



NORTH AYRSHIRE
COUNCIL

Cunninghame House,
Irvine.

21 March 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 26 MARCH 2013** at **1.00 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

Please note the change of start time for the meeting to 1.00 p.m. on this occasion.

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 9)

The Minutes of (i) the Ordinary meeting of the Committee held on 12 March 2013 (copy enclosed); and (ii) the Special meeting of the Committee held on 19 March 2013 (copy to follow) will be signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

EDUCATION BUSINESS FOR DECISION

3. Statutory Public Consultation Documentation Arising from Three Towns Campus Proposal (Page 17)

Submit report by Corporate Director (Education & Skills) on a preferred site for the proposed school campus within the Three Towns (copy enclosed).

4. Education and Skills: St Luke's Primary School: Accommodation Pressures (Page 51)

Submit report by Corporate Director (Education & Skills) on capacity issues relating to St Luke's Primary School (copy enclosed).

GENERAL BUSINESS FOR DECISION

5. Revenue Budget 2012/13 : Budgetary Control Statement to 31 January 2013 (Page 65)

Submit report by Corporate Director (Finance & Corporate Support) on the revenue budgetary control position for the Council at 31 January 2013 (copy enclosed).

6. Capital Monitoring to 31 January 2013 (Page 101)

Submit report by Corporate Director (Finance & Corporate Support) on progress in delivering the Capital Investment Programme as at 31 January 2013 (copy enclosed).

7. Risk Management Strategy and Strategic Risk Register 2013/14 (Page 121)

Submit report by Corporate Director (Finance & Corporate Support) on the strategic risks facing the Council (copy enclosed).

8. Procurement Overview (Page 161)

Submit report by Corporate Director (Finance & Corporate Support) on National and Local procurement and to report progress against improving North Ayrshire Council's procurement practices (copy enclosed).

9. Annual Review of Fees & Charges (Page 193)

Submit report by Corporate Director (Finance & Corporate Support) on proposed increases in the level of fees and charges for Council services from 1 April 2013 (copy enclosed).

10. Financial Strategy (Page 209)

Submit report by Corporate Director (Finance & Corporate Support) on the significant financial challenge that the Council faces and the strategy to manage this over the next 10 years (copy enclosed).

11. Energy Company Obligation (ECO) and Home Energy Efficiency Programme For Scotland (HEEPS) (Page 251)

Submit report by Corporate Director (Finance & Corporate Support) on the potential external funding available and the Council's intended strategy to develop and submit appropriate funding bids (copy enclosed).

- 12. North Ayrshire Council Newspaper (Page 263)**
Submit report by Chief Executive on the options available for introducing a Council newspaper and to review expenditure by Services on advertising and marketing activity since a Council newspaper was last published (copy enclosed)
- 13. Pressured Area Status (Page 277)**
Submit report by Corporate Director (Social Services & Health) on an assessment of housing demand pressure within the social housing sector of North Ayrshire, proposing the designation of properties as pressured (copy enclosed).
- 14. Consultation on Redesigning the Community Justice System (Page 287)**
Submit report by Corporate Director (Social Services & Health) on the Scottish Government's Consultation regarding redesigning the community justice system, which was published on 20 December 2012 and the Council's proposed response (copy enclosed).
- 15. North Ayrshire's Carers Strategy (Page 297)**
Submit report by Corporate Director (Social Services & Health) on the proposed Carers Strategy (copy enclosed).
- 16. North Ayrshire Graduate Employment Fund (Page 341)**
Submit report by Corporate Director (Development & Environment) on a programme designed to help North Ayrshire Graduates into employment (copy enclosed)
- 17. Youth Employment Strategy (Page 347)**
Submit report by Corporate Director (Development & Environment) on a Youth Employment Strategy for North Ayrshire (copy enclosed).
- 18. Roads Capital Investment Programme (Page 365)**
Submit report by Corporate Director (Development & Environment) on the proposed Structural Roads and Streetlighting Maintenance Programme for 2013/14 (copy enclosed).
- 19. Employee Volunteering - Glasgow Commonwealth Games 2014 (Page 385)**
Submit report by Corporate Director (Finance & Corporate Support) on the provision being made to support employees who wish to volunteer or participate at the Glasgow Commonwealth Games 2014 (copy enclosed).

GENERAL BUSINESS FOR INFORMATION

- 20. Non-domestic Rate Relief (Page 391)**
Submit report by Corporate Director (Finance & Corporate Support) on the Non-Domestic Rating (unoccupied property) (Scotland) Amendment Regulations 2013 that come into force on the 1 April 2013 (copy enclosed).

21. Integration of Adult Health and Social Care in Scotland Consultation: Scottish Government Response (Page 397)

Submit report by Chief Executive on the Scottish Government's Response to the consultation on the Integration of Adult Health and Social Care; and the creation of an Integration of Health and Social Care Project Board to oversee the development of proposals and manage the transition to integration (copy enclosed).

22. Maximising Attendance - Update on Performance as at the End of Quarter 3 2012-13 (Page 407)

Submit report by Corporate Director (Finance & Corporate Support) on the Council's performance in Maximising Attendance as at the end of Quarter 3 2012/13 (copy enclosed).

23. Modern Apprenticeship Programmes (Page 419)

Submit report by Corporate Director (Finance & Corporate Support) on opportunities for programmes which run longer than one year and to look at tracking what happens to Modern Apprentices (MAs) when they leave the training programme (copy enclosed).

CONTRACT APPROVAL

24. Framework Agreement 2013 / 2015 - Periodic Testing & Inspection of Fixed Electrical Installations (Page 429)

Submit report by Corporate Director (Finance & Corporate Support) on the procurement of Periodic Testing and Inspection of Electrical Installations (copy enclosed).

25. Banking Services (Page 433)

Submit report by Corporate Director (Finance & Corporate Support) on proposal to invite tenders for banking services (copy enclosed).

26. Renewal of 3-year Licence for Education City for North Ayrshire primary, secondary and special schools (Page 437)

Submit report by Corporate Director (Education & Skills) on the proposal to purchase a 3-year licence for Education City for North Ayrshire schools as there are no equivalent products in the marketplace (copy enclosed).

MINUTES FOR INFORMATION

27. South West Hub Territory Partnering Board: Minutes of Meeting held on 31 January 2013 (Page 441)

Submit report by Corporate Director (Finance & Corporate Support) on the minutes of the South West Hub Territory Partnering Board held on 31 January 2013 (copy enclosed).

28. 1st Tier Joint Consultative Committee and Corporate Health and Safety Group: Minutes of Meetings held on 21 February 2013 (Page 451)

Submit report by Corporate Director (Finance & Corporate Support) on the minutes of the 1st Tier JCC and Corporate Health & Safety Group held on 21 February 2013 (copy enclosed).

29. Urgent Items

Any other items which the Chair considers to be urgent.

28. 1st Tier Joint Consultative Committee and Corporate Health and Safety Group: Minutes of Meetings held on 21 February 2013 (Page 451)

Submit report by Corporate Director (Finance & Corporate Support) on the minutes of the 1st Tier JCC and Corporate Health & Safety Group held on 21 February 2013 (copy enclosed).

29. Urgent Items

Any other items which the Chair considers to be urgent.

Cabinet

Sederunt: **Elected Members**

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

Chair:

Attending:

Church Representatives

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

Apologies:

Teaching Representative

Mr Gordon Smith

Meeting Ended:

Youth Council Representatives

tba

Cabinet
12 March 2013

IRVINE, 12 March 2013 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Willie Gibson, Alan Hill, Marie Burns, John Ferguson, Tony Gurney and Alex McLean.

Also Present

Donald Reid.

In Attendance

L. Friel, Corporate Director, G. Macgregor, Head of HR and Organisational Development, S. Humphries, Chief Revenues and Benefits Officer, T. Reaney, Team Manager (Corporate Procurement), A. Blakely, IT Manager and E. Gunn-Stewart, Customer Services Manager (Finance and Corporate Support), C. Hatton, Corporate Director and K. Yeomans, Head of Development Planning (Development and Environment); and L. McEwan, Corporate Communications Manager, E. McDonald, Communications Officer and M. Anderson, Committee Services Officer (Chief Executive's Service).

Also In Attendance

E. Graham, Director (ibp Strategy & Research).

Chair

Councillor Gibson in the Chair.

Apologies for Absence

Anthea Dickson.

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 previous meeting of the Committee held on 26 February 2013 was agreed and the Minute signed in accordance with paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Digital Services Strategy

Submitted report by Corporate Director (Finance and Corporate Support) on the new Digital Services Strategy and on progress in terms of its implementation. The Cabinet also received a presentation by the Customer Services Manager on the background to the strategy, including a demonstration of the refreshed website.

A project to review the Council's existing website was approved by the Corporate Management Team (CMT) in March 2012 and Liverpool Direct Limited was engaged to provide support to the internal team. The Strategy set out at Appendix 1 to the report was informed by a series of workshops and individual meetings with key stakeholders, including Elected Members, and was developed following consultation with managers across the Council.

The new website will be delivered on 3 April 2013 and a communication plan is in place both to promote the website and to monitor its effectiveness. The Council will adopt a centralised approach to the management of the website, with Customer Services taking the lead and working closely with IT and Communications. The new website will be reviewed on an ongoing basis and regular analysis will be undertaken to encourage more customers to visit the site.

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

- whether the 'top tasks' on the website would be generated automatically according to volume of traffic, or selected manually;
- the feasibility and value of linking a proposed website workshop event on Arran with the planned 'Straight Talking' session;
- the number of members of staff who would have authorship rights to the new website;
- the scope for including links on the website to external sites which might be of interest to visitors to North Ayrshire; and
- whether the website's links to different providers (such as the new CMIS site for committee papers) would be compatible with the Council's intention to allow open access APIs.

The Cabinet agreed to (a) approve the Digital Services Strategy set out at Appendix 1 to the report, subject to any necessary minor amendments in terms of formatting or typographical errors; and (b) note progress in terms of the implementation of the strategy.

4. Household Survey

Submitted report by the Chief Executive on options for conducting a household survey.

The Council's household survey is traditionally undertaken every four years by an independent market research company. The broad aims of the survey were set out at Section 2.2 of the report and the proposed 2013 questionnaire was provided at Appendix 2.

The advantages, disadvantages and cost implications of a number of survey methods were outlined in Section 2 of the report and summarised at Appendix 1. The report recommended a door-to-door survey comprising 3,000 interviews, broken down into six geographical settlement areas across North Ayrshire. This method offers the Council a good balance between cost and confidence values and would cost £22,900.

The Cabinet agreed (a) that a door-to-door household survey be undertaken in Spring 2013; and (b) to note the survey questions set out at Appendix 2 to the report.

5. Montgomerie Park, Irvine – Masterplan Review

Submitted report by the Corporate Director (Development and Environment) on a review of the approved Masterplan and associated strategies for the delivery and funding of development sites at Montgomerie Park.

The 2007 Masterplan was set out at Appendix 1 to the report. The report suggested that the current requirements in the Masterplan for the installation of a relatively expensive distributor road may present a challenge in terms of securing further private sector developer interest in Montgomerie Park. The Scottish Government's street design policy "Designing Places", however, marks an move towards place making and away from systems dominated by the motor car. This may provide an opportunity to refine the development of Montgomerie Park to overcome the higher infrastructure costs of the 2007 Masterplan. A fresh Masterplan would also be underpinned by a re-assessment of land values and abnormal development costs and it would be informed by using the results from selective intrusive site investigations.

The report proposed the development of a revised sales strategy based on a refreshed Masterplan. An outline reinvestment plan for capital receipts will be developed looking at potential use of receipts to fund on-site infrastructure and to develop a fund to improve marketability and attract partnership funding. The annual breakdown of funding was detailed at Sections 3.5 and 4.1 of the report.

The Cabinet agreed (a) to approve the programme of works and associated expenditure to deliver a revised Masterplan for the development and sale of sites within Montgomerie Park with associated infrastructure; (b) that further site investigations be undertaken to inform the revised Masterplan; (c) to a review of the approach to marketing new development parcels designed to improve the viability of and marketability of sites; (d) to the development of an ongoing programme to include the preparation of associated infrastructure design, marketing particulars and management strategy for the undeveloped land; (e) that an outline reinvestment plan for capital receipts from the development be used as an infrastructure fund to improve marketability and attract partnership funding; and (f) that the revised plan and proposals be submitted to a future meeting of the Cabinet for approval.

6. Upper Garnock Valley Flood Mitigation Scheme Progress Report

Submit report by the Corporate Director (Development and Environment) on the progress of the development of the Upper Garnock Flood Protection Scheme.

Consultants were appointed by the Council to produce outline designs for an Upper Garnock Flood Protection Scheme which would allow the associated cost/benefit ratios to be identified which would allow schemes to be consulted upon and considered by the Council. Significant work has been undertaken which has involved conducting a number of in-depth surveys and studies.

The two options set out at Section 3.3 of the report have been identified for consultation. Option 2 has the advantage of reducing the wall heights within the towns while ensuring the correct protection level from flooding. It could be viewed as a softer, more environmentally friendly option, creating a seasonal wetland. The estimated cost of this option is £32m, which is significantly higher than the £21.4m identified in a Strategy Report in December 2011, mainly due to a revised view of the investment requirement in the utilities infrastructure of the affected areas. In addition, the cost/benefit analysis currently indicates a figure close to the considered minimum acceptable ratio of 1 and, as such, the options outlined may not compare favourably to other Local Authority schemes competing to secure funding.

Given the public interest in this scheme, the report proposed a 2-day exhibition on 21 and 22 March along with a 28-day period of time after to ascertain the views of the affected residents within the Garnock Valley area. These views will then be fed into the continued refinement of the option appraisals prior to presenting a complete analysis for Cabinet consideration. A full formal consultation would be undertaken prior to any final decision and approval of the preferred option.

Members asked questions, and received clarification, on whether a range of shorter term measures, such as dredging, would also be considered.

The Cabinet agreed to (a) note the progress made to date in terms of the two options; (b) note the current cost of the two options; (c) approve further work to be undertaken to refine the costings for a broader range of options; and (d) approve the proposed exhibition for residents in the Garnock Valley on 21 and 22 March 2013.

7. Write off of Tenant Rent Arrears

Submitted report by the Corporate Director (Finance and Corporate Support) on tenant rent arrears and court costs and the write-off irrecoverable amounts.

In terms of the Council's Financial Regulations (Code of Financial Practice 3) relating to the control of income, individual arrears of under £1,000 can be written off with the approval of the Corporate Director (Finance and Corporate Support) after consultation with the Chief Executive. Arrears of £1,000 and over can only be written off following approval by Elected Members.

Rent arrears of £970,928 were outstanding as at 31 January 2013, with £64,282.27 now deemed to be irrecoverable. A further £8,008.50 of court costs were also deemed to be irrecoverable, i.e. a total of £72,290.77. The proposed rent write-off of £64,282.27 represents 0.15% of the Council's budgeted house rent income for 2012/13 and 23.1% of the budget available to meet the cost of write-offs in the year. In accordance with the Code of Practice, £35,788.68 has been written off under delegated authority. The remaining £36,502.09, relating to tenants with total balances owed of £1,000 or more, requires the approval of Cabinet for write off.

The Cabinet agreed to write off balances in excess of £1,000, per tenant, totalling £36,502.09.

8. Proposed Tree and Woodlands Management Policy

Submitted report by the Corporate Director (Development and Environment) in respect of a Tree and Woodland Management Policy.

The Council is responsible for many thousands of trees and over 275 hectares of woodlands within its area. There are a number of legal obligations in both Common Law and Statute placed upon the Council in the management of trees and woodlands for which it is responsible. There is currently no formal policy setting down how the Council will discharge its responsibilities and manage its tree and woodland stock in a sustainable manner.

The proposed Tree and Woodland Management Policy, attached at Appendix 1 was considered by the Environment and Infrastructure Policy Board at its meetings on 3 September 2012, 3 December 2012 and on 18 February 2013.

Members asked questions, and received clarification, on the importance of healthy and safety issues being treated as a priority.

The Cabinet agreed to approve the Tree and Woodland Management Policy attached at Appendix 1 to the report.

9. Water Safety Policy

Submitted report by the Corporate Director (Development and Environment) in respect of a Water Safety Policy.1.1

The Council is responsible for a number of inland and coastal waters. There are a number of legal obligations in both Common Law and Statute upon the Council in the safe operation of inland and coastal waters for which it is responsible. As part of a cyclical review of policies a new policy has been drawn together that recognises a number of legislative changes and the Council's approach to risk management.

At its meeting on 3 September 2012, the Environment and Infrastructure Policy Board considered the draft Water Safety Policy set out at Appendix 1 to the report, for the safe provision and use of inland and coastal waters.

The Cabinet agreed to approve the Water Safety Policy attached at Appendix 1 to the report.

10. Welfare Reform

Submitted report by the Corporate Director (Finance and Corporate Support) on the progress made against the Welfare Reform Action Plan.

Progress in terms of the Welfare Reform Action Plan was summarised in Appendix 1 to the report. The report itself highlighted the current position in respect of the following key issues:-

- under-occupation in social housing;
- the Social Welfare Fund;
- Universal Credit;
- the benefit cap;
- the Council Tax reduction scheme;
- Discretionary Housing Payments;
- Personal Independence Payment / Passported Benefit; and
- staff training and communication.

Section 4.1 of the report provided details on the funding which the Council will receive from the Scottish Welfare Fund, the Council Tax Reduction Scheme, Discretionary Housing Payment (DHP) and DWP additional funding for welfare reform.

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

- whether responsibility for managing and administering exceptions to Direct Payments would lie solely with the DWP; and
- the value of holding a Members' seminar on the latest position in terms of Welfare Reform.

The Cabinet agreed (a) to note the content of the report; and (b) that a Members' seminar be provided to update Members on progress in terms of Welfare Reform.

11. Bridgegate Streetscape Enhancement Project - Procurement of Street Art

Submitted report by the Corporate Director (Finance and Corporate Support) of the actions taken to award a contract for street art at Bridgegate.

Part of the overall Bridgegate Enhancement Streetscape Project was to develop a Bridgegate Art Strategy and to subsequently procure a main sculpture and supporting pieces. Only three companies were identified as having the potential to deliver the street art and, of these, only one (m-tec) was able to provide a sample. For the reasons set out at Section 2.3 of the report, the award of this tender to m-tec was treated as urgent in terms of clause 18.7 of the Standing Orders Relating to Contracts.

The cost of the artwork is £127,165 (exclusive of VAT) and has been provided within the overall Bridgegate Streetscape Enhancement Project. Irvine Bay Regeneration Company has made a contribution towards the cost of this.

Noted.

12. ICT Infrastructure Strategic Review - Managed WAN Services

Submitted report by the Corporate Director (Finance and Corporate Support) on the results of a tender for Managed Wide Area Network (WAN) Services and presenting a recommendation on award of the contract.

On 19 June 2012, the Cabinet gave approval for the ICT Infrastructure Review to progress to the tender phase. One requirement identified by the Review was the procurement of Managed Wide Area Network (WAN) Services. The contract term is for 5 years commencing in April 2013, with the option to extend for 24 months.

A mini-competition was held for design, supply, implementation and support of a fully Managed WAN Service for the Council. Three bids were received in response. These were analysed, further clarification obtained where required and scores determined against previously published evaluation criteria and weightings. A tender outcome report and award recommendation were provided at Appendix 1 to the report.

The Cabinet agreed to approve the contract award to Capita Business Services Ltd., subject to finalisation of the contract and agreement on work schedules.

13. Environment and Infrastructure Policy Board : Minutes of Meeting held on 18 February 2013

Submitted report by the Corporate Director (Development and Environment) on the Minutes of the Environment and Infrastructure Policy Board held on 18 February 2013.

Noted.

The meeting ended at 3.25 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

26 March 2013

Cabinet

Subject: **Statutory Public Consultation Documentation
Arising from Three Towns Campus Proposal**

Purpose: To seek approval of a preferred site for the proposed school campus within the Three Towns and to seek approval to issue consultative documents arising from this proposal.

Recommendation: That the Cabinet agrees (a) that the preferred location for the new campus is the site of the current Ardrossan Academy, as detailed in Appendix 1; (b) the consultative documents in Appendix 2 be issued to all interested parties; (c) all interested parties be invited to make written representation on the proposals to the Corporate Director (Education and Skills) no later than 14 June 2013; and (d) a report on the results of the consultative process be prepared for consideration at a future meeting of the Cabinet (Education).

1. Introduction

- 1.1 In July 2012 North Ayrshire Council submitted a funding application to the Scottish Government in support of a school campus incorporating Auchenhavie and Ardrossan academies and Haysholm and James McFarlane schools.
- 1.2 The Scottish Government announced on 25 September 2012, that North Ayrshire Council had been successful in securing financial support for the secondary element of the proposal.
- 1.3 On 6 November 2012, Cabinet (Education) agreed to progress the larger campus option. The funding for this was secured through the Council's capital programme.

2. Current Position

2.1 Early Stakeholder Engagement

Further to the agreement of the proposals being taken forward for public consultation, early engagement with parents and staff has taken place in the form of meetings with Parent Council representatives and staff of each of the schools affected. These meetings took place in October, November and December 2012.

2.2 Site Identification

In September 2012, a working group of officers from Education and Skills, Estates, Development Planning, Finance and Property Management & Investment identified a number of sites which were within the catchment area of the two secondary schools. The sites were evaluated by the group against a set of agreed criteria.

2.3 In November 2012 at a meeting of the Cabinet (Education) it was agreed to hold a workshop with local Elected Members within the catchment areas of the two secondary schools to consider a suitable location for the campus.

2.4 There have been three workshops to date: November 2012, December 2012 and February 2013. At the November workshop, officers presented information on all sites identified which resulted in a shortlist of two being established. The two locations shortlisted were the existing Ardrossan and Auchenhavie Academy sites

2.5 At the December and February workshops, officers were able to develop the information available for the two sites which allowed members to seek clarification on a number of areas.

2.6 It is clear that both shortlisted sites have merit and offer a number of benefits. However, through the workshops a consensus view was established amongst the local Members that the following aspects were of greatest importance in determining a preferred site for the campus.

- educational benefits;
- community cohesion potential;
- pupil catchment area;
- opportunities to develop links with local sports clubs; and
- opportunities for shared resource with St Matthew's Academy.

2.7 The outcome of this evaluation resulted in the existing Ardrossan Academy site being identified as the preferred location for the development of the campus. The full report and analysis can be found in Appendix 1 of this report.

2.8 Statutory Public Consultation

The consultative documents contained in Appendix 2 of this report set out the proposed development of an educational campus in Ardrossan by the amalgamation of Auchenhavie and Ardrossan academies and Haysholm and James McFarlane schools with a planned opening date of August 2016, and seeks the views of interested parties.

2.9 The proposal seeks to rationalise provision in order to:

- ensure that every learner affected by this proposal will benefit from a wider range of quality learning experiences;
- enhance the delivery of Curriculum for Excellence by the provision of high quality learning and teaching environments;
- enable a more holistic approach to meeting the needs of learners with Additional Support Needs and their families;
- provide a hub for a wide range of community activities; and
- provide more sustainable, efficient and effective buildings.

2.10 The Council is consulting in accordance with the requirements of the Schools (Consultation) (Scotland) Act 2010. A full list of consultees can be found in the consultation documents.

2.11 Written representations on the proposals contained within the consultation documents are requested by 14 June 2013. Thereafter, comments received during the consultation period will be submitted to Education Scotland for a three week period. Publication of the report on the outcome of the consultation will be made available to all interested parties. Any feedback will then be incorporated into a report which will be presented to a future Cabinet (Education).

3. Proposals

3.1 It is proposed that the Cabinet (Education) agrees that (a) the preferred location for the new campus is the site of the current Ardrossan Academy; (b) the consultative documents in Appendix 2 be issued to all interested parties; (c) all interested parties be invited to make written representation on the proposals to the Corporate Director (Education and Skills) no later than noon on 14 June 2013; and (d) a report on the results of the consultative process be prepared for consideration at a future meeting of the Cabinet (Education).

4. Implications

Financial Implications

Capital

- 4.1 The estimated cost of the project is £42.5m. The Council has committed £20m in its current capital investment programme, with the balance of funding being supported by the Scottish Government.

Revenue

- 4.2 It is estimated that as a result of this proposal an annual saving in the region of £1m will be achieved through reduced operational costs.

Human Resource Implications

- 4.3 The proposed campus will have implications for teaching and support staff, including catering, cleaning and janitorial services. The staffing levels will be managed in accordance with the Council's policies and procedures. The project implementation group will include representation from Education and Skills and Facilities Management Services.

Legal Implications

- 4.4 North Ayrshire Council are consulting in line with the requirements of the Schools (Consultation) (Scotland) Act 2010.

Equality Implications

- 4.5 A full equality impact assessment will be carried out as part of any approved project.

Environmental Implications

- 4.6 Environmental implications have been considered within the site evaluation process. This will be further developed moving forward with any construction project.

Implications for Key Priorities

- 4.7 This proposal would support the SOA outcomes:
3a "opportunities for lifelong learning have increased";
6c "people are more active more often";
9c "road safety has improved";
10c "the condition of roads, footpaths and lighting has improved";
11a "levels of voluntary action and community involvement have increased"; and
15c "public services are more efficient and effective".

Community Benefit Implications

- 4.8 The campus proposals are intended to be procured through the Scottish Futures Trust South West hub arrangements.

Community Benefits are a key element of the delivery model and the Council, with support from our Corporate Procurement team, will seek to achieve benefits for local businesses, local employment, and training opportunities.

5. Consultations

- 5.1 The following Services have been fully consulted throughout this process and are fully supportive of the content of this report:

- Development Planning
- Legal
- Finance
- Property Management Investment
- Design
- Estates

Stakeholder Consultation has also taken place with:

- Parent Council representatives of each of the schools affected
- Staff of each of the schools affected
- Local Members

6. Conclusion

- 6.1 It is recommended that Elected Members consider the content of this report and agree on the existing Ardrossan Academy site being identified as the preferred site for the campus development. Approval is also sought for the Statutory Public Consultation process to commence by issuing the consultative documentation at Appendix 2. Should the proposals be taken forward, further stakeholder engagement will take place on the development of the campus.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : MA/SS/EMcK

For further information please contact Mark Armstrong, Head of Service Development on telephone number 01294 324413

Background Papers

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Three Towns Campus Proposal Site Evaluation Report

1. Purpose of Report

- 1.1 The purpose of this report is to detail the work carried out by officers and Elected Members in the identification, evaluation and recommendation of a preferred site for the proposed new campus to be located within the catchment area of Auchenhavrie and Ardrossan Academies.
- 1.2 Any preferred site will require to support the delivery of a campus incorporating Ardrossan and Auchenhavrie Academies, James McFarlane and Haysholm Schools. The planned opening date for the new facility is August 2016.

2. Background

- 2.1 In developing the information across the catchment area of the Three Towns and West Kilbride, it has been recognised that the area has excellent public transport provision and an established network of walking routes, transport, free cycle routes and on road cycle routes around both secondary schools as follows:
 - Rail Network - the catchment area is served by 6 stations on the Largs to Glasgow service;
 - Bus Network - the catchment area is served by 9 routes;
 - Walking Routes - there are a number of core paths and established secondary paths in the Three Towns area; and
 - Cycle Route - there is an established National Cycle Network (NCN 73 and 75) for the area. There are plans for this to be extended.
- 2.2 This early work has been encouraging for the proposed new campus and has been a very positive introduction to the site evaluation process for the council.

3. Early Site Identification

- 3.1 In September 2012 a working group of officers from Education and Skills, Estates, Development Planning, Finance and Property Management identified a number of potential sites which were within the catchment areas of the two secondary schools. The sites were evaluated by the group against a set of criteria.
- 3.2 In November 2012 at a meeting of the Council Cabinet (Education) it was agreed to hold a workshop with local Elected Members within the catchment areas of the two secondary schools (wards 4, 5 and 6) to consider a suitable location for the campus.
- 3.3 The first workshop was held on 23 November 2012. This initial evaluation was presented to Members who took the opportunity to ask questions and seek clarification a number of areas. This work was crucial in setting the scene and enabled a shortlist of 2 sites to be agreed. The two sites shortlisted are those of the current secondary schools.

4. Shortlisted sites

- 4.1 The second workshop was held on 19 December 2012. Officers set out their evaluation of the two shortlisted sites against various criteria. The workshop allowed Members to ask further questions and seek clarification on a number of areas. Members were able to establish the relative merits of each site against each of the criteria.

A key outcome of the workshop was that officers should further refine the evaluation template and to report on the risks and benefits of each site against the agreed criteria and report this to a future workshop.

5. Current Position

- 5.1 A third workshop was held on 13 February 2013. Officers presented an evaluation format setting out the criteria, identified risks and benefits, with clear statements on how these would be managed for each site.

The emphasis placed by on each criteria was discussed and again Members took the opportunity to ask questions and seek clarification on a number of areas.

It was also established at this point, that irrespective of which of the shortlisted sites were selected, the temporary decanting of pupils would be required from the affected school to allow existing buildings to be demolished in order to construct the new campus on the vacant site.

- 5.2 It is clear that both shortlisted sites have merit and offer a number of benefits. However, through the workshops a consensus view was established amongst the local Members that the following aspects were of greatest importance in determining a preferred site for the campus.

- educational benefits;
- community cohesion potential;
- pupil catchment area;
- opportunities to develop links with local sports clubs; and
- opportunities for shared resource with St Matthew's Academy.

- 5.3 Within this context, locating the campus on the Ardrossan Academy site will:

- provide greater opportunity to strengthen the educational and inter-school links with St Matthew's Academy,
- ensure the campus is easily accessible to the greatest number of learners;
- offer the special school pupils and parents access to a greater number of facilities;
- create a continuous community hub with the integration of St Matthew's and Laighdykes community facilities.
- enhance potential to further develop close links with local sports clubs;
- offer greater access to the track and field facility at Laighdykes and across a wider range of sporting activities;
- offer better opportunities to utilise the nearby train service; and
- therefore deliver a better educational experience for all learners and deliver the greatest overall community benefit.

The full evaluation schedule can be found in Appendix 1A of this report and details the risks and benefits with examples of how these will be managed for each site.

6. Recommendation

- 6.1 While both sites can support the campus physically, the additional social, educational and community benefits which the Ardrossan site provides have led officers to recommend that the Ardrossan Academy site be the preferred site for the proposed campus.

7. Conclusion

- 7.1 It is a very positive outcome to have 2 sites within Council ownership within the catchment area of the 2 secondary schools which are served very well by the public transport system and with an established network of walking routes, transport free cycle routes and on road cycle routes.

As detailed in paragraph 5.1, the selected site will require the temporary decanting of pupils from Ardrossan Academy to allow the school to be demolished to build the new campus on the vacant site.

- 7.2 It is anticipated that in agreeing to the selection of a preferred site for the campus at this important stage of the consultation process the Council can give a strong message to stakeholders that they are fully committed to the proposed campus and that this decision will give an opportunity for stakeholders to focus on the benefits of the campus proposals.

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Appendix1A

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
Educational Impact	Senior school opportunities with St Matthew's Academy		opportunities exist to strengthen links with St Matthew's Academy, however, the approximate 1 mile distance between schools could be a barrier to collaboration	it will be possible for the new campus to develop very strong and collaborative links with St Matthew's Academy as it will be a short walk of around 600 metres between the two schools
	Developing opportunities for new campus as a community hub through developing links with other leisure and sports in the area		there is a recognition of opportunities to develop areas such as: <ul style="list-style-type: none"> ▪ leisure centre swimming skating and curling club ▪ golf course ▪ skate park ▪ other synthetic areas that will come with the new campus 	there is a recognition of opportunities to develop areas such as: <ul style="list-style-type: none"> ▪ Laighdykes grass football pitches ▪ Laighdykes track and field facilities and full size grass infield ▪ War Memorial Field, rugby club pitches (school of rugby excellence), cricket club and hockey club ▪ St Matthew's indoor areas – 6 court games hall and other indoor areas ▪ hockey synthetic full size pitch ▪ other synthetic areas that will come with the new campus
	Opportunity for greater cohesion across other school communities		regular interschool activities with St Matthew's Academy can be developed however, the approximate 1 mile distance between schools could be a barrier	<ul style="list-style-type: none"> ▪ regular interschool activities with St Matthew's Academy can be developed all within a 600 metre walking distance ▪ due to the close proximity of the 2 sites there is an opportunity to develop St Matthew's and the campus as a community hub ▪ there is value in the existing established ASN educational and

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
				social network within the Ardrossan area. This can continue to be developed.
Learner Catchment	Location of site to the greatest learner population		<ul style="list-style-type: none"> it is recognised that this location is not within main learner catchment area for the campus 	<ul style="list-style-type: none"> it is recognised that this location is within the main learner catchment area
Decant Strategy		Continuity of Education	<ul style="list-style-type: none"> ensure that the full S1-S6 come together in a single temporary school invest in homework clubs 2014-2017 (includes a full term after occupation) align curriculum prior to physical transfer ensure continuity of staff groups through the construction phase invest in Easter, Summer, October holiday tuition invest in e-learning opportunities 	<ul style="list-style-type: none"> ensure that the full S1-S6 come together in a single temporary school invest in homework clubs 2014-2017 (includes a full term after occupation) align curriculum prior to physical transfer ensure continuity of staff groups through the construction phase invest in Easter, Summer, October holiday tuition invest in e-learning opportunities
	Opportunity to integrate schools early		opportunity for 2 schools S1-S6 to come together in a single temporary school and establish identity ahead of new campus opening in 2016	opportunity for 2 schools S1-S6 to come together in a single temporary school and establish identity ahead of new campus opening in 2016
Ownership	Sites are both Council owned		site is in Council ownership	site is in Council ownership

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
	Other land ownership potential		none	<ul style="list-style-type: none"> positive early discussions with the War Memorial Trust Committee has identified the opportunity to explore locating the sport an leisure element of the campus on the War Memorial Field site opportunity to develop current shared arrangements with the War Memorial Field Committee for staff/visitor parking opportunity to use disused railway adjacent to Ardrossan site (Sustrans owned) for staff/visitor parking and pedestrian access to school
Accessibility				
Foot	Increased use of footpath network		agreed investment in path network	agreed investment in path network
		increased number of users accessing and egressing the new campus	develop and agree robust travel plan and traffic management arrangements	develop and agree robust travel plan and traffic management arrangements
Cycle	Increased use of cycle network		cycle routes are developed with Sustrans and Council to connect the communities to the new site	cycle routes are developed with Sustrans and Council to connect the communities to the new site
Rail	Increased use of rail network		promote use of existing rail links - for West Kilbride and Ardeer area to Saltcoats station -10 minute walk to Auchenharvie Academy	promote use of existing rail links – for West Kilbride and Ardeer area to South Beach station - 3 minute walk to Ardrossan Academy

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
Bus	Use of established bus network		promote established bus links	promote established bus links
Road		Increased road use	<ul style="list-style-type: none"> ▪ establish appropriate parking strategy (staff, visitor and parent drop off) ▪ the larger size of the site would make the provision of on-site parking easier to achieve ▪ promote foot, cycle, bus, rail ahead of road 	<ul style="list-style-type: none"> ▪ establish appropriate parking strategy (staff and visitor park and stride, parent drop off) ▪ promote foot, cycle, bus, rail ahead of road ▪ potential to work with the War Memorial Field Committee to use parking provision for Parent drop off and staff parking on their site ▪ potential work with the Sustrans Cycle Network company to develop parking provision for Parent drop off and staff parking on the disused railway site
Health Goals	Increased physical activity		<ul style="list-style-type: none"> ▪ encourage use of path network for walking and cycling ▪ promote extra curricular, taking advantage of potential shared resources i.e. existing leisure centre fitness rooms, golf club, skate park and sports clubs links. 	<ul style="list-style-type: none"> ▪ encourage use of path network for walking and cycling ▪ promote extra curricular, internal and external areas, taking advantage of potential shared resources between schools games halls, fitness rooms and adjacent sports clubs; i.e. hockey, track and field, cricket, rugby.
Local Development Plan	Site established as an educational provision		none	none

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
Planning		Flood Risk	none	strategy required through assessment to mitigate issue with Stanley burn
		Congestion of the road network	strategy and measures require to be addressed following a Transportation Assessment	strategy and measures require to be addressed following a Transportation Assessment
		Parking availability	<ul style="list-style-type: none"> strategy and measures require to be addressed as part of the planning application process the larger size of the site would make the provision of on-site parking easier to achieve 	<ul style="list-style-type: none"> strategy and measures require to be addressed as part of the planning application process opportunity to use disused railway adjacent to Ardrossan site (Sustrans owned) for playground/parking potential to work with the War Memorial Field Committee to use parking provision for Parent drop off and staff parking on their site
		scale and scope of the project	careful management of the design process to ensure optimum use of site	smaller site will require more efficient design and placement of building elements
Project Timeline		Project to be delivered by Summer 2016	It will be critical to meet key stage milestones DBFM south west hub process are critical to success	it will be critical to meet key stage milestones DBFM south west hub process are critical to success
Carbon Reduction	More efficient schools and travel modes		<ul style="list-style-type: none"> green travel plan – promote walking, cycling, bus or train travel engage with bus and train operators to develop incentives to use network 	<ul style="list-style-type: none"> green travel plan – promote walking, cycling, bus or train travel engage with bus and train operators to develop incentives to use network
Regeneration Impact	Regeneration of site not used for campus		The resulting vacant Ardrossan site is considered attractive, ensure site is ready for sale/market and not empty over long period The campus development has the	no current prospect for resulting vacant Auchenharvie site for other development purposes The campus development has the potential to be a catalyst for wider

THREE TOWNS CAMPUS – SITE EVALUATION SUMMARY

Criteria	Benefits	Risks	Management of Benefits and Risks	
			Auchenharvie as Preferred Site	Ardrossan as Preferred Site
			potential to be a catalyst for wider regeneration within the area	regeneration within the area
Revenue Impact	Reduced operational costs		careful management of the school design to ensure operational savings are realised	careful management of the school design to ensure operational savings are realised
		Increased operational costs	A small number of learners will qualify for free school transport from the North of Ardrossan to the Auchenharvie Academy location. Use of travel passes to be considered to connect with service buses.	none
Capital Receipt Potential	Income to Council		strong potential for capital receipt for Ardrossan site	limited potential for capital receipt for Auchenharvie site at this time
Site Abnormals Risks		Ground conditions	<ul style="list-style-type: none"> new campus to be located on site of current school to take advantage of consolidated ground other parts of the site have mining and mineral issues which will require treatment 	stanley burn may require flood prevention remedial works (1 in 1000 year flood risk)

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**PROPOSED DEVELOPMENT OF AN EDUCATIONAL CAMPUS IN ARDROSSAN BY
THE AMALGAMATION OF AUCHENHARVIE AND ARDROSSAN ACADEMIES AND
HAYSHOLM AND JAMES MCFARLANE SCHOOLS**

REPORT BY CORPORATE DIRECTOR (EDUCATION AND SKILLS)

This document has been issued by North Ayrshire Council for consultation in terms of the Education (Publication and Consultation Etc.) (Scotland) Regulations 1981 and amendment Regulations 1987, 1988, 1989 and 2007 and the Schools (Consultation) (Scotland) Act 2010 and the Schools (Consultation) (Scotland) Bill.

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Table of Contents

	Page
1. Background to the Proposal	3
2. Proposal	4
3. Educational Benefit Statement	4
4. Where the New Campus Will Be Located	8
5. Further Considerations	8
6. Consultation Process	9
7. Appendix 1 – School Data	
8. Appendix 2 – Revised Catchment Area	
9. Appendix 3 – Consultee List	
10. Appendix 4 – Response Form	

**NORTH AYRSHIRE COUNCIL
EDUCATION AND SKILLS**

**PROPOSED DEVELOPMENT OF AN EDUCATIONAL CAMPUS IN ARDROSSAN BY
THE AMALGAMATION OF AUCHENHARVIE AND ARDROSSAN ACADEMIES AND
HAYSHOLM AND JAMES MCFARLANE SCHOOLS**

1. Background

- 1.1 North Ayrshire Council is determined to establish an environment where all children and young people are safe, nurtured, included and healthy and have opportunities to fulfil their potential. The proposal will assist in achieving this aim.
- 1.2 The continued decline of the school-age population in recent years has led to significant under-occupancy within school premises. In addition to this, maintaining older, often outmoded, buildings presents a number of challenges for the Council e.g. the need for continued investment. Detailed information associated with the affected schools can be found within Appendix 1.
- 1.3 This proposal will provide the opportunity for sustaining the school population in buildings which are flexible enough to deal with the increasing demands of curricular change and curtail investment in buildings which are less-relevant to a modern curriculum.
- 1.4 The new campus will benefit from a larger staff, providing greater opportunities to maximise the use of individual staff expertise, giving learners access to different and enhanced learning experiences.
- 1.5 The campus will allow greater flexibility in the delivery of complex additional support needs provision with extensive opportunities for collaborative working.
- 1.6 This proposal will allow us to build upon the successful School of Sport programmes delivered in both Ardrossan and Auchenharvie Academies by taking a proactive approach towards tackling the Health and Wellbeing needs of the area through a culture shift toward Physical Activity and Health, which will benefit both learners and the wider community.
- 1.7 North Ayrshire Council recognises the importance of Science and Technology to the future economy and the crucial role that such subjects will play in an increasingly complex world. The proposed campus will facilitate the teaching and learning of Science and Technology by providing a sustainable, high quality, contemporary and flexible environment, in which we teach key skills for students to build upon in later life.

2. Proposal

- 2.1 The proposal is that the four schools will amalgamate to create a campus on the site of the current Ardrossan Academy, with a planned opening date for the new facility of August 2016.

This proposal seeks to rationalise provision in order to:

- Ensure that every learner affected by this proposal will benefit from a wider range of quality learning experiences
 - Enhance the delivery of Curriculum for Excellence by the provision of high quality learning and teaching environments
 - Enable a more holistic approach to meeting the needs of learners with additional support needs and their families
 - Provide a hub for a wide range of community activities
 - Provide more sustainable, efficient and effective buildings
- 2.2 As well as fully meeting the educational needs of secondary children from West Kilbride, Stevenston, Saltcoats, Ardrossan and outlying areas and young people with complex needs aged 5-18 across the whole authority area, the new campus will establish a high quality community facility for all. The campus will offer scope for partner agencies including health, social and other support services to provide a fully co-ordinated approach to the delivery of services to meet the needs of learners and their families.
- 2.3 Early engagement with parents and staff has already taken place in the form of meetings with Parent Council representatives and staff at each of the schools. These meetings took place during October, November and December 2012.
- Further stakeholder engagement is planned, including:
- Working groups with Parent/Carer representatives
 - Visits to relevant establishments to discuss others' experience of campus-based education
 - Learner engagement workshops
 - Staff forums
 - Public meetings with question and answer sessions
- 2.4 As a result of the proposal, the present catchment areas of Ardrossan and Auchenhavie Academies will be combined to create a single catchment area, as detailed within Appendix 2. The amalgamated Haysholm and James McFarlane Schools will continue to serve the whole of North Ayrshire.

3. Educational Benefit Statement

- 3.1 North Ayrshire Council's highest priority is to improve the life chances of our young people by providing them with education of the highest quality. The proposed amalgamation of the four schools on the site at Ardrossan will produce tangible educational and social benefits for all the learners involved.
- 3.2 In order to provide a co-ordinated and consistent approach to curricular, cultural and other matters, staff from all four schools will work together in the period leading up to the opening of the new school, in order to maximise the impact on learners.

- 3.3 Additionally, it is envisaged that the Parent Councils of all four schools will work together as a collaborative and cohesive Parent Forum for the new campus. The four schools will also liaise at an early stage in the journey towards the new campus, to develop a shared identity for the new school.
- 3.4 It is essential to make best use of available resources, with more efficient, better-resourced schools. The facilities in the new campus will enhance the ability to deliver flexible and innovative learning and teaching approaches. The new campus will provide facilities which are capable of delivering a modern curriculum fit for the 21st century, in line with the values and principles of Curriculum for Excellence.
- 3.5 The new facilities will support continually evolving teaching and learning approaches and this will be facilitated by the most up to date information technology. The new campus will provide children and young people with mobility needs an opportunity to develop greater independence. The learning environments will provide much better accommodation for group work activities.

The design will take account of the need to provide learning spaces both indoors and outdoors.

- 3.6 Many children and young people with severe and complex additional support needs have a significant number of health-related appointments and clinics to attend. The Council envisages that a key element of the new campus will be the provision of integrated Health and Social Care Services which will enable seamless support for children and their families.

4. How the Proposal Impacts on Learners from Affected Schools

- 4.1 Children and young people will benefit from joint planning by teachers and support staff across sectors, leading to an imaginative, creative and coherent learning and teaching experience and offering opportunities for greater socialisation between all learner groups. It is intended that through initiatives such as peer mentoring, buddy systems and other inclusion activities, that the culture and ethos which will be promoted within the campus will lead to a greater understanding of the diverse range of attributes, abilities and capacities.
- 4.2 The new campus will be capable of holding whole year group assemblies. This will have the effect of bringing the campus together, both physically and in spirit, and creating a strong identity from the outset.
- 4.3 The proposed facility will provide significant advantages:
- A flexible modern curriculum.
 - A modern, high quality educational environment with appropriate learning resources.
 - A building which exceeds required accessibility standards.
 - A building which meets the aspirations and needs of the community and provides the opportunity to improve levels of physical activity and sport.
 - Greater opportunities for curriculum choice through the range of courses on offer at the campus.

- The proposed campus will facilitate the teaching and learning of science and technology by providing a sustainable, high quality, contemporary and flexible environment.
- 4.4 The new campus will provide all children with space, the best resources and an opportunity to develop greater independence. Pupils with additional support needs will have their needs taken into account in the design of the campus and will have access to the entire range of physical and staff resources. There will be appropriate access for pupils with mobility difficulties to learning spaces both indoors and outdoors. The design will also ensure that vulnerable learners are provided with the safe, secluded spaces that they require whilst being included as appropriate within a wider learner community.
- 4.5 Although able to accommodate a larger pupil population, the design of this new facility will ensure that there will be areas which feel small, quiet and intimate where pupils, some of whom find bustle and noise overwhelming, will feel safe and nurtured.
- 4.6 The new campus will enable the planning and delivery of innovative library and cultural opportunities. A flexible learning space will offer:
- Access to print and online resources to support learning and teaching
 - Development of information literacy and ICT literacy
 - Support for careers and employability
 - A hub for sharing literature and ideas
 - Space for display, appreciation of and engagement in creative, heritage and cultural activities
- 4.7 The campus accommodation will be adaptable and provide a range of meaningful learning environments and will be sufficiently flexible in design to enable it to respond to evolving needs. There will be more high quality social space for young people to facilitate positive interaction.
- 4.8 As the new campus will be situated close to St Matthew's Academy, campus users will benefit from access to the excellent external sports facilities available. Opportunities for shared curricular activities between the new campus and St Matthew's Academy are also envisaged.

5. How the Proposal Will Affect Future Learners

During the important transitional phase between primary and secondary school, the new campus will bring a co-ordinated, consistent approach to transition across all associated primaries and will seek to ensure that children become familiar with the new campus at the earliest possible stage.

6. How the Proposal Impacts on Staff from the Affected Schools

- 6.1 The Senior Management Team will be able to contribute to the strategic direction of their expanded school community and have a better understanding of the challenges and opportunities presented across the campus. This proposal also brings leadership opportunities for all staff, as they participate in cross-sectoral work across all stages.

- 6.2 The existing schools have developed high-quality partnership working across agencies such as health, social care and well being and those in the voluntary sector. The vision for the new campus would be to enable this joint working to be even more effective as all partners would be able to work from the one site.
- 6.3 Bringing the school populations onto one site would also increase consistency of learning and teaching approaches and improve learner transition. The increased number of staff in one location will provide a wide range of staff knowledge and expertise, allowing for a greater range of specialisms to be developed over the long term.

7. How the Proposal Affects Community Users

Schools are at the heart of the community and the provision of improved, modern facilities will benefit the local area.

Facilities such as meeting rooms, sports halls and external pitches are planned for the new campus and full community use will be actively promoted, to complement the existing facilities associated with St Matthew's Academy. The Council is committed to providing these facilities – not only at evenings and weekends, but during the school day, where appropriate. We will continue to work in partnership with parents, local sports club, cultural organisations and other interested groups to develop a campus which supports local communities in the widest possible sense.

8. How the Proposal Affects Other Users of the Campus

The new campus offers the opportunity for partnership working with staff from Colleges, Universities and NHS Ayrshire and Arran. Training facilities could be provided on site to enable joint practice development. Placements for students and links with academic research would bring new ideas and keep practice fresh and up to date. The building could serve as a training base for staff working with children with additional support needs.

9. How the Proposal Affects Other Learners in the Council Area

The breadth of curricular and extra-curricular choices which will be offered within the campus will have a positive benefit for learners not directly affected by the proposal, by presenting a range of educational and community opportunities not currently available to them. It may be the case that some subjects, which are not offered for study at other schools, will be available at the campus and that the concentration of sports facilities will be accessed by learners of other schools.

10. How We Intend to Manage the Process

The Council recognises that due to the scale of this proposal it will require detailed forward-planning, in order to remove or minimise any adverse effects. Key areas identified are:

- The effective management of the agreed decant process.

- The requirement to ensure that all learners are familiar and comfortable with the new campus buildings prior to occupation.
- Continuity of education for all learners throughout the whole process

11. Where will the New Campus be Located?

A comprehensive site evaluation exercise was undertaken which resulted in two short listed sites being considered for the location of the campus. These were the existing sites of Ardrossan and Auchenhavie Academies. A key aspect in considering both sites was the need to vacate during the construction period. The existing Ardrossan Academy site was identified as the preferred site for development. In reaching the decision, consideration was given to the educational and community benefits and opportunities offered through the proximity to St Matthew's Academy. A temporary relocation will take place in August 2014 and will be in place until all four schools come together into the new campus in August 2016.

12. Further Considerations

12.1 Staffing

The proposed campus will have implications for teaching and support staff. Staffing levels will be managed in accordance with the Council's policies and procedures.

Staff who provide catering, cleaning and janitorial services will be fully consulted on the future provision of their services and any changes in their employment which might follow.

This document will be issued to all staff and their trade unions during the consultation period, who will be invited to respond, either individually or through their representative organisations.

12.2 Transport

Any secondary school learner within the catchment area who lives more than 3 miles from the campus will be entitled to free school transport. At this stage, it is anticipated that learners from West Kilbride and other outlying areas of the revised catchment zone, will qualify for free school transport on distance grounds.

Entitlement to transport for learners with additional support needs will remain unchanged.

12.3 Environment

The proposed construction of a new campus is an opportunity to make a positive impact on the environment. It provides an opportunity to make improvements and guide future design and construction with a view to minimising any environmental impact as a whole.

In designing the new school, consideration will be given to enabling campus users to cycle and/or walk to school, wherever possible.

North Ayrshire Council is committed to ensuring compliance with all relevant environmental legislation. New buildings will be designed to be sustainable, efficient with as low carbon emissions as possible. The Council will follow the BRE (Building Research Establishment Ltd) Environmental Assessment Method (BREEAM).

This is a voluntary scheme that aims to quantify and reduce the environmental impact of new buildings by rewarding those designs that take positive steps to minimise the environmental impact.

12.4 Finance

The estimated cost of the project is £42.5m. This is a significant investment for the Council which is supported by funding from The Scottish Government. It is estimated that, as a result of this proposal, an annual saving of around £1m. will be achieved through a reduction in operational costs.

13. Consultation Process

North Ayrshire Council is consulting in accordance with the requirements of the Schools (Consultation) (Scotland) Act 2010. This consultative document has been made available to interested parties, including Parent Councils, Education Scotland, Parents and Carers of children attending the establishments affected, Pupil Councils, Staff, Trade Unions, Community Planning Partners and any other users of the schools as detailed in Appendix 3.

Public meetings will be held as follows:

Venue	Date	Time
Haysholm School	7 May 2013	7.00pm
Ardrossan Academy	9 May 2013	6.30pm
Auchenharvie Academy	14 May 2013	6.30pm
West Kilbride Primary School	15 May 2013	6.30pm
James McFarlane School	16 May 2013	10.30am

Interested parties are invited to make written submissions on the proposal to the Corporate Director (Education and Skills), North Ayrshire Council, Cunninghame House, Irvine KA12 8EE or e-mail to campus21@north-ayrshire.gov.uk no later than 12 noon on Friday 14 June 2013. A response form is included with this paper.

The Corporate Director (Education and Skills) will prepare a report on the results of the consultative process for consideration at a future meeting of the Cabinet (Education).

The outcome of the consultation will be forwarded to the Scottish Government.

All interested parties will be advised of the decision.

The most recent Education Scotland/ Care Commission reports are available at www.educationscotland.gov.uk

This document can also be made available in other formats and community languages.

本文件也可應要求，製作成其他語文或特大字體版本，也可製作成錄音帶。

ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਾਰਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।

درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Na życzenie klienta, informacje te mogą być udostępnione w innych językach oraz formatach.

Please contact Gail Donaldson on 01294 324429 if this is required.

School Information

School	Current Roll September 2012	Capacity	Occupancy	Condition	Suitability	Expenditure on Facilities 2009-2012	Value of Identified Future Works
Ardrossan Academy	854	1612	52.9%	B	C	£415,000	£560,000
Auchenharvie Academy	699	1050	66.5%	B	B	£545,000	£580,000
James McFarlane School	26	*		B	B	£100,000	£200,000
Haysholm School	19	*		B	B	£40,000	£200,000

**Special School capacity is variable, depending on the needs of the pupils enrolled at any given time*

School Roll Projection Information

	PROJECTED ROLLS BASED ON 2012 CENSUS DATA											
Ardrossan Academy	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Roll	854	821	839	838	843	856	849	845	838	835	835	833
School Capacity	1612	1612	1612	1612	1612	1612	1612	1612	1612	1612	1612	1612
% Occupancy	53.0%	51.0%	52.0%	52.0%	52.3%	53.1%	52.7%	52.4%	52.0%	51.8%	51.8%	51.7%
Auchenharvie Academy	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Roll	699	700	714	780	830	856	883	886	881	876	870	867
School Capacity	1050	1050	1050	1050	1050	1050	1050	1050	1050	1050	1050	1050
% Occupancy	66.6%	66.7%	68.0%	74.3%	79.0%	81.5%	84.1%	84.4%	84.0%	83.4%	82.8%	82.6%
Combined Roll of Ardrossan and Auchenharvie Academies	1553	1521	1553	1618	1673	1712	1732	1731	1719	1711	1705	1700

Explanation of Condition and Suitability

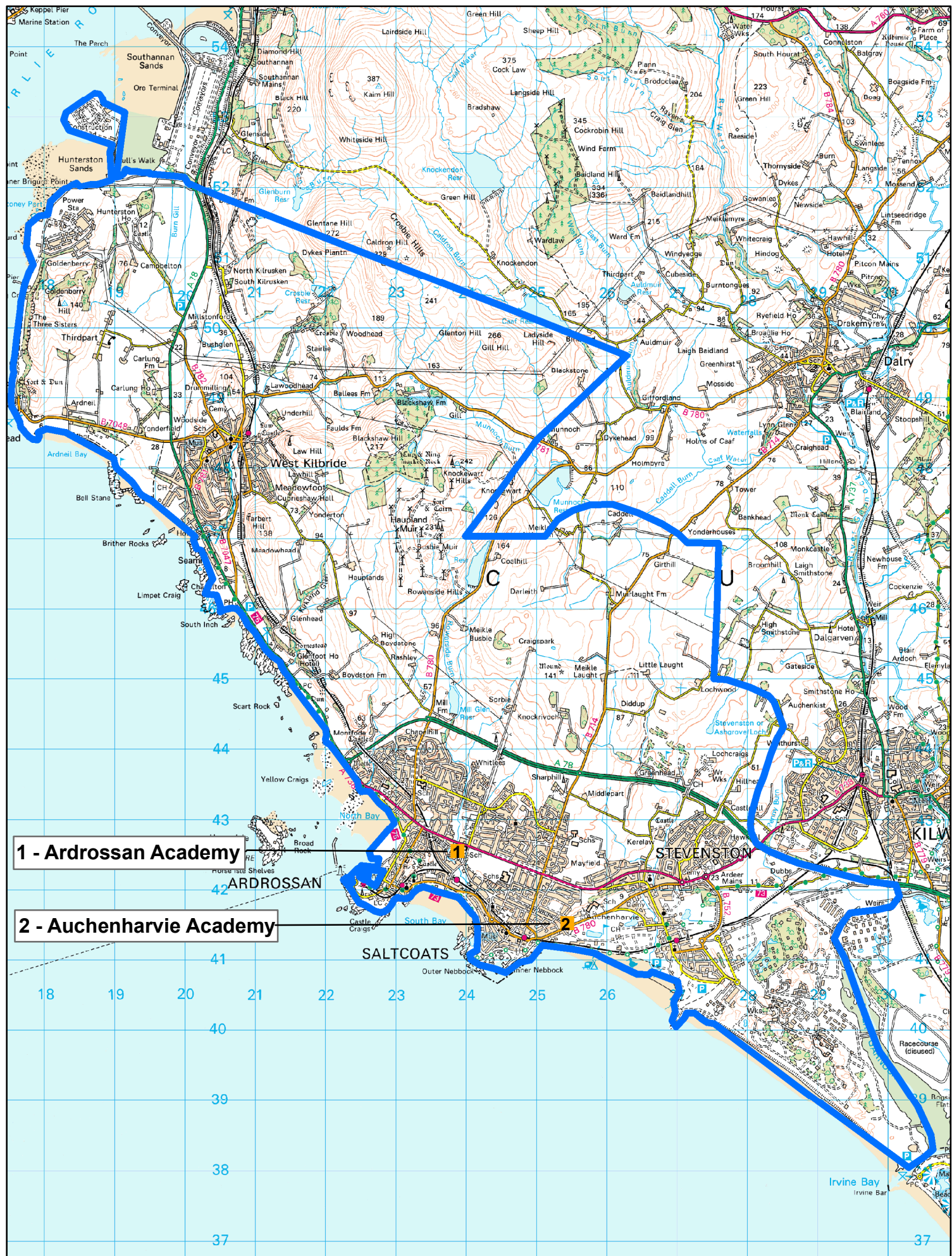
The Condition and Suitability ratings used in this document are generally as defined in the Guidance provided by the Scottish Government publications “The Core Facts”.

The Suitability and Condition ratings used, in line with the Guidance given, represent the whole building average and does not reflect the individual elements or components that make up the final score.

Scottish Government Definition – Condition	
A: Good	Performing well and operating efficiently.
B: Satisfactory	Performing adequately but showing minor deterioration.
C: Poor	Showing major defects and/or not operating adequately.
D: Bad	Life expired and/or serious risk of imminent failure.

Scottish Government Definition – Suitability	
A: Good	Performing well and operating efficiently (the school buildings and grounds support the delivery of services to children and communities).
B: Satisfactory	Performing well but with minor problems (the school buildings and grounds generally support the delivery of services to children and communities).
C: Poor	Showing major problems and/or not operating optimally (the school buildings and grounds impede the delivery of activities that are needed for children and communities in the school).
D: Bad	Does not support the delivery of services to children and communities (the school buildings and grounds seriously impede the delivery of activities that are needed for children and communities in the school).

Revised Catchment for West Kilbride & Three Towns Campus



Consultee List

Consultation documents will be issued to:

- Stakeholders associated with the schools affected by the proposal, including:
 - Parents/Carers
 - Pupils
 - Parent Councils
 - Headteachers
 - Teaching and Non-Teaching Staff, including Catering, Cleaning and Janitorial
- Local Elected Members
- Member of Parliament
- Member of Scottish Parliament
- Chief Executive
- Corporate Director (Finance & Corporate Support)
- Corporate Director (Social Services & Health)
- Corporate Director (Development and Environment)
- Divisional Commander, Police
- Divisional Commander, Fire Brigade
- Community Council
- Strathclyde Partnership for Transport
- Chief Executive, North Ayrshire Leisure
- Sportscotland
- Basketball Scotland
- Scottish Football Association
- Scottish Rugby

Trade Unions

- Unison
- EIS, Education Institute of Scotland
- NAS/UWT, National Union of Schoolmasters/Union of Women Teachers
- SSTA, Scottish Secondary Teachers' Association
- T&GWU, Transport & General Workers' Union
- GMB
- UNITE
- VOICE
- AHDS, Association of Headteachers and Depute Headteachers Scotland

Copies of the Consultation Document will be made available to view at:

- All schools affected by the proposal
- All North Ayrshire Council Public Libraries
- Local Community Halls/Centres
- Local Health Centres

Adverts will be placed in local newspapers

RESPONSE FORM

For convenience this form can be completed online at: www.north-ayrshire.gov.uk

MUST BE COMPLETED FOR A VALID RESPONSE

Name (PRINTED)	Address

Please confirm that you have read the full report by ticking this box

☐

Ardrossan Academy	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>
Auchenharvie Academy	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>
James McFarlane School	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>
Haysholm School	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>
Ardrossan Academy Cluster Primary School	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>
Auchenharvie Academy Cluster Primary School	Parent/Carer <input type="checkbox"/>	Staff <input type="checkbox"/>	Pupil <input type="checkbox"/>	Other <input type="checkbox"/>

Other (please state) _____

SUMMARY OF REPORT – Please refer to the consultation document for the full details the proposals.

It is proposed to amalgamate Ardrossan and Auchenharvie Academies and Haysholm and James McFarlane School in a new purpose built campus located at the existing Ardrossan Academy site.

Do you agree with the proposal to create a new educational campus in Ardrossan by amalgamating Auchenharvie and Ardrossan Academies and Haysholm and James McFarlane Schools?

Yes ☐ No ☐

No Preference ☐

Please use this space for any additional comments

North Ayrshire Council is registered under the Data Protection Act 1988. The response submitted by you may form part of the response paper that will be submitted to the Council for consideration in the near future and will therefore be made available for public inspection. If you DO NOT wish any of your personal details (eg name, address, phone number, etc), which you have included in your response, to be made available please tick the box ☐

NORTH AYRSHIRE COUNCIL

Agenda Item 4

26 March 2013

Cabinet

Subject: Education and Skills: St Luke's Primary School: Accommodation Pressures

Purpose: To advise Elected Members of capacity issues relating to St Luke's Primary School and seek direction on the most appropriate way forward.

Recommendation: That the Cabinet agrees to (a) consider the information contained within this report; and (b) advise Officers on their preferred option to address the accommodation issues at St Luke's Primary School.

1. Introduction

St Luke's Primary School is a denominational primary school serving the Pennyburn and Whitehirst Park areas of Kilwinning and has over recent years experienced an increasing school roll as shown below:

	2004	2005	2006	2007	2008	2009	2010	2011	2012
St Luke's pupil numbers	171	176	184	176	189	189	203	210	215

2. Current Position

- 2.1 The roll at St Luke's Primary School has increased to 215 pupils this session, and the projected roll for session 2013/14 is 230. The school capacity is 240. This equates to an occupancy level of 95.8%, which exceeds the generally accepted level of optimum occupancy, and presents a number of challenges for both the staff of the school and the pupils. For example, very limited capacity to use the school accommodation flexibly and to promote active learning approaches such as small groupwork and breakout activities.
- 2.2 Given these accommodation pressures, intervention is required to address this situation.

- 2.3 At its meeting on 22 November 2011, the Executive of North Ayrshire Council approved a project to extend St Luke's Primary School, which comprised of a single classroom extension with associated cloak area. This enhancement was required as a result of the roll for session 2012/13.
- 2.4 At that time, consideration was given to construct a larger, two class extension given the known roll pressures. However, given the contract period and value and scale of this larger extension project this would not have been achievable within the tight time constraints present. Therefore, a single classroom extension was constructed over the summer of 2012 and completed for use in the current school session.
- 2.5 The current pupil population and resulting class structure at St Luke's Primary School requires 9 teaching classrooms. As there are currently only 8 rooms available, the school's designated Library area is presently being utilised as a teaching space. It is acknowledged that this is not an ideal long-term situation. It is also anticipated that the roll will increase further in August 2014 resulting in a requirement for 10 classrooms.
- 2.6 This report presents a range of options as to how the accommodation pressures at St Luke's Primary School could be addressed to deliver a more sustainable position going forward.
- 2.7 The options presented have different advantages and disadvantages and have been appraised against the following criteria to provide a balanced and holistic assessment.

Facilitating learning and teaching and a positive school ethos

Does the option support (or hinder) the day to day running of the school and offer opportunities to improve learning and teaching?

Efficient use of our buildings

Does the option support (or hinder) the efficient use of Council assets and improve condition, suitability or sufficiency of the school estate?

Community coherence and impact on families

Does the option support(or hinder) the practicalities for parents and families or make sense for those living in the community?

Project implementation and deliverability

Does the option provide an efficient and manageable delivery and meet statutory obligations while minimising disruption.

Financial Assessment

What are the capital and revenue implications of the option?

3. Proposals

- 3.1 It is proposed that Elected Members give consideration to adopting one of the following options, which are more fully set out within Appendix 1:
- 3.2 Option 1: Relocate the existing early years provision from St Luke's primary school to St Winning's primary school.
Option 2: Provide a further 2 class extension to St Luke's primary school.
Option 3: Re-zone the catchment areas of St Luke's and St Winning's primary schools. See Appendix 2 for potential rezoning boundaries.
- 3.3 St Winning's Primary School is presently significantly under-occupied with an occupancy level of 53%. This is an undesirable position which does not make most efficient use of the school estate.
- 3.4 Options 1 and 3 would result in more sustainable school communities in both St Luke's and St Winning's Primary Schools.

4. Implications

Financial Implications

- 4.1 Each option under consideration will have financial implications and current indicative costs are provided within Appendix 1 and are summarised below. Capital funding has been approved within the Council's Capital Plan (School Estate) to deliver any of these options. Any increased revenue implications will be met within existing Education and Skills resources.

	Capital Costs	Revenue implications
Option 1	£280,000 est	Revenue neutral
Option 2	£700,000 est	£24,500 per annum increase
Option 3	£160,000 est	Revenue neutral

Following a decision by Cabinet on the preferred option to address the accommodation issues at St Luke's Primary School, the associated capital and revenue costs would require to be refined to determine accurate costs.

Human Resource Implications

- 4.2 There are none arising directly from this report.

Legal Implications

- 4.3 There are none arising directly from this report. However, as detailed in Appendix 1 some of the options would require the Council to undertake a Statutory Public Consultation exercise in accordance with the Schools (Consultation) (Scotland) Act 2010.

Equality Implications

- 4.4 There are none arising directly from this report. However, an Equalities Impact Assessment is recommended in relation to Options 1 and 3.

Environmental Implications

- 4.5 There are none arising directly from this report. However further consideration would be given to design matters and traffic management depending on which option is identified for further development.

- 4.6 Implications for Key Priorities

The project will contribute to the delivery of relevant Single Outcome Agreement outcomes including:

3a Opportunities for lifelong learning have increased;

5a Opportunities to support the positive development of vulnerable young children have increased;

15b Public services are more efficient and effective.

5. Consultations

- 5.1 Initial consultation with the following key stakeholders has already taken place:

- Headteachers of St Luke's and St Winning's Primary Schools
- Parent Councils of St Luke's and St Winning's Primary Schools
- Property Management and Investment
- Finance

6. Conclusion

- 6.1 It is recommended that Elected Members consider the options presented within this report and advise the Corporate Director (Education and Skills) on how they wish to proceed.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : MA/LT/EMcK

For further information please contact Mark Armstrong, Head of Service (Education and Skills) on telephone number 01294 324413

Background Papers

Report to North Ayrshire Council Education Executive on 22 April 2008 titled "Consultation on the proposal to re-zone the catchment areas of St Winning's and St Luke's Primary School provision in Kilwinning".

St Luke's Primary School: Accommodation Pressures

Option 1 Relocate the existing early years provision from St Luke's Primary School to St Winning's Primary School	
Facilitating learning and teaching and a positive school ethos	<p>Would result in more sustainable school communities in both St Luke's and St Winning's Primary Schools. The quality of the early years learning environment and facilities in Kilwinning could be improved.</p> <p>The early years provision at St Luke's Primary School is held in high regard, and the relocation of, what is acknowledged to be, a quality service which works well, may be viewed negatively by a number of stakeholders.</p> <p>The resulting balance of primary to nursery pupils within St Winning's and the resultant effect on the school environment should also be considered. It seems likely that the nursery pupils will form half of the school roll.</p>
Efficient use of our buildings	<p>Would address the current and predicted under-occupancy at St Winning's Primary School (53%) as well as addressing the accommodation pressures at St Luke's Primary School resulting in a more efficient use of the school estate.</p> <p>The required capital investment has the potential to improve the condition of both St Luke's and St Winning's Primary Schools.</p> <p>The suitability of both schools is however predicted to be adversely affected by this option. St Luke's would cease to have early years provision on site and the balance of the St Winning's school population would be weighted to pre-school children.</p> <p>In addition, the majority of the primary provision at St Winning's Primary school would require to be located on the upper floor of the building, which will present challenges in respect of the toilet provision at the school, which is all currently located on the ground floor.</p>
Community coherence and impact on families	<p>The immediate positive impact on the occupancy of St Winning's is anticipated to be seen as positive by this school community, securing the longer-term viability of the school.</p> <p>In moving Early Years provision to St Winning's Primary School, parents who currently have children who attend St Luke's Primary School and also have children of pre-school age may feel disadvantaged as their childrens' education would now be provided at two separate sites, leading to increased drop-off/travel time and inconvenience for some parents.</p>

St Luke's Primary School: Accommodation Pressures

Option 1 Relocate the existing early years provision from St Luke's Primary School to St Winning's Primary School	
Project implementation and deliverability	<p>This option will require Statutory Public Consultation. If consultation documents are agreed at Cabinet (Education) on 30 April 2013 the earliest that this could be concluded by is November 2013.</p> <p>Any required capital works would be tendered and completed in time for the start of the 2014/15 school session.</p> <p>The arrangements to drop-off and pick-up pre-school children requires to be clarified. This could have additional financial implications.</p>
Financial Assessment	<p>Initial Capital costs from desktop analysis in January 2013 are predicted to be £280,000 (£70,000 at St Luke's and £210,000 at St Winning's). A more detailed feasibility study would be required.</p> <p>Revenue impact predicted to be neutral.</p>

St Luke's Primary School: Accommodation Pressures

Option 2 Provide a further 2 class extension to St Luke's Primary School	
Facilitating learning and teaching and a positive school ethos	<p>Would provide the required number of teaching areas to meet the anticipated school roll from August 2014, and would allow the school to re-claim the library area, which is currently being utilised as a teaching space.</p> <p>Proposed extension would also provide additional activity space, overall improving the quality of the learning environment at St Luke's Primary School.</p>
Efficient use of our buildings	<p>Would improve the overall condition, suitability and sufficiency of St Luke's Primary school.</p> <p>Will have no impact on St Winning's Primary school. However, there is a risk that the improvements to St Luke's may prompt further pupil movement out of St Winning's via placing request thereby worsening its under-occupancy and longer-term viability.</p>
Community coherence and impact on families	<p>This option provides the least disruption to families and children and is anticipated as being the most favoured option of the St Luke's school community.</p>
Project implementation and deliverability	<p>No statutory consultation required.</p> <p>Capital works would be tendered and completed in time for the start of the 2014/15 school session. Given previous feasibility study a short lead-in time is required.</p>
Financial Assessment	<p>Feasibility study was carried out in July 2011 and details a Capital budget cost of £700,000 for the necessary works. This would require to be updated.</p> <p>Increased rates and running costs for the larger primary school are predicted at £24,500 per annum.</p>

St Luke's Primary School: Accommodation Pressures

Option 3 Re-zone the catchment areas of St Luke's and St Winning's Primary Schools	
Facilitating learning and teaching and a positive school ethos	<p>Over the medium to long-term this option would result in more sustainable school communities in both St Luke's and St Winning's Primary Schools.</p> <p>No improvement to the overall learning environment of either school.</p> <p>The requirement for temporary classroom accommodation at St Luke's for a number of years may be perceived as a negative impact.</p>
Efficient use of our buildings	<p>Over the medium to long-term would address the current and predicted under-occupancy at St Winning's Primary School (53%) as well as addressing the accommodation pressures at St Luke's Primary School resulting in a more efficient use of the school estate.</p> <p>Would have no impact on the condition or suitability of either St Luke's or St Winning's Primary Schools.</p>
Community coherence and impact on families	<p>This option reverses a previous decision of the Council made in 2008 which had been implemented in response to long-standing practice of parents from the Woodside area submitting placing requests to St Luke's.</p> <p>While current St Luke's pupils from the re-zoned Woodside area could remain at St Luke's until the end of their Primary schooling, the Council would require to consider the position of any of their younger siblings not yet at primary school. Placing requests would be anticipated over the period to 2020. Rejecting such placing requests and requiring these siblings to attend their new catchment school of St Winning's would present difficulties for families and could create tensions in the community.</p> <p>The positive impact over the medium-term on the occupancy of St Winning's is anticipated to be favoured by this school community.</p>
Project implementation and deliverability	<p>This option will require Statutory Public Consultation. If consultation documents are agreed at Cabinet (Education) on 30 April 2013 the earliest that this could be concluded by is November 2013. The rezoning would take effect from the Primary 1 intake for August 2014.</p> <p>The Council would however be required to honour the placements of existing pupils at St Luke's from the rezoned Woodside area. Rezoning in itself would therefore not address the school's accommodation pressures in the short to medium term. It could take up to 2020 until the entire current school population had worked its way through to secondary school. Over this period temporary accommodation would be required.</p>

St Luke's Primary School: Accommodation Pressures

Option 3

Re-zone the catchment areas of St Luke's and St Winning's Primary Schools

Financial Assessment

No capital investment in the school buildings required. However, a 2 classroom Temporary Accommodation unit with toilets would be required for up to 6 years to 2020. £160,000 to purchase.

Revenue impact predicted to be neutral.



NORTH AYRSHIRE COUNCIL

Agenda Item 5

26 March 2013

Cabinet

Subject: **Revenue Budget 2012/13 : Budgetary Control Statement to 31 January 2013**

Purpose: To advise the Cabinet of the revenue budgetary control position for the Council at 31 January 2013.

Recommendation: The Cabinet is invited to (a) note the information and financial projections outlined in the report; (b) approve the virements detailed in Appendix 10; and (c) approve the carry forward of £1.059m as summarised in paragraph 2.20.

1. Introduction

- 1.1 The Council's General Fund and Housing Revenue budgets for 2012/13 were approved at a special meeting of the Council held on 1 February 2012.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, budgetary control reports are presented on a regular basis. This is the fourth report for 2012/13 and covers the period to the end of January 2013 (Period 10). A final report on the 2012/13 financial performance will be submitted to Members in June 2013 along with the annual accounts for the year.
- 1.3 The Period 8 report, which was submitted to Cabinet on 29 January 2013, highlighted a projected in-year underspend of £1.882m at 31 March 2012 for General Services and an underspend of £0.796m for the HRA.

2. Current Position

General Fund

- 2.1 The Council has budgeted for a surplus of £0.155m in 2012/13 in order to increase the level of uncommitted reserves.

2.2 Current financial projections indicate that a net in-year surplus of £4.236m is anticipated for the year to 31 March 2013, i.e. an underspend of £4.081m (1.2%) against the budgeted surplus of £0.155m. A high level review of the the projected underspend indicates that;

- £1.735m relates to early delivery of 2013/14 savings and
- £2.500m reflects net non-recurring underspends

Taking account of the above, the recurring underlying marginal overspend is £0.154m.

Commentary on Significant General Services Variances

2.3 A number of significant over and underspends across Council services contributes to the overall projected financial position.

2.4 A brief explanation of Services' major variances is outlined below, with further details in the attached appendices.

2.5 In the Chief Executive's Service (Appendix 1), an underspend of £0.424m is anticipated compared to £0.421m at Period 8, with the majority of the underspend continuing to be within economic development. The service has previously received approval to carry forward £2.100m of economic development funds to meet commitments on Town Centre Regeneration projects. Approval is now sought to carry forward a further £0.180m to meet commitments on Shop Front Grant projects, Modern Apprentices and the Business Gateway project. Within Policy and Service Reform approval is requested to carry forward £0.015m for the household survey which will be carried out later in 2013.

2.6 Within Corporate Services (Appendix 2) there has been a decrease in the projected underspend from £0.386m at Period 8 to £0.258m at Period 10. The decrease is largely attributable to essential works that will require to be carried out at Montgomerie Park and emergency works to a dangerous building in Fairlie. The major variances continue to be £0.280m which was earmarked and carried forward from 2011/12 to meet the costs of the Hunterston Enquiry and the Local Development Plan, which are no longer required but which are offset by the shortfall in planning and building warrant income of £0.348m. Across the service, there is a projected underspend of £0.142m in employee costs as a result of vacancy management and changes to the staffing structure.

- 2.7 Within Education & Skills (Appendix 3), an underspend of £2.012m is now anticipated, which represents an increase of £1.300m compared to the Period 8 projection. Part of the increase in the underspend can be attributed to a refund of £0.548m in respect of insurance costs for the PPP schools as a result of the actual costs which have been incurred over the previous 2 years being compared to the amount which has been included within the contractor's unitary charge. In addition, further savings of £0.546m have been identified within Employee Costs which are a consequence of realisation of savings from the ongoing Teachers' Refresh Scheme and a projected underspend in the HQ teachers flexibility budget.
- 2.8 The total underspend of £2.012m is attributable to a number of factors, the major ones being:- a) savings in pupil transport of £0.223m as a result of fall in demand b) savings in non domestic rates of £0.191m due to successful appeals in respect of prior years c) underspends of £0.268m in non-teaching staff costs resulting from service reviews and vacancy management d) an underspend in teachers' salaries of £0.920m as a result of savings accruing from the Teachers Refresh programme and the flexibility budget and e) a net underspend of £0.428m in PPP schools due largely to the refund of insurance costs which is partially offset by increased unitary charges due to the contract indexation exceeding the original estimate.

