet on the progress in implementing the Scottish Social Housing Charter and to seek approval of the new framework for the involvement of tenants and other service users in the scrutiny of North Ayrshire Council's performance as a landlord.

Recommendation: That the Cabinet agrees to (a) note the progress to ensure compliance with the new Scottish Social Housing Charter and the new framework for the regulation of Social Housing in Scotland; (b) approve the change to the role and remit of the North Ayrshire Tenants and Residents Network; and (c) expand the opportunities for tenants and other service users to be involved in the scrutiny of their landlord's performance by introducing an Inspection Panel.

1. Introduction

- 1.1 At its meetings on 8 September 2011 and 18 September 2012 the former Executive of the Council was presented with reports on the proposal by the Scottish Government to introduce the Scottish Social Housing Charter and to establish the Scottish Housing Regulator (SHR) as an independent body to monitor, assess and report on the performance of social landlords.
- 1.2 The Scottish Social Housing charter gives tenants a greater role in scrutinising services. It is, therefore, important that we continue to provide opportunities for tenants to express their views on the Council's landlord services.

2. Current Position

- 2.1 The Scottish Social Housing Charter came into effect on the 1st April 2012. The Charter sets standards and outcomes that tenants and others who use the services can expect from social landlords. The key purpose of the charter is to improve the quality and value of services that social landlords provide. It will do so by:
 - Stating clearly what tenants and other customers can expect from social landlords, and helping them to hold landlords to account;

- Focusing the efforts of social landlords on achieving outcomes that matter to their customers; and
 - Establishing a basis for the Scottish Housing Regulator to assess and report on how well landlords are performing. This assessment will enable the regulator, social landlords, tenants and other customers to identify areas of strong performance and areas needing improvement.
- 2.2 The Regulator will report annually on how landlords are achieving the Charter outcomes and standards and the reports will also help the Scottish Government ensure that public investment in new social housing goes only to landlords assessed as performing well.
- 2.3 In April 2013, the Regulator published the final set of indicators and guidance that will be used to help monitor landlords' achievements of the Charter outcomes and standards. the new regulatory guidance places greater emphasis on collecting tenant satisfaction data and also emphasises the importance of tenants being involved in the scrutiny of landlords' performance. As well as using indicators, the Regulator will have an annual programme of thematic inspections that will look at identified aspects of the Charter. The thematic work will have a particular focus on those Charter outcomes that lend themselves less to monitoring through indicators, and could include outcomes on equalities, communication, participation and housing options.
- 2.4 **Progress to Date**
- 2.4.1 A robust approach to self assessment and performance management already exist within Housing Services and there are already a number of locally agreed Housing and Homeless Service Standards in place. In addition to statutory indicators, we also have a number of other local indicators to measure performance. This has provided an effective base to meet requirements. However, an audit has been undertaken to ensure systems are in place for the collection of data required by the Regulator's Technical Guidance on the Charter.
- 2.4.2 Housing Service has carried out large scale tenant satisfaction surveys every 2 years since 2006. A further survey was carried out in January this year and the survey questions were amended to take account of the Regulator's guidance to ensure we can report on the tenant satisfaction indicators. The outcome of the survey that was carried out in January this year was reported to Cabinet on 13 August 2013. The Regulator recommends that surveys should be carried out as a minimum every 3 years.

2.4.3 In preparation for the new regime the following actions have also been undertaken:-

- Charter briefings took place in October 2012 and were attended by all housing staff;
- A workshop was held with managers from Housing Services and Property and Finance Services focusing on the implementation of the Charter and the new reporting requirements;
- Discussion and consultation has been carried out with the North Ayrshire Tenants and Residents Network;
- All tenants were informed of the new Charter via the Tenants Newsletter and copies of the Charter are available at all local housing offices;
- Housing service standards are currently being reviewed in light of the new Scottish Social Housing Charter and new standards will be in place by 1 April 2014.

3. Proposals

3.1 The new regulatory framework emphasises the importance of the tenants and other service users being involved in the scrutiny of landlord's performance. This is firmly rooted in the principle that a landlord should understand its tenants' priorities and needs; involve them in setting policies, objectives and standards; involve them in the implementation of decisions; and then support them to hold the landlord to account. Whilst not prescriptive about the form of tenant involvement in landlords assessment and reporting of performance, the Regulator requires landlords to:

- Have agreed their approach with tenants
- Ensure that it is effective and meaningful
- Publicise the approach for tenants
- Ensure that it can be verified, that landlords can show that the agreed approach in involving tenants has happened; and
- Be available to demonstrate that they have appropriate ways to involve, where relevant, those that are not tenants but receive services from them, including homeless people and gypsy travellers. Where tenants fundamentally disagree with their landlord's assessment of its performance, or where they consider that their landlord has not involved them as agreed they can use the arrangements the Regulator has put in place to tell them about significant performance failures.

3.2 The Council already has a strong commitment to tenant involvement and Housing Services has an excellent track record in involving tenants in the monitoring and scrutiny of housing services. As a result we have a strong foundation to allow us to meet the increased requirements of the Charter and the Housing Regulator. The Tenant Participation Strategy developed in conjunction with tenants already has mechanisms and opportunities in place for tenants and other service users to get involved. A menu of options has been developed for tenants which includes the following:

- Mystery Shoppers - Tenants are trained to test or inspect services and report their findings;
- Estate Inspections - Tenants and Elected Members jointly inspect areas and prepare action plans;
- Estate Based Projects - an opportunity for tenants to influence how the environmental budget is spent in their area;
- Surveys - a range of surveys to gauge tenant's views, satisfaction, priorities and aspirations;
- Working Groups - opportunities for tenants to be involved in working groups tasked with developing and reviewing strategies and policies;
- Tenant and Residents Associations - groups of people representing tenants and residents living in an area providing views and concerns about their housing, community and local areas;
- North Ayrshire Tenants and Residents Network - an opportunity for tenants to be involved in more strategic and wider reaching issues. This group reviews performance, budgets and service delivery, reviews the Tenant Participation Strategy and provides feedback on consultation documents, policies, strategies and initiatives;
- Interested Tenants Register - an opportunity for tenants who do not want to be involved in formal groups or local associations to provide their views;
- Service/Topic Specific Groups - e.g. Sheltered Housing Forum, High Flats Forum, Local Housing Strategy Forum, Tenancy Support Improvement Group;
- Tenants Conference - open to all tenants and provides an opportunity for tenants to discuss and provide views on housing issues.

3.3 We, therefore, already have a number of activities in place for engaging tenants in service improvement and monitoring. However, it is important that we have a framework in place that demonstrates that these activities are coordinated and overseen by tenants in line with requirements of the Charter.

- 3.4 It is, therefore, proposed that in order to coordinate the scrutinising, assessing and monitoring activities within the service that the role of the North Ayrshire Tenants and Residents Network should be changed and expanded to ensure that the tenants are at the heart of the regulatory process. The North Ayrshire Tenants and Residents Network was formed in February 2009, and the role and remit of the group was agreed by the previous Executive of the Council on 31 March 2009. The Network is made up of representatives from each of the Tenants and Residents Associations in the area and co-opted members from the sheltered housing forum and other groups.
- 3.5 It is proposed that, to develop and expand the scrutinising and monitoring opportunities in North Ayrshire, this group would take the lead role and extend their current work to oversee all tenant scrutiny activities and to recommend improvements. This network will now be known as the North Ayrshire Network (NAN) in recognition of the requirement to involve a range of other service users who are not tenants.

The role and remit of the group will be:-

- To provide tenant and service user scrutiny of the Council's Housing Service performance and act as a driver for continuous improvement
- To assess performance against the Scottish Housing Charter outcomes and standards and the indicators set by the Housing Regulator.
- To prioritise and oversee all housing service scrutiny activities
- To agree and validate the data in the Annual Return on the Charter (ARC) to the Scottish Housing Regulator
- To commission performance reviews by the Inspection Panel and to make recommendations based on the robust evidence
- To Monitor and review agreed action plans for improvement
- To review the Housing Service Business Plan through involvement in the Business Plan Implementation Group
- To review complaints about the housing service
- To review the Tenant Participation Strategy and action plan
- To obtain regular updates from Tenant/Officer working groups
- To require the Housing Service Senior Management Team to provide a report if performance fails to meet expected standards
- To utilise and share best practice from other organisations as part of the scrutiny reviews
- To uphold North Ayrshire Council's equality policy

- 3.6 It is also proposed to develop further our range of scrutiny activities by introducing an Inspection Panel, a group of tenants and service users which would scrutinise performance across service areas. This would include housing services such as Repairs and Maintenance which are provided by other Services within the Council, and to carry out in depth reviews. The inspection panel would consist of 8-10 members who will be recruited and identified by the NAN. It is anticipated that 2 inspections per year will be carried out.
- 3.7 Initial and ongoing training will be critical for both the North Ayrshire Network and the Inspection Panel. Housing Services and Cunninghame Housing Association have agreed jointly to participate in the National Scrutiny Training and Learning Programme. The Scottish Government has commissioned the Chartered Institute of Housing to run this programme, in partnership with Housemark Scotland, to develop effective scrutiny arrangement across landlords in Scotland.
- 3.8 To ensure clarity on the part of members, a code of conduct will be developed and the panel will be supported by an existing officer from the Tenant Participation Team. The role and remit of the Inspection Panel will be:
- To review, audit/inspect a particular part of the service commissioned by the North Ayrshire Network
 - To utilise best practice from other organisations as part of scrutiny reviews
 - To share good practice and generally give each other support
 - To champion partnership working and lead by example
 - To examine the evidence provided and propose recommendations to the Network
- 3.9 Members of the network and Inspection Panel would present their findings and recommendations to relevant Managers within the Council and the Senior Management Team within Housing Services. Managers would have an opportunity to respond and action plans and timescales for improvement would be agreed. The outcomes of the reviews will also be reported to the Head of Service, the Council's Cabinet and through the annual performance report to tenants.

- 3.10 If this proposal is agreed the Tenant Participation Manager will develop an action plan to take forward the setting up of the Inspection Panel which will include:
- Terms of reference for the Inspection Panel
 - Recruitment methods and processes
 - Training Programme
 - Further Consultation with tenants
- 3.11 Appendix 1 outlines the new framework for Tenant and Service User involvement.
- 3.12 The Council already has a Scrutiny and Petitions Committee which monitors and reviews the performance of the Council towards achieving policy objectives and priorities. The establishment of the Tenant Inspection Panel does not affect the work of this committee. The tenant a service user inspection panel will play a complementary role in inspecting and monitoring the Council's landlord services.
- 3.13 In summary, the Cabinet is invited to (a) note the progress to ensure compliance with the new Scottish Social Housing Charter and the new framework for the regulation of Social Housing in Scotland; (b) approve the change to the role and remit of the North Ayrshire Tenants and Residents Network; and (c) expand the opportunities for tenants and other service users to be involved in the scrutiny of their landlord's performance by introducing an Inspection Panel.

4. Implications

Financial Implications

- 4.1 There will be costs incurred for tenant training and there will also be significant staff resources involved within the Tenant Participation Team in establishing the panel particularly in the first year. This can be contained within the existing budgets and staffing resources.

Human Resource Implications

- 4.2 There are no human resource implications to this report.

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 The recommendations within this report will contribute to the Council's key priorities by working in partnership with our communities to improve and deliver more effective and efficient services.

5. Consultations

- 5.1 Consultation has been carried out with the North Ayrshire Tenants and Residents Network and Working Group members.

6. Conclusion

- 6.1 This report updates Cabinet on the progress that has been made in implementing the requirements of the new Scottish Social Housing Charter. It proposes a new framework for the involvement of tenants and other service users in the scrutiny of the Council's performance as a landlord. The framework will enable the Council to demonstrate to the Scottish Housing Regulator that tenants and others are fully engaged in the scrutiny of the housing services.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference : MMcM/AA

For further information please contact Marianne McManus, Divisional Housing Manager on telephone number 01294 602611

Background Papers

N/A

Appendix 1

Routes to Tenant and Service User Involvement



NORTH AYRSHIRE COUNCIL

Agenda Item 7

27 August 2013

Cabinet

Subject: **Step Change 2015 (Highlands & Islands)**

Purpose: To advise the Cabinet on progress with the Scottish Government's Digital Future: Infrastructure Action Plan and, in particular, the Step Change 2015 (Highlands and Islands) Project, as well as the proposed Next Generation Access roll-out, coverage and timescales.

Recommendation: That the Cabinet notes the current position of the Step Change 2015 (Highlands and Islands) Project.

