

The Executive of North Ayrshire Council
10 March 2009

IRVINE, 10 March 2009 - At a Meeting of the Executive of North Ayrshire Council at 2.00 p.m.

Present

David O'Neill, John Reid, Tom Barr, John Bell, Margaret McDougall and Peter McNamara.

Also Present

Alan Hill and Alex Gallagher.

In Attendance

I. Snodgrass, Chief Executive; B. Docherty, Corporate Director (Social Services); C. Kirk, Corporate Director and J. Ward, Head of Service (Educational Services); T. Orr, Corporate Director and O. Clayton, Head of Housing and Building Services (Property Services); A. Herbert, Assistant Chief Executive (Finance); I.T. Mackay, Assistant Chief Executive (Legal and Protective); J. Montgomery, General Manager, A. Osborne, Policy Officer, M. McKeown, Team Leader - Committee Services, and J. Stevenson, Communications Officer (Chief Executive's).

Chair

Councillor O'Neill in the Chair.

1. Declarations of Interest

Councillor McNamara declared an interest in Item 3 on the agenda in relation to the award to North Ayrshire Citizen's Advice Service.

2. Largs: Moorburn House

This item was subject to the call-in procedure per the Council's Scheme of Administration. Please refer the Minutes of the Meeting of the Scrutiny Committee held on 23 March 2009.

Submitted report by the Assistant Chief Executive (Legal and Protective) on developments in the marketing of Moorburn House, Largs.

At its meeting held on 17 February 2009, the Executive received a report on an initial approach by Cunninghame Housing Association (CHA) to remove Moorburn House from sale to allow the Association to carry out a feasibility study into the future use of the property for a business centre and social rented housing together with car parking.

The report highlighted issues surrounding CHA's proposals in relation to conformity with the approved Development Brief for the site and Local Plan Supplementary Guidance on the Largs Seafront Design Framework. It also advised that the Council's agents had indicated that interest in the property had been expressed by a third party and that a formal offer may follow. In the circumstances, the Executive agreed (a) not to accede to CHA's request that Moorburn House be taken off the market pending the outcome of their feasibility study; (b) to consider any proposals for the future sale of the property on their individual merits; and (c) that a briefing for Largs Members be arranged as soon as possible to advise them of developments.

The Assistant Chief Executive (Legal and Protective) confirmed that the third party referred to above had submitted a formal offer to purchase Moorburn House for a price of £360,000. The offer is subject to the proposed purchasers obtaining planning consent to change the use of the property to a private dwellinghouse. He further advised that a second formal offer to purchase the property had been received from the Largs Initiative in the sum of £375,000. This second offer is in respect of CHA's proposals to develop the property as a business centre and social rented housing together with car parking, and is subject to Largs Initiative obtaining all necessary permissions for the proposed development and to a funding package being put in place to take the development forward. The Assistant Chief Executive (Legal and Protective) intimated that it was likely to take some time for all aspects of the CHA project to be put in place before the project could be taken forward. Meantime the Council has an ongoing obligation to meet the annual costs of maintaining the building which continues to deteriorate. In the circumstances it was proposed that the Council should accept the third party offer to purchase the property for the sum of £360,000.

Members discussed the need to ensure that the property is developed in order to secure its future. It was noted that any capital receipt arising from the sale of the property would be put towards the development of a new community facility for Largs.

The Executive agreed to approve acceptance of the offer to purchase the property for residential development, at a price of £360,000, subject to conditions requiring the purchaser to apply for the required planning permission as soon as possible and completion of the development within a prescribed timescale.

3. Corporate Grants Budget 2009/10

Submitted report by the Chief Executive on proposals for the allocation, administration and monitoring of corporate grants in 2009/10.

The Corporate Grants Budget for 2009/10 totals £491,334. It was proposed that the overall budget should be allocated as follows:-

Community Development Grants	£144,661
Grants to Elderly Groups	£ 71,683
Voluntary Playschemes	£ 25,000
Community Council Administration	£ 6,179
Volunteer Centre North Ayrshire	£ 24,440
North Ayrshire Citizens Advice Service	£192,678
International Links Central Fund	£ 5,000
Red Cross Transport Project	£ 5,000
Dalgarven Mill	£ 3,000
Hi Arts Mobile Cinema	£ 2,000
External Bodies and Affiliations	£ 11,693
Total	£491,334

In respect of Community Development Grants and Elderly Grants, it was proposed that these should continue to be awarded by the Council's five Area Committees, based on the allocations per area set out in the appendix to the report. The report also set out the administrative arrangements that will apply in respect of these award schemes. Area Committees will also continue to allocate funds from the Local Youth Action Fund, again based on the area allocations set out in the appendix to the report.