Within Early Years, approval is sought to carry forward £0.075m to meet commitments in respect of the Family Centres programme. In addition, within Cultural & Community it is proposed that £0.017m be carried forward to allow for the replacement of the fire alarm at Library HQ, which has been delayed as a result of the tendering process.

- 2.9 For Social Services & Health (Appendix 4), the net overspend has decreased from the Period 8 projection of £2.535m to £2.021m, a movement of £0.514m with Older Peoples' Services now reflecting an overspend of £2.216m. The projected decrease in the overspend is largely due to a downward revision of £0.300m in the projection for purchased Care at Home as a result of the ongoing scrutiny of the caseload. In addition, within Older Peoples' Services, funding of £0.120m has been received from the NHS to assist with the pressures on the service over the winter months. Within Children & Families, however, the projected overspend has increased by £0.273m to £0.563m. This is due to revised projections in respect of care packages for children with disabilities, in addition, the cost of secure remand placements for children which are made by the Sherriff Courts, but which are unbudgeted, are anticipated to be £0.085m. Within the remainder of the services, there have been changes to various projections which are all minor in themselves but which taken together reduce the projected overspend by £0.376m.

- 2.10 The total overspend of £2.021m is attributable to a number of factors the main ones being; a) an overspend in care at home, purchased and in house £1.627m, b) a overspend in care home placements £0.704m c) an overspend in support to adults of £0.909m, d) an overspend in children's residential services, including remand and support for children with disabilities £0.964m, offset by d) an underspend in salaries (excluding the Care At Home service) of £1.114m and e) other housing services of £0.336m f) additional income from charging £0.151m.
- 2.11 Within Finance and Infrastructure (Appendix 5), the projected underspend is now estimated at £1.685m, an increase of £0.850m over the Period 8 projection of £0.835m. The majority of the underspend is still attributable to Environment and Related Services which has increased to £2.016m from £1.221m at Period 8. Approval has already been granted to carry forward £0.247m of this sum in respect of Phase 2 of the Food Waste Scheme (£0.110m), the Property Condition Survey Contract (£0.012m) and to support procurement costs for the Clyde Valley Waste partnership (£0.125m). Approval is now sought to carry forward £0.278m of efficiency savings identified within the Waste Strategy Review to fund part of the implementation plan of the Food Waste Strategy in 2013/14, an additional £0.006m in respect of the Property Condition Survey Contract and £0.055m in relation to planned projects from the Largs Car Park Fund.
- Within Infrastructure & Design there is now a projected underspend of £0.067m as opposed to the overspend of £0.202m projected at Period 8, largely as a result of additional income in Roads and an increase in anticipated fee income within Property Management & Investment.
- 2.12 The total underspend of £1.685m within the service is largely due to a) Facilities Management, where the projected underspend of £0.589m is mainly as a result of early realisation of further savings arising from the Facilities Management Review b) Waste Management, where the total underspend, after carry forwards, is £0.476m and c) Streetscene, where an underspend of £0.296m has accrued due to early realisation of 2013/14 savings.
- 2.13 The projected underspend for Building Services (Appendix 7) of £0.442m is £0.304m less than was projected at Period 8. This is largely due to revisions of the various income streams within the service which are now estimated at £0.973m as opposed to £1.460m as projected at 30th November 2012. This is offset by projected underspends in employee costs and use of subcontractors as a result of the reduced workload. Approval is sought to carry forward the sum of £0.040m in order to fund an upgrade to the Building Services system within the Telephone Contact Centre.

- 2.14 An underspend of £0.303m is now projected within the Major Revenue Works budget due to delays in completing several projects. Approval is requested, however, to carry this sum forward to 2013/14 to help complete the 2012/13 programme as identified within the Council's Asset Management Plans.
- 2.15 Officers have reviewed the commitments against the Corporate Items budgets and an underspend of £0.394m is now projected at 31 March 2013, a decrease of £0.035m since the last report. This is mainly as a result of savings in the provision for job evaluation appeals and non-payroll inflation, delay in implementing the revised Community Wardens service and a requirement for less resources in the current financial year than had been anticipated for Building Services' job evaluation. These underspends are partially offset by projected early retirement costs of £2.334m, against a budget of £1.057m. As in 2011/12 the costs of early retirement can be accommodated within the core revenue budget. The projection of £0.394m also reflects a projected underspend of £1.536m in Service Development Initiatives, of which £1.442m has been earmarked as funding for the 2013/14 budget and approval is requested to carry forward £0.090m in respect of the Multi Agency Domestic Abuse Response Team due to delays in filling of posts.
- 2.16 Savings of £0.313m are anticipated in Loan Charges as a result of slippage in the capital programme in 2010/11 and 2011/12, combined with external borrowing falling below anticipated levels due to the short-term use of cash balances currently held by the Council. This is similar to the underspend reported previously.
- 2.17 As outlined in the report to Cabinet on 29 January 2013, North Ayrshire Council has received additional funding of £1.837m by way of redetermination of General Revenue Grant as follows:-

	£m
Blue Badge Scheme	0.019
Scottish Strategy for Autism	0.035
Free Personal & Nursing Care	0.037
Looked After Children	0.051
Family Support	0.083
Teachers' Induction Scheme	0.554
Curriculum for Excellence	0.094
Local Government Elections	0.136
Youth Employment	<u>0.828</u>
	<u>1.837</u>

- 2.18 In addition, the core finance settlement funding is £0.144m higher than was assumed when setting the 2012/13 budget. Of the total £1.981m, £1.557m has already been incorporated into service budgets and reflected in reported projections. This leaves a balance of £0.424m over-recovery of Aggregate External Finance (AEF) as outlined in the table at 2.18.
- 2.19 The Council has budgeted for income from Council Tax of £58.047m in 2012/13, based on an estimated overall 96.5% collection level, and income from Non-Domestic Rates (NDR) of £32.755m. Collection levels for Council Tax show in-year collection of 91.6% to the end of January, which is equivalent to the 2011/12 level. A surplus of £0.150m is anticipated in respect of Council Tax collection for prior years. In respect of NDR, the collection level is 90.6% which is approximately 1.3% below the 2011/12 level. Due to the economic climate some businesses are struggling to meet their rates payments which has impacted on the collection level. However, for both Council Tax and NDR, the Council is working closely with the sheriff officer to maximise collection by the year-end.
- 2.20 A summary of the proposed carry forward of funds of £1.059m to 2013/14 is noted below:

Project	£m
Economic Development and Regeneration Strategy	0.180
Household Survey	0.015
Implementation of Phase 2 of the Food Waste Strategy	0.278
Largs Car Park Fund	0.055
Property Condition Survey Contract	0.006
Building Services I.T. System within the Telephone Contact Centre	0.040
Family Centres programme	0.075
Fire Alarm at Library HQ	0.017
Multi Agency Domestic Abuse Response Team	0.090
Major Revenue Works	0.303

- 2.21 Further requests for budget transfers, or virements, have been identified since the last report. As per the Council's Codes of Financial Practice, all such transfers require to be authorised by the appropriate Corporate Director and the Corporate Director (Finance and Corporate Support). Where the amount transferred from a budget is over £50,000 (either as a single transfer or the sum of transfers within a financial year) or where the transfer of any amount would affect existing Council policy the approval of the Cabinet is required. A schedule of the virements requested by Services above the £50,000 threshold is attached at Appendix 10 for Members' consideration and approval.

2.22 An analysis of the year end General Services revenue projections as at the end of January 2013 is shown in the undernoted table:

	<u>Annual Budget</u> <u>£000</u>	<u>Projection to 31</u> <u>March 2013</u> <u>£000</u>	<u>Projected</u> <u>Variance for year</u> <u>£000</u>
<u>Service Expenditure</u>		<u>(Fav)/Adv</u>	<u>(Fav)/Adv</u>
Chief Executive	17,338	16,914	(424)
Corporate Services	4,545	4,287	(258)
Education and Skills	151,344	149,332	(2,012)
Finance and Infrastructure	36,894	35,209	(1,685)
Building Services	(760)	(1,202)	(442)
Social Services and Health	91,552	93,573	2,021
Major Revenue Works	1,637	1,637	-
Requisitions/ CCSF	34,800	34,800	-
Corporate Items	4,298	3,904	(394)
Balance for Services	341,648	338,454	(3,194)
Loan Charges etc	5,279	4,966	(313)
Total Planned Expenditure	346,927	343,420	(3,507)
<u>Planned Income</u>			
AEF	(284,699)	(285,123)	(424)
Council Tax and former Community Charge	(58,107)	(58,257)	(150)
Use of Funds	(4,276)	(4,276)	-
Total Planned Income	(347,082)	(347,656)	(574)
Net Expenditure/(Income)	(155)	(4,236)	(4,081)

2.23 A joint action plan has been agreed by Social Services and Health and Finance and Corporate Support which outlines proposals for the development of management and financial information to ensure robust information on service delivery and financial projections. Reviews are also being undertaken by Social Services around care packages.

Housing Revenue Account

- 2.24 The position on the Housing Revenue Account at the end of January 2013 is outlined in the table below, with further details provided in Appendix 9:

	<u>Annual Budget £000</u>	<u>Projection to 31 March 2013 £000</u>	<u>Projected Variance for Year £000</u>
		<u>(Fav)/Adv</u>	<u>(Fav)/Adv</u>
Supervision and Management	7,572	6,897	(675)
Repairs and Maintenance	29,501	29,231	(270)
Short Stay Hostel	(72)	(100)	(28)
Homelessness	71	(223)	(294)
Loan Charges	7,019	7,017	(2)
Rental Income	(41,289)	(41,123)	166
Balance on Year's Activities	2,802	1,699	(1,103)

- 2.25 The Housing Revenue Account budgeted for a deficit of £2.802m in 2012/13 to be funded from the surplus brought forward from previous years. At Period 10 there is a projected underspend for the year of £1.103m compared to £0.796m at Period 8. The movement is due mainly to further savings of £0.087m accruing from vacancy management, reduced spending of £0.070m on software licences and support, lower than anticipated write-off of rent arrear bad debts (£0.162m) and an underspend of £0.113m in the Furnished Tenancies service budget. Approval is sought to earmark the saving of £0.113m in the Furnished Tenancies budget to fund this service in future years. The uncommitted balance at 31 March 2013 will be used to assist with the mitigation of the impact of Welfare Reform. In addition to this, a review of the HRA business plan is due to be undertaken which may result in additional funding requirements.

3. Proposals

- 3.1 The Cabinet is invited to (a) note the information and financial projections outlined in the report; (b) approve the virements detailed in Appendix 10; and (c) approve the carry forward of £1.059m to finance expenditure in General Services 2013/14 as summarised in paragraph 2.2 and £0.113m in the Housing Revenue Account as summarised in paragraph 2.25.

4. Implications

Financial Implications

- 4.1 The net projection for the year as at 31 January 2013 for General Services is a surplus for the year of £4.236m compared to a budgeted surplus of £0.155m, i.e. an underspend of £4.081m.
- 4.2 The net projection for the year on the Housing Revenue Account is a £1.699m deficit compared to a budgeted deficit of £2.802m, an underspend of £1.103m. The table below summarises the projected balance on the Housing Revenue Account at 31 March 2013 of £6.531m.

	Brought forward from 2011/12	Period 10 projection	Projected balance at 31 March 2013
	£m	£m	£m
Council House Building Fund	3.712		3.712
Contingency Balance	0.400		0.400
Furnished Tenancies Service	-	0.113	0.113
Uncommitted Balance	1.316	0.990	2.306
	5.428	1.103	6.531

- 4.3 The position for both the General Fund and Housing Revenue Account revenue budgets will continue to be monitored closely for the remainder of the financial year.

Human Resource Implications

- 4.4 There are no human resource implications.

Legal Implications

- 4.5 There are no legal implications.

Equality Implications

- 4.6 There are no equality implications.

Environmental Implications

- 4.7 There are no environmental implications.

Implications for Key Priorities

- 4.8 This budget monitoring report directly supports local outcome 15b - "Public Services are more efficient and effective" within the Single Outcome Agreement 2009/12.

5. Consultations

- 5.1 All budget holders have been consulted as part of the budgetary control process and have approved the projected variances contained in this report.

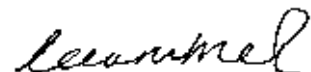
6. Conclusion

General Services

- 6.1 Current financial projections indicate that a net in-year surplus of £4.236m is anticipated for the year to 31 March 2013, i.e., an underspend of £4.081m against the budgeted surplus of £0.155m.

Housing Revenue Account

- 6.2 Current financial projections indicate that a net in-year deficit of £1.699m is anticipated for the year to 31 March 2013, i.e., an underspend of £1.103m against the budgeted deficit of £2.802m.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Hazel Hair, Senior Manager (Financial Management) on telephone number 01294 324548

Background Papers

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CHIEF EXECUTIVE
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Policy & Service Reform	1,226	1,158	(68)	1
Economic Development	10,687	8,152	(2,534)	2
Human Resources	561	487	(74)	3
Corporate & Democratic Core	4,864	4,821	(43)	4
	17,338	14,618	(2,719)	
Carry forward to 2013/14	-	2,295	2,295	1+2
Totals	17,338	16,913	(424)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	5,564	5,546	(18)
Property Costs	106	100	(6)
Supplies and Services	600	531	(69)
Transport and Plant Costs	65	56	(9)
Administration Costs	4,518	4,603	85
Other Agencies & Bodies	12,011	11,713	(298)
Other Expenditure	313	316	3
Capital Financing	114	114	-
Gross Expenditure	23,291	22,979	(312)
Income	(5,953)	(6,065)	(112)
Net Expenditure	17,338	16,913	(424)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. POLICY AND SERVICE REFORM

A contribution of £0.104m was received from the Scottish Government towards the cost of the electronic count in the May 2012 election. However, budget provision had already been made to cover these costs and the income does not require to be returned. This is partly offset by an overspend of £0.034m in recruitment advertising due to the 2012 Senior Management restructure. Approval is required to carry forward £0.015m to 2013/14 in order to conduct the Household Survey.

CHIEF EXECUTIVE
BUDGETARY CONTROL 2012/13

2. ECONOMIC DEVELOPMENT

Economic Development has significant additional funding and carry forwards from previous years within the 2012/13 budget. As a result of new projects taking time to implement and to reach full capacity, there is currently a projected underspend of £2.534m. A carry forward of £2.100m was approved by Cabinet on 29 January to meet commitments to programmes that have already commenced and which support the Economic Development and Regeneration Strategy.

Approval to carry forward a further £0.180m is now sought from Cabinet in order to meet commitments on the Shop Front Grant Project (£0.100m), the Business Gateway project (£0.050m) and £0.030m to meet commitments for the Modern Apprentices Programme.

3. HUMAN RESOURCES

This projected underspend arises largely from staff vacancies in the first half of the year. In addition, there is a projected over-recovery of income due to increased recruitment of Modern Apprentices and the early achievement of qualifications.

4. CORPORATE AND DEMOCRATIC CORE

An underspend in external audit fees of £0.074m is partly offset by an overspend in employee costs.

CORPORATE SERVICES
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Legal, Planning & Protective Services	4,489	4,172	(317)	1
Information Technology	-	(99)	(99)	2
Customer Services	56	79	23	3
	4,545	4,152	(393)	
Carry forward to 2013/14	-	135	135	1
	4,545	4,287	(258)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	8,167	8,025	(142)
Property Costs	288	286	(2)
Supplies and Services	955	750	(205)
Transport and Plant Costs	107	106	(1)
Administration Costs	2,988	2,952	(36)
Other Agencies & Bodies	765	630	(135)
Other Expenditure	50	43	(7)
Capital Financing	687	687	0
Gross Expenditure	14,007	13,479	(528)
Income	(9,462)	(9,192)	270
Net Expenditure	4,545	4,287	(258)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. LEGAL, PLANNING AND PROTECTIVE SERVICES

Planning and Protective Services - £0.103m underspend

The service is projecting a shortfall in income of £0.348m relating mainly to Building Warrants (£0.311m) and Planning Application Fees (£0.030m). Communal space maintenance work at Montgomerie Park will result in an overspend of £0.015m and emergency work to a dangerous building in Fairlie is estimated to cost an additional £0.030m. However, staff vacancies will produce an underspend in employee costs of £0.043m plus underspends in various administration budgets will result in a projected underspend of £0.036m.

Further to this, £0.150m which was carried forward from 2011/12 to meet the costs of the Hunterston Enquiry and £0.130m for the Local Development Plan now no longer required. Approval was given on 20 November 2012 to carry forward £0.135m of the current year budget to meet the costs of the Local Development Plan in 2013/14.

Legal, Licensing and Registration - £0.214m underspend

A projected underspend of £0.080m arises from staff vacancies and changes to the management structure. In addition, Licensing income is expected to over-recover by £0.085m mainly due to increased income from Landlord Registration. There is an anticipated underspend of £0.025m in property costs relating to the Townhouse following the relocation of the Licensing section to Cunninghame House.

2. INFORMATION TECHNOLOGY

Of the projected underspend of £0.099m, £0.039m arises from staff vacancies, which will be filled during the remainder of the financial year. The remaining projection relates to anticipated underspends in PC Maintenance, Disaster Recovery, Internet and Software costs, which are reflected in savings proposals for 2013/14.

3. CUSTOMER SERVICES

The majority of the £0.023m overspend relates to employee costs and is partly offset by underspends within administration costs.

EDUCATION & SKILLS
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Early Years Education	8,921	8,679	(242)	1
Primary Education	51,842	51,171	(671)	2
Secondary Education	60,219	59,517	(702)	3
Additional Support Needs	8,868	8,724	(144)	4
Education - Other	3,618	3,397	(221)	5
Cultural & Community	14,214	14,090	(124)	6
Leisure Trust	3,662	3,662	-	
	151,344	149,240	(2,104)	
Carry forward to 2013/14	-	92	92	
Total	151,344	149,332	(2,012)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	88,561	87,196	(1,365)
Property Costs	13,001	12,868	(133)
Supplies and Services	15,492	15,545	53
Transport and Plant Costs	2,089	1,889	(200)
Administration Costs	7,382	7,373	(9)
Other Agencies & Bodies	23,381	23,563	182
Transfer Payments	851	843	(8)
Capital Financing	9,584	9,584	-
Gross Expenditure	160,341	158,861	(1,480)
Income	(8,997)	(9,529)	(532)
Net Expenditure	151,344	149,332	(2,012)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. EARLY YEARS EDUCATION

There is currently an anticipated underspend of £0.043m in respect of Pupil Transport (Private Contractors) due to a decrease in the number of pupils requiring transport. There is an anticipated underspend of £0.075m due to a delay in the expenditure for Family Centres as well as a further £0.030m against Parenting Programmes due to staff recruitment issues. It is proposed that the £0.075m be carried forward into 2013/14 to allow the Family Centres programme to be completed. There is an anticipated underspend of £0.082m on Monthly paid staff costs due to small underspends across many of the early years centres.

Overall Early Years Education is £0.194m further underspent compared to the period 8 report as a result of all of the above except transport.

EDUCATION & SKILLS

BUDGETARY CONTROL 2012/13

2. PRIMARY EDUCATION

The Teacher Refresh programme will deliver £0.300m in employee cost savings and based on current trends, the HQ teachers flexibility budget is expected to underspend by £0.250m which will assist in delivering budget savings for 2013/14. Monthly paid staff costs are expected to overspend by £0.080m due to the increased requirement for Additional Support Needs (ASN) classroom assistants in primary schools. There is an anticipated underspend of £0.156m on Rates due to successful appeals for previous years. Commercial Refuse Collection is expected to overspend by £0.022m due to actual charges being higher than originally estimated. PPP costs are £0.062m less than anticipated due to refunds on Insurance costs. An underspend of £0.047m is anticipated in respect of Pupil Transport (Private Contractors) due to a decrease in the number of pupils requiring transport. Catering Statutory Fixed charges are expected to be overspent by £0.027m due to actual charges being higher than expected.

Overall Primary Education is £0.416m further underspent than at period 8 mainly due to the realisation of Teachers refresh underspends.

3. SECONDARY EDUCATION

The Teacher Refresh programme will deliver £0.300m in employee cost savings. There are additional PPP costs of £0.149m due to the contract indexation exceeding original estimates and an overspend of £0.026m is anticipated in respect of Pupil Transport Private Contractors due to an increase in the number of contracts awarded. There is an anticipated underspend of £0.035m on Rates due to successful appeals for previous years. There are estimated savings of £0.029m in respect of PPP Contract Deductions. Sales, Fees & Charges are expected to over-recover by £0.025m due to higher than anticipated income from the Music Instruction Scheme that will be reflected in the budget for 2013/14. PPP costs are £0.486m less than anticipated due to refunds on Insurance costs.

Overall Secondary Education is further underspent than at period 8 by £0.665m, primarily due to Teacher refresh and PPP insurance refunds.

4. ADDITIONAL SUPPORT NEEDS (ASN)

Teachers Staff Costs are expected to underspend by £0.070m based on current trends. There is currently an anticipated underspend of £0.159m in respect of Pupil Transport Private Contractors due to a decrease in the number of contracts awarded. Payments to Other Local Authorities is currently showing an anticipated underspend of £0.033m due to less North Ayrshire pupils being placed in other Local Authority schools than anticipated. The ASN Day Placement fees are currently showing an anticipated underspend of £0.108m and the residential placement fees are currently showing an anticipated overspend of £0.307m. Income from other local authorities shows an anticipated over recovery of £0.077m due to other local authorities placing more pupils in North Ayrshire schools than anticipated. This will also assist in meeting the budget savings for 2013/14.

Overall the ASN Education projection has reduced by £0.025m compared to period 8.

EDUCATION & SKILLS
BUDGETARY CONTROL 2012/13

5. EDUCATION - OTHER

Employee cost savings of £0.065m will accrue in Resources due to service reviews and vacant posts. There are further employee cost savings in the Quality Improvement Service of £0.100m as a result of 2 vacant posts. These posts are to be used to deliver the 2013/14 budget savings. This is offset by an under recovery of income in the Arran Outdoor Education Centre of £0.110m, due to a delay in the implementation of the adventure tourism element of the new business plan. There is an anticipated underspend of £0.114m on Educational Supplies within the Quality Improvement team.

Overall Education Other is further underspent by £0.063m than at period 8.

6. CULTURAL AND COMMUNITY

The majority of the underspends are in employee costs, £0.119m from over-achieved savings as a result of amended work patterns and reduced overtime costs in Community Facilities. A further £0.019m in the Arts Service due to a vacant post and the delay in completing a restructure of the service as well as £0.012m in Museums, £0.020m in Children's Services and £0.079m in Healthy Start Clubs due to re-organisation of service and delay in developing initiative in schools. All vacant posts are being held to fund future budget savings.

This is offset by an overspend in Libraries of £0.066m comprising of staffing costs and under recovery of income of £0.011m from Greenwood Conference Centre. Within Community Facilities there is a projected under recovery of hall let income of £0.030m and within Community Development overspends in sessional staff of £0.038m and £0.044m in manual wages due to delay in redeployment of staff. There is an anticipated underspend of £0.017m due to a delay in the tendering process for the fire alarm replacement at Library HQ. It is proposed that this sum be carried forward into 2013/14 to allow the work to be completed.

Overall Cultural and Community is £29K further underspent compared to the period 8 report.

SOCIAL SERVICES
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Management and Support	(258)	(817)	(559)	1
Service Strategy and Regulation	1,134	1,090	(44)	1
Children and Families	24,173	24,736	563	2
Older People's Services	34,755	36,971	2,216	3
Independent Services	5,430	5,727	297	4
Learning Disabilities	13,568	13,735	167	5
Mental Health Needs	3,116	2,870	(246)	6
Criminal Justice	147	72	(75)	
Addiction Services	1,299	1,319	20	
Change	413	431	18	
Other Housing	7,775	7,439	(336)	7
Totals	91,552	93,573	2,021	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	41,013	40,172	(841)
Property Costs	2,284	2,624	340
Supplies and Services	1,769	1,836	67
Transport and Plant Costs	1,409	1,493	84
Administration Costs	13,068	13,020	(48)
Other Agencies & Bodies	56,114	59,037	2,923
Transfer Payments	1,063	1,685	622
Other Expenditure	315	61	(254)
Capital Financing	889	769	(120)
Gross Expenditure	117,924	120,697	2,773
Income	(26,372)	(27,124)	(752)
Net Expenditure	91,552	93,573	2,021

EXPLANATION OF MAJOR PROJECTED VARIANCES

1.MANAGEMENT AND SUPPORT & SERVICE STRATEGY

This projected underspend is mainly due to vacancy management (£0.380m) and the early achievement of future years' savings (£0.235m) offset in part by overspends in property related costs and computer equipment.

2. CHILDREN AND FAMILIES

The areas of overspend are as follows :-

- a) Residential Schools - an overspend of £0.657m is anticipated. This is in respect of 34 placements which is a similar level to 2011/12, when the budget was overspent by £0.600m.
- b) Remand - the costs of secure remand placements which are made by the Sherriff Courts but for which there is no budget provision is estimated to be £0.085m.
- c) Care Packages for Children with Disabilities - there are currently more high cost packages in place requiring additional support resulting in a projected overspend of £0.222m.

The above overspends are partially offset by an underspend in Employee Costs of £0.324m as a result of vacancy management.

3.OLDER PEOPLE'S SERVICES

The areas of overspend are :

Care Homes	£0.704m
Purchased Care at Home	£1.017m
Provided Care at Home	£0.610m

At the end of period 10 there were 892 service users in a care home setting plus 43 cases with committed funding. The current budget allows for 883 places.

Current projections indicate that demand for Care at Home services has increased by approximately 20% this year in comparison with last year's outturn. This increase in demand can be attributed in part to the demographic profile of the community (ie ageing population) and also to the zero waiting list for services policy and impacts on the delivery of 2012/13 savings of £0.400m.

As part of the scrutiny of financial projections for purchased Care at Home, a reduction of approximately £0.300m of costs has been identified. This work is still on-going. The Council has also received £0.120m from the NHS to assist with the additional pressures placed on the service over the winter period.

Corrective actions:

The review of the effectiveness of reablement is still underway.

The client review team is still being established. Reviews of care packages will commence as soon as the team is in place.

The underlying financial projections around Care at Home continue to be scrutinised.

4. INDEPENDENT SERVICES

The areas of overspend, affected by a shift in the kind of care packages offered to

clients, are:

Direct Payments	£0.289m
Residential Accommodation and Community Packages	£0.178m
Offsetting underspends relate to employee costs	(£0.137m)

4. LEARNING DISABILITIES

The projected overspend has decreased to £0.167m from £0.274m at Period 8. The areas of overspend are :

Community Packages	£0.318m
Residential Care	£0.264m
Direct Payments	£0.110m

Underspends offsetting in part:

Vacancy Management	(£0.273m)
Over-recovery in Charges to Users	(£0.151m)

The Learning Disabilities Manager has been actively reviewing care packages and has been working with providers to reduce residential rates, particularly in high cost packages. Work is also ongoing to reduce the cost of Community Packages through working with providers to reduce rates and the number of hours provided.

5. MENTAL HEALTH

The projected underspend of £0.250m for mental health is mainly due to slippage in the budgets for community packages and residential accommodation costs.

6. HOUSING

The projected underspend against Housing Services is mainly against budgets for improvement grants (£0.130m), combined with underspends in staff costs as a result of vacant posts (£0.048m), reductions in the costs associated with furniture storage for the homeless (£0.028m), savings in contracts with external providers (£0.032m), an underspend in computer equipment and software licence costs (£0.027m) and general budget efficiencies identified through the review of budgets (£0.035m).

7. COMMENTARY ON PROJECTED OVERSPEND

The Corporate Director (Social Services & Skills) has been consulted in relation to the projected overspend. Work is currently underway to identify corrective measures which can be taken throughout the remainder of the financial year. These include:

- review of care packages
- recruitment of care at home staff
- review procurement of services
- consider effectiveness of reablement
- benchmark expenditure with similar authorities

Work is also in progress to establish revised financial and management information arrangements for 2013/14 with a more detailed plan for the implementation of Care First being developed.

FINANCE & INFRASTRUCTURE
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Finance	3,394	3,284	(110)	1
Infrastructure & Design	12,045	11,978	(67)	2
Environment & Related Services	19,961	17,945	(2,016)	3
Other				
Office Accommodation	-	(8)	(8)	4
Central Repairs Account	-	-	-	
Central Property Account	(141)	(211)	(70)	4
Pension Costs	1,635	1,635	-	
	36,894	34,623	(2,271)	
Carry forward to 2013/14	-	586	586	2&3
Totals	36,894	35,209	(1,685)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	36,356	35,258	(1,098)
Property Costs	7,414	7,256	(158)
Supplies and Services	7,848	8,288	440
Transport and Plant Costs	6,982	7,036	54
Administration Costs	10,751	10,642	(109)
Other Agencies & Bodies	13,768	13,478	(290)
Transfer Payments	49,571	49,288	(283)
Other Expenditure	453	650	197
Capital Financing	5,948	5,948	-
Gross Expenditure	139,091	137,844	(1,247)
Income	(102,197)	(102,635)	(438)
Net Expenditure	36,894	35,209	(1,685)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. FINANCE

Benefits admin is expected to be £0.132m under budget. The majority of this is due to staff vacancies (£0.153m), being offset by anticipated costs of £0.040m in relation to the purchase of Local Council Tax Benefit Scheme software.

FINANCE & INFRASTRUCTURE **BUDGETARY CONTROL 2012/13**

2. INFRASTRUCTURE & DESIGN

Roads - £0.093m underspend

Current projections indicate that the Service will underspend by £0.093m. Additional income of £0.389m relating to rechargeable internal and external work, including SPT, will be offset by overspends in employee, transport and contractor costs. The service is requesting approval to vire budget for the additional income and expenditure.

An overspend on the purchase of winter salt & grit bins £0.113m will be supported by an underspend in transport and internal contractors costs. A budget virement is requested in respect of this and is detailed on appendix 10.

As a result of energy savings the cost of Electrical Power is expected to be lower, offering savings of £0.036m. Further savings are expected in employee costs (£0.047m), transport (£0.012m), supplies & services, administration and other expenditure (£0.044m) which will offset an overspend in contractor related costs (£0.042m) and rates (£0.009m).

Property Management & Investment - £0.079m overspend

The predicted overspend of £0.079m is primarily due to a shortfall in income of £0.093m (Major Works Fee Income £0.081m and sales, fees & charges £0.012m in Estates). Following a report to Cabinet on 20 November, virements were approved to address the shortfall in income from 2013/14 onwards, with the overspend in the current year being absorbed within the overall Finance & Infrastructure service. There is an underspend in salaries of £0.013m due to unfilled vacancies and staff on maternity leave.

Management & Admin - £0.035m underspend

Employee costs will potentially be overspent by £0.018m due to the impact of the senior management restructure. There are offsetting savings in administration budgets of £0.053m.

Contracting - £0.018m underspend

Approval is sought to increase the carry forward from £0.012m as agreed at Cabinet on 20 November to £0.018m to fund the Property Condition Survey Contract which is due to start and complete during 2013/14.

3. ENVIRONMENTAL & RELATED SERVICES

Facilities Management (£0.589m)

There is an anticipated underspend of £0.366m in Catering, mainly in employee costs (£0.242m) due to the early realisation of savings arising from the Facilities Management Review. There is also expected to be additional income for special catering of £0.060m and for school meals of £0.115m. Cleaning is expected to be £0.178m underspent mainly as a result of efficient staff management.

Waste Management (£0.989m)

There is a projected underspend of £0.330m within the Food Waste Collection scheme partly due to a grant from Zero Waste Scotland for £0.256m in 2012/13 and partly because of a delay in the implementation of the scheme. The £0.256m includes an additional award of £0.040m from Zero Waste Scotland in January 2013. As approved at Cabinet on 20 November, £0.110m will be carried forward to 2013/14 in order to purchase external bins, internal liners and caddies to implement Phase 2 of the Food Waste scheme. Also £0.125m has been committed to be carried forward to 2013/14 to support procurement costs for the Clyde Valley Waste Partnership as approved by Cabinet on 4th December 2012 (see report "Update: Waste Management Strategy").

There are £0.278m efficiency savings identified as a result of the Waste Strategy Review as approved by the former Executive on 10 April 2012. This amount requires to be carried forward into 2013/14 as part of the implementation plan of the Food Waste Strategy.

FINANCE & INFRASTRUCTURE

BUDGETARY CONTROL 2012/13

In Refuse Collection there are projected employee savings of £0.081m due to vacancies as well as savings in Refuse containers £0.028m and £0.013m one-off income from sale of bins to Housing.

Within Disposal Sites there are projected employee savings of £0.047m due to vacancies. Other savings include Fuel (£0.030m), Payments to Contractors (£0.030m) and Special Uplifts (£0.012m).

There is a projected overspend in Landfill Tax (Inactive) of £0.034m due to new regulations which have resulted in a wider range of materials liable for Landfill Tax. This is offset by a projected underspend in Landfill Tax (Active) due to improved recycling tonnages.

There is also one-off income of £0.040m in relation to the WEEE agreement for Designated Collection Facilities (DCFs) as well as additional income of £0.040m in the Blue Bin contract for recycling and £0.022m additional income due to new contract for sale of recycled textiles.

In Civic Amenity Sites there are employee savings of £0.016m and in Recycling there are projected employee savings of £0.050m due to a delay in recruitment of new Waste Awareness Officers.

Streetscene Strategy (£0.194m)

There are projected employee savings of £0.111m as a result of early realisation of savings for 2013/14. There are also anticipated savings in cemeteries, including £0.018m for fuel. There is also a projected underspend in payments to contractors for work at Largs Car Park of £0.055m, due to late implementation.

Approval is sought to carry forward this £0.055m into 2013/14.

Streetscene Operations (£0.102m)

This is due to projected savings of £0.014m in employee costs and £0.021m in transport costs which are early realisation of 2013/14 savings. There are also estimated to be further savings in transport costs, in relation to repairs & maintenance and fuel, of £0.048m and additional income of £0.011m.

Transport (£0.142m)

Additional income of £0.045m is estimated to be achieved from fleet hire, with further income of £0.070m expected to be generated from charges for unfair wear and tear and £0.010m from charges for vehicle inspections for taxis.

4. OTHER SERVICES

Central Property Account

There is a projected underspend in Landlord Repairs of £0.076m within the Industrial Units section. In addition, a rates refund of £0.028m is anticipated for Kirkton Hall, West Kilbride. These underspends are partially offset by lower than anticipated rental income in Bridgegate House due to refurbishment works.

REQUISITIONS / CCSF
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
Objective Summary	£000	£000	£000	
Strathclyde Police	22,642	22,642	-	
Strathclyde Fire & Rescue	8,036	8,036	-	
Strathclyde Passenger Transport	2,416	2,416	-	
SPT - Concessionary Fares	257	257	-	
Ayrshire Valuation Joint Board	808	808	-	
Changing Children's Services Fund	641	641	-	
Totals	34,800	34,800	-	

	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
Subjective Summary	£000	£000	£000
Employee Costs	395	395	-
Supplies and Services	57	57	-
Transport and Plant Costs	47	47	-
Administration Costs	93	93	-
Other Agencies & Bodies	34,654	34,654	-
Other Expenditure	11	11	-
Capital Financing	-	-	-
Gross Expenditure	35,257	35,257	-
Income	(457)	(457)	-
Net Expenditure	34,800	34,800	-

EXPLANATION OF MAJOR PROJECTED VARIANCES

There are no projected variances for Requisitions / CCSF at this time.

BUILDING SERVICES
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 30 JANUARY 2013

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	
	£000	£000	£000	
Employee Costs	7,974	7,845	(129)	1
Property Costs	419	427	8	
Supplies and Services	5,388	5,734	346	2
Transport and Plant Costs	1,357	1,410	53	
Administration Costs	639	683	44	
Other Agencies & Bodies	1,911	2,005	94	3
Other Expenditure	458	533	75	4
Capital Financing	572	572	-	
Gross Expenditure	18,718	19,209	491	
Income	(19,478)	(20,451)	(973)	5
Net Expenditure	(760)	(1,242)	(482)	
Carry forward to 2013/14	-	40	40	6
Totals	(760)	(1,202)	(442)	

EXPLANATION OF MAJOR PROJECTED VARIANCES

BUILDING SERVICES

Below are the explanations of the major variances; virement is proposed to address these variances. For details on this virement please see appendix 10.

1. Projected underspend of £0.146m as a result of an anticipated reduced requirement for temporary staff between now and the end of the financial year. There are also savings which have accrued from vacant posts within supervision and management.
2. Projected overspend of £0.310m in relation to increased material costs as result of increased work within the non housing and homeless teams. In addition there is a projected overspend of £0.057m in relation to the cost of replacing tools and implements as part of a 5 year replacement programme.
3. Anticipated unbudgeted cost of agency workers of £0.466m, in relation to use of agency workers to cover for vacancies and to meet additional workload. This is largely offset by an anticipated significant reduction in the use of subcontractors (£0.400m).
4. Implementation of job evaluation is to be backdated to 1 November 2012. The estimated cost of this was £0.458m based on budgeted staff at the beginning of the year. However the updated projection based on current staffing gives an expected cost of £0.533m in 12/13. This is attributable to higher staff levels during the year to cope with additional workload.
5. The service has various income streams with the following significant budget variances anticipated:-

	Adv/(Fav)
Income from Other NAC Departments	(0.214)
Emergency and Urgent repairs	(0.072)
Housing Maintenance CPM	(0.150)
Routine Repairs	(0.019)
Timber Treatment	(0.173)
Asbestos removal	(0.100)
Recharge to Central Repairs Account	(0.292)
	<hr/>
	(1.020)
	<hr/>

6. Approval is required to carry forward the sum of £0.040m to 2013/14 to fund an upgrade to the Building Services IT system within the Telephone Contact Centre.

MAJOR REVENUE WORKS
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Education & Skills	820	673	(147)	
Finance & Infrastructure	268	256	(12)	
Social Services & Health	543	405	(138)	
Currently unallocated balance	6	-	(6)	
	1,637	1,334	(303)	
Carry forward to 2013/14	-	303	303	
Totals	1,637	1,637	-	

EXPLANATION OF MAJOR PROJECTED VARIANCES

The budget has increased by £0.050m since the last report. This is due to a transfer of resource for 2012/13 from Education & Skills in relation to work on Irvine Royal Academy lifts. Approval is sought to carry forward the projected underspend of £0.303m in order to complete the 2012/13 programme identified within the Council's Asset Management Plans.

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2012/13

REPORT FOR THE TEN MONTHS ENDED 31 JANUARY 2013

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Supervision and Management	7,572	6,897	(675)	1
Repairs and Maintenance	29,501	29,231	(270)	2
Short Stay Hostel	(72)	(100)	(28)	
Homelessness	71	(223)	(294)	3
Loan Charges	7,019	7,017	(2)	
Rental Income	(41,289)	(41,123)	166	4
Totals	2,802	1,699	(1,103)	5

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	6,046	5,716	(330)
Property Costs	17,940	17,771	(169)
Supplies and Services	316	199	(117)
Transport and Plant Costs	87	87	0
Administration Costs	1,830	1,575	(255)
Other Agencies & Bodies	1,643	1,506	(137)
Transfer Payments	3	3	0
Other Expenditure	498	243	(255)
Capital Financing	20,229	20,227	(2)
Gross Expenditure	48,592	47,327	(1,265)
Income	(45,790)	(45,628)	162
Net Expenditure for year	2,802	1,699	(1,103)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. SUPERVISION AND MANAGEMENT

The main elements of this projection are underspends in central support and office accommodation costs (£0.235m), vacancy management savings, net of additional staff costs in relation to the management of Welfare Reform (£0.188m), an underspend in relation to recharges from other NAC services (£0.115m), reduced spending in relation to software licence and support (£0.070m) and efficiency savings identified through a review of budgets (£0.060m).

HOUSING REVENUE ACCOUNT

BUDGETARY CONTROL 2012/13

2. REPAIRS AND MAINTENANCE

The projected outturn is mainly the result of lower than estimated write-offs in relation to rent arrears and other recharges (£0.162m), combined with underspends in utility costs (£0.111m), lower than estimated void house rent loss (£0.061m) and higher than budgeted income from tenant recharges (£0.033m). The aforementioned savings are offset, in part, by a projected overspend in other property costs (£0.060m).

3. HOMELESSNESS

The projected underspend against the Homelessness section is mainly due to payroll savings due to vacancy management (£0.119m), combined with a rental income surplus (£0.050m). There is also an underspend against the Furnished Tenancies service budget (£0.113m).

Approval is sought for this element of the Homelessness service underspend to be ring-fenced and carried forward to fund the service during 2013/14.

4. RENTAL INCOME

This projection mainly relates to an under recovery in House Rental income in comparison with estimated levels due to the timing of house closures in relation to the Vineburgh Regeneration project.

5. HRA BALANCES

The net projection for the year on the Housing Revenue Account is a £1.699m deficit compared with a budgeted deficit of £2.802m: an underspend of £1.103m.

The table below summarises the projected balance on the Housing Revenue Account at 31 March 2013 of £6.531m.

	B/fwd from		C/fwd to
	2011/12	Period 10	2013/14
	£m	£m	£m
Council House Building Fund	3.712	-	3.712
Contingency Balance	0.400	-	0.400
Furnished Tenancies service	-	0.113	0.113
Uncommitted Balance	1.316	0.990	2.306
	5.428	1.103	6.531

The uncommitted balance will be used to mitigate the impact welfare reform. In addition to this a review of the HRA business plan is about to be undertaken which is likely to result in additional funding requirements.

Budget Management - 31 January 2013

Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2012/13	
Budgets to be Increased/Reduction in Income		Virement £m	Directorate Total £m
Finance & Infrastructure			
<i>Building Services:-</i>			
Budget virement to cover projected major overspends within Building services. Funded from additional income.	T	0.612	
<i>Roads:-</i>			
Additional income from rechargeable work to Roads Network - payment to DLO to be increased	T	0.070	
Additional income to Roads Client and additional income from external grant - employee, transport and contractors budget to be increased in DLO	T	0.235	
Additional income from rechargeable work through Transportation - supplies & services and other agencies budget to be increased	T	0.075	
Increased budget required for winter salt and purchase of grit bins	T	0.113	
Total Finance & Infrastructure			1.105
Budgets to be Decreased/Additional Income Due			
Finance & Infrastructure			
<i>Building Services:-</i>			
Budget virement to cover projected major overspends within Building services. Funded from additional income.	T	0.612	
<i>Roads:-</i>			
Increase to income due to additional rechargeable work and additional external grant	T	0.380	
Additional budget to be set for salt - transport and internal contractor (DLO) budgets to be reduced to support this	T	0.113	
Total Finance & Infrastructure			1.105
Total			0.000

NORTH AYRSHIRE COUNCIL

Agenda Item 6

26 March 2013

Cabinet

Subject: **Capital Monitoring to 31 January 2013**

Purpose: To advise the Cabinet of progress in delivering the Capital Investment Programme as at 31 January 2013.

Recommendation: That the Cabinet agrees to (a) approve the revisions to budgets outlined at Sections 2.1 and 2.7 of the report; and (b) note (i) the actual General Services and HRA expenditure to 31 January 2013 and (ii) the forecast of expenditure to 31 March 2013.

1. Introduction

- 1.1 The General Services and Housing Revenue Account (HRA) capital budgets were approved at a special meeting of the Council on 1 February 2012. The General Services capital programme approval covered a 4 year period from 1 April 2012 to 31 March 2016 and the HRA budget was approved for 2012/13 only.
- 1.2 This report identifies the current programme for 2012/13, taking account of adjustments made to budgets since the meeting on 1 February. The report also advises of actual expenditure to 31 January 2013 and forecast expenditure to 31 March 2013.

2. Current Position

- 2.1 The table below outlines the movements in the 2012/13 General Services budget since the Cabinet report on 29 January which covered the 8 month period to 30 November 2012:-

	2012/13
	£m
Budget as at 30 November 2012	31.520
a) Alterations to phasing of projects:-	
2012/13 to 2013/14 or later years	(3.326)
2013/14 to 2012/13	0.670
b) Additional Projects funded by external grants & contributions	0.616
c) Increase in flexibility as a result of additional General Capital Grant	0.031
Budget as at 31 January 2013	29.511

2.2 Capital Expenditure to 31 January 2013

Actual expenditure to 31 January 2013 (Period 10) amounted to £19.847m or 67.3% (compared to anticipated expenditure of £20.915m or 70.9%) of the revised annual budget for 2012/13 of £29.511m. Details of actual spend by project against the revised budget for 2012/13 can be found in Appendix 1, alongside anticipated spend to 31 March 2013. The projections are summarised by service in the table below:

Service	Revised Budget 2012/13	Projected Expenditure / Income to 31 March 2013	Projected Variance Over / (Under) Spend	True Over / (Under) Spend	Net Carry Forward to 2013/14
	£m	£m	£m	£m	£m
Expenditure					
Chief Executive	0.499	0.499	-	-	-
Corporate Services	1.717	1.537	(0.180)	(0.001)	(0.179)
Education & Skills	11.978	11.651	(0.327)	0.005	(0.332)
Finance & Infrastructure	13.421	13.457	0.036	0.007	0.029
Social Services & Health	1.809	1.867	0.058	0.018	0.040
Flexibility	0.087	-	(0.087)	(0.087)	-
Total Expenditure	29.511	29.011	(0.500)	(0.058)	(0.442)
Income					
General Capital Grant	(9.044)	(9.044)	-	-	-
Specific Capital Grant	(0.157)	(0.157)	-	-	-
Use of Reserve Funds	(2.184)	(2.184)			-
Capital Funded from Current Revenue	(2.302)	(2.302)	-	-	-
Capital Receipts	(0.050)	(0.050)	-	-	-
Other Grants & Contributions	(3.054)	(3.054)	-	-	-
Prudential Borrowing	(12.720)	(12.220)	0.500	0.058	0.442
Total Income	(29.511)	(29.011)	0.500	0.058	0.442

- 2.3 The projected underspend of £0.058m is comprised of the uncommitted flexibility budget of £0.087m partially offset by minor overspends on other projects. The table below outlines the movements in the 2012/13 flexibility budget since the report considered by Cabinet on 29 January 2013. The Council has been advised by the Scottish Government that additional General Capital Grant of £0.031m will be available from the 2012-13 allocation for projects that are not already funded in the current capital programme for 2012-13 or 2013-14. This has been included in the flexibility budget below:-

	2012/13
	£m
Budget as at 30 November 2012 (following Cabinet on 29 January 2013)	0.061
Surplus funds from E-Planning Project	0.037
Funding of shortfall on Kilbirnie Civic Amenity Project	(0.042)
Increase in flexibility as a result of additional General Capital Grant	0.031
Budget as at 31 January 2013	0.087

- 2.4 The major carry forwards of funds to 2013/14 are in respect of various IT initiatives (£0.179m) and Irvine Leisure Centre (£0.392m). Other minor carry forwards are offset by some projects which require funds to be accelerated from 2013/14 to 2012/13. Further information on the progress of the projects and explanations for the carry forwards can be found in Appendix 1.
- 2.5 The Council has recently been advised that the bid to the Timber Transport Fund for funding to carry out extensive road improvements on the Island of Arran has been successful. In order to receive £0.600m from the Fund, the Council has to provide match-funding of £0.900m over the 2 year period 2013/14 and 2014/15. The Roads service has confirmed that £0.600m can be met from within its current budget allocation for those years but £0.300m would require to be accelerated from 2015/16 into 2014/15. Acceleration of the budget is recommended in order to access the external funding. It is anticipated that there will be no overall impact on prudential borrowing due to the likelihood of an element of offsetting slippage in other projects.
- 2.6 A 10 year capital programme with total additional investment of £126.400m was approved by the Council on 30 January 2013. Of the total uncommitted funding of £1.690m within later years of the current programme, £1.535m has now been included as a funding source for the 10-year capital programme, leaving a balance of £0.155m. The uncommitted balance of £0.155m added to the 2012/13 underspend of £0.058m gives a total of £0.213m currently uncommitted resources
- 2.7 The budget for the Dirrans Head Injury Unit was set originally at £1.400m, based on high level costings and the anticipated project scope. Further detailed work has now been carried out, indicating a revised cost in excess of the current budget, reflecting an increase to the scope of the project. The project has not yet been procured. The uncommitted sum of £0.213m will be retained until a firm cost for the Dirrans project has been determined following receipt of tenders in July 2013.

Housing Revenue Account

- 2.8 At the meeting of the Council on 1 February 2012, approval was given for the 2012/13 Housing Revenue Account Capital Budget of £28.572m.
- 2.9 During the course of the year various adjustments have been made to the budgets to bring them into line with the proposed programme of works for 2012/13 as agreed between Housing Services, Building Services and Housing Assets and Investment. These changes are reflected in the detailed programme which can be found in Appendix 2. This has resulted in a revised budget at 31 January of £26.729m.

Capital Expenditure

- 2.10 Actual expenditure to 31 January 2013 (Period 10) amounted to £16.961m or 63.5% of the revised annual budget of £26.729m. Current projections suggest that there will be a net underspend of £1.073m at 31 March 2013. The underspend has arisen as a result of phasing in some projects and it is proposed, therefore, that the undernoted sums be carried forward to meet commitments in 2013/14:-

Project	Amount £m	Reason for Carry Forward
Mortgage to Rent	0.458m	Demand for Mortgage to Rent tailed off but expected to be required in 2013/14
New Build Copeland Crescent	0.181m	Project now slipped but will be required in 2013/14
Refurbishment Schemes	0.150m	Slippage of around 4 weeks now anticipated in Harley Place project
Sheltered Housing Units	0.300m	Works will not be complete until early in 2013/14

- 2.11 The New Build at Redstone Avenue is now ahead of schedule and it is proposed that funding of £0.081m is accelerated from 2013/14 to 2012/13 for this project.

2.12 The under-noted table summarises the HRA Capital budget position as at 31 January 2013:-

	Revised Budget 2012/13	Projection to 31 March 2013	Projected over (under) spend 2012/13	True Over / (Under) Spend	Funding Acceleration / Carry Forward to 2013/14
	£m	£m	£m	£m	£m
Expenditure	26.729	25.656	(1.073)	(0.065)	(1.008)
Income					
Sale of Council Houses	(0.775)	(0.912)	(0.137)	(0.137)	-
Sale of Other Assets	(0.588)	(0.564)	0.024	0.024	-
Capital Funded from Current Revenue	(13.210)	(13.210)	-	-	-
Capital Grants	(1.616)	(1.289)	0.327	0.125	0.202
Affordable Housing Contribution	(0.672)	(0.672)	-	-	-
Prudential Borrowing	(9.868)	(9.009)	0.859	0.053	0.806
Total Income	(26.729)	(25.656)	1.073	0.065	1.008

3. Proposals

3.1 It is proposed that:-

In General Services -

The Cabinet is invited to (a) approve the further revisions to budgets outlined at Section 2.1 and Appendix 1; (b) note (i) the actual expenditure to 31 January 2013 and (ii) the forecast of expenditure to 31 March 2013; and

In the H.R.A. -

The Cabinet is invited to (a) approve the further revisions to the budget outlined at Section 2.7; (b) note the actual expenditure to 31 January 2013 and (ii) the forecast of expenditure to 31 March 2013.

4. Implications

Financial Implications

- 4.1 The financial implications are as outlined in the report. Expenditure will continue to be closely monitored to ensure early action is taken regarding any projected underspends or overspends.

Human Resource Implications

- 4.2 There are no human resource Implications.

Legal Implications

- 4.3 There are no legal Implications.

Equality Implications

- 4.4 There are no equality Implications.

Environmental Implications

- 4.5 There are no environmental Implications.

Implications for Key Priorities

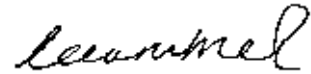
- 4.6 A delay in completion of projects could affect the delivery of services and have implications for revenue budgets and service planning.

5. Consultations

- 5.1 Consultations have taken place with all services in respect of their projects.

6. Conclusion

- 6.1 The report invites the Cabinet to note the revisions to budgets for General Services and the Housing Revenue Account, the level of capital expenditure to 31 January 2013 and projections to 31 March 2013.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Hazel Hair, Senior Manager (Financial Management) on telephone number 01294 324548

Background Papers

0

North Ayrshire Council
Capital Statement
Year Ended 31st March 2013

Project Description	Approved Budget at 1st February 2012	Carry Forward from 2011/12	Additional Funds Awarded 2012/13	Approved Revisions to Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31st March 2013	True Over/ (Under) Spend	Carry Forward to 2013/14	Committed Programme 2013/14	Committed Programme 2014/15	Committed Programme 2015/16	COMMENTS
£	£	£	£	£	£	£	£	£	£	£	£				
EXPENDITURE															
Chief Executives															
Economic Development	250,000	171,171	0	(154,000)	267,171	108,479	121,458	12,979	267,171	0	0	254,000	100,000	300,000	
Office Accommodation	34,182	0	196,007	1,188	231,377	193,945	199,240	5,295	231,377	0	0	0	0	0	
Corporate Services															
Legal & Protective	65,000	0	316,000	285,000	666,000	208,000	21,196	(186,804)	665,000	(1,000)	0	60,000	0	0	
Information Technology	1,013,625	107,623	0	(70,000)	1,051,248	841,180	791,539	(49,641)	872,135	0	(179,113)	437,000	428,000	165,000	
Education & Skills															
Primary Schools	9,312,372	3,477,991	0	(2,720,519)	10,069,844	7,023,629	6,832,639	(190,990)	10,073,357	7,920	(4,407)	11,715,295	9,920,882	167,772	
Secondary Schools	1,438,000	(471)	0	(1,404,053)	33,476	30,788	106,780	75,992	132,217	3,090	95,651	2,722,401	8,505,000	11,215,000	
Special Education	136,000	14,811	0	(95,811)	55,000	55,000	46,876	(8,124)	55,000	0	0	55,000	110,000	360,811	
General School Projects	0	45,614	0	(9,614)	36,000	0	400	400	36,000	0	0	93,981	0	0	
Sport & Leisure	5,570,436	553,572	0	(5,207,182)	916,826	230,211	479,233	249,022	522,262	(2,591)	(391,973)	882,529	15,690,000	2,388,487	
Cultural & Community	975,445	5,305	0	(114,570)	866,180	724,227	599,653	(124,574)	831,799	(3,381)	(31,000)	178,153	0	1,900,000	
Finance & Infrastructure															
Financial Services	0	62,760	0	(62,760)	0	0	0	0	0	0	0	62,760	0	0	
Infrastructure & Design	16,375,934	361,585	1,700,000	(8,552,347)	9,885,172	7,271,824	6,726,081	(545,743)	9,926,870	0	41,698	13,883,347	3,012,000	2,828,000	
Environmental Services	2,228,000	733,314	891,500	(316,887)	3,535,927	2,971,533	2,557,254	(414,279)	3,530,474	7,460	(12,913)	3,410,240	3,250,000	3,150,000	
Social Services & Health															
Management & Support	376,573	(32,197)	0	(328,066)	16,310	0	16,310	16,310	16,310	0	0	283,521	0	0	
Children & Families	0	0	0	0	0	0	10,293	10,293	10,293	10,293	0	0	0	0	
Older People	1,526,914	1,131,937	0	(1,422,733)	1,236,118	825,478	891,865	66,387	1,304,792	7,713	60,961	5,522,872	1,349,279	0	
Criminal Justice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Physical or Sensory Disabled	0	0	90,000	(13,093)	76,907	30,560	42,044	11,484	56,214	0	(20,693)	974,136	348,957	0	
Housing Non HRA	1,247,000	0	0	(767,000)	480,000	400,000	403,708	3,708	480,000	0	0	860,000	700,000	700,000	
Other															
Flexibility Budget	0	179,325	1,604,662	(1,696,550)	87,437	0	0	0	0	(87,437)	0	0	0	0	
Total Project Expenditure	40,549,481	6,812,340	4,798,169	(22,648,997)	29,510,993	20,914,854	19,846,568	(1,068,285)	29,011,271	(57,933)	(441,789)	41,395,235	43,414,118	23,175,070	
Income	(40,549,481)	(6,812,340)	(4,798,169)	22,648,997	(29,510,993)	(10,240,236)	(10,240,236)	0	(29,042,271)	57,933	441,789	(41,395,235)	(43,414,118)	(23,331,070)	
Total Project Income	(40,549,481)	(6,812,340)	(4,798,169)	22,648,997	(29,510,993)	(10,240,236)	(10,240,236)	0	(29,042,271)	57,933	441,789	(41,395,235)	(43,414,118)	(23,331,070)	
Total Net Expenditure	0	0	0	0	0	10,674,618	9,606,332	(1,068,285)	(31,000)	0	0	0	0	(156,000)	

North Ayrshire Council
Capital Programme Funding 2012-13

Funding Description	Approved Budget at 1st February 2012	Carry Forward from 2011/12	Additional Funds Awarded 2012/13	Approved Revisions to Programme	Total Revised Budget 2012/13	Actual as at 31 January 2013	Projected Income to 31st March 2013
	£	£	£	£	£	£	£
CAPITAL BORROWING							
Prudential Borrowing	26,180,238	6,578,550		(20,038,263)	12,720,525		12,251,803
SUB TOTAL	26,180,238	6,578,550	0	(20,038,263)	12,720,525	0	12,251,803
SCOTTISH GOVERNMENT FUNDING							
Specific Capital Grants							
Cycling / Walking Routes	157,000				157,000		157,000
Capital Grants							
General Capital Grant	8,806,000		207,000	31,000	9,044,000	7,065,747	9,044,000
SUB TOTAL	8,963,000	0	207,000	31,000	9,201,000	7,065,747	9,201,000
OTHER INCOME TO PROGRAMME							
Use of Funds							
Repairs & Renewals Fund	3,500,000			(2,000,000)	1,500,000		1,500,000
Capital Fund	300,000				300,000		300,000
General Fund Balance	6,243				6,243		6,243
Change & Service Redesign Fund			377,507		377,507		377,507
Capital Funded from Current Revenue	850,000		1,416,000	36,000	2,302,000		2,302,000
Grants & Contributions							
SPT Funding from 2011-12		233,790			233,790		233,790
SPT Funding			1,700,000	(170,000)	1,530,000	1,426,826	1,530,000
CSGN Development Fund			36,000		36,000		36,000
Insurance Recovery - Cemetery Walls			12,000		12,000	12,000	12,000
HRA Contribution to Currie Court			0		0		0
HUB Capital Enabling Funds			706,662	-537,734	168,928	87,266	168,928
Other Contributions	450,000			280,000	730,000	1,612,590	730,000
Largs Car Park Fund			50,000		50,000		50,000
Sustrans Scotland			230,000		230,000		230,000
Zero Waste Scotland			63,000		63,000		63,000
Capital Receipts	300,000			(250,000)	50,000	35,807	50,000
					0		0
Milgarholm Pumping Station					0	4,092	0
Sale of Vehicles					0	29,715	0
Sale of Land					0	2,000	0
					0		0
					0		0
					0		0
SUB TOTAL	5,406,243	233,790	4,591,169	(2,641,734)	7,589,468	3,174,489	7,589,468
TOTAL CAPITAL PROGRAMME FUNDING	40,549,481	6,812,340	4,798,169	(22,648,997)	29,510,993	10,240,236	29,042,271

CAPITAL MONITORING 2012/13																							
Year Ended 31st March 2013																							
CHIEF EXECUTIVE																							
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE														Revised Budget for 13/14	Proposed Budget for 14/15	Proposed Budget for 15/16	TOTALS	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2012/13	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/ (Under) Spend for 2012/13	True Over/(Under) Spend	% Expenditure to Date for 2012/13	% Expenditure Projected for year 2012/13 (CPI)	Total Project Budget					
Economic Development																							
TOWN CENTRE INFRASTRUCTURE	G Hunter			0	200,000	71,171		(100,000)	171,171	78,479	68,566	(9,913)	171,171	0		40.06%	100.00%	100,000	0	0	837,692	Project cancelled for Beith. Replacement project for Largs now undeliverable due to external issues. £171K of monies are committed.	
TOURISM INFRASTRUCTURE	K Don			0	50,000	100,000		(54,000)	96,000	30,000	52,891	22,891	96,000	0		55.10%	100.00%	54,000	0	0	150,000	Carry forward due to Holy Isle Project expenditure and claims coming back from Leader EU Programme. Delays in procurement and weather affecting capital works.	
KILBIRNIE CONSERVAT AREA REGE	A Laurenson								0					0		No budget	No budget	100,000	100,000	300,000	500,000	Total NAC spend of £500k to match Historic Scotland grant provision.	
Total Economic Development					250,000	171,171	0	(154,000)	267,171	108,479	121,458	12,979	267,171	0		45.46%	100.00%	254,000	100,000	300,000	1,531,626		
Office Accommodation																							
CCTV GENERAL		31-Mar-12	31-Mar-12	0	34,182	0		0	34,182	0	3,810	3,810	34,182	0		11.15%	100.00%	0	0	0	244,698		
CUNN HOUSE 3RD FLOOR WEST	D Watts	31-Aug-12	31-Aug-12	0	0		196,007		196,007	192,757	194,242	1,485	196,007	0		99.10%	100.00%	0	0	0	197,087		
CUNN HOUSE COUNCIL CHAMBERS	D Watts				0			1,188	1,188	1,188	1,188	0	1,188	0		99.96%	100.00%	0	0	0	4,093		
Total Office Accommodation					34,182	0	196,007	1,188	231,377	193,945	199,240	5,295	231,377	0	0	86.11%	100.00%	0	0	0	490,454		
Total Chief Executives					284,182	171,171	196,007	(152,812)	498,548	302,424	320,698	18,274	498,548	0	0	64.33%	100.00%	254,000	100,000	300,000	2,022,080		

CAPITAL MONITORING 2012/13																					
Year Ended 31st March 2013																					
CORPORATE SERVICES																					
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE													Revised Budget for 13/14	14/15 Proposed Budget for 14/15	15/16 Proposed Budget for 15/16	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2012/13	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/(Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)				
Legal & Protective																					
E-PLANNING	J Miller	31-Mar-12	31-Mar-13	52	65,000			(37,000)	28,000	15,000	14,191	(809)	28,000	0	0	50.68%	100.00%	0	0	0	Contract awarded with underspend on the remainder.
ACCESS PATH NETWORK PROGRAMME	J Miller	31-Mar-13	31-Mar-13	0	0		316,000	207,000	523,000	193,000	12,114	(180,886)	523,000	0		2.32%	100.00%	0	0	0	Works being tendered through Ayrshire Wide Small Works Framework and on Public Contracts Scotland. Spend planned for February and March.
MONTGOMERIE PARK DEVELOPMENT	J Miller	31-Mar-12	31-Mar-12	0	0			115,000	115,000	0	(5,109)	(5,109)	114,000	(1,000)	(1,000)	-4.44%	99.13%	60,000	0	0	£175k allocated for SUDs pond vesting. £60,000.00 carryover to 2013/14 agreed with Finance. Anticipated underspend of £1k.
Total Legal & Protective					65,000	0	316,000	285,000	666,000	208,000	21,196	(186,804)	665,000	(1,000)	(1,000)	3.18%	99.85%	60,000	0	0	
Information Technology																					
NETWORK DEVELOPMENT	A. Blakely	31-Mar-12	31-Mar-13	52	50,000	41,314			91,314	75,529	75,064	(465)	75,064	(16,250)		82.20%	82.20%	0	0	0	Projects prioritised. Balance to be carried forward to 13/14
PC REPLACEMENT	L Morley	31-Mar-13	31-Mar-13	0	170,000			70,000	240,000	205,000	213,705	8,705	213,705	(26,295)		89.04%	89.04%	95,000	165,000	165,000	Projects prioritised. Balance to be carried forward to 13/14
MICROSOFT OFFICE UPGRADE	I Chisholm	31-Mar-13	31-Mar-13	0	275,000				275,000	268,000	260,832	(7,168)	260,832	(14,168)		94.85%	94.85%	262,000	263,000	0	Projects prioritised. Balance to be carried forward to 13/14
URL INTERNET FILTERING	I Chisholm	31-Mar-13	31-Mar-13	0	120,000			(60,000)	60,000	60,000	58,264	(1,736)	58,264	(1,736)		97.11%	97.11%	0	0	0	Contract awarded to Fortinet. Contract negotiations have resulted in a surplus of £60k which has been removed. Balance to be carried forward to 13/14
ICT SECURITY	I Chisholm	31-Mar-13	31-Mar-13	0	30,000	40,217			70,217	320	58,311	57,991	58,311	(11,906)		83.04%	83.04%	0	0	0	Penetration testing carried out in September. Invoice processed. Balance to be carried forward to 13/14
SUN SERVER REPLACEMENT PROG	B Quigley	31-Mar-13	31-Mar-13	0	58,625			(30,000)	28,625	2,619	19,217	16,598	19,217	(9,408)		67.13%	67.13%	30,000	0	0	Consultancy stage complete. Balance to be carried forward to 13/14
INFO & RECORDS MANAGEMENT	H Lauder	31-Mar-13	31-Mar-13	0	0	5,501			5,501	5,501	0	(5,501)	0	(5,501)		0.00%	0.00%	0	0	0	Balance to be carried forward to 13/14
WINDOWS SERVER MIGRATION	I Chisholm	31-Mar-13	31-Mar-13	0	100,000	2,558			102,558	101,800	62,604	(39,196)	70,789	(31,769)		61.04%	69.02%	0	0	0	Balance to be carried forward to 13/14
NEW COUNCIL ICT STRATEGY	A. Blakely	31-Mar-13	31-Mar-13	0	210,000	18,033		(50,000)	178,033	122,411	43,542	(78,869)	115,953	(62,080)		24.46%	65.13%	50,000	0	0	Web development project rescheduled in line with Customer Services Strategy. Balance to be carried forward to 13/14
Total Information Technology					1,013,625	107,623	0	(70,000)	1,051,248	841,180	791,539	(49,641)	872,135	(179,113)	0	75.30%	82.96%	437,000	428,000	165,000	
Total Corporate Services					1,078,625	107,623	316,000	215,000	1,717,248	1,049,180	812,735	(236,445)	1,537,135	(180,113)	(1,000)	47.33%	89.51%	497,000	428,000	165,000	

CAPITAL MONITORING 2012/13																								
Year Ended 31st March 2013																								
EDUCATION & SKILLS																								
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE													13/14			14/15	15/16	TOTALS	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2011/12	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/(Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)	Proposed Budget for 13/14	Approved Revisions To Programme	Revised Budget for 13/14	Proposed Budget for 14/15	Proposed Budget for 15/16	Total Project Budget	
Primary Schools																								
WOODLANDS PS EXTENSION	D Yuille	30-Apr-13	29-Apr-13	0	963,526	373,611		(362,679)	974,458	470,479	489,704	19,225	952,803	(21,655)		50.25%	97.78%	743,024	(18,047)	724,977	26,200	0	1,822,619	Budget re-set along with Castlepark
PENNYBURN PS ROOF REPLACE	S Laughlan	Complete	Complete		0	5,308			5,308	0	0	0	7,257	1,949		0.00%	136.72%	0	28,649	28,649	0	0	283,324	Retention to be paid by March 2013
KELBURN PARTITIONS	B Ingram	30-Aug-13	30-Aug-13	0	0			5,544	5,544	0	0	0	7,200	1,656		0.00%	129.87%	144,000	(5,544)	138,456	0	0	144,000	Tender documentation being produced this financial year. Due to be on site Summer 2013
SKELMORLIE PARTITIONS	J Brydon	30-Aug-13	30-Aug-13	0	0			2,680	2,680	0	0	0	4,350	1,670		0.00%	162.31%	66,000	(2,680)	63,320	0	0	66,000	Tender documentation being produced this financial year. Due to be on site Summer 2013
SCHOOL ESTATE	S Storrie	01-Aug-17	01-Aug-17	0	0				0	0	0	0	0	0		No budget	No budget	1,000,000		1,000,000	9,000,000	0	10,000,000	
REPLACE SHUTTERS VARIOUS	D Mackay	31-Mar-13	31-Mar-13	0	100,000	(18,700)			81,300	81,300	102,836	21,536	102,837	21,537		126.49%	126.49%	0	33,700	33,700	0	0	149,932	Rolling Programme. On schedule to spend
IRVINE EAST PS	D Yuille	07-Apr-14	07-Apr-14	0	2,783,099	406,272		(1,465,031)	1,724,340	1,023,960	816,472	(207,488)	1,714,873	(9,467)		47.35%	99.45%	8,074,237	(835,900)	7,238,337	894,682	167,772	10,600,001	Works commenced on temporary access road and compound. School building commenced Feb 2013. Contractor has been asked to bring forward works to address the 12/13 underspend.
ST LUKES PS-EXTENSION	L Martin	Complete	Complete		0	226,003		5,265	231,268	226,003	215,639	(10,364)	235,842	4,574	4,574	93.24%	101.98%	0	0	0	0	0	247,000	Final account to be agreed. Overspend to be addressed. Includes Retention to be accrued and paid in 13/14 .
DREGHORN PS UPGRADE REPLC	A Martin	Complete	Complete		2,411,208	1,467,328		188,880	4,067,416	3,954,445	3,638,757	(315,688)	4,067,416	0		89.46%	100.00%	106,184	(106,184)	0	0	0	8,317,275	Project completed and now in Defects period. Final Account to be agreed.
CASTLEPARK PS	D Yuille	12-Aug-13	12-Aug-13	0	2,989,216	999,869		(1,094,242)	2,894,843	1,184,755	1,488,880	304,125	2,894,746	(97)		51.43%	100.00%	2,305,136	182,720	2,487,856	0	0	5,682,358	Contractor has reported that the time lost due to piling taking 2 weeks longer than planned will be made up over the coming months.
GLENCAIRN PS GYM EXT	A Martin	Complete	Complete		15,323	3,661		(936)	18,048	18,048	7,096	(10,952)	21,844	3,796	3,796	39.32%	121.03%	0		0	0	0	691,638	Final account agreed. Retention to be paid after MGD cert signed.
KITCHEN UPGRADES	D Mackay	31-Mar-13	31-Mar-13	0	50,000	14,189			64,189	64,189	73,255	9,066	64,189	0		114.12%	100.00%	0		0	0	0	183,519	Planned programme of works. On schedule to spend.
Total Primary Education					9,312,372	3,477,991	0	(2,720,519)	10,069,844	7,023,629	6,832,639	(190,990)	10,073,357	3,513	7,920	67.85%	100.03%	12,438,581	(723,286)	11,715,295	9,920,882	167,772	53,753,872	
Secondary Schools																								
GARNOCK ACADEMY REPLACEMENT SCHOOL ESTATE PHASE 3	S Storrie	30-Aug-15	30-Aug-16	52	1,438,000	(471)		(1,404,053)	33,476	30,788	103,690	72,902	129,127	95,651		309.75%	385.73%	1,523,000	1,199,401	2,722,401	8,505,000	11,215,000	22,539,393	Following Council meeting on 7th November site 7 has been selected as preferred site. To be re-profiled.
Total Secondary Education					1,438,000	(471)	0	(1,404,053)	33,476	30,788	106,780	75,992	132,217	96,741	3,090	318.98%	394.96%	1,523,000	1,199,401	2,722,401	8,505,000	11,215,000	22,732,235	
Special Education																								
STANECastle WALLS/WINDOWS	A Martin	31-Mar-13	31-Mar-13	0	136,000	14,811		(95,811)	55,000	55,000	46,876	(8,124)	55,000	0		85.23%	100.00%	430,000	(375,000)	55,000	110,000	360,811	630,000	Programme of works being planned based on 6-monthly reports. Order for windows has been placed and will spend this year's budget. Next scheduled inspection June 2013.
Total Special Education					136,000	14,811	0	(95,811)	55,000	55,000	46,876	(8,124)	55,000	0	0	85.23%	100.00%	430,000	(375,000)	55,000	110,000	360,811	630,000	
General School Projects																								
ARRAN OUTDOOR CENTRE	B Ingram	31-Aug-12	31-Aug-13	52	0	45,614		(9,614)	36,000	0	400	400	36,000	0		1.11%	100.00%	0	93,981	93,981	0	0	5,463,106	
Total General School Projects					0	45,614	0	(9,614)	36,000	0	400	400	36,000	0	0	1.11%	100.00%	0	93,981	93,981	0	0	5,528,872	
Sports & Leisure																								
SPORTS STRATEGY IMPLEMENTATIO	S Storrie	Complete	Complete		0	1,945			1,945	0	1,975	1,975	1,975	30	30	101.54%	101.54%	0		0	0	0	16,500	
LARGS SPORTS DEVELOPMENT	D Wilson	31-Mar-12	31-Mar-14	104	75,000			(37,529)	37,471	51,000	32,432	(18,568)	37,471	0		86.55%	100.00%	75,000	37,529	112,529	0	0	300,000	
HARVIES UPGRADE	A Martin	Complete	Complete		0	2,483		(1,789)	694	0	694	694	694	0		100.00%	100.00%	0		0	0	0	3,898,212	

CAPITAL MONITORING 2012/13																								
Year Ended 31st March 2013																								
EDUCATION & SKILLS																								
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE													13/14			14/15	15/16	TOTALS	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2011/12	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/ (Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)	Proposed Budget for 13/14	Approved Revisions To Programme	Revised Budget for 13/14	Proposed Budget for 14/15	Proposed Budget for 15/16	Total Project Budget	
IRVINE LEISURE CENTRE	D Yuille	15-Aug-14	17-Jul-15	48	5,489,011	435,409		(5,174,420)	750,000	65,071	333,086	268,015	358,027	(391,973)		44.41%	47.74%	9,000,000	(8,230,000)	770,000	15,690,000	2,388,487	19,979,000	£3.7m Townhouse funding now approved. Project costs to include Townshouse and be re-profiled. Planning application submitted Jan 2013.
MEADOWSIDE PARK RESURFACING	B Ingram	Complete	Complete		6,425	4,595		10,365	21,385	5,000	7,041	2,041	13,061	(8,324)	(8,324)	32.92%	61.08%	0	0	0	0	0	282,000	Retention to be paid by March 2013. Small overspend anticipated.
MONTGOMERIE PARK MUGAS	B Ingram	30-Aug-13	30-Aug-12	100	0	109,140		(3,809)	105,331	109,140	104,006	(5,134)	111,034	5,703	5,703	98.74%	105.41%	0		0	0	0	116,000	Landscaping works to be completed. Retention to be paid by March 2013..
Total Sports & Leisure					5,570,436	553,572	0	(5,207,182)	916,826	230,211	479,233	249,022	522,262	(394,564)	(2,591)	52.27%	56.96%	9,075,000	(8,192,471)	882,529	15,690,000	2,388,487	24,759,331	
Cultural & Community																								
CORPORATE TRAINING CENTRE	D Watts	Complete	Complete		443,062	5,305		(47,887)	400,480	400,480	383,890	(16,590)	397,099	(3,381)	(3,381)	95.86%	99.16%	0	0	0	0	0	1,429,142	Includes £17k to be accrued for retention. Budget to be updated to include additional external funding.
WEST KILBRIDE CC GYMNASIUM	D Lochrie	05-Apr-13	03-May-13	4	532,383	0		(66,683)	465,700	323,747	215,762	(107,985)	434,700	(31,000)		46.33%	93.34%	0	56,253	56,253	0	0	553,195	Electrical costs forecast to increase. 4-week delay.
ARDROSSAN CASTLE	D Mackay			0	0			0	0	0	0	0	0	0		No budget	No budget	0	121,900	121,900	0	0	121,900	Target Completion Date still to be confirmed. Approval being sought from Historic Scotland for stabilisation works.
Total Cultural & Community					975,445	5,305	0	(114,570)	866,180	724,227	599,653	(124,574)	831,799	(34,381)	(3,381)	69.23%	96.03%	0	178,153	178,153	0	1,900,000	4,239,985	
Total Education & Skills					17,432,253	4,096,822	0	(9,551,749)	11,977,326	8,063,855	8,065,581	1,726	11,650,635	(326,691)	5,038	67.34%	97.27%	23,466,581	(7,819,222)	15,647,359	34,225,882	16,032,070	111,661,795	

CAPITAL MONITORING 2012/13																							
Year Ended 31st March 2013																							
FINANCE & INFRASTRUCTURE																							
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE															14/15	15/16	TOTALS	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2012/13	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/ (Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)	Revised Budget for 13/14	Proposed Budget for 14/15	Proposed Budget for 15/16	Total Project Budget		
Financial Services																							
FINANCIAL SERVICES	HHhair	31-Mar-13	31-Mar-13	0	0	36,784		(36,784)	0	0	0	0	0	0		No budget	No budget	36,784	0	0	36,784		
E-PROCUREMENT	T Reaney	31-Mar-13	31-Mar-13	0	0	25,976		(25,976)	0	0	0	0	0	0		No budget	No budget	25,976	0	0	97,976		
Total Financial Services					0	62,760	0	(62,760)	0	0	0	0	0	0	0	No budget	No budget	62,760	0	0	134,760		
Infrastructure & Design																							
BRIDGEGATE HOUSE REFURB	Y Baulk	08-Jul-13	08-Sep-13	9	12,883,934	(159,818)		(9,769,790)	2,954,326	1,929,314	2,113,910	184,596	3,582,699	628,373		71.55%	121.27%	6,512,790	0	0	9,300,000	Internal fit-out progressing. Anticipated phase one hand-over 15th March 2013. Planning has commenced for Customer Centre opening date of 8th April 2013.	
TRINITY CHURCH REFURBISHMENT	Y Baulk	08-Jul-13	01-Oct-13	12	0			476,755	476,755	202,810	336,084	133,274	138,119	(338,636)		70.49%	28.97%	300,245	0		995,000	Work at early stage but progressing to programme.	
BRIDGEGATE PUBLIC REALM	Y Baulk	08-Jul-13	01-Oct-13	12	0			1,059,080	1,059,080	771,850	545,845	(226,005)	811,041	(248,039)		51.54%	76.58%	1,420,920	0		2,825,000	Surfacing work has now commenced.	
CORP ASSET MANAGEMENT SYSTEM	T Burns	31-Mar-13	31-Mar-13	0	0	83,392		(83,392)	0	0	0	0	0	0		No budget	No budget	83,392	0	0	83,392	Formation of stair case also underway.	
ASSET MANAGEMENT - ROADS	J. Smith	31-Mar-13	31-Mar-13	0	3,000				3,000	3,000	0	(3,000)	3,000	0		0.00%	100.00%	0	0	0	58,263	On target as per financial profile projections	
ROADS IMPROVE/RECONSTRUCTION	C Dempster	31-Mar-13	31-Mar-13	0	1,882,000	14,669			1,896,669	1,830,000	1,678,582	(151,418)	1,896,669	0		88.50%	100.00%	1,800,000	1,800,000	1,800,000	9,375,798	On target as per financial profile projections	
LIGHTING	G.Wilson	31-Mar-13	31-Mar-13	0	1,250,000	97,442			1,347,442	1,269,850	1,053,093	(216,757)	1,347,442	0		78.15%	100.00%	1,000,000	1,000,000	1,000,000	5,448,046	Slight variance in profile due to timing of contractor invoices received and capital staff costs still to be charged, although project full spend of budget	
IRVINE TOWN CENTRE CAR PARK	C Forsyth	31-Dec-13	31-Dec-13	0				0	0	0				0		No budget	No budget	287,000			287,000	To assist with the Council's Car Parking Strategy. See report for detail. Design work has commenced which will take several months to finalise.	
CYCLING/WALKING/SAFER STS	C.Forsyth	31-Mar-13	31-Mar-13	0	157,000			(157,000)	0	0	0	0	0	0		No budget	No budget	144,000	212,000	28,000	467,797	Budget transferred to Economic Development	
CULVERTS & COAST PROT AST	P. Cobley	31-Mar-13	31-Mar-13	0	0	37,167			37,167	30,000	2,068	(27,932)	37,167	0		5.56%	100.00%	0	0	0	69,205	£10k issued for Butterpoint seawall on 11 Dec 2012. Remaining budet will be used to part fund additional work to protect Brodick beach which will be funded over 2 financial years, work starting in March 2013.	
KILBIRNIE FPS	P Rowley	31-Mar-13	31-Mar-13	0	200,000	54,943		35,000	289,943	205,000	189,934	(15,066)	289,943	0		65.51%	100.00%	1,965,000	0	0	2,399,999	Variance YTD due to late submission of Consultants invoices. On target to fully spend budget.	
COASTAL PROT-BALLOCHMARTIN BA	P Cobley	31-Mar-13	31-Mar-13	0	0				0	0	0	0	0	0		No budget	No budget	100,000	0	0	100,000		
SPT FUNDED PROJECTS	D. Lodge	31-Mar-13	31-Mar-13	0	0	233,790	1,700,000	(170,000)	1,763,790	973,000	749,631	(223,370)	1,763,790	0		42.50%	100.00%	170,000	0	0	2,632,499	There is a possibility of a slight underspend on the SPT grants awarded for Kilwinning Park & Ride. This is currently being discussed with SPT. £450k invoiced in December with staff costs of £113k still to be charged. This work will also be complete by end of March.	
IRVINE BAILIEY BRIDGE REPL	Complete	Complete	Complete					57,000	57,000	57,000	56,934	(66)	57,000	0		99.88%	100.00%	0	0	0	57,000	Retention now paid.	
DUNDONALD BRIDGE	P Cobley			0	0				0	0	0	0	0	0		No budget	No budget	100,000	0	0	100,000		
Total Infrastructure & Design					16,375,934	361,585	1,700,000	(8,552,347)	9,885,172	7,271,824	6,726,081	(545,743)	9,926,870	41,698	0	68.04%	100.42%	13,883,347	3,012,000	2,828,000	34,902,663		
Environmental																							
VEHICLES(EXCL 2.4 & 0.8 LEASE	G.Mitchell	31-Mar-13	31-Mar-13	0	715,000	47,842	651,000		1,413,842	1,281,000	1,339,711	58,711	1,397,842	(16,000)		94.76%	98.87%	2,300,000	2,000,000	2,000,000	9,914,981	2 outstanding orders with delivery dates in February, this will result in payments of £73454 being paid during February/ March.	
ARRAN GARAGE IMPROVEMENTS	R Connell	09-Jul-12	17-Aug-12	6	0	131,495		9,756	141,251	131,495	142,200	10,705	148,711	7,460	7,460	100.67%	105.28%	0	0	0	181,787	Retention of £2,370 still to be paid (August 2013) included in projection figure. Property Maintenance & Investment have advised that total spend for 2012/13 will be £148,711.This and the retention means that there is will be a shortfall in the budget.	
CLEANSING-SHEWALTON LANDFILL	D.Mackay	31-Mar-13	31-Mar-13	0	825,000	316,494		(356,947)	784,547	931,494	451,256	(480,238)	784,547	0		57.52%	100.00%	781,947	1,000,000	900,000	12,003,224	Substantial works were completed in February 2013 and still to be invoiced. Other works are scheduled to take place in March 2013.	
KILBIRNIE CIVIC AMENITY	A Kirk	Complete	Complete		0			42,000	42,000		7,450	7,450	42,000	0		17.74%	100.00%					Project complete. Potential contractor claim of £42k. Retention of £7,450 paid.	
LARGS HWRC	R Connell	31-Mar-13	31-Oct-12	(22)	175,000	65,631		41,685	282,316	282,316	277,489	(4,827)	285,403	3,087		98.29%	101.09%	0	0	0	414,730	Works now complete. Awaiting on IT re-charging installation cost of phone line. Final invoices due. Retention costs of £7,913 in 2013/14 included in projection figure. Defects liability period commenced for works.	