1. Introduction

- 1.1 This paper seeks to update Cabinet on progress with the Step Change 2015 (Highlands & Islands) project as it relates to Arran and Cumbrae. The paper complements the Cabinet paper of 26 June 2013, which set out the proposal for the North Ayrshire mainland.

2. Current Position

Digital Connectivity

- 2.1 Scotland's Digital Future: Infrastructure Action Plan published on 31 January 2012, sets out the commitment to and the steps Scottish Government (SG) will take to deliver a step change in broadband speeds by 2015, paving the way for delivery of world-class, future proofed infrastructure across all of Scotland by 2020.
- 2.2 Improvements to digital infrastructure are essential if Scotland is to maintain and improve the ability of businesses to compete in a global market place; be successful in attracting inward investment; transform the delivery of public services; respond to the challenges of a low carbon economy; and have vibrant, strong and connected communities in our cities, towns and rural areas. This will make a major contribution to the Government's purpose of making Scotland a more successful country, with opportunities for all to flourish.

- 2.3 The Scottish Government's Infrastructure Action Plan sets out four critical programmes that combined will ensure that the ambition for a world class digital infrastructure for Scotland is delivered.

Step Change 2015: Addresses the current digital divide and puts in place infrastructure in those areas where the market will currently not deliver, with speeds of 40–80 Mbps for between 85% to 90% of premises and a significant uplift in speeds for the remaining 10-15% by 2015. This programme is the foundation on which the other programmes build.

World-Class 2020: Delivers a longer-term plan, developed in parallel, to ensure Scotland has the right mechanisms, partnerships and commercial models in place to deliver world-class infrastructure in a sustainable way and in partnership with industry.

Demonstrating Digital: Demonstrates and delivers innovative and local solutions: will be targeted at promoting locally based projects and programmes and also trialling new technologies.

Choose Digital First: Increasing take-up and stimulating demand: will be targeted at raising digital participation rates (for businesses and individuals) and raising demand for services, helping to improve the commercial case for investment and delivering better outcomes for Scotland.

- 2.4 This paper will concentrate on the Step Change 2015 element of the Plan with specific reference to the provision of broadband infrastructure that will enable delivery of next generation broadband services to Arran and Cumbrae residents and businesses.

3. Proposals

- 3.1 The focus of the Scottish Government's Step Change 2015 Programme is to address the digital divide by extending the infrastructure needed to deliver next generation broadband to those areas where it is not commercially viable for the market to currently deliver. SG is clear that rural areas will not be left behind as progress is made with broadband across Scotland. This programme is the foundation on which the other programmes build.

3.2 The Step Change 2015 programme is progressing through two procurement exercises:

- a procurement for the Highlands and Islands, led by Highlands and Islands Enterprise (HIE); and
- a procurement for the Rest of Scotland, led by a project team within the Scottish Government. A paper was presented to Cabinet on 26 June, 2013 seeking approval to delegate authority to the Chief Executive, to progress North Ayrshire Council's participation with this element. This element has subsequently progressed to contract signature with BT and was publicly announced on 9 July, 2013.

HIE announced a £146 million investment project on 26 March 2013, to be delivered by BT. The public sector investment towards the contract is £126.4m.

3.3 The project is being managed by Highlands and Islands Enterprise on behalf of the Scottish Government. The information provided below is a summary of the information provided at a meeting with BT, HIE and North Ayrshire Council held in Irvine on 27 June 2013.

3.4 The project will be managed in a number of phases with Arran and Cumbrae currently scheduled for connection in the first quarter of financial year 2016/17 (April – June 2016). Based on current desktop surveys undertaken by BT, it is anticipated that 100% of Cumbrae residents and businesses and 90% of Arran residents and businesses will have access to Next Generation Access infrastructure (capable of speeds of up to 80 mbps) as a result of this project. These figures should be treated with caution as they are indicative (based on desktops surveys) and will be subject to change as subsequent detailed survey work is undertaken. More detailed information on specific coverage areas should be available by October 2013. However, based on the information provided, Arran and Cumbrae would benefit from one of the highest levels of coverage to the Highlands and Islands. In addition, the detailed negotiations with BT as the project progresses, may result in an improved position on the 10% not currently covered in Arran.

3.5 In order to provide the infrastructure required for this project, BT will need to connect Arran and Cumbrae to the mainland broadband backhaul network via undersea cabling. The current plan for this cabling work is that the laying of subsea cabling will take place in the summer of 2014. Individual fibre optic cables will connect the West and East coasts of Arran to main broadband backhaul routes. It is also anticipated that connections will also be made to the North and South coasts of Cumbrae over the same timeframe. It is more cost effective to lay all undersea cables in one exercise rather than on a "just in time" basis and a procurement exercise has been undertaken by HIE on this basis.

- 3.6 The Cabinet is invited to note the foregoing information.

4. Implications

Financial Implications

- 4.1 There are no financial implications for the Council in connection with this project.

Human Resource Implications

- 4.2 At present there are no human resource implications.

Legal Implications

- 4.3 The tender process undertaken is fully EU compliant and has tested the market fully for a provider of the services required.

Equality Implications

- 4.4 It is anticipated that there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

Environmental Implications

- 4.5 All new infrastructure will be required to adhere to the relevant roads, planning and other appropriate legislation, in particular in respect to laying cables between land masses. The HIE project team are aware of the requirement to ensure disruption is kept to a minimum during the peak summer tourist months and will take this into consideration when finalising their implementation plans.

Implications for Key Priorities

- 4.6 This project relates directly to Council Plan Action Plan 2012-17, Core Objective 1 Regenerating Communities and Increasing Employment. The provision of this infrastructure will ensure that the overwhelming majority of Arran and Cumbrae residents and businesses will have the opportunity to access services and markets via high speed broadband infrastructure. This should assist in making these islands less digitally remote and provide expanded business opportunities via e-commerce channels.

Community Benefit Implications

- 4.7 The proposed provision of a minimum coverage of next generation broadband infrastructure of 90% will ensure that Arran and Cumbrae businesses and residents are well positioned to benefit from the services available through this infrastructure.

5. Consultations

- 5.1 Information Technology, Planning and Economic Development officers have all been consulted on the content of this report.

6. Conclusion

- 6.1 The Cabinet is asked to note progress with the Step Change 2015 (Highlands & Islands) project and welcome the future provision of Next Generation Access broadband infrastructure on Arran and Cumbrae.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : JMcG/AM

For further information please contact John McGuire, Team Leader,
Economic Development on telephone number 01294 225164

Background Papers

N/A

NORTH AYRSHIRE COUNCIL

Agenda Item 8

27 August 2013

Cabinet

Subject: **Welfare Reform progress report at 30 June 2013**

Purpose: To update the Cabinet on welfare reform related matters and the progress made against the welfare reform action plan at the end of 30 June 2013.

Recommendation: That the Cabinet agrees to note (i) the welfare reform related matters and (ii) the progress made against the welfare reform action plan as set out at Appendix 1.

1. Introduction

- 1.1 This report updates the Cabinet on welfare reform and the progress made against the Council's welfare reform action plan, as set out at Appendix 1.

2. Current Position

2.1 Under-occupation

- 2.1.1 The number of council tenants affected by under-occupation is 2,325. This figure can vary during the month due to changes in circumstance.
- 2.1.2 A total of 2,361 visits have been carried out with access gained to 2,030. The estimated annual reduction in Housing Benefit for council tenants is £1.5m.
- 2.1.3 The number of Housing Association tenants affected by under occupation is 605 with an estimated annual reduction in Housing Benefit of £442k. As at the end of June 122 Housing Association tenants have been granted DHP totalling £22,127; 66 applications have been refused.
- 2.1.4 905 discretionary housing payment applications have been completed from the council tenant visits. 387 applications were approved at the end of June 2013 with £74,804 awarded; 177 applications have been refused. Under occupation cases with rent arrears are being dealt with as a matter of urgency.

2.1.5 Key information gathered from tenants includes:

- 1,787 tenants have access to a bank account
- 321 tenants have access to a Post Office account
- 1,145 tenants have access to the Internet
- 1,130 tenants prefer to pay their rent by cash
- 291 tenants prefer to pay their rent by direct debit
- 1,220 out of the 2,030 tenants visited say they will pay the increase in their rent charge due to under occupation
- 348 tenants said they were unable to make up the increase in their rent charge and support was provided to complete a discretionary housing payment application form.

2.1.6 There has been no update from the DWP on the definition of supported exempt accommodation and, therefore, Council temporary accommodation is still subject to the under-occupation rules.

2.1.7 As at the end of June 2013, rent arrears for council tenants were £812,403, an increase of £267,376 since the end of March compared with an increase of £76,960 for the same period last year. Some 1,648 (71%) tenants subject to under occupation are in rent arrears owing £239,429; however 779 of these tenants had arrears of £127,965 prior to the introduction of the under-occupation charge; an increase therefore of £111,464. Total rent arrears have risen from 3.1% of annual net rent to 5.2% of annual net rent. The last time arrears were at this level was 2008.

2.1.8 Lord Freud wrote to all Local Authorities on the 30 June 2013 stating that “where it is found that a local authority has re-designated properties without reasonable grounds and without reducing rents, my Department would consider either restricting or not paying their Housing Benefit subsidy”. The Cabinet agreed on 30 April 2013 to reclassify properties on certain grounds and to respond on an individual basis to applications from tenants to have properties reclassified, taking into account the facts of each case and emerging DWP guidance and, therefore, meets the terms of Lord Freud’s letter.

2.2 Scottish Welfare Fund

2.2.1 The Scottish Welfare Fund Team is meeting the Scottish Government processing targets for crisis grants and community care grants of 2 and 15 working days, respectively. The team of 6.55 FTE is funded by the Scottish Government. However, this resource is being supplemented with the use of 3 FTE resource at the customer contact centre (2 FTE funded by the Benefits Service and 1 FTE funded by DWP) and some overtime. If the volume of applications and the administration required continues at the same level, then the amount of administration grant received from the Scottish Government may be insufficient to sustain the performance required. All other Scottish Councils are reporting the same issue. The table below provides a summary of the applications received up to the 30 June 2013.

Position as at 30 June 2013	Crisis Grants	Community Care Grants	Total	Comments
Applications received	791	390	1,181	The customer contact centre has answered 2,708 calls.
Grants awarded	486 (61%)	200 (51%)	686	
Applications refused	283	122	405	Applications are refused where excess income is still considered high after taking off expenditure.
Applications withdrawn	11	10	21	Withdrawn after discussion with applicants.
Applications outstanding	11	58	69	
Amount awarded to 30 June	£24,533	£97,473	£122,006	Average CG £48 & CCG £458
Year to date budget up to 30 June	£81,453 (30% of YTD budget)	£172,151 (56% of YTD budget)	£253,604	CCG expenditure is increasing.

- 2.2.2 Since April 2013, the combined crisis grant and community care grant monthly budget spent by Scottish Councils ranges from 4% in Orkney to 92% in Moray. The Council spent 45%, which is slightly above the Scottish average of 35%
- 2.2.3 At the end of May 2013, the last date for which comparative information is available, the Council spent 8% of its annual crisis grant and community care grant budget compared to a Scottish average of 7%. The lowest expenditure is Highland and North Lanarkshire at 3% to the highest Angus at 15%.
- 2.2.4 An applicant who is dissatisfied with the Council's decision has the right to request a review within 20 days of the decision. 14 first stage reviews have been received, with 4 applications changed in favour of the customer and the remaining 9 upheld.
- 2.2.5 An applicant who is dissatisfied with the outcome of a first stage review can request a 2nd stage review within 20 days. 1 review has been received and the decision of the team was upheld.

2.3 Universal Credit & local support service framework

- 2.3.1 A number of English local authorities has gone live with Universal Credit. Inverness jobcentre will be the first jobcentre in Scotland to go live with Universal Credit from October 2013.
- 2.3.2 The client group from October 2013 will be single people with no children. If the circumstances of the single person changes, then they will remain on Universal Credit, but the calculation may become more complex if, for example, a partner with children is added to the Universal Credit claim.
- 2.3.3 The scale of the national roll out is smaller than expected from October 2013, but the benefit of this approach is that it will allow the DWP to road test Universal Credit and the IT system.
- 2.3.4 The Rt Hon Iain Duncan Smith MP confirmed at the House of Commons Work and Pensions Committee meeting of 10 July 2013 that the roll out of Universal Credit is on track for 2017. The roll out of Universal Credit is currently for a small number of single claimants and, therefore, the number and complexity of claims being administered will need to increase significantly for the 2017 deadline to be achieved.
- 2.3.5 The DWP is also providing customers with access to 6,000 new personal computers across jobcentre offices to improve access to digital services.