Applications for funding received from community and voluntary groups or organisations operating at a North Ayrshire wide level or beyond, will be submitted to the Executive for determination. Only in the event of no funding being available from that source will these applications be considered by the Area Committees.

The Executive agreed to approve the proposed arrangements for the allocation, administration and monitoring of the Corporate Grants Budget for 2009/10 as set out in the report.

4. North Ayrshire Housing Register - Suspension Policy

Submitted report by the Corporate Director (Property Services) on the North Ayrshire Housing Register Suspension Policy.

Housing Services, in partnership with ANCHO, Cunninghame Housing Association and Irvine Housing Association, have developed a Common Housing Register known as the "North Ayrshire Housing Register". This Register allows applicants for housing to apply to the Council and partner RSLs using a single application form. The partners to the North Ayrshire Housing Register have agreed to assess all applications to the Register in accordance with the Common Allocation Policy approved by the Executive in April 2008.

All applicants for housing in North Ayrshire are required to re-register onto the new North Ayrshire Housing Register and this process of re-registration for over 7000 applications is currently in progress. The North Ayrshire Housing Register and Common Allocation Policy will go live on completion of this registration process around April 2009.

The North Ayrshire Housing Register Suspension Policy, a copy of which was attached to the report, is a sub-policy of the Common Allocation Policy. The Policy sets out when the partners will consider suspending offers of housing, how long offers will be suspended for, and what applicants need to do to have suspensions lifted. The Policy has been developed in accordance with relevant legislation and best practice guidance. In accordance with best practice applicants can be suspended for conduct reasons i.e. outstanding tenancy debt, anti-social behaviour or other breach of tenancy conditions. Applicants can also be suspended for eligibility reasons, where they are subject to a risk assessment prior to allocation of housing. The partners are committed to minimising the number of suspensions wherever possible. An equality impact assessment has been carried out on the draft Policy. There are no negative or adverse impacts on any of the equality groups.

The Executive agreed to approve the North Ayrshire Housing Register Suspension Policy as set out in the appendix to the report.

5. Affordable Housing Account

Submitted report by the Corporate Director (Property Services) on (a) new guidance from the Scottish Government relating to expenditure of monies secured as a result of the reduction of the Council Tax on second homes; and (b) seeking approval for Housing Services to pursue development opportunities based on the revised guidance.

On 13 December 2004, the Scottish Executive issued guidance to local authorities, advising that they could reduce the Council Tax discount on second homes to between 10% - 50%. Subsequently North Ayrshire Council reduced the discount to 10%. On 5 February 2009, the Scottish Government issued updated guidance which advised local authorities that they could continue to use the monies secured from the discount of Council Tax for second homes to:-

- fund or support discrete Registered Social landlord (RSL)/Local Authority projects – including issues such as the purchase of land or the funding of specific water and waste-water infrastructure costs
- top up existing Scottish Government funding for specific projects
- fund Rural Home Ownership Grants
- provide new affordable housing, including new council housing
- bring back empty properties into housing use

The revised guidance also introduced new areas of acceptable expenditure for this income i.e. to purchase 'off-the shelf' properties from private developers; to support revenue expenditure related to the delivery of agreed housing activities; and to disburse to other organisation and individuals beyond Registered Social Landlords (RSLs) and the Council.

North Ayrshire Council holds income secured from the reduction to the Council Tax discount for second homes in the 'Affordable Housing Account'. The balance of this account at March 2008 was £2.3m, and, assuming no spend is realised during 2009, this is expected to increase to £3.1m by the end of March 2009. Spend from the Affordable Housing Account will only be considered where the project meets the Council's criteria, as outlined in the Strategic Housing Investment Programme (SHIP). Furthermore, RSL projects which seek subsidy from the Affordable Housing Account will also be expected to meet Scottish Government guidelines in terms of Housing Association Grant qualification criteria.