CAPITAL MONITORING 2012/13																						
Year Ended 31st March 2013																						
FINANCE & INFRASTRUCTURE																						
Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE													Revised Budget for 13/14	14/15 Proposed Budget for 14/15	15/16 Proposed Budget for 15/16	TOTALS Total Project Budget	Comments
		Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2012/13	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/ (Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)					
ICT WASTE MANAGEMENT SYS	D.Mackay	31-Mar-13	31-Mar-13	0	0	94,292	70,000		164,292	94,292	113,608	19,316	164,292	0		69.15%	100.00%	0	0	0	195,000	In-cab devices now delivered and installed and user acceptance underway. There is potential for some carry forward to 2013/14 dependant upon progress with user acceptance testing and system integration.
REVERSE VENDING PILOT PROJECT							63,000		63,000		0	0	63,000	0		0.00%	100.00%					Capital Grant funding from Zero Waste Scotland for supply of three reverse vending machines. Tender award has been issued in February 2013 and order placed for 3 machines for delivery in March. Potential to carry forward to April depending on delivery availability of machines.
DEPOT REFURBISHMENT	R Connell	31-Mar-13	31-Mar-13	0	0	13,828			13,828	13,828	13,828	(0)	13,828	0		100.00%	100.00%	0	0	0	75,000	Project now complete.
STREETSCENE SCHEDULING SYSTEM	W Turpie	31-Mar-13	31-Mar-13		0		95,500	(30,500)	65,000	0	38,183	38,183	65,000	0		58.74%	100.00%	30,500			95,500	Order for system placed October 2012. Update reflects full delivery of hardware during 2012/13.
WEST KILBRIDE CEMETERY EXTEN	D Lochrie	31-Mar-13	31-Mar-13	0	81,000	16,250		(29,086)	68,164	7,000	9,956	2,956	68,164	0		14.61%	100.00%	53,998	0	0	145,912	The work for Phase 1 which now includes some elements of work which was previously included in Phase 2 of this project has been tendered and costed at £212,724. The approved budget as of Feb 2012 was £81,000. The revised budget of 12/13 for Phase 1 was £68,164 of which £9,956 has been spent to date. The budget set aside for 2013/14 for this project is £53,998 however the recently tendered price for Phase 1 has identified an overall increase in costs of £100,518 for this project. Any overspend will be addressed from approved future years funding in the capital plan
NEW STEVENSTON CEMETERY	A Martin	31-Mar-13	31-Mar-13	0	0	34,718			34,718	26,601	18,112	(8,489)	34,718	0		52.17%	100.00%	0	0	0	477,000	The cemetery is now complete and the remaining unspent money appears to be the retention sum for this project (payable 2013/14). Technical Services are currently
SKELMORLIE CEMETERY WALL	D.Wilson	31-Mar-13	01-Aug-13	18	140,000	12,764		(150,620)	2,144	2,144	1,939	(205)	2,144	0		90.44%	100.00%	150,620	0	0	175,000	Due to the legal problems encountered on the Skelmorlie Aisle, Largs project the money allocated (£150,620) for it was added to the 2012/13 budget for the improvements to cemetery walls and infrastructure.
CEMETERY WALLS &INFRASTRUCTURE	D.Wilson	31-Mar-13	31-Mar-13	0	250,000		12,000	156,825	418,825	159,363	105,755	(53,608)	418,825	0		25.25%	100.00%	93,175	250,000	250,000	1,030,275	Currently contracts are in place to the value of £381,465 for works at Largs, Hawkhill, Millport and Kilwinning cemeteries. It is currently estimated that design and supervision fees for the above works will be £37,360 if this is the final figure for fees a total spend for this financial year will be £418,825.
HAVS MONITORING SYSTEM	W. Turpie	31-Mar-13	31-Mar-13	0	42,000				42,000	42,000	37,768	(4,232)	42,000	0		89.92%	100.00%	0	0	0	42,000	Remaining expenditure will be incurred in March 2013.
Total Environmental					2,228,000	733,314	891,500	(316,887)	3,535,927	2,971,533	2,557,264	(414,279)	3,530,474	(5,453)	7,460	72.32%	99.85%	3,410,240	3,250,000	3,150,000	24,798,882	
Total Finance & Infrastructure					18,603,934	1,157,659	2,591,500	(8,931,994)	13,421,099	10,243,357	9,283,335	(960,022)	13,457,344	36,245	7,460	69.17%	100.27%	17,356,347	6,262,000	5,978,000	59,836,205	

CAPITAL MONITORING 2012/13																							
Year Ended 31st March 2013																							
SOCIAL SERVICES & HEALTH																							
Ref No	Project Description	Lead Officer	COMPLETION DATE			CURRENT YEAR 2012/13 EXPENDITURE													Revised Budget for 13/14	14/15 Proposed Budget for 14/15	15/16 Proposed Budget for 15/16	TOTALS Total Project Budget	Comments
			Original Target	Revised Forecast	Difference (SPI)	Approved Budget at 1 Feb 2012	Carry Forward From 2011/12	Additional Funds Awarded 2012/13	Approved Revisions To Programme	Total Revised Budget 2012/13	Year to Date Budget 2012/13	Actual Expenditure to 31 January 2013	Year to Date Variance 2012/13	Projected Expenditure to 31 March 2013	Projected Over/ (Under) Spend for 12/13	True Over/(Under) Spend	% Expenditure to Date for 12/13	% Expenditure Projected for year 12/13 (CPI)					
	Management & Support																						
	HOME CARE SYSTEM	L Raeside	31-Mar-11	31-Mar-14	157	332,573	(32,742)		(283,521)	16,310	0	16,310	16,310	16,310	0		100.00%	100.00%	283,521	0	0	382,573	Preferred provider identified. Report to Cabinet re outcome of tender exercise 26 Feb. Project plan to be prepared with successful provider. Budget re-profiled to 13/14
	Total Management & Support					376,573	(32,197)	0	(328,066)	16,310	0	16,310	16,310	16,310	0		100.00%	100.00%	283,521	0	0	402,028	
	Children & Families																						
KIW/384	PENNYBURN CHILDRENS UNIT	A Martin	17-May-10	21-Feb-11	40	0				0	0	4,851	4,851	4,851	4,851	4,851	No budget	No budget	0	0	0	1,144,749	Barr Ltd invoice - Retention
KIW/385	REDSTONE CHILDRENS UNIT	A Martin	17-May-10	04-Apr-11	46	0				0	0	5,442	5,442	5,442	5,442	5,442	No budget	No budget	0	0	0	1,182,294	Barr Ltd invoice - Retention
	Total Children & Families					0	0	0	0	0	0	10,293	10,293	10,293	10,293	10,293	No budget	No budget	0	0	0	3,576,200	
	Older People																						
STE/347/040	CALEY COURT LRU DDA ETC	A Martin	30-Nov-11	Complete		0	403		24,418	24,821	0	11,218	11,218	32,534	7,713	7,713	45.20%	131.08%	0	0	0	1,984,964	Overspend due to late receipt of invoice from consultants spanning over financial years. It is worthwhile noting that the original budget for the project was c £2,250,000.00 and the total estimated final figure at present is substantially under this.
ARR/306/033	MONTROSE HSE REDESIGN FACILIT	D Watts	31-Mar-13	31-Mar-14	52	826,914	534,534		(618,151)	743,297	662,478	729,522	67,044	804,258	60,961		98.15%	108.20%	2,525,872	1,349,279	0	4,687,000	Contract being priced by Hub contractors. Return date 11 Feb.
	LARGS OLDER PEOPLE RESOURCE CTRE	D Tate	31-Mar-11	Not known		200,000			(200,000)	0	0	0	0	0	0		No budget	No budget	987,000	0	0	987,000	Approved by cabinet 4th December. Now at design stage. Initial consultation meeting with local residents 14/1/13
	CURRIE COURT CONVERSION		31-Mar-14	31-Mar-14	0	500,000	597,000	0	(629,000)	468,000	163,000	151,124	(11,876)	468,000	0		32.29%	100.00%	2,010,000	0	0	2,478,000	Project now on site - initial strip out.
	Total Older People					1,526,914	1,131,937	0	(1,422,733)	1,236,118	825,478	891,865	66,387	1,304,792	68,674	7,713	72.15%	105.56%	5,522,872	1,349,279	0	10,920,089	
	Physical or Sensory Disabled																						
	DIRRANS REHABILITATION CENTR	L Martin	31-Aug-14	31-Aug-14	0	0		90,000	(13,093)	76,907	30,560	42,044	11,484	56,214	(20,693)		54.67%	73.09%	974,136	348,957	0	1,400,000	Stakeholder meeting with local residents & elected members Feb. Tender period 17/6 - 12/7 2013.
	Total Physical or Sensory Disabled					0	0	90,000	(13,093)	76,907	30,560	42,044	11,484	56,214	(20,693)	0	54.67%	73.09%	974,136	348,957	0	1,400,000	
	Housing Non HRA																						
	IMPROVEMENT GRANTS	tbc	31-Mar-13	31-Mar-13	0	1,247,000			(767,000)	480,000	400,000	288,873	(111,127)	480,000	0		60.18%	100.00%	860,000	700,000	700,000	3,029,750	Budget not anticipated to fully spend this financial year but commitments require carry forward to 2013/14.
	REPAIRS GRANTS	tbc			0	0				0	0	3,493	3,493		0		No budget	No budget	0	0	0	0	Met from Improvement Grants budget
	CARE & REPAIR	tbc			0	0				0	0	111,342	111,342		0		No budget	No budget	0	0	0	0	Met from Improvement Grants budget
	Total Housing Non HRA					1,247,000	0	0	(767,000)	480,000	400,000	403,708	3,708	480,000	0	0	84.11%	100.00%	860,000	700,000	700,000	3,029,750	
	Total Social Services & Health					3,150,487	1,099,740	90,000	(2,530,892)	1,809,335	1,256,038	1,384,220	108,182	1,867,609	58,274	18,006	75.40%	103.22%	7,640,529	2,398,236	700,000	19,337,977	

North Ayrshire Council														
Capital Statement														
Period 10 ended 31 January 2013														
2012/13														
Description	Budget Approved 1 Feb 2012	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised budget 2012/13	Budget to 31 January 2013	Actual expenditure to 31 January 2013	Year to Date Variance	Projected Expenditure to 31 March 2013	Projected over/(under) Spend for 12/13	% YTD Spend	True (Under)/Over spend	Slippage to 2013/14	Comp	Comments
	£000	£000	£000	£000	£000	£000	£000	£000	£000		£000	£000		
HOUSING REVENUE ACCOUNT														
MORTGAGE TO RENT	608	521	691	1,820	1,635	976	(659)	1,362	(458)	54%	0	(458)		There is additional slippage on this programme due to demand for the scheme having tailed off in recent months, after initially being high. It is currently anticipated that this budget will be required in 2013/14 and accordingly this slippage will be carried forward into the budget for that year.
ACQUISITION OF HOUSES ON OPEN MARKET	0	1,000	0	1,000	714	156	(558)	1,000	0	16%	0	0		Eleven properties have been acquired to date through this pilot programme. It is currently anticipated that the budget will be fully committed by 31 March 2013.
NEW BUILD CASTLEPARK	0	87	(34)	53	52	50	(2)	53	0	94%	0	0		Final settlement of retentions expected to be agreed before 31 March 2013.
NEW BUILD WINTON AVENUE	0	353	(113)	240	240	77	(163)	144	(96)	32%	(96)	0		Reduced final retention compared with original estimates in relation to final contractor costs and associated fees. Represents saving on this project.
NEW BUILD REDSTONE AVE	5,384	(1)	(4,771)	612	566	566	0	693	81	92%	0	81		Revised projections, based on recent tender of main building works contract. Projected acceleration to be funded by drawing down approved 2013/14 budget for this project.
NEW BUILD COPELAND CRES	1,634	(2)	(332)	1,300	699	249	(450)	1,119	(181)	19%	0	(181)		Projected position has moved from that reported for 30 November 2012. Slippage is now anticipated against this project, resulting in budget under spend which requires to be carried forward to 2013/14 to fund completion of project.
CENTRAL HEATING	1,586	(9)	0	1,577	1,524	1,436	(88)	1,577	0	91%	0	0		
RE-ROOFING	2,474	(5)	465	2,934	1,611	1,391	(220)	2,934	0	47%	0	0		
RE-RENDERING	2,000	(12)	284	2,272	2,629	1,601	(1,028)	2,272	0	70%	0	0		
MULTI STOREY FLATS	0	15	0	15	15	0	(15)	15	0	0%	0	0		
WINDOW REPLACEMENT	2,621	1,871	(371)	4,121	3,357	3,564	207	4,121	0	86%	0	0		
BATHROOM PROGRAMME	1,000	864	358	2,222	1,782	1,692	(90)	2,222	0	76%	0	0		
KITCHEN PROGRAMME	2,122	(119)	485	2,488	1,955	1,796	(159)	2,488	0	72%	0	0		
ELECTRICAL REWIRING	1,807	(8)	(201)	1,598	1,590	1,228	(362)	1,598	0	77%	0	0		
REGENERATION/REFURB PROJECTS	530	514	(808)	236	236	56	(180)	236	0	24%	0	0		
REFURBISHMENT SCHEMES	350	648	0	998	747	245	(502)	848	(150)	25%	0	(150)		Slippage in Harley Place project. Underspend requires to be carried forward to enable completion during 2013/14.
DOOR ENTRY SYSTEMS		217	(105)	112	56	103	47	112	0	92%	0	0		
SHELTERED HOUSING UNITS	1,286	799	(1,385)	700	332	32	(300)	400	(300)	5%	0	(300)		Additional slippage identified against project, anticipated that this will fall into the early part of 2013/14. Underspend requires to be carried forward to enable completion during 2013/14.
OTHER CAPITAL WORKS	849	12	(19)	842	823	753	(70)	842	0	89%	0	0		
VINEBURGH REGENERATION	0	9	39	48	41	63	22	79	31	131%	31	0		
PROFESSIONAL MANAGEMENT CHARGES	1,541	0	0	1,541	963	927	(36)	1,541	0	60%	0	0		
TOTAL EXPENDITURE	26,311	6,839	(6,421)	26,729	21,567	16,961	(4,606)	25,656	(1,073)	63%	(65)	(1,008)		
INCOME	(26,311)	(6,839)	6,421	(26,729)	0	(2,873)	(2,873)	(25,656)	1,073	11%	65	1,008		
TOTAL NET EXPENDITURE	0	0	0	0	21,567	14,088	(7,479)	0	0		0	0		

NORTH AYRSHIRE COUNCIL

Agenda Item 7

26 March 2013

Cabinet

Subject: Risk Management Strategy and Strategic Risk Register 2013/14

Purpose: To ensure Elected Members are aware of the strategic risks facing the Council and advise of the strategy that is in place for dealing with risk.

Recommendation: That the Cabinet agrees to (a) approve the Risk Management Strategy as set out in Appendix 1 to the report; and (b) note the Strategic Risks for the Council contained in Appendix 2 to the report.

1. Introduction

- 1.1 North Ayrshire Council is committed to ensuring that it responds to and manages the risks impacting upon the authority. The Council recognises that a certain amount of risk is inevitable if the organisation is to achieve its objectives. A Risk Management Strategy has been established to support Services in managing these risks ensuring that Services are 'risk aware' rather than 'risk averse' and are able to identify the opportunities that can enhance Service provision.
- 1.2 The Strategy provides a framework through which a consistent approach to the management of risk can be maintained. The framework is embedded within the Service Planning and Budgeting process and allows Services, and the Council, to identify the significant risks impacting upon the authority.
- 1.3 The most significant risks are identified through the Council's Strategic Risk Register. The register identifies the Council's top risks, recognising the challenges facing the authority and demonstrating the arrangements in place to manage these risks. The register forms part of a larger governance process with additional risks and issues identified through Service Plans, Audit Reports and Project Plans.
- 1.4 The aim of risk management is to reduce the likelihood and/or impact of risk by identifying and controlling risks to the Authority. If risk is to be managed appropriately, and Services are aware of these risks, risk management can contribute positively towards the organisation's decision making processes, making the Council more innovative and effective in its approach to service delivery.

2. Current Position

- 2.1 The Corporate Management Team agreed a risk management improvement plan in April 2012 identifying areas for improvement:
- The establishment of a Corporate Risk Management Group;
 - Revised Service Planning and Budgeting Guidance;
 - Enhanced risk management reporting to Elected Members;
 - The inclusion of certain key risks identified through Internal Audit reports within Service Risk Registers;
 - Consultation between the Team Manager (Risk and Insurance) and Services for key projects;
 - Training for Elected Members and senior officers on risk management.
- 2.2 Areas within the improvement plan were delivered throughout 2012/13 and training for Elected Members will be delivered in March/April 2013 as part of a combined Finance training package. The 2013/14 Audit Plan was informed by the Council's Strategic Risk Register and enhanced links with Internal Audit form part of the 2013/14 Operational Plan for Audit, Risk and Performance.
- 2.3 The Risk Management Strategy for approval by Cabinet is attached at Appendix 1. The Strategy provides a framework for the management of risk, underpinning the improvement plan and ensuring that risk management is further embedded within the authority. For 2013/14 no revisions have been made to the Strategy.
- 2.4 In line with the Risk Management Strategy, the Council's Corporate Risk Management Group has revised the Strategic Risk Register. For each of the risks detailed within the register a number of components are identified:
- The current status (high/medium/low) and the risk score;
 - The senior officer(s) with lead responsibility for the risk;
 - The potential effect on the Council's priorities;
 - Internal controls currently in place; and
 - Further actions to be implemented during 2013/14.
- 2.5 The Strategic Risk Register is attached at Appendix 2. The register has been reviewed by the Corporate Management Team with 10 Strategic Risks identified. The top risks for the Council relate to:
- Welfare Reform (risk score 18);
 - Financial Environment (18); and
 - Economic Inequalities (18).

- 2.6 For 2013/14 the Register has added 4 new areas of risk:
- Health Inequalities (15);
 - Transfer to an Integrated Health and Social Care Service (15);
 - Community Capacity Building (12); and
 - Sustainability, Energy and Waste Management (9).
- 2.7 Risks in relation to Asset Management and Equal Pay have been removed from the 2013/14 register; the identification of specific risks around partnerships, detailed above, has also resulted in the removal of the previous Partnership Working risk. Risks in relation to Welfare Reform, Strategic Workforce Issues, Information Management and the Continued viability of Private Care Providers have been carried forward from the previous years risk register.
- 2.8 To assist in the assessment of each risk a risk matrix was used to ensure consistency across the Council. A copy of the matrix is included within Appendix 1.
- 2.9 The Strategic Risk Register outlines actions to be implemented during 2013/14. The actions within the attached register are contained within draft service plans.

3. Proposals

- 3.1 That the Cabinet agrees to (a) approve the Risk Management Strategy as set out in Appendix 1 to the report; and (b) note the Strategic Risks for the Authority contained in Appendix 2 to the report.

4. Implications

Financial Implications

- 4.1 There are no direct financial implications.

Human Resource Implications

- 4.2 There are no direct Human Resource implications.

Legal Implications

- 4.3 There are no direct Legal implications.

Equality Implications

- 4.4 There are no direct Equality implications.

Environmental Implications

- 4.5 There are no direct Environmental implications.

Implications for Key Priorities

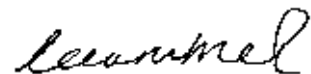
- 4.6 Risk Management forms part of the Council's corporate governance arrangements and contributes towards the successful achievement of the Council's key priorities.

5. Consultations

- 5.1 The Strategic Risk Register has been produced in consultation with the Corporate Risk Management Group and the Corporate Management Team.

6. Conclusion

- 6.1 The Strategic Risk Register for 2013/14 identifies the key strategic risks, together with mitigating actions, and demonstrates the Council's commitment to the effective management of risk within the authority.
- 6.2 The risk management framework is embedded within the Service Planning and Budgeting Process ensuring that the management of risk is applied consistently across the authority.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact David Johnston, Team Manager (Risk and Insurance) on telephone number 01294 324515.

Background Papers

None.

North Ayrshire Council Risk Management Strategy

2013/14

Version:	FINAL
Date:	12 February 2013
Author:	David Johnston
Classification:	Public



CONTENTS

• Introduction	Page - 3
• Risk Management Process	Page - 5
• Identification and Prioritisation – The Risk Matrix	Page - 6
• Managing Risk	Page - 7
• Training	Page - 8
• Governance	Page - 8
• Appendix 1 – The Risk Register	Page - 12
• Appendix 2 – The Risk Matrix	Page - 13
• Appendix 3 – Managing Risk through Business Continuity	Page - 15
• Appendix 4 – Insurance Risk Financing Strategy	Page - 16

INTRODUCTION

North Ayrshire Council is committed to ensuring that it responds to and manages the challenges impacting upon the authority.

The Council recognises that a certain amount of risk is inevitable if the organisation is to achieve its priorities. A risk management framework is in place to assist with taking informed decisions about the risks that impact on the Council's priorities, whether Strategic, Operational or Project risks.

Risk management is an integral part of North Ayrshire Council's Corporate Governance arrangements and the authority aims to demonstrate a consistent and integrated approach to the management of risk and internal control.

If a Council doesn't have effective risk management it doesn't have effective management.
(SOLACE/ZMMS)

The Management of Risk

A risk is an event or outcome which, if occurring, will have an impact upon the Council's ability to achieve its business priorities. Risk Management is the process or framework established to identify risk, evaluate its potential consequences and determine the most effective method of controlling or responding to it.

The aim of risk management is to reduce the likelihood and severity of loss. However, if the authority manages risk and understands its impact, risk management can then contribute positively towards the organisation's decision-making processes. It can help remove barriers to success and make the authority more innovative and effective in its approach to Service delivery.

Risk Management is the culture, processes and structures that are directed towards realising potential opportunities whilst managing the adverse effects.

(Standards Australia AS/NZ 4360:2004)

Good risk management doesn't mean that the Council needs to take greater risks or avoid taking risks; it is about being 'risk aware' rather than 'risk averse' and giving a better understanding of the risks and opportunities that are faced and how they can best be managed.

North Ayrshire Council is committed to testing its risk appetite in order to ensure that the Council is clear in its understanding of the total level of risk it is able or willing to accept. It should be generally understood by all services that in normal circumstances:

- A low risk is acceptable without further action to mitigate the risk;
- A moderate risk is tolerable and any control measures introduced must be proportionate and cost effective;
- A high risk may be tolerable, providing the Council is assured regarding the adequacy of the control measures in place. Any further control measures introduced must be cost effective in relation to the level of risk;
- A very high risk is unacceptable and measures should be taken to terminate, treat or transfer a very high risk to a more tolerable position.

It should also be recognised that exceptional circumstances such as the economic recession or the uncertain financial climate together with the impact of demographic change may combine to produce a very high risk over which the Council has little or no control.

Aims and Objectives of the Risk Management Strategy

The main aims and objectives of the strategy are linked to the integration of risk management throughout the Council and its use as a general management tool within operational activities. The Strategy will:

- Ensure that there is a consistent approach towards the identification and management of risk throughout the organisation;
- Create greater ownership and awareness of risk within Services, reducing uncertainty and ensuring Service continuity can be maintained;
- Add value to and contribute towards the Council's service planning and budgeting systems;
- Contribute towards the more efficient and effective use and allocation of resources within the Council, removing barriers to success;
- Improve public confidence in the Council's ability to deliver services by minimising the impact risk has upon Corporate and Service priorities.

The strategy applies to all risks whether Strategic, Operational or Project:

- Strategic risks represent the potential to impact upon the achievement of the Council's Strategic objectives, as detailed within the Single Outcome Agreement and Council Plan;
- Service/Operational risks have the potential to impact upon individual Service priorities and are identified through the service planning process;
- Project risks will relate to events or circumstances to specific projects.

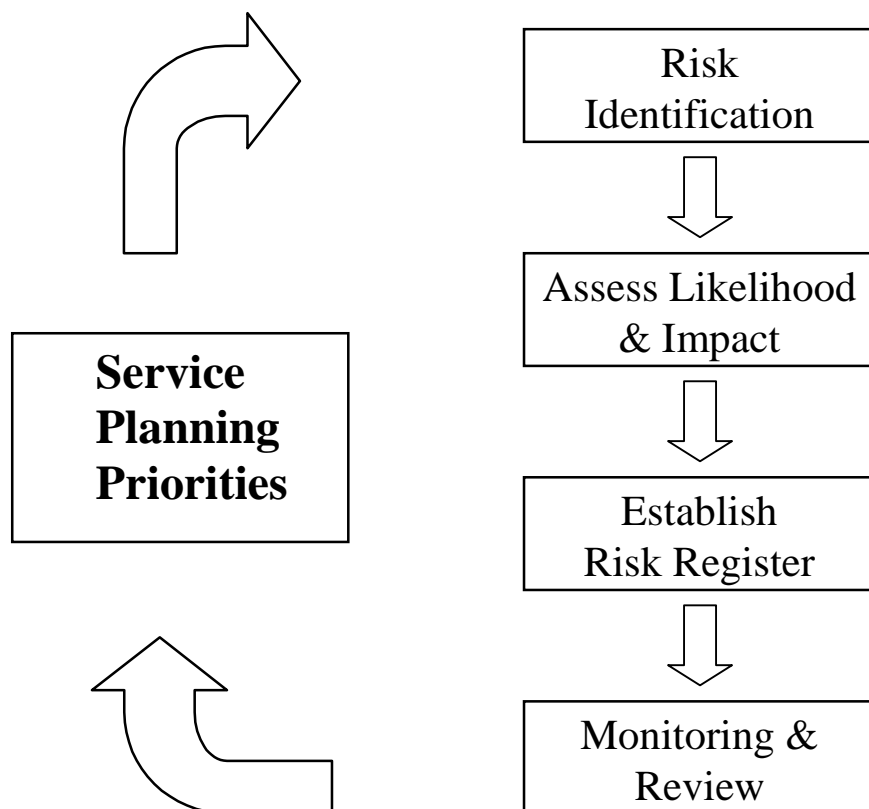
RISK MANAGEMENT PROCESS

The risk management framework details the structures and processes established to identify, assess, manage and monitor risks within the Council. The process provides a consistent and integrated approach and works in conjunction with other aspects of the governance framework.

The framework is embedded within the Service Planning and Budgeting process and requires Services to consider their priorities and the associated risks that could impact upon their ability to achieve service outcomes.

Information identified through the risk management process will be recorded within the Council's risk registers. The risks are monitored against actions to measure the Council's progress in reducing risks wherever possible. A number of components are identified and recorded for each risk and these are detailed at Appendix 1.

The stages involved within the process are detailed below:



IDENTIFICATION AND PRIORITISATION – THE RISK MATRIX

Services will identify risks through a variety of means:

- Strategic Risks identified through the Corporate Management Team;
- Assurance and Improvement Plans;
- Service Plans;
- Risks identified through the Community Planning Partnership;
- Risks identified through Internal or External Audits;
- Risks identified through the Council's Change Programme;
- Risks associated with projects;
- Service delivery.

Once a risk is identified, the risk matrix allows the level of risk to be quantified by considering the likelihood and impact of the risk occurring. The assessment results in a prioritised list of risks, ensuring that limited resources can be allocated to those areas of greatest risk.

When considering the likelihood and impact Services must be able to demonstrate that the assessments undertaken can be justified and the priority allocated, reasonable. The purpose of the risk matrix and accompanying risk categories, detailed in Appendix 2, are to ensure that assessments undertaken are consistent across Services.

As shown in the matrix below, Impact x Likelihood produces a risk rating.

Likelihood	6 very high	6	12	18	24
	5 High	5	10	15	20
	4 significant	4	8	12	16
	3 Low	3	6	9	12
	2 Very Low	2	4	6	8
	1 Almost Impossible	1	2	3	4
		1 Negligible	2 Marginal	3 Critical	4 Catastrophic
Impact					

The scoring assessment provides an indication of the level of risk and identifies those risks where further review of the controls in place should be undertaken.

- Green: There is confidence that the risk is being adequately managed and does not present a significant threat to the authority.
- Yellow: There is uncertainty over the threat presented and additional consideration of the risk should be undertaken to determine any additional controls required.
- Red: A significant level of risk exists and, where possible, additional controls should be established to minimise the likelihood and/or the impact of the risk occurring.

MANAGING RISK

Where risks have been identified and a risk assessment undertaken, services need to identify what controls are already in place and what additional measures are required.

In relation to controlling or managing risk there are a number of ways in which this can be achieved.

Terminate risk avoidance involves the organisation opting not to undertake a current or proposed activity because it has been identified as being too risky (examples may include preventing certain types of materials being used in buildings or opting not to allow certain events to take place.)

Treat Risk reduction is dependant on taking action which will minimise the likelihood of an event occurring or limit the severity of the consequences should it occur. These actions can fall into 2 categories:

Pre-loss reduction where actions are aimed at reducing the likelihood of a damaging event occurring – e.g. install CCTV to deter theft or virus software to minimise the threat of computer contamination.

Post-loss reductions where actions are aimed at reducing the consequences of the damaging event should it occur - e.g. ensuring that in offices there are effective fire doors, sprinklers to slow fire or IT back-up procedures to minimise consequence of a computer loss.

To assist Services in managing risk the Council has developed a business continuity framework, which is summarised at Appendix 3 to this strategy.

Transfer Risk transfer involves transferring the liability for the consequences of an event, in part or in full, to another body or organisation. This can occur in 2 forms. Legal liability may be transferred to an alternative provider under contractual obligations. Secondly, the costs associated with an incident may be reduced by transferring some or all of the financial risk to external insurance companies. Appendix 4 outlines the Council's Insurance Risk Financing Policy.

Tolerance It may be acceptable for the authority to decide that certain risks can or have to be accepted. However, before this course of action can be taken managers must be fully aware of the potential impact of certain events and the potential consequences of accepting the risk.

Where additional control measures are still required, Services will record these within the Risk Register.

TRAINING

The Team Manager (Risk and Insurance) will meet with senior management teams in all Council services to raise awareness of the Council's risk management framework and to discuss the significant risks identified through the Service Planning and Budgeting process.

Training will be provided to Councillors through the Council's induction and development programmes for elected members. Other training needs identified through the Corporate Risk Management Group will be discussed and appropriate training delivered as required.

GOVERNANCE

To ensure the framework is being adhered to the following monitoring and reporting arrangement are in place:

- North Ayrshire Council's Scheme of Administration identifies that specified matters in relation to risk management will be referred to the Cabinet and the Audit Committee;
- The Corporate Management Team will agree the Strategic Risks impacting upon the authority;
- The Corporate Risk Management Group will facilitate discussions on risk management and provide a focus for risk within the authority;
- Services will identify and report on the significant risks identified through the Service Planning and Budgeting process;
- Internal Audit and External Audit will assess the adequacy of the Council's risk management strategy and framework.

The monitoring and reporting process will allow:

- Scrutiny of the strategy and framework;
- Consideration of issues arising from the framework;
- Monitoring of actions identified by Services.

Details of specific roles and responsibilities are outlined below.

Roles and Responsibilities

Elected Members

- Determine the strategic direction of the Council and create an environment within which risk management can operate effectively;
- Approve the Council's overall risk management strategy and associated risk registers;
- Monitor the effective management of risk through reviewing performance against the mitigating actions associated with the major identified risks;
- Review performance via an annual report on Risk Management.

The Chief Executive and Corporate Management Team

- Support and promote the principles of risk management throughout the authority;
- Agree the Strategic Risk Register, Risk Management Strategy and annual Risk Management Report for submission to the Cabinet;
- Implement the risk management strategy within their own services and ensure that risk management methodologies are embedded within their processes;
- Ensure that appropriate reporting arrangements on risk management are in place across the Council;
- Ensure that services are able to provide assurance on the development and effectiveness of business continuity plans.

Corporate Director (Finance and Corporate Support)

- Responsible, on behalf of the Chief Executive, for overseeing the Council's risk management framework and the remit of the risk management function.
- Responsible for co-ordination of the risk management agenda and for bringing to the CMT any issues requiring to be addressed.

Corporate Director (Social Services and Health)

- Ensures the provision of effective and professional advice to elected members on social services and assists understanding of the complexities of high risk service delivery;
- Significant role in the identification and management of corporate risks as they relate to the delivery of social work services.

Corporate Risk Management Group

- Review and update the Council's risk management strategy as required;
- Actively identify potential risks emerging from the external environment;
- Prepare the Council's Strategic Risk Register and annual Risk Management Report for agreement by CMT;
- Provide a forum through which services can discuss and review risks impacting upon services;
- Monitor service performance against actions identified from risk registers.

Team Manager (Risk and Insurance)

- Develop and review the Corporate Risk Management Strategy;
- Provide support to Services and address training needs in relation to risk identification, evaluation and control techniques;
- Chair the Corporate Risk Management Group;
- Ensure that effective insurance arrangements are in place for the authority;
- Assist Services in preparing business continuity plans;
- Encourage sharing of risk information across the authority.

Internal Audit

- Provide an annual assurance statement on the adequacy of the Council's internal control environment;
- Actively consider the Council's risk registers in the preparation of the 5 year and annual audit plans;
- Ensure that the results of Internal Audit work inform the Council's risk registers;
- Carry out audit reviews of the Council's risk management and insurance arrangements.

Council Services

- Ensure that risk management and business continuity are embedded at all levels within their area of responsibility in line with the Council's Risk Management Strategy;
- Encourage staff to identify risks;
- Identify, assess and review the significant risks impacting upon the Service and establish a risk register;
- Monitor and review the status of risks and the action plans implemented to reduce or control the significant risks;
- Identify relevant staff as responsible officers for risk management and business continuity.

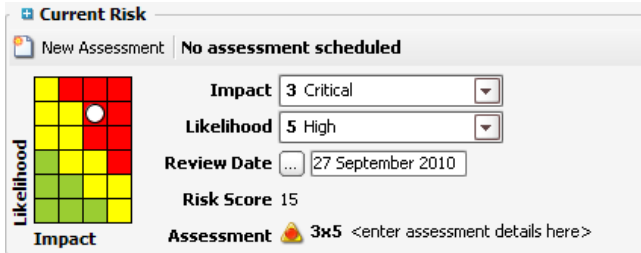
All Staff

All Council staff need to be aware of the risks involved in the delivery of services and have a responsibility to assist in the identification, assessment and control of these risks.

Appendix 1 – THE RISK REGISTER

Summary of Core Information

The table below summarises the key information in respect of Council risks:

Code	A unique code is identified for each risk. The code chosen identifies the responsible service, the year the risk relates to and an individual reference. e.g. SPR_201213_FS1
Title	The title identifies the key theme of the risk, i.e. Uncertain Economic Climate. The title field is used to identify key themes running through the register.
Description	The description provides some background information on the risk and clearly outlines specific areas within this that the Council needs to manage.
Management	The field identifies whether current controls are adequate or additional work is required.
Current Risk	<p>The assessment undertaken as part of the risk management framework is recorded as follows:</p>  <p>The risk matrix provides a framework through which the likelihood and impact is determined and this is recorded within the matrix.</p>
Profile	Consequence: identifies what could happen if the risk is not adequately managed, i.e. significant financial loss, negative public and/or media perception, impact on reputation.
Ownership	Identifies who is responsible for managing and administering the risk.
Related Links	Where the risk is mitigated by a control or monitored through a PI, the related action and/or PI are identified.
Internal Controls	Where a risk is identified, Services identify controls currently in place which will lower the likelihood and/or impact of the risk on the authority.

Appendix 2 – THE RISK MATRIX

The table below provides a set of parameters against which risks can be evaluated. The aim is to create a level of consistency across Services when assessments are being considered.

Likelihood

	1 Almost Impossible	2 Very Low	3 Low	4 Significant	5 High	6 Very High
Likelihood	Will only occur in exceptional circumstances	Unlikely to occur but definite potential exists	Chance of occurring	Reasonable chance of occurring – has happened before	Reasonable chance of occurring – has happened on a number of occasions in the past	The event is already impacting upon the authority and will occur in most circumstances

Impact

Categories	1 Negligible	2 Marginal	3 Critical	4 Catastrophic
Community Planning, Council, Project priorities.	Barely noticeable reduction in quality or provision	Minor reduction quality and some aspects of delivery delayed	Significant reduction in quality, a number of actions delayed and associated costs increasing	Inability to meet objectives, reputation of authority seriously damaged and inability to demonstrate sound financial management
Injury to staff or third party	Adverse event with no or minimal injury	Major injury or illness to individual, staff absence	Major injury to several people or death of an individual	Death of several people or major injuries resulting in permanent incapacity
Client experience / quality of service provision	Minimal reduction of service quality and client experience	Unsatisfactory client experience and service quality deteriorating and causing complaints	Interruption in client service and service quality investigated internally	Service quality and client experience fails to meet requirements causing external intervention
Complaints / Claims	No or minimal complaints received and/or no increase in normal levels of claims received	Small number of complaints received and level increasing and/or unusual number of claims intimated	Significant number of complaints received and/or significant levels of claims intimated	Multiple complaints, ombudsman intervention, high and unusual claims intimated impacting upon ability of service to be maintained.
Staffing workforce issues	Minimal or short-term impact on staffing	Staff absence impacting upon service priorities	Key staff absent and absence levels increasing	Key priorities fail to be delivered, Severe staff absence over long-term period

Categories	1 Negligible	2 Marginal	3 Critical	4 Catastrophic
Business Interruption	Minimal or no interruption to service delivery – no days lost	Interruption to services impacting quality and performance – less than 3 days lost	Severe interruption to services delivery with significantly reduced impact on performance and quality of service – up to 7 days disruption	Total failure of service provision over prolonged period, total lack of quality and performance achieved, internal and external intervention – prolonged period greater than 7 days
Financial	Minimal financial loss – typically less than £50,000	Losses incurred by Service/ Organisation - £50,000 - £250,000	Significant financial loss incurred £250,000 - £1M	Severe organisational financial loss – greater than £1M.
Internal / external Audit and Assurance	Small number of recommendations / actions, focusing on minor quality improvement issues	Minor recommendations made which can be addressed by low level of management action	Critical reports with challenging recommendations, possible enforcement action and external monitoring	Authority prosecuted, severe external reporting and intervention
Adverse Publicity / Reputation / Media Scrutiny	No media coverage or impact on reputation	Local media interest and minor effect on local communities perception of organisation	National negative media coverage, less than 3 days, with reduction in public confidence.	Continuous national media coverage over prolonged period, questions raised by elected members, MSP's and petitions received from wider communities
Damage to or loss of property	No damage to or loss of property	Some damage to property and interruption to service but manageable over a short term and costs less than £250K	Significant damage to property resulting in interruptions to use. Cost of damage in excess of £250K to £1M	Severe damage to property resulting in loss of use with high associated costs in excess of £1M
Information Security / Integrity of data	No loss of data	Low level exposure to data without loss of personal information on an irregular basis	Loss of personal information on a number of occasions	Severe loss of information, intervention by external enforcement agencies, financial penalties and adverse media coverage incurred
Environmental Impact	Low level – local issues of litter	Non hazardous environmental impact on a local basis	Significant release of both hazardous and non-hazardous materials impacting locally	Major incident impacting across local boundaries with associated third party losses and media coverage

Appendix 3 – MANAGING RISK THROUGH BUSINESS CONTINUITY PLANNING

Risk Management looks to manage risk by reducing the likelihood and/or impact of risk upon the Council. One of the Strategy's main aims is to minimise the impact risk has upon Corporate and Service priorities, ensuring Service continuity is maintained.

To ensure service continuity can be maintained, Business Continuity Plans need to be established. The aim of Business Continuity Planning (BCP) is to minimise Service disruption by controlling risk and ensuring that Services are able to provide critical activities during periods of disruption.

Whilst BCP is an essential element of the Council's risk management process it is also a separate and continuous process that needs to be established and embedded within the business processes of the authority.

The Business Continuity Process

Phase 1 - Understanding Our Business

What does the Council do and what, out of all the activities undertaken, are the critical activities that must be maintained during a period of disruption?

Phase 2 - Business Continuity Strategies

How are the critical activities prioritised and how are necessary resources identified to maintain service levels, even if this is reduced in the immediate aftermath of an event?

Phase 3 - Developing a Response

If services need to be provided during a period of disruption, what plans need to be developed?

Phase 4 - Building and Embedding a Continuity Culture

The Council needs to ensure that staff receive the necessary training and education to put adequate and achievable plans in place.

Phase 5 - Exercising, Maintaining and Auditing

How does the Council ensure that plans are current, reasonable and achievable?

Phase 6 - Programme Management

This is the central framework through which the strategy is established, training and awareness is generated and monitoring and reporting systems employed.



Appendix 4 – INSURANCE RISK FINANCING STRATEGY

The insurance risk financing strategy is to balance the purchase of insurance with the retention of risk within the authority.

The Council will continue to review the quality and effectiveness of its services and, where reasonable, pursue opportunities in relation to alternative forms of risk financing.

To maintain the most cost effective use of resources, the Council's risk financing and insurance arrangements will be subject to:

- An annual review of the insurance programme with the Council's insurance brokers and insurers and additional ad-hoc reviews as required;
- A major tender of the Council's insurance programme every 3 or 5 years, depending upon market conditions and terms offered by the insurance broker;
- An independent actuarial review to assess the effectiveness of the Insurance Fund and the balance between external insurance and internal self-insurance.

The issues to be taken into consideration at each major review will be:

- The level of indemnity and insurance cover provided;
- The level of individual excess;
- The overall aggregate levels of excess;
- The cost of premiums;
- The expected levels of self-insured losses to be met from the insurance fund.

All members of the CMT should ensure appropriate risk management practices are in place to reduce to a minimum all self-insured and external insurance losses. Where effective risk management arrangements can be demonstrated through a reduction in the level of claims, this can have a beneficial impact on the level of insurance premiums paid by the Council.

The Council will ensure it continues to meet all statutory, contractual and best practice requirements in relation to insurance. The arrangements made will take into account the availability to the Council of the appropriate insurances.

APPENDIX 2

Strategic Risk Register Executive Summary

The Strategic Risk Register forms part of the Council's overall governance arrangements and contributes to the successful achievement of the Council's key priorities.

The Register identifies 10 Strategic Risks, with the table below summarising the assessments made for 2013/14 in comparison with the previous year:

2013/14				
Evaluation:	Low	Medium	High	Total
No. of Risks:	0	2	8	10

2012/13				
Evaluation:	Low	Medium	High	Total
No. of Risks:	0	3	6	9

In 2012/13 a single high risk in relation to Partnership Working was identified, in part through the Council's BV2 report. For 2013/14 a number of specific risks, around partnership working, have been identified and the single Partnership Working risk has been removed.

Risks in relation to Asset Management and Equal Pay have been removed from the Register following a review of the controls adopted to manage these areas. Neither of these risks feature within Service Plan risk registers for Finance and Corporate Support for 2013/14.

The 2012/13 register identified a risk in relation to "Financial and Demographic Pressures". Changes within the demographics of North Ayrshire continue to impact significantly on communities and Services. Within the 2013/14 register risks associated with demographic change have been incorporated within two separate areas demonstrating the wider impact across the Council:

- Financial Environment (risk score 18); and
- Economic Inequalities (18)

Four new risks, 3 categorised as high and one as medium, were identified by the Group and these are further outlined in the register below:

- Health Inequalities (15);
- Transfer to an Integrated Health and Social Care Service (15);
- Community Capacity Building (12); and
- Sustainability, Energy and Waste Management (9)

Three of the risks that have remained on the register have a changed 'risk score' from 2012/13 into 2013/14. These are:

- Strategic Workforce Issues – the risk score has increased from 12 to 15 due to the increasing scale and pace of change within the Council and the continuing requirement to achieve savings that impact on staffing resources.
- Information Management – the risk score has increased from 9 to 12 due to the requirements of the Public Records (Scotland) Act 2011 and the increasing profile attached to the security of public information.
- Continued Viability of Private Care Providers – the risk score has reduced from 12 to 10 due to the actions undertaken by Social Services and Health during 2012/13, including the introduction of a contract management and quality assurance framework and the development of a decommissioning strategy.

The changes above are reflected within the revised register with 10 strategic risks now identified, increasing from 9 in the previous year. The assessments undertaken have also increased the number of high risks impacting upon the authority from 6 to 8.

The Corporate Risk Register is attached with the top risks of the Council relating to:

- Welfare Reform (18);
- Financial Environment (18); and
- Economic Inequalities (18).

A summary of the key risks is outlined below:

Welfare Reform

The UK Government's Welfare Reform Act 2012 aims to improve work incentives, simplify the benefits system and reduce administration costs and the overall cost of welfare benefit. The Act contains a range of welfare reforms that will have significant consequences for all benefit claimants, the wider local community and for the delivery of Council Services.

The Council established a Corporate Welfare Reform Group in February 2012. The group meets monthly to oversee the implementation of the Act and to co-ordinate and respond to implications arising from it. The Welfare Reform action plan, which outlines the key issues to be addressed, is currently being implemented.

Financial Environment

The performance of the global economy continues to be weak with regular downward adjustments to projections of economic growth. North Ayrshire Council's government grant has continued to reduce since 2010/11. The Chancellor's Autumn statement indicated that austerity is likely to continue until 2018, impacting on resources and the ability of Services to meet service demands. This, coupled with the ongoing Euro crisis, creates greater risk and uncertainty around resources which will be available to fund public services.

The Council continues to be proactive in responding to the financial challenge. Savings proposals into 2015/16 were approved by the Council on 30st January 2013, ensuring sufficient lead in time to implement the necessary changes to Services. The development of a longer term financial strategy, alongside robust monitoring of the Council's reserves and capital budgets will ensure that resources are targeted to priority areas.

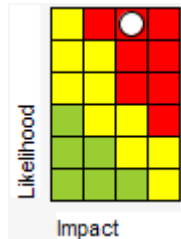

Economic Inequalities

North Ayrshire has for a sustained period experienced a continued increase in the level of unemployment and number of residents receiving key benefits. The economic downturn makes the interventions required by the Council, to halt and reverse this trend, both more difficult and of greater importance. A focus on economic regeneration and effective targeting of resources is essential to maximise opportunity and minimise the impact of the current economic climate on our communities.



The Council is lobbying for resources at a national level, in recognition of the particular challenges facing North Ayrshire. An Economic Regeneration Strategy has been developed to target resources to prioritised areas of development, supported by a marketing campaign to promote North Ayrshire Council as a place to live, work and invest.

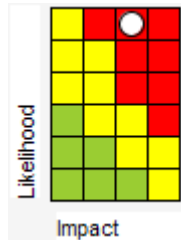

Review of Strategic Risk Register

The actions detailed within the risk register will be updated in October 2013 by the Council's Corporate Risk Management Group and a mid-year report will be submitted to the Corporate Management Team in November 2013.


Risk Code & Title		SR01.2013/14 Welfare Reform				Current Risk Matrix	
Description		The UK Government's Welfare Reform Act 2012 aims to improve work incentives, simplify the benefits system, reduce administration costs and the overall cost of welfare benefit. The Act contains a range of welfare reforms that will have significant consequences for all benefit claimants, the wider local community and for the delivery of Council Services and related strategies. The risk to be managed by the Council is the impact this change will have on local communities and the demand for Council services.					
Risk Status		High Risk	Risk Traffic Light		Current Risk Score	18	Assigned To
Potential Effect		The introduction of bedroom size criteria, a benefit cap, the Scottish Welfare Fund, the council tax reduction scheme and the transfer of the Housing Benefit caseload to the DWP under Universal Credit all need to be managed effectively. Benefit claimants may receive less Housing Benefit and this may increase the number of enquiries received by other Council Services for example Social Services, Housing Services and Customer Services. Failure to manage risks associated with the Act will negatively impact vulnerable people who may not receive the support they require for crisis payments or community care grants and customers may not be able to claim Universal Credit using an electronic claim form. Rental and council tax income to the Council may be affected, the levels of personal debt could go up and the levels of homeless applications may increase. The capacity to move benefit claimants into jobs in the current economic climate, including a reducing public sector is challenging. Proposed welfare reforms will exacerbate local needs placing greater demands upon Council Services at a time when budgets are under significant pressures.				Laura Friel; Stephen Humphries	
Internal Controls		A Welfare Reform Working Group was established in February 2012 and meets monthly with a remit to identify, co-ordinate and respond to the implications of the reforms, keeping Members and the CMT updated. The Welfare Reform Action Plan, which outlines the key issues to be addressed, is currently being implemented. Specific actions have been identified around employment issues.			Risk Next Review Date		
Linked Actions							
Linked Actions Code & Title					Due Date		Assigned To
Council Core Objective (Protecting Vulnerable People): Develop Money Matters to prepare and support individuals and families who will be affected by Welfare Reform, with a specific focus on identifying and supporting the most vulnerable in North Ayrshire.					31st March 2014		Social Services & Health
Council Core Objective (Operating More Efficiently and Effectively): Plan and manage for the implications of Welfare Reform to include mitigating the impact for tenants, homeless clients and HRA Business Plan					31st March 2014		Social Services & Health (Housing Services)
Council Core Objective (Operating More Efficiently and Effectively): Lead the Council's approach and					31st March 2014		Finance & Corporate Support (Finance &

implementation of the Welfare Reform Act 2012.		Property)
Finance & Corporate Support (Operating More Efficiently and Effectively): Deliver the Scottish Welfare Fund.	31st March 2014	Head of Finance & Property
Finance & Corporate Support (Operating More Efficiently and Effectively): Manage the migration of the Universal Credit in the benefits Service.	31st March 2014	Head of Finance & Property
Finance & Corporate Support (Operating More Efficiently and Effectively): Implement the changes required for under occupation in social housing.	31st March 2014	Head of Finance & Property
Finance & Corporate Support (Operating More Efficiently and Effectively): Maximise the take-up of welfare benefits.	31st March 2014	Head of Finance & Property
Social Services & Health (Engage with and support communities and providers to develop capacity to meet local needs and aspirations): Design interfaces between Money Matters and the Social Care Access, Assessment and Re-ablement Teams	31st March 2014	Social Services (Head of Service Development)


Risk Code & Title		SR02.2013/14 Financial Environment				Current Risk Matrix
Description	The performance of the global economy continues to be weak with regular downward adjustments to projections of economic growth. North Ayrshire Council's government grant has continued to reduce since 2010/11. The Chancellor's Autumn statement indicated that austerity is likely to continue until 2018, impacting on resources and the ability of Services to meet service demands. This, coupled with the ongoing Euro crisis, creates greater risk and uncertainty around resources which will be available to fund public services.					
	The financial position is further impacted with the overall population within North Ayrshire projected to decline particularly amongst those of working age whilst the number of older people will increase. This will provide a number of pressures across the Council including a potential reduction in national grant support; pressures on certain services reflecting an increasingly elderly population and a declining younger population.					
	The risk is that the Council will require to take increasingly difficult and challenging decisions, potentially operating with increasing levels of risk. This, together with the increasing financial uncertainty associated with the global economic downturn and demographic pressures, impacts on the ability of services to meet need against a backdrop of reducing resources.					
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	18	Assigned To
Potential Effect	Reduced funding available therefore some service areas will face reductions. Inability to meet demands placed upon services within available resources, with a potential reduction in the level of quality and performance. Failure in meeting demand may impact adversely on communities and the reputation of the Council.					Yvonne Baulk; Laura Friel
Internal Controls	The Council continues to be proactive in responding to the financial challenge. Savings proposals into 2015/16 were approved by the Council on 30st January 2013, ensuring sufficient lead in time to implement the necessary changes to Services.			Risk Next Review Date		
	Robust monitoring of the Council's revenue and capital budgets. Developing a longer term financial strategy for the General Fund Revenue and Capital Budgets and outcome based approach to budgeting.					
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Develop long-term financial planning for the General Fund Revenue Budget incorporating outcome based budgeting.				31 st March 2014	Finance & Corporate Support (Finance & Property)	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Develop and implement a long-term transformational Change Programme to address demographic and financial challenges.				31st March 2014	Democratic & Administration Services	

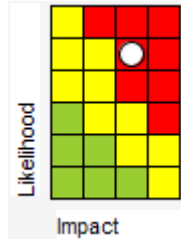

Risk Code & Title		SR03.2013/14 Economic Inequalities				Current Risk Matrix	
Description	North Ayrshire has for a sustained period experienced a continued increase in the level of unemployment and number of residents receiving key benefits. The economic downturn makes the interventions required by the Council, to halt and reverse this trend, both more difficult and of greater importance. Proposed welfare reforms will exacerbate local needs placing greater demands upon Council Services at a time when budgets are under significant pressure. North Ayrshire more generally is likely to face worsening economic conditions as businesses fail to expand or invest due to smaller local markets. A focus on economic regeneration and effective targeting of resources is essential to maximise opportunity and minimise the impact of the current economic climate on our communities.					<div><div>Likelihood</div><div>Impact</div></div>	
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	18	Assigned To	
Potential Effect	Failure to address the current challenges will result in increased levels of deprivation, failure to improve the health and wellbeing of our communities and higher demand for Council Services.					Craig Hatton; Karen Yeomans	
Internal Controls	The Council is lobbying for resources at a national level, in recognition of the particular challenges facing North Ayrshire. An Economic Regeneration Strategy has been developed to target resources to prioritised areas of development by working in partnership with other stakeholders. A refreshed employment offer to focus on supporting residents into work. Marketing campaign to promote North Ayrshire as a place to live, work and invest. Development of a new business support offer aimed at supporting existing businesses to grow. A new programme designed to regenerate North Ayrshire towns.				Risk Next Review Date		
Linked Actions							
Linked Actions Code & Title				Due Date	Assigned To		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Continued implementation of the Economic Development and Regeneration Strategy for North Ayrshire.				31st March 2014	Development & Environment		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Support the delivery of an “Invest in North Ayrshire” approach.				31st March 2014	Development & Environment		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Work with the Scottish Government to deliver the next generation broadband investment programme.				31st March 2014	Development & Environment		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Deliver current Employability programmes, continue to secure funding and ensure proper closure of European funded programmes.				31st March 2014	Development & Environment		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Deliver the expanded Modern Apprenticeship programme in conjunction with Skills Development Scotland (SDA).				31st March 2014	Finance & Corporate Support (HR & OD)		
Council Plan 2013/14 (Regenerating our communities and increasing employment): Continue to deliver on town centre regeneration including Kilbirnie, Irvine and Saltcoats and the development of plans for other key towns (5 year action).				31st March 2014	Development & Environment		

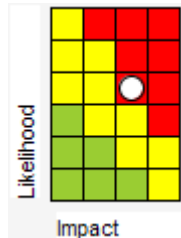

Council Plan 2013/14 (Regenerating our communities and increasing employment): Formally adopt the Local Development Plan for North Ayrshire	31st March 2014	Development & Environment
Development & Environment (Regenerating our communities and increasing employment): Implement initiatives to support business development	31st March 2014	Head of Development Planning
Development & Environment (Regenerating our communities and increasing employment): Develop infrastructure to support regeneration objectives	31st March 2014	Head of Development Planning
Development & Environment (Regenerating our communities and increasing employment): Develop and implement a Skills Investment Plan for North Ayrshire.	31st March 2014	Head of Development Planning

Risk Code & Title		SR04.2013/14 Health Inequalities				Current Risk Matrix
Description	Communities in North Ayrshire have persistently poorer health compared to Scotland as a whole and the gap is increasing. There are also significant differences in the health of people living in the wealthier parts of North Ayrshire compared to its more deprived areas. Life expectancy in the most deprived areas is 15 years less than the more affluent communities. Health inequality is closely linked to poverty, employment and people's earliest experiences as children. Drug and alcohol misuse is also a major factor. The risk to the Council is that it fails to reduce levels of health inequality within North Ayrshire.					<div><div>Likelihood</div><div><div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Impact</div></div></div>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	15	Assigned To
Potential Effect	Inequalities in health at an early age will impact adversely on children's social and emotional development, affecting their overall life chances. Children living in poverty and with poor health are more likely to require crisis interventions and have lower levels of educational attainment and achievement. Adults affected by drug and alcohol misuse and by chronic health problems are less likely to sustain employment and it is more likely that they will require support to ensure their own and their children's safety and wellbeing. Older people affected by long term health conditions are more likely to require service provision earlier, have a greater incidence of hospital admission and require long term care at a younger age.					Iona Colvin / Carol Kirk
Internal Controls	The Council is actively engaged in the development of an inter-agency network of family support workers, in partnership with Health, Education and Housing Services, to work directly with vulnerable families to improve early childhood experiences. The Council are working in partnership with a range of organisations to develop advice and services in relation to chronic health problems, drug and alcohol misuse and older people services. In relation to early intervention and prevention a programme board has been established to ensure a strategic overview and to communicate progress to all key agencies involved in improving outcomes for vulnerable children in North Ayrshire. A multi-agency domestic abuse team was established to offer an early response to domestic violence, including support for victims and children and prosecution of offenders. New approaches are also being developed to provide increased personal support for children and young people, specifically in terms of raising attainment. The Council are looking at a new programme designed to regenerate North Ayrshire towns, a refreshed employment strategy to focus on supporting residents into work and a marketing campaign to promote North Ayrshire as a place to live, work and invest.				Risk Next Review Date	
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Council Plan 2013/14 (Protecting Vulnerable People): Implement early years intervention and prevention programme.				31st March 2014	Integrated Children's Services Plan Steering Group	
Council Core Objective (Protecting Vulnerable People): Develop Money Matters to prepare and support individuals and families who will be affected by Welfare Reform, with a specific focus on identifying and supporting the most vulnerable in North Ayrshire.				31st March 2014	Social Service and Health	


Council Plan 2013/14 (Regenerating our communities and increasing employment): Continued implementation of the Economic Development and Regeneration Strategy for North Ayrshire.	31 st March 2014	Development & Environment
Education & Skills (Increase the opportunities to support vulnerable children and families): Further extend the involvement of all Early Years Services, including private partners and voluntary providers, in the development of the curriculum and moderation of children's progress and achievements.	31 st March 2014	Head of Service Education
Education & Skills (Increase the opportunities to support vulnerable children and families): Continue to support early intervention initiatives to improve outcomes for all children and young people	31 st March 2014	Head of Service Education
Social Services & Health (Support vulnerable people to live safely and independently in the community): Develop, with NHS Ayrshire and Arran and other partners, a scheme for the North Ayrshire Health and Social Care Partnership.	31 st March 2014	Social Services (Head of Service Development)
Social Services & Health (Support children and young people to have a better start in life and to live safely): Provide integrated Social Work, Early Years and Money Advice support within Early Years Centres.	31 st March 2014	Social Services (Head of Children, Families & Criminal Justice)
Social Services & Health (Support children and young people to have a better start in life and to live safely): Implement the National Assessment Toolkit across all Children and Families Fieldwork teams	31 st March 2014	Social Services (Head of Children, Families & Criminal Justice)


Risk Code & Title		SR05.2013/14 Transition to an Integrated Health & Social Care Service				Current Risk Matrix
Description	The integration of health and social care will change the way NHS Ayrshire and Arran and the Council work together and in partnership with the third and voluntary sectors. These changes aim to ensure that patients, service users and carers receive an improved and more integrated service. The integration of Services will require a step change in partnership working at a time when resources are stretched. Differences in culture, historic structures and priorities will require to be addressed in order for the Health and Social Care Partnership to achieve real improvements for service users and patients.					<div><div>Likelihood</div><div><div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div></div></div><div>Impact</div></div></div></div></div></div></div></div></div></div></div>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	15	Assigned To
Potential Effect	Where the integration is not implemented effectively, levels of performance will be reduced impacting negatively upon patients, service users and carers. Compromises could be made in order to achieve agreement among partners that might not be the optimal decisions for service users and patients. A perceived failure to achieve an effective and efficient transition will result in negative publicity and adverse scrutiny of the authority and its partners. Consideration requires to be given to the impact of integration on other Council Services and the maintenance of partnership working across existing Council Services.					Iona Colvin; Lisbeth Raeside
Internal Controls	Established partnership groups (e.g., Strategic Alliance, Officer Locality Groups) are forums for progressing joint working. Colleagues in the NHS are consulted on the Social Services change programme.				Risk Next Review Date	
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Social Services & Health (Support vulnerable people to live safely and independently in the community): Develop, with NHS Ayrshire & Arran and other partners, a scheme for the North Ayrshire Health & Social Care Partnership.				31st March 2014	Social Services (Head of Service Development)	

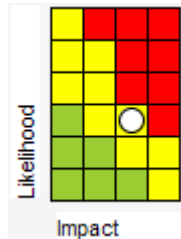

Risk Code & Title		SR06.2013/14 Strategic Workforce Issues				Current Risk Matrix	
Description	The Council is making changes to the Services provided, impacting on the size and experience of the workforce. The need to develop additional skills and capacity within the workforce to meet new challenges is recognised. Organisational Development has a key role to ensure the skill sets, knowledge and capabilities are in place to deliver the reformed Service. There is an overarching corporate risk that change management activities which are core to the Council's future delivery models and long-term financial sustainability, fail to deliver and potentially disengage employees. Additionally, required budget savings in relation to workforce costs may present a significant risk to employee relations.					<div><div>Likelihood</div><div>Impact</div></div>	
Risk Status	High Risk	Risk Traffic Light			Current Risk Score	15	Assigned To
Potential Effect	Any gaps in the workforce planning and organisational development arrangements may lead to difficulties in having a workforce with the appropriate knowledge and skills to meet service demand and achieve desired outcomes. It will further impact on the Council's ability to continue to deliver change and achieve the required efficiencies.					Laura Friel; Gavin MacGregor	
Internal Controls	Continuing focus on implementing Organisational Development interventions which support the Council's transformation and improve effectiveness and capability as well as developing an organisational culture which fosters involvement, engagement and high performance. Implementation of the actions from the Council wide Employee Survey Improvement Plan. Change management project support is delivered through a dedicated corporate change management team with key change projects now communicated organisation wide and reviewed with trade unions on a regular basis. Key strategic organisational change issues are developed through regular senior management conferences. Better integration of workforce planning within the Service Planning and Budgeting Process allows early engagement with the workforce and trade unions where service redesign may impact upon workforce numbers. Ensuring that the Redeployment and VER programmes support service redesign and help manage workforce change.				Risk Next Review Date		
Linked Actions							
Linked Actions Code & Title					Due Date	Assigned To	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Develop a People Management Strategy which supports change and organisational performance.					31st March 2014	Head of HR and Organisational Development	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Implement the Council Office Accommodation Strategy through the development of Bridgegate and Cunninghame House.					31st March 2014	Head of Finance & Property	
Finance & Corporate Support (We have a skilled and inclusive workforce): Implement Service Improvement Plan based on the outcomes of the Employee Engagement survey results.					31st March 2014	Head of HR and Organisational Development	

Risk Code & Title		SR07.2013/14 Community Capacity Building				Current Risk Matrix
Description	The development of community capacity and the development of appropriate support mechanisms to allow local communities to determine their own objectives and have their voices heard in the planning and delivery of services is a key priority of North Ayrshire Council. The ability of communities and organisations to do this varies and the Council is committed to providing the appropriate support, according to local need, to ensure that communities are able to achieve their potential in this challenging economic climate. The risk facing the authority is that that varying levels of support are required to empower community groups and organisations across the authority to achieve their aspirations. This support must be identified and resourced.					
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	12	Assigned To
Potential Effect	Where the risk is not managed effectively the potential benefits of community capacity building may be lost. There remains a potential disconnect between those communities where levels of capacity and engagement with the empowerment agenda are high and those with less social capital where interest remains low. This could widen the gap between communities with the ability to influence the planning and delivery of more responsive services and those communities who do not. The potential also exists for a disconnect between what the Council wishes to see in terms of communities embracing the opportunities for increasing ownership of assets and what communities themselves feel able and prepared to commit to. An element of the risk to be managed is the pace of the asset transfer agenda not being aligned with the wishes of both parties and the agenda losing impetus. In terms of the asset transfer agenda the potential remains for community assets to revert back to Council ownership due to ineffective community engagement/participation and a lack of effective business planning for sustainable use of community assets.					Carol Kirk; Audrey Sutton
Internal Controls	North Ayrshire Council has made a public commitment to community capacity building, through the Community Planning Partnership and through the Education and Skills vision and associated service plan. North Ayrshire Council has also identified that the value of continuing to support the community and voluntary sector to develop capacity is central to the well-being of the community and wishes to continue to fund activities which contribute to this. The Council has refined and enhanced its asset transfer guidance and support to community groups. In addition, the Council has also introduced new funding support for individuals and communities in relation to developing excellence in arts and culture and sports (the Nurturing Excellence Programme) and reviewed the way in which it awards community development grants and grants to the elderly to ensure that capacity building is a central feature of support to communities and voluntary organisations. It is also anticipated that groups will be supported to make a greater number of successful funding bids to external bodies via Community and Cultural Services, via the Council's external funding officer and via the North Ayrshire 4 Funding website. Additional resources will be available through ongoing projects with Creative Scotland and Sport Scotland with good practice being shared and promoted.				Risk Next Review Date	






Linked Actions		
Linked Actions Code & Title	Due Date	Assigned To
Council Plan 2013/14 (Regenerating our communities and increasing employment): Encourage and support the development of an asset based community development approach to increase the capacity of individuals and communities in North Ayrshire.	31st March 2014	Education and Skills
Council Plan 2013/14 (Regenerating our communities and increasing employment): Support individuals to participate in community based volunteering activities.	31st March 2014	Education and Skills
Education and Skills (Partnerships are addressing community priorities and improving outcomes for individuals and communities): Develop community engagement principles and practices to contribute to the design and delivery of services	31st March 2014	Education (Head of Community and Culture)
Education and Skills (Levels of voluntary action and community involvement have increased): Promote and enhance the opportunities for community asset transfer as a means of increasing community ownership of assets	31st March 2014	Education (Head of Community and Culture)
Education and Skills (Levels of voluntary action and community involvement have increased): Strengthen partnership arrangements with community associations in managing community facilities	31st March 2014	Education (Head of Community and Culture)
Education and Skills (Levels of voluntary action and community involvement have increased): Further develop working arrangements with the Third Sector Interface to promote social innovation through the Partners for Change programme	31st March 2014	Education (Head of Community and Culture)

Risk Code & Title		SR08.2013/14 Information Management				Current Risk Matrix
Description	The Council's Information Management and ICT Strategies recognise the need for flexible and enabling service delivery support and also the need to establish Information Governance, protect critical information and comply with information security requirements and standards. Furthermore, the Council requires to meet its obligations in relation to statutory requirements of the Public Records (Scotland) Act 2011. The key risk to the authority relates to the loss of public confidence associated with the loss of personal or sensitive data. Associated financial risks may also be experienced by the authority through fines and service disruption.					<div><div>Likelihood</div><div><div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div><div><div><div></div><div></div><div></div><div></div></div></div></div><div>Impact</div></div></div></div></div></div></div></div></div>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	12	Assigned To
Potential Effect	Failure to adopt and comply with strategies, policies and procedures may result in a failure to adequately maintain and protect the information Services are responsible for. There may be a significant impact on the authority through the release of personal and/or sensitive information resulting in a loss of public confidence and significant financial loss incurred through fines and Service disruption.					Laura Friel; Gavin MacGregor
Internal Controls	Information Management risks are managed and controlled in a number of ways. Access to information systems is controlled and secure, laptops have data encryption installed along with anti-virus software. The Council adheres to government security standards and guidelines to access and share information securely with central and local government and other partners, all of which are subjected to internal and external audit and compliance processes. The Council has already developed a Data Protection Policy, and this along with the Acceptable Use Policy and other security policies and guidance forms part of Information Governance arrangements. In 2013/14 two additional staff will be recruited; an Information and Records Project Officer and a Records Management Assistant. Senior Information Risk Owners (SIRO) support the Information Management Training Framework to ensure employees and elected members are aware of their roles and responsibilities. The Council also mitigates the risk to information residing on servers through Disaster Recovery contracts and annual business continuity testing as well as standard back-up and off-site storage facilities. This process will be further enhanced with a secondary data facility in Bridgegate House next year.			Risk Next Review Date		
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Review and implement the Council's ICT Strategy and Action Plan and improve our focus on the citizen.				31st March 2014	Head of HR & Organisational Development	
Finance & Corporate Support (Operating More Efficiently and Effectively): Progress the Action Plan for the IT Asset Management Plan.				31st March 2014	Head of HR & Organisational Development	
Finance & Corporate Support (Operating More Efficiently and Effectively): Provide a secondary Data Centre at Bridgegate for Disaster Recovery.				31st March 2014	Head of HR & Organisational Development	

Risk Code & Title		SR09.2013/14 Continued Viability of Private Care Providers				Current Risk Matrix
Description	A significant volume of care for adults and older people, particularly in relation to residential and nursing care, is delivered on the Council's behalf by independent care providers. There is perceived to be a lack of financial stability in the sector.					<div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div><div>Impact</div></div>
Risk Status	Warning	Risk Traffic Light		Current Risk Score	10	Assigned To
Potential Effect	The Council has a statutory obligation to provide high standards of care to vulnerable people. Failure to provide and maintain standards will impact upon the welfare of vulnerable people and may expose the authority to increased internal and external scrutiny. In the event of a financial failure on the part of an independent provider the Council may have to step in, incurring additional cost, or may have to arrange for residents to be moved to alternative care facilities. The process of moving is a known risk factor, especially for older people.					Iona Colvin; Lisbeth Raeside
Internal Controls	The Council's tendering process for providers requires an assessment of financial viability prior to selection. In relation to care homes a decommissioning strategy for care homes is being developed. Cross agency planning in relation to contingency arrangements is in place with Ayrshire Councils and NHS Ayrshire & Arran. A new contract management framework has been implemented by the service. All providers are risk assessed and are kept under regular review so that the service is able to respond promptly to any threatened failure. Arrangements for continuity planning were the subject of an internal audit which did not recommend any further actions.				Risk Next Review Date	
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Social Services & Health (Design, commission and deliver cost-effective and sustainable services): Review the Contract Management and Quality Assurance Framework across all purchased services.				31st March 2014	Social Services (Head of Service Development)	
Social Services & Health (Design, commission and deliver cost-effective and sustainable services): Prepare care group and commissioning strategies for each of the care groups served by Social Services.				31st March 2014	Social Services (Head of Service Development)	

Risk Code & Title		SR10.2013/14 Sustainability, Energy and Waste Management				Current Risk Matrix
Description	The Council has established a vision of a sustainable North Ayrshire ensuring the environment is enhanced and protected, considering the future implications of our decisions on North Ayrshire and its communities. Commitments under the Single Outcome Agreement, Corporate Priorities and legislation through UK & Scottish Government must be met if the council is to maximise savings and efficiencies from this area. The risk to the Council is that it fails to realise these savings and are unable to meet statutory targets.					
Risk Status	Warning	Risk Traffic Light		Current Risk Score	9	Assigned To
Potential Effect	Failure to meet SOA outcomes and corporate objectives as well as failure to comply with environmental legislation and UK and Scottish Government objectives, Climate Change Duty, SCCD commitments, Failure to meet Energy Efficiency Action Plan and Zero Waste Plan targets. Failure to maximise savings from reduced energy use / consumption. Failure to capitalise on energy saving measures for its own assets, leading to increased operating costs as energy provision becomes more expensive. Failure to capitalise on green jobs / incentives / green tourism and associated income to the area. Failure to secure an alternative waste treatment and disposal method prior to the closure of Shewalton landfill site and the ban on biodegradable waste going to landfill by the end of 2020. Reputational and financial risk.					Craig Hatton
Internal Controls	Action plans are in place to implement more efficient energy use and reduction of carbon emissions, in the delivery of the Carbon Reduction Commitment (CRC). Energy Efficiency Scheme. Specific working groups relating to carbon management and energy efficiency have been established to progress the associated actions. A Waste Management Strategy 2012-2016 and implementation action plan detail key actions for the development of services to meet the targets and objectives of the Scottish Government's national waste agenda. The Council is working with the Clyde Valley Waste management partnership to procure a long term solution for the treatment of residual waste. The Council's Local Housing Strategy 2011-16 incorporates the principles of sustainability, fuel efficiency and affordable warmth into its vision for Housing. The Council's performance management framework includes performance indicators to monitor progress against delivery of the required outcomes and targets. A policy is in place to improve the procurement of sustainable goods and services.				Risk Next Review Date	
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Develop a Sustainable Energy Management Strategy for North Ayrshire.				31st March 2014	Development and Environment	
Council Plan 2013/14 (Operating More Efficiently and Effectively): Continued implementation of the Waste Management Strategy 2012/16 and Action Plan 2013/14 to achieve national and international recycling targets.				31st March 2014	Development and Environment	

Development and Environment (Operating More Efficiently and Effectively): Continue to implement the actions of the Council's Waste Management Strategy	31st March 2014	Corporate Director (Development & Environment)
---	-----------------	--

Risk Status	
	Alert
	High Risk
	Warning
	OK
	Unknown

NORTH AYRSHIRE COUNCIL

Agenda Item 8

26 March 2013

Cabinet

Subject: Procurement Overview

Purpose: To update the Cabinet on National and Local procurement and to report progress against improving the Council's procurement practices.