2.3.6 The DWP has published a report called “learning the lessons 6 months in” for the direct payment demonstration sites and the key findings are:

- The resources required to prepare for, and deliver direct payment exceeded expectations.
- The working relationship between the benefit services and social landlords is critical and some local support may be required under Universal Credit.
- The majority of tenants are paying some or all of their rent despite their concerns about their ability to manage. However, more of the rent is being paid in instalments rather than on time and in one sum.
- There is evidence of good money management skills.
- Collection levels are lower in all projects areas compared to the levels before the projects went live.
- Some tenants who had their benefit paid direct to their landlord before the direct payment project are now in arrears, and other tenants are even more in arrears. Some of the tenants in arrears were not always those expected by landlords.
- Many tenants are not supportive of the direct payment policy.
- Direct debit is not always the most appropriate method of payment for people on low incomes.
- There is uncertainty over the capacity of local agencies across the pilot sites to deliver the level of support required to make the transition and manage direct payments.

2.3.7 The payment demonstration projects have been extended for a further 6 months until December 2013.

2.3.8 The DWP has confirmed that tenants who are unable to manage direct payments will be kept on managed payments direct to the landlord. Also, where a tenant is on Universal Credit and rent arrears are two months or more then direct payment will be made to the landlord. The DWP will also intervene where rent is one month in arrears and review its decision to ensure rent arrears do not accumulate. The DWP resources to administer this scheme are unknown.

2.3.9 The Senior Revenues and Benefits Manager attended a meeting with Jobcentre Plus, East Ayrshire Council and South Ayrshire Council on the 13 June 2013 to discuss the formation of a local delivery group that will progress the DWP local support services framework (LSS) for the introduction of Universal Credit. The group agreed to meet on a monthly basis to progress partnership working on Universal Credit and other welfare reforms.

- 2.3.10 The DWP local support services framework for Universal Credit does not recognise the Community Planning Partnership arrangements that exist in Scotland; therefore, COSLA, LA Representatives, and the Scottish Government are engaging with the DWP on developing an appropriate LSS framework for Universal Credit in Scotland.
- 2.3.11 COSLA has commissioned consultants Rocket Science to look at the shape of LSS at a Council level and the resources required for this. Rocket Science has begun the scoping work and information gathering from those councils involved: Glasgow, Borders and Dundee have also agreed to participate alongside the initial 3 councils – Renfrewshire, Fife and Highland.
- 2.3.12 The DWP is pulling together the initial findings from Universal Credit LA pilots including the 3 Scottish pilots, North Lanarkshire, West Dunbartonshire and Dumfries and Galloway, and COSLA aim to publish this information as soon as the report is received.
- 2.3.13 Members of the welfare reform working group met with Grand Central Savings (GCS) and 1st Alliance Credit Union on the 30 May 2013 to discuss the complementary services that GCS can provide to North Ayrshire residents. GCS and 1st Alliance Credit Union agreed to work together and introduce a referral system for customers. There are no anticipated costs to the Council. It was also agreed to develop a needs analysis survey to determine if there is a business case for GCS to be located in North Ayrshire.
- 2.3.14 Housing Services and 5 Housing Associations have entered into a 2 year partnership agreement with the 1st Alliance Credit Union. The agreement offers tenants a range of accounts and services that protect the rent income of the Council and other partner organisations, and prepares tenants for direct payment in advance of Universal Credit. The cost to the Housing Revenue Account is £4,000 per annum.

2.4 Discretionary Housing Payment (DHP)

- 2.4.1 As at 30 June 2013, the total number of DHP applications received is 1,266. The total number of applications received in 2012-13 was 616.
- 2.4.2 At the end of June 2013, a total of 561 applications have been granted and 292 refused after carrying out an income and expenditure review.
- 2.4.3 By the end of June 2013, £119,157 DHP was awarded with £96,931 (81.3%) going to Council and Housing Association tenants affected by under occupation.

2.4.4 The total DHP budget for the year is £668,032.

2.4.5 The DWP share of the total funding is £273,421.

2.4.6 As at the end of June 2013, the average amount of DHP awarded per week is £9,166 or £476,632 per annum. More recently, the level of weekly award has increased with an estimated annual contribution of £573,352.

2.5 Council Tax Reduction Scheme

2.5.1 The Council Tax Reduction scheme is operating efficiently.

2.5.2 The Scottish Government is introducing Regulations that will enable council tax reduction appeals to be heard by an independent panel appointed by Scottish Ministers.

2.6 Benefit Cap

2.6.1 The Benefit Cap will be applied against the Council's benefit claimants from the 15 July 2013. The implementation will be phased in between July 2013 and September 2013.

2.6.2 The number of households affected in North Ayrshire is 43. This number is based on a DWP May 2013 scan, which is the scan being used by the DWP to phase in the benefit cap. The number of households can increase or decrease during the course of the year as household circumstances change.

2.6.3 The total reduction in housing benefit due to the cap is difficult to predict as not all households are capped on the same date. As a guide; if all 43 households were capped from the 15 July 2013 then the maximum weekly reduction in housing benefit is £2,562 per week or £97,373 per annum until the 31 March 2014.

2.6.4 The joint Jobcentre Plus and Council local delivery group has agreed to design procedures whereby all households affected by the cap will be contacted and supported through the change including looking for employment.

2.7 Personal Independence Payment and Passported Benefit

2.7.1 Personal Independence Payment (PIP) went live on the 10 June 2013 for new claimants aged 16 to 64 for North Ayrshire residents. The DWP has published information on the claimant experience of PIP. Findings are positive in terms of clearly worded letters and forms, easy to use guidance and forms which helped users recognise and express their situation and support needs, and easy to understand scoring system and decisions.

- 2.7.2 DWP online information includes a “PIP toolkit” which allows people to check whether and when they may be invited to claim the new benefit.
- 2.7.3 Social Services staff are dealing with PIP enquiries / casework. For advice services and other support workers – Social Workers, Cancer Nurses, CABs, etc. the claim process is proving difficult. Initial claims must be made by telephone by the claimant or in the presence of the claimant. This has increased the time and resources spent to support people.
- 2.7.4 Front line Social Services staff who provide support, care and advice to individuals and families are being briefed on PIP from July 2013 to August 2013. An information briefing on PIP will be distributed by the working group to Social Services, Housing Services, Health and voluntary sector partners. A PIP leaflet and an article for the Tenancy Matters magazine are being produced. All information and useful customer links relating to PIP will be available on the Council’s website.
- 2.7.5 Transport Scotland published an on-line guide on applying for a Blue Badge in May 2013. Consultation with Scottish Government has resulted in a system which protects the previous level of entitlement. As yet, there is no impact or changed process for North Ayrshire residents when applying for a Blue Badge.
- 2.7.6 There is no impact to date on award of passport benefits such as Clothing Grant or School meals. These are linked to entitlement to means tested benefits and regulations have been amended to include access via Universal Credit. However this will only happen if a person moves from a “pilot” area and only after Universal Credit is rolled out to include families.

2.8 Impact on local support services

- 2.8.1 The number of council tenants referred to Housing Services Tenancy Support team since 2011-12 is noted below. The average monthly number of referrals for 2013-14 is on a par with 2012-13; this will continue to be monitored.
- 2011-12 455 – monthly average 38
 - 2012-13 533 – monthly average 44
 - 2013-14 137 – monthly average 46 (April to June)
- 2.8.2 The number of referrals to the Homeless Prevention and Advice Team since 2011-12 is noted below.

Welfare reform financial issues

- 2011-12 16
- 2012-13 75 (370% increase)
- 2013-14 40 (50% increase in Q1)

House size issues

- 2011-12 1
- 2012-13 5 (400% increase)
- 2013/14 9

Housing options

- 2011-12 1,142
- 2012-13 1,240 (9% increase)
- 2013/14 560

2.8.3 As part of the reassessment of changing for Social Services service users “welfare reform” related issues were highlighted to service users.

2.8.4 Since April 2013 Social Services Reception Services has seen a 367% increase in destitution referrals as detailed below:

May to June 2012	31
May to June 2013	145 (367% increase)

2.8.5 The reason for the increase is related to DWP sanctions for jobseekers allowance claimants.

2.8.6 The total amount of Section 12 and Section 22 payments at the end of June 2013 was £6,485 compared to £5,326 last year.

2.8.7 The number of food bank vouchers issued by Reception Services from April 2013 up to 20 June 2103 is 125.

2.8.8 The Money Matters service has received 188 general debt referrals up until the end of June 2013 compared to 190 last year.

2.8.9 The number of Welfare Rights enquiries received at the end of June is 789 compared to 351 last year.

3. Proposals

3.1 The Cabinet is invited to note (i) the welfare reform related matters and (ii) the progress made against the welfare reform action plan as set out at Appendix 1.

4. Implications

Financial Implications

4.1 Non recurring resources

Scottish Government has provided a total of £209,000 for software implementation costs for the council tax reduction scheme and set-up costs for the Scottish Welfare Fund. To date £12,641 has been spent on setting up the Scottish Welfare Fund; a further £25k will be paid to Northgate for system changes and the remaining £171,359 is under consideration by the welfare reform working group on how best to use the funds to address any pressure points.

Human Resource Implications

- 4.2 The DWP has provided “extra burdens” funding of £99,435 to be used to mitigate the impact of welfare reform. £81,620 has been used to recruit 3 FTE; 2 FTE for the customer contact centre to deal with the increase in benefit calls and Scottish Welfare Fund applications; and 1 FTE for the benefits service to assist with DHP applications. The remaining £17,815 has been provided to Housing Services to recruit a Housing Officer for part of the financial year.

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental Implications

- 4.5 None

Implications for Key Priorities

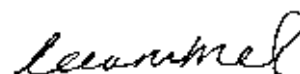
- 4.6 None

5. Consultations

- 5.1 There have been no consultations on the welfare reform action plan.

6. Conclusion

- 6.1 The Council's welfare reform action plan is being progressed by the Welfare Reform Working Group and the Council is well placed to respond to the reforms contained in the Welfare Reform Act 2012.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference : SH

For further information please contact Stephen Humphries Senior Manager Revenues and Benefits on telephone number 01294 324527

Background Papers

N/A

North Ayrshire Council - Welfare Reform Working Group - Work Plan

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
1	April 2010 to April 2014 Migration of Incapacity Benefit to Employment Support Allowance (ESA)	Increase of the number of unemployed North Ayrshire residents who are actively seeking work. Current figures show 29 claimants for every vacancy in Jobcentre Plus. Additional resources required to support those with additional barriers to employment.	Review of current Employability activity to assess fit with local labour market needs	Andy Lee	Apr-13	Mar-14	Task & Finish Group set up with both Council and external agencies represented. Tender brief written and let to review current Employability Provision in line with economic & political changes - explicitly focussed on welfare reforms. Expected start date August and completion expected in Early November. Stakeholder interviews built in as key component of brief.
			Work with Work Programme providers to ensure support to this group is provided and enhances existing provision	Andy Lee	Apr-13	Mar-14	Increased co-operation with WP providers but still limited due to the eligibility of WP clients for Euro funded programmes. New co-operative pilot agreed with DWP for case managed approach to WP "graduates".
			Examine the availability of additional targeted resources to support this target group	Andy Lee	Apr-13	Mar-14	Current Employability programme extended to March 2014 - but based on extension of current delivery model. Additional resources drawn down from Scottish Gov for Youth Employment wage subsidies - could help support at risk households.
			Ensure the pipeline approach adopted by NAC offers a supported pathway into sustainable employment	Andy Lee	Apr-13	Mar-14	Employability pipeline delivering to targets. New SDS Employability Fund added to local pipeline with new referral routes opened up to NAC.
			Consideration of potential implications for Local Employability Partnership provision, and how it will ensure interventions suitably target and support the most vulnerable people affected by WR	Andy Lee	Apr-13	Mar-14	This aspect is key element of Employability Review as described above - new pipeline provision designed with Welfare Reforms in mind. Additional support being made available from DWP through the local support services framework - early work to align this element with existing/developing provision.
			Re-consider the potential role of financial and money management skills in pre-employability programmes etc.	Andy Lee	Apr-13	Mar-14	As above - This aspect is key element of Employability Review as described above - new pipeline provision designed with Welfare Reforms in mind. Additional support being made available from DWP through the local support services framework - early work to align this element with existing/developing provision.
			Identify the scale of the reduction in income in the local area as a result of Welfare Reform, and assess the potential impact on economic development and job retention/creation	Andy Lee	Apr-13	Mar-14	The Improvement Service commissioned by SLAED to deliver on this action for all local authorities - to be circulated once completed.
			Identify projected future growth in affordable childcare provision through more parents returning to work due to welfare reform & assess capacity of current local provision to meet this demand at affordable cost	Andy Lee	Apr-13	Mar-14	As above - This aspect is key element of Employability Review as described above - new pipeline provision designed with Welfare Reforms in mind. Additional support being made available from DWP through the local support services framework. Has been include in early draft European Structural Fund programme as a key issue - potential funding opportunity for the future.