On 18 November 2008, the Executive received a report which indicated that monies from the Affordable Housing Account, following exhaustion/completion of opportunities on Arran, would be directed towards other priority areas within the SHIP. As a result of the new guidance, the Council is now working towards facilitating the procurement of 6 'off-the-shelf' properties on Arran, for which it was proposed that funding will in part be secured from the Affordable Housing Account. Indicative funding figures for the project were set out in the report and are due to be confirmed by the Scottish Government by mid-March 2009. Housing Services is also working to identify other affordable housing opportunities to realise spending from the Affordable Housing Account from within 'Priority A' (i.e. Arran, North Coast and Irvine) housing sub-markets areas. Should additional opportunities be identified in future, approval to commit funds from the Affordable Housing Account will be sought from the Executive.

The Executive agreed that (a) the criteria detailed within the revised Scottish Government guidance is recognised and utilised by the Council for the purpose of achieving affordable housing; (b) funding in the region of £282,000 is paid from the Affordable Housing Account, as part of an overall funding package, which will secure the procurement of 'off-the-shelf' properties on Arran; (c) Housing Services should commence with the identification of affordable housing projects, including the procurement of 'off-the-shelf' properties, in high demand areas, which make best use of the income obtained as a result of reducing the Council Tax discount on second homes, in accordance with revised guidance; and (d) to receive a further report at a future meeting should further affordable housing opportunities be identified.

6. Kilbirnie: Largs Road: Residential Development: Abnormal Site Costs

Submitted report by the Corporate Director (Property Services) on the payment of agreed abnormal site development costs to Cunninghame Housing Association (CHA) in respect of land at Largs Road, Kilbirnie.

The disposal of the land at Largs Road, Kilbirnie, to CHA was approved by the former Corporate Policy Committee on 6 February 2007. A price of £1,060,000 was agreed between the Council and CHA, being the Affordable Housing Value for the site as assessed by the District Valuer. The sale documentation included legal provision for the deduction of any abnormal site development costs associated with the previous use of the site as a Council coup.

Consultants for the Council and CHA have now agreed a provisional figure of £482,000 as the likely level of abnormal site development costs, although the final amount will be monitored against architect's certificates. Development of the site to provide 54 houses is currently underway.

The Executive noted the payment of £482,000 to CHA in respect of abnormal site development costs at Largs, Road, Kilbirnie, subject to the approval of architect's certificates.

7. Revenue Budget 2008/09: Budgetary Control Statement

Submitted report by the Assistant Chief Executive (Finance) on the budgetary control position for the Council at the end of January 2009.

In terms of General Services, the Council budgeted for a deficit of £0.319m in the current year, and agreed to fund various one-off projects from Council balances. Projections based on current expenditure levels suggest that a net balance of £0.914m will arise by the end of the financial year. With a favourable balance of £10.154m brought forward from 2007/08, a cumulative balance of £11.068m is projected at 31 March 2009. The report and appendices provided details of major variances in the budget to the end of January 2009. Action will be taken to address any potential overspends where these arise.

The accumulated balance on the Housing Revenue Account is likely to be £1.393m, excluding the possible refund of £1.3m back to the HRA from a Building Services trading operation surplus. The balance on the HRA at 31 March 2009 will be used to invest in the Council's housing stock.

Noted.

8. Capital Monitoring 2008/09: Budgetary Control Statement

Submitted report by the Assistant Chief Executive (Finance) on the position of the Council's capital programmes as at the end of January 2009, and on the revised programme for ensuing years.

At its special meeting held on 12 February 2009, the Executive approved revisions to the General Services Capital Programme for the years 2008/09 to 2011/12. Since then, further meetings have been held with Services regarding capital expenditure. The report and its appendices provided details of changes to affordability levels and the affordability gap, and revisions made to the Capital Programme since the February meeting.

In terms of the General Services Capital Programme, actual expenditure to 31 January 2009 amounted to £22.74m or 68.1% of the projected outturn for 2008/09 of £33.412m. This compares with an actual spend of 63.1% for the same period in 2007/08. The projected outturn for the Housing Revenue Account for 2008/09 has increased by £0.251m since February due to the receipt of Rent to Mortgage subsidy. Actual expenditure amounted to £14.089m or 67.8% of the projected outturn of £20.776m. This compares with an actual spend of 78.2% for the same period in 2007/08. There has been no change to net expenditure.