Recommendation: That the Cabinet agrees to (a) note the report; (b) receive a further report in six months; and (c) approve the Corporate Procurement Strategy 2013-2016.

1. Introduction

- 1.1 The Best Value 2 Audit highlighted the need to improve the Council's procurement arrangements. An improvement plan was produced which included an action to review the performance of Scotland Excel every six months.
- 1.2 Reports on procurement and the performance of Scotland Excel were presented to the Executive on 16 August 2011 and 28 February 2012 and the Cabinet on 21 August 2012.
- 1.3 This report updates the Cabinet on progress and provides information on other relevant procurement issues, including the National Procurement agenda and the annual Procurement Capability Assessment.

2. Current Position

Scottish Procurement /Category A update

- 2.1 The Scottish Government awarded a framework agreement for supported businesses and factories on 2 October 2012. The framework agreement covers four product groups: Textiles and Personal Protective Equipment; Document Management; Furniture and associated products; and Signage. A supported business covers companies whereby 50% of the staff employed have a disability.

- 2.2 Officers from various services within the Council met with one of the successful companies, The Sign Factory, to discuss potential opportunities to use the framework agreement. The meeting was positive and services agreed to identify future needs for signage and request quotes from the Sign Factory.

Procurement Reform Bill

- 2.3 The Cabinet approved a report on 23 October 2012 detailing the Council's response to the Scottish Government Consultation document. The Scottish Government provided an initial analysis of consultation responses on 25 January 2013. One of the main findings was that, whilst a substantial number of respondents supported the aims of the Bill, the need for additional legislation was questioned. The need for proportionality was also proposed across different sections of the consultation. Work is now underway within the Scottish Government to develop legislative proposals which are expected to be drafted by May 2013.

Scotland Excel / Category B update

- 2.4 Scotland Excel is the Local Authorities' Centre of Expertise and responsible for procuring commodities commonly used across all Local Authorities.
- 2.5 Since the last procurement report on 21 August 2012, three new contracts have been awarded. They are:
- Catering sundries;
 - Hire of vehicles and plant and
 - Supply and delivery of vehicle spare parts
- 2.6 The Council is participating in two of the contracts: catering sundries and hire of vehicles and plant. Estimated savings for North Ayrshire are £10,681 per annum between both contracts. The Council is not participating in the supply and delivery of vehicle spare parts as it already has a managed service contract for vehicle spare parts in place.
- 2.7 For financial year 2013/14 Scotland Excel expect to have new contracts in place for Foster Care, Children's Residential Care and Engineering Consultancy.





Procurement Capability Assessment (PCA)

2.8 To ensure and demonstrate procurement practices are improving all Public Sector bodies are audited annually to assess their procurement capability. The assessment is carried out by the Scotland Excel Procurement Improvement Team.

2.9 The four levels of assessment are:

0-24%	Non conformance
25-49%	Conformance
50-74%	Improved performance
75%+	Superior performance

2.10 The Council's score is detailed in the table below:

Year	North Ayrshire Council Score (%)	Level	Local Authority Average Score (%)	Below/above average
2009	17	Non conformance	22	
2010	27	Conformance	32	
2011	34	Conformance	40	
2012	51	Improved	48 (30 LA scores available)	

2.11 The target for North Ayrshire Council for 2012 was 46% with the actual score of 51% score exceeding this. This moves the Council into the improved performance category. Of the 30 assessments carried out so far, one Council has superior performance, 16 have improved performance and 13 have conformance.

2.12 The overall assessment covers a series of questions for which evidence must be provided. There are eight sections in the PCA and details of the Council's scores for 2011 along with the scores for 2012 are provided in the table below:

Section	2011 score (%)	Level	2012 score (%)	Current level
Procurement leadership and governance	43	Conformance	60	Improved
Procurement strategy and objectives	54	Improved	60	Improved
Defining the supply need	20	Non conformance	50	Improved
Commodity strategies and collaborative procurement	35	Conformance	67	Improved
Contract and supplier management	15	Non conformance	29	Conformance
Key purchasing processes and systems	28	Conformance	33	Conformance
People	43	Conformance	56	Improved
Performance measurement	33	Conformance	39	Conformance
Total	34	Conformance	51	Improved

2.13 The most significant areas of improvement are defining the supply need and commodity strategies and collaborative procurement. This is primarily due to the centralisation of procurement and the subsequent early involvement of the procurement team in defining needs and agreeing specifications. The Council also develops commodity strategies for all tenders over the Standing Orders threshold and continues to seek opportunities for collaboration with other public bodies.

2.14 An improvement plan has been developed for 2013 and the overall target score for 2013 is 60%. The main areas the CPU will focus on are Contract and Supplier Management, Key purchasing processes and systems and Performance measurement with the aim of increasing the scores in these categories to improved performance.

- 2.15 The annual procurement improvement best practice event was held in Stirling on 5/6 February 2013. The Council's Procurement Manager delivered a presentation at this event on the work done by the Council to support Small and Medium Enterprises (SMEs) and local companies as this has been recognised as best practice within the local authority sector.

North Ayrshire Council Corporate Procurement Unit (CPU) / Category C update

Performance Indicators (PIs)

- 2.16 The CPU prepares a set of performance indicators on a quarterly basis, as outlined in the table below:

	2011/12 Out-turn	2012/13 Target	2012/13 Quarters 1- 3	Comments
Spend with local suppliers (value)	£22.5m	£24.0m	£16.8.	On target, see note 2.17.
Spend with local suppliers (% of local spend)	15.4%	16.5	16.0	On target, see note 2.17.
Spend with SMEs (value)	£81.2m	£80.5m	£58m	above target
Spend with SMEs (% of total spend)	55%	55	62%	above target
Number of apprenticeships/jobs created through community benefit clauses	3	14	13	On target
Procurement savings (revenue)	£0.427m	£0.583m	£0.766m	Above target, see note 2.18.
Procurement savings (capital)	nil	£1.188m	£1.400m	Irvine East/Irvine West new schools, see note 2.18.
Procurement savings (HRA)	£4.158m	£0.011m	£0.004m	On target, see note 2.18.

Spend through PECOS	£34.2m	£40m	£22.4m	Q4 is always significantly higher than any other quarter. See note 2.19.
% Payments made within 30 days of receipt of a valid invoice	83	90	80	Below target, see note 2.20.
% payments made by electronic means	84	86	78	Below target, see note 2.21.
% spend through contracts/frameworks against non-contract/maverick spend	n/a	80	90	Above target

Local Suppliers

- 2.17 A number of individual meetings have been held with local businesses to help improve communication and dialogue with the Council's procurement team. From these discussions it was agreed that the Council would host a local construction forum to maintain the dialogue. Construction is an area that had been deeply affected by the economic downturn but it is also seen as a function that can help kick start the local economy. The forum was held on 11 March 2013 and was supported by officers from Corporate Procurement, Economic Development and Property Management.
- 2.18 Positive feedback has also been received from local businesses on the changes to the Standing Orders Relating to Contracts agreed by the Council on 19 December 2012. The change to the thresholds has the potential to increase opportunities for local businesses.

Procurement Savings

- 2.19 The target for procurement savings is £1.782m for 2012/13, split between the General Fund Capital, Revenue and the Housing Revenue Account. In addition to cashable savings, effective procurement helps to minimise the impact of global economic pressures such as rising fuel costs, food prices and commodity prices. The procurement savings achieved will contribute towards the additional cost of resourcing the corporate procurement team and achievement of service efficiency targets.

PECOS

- 2.20 The project to implement PECOS in the schools is now complete. Other areas being considered for the implementation of PECOS are children & families, community care & housing, country parks, psychological services and Arran local offices.

Payment to Suppliers

- 2.21 The indicator relating to payments made to suppliers is disappointing. An action plan is in place to address this and poor performance earlier in the year has been addressed with performance in November and December sitting at 87% and 88.50% respectively. Detailed information, by Service, is now available and will be used to drive improvements in payment processing across the Council.

Payments made by electronic means

- 2.22 This indicator reflects the amount of payments made by electronic means such as BACS against the total amount of payments made. The reduction in the figure is due to the impact of the Council's fraud policy whereby a company's payment terms reverts to cheque if a change of bank details is requested, pending robust checks being completed.
- 2.23 To help improve performance in this area, letters were sent to our main suppliers advising them that they will be paid by BACS in future. This has resulted in improved figures of 85% for January 2013 and 89% for February 2013.

Procurement Cards

- 2.24 Procurement cards have been issued to all secondary schools, Arran Outdoor Education Centre, part of Legal Services and part of Social Services. The Council is considering the use of procurement cards for catering purchases.

Procurement Strategy

- 2.25 A new Corporate Procurement Strategy is attached at Appendix A for approval.

The strategy outlines the Council's vision for procurement with a detailed action plan of objectives for the next three years.

The strategy covers four main themes:

Strategy and policy;
Processes and systems;
People and organisation; and
Sustainable procurement

Successful implementation of the strategy will help procurement and the wider Council achieve their goals in terms of providing Best Value.

Elected Members' training

- 2.26 Elected Members' training was held on 23 October 2012 and attended by 15 members. Feedback on this training session was positive.

3. Proposals

- 3.1 The Cabinet is invited to (a) note the report; (b) receive a further update in six months time; and (c) approve the Corporate Procurement Strategy 2013-2016.

4. Implications

Financial Implications

- 4.1 No direct financial implications. Savings achieved are being reinvested in revenue and capital budgets.

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 Improvement in the Council's procurement practices will help achieve Single Outcome Agreement Key Priority 15b - Public Services are more efficient and effective.

Community Benefit Implications

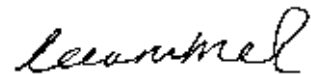
- 4.7 None directly from the report but procurement will continue to contribute to this policy and pursue community benefits wherever possible.

5. Consultations

- 5.1 The Corporate Management Team receives quarterly reports on procurement activity. Services have been consulted throughout the year on the performance of Scotland Excel.

6. Conclusion

- 6.1 Continuous improvement in our procurement practices will help ensure best value is being achieved and will contribute to the Council's efficiency targets.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Thomas Reaney, Procurement Manager on telephone number 01294 324097

Background Papers

Nil



NORTH AYRSHIRE
COUNCIL

Corporate Procurement Strategy

2013-16

Corporate Procurement Unit

March 2013

Contents

1	Procurement Vision.....	4
2	Introduction.....	5
2.1	What is procurement?	5
2.2	Why is procurement important?	5
2.3	Purpose of the strategy	5
2.4	Aims of the strategy.....	6
2.5	Outcomes of the procurement strategy	6
3	Procurement Strategy Overview	7
3.1	Structure of the Strategy	7
4	Procurement Strategy by Theme.....	8
4.1	Strategy and Policy	8
4.1.1	Key Elements.....	8
4.1.2	Overview	8
4.1.3	Contract Strategies	8
4.1.4	Procurement Policy	8
4.1.5	Rules and Regulations	8
4.1.6	Continuous Improvement	9
4.1.7	Collaborative Procurement	10
4.1.8	Savings/Efficiencies.....	10
4.1.9	Contribution to the Council's Key Priorities	11
4.1.10	Actions	11
4.2	Processes and Systems.....	11
4.2.1	Key Elements.....	11
4.2.2	Overview	11
4.2.3	Professional Electronic Commerce Ordering Solution (PECOS)	11
4.2.4	Public Contracts Scotland e tender	12
4.2.5	Procurement Cards	12
4.2.6	Accounts Payable	12
4.2.7	Contribution to the Council's Key Priorities	12
4.2.8	Actions	13
4.3	People and Organisation.....	13
4.3.1	Key Elements.....	13
4.3.2	Overview	13
4.3.3	Resources and qualifications.....	13
4.3.4	Training.....	13
4.3.5	Contribution to the Council's Key Priorities	14
4.3.6	Actions	14
4.4	Sustainable Procurement.....	14
4.4.1	Key Elements.....	14
4.4.2	Overview	14
4.4.3	Sustainable procurement policy	14
4.4.4	Helping SMEs and local businesses	14
4.4.5	Working with the Third Sector	15
4.4.6	Community Benefits	15
4.4.7	Supported Businesses.....	16
4.4.8	Contribution to the Council's Key Priorities	16
4.4.9	Actions	16

5	Procurement Strategy by Directorate	17
5.1	Finance and Corporate Support.....	17
5.1.1	Priorities/Actions.....	17
5.2	Education and Skills.....	17
5.2.1	Priorities/Actions.....	18
5.3	Social Services and Health	18
5.3.1	Priorities/Actions.....	18
5.4	Development and Environment.....	18
5.4.1	Priorities/Actions.....	19
5.5	Chief Executive	19
5.5.1	Priorities/Actions.....	19
6	Action Plan.....	20

‘Recognised as a leading public sector procurement body, working collaboratively to support the local economy.’

2 Introduction

2.1 What is procurement?

Procurement is:

“The acquisition of supplies, works and services which meet customers’ and service users’ needs, whilst ensuring value for money throughout the life of the product including disposal.”

2.2 Why is procurement important?

Public sector procurement in Scotland is now valued at more than £9 billion per annum. Over the last few years the profile of public sector procurement has been raised with a greater understanding of its contribution to delivering best value in terms of cost and quality of service. It has contributed to initiatives such as Efficient Government, Best Value Audits, Shared Services, Modernising Government and Public Sector Reform.

Procurement is a significant activity across the Council; we spend approximately £300m per annum with a total influenceable spend of approximately £140m.

Goods, works and services are purchased from over 3,500 suppliers with over 160,000 invoices processed on an annual basis.

Of the influenceable spend approx £80m is spent with Small and Medium Enterprises and approximately £23m spent with local suppliers within the North Ayrshire Council boundary.

2.3 Purpose of the strategy

The purpose of the strategy and the associated action plan is to:

- Provide a framework for the Council to develop a plan to achieve continuous improvement in the Council’s procurement activity;
- Enable procurement to contribute to the Council’s overall vision and to provide efficiencies to help the Council deliver its key priorities and front line services;
- Enhance compliance with relevant policies and procedures;
- Further extend collaboration with other public bodies and suppliers and;
- Optimise procurement linkages across the Council.

2.4 Aims of the strategy

The aims of the strategy are to:

1. Build on our 'improved performance' status achieved in the 2012 Procurement Capability Assessment and to move towards the 'superior performance' level.
2. Ensure procurement activities are aligned to the Council's corporate priorities and strategies and to support the Council in achieving its targets and goals.
3. Ensure the Council's procurement activity is carried out as efficiently as possible to meet the procurement savings targets.

2.5 Outcomes of the procurement strategy

- Improved contracts resulting in improved services, outcomes and facilities for the citizens of North Ayrshire.
- Achievement of procurement efficiencies, freeing up revenue to protect front line services.
- Assurance that individual contract strategies provide opportunities for SMEs and Local Companies to bid for contracts.
- Standardisation of documents to reduce legal challenges and assist SMEs when tendering.
- Increased efficiency in the ordering of goods and payments to suppliers.
- Recognised as a leading Local Authority in procurement practices.
- Recognised as being the lead Local Authority for support to Small and Medium Enterprises and local suppliers.
- Recognised as being at the forefront of collaborative working between procurement and the third sector.

3 Procurement Strategy Overview

3.1 Structure of the Strategy

The Corporate Procurement Strategy has been developed by theme and by Directorate.

The four main themes are:

- Strategy and Policy
- Processes and Systems
- People and Organisation
- Sustainable Procurement

All of the themes are interdependent to ensure the Strategy is delivered in full and to maximum effect.

From these themes a strategy and action plan has been developed.

The action plan will require full commitment from the Corporate Procurement Unit and Services to ensure its successful implementation.

4 Procurement Strategy by Theme

4.1 Strategy and Policy

4.1.1 Key Elements

- Contract Strategies
- Procurement Policy
- Rules and Regulations
- Continuous Improvement
- Collaborative Procurement
- Savings/Efficiencies

4.1.2 Overview

This element of the Procurement Strategy is critical to ensure the Council has focus and direction in the Council's procurement policies as well as ensuring alignment and integration to service plans and priorities.

4.1.3 Contract Strategies

To ensure we procure commodities in the most efficient manner possible a contract strategy must be developed for all purchases over £50k (supplies and services) and £100k (works). The strategy must consider issues such as current spend, future spend, market research, supplier profile, sustainability, opportunities for collaboration, potential savings, insurance requirements etc. Each contract strategy must be signed off by all stakeholders prior to commencement of the tender exercise.

4.1.4 Procurement Policy

The CPU will be the Council's centre of procurement expertise and as such will have responsibility for the development of clear policies and guidelines. These policies will adhere to all relevant procurement regulations and legislation. The Council has developed a Procurement Manual which all staff involved in the procurement process must adhere to. Social Services and Health are also developing standardised documentation for the procurement of Part B services. A Part B service is determined by the European Union and is exempt from the full EU procurement regulations. However, the Treaty of Rome principles relating to fairness, equality and transparency must be adhered to.

4.1.5 Rules and Regulations

Legislation also features heavily in procurement, with new legislation relating to procurement implemented frequently. Any changes to legislation will be communicated across the Council as soon as it is practical to do so.

The Scottish Government issues Scottish Public Procurement Policy Notes (SPPNs) and these will be implemented and communicated across the Council in a timely manner.

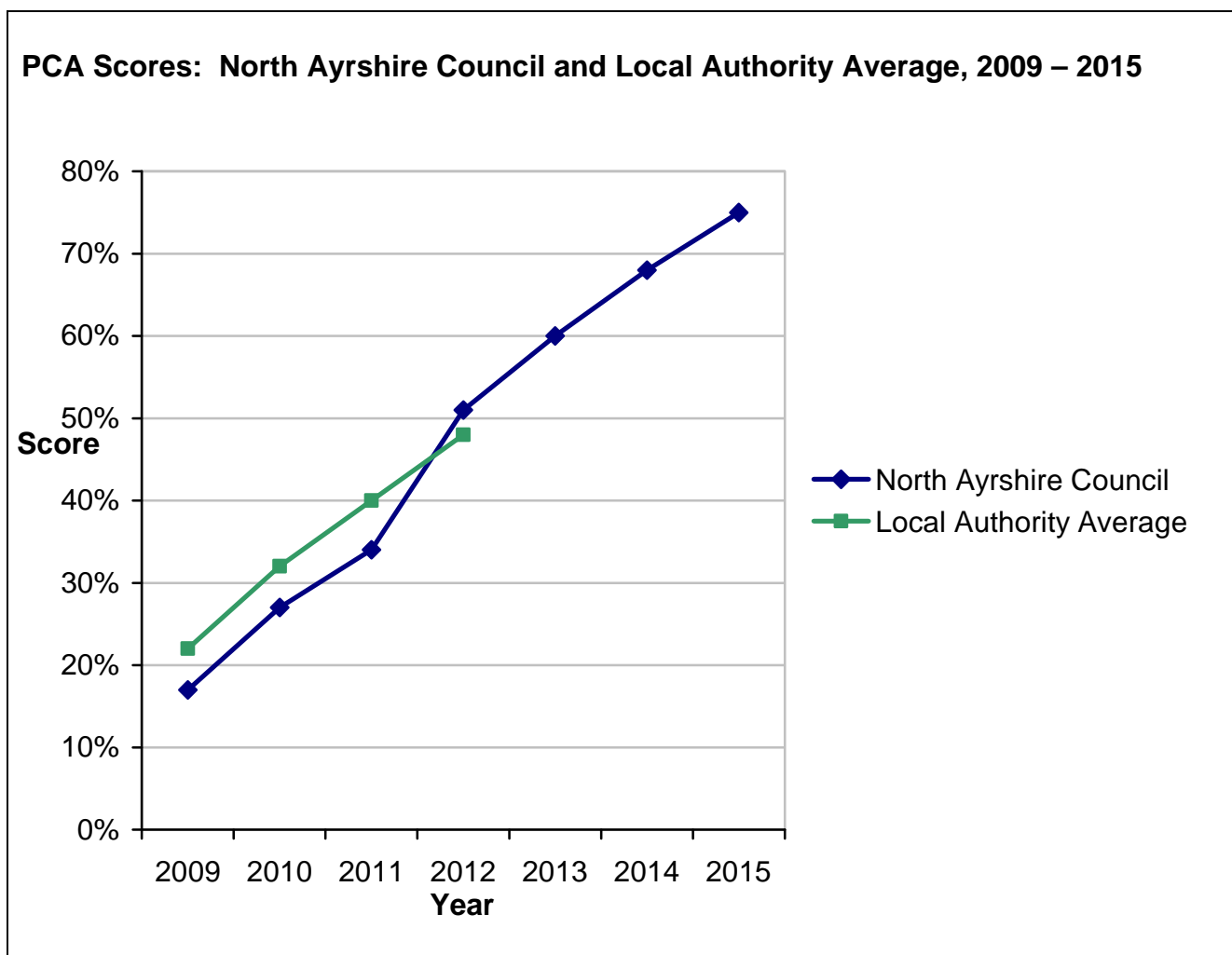
4.1.6 Continuous Improvement

To ensure continuous improvement in our procurement practices the Council is assessed annually through the Procurement Capability Assessment (PCA). An improvement plan will be developed annually; the target for the Council is to reach Superior Performance (75%) by 31 December 2015.

The four levels of performance within the PCA are:

0 - 24%	non conformance
25 - 49%	conformance
50 - 74%	improved performance
75%+	superior performance

A graph detailing the Council's progress in the PCA is detailed below:

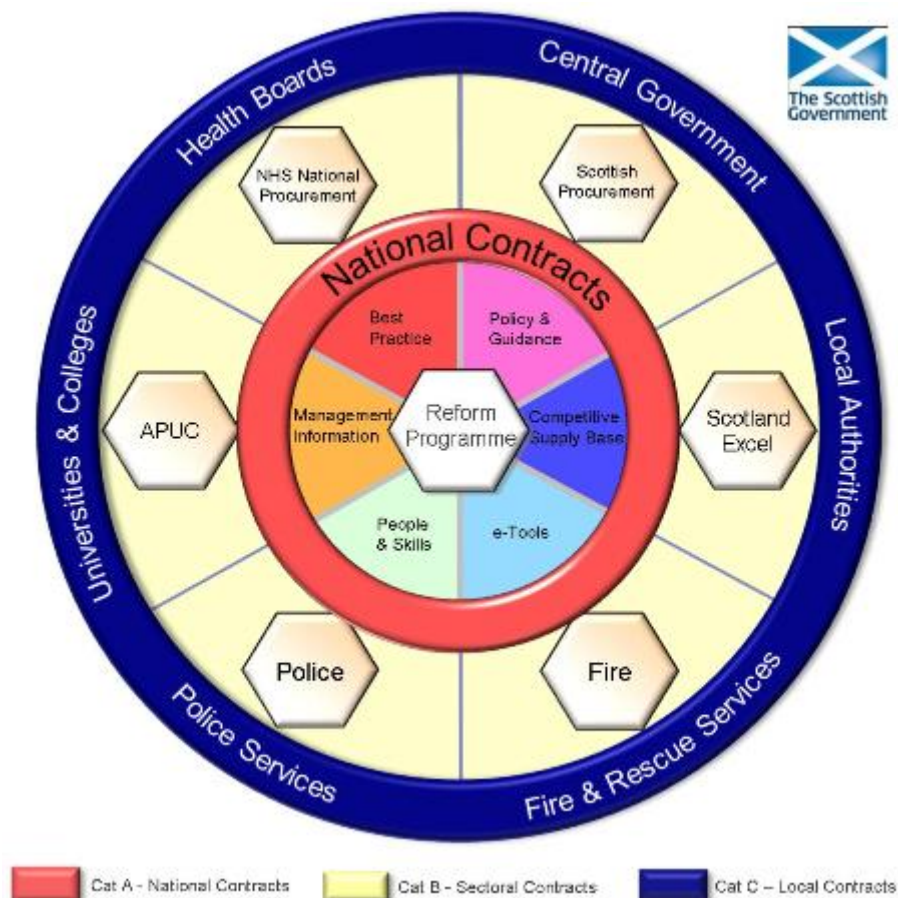


4.1.7 Collaborative Procurement

Collaborative procurement is an important aspect of the procurement strategy and the national shared services initiative. The Council will continue to procure goods and services via national contracts such as Procurement Scotland and Scotland Excel where they offer value for money. Other collaborative procurements will also be considered with other local authorities and public bodies where best value can be achieved.

An illustration of the inter relationship between public sector procurement organisations is detailed below:

Illustration of Procurement Landscape



(Source: Scottish Government Website
<http://www.scotland.gov.uk/Topics/Government/Procurement/about>)

4.1.8 Savings/Efficiencies

It is important that procurement savings and efficiencies are captured in the budget process to enable savings to be used to support front line services.

An annual target for procurement savings will be set for Capital, General Fund Revenue and Housing Revenue and Housing Capital. Progress against this will be reported to the CMT quarterly.

A register detailing potential budget pressures/increases in costs will also be maintained to assist with forward planning and the Council's budget process. This will include, but not limited to, commodity prices and currency conversions.

4.1.9 Contribution of Strategy and Policy to the Council's Key Priorities

- Operating more effectively and efficiently.

4.1.10 Actions

- Review and update the Council's Procurement Manual.
- Review and update the Council's policy for low value tenders.
- Review the Standing Orders Relating to Contracts.
- Ensure all relevant information, including changes to procurement legislation, is communicated effectively across the organisation.
- Obtain Cabinet approval of the Corporate Procurement Strategy by 31 March.
- Review and, where appropriate, simplify tender documentation to encourage SMEs and Local Companies to bid for work.
- Develop individual contract strategies for all purchases over £50k (goods and services) and over £100k (works) ensuring the needs of the Services are met in the most efficient manner.
- Communicate all Scottish Procurement Policy Notices (SPPNs) to relevant staff and action these policy notes accordingly.
- Ensure collaborative procurement is considered for all procurement activity.
- Ensure savings are recorded and reported to finance monthly.
- Ensure savings captured are reported to CMT quarterly.
- Develop a register of potential budget pressures/increases in costs.

4.2 Processes and Systems

4.2.1 Key Elements

- Professional Electronic Commerce Ordering Solution (PECOS)
- Public Contracts Scotland e Tender
- Procurement Cards
- Accounts Payable

4.2.2 Overview

This element of the strategy is critical to deliver process and time efficiencies in the procurement tendering process and the purchase to pay process. This is of benefit not only to the Council but to the Council's 3,500 suppliers.

4.2.3 Professional Electronic Commerce Ordering Solution (PECOS)

The Council uses PECOS as its standard electronic procurement tool. PECOS allows orders to be placed, approved, receipted and invoiced electronically. The main benefits of PECOS are:

- Quicker ordering
- Real time pricing

- Reduced errors in orders placed
- Management information
- Purchasing audit trail

PECOS has been rolled out to a large part of the Council and all schools are now using PECOS for ordering goods and services.

Areas not yet on PECOS, such as construction and children & families, will be considered for PECOS.

4.2.4 Public Contracts Scotland e tender

The Council uses the Public Contracts Scotland e tender facility for issuing tenders. This was implemented in July 2012 and all tenders will be issued electronically to reduce paperwork and improve efficiency.

4.2.5 Procurement Cards

Procurement Cards have been piloted within the Council; all secondary schools plus a few other services now have cards. The main benefits of procurement cards are:

- Suppliers are paid quicker
- Easy to use
- Reduces invoices/paperwork
- Rebate is received by the Council for using cards

Further use of procurement cards in areas such as catering and cleaning will be considered, to further maximise efficiencies.

4.2.6 Accounts Payable

The Accounts Payable function processes approximately 160,000 invoices per year. This covers payments to suppliers, grant payments and payments to other public bodies.

This is a manual, time consuming process and the objective is to reduce the manual intervention and increase the use of electronic methods for processing payments.

The Council has an obligation to pay suppliers within 30 days of receipt of a valid invoice as legislated by the Late Payment Commercial Debt Act. Manual processes can slow down the payment and make it more difficult to achieve this objective.

Processing more invoices through PECOS, using procurement cards and using electronic invoicing or an electronic scanning solution will help reduce manual intervention in the payments process and speed up payment to creditors.

4.2.7 Contribution to the Council's Key Priorities

- Operating more efficiently and effectively.

4.2.8 Actions

- To continue to roll out PECOS across the Council and to target £45m spend by 31 March 2014.
- To continue to roll out procurement cards across the Council and to explore the option of an embedded procurement card in PECOS by 31 March 2014.
- To use the PCS e tender solution for all Council tenders by 30 June 2013.
- To consider options for an electronic invoicing and/or an electronic scanning solution by 31 March 2014.

4.3 **People and Organisation**

4.3.1 Key Elements

- Resources and qualifications
- Training

4.3.2 Overview

It is often said that an organisation's best asset is its people resources and the Council has to ensure we use our resources to maximum effect.

4.3.3 Resources and qualifications

To ensure there are adequate resources within the Corporate Procurement Unit to support service requirements a resource plan will be implemented. The plan will have flexibility to deal with urgent unforeseen requirements. All routine procurement exercises should be known in advance and must be included in the annual tender plan which must be linked to available resources. The Corporate Procurement Manager has responsibility for managing the tender and resource plan. The Social Services Service Design and Procurement Manager will be responsible for managing the social care tender and resource plan.

Procurement staff are encouraged to enhance their skills by achieving membership of the Chartered Institute of Purchasing and Supply (CIPS). Social Services Service Design and Procurement staff will be encouraged to complete the newly designed PDA Commissioning, Procurement and Contracting of Care qualification.

4.3.4 Training

It is important that staff have adequate up to date qualifications and knowledge. Therefore all procurement staff (Corporate Procurement and Social Services) must attend at least one training course per year on EU procurement legislation.

Training events will be delivered by the Corporate Procurement Unit on any new legislation or policies that are likely to have an impact on services.

Procurement refresher training will be delivered annually by the Corporate Procurement Team. This will be targeted at all staff involved in the procurement process.

Training was delivered to elected members during 2012 and will be made available to any further members as required.

4.3.5 Contribution to the Council's Key Priorities

- Operating more efficiently and effectively.

4.3.6 Actions

- Develop a resource plan linked to the tender plan.
- Encourage achievement of a professional procurement qualification (MCIPS).
- All procurement staff to attend annual training on EU procurement legislation.
- Training events to be delivered for the implementation of new legislation or policies.
- Annual refresher training to be delivered for all staff involved in the procurement process.

4.4 **Sustainable Procurement**

4.4.1 Key Elements

- Sustainable Procurement Policy
- Helping SMEs and Local Suppliers
- Working with the Third Sector
- Community Benefits
- Supported Businesses

4.4.2 Overview

This section of the strategy looks at sustainable procurement. It doesn't just deal with 'green/environmental' issues; it also tackles social issues such as reducing unemployment, creating a sustainable North Ayrshire business community and helping people with disabilities into employment.

4.4.3 Sustainable procurement policy

The Council has a sustainable procurement policy which is reviewed to ensure it meets current requirements. The policy includes environmental issues, life cycle costs and quick wins.

Sustainability must also be considered when developing tender evaluation criteria. This helps with reducing carbon miles and the Council's carbon footprint.

4.4.4 Helping SMEs and local businesses

The Council is committed to ensuring opportunities are open to all and that SMEs and local businesses should not be disadvantaged in any way in the tender process.

The Council is an active member of the Supplier Development Programme (SDP) and supports its events through attendance and delivering presentations at events such as 'Meet the Buyer' and 'Is the Public Sector for you'. The events and training are free of charge for local businesses to access.

The Council also places all tender adverts through the national tender advertising portal, www.publiccontractsscotland.gov.uk. This helps businesses as they know where to find

opportunities and receive automatic e mails when adverts are placed for their chosen sphere of work.

It is recognised that successful local businesses will help reduce unemployment. Economic development is one of the Council's key priorities and procurement can play an important part in developing this objective.

The Council has a ten point plan to help SMEs and local businesses. This plan is described below:

1. Continue to support Supplier Development Programme (SDP) events.
2. Ensure all tenders are advertised on one marketplace, Public Contracts Scotland.
3. Offer debriefs to unsuccessful suppliers to help with future bids.
4. Offer to meet local businesses on a one to one basis to ensure there is on-going dialogue between the Council and local business.
5. Review and monitor SME and local business success rate at passing Pre-Qualification Questionnaire (PQQ) process.
6. Ensure consideration is given to SME issues when developing a tender strategy.
7. Develop a local construction forum and Social Care partnership forum to share ideas, issues and best practice. This will be considered for any other commodity area with a strong local marketplace.
8. Ensure a fair representation of local companies is invited for low value quotes and monitor the success rate of this policy.
9. Review tender documents to ensure they are consistent and user friendly.
10. Streamlining the information required in a tender process.

4.4.5 Working with the Third Sector

A key part of the approach to sustainable procurement is to work with the third sector.

The Council is currently working on a 'Partners for Change' pilot to help with the development of third sector organisations. The working group on this pilot is made up of Council officers and third sector representatives.

The overall aim of the project is:

- Improve the relationship and communication between the Council and the third sector.
- Develop a joint commissioning approach, involving all partners in the process.
- Develop capacity across the third sector.
- Agree a small number of pilot projects from across Council departments
- Share learning and evaluate progress

4.4.6 Community Benefits

The Council uses Community Benefit clauses in contracts where appropriate to do so. This has achieved some success with apprentices being employed in the council house new builds and the construction of new schools.

Companies are keen to embrace these clauses and in many cases grant funding can be obtained to help with the costs/wages of apprentices and the long term unemployed.

This policy will be considered for all works contracts over the value of £1m and all service contracts which last for at least 4 years.

4.4.7 Supported Businesses

A supported business is a business where at least 50% of its employees have a disability.

The Scottish Government has recently awarded a framework agreement for supported businesses covering signage; furniture and associated products; document management; and textiles and Personal Protective Equipment.

Consideration should therefore be given to using the Scottish Government framework agreement where appropriate.

4.4.8 Contribution to the Council's Key Priorities

- Operating more efficiently and effectively.
- Regenerating our communities and increasing employment

4.4.9 Actions

- Review and update the Council's Sustainable Procurement Policy.
- Consider sustainability when agreeing tender evaluation criteria.
- Provide a regular forum for the third sector to improve communication and innovation.
- Identify future opportunities for third sector collaboration and service design.
- Develop an approach to increase capacity within the third sector.
- Develop a third sector joint commissioning approach including a range of potential models for service delivery.
- Pilot a small number of projects to test the process and models.
- Review and update the Council's Community Benefits Policy.
- Consider community benefit clauses for all tenders over £1m (works) and for service contract which last for at least 4 years.
- Implement the 'ten point plan' to help SMEs and local businesses; communicate the plan across the Council.

5 Procurement Strategy by Directorate

5.1 Finance and Corporate Support

Finance and Corporate Support includes Financial Management; Revenues and Benefits; Audit and Risk; Corporate Procurement; Property Management & Investment; Housing Assets & Investment; Human Resources and Payroll; Information and Communication Technology (ICT); Customer Services; and Registration.

The main procurement support to this directorate will be for the Capital Works Programme including the housing capital programme. The capital programme for 2013/14 has a budget of £40.4m and covers new school build, upgrades to infrastructure, major works in Council Houses, etc. The CPU will continue to support the Capital Programme through the Capital Programme and Assets Group (CPAG). Large projects in the pipeline include the refurbishment of Cunninghame House, the construction of a new Leisure Centre and the construction of Montrose House.

The CPU also liaises with the Scottish Futures Trust (SFT) Hubco initiative for major projects requiring a different type of funding.

Revenues and Benefits are undergoing major change with the Welfare Reform initiative and some support may be required to implement the changes.

At a national level the Scottish Government conducted a review of ICT procurement across Scotland and this will have an impact at a local level.

5.1.1 Priorities/Actions

- Continue to support tender exercises.
- Continue participation in the CPAG to help with the planning of major projects.
- Continue to liaise with SFT.
- Implement supplier management meetings for medium and high risk contracts.
- Create contract renewal plans from 2013 to 2016.

5.2 Education and Skills

Education and Skills has responsibility for educating our young people through nursery provision; primary school education; secondary school education; additional support needs; and to review Community Learning and Development and Arts and Culture to ensure greater locality focus in order to better meet the needs of local communities.

A lot of the procurement needs of Education and Skills are obtained through the Scotland Excel portfolio of contracts. The CPU needs to support the Directorate by contributing to the Scotland Excel User Intelligence Group process to ensure contracts are fit for purpose and meet our needs.

The directorate has mandated all staff involved in the procurement process to receive procurement awareness training. The CPU will continue to support this.

The implementation of the Procurement Strategy will be consistent with the Council's Devolved School Management scheme, for example, supporting principles of subsidiary and empowerment at school level.

5.2.1 Priorities/Actions

- Continue to support tender exercises.
- Continue to liaise with Scotland Excel on the portfolio of Education contracts.
- Provide procurement awareness training for Education and Skills staff.
- Implement supplier management meetings for medium and high risk contracts.

5.3 **Social Services and Health**

Social Services and Health includes Community Care and Housing; Reception Services; Addiction Services; Children and Families; Criminal Justice; ICT Upgrade programme; Service Planning; and Joint Planning and Commissioning with the NHS.

The CPU supports Social Services and Health by offering advice on care contracts and by assuming responsibility for the procurement of non-care contracts.

Social Services and Health are working with surrounding Local Authorities and the NHS to develop further collaboration; procurement will support this initiative if required to do so.

The CPU will continue to support and provide advice to a Joint Equipment Board which is considering options for a Joint Equipment Service between North Ayrshire Council, East Ayrshire Council, South Ayrshire Council and NHS Ayrshire and Arran.

Good progress has been made between Corporate Procurement and Social Services Service Design and Procurement Team on ensuring consistency in the procurement process. Best practice is being shared, with the CPU sharing strategies and documentation and SS & H sharing its contract management tool.

5.3.1 Priorities/Actions

- Continue to support the Social Services and Health tender programme.
- Continue to support the Joint Equipment Board.
- Share best practice between the CPU and the SS & H Service Design and Procurement Team.

5.4 **Development and Environment**

Development and Environment includes Roads; Transportation and Lighting Maintenance; Planning; Environmental Health and Trading Standards; Building Standards; Economic Development; Internal Transport; Streetscene; Waste Services; Building Services ; and Facilities Management.

The largest procurement project currently in process in the Council is the Clyde Valley Waste Project. North Ayrshire Council is a member of this along with North Lanarkshire Council, Renfrewshire Council, East Renfrewshire Council and East Dunbartonshire Council. The estimated value of this project is £300-400m. A project team is in place to

deliver this and consultants are also in place to deliver legal, financial and technical support to the project.

The Council's Corporate Procurement Unit will support this project when required to do so.

The CPU will also continue to support the tender programme for all other services within the directorate.

5.4.1 Priorities/Actions

- Continue to support tender exercises.
- Implement supplier management meetings for medium and high risk contracts.
- Continue to support high profile projects such as the Clyde Valley waste project.
- Support local businesses and the third sector in developing expertise to submit bids for tendered contracts
- Development of local employment and training opportunities in the letting of contracts

5.5 **Chief Executive**

Chief Executive includes Legal; Policy, Performance and Community Planning; Communications; Committee and Member Services; Change Programme; and Civil Contingencies.

Procurement will continue to support the Chief Executive's service, in particular Legal Services, as procurement litigation is increasing.

Procurement will also support all other tendering activity such as election services and various change programme initiatives.

5.5.1 Priorities/Actions

- Continue regular dialogue with Legal Services on procurement litigation matters.
- Continue to support tender exercises.
- Implement supplier management meetings for medium and high risk contracts.

6 Action Plan

Abbreviations have been used to populate the action plan and the list is detailed below:

PM	-	Procurement Manager/Service Design Manager
CM	-	Category Managers/Team Manager
P2P	-	Purchase to Pay Manager
PO	-	Procurement Officers/Service Design & Proc Officers
SR	-	Service Representative(s)
ED	-	Economic Development

Action	Owner	Timescale	Progress
Strategy and Policy Actions			
Review and update the Council's Procurement Manual.	PM	On going	
Review and update the Council's policy for low value tenders.	PM	December 2013	
Review the Standing Orders Relating to Contracts.	PM	December 2013	
Ensure all relevant information, including changes to procurement legislation, is communicated effectively across the organisation.	PM	On going	
Obtain Cabinet approval of the Corporate Procurement Strategy by 31 March.	PM	31 March 2013	
Review and, where appropriate, simplify tender documentation to encourage SMEs and Local Companies to bid for work	PM / CM	On going	
Develop individual contract strategies for all purchases over £50k (goods and services) and over £100k (works) ensuring the needs of the Services are met in the most efficient manner.	CM	31 March 2013	
Communicate all Scottish Procurement Policy Notices (SPPNs) to relevant staff and action these policy notes accordingly.	PM	On going	
Ensure collaborative procurement is considered for all procurement activity.	CM	On going	
Ensure savings are recorded and reported to finance monthly.	PM / CM	On going	
Ensure savings captures are reported to CMT quarterly.	PM	On going	
Develop a register of budget pressures/increases in costs.	PM / CM	31 March 2013	
Processes and Systems			
To continue to roll out PECOS across the Council and to target £45m spend by 31 March 2014.	P2P	31 March 2014	
To continue to roll out procurement cards across the Council and to explore the option of an embedded procurement card in PECOS by 31 March 2014.	PO	31 March 2014	
To use the PCS e tender solution for all Council tenders by 30 June 2013.	PO	30 June 2013	
To consider options for an electronic invoicing and/or an electronic scanning solution by 31 March 2014.	PM / P2P	31 March 2014	

People and Organisation			
Develop a resource plan linked to the tender plan.	PM	31 March 2013 and annually thereafter	
Encourage achievement of a professional procurement qualification (MCIPS) and the PDA Commissioning, Procurement and Contracting of Care qualification.	PM	On going	
All procurement staff to attend annual training on EU procurement legislation.	PM / CM / PO	31 October 2013	
Training events to be delivered for the implementation of new legislation or policies.	PM	On going	
Annual refresher training to be provided to all staff involved in the procurement process.	PM	30 September 2013	
Sustainable Procurement			
Review and update the Council's Sustainable Procurement Policy.	PM / CM	On going	
Consider sustainability when agreeing tender evaluation criteria.	CM	31 March 2013	
Provide a regular forum for the third sector to improve communication and innovation.	Partners for Change Working Group	30 September 2013	
Identify future opportunities for third sector collaboration and service design.	Partners for Change Working Group	31 December 2013	
Develop an approach to increase capacity within the third sector.	Partners for Change Working Group	31 March 2014	
Develop a joint commissioning approach including a range of potential models for service delivery.	Partners for Change Working Group	31 March 2014	
Pilot a small number of projects to test the process and models.	Partners for Change Working Group	31 March 2014	
Review and update the Council's Community Benefits Policy.	PM	On going	
Consider community benefit clauses for all tenders over £1m (works) and for service contracts which last for at least 4 years.	CM	On going	
Implement the 'ten point plan' to help SMEs and local businesses; communicate the plan across the Council.	PM	31 March 2013	

Finance and Corporate Support			
Continue to support tender exercises.	CM / PO	On going	
Continue participation in the CPAG to help with the planning of major projects.	CM	On going	
Continue to liaise with SFT.	PM / CM	On going	
Implement supplier management meetings for medium and high risk projects.	CM / PO	30 June 2013	
Create contract renewal plans from 2013 to 2016.	CM	31 March 2013	
Education and Skills			
Continue to support tender exercises.	CM / SR	On going	
Continue to liaise with Scotland Excel on the portfolio of Education contracts.	CM / SR	On going	
Provide procurement awareness training for Education and Skills staff.	PM	31 March 2013	
Implement supplier management meetings for medium and high risk contracts.	CM/SR	31 June 2013	
Social Services and Health			
Continue to support the Social Services and Health tender programme.	CM / SR	On going	
Continue to support the Joint Equipment Board.	PM / CM	On going	
Share best practice between the CPU and the SS & H Commissioning and Procurement team.	PM	On going	
Development and Environment			
Continue to support tender exercises.	CM / SR	On going	
Implement supplier management meetings for medium and high risk contracts.	CM / SR	31 June 2013	
Continue to support high profile projects such as the Clyde Valley waste project.	PM / CM	On going	
Support local businesses and the third sector in developing expertise to submit bids for tendered contracts	ED	On going	
Development of local employment and training opportunities in the letting of contracts	PM / ED	On going	
Chief Executive			
Continue regular dialogue with Legal Services on procurement litigation matters.	PM	On going	
Continue to support tender exercises.	CM / SR	On going	
Implement supplier management meetings for medium and high risk contracts.	CM / SR	31 June 2013	

NORTH AYRSHIRE COUNCIL

Agenda Item 9

26 March 2013

Cabinet

Subject: **Annual Review of Fees & Charges**

Purpose: To advise the Cabinet of the proposed increases in the level of fees and charges for Council services from 1 April 2013

Recommendation: That the Cabinet approves the increases to Council fees and charges, as outlined in the report, with effect from 1 April 2013.

1. Introduction

- 1.1 On 21 September 2010, a report was approved by the former Executive Committee which set out a corporate policy for charging for Council services. The policy established corporate principles and recognised the need to consider issues of access and equity in all decisions relating to a review of charges. Section 5 of the policy also stated a presumption that charges will be increased annually at least in line with inflation unless there is a clear case for not doing so.
- 1.2 Some statutory charges are set at national level and are, therefore, out-with the scope of this report. Where Council charges are discretionary there is scope to review in line with the policy. A review of the current level of fees and charges has been carried out and proposals for increases identified.

2. Current Position

- 2.1 The revenue budget for 2013/14 and beyond was agreed by the Council on 30 January 2013 and, in some instances, reflected additional income to be achieved.
- 2.2 As part of the budget process, Social Services & Health undertook a review of its charging policy, taking account of inflation and bench-marking rates with other local authorities, and, as a result, incorporated additional income into future year budgets. In addition, Education & Skills have reviewed charges in respect of music tuition and instruction charges within outdoor education and included the appropriate levels of income within the 2013/14 budget.

- 2.3 A report on the review of Planning Fees was submitted to Cabinet on 26 February 2013, which noted a proposed 20% increase in Planning Fees with effect from 6 April 2013 subject to the approval of the Scottish Parliament. The Cabinet approved that the additional income generated could be utilised to create a new post of Graduate Planner with any remaining surplus to be considered as part of the Council's future budget setting exercise.
- 2.4 In some other areas of service, no increases are proposed, e.g. Estates fees for commercial lets, where an increase would not be prudent in the current economic climate. In addition, there are some charges which are based on the recharge of the actual cost.
- 2.5 There are also some services where, for a variety of reasons, it is proposed to apply an increase by more or less than the rate of inflation, this is identified in the attached appendices.
- 2.6 This report fulfils the requirements of the Council's policy for charges, to both review all Council fees and charges on an annual basis and to seek approval for any proposed increases.

3. Proposals

- 3.1 Appendix 1 lists all those charges which it is proposed to increase in line with inflation. Inflationary increases will be based on the Consumer Price Index (C.P.I.) at November 2012 which was 2.7%.
- 3.2 Appendix 2 lists all those charges which it is proposed to increase by a factor other than the November 2012 C.P.I.
- 3.3 Appendix 3 summarises increases already approved as part of the 2013/14 budget.

4. Implications

Financial Implications

- 4.1 The proposed increase in charges will, assuming a steady level of demand, result in additional income to the Council. Sums have already been reflected in the 2013-14 budget in respect of the areas outlined at 2.2 and 2.3. The remainder of the increased income is unlikely to be significant but the annual review ensures that charges are keeping pace with inflation and mitigates the impact on the Council of the rising costs of service provision. Further work needs to be carried out, however, in some areas, in terms of bench-marking with other local authorities and providers, the results of which will be incorporated into the 2014-15 budget process.

Human Resource Implications

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

Legal Implications

- 4.3 Many statutes governing the provision of services, including discretionary services, by local authorities contain express provisions permitting or requiring charges to be made. Examples include the Local Authorities (Goods and Services) Act 1970 and the Local Government in Scotland Act 2003.

Equality Implications

- 4.4 The guiding principles and relevant factors set out in the charging policy take account of the need to consider issues of access and equity in all decisions relating to a review of charges.

Environmental Implications

- 4.5 There are no Environmental implications arising from this report.

Implications for Key Priorities

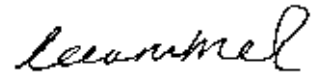
- 4.6 The charging policy acknowledges the primary importance of the core objectives and values set out in the Council Plan and the Single Outcome Agreement.

5. Consultations

- 5.1 Consultation has taken place with all services in the preparation of this report.

6. Conclusion

- 6.1 The Council requires to review its fees and charges on an annual basis with the presumption that there will be an increase at least in line with inflation. Appendices 1 to 3 list those fees and charges to be increased, together with the recommended uplift which should apply from 1 April 2013.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Hazel Hair, Senior Manager, Financial Management on telephone number 01294 324548

Background Papers

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Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Development & Environment	Environmental Health and Trading Standards	Bacteriological Swimming Pool Sampling	£2.78	£2.86	2.7%	
Development & Environment	Environmental Health and Trading Standards	Chemical Swimming Pool Sampling	£71.89	£73.83	2.7%	
Development & Environment	Environmental Health and Trading Standards	Pest Control - Fumigations/Sprays for heavy infestations e.g. bedbugs, fleas	£64.00	£65.73	2.7%	
Development & Environment	Environmental Health and Trading Standards	Pest Control Charge - Insects (Domestic)	£32.00	£32.86	2.7%	Charge is per treatment
Development & Environment	Environmental Health and Trading Standards	Pest Control Charge - Rates/Mice/Insects (Commercial)	£52.00	£53.40	2.7%	Charge is per treatment
Development & Environment	Environmental Health and Trading Standards	Pest Control Charge - Rats/Mice/Squirrels (Domestic)	£52.00	£53.40	2.7%	Charge for up to three visits
Development & Environment	Environmental Health and Trading Standards	Pest Control Charge - Wasp Nests/Bees	£32.00	£32.86	2.7%	Charge is per treatment
Development & Environment	Environmental Health and Trading Standards	Section 50 Certificates	£100.00	£102.70	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Special weighing & measuring equip (visits	£69.86	£71.75	2.7%	
Development & Environment	E&RS - Transport Services	Car Inspection	£25.00	£25.68	2.7%	Pre-requisite for car loan agreement
Development & Environment	Environmental Health and Trading Standards	Fee for the adjustment of any weight or measure in the course of a service provided pursuant to Section 74 of the Weights and Measures Act, 1985, shall be charged at the appropriate hourly rate of the officer carrying out the adjustment	£69.86	£71.75	2.7%	
Development & Environment	E&RS - Streetscene Services	Grass Cutting Scheme	£60.00	£61.62	2.7%	
Development & Environment	E&RS - Transport Services	MOT Class 4	£45.00	£46.22	2.7%	
Development & Environment	E&RS - Transport Services	MOT Class 5	£60.00	£61.62	2.7%	
Development & Environment	E&RS - Transport Services	MOT Class 7	£50.00	£51.35	2.7%	
Development & Environment	E&RS - Transport Services	Tachograph Calibration	£46.00	£47.24	2.7%	
Development & Environment	E&RS - Transport Services	Tachograph 2 year Inspection	£32.00	£32.86	2.7%	
Development & Environment	E&RS - Transport Services	Tachograph 6 year Inspection	£46.00	£47.24	2.7%	
Development & Environment	E&RS - Transport Services	Vehicle Inspections - Taxi	£75.00	£77.03	2.7%	

Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Development & Environment	E&RS - Transport Services	Vehicle Inspections - Taxi Retest	£45.00	£46.22	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weighbridge Operators Test	£54.45	£55.92	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Templets - first item	£43.32	£44.49	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Capacity Measures without divisions	£6.82	£7.00	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Liquid Capacity Measures	£24.92	£25.59	2.7%	For checking average quantity packages
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Certificate of Accuracy	£36.09	£37.06	2.7%	Relates to any test setting out the traceability of calibration to UK national standards
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Cubic Ballast Measures	£157.89	£162.15	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Linear Measures under 3m or for each scale	£8.89	£9.13	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Other Weights	£6.10	£6.26	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Special weighing & measuring equipment	£104.79	£107.62	2.7%	Visits carried out partly or entirely outwith office hours may incur a charge of 50% surcharge on standard Fee or on the standard hourly rate per officer rate
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Templets - additional items	£16.85	£17.30	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments	£104.79	£107.62	2.7%	When testing instruments incorporating remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments NAWI (1 tonne to 10 tonnes)	£145.79	£149.73	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments NAWI (Exceeding 10 Tonnes)	£319.20	£327.82	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments NAWI (Not exceeding 1 tonne)	£94.20	£96.74	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments Non-NAWI (1 tonne to 10 tonnes)	£91.72	£94.20	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments Non-NAWI (Exceeding 10 tonnes)	£191.50	£196.67	2.7%	

Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weighing Instruments Non-NAWI (Not Exceeding 1 tonne)	£56.61	£58.14	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights & Measuring Act 1985 Charge - Weights over 5kg or under 500mg	£7.96	£8.17	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Intoxicating Liquor (Not exceeding 150ml)	£15.51	£15.93	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Intoxicating Liquor (Other)	£17.94	£18.42	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Liquid Fuel or Lubricants - Testing of credit card acceptor	£69.87	£71.76	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Liquid Fuel or Lubricants	£104.79	£107.62	2.7%	When testing instruments incorporating remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Liquid Fuel or Lubricants	£65.25	£67.01	2.7%	Single/Multi-outlets (nozzles) Each Additional Nozzle tested
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Liquid Fuel or Lubricants	£106.14	£109.01	2.7%	Single/Multi-outlets (nozzles) First nozzle tested, per site
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Measuring Instruments for Liquid Fuel or Lubricants	£69.87	£71.76	2.7%	Testing of peripheral electronic equip on a separate visit - Per Hour
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Dipstick Measuring Systems	£69.87	£71.76	2.7%	For any Compartment over 7,600 litre basic fee plus additional cost at the rate of: - Per Officer
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Dipstick Measuring Systems - Up to 7,600 litre	£155.05	£159.24	2.7%	For calibration of each compartment and production of chart
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Initial Dipstick	£17.94	£18.42	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Dry-hose type, with three testing liquids	£291.28	£299.14	2.7%	

Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Dry-hose type, with two testing liquids	£253.17	£260.01	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Wet/Dry-hose type, with three testing liquids	£374.46	£384.57	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Wet/Dry-hose type, with two testing liquids	£354.46	£364.03	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Wet-hose type, with three testing liquids	£265.84	£273.02	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Meter Measuring Systems - Wet-hose type, with two testing liquids	£227.89	£234.04	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Replacement dipstick (including examination of compartment)	£39.40	£40.46	2.7%	
Development & Environment	Environmental Health and Trading Standards	Weights& Measuring Act 1985 Charge - Road Tanker Fuel Measuring Equipment (Above 100 Litres) Spare Dipstick	£17.94	£18.42	2.7%	
Development & Environment	E&RS - Waste Services	External Customer - ARRAN Mixed Waste Site Entry & Disposal Permit Vehicles over 3500kg and Large Skips (Blue)	£71.66	£73.59	2.7%	CPI increase to price of permit, plus charge for Landfill calculated on weight
Development & Environment	E&RS - Waste Services	External Customer - ARRAN Mixed Waste Site Entry & Disposal Permit Vehicles under 3500kg and Mini Skips (Yellow)	£43.00	£44.16	2.7%	CPI increase to price of permit, plus charge for Landfill calculated on weight

Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Development & Environment	E&RS - Waste Services	External Customers - Direct Disposal per tonne at Shewalton Waste Transfer Station	£97.25	£99.88	2.7%	£8 per tonne Landfill Tax Escalator plus CPI £97.25 is per tonne or part thereof inclusive of Landfill Tax
Education & Skills	Culture & Community (Arts)	Studio 1 - Commercial	£21.00	£21.57	2.7%	
Education & Skills	Culture & Community (Arts)	Studio 1 - Non-Commercial	£14.50	£14.89	2.7%	
Education & Skills	Culture & Community (Arts)	Studio 2 - Commercial	£15.00	£15.41	2.7%	
Education & Skills	Culture & Community (Arts)	Studio 2 - Non-Commercial	£6.00	£6.16	2.7%	
Education & Skills	Culture & Community (Arts)	Theatre Hire - Commercial	£56.00	£57.51	2.7%	
Education & Skills	Culture & Community (Arts)	Theatre Hire - Non-Commercial	£34.50	£35.43	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1874 - one line of family tree	£40.00	£41.08	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1874 - two lines of family tree	£80.00	£82.16	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1874 - three lines of family tree	£115.00	£118.11	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1874 - four lines of family tree	£155.00	£159.19	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1900 - one line of family tree	£46.00	£47.24	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1900 - two lines of family tree	£92.00	£94.48	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1900 - three lines of family tree	£133.00	£136.59	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1900 - four lines of family tree	£179.00	£183.83	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1920 - one line of family tree	£47.00	£48.27	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1920 - two lines of family tree	£94.00	£96.54	2.7%	

Proposed Increases - CPI to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14) CPI at 2.7% (Nov 2012)	Increase (%)	Comments
Education & Skills	Culture & Community (Museums)	Genealogy pre 1920 - three lines of family tree	£136.00	£139.67	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy pre 1920 - four lines of family tree	£183.00	£187.94	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy post 1935 - one line of family tree	£53.00	£54.43	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy post 1935 - two lines of family tree	£106.00	£108.86	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy post 1935 - three lines of family tree	£154.00	£158.16	2.7%	
Education & Skills	Culture & Community (Museums)	Genealogy post 1935 - four lines of family tree	£207.00	£212.59	2.7%	

Proposed Increases - Specific increases to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14)	Increase (%)	Comments
Development & Environment	E&RS - Bereavement Service	Duplicate of Title Deeds	£17.00	£18.00	5.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Internment of Cremated Remains	£185.00	£194.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Internment of Sixteen and Over	£385.00	£404.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Memorial Foundation	£140.00	£147.00	5.0%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Memorial Foundation and Re-erect	£200.00	£210.00	5.0%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Purchase of Exclusive Right of Burial (New Lair)	£385.00	£404.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - WasteServices	Replacement of Waste Bins Domestic Eurobin	£33.08	£37.60	13.7%	13.7% increase on small bins to include RPI (3.1%) and increased costs of containers by suppliers (10.6%).
Development & Environment	E&RS - WasteServices	Replacement of Waste Bins Commercial 240 litre	£24.81	£28.20	13.7%	13.7% increase on small bins to include RPI (3.1%) and increased costs of containers by suppliers (10.6%).
Development & Environment	E&RS - WasteServices	Replacement of Waste Bins Commercial 360 litre	£54.57	£62.05	13.7%	13.7% increase on small bins to include RPI (3.1%) and increased costs of containers by suppliers (10.6%).
Development & Environment	E&RS - WasteServices	Replacement of Waste Bins Commercial 1100 litre	£306.52	£316.02	3.1%	3.1% RPI increase on larger 1100 litre bin.
Development & Environment	E&RS - Bereavement Service	Dis-interments	£770.00	£809.00	5.1%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Internment on Common Ground	£200.00	£210.00	5.0%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Purchase of Exclusive Right of Burial - Cremated Remains Only (New Lair)	£185.00	£194.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Purchase of Exclusive Right of Burial - Cremated Remains Only in Garden of	£185.00	£194.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Purchase of Exclusive Right of Burial (Private Baby Lair)	£185.00	£194.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Purchase of Exclusive Right of Burial (Woodland Area)	£385.00	£404.00	4.9%	5% Increase (to nearest £)
Development & Environment	E&RS - Bereavement Service	Transfer of Title Deeds	£17.00	£18.00	5.9%	5% Increase (to nearest £)
Finance & Corporate Support	Registration Services	Civil Marriages and Civil Partnerships at Registration Office outwith office hours	£230.00	£240.00	4.3%	Incremental annual increase based on comparison with neighbouring authorities
Finance & Corporate Support	Registration Services	Guest Supplement: during office hours when more than 4 guests attend a marriage/civil partnership at Registration offices	£90.00	£95.00	5.6%	Incremental annual increase based on comparison with neighbouring authorities
Finance & Corporate Support	Registration Services	Naming & Renewal of Vows Ceremonies conducted at Registration Offices during office hours	£180.00	£190.00	5.6%	Incremental annual increase based on comparison with neighbouring authorities

Proposed Increases - Specific increases to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14)	Increase (%)	Comments
Finance & Corporate Support	Registration Services	Naming & Renewal of Vows Ceremonies conducted at Registration Offices outwith office hours	£230.00	£240.00	4.3%	Incremental annual increase based on comparison with neighbouring authorities
Finance & Corporate Support	Registration Services	Private Citizenship Ceremonies - during office hours with 4 or less guests attending	£90.00	£95.00	5.6%	Incremental annual increase based on comparison with neighbouring authorities.
Finance & Corporate Support	Registration Services	Private Citizenship Ceremonies - during office hours with more than 4 guests attending	£180.00	£190.00	5.6%	Incremental annual increase based on comparison with neighbouring authorities.
Finance & Corporate Support	Registration Services	All Ceremonies at approved venues - fee for attendance of a Registrar during office hours	£220.00	£230.00	4.5%	Incremental annual increase based on comparison with neighbouring authorities
Finance & Corporate Support	Registration Services	All Ceremonies at approved venues - fee for attendance of a Registrar outwith office hours	£270.00	£280.00	3.7%	Incremental annual increase based on comparison with neighbouring authorities
Finance & Corporate Support	Registration Services	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Registration Offices outwith office hours	£460.00	£360.00	-21.7%	Increase of 4.2% proposed for 2014/15 and 4.0% for 2015/16
Finance & Corporate Support	Registration Services	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Approved Venues during office hours	£440.00	£345.00	-21.6%	Increase of 4.3% proposed for 2014/15 and 4.2% for 2015/16
Finance & Corporate Support	Registration Services	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Approved Venues outwith office hours	£540.00	£420.00	-22.2%	Increase of 3.6% proposed for 2014/15 and 3.5% for 2015/16
Finance & Corporate Support	Registration Services	Guest supplement: during office hours when more than 4 guests attend a Civil Marriage/Partnership & Naming Ceremony at Registration Offices	£270.00	£190.00	-29.6%	Increase of 5.2% proposed for 2014/15 and 5.0% for 2015/16
Social Services & Health	Adults and Older People	Care at Home	£11.00	£11.25	2.3%	Charge is per hour
Social Services & Health	Adults and Older People	Day Care (purchased and provided)	£11.00	£11.25	2.3%	Charge is per day
Social Services & Health	Adults	Day Care (charges to Other Las)	£196.45	£201.00	2.3%	Charge is per day
Social Services & Health	Adults and Older People	Community Alarms service	£4.00	£4.10	2.5%	Charge is per week
Social Services & Health	Adults and Older People	Meals on Wheels	£2.68	£2.75	2.6%	Charge is per meal
Social Services & Health	All	Aids and Equipment	£21.85	£22.50	3.0%	Charge is per item

Proposed Increases - Specific increases to be applied

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14)	Increase (%)	Comments
Social Services & Health	All	Stairlift rental	£7.00	£7.15	2.1%	Charge is per week
Social Services & Health	All	Maximum Weekly Charge	£75.00	£77.00	2.7%	Charge is per week

Proposed Increases - Budget Already Approved

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14)	Increase (%)	Comments
Development & Environment	E&RS - Waste Services	Commercial Refuse Scheduled Bin Uplift	£2.78	£3.02	8.6%	9% increase on residual waste services to meet burdens including increase income commitment 100K, RPI and Landfill Tax increase
Education & Skills	Culture & Community (Country Parks)	Books	£2.00	£2.10	5.0%	In line with RPI of 3.1% and then rounded up to nearest 10p
Education & Skills	Culture & Community (Country Parks)	Campsite	£7.00	£7.30	4.3%	In line with RPI of 3.1% and then rounded up to nearest 10p
Education & Skills	Education - Music Service	Charge for instrumental tuition	£120.00	£140.00	16.7%	This charge is for the first child. Additional child is half price and service is free to SQA pupils and pupils in receipt of FSM
Education & Skills	Culture & Community (Country Parks)	Cottage Lets	£369.00	£380.50	3.1%	In line with RPI
Education & Skills	Culture & Community (Country Parks)	Events Fields	£88.00	£91.00	3.4%	Charge per day
Education & Skills	Culture & Community (Country Parks)	Fishing Permits	£25.00	£26.00	4.0%	In line with RPI and then rounded up to nearest £
Education & Skills	Outdoor Education	Instructor daily charge	£95.28	£100.00	5.0%	All charges will increase in line with business plan 4.5% (rounded to £100)
Education & Skills	Outdoor Education	Pupil Charges	£155.00	£162.00	4.5%	All charges will increase in line with business plan 4.5% (rounded to nearest £)
Education & Skills	Culture & Community (Country Parks)	Racquet Hall	£16.00	£16.50	3.1%	In line with RPI
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 1 user (eg Commercial Activities) - SMALL ROOM	£17.00	£18.00	5.9%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 1 user (eg Commercial Activities) - LARGE ROOM	£34.00	£36.00	5.9%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 2 user (eg Family Functions) - SMALL ROOM	£10.00	£10.50	5.0%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 2 user (eg Family Functions) - LARGE ROOM	£20.00	£21.00	5.0%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 3 user (eg Agency Letting) - SMALL ROOM	£9.00	£9.50	5.6%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 3 user (eg Agency Letting) - LARGE ROOM	£18.00	£19.00	5.6%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.

Proposed Increases - Budget Already Approved

Directorate	Service	Charge Description	Current Charge (12/13)	Proposed charge (13/14)	Increase (%)	Comments
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 4 user (eg Adult Sports Groups) - SMALL ROOM	£5.50	£5.80	5.5%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 4 user (eg Adult Sports Groups) - LARGE ROOM	£11.00	£11.60	5.5%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 5 user (eg Pre 5 groups) - SMALL ROOM	£3.00	£3.20	6.7%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 5 user (eg Pre 5 groups) - LARGE ROOM	£6.00	£6.30	5.0%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 6 user (eg Disabled org's) - SMALL ROOM	£2.00	£2.10	5.0%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Hall lets, Letting Commission and School Letting - Category 6 user (eg Disabled Org's) - LARGE ROOM	£4.00	£4.20	5.0%	A base 5% increase was negotiated with NAFCA but with a further agreement that the figures would be rounded to workable figures if required. Benchmarked with East Renfrewshire Council. Change will be implemented 1 April 13.
Education & Skills	Culture & Community (Community Facilities)	Wedding packages - Ceremony and Reception	£700.00	£735.00	5.0%	
Education & Skills	Culture & Community (Community Facilities)	Wedding packages - Reception only	£500.00	£525.00	5.0%	
Education & Skills	Culture & Community (Country Parks)	Shop Stock	£1.50	£1.60	6.7%	Increased by 10p

NORTH AYRSHIRE COUNCIL

Agenda Item 10

26 March 2013

Cabinet

Subject: **Financial Strategy 2013/14 to 2022/23**

Purpose: To update Cabinet on the significant financial challenge that the Council faces and the strategy to manage this over the next 10 years.

Recommendation: That the Cabinet agrees to (a) note the scale of the financial challenge which the Council faces over the next 10 years; and (b) submit the strategy to Council for approval.

1. Introduction

- 1.1 The Council's first financial strategy covering the period 2011-16 was approved by the Executive on 30 August 2011. The Strategy established a sound basis for the development of the medium term financial plan of the Council.
- 1.2 A longer term financial strategy has been developed to steer the Council through the current challenging global economic climate, supporting the delivery of key priorities at a time of reducing resources. The primary objective of the financial strategy is to ensure longer term financial sustainability that provides for appropriate investment in priority services.
- 1.3 The risks associated with the current public sector landscape have been identified in the Council's Strategic Risk Register, with actions being taken to mitigate the impact of these. The key risks are: the impact of Welfare Reform on the communities of North Ayrshire and the Council, financial environment and the challenges associated with economic inequalities.
- 1.4 The updated Capital Asset Strategy and 10 year General Fund investment programme for 2013/23 was approved by Council on 30 January 2013.
- 1.5 This proposed Financial Strategy relates to the General Services Revenue Fund.

2. Current Position

2.1 The key elements of the Financial Strategy, appended to this report, are;

- current global economic performance
- the significant issues across the National Landscape and the impact these are expected to have on the Council
- the financial outlook, including funding anticipated from Government Grant and Council Tax, demographic, legislative and other significant factors impacting on the Council's cost base.
- the Council's current strategy includes; its significant change programme which has delivered more than £32m of savings since 2010/11; proposals via outcomes budgeting; development of the neighbourhood approach and increased partnership working
- current and future reserves.

2.2 A number of key messages can be drawn from the strategy. These are summarised below;

Economy Outlook

2.3 Poor global economic performance is impacting on the availability of resources to deliver public services with growth projections for the UK continuing to be revised downwards. The severity and impact of the current financial crisis is recognised by a range of financial commentators with the Chancellor confirming that austerity will continue into the next Spending review. The Scottish Government itself anticipates that its budget won't return to 2009/10 levels in real terms until 2025/26.

2.4 This reduction in resources is happening at the same time as wider public sector reform and significant demographic pressures. The scale of the financial challenge together with the change and savings which have been delivered already creates a greater future challenge.

The National Landscape

2.5 Outwith the economic challenge significant changes are taking places across the public sector landscape. The most significant changes impacting on the Council and its communities are;

- Welfare Reform, the most significant changes to the welfare system in more than 60 years, with changes taking place between 2012 and 2017
- Health and Social Care Integration, with the aim that new arrangements will be in place by April 2015

- 2.6 In addition to the above changes the Council is also committed to increasing its focus on early intervention and prevention. This commitment has been demonstrated in the last two years through additional investment of more than £2m by 2014/15. Other significant issues which will impact on how the Council delivers services include;
- Implementing Self Directed Support
 - Maintaining teacher numbers in line with pupil numbers
 - Meeting Climate Change targets through the Council's Waste Strategy
- 2.7 These issues have been incorporated into The Single Outcome Agreement 2013/17 and the Council Plan 2012/17.

Taking a Longer Term View

- 2.8 At its meeting on 30 January 2013 the Council set a balanced budget for 2013/14 and approved savings into 2015/16, as such steps are being taken to address the immediate financial challenge facing the Council.
- 2.9 However, there are a number of key factors requiring a longer term approach to financial planning. These include;
- Austerity continuing for a longer time period than had been anticipated at the onset of the current financial crisis
 - Need for longer lead in times to deliver the significant change programme which was approved by Council on 30 January 2013 and change required to be delivered in the later years of the longer term financial plan.
 - Recognition, across a number of bodies including CIPFA and Audit Scotland, that the ability to deliver change has become more challenging due to the change and financial savings which has been delivered already.

The Council's Approach

- 2.10 The Council has a track record of delivering significant change. To help develop the next phase of change and ensure that resources are targeted to its key priorities the Council is developing its approach via outcome based budgeting. A Service Redesign Fund is in place to help meet the cost of delivering this change.
- 2.11 The Council also has a number of strategies which help address the financial challenge including procurement and treasury management.

2.12 Aligned to the Christie Commission the Council is committed to maximising outcomes via partnership working. Examples of this include:

- investment in early intervention and prevention
- development of the CPP neighbourhood approach
- identification of opportunities for shared services
- developing its relationship with communities

2.13 It is also anticipated that the Council's Performance Strategy will identify opportunities to secure better value for money, either delivering more within existing resources or freeing up resources.

Financial Outlook

2.14 In developing the longer term financial plan an assessment of the significant pressures which the Council will face over the next 10 years was undertaken based on the best available information. There will be a requirement to keep the underlying assumptions under review to ensure the Council continues to plan on a sound and current basis. The model recognises the following significant pressures;

- Workforce costs including;
 - Future pay settlements
 - Pension reform
 - Pension auto enrolment
 - Contracted out NI contributions
- Inflationary uplift for major commodities, contractual commitments and legislative changes only, with no provision for general inflation;
- Significant socio economic and demographic pressures including;
 - growing older population
 - increased support for adults
 - support for vulnerable children and young people

2.15 There is a high level of uncertainty about future levels of grant funding, as such the 2015/16 level of funding is assumed to continue over the period covered by the longer term financial plan. To set this in context it should be noted that a 1% change to Government Grant funding equates to £2.5m and a 1% change to council tax income equates to £0.570m.

2.16 The model assumes any new legislative requirements will be funded fully by the Scottish Government.

- 2.17 The model makes no provision for new investment beyond 2014/15, as such future investment in new initiatives will increase the financial gap identified within the model.
- 2.18 The Council has agreed savings proposals into 2015/16, with an estimated gap of £3.778m remaining in 2015/16. The financial gap for the period 2016/17 to 2022/23 is estimated at £68m, an average of around £9m per annum with a peak of £13m in 2017/18.

Reserves Strategy

- 2.19 The Council's reserves are classified as either earmarked or unearmarked. The Council's unearmarked reserves, i.e those set aside to allow the Council to manage any unanticipated events, are in line with current policy. Unearmarked reserves have been established to meet a range of known commitments, it is anticipated that these will reduce significantly over the next few years.
- 2.20 The level of Council reserves require to be maintained at the right level to ensure the Council's future financial stability. These will be kept under review and considered annually on the closure of the Council's Account.

3. Proposals

- 3.1 Cabinet is asked to note the Financial Strategy, including the underlying assumptions and the projected funding gap over the period 2015/16 to 2022/23, and submit the Strategy to Council for consideration.

4. Implications

Financial Implications

- 4.1 The Council set a balanced budget for 2013/14 on 31 January 2013 and approved savings which met the current projected funding gap in 2014/15 with a proportion of the 2015/16 savings also approved. The remaining funding gap in 2015/16 is £3.778m.
- 4.2 The longer term financial outlook indicates that the Council will have a funding gap of £68m over the period 2016/17 to 2022/23, averaging at £9m per annum with a peak of around £13m in 2016/17.

- 4.3 In developing the longer term financial plan, best estimates have been made around income and expenditure pressures, however it is important to note the level of uncertainty around this. Regular reviews of the Plan will ensure the most up to date information is being considered. Taking a longer term approach to financial planning gives the Council a longer lead in time to deliver the change which will be required to bridge the anticipated funding gap.

Human Resource Implications

- 4.4 A significant proportion of the Council's budget relates to employee costs. The projected funding gap is likely to impact on the size and shape of the Council's workforce. The Council will pro actively manage changes to its workforce and continue to engage with Trade Unions.

Legal Implications

- 4.5 No direct implications

Equality Implications

- 4.6 No direct In implications.

Environmental Implications

- 4.7 No direct implications

Implications for Key Priorities

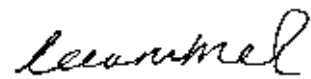
- 4.8 Longer term financial planning will contribute to the efficient and effective operation of the Council.

5. Consultations

- 5.1 Consultation has taken place with all Services and the Corporate Management Team.

6. Conclusion

- 6.1 The Council is starting from a strong position in terms of financial management with a clear understanding of its key strategic risks. There is a need for longer term financial planning to ensure sustainability of key Council priorities over the longer term. The Financial Strategy outlines the Council's financial position in the medium term to 21015/16, with an estimated gap of £3.778m in 2015/16 and the anticipated funding gap of £68m over the period 2016/17 to 2022/23. The Strategy outlines the actions which the Council, is taking currently to address the financial challenge. Longer term financial planning will give sufficient lead in to deliver the change to bridge the funding gap.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

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Background Papers

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**North Ayrshire Council
Ten Year Financial Strategy 2013 – 2023**

Table of Contents

	Page
1. Executive summary	2
2. Introduction	6
3. Economic Outlook	7
4. National Landscape	10
5. Financial Outlook	14
6. Financial Strategy	19
7. Reserves Strategy	23
8. General Fund Summary	24
<i>Appendices:</i>	
<i>Appendix 1: General Fund revenue budgets 2013/14 and 2015/16</i>	<i>25</i>
<i>Appendix 2: Long Term Financial Plan 2016/17 to 2022/23</i>	<i>27</i>
<i>Appendix 3; North Ayrshire's Change Programme</i>	<i>28</i>
<i>Appendix 3: Reserves and fund balances at 31 March 2013</i>	<i>29</i>

North Ayrshire Council Financial Strategy 2013 - 2023

1. Executive Summary

Introduction

- 1.1 The Council's first financial strategy 2011-16 was approved at a meeting of the Executive on 30 August 2011 and established a sound basis for the development of the medium term financial plan of the Council.
- 1.2 The longer term financial strategy has been developed to steer the Council through the current global economic climate, supporting the delivery of key priorities at a time of reducing resources. The primary objective of the financial strategy is to ensure longer term financial sustainability.
- 1.3 The risks associated with the current public sector landscape have been identified in the Council's Strategic Risk Register, with actions being taken to mitigate the impact of these. The key risks are: the impact of Welfare Reform on the communities of North Ayrshire and the Council, financial and demographic pressures and the challenges associated with economic development and regeneration.
- 1.4 The primary financial challenge over the next ten years will be to ensure sustainable revenue and capital budgets that provide for appropriate investment in priority services.
- 1.5 The updated Capital Asset Strategy and 10 year investment programme for 2013/23 was approved by the Council on 30 January 2013. This financial strategy relates to the General Services Revenue Fund.