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
2	April 2013	Personal Independence Payment is being piloted in North England from April 2013 to June 2013	Research general rules of entitlement and the assessment / scoring framework and provide training for advice staff.	Isobel Kelly	Apr-13	Apr-14	This pilot informed the introduction of PIP for new claimants across the UK. Some important issues were not addressed, e.g. representatives unable to access written application forms and poorer access for terminally ill people.
			Increase awareness and provide current information for appropriate local authority staff and partners – Health, advice agencies, frontline disability services, etc.	Isobel Kelly	Apr-13	Ongoing	Website and briefings on Welfare Reform timetable and PIP provided prior to implementation. Money Matters team have attended specialist training and were able to deal with PIP issues from point of introduction. (Helpdesk and direct referrals for individual claimants)
			Provide a PIP briefing for Social Services and Health staff	Isobel Kelly	May-13	Jun-13	Money Matters Training Workshop included DLA / PIP information. PIP Upskilling briefings were provided for Social Services, WRAT and 3rd Sector partners.
			Continue to support parents of disabled children to access Disability Living Allowance.	Isobel Kelly	Apr-13	Jun-13	Support to families is provided through direct referral to money Matters from Children and Families (Children with Disability) Team, and via Money Matters Helpdesk. Money Matters, WRAT and Benefits have also collaborated with Children and Families Services to ensure Kinship and Foster Carers have advice on "under occupancy" and to access DHP - this has includes carerwith health / disability issues.
			Provide general Awareness session on PIP for all Head Teachers.	Laura Cook/Isobel Kelly	Apr-13		Completed. Greenwood Academy teaching staff had a Welfare Reform Awareness session.
	June 2013	New claimants aged 16 to 65 will claim PIP under the new rules – many will be unaware of rules and claims process.	Provide information, advice and support covering claims, reviews and appeals processes to support staff, claimants and potential claimants.	Isobel Kelly	Apr-June 13	Apr-14	Partner information sourced from DWP - available to all Money Matters, WRAT and Benefits Teams. Links to DWP PIP Toolkit on Council Website. Improved referral / support arrangements for services dealing with vulnerable groups - Learning Disability, Mental Health, Addiction Services - likely to be affected by changes. Public Information materials prepared for PIP and briefing sessions arranged for appropriate staff.
			Introduce referral pathways into Money Matters for new Service Access service users (adults) and for young people at transition stage – Education /Social Services.	Isobel Kelly	Jun-13	Sep-13	Money Matters staff began assisting with claims in June - Macmillan staff dealing with terminally ill will see the first decisions. Already noting some problems for claimants in the claim process - these will be fed into DWP "Implementation Group". Briefing for Children with Disability, LD, Mental Health and Addiction staff (Social Work and Health) arranged - will inform referral pathway for disabled service users and children at age 16.
			Raise awareness of PIP through visits to Special Schools – parents groups	Isobel Kelly/Laura Cook	Apr-13	Jun-13	Work with Special Schools to take place in Autumn Term. Await outcome of claims supported by advice staff and partners to form view of assessment process and decision making under new rules. At end July no information from DWP on the new Assessment Centres for PIP. Reported delays in claim forms being issued by DWP.
			Review appeals procedures to include mandatory reconsideration of PIP decisions.	Isobel Kelly/David Hornell	Jun-13	Sep-13	Further research into the PIP Regulations suggests this might be high risk for existing claimants - and it could only happen from October 2013. Information on review and new "appeals" process included in briefings for appropriate staff / teams.
	October 2013 – Review and renewals for existing claimants moving from DLA to PIP	This will impact on 16 to 65 year olds with change of circumstances, reaching age 16 or who have awards coming to an end.	Alert Head Teachers and Children and Family (Disability) Teams to new processes.	Laura Cook / Isobel Kelly	Aug-13	Oct-13	

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress	
		It can be difficult for young people and families to access information about transition and how to challenge assessment.	Implement referral process for 16+	Laura Cook / Isobel Kelly	Sep-13	Oct-13		
			Identify groups of service users who can benefit from new rules.	Laura Cook / Isobel Kelly	Sep-13	Oct-13		
			Undertake take up work.	Isobel Kelly	Sep-13	Oct-13		
	2015 - Move from DLA to PIP - all cases	Review of 10,000 cases in North Ayrshire with consequential loss of income / entitlement - @ 20% of current DLA spending.	Raise general awareness by targeting – stroke unit, Social Services care assessors / managers, Macmillan services, and health colleagues.	Isobel Kelly	Sep-13	Mar-14		
			Consider the implications of the migration process, and new rules and impact on trigger benefits.	Isobel Kelly	Sep-13	Mar-14		
			Engage with Education / Health and Social Services staff who support people with disability.	Isobel Kelly/Laura Cook	Apr-15	Mar-16		
			Ensure early information about transition and predictability of future entitlement, including other benefits which are related to disability entitlement.	Isobel Kelly	Apr-15	Mar-16		
3	April 2013 - Passported Benefits	Passport Benefits	Produce briefing note on Passporting when full details are known.	Isobel Kelly	As required	Mar-14	Full details of passporting arrangements not yet known.	
		Regulations introduced to ensure continuity of entitlement to "passport" benefits for people in receipt of new benefits introduced under Welfare Reform Act – Universal Credit and Personal Independence Payment.	Consider with Education, Social Services and the Registration Service what new procedures and application forms need to be introduced to verify an application for a free school meal, clothing grant, blue badge and education maintenance allowance under Universal Credit.	Laura Cook/Janie Millar	Apr-13	Oct-13	Initial indications are that Scottish Government proposals will protect entitlement at same level. The threshold for access to Blue Badge for PIP is similar to the level of "passport" for DLA. Access to educational benefits can include families in receipt of new benefits (Universal Credit) even prior to introduction at national level (would ensure access for families moving from "pathway" areas.	
		Changes to the rules on passported benefit will impact on customers in receipt of free school meals, clothing grants, blue badges and education maintenance allowance.	Identify the nature and scale of passported benefits affected by UC and PIP changes – distinguishing between Scottish level and local schemes	Laura Cook	May-13	Jul-13		
		Has relevance for Blue Badge parking entitlement and access to free school meals and clothing grants.	Assess impact on current processing and payment systems & recommend to services new processes and procedures & workforce requirements	Isobel Kelly	Apr-13	Mar-14		
4	July 2013 to September 2013	The DWP April 2013 scan indicates that there are 87 households in North Ayrshire affected by the cap. The DWP will be writing to all households concerned. The DWP will provide the Council with regular scans of households affected by the cap.	Benefits Service to cross check the DWP data scans with Jobcentre Plus & to agree the accuracy of the data	Linda Walker	Apr-13	Until Universal Credit is introduced	Continue to cross check information with Jobcentre Plus who are contacting customers for interviews. Live cases now being received from the DWP Belfast processing centre. All are being checked for accuracy before being implemented on Northgate.	
		Benefit cap	Those households to be capped will have their housing benefit reduced down to the cap. This will increase the amount of rent for the household and may increase rent arrears.	Welfare Reform Advice Team to visit all mainstream Council tenants affected by the Benefit Cap to offer advice and assistance in relation to bank accounts. Budgeting etc.	Jacqueline Cameron	May-13	Until Universal Credit is introduced	Only 13 council tenants affected. WRAT team have visited to offer advice and assistance
		The total amount a household can receive in state benefit has been capped at £500 per week for couple and lone parent households and £350 per week for single person households where no children are present. Exclusions do apply.	The cap has serious implications for the provision of temporary accommodation by Housing Services.	Benefits Service to work with Housing Services on the implications of the cap for tenants of temporary accommodation and council housing.	Linda Walker / Janeine Barrett	Apr-13	Until Universal Credit is introduced	Housing Benefit are conituing to supply Houising Services of households based on current circumstances who would be affected by the Benefit Cap within Council owned accommodation.

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Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
	The cap will be administered by the Council until Universal Credit is introduced.		Upgraded National standards training for key personnel within homelessness and housing advice services	Janeine Barrett	Apr-13	Until Universal Credit is introduced	2 officers have been identified for initial training
			Monitor impact of Benefit Cap on Furnished Tenancy Grant and increased risk of homelessness	Janeine Barrett	Apr-13	Until Universal Credit is introduced	Not applicable as yet

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
5	<p>Scottish Welfare Fund implemented on the 1 April 2013 until 31 March 2015</p> <p>The Scottish Welfare Fund administered by the Council provides Community Care Grants and Crisis Grants to customers in need.</p>	The Council has cash limited funds to administer the scheme for 2013-14:	Maintain baseline details of the number of applications made, accepted, rejected and appeals for community care grants and crisis grants in the North Ayrshire area.	Linda Walker	Apr-13	Until 31 March 2015	Statistics are maintained on a weekly basis. At end of June 2013; 791 crisis and 390 community care grants applications received (total 1,181). 486 crisis and 200 community care grants awarded. 11 crisis and 10 community care applications withdrawn and 11 crisis and 58 community care grant applications outstanding.
		Community Care Grant £705,972	Monitor the level of community care grants and crisis grants expenditure against the Council's cash limited funds and decide the high, medium or low priority setting for payments. Also track Section 12 and Section 27 payments to ensure customer needs are being met.	Linda Walker/Stephen Humphries	Apr-13	Until 31 March 2015	Crisis grant and community care grant expenditure is monitored against the cash limited funds on a weekly basis and expenditure against Section 12 and 27 payments are tracked. At the 30 June 2013; £24,533 crisis grants awarded against a year to date budget of £81,453 and £97,473 community care grants awarded against a year to date budget of £172,151. Expenditure is therefore below the monthly budget.
		Crisis Grants £362,552	Decide on a supplier for the provision of goods and services in respect of the Scotland Excel Framework and the payment of community care grants	Stephen Humphries	May-13	May-13	Contract in place with the Furnishing Service Limited until 31 March 2015
		Demand for a grant may exceed funding.	Provide the Scottish Government with a monitoring statement of the administration of the Scottish Welfare Fund.	Linda Walker	Jun-13	Until 31 March 2015	Northgate software being delivered in August 2013 and monitoring statement will be provided to the Scottish Government as required.
			Provide the CMT and Cabinet with regular updates on the administration of the Scottish Welfare Fund.	Stephen Humphries	Apr-13	Until 31 March 2015	Monthly reports provided to the CMT and 6 monthly progress report on the Scottish Welfare Fund provided to Cabinet
			Monitor the impact of the Scottish Welfare Fund grants on tenancy sustainability.	Janeine Barrett	Mar-14	Mar-15	No update required as yet
6	<p>Discretionary Housing Payment</p> <p>A discretionary housing payment provides a temporary solution to claimants to cover part of their housing costs.</p> <p>The Council's funding for 2013-14 £668,032</p> <p>The Council approved its DHP policy in October 2012 and operational procedures in April 2013</p>	Welfare Reform has reduced Housing Benefit for benefit claimants and the DHP scheme is a temporary measure used to support customers. Some client groups are more affected than others and therefore the temporary support may be required for longer periods.	Maintain baseline details of the number of DHP applications made, accepted and rejected.	Linda Walker	Apr-13	Until 31 March 2014	Statistics are maintained on a weekly basis. For the period 1 April 2013 to 30 June 2013; 1,266 applications received, 561 granted and 292 refused after an income and expenditure review.
		The DHP funding will be used to targets claimants affected by:	Monitor the level of DHP expenditure against the Council's cash limited funds.	Linda Walker/Stephen Humphries	Apr-13	Until 31 March 2014	The amount of DHP expenditure is monitored against the cash limited funds on a weekly basis. At the end of June 2013 DHP totalling £119,157 awarded against a budget of £668,032 (17.8%).
		Size criteria, Benefit Cap, LHA restrictions	Provide the CMT & Cabinet with regular updates on the administration of the discretionary housing payment scheme	Stephen Humphries	Apr-13	Until 31 March 2014	Monthly reports provided to the CMT and 6 monthly progress report on DHP provided to Cabinet
		The funding will also be used to address general hardship issues.	Monitor the number of DHP applications received, process DHP applications in accordance with the benefits right time indicator target of 15 days and monitor the expenditure against the Council's cash limited funds.	Linda Walker	Apr-13	Mar-14	485 applications outstanding at the end of June 2013 (this includes DHP forms carried forward into 2013-14). The total number of applications received between April and June of 1,266 is more than the 2012-13 financial year - 600 forms. The backlog is being targeted using overtime.
		The funding is cash limited and demand is expected to exceed supply.	Review the DHP policy and operational procedures in line with operational experience identified in 2013-14	Stephen Humphries	Jan-14	Mar-14	Review of policy and procedures to be carried out in January 2014.