The Executive agreed to (a) approve the proposed revisions to the capital plans as set out in the report; and (b) noted expenditure levels to 31 January 2009.

9. Write Off of Former Tenant Rent Arrears and Court Costs

Submitted report by the Assistant Chief Executive (Finance) on former tenant rent arrears and court costs and seeking approval to write off irrecoverable amounts.

Rent arrears and associated court costs for former tenants of Council houses accumulate for a variety of reasons such as tenants abandoning the house, evictions, imprisonment, or death. In these circumstances, arrears can eventually be deemed to be irrecoverable. In terms of the Council's Financial Regulations Code of Practice relating to the Control of Income, individual arrears of under £1,000 can be written off with the approval of the Assistant Chief Executive (Finance) and the Chief Executive. Arrears of £1,000 and over can only be written off following approval by elected Members.

The total value of ex-tenant rent arrears deemed to be irrecoverable amounts to £124,703.91. This sum represents 10.0% of the current total of rent arrears outstanding, and 0.35% of the Council's budgeted house rent income for 2008/09. In accordance with the Code of Practice, £69,965.96 has been written off with the approval of the Assistant Chief Executive (Finance) after consultation with the Chief Executive.

A balance of £54,737.95, made up of irrecoverable individual rent arrears of more than £1,000 remains to be written off. The total value of former tenant court costs identified to be written off is £23,101.31. All court cost write-offs relate to balances of under £1,000 and in accordance with the Code of Practice these balances have been written off with the approval of the Assistant Chief Executive (Finance) after consultation with the Chief Executive.

The Executive agreed to approve the write offs as set out in the report.

10. Irvine: Homecoming Festival

10.1 Festival at Irvine Bay

Submitted report by the Corporate Director (Educational Services) on the proposed Homecoming Festival to be held at Irvine Beach Park on 2 and 3 May 2009.

The proposed Homecoming Festival is expected to attract around 15,000 paying members of the public each day. A wide range of bands and DJ sets are being programmed to perform during the Festival which, pending approval, will run from 12 noon until 02.00 a.m. on each day.

Irvine Music Festivals Limited, who are organising the event, have submitted their licence application and formal consultation is currently taking place with key Council Services, Emergency Services and the local elected Members. At a meeting held on 20 February 2009, between representatives from all Council Services involved, a coordinated approach to the Festival was discussed in relation to any permits, licences or consents required. It was agreed that the Festival and Events Officer (Cultural Services) would lead future meetings involving relevant Council Services and stakeholders to ensure a coordinated approach by the Council to the Festival.

Irvine Music Festivals Limited has been liaising with various Council Services and Emergency Services for several months and no significant objections have been raised. The company has indicated a desire to establish the Festival as an annual event in Irvine. However, in the light of the Irvine Bay Urban Regeneration Company proposals for the area, this is a matter which will require further consideration and only this year's proposal is being considered at this time. All terms and conditions under which the Council will agree to permit its ground to be used for the proposed festival, including any site rental, will be established by the Council's Estates Section and agreed with the promoter in advance of the event going ahead. The Festival is being financed by Irvine Music Festivals Limited and accordingly it is anticipated that there will be no financial implications for the Council. Irvine Music Festivals Limited will undertake consultation with local residents and interested parties by 13 March 2009.

The Executive discussed the need to ensure that the Festival organisers put in place a bond to ensure the reinstatement of the site following the event at no cost to the Council.

The Executive agreed (a) in principle to approve the use of Irvine Beach Park for the Homecoming Festival, subject to detailed terms and conditions to be agreed by the Council's Estates Section in association with the Chief Executive and the Leader of the Council; and (b) to approve the coordinated approach by all Council Services in assisting the planning, preparation and promotion for the event.

10.2 Land Reform (Scotland) Act 2003 Section 11 Exemption Order Application

Submitted report by the Assistant Chief Executive (Legal and Protective) on an application for a Section 11 Order in respect of the proposed Homecoming Festival at Irvine Bay, and on representations received to date regarding the public consultation on this proposal.