Economic Outlook

- 1.6 The Financial Outlook report of 19 November 2012 and the Treasury Management Strategy of 30 January 2013 noted that the public sector continues to face significant financial challenge as a result of the continuing poor global economic performance. Austerity is lasting longer than had been anticipated, with deeper cuts being made in public sector budgets. The Chancellors Autumn Statement 2012 reflected this. Globally growth projections continue to be revised downwards. A similar picture is painted by a number of financial commentators, with some variation on the severity of the challenge and the timing of a return to growth.
- 1.7 The Scottish Government's Economic Strategy 2011 anticipates that funding levels will not return to 2009/10 levels in real terms until 2025/26.

National Landscape and Council Priorities

- 1.8 There are a number of significant national issues which require to be considered in developing the longer term financial plan.
- 1.9 The "4 Pillars of Reform", as noted below reflect the Scottish Government's response to the Christie Commission and will impact on how services are delivered across Scotland:
 - a decisive shift towards early intervention and prevention;
 - greater integration of public services driven by partnerships, collaboration and effective local working;
 - greater investment in the people who deliver services through enhanced workforce development and effective leadership; and

- a sharp focus on improving performance through greater transparency, innovation and use of digital technology.
- 1.10 These changes are happening at the same time as demand for services is increasing due to demographic changes and more recently, the anticipated impact of Welfare Reform, the most significant change to the benefits system in 60 years.
- 1.11 Other significant changes relate to the reform of the public sector which is underway, including the creation of national police and fire services and the proposed integration of health and social care.
- 1.12 The Community Planning Partners' Single Outcome Agreement (SOA) 2013-17 reflects key priorities of the Partnership, with the specific responsibilities of the Council set out in the Council Plan 2012-17.
- 1.13 The Council Plan describes the Council's aims and ambitions over the period 2012 to 2017. The Plan outlines the transformational change that is required to deliver better services, address the challenges of an increasing older population and manage the reduction in public sector funding. The Plan recognises the importance of close partnership working with other agencies and communities.
- 1.14 The Council has identified four core themes which link to its four core objectives:
- Regeneration;
 - People and Communities;
 - Aspirations and Ambitions; and
 - Improving Services.

Financial Outlook

- 1.15 The Financial Strategy anticipates funding levels and service pressures over the next ten years, within a robust analysis being available for the first two years of the plan and best estimates for future years.
- 1.16 The factors which have been considered in developing the plan include:
- Levels of Scottish Government funding, with firm figures for 2013/14, clear planning assumptions for 2014/15, the final years of the current Spending Review period, declining resources into 2015/16, based on more recent trends, before a flat lining of resources in the latter years of the plan;
 - No overall growth in Council Tax as a result of the current council tax freeze coupled with the current economic climate which is likely to keep a downward pressure on the Council tax base together with some of the challenges associated with Welfare Reform;
 - A demographic profile which indicates increased and changing demand across a range of Council services;
 - Payroll, inflationary and contractual pressures; and
 - Legislative change including Pension Reform.

Financial Strategy

- 1.17 The Council is focused on addressing the financial challenge and has already made significant progress to ensure that its resources are used effectively and are directed towards its priorities, with the delivery of more than £32m of savings since 2010/11.

1.18 Current and planned approaches to address the future financial challenge include:

- A significant change and reform programme across all services;
- Development of an outcome budgeting approach, aligned to the Council's Neighbourhood approach, to identify opportunities to shift resources in response to the changing landscape;
- Increased focus on partnership working including opportunities for shared services and developing a more effective partnership with local communities;
- Identifying opportunities to deliver efficiencies through an increased focus on performance management and benchmarking.

Reserves Strategy

1.19 Given the significant risks associated with the current environment it is essential that the Council continues to maintain an appropriate level of unearmarked reserves to ensure the future financial stability of the Council, recognising that these are in place to manage unexpected financial demands. Given the current environment the level of unearmarked reserves should not fall below the current level of around £6m.

1.20 The Council also holds a number of reserves earmarked for specific purposes, with proposals in place for the drawdown of funds over the next few years.

1.21 The value of these reserves will continue to be reviewed.

General Fund Revenue Summary

1.22 The ten year revenue plan has been developed to provide a high level assessment of the financial challenge that the Council faces over the longer term. The modelling which has been undertaken indicates a financial gap of £19.6m over the three years 2013/14 to 2015/16. Decisions taken by the Council on 30 January 2013, reduced this gap to £3.8m. A gap of around £68m has been identified over the remaining years of the plan, requiring an average of around £9m of savings to be delivered each year with a peak in 2017/18 of almost £13m as a result of proposed changes to national insurance contributions.

1.23 The Council approved its 10 year Capital Investment Programme at its meeting on 30 January 2013. The additional prudential borrowing associated with the plan has been incorporated into the revenue funding plan. Any investment in excess of that included within the 10 year capital investment programme will increase the future funding gap unless an alternative funding source or additional efficiencies are identified.

1.24 Bridging the financial gap is becoming increasingly challenging due to the level of savings which have been delivered since 2010/11. The increasing challenge for all local authorities to continue to deliver significant savings has been recognised by a number of bodies including CIPFA and Audit Scotland.

1.25 This financial strategy will be reviewed and updated annually.

Key Messages

Council starting from a strong position in terms of financial management and understanding of its key strategic risks.

Need for longer term financial planning to ensure sustainability of key Council priorities.

Economic outlook continues to be challenging and will continue into next Spending Review.

Reduction in resources is happening at the same time as wider public sector reform and significant demographic challenges.

The Council and Partners have clear core objectives.

The scale of change and savings delivered already creates a greater future challenge.

Council has a prudent reserves strategy in place.

Council has set a balanced budget for 2013/14 and approved savings into 2015/16.

The funding gap over the period 2016/23 is estimated at £68m, or £9m per annum with a peak of around £13m in 2017/18.

2. Introduction

- 2.1 North Ayrshire Council has a range of sound policies and governance arrangements for the management of its financial affairs. Annual expenditure has consistently been within budget, and reserves and balances have been established to enable the Council to address key priorities in future years whilst making appropriate provision for potential liabilities.
- 2.2 Risk Management is embedded in the Council's core plans. The Strategic Risk Register identifies the key risks facing the Council and its partners with actions to mitigate the impact of these:
- Welfare Reform
 - Financial Environment
 - Economic Inequalities
- 2.3 The initial financial strategy covering the period 2011-16 was approved by the Executive in August 2011 with an undertaking that an annual review would be carried out. This financial strategy, covering the period 2013-23, takes a longer term view of the financial challenge facing the Council encompassing the Council's General Services Revenue Fund and giving consideration to reserves and balances.
- 2.4 Efficient and effective use of resources is a key factor in the delivery of Best Value services. This financial strategy seeks to demonstrate that the Council has plans in place to address the financial challenges it faces whilst ensuring delivery of key priorities. The financial strategy aligns with a number of other Council strategies and plans, including the Community Plan 2012-17 and Single Outcome Agreement 2013-17, which provide an integrated framework for the strategic planning of Council resources.
- 2.5 Since the financial crisis began in 2008 continuing poor global economic performance, together with demographic and social pressures, has led to unprecedented challenges being placed on the UK public sector. Scottish local government received its first ever cash-terms reduction in government funding as part of the 2011/12 Finance Settlement. Whilst addressing the immediate financial challenge, the Council needs to ensure that short-term decisions do not undermine valuable long-term opportunities.
- 2.6 A longer term financial strategy is essential to ensure that the challenges the Council faces are addressed in the most effective way. The principal objectives of this financial strategy are to:
- Outline North Ayrshire's high level financial position over the years 2013 – 2023 based on a range of clear working assumptions and dependencies;
 - Highlight the key issues that have been considered in developing the strategy;
 - Ensure that available resources are focused on delivery of the Council's key priorities;
 - Plan for a sustainable revenue budget and capital investment programme that support the Council's key priorities;
 - Ensure that the Council is fully aware of the financial challenges and uncertainties that it faces and is in a strong position to continue to deliver the best possible quality and range of services within available resources;
 - Increase the wider community's understanding of the Council's financial position and the challenges it is facing over the next ten years in balancing its budgets; and
 - Demonstrate that the Council has strong financial governance underpinning the delivery of key front-line services to the local community.
- 2.7 The strategy will be reviewed annually as part of the Council's budget-setting process and

will reflect changes to any of the underlying assumptions.

3. Economic Outlook

- 3.1 The most significant source of revenue funding for North Ayrshire Council is central government grant. As the level of funds available to meet public expenditure is linked to economic performance, performance of the UK and Scottish economies, as well as wider global economies influence the Council's overall financial position.
- 3.2 The most recent summary of economic performance was reported to the Council on 19 September 2012 as part of the Financial Outlook report and in the Treasury Management Strategy on 30 January 2013. The main issue is the on-going squeeze on public funds, further exacerbated by the rising demand for a range of public services. Some of the key issues that require to be considered are noted below:
- Continued downward revisions to the growth of both the UK and Scottish Economies, with the big unknown being the degree and timing of a return to economic growth.
 - The negative impact of economic performance on welfare benefits and demand for public services, with potential for further exacerbation as a result of welfare reform.
 - Anticipation that economic recovery and the resultant austerity programme could continue for a longer period, although the anticipated duration of the financial challenge varies across financial commentators.
 - The impact of global economic performance on the UK and Scottish economies, in particular the Euro zone but also the USA and emerging economies.
- 3.3 The table below shows the medium term economic outlook as reported by the Office for Budget Responsibility (OBR), and notes GDP growth substantially worsened between March 2011 and December 2012. More positive growth is anticipated beyond 2012, although this is caveated due to the high levels of uncertainty around wider public finances with the most significant risk being the Eurozone.

Office for Budget Responsibility	Date	2011	2012	2013	2014	2015	2016
<i>GDP growth (per cent)*</i>	12/2012		-0.1	1.2	2.0	2.3	2.8
	03/2012		0.8	2.0	2.7	3.0	3.1
	11/2011	0.9	0.7	2.1	2.7	3.0	
	03/2011	1.7	2.5	2.9	2.9	2.8	

- 3.4 The OBR assumption is that the Eurozone “muddles through” in a relatively stable fashion. If not it is impossible to predict the full consequences of further deep crisis or even total collapse of the Euro. Given UK, and Scottish, dependence on trade with the Eurozone, even a continuing incremental and iterative crisis in the Eurozone would further downgrade economic and financial prospects.
- 3.5 CIPFA published “The Long Downturn” in October 2012. Key messages from this report are noted below;
- Hope for the best – plan for the worst;
 - Despite the duration of the global crisis there are few indications that normal services are about to be resumed, and in fact may get worse before getting better;
 - The cumulative nature of the challenge means that the hardest part of the journey lies ahead;
 - Public bodies will be forced to consider cuts to even more sensitive services which will have a direct impact on the quality of people's lives and their life chances;
 - The apparent conflict in the two key strands of the government's strategy with the significant contraction in public spending damaging economic growth in the short

term;

- “easy” savings are long since exhausted with higher levels of difficulty and risk, with potential for unpalatable cuts and removal of services.

- 3.6 Current challenges stem from the global financial crisis which started in 2008. In response to the emerging crisis the UK government in 2010 set out the following actions to:
- balance the UK budget by 2014/15; and
 - see public sector debt fall by 2015/16.
- 3.7 The Government’s measures to achieve economic recovery were: significant reductions in public spending and growth of the UK economy. The UK Comprehensive Spending Review (CSR) was presented to the UK Parliament in October 2010 and covered the three year period, 2011/12 to 2014/15. Overall, it confirmed that the total UK budget was to decrease by three per cent. The UK Government protected funding for some areas including health; as a result, other areas, including devolved administrations such as the Scottish Government, experienced higher budget reductions.
- 3.8 The Chancellor indicated in the 2012 UK Budget that significant reductions in public spending are likely to continue beyond this Spending Review period (i.e. after 2014-15) Welfare is taking the biggest hit in the current UK spending review, with over £21 billion of cuts to be implemented, a further £10bn may require to be saved from Welfare budgets. The scale of the financial challenge may force a focus on those areas that were relatively protected in the 2010 spending review, e.g. health. In addition the UK election in 2015 may make tax increases to prevent cuts less likely. There are indications that the UK is not yet half way through its budget cuts.
- 3.9 At a UK level there will be a Spending Review in Spring 2013, covering 2015/16 and 2016/17. It is anticipated that the Scottish Government Budget allocation for 2015/16 and 2016/17 will be known next Autumn.
- 3.10 The Scottish Spending Review 2011 and Draft Budget 2012/13 were presented to the Scottish Parliament in September 2011. This confirmed that the Scottish Departmental Expenditure Limit (DEL) increased by 1.2% in cash terms in 2012/13; however, the impact of inflation translated that into a cut in real terms. The three year budget set for Scottish local government was flat cash nationally, however at individual local authority level there were winners and losers. North Ayrshire experienced a reduction to its grant in each of the three years of the draft budget 2012/13 to 2014/15. The Scottish Government’s Economic Strategy 2011 indicates that it could take until 2025/26 for the Scottish Government budget to return to 2009/10 levels, in real terms.
- 3.11 In September 2012 the Scottish Government published its draft budget for 2013/14. The report recognises the impact on Scotland of current global economic conditions and notes; the Scottish Budget is reducing by over 11 per cent in real terms over four years. The report noted:
- that global economic conditions remain challenging;
 - growth is more subdued than previously forecast;
 - that a sustained recovery from the 2008 financial crisis has yet to take hold;
 - the continuing uncertainty across the Eurozone and the risks this presents to the Scottish economy;
 - that it is likely to be some time before growth returns to a sustainable trend;
 - that 2013-14 will be the fourth consecutive year for which there has been a real terms reduction imposed on the Scottish Government’s DEL budget.

- 3.12 In summary, based on the economic outlook, the assumption is that for at least the next five years, the level of funding available from Scottish Government will continue to fall in real terms.

Key Messages

Poor global economic performance is impacting on the availability of resources to deliver public services.

Growth projections for the UK continue to be revised downwards.

The severity and impact of the current financial crisis is recognised by a range of financial commentators.

The Chancellor has confirmed that austerity will continue into the next Spending Review.

The Scottish Government anticipates that its budget will not return to 2009/10 levels in real terms until 2025/26

4. National Landscape

Public Sector Reform

Christie Commission on the Future Delivery of Public Services

4.1 The Scottish Government is committed to delivering faster, sustainable economic growth with opportunities for everyone across Scotland, with a clear commitment to public sector reform. The Scottish Government's response to the Christie Review of Public Services (2010) set out the "four pillars of public sector reform":

- a decisive shift towards early intervention and prevention;
- greater integration of public services at a local level driven by partnerships, collaboration and effective local working;
- greater investment in the people who deliver services through enhanced workforce development and effective leadership;
- a sharp focus on improving performance through greater transparency, innovation and use of digital technology.

Some of the major reforms underway includes:

Creation of a National Police and National Fire Service

4.2 This has resulted in a reduction of funding to local government with the relevant resources transferred to the new bodies. Local government expenditure will also fall as contributions to police and fire are no longer required. This will be implemented on 1 April 2013.

Health and Social Care Integration

4.3 North Ayrshire responded to the Scottish Government's consultation on the proposed integration of health and social care, which closed at the end of September 2012. There is an expectation that a draft Bill will be available in May 2013 with the establishment of the new partnership on 1 April 2014. The policy intent of the integration of health and social care is to deliver a more effective service to adults through closer partnership working between health and social care. Whilst recognising the benefits of more effective partnership working the scale of change will create uncertainty and challenge for the Council. The Council is actively participating in national workstreams to ensure it influences the service, financial and governance issues associated with this significant change.

Early Intervention and Prevention

- 4.4 The Christie Commission report highlights the focus on reactive spending by the public sector in tackling problems associated with alcohol and drug misuse, violence and criminality and stresses the needs to prevent these problems before they occur. The report notes that service delivery and resources can be absorbed with tackling the symptoms rather than dealing with the causes of inequality. This is a key issue for North Ayrshire given the demographic profile of the community and the need to invest resources in less expensive and more effective early interventions.
- 4.5 The Scottish Government identified central and local government funding requirements over the period 2012/13 to 2014/15, for early intervention and prevention for Older People, Early Years and Criminal Justice. For local government the contribution was not new funding and required to be met from existing resources.

- 4.6 The Council has made a commitment to invest more than £2.1m by 2014/15 in its early years intervention and prevention programme. The Scottish Government's study on the Financial Impact of Early Years Interventions in Scotland (2010) highlighted that investing in early years interventions from pre-birth to 5 years led to short term savings of up to £37,400 each year per child in severe difficulties. Failure to intervene effectively in early childhood can result in a nine-fold increase in direct public costs.
- 4.7 The Community Planning Partnership Board has identified prevention and early year's intervention as being critical to the development of its shared priority to tackle health inequalities.
- 4.8 Work is underway in shifting the balance of care to enable older people to live as independently as possible at home or in a homely setting. The projected increase in the older population, particularly those aged over 85, makes the current shape of services unsustainable. Service redesign work which is underway includes a re-ablement programme to reduce admissions to hospital and long term institutional care, increased support to older people in the community and the development of an older people's housing strategy.

Self Directed Support

- 4.9 The Social Care (Self Directed Support) Scotland Bill 2012 was passed by the Scottish Parliament on 28th November 2012 and is now awaiting Royal Assent. The SDS Programme Board will set a commencement date for the new legislation at its January 2013 meeting.
- 4.10 This will radically change the way in which services are delivered, giving service users a much greater degree of choice and control of the services which they receive, to meet the outcomes agreed in their care plan, potentially within an individual budget.
- 4.11 The new legislation will have an impact on assessment and care management arrangements in social work, the need for a different approach to the provision of advice and support to clients and the infrastructure to support the options which service users take up. The changes are likely to impact on the traditional building based services that are provided, a change to the size and shape of the work force, how services are commissioned, the financial viability of a range of current services and for support services such as finance and information systems.
- 4.12 The work of the social services change programme on personalisation aligns with the proposed legislation. Social Services will introduce self-directed support for all new service users from September 2013 and will move existing service users to self-directed support over the period from September 2013 to April 2015.

Welfare Reform

- 4.13 The Welfare Reform Act 2012 is the most significant change to the benefits system in more than 60 years. The Reforms are a key component of the UK Government's response to the global economic crisis with anticipation that the current Reforms will deliver savings of £21bn per annum. More recent announcements suggest that additional significant savings will be required from further Welfare Reforms due to the continuing national financial crisis. The CIPFA report "The Long Downturn" noted the above average impact of spending cuts, tax, tax credit and benefit changes on the bottom quintile of households based on net income.
- 4.14 In addition to the generation of significant reductions in public sector expenditure

the Reforms are intended to; improve work incentives, reduce administrative complexity and simplify the benefits system. A key priority for the Council is to support people into work, however, there is wide recognition that in the current economic climate the underlying objectives are challenging. The proposed changes will put increased responsibility on benefit recipients to manage the change and their future financial affairs.

- 4.15 North Ayrshire has recognised the significant impact the changes are likely to have on its communities and the Council itself and established a corporate working group in February 2012 to identify key issues and take action to mitigate the potential impact of the proposed changes. The Council is also actively participating in a number of national groups to ensure it understands fully the changes and seeks to influence these.
- 4.16 The anticipated impact and challenges of the Welfare Reforms on the Council include:
- Reduced funding due to the replacement of the council tax benefit scheme with a local council tax support scheme;
 - Potential for increased rent arrears putting pressure on housing services due to; the direct payment of benefits via universal credit to claimants rather than the HRA and reduced benefits due to under occupation;
 - Potential for increased demand for Council services, such as social care, money advice and homelessness, as families are challenged to manage the welfare changes;
 - Delivery of the Scottish Welfare Fund as a replacement for community care grants and crisis loans administered previously by the DWP;
 - Further development of the economy, through the implementation of the Council's Economic Development and Regeneration Strategy that aims to create 20,000 new jobs by 2023, to provide opportunities for people to move out of benefits and into employment.
- 4.17 The Welfare Reforms started in 2011 and will be phased in up to 2017, impacting on many of the residents of North Ayrshire. The loss to the local economy is estimated at between £12m and £14m.
- 4.18 Some funding will transfer from the DWP to the Council for certain elements of the Welfare Reforms. There is uncertainty whether this will be sufficient to meet the full cost of emerging pressures. In recognition of the scale of the challenge the Council has made provision in its General Fund and Housing Revenue Account in 2013/14 and 2014/15 to meet some of the costs of mitigating the impact of Welfare Reform.

Teacher / Pupil Ratios

- 4.19 The current Scottish Government has prioritised the delivery of Education services and has required councils, as part of the current Finance Settlement to agree to maintain the 2011/12 teacher to pupil ratios. Given the scale of the financial challenge which Scottish local authorities are facing and the proportion of resources that the teaching budget uses, this removes flexibility in managing resources.
- 4.20 Budget options approved by the Council on 30 January 2013 will result in a reduction in the number of teachers in North Ayrshire from 2014/15.

Waste Management

- 4.21 The implementation arrangements and associated capital and revenue costs of addressing the objectives and targets within the Climate Change Agenda and Zero Waste Strategy require to be quantified and reflected in the financial plans. The Executive approved the

Council's Waste Management Strategy at its meeting on 10 April 2012. The Strategy outlined the resources required to deliver this up to 2015/16.

- 4.22 The Council is working collaboratively with Clyde Valley partners to secure a long term waste solution. It is anticipated that this, together with landfill tax escalators, will result in additional resource pressures beyond 2016.

Council Priorities

- 4.23 The Council's Single Outcome Agreement (SOA) 2013/17 which will be approved in March 2013 reflects Community Planning Partners key priorities with the specific responsibilities of the Council set out in the Council Plan 2012/17. The Council has identified four core themes which link to its four core objectives:

- Regeneration;
- People and Communities;
- Aspirations and Ambitions; and
- Improving Services.

- 4.24 The Council plan describes the Council's aims and ambitions over the period 2012 to 2017 and outlines the transformational change that is required to deliver better services, address the challenges facing the Council and manage the reduction in public sector funding. The Plan recognises the importance of close partnership working with other agencies, communities and local people.

- 4.25 The Council Plan 2012/17 informs the allocation of resources, ensuring that available resources are focused on the delivery of the Council's key corporate and service.

- 4.26 The need for radical change in the way services are delivered is heightened in North Ayrshire due to several factors including:

- a declining and ageing population;
- persistent issues of deprivation, worklessness and health inequalities; and
- the impact of Welfare Reform.

- 4.27 In determining its budgets for future years, the Council will require to ensure that sufficient resources are available to support the delivery of these core objectives. Given the conflicting pressures of less resources and increasing demand, this will require redistribution of resources from higher to lower priority services, changes to some of the services the Council provides and changes to how these are provided.

Equalities

- 4.28 The Council is committed to its responsibilities under the Equality Act 2010, particularly in relation to the assessment of financial proposals. Compliance ensures that all decisions are taken in a fair, transparent and accountable way, considering the needs of the different members of its communities.

Key Messages

Significant changes are taking places across the public sector landscape including;

- Health and Social Care Integration
- Welfare Reform

There is a requirement for an increased focus on early intervention and prevention.

There are a number of other significant issues which will impact on how the Council delivers services;

- Self Directed Support
- Maintenance of teacher numbers
- Meeting Climate Change targets

The Single Outcome Agreement and the Council Plan clearly outline partnership and council priorities.

5. Financial Outlook

Medium and Long Term Financial Planning

- 5.1 Given the scale of challenge for the wider public sector and the current anticipation that austerity will continue for a longer period of time, it is essential for the Council to take a longer term view of the financial challenge to give it time to deliver further change, recognising that this is becoming more difficult due to the scale of change which has been delivered already.
- 5.2 Due to the high level of uncertainty the financial model is built on a range of informed judgements and assumptions and the impact these will have on the Council's future planned expenditure and anticipated income. This enables the Council to establish an estimate of efficiencies required to achieve a balanced budget. All of these influences and assumptions will be kept under review and the plan adjusted accordingly.

Scottish Government Funding - Aggregate External Finance (AEF)

- 5.3 Approximately 82% of the Council's funding comes from Scottish Government as Aggregate External Finance, being a combination of general revenue funding and non-domestic rate income. At a Scottish level the Government has assumed significant growth within the national non domestic rates income stream.
- 5.4 An element of the funding from the Scottish Government is the Council's share of Non Domestic Rate (NDR) income. The Business Rates Incentivisation Scheme (BRIS) was introduced in 2012/13. The scheme allows local authorities to retain 50% of any additional NDR that it collects above a defined target.
- 5.5 Any change in this level of support, either as a result of a change in national priorities or North Ayrshire Council's relative share of the total funding, will have a direct impact on the Council's ability to finance the services it delivers. North Ayrshire is likely to experience a higher reduction to its share of funding due to the projected population changes of North Ayrshire relative to the rest of Scotland. Each 1% cut in grant equates to around £2.5m for North Ayrshire.

Council Tax income

- 5.6 Scottish Government provided financial support to councils to enable them to freeze Council Tax for four consecutive years at 2007/08 levels. As part of the Finance Settlement for 2012/13 to 2014/15 Councils were required to agree to continue the Council Tax freeze until the end of the current Settlement period. The Scottish Government's policy beyond the current spending review period is not clear.
- 5.7 Council Tax income available each year is dependent on the number and valuation of properties within North Ayrshire, collection levels and the Council Tax charged for each band. In line with national policy, Council Tax levels have not increased since 2007/08. Estimates of Council Tax income available to finance future years' budgets reflect:
- National / local decisions on Council Tax levels;
 - Projected movements in the number of properties due to new builds; and
 - Forecast collection levels, recognising the potential impact of the national economic situation and also Welfare Reform.
- 5.8 The Council continues to maximise the level of Council Tax collected through partnership

working between the Council's debt recovery team and third party agents.

- 5.9 In April 2013, an interim localised Council Tax support scheme will be introduced with 10% less funding available; £23m of the funding gap in 2013/14, estimated at £40m, will be met by the Scottish Government, with the remaining £17m to be funded by local authorities. There is some concern that the level of reduction is more likely to be 13% in 2013/14 rising to 17% in 2015/16. These higher rates have been reflected in the early years of the Council's financial plan.
- 5.10 Work is underway to establish the longer term localised council tax support scheme. This may increase council tax charges for working age people and could affect collection levels.
- 5.11 New housing developments have a positive impact on council tax income, both in terms of employment opportunities and on the Council Tax yield. Given the current economic climate a static position has been assumed in respect of Council tax income. However, each 1% increase in council tax income, whether through growth or yield, would result in additional income of £0.570m

Socio Economic and Demographic Pressures

- 5.12 Projections for North Ayrshire indicate an increasing older population, a reducing younger population and a reducing total population. Increased life expectancy coupled with a declining birth rate is leading to an increase in the '*dependency ratio*' i.e. the ratio of economically active members of society to those economically inactive. North Ayrshire currently has unfavourable demographics in terms of its working age population, compounded by the fact that the skilled workers tend to migrate to areas with a greater proportion of higher value add jobs than North Ayrshire.
- 5.13 The impact of the changing demographics will be reflected in;
- The services the Council will provide in the future as the number of children and younger people reduces and the number of older people grows;
 - The infrastructure needed to support this; and
 - Resources available to the Council from Government Grant or Council Tax.
- 5.14 North Ayrshire recognises the key drivers impacting on its population as;
- Employment
 - Educational attainment
 - Further and higher education
 - Housing market and housing stock
 - Town centre and evening economy
 - Sports and Leisure provision
- 5.15 North Ayrshire continues to exhibit high levels of deprivation and unemployment. The claimant unemployment rate for North Ayrshire was 6.6% of the resident working age population in December 2012 - the highest claimant rate out of all local authorities in Scotland. The Scottish Index of Multiple Deprivation (SIMD) 2012 demonstrated a further deterioration of relative deprivation levels in North Ayrshire with 46 datazones in the 15% most deprived in Scotland (an increase of 3 since 2009). The Council's position in Employment, Income, Health and Crime domains have all deteriorated according to the SIMD 2012.
- 5.16 North Ayrshire is also facing population decline from 138,820 to a projected 128,761 by

2035. However, the impact of this will be felt unevenly across North Ayrshire with more affluent areas seeing a net in- migration of older retired people and wards of greatest deprivation likely to experience a net out migration particularly due to the young economically active leaving the area. In recognition of the increased pressure this is likely to present to public services, the Council is pursuing a strategy of population growth, so that the trend of a reducing population will be reversed and there will be a growth in population to c140,000.

- 5.17 North Ayrshire Council is a major local employer, and its leadership role gives it a central position in helping local businesses and people through the difficult economic times and, in the longer term, in rebuilding the economy. The Council has established the North Ayrshire Economic and Regeneration Board comprising a range of key local and national public and private sector organisations. A 10 year strategy has been produced which has the twin strategic goals: that North Ayrshire becomes a leading location for doing business, with a jobs density in the top half of all Scotland's local authorities; and worklessness is at the Scottish level and there is less inequality within North Ayrshire. Work is currently underway to bring about a step change to the way that businesses are supported to deliver their growth potential which is also being supported by a proactive marketing campaign to position North Ayrshire as a leading business location.
- 5.18 Demographic and social pressures are likely to generate a significant increase in the demand for council services such as care at home for older people. Additional funding to address these demographic changes has been included in the draft budgets over the period 2013/14 to 2015/16.
- 5.19 Pressures are also emerging in the social services budget in respect of adults where life expectancy has increased due to more effective medical interventions with adults living longer and requiring support for longer.
- 5.20 In Children and Family services, pressures are arising from increasing child protection referrals and an unprecedented rise in the numbers of children being placed on the Child Protection Register. There is a strong correlation between deprivation and the vulnerability of children and the increase reflects North Ayrshire's worsening position terms of deprivation as shown in the SIMD 2012. The current level of referrals and registrations is expected to be sustained for the foreseeable future.

New statutory burdens

- 5.21 A scan of the regulatory and legislative landscape is undertaken as part of the financial planning process. For planning purposes it is assumed that any new statutory burdens will be resourced fully within the local government Finance Settlement, although this is not guaranteed. Changes on the horizon include the Children and Young Persons Bill and the transfer of the Independent Living Fund to local authorities.

Pension Reform

- 5.22 Current reform proposals are based on making current public sector pensions more affordable and sustainable. It is anticipated that the consultation in respect of this will conclude in early 2013.
- 5.23 In addition to the wider pension reforms there are a number of key changes which will create financial risk for local authorities.
- 5.24 Pension auto enrolment is due to commence on 1 April 2013 for North Ayrshire. The aim of this change is to maximise the number of employees making provision for their

retirements. If all employees chose to immediately participate in the pension funds this would have a significant impact on the Council's financial position. Cabinet agreed in November 2012 to maximise the deferment period, meaning that auto enrolment would commence in North Ayrshire in January 2018. In the meantime, the Council will continue to encourage employees to join the pension fund.

- 5.25 The UK government is also currently consulting on the “contracted out” arrangements for national insurance, an arrangement whereby employers and employees in a defined benefit scheme have reduced contributions if an employee is in the pension scheme. The outcome of the consultation, together with the timescale for implementation of any change, is not currently known. The cost of these changes to the Council is anticipated at £3.5m per annum.

Pay settlements

- 5.26 The current public sector pay freeze will end on 31 March 2013. The Chancellor and Cabinet Secretary have indicated that modest pay uplift will take place over the next 2 years. CoSLA had made an offer to Unions of 1% for 2013/14.
- 5.27 The current financial model for 2013/14 to 2015/16 makes specific provision for a 1% increase for 2013/14 and 2014/15 with 2% in 2015/16 and 1.5% in future years.

Non Pay Inflation

- 5.28 Every effort is being made to contain non pay inflation pressures within existing budgets, via efficiencies being achieved through better procurement. This has been in place for a number of years. The financial model recognises that this is not sustainable in the medium to longer term. Provision has been made for specific uplift in respect of a number of key commodities e.g. energy, fuel, food and non-domestic rates with some provisions for general uplift. Some of the Council's contracts, such as the Schools PPP contract, have direct links to inflation indices and require to be funded; specific provision has been made for these contractual uplifts.

Council Priorities

- 5.29 Beyond 2014/15 there is no provision built into the model for new priorities, as such new initiatives will require to be met from re-prioritisation of budgets within the total funding available. An Outcome Based Budgeting approach may assist the Council to meet its efficiency targets and divert funds to areas of greater priority. Further information on this is outlined at 6.6 and 6.7.

Looking Ahead

- 5.30 Looking ahead the Council and wider public sector will continue to operate with less resources and high levels of uncertainty and as such will require to respond with further significant change. Taking the longer term view will help ensure financial stability, keep a focus on priority services and give sufficient time to plan for change.
- 5.31 The Council has confirmed funding levels for 2013/14 and an indicative allocation for 2014/15. 2015/16, the third year of the medium term financial plan falls into the next Spending Review period. Beyond the current Spending Review there remains significant uncertainty for the future years of the long term financial plan and due to the number of variables it is difficult to forecast with absolute confidence the scale of the financial challenge.

- 5.32 Based on current assumptions North Ayrshire Council expects the financial gap beyond 2015/16 to be of the order of £9m per annum, equating to about 3% of influenceable spend. 2017/18 is the exception to this with a projected saving of around £13m due to changes in national insurance contributions.

Key Messages

Longer term financial planning is required due to;

- Austerity continuing for a longer time period
- Need for lead in time to deliver significant change programme
- Ability to deliver change more challenging due to the change which has been delivered already

Sensitivity analysis confirms;

- 1% change to Government grant funding equates to £2.5m
- 1% change to council tax income equates to £0.570m

North Ayrshire is facing significant socio economic and demographic pressures. Model assumes any new legislative requirements will be funded by the Scottish Government.

Significant financial challenges relating to the Council's workforce;

- Pension reform, including pension auto enrolment and contracted out NI contributions
- Future pay settlements

Model assumes no provision for inflationary uplift outwith major commodities and contractual commitments.

Future investment in new initiatives will increase the financial gap identified within the model.

The financial gap for the period 2016/17 to 2022/23 is estimated at £68m, an average of around £9m per annum with a peak of £13m in 2017/18.

6. Financial Strategy

- 6.1 In recognition of the scale of challenge the Council is facing the approach to delivering efficiencies has moved from seeking small incremental savings across services to a more radical and robust review of how the Council delivers services and continues to deliver key outcomes.
- 6.2 Information on the Council's approach is detailed below.

Change and Reform

- 6.3 The Council is continuing with a programme of reform to address the consequences of the reduction in Government funding which is happening at the same time as demand for services is increasing. A programme of service redesign is underway, with a view to driving down costs and maximising efficiency and effectiveness. The Council earmarked £7.173m of funds in 2010/11, with a further £1.5m being allocated in 2011/12. This fund has been established to meet the cost of change through resizing the workforce and investing to deliver change. Due to early delivery of a number of the transformation projects, all change costs to date have been contained within the annual budget. Due to current commitments it is anticipated that £2.035m will be available by 31 March 2014.
- 6.4 It will be important to ensure sufficient funds are retained in the Fund to support further service redesign over the forthcoming years.
- 6.5 Progress on the transformation programme is reported quarterly to Cabinet. Further information on the main initiatives is outlined at Appendix x.

Outcome Based Budgeting

- 6.6 The level of savings which have been delivered in the last few years together with the financial challenge which lies ahead means that a new approach is required to establish a balanced budget in future years.
- 6.7 An alternative approach, Outcome Based Budgeting, is being developed. This will provide greater transparency on how the Council spends its current resources and provide a framework which will give greater clarity on the services which contribute most to the Council's core objectives. The approach will help develop the next programme of transformation, assisting the Council to address the funding gap whilst maximising services to the most vulnerable people within North Ayrshire.

Neighbourhood Planning Approach

- 6.8 The Community Planning Neighbourhood Approach is an initiative which is being progressed to ensure resources are targeted at the areas most in need. The neighbourhood approach provides an opportunity for greater joint working through aligning partnership resources and creating joint delivery teams in neighbourhood areas.

Early Intervention and Prevention

- 6.9 High levels of deprivation in North Ayrshire and the impact this is having on very young children and older people has led to early action by the Council and its partners. The Council has an early intervention and prevention programme and has established a Programme Manager to oversee implementation of the Council and partners' approach to Early Years. The programme is expanding parenting programmes, enhancing its early years centres, commissioning family support services, introducing family

nurse partnerships, establishing a new multi agency domestic abuse team, supporting asset-based work with parents in the community, and improving outcomes for children in care.

- 6.10 Early intervention and prevention in the early years is a key priority for the Council over the next four years. The programme which is now being implemented will be developed to increase the scale of preventative activity across North Ayrshire. The CPP Board is participating in the Scottish Government's Early Years Collaborative which is a quality improvement programme that aims to create transformational change in the early years.
- 6.11 As part of the Council's commitment to the Scottish Government's investment in early years the Council will have allocated more than £2.1m per annum by 2014/15 to enhance current early years provision.
- 6.12 Early intervention and prevention in respect of older peoples services is being delivered via the social services change and reform programme which is summarised in section 6.5.
- 6.13 Further consideration of the balance of resources between early intervention and crisis spend requires to be factored into the longer term financial plans.

Shared Services

- 6.14 The Council has a commitment to the development of more effective partnership working, recognising the benefits of collaboration in the delivery of services. This is a key plank of the Scottish Government's public sector reform agenda and has featured in a number of national reports including Audit Scotland's National Review of Roads.
- 6.15 There are a number of examples where shared services have been developed, including the community alarm service, standby service and the joint procurement arrangements for the roads service. In addition work is in progress to develop a roads shared service with the other two Ayrshire Councils, collaboration is also in place with the Clyde Valley waste partnership.
- 6.16 Given the political desire to drive this forward, the alignment with the findings of the Christie Commission and the opportunity to deliver efficiencies, the Council requires to identify further opportunities.

Working with Communities

- 6.17 The Council recognises the need for increased community engagement and has a clear intention to work more closely with communities to shape and change how services are delivered in North Ayrshire
- 6.18 As part of the Council's financial planning, it engages with the Community via a series of "Straight Talking" events. The most recent event held in November 2012 was headlined "Sharing the Load". The topics which were explored included; community asset transfer, external funding for community groups and organisations, the role of the third sector and volunteering and "Helping us to help you" – how Councils and its partners can support communities. . The CIPFA report "The Long Downturn" notes that a key consideration in the current climate is a potential redefinition of the relationship between the state and individuals.

Procurement strategy

- 6.19 The Council has consolidated its procurement arrangements to strengthen governance and

maximise the potential for achieving procurement efficiencies. The procurement strategy and contracts register is being developed, this will identify opportunities to either deliver efficiency savings or mitigate against rising commodity prices

Treasury Management Strategy

- 6.20 The Council pro-actively manages its treasury management activity to minimise cost, ensure a spread of maturity dates and reduce its overall exposure to changes in interest rates. Where appropriate, the Council will pursue options for achieving financial efficiencies by rescheduling outstanding debt.

Pay and other terms and conditions

- 6.21 Pay is a significant component of the Council's total budget. In addition to basic pay, there are a number of other components to the overall pay bill including overtime, sick pay and unsocial hours. As services have reviewed how they best meet the need of communities, changes have been made to the overall pay bill. Services will continue to explore opportunities through service redesign, increased productivity and maximising attendance.
- 6.22 In addition to work which will be carried out locally, the Council will engage with CoSLA as part of any national negotiations.

Baseline Reviews

- 6.23 On an annual basis a review of baseline budgets is carried out to identify any trends and any opportunities to realign or free up resources.

Income

- 6.24 The Council charges for a range of the services it provides. Services will review charges annually, benchmarking with other Councils. In proposing any changes to charges the Council requires to consider the relationship between price and demand and the impact this may have on individuals.

Opportunities for innovative/ alternative sources of funding

- 6.25 The Council will continue to identify opportunities which will generate additional resources in support of its priorities.

Performance Management Strategy and Benchmarking Framework

- 6.26 The Council's Performance Management Strategy 2011-14 sets out the vision, strategy and principles to ensure the Council has sector-leading performance management arrangements in place by 2014. Successful delivery of the strategy is dependent on the development of unit costing and benchmarking information for council services. The availability of this information will help the Council to prioritise the use of its reducing resources and to pursue efficiencies, with a focus on the delivery of agreed levels of service performance. The Council's benchmarking framework has been incorporated into its Performance Management Strategy.
- 6.27 The Council is actively engaging in the work being progressed by SOLACE and the Improvement Service with Services actively identifying opportunities to partner with better performing Councils to help deliver efficiencies and secure better value for money.

Key Messages

The Council has a track record of delivering significant change and has set up a Fund to meet the cost of delivering this change.

The Council is developing its approach to meeting the financial challenge and ensuring that resources are targeted to the most vulnerable via outcome based budgeting.

In addition to the change programme the Council has a number of strategies to help address the financial challenge including procurement and treasury management.

The Council is committed to maximising outcomes via partnership working including;

- Its approach to early intervention and prevention
- The neighbourhood approach
- Shared services
- Developing its relationship with communities

The Council's Performance Strategy seeks to maximise value for money.

7. Reserves Strategy

7.1 Reserves are a key component of the Council's overarching financial strategy and sound financial management. The purposes of reserve funds are:

- To maintain financial stability for the Council;
- To manage the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- As a contingency to mitigate against the impact of unexpected events or emergencies;
- As a means of building up funds to meet known or anticipated future commitments;
- To facilitate change across the Council.

Unearmarked Reserves

- 7.2 The Council's policy on reserves was revised in June 2010 recommending that a balance of approximately 1.5% of its net General Fund revenue budget is held in reserve to meet the potential cost of unforeseen liabilities. The balance on this reserve may be used as a short-term solution to finance unexpected events, however timely action will require to be taken to restore the balance to agreed levels. At the end of 2011/12 unearmarked reserves were slightly in excess of £6m, around 1.6% of general fund net expenditure.
- 7.3 Whilst there is no absolute level of reserves which Councils are required to hold CIPFA guidance suggests the range should be of the order of 2% to 4%.
- 7.4 The Council currently places no reliance on its reserves to fund its recurring budget and this is a position which should be maintained.
- 7.5 As noted throughout the financial strategy the Council continues to operate in a financially challenging environment with high levels of uncertainty. This is a factor of the significant savings the Council will have to deliver, over and above those already delivered. As such the level of unearmarked reserves requires to be kept under review.

Earmarked Reserves

- 7.6 Earmarked reserves have been established to support aspects of the Council's medium and longer term financial plans. Reserves allow the Council to manage resources flexibly across financial years.
- 7.7 As the Council developed its capital investment programme for 2012/13 to 2015/16 a significant proportion of its earmarked reserves were allocated to support the programme. It is anticipated that the value of earmarked reserves will reduce significantly over the next 3 / 4 years.
- 7.8 The main reserves together with the balances as at 31 March 2012 and future year commitments are detailed at Appendix 3.

Key Messages

Unearmarked reserves are in line with current policy.
 Unearmarked reserves have been established to meet a range of known commitments and are anticipated to reduce significantly over the next few years
 Reserves require to be maintained at the right level to ensure the Council's future financial stability.

8. General Fund Summary

- 8.1 Financial commentators continue to downgrade projections on economic growth reflecting the depth and duration of financial challenge as being more significant than had been anticipated. This will lead to further reductions in funding for local government, which combined with spending pressures from demographic changes and increased public expectations, will lead to severe financial constraints for councils in forthcoming years.
- 8.2 There continues to be some uncertainties about the extent and duration of the spending reductions required, however it is clear that there will be a significant impact on the Council's financial position and it is vital that the Council is fully aware of the financial challenges it faces and takes timely and appropriate action to ensure it is in a strong position to continue to focus its resources on the most vulnerable and continue to deliver its key outcomes.
- 8.3 Historically the Council has adopted a rolling three year approach to the setting of its budget. The current financial strategy continues with a detailed level of analysis over the initial three year period of the strategy but extends a higher level analysis over the remaining seven years of its longer term financial plans.
- 8.4 The Strategy outlines the key considerations in developing the Council's longer term financial strategy and some of the actions to bridge the anticipated funding gap. From this it is evident that Services have already made significant progress in transforming services and improving efficiency and effectiveness, and realising savings to assist in addressing the financial challenges faced by the Council.
- 8.5 Based on the underlying assumptions within the financial model there is an expectation that the Council can anticipate a funding gap of £68m over the period 2016/17 to 2022/23.
- 8.6 It is essential that the current momentum for change is maintained and that a pro-active, rather than reactive, approach continues to be taken to addressing the forecast financial challenges, thus ensuring that available resources are focused on the delivery of the Council's key corporate and service priorities.

Laura Friel
Corporate Director (Finance and Corporate Support)
February 2013

Appendix 1

Revenue Estimates 2013/14 to 2015/16
Summary

	2013/14			Indicative					
	£000	£000	£000	£000	£000	£000	£000	£000	£000
1) INCOME SOURCES									
a) Base Income -									
Aggregate External Finance		252,881			251,851			250,851	
Anticipated redeterminations/ additional grant:									
Teachers' Induction Scheme	824			824			824		
Hostels grant	-	824		-	824		-	824	
Council Tax		56,743			56,743			56,743	
Council Tax - 2nd homes		900			900			900	
Community Charge arrears		30			20			10	
			311,378			310,338			309,328
b) Contribution (to) / from Reserves & Balances -									
Capital Fund		(1,137)			-			-	
General Reserves		-			-			-	
			(1,137)			-			-
Income To Finance Expenditure Requirements			310,241			310,338			309,328
2) EXPENDITURE REQUIREMENTS									
a) Base Budget from Previous Year		341,763			310,241			310,338	
b) Approved Efficiencies and Savings Measures -									
Chief Executive	(381)			-			-		
Development and Environment	(908)			-			-		
Education and Skills	(790)			(172)			(393)		
Finance and Corporate Support	(312)			(10)			-		
Social Services and Health	(1,202)			(400)			(392)		
Base budget including savings already approved		(3,592)	338,171		(582)	309,660		(785)	309,553
c) General Pressures -									
Loan charges / contributions to Capital Fund	1,265			(2,235)			(283)		
Joint Board requisitions	(30,648)			20			20		
Employee issues (1%, 1%, 2%)	1, / 2			1, / 96			3,632		
Inflationary pressures:									
Chief Executive	-			-			-		
Development and Environment	-			-			-		
Education and Skills	-			-			-		
Finance and Corporate Support	-			-			-		
Social Services and Health	372			381			391		
Corporate issues (energy, fuel, NDR)	(62)			425			425		
		(27,301)			387			4,185	
d) Contractual/ Unavoidable Pressures -									
Chief Executive	(264)			-			-		
Development and Environment	235			93			509		
Education and Skills	547			327			330		
Finance and Corporate Support	210			-			-		
Social Services and Health	-			87			87		
		728			507			926	
e) Revised Base Budget for Year			311,598			310,555			314,664
f) National/ Local Pressures:									
Chief Executive	50			-			-		
Development and Environment	572			194			239		
Education and Skills	(15)			16			8		
Finance and Corporate Support	-			-			-		
Social Services and Health	1,194			955			904		
EU funding economic development	-			1,200			-		
Impact of welfare reform	807			-			-		
Impact of localised benefit scheme for council tax	1,706			262			262		
Provision for further pressures not yet identified by services	900			658			1,212		
Council Investment Proposals (incorporating Early Years Change Fund)	1,372			402			-		
		6,585			3,687			2,625	
g) Provision for Flexibility									
Reinvestment / Contingency		-			1,000		-		
Reduction in previous years' investment funds		(1,442)			1,442			(1,224)	
Total Expenditure Requirement			316,742			316,684			316,065
3) (Surplus)/ Deficit for Year			6,500			6,345			6,736
4) Cumulative Savings Required to Achieve a Balanced Budget			6,500			12,845			19,582

North Ayrshire Council
Revenue Estimates 2013/14 to 2015/16
Summary

	2013/14			Indicative					
	£000	£000	£000	£000	£000	£000	£000	£000	£000
5) Proposed Efficiencies and Savings Measures -									
Chief Executive	(117)			(148)			(72)		
Development and Environment	(1,229)			(929)			(271)		
Education and Skills	(2,628)			(4,251)			(2,082)		
Finance and Corporate Support	(62)			(180)			(303)		
Social Services and Health	(2,464)			(836)			(230)		
		(6,500)			(6,345)			(2,958)	
Current Year Gap / (Surplus)			0			0			3,778
Cumulative Gap / (Surplus)			0			0			3,778
6) Revised (Surplus)/ Deficit for Year if all Savings Proposals are Accepted (3 minus 5)			0			0			3,778
7) Cumulative (Surplus)/ Deficit if all Savings Proposals are Accepted			0			0			3,778

Appendix 2

North Ayrshire Council
Ten Year Financial Plan
Financial Years 2016-2023

Income / Expenditure	Category	Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Income	RSG	(210,737,000)	(210,737,000)	(210,737,000)	(210,737,000)	(210,737,000)	(210,737,000)	(210,737,000)
	Specific Grants	(521,000)	(521,000)	(521,000)	(521,000)	(521,000)	(521,000)	(521,000)
	NDR Income	(40,417,000)	(40,417,000)	(40,417,000)	(40,417,000)	(40,417,000)	(40,417,000)	(40,417,000)
	Council Tax	(57,653,000)	(57,653,000)	(57,653,000)	(57,653,000)	(57,653,000)	(57,653,000)	(57,653,000)
	Transfer to Capital Fund	0	0	0	0	0	0	0
Income Total		(309,328,000)	(309,328,000)	(309,328,000)	(309,328,000)	(309,328,000)	(309,328,000)	(309,328,000)
Expenditure	Employee Costs	194,616,481	197,720,359	200,913,689	204,266,460	207,688,882	211,207,342	214,550,816
	Other Employee Costs	1,879,347	1,926,024	1,973,938	2,023,115	2,073,590	2,125,396	2,178,570
	Property Costs	23,925,392	24,387,647	24,871,253	25,378,122	25,910,468	26,470,870	27,062,305
	Supplies & Services	34,718,515	35,790,545	36,709,896	37,679,943	38,804,312	39,987,025	41,332,331
	Transport Costs	11,686,156	11,873,304	12,065,431	12,262,672	12,465,193	12,673,145	12,886,654
	Admin Costs	41,722,841	41,833,798	41,947,272	42,063,404	42,181,671	42,299,918	42,420,688
	Payments to Agencies etc.	114,934,768	117,201,125	120,500,375	122,933,509	125,309,492	127,934,669	130,582,785
	Transfer Payments	52,174,060	52,207,302	52,241,530	52,276,787	52,313,116	52,350,561	52,389,166
	Other Expenditure	14,349,740	18,861,358	18,952,758	19,045,797	19,140,505	19,236,922	19,335,073
	Capital Financing	40,388,006	40,433,403	40,438,804	40,439,209	40,439,618	40,440,032	40,440,449
	Other Gross Expenditure	999,758	2,023,510	3,071,832	4,145,314	5,244,560	6,370,188	7,522,831
	Use of Balances	0	0	0	0	0	0	0
	Transfer from Capital Fund	(1,259,000)	(1,259,000)	(1,259,000)	(1,259,000)	(1,259,000)	(1,259,000)	(1,259,000)
	Other grants, charges and contributions	(187,349,305)	(187,352,382)	(187,355,359)	(187,360,884)	(187,366,462)	(187,365,772)	(187,367,835)
Expenditure Total		342,786,759	355,646,993	365,072,419	373,894,448	382,945,945	392,471,296	402,074,833

Analysis of Movement							
AEF and Other Financing		0	0	0	0	0	0
Chief Executives		35,028	80,702	36,735	37,272	37,814	38,931
Finance & Corporate Support		1,500,159	1,026,476	564,466	569,213	579,120	599,655
Education & Skills		2,376,101	4,758,722	2,717,159	2,884,212	2,964,853	2,898,500
Development & Environment		1,653,275	2,485,710	2,448,793	1,535,344	1,693,528	1,921,884
Social Services & Health		3,355,740	4,508,624	3,658,273	3,795,988	3,776,182	4,074,259
Total Movement		8,920,303	12,860,234	9,425,426	8,822,029	9,051,497	9,603,537

Appendix 3**North Ayrshire's Change Programme**

A summary of significant projects within North Ayrshire's Change Programme is provided.

- Education and Skills
 - Effective use of the Schools estate
 - Aligned to the "Neighbourhood" approach, development of a Cluster + approach
 - Review of early years provision
 - Review of Senior Phase and Post 16 Education
- Social Services
 - Development of in house foster care
 - Reshaping Care for Older People including developing models of long term support, telecare and assistive technology, rehabilitation and enablement, supported accommodation
 - Development of Personalisation, offering service users choice and control over the care that they receive, aligned to the new legislation re Self Directed Support
 - Redesigning the service user journey via the Service Access initiative
- Rationalisation of the Council's core assets and transfer of appropriate assets into community ownership as the property asset management plan is delivered.
- Projects around Altering Service Demand are being progressed; the rationale being that if behavioural change can be implemented the need for a range of services could be reduced e.g. ASN transport, environmental crime. Universal provision of some services may not be sustainable in the medium to long term and it may therefore be appropriate to develop eligibility criteria, such as means-testing or a community entitlement approach, for some service areas.
- Consolidation of services to ensure a more coordinated and better value for money services can be delivered. Examples of this include:
 - Creation of the "corporate landlord" for property assets
 - Rationalisation of the Council estate
 - Development of a consolidated business support service
 - Development of new service delivery model for facilities management
- Exploration of alternative service delivery models with a view to ensuring the in house services offers the best possible value for money or that the services can be delivered in a different way whilst meeting Council key objectives.
 - Supporting Services Review
 - Revitalise and Rebrand for Building Services
- Implementation of the Customer Service Strategy and identification of opportunities to streamline service provision e.g. consolidation of the registration service into the core customer service offering or through opportunities to meet residents needs thorough less expensive channels e.g. move from telephone to web or face to face to telephone.

Maximising use of technology and streamlining transactional business processes to deliver more

efficient and effective customer services; purchase to pay, print arrangements.

Appendix 4

Summary of Reserves and Fund Balances as at 31/3/2013

	Balance at 31 March 2012 £m	Projected Balance at 31 March 2013 £m	Anticipated Future Spend £m	Projected Future Balance £m
General Fund (not earmarked)	6.029	8.066	-	8.066
General Fund (earmarked)				
Education DMR	0.458	-	-	-
Education Capital items replacement fund	1.536	-	-	-
Affordable Housing	4.055	1.814	(0.402)	2.216
Earmarked grants	4.551	-	-	-
Equal Pay	3.800	3.800	3.800	-
Service Reform	8.673	6.484	4.449	2.035
Repairs and Renewals Fund	7.943	6.443	5.100	1.343
Insurance Fund	3.331	3.331	1.610	1.721
Capital Fund	9.091	8.799	7.529	1.270
Total Earmarked Reserves	43.438	30.671	22.086	8.585
Total Reserves and Fund Balances	49.467	38.737	22.086	16.651

Education DMR/ Education Capital Items Replacement Fund

These funds are earmarked for use by schools through the Council's Scheme of Delegation to Schools and are therefore not available for wider use by the Council.

Affordable Housing

This fund receives 40% of the council tax raised from second homes and long-term empty properties and is ring-fenced for the purchase or build of new social housing, either by the council or local housing associations.

Earmarked Grants

This fund relates to specific projects for which monies have been received prior to 31 March in any year, but spending plans exist in the following year or beyond.

Equal Pay

Full provision was been made in the 2010/11 accounts for current claims. This provision relates to potential future pay preservation claims.

Service Reform

This fund is used mainly to fund the non recurring costs of delivering the Council's Change and Reform programme including; severance and other employee-related costs and investment in new technology.

Repairs and Renewals Fund

This fund is mainly used to assist with abnormal repairs and maintenance to Council properties where these arise in an emergency situation and there is no mainline budget available or where the use of the fund was planned as part of the budget process.

Insurance Fund

The current balance on this funds aligns with the August 2012 actuarial valuation, provision for uninsured claims and outstanding liabilities insured through Municipal Mutual Insurance pre local government reorganisation. The value of the fund is kept under review.

Capital Fund

The Capital Fund has historically been credited with income from the disposal of Council assets. A significant element of the current fund balance will be used as an additional source of finance for future years' capital programmes.

NORTH AYRSHIRE COUNCIL

Agenda Item 11

26 March 2013

Cabinet

Subject: Energy Company Obligation (ECO) and Home Energy Efficiency Programme For Scotland (HEEPS).

Purpose: To inform the Cabinet of the potential external funding available via the above grant schemes, outline the area-based schemes initially identified as suitable projects to attract funding, and summarise the Council's intended strategy to develop and submit appropriate funding bids.

Recommendation: That the Cabinet agrees to (a) approve the Council's approach to attracting ECO and HEEPS funding; (b) approve the submission of funding requests for the area based schemes identified within the report; (c) delegate authority to the Corporate Director (Finance and Corporate Support) to approve and, where necessary, vary or amend the intended ECO and HEEPS bid submissions; (d) approve the proposed budget virement from the HRA roofing and rendering budget, as required to fund the element of shortfall attributable to the Council owned housing stock; and (e) determine the preferred funding source for the proposed schemes as outlined at 3.20 and 3.23.

1. Introduction

- 1.1 In June 2012, the Scottish Government announced their vision to 'transform Scotland's ageing houses into energy efficient homes'. In order to achieve this, it is the Scottish Government's intention to launch HEEPS effective from April 2013. This scheme will replace the previous Energy Efficiency Package, Universal Home Insulation Scheme and Boiler Scrappage Scheme. Prior to March 2013, HEEPS was known and referred to as the 'National Retrofit Programme'.
- 1.2 The HEEPS initiative will follow an area based approach with initial focus on assisting homeowners within the most deprived areas, drawing on a range of data including indices of multiple deprivation and child poverty as well as the Scottish House Condition survey and heat mapping.

- 1.3 Responsibility for programme delivery of HEEPS rests with each Local Authority, who are deemed to be best placed through their strategic role under the Local Housing Strategy (LHS) to understand the nature of housing provision within their own area.
- 1.4 The key objectives for HEEPS are outlined as follows:
- To reduce fuel poverty;
 - To reduce carbon emissions;
 - To lever ECO funding; and
 - To support the local economy and sustainable local economic development.
- 1.5 All monies received under HEEPS are to be used to fund insulation and energy efficiency measures within the private sector. No element of these monies is to be utilised to fund costs associated with social landlords' own stock.
- 1.6 In addition to the introduction of HEEPS, in January 2013 a new Energy Company Obligation (ECO) was introduced, to reduce the UK's energy consumption and support people living in fuel poverty. It intends to achieve this by funding energy efficiency improvements in excess of £1 billion annually.
- 1.7 ECO will run until March 2015, supporting the installation of energy efficiency measures in low-income households and areas, and in properties that are harder to treat. It works alongside the Green Deal to give consumers support and funding for energy efficiency improvements in their homes. ECO can be broken down into three distinct categories:
- **Affordable Warmth Obligation** –This is intended to provide free heating and hot water saving measures, insulation, glazing and microgeneration technologies (except PV) to low-income and vulnerable households. The eligibility criteria for this is means-tested scheme are still being finalised. Social housing tenants are not eligible for the affordable warmth element of ECO;
 - **Carbon Saving Obligation** - This provides funding to insulate solid-walled properties (internal and external wall insulation) and those with 'hard-to-treat' cavity walls. This is not means-tested;
 - **Carbon Saving Communities Obligation** –This element will provide free insulation and glazing measures to people living in the bottom 15% of the UK's most deprived areas.

- 1.8 At a strategic level, through the Local Housing Strategy (LHS) 2011-2016, the Council recognise that circa 70% of the private housing stock within North Ayrshire would fail to meet the requirements of the Scottish Housing Quality Standard (SHQS). The Council will seek methods of encouraging and supporting private landlords and homeowners to improve the energy efficiency and general condition of their homes.
- 1.9 The LHS also recognises that in accordance with the Energy Efficiency Action Plan 2009, there is a requirement to reduce carbon emissions across Scotland by 42% by 2020 and 80% by 2050.

2. Current Position

- 2.1 In determining priorities for investment of funds to address energy inefficiency and fuel poverty, the Council has a number of themes to consider, which include the following:
- 2.2 **Demographics** – The Scottish Index of Multiple Deprivation (SIMD) published in December 2012, indicates that North Ayrshire has 46 datazones in the most deprived 15% of Scotland. This is an increase of three since 2009. These datazones are concentrated in the Three Towns (19), Irvine (16), Garnock Valley (6), Kilwinning (5).
- 2.3 North Ayrshire has the highest unemployment claimant count in Scotland at 6.8% of the working age population are claiming unemployment benefit.
- 2.4 As a consequence of the above, under HEEPS and ECO, many of the households in North Ayrshire will be eligible to attract free at source energy efficiency measures.
- 2.5 **Condition of Council housing stock** – 96% of the Council's housing stock has an energy efficiency rating in excess of the SHQS requirements and a clear strategy exists to address the remaining 4%.
- 2.6 **Mixed tenure properties** – The Council has in excess of 2,000 private landlords and owner occupiers within flatted type blocks, which are managed by the Council. The maintenance challenges associated with these properties requires to be considered, with an acceptable strategy being developed.
- 2.7 **Stand-alone properties within Council estates** –The 46 datazones in North Ayrshire that are within the 15% most deprived areas in Scotland all contain private homeowners.

- 2.8 **Pre-requisites of HEEPS** – Successful HEEPS funding bids will be based on tackling large projects (i.e. a project encompassing a handful of houses is unlikely to prove successful), leveraging high levels of ECO into Scotland (possibly in the region of 3:1 ratio). Bids must focus on the poorest house types in the most deprived areas.
- 2.9 **Finalisation of guidance/Allocation of HEEPS funding** – The finalised versions of HEEPS guidance was published on 11 March 2013 and allocated the Council £978,000, as our core funding allocation for 2013/14. The guidance received re-iterated that this funding must be solely utilised to address fuel poverty issues within private sector households and is dependent upon attracting substantial levels of ECO.
- 2.10 Although potential projects will continue to be assessed prior to the bid submission deadline, the nature of the private sector housing stock in North Ayrshire, the successful large-scale insulation works undertaken via UHIS and the restrictions placed on the Council via HEEPS and ECO will make it difficult to fully access all of the available HEEPS funding.

3. Proposals

- 3.1 Bids for funding under ECO can be made at any time between January 2013 and December 2015, however in order to successfully attract HEEPS monies, the Scottish Government has produced the following timetable:

Early March 2013	Distribution of guidance on HEEPS, including indicative allocations and invite for Councils to submit proposals.
19 April	Deadline for submission of proposals.
10 May	Complete appraisals of proposals.
w/c 13 May	Offers of grant to be distributed.
March 2014	Attainment of practical completion of all projects.

- 3.2 During December 2012 to March 2013, the Council met with the Scottish Government on a number of occasions in order to seek clarity on the likely mechanisms for successfully attracting HEEPS funding. Running in parallel with these discussions, negotiations have been ongoing with the 'big six' energy companies (Scottish Power, Scottish Gas, Scottish & Southern, NPower, EDF and EON) in order to attract high levels of ECO funding.

- 3.3 In order to submit bids in-line with the Scottish Government's timetable, the Council has commenced with developing the following projects:

Project One – Weir & Swedish Timber Houses

- 3.4 In 2012/13 the Council completed the installation of external wall insulation to circa 60 houses in Kilbirnie. This initial pilot project addressed the energy efficiency challenges associated with timber non-traditional construction houses.
- 3.5 This follow-on project is intended to address all other timber houses within North Ayrshire Council estates and will involve both Council and privately owned houses. The houses within the most deprived 15% datazones will attract both HEEPS and ECO funding, whilst the houses outwith these datazones will only attract ECO. The breakdown and indicative funding implications associated with this proposed project are outlined as follows:
- 3.6 Houses within 15% datazones-

No of Council houses	104
No of private houses	66
Total houses	170
Indicative cost of work	£1,445,000
Indicative level of ECO	£680,000
Indicative level of HEEPS	£79,200
Indicative level of shortfall (private houses)	£217,800
Indicative level of shortfall (Council houses)	£468,000

- 3.7 Houses outwith 15% datazones-

No of Council houses	88
No of private houses	78
Total houses	166
Indicative cost of work	£1,411,000
Indicative level of ECO	£664,000
Indicative level of shortfall (private houses)	£351,000
Indicative level of shortfall (Council houses)	£396,000

3.8 Summary

Project One - indicative total cost	£2,856,000
Less	
Total potential ECO contribution	£1,344,000
Total potential HEEPS contribution	£79,200
HRA budget provision allocation (to fund council house shortfall element only)	£864,000
Total expected shortfall - private households.	£568,800

Within this project, the Council cannot enforce owner's to participate, as the properties affected are all semi-detached houses, with no communal parts. However by involving owners, it would allow an area wide regeneration approach to be adopted, that would benefit some of North Ayrshire's most fuel poor and vulnerable residents. The approach would also transform the aesthetics and overall appearance of the areas concerned, which would not be attainable by restricting the works to Council owned properties only.

Project Two – Montgomerie Street, Ardrossan

- 3.9 This project comprises of 132 properties situated within a mixed tenure flatted development. In terms of SIMD data, Montgomerie Street is situated within North Ayrshire's most deprived area. As a result of this, all private homeowners will attract HEEPS.
- 3.10 The proposal extends to removing the existing defective external insulation and replacing with a high performance modern external wall insulation system. This scheme is outlined as follows:

No of Council flats	100
No of private flats	32
Total houses	132
Indicative cost of work	£924,000
Indicative level of ECO	£462,000
Indicative level of HEEPS	£35,200
Indicative level of shortfall (private houses)	£76,800
Indicative level of shortfall (Council houses)	£350,000

3.11 This project involves blocks of flats and by consequence it would not be technically feasible to undertake the works without the participation of the owners involved.

3.12 Summary of overall indicative costs/shortfall:

Project two - indicative total cost	£924,000
Less	
Total potential ECO contribution	£462,000
Total potential HEEPS contribution	£35,200
HRA budget provision allocation (to fund council house shortfall element only)	£350,000
Total expected shortfall - private households	£ 76,800

Project Three – Solid Wall Constructed Houses

3.13 The Scottish Government has now rolled out a home analytics database. This data base contains probability information on the construction type of homes across North Ayrshire. Utilising this tool, a small project involving 33 solid wall constructed properties has been identified, outlined as follows:

3.14 Houses within 15% datazones-

No of Council houses	3
No of private houses	9
Total houses	12
Indicative cost of work	£102,000
Indicative level of ECO	£48,000
Indicative level of HEEPS	£10,800
Indicative level of shortfall (private houses)	£29,700
Indicative level of shortfall (Council houses)	£13,500

3.15 Houses outwith 15% datazones-

No of Council houses	6
No of private houses	15
Total houses	21
Indicative cost of work	£178,500
Indicative level of ECO	£84,000
Indicative level of shortfall (private houses)	£67,500
Indicative level of shortfall (Council houses)	£27,000

3.16 Summary

Project three - indicative total cost	£280,500
Less	
Total potential ECO contribution	£132,000
Total potential HEEPS contribution	£10,800
HRA budget provision allocation (to fund council house shortfall element only)	£40,500
Total expected shortfall - private households	£97,200

- 3.17 The properties within this project do not share communal parts with other properties and the works could take place within the Council owned houses only. However by involving owners, it would allow a number of small pockets of areas to be regenerated, whilst providing assistance to some of our most vulnerable residents.

Funding

- 3.18 In order to undertake external wall insulation works to the Council housing stock, the HRA capital budget has set aside £1.0 million for each of the next three financial years. However, the HRA financial commitment associated with undertaking the three identified schemes is estimated to extend to £1,254,500. It is proposed that this shortfall will be financed via a budget virement from the previously approved roof and render budget for 2013/14.

- 3.19 In order to undertake the works element associated with the three projects outlined above, it is estimated that the private households will have a shortfall of approximately £742,800. In addition to this, there are likely to be administration and project management costs associated with the private households, which are estimated to be in the region of £112,000 (15% of value). In order to successfully deliver the above projects, the options available to the Council which would assist the private households are outlined as follows:-

Option 1

- 3.20 Finance the estimated net shortfall in project funding for private households of £0.855m from council balances, by earmarking this sum within the projected underspend on the General Fund for 2012/13.
- 3.21 The Council's current Scheme of Assistance only makes provision for eligible disabled adaptations to private properties.
- 3.22 Although this option has a cost associated to the Council, it will assist some of the most fuel poor communities within North Ayrshire and support other strategic outcomes for the Council.

Option 2

- 3.23 Seek full payment from the private households, with a view to receiving payment in full on completion of the works, or agreeing repayment schedules with owners. Where these repayment methods are not viable for individual private households, then a Standard Security could be taken out against the affected properties (subject to equity levels in each property).
- 3.24 Whilst this option is likely to prove attractive to some owners, the level of take-up is uncertain. The projects being proposed include some of North Ayrshire's most fuel poor and deprived areas. As a consequence of this, many of the affected owners are unlikely to have available financial resources that will allow them to participate in these works. This option is likely to prove time and resource intensive and will undoubtedly lead to significant delays in progressing the works in-line with expectations, which in turn will lead to the loss of HEEPS funding.

4. Implications

Financial Implications

- 4.1 The total cost of the three proposed projects is £4,060,500. It is anticipated that ECO funds of £1,938,000 and HEEPS grant of £125,200 will be available, in addition to the planned contribution from the Housing Revenue Account of £1,254,500. As outlined at paragraph 3.17 above, the balance of £742,800, plus estimated professional and administration costs relating to delivery of the private house works of £112,000, will require to be funded, either from available council balances or by seeking contributions from the home owners concerned.
- 4.2 Nationally, £60m of HEEPS grant is available; £30m of this has been allocated to local authorities with North Ayrshire having access to £978,253; a further £30m challenge fund is available to which North Ayrshire can submit bids.

Human Resource Implications

- 4.3 In order to deliver the projects identified, there will be a requirement to create a temporary post(s) to liaise and co-ordinate with owners and ensure successful on-site project management. The level of additional resource is likely to extend to a maximum of two additional temporary officers.

Legal Implications

- 4.4 Should the Council seek Standard Securities over individual houses, Legal Services will be instructed accordingly.
- 4.5 Any offer of funding via ECO and HEEPS will also require a contractual commitment to be entered into.

Equality Implications

- 4.6 None

Environmental Implications

- 4.7 The projects identified will contribute to reducing the carbon footprint within North Ayrshire.

Implications for Key Priorities

- 4.8 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."

- 4.9 Community Benefit Implications

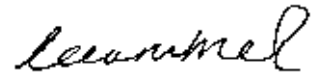
A framework tender exercise is currently being undertaken to procure an additional contractor to undertake these works. Community benefit clauses form part of this intended contract.

5. Consultations

- 5.1 Consultation has taken place with Housing Services over the selection of projects.
- 5.2 In relation to complementing the Council's existing energy management strategy, consultation has taken place with the Corporate Director - Development & Environment and Head of Development Planning.
- 5.3 Consultation has also taken place with a number of our Registered Social Landlord (RSL's) partners over potential inclusion in HEEPS bids, but at this stage no further projects are ready to progress.

6. Conclusion

- 6.1 The Cabinet is asked to note the contents of this paper, provide guidance in relation to the preferred option for funding the likely financial shortfall attributable to the affected private owners and approve the recommendations contained within the paper.



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

None

NORTH AYRSHIRE COUNCIL

Agenda Item 12

26 March 2013

Cabinet

Subject: **North Ayrshire Council Newspaper**

Purpose: To advise the Cabinet of the options available for introducing a Council newspaper and to review expenditure by Services on advertising and marketing activity since a Council newspaper was last published.

Recommendation: The Cabinet is invited to:

- (a) consider the options available for producing a Council newspaper;
 - (b) consider the advertising and marketing expenditure by Services since a Council newspaper was last published;
 - (c) agree to introduce a Council newspaper - with the recommendation that the Council produces six printed editions per annum using a dedicated in-house resource;
 - (d) approve expenditure from sums set aside in the Council's annual revenue budget for inflation; and
 - (e) approve the creation of one additional member of staff at Grade 10.
-

1. Introduction

1.1 The Communications Team has:

- (a) Investigated the costs and options available for introducing a regular Council newspaper for the citizens of North Ayrshire, and
- (b) Reviewed advertising and marketing expenditure by Services since a Council newspaper was last published – with a view to quantifying the savings which could be made if these Services were to be promoted, instead, via a Council newspaper.

2. Current Position

2.1 The introduction of a Council newspaper would make a substantial contribution towards delivering the strategic objectives set out within the Council's Corporate Communications Strategy 2012- 2015 of:

- Ensuring the Council's operations, priorities, core objectives, values, ambitions and challenges are better understood, both externally and internally
- Encouraging and facilitating feedback from our key target audiences in order to help shape future service development and ensure continuous improvement of service delivery
- Enhancing North Ayrshire Council's reputation and public image as an efficient, effective, ethical, reputable, sustainable and innovative local authority
- Promoting North Ayrshire as a leading location for doing business and a great place to live, work, visit and invest in

2.2 A Council newspaper would provide a valuable platform to promote the Council's aims, ambitions and values – and would enable us to explain, in some detail, the ongoing challenges we face in balancing decreased financial resources with increased demand for services.

2.3 A North Ayrshire Council newspaper would increase local residents' awareness and understanding of:

- What we do - which services we provide, how and where we provide them, how residents can access them and how they benefit the community
- Why we do it – our statutory obligations, our role(s) in partnership working and our contribution to - and involvement in - the community
- How we do it – the way we fund and deliver our services, the Council's priorities and our core objectives, and
- Why we will require to do it more efficiently and effectively in future – in response to the financial and demographic challenges we face.

2.4 A Council Newspaper should always be current, useful, interesting and clearly targeted towards North Ayrshire residents.
The content could include:

- Features on Service successes, achievements and awards
- News stories on investment and regeneration projects, modernisation programmes and changes to Service delivery

- What's On listings, detailing forthcoming events, community activities and sporting and leisure pursuits
- Information on the range of training and employability programmes and funding the Council provides to residents and businesses
- Councillor information with photos, contact details, surgery times and dates etc
- Performance and audit statistics
- Residents' surveys – to assess customer satisfaction levels and gauge opinions on both the Council as a whole and individual Services

Costs and options available for producing a Council Newspaper

2.5 There are two options for producing a Council newspaper - print format or digital format.

2.6 Set out below are the:

- Alternative formats for producing and distributing a Council newspaper, and
- Associated advantages and disadvantages of each method

Cost comparisons are set out fully in Appendix 1 to this report.

2.7 It should be noted that a council newspaper could either be produced in-house using staff resources, or outsourced using external suppliers. Both methods would require additional in-house staff resource in order to project manage the production of the newspaper.

Printed Options

Option 1 - Council publication

2.8 The Council produces and distributes its own newspaper to every household within North Ayrshire, supported by advertising.

2.9 **Advantages:**

- Posted to every household and has the highest readership and /or penetration levels as every citizen is given the opportunity to read the publication
- High penetration is attractive to potential advertisers
- Full control over corporate identity, design and content

2.10 **Disadvantages:**

- High production / distribution costs
- Criticism about use of Council resources in the current financial climate
- Sale of advertising could create conflict with local media, resulting in potential loss of support and co-operation
- Companies may believe that they must advertise in order to secure business with the Council.
- The Council may be perceived as endorsing businesses who pay for advertising

Option 2 - Local newspaper insert / wrap-around

2.11 The Council publication is inserted into the local newspapers and uses their distribution/ circulation channels.

2.12 **Advantages:**

- No postal costs
- Targeted geographically
- Corporate style and editorial control is maintained
- Prominent position – front and back pages

2.13 **Disadvantages:**

- Restricted circulation and penetration, along with falling readership numbers for local newspapers
- Would have to negotiate distribution and insertion fees with three separate newspaper groups - Ayrshire Weekly Press, S&UN and Arran Banner
- Newspaper inserts are often perceived as advertising 'junk mail' and could be removed and left unread
- More resource-intensive to produce area-specific copy
- Unable to generate advertising revenue
- Wrap-arounds generally maintain newspaper's front page design and mean significant constraints in design and ability to maintain corporate style. Copy may require to be edited by the newspaper to fit space.

Digital options

Option 4 - Online pdf / smartphone app

2.14 The Council produces a digital newspaper - either hosted on our website as a pdf and/or developed as a smartphone app.

2.15 **Advantages:**

- Cheaper to produce (no printing / distribution costs)
- Over 80% of North Ayrshire citizens have access to the internet (People's Panel survey 2011)
- Technology is available to ensure a variety of accessible formats for people with disabilities, e.g. software for visually impaired;
- Potential for interactivity such as links to film footage, relevant web sites etc.
- Environmentally friendly option – low carbon footprint
- Council may avoid 'wasteful' criticisms
- Statistics show that 52% of the population own smartphones
- North Ayrshire Council would be the first in Scotland to produce its Council newspaper as a Smartphone app

2.16 **Disadvantages:**

- Very low readership figures for online pdfs
- Unlikely to secure advertising revenue with this format – given the low readership figures.
- Substantial marketing and promotion would be required (not costed)
- Relies on downloading the app
- Numerous Android operating system variations may be required

2.17 Whilst the Council would, ideally, begin by producing both a print and online version of the newspaper, it is recommended that the Council would move towards a smaller printed distribution and a greater emphasis on the online version over time.