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
7	<p>The reduction in Housing Benefit due to under occupation for working age social housing tenants was implemented from April 2013</p> <p>The amount of weekly Housing Benefit has been reduced by 14% for working age claimants where there is one extra bedroom or 25% for two or more extra bedrooms.</p>	To minimise the impact of under-occupation on Council and RSL tenants and to minimise the impact on the Council's Housing Revenue Account	Review impact on Arrears Policy	Marianne McManus / Linda Walker	Mar-13	Jun-13	Options in relation to arrears recovery under review and report went to Cabinet on the 30 April 2013. Cabinet agreed no eviction of tenants with u/o arrears where tenant is engaging and making payments towards arrear. Agreed not to pursue tenants in temporary accommodation.
			Develop and implement flat sharing opportunities for households affected.	Janeine Barrett	Apr-13	Mar-14	1 st draft complete . The South West HUB are working along with North Ayrshire Community Housing Advocacy Project in the developmnet of a flat sharing procedure which will ensure a common approach across the South West of Scotland.
			Review impact on Lodger Policy	Marianne McManus	Nov-12	Jun-13	Review under way by Estate Management Working Group
			Review impact on Allocation Policy	Carol Nelson	Dec-12	Jun-13	Impact on Allocation Policy being reviewed by Common Housing Register Working Group. Report was submitted to the Cabinet on 30th April 2013. Cabinet agreed to increase points for under occupancy and to reclassify around 300 amenity properties to housing for all ages.
			Review impact of changes on Housing Business Plan	Marianne McManus / Alex Adrain & Business Planning Working Group	Jul-12	Mar-13	housing baseline Indicators for 2013/14 agreed
			WRAT Team to visit all mainstream Council tenants affected by the under occupancy size criteria to offer advice and assistance on options available to them & track changes in behaviour.	Jacqueline Cameron	Feb-13	Jul-13	June 2013 - A total of 2,361 visits have been carried out with access gained to 2,030.
			Monitor performance indicators for WRAT Team	Marianne McManus / Jacqueline Cameron	Jan-13	Ongoing	Performance monitored monthly
			Amend the current approach within the Local Housing Strategy to allow the development and purchase of 1 bedroom properties in the social housing sector	Alex Adrain	Apr-13	Ongoing	Report to Cabinet April 2013 for agreement. Agreed at Cabinet
			Promote Employability services to tenants	Marianne McManus/ Jacqueline Cameron/Andy Lee	Jun-13	Ongoing	Article to be included in tenants newsletter
			Publicise and promote DHP scheme	Marianne McManus / Jacqueline Cameron	Apr-13	Ongoing	Information included in Tenants Newsletter and Welfare reform Leaflets and WRAT team promoting at visits. Information and application available on website
			Monitor baseline indicators, identifying trends and changes in demands for services	Marianne McManus / Jacqueline Cameron	Apr-13	Ongoing	Housing baseline Indicators for 2013/14 agreed
			Monitor the number of appeals received from benefit claimants in relation to under occupation.	Linda Walker	Apr-13	Ongoing	The number of appeals received are being monitored.
			Monitor the number of requests for property reclassifications received from benefit claimants in relation to under occupation.	Marianne McManus	Apr-13	Ongoing	June 13 - 4 requests to date
			Monitor the potential increases in rent arrears as result of new under occupancy arrangements against estimated projections	Marianne McManus	Apr-13	Ongoing	June 13 - 1596 tenants subject to under-occupation owing £239,429
			Monitor the potential increases in homelessness presentations as a result of WR changes and the reason for the presentation.	Janeine Barrett	Apr-13	Mar-14	No Update equired as yet - homeless statistics remain stable however the service has experienced an increased demand for advice on housing options from households affected by Welfare reform. We have also experienced an increased demand for housing support services for NAC tenants in rent arrears

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
			Consider potential reduction in rental levels received from temporary accommodation as a result of DWP current policy on supported exempt accommodation	Janeine Barrett	Apr-13	Mar-14	We are still awaiting a final statement with regards to classification of supported exempt accommodation, which will inform impact.
			Review of the Council's homelessness policy, strategy and procedures based on DWP policy decisions.	Janeine Barrett	As required		A full review of of service provision will be undertaken on receipt of final guidance and classification of temporary provision dependant of budget implications
			Assess and quantify any significant migration patterns between areas as a result of HB changes in the social and private rented sectors	Janeine Barrett	Apr-13	Mar-14	Assessment will be undertaken in last quarter of 13/14
			Consider the potential implications household migration for other Council services i.e. impacts on school rolls etc.	Janeine Barrett/ Laura Cook/ Janie Millar	Apr-13	Mar-14	
8	<p>October 2013 to April 2017 Universal Credit</p> <p>Housing Benefit will be abolished from around October 2013.</p> <p>New claims and changes in circumstance will migrate to Universal Credit.</p> <p>Universal Credit will combine Income Support, Jobseekers Allowance, Employment Support Allowance and Working Tax Credit and Child Tax Credit for working age claimants.</p> <p>Universal Credit will include a housing element to cover rent charges and it will be paid direct to the claimant.</p> <p>Pension Credit will also include a housing element from around October 2015.</p>	<p>The Council has an important role to play during the migration period to Universal Credit by shifting claimants to on-line claims. The level of funding for this is currently unknown.</p> <p>Direct payment of Universal Credit will increase rent arrears.</p> <p>The migration of benefit claims will impact on the staffing resources required to administer benefit and the financial funding received by the Council.</p>	<p>Review potential impact of Housing Revenue Account Business Plan: Meeting SHQS; Rent Restructure; and Council House Building</p> <p>Identify potential service gaps and Council capacity to address these.</p> <p>Scale/cost of potential delivery options</p> <p>Consider 'political' implications and risks of delivering these services</p> <p>Consider/support potential roles for local social economy organisations.</p> <p>Identify workforce requirements</p> <p>Review the options available to tenants to open an account in order to pay their rent direct to the Council under Universal Credit.</p> <p>Assist council tenants to prepare for UC - WRAT Team to visit tenants who will be eligible to claim Universal Credit, to discuss banking, financial circumstances and rent payment options and Identify/quantify particularly vulnerable tenants</p> <p>Assess the additional costs associated with increase in collection/payment methods due to Universal Credit.</p> <p>Develop process/procedures for identifying both current and prospective tenants who may be vulnerable under the Act in preparation for requesting that housing costs are paid direct to Council</p>	<p>Marianne McManus/ Business Plan Working Group</p> <p>All group members</p> <p>All group members</p> <p>All group members</p> <p>Rhona Arthur / Andy Lee</p> <p>Marianne McManus / Stephen Humphries</p> <p>Marianne McManus / Stephen Humphries</p> <p>Jacqueline Cameron</p> <p>Marianne McManus/J Cameron</p> <p>Marianne McManus/J Cameron</p>	<p>Oct-12</p> <p>Apr-13</p> <p>Apr-13</p> <p>Apr-13</p> <p>Apr-13</p> <p>Jul-13</p> <p>Apr-13</p> <p>Jul-13</p> <p>Aug-13</p> <p>Aug-13</p>	<p>Apr-17</p> <p>Jul-13</p> <p>Aug-13</p> <p>Aug-13</p> <p>Aug-13</p> <p>Aug-13</p> <p>Ongoing</p> <p>Dec-13</p> <p>Ongoing</p>	<p>Review has commenced and discussions ongoing with Business Plan Implementation group in preparation for 14/15 Budget discussions.</p> <p>Meeting held with Jobcentre Plus in June 2013 to discuss the formation of a local delivery group to progress the DWP local support services framework. This includes identifying the current service provision and any gaps.</p> <p>This will now be considered as part of the local delivery group consisting of local authorities and Jobcentre Plus.</p> <p>This will now be considered as part of the local delivery group consisting of local authorities and Jobcentre Plus.</p> <p>This will now be considered as part of the local delivery group consisting of local authorities and Jobcentre Plus.</p> <p>Housing Services has entered into a partnership agreement with the 1st Alliance Credit Union and 5 Housing Associations. The agreement offers tenants a range of accounts and services that protects the rent income of the Council and other partner organisations, and prepares tenants for direct payment in advance of Universal Credit.</p> <p>Data is being collated from under occupancy visits to determine figures in terms of digital access and types of bank accounts. Article being included in September Tenants Newsletter</p>

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
8 (continued)			Review and update all information in handbooks/leaflets etc to reflect changes from HB to Universal Credit	Marianne McManus/J Cameron	Aug-13	Dec-13	
			Adjust and review housing services performance indicators and targets to reflect the effect of Welfare Reform	Marianne McManus/J Cameron	Sep-13	Mar-14	
			Review Direct Debit frequency options and carry out a Direct Debit campaign for all council tenants once the DWP migration timetable to UC is known.	Marianne McManus/J Cameron	Oct-13	Mar-14	Additional Direct Debit payment option dates being piloted
			Identify and promote training opportunities for tenants to gain basic computer skills training.	Marianne McManus/J Cameron	Sep-13	2017	Article to be included in September Tenants Newsletter
			Evaluate the Universal Credit pilot to identify and disseminate good practice and identify any risks associated with the implementation of UC for tenants and benefit claimants.	Marianne McManus/ Linda Walker	Jun-13	Ongoing	Findings from the Universal Credit pilots have been considered by the working group and will be taken forward.
			Review the evaluation report of the direct payment demonstration sites and identify areas of good practice and risks to the direct payment of Universal Credit & estimate the likely additional demand levels on services and associated costs.	Jacqueline Cameron	Jun-13	Aug-13	Findings from the 6 monthly report have been considered by the working group and will be taken forward . The pilots have been extended for a further 6 months by the DWP.
			Manage the migration of the Housing Benefit caseload in accordance with the DWP timetable and asses the implications of the phased introduction of UC on the benefits service.	Stephen Humphries/ Linda Walker	TBC	Until HB caseload completely migrated to DWP	DWP migration timetable to Universal Credit is unknown
			Identification and quantification of staff potentially affected by the reducing role of the local authority in HB administration and clarification of staff TUPE options under Universal Credit.	Stephen Humphries/ Linda Walker	TBC	Until HB caseload completely migrated to DWP	DWP migration timetable to Universal Credit is unknown
			Assess the potential increases in rent arrears as a result of loss of direct housing benefit payments – scheduled against proposed UC rollout	Marianne McManus	Jul-13	Oct-13	Estimates have been produced however awaiting further guidance from DWP on vulnerable exemptions for Direct Payments and implementation date in North Ayrshire
			Review rent arrears procedures and practices to ensure fit for purpose	Marianne McManus	Sep-13	Until HB caseload completely migrated to DWP	
			Develop appropriate support mechanisms for tenants - map out support/advice agencies across the area that can assist tenants	Marianne McManus/ Jacqueline Cameron	Oct-13	Mar-14	June 13 -Application for funding made to SLAB to extend welfare rights/debt advice provision within Housing Services. Work commenced with DWP and Third Sector to map out provision