Under the Land Reform (Scotland) Act 2003, the public are entitled to a right of responsible access to a wide variety of land and inland water including areas such as the Irvine Beach Park. Section 11 of the Act provides the mechanism for local authorities, whether on application from third parties or at their own initiative, to exempt a particular area of land from the access rights for a particular purpose and for a short period of time. The powers are intended to address a number of situations which range from small events such as agricultural shows to larger more organised events such as music festivals.

The Council's existing policy on Section 11 Exemption Orders was approved by the former Corporate Services Committee in May 2005. The Policy provides that applications for exemption periods of six days or more require to be considered by the Outdoor Access Forum and then reported to Committee. Under the terms of the 2003 Act, these applications also require approval from Scottish Ministers. The Council is responsible for processing the application including undertaking consultation with the landowner, the general public and the Outdoor Access Forum. The Council is then required to provide Scottish Ministers with the outcome of the consultation and a recommendation on the proposed Order. Ministers will then confirm or refuse the Order and may cause an Inquiry to inform their decision if necessary. Where Orders are confirmed, the Council is required to issue a Public Notice advising of the date of Ministerial confirmation and the effect, purpose and timescale of the Order. For short term exclusions of between one and five days, the Council is only required to consult the Outdoor Access Forum and then confirm or refuse the proposed Order. The Council is required to issue a Public Notice advising of the effect, purpose and timescale of the Order.

Irvine Music Festivals Limited applied for a Section 11 Exemption Order for the Homecoming Festival 2009 on 12 February 2009. The application requests that the land at Irvine Beach Park North be excluded from the access rights between 22 April 2009 and 8 May 2009 with the event taking place between 12 noon on Saturday 2 May 2009 and 2.00 a.m. on Monday 4 May 2009. The purpose for which the Order is being proposed is to ensure public safety and site security including the levy of an admission charge. The extent of the land proposed for the exemption was outlined in appendix 1 to the report. Public consultation on the applicant's proposal commenced on 27 February and will close on Friday 13 March 2009. To date, no formal objections have been received to the consultation.

It is expected that an event of this nature will require to charge for admission. It is also recognised that there is the potential for the local area to derive economic benefits from the event. Primary access routes, including the Ayrshire Coastal Path and the National Cycle Network, are not disrupted and there will be a regime of signage to reinforce this. Notwithstanding this, the issue remains that if the application were to be agreed, a substantial area of the Beach Park (32.86 ha) would be excluded from the right of responsible access for a period of 17 days. The proposal envisages a robust perimeter fence around the site (2.876km) with additional fencing for the campsite and pond. It is considered that it would be possible to erect the infrastructure required for the event without the full closure of the site and that the majority of the fencing could be constructed without access exclusion, for example by leaving the key access paths as open gateways. It is recognised that this would require the applicant to reconsider their Event Management Plan. Accordingly it was proposed that the Executive should refuse the application for a 17 day Exemption Order and instead agree that a five day Exemption Order for the Homecoming Festival be provided, from Thursday 30 April 2009 until Monday 4 May 2009.

The application has met all the criteria necessary for a Section 11 Exemption Order under the Act and is in line with the Council's Policy. The issue of an Order will enable the organisers to ensure public safety and site security including the levy of an admission charge at the Homecoming Festival 2009. The proposal to issue an Exemption Order for five days will not require to be confirmed by Scottish Ministers.

The Executive agreed to (a) refuse the application for a 17 day Exemption Order on the basis that it is not satisfied that the application is for the minimum period required; and (b) approve the provision of a five day Exemption Order for the Homecoming Festival, from Thursday 30 April 2009 until Monday 4 May 2009.

11. North Ayrshire Community Health Partnership (CHP) Committee: Minutes of Meeting held on 22 January 2009

Submitted report, being the Minutes of a Meeting of the North Ayrshire Community Health Partnership (CHP) Committee held on 22 January 2009.

Noted.

12. North Ayrshire Community Planning Partnership Board: Minutes of Special Meeting held on 19 February 2009

Submitted report, being the Minutes of a Special Meeting of the North Ayrshire Community Planning Partnership Board held on 19 February 2009.

Noted.

The meeting ended at 3.05 p.m.