Production cost estimates

2.18 The estimated costs of producing a Council newsletter in print and digital formats are set out in Appendix 1. These estimates are based on similar work undertaken by the Communications Team, such as the quarterly publication 'Tenancy Matters'.

2.19 For comparison purposes, costs have been prepared for producing three editions per annum and six editions per annum.

2.20 Costs have also been prepared for producing the newspaper in-house and the comparative cost to outsource production.

2.21 The in-house costs are based on creating a new Grade 10 Communications Officer post to copywrite and project manage all aspects of the production of the newspaper.

- 2.22 Costs for Council inserts and wrap-arounds would need to be negotiated with each Newsgroup. We are, therefore, unable to estimate the print, distribution and insertion costs for these two options at this stage.
- 2.23 If the Council is to produce its own newspaper, the recommended option is to produce print six editions per annum using a dedicated in-house resource. This approach ensures consistency of style, design and tone of voice and its frequency means that news will be current.

Review of advertising and marketing spend by Council Services 2010-2012

- 2.24 Several Council Services previously used the Council newspaper to publicise their events, activities and facilities.
- 2.25 The last edition of a Council newspaper was produced in 2009 and we have examined how Council Services have publicised their activities since then, along with the associated advertising and marketing expenditure.

Advertising expenditure

- 2.26 Only a few Council Services have undertaken any significant promotional expenditure on advertising – predominantly via local newspapers, with some promotion using radio and outdoor advertising media.
- 2.27 Advertising expenditure by Services can vary considerably each year, depending on activity. Figures have, therefore, been provided over the past three financial years to ensure that all spend has been included.
- 2.28 Social Services and Health (Fostering and Personalisation) have spent £52,500 on advertising over the past three financial years and the Recycling Service has spent £30,000 of Council funding, to date, on advertising during the financial years 2011/2012 – 2012/13.
- 2.29 The total expenditure on advertising for the past three financial years is £82,500 - an average of £27,500 per annum. This excludes expenditure on statutory public notices which, legally, must be published in local newspapers.
- 2.30 It is considered that at least some of this advertising expenditure could be saved if these Services were promoted via the Council's own newspaper instead.

Marketing expenditure

- 2.31 The Communications Team project manages marketing and promotional work for Council services. Since 2010 this has totalled £42,000 for design and £88,000 for print.
- 2.32 All the individual design and print projects have been reviewed since 2010 and consist of a variety of publications, such as strategies, application forms, booklets and posters.
- 2.33 Given the nature of these printed materials it is unlikely the Council newspaper could replace all these publications. It is more likely that the Council newspaper would be used, instead, to promote these printed materials.
- 2.34 However, there are a few publications, which could be published within the Council newspaper instead. This includes, the Council's Annual Performance Report which currently costs circa £2,400 per annum.
- 2.35 In addition, the Council's 'What's Happening' events listing could also be published within a Council newspaper. Produced three times a year, the total annual cost to produce this publication is circa £8,200.
- 2.36 The areas of expenditure which could potentially be absorbed within a Council newspaper, per annum, are set out below:

Advertising Spend	£27,500
Annual Performance Report	£ 2,400
What's Happening	£ 8,200
Total	£38,100

3. Proposals

- 3.1 The Cabinet is invited to:
- (a) consider the options available for producing a Council newspaper;
 - (b) consider the advertising and marketing expenditure by Services since a Council newspaper was last published;
 - (c) agree to introduce a Council newspaper - with the recommendation that the Council produces six printed editions per annum using a dedicated in-house resource;
 - (d) approve expenditure from sums set aside in the Council's annual revenue budget for inflation; and
 - (e) approve the creation of one additional member of staff at Grade 10.

4. Implications

Financial Implications

- 4.1 There is currently no specific provision within the General Fund revenue budget for the cost of producing a Council newspaper.
- 4.2 Regardless of which of the options outlined in section 2 is selected, the cost would, therefore, require to be met from sums set aside in the Council's annual revenue budget for inflation.
- 4.3 The costs of the different options can be summarised as follows:
- a) Printed Version
 - (i) In-house, three editions p.a. - £68,000 (including additional staff cost of £41,700)
 - (ii) In-house, six editions p.a. - £97,000 (including additional staff cost of £41,700)
 - (iii) Outsourced, three editions p.a. - £55,000 (including additional staff cost of £13,900)
 - (iv) Outsourced, six editions p.a. - £113,000 (including additional staff cost of £27,800)
 - b) Digital Version
 - (i) In-house, three editions p.a. - £47,000 (including additional staff cost of £41,700)
 - (ii) In-house, six editions p.a. - £52,000 (including additional staff cost of £41,700)
 - (iii) Outsourced, three editions p.a. - £34,000 (including additional staff cost of £13,900)
 - (iv) Outsourced, six editions p.a. - £68,000 (including additional staff cost of £27,800)
- 4.4 As outlined in section 2.13.6, the costs above could, potentially, be offset by savings of approximately £38,000 as a result of a reduction in advertising expenditure and discontinuing the publication of the Annual Performance Report and What's Happening, both of which could be absorbed into the Council newspaper.
- 4.5 If the recommendation to produce an in-house print version six times per annum is accepted, the net cost, after these savings, would be £59,000

Human Resource Implications

- 4.6 Additional in-house staffing resource will be required to produce a Council newspaper.
- 4.7 If the recommendation to produce an in-house print version six times per annum is accepted, the resource required will be one additional member of staff at Grade 10.

Legal Implications

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

Equality Implications

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

Environmental Implications

- 4.10 There are no environmental implications arising from this report.

Implications for Key Priorities

- 4.11 There are no implications for the key priorities.

5. Consultations

- 5.1 No consultations have been undertaken.

6. Conclusion

- 6.1 The options and costs for producing a Council newsletter are set out in this paper, along with the marketing and advertising expenditure undertaken by Council Services since a Council newspaper was last produced.



ELMA MURRAY
Chief Executive

Reference : LM/MG

For further information please contact Lynne McEwan, Corporate Communications Manager on telephone number 01294 324117

Background Papers

None

Comparative Costs for producing a Printed Council Newsletter	In-House - three editions	In-House - six editions	Outsourced – three editions	Outsourced - six editions
Print Option				
Copywriting Copywriting services for the production of the Council newspaper - including interviewing, research etc (In-house based on Grade 10 post)	£41,700	£41,700	£15,000	£30,000
Design Design, layout, sub-editing and proofing services. Supply of stock photography and supply of an interactive pdf for upload to website.	£3,000	£6,000	£3,000	£6,000
Photography Press quality photographic service for Council newspaper providing a minimum of 15 pictures.	£2,250	£4,500	£2,250	£4,500
Print Print of 66,000 copies 8pp Berliner size, full colour on 115gsm uncoated recycled stock, collated and delivered for fulfilment. Including Hi Res printed proofs	£15,000	£30,000	£15,000	£30,000
Advertising Estimated income from advertising in an 8pp newspaper	(£6,000)	(£9,000)	(£6,000)	(£9,000)
Fulfilment Fulfilment and mail drop to circa 65,000 North Ayrshire households	£12,000	£24,000	£12,000	£24,000
Project Management The in-house staff resource required to project manage the outsourcing of a Council newspaper is based on a third of grade 10 post	Nil	Nil	£13,900	£27,800
TOTAL COST	£67,950	£97,200	£55,150	£113,300

Comparative Costs for producing a Digital Council Newsletter	In-House - three editions	In-House - six editions	Outsourced – three editions	Outsourced - six editions
Digital Option				
Copywriting Copywriting services for the production of the Council newspaper - including interviewing, research etc (In-house based on Grade 10 post)	£41,700	£41,700	£15,000	£30,000
Design Design of a pdf / smartphone app including, sub-editing and proofing services and supply of stock photography.	£3,000	£6,000	£3,000	£6,000
Photography Press quality photographic service for Council newspaper providing a minimum of 15 pictures.	£2,250	£4,500	£2,250	£4,500
Project Management The in-house staff resource required to project manage the outsourcing of a Council newspaper is based on a third of grade 10 post	Nil	Nil	£13,900	£27,800
TOTAL COST	£46,950	£52,200	£34,150	£68,300

NORTH AYRSHIRE COUNCIL

Agenda Item 13

26 March 2013

Cabinet

Subject: Pressured Area Status

Purpose:

1. To provide the Cabinet with details of independent research which has assessed housing demand pressure within the social housing sector of North Ayrshire.
2. To seek approval to designate the properties which are detailed in Section 2 of this report as pressured, suspending the Right to Buy, for a period of ten years for some tenants residing in these properties.

Recommendation: That the Cabinet, upon consideration of the evidence presented in this report, agrees that (a) all one bedroom properties in North Ayrshire, regardless of location or type, should be designated as pressured; (b) all properties in the geographical 'letting' areas identified within Section 2 of this report should be designated as pressured; and (c) all pressured area designations should commence for a period of 10 years, commencing from 00:00 hours on 27 March 2013 and expiring at 23:59 hours on 26 March 2023.

1. Introduction

- 1.1 In 2008, North Ayrshire Council successfully petitioned the Scottish Government to grant 'Pressured Area Status' in specific geographical locations within the North Ayrshire boundary. Pressured Area Status (PAS) suspends the Right to Buy (RTB) for some tenants of Local Authorities and Registered Social Landlords (RSLs) specifically:
- New tenants who have obtained their tenancy since the introduction of the Scottish Secure Tenancy (SST) on 30 September 2002;
 - Existing tenants who had no RTB. Tenancies created before the introduction of the SST who did not previously have a RTB entitlement, principally tenants of RSLs with assured tenancies (except for those with a preserved RTB);

- Succession of tenancy. All those who have succeeded to their tenancy since the introduction of the SST (regardless of RTB entitlement).

1.2 Tenants not affected by Pressured Area Status are:

- Pre 2002 tenants (who have an existing RTB): Tenants who secured their tenancies before the introduction of the Scottish Secure Tenancy (i.e. before 30 September 2002) will not be affected by a pressured area designation in their locale, providing that before the introduction of the SST they already had a RTB entitlement;
- Tenants with existing RTB applications: Achieving pressured area designation will have no effect on applications to purchase under the RTB scheme, where the application has been submitted prior to the designation being awarded. This exception also applies if the landlord is still processing the application.

1.3 Two specific criteria must both be met before an area can be designated as pressured:

- The need for social rented housing in the area in question is or is likely to be substantially in excess of the social housing supply and the situation is likely to be exacerbated by tenants in the area exercising their RTB.

1.4 The Council having demonstrated to the Government's satisfaction the criteria in Section 1.3, gained approval to designate pressured areas on 14 May 2008. The designation was approved for a period of 5 years and expires on 13 May 2013 (see table 1 for existing pressured areas).

2. Current Position

2.1 Legislative changes introduced as part of the Housing (Scotland) Act 2010 removed the Scottish Government's role in designating pressured areas and gave this power to local authorities. This same legislation changed the previous requirement to consider pressure solely on a geographical basis and added the opportunity to consider pressure based on house size or house type. Furthermore, the changes also introduced the opportunity to increase PAS designations from five to ten years.

2.2 In advance of the expiry date for existing designations, Housing Services commissioned an independent study to re-assess social housing demand pressured in North Ayrshire. (A copy is available in the Members' lounge or by contacting the author of this report)

- 2.3 The study used a traffic light system to demonstrate its findings in terms of levels of pressure (shown on pages 33-45 of the consultant's report)
- Red - highly pressured stock;
 - Amber - stock which just missed being assessed as pressured;
 - Green - stock which was not found to be pressured.
- 2.4 Approximately 40% of the social housing stock in North Ayrshire is within geographical locations which have been assessed as 'red'. In addition, a significant volume of stock was classified as being 'amber'. In order to identify which areas should be designated as pressured areas, the following criteria was applied:
- If areas are predominantly red, or red/amber, the area should be designated as pressured.
 - If areas are predominantly green, or green/amber, the area should not be designated as pressured.
- 2.5 All one bedroom stock, regardless of location within North Ayrshire has been assessed as 'red'. This results from both the application of the research methodology to stock of this size, and also consideration of feedback undertaken as part of the research process. Consultees highlighted the likely impacts of welfare reform (particularly the likely impact of changes in relation to under-occupancy), and noted a projected significant rise in demand for all one bedroom homes.
- 2.6 In terms of geographical locations the following areas have been identified as suitable for pressured area designation:

Isle of Arran Sub Housing Market Area

All settlements on Arran were assessed as 'red', therefore it is proposed that the island as a whole be designated as a pressured area.

North Coast Sub Housing Market Area

All towns on the mainland were assessed as 'red'. The Island of Cumbrae was assessed as 'amber'. Considering the remoteness of Cumbrae, the aging demographic and the unsuitableness of the private sector stock on the island it is proposed that the entire North Coast area (including Cumbrae) should be designated as a pressured area.

Irvine/Kilwinning Sub Housing Market Area

The town of Dreghorn and the small settlement of Drybridge were assessed as 'red' therefore it is proposed that both areas should be designated as pressured.

All letting areas in the town of Kilwinning, were assessed as being either 'red' or 'amber'. It is likely that there is insufficient capacity within the 'amber' stock to address the limitations of the pressured 'red' stock. It is therefore proposed that the entire town should be designated as pressured.

The geographical boundaries within the much larger town of Irvine are more complex. Therefore, consultation was undertaken with local housing managers to help establish groups of lettings areas in which local people would normally seek a housing solution:

- The neighbouring letting areas of Montgomerie Park (red), Lawthorn (red), Girdle Toll, including Chapelton (red), and Bourtreehill (amber) - should be designated as pressured
- The letting areas of Castlepark (red) and Harbourside (red) tend to be more 'stand-alone' in terms of the wider area, and should be designated as pressured
- The neighbouring letting areas of Irvine East (red) and Woodlands (red) should be designated as pressured.

- 2.7 There is no recommendation to designate pressured area status in the follow sub markets areas (with the exception of one bedroom stock):

Three Towns Sub Housing Market Area

All towns in this area show as either green or amber, and therefore it is not proposed to designate pressured areas in this sub market.

Garnock Valley Sub Housing Market Area

Towns in this area show predominantly as either green or amber, and therefore it is not proposed to designate pressured areas in this sub market.

- 2.8 The table below indicates the changes from the existing designated pressured area, to the proposed as a result of the 2013 re-assessment.

TABLE 1: Comparison between existing pressured areas and proposed future designations

2008 - 2013	2013 - 2023
-	Arran
Largs	Largs
Fairlie	Fairlie
West Kilbride	West Kilbride
Skelmorlie	Skelmorlie
-	Cumbræ
Dreghorn	Dreghorn
Drybridge	Drybridge
-	Kilwinning
-	Irvine, Montgomerie Park
Irvine, Lawthorn	Irvine. Lawthorn
Irvine, Girdle Toll (including Chapelton)	Irvine, Girdle Toll (including Chapelton)
-	Irvine, Bourtreehill
Irvine, Castlepark	Irvine, Castlepark
Irvine, Harbourside	Irvine, Harbourside
Irvine, Irvine East	Irvine, Irvine East
Irvine, Woodlands	Irvine, Woodlands
	All one bedroom properties regardless of location

- 2.9 The Council currently sells approximately 25 houses per annum under RTB. The average receipt, per sale, during 2012/13 has been circa £38,000.
- 2.10 The income from RTB sales is a funding source for the HRA Capital Programme, and therefore any reduction in receipts in relation to RTB would increase the requirement to borrow to fund the capital programme. For each property not sold, the borrowing requirement would increase by circa £38,000 which then has a consequential impact on the revenue budget through increased loan charges.
- 2.11 Each Council house that is retained within the Council housing stock generates rental income for the Housing Revenue Account and also incurs direct costs in terms of revenue repairs and replacement of capital components (including kitchens, bathrooms, roofs etc.) It is estimated that the net cost per annum per property is around £1,400 per annum, including loan charges as noted above.

- 2.12 The Council's strategy is to increase the supply of affordable housing in North Ayrshire. Therefore, for each RTB sale, the Council must seek to increase the housing stock to compensate for the loss incurred. The Council aims to do this through the new build programmes or through the Mortgage to Rent scheme at a net cost to the Housing Revenue Account of around £100,000 and £50,000 respectively.

3. Proposals

- 3.1 It is proposed that all one bedroom properties in North Ayrshire, regardless of location or type, should be designated as pressured.
- 3.2 It is proposed that all properties in the geographical 'letting' areas identified within Section 2 of this report should be designated as pressured.
- 3.3 It is proposed that all pressured area designations should commence for a period of 10 years, commencing from 00:00 hours on 27 March 2013 and expiring at 23:59 hours on 26 March 2023.

4. Implications

Financial Implications

- 4.1 The financial implications of the proposals outlined in this report are difficult to quantify with certainty, as it is not possible to estimate how many tenants would have applied to buy their house before the proposed designation of Pressured Area Status.
- 4.2 However, as outlined at section 2 above, for each RTB sale lost as a result of this proposal, there would be a reduction in capital receipt of circa £38,000 and a net annual revenue cost of around £1,400.
- 4.3 In attempting to maintain or increase the availability of affordable housing, foregoing a capital receipt of around £38,000 per unit compares favourably with the two main methods that the Council currently employs in order to maintain its housing stock levels, namely, the new build housing programme and the Mortgage to Rent scheme which cost the HRA around £100,000 and £50,000 per unit respectively.

Human Resource Implications

- 4.4 There are no HR implications from this proposal, as new designations will replace existing designations, and processes/resources are in place to address any arising workload.

Legal Implications

- 4.5 The requirements placed on the Council, in terms of designating areas as pressured have been complied with, in accordance with Scottish Government statutory guidance.

Equality Implications

- 4.6 By protecting the supply of affordable social rented housing in high demand areas, we are maximising our potential to meet the housing needs of those from whom social rented housing is a viable housing solution.

Environmental Implications

- 4.7 There are no environmental implications arising from this proposal.

Implications for Key Priorities

- 4.8 The project supports the Single Outcome Agreement between North Ayrshire Council and the Scottish Government, specifically National Outcome 10 - "We live in well-defined, sustainable places where we are able to access the amenities and services we need" and Local Outcome 10b - "Availability of affordable housing has improved".

5. Consultations

- 5.1 In accordance with guidance, extensive consultation has already been undertaken.
- 5.2 As part of the research study the views of Registered Social Landlords with housing stock in the proposed pressured areas were sought. Tenant consultation was undertaken through newsletters, attendance at various tenants' conferences and through tenants' forums.
- 5.3 As part of this research consultation process, feedback from tenants groups and forums indicated the majority consulted were very supportive of a PAS application.
- 5.4 Following the outcome of the research, and in advance of the submission to Cabinet, Housing Services and local RSLs in the areas undertook further consultation, in accordance with requirements set out in legislation.

- 5.5 Housing Services also hosted a series of short 'drop-in' events in the towns of Largs, West Kilbride, Kilwinning, and Irvine. These events allowed all social housing tenants, regardless of landlord, the opportunity to discuss the matter face-to-face. Trust Housing Association also facilitated a consultation event on Arran for residents of the Island. The table below provides details of the feedback received during our consultation exercises.

TABLE 2: Summary of Comments received during tenant consultation exercise (all social housing tenants, regardless of landlord in North Ayrshire)	
Comments (each category includes those who will and will not be affected by PAS)	Number of Respondents
Neither agreed nor disagreed - seeking clarification only re: impact on own tenancy	23
Disagree with PAS application (including those who consider it unfair, or who intended to purchase their home)	22
Agree with PAS application	9
Did not contact to register feedback	8,207

- 5.6 Housing Services has also consulted with the North Ayrshire Tenants and Residents Network who represent the views of tenants and residents residing in the Council's housing stock. The group indicated that they were supportive of pressured area status, understood the reasons for it and considered it to be a viable way of protecting the affordable housing supply.
- 5.7 Consultation has also been carried out between Housing Services and Finance & Property, Financial Management.
- 5.8 Finally, Housing Services, working in partnership with local RSLs, would issue a letter to all tenants residing in effected properties should the Cabinet accept the recommendation.

6. Conclusion

- 6.1 In advance of the existing PAS designation expiring in May 2013, housing services commissioned independent research to assess levels of social housing pressured in North Ayrshire.
- 6.2 The research recommends the need to renew many of the designations, as well as designating some new stock as pressured.
- 6.3 This report summarises the findings of the research and seeks Cabinet approval to designate areas as pressured.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference : AA/TF

For further information please contact Alex Adrain, Divisional Manager,
Housing Services on 01294 324641

Background Papers

North Star Consulting and Research - North Ayrshire Council Pressurised
Area Status - Final Report (available in the Members' Lounge or by
contacting the above-named officer)

NORTH AYRSHIRE COUNCIL

Agenda Item 14

26 March 2013

Cabinet

Subject: **Consultation on Redesigning the Community Justice System**

Purpose: To provide the Cabinet with details of the Scottish Government's Consultation regarding redesigning the community justice system, which was published on 20 December 2012 and seek approval for our response to this.

Recommendation: That the Cabinet supports the additional option proposed in this report of "Reducing Re-offending Partnerships" and that, in addition to responding to the specific consultation questions, details of this option are also provided to the Scottish Government.

1. Introduction

- 1.1 In April 2012, the Women Offenders Commission published their report and one of the 37 recommendations was to establish a national community justice service, which would remove Criminal Justice Social Work (CJSW) from Local Authority control. This consultation is a response to this. The findings of the Women Offenders Commission will be addressed later in this section, but is worthwhile highlighting two significant previous consultations that set the background.
- 1.2 In 1998 the Scottish Executive published the "tough options" paper. This consultation paper outlined that, following local government reorganisation, CJSW was too small a service to achieve economies of scale and that change was required. The three options offered were the status quo with minor amendments, formalised partnership working between local authorities, or a national CJSW service. The middle option of establishing formal criminal justice partnerships between local authorities was chosen. In Ayrshire a formal CJSW Partnership was established in 2000 between the three local authorities, and it has developed and strengthened over the years. It has a CJSW Partnership Manager, who provides a strategic approach across Ayrshire, governance arrangements are set through a joint committee, with decision making powers resting with elected members.

- 1.3 In 2003 the Scottish Executive wanted to bring the Scottish Prison Service (SPS) and CJSW together into one organisation titled a: "Single Agency", as they were of the view that CJSW partnerships were not working. The Scottish Executive undertook a "Reducing Re-offending Consultation" in 2004 and feedback received from this consultation was not supportive of the creation of a Single Agency and indicated that what was required was to bring a range of agencies together with the shared aim of reducing re-offending. This led to the Management of Offenders (Scotland) Act 2005 that established Community Justice Authorities (CJAs). The fundamental role of the CJA is to coordinate a strategic partnership approach to reduce re-offending. The South West of Scotland CJA comprises representatives from a range of partners and decision making powers rest with the elected members from the four local authorities.
- 1.4 The Women Offenders Commission was established in June 2011 to address the growing problem of how women are dealt with in the criminal justice system and in particular the growing trend in the use of custody for women offenders over the last twenty years. The Commission published their report with 37 recommendations in April 2012. The Government agreed to most of the recommendations made by the Commission. Two of the recommendations made were regarding the establishment of a National Community Justice Service and the establishment of a National Community Justice and Prison Delivery Board. The main reasoning behind these two recommendations was because the Commission found an inconsistency in service delivery across Scotland and that community justice had a "cluttered" landscape. The Government agreed to undertake a consultation regarding these two recommendations in order to determine what the "optimal structures" should be to manage adult offenders in Scotland, but noted that the status quo was not an option.
- 1.5 Therefore, in the last fifteen years three separate consultations have been undertaken in Scotland with the aim of redesigning community justice and, in particular, CJSW.

2. Current Position

- 2.1 Redesigning the Community Justice System – A Consultation on Proposals, was published on 20 December 2012. The report sets the background for the consultation citing the contribution of the Women Offenders Commission Report. The consultation report also highlights an Audit Scotland Report that was published in November 2012 ("Reducing Re-offending in Scotland"), which noted that there were many bodies involved in reducing re-offending with "different accountability and governance arrangements and geographic boundaries, resulting in a complex landscape." Audit Scotland also noted that CJAs have brought people together, but have made little progress in reducing re-offending because "the way that they were set up and inflexible funding have significantly limited their effectiveness."
- 2.2 The consultation document offers three options for redesigning community justice: an Enhanced CJA; a Local Authority Model and a Single Service Model. The consultation notes that there is no research that indicates there is a direct correlation between specific organisational structures and reductions in offending. However, it notes that a number of key characteristics are required for an organisational structure to be effective, including: strategic direction and leadership; a focus on prevention and early intervention; clear lines of strategic, political and operational accountability; effective partnership working; strategic commissioning of services; a strong and united voice that represents community justice; a strategic approach to workforce development; and a more strategic approach in working with the third sector.

The Enhanced CJA model

- 2.3 This model proposes that a Chair for each CJA is appointed by Scottish Ministers and is accountable to the Cabinet Secretary Justice. In addition to locally elected members membership is widened to include a member of the Health Board and Registered Social Landlords, as well as two non-executive members (e.g. from academia or the private sector). An additional option is proposed of appointing all Board Members on a public appointment process and views on this are asked for. CJAs' statutory functions would be extended to include the strategic commissioning of services. This option has a possible addition for CJAs to have operational responsibility for CJSW services in the community (specific comment is requested regarding this addition). The CJA would have an increased focus to represent community justice interests with the judiciary, the public, the media and the promotion of the CJA's role in the community. Partner bodies, including non-justice services, would have a statutory responsibility to work with the CJA and "develop and deliver a local plan to reduce re-offending and engage in its delivery" and the CJA would be required to report annually to the Scottish Government on that plan. Although this model would strengthen

accountability to the Scottish Government and improve partner accountability to the CJA, there are concerns about local political accountability if the chair and board members are appointed by the Scottish Government, the landscape will continue to be cluttered/complex and there are additional concerns if the CJA assumes operational responsibility for CJSW.

The Local Authority model

- 2.4 This model would require CJAs to be abolished and Local Authorities would assume strategic and operational responsibility for the planning and the delivery of services for offenders in their area. A new statutory responsibility would be placed on local authorities to consult with partners and deliver a strategic plan in their area and as with the first option there would be a statutory responsibility for partners to work with the local authority. There would be a legal requirement for this plan to be approved by Scottish Ministers. A National Community Planning Group involving the Scottish Government, COSLA and key partners has already been established and this group has already agreed that reducing re-offending should be a key priority for Single Outcome Agreements from 2013. However, under this option it is also proposed that a joint Scottish Government Ministerial and COSLA Leadership Group would be established to provide national leadership. The consultation notes that further consideration needs to be given to accountability and governance arrangements and whether “existing enforcement provisions” are enough, or whether new statutory powers are required. This model also addresses accountability issues of partner agencies, it also ensures that there is local political accountability and work will be aligned with community planning partnerships, reducing duplication. However, there are weaknesses of economies of scale in respect of service developments and in strategic responses to reduce re-offending.

The Single Service model

- 2.5 This model would require CJAs to be abolished and a national social work service for community justice to be established. It would be a Non-Departmental Public Body headed by a Chief Executive. A Board would be appointed through the public appointments process and the Chief Executive would be accountable to the Board for performance, which in turn would be accountable to Ministers. As with the first two options there would be a statutory duty placed on partners to work with the single service. Service delivery would be aligned with the three Federation Model (North, East and West of Scotland) adopted by the Police and the Crown Office and Procurator Fiscal Service and each Federation would be headed by an Area Director. Area Directors would report directly to the Chief Executive and they, or their delegates, would have a key role in community planning arrangements. Whilst nationally this model has clear lines of strategic, political and operational accountability, there is a lack of local political accountability and there are concerns regarding how it will link with community planning partnerships. Government policy is

to bring a community dimension to community sentencing and this option seems to be moving in the opposite direction.

- 2.6 In addition to the three models offered in the consultation we propose a fourth option, which is based on the Local Authority model: "Reducing Re-offending Partnerships". As with the Local Authority model this option will place the strategic responsibility for community justice services with local authorities. However, given that responses to reduce re-offending often require economies of scale, this model incorporates partnership working between local authorities and builds on the working relationships already established between local authorities in CJSW partnerships and within CJAs. It would require CJAs to be abolished and Local Authorities would assume strategic and operational responsibility for planning and the delivery of services for offenders in their areas. Formal Partnerships between local authorities, possibly based on CJA areas, (or in our case at least pan Ayrshire) would be established with governance arrangements set through a joint committee structure, which would link to community planning and other partnerships. A new statutory responsibility would be placed on local authorities to consult with partners and deliver a strategic plan in their area (or across areas) and as with the previous options there would be a statutory responsibility for partners to work with the local authority/authorities. There would be a legal requirement for this plan to be approved by Scottish Ministers. As with the Local Authority option there would be a joint Scottish Government Ministerial and COSLA Leadership Group to provide national leadership. Partnership working is already in place throughout Scotland and this model builds on this, addresses the issue of complex/cluttered landscape as groupings of local authorities will strategically work with partners to reduce re-offending.
- 2.7 The consultation process comes to an end on 30 April 2013 and the Scottish Government will provide an announcement on the way forward by the end of 2013. Changes to community justice arising from this consultation will be implemented by April 2016.

3. Proposals

- 3.1 It is proposed that the Cabinet supports the additional option proposed in this report of "Reducing Re-offending Partnerships" and that, in addition to responding to the specific consultation questions, details of this option are also provided to the Scottish Government.

4. Implications

Financial Implications

- 4.1 All of the options proposed by the Government are based on the continuation of 100% ring fenced funding. Within the consultation response we have indicated that removal of ring fencing would be the preferred option for funding around justice services in the future.

Human Resource Implications

- 4.2 There could be significant Human Resource issues depending upon which option is selected.

Legal Implications

- 4.3 All of the options detailed will require new legislation to establish the model.

Equality Implications

- 4.4 The Government will be undertaking direct consultations (Section 5 below) and as part of this they will seek views regarding the impact of their proposals on different sections of the population.

Environmental Implications

- 4.5 There are no apparent environmental implications.

Implications for Key Priorities

- 4.6 All options proposed are premised on the need to reduce re-offending and therefore are being developed to reduce crime: assisting the people of north Ayrshire living their lives safe from crime, disorder and danger.

5. Consultations

- 5.1 The Scottish Government has arranged consultation workshops across Scotland one for practitioners, managers and leaders who work with offenders and one for the wider public including victims, local communities, service users and their families. Ayrshire events have been arranged on 17 April 2013, at the Fenwick Hotel in Kilmarnock.

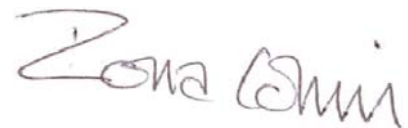
- 5.2 However, Social Services and Health have already undertaken significant consultation. A report was prepared on the consultation for the Health and Social Care Policy Board on 21 January 2013, a report was prepared on the Audit Scotland Report "Reducing Re-offending in Scotland" for the Audit Committee on 18 February 2013, a presentation was provided on the consultation to North Ayrshire Council Elected Members on 4 March 2013 and a consultation event was held for approximately 100 members of staff including CJSW staff, other Social Services and Health staff and other Council staff, on 5 March 2013.
- 5.3 Feedback from elected members was generally supportive of the fourth option developed.
- 5.4 The feedback from the consultation event with staff was more detailed as the groups had time to discuss each option and each group provided written responses on each of the options. This feedback will be used to compile a report on the consultation event, but it has not been possible due to timescales to attach this as an appendix to this report. However, having read the feedback the general themes regarding the four options are as follows:
- The enhanced CJS model feedback indicates that staff did not have a clear understanding of the role of the CJS, that the enhanced CJS does not address the issue of the cluttered/complex landscape and there were concerns expressed that enhancing (or as one comment said "tweaking") this model will make no difference. A direct quote was "why enhance a model that is not working."
 - The Local Authority model feedback indicated that this model would allow local need to be addressed, however an overwhelming theme coming from all the groups was that this creates problems of economies of scale. When responding to this option comments also indicated that rather than having 32 local authorities individually working to reduce re-offending in their areas, partnerships between local authorities could be formed. The following quote reflects the feedback received: "Workable option if Ayrshire wide, but not 32 local authorities, too small on their own."

- Single service model feedback indicated that this approach would lead to greater consistency, however there were concerns expressed regarding detaching CJSW from other key council services e.g. youth justice services; that due to the geographic structure of this model and the "top down control" it would reduce our ability to engage with communities at a local level; that it would focus on national rather than local issues; that it would be disruptive and costly and a concern that this model would not have a social work value base and in the longer term could be privatised. The following quote which asks three questions reflects this final point: "Does this have to be social work led; could it be run by ex-police or businessman; would the social work ethos be lost?"
- The fourth option, which we had developed, was described at the consultation event as a Local Authority Partnership Model, and we have since changed this to "Reducing Re-offending Partnership", to better reflect the multi-agency dimension of this model. As noted above feedback from the Local Authority Model had already identified that partnership working between local authorities should be the way forward. In respect of this option feedback indicated that it addressed the weaknesses of the other options and it would meet local need, link with community planning partnerships and builds on partnership working. Questions were asked regarding whether other local authorities would support such an approach and how this model would operate.

6. Conclusion

- 6.1 As indicated in Section 1 of this report three consultations have been undertaken in a 15 year period starting with the Tough Options in 1998, the Reducing Re-offending Consultation in 2004 and the current Community Justice Redesign Consultation and all of these options have included an option of creating a national service for CJSW. Therefore, there has been a longer term agenda regarding how CJSW should be structured and delivered.
- 6.2 The Consultation on Redesigning the Community Justice System provided three organisational models which are noted in sections 2.3, 2.4 and 2.5 of this report. As indicated all of these models have strengths and weaknesses. An additional option is identified in section 2.6, a "Reducing Re-offending Partnership", which we believe addresses many of the weaknesses of the three provided in the consultation.

- 6.3 The Scottish Government has arranged consultation events throughout Scotland and the one for Ayrshire is set for April 17th, 2013. However, as noted earlier, in North Ayrshire reports and presentations have been provided for elected members and a consultation event was held with approximately 100 members of staff. Feedback received was supportive of the fourth option that we have developed. There has been discussion regarding local authority partnership approaches, but at this stage no agreement has been reached between local authorities.
- 6.4 The Consultation response to the Scottish Government requires to be submitted by April 30 2013. With the agreement of Cabinet we will include details of the Reducing Re-offending Partnership model.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference : JMcC/KS

For further information please contact Jim McCrae, Locality Manager,
Criminal Justice Services on 01294 317784.

Background Papers

Consultation document is available in the Members' Lounge or by contacting the above-mentioned officer.

NORTH AYRSHIRE COUNCIL

Agenda Item 15

26 March 2013

Cabinet

Subject: **North Ayrshire Carers Strategy**

Purpose: To seek Cabinet's approval of the proposed Carers Strategy

Recommendation: That the Cabinet agrees to (a) note the development of the Carers Strategy; (b) endorse the contents of the Strategy and commit to a wider consultation with service users, their carers and the community of North Ayrshire; and (c) recommend that the Council agrees that Councillor Steel assumes the role as Carers Champion for North ayrshire Council.

1. Introduction

- 1.1 The attached Draft Carers Strategy is the culmination of the work of the Community Health Partnership forum carers sub-group. The sub-groups membership includes representatives from North Ayrshire Council NHS Ayrshire and Arran, Enable, Unity Enterprises (Carers Centre) Young Carers Support Project as well as two informal carers.
- 1.2 The Community Health Partnership (CHP) Forum sub group was formed to produce a new strategy with a clear focus on positive outcomes for Carers.

2. Current Position

- 2.1 The Draft Carers Strategy builds on the existing work in North Ayrshire to Support Carers in their caring role. Examples of this work are detailed in the Strategy and demonstrate an innovative approach to provide a flexible service.
- 2.2 An example of the support offered is respite provision, In 2011 1,010 carers received some form of short break from their caring role, and this totalled: -
 - 4,595.8 respite weeks
 - 16,263 total nights respite
 - 119,307 hours of daytime respite (including day services)

- 2.3 The North Ayrshire Partnership involving North Ayrshire Council, NHS Ayrshire & Arran and Third Sector are developing the reshaping care agenda using the Change fund to support this. Included in the direct support to carers are funding of a carers advice worker in the North Ayrshire Carers Centre (Unity Enterprises) and the funding for six dementia support workers

Carers Strategy Principles

- 2.4 This is a high level overarching strategy which will inform all other North Ayrshire Council as well as co-produced and partnership strategies to ensure that carer's rights and needs are addressed.
- 2.5 The principles that underpin North Ayrshire Council's Carers Strategy are: -
- Maximising carer's mental, emotional and physical wellbeing.
 - Increasing carer's confidence in managing the caring role.
 - Carer's having the ability to combine caring responsibilities with work, social, leisure and life long learning opportunities; retaining a life outside of caring.
 - Carer's will not experience disadvantage or discrimination, including financial hardship, as a result of caring.
 - Carer's will be involved in planning and shaping the services required for the service user and the support for themselves.
- 2.6 To achieve this North Ayrshire Council aspires to deliver early, preventative, personalised support to families encouraging independence and confidence while directly aiding the carer.
- 2.7 The strategy is written in a style that makes it accessible to Carers and Young Carers whilst identifying clear targets that will positively impact on the Carer outcomes. The strategy;
- defines who is a Carer and who is a Young Carer,
 - attempts to quantify the number of Carers in North Ayrshire and ways to identify 'hidden carers',
 - What Support Carers have identified as having the most positive impact on their lives
 - How Carers should be involved in the development of service plans and service improvement,
 - Development of flexible planned breaks from caring,
 - addresses carers health and well being and education and employability
 - the promotion of Carers Assessments,
 - How personalisation impacts on Carers and the implications of the Self Directed Support Bill.

- 2.8 The strategy will be regularly monitored and progress reported biannually to the Carers Advisory Group and Social Services and Health Governance Board and annually to NAC Cabinet.

Carers Strategy Objectives

- 2.9 The Carers Strategies objectives are detailed in the strategy document which is appended to this document.
- 2.10 Work with Young Carers and the whole family approach has been evidenced as effective in addressing the most complex of need. Whole family approaches are a starting point in recognising the interdependence that most people have with those closest and most important to them. The Strategy advises that Carers should be recognised as individuals in their own right and in terms of planning should be grouped by age band rather than being categorised by the 'service user group' that the person they care for is designated.;
- Young Carers – under 18 years of age
 - Young Adult carers – 18-30 years of age
 - Adult Carers – 31-64 years of age
 - Older Adult – 65 and over
- 2.11 It is recommended that Councillor Robert Steel assume the role as Carers Champion for North Ayrshire. This will ensure sufficient priority is attached to supporting carers in North Ayrshire. In particular the Carers Champion would retain oversight of the Council's contribution to the implementation of North Ayrshire's Carers' Strategy. This role will be supported by a senior officer who has the lead responsibility for carers. While there is no statutory guidance regarding the establishment of a Carers' Champion it is considered by the Scottish Government to be one mechanism open to Councils to reinforce their commitment to supporting and valuing carers.
- 2.12 The Carers Champion will chair the proposed North Ayrshire Carers Strategy Advisory Group which will be made up of representatives from, service users, carers, NAC and NHS Ayrshire & Arran, staff group and representatives from the 3rd Sector. This group will monitor and provide advice on how we continue take forward the Carers strategy in North Ayrshire and be a reference point for future strategies and service developments to ensure they are consistent with the Carers Strategy principles and objectives.
- 2.13 To continue to develop methods to engage with hidden carers including those from ethnic minorities including Gypsy and Travelling people.

- 2.14 All Partners commit to ensuring that all carers are informed and offered carers assessments. And to actively encourage the uptake of carer's assessments and ensure that arrangements are in place to evaluate the outcomes and the diverse needs of all carers.

3. Proposals

- 3.1 That the Cabinet agrees to (a) note the development of the Carers Strategy; (b) endorse the contents of the Strategy and commit to a wider consultation with service users, their carers and the community of North Ayrshire; and (c) agree to Councillor Robert Steel being appointed as Carers Champion.

4. Implications

Financial Implications

- 4.1 Carers are the largest source of care and support in Scotland and it is estimated that it would cost £7.6 billion to replace the care they provide (University of Leeds 2008). It makes good fiscal sense to provide support to carers who underpin the delivery of social care services to enable them to continue caring.
- 4.2 The Scottish Household Survey 2007/08 figures estimated that there are 18, 921 unpaid carers in North Ayrshire providing a level of care to a person in need. It is currently difficult to track expenditure that supports carers as much of the funding relates to supporting service users which indirectly also supports carers.
- 4.3 As an indicator in 2012-2013, the Council spent £1,154,000 on overnight respite for adults, £3,780,277 for respite via day support for adults with learning disability and directly supported the Carers Centre and Young Carers project on an annual basis of £141,240.

Human Resource Implications

- 4.4 The Human Resource implications will be addressed through the "Service Access" work stream. This work stream was approved by Cabinet on 8 November 2011 and will report back with initial proposals in November 2012. These and all other implications will be considered and detailed in the Service Access Progress Report.

Legal Implications

- 4.5 Social Care (Self Directed Support) (Scotland) Act received Royal Assent in January 2013. It places self directed support into a legislative framework, and stipulates the forms of self directed support that must be offered by local authorities to those assessed as requiring community care services, namely: direct payments; directing the available resource; local authority arranged support; or a mix of the first three options.
- 4.6 The legislation also creates a new power to provide a support service to carers in their own right as opposed to previous situation when any service was reliant on the service user receiving a care package.

Equality Implications

- 4.7 Following consultation the Strategy will be subject to a full Equalities Impact Assessment.

Environmental Implications

- 4.8 There are no environmental implications at this stage.

Implications for Key Priorities

- 4.9 The proposals within this report will contribute to the North Ayrshire Single Outcome Agreement priority area of a Healthy and an Active North Ayrshire.

5. Consultations

- 5.1 The strategy has been jointly drafted with NHS Ayrshire & Arran NAC colleagues, third sector carer support groups, Unity Enterprises Enable Scotland as well as carers.
- 5.2 Effective communication is central to successfully engaging carer's as key partners. We have established partnership links with; NHS Ayrshire and Arran in particular the Public Partnership forum, Service user and carer reference groups the third sector including Unity enterprises and service user forums.
- 5.3 The intention is to circulate the Strategy to Partners for agreement and carry out a public consultation exercise between April and May 2013.

6. Conclusion

- 6.1 The Draft Carers Strategy updates existing strategies in line with recent legislative and policy changes. It will build on existing provision to continue to develop flexible services that have a clear focus on supporting informal carers in their caring role.

A handwritten signature in purple ink that reads "Iona Colvin".

IONA COLVIN

Corporate Director (Social Services and Health)

Reference : AB/LA

For further information please contact Alan Brown, Senior Manager
(Personalisation) on telephone number 01294 317794

Background Papers

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NORTH AYRSHIRE
CARERS STRATEGY
2013-2018

DRAFT Version 10.3

Contents

<u>Content</u>	<u>Page</u>
Introduction	3 – 4
Principles	5
Who is a Carer?	6 – 9
Young Carers	10 – 11
Carers Assessment	12 – 13
Involving Carers	14 – 15
Supporting Carers	16 – 19
Breaks from Caring	20 – 21
Carers & Self Directed Support	22 – 23
Carers Health & Wellbeing	24 – 26
Carers Employability	27 – 28

APPENDICES

Appendix i - Action Plan	29 - 32
Appendix ii - Useful Contacts	33 - 34
Appendix iii - Policy/Legislation	35 - 37

Introduction

The Carers Strategy and the work done with carers are underpinned by the principles of equality, diversity and human rights.

Based on the Universal Declaration of Human Rights, all individuals who care for a relative, friend or neighbour have an established set of rights which include: -

- The right to social security and to economic, social, and cultural rights
- The right to work, to free choice of employment, to equal pay for equal work, to just and favourable conditions of work and to protection against unemployment
- The right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay
- The right to a standard of living adequate for health and wellbeing
- The right to training and education
- The right to participate in culture, arts and science and benefit from them
- The right to take part in governance and to access services

(Care21: The Future of Unpaid Care in Scotland; Scottish Executive 2005)

North Ayrshire works to ensure that no carer is disadvantaged due to gender, age, disability, ethnicity, religion or sexual orientation. Furthermore North Ayrshire will work to ensure carers have the support they need to maintain a healthy lifestyle, their own wellbeing and have breaks from caring.

‘Historically there has often been too much of a divide between the user and the carer, whereas the physical and emotional wellbeing of both are inextricably linked’.

Dame Phillipa Russell, Chair – Standing Commission on Carers.

(HM Government Recognised, Valued and Supported, Next Steps for the Carers Strategy – November 2010)

The North Ayrshire Joint Planning Group (Community Care) produced a “Strategy for Carers Services 2003/2004”. The purpose of this was to identify key priorities for developing services for carers, aged 18 or over who provided informal or unpaid care in North Ayrshire. Since this time a number of new policy drivers, initiatives, guidance and strategies have come into force.

In October 2010 a Community Health Partnership (CHP) Forum sub group was formed to produce a new strategy with a clear focus on positive outcomes for Carers. A Carers Strategy scoping paper published in December 2010 detailed demographic information, and services received by carers and those that they believed would be most useful from a Social Work Inspection Agency (SWIA) Carers Survey published in 2007.

This is a high level overarching strategy which will inform all other North Ayrshire strategies to ensure that carer's rights and needs are fully addressed.

The recommendations identified (see Appendix i) will assist the achievement of the strategy outcomes and progress on these will be reported on a six monthly basis, with an annual report providing outline priorities for the following year which are required to take forward the strategy. A range of methods will be utilised to ensure the meaningful involvement of carers and carers organisations.

Principles

The principles that underpin North Ayrshire Council's Carers Strategy are: -

1. Maximising carer's mental, emotional and physical wellbeing.

2. Increasing carer's confidence in managing the caring role.
3. Carer's having the ability to combine caring responsibilities with work, social, leisure and life long learning opportunities; retaining a life outside of caring.
4. Carer's will not experience disadvantage or discrimination, including financial hardship, as a result of caring.
5. Carer's will be involved in planning and shaping the services required for the service user and the support for themselves.

To achieve this North Ayrshire aspires to deliver early, preventative, personalised support to families encouraging independence and confidence while directly aiding the carer.

Who is a Carer?

Caring touches every family in North Ayrshire and it is almost impossible to predict who or when someone will become a carer and the impact it will have on the person. The caring role can be varied, it could be for a short time whilst the person recovers from an illness or injury, or could become a lifetime role. As a result caring could have an impact on the financial, physical, social and emotional/psychological wellbeing of the carer.

The legal definition of a carer is someone who provides substantial amounts of care on a regular basis for either an adult or a child, where that adult or child receives, or is eligible to receive, support services under the Social Work (Scotland) Act 1968 or the Children (Scotland) Act 1995.

A number of other definitions of carers exist: -

‘Individuals who care for a friend, relative or neighbour without receiving paid income, in addition to income received through the benefits system’

(Care21: The Future of Unpaid Care in Scotland; Scottish Executive 2005)

A carer is someone of any age who provides unpaid support to family or friends who could not manage without this help. This could be caring for a relative, partner or friend who is ill, frail, disabled or has mental health or substance misuse problems.

(The Princess Royal Trust – North Ayrshire Carers Centre)

For the purpose of North Ayrshire’s Strategy this will focus on individuals of all ages who provide or intend to provide on a regular basis, significant or substantial caring tasks, including assistance or support to a friend, relative or neighbour without receiving payment. The Scottish Household Survey 2007/08 figures estimated that there are 18,921 unpaid carers in North Ayrshire providing a level of care to a person in need.

The Princess Royal Trust for Carers (PRTC) in North Ayrshire has an estimated 4,125 unpaid carers registered as at 31st July 2012 who can be divided as follows: -

Table 1

Table 1 represents the number of unpaid carers registered in North Ayrshire by gender. There are 1,013 male unpaid carers and 2,818 female unpaid carers which equates to an almost definitive split of 30% - 70%.

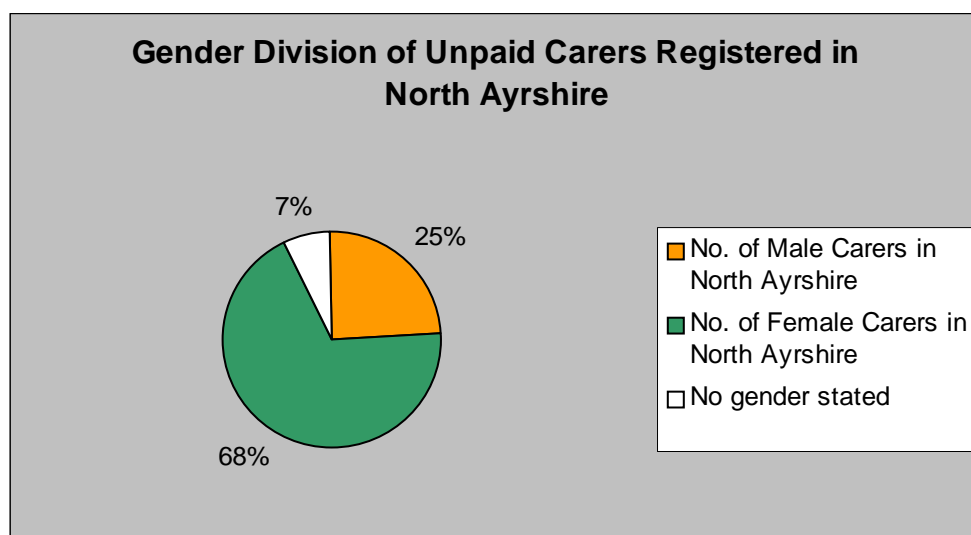


Table 2

Traditionally support has been linked to the service user or care group regardless of the age of the carer, and any support provided has been in the context of the individual who is cared for. North Ayrshire Carers Centre figures illustrate below that the majority of carers (33%) in North Ayrshire are aged 36 – 59 years.

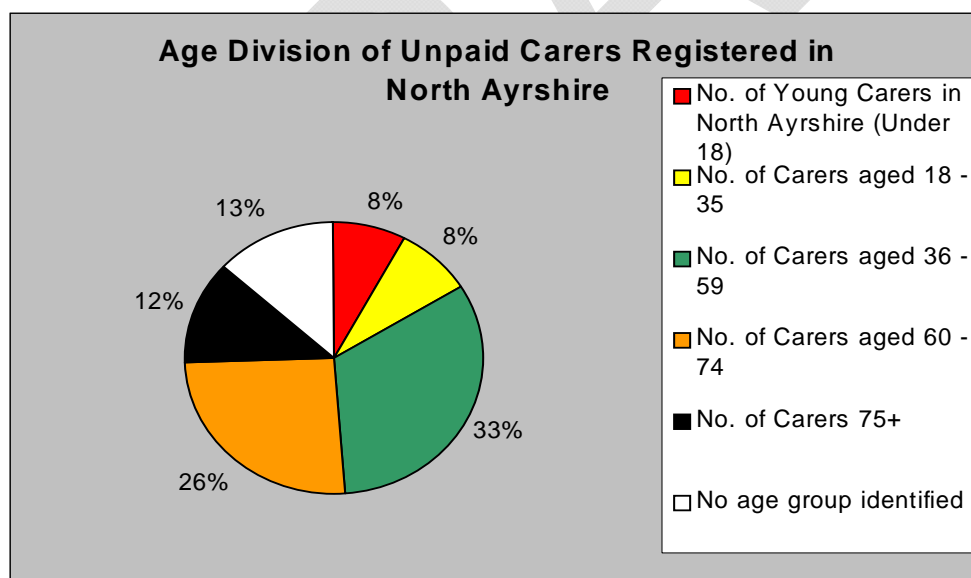
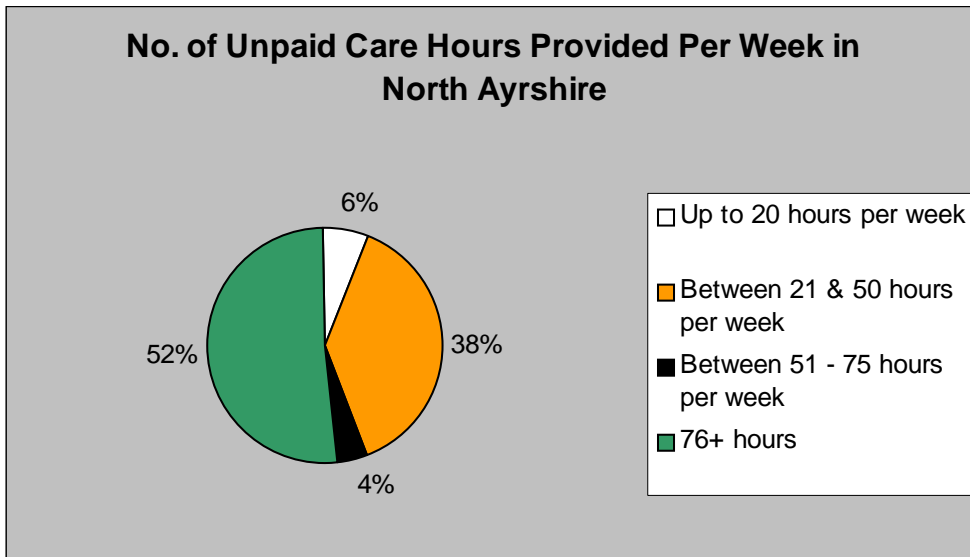


Table 3



In reviewing Table 3 it shows that over half of unpaid carers registered in North Ayrshire provide more than 76 hours per week to a family member or friend in need of assistance. This covers a number of tasks such as safety, personal care, socialisation, health and nutrition to name only a few. This equates to 1,059 registered carers in North Ayrshire.

The figures reported above do not include any notion of the volume of hidden carers in North Ayrshire but from figures reported in the Scottish Household Survey 2007/08 there is a substantial quantity unrecognised.

In Cavaye's book "Hidden Carers" (2006) it is highlighted that the provision of support services for carers has been a longstanding key social policy objective. This maintains support through service intervention and has been found to reduce carer's stress levels, improve the quality of life and prevent the breakdown of care.

North Ayrshire will continue to ensure that there is equality across cultures and communities with diversity for carers with distinct needs that differentiate them from other carers such as language and accessing culturally appropriate services. In conjunction with the Ayrshire Minority Ethnic Communities Association (AMECA) and a number of more localised groups (Appendix ii) North Ayrshire can facilitate a flexible approach to working with individual care groups and establish approaches to meet carers needs.

RECOMMENDATION A – WHO IS A CARER?

Carers for the purpose of the North Ayrshire Strategy will focus on individuals of all ages who provide or intend to provide on a regular basis, significant or substantial caring tasks, including assistance or support to a friend, relative or neighbour without receiving payment.

- All partners to use the above description to describe unpaid carers, not to be confused with other people who provide care.
- To distribute the Carers Strategy across North Ayrshire.
- Carers Advisory Group will monitor and evaluate the implementation of the Carers Strategy throughout North Ayrshire.
- To recognise and work with new and existing carers across various cultures and communities.

Young Carers

A 'Young Carer' is a child or young person under 18 years of age whose life is affected by the need to carry out caring tasks and assume a level of responsibility for another person.

Caring tasks for young carers can include: -

- Emotional support
- Domestic tasks
- General care
- Personal care
- Child care
- Respite

The impact on young carers can be significant but is often unnoticed. Their situations are often unrecognised by Health, Education and Social Care Services, although the impact of their caring role is often reflected in their school attendance, academic progress, social isolation and often in the physical and emotional health of the young person. It should also be recognised that young carers have a particular need at the time of transition into adulthood.

Young carers in North Ayrshire account for 8% of the total number of carers registered with PRTC North Ayrshire, suggestive of a number of hidden young carer's which compromises the true extent of care provided by young carers.

Legislation provides young carers with the right to an assessment. Services provided should seek to minimise the effects of another's disability and provide the opportunity for young carer's to live 'normal lives'. The 'Young Carers Strategy for Scotland' however notes "the limitations of carer's assessments for identifying the needs of young carers..." suggesting that a different approach is needed.

The Scottish Government produced 'Getting it Right for Young Carers: the Young Carers Strategy for Scotland 2010-15' as it acknowledged that young carers can be different from adult carers and that many of the responses also need to be different.

Getting it Right for Every Child (GIRFEC) provides a unified approach for practitioners across all agencies. GIRFEC is at the heart of early intervention in providing a framework

and practice culture for identification and assessment of a young person's strengths, pressures and support needs. It takes a holistic view putting the child at the centre. It actively involves the young person in the assessment and action planning for the future.

GIRFEC is well embedded in North Ayrshire with the additionality of partnership forums which provide an early intervention response for multi-agency assessment, care planning, interventions and supports. There is a range of supports necessary to address young carer's needs and the North Ayrshire Integrated Children's Services Partnership has undertaken the first stage of self-evaluation of services as a basis to improve our services in line with the Young Carers Strategy for Scotland.

Whole-family approaches acknowledge that the person who is cared for does not exist in a vacuum and may require assistance from more than one family member, neighbour or friend to maximise their potential. Equally carer support must address the needs of all providing carer support, especially young carers, maximising their potential, at the same time as respecting their wishes to continue to offer a caring role.

RECOMMENDATION B – YOUNG CARERS

- All services will actively identify and be supportive of the caring role which young carers are required to balance with education and age appropriate social development.
- Expand the service provision to young carers by the Carers Trust. Ensuring support is provided timeously and appropriately to young carers when requested.
- GIRFEC training and practice will improve identification of young carers.
- Review the range of supports available in North Ayrshire to meet needs.
- Improve liaison and transitional procedures from Adult - Children's Services to ensure timely identification and intervention.
- Ensure carers are identified by age rather than the service they are categorised by.

Carers Assessment

North Ayrshire Council has a duty to inform all carers providing 'regular and substantial care' of their legal entitlement to a carer's assessment under Carers (Equal Opportunities) Act

2004 and Children (Scotland) Act 1995, regardless of whether the cared for person is being assessed.

Carers should automatically be offered an assessment when the person(s) they care for is being assessed, or following a review. Carers can also request an assessment at any time, especially if their circumstances alter which impacts on their caring responsibilities.

Carers' assessments identify the information and support that carers need to enable them to continue in their caring role. The carer's assessment can result in resources to support the carer and should be designed to empower carers to make the most of their potential and opportunities to achieve good outcomes. This should also include emergency planning as an intervention to help prevent or cope with crises.

In North Ayrshire for the reporting year 2011/2012, it is noted that 121 carer's assessments were completed by Social Services with 94 of these resulting in a service being provided.

Practical support was reported by 18% of carers as another significant method of assistance that can take the form of: -

- People coming to the home of the person you care for to help with their care, including overnight stays.
- Help the person you care for to go to organised activities, where they can be cared for and assist in socialisation.
- Respite in the form of a residential respite or supported short break.
- Adaptations to the home of the person you care for i.e. telecare or assisted technology to help them with daily tasks.
- Legal and financial advice – you and/or the person you care for may be entitled to income maximisation or benefits that you are unaware of.
- Mobility as there are various schemes that offer people and their carers access to transport.

RECOMMENDATION C – CARERS ASSESSMENT

- Partners remain committed to ensuring that all carers are informed and offered carers assessments.
- Continue to encourage the uptake of carer's assessments and ensure that arrangements are in place to evaluate the outcomes of the diverse needs of all carers.

- Throughout the process of service user assessment, where a carer is involved the assessor will collate a range of information that will automatically inform a Carers Assessment.
- All agencies should improve their performance in offering carers an assessment in their own right.
- All agencies should put in place systems to systematically measure outcomes for people who use services and their carers.

Involving Carers

“An effective community based approach is achieved when Councils and their partners actively involve people, carers, families and communities in the design, development, delivery and review of innovative care and support arrangements to maximise the choice and independence and utilise the widest range of resource”.

(Putting People First Consortium (2010) Think local, act personal; Next steps for transforming adult social care.)

Carers have a wealth of knowledge, expertise and make a valuable contribution in terms of practical and emotional knowledge. It is very important carers are involved meaningfully in the decision-making processes that affect their caring responsibilities and in the development of health and social care services.

North Ayrshire health and social care recognise that carers are a significant asset in supporting the efforts of the Council to maintain people in their own local communities and it is in everyone's interest to ensure that unpaid carers are properly supported.

North Ayrshire Council has provided financial support to the Carers Trust for some years. The Carers Centre, which is located in the High Street in Irvine provides support, training and both local and national information for carers. This service is part of the continuum of care available to unpaid carers and promotes mutual support. North Ayrshire Council grant funding each year to the Carers Centre, with £187,904 in the year 2011 – 2012.

The whole family approach has been evidenced by the Department of Health as effective in addressing the most complex of need, and the value of negotiation and mediation between family members when needed. Whole family approaches are a starting point in recognising the interdependence that most people have with those closest and most important to them.

(Carers and Personalisation: improving outcomes. Department of Health 2010)

The local strategy reflects the wide range of issues which have an impact on carer's ability to continue their role without jeopardising their physical and mental wellbeing. As well as core support services such as respite care and the provision of information and advice, carers have particular needs in areas as diverse as having an adequate income, access to life long learning/employment and suitable housing.

North Ayrshire Council has supported a multidisciplinary Carers Strategy Advisory Group since October 2010 as a part of the Community Health Partnership. The membership

includes North Ayrshire Council, NHS Ayrshire and Arran, Enable, Unity Enterprise and most importantly carers.

Carers Champion

The North Ayrshire Strategy proposes that Councillor Robert Steel is assigned the role of Carers Champion. This will ensure sufficient priority is attached to supporting carers in North Ayrshire. This role will be supported by a senior officer with lead responsibility for carers.

The Champion would retain oversight of the Council's contribution to the implementation of North Ayrshire's Carers Strategy and chair the Carers Strategy Advisory Group helping to ensure robust accountability. While there is no statutory guidance regarding the establishment of a Carers Champion it is considered by the current Government to be one mechanism open to Councils to reinforce their commitment to supporting and valuing carers.

The strategy aims to support all carers to enable them to continue in their caring role and monitoring information advises there is a lower uptake from the black and minority ethnic communities, young carers and men in relation to carer support services.

All actions in the strategy look to address the gender imbalance and to improve the uptake of services across the spectrum of ages and communities.

RECOMMENDATION D – INVOLVING CARERS

- Consultation with carers/carers groups on the practical supports they have found most useful and those they currently believe are absent in order to develop the most appropriate practical support.
- Explore the use of Self-Directed Support to facilitate carers to purchase individualised practical necessary supports.

- Ensure support and advocacy for carers' is easily accessible, culturally appropriate and sensitive to a diverse range of needs to enable carers to continue in their caring role.
- To develop with partners a responsive, culturally appropriate, varied training programme across North Ayrshire to increase the knowledge base and skills of carers.
- All agencies to continue to strive for joined up services for carers in order to improve communication and seamless pathways for carers.

Supporting Carers

Caring is a universal activity and an integral part of the day-to-day lives of people with many not requiring any additional support to continue with that activity outside of their own support networks. However, circumstances arise in everyone's life that may affect our ability to continue, in the short or long term, to provide such support, and it is at that point that people require accessible information, advice and sign posting.

Carers value accurate and current information to enable them to continue in their caring role. The SWIA (2007) Carer's Survey report carried out in North Ayrshire reported that 43% of respondents feel the most significant assistance is with information and advice. Information, advice and signposting are currently available in different formats and languages and are readily available in local social service offices, primary health care settings and the PRTC North Ayrshire.

- **Enable Scotland**

Enable Scotland's Lifelong Carers project is one which aims to provide support to people over 50 years of age in North Ayrshire who are caring for relatives with a learning disability. The Family Life Planning Tool will help carers and their families to improve their quality of life day-to-day. The project also strives to improve co-ordination between carers and various local services and voluntary organisations.

The figures from Enable below indicate the level of demand for the service.					
No. of carer's	64	Emergency plans completed	32	Home visits to carer's	396

There are a number of key organisations and partners supporting carers in North Ayrshire a fuller list is attached in appendix i. These active partnerships will be the means by which carers will be supported, informed and included in order to continue in their caring role.

- **North Ayrshire Council Dementia Services**

The Dementia Support Service provides advice, information and specialist support to address the unique needs of people living with dementia and their carers.

Support is provided at home, in the local community or within our memory cafés on a short-term basis.

Mr Stevenston was visited by the Dementia Support Worker at home and Mr Stevenson highlighted that: -

"The support worker explained what services were available and later assisted me to access respite for my wife which was of great benefit, through this service I have also been able to meet other carers".

The contribution of carers to society will be fully recognised, the economic impact of their contribution accepted, and as such they will be wholly included in a society which will provide: -

- flexible employment practices,
- adequate financial support and planning,
- accessible information and technology,
- practical support,
- regular breaks from caring,
- adequate housing,
- training and health care,
- good transport links, and
- accessible leisure and recreational opportunities.

North Ayrshire community will support carers to be people first and unpaid carers second. Unpaid carers will be afforded the opportunity to choose when, how, and if they care, and support them to fulfil their potential as citizens.

It will encourage unpaid caring to be recognised as a positive life choice, which is underpinned by the human conditions of empathy and devotion to fellow human beings. There will be recognition of and respect for unpaid carers as key partners and providers in the planning, design and delivery of care.

Rather than categorise carers by the person they care for it would be preferable to identify them by age group. Carers in terms of age can be considered as: -

- Under 18 years of age (Young Carers)
- 18 – 30 (Young Adult Carers)
- 31 – 49 (Adult Carers)
- 50 – 65 (Older Adult Carers)
- 66 + (Older Carers) invited

- **Anam Cara – Dementia Respite Service**

Dedicated dementia care workers have been established at Anam Cara Dementia Respite Centre in Kilbirnie and support the dementia carer's network.

The Memory Café is open to anyone who is affected by memory problems, dementia or is caring for someone with dementia. Carers can drop in at any time during opening hours for a chat over a cup of tea or coffee. The whole family can come, unlike many day service activities, people with dementia and their carers can come to the café together. Carers may need social, emotional or practical support regarding their current situation and the staff on hand will be able to assist and provide information and support.

There are occasions where formal speakers are invited to attend e.g. Welfare Rights Advisors, Pension Service Advisors, District Nurses etc. Any advisor that carers feel would be beneficial can be considered.

RECOMMENDATION E – SUPPORTING CARERS

- Effective communication is central to successfully engaging carer's as key partners.
- Consultation and dialogue with carer's groups and individual carer's in North Ayrshire will ensure relevant information for carer's is appropriately circulated and produced.
- As key partners carer's groups are an important resource in promoting the importance of effective communication, relaying pertinent information to carers and promoting the services and supports which are available and highlighting developments that they would wish to see evolve.
- To ensure information is accessible, available in a range of formats and is appropriate and sensitive to a diverse range of needs to enable carers to continue in their caring role.
- To agree the remit of the Carers Champion

Breaks from Caring

Positive outcomes for carers will occur when they receive regular breaks from caring, which may also prevent any possible future breakdown in the caring relationship. It is important to acknowledge that carers may also need to combine their caring role with other family activities or responsibilities.

Respite and short breaks were the second highest most significant assistance (31%) next to advice and guidance reported by carers in SWIA's Carers Survey (2007).

Respite provision in 2011 was recorded as follows in North Ayrshire and applied to 1,010 clients in total across the services. 54% were female and 46% male with the greatest level of service being utilised by older people aged 65 years plus.

- 4,595.8 respite weeks
- 16,263 total nights respite
- 119,307 hours of daytime respite (including day services)

• North Ayrshire Council Respite/Short Breaks – Adults with Disabilities

North Ayrshire has adapted the traditional residential respite service to provide a more imaginative short break/holiday service. The service supports a personalisation approach, providing a wide range of supported short break holidays reflecting varied needs and aspirations. These breaks offer varying duration and activities in order that people with more complex needs can now access the holiday programme.

Carers also have confidence to plan holidays for themselves with assurance that the person that they normally care for will have all their needs met while they also are on holiday. People have choice in where to go and what to do for each short break.

"For the first time I can book a holiday in the knowledge my daughter is being well cared for."

(Chris Quinn – Local Area Co-ordinator – NAC) (Carers & Young Carers Strategy 2010 – 2015)

The PRTC North Ayrshire Young Carers Support Service offers a wide range of different supports to young people aged 8 – 25 years to help support them in both their caring role and their own life out with their home. The young carers are divided into certain age groups and meet bi-weekly offering an opportunity to interact with other young people in a safe and friendly environment. The young carers benefit from a number of supports including: -

- educational support/better understanding of circumstances affecting the family
- local community groups aiding socialisation
- one-one support to assist with self confidence and esteem
- PSE awareness lessons in schools to raise the profile of young carers
- outreach services for rural areas

• **PRTC North Ayrshire Young Carers Support Service**

We recently took our young carers on a five-day sailing trip around the West Coast of Scotland.

This experience was life changing for everyone who took part. It taught the young people how to work as a strong team and how to respect the commands of the crew along the way. As well as seeing some dolphins and whales the young people got to take part in something which they may not get a chance to do due to their caring role.

On our last day of the trip we all gathered together to discuss the overall experience and every young person said that even though it had only been five days they felt dramatically different to what they did before we went with many maturing during our time away. This experience has also led to great opportunities for the young carers to volunteer within the OYT and flourish in a field they are now very passionate about.

(Deborah McKean – North Ayrshire Carers Centre)

RECOMMENDATION F – BREAKS FROM CARING

Build on existing the short break services provided in North Ayrshire to offer short breaks to all eligible carers and young carers;

- Shifting the balance towards preventative support, and
- Personalising support to improve outcomes both for carers and those with care needs.

Social Care (Self Directed Support) Scotland Act 2012

North Ayrshire Council has a duty to take into account the new SDS Bill and are already responsible for making sure people who need it get social care support. This is to help people who are disabled or need extra help for other reasons to be able to stay independent and to have a good life.

This Bill will make changes as to how North Ayrshire Council will do that and provides the following general principles to follow when they are assessing what people need and when providing or arranging care.

- involvement – as much involvement as each person wants
- informed choice – providing each person with the assistance they reasonably need to give their views about the options for self-directed support, and then to make an informed choice when choosing a type of self-directed support.
- Collaboration – working with the person around the assessment of what support and services they need, and the provision of services.

The main group of people who will benefit is people who need social care for themselves. However the Bill will also apply to adults who are carers and can use a form of self-directed support to assist their role as a carer. The arrangements for carers to have choice in the arrangements for the support they get is the same as for people getting support for themselves and is provided via the following four options:

- Direct Payment
- Individual Service Fund
- Local Authority arranged support
- Mixture of approaches

Other provisions include that individuals must be provided with information and advice to help them make that choice, and those who may have difficulties in making informed choices are provided with the necessary support to do so.

The Bill seeks to modernise and consolidate current legislation on direct payments, in order to make it more flexible to respond to individuals' needs. It is anticipated that these changes will be detailed in the regulations that support the Bill once it becomes statute.

As part of positioning the market, required for Self-Directed Support, North Ayrshire Council is committed to the development of community connectors. This role will work across all clients groups to identify alternative resources in the wider community to assist service users/carers to engage and reconnect socially.

North Ayrshire Council concluded a pathfinder in August 2012 which tested the proposed Self-Directed Support procedures and toolkit ensuring an outcome focus for service users and carers.

Whilst most carers undertake the role willingly, it must be recognised that caring can be very demanding and can negatively impact on their physical and emotional wellbeing. There is a clear link between poor health and caring that increases with the duration and intensity of the caring role. It is important that carers take care of their own health and have in place services and mechanisms for easy access to healthcare and other forms of support that will assist them to maintain their own health. Carers are twice as likely to suffer ill health as those not providing care.

(‘In Poor Health: the impact of caring on health’ (2004) Carers UK)

- **NHS Carers Information Strategy**

The NHS Carers Information Strategy monies will continue to fund a number of initiatives to support the information, support, training and health & wellbeing needs of carers in North Ayrshire. Examples include: -

The continued commissioning of support services and training from North Ayrshire Carers Centre to improve the health and wellbeing of carers.

The development of an information booklet for carers entitled ‘Information for carers of people receiving NHS health care’, which provides signposting to information on carers rights, carer’s assessment, the support available from local carer’s centres and other useful sources of information for carers.

In relation to the early identification of ‘hidden carers’, GP’s and other primary care professionals are well placed to identify carers and alert them to sources of advice and support. The initial point of contact for many carers is health related.

NHS Ayrshire and Arran and Unity Enterprise are working together to identify and support carers via a number of participating GP Practices. A GP Support and Development Worker is based in North Ayrshire with the main objective to identify carers within the locale to provide practical support and sign posting to access the Carers Centre. This resource has and will continue to: -

- Deliver awareness raising and sign posting training, to both clinical and administrative staff.
- Carry out a mail shot to all patients aged 16+ within each participating practice.
- Carry out full registration for all carers identified, including benefits advice, carers health needs assessed, appropriate referrals for carer's assessment.
- Maintain contact with key individuals within each participating practice to ensure referral pathways to Carers Centres are firmly embedded.
- Take action to support young carers where identified.
- Take every opportunity to raise the awareness of NHS staff regarding the needs of carers.

It is hoped that funding will be secured to enable this service to be offered to all GP practices during 2013/14.

- **Young Carers Authorisation Pilot Card**

NHS Ayrshire & Arran is working in partnership with Unity Enterprise and the Scottish Government during 2012/13 to pilot a 'young carers authorisation card' across Ayrshire.

The pilot will enable young carers to be issued with an ID card that identifies them as a young carer. It further provides them with the appropriate level of consent from the cared for person to enable them to have access to the information they need, and to be included in discussions about the cared for person with health professionals.

In North Ayrshire, the card will also provide the young carer with free and/or reduced rate entry to KA Leisure facilities as a means of respite and encouraging improved health and wellbeing. It is envisaged that, should the card evaluate well, that it would be rolled out during 2013/14.

- **The Keep Well Programme**

The Keep Well Programme has been running in Ayrshire & Arran since 2008 and aims to identify people who may be at risk of developing heart disease or diabetes and to offer them advice, support and treatment to improve their health. The Keep Well health checks are targeted at individuals aged 40 – 64 years living within the 20% most deprived areas in North Ayrshire.

This service is now being actively targeted to carers. Eligible individuals can receive a free Keep Well health check at their local GP practice or from a trained Health & Wellbeing Advisor in the community. The health check looks at things like blood pressure, diet, cholesterol and also provides an opportunity to ask about any other health related issues.

Pharmacies are also in a pivotal position to establish contact with carers as they habitually collect repeat prescriptions for the person they care for, if not themselves. A training proposal is being provided for both paid/unpaid carers in the delivery of medication management.

RECOMMENDATION G – CARERS HEALTH & WELLBEING

- To work with other agencies to develop and increase access to services which would improve the health and wellbeing of carers, including young carers for example – KA Leisure Services.
- NHS Ayrshire & Arran to implement Carers Strategy throughout health services, supporting the identification of hidden carers and informing of the supports available.

Carers Employability

North Ayrshire partners concur with the importance of carer employment, skills development and lifelong learning.

Legislation and policy in Scotland secures carers' the right to leave from work to take care of emergencies and caring crises via the Employment Relations Act 1999; their right to request flexible working arrangements; and their right to a Carers Assessment which acknowledges their desire to learn and work as well as to care. These recent changes have placed new statutory obligations on local authorities, employers and others.

In addition the Equality Act 2010 expanded the rights of carers 'discrimination by association' and 'direct discrimination'. An employer cannot treat carers less favourably or refuse to offer employment because of caring responsibilities.

The Scottish Government, through skills development, economic policies, and the promotion of carer-friendly working practices, can support carers to remain in, or return to, employment or to take up lifelong learning opportunities.

The Jobcentre Plus programme in Scotland - Work Focused Support for Carers has operated since December 2009 for all carers who: -

- are aged 18 or over
- are not working or working less than 16 hours per week
- who spend a significant proportion of their lives caring; and
- are not eligible for any other Jobcentre Plus employment programme.

Work Focused Support for Carers provides help and advice for you to make a successful move into work, when the time is right. It is an optional service which you can choose to take part in or stop at any time.

You will receive help and support from a Jobcentre Plus personal adviser. This might include: -

- help preparing for work
- help to find suitable training
- support in looking for and applying for a job; and

- help with the costs of travel, childcare, replacement care and course costs when you're taking part in training or interviews agreed with Jobcentre Plus.

For carers some of the main concerns noted in relation to learning and employment are: -

- financial implications of having to give up paid employment to undertake the caring role
- the importance of accessing a high quality, appropriate service/package of care in order to combine training & development or employment with their caring role
- carers lack of confidence in the ability of statutory agencies; and
- What happens if their caring role ends?

Within North Ayrshire there are a number of access points to locate support and guidance to apply and enter into education, training or employment. A full list is attached in appendix ii.

RECOMMENDATION H – CARERS & EMPLOYABILITY

- Ensure carers have choice in education and employability across all ages and are supported to make decisions about the practical issues, alternatives and possible consequences.
- Assistance in providing accessible and flexible support for working carers.
- Partnerships should continue to promote and implement good employment policies and practice for carers.

NORTH AYRSHIRE CARERS STRATEGY ACTION PLAN	APPENDIX i
RECOMMENDATION A – WHO IS A CARER?	<p><i>Carers for the purpose of the North Ayrshire Strategy will focus on individuals of all ages who provide or intend to provide on a regular basis, significant or substantial caring tasks, including assistance or support to a friend, relative or neighbour without receiving payment.</i></p> <ul style="list-style-type: none"> • All partners to use the above description to describe unpaid carers, not to be confused with other people who provide care. • To distribute the Carers Strategy across North Ayrshire. • Carers Advisory Group will monitor and evaluate the implementation of the Carers Strategy throughout North Ayrshire. • To recognise and work with new and existing carers across various cultures and communities.
RECOMMENDATION B - YOUNG CARERS	<ul style="list-style-type: none"> • All services will actively identify and be supportive of the caring role which young carers are required to balance with education and age appropriate social development. • Expand the service provision to young carers by the PRTC. Ensuring support is provided timeously and appropriately to young carers when requested. • GIRFEC training and practice will improve identification of young carers. • Review the range of supports available in North Ayrshire to meet needs. • Improve liaison and transitional procedures from Adult - Children's Services to ensure timely identification and intervention. • Ensure carers are identified by age rather than the service they are categorised by.