Change Number	Date of reform & change description	Impact Assessment & Objectives	Key Actions Required	Lead Officer	Start Date	Completion Date	Progress
9	Single Fraud Investigation Service	The creation of a single fraud investigation service (SFIS) will harmonise the investigation of benefit fraud under the one organisation.	Keep the benefits investigation team fully informed of any changes.	Stephen Humphries	Apr-13	Mar-14	The Benefits Investigation Team is kept fully up to date on any developments.
	The DWP is setting up a UK single fraud investigation service (SFIS). This will combine the fraud activity currently carried out by the DWP, Local Authorities and HMRC.	The SFIS will change the responsibilities and the powers of the Council's benefit investigation team from 1 April 2013.	Revise the policies and procedures & IT systems of the benefits investigation team once the SFIS powers and access to software systems are known.	Stephen Humphries	Once DWP provide guidance	Mar-14	No information received from the DWP regarding the role of the Council.
	The start date of the SFIS in North Ayrshire is unknown. The Council's benefits investigations staff will remain employed by the Council and at some stage operate under SFIS powers.	The amount of DWP funding to be provided to the Council to operate under SFIS powers is unknown.	Assess the impact the funding provided by the DWP for operating the SFIS will have on the current level of resource involved in benefit investigations.	Stephen Humphries	Once DWP confirm the funding	Mar-14	No information received from the DWP regarding the level of funding provided to the Council.
		The future of the Council's fraud investigation service is unknown and this will impact on staff resources.	Continue to support the training of the benefits investigation staff on SFIS powers with the DWP during 2013-14 when available.	Stephen Humphries	Apr-13	Mar-14	Staff have registered for DWP courses.
10	Council Tax Reduction scheme	The amount of funding provided by the DWP was reduced by 10% around £40m and for 2013-14 only the Scottish Government (£23m) and Local Authorities (£17m) funded this gap. This means that no one was worse off at 1 April 2013.	Continue to provide data and comments to COSLA, Scottish Government and officer working groups on the service design options for a replacement Council Tax Reduction scheme for	Stephen Humphries	As required	Mar-14	The 2013-14 Council Tax Reduction scheme working effectively. No requests received regarding the design of a new scheme for 2014-15.
	Council Tax Benefit scheme was abolished from 1 April 2013 and replaced by the council tax reduction scheme by the Scottish Government which is administered by the local authorities.	The structure of the council tax reduction scheme for 2014-15 is unknown and the Council may be required to implement a new scheme if the current level of funding from the Scottish Government and Local Authorities discontinues at the 31 March 2014.	Respond to any fundamental changes in the structure of the council tax reduction scheme decided by the Scottish Government for 2014-15.	Stephen Humphries	As required	Mar-14	No formal decision made by the Scottish Government regarding the 2014-15 scheme.

NORTH AYRSHIRE COUNCIL

Agenda Item 9

27 August 2013

Cabinet

Subject: Flexible Intervention Service (Mental Health and Learning Disabilities)

Purpose: To seek the Cabinet's approval to undertake a tender exercise to appoint a service provider to provide a flexible care and support service.

Recommendation: That the Cabinet agrees to a tender exercise to appoint a service provider to provide a flexible care and support service to individuals with mental health problems and learning disabilities.

1. Introduction

- 1.1 The assessment and care management services for people with mental health and learning disabilities are provided by specialist social services fieldwork teams - Mental Health and Learning Disabilities - based at Caley Court Resource Centre, Stevenston.
- 1.2 The work of these teams is focused on supporting people who have significant or on-going issues in relation to their mental health problems or learning disabilities and to ensure their circumstances are monitored and reviewed.
- 1.3 In addition, there are referrals to these teams or other services which relate to individuals who are not able to function adequately or are in crisis and require support to deal with practical tasks which are often time consuming and intensive.
- 1.4 Additional funding of £150,000 per annum has been approved from April 2013 to fund a service for two years to support these vulnerable adults.
- 1.5 The service has been identified as being appropriate to be procured from external service providers as it has the potential to deliver additional capacity to meet the needs of those individuals presenting for service. The focus of the work will be early intervention and prevention in order to reduce dependence on services.
- 1.6 In order to comply with the Council's Standing Orders and Public contracts (Scotland) Regulations 2012 (as amended), a formal tendering exercise must be undertaken.

2. Current Position

- 2.1 Some individuals who are not able to function well or are in crisis often experience difficulties in accessing appropriate services or support.
- 2.2 Often these individuals are young people in crisis who are effected by factors such as
- Have experience of past trauma
 - Are at risk of exploitation
 - Have a history of self-harming behaviour
 - Have previous involvement with Social Services
 - Have previously been in residential care
 - Have difficulties in maintaining tenancies
 - Have poor budgetary or independent living skills
 - Are experiencing crisis situations in the community

Or in many cases, are experiencing a combination of these factors.

- 2.3 Work to stabilise these crises and set up support is often intensive and takes a significant amount of time to resolve the situation. The support also requires to be flexible, adaptable and able to respond quickly to changing circumstances during such times of crisis but is not readily available within the current internal resources or services.
- 2.4 A service which is able to focus on providing early intervention and prevention support would help to avoid or reduce the crisis situations experienced by these vulnerable adults. It would also enable this group to access appropriate support and contribute to improving their health and well-being.

3. Proposals

- 3.1 That Cabinet gives approval for a tender exercise to be undertaken to appoint a service provider to deliver a flexible care and support service to individuals with mental health problems and learning disabilities.

4. Implications

Financial Implications

- 4.1 External funding of £150,000 per annum has been secured for two years as part of the 2012/2013 budget process and service development initiatives fund. The services which will be procured represent an early intervention approach, as such it is anticipated that continued service delivery beyond year 2 will be met from existing resources.

Human Resource Implications

- 4.2 There are no human resource implications as the proposed staff group will be employees of the appointed service provider.

Legal Implications

- 4.3 The procurement is above EU Public Procurement thresholds for services although the required services are classified within Part B of the Regulations. Service Design and Procurement Team as well as the Council's Legal Services will be involved in the procurement process.

Equality Implications

- 4.4 The provision of the Service would offer appropriate support to people with mental health problems or learning disabilities that are experiencing difficulties at that point in their lives. These individuals are not expected to be disadvantaged through the provision of this service.

Environmental Implications

- 4.5 There are no environmental implications in connection with this proposal.

Implications for Key Priorities

- 4.6 The proposal supports the Council's plan of protecting vulnerable people.

Community Benefit Implications


- 4.7 The successful Provider may potentially look to employ staff from the local community thus enhancing local opportunities for employment.

5. Consultations

- 5.1 Consultation has taken place with Social Services Service and Design Officers and Legal Services.
- 5.2 Consultation exercises have taken place with Mental Health and Learning Disabilities Service Users, with partnership organisations and with organisations who currently provide care and support services within North Ayrshire.

6. Conclusion

- 6.1 Some individuals who are not able to function well due to mental health problems or learning disabilities experience difficulties in accessing appropriate services or support. This may result in a crisis situation.
- 6.2 Work to stabilise the crisis situations needs to be flexible, adaptable and able to respond to changing circumstances.
- 6.3 The appointment of a Service Provider to provide a flexible care and support service which is able to focus on early intervention and prevention work would serve to avoid or reduce crisis situations and enable this group of people to be supported and stabilised more appropriately.
- 6.4 Therefore, it is recommended that Cabinet:
 - (1) note the requirement for this tender.
 - (2) note the revenue funding is above EU Public Procurement Threshold but part B services.
 - (3) approve the procurement of this service using Open Procedure via Public Contract Scotland Tender System.



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Background Papers

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NORTH AYRSHIRE COUNCIL

Agenda Item 10

27 August 2013

Cabinet

Subject: **Appointment of a 24-hour Care Provider**

Purpose: To advise Cabinet of the outcome of an urgent tender exercise to appoint a 24 hr care provider.

Recommendation: That the Cabinet agrees to (a) note the outcome of the tender exercise to appoint a care provider to provide a 24 hour support service for four adults with learning disabilities and complex needs and behaviours; and (b) approve the award of the contract to provide a 24 hour support service to adults with learning disabilities and complex needs and behaviours to Quarriers

1. Introduction

- 1.1 As part of the Learning Disabilities Hospital Retraction Programme, North Ayrshire Council Social Services commissioned a residential service for four adults with learning disabilities and complex needs, including behaviours which can challenge the service in Parkhill House, Lochwinnoch, Renfrewshire. This was a 4-bedded residential establishment operated by Craegmoor Health Care, now part of the Priory Group. This service was commissioned in August 2009.
- 1.2 Craegmoor Health Care also operated an adjacent service, Garpel House on the same site in Lochwinnoch. This provided residential and respite placements for adults with learning disabilities commissioned by four other local authorities.
- 1.3 From November 2012, North Ayrshire Council Social Services became increasingly concerned about the quality of care, staff practice and staff deployment, management and leadership across the Parkhill and Garpel facilities. The provider had received several complaints about staff practice and a number of staff were suspended and subject to disciplinary investigations.

1.4 During this period the Care Inspectorate Grades had reduced from Grade 4 in 3 areas in January 2012:

- quality of care & support,
- quality of staffing
- quality of management and leadership

to Grade 2 in 4 areas in November 2012:

- quality of care & support
- quality of environment
- quality of staffing
- quality of management and leadership.

1.5 A series of crisis resolution meetings were convened, chaired by Renfrewshire Council Social Services as host authority, but also involving North Ayrshire Council (the sole commissioning authority for Parkhill House) and the other placing authorities for Garpel House. Craegmoor Health Care were also involved in these meetings.

1.6 Adult Support and Protection investigations were also conducted in respect of all the adults placed in Parkhill House and Garpel House. In the cases of the four North Ayrshire adults placed in Parkhill House, no Adult Support and Protection issues were found, but North Ayrshire Council Social Services continued to have significant concerns about the quality of care and staffing practice and deployment within Parkhill House.

1.7 As no significant improvement was achieved, on 6 March 2013 North Ayrshire Council informed the provider of its intention to seek alternative placements for the adults placed within Parkhill House. The other commissioning authorities also intimated their intention to seek alternative placements for the adults placed in Garpel House.

1.8 In response, the care provider, Craegmoor Health Care (now part of the Priory Group) issued a closure notice to the Care Inspectorate with the intention to close on 18 June 2013.

1.9 As a result, in partnership with North Ayrshire Council Housing Services, Social Services was able to identify two shared tenancies as being suitable to meet the needs of the four adults placed in Parkhill House. These were:

- one North Ayrshire Council tenancy in Eglinton Park, Kilwinning
- one Irvine Housing Association tenancy in Hawthorn Court (ex-warden's house), Kilwinning.

- 1.10 Due to the urgency of the situation and the exceptional circumstances, approval was given by the Corporate Procurement Unit to conduct a tender exercise to appoint an alternative care provider to provide support for these adults within these tenancies.
- 1.11 Extensive refurbishment work, including furniture and fittings was carried out in the two properties on an urgent basis to ensure they were suitable to meet the needs of these adults.

2. Current Position

- 2.1 A tender exercise was undertaken to appoint a care provider and Quarriers have been identified as being the most suitable.
- 2.2 Quarriers undertook a recruitment and training programme to appoint a staff team. To facilitate this, the Care Inspectorate agreed to a request for an extension of the registration of the service at Parkhill House until 26 July 2013.
- 2.3 The four adults moved into the two shared tenancies on 12 July 2013 and early indications are that they appear to be settled and enjoying their new homes with support from Quarriers staff (some of whom were recruited from Parkhill House).
- 2.4 Robust partnership arrangements are in place involving Social Services, the NHS, Housing Services and Quarriers to ensure progress is closely monitored.

3. Proposals

- 3.1 The Cabinet is invited to (a) note the outcome of the tender exercise which was conducted to appoint a care provider to provide a 24 hour support service for four adults with learning disabilities and complex needs and behaviours; and (b) approve the award of the Contract to provide a 24 hour support service for four adults with learning disabilities and complex needs and behaviours to Quarriers.

4. Implications

- 4.1 Financial Implications
 - 4.1.1 The placement of the four adults while in Parkhill House was costed at £591,365 per annum.
 - 4.1.2 The value of the contract to provide the support service is £476,229 per annum, thus realising a potential saving. The contract period is for two years plus the option to extend for a further two 12-month periods. The estimated value of the Contract (including any possible extensions) is £1,904,916.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 The procurement exercise has been undertaken in accordance with the Council and European Union Procurement procedures.

Equality Implications

- 4.4 The equality credentials of the service providers submitting tenders has formed part of the evaluation process.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The proposal contributes to the Council's key priorities within the Single Outcome Agreement and the Council Plan of supporting vulnerable people within the community.

Community Benefit Implications

- 4.7 The recruitment programme had the potential to employ staff from the local community.

5. Consultations

- 5.1 The families of the four adults placed in Parkhill House were fully involved in consultations about the situation and were in agreement with the actions taken.
- 5.2 The tender exercise has been undertaken in consultation with the Council's Corporate Procurement Unit and Legal Services.

6. Conclusion

- 6.1 The placements at Parkhill House were failing and the concerns about the quality of care and staffing were significant, thus placing the service users at risk.
- 6.2 Urgent measures to seek alternative supports were required and the transfer of the four adults to two shared tenancies in Kilwinning appears to have enhanced their quality of life.

- 6.3 The award of the contract to provide the support service to Quarriers will ensure that the needs of these adults will continue to be met.



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Background Papers

Tender documentation

NORTH AYRSHIRE COUNCIL

Agenda Item 11

27 August 2013

Cabinet

Subject: **Currie Court Care Service, Ardrossan**

Purpose: To advise the Cabinet of the outcome of the tender exercise for care and support services.

Recommendation: That the Cabinet agrees to award the contract for the appointment of a provider organisation to provide care and support services to the individuals living in tenancies within the reconfigured ex-residential unit at Currie Court to Cornerstone Community Care.

1. Introduction

- 1.1 On 22 November 2011, the former Executive approved the reconfiguration of the linked residential unit at Currie Court, Ardrossan.
- 1.2 The linked residential unit ceased to operate at the end of 2010 following a decision to explore reconfiguring the building to meet demand from service users with learning disabilities and mental illness. These individuals either currently live within the community and have high support package costs, or reside within a hospital or care home setting, again with a high resource implication.
- 1.3 The reconfiguration will convert the ex-residential unit into 13 self-contained, 1-bedroom tenancies, one of which will be wheelchair accessible.

2. Current Position

- 2.1 Refurbishment work to convert the ex-residential unit into 13 individual tenancies with a staff base is scheduled to be completed by the end of September 2013.
- 2.2 A tender exercise to appoint a provider organisation to provide care and support services to 13 individuals with learning disabilities and/or mental health problems has been completed.

- 2.3 Assessments of the support requirements for 13 individuals who will live in the tenancies are in the process of being completed.
- 2.4 Staff from the successful tenderer will be trained in order to become competent to meet the needs of the individuals who will live in the tenancies.
- 2.5 A pre-qualification questionnaire (PQQ) was issued on 19 March 2012 with a closing date of 27 April 2012 to permit the selection of a shortlist of organisations to be invited to tender. A total of 20 organisations responded. The PQQ responses were evaluated and 5 organisations shortlisted. The tender document was issued on 8 May 2013 with a closing date of 5 June 2013. Tender documents were received from 3 organisations.
- 2.6 The submissions were assessed in terms of quality of service (60%) and cost (40%). The bias towards quality reflects the importance of ensuring that the successful tenderer has the necessary expertise to provide the service.
- 2.7 The quality of service element was rated using a scoring framework based on the following criteria:-
- Staffing (15%)
 - Ensure outcomes for service users (15%)
 - Service outcomes (15%)
 - Policies, Procedures and Protocols (10%)
 - Social Inclusion (5%)
- 2.8 The tender evaluation panel consisted of two officers from Social Services Mental Health and Learning Disabilities Services and one representative from NHS Ayrshire & Arran Learning Disabilities Service.
- 2.9 Cornerstone Community Care has scored the highest against the evaluation criteria. A tender outcome report is attached at Appendix 1.

3. Proposals

- 3.1 It is proposed that Cabinet awards the contract to Cornerstone Community Care.

4. Implications

Financial Implications

- 4.1 The value of the contract per annum will not exceed £820,000. The contract term is for two years plus the option to extend for a further two 12-month periods. The estimated total value of the overall contract will be £3,280,000. Contract costs can be met from existing resources.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The procurement process has been undertaken in accordance with the Council and European Union Procurement procedures.

Equality Implications

- 4.4 The equality credentials of the service providers submitting tenders has formed part of the evaluation process.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The proposal contributes to the Council's key priorities within the Single Outcome Agreement and the Council Plan of supporting vulnerable people within the community.

Community Benefit Implications

- 4.7 The appointed provider will potentially need to recruit from the local community thus offering employment opportunities.

5. Consultations

- 5.1 The tender exercise has been undertaken in consultation with the Council's Corporate Procurement Unit and Legal Services.
- 5.2 The families or relevant persons involved in the lives of the 13 individuals who have been identified as having the potential to benefit from this type of service have been involved in discussions about the proposal.
- 5.3 Consultation has also taken place with the residents of the nearby sheltered housing complex.

6. Conclusion

- 6.1 The tender exercise has identified Cornerstone Community Care as the preferred provider organisation. The award of the contract to Cornerstone Community Care will allow the process of linking the staff to the individuals identified as potentially benefitting from this type of service to proceed.
- 6.2 The accommodation model is an innovative development to support vulnerable individuals in a specially designed setting.



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Background Papers

Tender documentation.



Tender Outcome Report
For Recommendations over £350K

NACSSMAY2013/AS/CC/01

Provision of a Supported Living Service, Currie
Court, Ardrossan

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NACSSMAY2013/AS/CC/01

For the Procurement of

A SUPPORTED LIVING SERVICE, CURRIE COURT, ARDROSSAN

1 PURPOSE

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 Provision of a Supported Living Service, Currie Court, Ardrossan 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 Provision of a Supported Living Service, Currie Court, Ardrossan.

2.2 This document contains information that is Commercial in Confidence and is not in the public domain. The contents of this document must not be disclosed or discussed with any third party.

3 BACKGROUND

3.1 North Ayrshire Council required to establish a Contract for the Provision of a Supported Living Service, Currie Court, Ardrossan for adults with learning disabilities and/or mental health issues. On 22nd November 2011, the Executive approved the reconfiguration of the linked residential unit at Currie Court, Ardrossan.

3.2 The reconfiguration will convert the ex-residential unit into 13 self-contained, 1-bedroom tenancies, one of which will be wheelchair accessible. A staff base has also been integrated.

3.3 The accommodation will be staffed on a 24-hour basis, 7 days per week and support provision for the individuals will also be organised and delivered from this staff base. The individuals either currently live in the community and have high support package costs or reside within a hospital or care home setting.

3.4 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 to appoint a Provider to staff the unit and support the individuals within their own tenancies.

3.5 The contract term is for two (2) years plus the option to extend for a further two (2) years on an annual basis.

3.6 The estimated total value of the overall Contract (including any possible extensions and all collaborative partners) is £3,280,000 with an estimated annual budgetary spend to North Ayrshire Council of £820,000.

4 TENDER NOTICE, INTEREST & RETURNS

4.1 A formal contract notice was advertised under the Restricted process in Public Contracts Scotland Procurement Portal on 19th March 2012 with a return date of 12 noon, 27th April 2012].

- 4.2 The contract notice attracted 50 expressions of interest from a wide range of potential providers of which 20 submitted offers.
- 4.3 Following evaluation of the Expressions of Interest the following 5 potential providers were short-listed to receive Invitation to Tenders documents:
- Cornerstone
 - Key Housing
 - Loretto Care
 - Quarriers
 - The Richmond Fellowship
- 4.4 The Invitation to Tender documents were issued 8th May 2013 with a return date for completed Invitation to Tenders 12 noon, 5th June 2013. 3 Tenders were submitted.

5 EVALUATION PROCESS

- 5.1 The evaluation of the Invitation to Tenders was carried out by a Tender Evaluation Panel consisting of appropriately experienced Officers from North Ayrshire Council and NHS Ayrshire and Arran. Each Tenderer's response was assessed against the following published criteria:

Price	40%
Quality	60%

The bias towards quality reflects the importance of ensuring that the successful Tenderer has the necessary expertise to provide the service.

- 5.2 Quality was evaluated using the following sub-criteria/sub-weightings:
1. Staffing (15%)
 2. Ensure Outcomes for Service Users (15%)
 3. Service Outcomes (15%)
 4. Policies, Procedures and Protocols (10%)
 5. Social Inclusion (5%)
- 5.3 The assessment of the criteria took place over a period of 5 days beginning 5th June 2013 at Cunninghame House, Irvine. The Tender Evaluation Panel consisted of:
- John McCaig, Senior Manager, Mental Health and Learning Disabilities, Social Services and Health
 - Kate McCormack, Team Manager, Mental Health, Social Services and Health
 - Marion Gilchrist, Team Co-ordinator, Community Learning Disability Team, NHS Ayrshire and Arran.

A Service Design and Procurement Officer from North Ayrshire Council Social Services Service Design and Procurement Team was also in attendance to facilitate the meeting but did not score the submissions.

6 EVALUATION RESULTS

- 6.1 **Price** 40%

Providers were asked to submit prices for the Provision of a Supported Living Service, Currie Court, Ardrossan. Year 1 and year 2 costs only were evaluated as part of the tender evaluation which gave the following results and scores:

Company	Price Tendered	Ranking	Score as % of overall marks
Quarriers	£ 1,549,290.68	1	40.00%
Cornerstone	£1,593,754.40	2	38.88%
Richmond Fellowship	£ 1,619,723.88	3	38.30%

6.2 Quality 60%

The Evaluation of the technical aspects of the tender responses was carried out by the Tender Evaluation Panel. A summary of which is as follows;

Cornerstone

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations, although there were minor areas of concern identified. Cornerstone scored highest in four of the five Quality areas as stated in 5.2 above.

Richmond Fellowship

The evaluation panel felt that although the initial response was well written and were confident that the Tenderer would be able to satisfy North Ayrshire Council's requirements and expectations, there were various areas of concern identified.

Quarriers

The evaluation panel felt that although the initial response was reasonably well written they were less confident that the Tenderer would be able to satisfy North Ayrshire Council's requirements and expectations, there were a number of areas of concern identified.

The summary of the quality element is shown in the table below:

Company	Technical Score	Ranking	Score as % of overall marks
Cornerstone	60	1	60.00%
Richmond Fellowship	53.59	2	53.59%
Quarriers	36.44	3	36.44%

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:

Company	Actual Price	Pricing Score	Quality Score	Total Score	Total Ranking
Cornerstone	£ £1,593,754.40	38.88%	60.00%	98.88%	1
Richmond Fellowship	£ 1,619,723.88	38.30%	53.59%	91.90%	2
Quarriers	£ 1,549,290.68	40.00%	36.44%	76.44%	3

8 RECOMMENDATION

- 8.1 The recommendation of the Tender Evaluation Panel is that a Contract be awarded to: Cornerstone.
- 8.2 Subject to approval, a Letter of Award will be issued to the successful Tenderer and letters will be issued to the 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 clause 18.7 of the Standing Orders, the Chief Executive, who, in consultation with the Leader of the Council and the relevant Cabinet portfolio holder, is requested to authorise acceptance of this tender, subject to a full report being submitted to Cabinet at the first available opportunity.

Chief Executive

PRINT NAME: _____

Signed: _____

Date: _____

NORTH AYRSHIRE COUNCIL

Agenda Item 12

27 August 2013

Cabinet

Subject: **Framework Agreement: Combined Central Heating and Electrical Re-Wiring Works - Tender Outcome**

Purpose: To advise the Cabinet of the result of the tender exercise for the Framework Agreement for the provision of Combined Central Heating and Electrical Re-Wiring Work and present a recommendation for award of the Framework Agreement and for the first phase of the works.

Recommendation: That the Cabinet agrees to (a) approve the award of the Framework Agreement to James Frew Ltd, CCG (Scotland) Ltd and Mitie Property Services; and (b) award the first phase of the works to James Frew Ltd.

1. Introduction

- 1.1 The Council requires to put in place a framework agreement for the provision of Combined Central Heating and Electrical Re-Wiring works.
- 1.2 In order to comply with the Council's Standing Orders Relating to Contracts a formal tender exercise under the Restricted procedure was undertaken by advertising the requirement on the Public Contracts Scotland portal only, as the estimated value of the requirement is under the Official Journal of the European Union (OJEU) threshold for works.
- 1.3 The duration of the framework agreement is for three years with the option to extend for a further one year.

2. Current Position

- 2.1 The tender exercise attracted 14 Pre-Qualification Questionnaires which were evaluated against the set criteria. This resulted in six tenderers being short-listed and invited to tender. The purpose of the Invitation to Tender (ITT) was to identify the five lowest priced tenderers to comprise the framework agreement.
- 2.2 A tender outcome report, which provides details of the tender process, and award recommendation is provided at the Appendix.

3. Proposals

- 3.1 It is proposed that the framework agreement is awarded to James Frew Ltd, CCG (Scotland) Ltd and Mitie Property Services and furthermore to award the first phase of the works to James Frew Ltd at a price of £380,749.94.
- 3.2 Cabinet is invited to approve this award as detailed in the report.

4. Implications

Financial Implications

- 4.1 The estimated total value of the framework agreement is one million two hundred and fifty thousand pounds (£1,250,000). The budget is provided 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 contributes to the Council Plan Core Objective 4 "Operating more efficiently and effectively".