NORTH AYRSHIRE CARERS STRATEGY ACTION PLAN	APPENDIX i
RECOMMENDATION C – CARERS ASSESSMENT	<ul style="list-style-type: none"> • Partners remain committed to ensuring that all carers are informed and offered carers assessments. • Continue to encourage the uptake of carer's assessments and ensure that arrangements are in place to evaluate the outcomes of the diverse needs of all carers. • Throughout the process of service user assessment, where a carer is involved the assessor will collate a range of information that will automatically inform a Carers Assessment. • All agencies should improve their performance in offering carers an assessment in their own right. • All agencies should put in place systems to systematically measure outcomes for people who use services and their carers.
RECOMMENDATION D – INVOLVING CARERS	<ul style="list-style-type: none"> • Consultation with carers/carers groups on the practical supports they have found most useful and those they currently believe are absent in order to develop the most appropriate practical support. • Explore the use of Self-Directed Support to facilitate carers to purchase individualised practical necessary supports. • Ensure support and advocacy for carers' is easily accessible, culturally appropriate and sensitive to a diverse range of needs to enable carers to continue in their caring role. • To develop with partners a responsive, culturally appropriate, varied training programme across North Ayrshire to increase the knowledge base and skills of carers. • All agencies to continue to strive for joined up services for carers in order to improve communication and seamless pathways for carers.

NORTH AYRSHIRE CARERS STRATEGY ACTION PLAN	APPENDIX i
RECOMMENDATION E – SUPPORTING CARERS	<ul style="list-style-type: none"> • Effective communication is central to successfully engaging carer's as key partners. • Consultation and dialogue with carer's groups and individual carer's in North Ayrshire will ensure relevant information for carer's is appropriately circulated and produced. • As key partners carer's groups are an important resource in promoting the importance of effective communication, relaying pertinent information to carers and promoting the services and supports which are available and highlighting developments that they would wish to see evolve. • To ensure information is accessible, available in a range of formats and is appropriate and sensitive to a diverse range of needs to enable carers to continue in their caring role. • To agree the remit of the Carers Champion
RECOMMENDATION F – BREAKS FROM CARING	<p>Build on existing the short break services provided in North Ayrshire to offer short breaks to all eligible carers and young carers;</p> <ul style="list-style-type: none"> • Shifting the balance towards preventative support, and • Personalising support to improve outcomes both for carers and those with care needs.

NORTH AYRSHIRE CARERS STRATEGY ACTION PLAN	APPENDIX i
RECOMMENDATION G – CARERS HEALTH & WELLBEING	<ul style="list-style-type: none"> • To work with other agencies to develop and increase access to services which would improve the health and wellbeing of carers, including young carers for example – KA Leisure Services. • NHS Ayrshire & Arran to implement Carers Strategy throughout health services, supporting the identification of hidden carers and informing of the supports available.
RECOMMENDATION H – CARERS EMPLOYABILITY	<ul style="list-style-type: none"> • Ensure carers have choices around education and employability across all age groups and are supported to make decisions about the practical issues, the alternatives and the consequences. • Accessible, flexible support should be provided for working carers. • Partnerships should continue to promote and implement good employment policies and practice for carers.

USEFUL LOCAL CONTACTS IF YOU ARE A CARER WHO LIVES IN NORTH AYRSHIRE			APPENDIX ii
Access Ability Ardrossan – 01294 470480	Arran Parents Support Group Brodick – 01770 850264	Children 1st Irvine – 01294 317191	Dementia Services – Kerry Rennie Kilbirnie – 01505 684362
Add it Up Irvine – 01294 311141	Barnardo's North Ayrshire Kilwinning – 01294 550400	Citizens Advice Bureau North Ayrshire – 0808 800 9060	Dirrans Head Injury Kilwinning – 01294 552771
Age Concern Ardrossan – 01294 822380 Irvine – 01294 212354 Kilbirnie – 01505 683646 Largs – 01294 674268	Befriending & Respite Services Irvine – 01294 318594	CLASP Stevenston – 01294 602711	Douglas Grant Rehab Centre MS, MND, Stroke, Parkinson's Irvine – 01294 323030
AIMS Advocacy Saltcoats – 01294 608663	Care Partners Ardrossan – 01294 607111	Clyde Coast MS Therapy Centre West Kilbride – 01294 823351	District Nurses Out of Hours – 01563 545544
All Abilities Park Kilwinning – 01294 551776	Carers Allowance Unit 0845 608 4321	Community Horizons Irvine – 01294 312242	Enable Lifelong Carers Irvine – 01294 222303
Alzheimer Scotland Ardrossan – 01294 469955 Irvine – 01394 323259	Carers Centre (North Ayrshire) Irvine – 01294 311333	Crossroads Caring Scotland Ardrossan – 01294 601447 Largs – 01475 674735	Fresh Air-Shire North Ayrshire – 0800 783 9132
AMECA Irvine – 01294 538405	CHAP Ardrossan – 01294 475636	Cunninghame Housing Ardrossan – 01294 468360	Impact Arts Irvine – 01294 273051
USEFUL LOCAL CONTACTS IF YOU ARE A CARER WHO LIVES IN NORTH AYRSHIRE			APPENDIX ii

IMPACCT Respite Irvine – 01294 311505	North Ayrshire Council Irvine – 0845 603 0590	Skills Development Scotland 0808 100 1050	Ticker Talk Irvine – 01294 469996
Irvine Carers Support Irvine – 01294 311333	Pegasus Club Irvine – 01294 311238	Social Services Headquarters Irvine – 01294 317700	Victim Support Irvine 01294 - 277040
James Watt College Kilwinning – 01294 559000	Penumbra North Ayrshire Self Harm Project Glasgow – 0141 229 2580	Stroke Support Group Irvine – 01294 323037	West Kilbride Carers Support 01294 311333
K A Leisure (Magnum Leisure Centre) Irvine – 01294 278381	Pupil Support Service Auchenharvie – 01294 470143	TACT Ardrossan – 01294 443044	Who Cares Scotland? Kilmarnock – 01563 573015
Kilbirnie Carers Support 01294 311333	Richmond Fellowship Irvine – 01294 276364	The Butterfly Club Ardrossan – 01294 686021	Women's Aid Saltcoats – 01294 602424
Largs Carers Support Brooksby Centre (1 st , 2 nd & 4 th Wed - 10am) 01294 311333	Scottish Association for Mental Health (SAMH) Irvine – 01294 312242	The Salvation Army Saltcoats – 01294 467169	
Opportunities in Retirement Largs – 0752 627 9933	Scottish Huntington's Association Irvine – 01294 276430	Three Towns Carers Support 01294 311333	

POLICY/LEGISLATION	OVERVIEW	APPENDIX III
NHS Reform (Scotland) Act 2004; and Changing Lives: 21st Century Social Work Review	Local Authorities, Health and other support agencies must recognise and treat carers as key partners in the provision of care and for carers to be involved in the planning and development of services.	
Carers (Recognition and Services) Act 1995	Amended S12 of the Social Work Scotland Act 1968 defines the rights of carers to request an assessment of their needs.	
Community Care and Health (Scotland) Act 2002	Introduced adult carers, who provide substantial and regular care, to a carer's assessment, even when the person they care for does not wish an assessment and subsequently develop a carer's support plan. The same was extended to young carers under sixteen years. The Act gave Local Authorities the duty to inform of this right and take into account the contribution of carers in the assessment of the cared for person before deciding on services. Health Boards were required to provide 'Carers information strategies' informing carers of their right to assessment.	
Carers (Equal Opportunities) Act 2004	Placed three main changes to the existing law around carers services as follows; <ul style="list-style-type: none"> • Duty on Councils to inform carers, in certain circumstances, of their right to an assessment of their needs. • When assessing a carer's needs, Councils must take into account whether the carer works or wishes to work, undertakes or wishes to undertake education, training or leisure activities. • Facilitated co-operation between authorities for the provision of services relevant to carers. 	

POLICY/LEGISLATION	OVERVIEW	APPENDIX III
Care 21: the future of unpaid care in Scotland	<p>Commissioned by the Scottish Executive in 2004 and concluded from their extensive study with twenty-two recommendations. The Executive chose to focus on four priority areas: -</p> <ol style="list-style-type: none"> 1. Training opportunities for carers. 2. Breaks from caring. 3. Young carers 4. Carer's health. 	
Joint Future Agenda	<p>Brought together Social Work, Health and Housing to: -</p> <ul style="list-style-type: none"> • Support more people at home as an alternative to residential and nursing care • Assist people to live independent lives by reducing inappropriate hospital admissions and enabling supported and faster discharge from hospital • Ensure people receive an improved quality of care though faster access to services and better quality services • Better involvement and support of carers. 	
UN convention on the rights of the child	<p>Applicable to young carers, in particular, the following points: -</p> <ul style="list-style-type: none"> • The right to life and the best possible chance to develop fully. • The right to rest and play and to have the chance to join a wide range of activities. • The right to protection from doing work that could be dangerous or which could harm their health or interfere with their education. • The right to express a view about the things that affect them. 	
POLICY/LEGISLATION	OVERVIEW	APPENDIX III

<p>Children (Scotland) Act 1995, Section 23(1)</p>	<p>Places a duty on Local Authorities to provide services designed to: -</p> <ul style="list-style-type: none"> • Minimise the effect on any child who is affected by the disability of another person. • Give those children the opportunity to lead lives which are as normal as possible. <p>The Act also states that all young carers have the right to their needs being assessed.</p> <p>Community Care Direct Payments Act 1996 gave Local Authorities the power to make direct payments to disabled people with Community Care needs and expanded in 2000 to include people over sixty-five.</p> <p>The Community Care and Health (Scotland) Act 2002, section 7 allowed direct payments to be more widely available to people that use Community Care and Children's services. Since 2003 Local Authorities have had a duty to provide direct payments to those individuals who fit the criteria and this was extended to older people in 2005. It provided options for clients including employing their own paid carers.</p>
<p>Social Care (Self Directed Support) Act 2013</p>	<p>Provides four options to service users and carers to manage their own care. These options are;</p> <ul style="list-style-type: none"> • The use of a direct payment by the Local Authority to the supported person for the provision of support. • The selection of support by the supported person and the making of arrangements for the provision of the local authority on behalf of the supported person. • The selection of support and the making of arrangements for the provision of it by the Local Authority. • The selection by the supported person of a combination of the above options for each type of support.

NORTH AYRSHIRE COUNCIL

Agenda Item 16

26 March 2013

Cabinet

Subject: **North Ayrshire Graduate Employment Fund**

Purpose: To seek Cabinet approval for a programme designed to help North Ayrshire Graduates into employment.

Recommendation: That the Cabinet approves the Graduate Employment Programme.

1. Introduction

- 1.1 In response to consistently high youth unemployment figures, North Ayrshire Council has developed and implemented a number of targeted youth employment programmes. These programmes have been designed to stimulate demand for young recruits and to ensure that youngsters looking for work are skilled, motivated and ready to enter the workplace.
- 1.2 A Graduate Employment Programme has been developed which will add to this range of youth employment activities. It has the twin objectives of supporting young unemployed graduates into employment and supporting local businesses improve productivity and move up the value chain.
- 1.3 Quantifying the number of unemployed graduates in Scotland or indeed North Ayrshire is very difficult. However, a recent report by the Citizens Advice Bureau for Scotland is suggesting that Scottish graduate unemployment is approaching 20% and the same study also suggests that 36% of recent graduates are in a lower level of employment than they trained for.
- 1.4 Jobcentre plus also does not capture graduate unemployment, but through its new universal job match website – an on-line job matching service – it can measure how many graduates are signed up at local authority level. At February 2013, 58 North Ayrshire graduates had signed up to the website, suggesting that graduates are looking for employment or alternative employment in North Ayrshire.

2. Current Position

- 2.1 Currently there are a number of programmes running in North Ayrshire which are focussed on creating job opportunities for youngsters and supporting youngsters prepare for these opportunities. These programmes are:-
- YES programme
 - Modern Apprenticeship
 - Youth Entrepreneurship Programme
 - Early bird social media programme
- 2.2 The Graduate programme has been designed to encourage employers to create new graduate Jobs in North Ayrshire. It will be targeted at 18 - 24 year olds currently unemployed or underemployed and North Ayrshire resident; it will offer companies financial incentives to create posts for highly skilled but inexperienced young people.
- 2.3 The programme will match graduates with organisations who will benefit from an injection of high calibre graduates with subject specific skills into their companies. The benefit to the graduate will be work experience to complement their academic achievement.
- 2.4 The programme has been designed in consultation with local businesses and a number of businesses have already shown interest in recruiting young graduates from the programme.

3. Proposals

- 3.1 It is planned to run the programme for 3 years but a review will be carried out at 18 months to assess the success of the programme and verify demand. The indicative costs for this programme are £512,000 with the budget being phased across the three financial years of the programme.
- 3.2 It is anticipated that the pilot phase will support the creation of up to 64 local graduate job opportunities. The majority of these opportunities will be in the private sector. However, 12 of the graduate posts have been earmarked for North Ayrshire Council.

- 3.3 The programme will be managed and delivered in house by Economic Development Services. A new temporary post will be required to manage the programme. Referrals to the programme will be through key partners such as Skills Development Scotland, Jobcentre plus, local colleges and businesses.
- 3.4 Although the detailed guidelines for the programme have still to be finalised, to qualify for support from the programme the following minimum criteria must be met:

The Post:

- Jobs must be additional the new jobs must add to the maximum number of employees of the organisation over the three months period prior to making an application;
- Jobs must be permanent where possible;
- Have basic hours (i.e. excluding overtime) of between 25 and 40 hours per week;
- The average starting salary for a graduate in Scotland in 2011 was £20,509 (Higher Education Careers Service unit, 2012). Companies will be encouraged to match this rate;
- Be at graduate level or require professional skills.

The Graduate:

- The Graduate must have been unemployed or underemployed (i.e not graduate employment) for the last 13 weeks and must be North Ayrshire resident; and
- Have a degree or HNC relevant to the specific vacancy.

One of the key aims of this programme is to improve the competitiveness of business and although it is difficult to set definite criteria for this, companies applying for the graduate programme will at least have to demonstrate how the post will deliver towards the following business improvements:

- New markets developed;
- New product development;
- Increased turnover;
- Demonstrate succession planning;
- Productivity improvements.

- 3.5 It is recommended that the Cabinet gives approval to a graduate employment programme for North Ayrshire which adds a new strand to an existing suite of youth employment programmes.

4. Implications

Financial Implications

- 4.1 The funding for this programme will come from existing Economic Development budgets allocated to youth employment initiatives. Specifically, this will be £300,000 from the £1.1m youth employment budget and a further £212,000 from other youth employment targeted budgets. This budget will be phased over the next three financial years.

Human Resource Implications

- 4.2 The Council may be able to recruit graduates from this programme if there is a demand from individual Council services.

Legal Implications

- 4.3 There are no legal implications arising from this report

Equality Implications

- 4.4 There are no equality implications arising from this report

Environmental Implications

- 4.5 There are no environmental implications arising from this report

Implications for Key Priorities

- 4.6 The services are in line with North Ayrshire's SOA 'A working North Ayrshire' and 'Learning and taking part'. It is also aligned with the priorities set out in the North Ayrshire's Regeneration and Economic Development strategy. It reflects priorities set out in the Scottish Government's national Youth Employment strategy, 16 + Learning Choices, Policy & Practice and Opportunities for All.

Community Benefit Implications

- 4.7 These programmes address a key priority for North Ayrshire Council to ensure there is not a generation of young people in North Ayrshire who are left behind because of lack of employment opportunities. Community Benefit will be achieved by more young people contributing to the local economy.

5. Consultations

- 5.1 This programme will be delivered in partnership with local businesses, Jobcentre plus, local colleges and Skills Development Scotland. All agencies and a sample of local businesses have been consulted on the design and implementation of the programme.

6. Conclusion

- 6.1 This programme will help to improve the skill level and productivity of local companies and provide employment opportunities for young graduates needing a helping hand at the start of their careers. It compliments existing programmes and between them will make a significant impact in addressing the high claimant count for youngsters in North Ayrshire.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference :

For further information please contact Angus O'Henley (Economic Development Officer) on telephone number 01294 2255124

Background Papers

Nil

NORTH AYRSHIRE COUNCIL

Agenda Item 17

26 March 2013

Cabinet

Subject: **North Ayrshire Youth Employment Strategy**

Purpose: To seek the Cabinet's approval of a Youth Employment Strategy for North Ayrshire.

Recommendation: The Cabinet (a) approves the Youth Employment strategy, (b) notes progress of youth employment programmes already in place, (c) agrees to receive further reports on the implementation and progress of the strategy.

1. Introduction

- 1.1 Youth Unemployment is a major economic and social issue for North Ayrshire Council with young people suffering disproportionately in the current economic downturn. To address this issue, the Council has developed a Youth Employment Strategy. This Strategy commits North Ayrshire Council to increasing North Ayrshire's youth employment level to above the national average by 2020.
- 1.2 Based on current figures, this will require a reduction of 707 claimants or 101 per annum until 2020 if the above national average employment target is to be achieved.
- 1.3 The Youth Employment Strategy will ensure that youth employment activity in North Ayrshire complements the Scottish Government's National Youth Employment Strategy and is aligned with the North Ayrshire Economic Development and Regeneration strategy.
- 1.4 A youth employment and skills group has been set up to co-ordinate the Council's response to Youth unemployment.

2. Current Position

- 2.1 North Ayrshire is consistently amongst the local authorities in Scotland with highest levels for youth unemployment. Although the youth claimant count fell over the last 12 months from 11.2% to 10.7%, it is still the highest in Scotland.

- 2.2 Across North Ayrshire, there are 'hot-spots' where youth unemployment is a particularly acute problem. There are some areas where the population of young people claiming benefits is very low (Largs and Arran) and others (such as Ardrossan Central and Saltcoats central) where the proportion of young people claiming benefit is close to 1 in 4.
- 2.3 North Ayrshire Council's response in recent years to this issue has been diverse. There has been a drive to improve post school positive destinations resulting in an improvement of 5.2% over 3 years – up from 84.5% to 89.7%. A number of other targeted activities such as Extended Outreach and Activity Agreements have also contributed greatly to the support and progression of local youngsters.
- 2.4 Stimulating the demand for jobs has also been addressed and a number of initiatives delivered as follows
- YES programme
 - Modern Apprenticeship (private companies)
 - Youth Entrepreneurship Programme
 - Early bird social media programme
 - North Ayrshire Council Modern Apprenticeship programme (internal Council programme)
- 2.5 The Council as an employer is also making a significant commitment to youth employment and has increased the number of Modern Apprentices it employs. Community Benefit Clauses are now routinely included in contracts to generate additional training and recruitment opportunities from Council contracts.
- 2.6 Partnership working is crucial to this agenda and the Council works closely with key partners to maximise the impact locally, for example influencing National Training Programmes delivered by Skills Development Scotland and promoting the Community Jobs Fund delivered by the Scottish Council for Voluntary Organisations.
- 2.7 The role of the local Colleges is critical in this agenda and discussions are on-going to develop closer joint working with the colleges to ensure the services and courses reflect demand locally and nationally.

3. Proposals

It is recommended that the Cabinet approves the North Ayrshire Youth Employment Strategy.

A copy of the strategy is attached appendix 1.

- 3.1 Two key themes emerge from this strategy. The first is the need to increase the number of jobs in North Ayrshire and secondly to ensure a clear and targeted approach exists to support young people at different points on the journey to employment.

To deliver on these emerging themes the strategy concentrates on:

(i) Economic Regeneration Strategy for North Ayrshire

- It recognises the crucial role of the Economic and Regeneration Strategy in stimulating demand for jobs in the area. The success of this strategy will to a great extent determine the future opportunities available to young people in North Ayrshire and is therefore fundamental to the success of the youth employment strategy. Progress has already been made in this area;
- The designation of Enterprise Area status;
- The re-focussing of business development support towards local companies with high growth potential;
- Concentration on sector development;
- An increased emphasis on skills to improve business competitiveness.

(ii) Preparing our young people for the new world of Work

The Scottish Government's 'Opportunities for All' strategy now provides a route map towards improving young people's participation in education or training and ultimately to employment through appropriate intervention and support between their 16th and 20th birthdays. The North Ayrshire strategy complements 'opportunities for all' by setting out to ensure that our young people are best prepared for the changing world of work, for example by:

- Broadening the school curriculum to provide more curricular choice for pupils including enterprise activity, vocational options, focussed career education and employer engagement;
- Improving percentage of our school leavers moving into positive destinations and working with post-school partners to help youngsters sustain these;
- Reducing school exclusion and raising attainment and achievement.

(iii) Preparing the world of work for our young people

The strategy recognises that we have to do things differently if we are to achieve our objective of significantly increasing youth employment. This will require a commitment to:

- Communicating to employers that North Ayrshire has talented, motivated and ambitious youngsters;

- Ensuring young people have the skills relevant to local and national economy;
- Ensuring labour market intelligence is integral to future youth employment initiatives and informs school curriculum /FE/HE developments;
- Presenting a competitive employer offer defined for North Ayrshire;
- Further developing and reviewing employability skills pipeline;
- Maximising potential benefits available from the investment made by North Ayrshire Council as the biggest employer and commissioner of contracts.

(iv) Action Plan

An action plan has been developed which highlights the actions that need to be addressed if the ambitions set out in the strategy are to be met. The action plan details what actions are to be achieved; who will lead and be responsible for specific actions, and; what timescales will be applied. The action plan focuses on the following:

- Improved partnership working ensuring local partners are clear on role and remit;
- Establish opportunities for all youth employment' focus group this will be an operational group to co-ordinate delivery to ensure maximum impact;
- Better analysis and understanding of labour market intelligence relating to youth unemployment to better target provision;
- Implement and continue to develop targeted employability interventions which create demand for youngsters;
- Review and refine strategy annually.

3.2 Reporting Progress

A number of important programmes are already in place and are having an important impact on creating job opportunities for young people in North Ayrshire. A progress report on progress to date is attached in appendix 2.

- 3.3 More detailed progress reports will be submitted to Cabinet on a regular basis.

4. Implications

Financial Implications

- 4.1 There are no financial implications. The key to this strategy is about making more of existing partner resources ensuring they are properly targeted.

Human Resource Implications

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

Legal Implications

- 4.3 There are no human resources implications arising from this report.

Equality Implications

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

Environmental Implications

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

Implications for Key Priorities

- 4.6 The services are in line with North Ayrshire's SOA: 'A working North Ayrshire' and 'Learning and taking part'. It is also aligned with the priorities set out in the North Ayrshire's Regeneration and Economic Development strategy. It reflects priorities set out in the Scottish Government's national Youth Employment strategy, 16+ Learning Choices, Policy & Practice and Opportunities for All.

Community Benefit Implications

- 4.7 These programmes address a key priority for North Ayrshire Council to ensure there is not a generation of young people in North Ayrshire who are left behind because of lack of employment opportunities. Community Benefit will be achieved by more young people contributing to the local economy.

5. Consultations

This strategy has been jointly prepared by Education and Skills and Economic Development Services. Consultations have taken place with other North Ayrshire Council services and external partners such as Skills Development Scotland, Jobcentre plus and local colleges.

6. Conclusion

This strategy sets out what needs to be done to tackle youth employment in North Ayrshire. The strategy seeks to co-ordinate activity in a way which will make a tangible and lasting difference to the employment prospects of young people.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference :

For further information please contact Angus O'Henley (Economic Development Officer) on 01294 225124

Background Papers

Nil



Youth Employment Strategy for North Ayrshire 2010 - 2020

If you would like more information about business opportunities available in North Ayrshire – or details on the support we can offer your business – contact our Economic Development Service:

economicdevelopmentadmin@north-ayrshire.gov.uk

01294 225180

www.northayrshire.com | www.north-ayrshire.gov.uk



Our Young People



A youth employment strategy for North Ayrshire

This youth employment strategy commits NAC to increasing youth employment to above the national average by 2020.

This strategy will complement the Scottish Government's National Youth Employment Strategy and importantly, will align with the North Ayrshire Economic Development and Regeneration strategy (EDRs). The EDRs aims to revitalise our communities by stimulating economic growth and creating employment. It sets an ambitious agenda for increasing the numbers of businesses and jobs locally; it also recognises the need for a motivated, skilled labour force to cater for this demand. This will have a significant impact on the prospects of North Ayrshire's young people.

North Ayrshire Council's ambition of significantly lowering youth unemployment will only be realised in a vibrant, diverse, connected, ambitious and highly visible North Ayrshire. A North Ayrshire that is recognised by employers as the best place to do business in Scotland.

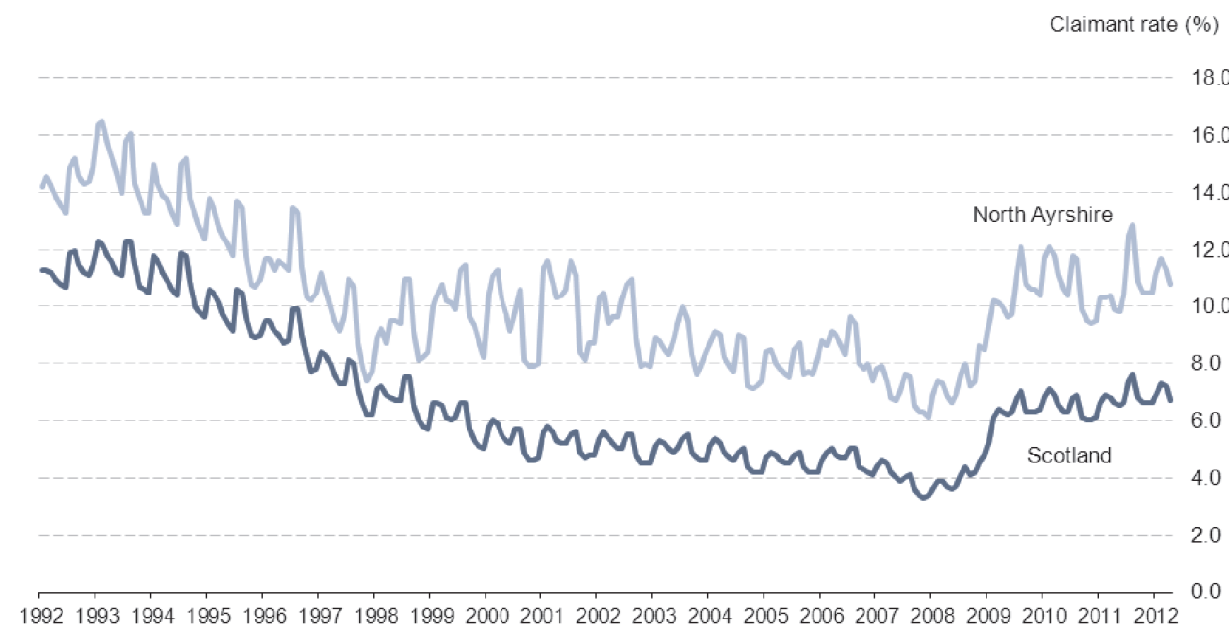
[This document sets out how we are going to achieve this.](#)



Understanding the challenge in North Ayrshire

In North Ayrshire there are 1650 individuals aged 16-24 claiming Jobseekers Allowance. As a result, the proportion of young people claiming unemployment benefit (10.8%) is significantly above the Scottish average (6%). Data going back to 1992 shows that North Ayrshire has consistently had a higher proportion of claimants than the Scottish average.

Claimant Unemployment: Aged 16-24
1992 to 2012



Source: ONS Claimant Count

Clearly, the 2008 recession and subsequent low levels of growth have been major contributors to the recent rise in youth unemployment. Recessions tend to impact on youth unemployment more than they do on unemployment amongst older adults, and the 2008 recession appears to have had a particularly negative impact on young people in North Ayrshire.

As recently as 2009 there were fewer than 20 individuals aged 24 or under that had been on Jobseekers' Allowance for more than a year. Since May 2011 this number has increased from 50 to 350 in October 2012, a five-fold increase.

Claimant count: aged 24 and under, claiming for over 12 months
North Ayrshire, March 2007 to April 2012



Across North Ayrshire, there are 'hot spots' where youth unemployment is a particularly acute problem. These areas of concentrated joblessness are smaller than local authority areas. They appear within both richer and poorer parts of the local authority.

Using the proportion of young people claiming benefit as an indicator of the severity of youth unemployment in local areas, there are some areas where the proportion of young people claiming benefits is very low (such as Largs and Arran), there are others (such as Ardrossan Central and Saltcoats Central) where the proportion of young people claiming benefit is close to 1 in 4.

There are 10 local areas within North Ayrshire where the proportion of young people claiming benefit is more than double the Scottish average of 7.1%. In addition, 6 of these areas are among the top 50 local areas in Scotland with the highest proportion of youth claimant rates.

North Ayrshire Economic Development and Regeneration Strategy

The North Ayrshire EDRs sets out a vision that seeks to raise prosperity levels for all people, businesses and communities in North Ayrshire. Its twin strategic goals are for North Ayrshire to become a leading location for doing business and increasing employment.

The success of this strategy will to a great extent determine the future opportunities available to young people in North Ayrshire and is therefore fundamental to the Youth employment strategy. The North Ayrshire Economic Development and Regeneration strategy sees North Ayrshire in the future as:

Vibrant

More businesses and jobs located in the area, and revitalised town centres.

Diverse

There will be a diverse range of businesses and industries in North Ayrshire, attracting a wide range of people to live and work in the area.

Connected

North Ayrshire will be well-connected to ensure individuals and businesses can take advantage of opportunities outside the area. North Ayrshire will have a clear role in the wider Glasgow City Region.

Combined, these characteristics will revitalise North Ayrshire's economy, its communities, and the opportunities available to its young people.

Ambitious

Individuals and businesses will be ambitious, making the most of what North Ayrshire has to offer and taking advantage of the connections to elsewhere. The public sector will be ambitious for North Ayrshire as a whole and ensure the supports are in place to help individuals and businesses to realise their ambitions.

Visible

Individuals, businesses, policymakers and funders will have a clear sense of what North Ayrshire can offer them.

Combined, these characteristics will revitalise North Ayrshire's economy and communities, making them more resilient.



For North Ayrshire to have the same jobs and business density as the rest of Scotland, a massive 22,500 more jobs and 850 more businesses would require to be created.

Economic development and Regeneration Strategy for North Ayrshire 2010-2020

Yes Programme

Mark was young and unemployed. He signed up for the Council's Youth Employment programme and received intensive support with confidence building, interview techniques, literacy & numeracy skills. He was selected for a work placement with UPM Keyenne.

Mark excelled in his placement and has been retained as a full-time employee.



Challenge: For NAC & SDS to develop and deliver a programme to target 200 employment, training and work experience opportunities within the life sciences sector, based around the new Enterprise Area.

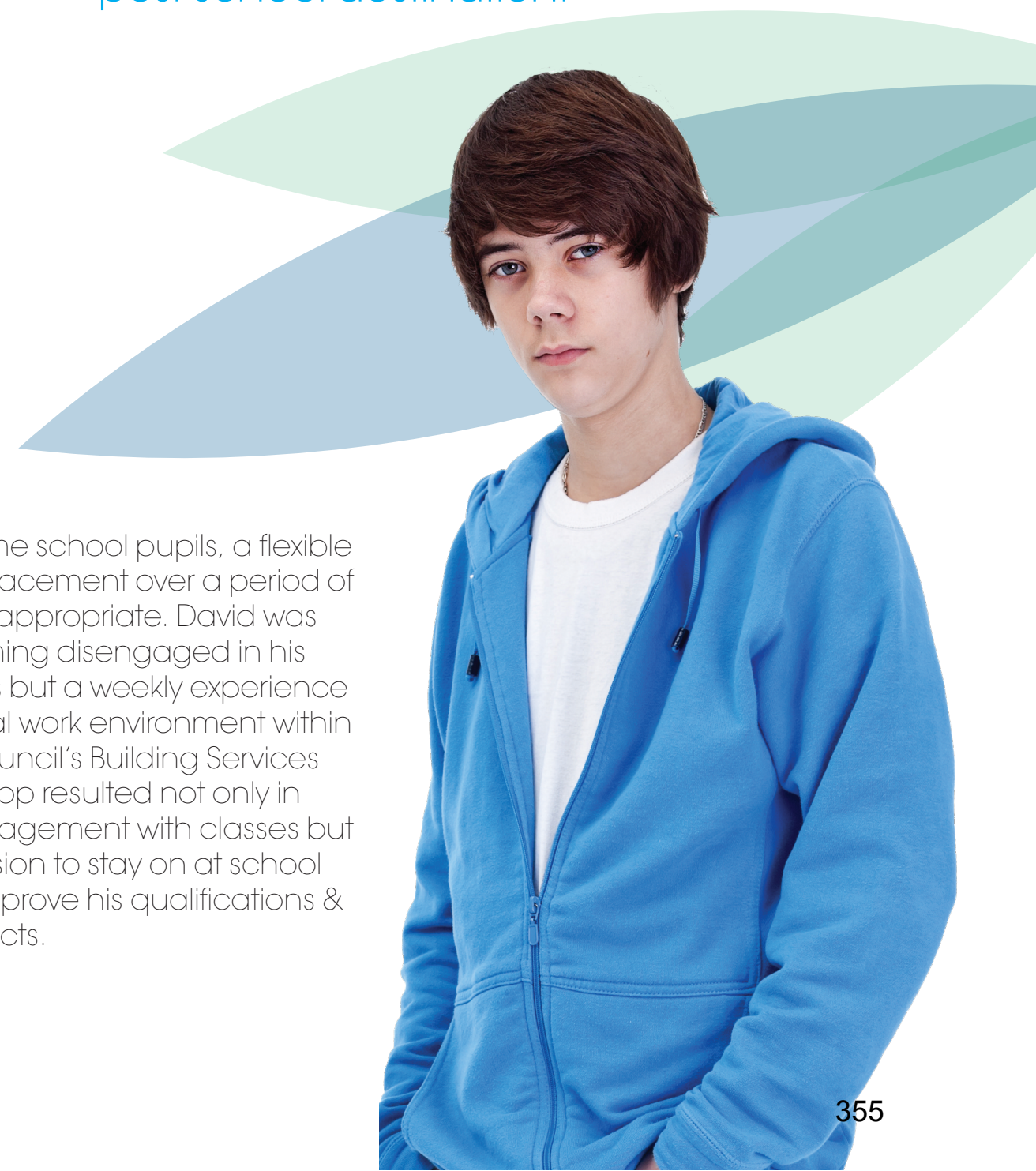
Preparing our young people for the new world of work

The Scottish Government's Opportunities for All strategy now provides a route map towards improving young people's participation in education or training and ultimately to employment through appropriate intervention and support between their 16th and 20th birthdays. We should all now be committed to ensuring that the transition from school to post-school is a positive one and thereafter that young people are offered appropriate career choices up to their 20th birthday. It is therefore essential that the provision offered to young people effectively prepares them for work and, crucially is linked to labour market intelligence and economic development activity. This strategy recognises that more still has to be done to ensure that our young people are best prepared for the changing world of work.

- Broadening the school curriculum to provide more curricular choice for pupils including enterprise activity, vocational options, focussed career education and employer engagement.
- Reducing school exclusions, ensuring that the most vulnerable youngsters are kept in education.
- Raising pupil attainment and achievement.
- Developing highly effective early intervention strategies, e.g. the Extended Outreach Service that supports the most vulnerable and challenging youngsters to make positive transitions after school.
- Improving the percentage of our school leavers moving into positive destinations, initial post-school positive destinations in 2011 showed a historic high of 90.7%.
- Working with post-school partners to offer a wide choice of education, training and employability options to enhance post school options.
- Developing detailed plans/responsibilities with partners particularly local colleges and SDS to sustain initial positive destinations
- Promoting self-employment and entrepreneurship in our schools as a viable option for school leavers
- Ensuring young people have the range of skills relevant to their choices and aspirations and the needs of economic growth sectors in Scotland and beyond.
- Understanding what qualities employers look for in their employees, and ensuring young people understand these
- Improving our employability pipeline to ensure that it demonstrates clearly the progression pathway from school to employment, illustrating clearly the range of interventions and supports available.
- Maximising support from partners, i.e. ensure suitable uptake of MAs, National Training Programmers, Community Jobs Scotland, Third sector.



The Extended Outreach Team, in partnership with schools and other agencies, has demonstrated real success in reaching out to young learners at risk of disengagement from school, raising their attainment, achievement and aspirations and has contributed to record levels of young people progressing to an initial positive post school destination.



For some school pupils, a flexible work placement over a period of time is appropriate. David was becoming disengaged in his classes but a weekly experience in a real work environment within the Council's Building Services workshop resulted not only in re-engagement with classes but a decision to stay on at school and improve his qualifications & prospects.

Challenge: To significantly improve continuing development of young people who have already made their first positive post-school transition. To develop and employ an effective matrix to support these young people, between the ages of 16 and 20, to ensure their relevant ongoing progression into the world of work.

Preparing the world of work for our young people

This strategy recognises that we have to do things differently if we are going to achieve our objective of significantly increasing youth employment. Achieving this significant improvement will require we fully commit to:

- Communicating to employers that North Ayrshire has talented, motivated and ambitious youngsters who can and will make a difference to their businesses
- Ensuring young people have the skills relevant to the local and national economy by more consistently consulting with employers to understand their skills requirements and recruitment intentions
- Ensuring that labour market intelligence is integral to future youth employment initiatives and informs school curriculum/FE/HE developments
- Imaginatively and effectively market North Ayrshire as the best place to start or grow business in Scotland
- Presenting a competitive employer offer defined for North Ayrshire, aimed at increasing the financial incentives available to private sector employers to create job opportunities for young people
- Further developing the employability/skills pipeline to ensure that it demonstrates clearly the progression pathway from school to employment, illustrating clearly the range of interventions and supports available.
- Maximising the potential benefits available from the investment made by North Ayrshire Council as the biggest employer and commissioner of contracts in the area.
- Developing and delivering a comprehensive suite of youth employment projects



A Youth Employment Strategy for North Ayrshire

Action Plan

What	How	Who (Lead)	When	Why
Continue to improve & build the capacity of schools through Senior Phase of Curriculum for Excellence, to support pupils to make a positive & sustained transition from school	<ul style="list-style-type: none"> - Refresh schools work experience programme - Promote entrepreneurial learning - CPD for 16+ co-ordinators - Further develop vocational & alternative curriculum 	Education & Skills	School session 2012-2013 & beyond	<p>Young people will be better prepared to make informed decisions about post-school options leading to further improvement in school leavers moving to a positive destination %</p> <p>(currently 90.5%)</p>
Partnership working: all partners with responsibility to support young people to ensure that all pupils/ young people have the necessary support to move into positive & sustained destinations	<ul style="list-style-type: none"> - Implement early identification & intervention strategies for individuals -Vulnerable groups identified (e.g. looked after children, externally educated) and ensure they have access to necessary support - 16+ co-ordinators identify leavers in advance & ensure that advice & support available 	Education & Skills	School session 2012-2013 & beyond	To “close the gap” on outcomes between those from disadvantaged backgrounds & those with more stable beginnings

A Youth Employment Strategy for North Ayrshire

Action Plan

What	How	Who (Lead)	When	Why
Partnership working: all partners with responsibility to support young people to ensure that all pupils/ young people have the necessary support to move into positive & sustained destinations	- ensure that local colleges & training providers deliver learning opportunities that effectively prepare our young people to meet the opportunities & challenges of work in North Ayrshire & beyond	Economic Development & Education & Skills	From August 2013	To equip our young people with the confidence, positive attitude & skills required of a rapidly changing world of work
Establish an "Opportunities for All" /Youth Employment Implementation group with responsibility for roll-out of SG strategy for young people 16-20.	- Involvement of key partners – North Ayrshire Council, Skills Development Scotland, Jobcentre Plus, 3rd sector	Education & Skills	By end September 2012	To ensure we are working towards the goal of all young people 16-20 being in "ongoing engagement" and ultimately employment
Implement a programme of employability interventions aimed at moving young people into sustainable job outcomes	- Through a suite of projects designed to meet the needs of young people at different stages on the employability continuum (see attached)	Economic Development	By March 2013 & beyond	To provide the support required to ensure that all young people are prepared for job opportunities that become available
Carry out an annual review of the Youth Employment Strategy & actions.		Economic Development & Education & Skills	By end August 2013 & annually	To assess effectiveness & outcomes & refresh as required

A Youth Employment Strategy for North Ayrshire

Action Plan

Project Title	Project descriptor	Partners	Numbers supported per year	Jobs outcomes per year
Preparation for work: Activate	Delivered in 7 schools in North Ayrshire to provide additional support to youngsters to make transition into work	Skills Development Scotland North Ayrshire Council	140	28
Preparation for work: Extended Outreach	Supporting S3 & S4 pupils who are at risk of disengaging from school achieve a positive post school destination	North Ayrshire Council	65	5
Preparation for work: Through care	Supporting young people make the transition from Council care to independent living. Provides support to move into FE/, training and work	North Ayrshire Council	56	12
Moving into employment: Youth Employment service	Programme which provides subsidised places for NA employers. Pre-employment support provided to ensure employees have right attitude and skills to sustain work	North Ayrshire Council Jobcentre Plus Skills Development Scotland Lennox Partnership Local businesses	125	100
Moving into employment: Modern Apprenticeship programme	Incentives for company to take on apprentice: 50% year 1; 25% year 2; 10% year 3	North Ayrshire Council Local businesses	100	100
Moving into employment: Youth entrepreneurship Programme	Support to aspiring young entrepreneurs who are currently unemployed	North Ayrshire Council Contractor	53	53
Moving into employment: Council Modern Apprenticeship programme	Council's own MA recruitment programme across Council departments (including craft apprentices)	North Ayrshire Council	200	200
Moving into employment: Housing Trainee Programme	Based around construction opportunities on Vineburgh regeneration programme and placements within local Registered Social Landlords for housing professionals	North Ayrshire Council Cunninghame Housing Association / Registered Social Landlords	12	12
In Addition				
General p5 employability provision	A range of programmes aimed at supporting unemployed beneficiaries of all ages into employment	North Ayrshire Council Third sector	603	217
Community benefit clauses	Targeted employment and training opportunities coming from the Council's procurement	North Ayrshire Council	14	14
TOTALS:			1368	741



Vibrant

Diverse

Connected

Ambitious

Visible



Youth Employment Progress Report as of February 2013

Programme	Start date	Targets per year	Progress to date
Youth Employment Service	October 2011	250 recruited 200 into employment	241 recruited 212 employed 86% of completers have sustained employment
Modern Apprenticeship Programme	July 2012	100 apprentices per year	131 recruited 129 sustaining their employment
Youth Entrepreneurship Programme	September 2012	56 new businesses 56 new jobs	8 new businesses registered
Jobs Access Programme	September 2012	30 into employment	35
Early Bird Social Media Programme	November 2012	15 6 month placements	9
North Ayrshire Council Modern Apprenticeship Programme	On-going	By end of 2013/2014 NAC will have 180 MAs	98 MAs employed by NAC (including craft MAs)
North Ayrshire Council Through Care Service	April 12	56 supported 12 into work	50 supported 6 into work
Vineburgh Regeneration Programme	April 2012	12 MAs/ Housing trainees employed	17 MAs/Housing Trainees
Community Benefit Clauses	On-going		14 supported into employment
Extended Outreach Programme	April 2012	65 youngsters who are at risk of disengaging from school assisted	67 supported Additional outputs reported at end of school year.

NORTH AYRSHIRE COUNCIL

Agenda Item 18

26 March 2013

Cabinet

Subject: **Road Maintenance Programme 2013/14**

Purpose: To seek the agreement of the Cabinet to the proposed Structural Roads and Streetlighting Maintenance Programme for 2013/14.

Recommendation: That the Cabinet agrees (a) to note the approach taken to determining the asset maintenance programme for roads and street lighting; (b) that the criteria used to establish the work programme be expanded to include contribution to the Council Key Priorities, notably Regenerating our Communities and Increasing Employment; (c) the maintenance programme for 2013/14, as shown at Appendix 3a and 3b, and that the programme be presented to Area Committees for comment; and (d) that a consultation exercise be undertaken on Arran to determine the most appropriate timing to undertake planned maintenance works.

1. Introduction

- 1.1 North Ayrshire Council has a statutory obligation under the Roads (Scotland) Act 1984 to manage and maintain its public road network. The adopted road network within North Ayrshire has a total length of 1027km, with associated core roads assets currently estimated at a value of approximately £1.7billion.
- 1.2 North Ayrshire Council is not responsible for the maintenance of the Trunk Road Network which is the responsibility of Transport Scotland and their management contractor currently Amey Infrastructure Services, soon to be replaced by Scotland Transerv on 1 April 2013. The Trunk Road network includes the A78, the A737 from Kilwinning to the East Renfrewshire Boundary and A738 from the Pennyburn Roundabout to the A737 Dalry Road Kilwinning.

- 1.3 North Ayrshire Council's Roads Asset is the Council's largest Community Asset and plays a vital role in supporting the local and wider economy by facilitating the movement of people goods and services and connecting people with economic opportunities.
- 1.4 The Roads Asset Management Plan (RAMP) was submitted to and approved by the former Executive of North Ayrshire Council on 28 February 2012.
- 1.5 The maintenance strategy developed within the RAMP complies with the recommendations contained within the 'Well Maintained Highways' Code of Practice, ensuring that the Council's statutory obligations as delegated Roads Authority are being met.
- 1.6 The Code of Practice states that the establishment of an effective regime of inspection, assessment and recording is the most critical component of road maintenance. The characteristics of the regime including frequency of inspection, items to be recorded and nature of response should be defined following an assessment of the relative risks.
- 1.7 This approach to roads maintenance assists in not only providing a sustainable road network for the future but one that promotes social inclusion and contributes to economic growth within the area. This approach also ensures the Council is providing value for money on any investment attributed to road maintenance.

2. Current Position

- 2.1 The structural roads and street lighting maintenance programme for 2013/14 has been produced using the associated Lifecycle Plans, developed in accordance with the strategy contained within the RAMP for managing the core assets. The Lifecycle Plans provide the level of detail required for informed decisions to be made on the location and type of maintenance treatments that will deliver the maximum return on investment.
- 2.2 As part of the Asset Management process condition assessments are carried out on the public road network on an annual basis as part of the inspection regime. All locations are assessed using a risk assessment process.
- 2.3 Condition assessments are carried out simultaneously with the Coarse Visual Inspections (CVI's) in accordance with the pre-determined timescales contained within our Safety Inspection Manual. All faults are logged within our electronic Routine Maintenance System (RMS).

- 2.4 All carriageway and footway locations where the condition assessment score is assessed as being 11 or more require a full priority assessment to be carried out.

Sample Assessment

Extent	C O N D I T I O N			
	1 (Acceptable)	2 (Safe but poor appearance)	3 (Minor deterioration)	4 (Major deterioration)
1 - Up to 25%		5	9	13
2 - 25% to 50%		6	10	14
3 - 50% to 75%		7	11	15
4 - 75% to 100%	4	8	12	16

- 2.5 The data from the condition assessment is then entered into a Prioritisation Matrix for consideration of inclusion onto the Council's Strategic list of priorities. The assessment matrix attached in Appendix 1
- 2.6 The assessment matrices take into account information gathered from a variety of sources. The main factors considered are:-
- Road Condition – based on detailed visual inspection and the Scottish Road Maintenance Conditions Survey (SRMCS). Non-destructive testing of columns.
 - Road Hierarchy – this takes account of the strategic importance of the road and is determined from our Local Transport Plan.
 - Community Concerns – this takes consideration of requests from Members, requests from the community and third party claims.
 - Assistance to Other Council Priorities – this takes account of other priorities such as access to shops, amenity housing or schools.
- 2.7 There is a need to further develop the criteria within the matrix to ensure that the Roads Asset Management Plan reflects the contribution these assets make to the achievement of the Council's key objectives in respect of Economic Development and Regeneration.
- 2.8 Each location that progresses onto the prioritisation process is rated using the additional criteria and is placed on the strategic list of priorities relative to its score. Each location is also reviewed at least once a year depending on its location within the Roads Hierarchy as part of the routine inspection process.

- 2.9 There are various types of surfacing materials and processes available depending on the particular road type, location and level of existing deterioration. Options available for treatment include preventative measures such as surface dressing, micro surfacing or asphalt preservation. Resurfacing options such as screeding, resurfacing (inlay and overlay), retread and overlay and depending on the severity of deterioration full reconstruction may be the most effective option.
- 2.10 The level of investment required to be allocated to the varying treatment types was identified using the Society Chief of Transport Scotland cost projection model that was developed as part of the Roads Asset Management Planning project. The model assists with identifying what effect the use of various treatments will have on the on-going condition of the carriageway. This enables us to determine a more accurate design life for the treatments currently available and to assist in ensuring that we are achieving value for money on their use.

Treatment Option	Cost / Sqm 2012/13	Extension to life
Surface Dressing	£4.81	Up to 10 Years
Micro Surfacing	£4.80	7 - 10 Years
Asphalt Preservation	£3.00	Up to 5 Years
Screeding	£8.22	5 - 10 Years
Retread	£11.80	Up to 20 Years
Inlay HRA	£26.99	Up to 20 Years
Inlay SMA	£20.70	Up to 20 Years
Overlay <100mm	£20.19	Up to 20 Years
Structural Overlay 100mm	<£26.95	Up to 20 Years
Reconstruction 200mm	<£79.39	Up to 20 Years

- 2.11 An option appraisal matrix has also been developed to assist with the identification of the most appropriate treatment to be used at each location.
- 2.12 Column replacement is also driven by prioritisation as a result of non-destructive strength testing to determine the level of deterioration associated with the columns. Following testing columns are categorised within the Asset Management database for road lighting.
- 2.13 Testing is carried out in accordance with the Institute of Lighting Engineer's Technical Report No.22 Managing a Vital Asset: Lighting Supports as well as UK Lighting Board Code of Practice: Well-lit Highways.

- 2.14 Once results are input, the database then compares these results against the more general age profile to determine a final list of priority repairs. This produces recommendations in order of priority for both individual units and whole streets or areas.
- 2.15 Recommendations are generally categorised as Category A through K as follows:
- A: Immediate replacement
 - B: Replace urgently or reinspect within 6 months
 - C1: Column Material failure, replace as soon as possible or reinspect within 1 year
 - C2: Bracket failure, sleeve where possible or replace unit within 1 year
 - D: Foundation failure, realign, reinstate and reinspect within 6 months
 - E: Material approaching failure, replace as soon as possible or reinspect within 2 years
 - F: Material approaching failure, replace as soon as possible or reinspect within 5 years
 - G: Condition reasonable, but age expired and certified insured for 2 year periods until replaced
 - H: Condition reasonable, but age expired and certified insured for 5 year periods until replaced
 - I: Acceptable condition but age expired and insured for 5 year periods until replaced.
 - J: Sound condition but age expired & visually poor (evidence of concrete cracking etc.)
 - K: Sound condition and not age expired – no current requirement for strength structural inspection, visual only at planned maintenance cycle.
- 2.16 Where non-urgent replacement recommendations (Category F through J) are on an individual column basis, the data is further analysed to determine a percentage value for recommended replacement numbers against the balance of units in a street. If this figure exceeds 30% then the entire street will be considered for higher prioritisation which will address the design class standard of the street beyond individual replacement for safety reasons only.

3. Proposals

- 3.1 That the Cabinet note the approach taken to determining the asset maintenance programme for roads and street lighting.
- 3.2 That Cabinet agree that the criteria used to establish the work programme be expanded to include contribution to the Council Key Priorities, notably Regenerating our Communities and Increasing Employment.
- 3.3 That Cabinet agree the maintenance programme for 2013/14, as shown at Appendix 3, and that the programme be presented to Area Committees for comment.
- 3.4 At the 'Straight Talking' sessions on Arran a number of comments were received regarding the timing of major road maintenance works and their impact upon the tourism season. It is therefore proposed that a consultation exercise be undertaken on Arran to determine the most appropriate timing to undertake planned maintenance works.

4. Implications

Financial Implications

- 4.1 The Roads Structural Maintenance Programme will be delivered from allocated Capital and Revenue budgets.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 North Ayrshire Council has a statutory obligation to manage and maintain its public road network under the terms of the Roads (Scotland) Act 1984.

Equality Implications

- 4.4 There are no equality implications.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 Effective management of these assets contributes to a number of key objectives including effective and efficient services, protecting vulnerable people and regeneration our communities and increasing employment.

5. Consultations

- 5.1 The process of developing the annual programme of works using the Asset Management approach was presented to all the Local Area Committees. This was well received by Members and no adverse comments were raised during this process.
- 5.2 The works programme will be placed on the Members page on Navigate, allowing members to view the locations similar to what was previously presented.

6. Conclusion

- 6.1 North Ayrshire Council has a statutory obligation to maintain its public road network. The structural roads and streetlighting maintenance programme has been prepared by adopting an asset management based approach. This ensures that available budgets are allocated efficiently and effectively throughout the Council area.



CRAIG HATTON
Corporate Director (Development and Environment)

Reference : CH/JS/LB

For further information please contact Joe Smith, Senior Manager, Roads & Transportation on telephone number 01294 225203.

Background Papers

Nil

Development Planning Services - Roads Carriageway Scheme Assessment Form

**Number**

Town:

Area:

Road Name:

Location:

Comments:

Category: **CONDITION RATING**Type: **CARRIAGEWAY**

Rated By:

Date Rated:

Criteria	Score (S)	Weighting (W)	Priority Score (S x W)
1. Condition		4	
2. Maintenance Category		2	
3. Public Liability Claims / RMS Faults / Elected Members and Accident Statistics		1	
4. Assistance to Other Priorities		1	
Total Priority Score:			

Treatment Type:					
Length:		Breadth:		Area:	
Patching Required:	Area:			Depth:	
Kerbing Required:	Length:				

Additional Comments

Assessed By:	
Assessment Date:	
Checked By:	

Reassessed By:	
Reassessment Date:	
Checked By:	

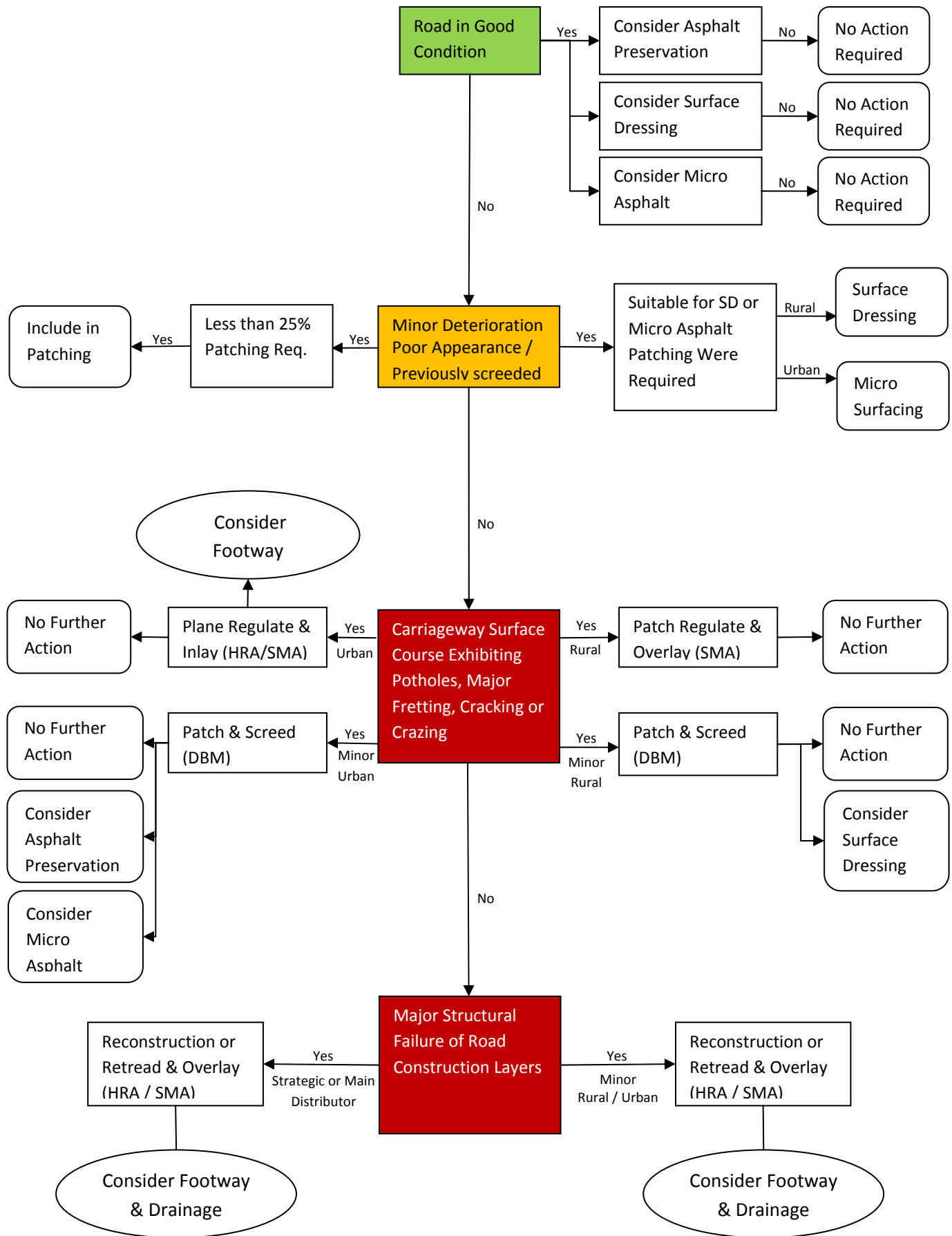
Scoring System

Criteria	Maximum Score	Weighting	Score
1. Condition	16	4	64
2. Maintenance Category	10	2	20
3. Public Liability Claims / RMS Faults / Elected Members and Accident Statistics	10	1	10
4. Assistance to Other Priorities	10	1	10
Maximum Total:			104

Condition → Extent ↓	1 – Acceptable	2 – Safe but poor appearance	3 – Minor deterioration	4 – Major Deterioration
1 – Up to 25 %		5	9	13
2 – 25 % - 50 %		6	10	14
3 – 50 % - 75 %		7	11	15
4 – 75 % - 100 %	4	8	12	16

Maintenance Category	Score
Strategic Routes - (A760 / A736 / A71)	10
Main Distributor Routes	8
Secondary Distributor Routes / Bus Routes	6
Link Roads	4
All Other Routes including Local Access Routes	2

Treatment Selection Flowchart (Carriageways)



Mainland Roads Programme 2013/14

<i>Carriageway Resurfacing (Inlay / Overlay / Retread)</i>				
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>	<i>Assessment Score</i>
A71	Dreghorn	Corsehill Mount Roundabout	£120,000	82
Glasgow Street	Ardrossan	Park Road to Winton Street	£100,000	81
B714	Dalry	Various Locations	£80,000	81
Main Street	Stevenston	Afton Road to New Street	£35,000	80
Lawfield Avenue	West Kilbride	Full Length	£20,000	80
Ladysmith Road	Kilbirnie	Place View to Bathville Road	£40,000	80
B777 Beith Road	Glengarnock	Kersland Road to Glengarnock Station Entrance	£50,000	80
Chapelhill Mount	Ardrossan	Number 1 to Number 64	£30,000	79
A760	Largs	At Weather Station	£150,000	78
Bank Street	Irvine	The Cross to East Road	£45,000	74
Trelawney Terrace	Stevenston	Full Length	£75,000	74
Helens Terrace	Kilwinning	Full Length	£40,000	74
Beech Avenue	Beith	Roebank Road to Cherrywood Drive	£30,000	74
Peden Avenue	Dalry	Full Length	£50,000	73
Raise Street	Saltcoats	Elms Pub to Glencairn Street	£25,000	73
Dockhead Place	Saltcoats	Windmill Street to rear of Pub	£20,000	73
Kirkton Avenue	West Kilbride	Full Length	£35,000	73
Overtoun Road	Springside	Kilmarnock Road to Station Road	£40,000	72
High Road	Stevenston	Schoolwell Street to Number 4	£10,000	72
Warner Street	Stevenston	Full Length	£25,000	72
Montfode Drive	Ardrossan	Number 80 to end of street	£40,000	72
Bute Terrace	Saltcoats	From New Houses to Wall	£5,000	72
Harbour Place	Ardrossan	Full Length	£10,000	71
Bankhouse Avenue	Largs	Number 39 to Number 22	£15,000	71
A760 School Wynd	Kilbirnie	In front of Police Station	£30,000	71

Mainland Roads Programme 2013/14

Herriot Avenue	Kilbirnie		£90,000	71
B778		Full Length	£80,000	71
A760	Kilbirnie	North Hourat Farm	£90,000	70

Mainland Roads Programme 2013/14

<i>Micro Surfacing</i> <i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate</i> <i>Cost</i>	<i>Assessment</i> <i>Score</i>
Place View	Kilbirnie	Ladysmith Avenue to Newhouse Drive	£6,000	72
Ainsdale Court	Kilwinning	Full Length	£5,000	71
Heronswood	Kilwinning	Northacre to Number 4	£5,000	68
Hunterston Road	West Kilbride	Full Length	£10,000	66
Carmyle Place	Stevenston	Full Length	£2,000	65
Fergushill Service Road	Kilwinning	Full Length	£10,000	63
Mair Avenue	Dalry	Various Locations	£15,000	63
Headrigg	West Kilbride	Full Length	£2,000	62
Byrehill Avenue	Kilwinning	Full Length	£16,000	62
Mackintosh Place	Irvine	NAC Depot to Road End	£10,000	62
Finnie Terrace	Springside	Number 6 to Number 16	£2,000	62

Mainland Roads Programme 2013/14

<i>Surface Dressing Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
B896	Millport	470m South of Fairhaven	£30,000
B896	Millport	Lion Rock to Marine Parade	£25,000
B899	Millport	Inner Circle south for 700m	£20,000
B730	Dreghorn	Dreghorn to Drybridge	£15,000
C29	Irvine	C40 to B769	£15,000
U54	Kilwinning	Sevenacres from B785	£10,000
C5	Kilwinning	Lissens Moss	£20,000
B707	Dalry	Swindridge Muir	£10,000
B707	Dalry	Kerslochmuir	£10,000
C57	Dalry	From the C99	£5,000
C57	Dalry	Cleeves	£2,500
C57	Dalry	From the C109	£10,000
C99	Dalry	Greenacres to Blair Smithy	£50,000
U19	Dalry	Cubeside	£15,000
U3	Kilbirnie	Moorpark Hotel Access for 860m	£10,000

Mainland Roads Programme 2013/14

<i>Footway Resurfacing</i>				
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>	<i>Assessment Score</i>
Dalry Road	Ardrossan	Dasher gardens to Montfode Drive	£35,000	91
Brisbane Road	Largs	Outside shop at Number 27	£5,000	78
Corsehill Drive	West Kilbride	Half way along both sides	£40,000	76
Fullerton Drive	West Kilbride	Full Length (Both Sides)	£30,000	76
Viking Way	Largs	Full Length	£10,000	75
Ninian Street	Millport	Full Length (One Side)	£20,000	75
Head Street	Beith	Larch Terrace to A737	£5,000	75
Glen Road	West Kilbride	Full Length (One Side)	£10,000	74
High Road	Stevenston	Schoolwell to Number 4	£10,000	74
B899	Millport	Ballikellat to Standing Stones	£35,000	74
Brisbane Crescent	Largs	Full Length	£10,000	73
Drummilling Avenue	West Kilbride	Full Length	£20,000	73
Kilwinning Road	Irvine	Fleming Street to BP Station	£5,000	72
Dykesmain Road	Saltcoats	Even Numbers Side	£35,000	72
Loudon Crescent	Kilwinning	Full Length	£40,000	71

Mainland Roads Programme 2013/14

Lighting Deteriorated Column Replacements			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Cranberry Road and associated squares	Kilwinning	Pennyburn Phase 4	£110,000
Muirside Road and associated squares	Kilwinning	Pennyburn Phase 5	£110,000
Howden Avenue Waterside Road	Kilwinning	Woodwynd Phase 4	£110,000
Glen Avenue	Largs		£100,000
Crathie Drive	Ardrossan		£10,000
Grahamston Avenue Holms Road Craigend Road	Glengarnock		£40,000
Hill Street	Irvine		£20,000
Mull Terrace	Irvine	Broomlands Phase 7	£110,000
George Street Howard Street Ninian Street	Millport		£60,000

Lighting Deteriorated Column Inspections			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Locations throughout Mainland North Ayrshire		Phase 1	£60,000
Various Locations throughout Mainland North Ayrshire		Phase 2	£60,000

Lighting Deteriorated Luminaire Replacements			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Locations throughout Mainland North Ayrshire Centre		Approx. 1200 Units	£360,000

Arran Roads Programme 2013/14

Carriageway Resurfacing (Inlay / Overlay / Retread)				
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>	<i>Assessment Score</i>
C147 (Part Funded)	Blackwaterfoot	Kilpatrick	£600,000	78
Comes in at Number 8 on the programme, but it is 50 / 50 funded by the Timber Transport.				

Carriageway Screeding				
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>	<i>Assessment Score</i>
A841	Corrie	RubhaSalach (Sections)	£30,000	78
C147	Machrie	Machrie Bridge (Sections)	£20,000	76
C3 Ross Road		Various Sections	£20,000	75
Kildonan Road	Kildonan	Various Sections	£15,000	73
C147	Whiting Bay	Seacliff to Largymeanoch (Sections)	£15,000	71

Surface Dressing			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Clauchlands Road	Lamlash	A841 for 1400m	£25,000
Ross Road	Lamlash	Various Locations	£15,000
A841 Lamlash to Whiting Bay		At Cordon	£20,000
A841 Lamlash to Whiting Bay		Kirkend Nursery	£25,000

Footway Resurfacing				
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>	<i>Assessment Score</i>
Alma Park	Brodick	Full Length	£50,000	73

Lighting Deteriorated Column Replacements			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
West Mayish Road	Brodick	Arran	£40,000

NORTH AYRSHIRE COUNCIL

Agenda Item 19

26 March 2013

Cabinet

Subject: Employee Volunteering - Glasgow Commonwealth Games 2014

Purpose: To inform Cabinet of the provision being made to support employees who wish to volunteer or participate at the Glasgow Commonwealth Games 2014.

Recommendation: That Cabinet agrees to (a) approve the policy; and (b) note the information contained in the report.

1. Introduction

- 1.1 The Games will be the biggest multi-sport event ever hosted in Scotland. The vast majority of the sporting events will take place in Glasgow, however, events are also being held in Edinburgh, North Lanarkshire, South Lanarkshire, Angus with Dundee hosting an athletes village.
- 1.2 The Games will run from 23 July to 3 August 2014.
- 1.3 Volunteers will need to be available for approximately 14 days in total:
 - a) attendance at an interview in Glasgow
 - b) three/four days training (dependant on position) nearer the Games
 - c) attendance to collect a uniform/official pass in Glasgow
 - d) at least eight days for the duration of the Games
- 1.4 Applications opened in mid-January 2013 and are expected to close at the end of February 2013.
- 1.5 Interviewing is will take place between March and December 2013.
- 1.6 The Council wishes to support those who would like to volunteer or participate in the Games. Enabling volunteering/participation is expected to benefit the Council through increased skills and experience and enhanced more for those employees who take part.

2. Current Position

- 2.1 An Employee Volunteering Policy was approved by the Executive in 2011. It was agreed within the policy that guidance would be produced for specific "one-off" events such as the Commonwealth Games.
- 2.2 The CMT, at a meeting on 23 January 2013 considered how the Council could support those who wish to volunteer or participate in the Games and agreed the provisions set out in the Guidance note shown at Appendix 1.
- 2.3 The provisions made will assist employees in achieving the required time commitment should they be successful in their application to volunteer or should they qualify to participate (subject to authorisation).
- 2.4 The Guidance note has been circulated via an HR e-bulletin and placed on Navigate. Services have cascaded the communication to those with no email or Navigate access.

3. Proposals

- 3.1 The Cabinet is invited to agree to (a) approve the policy; and (b) note the information contained in the report.

4. Implications

Financial Implications

- 4.1 The level of interest is not known at this stage and it may be several months before the extent of applications for support to attend as a volunteer is known (given that interviews are expected to continue until December 2013). In any event the costs are anticipated to be minimal, given that the leave provision is unpaid.

Human Resource Implications

- 4.2 Services may require to arrange cover for those who volunteer/participate, however, given that they will be aware of requests well in advance, this is expected to be minimal.

Legal Implications

- 4.3 None.

Equality Implications

4.4 None.

Environmental Implications

4.5 None.

Implications for Key Priorities

4.6 None.

Community Benefit Implications

4.7 Provision of support for those who wish to volunteer or participate for this national event.

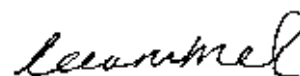
5. Consultations

5.1 There is no requirement for consultation in respect of the content of this report. The report was tabled for presentation for information at the 1st tier JCC meeting on 21 February 2013.

6. Conclusion

6.1 The provisions made will assist employees in achieving the required time commitment should they be successful in their application to volunteer or participate (subject to authorisation) at minimal cost.

6.2 Enabling volunteering/participation at the Games is expected to benefit the Council through increased skills and experience and enhanced morale for those employees who participate.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Gavin Macgregor, Head of HR and Organisational Development on telephone number 01294 324651

Background Papers

None.

GLASGOW COMMONWEALTH GAMES 2014
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GUIDANCE NOTE – EMPLOYEE VOLUNTEERING

The Glasgow Commonwealth Games 2014 will be the biggest multi-sport event ever hosted in Scotland. The vast majority of the sporting events will take place in Glasgow, however, events are also being held in Edinburgh, North Lanarkshire, South Lanarkshire, Angus with Dundee hosting an athletes' village.

As for the Olympic Games, the Commonwealth Games will be heavily reliant on Volunteers (the equivalent of the Olympic Gamesmakers) and the recruitment process will shortly be underway. Up to 15,000 Volunteers are being sought.

The Games provide the opportunity for employees to gain valuable skills and experience while supporting Scotland's largest ever sporting event.

The Council recognises the benefits of employees participating as volunteers and wishes to support employees, where possible, to pursue their aims.

When are the Games?

- The Games will run from 23 July to 3 August 2014.

How much time will a Volunteer need to commit to?

- Volunteers will need to be available for approximately 14 days in total:
 - a) attendance at an interview in Glasgow
 - b) three/four days training (dependant on position) nearer the Games
 - c) attendance to collect a uniform/official pass in Glasgow
 - d) at least eight days for the duration of the Games

When can I apply to Volunteer?

- Applications for Volunteers open in Mid-January and are expected to close at the end of February 2013.

If I'm successful when will the interviews be?

- Interviewing is expected to take place between March and December 2013.

How do I apply/where can I find out more information?

- Further information is available and applications can be made at www.glasgow2014.com

What support is available from the Council if I'm accepted as a Volunteer or Competitive Participant?

The Council is keen to support employees who wish to volunteer or participate as a competitor at the Commonwealth Games and the following options are available to assist those who are successful to achieve the necessary time commitment (subject to request authorisation which will be dependent on the exigencies of the service):

- Annual leave (2013 leave may be carried over to achieve all/part of the required time off)
- Flexible working arrangements i.e. building up flexi time/time off in lieu (at straight time), temporarily compressing hours or other suitable temporary flexible working arrangement to accommodate all/part of the required time off
- Unpaid leave to accommodate all/part of the required time off (up to a maximum of 10 days)

An element of paid leave may be possible for competitive participants. This will be considered on a case by case basis by the Service.

What is the request process within the Council?

1. Notify your manager at the time that you submit an application to be a Volunteer at the Games or are intending to participate on a competitive level.
2. Keep your manager informed as to whether or not you are selected for interview or as a competitive participant.
3. If you are interviewed and then confirmed as being successful, or selected as a competitive participant, you should submit an Employee Request to Undertake Volunteering' form as soon as you receive formal notification from the Games organisers. This form can be accessed via Navigate by clicking on the following: Employee Info – HR Policies – Volunteering Policy – Employee Request to Undertake Volunteering form.

What will my Manager do?

1. On receipt of initial notification and updates regarding interview selection from employees, consider the volume of requests and what the possibilities are for enabling release and maintaining service delivery should the applications be successful. No formal action is required until request forms are submitted (see below). Priority will be given to leave requests received for volunteers and participants of the Commonwealth Games 2014.
2. On receipt of formal Requests to Undertake Volunteering, decide which requests can be accommodated, taking into account existing annual leave requests and the need to maintain service delivery and inform employees of your decision accordingly.

NORTH AYRSHIRE COUNCIL

Agenda Item 20

26 March 2013

Cabinet

Subject: **Non-domestic rate relief**

Purpose: To notify the Cabinet of the implications of the Non-Domestic Rating (unoccupied property) (Scotland) Amendment Regulations 2013 that come into force on the 1 April 2013.

Recommendation: That the Cabinet notes (i) the non-domestic rating (unoccupied property) (Scotland) Amendment Regulations 2013; (ii) the increase in rates charge from 50% to 90% for unoccupied properties and (iii) the new relief for unoccupied offices, shops and new build properties.

1. Introduction

- 1.1 The Non-Domestic Rating (unoccupied property) (Scotland) Amendment Regulations 2013 come into force on 1 April 2013.
- 1.2 The 2013 Regulations amend the amount of rates payable by a ratepayer of a long term empty property from 50% to 90%.
- 1.3 The Regulations create two new temporary reliefs for ratepayers; Fresh Start and new build.

2. Current Position

Unoccupied property 90% rates charge

- 2.1 A ratepayer of a non-exempt unoccupied property receives a maximum 3 months empty property relief and is then charged 50% of the rates that would be charged if the property were occupied. The 50% charge can also apply to part empty property. There are currently 73 unoccupied properties, including 24 Council properties, that are paying 50% of the rates charge. The rates for these properties will increase to 90% from 1 April 2013.
- 2.2 There is no change to the 100% relief provided to industrial, listed buildings and low rateable value properties and properties in administration. These premises will continue to receive 100% relief for the entire period they are unoccupied.

Fresh Start relief for offices and shops

- 2.3 A new rates relief has been introduced for unoccupied office and shop premises.
- 2.4 A ratepayer will pay 50% of the rates charge for a maximum period of 12 months if they lease or purchase a property where:
 - 1. The Rateable Value of the property is no greater than £45,000 and;
 - 2. The property has been empty for at least 12 months at the date of entry and;
 - 3. When last occupied it was used as shop premises or office premises.
- 2.5 After 12 months the ratepayer will be charged the full rates for the property if the property remains occupied. The relief scheme will end on 31 March 2016 and no rates relief will be granted after this date.
- 2.6 At present there are 105 offices and 50 shops that have been unoccupied for 12 months or more with a rateable value of no greater than £45,000. This includes 12 offices and 6 shops owned by the Council.
- 2.7 140 out of the 155 unoccupied offices and shops have a rateable value of £12,000 or less and therefore, if occupied, the ratepayer could apply for the existing small business bonus scheme relief of 50% to 100% and would therefore not need to apply for the 50% fresh start relief.
- 2.8 9 out of the 155 unoccupied offices and shops have a rateable value of between £12,001 and £18,000 and may be eligible for 25% small business bonus scheme relief and therefore it would be beneficial to the ratepayer to apply for the 50% fresh start relief.
- 2.9 There are 5 offices and 1 shop that are unoccupied with a rateable value over £18,000 up to the limit of £45,000 and the ratepayer will receive 50% fresh start relief on application.
- 2.10 The Finance & Property non-domestic rates team will provide ratepayers with advice and support with their application to ensure they receive the maximum relief possible.

Rates relief for new build property

- 2.11 A new rates exemption of up to a maximum of 15 months has been introduced for any new build property that is unoccupied when first entered in the valuation roll between 2013/14 and 2015/16. This relief is in addition to the maximum 3 months relief that is awarded for unoccupied property, therefore up to 18 months relief in total can be awarded.
- 2.12 The 15 month exemption can be claimed during the 2013/14 to 2017/18 financial years only. The 15 month period does not have to be continuous and can be claimed after a period of occupation when the property becomes unoccupied again.
- 2.13 If a property remains unoccupied after the total 18 month relief period has elapsed then a ratepayer is charged 90% of the rates until the property is leased, sold or occupied.
- 2.14 The relief scheme will end on the 31 March 2018 and no rates relief will be granted after this date.

State Aid Rules

- 2.15 To receive the Fresh Start or new build relief a ratepayer must not breach State Aid limits. There is currently a ceiling of 200,000 Euros (around £175,000, although the exact amount will fluctuate) of de minimis aid that can be granted over a three year period.

3. Proposals

- 3.1 It is proposed that the Cabinet notes (i) the non-domestic rating (unoccupied property) (Scotland) Amendment Regulations 2013; (ii) the increase in rates charge from 50% to 90% for unoccupied properties; (iii) the new relief for unoccupied offices, shops and new build properties.

4. Implications

Financial Implications

- 4.1 73 unoccupied properties: total increased revenue of £151,466 (£106,690 non-Council & £44,776 Council properties) to be remitted to the Scottish Government as part of the national pool.

4.2 £44,776 increased cost to the Council, which will be met from corporate provision for inflation in 2013/14 budget. £4,365 will be met by the Common Good and the remaining £40,411 from General Services.