Community Benefit Implications

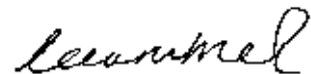
- 4.7 Community Benefit clauses are not suitable for this framework agreement due to the contract value.

5. Consultations

- 5.1 Discussions have taken place between Corporate Procurement Unit and Property Management and Investment.

6. Conclusion

- 6.1 It is recommended that the award of the framework agreement is made to James Frew Ltd, CCG (Scotland) Ltd and Mitie Property Services and furthermore the first phase of the works awarded to James Frew Ltd.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference : TR/CG

For further information please contact Chris Garbutt, CPU, Category Manager on telephone number 01294 32 4541

Background Papers

Tender documentation.



NORTH AYRSHIRE

COUNCIL

Tender Outcome Report

Ref: HO/143

Framework Agreement for the provision of
Combined Central Heating and Electrical Re-wiring
Contracts to Residential Properties at Various Locations
within North Ayrshire

Contents

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5	Evaluation Process	4
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For the Procurement of a Framework Agreement for the Provision of Combined Central Heating and Electrical Re-wiring Contracts to Residential Properties at Various Locations within North Ayrshire.

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 including the award of the first phase of the works. The recommendation is based on the results of the tender evaluation carried out on the responses to the Framework Agreement for the provision of Combined Central Heating and Electrical Re-wiring Works Invitation to Tender. The report will provide assurance that the tender evaluation has been undertaken in accordance Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) and the Councils 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 Framework Agreement for the provision of Combined Central Heating and Electrical Re-wiring Works Invitation to Tender.

3 Background

- 3.1 North Ayrshire Council require to establish a Framework Agreement for the provision of Combined Central Heating and Electrical Re-wiring Works Invitation to Tender.
- 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 three (3) years with the option to extend for a further one (1) year.
- 3.4 The estimated total value of the overall Framework Agreement is one million, two hundred and fifty thousand pounds (£1,250,000).

4 Tender Notice, Interest and Returns

- 4.1 A formal contract notice was advertised under the Restricted process in Public Contracts Scotland Procurement Portal on 7th January 2013 with a return date of 25th January 2013 at 12 noon.
- 4.2 The contract notice attracted thirty three (33) expressions of interest from a wide range of potential providers of which fourteen (14) submitted Pre-Qualification Questionnaires (PQQs). Following evaluation of the PQQs, six (6) potential providers were short-listed to receive Invitation to Tenders documents. The purpose of the Invitation to Tender was to identify the five lowest tenderers to comprise the framework agreement and at the same time award the first phase of works to the lowest cost compliant tender.

- 4.3 The return date for completed Invitation to Tenders was 22nd July at 12 noon. Three (3) tenders were received by the due return date and time.

5 Evaluation Process

- 5.1 The evaluation of tenders received was lowest price criteria. All tenders received were deemed to be acceptable and prices are as detailed at section 6 below.

6 Evaluation Results

Company	Price Tendered	Ranking
James Frew Ltd	£380,749.94	1 st
CCG (Scotland) Ltd	£419,760.65	2 nd
Mitie Property Services	£439,795.66	3 rd

- 6.1 These tender prices represent the price of the first phase of the works.

7 Recommendation

- 7.1 The recommendation of the Tender Evaluation Panel is that a Framework Agreement be awarded to: James Frew Ltd, CCG (Scotland) Ltd and Mitie Property Services. Furthermore it is recommended that James Frew Ltd are awarded the first phase of the works at a price of £380,749.94.
- 7.2 Subject to approval, letters will be issued to the tenderers advising on the outcome of the tender exercise with regards to the Framework Agreement and the outcome of the award for Phase 1 of the works.

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 North Ayrshire Council Cabinet to accept the Tenders and award a Framework Agreement to the Tenderers identified in section 7.1, along with the award of Phase 1 of the works.

Chris Garbutt
Category Manager (Construction & FM)
25 July 2013

NORTH AYRSHIRE COUNCIL

Agenda Item 13

27 August 2013

Cabinet

Subject: **Framework Agreement: Surveying Services - Tender Outcome**

Purpose: To advise Cabinet of the results of the tender exercise for the Framework Agreement for the provision of Surveying Services and present a recommendation for award of contract.

Recommendation: That the Cabinet agrees to approve the award of the Framework Agreement to (i) Lot 1 (Quantity Surveying Services) - Armour Consultants, Doig and Smith, Faithful & Gould and Cyril Sweett and (ii) Lot 2 (Other Surveying Services) - Keegans Ltd, Povall Worthington, Cyril Sweett and GVA Grimley Ltd.

1. Introduction

- 1.1 The Council requires to put in place a framework agreement for the provision of Surveying Services.
- 1.2 In order to comply with the Council's Standing Orders a formal tender exercise was undertaken under the Restricted procedure in the Official Journal of the European Union and Public Contracts Scotland portal. This process resulted in thirty four Pre-Qualification Questionnaires (PQQs) being received, which in turn were sifted down to twenty being invited to tender.
- 1.3 The duration of the framework agreement is two years with the option to extend annually for a further two years.

2. Current Position

- 2.1 Sixteen tenders were received by the due return date and time. These were evaluated against the stated evaluation criteria of lowest price and minimum requirements relating to quality included in the tender documentation. From this the four lowest price tenders, that met all the minimum requirements relating to quality, would be appointed to each lot of the framework agreement.
- 2.2 A tender outcome report, which provides details of the lowest compliant tender prices, and award recommendation is provided at Appendix 1.

3. Proposals

- 3.1 It is proposed that the framework agreement is awarded to: Lot 1 (Quantity Surveying Services) - Armour Consultants, Doig and Smith, Faithful & Gould and Cyril Sweett; and Lot 2 (Other Surveying Services) - Keegans Ltd, Povall Worthington, Cyril Sweett and GVA Grimley Ltd as they submitted the lowest priced compliant tenders. Due to the diverse nature of Lot 2, this has been split further into sub lots with the option to procure works collectively or on an individual sub lot basis, the sub lots are detailed in the tender outcome report at the Appendix.
- 3.2 Cabinet is invited to approve this award as detailed in the report.

4. Implications

Financial Implications

- 4.1 The estimated total value of the framework agreement is one million pounds (£1,000,000), with an estimated annual budgetary spend of two hundred and fifty thousand pounds (£250,000). The budget will be met from capital and revenue budgets (HRA and General Fund) depending on the survey works undertaken.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The tender exercise was conducted in accordance the Council Standing Orders Relating to Contracts and in accordance with the Public Contracts (Scotland) Regulations.

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

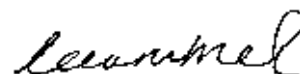
- 4.7 Community Benefit clauses are not suitable for this framework agreement due to the contract value.

5. Consultations

- 5.1 Discussions have taken place between the Corporate Procurement Unit and Property Management and Investment.

6. Conclusion

- 6.1 It is recommended that the framework agreement is award to Lot 1 (Quantity Surveying Services) - Armour Consultants, Doig and Smith, Faithful & Gould and Cyril Sweett; and Lot 2 (Other Surveying Services) - Keegans Ltd, Povall Worthington, Cyril Sweett and GVA Grimley Ltd.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference : TR/CG

For further information please contact Chris Garbutt, CPU, Category Manager on telephone number 01294 32 4541

Background Papers

Tender documentation.



NORTH AYRSHIRE
COUNCIL

Tender Outcome Report

Ref: NA/171

Framework Agreement for the provision of
Surveying Services

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For the procurement of a Framework Agreement for the provision of Surveying Services

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 including the award of the first phase of the works. The recommendation is based on the results of the tender evaluation carried out on the responses to the Framework Agreement for the provision of Surveying Services 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 Councils 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 Framework Agreement for the provision of Surveying Services. The Framework Agreement comprises of two (2) lots; Lot 1 Quantity Surveying Services and Lot 2 Other Surveying Services including Building Surveying, CDMC, Dilapidations, Valuation Surveys and Rent Reviews.

3 Background

- 3.1 North Ayrshire Council requires to establish a Framework Agreement for the provision of Surveying Services.
- 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 two (2) years with the option to extend annually for a further two (2) years.
- 3.4 The estimated total value of the overall Framework Agreement is one million pounds (£1,000,000), with an estimated annual budgetary spend to North Ayrshire Council of two hundred and fifty thousand pounds (£250,000).

4 Tender Notice, Interest and Returns

- 4.1 A formal contract notice was advertised under the Restricted process in the Official Journal of the European Union and Public Contracts Scotland Procurement Portal on 6th July 2012 with a return date of 13th August 2012 at 12 noon.
- 4.2 The contract notice attracted seventy five (75) expressions of interest from a wide range of potential providers of which thirty four (34) submitted Pre-Qualification Questionnaires (PQs).

Following evaluation of the PQs twenty (20) potential providers were short-listed to receive Invitation to Tenders documents. The purpose of the Invitation to Tender was to identify the four lowest priced compliant tenderers from each Lot to comprise the framework agreement.

- 4.3 The return date for completed Invitation to Tenders was 7th June 2013 at 12 noon. Sixteen (16) tenders were received by the due return date and time.

5 Evaluation Process

- 5.1 The evaluation of tenders received was lowest price criteria. All tenders received were deemed to be acceptable and prices are as detailed at section 6 below.

6 Evaluation Results

Company	Price Tendered	Ranking
Lot 1 – Quantity Surveying Services		
Armour Construction Consultants	£54,496.10	1 st
Doig & Smith Ltd	£61,391.50	2 nd
Faithful + Gould	£63,644.38	3 rd
Cyril Sweet	£73,090.00	4 th

Lot 2 – Other Surveying Services		
Company	Price Tendered	Ranking
Sub Lot 1 – Building surveying		
Cyril Sweet	£30,050.50	1 st
Keegans Ltd	£30,088.75	2 nd
GVA Grimley Ltd	£39,110.00	3 rd
Povall Worthington	£41,980.00	4 th

Sub Lot 2 – CDMC		
Povall Worthington	£16,440.00	1 st
GVA Grimley Ltd	£17,245.00	2 nd
Keegans Ltd	£22,255.00	3 rd
Cyril Sweett	£22,287.50	4 th
Sub Lot 3 – Dilapidations		
Keegans Ltd	£10,730.00	1 st
Povall Worthington	£20,605.00	2 nd
Cyril Sweett	£30,775.00	3 rd
GVA Grimley Ltd	£42,525.00	4 th
Sub Lot 4 – Valuation Surveys		
Povall Worthington	£13,390.00	1 st
Keegans Ltd	£13,510.00	2 nd
GVA Grimley Ltd	£22,350.00	3 rd
Cyril Sweett	£22,675.00	4 th
Sub Lot 5 – Rent Reviews		
Cyril Sweett	£13,050.00	1 st
Povall Worthington	£13,500.00	2 nd
Keegans Ltd	£18,750.00	3 rd
GVA Grimley Ltd	£48,250.00	4 th
Lot 2 – Other Surveying Services Total		
Keegans Ltd	£95,333.75	1 st
Povall Worthington	£105,915.00	2 nd
Cyril Sweett	£118,838.00	3 rd
GVA Grimley Ltd	£169,480.00	4 th

- 6.1 For both Lots 1 and 2, a ranking method is in operation and the highest ranked supplier will be offered the work in the first instance. Due to the diverse nature of Lot 2, there is the option to commission work either collectively or by an individual sub-lot.
- 6.2 All suppliers will have the option to refresh their prices every twelve months and the ranked order will subsequently be re-evaluated. The exception to this is specialist works and works with a value of £30,000 and above, from which the Council reserves the right to have a mini competition between suppliers.

7 Recommendation

- 7.1 The recommendation of the Tender Evaluation Panel is that a Framework Agreement be awarded to: Lot 1 – Armour Construction Consultants, Doig and Smith Ltd, Faithful + Gould and Cyril Sweett, Lot 2 – Keegans Ltd, Povall Worthington, Cyril Sweett and GVA Grimley Ltd subject to any challenges during the Standstill Period.
- 7.2 Subject to approval, Letters of Intent will be issued to all successful and unsuccessful tenderers acknowledging the Standstill Rules.
- 7.3 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.
- 7.4 Upon the conclusion of the Standstill Period, where no formal Legal challenge has been raised, letters will be issued to the successful companies.

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 North Ayrshire Council Cabinet to accept the Tenders and award a Framework Agreement to the Tenderers identified in section 7.1.

Chris Garbutt
Category Manager (Construction & FM)
25 July 2013