4.3 The Scottish Government will meet the cost of the 50% relief scheme for Fresh Start office and shop premises and 15 months relief for new build properties.

Human Resource Implications

4.4 None

Legal Implications

4.5 None

Equality Implications

4.6 None

Environmental Implications

4.7 None

Implications for Key Priorities

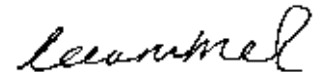
4.8 None

5. Consultations

5.1 There have been no consultations required on this report.

6. Conclusion

- 6.1 The non-domestic rating (unoccupied property) (Scotland) Amendment Regulations 2013 come into force on 1 April 2013. The regulations increase the rates charge for unoccupied properties from 50% to 90% and introduce new relief for unoccupied office or shop premises and new build properties. The Council will offer support and advice to ratepayers interested in moving into an unoccupied property and ensure ratepayers receive the maximum relief in terms of the regulations.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference : SH

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

Background Papers

The Non-Domestic Rating (unoccupied property) (Scotland) Amendment
Regulations 2013 (SSI 2013 No. 37).

NORTH AYRSHIRE COUNCIL

Agenda Item 21

26 March 2013

Cabinet

Subject: Integration of Adult Health and Social Care in Scotland Consultation: Scottish Government Response

Purpose: To advise the Cabinet of (a) the Scottish Government's Response to the consultation on the Integration of Adult Health and Social Care; and (b) the creation of an Integration of Health and Social Care Project Board to oversee the development of proposals and manage the transition to integration.

Recommendation: That the Cabinet notes the content of this report.

1. Introduction

- 1.1 On 8 May 2012, the Scottish Government launched a public consultation to inform recommendations for legislation to support the Integration of Adult Health and Social Care in Scotland. The consultation paper was entitled *Integration of Adult Health and Social Care in Scotland: Consultation on Proposal*. It stated that the aim of the proposed legislation is to i) improve people's experience of health and social care services and the outcomes that services achieve and; ii) to ensure that the substantial proportion of Scottish public services spending, that supports these services, is used to the very best effect.
- 1.2 Scottish Ministers' proposals for integration of adult health and social care, as described in the consultation document, are based on four key principles:
- Health and social care services should be firmly integrated around the needs of individuals, their carers and other family members;
 - There should be strong and consistent clinical and care professional leadership in the planning and provision of services;
 - The providers of services should be held to account jointly and effectively for delivering improved outcomes; and

- Services should be underpinned by flexible, sustainable financial mechanisms that give priority to the needs of the people they serve, rather than the organisations through which they are delivered.

1.3 The consultation set out six key proposals to achieve integration, which were the subject of briefings, and discussions, with Elected Members by the Corporate Director (Social Services & Health).

- Community Health Partnerships will be replaced by Health and Social Care Partnerships, which will be the joint and equal responsibility of Health Boards and Local Authorities, and which will work in close partnership with the third and independent sectors and with carer representation. The focus will be on making sure that people have access to the right kind of care, at the right time and in the right place.
- Nationally agreed outcomes will apply across adult health and social care. Health and Social Care Partnerships will be jointly accountable, via the Chief Executives of the Health Board and Local Authority, to Ministers, Local Authority Leaders and Health Board Chairs for the delivery of those outcomes. Outcome measures will focus, at first, on improving older people's care and will be included in all Community Planning Partnerships' Single Outcome Agreements.
- Health and Social Care Partnerships will be required to integrate budgets for joint strategic commissioning and delivery of services to support the national outcomes for adult health and social care. Integrated budgets will include, as a minimum, expenditure on community health and adult social care services, and, importantly, expenditure on the use of some acute hospital services. Where money comes from - health or social care, or indeed, housing - will no longer be of consequence to the patient or service user. What will matter instead will be the extent to which Health and Social Care Partnerships achieve the maximum possible benefit for service users and patients, together and against the backdrop of shared outcomes and integrated budgets.
- A jointly appointed, senior Jointly Accountable Officer in each Health and Social Care Partnership will ensure that partners' joint objectives, including nationally agreed outcomes, are delivered within the integrated budget by the Partnership.

- The role of clinicians, social care professionals and the third and independent sectors in the strategic commissioning of services for adults will be strengthened. Health and Social Care Partnerships will ensure that effective processes are in place for locality service planning led by clinicians and care professionals, with appropriate devolved decision-making and budgetary responsibilities.
- Proportionally, fewer resources - money and staff - will be directed in future towards institutional care, and more resources will be directed towards community provision and capacity building. This will mean creating new and potentially different job opportunities in the community.

1.4 At its meeting on 4 September 2012, the Cabinet approved a response to the consultation which was supportive of the above mentioned proposals but recognised that significant work is required, particularly around issues of governance to ensure that new Health and Social Care Partnerships function as effectively as possible.

2. Current Position

2.1 On 13 February 2013, the Scottish Government published its response to the key points made by the 315 respondents (49 individuals and 266 groups or organisations) to the Integration of Adult Health and Social Care consultation, and set out Scottish Ministers' thinking with regard to the Bill that will be introduced to the Scottish Parliament later in 2013.

2.2 A summary of the key points made by the Scottish Government in response to the Consultation is provided below. A copy of the full response is available from the Members' Lounge or by contacting the author of this report.

2.2.1 The Case for Change - whom to legislate for?

- The Scottish Government believes that local partners (Health Boards and Local Authorities) will be best placed to decide whether children's services should fall within the scope of the new arrangements. It is therefore their intention to legislate to require Health Boards and Local Authorities to integrate health and social care services for all adults. The Scottish Government believes that integration of service planning and delivery is the most effective way to support person-centre care. They intend to legislate so that, in future, the Scottish Government can extend the range of areas of service provision that must be included in the integrated arrangement.

2.2.2 Outline of Proposed reforms - what to legislate for?

- It is the Scottish Government's intention to legislate to require Health Boards and Local Authorities to integrate health and social care services for all adults, and to leave it to local agreement to decide whether to include other areas of service, such as housing or children's services, within the scope of the integrated arrangement.

2.2.3 National outcomes for adult health and social care

- It is the Scottish Government's intention to legislate for the principle that Health and Social Care Partnerships should be held to account for their delivery of nationally agreed outcomes.

2.2.4 Governance and joint accountability

- The Scottish Government intends to legislate for committee arrangements that confer equal voting rights on statutory members of the Health and Social Care Partnership Committee, and to strengthen these arrangements by legislating to require additional membership of the committee covering professional, carer, user and public interests (non-voting).
- The Scottish Government will also legislate for the principle that Local Authorities and Health Boards will have parity of voting power on Health and Social Care Partnership Committees.
- It is also the Scottish Government's intention to legislate on the basis that a Health and Social Care Partnership will be formed between one Local Authority and one Health Board, but to make provision for Ministers to consider applications for more than one Local Authority a single Health and Social Care Partnership with the same Health Board.

2.2.5 Integrated budgets and resourcing

- The Scottish Government intends to legislate so that it is necessary for all local partnerships to reach agreement on integrated arrangements to be implemented locally, subject to the specifications described in legislation. It is their intention to make provision for arrangements to be put in place where there is local failure to agree.

2.2.6 Jointly Accountable Officer

- The Scottish Government has been silent on its intention to legislate in terms of the Jointly Accountable Officer. However, they have highlighted that in the integrated adult health and social care environment for which they plan to legislate, joint accountability at senior level is required, in simple terms to achieve two objectives:
 - to provide a point of joint accountability upwards, from the Health and Social Care Partnership, to the Partnership Committee, via which there is accountability to the full Council and Health Board; and
 - to provide a single, senior point of joint and integrated management down through the delivery mechanisms in each partner organisation.
- These arrangements work differently in the two different models of integration for which the Government plans to legislate.
- In the delegation to a body corporate model (the model the Council and NHS propose to adopt in North Ayrshire) a single post of Jointly Accountable Officer will be required in order to fulfil both functions. The Scottish Government is not satisfied that the responsibilities they envisage for such a post can be effectively shared between different individuals employed by the partner organisations.
- The Government has also highlighted that questions about the impact of the Jointly Accountable Officer position on other statutory officer roles, particularly the role of the Chief Social Work Officer, are important. They recognise the key importance of statutory roles as currently defined in legislation and have indicated that they have no intention of changing these.

2.2.7 Professionally led locality planning and commissioning of services

- The Scottish Government intends to legislate for a duty on Health and Social Care Partnerships to 'engage with and involve', rather than merely to 'consult' local professionals, across extended multi-disciplinary health and social care teams, the third and independent sectors, and for representatives of patients, people who use services, and carers regarding how best to put in place local arrangements for planning service provision.

- 2.3 Now that the consultation has closed, the Scottish Government will bring forward legislation for consideration by the Scottish Parliament before the summer of 2013. This will provide for a full implementation of the new Partnerships for Adult Health and Social Care by 1 April 2015.
- 2.4 The Chief Executive has, as previously indicated to Cabinet at its meeting on 4 September 2012, established an Integration of Health and Social Care Project Board, comprising officers from across the Council, to oversee the development of proposals and manage the transition to integration. The Project Board will meet on a monthly basis. A copy of the remit/role of the Project Board is attached at Appendix 1.

3. Proposals

- 3.1 The Cabinet is asked to note a) the Scottish Government's response to the key points made by respondents to the consultation on the integration of health and social care in Scotland as summarised in the report; and b) the creation of an Integration of Health and Social Care Project Board to oversee the development of proposals and manage the transition to integration as set out in Appendix 1.

4. Implications

Financial Implications

- 4.1 There are no Financial Implications arising directly from this report. However, the Cabinet should note that there are significant issues in respect of the integration of resources into the health and social care partnership. These are currently being taken forwarded at a national level by an Integration Resources Advisory Group. The main issues include:
- Accounting standards and codes of practice;
 - Treatment of VAT;
 - Financial reporting and management, including local reporting, reporting to the Scottish Government and preparation of annual accounts;
 - Financial controls, assurances and risks covering internal and external audit arrangements and the role of the Section 95 officer;
 - Risk management and insurance implications of transferring risk;

- Financial planning and management including calculation of contributions to the integrated budget, annual review of the contribution including pressures, inflation and efficiency savings, in year budget management and treatment of over and under spends;
- Implications for capital budgets and use of assets.

Human Resource Implications

- 4.2 There are no Human Resource Implications arising directly from this report. However, as with finance, there will be a large number of HR issues that the Council will have to address as integration is implemented. These will be the subject of further reports to Cabinet.

Legal Implications

- 4.3 There are no Legal Implications arising directly from this report. However, in drafting legislation to bring about integration, the Scottish Government will seek the removal of any legal obstacles that currently exist to achieving its objectives. The Head of Democratic and Administration Services will be involved in framing the agreement with partners locally in line with the new legislation.

Equality Implications

- 4.4 There are no Equality Implications arising directly from this report. The Scottish Government's proposals for the integration of Health and Social care in Scotland are intended to improve services for people who fall within the public sector equality duty and have been subject to an equality impact assessment by the Scottish Government. Proposals specific to North Ayrshire will be the subject of a specific equality impact assessment when they are developed.

Environmental Implications

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

Implications for Key Priorities

- 4.6 The Scottish Government proposals for the integration of health and social care support the interim Single Outcome Agreement 2012-13 priority "A Healthy and Active North Ayrshire".

Community Benefit Implications

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

5. Consultations

- 5.1 Consultation on the production of this report has taken place with the Corporate Directors (Social Services & Health) and (Finance & Corporate Support) and the Head of Democratic and Administration Services.

6. Conclusion

- 6.1 The Scottish Government's proposal represent the most significant changes to local government since the 1995 reorganisation and are designed to bring about a significant improvement to the experience of people who use health and social care services, their families and their carers.
- 6.2 Further reports for decision and for information will be brought to Cabinet as the integration agenda is developed in greater detail.



ELMA MURRAY
Chief Executive

Reference :

EM/BT

For further information please contact Barry Tudhope, Business Manager (Chief Executive's) on (01294) 324113

Background Papers

- Scottish Government Consultation on the Integration of Health and Social Care (available at <http://www.scotland.gov.uk/Publications/2012/05/6469/0>) and Scottish Government response.

Integration of Health and Social Care Project Board

PURPOSE

The purpose of the Integration of Health and Social Care Project Board is to plan and oversee the Council's arrangements for the creation of a new Health and Social Care Partnership and to influence changes in legislation. Thereafter the Project Board will oversee the implementation of the new Partnership.

DUTIES

1. To scope out and put in place appropriate plans that will:
 - i) Create the new partnership from the Council's perspective
 - ii) Manage and prepare for the impact on other Council services, interface between services, align with neighbourhood planning approach and CPP Partners.
2. Monitor the implementation of the plans and ensure resources are allocated appropriately.
3. Prepare reports for Committee and briefings for Elected Members as appropriate to prepare them for the new arrangements.
4. Identify how the new relationship with the Health Board will operate including any joint planning forums.
5. Identify the financial and workforce and governance implications of the proposed changes and monitor those implications.
6. Identify any financial and operational risks.
7. Ensure outcomes are clear and measurable and monitor these.
8. Review our duties regularly and consider any changes to the purpose of the Board as we approach implementation.

MEMBERSHIP

North Ayrshire Council

Chair: Elma Murray, Chief Executive

Vice Chair: Iona Colvin, Corporate Director (Social Services & Health)

Olga Clayton, Head of Community Care & Housing

Andrew Fraser, Head of Democratic & Administration Services

Laura Friel, Corporate Director (Finance & Corporate Support)

Gavin Macgregor, Head of Human Resources & Organisational Development

Lisbeth Raeside, Head of Service Development (Social Services & Health)

Other Council Officers as appropriate.

NORTH AYRSHIRE COUNCIL

Agenda Item 22

26 March 2013

Cabinet

Subject: **Maximising Attendance - Update on Performance as at the End of Quarter 3 2012-13**

Purpose: To inform Cabinet of the Council's performance in Maximising Attendance as at the end of Quarter 3 2012/13.

Recommendation: That the Cabinet notes the information contained in the report.

1. Introduction

- 1.1 This report provides an update on absence statistics for Quarter 3, 2012-13, showing actual performance against targets for that quarter along with a projected performance outcome at year end and an update on work currently being undertaken to improve attendance levels.

2. Current Position

- 2.1 Appendix 1 shows the performance against target, by Service by employment group for Quarter 3 plus the cumulative performance as at the end of Quarter 3.
- 2.2 This shows that, with the exception of the Chief Executive's Service, all other services have not met their targets year to date as at the end of quarter three, although within the quarter Chief Executive, Legal, Planning and Regulatory Services and IDS (Professional, Technical and Admin staff); and Building Services (MW/Craft) met their targets.
- 2.3 A comparison of days lost for quarter two this year compared with the same quarter last year show a marginal worsening with an average of 2.4 days lost this year compared to 2.3 days last year.
- 2.4 Appendix 2 includes a projection to year end which show that with the exception of chief executives, all other services are unlikely to achieve their target for the year. The overall projection is for 8.9 days lost against a target of 6.8 days.

2.5 Appendix 3 provides a breakdown of the days lost by reason to the end of Quarter 3.

2.6 The following table shows the top three reasons (as at the end of quarter 3) which account for just under half of all absences. The top three reasons are unchanged when compared to the equivalent time period for the previous year.

	No. of days lost	% of total days lost
Musculo-skeletal	6,801	19%
Stress/Anxiety	5,895	16%
Surgical Procedures	4,730	13%

2.7 HR have worked closely with the relevant workforce and resourcing contacts within each Directorate to provide support by:

1. Identifying and correcting reporting errors through the issue and review of a trigger report (via Cognos) (showing which employees should be at which stage in the Maximising Attendance Procedure according to their absence record)
2. Attending managers' meetings on request
3. Undertaking individual case reviews with managers on request
4. Attending Stage 3 meetings notified by managers
5. Providing advice and guidance on an ongoing basis on the application of the Maximising Attendance procedures

2.8 With regard to points 2 to 4 above (at 2.7), the following table provides a summary of the support provided by HR to Services from October 2012 through to the end of January 2013:

Service	Case Reviews	Attend Stage 3	Appeal Attendance	Manger Meetings or stage reviews
Finance		5		
Social Services	7	7	4	5
Education & Skills	2	1		
IDS			1	
EARS	1	2	1	3
Building Services			1	
Economic Development			2	
Total	10	15	9	8

2.9 In addition to the above, HR Advisers produced and presented a bespoke training session to senior managers within Finance in January and monthly managers meetings have been attended during the quarter within Environmental and Related Services and Social Services.

2.10 Absence targets are currently being reviewed for 2013/14, taking cognisance of the Council's performance trends and the performance of other local authorities (as reported in SPI data) to enable informed and realistic targets to be set.

3. Proposals

3.1 The Cabinet is requested to note the content of this report and the actions being taken to improve performance.

4. Implications

Financial Implications

4.1 Sickness absence presents a cost to the Council, both in terms of the direct costs of providing cover for those absent and in terms of lost work days resulting in reduced or delayed service delivery.

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

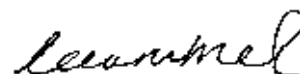
4.6 Reduced levels of sickness absence will contribute to a number of North Ayrshire outcomes within the Single Outcome Agreement as more resources will be available to direct towards service delivery.

5. Consultations

- 5.1 There is no requirement for consultation in respect of the content of this report. The report was tabled for presentation for information at the 1st Tier JCC meeting on 21 February 2013.

6. Conclusion

- 6.1 The projection at Appendix 2 shows that is highly unlikely that the Council will be able to improve sufficiently in the last quarter to meet the stated target.
- 6.2 In order to improve performance Services will require to continue to tightly manage absence in accordance with the requirements of the Maximising Attendance procedure and to continue to utilise the support mechanisms available (physiotherapy or counselling through occupational health referral) which assist by maintaining attendance or hastening the return to work of absent employees.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Gavin Macgregor, Head of HR & Organisational Development on telephone number 01294 324651

Background Papers

None

NORTH AYRSHIRE COUNCIL
Corporate Quarterly Absence Return – October - December 2012

SERVICE	Professional, Technical and Admin		Manual and Craft Workers		Teachers		Service Total		
	Days Lost this Quarter per FTE	Quarter Target per FTE	Days Lost this Quarter per FTE	Quarter Target per FTE	Days Lost this Quarter per FTE	Quarter Target per FTE	Days Lost this Quarter per FTE	Days Lost Year to Date per FTE	Year to Date Target
Chief Executive	1.0	1.1					1.0	3.0	3.3
Economic Development	4.1	1.1					4.1	15.3	3.3
Human Resources	4.1	1.1					4.1	8.4	3.3
Sub Total - Chief Executive Services	2.9	1.1					2.9	7.8	3.3
Legal , Planning & Regs	1.5	1.5					1.5	5.4	4.5
ICT & Customer Services	2.2	1.5					2.2	5.0	4.5
Sub Total - Corporate Services	1.7	1.5					1.7	5.3	4.5
Sub Total Chief Executive and Corporate Services	2.2	0.0					2.2	6.3	0.0
Education & Skills	2.7	1.4	3.9	1.4	1.8	1.4	2.2	5.4	4.2
Social Services	2.4	1.8	3.1	2.4			2.6	8.0	5.8
Housing	2.5	1.8					2.5	7.1	5.3
Sub Total - Social Services & Health	2.4	1.8	3.1	2.4			2.6	7.9	5.8
Finance	2.6	1.8					2.6	6.5	5.3
Infrastructure & Design	1.4	1.8	2.3	1.8			1.7	5.7	5.3
Environment & Related	3.6	1.8	2.7	1.8			2.8	7.3	5.3
Building Services	2.4	1.8	1.8	1.8			1.9	6.5	5.3
Sub Total - Finance & Infrastructure	2.3	1.8	2.5	1.8			2.4	6.5	5.3
TOTAL COUNCIL	2.5	1.6	2.7	1.9	1.8	1.4	2.4	6.5	5.1
SAME QUARTER PREVIOUS YEAR COMPARISON	2.4		2.6		1.5		2.3	6.2	

Target for the Future

Professional, Technical and Admin
Manual and Craft Workers

6.4 days

7.6 days

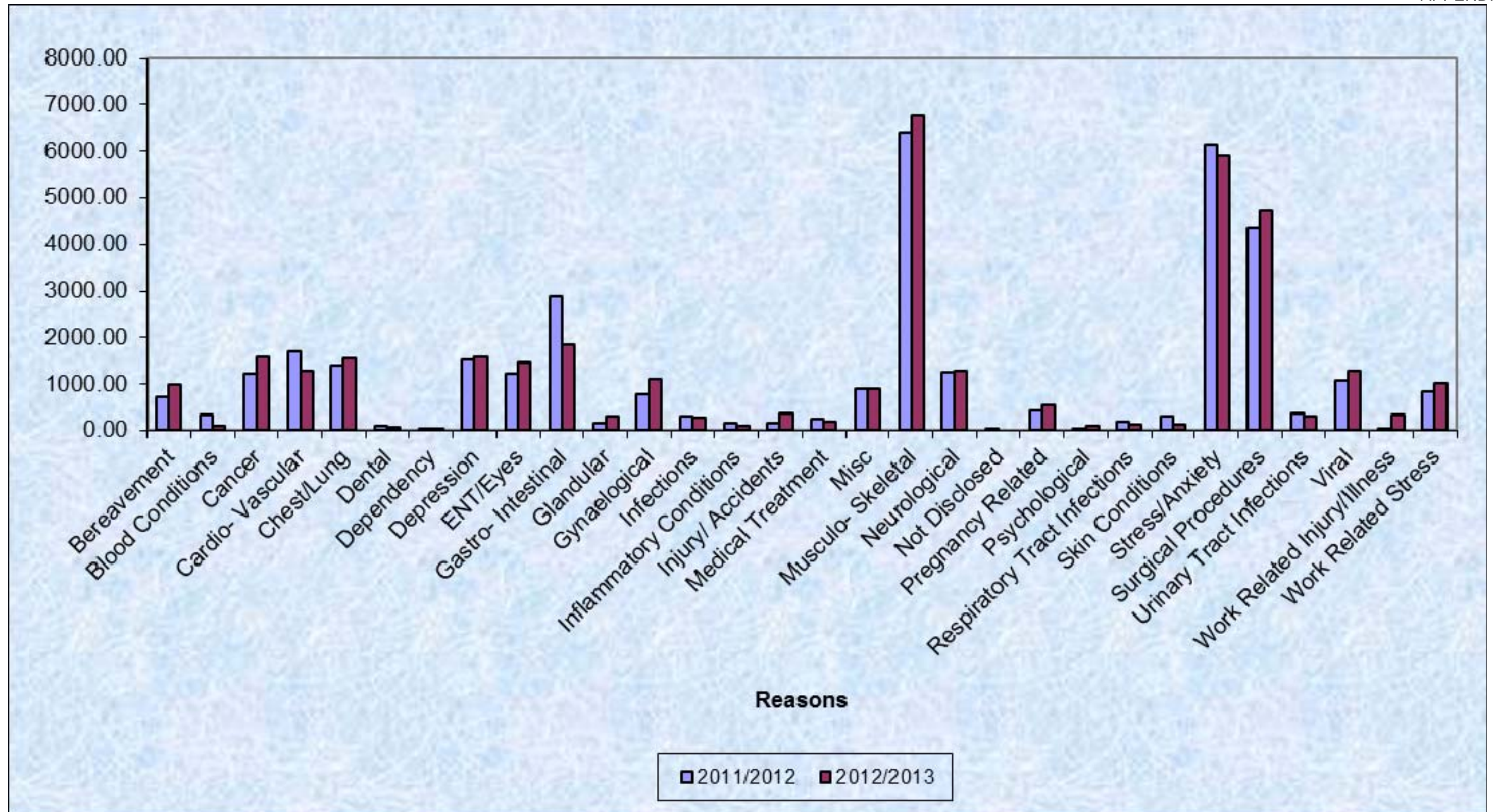
Teachers

5.6 days (N.B. - fewer working days
available)

Maximising Attendance Performance

	2010/11		2011/12		2012/13		2012/13		2012/13		2012/13		2012/13	
Service	Actual	Target	Actual	Target	Projected*	Target	Q1 Actual	Q1 Target	Q2 Actual	Q2 Target	Q3 Actual	Q3 Target	Ytd Actual	Ytd Target
Chief Executive	6.3	7.0	4.6	6.2	4.0	4.5	1.4	1.1	0.6	1.1	1.0	1.1	3.0	3.3
Economic Development	9.8	9.3	7.2	6.2	19.4	4.5	6.7	1.1	4.5	1.1	4.1	1.1	15.3	3.3
Human Resources	3.2	8.1	3.9	6.2	12.5	4.5	2.9	1.1	1.4	1.1	4.1	1.1	8.4	3.3
Sub Total -Chief Executive Services	5.8	8.1	4.9	6.2	10.7	4.5	3.1	1.1	1.8	1.1	2.9	1.1	7.8	3.3
Legal, Planning & Regs	5.1	8.1	7.6	6.2	6.9	6.2	2.3	1.5	1.7	1.5	1.5	1.5	5.4	4.5
ICT & Customer Services	5.4	8.1	6.6	6.2	7.2	6.2	2.3	1.5	0.6	1.5	2.2	1.5	5.0	4.5
Sub Total - Corporate Services	5.2	8.1	7.2	6.2	7.0	6.2	2.3	1.5	1.3	1.5	1.7	1.5	5.3	4.5
Sub Total Chief Executive and Corporate Services	5.4	8.1	6.4	6.2	8.5	5.1	2.6	1.3	1.5	1.3	2.2	1.3	6.3	0.0
Education & Skills	6.3	8.5	6.9	6.4	7.6	5.6	2	2	1.1	2	2.2	2	5.4	4.2
Social Services	9.5	16.2	12.6	8.3	10.6	7.7	2.8	1.8	2.6	1.8	2.6	1.8	8.0	5.8
Housing	6.1	11.1	7.5	7.0	9.6	7	2.4	1.8	2.2	1.8	2.5	1.8	7.1	5.3
Sub Total - Social Services & Health	9.0	15.5	11.8	8.3	10.5	7.7	2.7	1.8	2.5	1.8	2.6	1.8	7.9	5.8
Finance	8.6	9.3	10.8	7.0	9.1	7.0	1.7	1.8	2	1.8	2.6	1.8	6.5	5.3
Infrastructure & Design	5.2	7.9	7.7	7.0	7.4	7.0	2	1.8	2	1.8	1.7	1.8	5.7	5.3
Environment & Related	8.4	10.8	10.1	7.0	10.1	7.0	2.4	1.8	2.2	1.8	2.8	1.8	7.3	5.3
Building Services	10.4	10.8	9.8	6.6	8.4	7.0	2.4	1.8	2.2	1.8	1.9	1.8	6.5	5.3
Sub Total - Finance & Infrastructure	8.2	10.4	9.7	7.0	8.9	7.0	2.3	1.8	2.1	1.8	2.4	1.8	6.5	5.3
Total Council	7.4	10.4	8.8	7.0	8.9	6.8	1.9	1.6	1.8	1.6	2.4	1.6	6.5	5.1

* Projection based on actuals as at the end of quarter 3, plus an assumption that quarter 4 outcomes will be equivalent to those for quarter 3 which are then added to give a projected year end figure



Sickness Figures for all Scottish Authorities

Teaching Staff				
2010/11				
		Days Lost		Authority
Best		4.5		East Renfrewshire
Worst		9.3		Dumfries and Galloway
Average		6.6		
North Ayrshire		5.5		
N.B. 17 authorities were below the average of 6.6 days with 5 losing between 4.5 and 4.9 days, 7 losing between 5 and 5.9 days and 5 losing between 6 and 6.6 days.				
2011/12				
		Days Lost		Authority
Best		4.2		Falkirk
Worst		8.7		Inverclyde
Average		6.2		
North Ayrshire		5.9		
N.B. only 14 authorities including North Ayrshire were below the average of 6.2 days. 9 lost between 6.3 and 6.9 days, 7 lost between 7 and 7.9 days				

North Ayrshire's current target for 2012/13 is 5.6 days

Jan-13

Sickness Figures for all Scottish Authorities

All staff excluding Teachers				
2010/11				
		Days Lost		Authority
Best		8.0		North Ayrshire
Worst		15.9		Aberdeen City
Average		10.8		
North Ayrshire		8.0		
N.B. 18 authorities were below the average of 10.8 days with 8 losing between 9 and 9.9 days and 9 losing between 10 and 10.8 days with 9 days being the closest to North Ayrshire Council.				
2011/12				
		Days Lost		Authority
Best		7.9		Clackmannanshire
Worst		16.1		East Dunbartonshire
Average		10.4		
North Ayrshire		9.8		
N.B. 19 authorities were below the average of 10.4 days. 11 lost between 9 and 9.9 days, 7 lost between 10 and 10.4 days. After the best of 7.9 days the next best council lost 9.1 days.				

North Ayrshire's current target for 2012/13 is 6.4 days for APT&C staff and 7.6 days for Manual and Craft.

The combined target for all staff is 6.8 days

Jan-13

NORTH AYRSHIRE COUNCIL

Agenda Item 23

26 March 2013

Cabinet

Subject: **Modern Apprenticeship Programmes**

Purpose: To outline opportunities for programmes which run longer than one year and to look at tracking what happens to Modern Apprentices (MAs) when they leave the training programme.

Recommendation: That Cabinet notes current arrangements in place to support the approved expansion of the MA programme, information on options to extend the length of programmes and the most recent information concerning positive destinations following qualification.

1. Introduction

- 1.1 Approval was given by Cabinet on 23 October 2012 to support the expansion of the Modern Apprenticeship programme in North Ayrshire Council. This report provides Members with an update on recent implementation work and reviews potential options on extending the duration of some MA programmes, as well as providing an update on post-qualification destinations.

2. Current Position

- 2.1 A list of the current Modern Apprenticeship (MA) programmes provided within North Ayrshire Council is outlined in Appendix 1. At the Cabinet meeting on 23 October 2012, funding approval was given to expand this programme to up to 180 Modern Apprentices by the end of March 2014.
- 2.2 A bid was subsequently submitted to Skills Development Scotland (SDS) to seek approval for the balance of the funding required to deliver the expanded programme. On 3 December 2012 NAC received confirmation from SDS that this had been approved. SDS funding is based on the original business case presented and funds are drawn down from this overall funding commitment from SDS as M.A. targets achieve specific milestones. If the target number of MA's is not achieved within the financial year, then funds cannot be carried over to the next financial year. The project has now progressed to the implementation stage and work is currently underway to commence the procurement exercise to source the relevant Training Providers and thereafter the recruitment of the additional Modern Apprentices.

- 2.3 A further paper will be brought to Cabinet in due course to highlight progress and positive destination outcomes across all Modern Apprenticeship schemes. As at February 2013, the Council supports a total of 226 Modern Apprenticeships: 77 Internal M.A.s, 26 on the Craft Apprenticeship Scheme and 123 externally through the Economic Development Employability programme, involving 65 local employers.
- 2.4 As a starting point, it is important to acknowledge that the **majority** of the Modern Apprenticeship programmes in place within the Council are already of a duration **greater** than one year. The Council currently offers 13 different types of MA programmes, of which 8 will take more than one year to complete.

Level 2 and Level 3 VQ qualifications

- 2.5 The following Level 2 MA programmes are currently for one year only - Business Administration, Creative, Health and Social Care, Horticulture and Professional Cookery. All of these MA programmes are also available at a qualification **Level 3**, which would therefore extend the programme duration beyond one year. To undertake a Level 3 qualification, the Trainee does not necessarily have to be in a substantive post, provided that the level of responsibility attached to the role which the Trainee is undertaking fits the requirements of the Level 3 MA programme.
- 2.6 Additional funding would be available from SDS for Level 3 qualifications. The amount of funding varies depending on the particular MA discipline being studied. The ongoing MA wages and any associated Training Provider costs would require to be met by NAC for the duration of the Level 3 programme. The duration of a Level 3 programme varies depending on the particular MA discipline being studied; however as a minimum it would be of one year duration. Appendix 1 also provides information on course duration by level and discipline type.
- 2.7 Any MA Trainees who currently complete a Level 2 Business Administration qualification and who go on to secure a substantive post within the Council are encouraged to continue with their studies and complete a Level 3 qualification. This provides an ongoing development opportunity for the young person and also the eligibility to draw down the relevant Level 3 funding from SDS. It is recommended that this approach is applied for all the new MA disciplines being undertaken with the Council where a Level 3 qualification and suitable Training Provider is available.

- 2.8 The duration of some MA programmes (Level 2 and Level 3) can be largely determined by the college academic year, e.g. training for the Health and Social Care MA has been delivered by James Watt College and this course usually commences at the start of the academic year in September/October. The Council, therefore, recruits MAs to coincide with the commencement of the college course year, which can also timeously target the Summer School Leavers. Potentially the MAs could be recruited earlier and undertake work experience, thus delaying their off job training until the academic year commences. This would extend the MA programme beyond 1 year and allow the MA some additional practical experience before commencing college. However, the wage costs for the Council would increase (as the MA would be paid for longer) but the eligible funding from SDS would remain the same. This therefore would extend the overall duration of time for which the MA is employed but would require additional funding to be provided by the Council.

Other Funded Training Programmes

- 2.9 The Council runs an 'Employability Fund Stage 4' programme (similar to "Training for Work" programme, ending in March 2013). This is currently delivered in-house by the HR and OD Service within the Council. This is a Government funded 26 week programme which is aimed at people over 18 years of age. This programme provides skills and knowledge to help the person gain full time employment or progression onto a further training programme. Funding is received from SDS based on a start fee and further contributions should the candidate achieve employment and/or a qualification.
- 2.10 Recently, following discussions with Educational Service, a bid has been submitted to SDS to seek funding for the introduction of the 'Employability Fund Stage 2' programme (similar to "Get Ready for Work programme" ending in March 2013), aimed at 16-19 year olds. This programme lasts for 10-12 weeks and is projected to run 3 times per annum. Both of these programmes could become potential 'feeders' to the MA programme, thus also expanding the support duration the trainee receives beyond 1 year.

Extending the programme duration out with the Council

- 2.11 Currently Economic Development support some programmes which potentially could further assist North Ayrshire Council MAs on completion of their programmes.

- 2.12 The Business Development Team could support MAs who are coming to the end of their training by marketing MAs to local businesses to try to identify a suitable employment opportunity. Some small businesses may not wish to recruit a “raw” MA directly, preferring instead to employ an individual who has acquired some previous practical and work experience, which they can continue to support and further develop. The VQ Team (HR Service) and the Business Development Team (Economic Development Service) could work together to provide profile information to local employers. This will help present the Council as a champion for young people within the community whilst also helping to play a fundamental role in assisting MAs into employment.
- 2.13 CeisAyrshire could also support MAs who are completing their placement. The support available from Ceis will depend on the individual and will be tailored to their specific needs. Given that the MAs will likely have at least one year work experience, Ceis are likely to target the MAs into employment.
- 2.14 Community Planning Partners and the Third Sector may also provide further alternative avenues for MAs to secure employment, should no suitable opportunity be available within the Council at the time the MA completes their training. However as the Council reviews the composition of its workforce and service provision, Service Managers should continue to identify entry level posts which may be filled by a MA thus supporting the “growing our own” approach and maximising the time and cost invested in the MA. A MA who meets the essential criteria of a vacant job for which they have applied, will be guaranteed an interview for the post.

MA Progression during 2012

- 2.15 A significant number of MAs are moving onto positive destinations upon completion of their MA training programme. The latest figures for leavers from 1 April 2012 to 31 December 2012 indicates that of the 61 MAs who had completed their training, 48 achieved a qualification, 25 went on to secure employment within NAC and 12 secured employment elsewhere. This equates to a 78% successful completion rate and 75% going on to a positive destination.

Tracking Modern Apprentices when they leave the Programme

- 2.16 As MAs conclude their training, or leave early, data is currently gathered to identify where the MAs are going and what they are moving on to. A report on this is currently produced on a monthly basis. Moving forward this information will be built into a tracking report around MA outcomes. It should be kept in mind, that there are instances when MAs do not wish to disclose this information for various reasons e.g. benefit purposes, personal privacy or a reluctance to disclose the nature of the work they are going on to.

Cost implications

- 2.17 As noted in paragraph 3.3 and 3.5 above, there are ongoing wage and training costs associated with the extension of the MA programme. These costs would need to be met by NAC and would need to be weighed up alongside the benefits that could be delivered. The budget provision for MA's currently is resourced through Economic Development's 'Employability Programme' budget and any further cost implications would have to be funded from this specific budget provision, with implications for other employability priorities. In addition, a number of the above recommendations are focusing on investing cost and time in the same individual, rather than expanding the pool of individuals who could potentially tap into the available funding and support.

Summary

- 2.18 A number of options have been outlined above to further expand the duration of the MA programme. Some of these options have cost implications. When reviewing these options, it should be noted that the greater investment made per individual Trainee, results in potentially fewer Trainees overall being able to access training provision/support. It is essentially therefore a choice of having a higher number of more skilled/qualified individuals or alternatively a larger number of people trained to a lower MA level qualification. The Council's 'Economic & Regeneration Strategy' highlights a key objective of "*maximising employment opportunities*".

3. Proposals

- 3.1 The Cabinet is invited to note current arrangements in place to support the approved expansion of the MA programme, information on options to extend the length of programmes and the most recent information concerning positive destinations following qualification.

4. Implications

Financial Implications

- 4.1 Funding for the Modern Apprenticeship Programme is supported through the Employability Projects budget of the Economic Development Service, along with bid funding support from Skills Development Scotland.

Human Resource Implications

- 4.2 The expansion of training opportunities will have a positive impact on providing a broader range of skills and abilities.

Legal Implications

- 4.3 None.

Equality Implications

- 4.4 The Council will be taking positive action to support the young unemployed, one of the most under-represented within the jobs market, in gaining skills and experience and have them better prepared to enter employment.

Environmental Implications

- 4.5 None.

Implications for Key Priorities

- 4.6 The programme expansion will help the Council in improving North Ayrshire's skills levels and tackling the high worklessness rates, which are key objectives with its Economic and Regeneration Strategy.

Community Benefit Implications

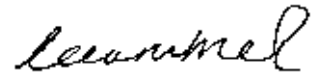
- 4.7 As noted at 4.6

5. Consultations

- 5.1 Consultation has taken place with Skills Development Scotland, the Chief Executive and Corporate Directors, external companies and the Head of Development Planning.

6. Conclusion

- 6.1 North Ayrshire has one of the highest levels of unemployment in Scotland and this will persist until job growth is improved. Young people tend to be disproportionately affected by the decline in available job opportunities and this initiative will provide training opportunities and help boost the skills levels within that age group which in turn may help stimulate the local economy.



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Lorna Morrison, Senior Manager, HR and Organisational Development on telephone number 01294 324653

Background Papers

None.

Modern Apprenticeship Programmes Current Occupancy - December 2012

Type	SVQ Level	Duration	Current No of MAs	Comments
Business Administration	2	1 year	34	
Business Administration	3	1-2 years	14	1 year if Trainee has Level 2 qualification
Childcare	3	2 years	8	
Civil Engineering	3	3 years	3	
Creative	2	1 year	1	
Health & Social Care	2	1 year	8	
Highways Maintenance	2	1.5 years	3	
Horticulture	2	1 year	0	
ICT Professional	3	2 years	2	
Playwork	3	1.5 years	0	Currently recruiting 2 MAs
Professional Cookery	2	1 year	0	
Vehicle Maintenance	3	3 years	4	
Vehicle Parts Warehousing	3	1.5 years	1	
Youthwork	3	1.5 years	12	

NORTH AYRSHIRE COUNCIL

Agenda Item 24

26 March 2013

Cabinet

Subject: **Framework Agreement 2013 / 2015 -
Periodic Testing & Inspection of Fixed Electrical
Installations**

Purpose: To seek Cabinet approval to invite tenders for the procurement of Periodic Testing and Inspection of Electrical Installations.

Recommendation: That the Cabinet approves the tendering of the Framework Agreement detailed in this report.

1. Introduction

- 1.1 Property Management and Investment manage a range of specialist Measured Term Contracts and Framework Agreements relevant to the Council's operational properties. These include statutory testing and maintenance, which enables the Council to comply with its statutory obligations in respect of its operational property portfolio, including compliance with health and safety legislation.

2. Current Position

- 2.1 One such requirement is in respect of Periodic Inspection and Testing of Fixed Electrical Installations, which is a statutory requirement for all of the Council's operational properties.
- 2.2 Following termination of the previous contract in July 2012, through the contractor ceasing to trade, the Council is currently without any agreement for periodic testing and inspection of fixed electrical installations. No other framework exists and there is currently no facility for provision of these services through Scotland Excel.
- 2.3 The annual value is anticipated to be in the region of £150,000 for a period of up to four years.

3. Proposals

- 3.1 It is proposed to appoint three contractors to the framework to allow greater scope and flexibility for the Council to meet its statutory obligations. In the first year of the agreement each contractor appointed will be awarded a proportion of the testing and inspection programme. The framework agreement is expected to commence 1 October 2013.
- 3.2 It is proposed that the framework is advertised in the Official Journal of the European Union (OJEU) as a restricted tender on the basis of a 2 year framework agreement with the option to extend for up to a further two years.
- 3.3 A facility will also be built into the agreement to allow a mini-competition between the contractors for subsequent works arising as a result of recommendations from inspections.
- 3.4 The Cabinet is invited to approve the tendering of the Framework Agreement detailed in this report.

4. Implications

Financial Implications

- 4.1 The contract costs will be financed from the Council's corporate Property Management revenue budget.

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 None

Community Benefits

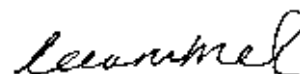
- 4.7 Community Benefits were considered but deemed not to be cost effective as the contract value is only £150k per annum. Community Benefit clauses are more effective for contracts with a value of £1m and above.

5. Consultations

- 5.1 Consultation has taken place between Property Management and Investment and the Corporate Procurement Unit.

6. Conclusion

- 6.1 Cabinet is requested to authorise the commencement of a tendering exercise to put in place a framework agreement for the periodic inspection and testing of fixed electrical installations



LAURA FRIEL

Corporate Director (Finance and Corporate Support)

Reference : DM/LW

For further information please contact Alistair Munn, Category Manager/Team Leader (Construction & FM) on telephone number 01294 324592

Background Papers

N/A

NORTH AYRSHIRE COUNCIL

Agenda Item 25

26 March 2013

Cabinet

Subject: **Banking Services**

Purpose: To request approval from Cabinet to invite tenders for banking services.

Recommendation: That Cabinet agrees to approve the commencement of a formal tender exercise.

1. Introduction

- 1.1. In order to comply with the Council's Standing Orders Relating to Contracts and the Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended), a formal tendering exercise must be undertaken for banking services.
- 1.2. The contract will operate for 5 years, with the option to extend for up to 2 years.

2. Current Position

- 2.1 The Council has a banking services contract with Clydesdale Bank and it is proposed to have the new contract in place with effect from 1 February 2014.
- 2.3. A contract must be tendered, evaluated and awarded in sufficient time to permit transition to a new service provider, if required, including the transfer of accounts.

3. Proposals

- 3.1. That the Cabinet agrees to approve the issuing of a formal tender for these services.

4. Implications

Financial Implications

- 4.1 The estimated annual cost is £75,000 which equates to £375,000 over the initial period of contract plus an additional £150,000 if the extension period is invoked. This is above the EU Public Procurement Threshold for services which is £173,934. There is provision for this within the General Fund and Housing Revenue Account revenue budgets.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 This requirement is being undertaken in accordance with EU procurement regulations.

Equality Implications

- 4.4 There are no equality implications.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 This contributes to the Council Plan Core Objective 4 'operating more efficiently and effectively'.

Community Benefit Implications

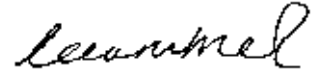
- 4.7 There are no community benefit implications.

5. Consultations

- 5.1 Consultation has taken place with Legal Services and North Ayrshire Leisure Ltd.

6. Conclusion

- 6.1. It is recommended that Cabinet approves the issue of a formal tender for this service.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Maurice McTeague, Category Manager / Team Leader on telephone number 01294 324015

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 26

26 March 2013

Cabinet

Subject: Renewal of 3-year licence for Education City for North Ayrshire primary, secondary and special schools

Purpose: In line with Council Standing Orders, to seek the Cabinet's approval to purchase a 3-year licence for Education City for North Ayrshire schools as there are no equivalent products in the marketplace.

Recommendation: That the Cabinet agrees to (a) note the contribution that this interactive, educational software is making to Raising Attainment within North Ayrshire schools and (b) the purchase of a 3-year licence.

1. Introduction

- 1.1 All of North Ayrshire primary and secondary schools and many nursery and special schools use Education City software on a very regular and highly successful basis.
- 1.2 Education City is an online, interactive resource which supports the delivery of Curriculum for Excellence (CfE) from 'early developing' to 'second secure' in English/literacy, mathematics/numeracy, science and modern languages. It is an award-winning, web-based, modular resource which motivates and enthuses children and young people and supports their learning.
- 1.3 Education City is a unique product. No other currently available software offers the features and tools to support learning and teaching both within school and at home. Teachers use Education City to deliver the experiences and outcomes of CfE in the curricular areas and at the levels highlighted. Teachers have embedded the use of this software in their annual, termly, weekly and daily plans to support children's learning.

2. Current Position

- 2.1 Over the past six years Education and Skills has purchased a central licence to cover all local authority schools for a 3-year period at a discounted rate (50% discount). Previously, schools had purchased a separate, annual licence at a non-discounted rate. Therefore the move to purchasing the licence centrally over a 3-year period represented best value.
- 2.2 A number of other local authorities have entered into licence purchasing agreements with Education City but none to the extent North Ayrshire has in terms of the modules used by schools.
- 2.3 Historically, North Ayrshire Council and its schools have been forward-thinking and innovative in their use of information technology to support and enhance curricular delivery. Headteachers and teachers very quickly recognise the benefits of Education City to support learning and teaching. The use of this resource is therefore embedded within our schools' practice and curricular delivery.
- 2.4 The cost of £88,592 for a 3-year agreement for schools equates to a sum of £29,530 per annum. As the resource is used with all Primary and Secondary pupils up to S3 (i.e. approximately 14,500 pupils) this represents an annual cost per pupil of £2.04.
- 2.6 The software is also continually being developed with all updates made available to schools. The company also include training for teachers as part of the package.
- 2.5 The company, Education City Limited, has provided financial statements and reports to provide adequate assurances of their financial stability.

3. Proposals

- 3.1 That the Cabinet notes the educational benefits of the use of Education City to support raising attainment in North Ayrshire schools and agrees to the purchase of a further 3-year licence.

4. Implications

Financial Implications

- 4.1 The cost of a 3-year, 50% discounted local authority licence equates to £29,530 per annum. The purchase costs will be met from existing Education and Skills budget.
- 4.2 As the resource is used with all Primary and Secondary pupils up to S3 (i.e. approximately 14,500 pupils) this represents an annual cost per pupil of £2.04.
- 4.3 Given that the Council is seeking to enter into a 3 year agreement purchased in advance, the company, Education City Limited, has provided financial statements and reports to provide adequate assurances of their financial stability. This financial information mitigates the risk to the Council.

Human Resource Implications

- 4.4 There are none arising directly from this report.

Legal Implications

- 4.5 There are none arising directly from this report.

Equality Implications

- 4.6 There are none arising directly from this report.

Environmental Implications

- 4.7 There are none arising directly from this report.

- 4.8 Implications for Key Priorities

The proposals will assist in achieving the following SOA outcomes:

- 4a "levels of educational attainment and achievement have improved";
- 4b "more young people are leaving school for positive destinations";
- 5a "opportunities to support the positive development of vulnerable young children have increased";
- 15b "Public services are more efficient and effective".

5. Consultations

- 5.1 Consultation has taken place with Corporate Procurement.
- 5.2 Headteachers and teachers have been consulted in a variety of forums. The Head of Service led a discussion with headteachers at a headteachers' meeting.

6. Conclusion

- 6.1 Education City is a resource that has been updated and developed over the number of years the local authority has subscribed. It's unique in that it supports the delivery of the experiences and outcomes of CfE over a wide range of curricular areas and is highly valued by headteachers and teachers in North Ayrshire schools.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : MA/AMac/EMcK

For further information please contact Mark Armstrong, Head of Service
Development on telephone number 01294 324413

Background Papers

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NORTH AYRSHIRE COUNCIL

Agenda Item 27

26 March 2013

Cabinet

Subject: **South West Hub Territory Partnering Board**

Purpose: To submit the Minute of the Meeting of the South West Hub Territory Partnering Board held on 31 January 2013.

Recommendation: That the Cabinet agrees to note the Minute attached at Appendix 1.

1. Introduction

- 1.1 South West Hub is a vehicle through which the Council can procure its capital projects. Current Council projects which may be procured under this route include; Montrose House and the Garnock Campus. Proposals are being developed for the Three Towns School project.
- 1.2 The most recent meeting of the South West Hub Territory Partnering Board (TPB) was held on 31 January 2013, with the Board planning to meet every four to six weeks.

2. Current Position

- 2.1 The main business of the meeting of the TPB of 31 January 2013 comprised:
 - an update on the SFT schools collaborative, noting the intention to hold a workshop to progress this and the desire to ensure as far as possible the same advisors across the collaborative.
 - a progress report from the programme director, noting a revision to the commencement date for the contract and concern re the omission of Hubco in engaging with the Territory or Participants in the appointment of cost and project managers.
 - a report from Hubco General manager noting;
 - the appointment of John McClelland as Hubco's Independent Chair;
 - progress in taking forward projects within the Hubco pipeline, including Montrose House;
 - development of the Territory Supplier Network;
 - progress on setting up Hubco's Skills Academy.

2.2 The minute of the meeting is attached at Appendix 1.

3. Proposals

3.1 That the Cabinet agrees to note the Minute attached at Appendix 1.

4. Implications

Financial Implications

4.1 There are no financial implications

Human Resource Implications

4.2 There are no Human Resource implications.

Legal Implications

4.3 There are no legal implications.

Equality Implications

4.4 There are no equality implications.

Environmental Implications

4.5 There are no environmental implications.

Implications for Key Priorities

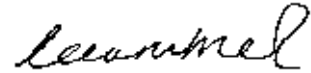
4.6 There are no implications.

5. Consultations

5.1 No consultations were required in the formation of this report.

6. Conclusion

6.1 The attached Minute is submitted for information.



LAURA FRIEL
Corporate Director (Finance and Corporate Support)

Reference :

For further information please contact Laura Friel, Corporate Director
(Finance and Corporate Support) on 01294 324554

Background Papers

None

Approved 7th March 2013

Minutes of Meeting of the Territory Partnering Board
Held on 31st January 2013 at 10am in Cumbrae Meeting Room, Perceton
House, Irvine, KA11 2AL (North Ayrshire Council)

Attendees

Name	Organisation	Initials
Rhona Wells (Chair)	Dumfries & Galloway Council	RJW
David Browning	NHS Lanarkshire	DB
Ian Bryden	NHS Dumfries & Galloway	IB
Audrey Christie	South West hub	AC
Laura Friel	North Ayrshire Council	LF
James King	Scottish Futures Trust	JK
Bill Martin	South West hub	BM
John Quinn	South West hub	JQ
Mary Anne Robb	North Lanarkshire Council	MAR
Malcolm Roulston	East Ayrshire Council	MR
Arthur Watson	Irvine Bay Regeneration Company	AW
Rhona Wells (Chair)	Dumfries & Galloway Council	RW

In Attendance

Name	Organisation	
Andy Barrett	South West hub	AB
Simon Bell	East Ayrshire Council	SB
Gemma Gordon	Scottish Futures Trust	GG
Anne Kidd	South Ayrshire Council	AK
David Strang	South Ayrshire Council	DS

Apologies Received

Name	Organisation	
Derek Craig	South Lanarkshire Council	DC
Gillian Jewell	Scottish Court Services	GJ
Robin McNaught	State Hospital for Scotland	RMcN
John Wright	NHS Ayrshire & Arran	JW

1. Welcome & Introductions

Anne Kidd and David Strang from South Ayrshire Council were welcomed to the meeting. Apologies were noted. Gemma Gordon from Scottish Futures Trust was in attendance to provide an update on the schools collaboration.

2. SFT Schools Programme Update

Gemma Gordon advised that it had been six months since she was last at the SWhub TPB meeting. Since then the Scottish Government announced the next phase of schools. There will be 30 new schools which has increased the total number of schools to 67. Within the SW territory there are 6 schools which will definitely go through the hub route.

There has been a variation to phase 3 with Scottish Government identifying specific schools to be on site within 12 to 18 months. Two of these schools

are within SW territory. Every effort needs to be made to deliver within the timescales. Hubs need to engage with local authorities to get this process moving and look at how they can work together.

Discussions had taken place last year around joint working teams. A further meeting had been planned for September but due to bad weather this had been cancelled and had not been rearranged.

GG advised that some hubs face less challenges and can move faster. A workshop is being arranged for all local authorities, hub teams and SFT representatives to establish how to make it happen and work well. Invites will be sent out once the workshop has been arranged.

GG was keen to know if there was any resource available within the local authorities that could be used for all projects. Unfortunately the local authorities didn't think that there would be anyone available to do this. It was agreed that it would be good if the advisors could be kept the same for each project.

The Clyde Valley project has been redesigned. Originally the design was for 1100 pupils but this has now been reduced to 750 pupils. The benefit of the design which they have used is that it can be scaled up or down.

3. Review of Last Meeting Notes – 20th December 2012

The following changes to the minutes are required:

Page 5 – Gillian Jewell comment wasn't about NPR's but about KPI's **AC**

Page 6 – Item 11 should read Viv Cockburn and not Jeff Coburn. **AC**

With the changes the minutes were approved as an accurate record of events.

4. Matters Arising from Last Meeting

Alternate to Public Sector Director

Nominations are still required.

Confirmation of Partnering Board Members

South Ayrshire Council will confirm who will be the new representative for South Ayrshire Council within the next couple of weeks.

Guidance was given to Andy Barret and this will be reflected in today's report.

Adoption of the Territory Partnering Board, Constitution and Rules of Procedure

There is no set guidance or rules on good governance practice.

Hubco Key Performance Indicators

The schedule of all KPI's was sent out to TPB members.

Territory Programme Team Budget and Enabling Funds

Dumfries & Galloway Council have submitted some invoices for enabling funds. The TPB were advised that the cut off for claims is 3rd March 2013.

Programme Directors Report

Andy will provide an update on the interviews for the Chair of the hubco Board.

All participant logos were removed from the flyer.

100 Day Plan

The Supplier Development Programme was invited to attend the Meet the Buyer event.

KPI Report

This will be included in the General Managers report.

Supply Chain

This will be included in the General Managers report.

Scottish Futures Trust Update

Viv Cockburn will be asked to attend the next meeting.

5. Long Term Running Actions

SFT Schools Collaboration

On the agenda.

Scottish Futures Trust Update

This was discussed at the National Programme Board. James will send the report to TPB members.

6. Programme Directors Report

The legal advisors have advised that the contract commencement date must be recorded as 25th November 2012 rather than 15th November 2012 as this is when the last participant agreed to the late amendment relating to the insurance level. Participants are required to sign the variation agreement and AC will be contacting all participants to get this arranged.

AC

Hubco failed to follow the agreed process for Cost Manager/Project Manager appointment for the NHS Lanarkshire project in that they did not include the Territory or the Participant. Following several discussions between the Territory/Participant and hubco, the appointment will be terminated at the end of Stage 1 with the remainder of the commission being re-tendered. BM advised that a flowchart of when Participants can be involved is being prepared and will be tabled at the next meeting.

The TPB discussed this governance issue and it was agreed that BM will prepare a formal letter to be sent to Craig Marriott.

BM

7. SWhub General Managers Report

Andy Barrett was in attendance to present the SWhub General Managers Report.

John McClelland has been appointed as the Independent Chair. The General Manager has been shortlisted and will hopefully be in post within 3 months.

Hubco have accepted the NPR for NHS Lanarkshire and have converted Irvine Annickbank, Dalbeattie Health Centre, Dunscore Health Centre and Montrose House from a qualifying project into NPRs.

Hubco is completing a strategic support commission for South Ayrshire Council on a primary school project. Hubco is seeking the NPR for Clydevally and Greenfaulds projects and would also like to agree a strategic support commission for the Garnock Academy project.

The Territory Supplier Network is now being formalised and further developed. There is a high level of interest from the supply chain both from local organisations and from the wider field. All interest and information requests are being channelled through the Supply Chain Manager. A total of 160 expressions of interest have been received.

The first hub SW “Meet the Buyer Event” was successfully held at Ayr Racecourse on 10th January 2013. A total of 167 people attended comprising of 152 delegates and 15 hub SW representatives.

The process of setting up the hub SW Skills Academy has commenced. A meeting with Construction Skills has taken place and all information required and advice from Construction Skills has been provided to the SCDM and Tier 1 Contractors. This will now be an on-going consultation process with Construction Skills and other third parties to secure funding and agree targets required by Construction Skills.

There are currently 596 subcontractors on the Tier 2/3 Supply Chain Database. These businesses are a combination of Tier 1 approved subcontractors, Constructionline and Supplier Development Programme registered organisations. 360 of these businesses are based within the territory.

RJW asked that future reports are sent as A3 so that they can be easily read.

AW advised that he was concerned that there were not enough comparative projects. AB advised that for the Irvine Bay projects hubco had went to the market to get real prices.

JK advised that SFT are collating all advisor costs from all of the territories to find out exactly how much should be paid.

8. Scottish Futures Trust Update

JK advised that there are ongoing discussions with North Lanarkshire Council about Ravenscraig.

9. AOCB

The TPB members were advised that a LinkedIn and Twitter account had been set up for SWhub.

10. Date and Time of Next Meeting

The next meeting of the Territory Partnering Board will take place on 7th March 2013 at 10am in Room 1, Eglinton House, Ailsa Hospital, Dalmellington Road, Ayr, KA6 6AB (NHS Ayrshire & Arran).

NORTH AYRSHIRE COUNCIL

Agenda Item 28

26 March 2013

Cabinet

Subject: **1st Tier Joint Consultative Committee and Corporate Health and Safety Group: Minutes of Meetings held on 21 February 2013**

Purpose: To submit the Minutes of the Meeting of the 1st Tier JCC and the Corporate Health and Safety Group, both held on 21 February 2013.

Recommendation: That the Cabinet agrees to note the Minutes contained in Appendices 1 and 2.

1. Introduction

1.1 The 1st Tier Joint Consultative Committee comprises Elected Members, Officers and Trade Union representatives. Its purpose can be summarised as follows:

- "To provide a forum and procedure for Council members and Trade Unions to meet on a regular and constructive basis to exchange information and resolve issues of mutual concern"; and
- "To promote and develop good relations between the Council, Management, employees and their Trade Unions".

1.2 The Council's Corporate Health and Safety Group consists of Elected Members, Officers who chair the four Health and Safety Planning Groups and safety representatives from the Trade Unions. The Group aims:-

- To engage employee representatives as an inclusive partner in the Council's arrangements for the management of health and safety to create a safe working environment that supports the well being of the Council's employees.
- To provide a forum for Council elected members, senior managers and safety representatives to meet on a regular and constructive basis to exchange information and resolve issues of mutual concern.

2. Current Position

- 2.1 Both the 1st Tier JCC and the Corporate Health and Safety Group meet up to four times per year. The Minutes of the latest meetings, held on 21 February 2013 are appended for information.

3. Proposals

- 3.1 The Cabinet is invited to note the contents of the Minutes contained in Appendices 1 and 2.

4. Implications

Financial Implications

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

Human Resource Implications

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

Legal Implications

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

Equality Implications

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

Environmental Implications

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

Implications for Key Priorities

- 4.6 There are no implications for key priorities arising from this report.

5. Consultations

- 5.1 No consultations were required.

6. Conclusion

- 6.1 The attached Minutes are submitted for information.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Melanie Anderson, Committee Services Officer on telephone number 01294 324131.

Background Papers

Constitutions of the 1st Tier JCC and Corporate Health and Safety Group.

1st Tier Joint Consultative Committee
21 February 2013

IRVINE, 21 February 2013 - At a Meeting of the 1st Tier Joint Consultative Committee of North Ayrshire Council at 2.00 p.m.

Present

Willie Gibson, John Bell, Robert Barr, Peter McNamara and Tom Marshall (North Ayrshire Council); F. Boyle and J. Purvis (UNISON); P. Watkins (UCATT); A. Smith, P. Houston and P. Arkison (GMB), J. Jackson and D. Hemingsley (UNITE).

Also Present

Robert Steel.

In Attendance

G. MacGregor, Head of Human Resources and Organisational Development and A. Young, Team Manager (HR); and M. Anderson, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Gibson in the Chair.

Apologies for Absence

Alan Hill (North Ayrshire Council); S. Herd (Unison); and P. Bennett (UCATT)

1. Minutes

The accuracy of the Minutes of the previous meeting of the Committee held on 20 September 2012 was agreed and the Minutes signed in accordance with paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973, subject to a correction to the sederunt to include P. Houston.

2. Matters Arising

2.1 Maximising Attendance Review Update

The Committee received a verbal report by the Team Manager (HR) on the current position in terms of the review of the Council's Maximising Attendance Policy. The Committee was advised that the data gathering element of the review had been concluded and that the information would now be analysed, with the intention that the outcome be communicated to the Trades Unions in April 2013.

Discussion took place on the following whether there would be separate provision within the revised policy for staff absence which occurred as a result of an accident or violent incident at work.

Noted.

3. First Aid

The Committee received a verbal report by the Team Manager (HR) in response to a question raised at the last meeting of the Corporate Health and Safety Group on the policy in relation to the level of payment made to first aiders working out of hours. The Committee was advised that there is no provision for overtime payments for staff administering first aid outwith their normal hours of work.

Discussion took place on the following:-

- first aid cover in the context of agile working; and
- whether there is any legal requirement in terms of first aid cover.

Noted.

4. Employee Engagement Survey

The Committee received a verbal report by the Team Manager (HR) on the 8 key themes which had emerged from the employee engagement survey and on arrangements for implementing and monitoring the associated improvement plans.

The Committee agreed (a) that the Team Manager (HR) circulate her notes on the outcome of the employee engagement survey to members of the Committee for information; and (b) otherwise, to note the information provided verbally.

5. Maximising Attendance Update - Quarter 3 2012/13

Submitted report by the Corporate Director (Finance and Corporate Support) on the Council's Absence Statistics for Quarter 3, 2012/13.

The report provided an update on absence statistics for Quarter 3, showing actual performance against targets for that quarter, along with a projected performance outcome at year end. The appendices to the report showed actual performance against targets for Quarter 3 by Service, and by employment group, together with projected performance levels.

Quarter 3 performance indicators shows that, with the exception of the Chief Executive's Service, all other services have not met their target year to date as at the end of quarter 3. A comparison of days lost for quarter three this year with the same quarter last year, shows a marginal decrease in performance with an average of 2.4 days lost this year compared to 2.3 days last year. The year end projected figures highlight that the overall projection for the Council is for 8.9 days lost against a target of 6.8 days. Work is currently being progressed on a review of the approach to Maximising Attendance.

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

- the consistently high levels of stress/anxiety reported;
- the need for stress risk assessments to be carried out; and
- the support available to staff suffering from stress/anxiety;

The Committee agreed (a) that the Team Manager (HR) report submit a report to the next meeting on the interventions and support available to staff suffering from stress/mental health issues; and (b) otherwise, to note the content of the report.

6. Rightsizing the Workforce Update - Quarter 3, 2012/13

Submitted report by the Corporate Director (Finance and Corporate Support) on 'Rightsizing the Workforce' statistics, arising from the Council's overall Change Programme, as at the end of Quarter 3, 2012/13.

The report provided a review of Rightsizing statistics for the period up to March 2013. Appendix 1 provided updated statistics on key measures, such as Full Time Equivalent (FTE) changes and Voluntary Early Retirement (VER) applications. The Council's Rightsizing the Workforce programme will result in a reduction in workforce numbers of 611.86 FTE over the three year period which commenced April 2010, achieving gross efficiency savings of just over £18M.

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

- any financial implications for the pension scheme as a result of VER;
- whether staff on the redeployment list could be appointed to posts currently occupied by agency or consultancy workers; and
- consultation arrangements associated with the review of facilities management.

The Committee agreed (a) to note that the Team Manager (HR) had undertaken to look into the use of consultancy/agency staff within Perceton House and advise members of the Committee of the outcome; and (b) otherwise, to note the content of the report.

7. Meeting Dates

Submitted report by the Chief Executive on meeting arrangements for the remainder of 2013.

The Committee will meet at 2.00 p.m. on Friday 3 May 2013, Thursday 19 September 2013 and Thursday 5 December 2013.

Noted.

The meeting ended at 3.05 p.m.

Corporate Health and Safety Group
21 February 2013

IRVINE, 21 February 2013 - At a Meeting of the Corporate Health and Safety Group of North Ayrshire Council at 1.00 p.m.

Present

Willie Gibson, Robert Barr, John Bell, Peter McNamara and Tom Marshall (North Ayrshire Council); P. Arkison and P. Houstoun (GMB); J. Jackson (UNITE); and J. Purvis (Unison).

Also Present

Robert Steel.

In Attendance

G. Macgregor, Head of Human Resources and Organisational Development, L. Morrison, Senior Manager, M. Reid, Team Manager (Health and Safety), K. MacLeod, Health and Safety Adviser and E. Lavelle, Occupational Health Nurse (Human Resources), D. Reid, Team Manager (Administration) (Education and Skills); J. Davis, Manager (Business Support) (Social Services and Health); W. Turpie, Operations Manager (Streetscene) and I. Hossack, Policy Officer (Environment) (Development and Environment); D. Johnston, Team Manager (Risk & Insurance) (Finance and Corporate Support); and M. Anderson, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Gibson in the Chair.

Apologies for Absence

Alan Hill (North Ayrshire Council); S. Herd (Unison); and P. Bennett (UCATT).

1. Minutes

The accuracy of the Minutes of the previous meeting of the Committee held on 20 September 2012 was agreed and the Minutes signed in accordance with paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973.

2. Health and Safety Strategy 2012/13: Health and Safety Action Plans: Progress Reports

Submitted report by the Corporate Director (Finance and Corporate Support) on the implementation of the Council Health and Safety Action Plan.

The following points were highlighted:-

- the Management of Asbestos Guidance was published in October 2012 and will be monitored, reviewed and updated as required;
- the Critical Incident Response Policy and Guidance Support is due for completion in March 2013;
- the management guidance document on the Management of Work-Related

Stress will be passed for consultation in March 2013 with a proposed publication date of April 2013;

- the Crisis and Aggression Limitation Management (CALM) has been completed with Social Services and Health as the Lead Service;
- the review of the current management procedures for the use of display screen equipment is due for completion in March 2013;
- Corporate Health and Safety are in the process of examining corporate procedures for managing noise in the workplace;
- the corporate guidance on fire risk assessment and personal emergency evacuation procedures have been updated;
- Corporate Health and Safety are critically examining the current CoSHH management systems for assessing the risks from hazardous substances in the workplace and will prepare a report on the findings with recommendations by March 2013;
- risk assessments of Council environmental procedures and guidance will be undertaken and will identify Council environmental priorities for further action;
- Health and Safety Training courses have been delivered on IOSH, Risk Assessment and Fire Safety; and
- IT has developed a timescale for the introduction of an electronic incident reporting system.

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

- the use by Services of 6 sickness absence clinics per week;
- the possible reasons for, and any consequences arising from, a failure by staff to complete physiotherapy treatment;
- Display Screen Equipment procedures in the context of agile working;
- the support available to staff with regard to mental health issues; and
- the background to the high number of Finance and Infrastructure staff referred to sickness absence clinics and arrangements for monitoring any trends within particular Services.

The Group agreed (a) that the Team Manager (Health and Safety) would seek to ensure that there is a Health and Safety input into the Working Group on Agile Working; and (b) otherwise, to note the content of the report.

3. Health and Safety Groups

3.1 Development and Environment

Submitted report by the Corporate Director (Development and Environment) on the current position in respect of the Education and Skills Health and Safety Action Plan.

The undernoted areas were highlighted:-

- the workplace inspections are up to date for the Waste Service, Streetscene Operations, Transport Service and Building Services and those for the Disposal Service are being undertaken during February 2013;
- the risk assessments for operational and non-operational staff are up-to-date and have been published on Navigate;

- there were 23 incidents reported at the last meeting of the planning group, of which 7 were reportable to the HSE;
- the operational services continue to utilise occupational health services, with physiotherapy and counselling being used to prevent and manage sickness absence;
- the new asbestos policy has been implemented through out the Service;
- the Hand Arm Vibration system is now operational within Streetscene in the North Coast and Garnock Valley and will be implemented in the Three Towns and Kilwinning area and Irvine by 31 March 2013; and
- the Service continues to work in conjunction with the Health Improvement Officer to ensure that health information is cascaded to operational premises and that workers are made available to participate in any health initiatives.

Noted.

3.2 Education and Skills

Submitted report by the Corporate Director (Education and Skills) on the current position in respect of the Education and Skills Health and Safety Action Plan.

The undernoted areas were highlighted:-

- staff at Glengarnock Primary arranged a Fire Awareness training day attended by 15 delegates and other schools are following the same approach;
- the last IOSH Managing Safely course was completed in September 2012, with a total of 17 delegates present, and the next course has been arranged for March 2013;
- there were 16 employee incidents in the 6-month period from 1 July to 31 December 2012, one of which was reportable to the HSE;
- for the 6 month period from 1 July to 31 December 2012, there was a total of 217 aggression and violence incidents, 184 of which were attributed to pupils with additional support needs;
- a total of 137 workplace inspections were due for completion for July - December 2012 and, of these, 125 have been submitted to HQ;
- the Service remains actively engaged with Occupational Health, particularly in relation to absence management, physiotherapy and counselling;
- a pilot electronic incident reporting system is being undertaken in Mach with Auchenhavie Academy and James MacFarlane to determine and will be rolled out to all establishments in April;
- Education and Skills are now working in partnership with Social Services and Health in delivering a shared service for co-ordinating and programming CALM training to Education and Skills staff; and
- all operational fire risk assessments were completed for 2010/2011 and properties have now been asked to review and update their documents, as required.

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

- possible reasons for the rise in incidents of violence and aggression, and the availability of a breakdown of the statistics for primary, secondary, special schools

- and nurseries;
- the nature of violent incidents within education establishments; and
- the pre-employment checks carried out by Occupational Health.

The Group agreed (a) that a short-life working group, comprising representatives of Education and Skills, Social Services and Health, Health and Safety and the Trades Unions (i) be established to look at incidents of violence and aggression in education establishments and (ii) report back to the next meeting of the Corporate Health and Safety Group on its findings; and (b) otherwise, to note the content of the report.

3.3 Social Services and Health

Submitted report by the Corporate Director (Social Services and Health) on the current position in respect of the Social Services and Health: Health and Safety Action Plan.

The undernoted areas were highlighted:-

- 46 workplace inspections, programmed for the period July to December 2012, are 100% complete;
- operational fire risk assessments for office accommodation, residential and day care units and non-domestic housing communal areas are now complete for 2012 and Strathclyde Fire & Rescue, as part of their Community Safety Strategy, will be carrying out visits to all sheltered housing units over the next few months;
- a systematic review and update of risk assessments in all areas of the Service has been established;
- the Display Screen Equipment Self Assessment Guidance and Questionnaire is regularly issued across the Service in order that staff may undertake a review of their workstation if required;
- the Healthy Working Lives group continues to meet to focus on the development and implementation of a Mental Health & Wellbeing Policy and promote general health topics throughout the year;
- a working group has been established to undertake a review of all lifting equipment within Social Services and Health premises and within the wider community where care at home staff are using such equipment, and information is being gathered to enable a full audit to be undertaken;
- 178 referrals to Occupational Health, 370 physiotherapy appointments and 152 counselling appointments;
- Health and Safety Training has been undertaken by staff in relation to Risk Assessment in Practice, Fire Safety Awareness and IOSH Managing Safety;
- the Moving & Handling training programme continues in terms of compulsory and refresher annual training, and a sponsor has now been identified from within the Scottish Government to pursue the development of the Scottish Local Government Manual Handling Passport;
- inanimate load training is being delivered throughout Social Services and Health to areas of service where staff require to move objects;
- the CALM programme continues in terms of accrediting and re-accrediting staff involved in physical interventions and, to date, 447 employees and Modern apprentices are actively involved in CALM theory and physical interventions across Social Services and Health and Education and Skills;

- 24 incidents were reported to the Council's Health and Safety Service, 5 of which required to be reported to the Health and Safety Executive; and
- 71 violence and aggression incidents reported to the Council's Health and Safety Service, 35 of which related to physical violence, 7 to physical posturing, 28 to verbal abuse and 1 in respect of damage to property.

Members of the group asked questions, and received clarification, on the Council-wide Mental Health and Wellbeing Policy being developed by the Healthy Working Lives Group.

Noted.

4. Healthy Working Lives: Livewell

Submitted report by the Chief Executive on an update on the Council's Healthy Working Lives (HWL) Programme.

The Livewell group is currently working towards the Gold Award, which requires the development of a 3-year strategy and annual rolling action plan. The group is also required to benchmark HWL progress against a range of performance markers as well as promote community health and wellbeing and employability. The Livewell group is aiming to achieve the Gold Healthy Working Lives Award by September 2013.

A pilot of Keepwell Health Checks delivered by the NHS has been initiated within Building Services and discussions are taking place to roll these out within Social Services and Health. In addition, the Council has engaged the services of Healthshield, a mutual friendly society, which provides healthcare cash plans and wellbeing benefits for its members. A range of information and activities continues to be promoted, including a new Scottish Slimmers workplace group and a Metafit class for staff, the White Ribbon Campaign, World Mental Health Day, See Me campaign and Health for Life Study courses.

The draft Mental Health and Wellbeing Policy, developed in conjunction with Social Services and Health, is due to go to Social Services and Health's Senior Management Team before going out for wider consultation across the Council. The Policy will form one of the key elements required for the Gold Healthy Working Lives programme. The policy will be forwarded to the Corporate Health and Safety Group for comment at a future date as part of the consultation process.

Noted.

5. Employee Accident Statistics: Monitoring Report: 1 July to 31 December 2012

Submitted report by the Chief Executive on a summary of employee injury accidents, including those which require to be reported to the Health and Safety Executive in line with Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.

During the reporting period, there were 91 employee incidents resulting in injury during the period, 14 of which were serious enough to be reported to the HSE. Details of the incidents were provided in the report.

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

- whether risk assessments had been carried out in respect of the various work activities reported at Section 2.4 of the report;
- the relatively high number of workplace incidents within the Council when compared with the performance of some other sectors;
- the possibility of running a 'near miss' campaign; and
- the application of the Maximising Attendance Policy to absences associated with accidents at work.

The Group agreed (a) that the Team Manager (Health and Safety) report to a future meeting on the availability of information on 'near misses'; and (b) otherwise, to note the content of the report.

6. Aggression and Violence Incidents: Monitoring Report: 1 July to 31 December 2012

Submitted report by the Chief Executive on a summary of incidents involving violence and aggression towards employees. A paper providing information on the 3 categories of physical violence, was circulated at the meeting.

During the reporting period, there were 299 incidents of reported aggression and violence. The majority of incidents did not involve physical injury. A breakdown of incidents by Service was provided within the report.

Noted.

7. Electronic Cigarettes

Submitted report by the Corporate Director (Finance and Corporate Support) on the use of electronic cigarettes on Council Property.

An electronic cigarette, also known as an e-cigarette, personal vaporiser or PV, is an electronic inhaler which vaporises a liquid solution into an aerosol mist, simulating the act of tobacco smoking. Managers and employees are currently unsure of the arrangements when colleagues, members of the public, contractors and other visitors use these devices in, or at the entrances of, Council premises. At present, there is a smoking policy, supported by legislative duties, which offers clear guidance on the use of conventional cigarettes in the workplace, but no such advice is available for the use of e-cigarettes. Appendix 1 to the report highlighted some of the issues surrounding e-cigarettes.

A report on e-cigarettes will be presented to the Corporate Management Team (CMT) meeting and will seek to establish a corporate guidance approach. In the meantime, the views of the Group were sought on whether the use of e-cigarettes should be permitted within Council premises.

Members of the Group expressed the view that the Council's smoking policy should apply equally to e-cigarettes, given outstanding health questions associated with this product and the issue of perception arising from its resemblance to cigarettes.

Noted.

8. Employer's Liability Claims

Submitted report by the Corporate Director (Finance and Corporate Support) on the number and cost of Employers Liability claims intimated against the authority. This matter arose as a result of discussion at the last meeting of the Corporate Health and Safety Group. An appendix to the report was circulated at the meeting.

The Employer's Liability policy indemnifies the Council in respect of claims intimated following an injury to an employee. For 2011/12, the Employer's Liability policy accounted for 14% of insurance costs, premium and claim settlements, and 3% of the total number of claims intimated against the authority. The table at Section 2.4 of the report identified the number and cost of claims incurred by the Council, together with the insurance premium charged, as at November 2012.

The Council was ranked 18th in 2011/12, on a descending scale, out of the 32 Scottish Local Authorities in relation to the Directors of Finance Performance Indicators released by CIPFA, which compare the number of claims intimated as a ratio of employee numbers. The appendix to the report provided a breakdown of this information for the last 3 available years.

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

- whether the Council kept a strategic risk register in respect of liability claims; and
- the conducting and regularly reviewing risk assessments.

Noted.

9. Meeting Dates

Submitted report by the Chief Executive on meeting arrangements for the remainder of 2013.

The Corporate Health and Safety Group will meeting at 1.00 p.m. on Friday 3 May 2013, Thursday 19 September 2013 and Thursday 5 December 2013.

Noted.

The meeting ended at 2.10 p.m.