

# URGENT ITEMS

The attached reports were circulated at the meeting of Cabinet and are therefore not contained within the Agenda document.

- **Implementation of Living Wage Increase for 2015/16**
- **Kirktonhall, West Kilbride**

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## **NORTH AYRSHIRE COUNCIL**

### **Agenda Item**

**24 March 2015**

#### **Cabinet**

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**Subject:** **Implementation of Living Wage increase for 2015/16.**

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**Purpose:** To ask Cabinet to approve implementation of the Living Wage at the revised rate of £7.85 with effect from 1st April 2015.

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**Recommendation:** That Cabinet approves payment of the new Living Wage rate of £7.85 from 1 April 2015, in advance of the overall Local Government pay settlement being finalised.

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#### **1. Introduction**

- 1.1 The Living Wage rate is based on methodology developed by the Living Wage Foundation and the Centre of Research in Social Policy who produce the Minimum Income Standard. The Living Wage is calculated by the basic cost of living and setting a minimum hourly wage necessary for an individual to meet their own or their family's basic day-to-day needs including housing, food and clothing.
- 1.2 An increase in the current rate of the Scottish Local Government Living Wage at £7.65 to new rate of £7.85 per hour has been announced and forms part of the national COSLA pay award proposals for 2015/16.
- 1.3 Although the Employers Side Pay Offer incorporates agreement of the new Living Wage rate of £7.85 from 1 April 2015, final agreement on the overall pay settlement has yet to be confirmed and formally agreed through COSLA. Following eventual confirmation of the current pay award, a COSLA circular will be issued in due course to implement the 2015/16 pay award, however the timescales for this are uncertain.

## **2. Current Position**

- 2.1 North Ayrshire Council has a clear commitment to supporting our lowest paid staff and currently pays the Living Wage to 387 employees at a current cost of approximately £280k. The increase to £7.85 will add a further estimated £72,868 to supporting the pay of our lowest paid employees.

## **3. Proposals**

- 3.1 The Local Government pay award has yet to be formally finalised and confirmed through release of a COSLA circular, however it is proposed that in order to support our lowest paid employees and to avoid a delay in paying the new agreed rate, that Cabinet approves payment of the new Living Wage rate of £7.85 with effect from 1 April 2015.

## **4. Implications**

### Financial Implications

- 4.1 The increase in Living Wage rate to £7.85 from 1 April 2015 is estimated to cost a further £72,868. This cost has already been provisioned within revenue budget planning assumptions for 2015/16.

### Human Resource Implications

- 4.2 Payment of the Living Wage will support our lowest paid staff and help enable them to live socially inclusive lives.

### Legal Implications

- 4.3 As noted within the report, payment of the Living Wage is proposed to be made effective in advance of formal agreement through COSLA. This proposal solely relates to early implementation of the agreed element of the increase to the current Living Wage rate within the overall pay award offer.

### Equality Implications

- 4.4 A significant proportion of employees who are supported by the Council's payment of the Living Wage are lower paid female employees. Payment of the Living wage will therefore help address the gender pay gap and would be consistent with our equality duties.

### Environmental and Sustainability Implications

- 4.5 Not applicable.

## Implications for Key Priorities

- 4.6 Supports key objective of reducing economic inequality.

## Community Benefit Implications

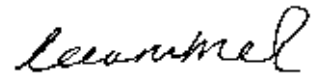
- 4.7 Supports objectives of regeneration of our communities and tackling socio-economic issues within North Ayrshire.

## 5. Consultations

- 5.1 As noted within the report through the collective pay bargaining mechanism of COSLA.

## 6. Conclusion

- 6.1 Payment of the Living Wage revised rate of £7.85 with effect from 1 April 2015 will further support some of the Council's lowest paid employees.



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## Reference :

For further information please contact Gavin Macgregor, Head of Customer, People & Corporate Support on Ext. 4651

## Background Papers

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## **NORTH AYRSHIRE COUNCIL**

### **Agenda Item**

**24 March 2015**

#### **Cabinet**

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**Subject:** **Kirktonhall, West Kilbride**

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**Purpose:** To update Cabinet in relation to external funding bids by the Kirktonhall Creative Media Group; and to review the position of the group as preferred bidders for the Kirktonhall building.

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**Recommendation:** That Cabinet agrees to (i) continue to support the work of the Kirktonhall Creative Media Group to progress its business objectives; and (ii) withdraw preferred bidder status from the Kirktonhall Group in the light of lack of progress to secure external funding within the timescale proposed by previous Cabinet reports.

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### **1. Introduction**

- 1.1 Kirktonhall is a prominent category 'B' Listed "at risk" property, owned by North Ayrshire Council situated within the creative town of West Kilbride. It has been vacant since being declared surplus to the Council's needs in 2008.
- 1.2 The Kirktonhall Creative Media Group (KCMG) is a Scottish Charitable Incorporated Organisation and social enterprise and was established as a S.C.I.O: SC043711, on the 17 January 2013.
- 1.3 It has a Board of Trustees elected by the membership, superseding the original organisation, the Kirktonhall Business Centre Development Group, which was granted preferred bidder status in the context of the Council's asset transfer policy in 2012. Membership is open and currently stands at 115 members.

### **2. Current Position**

- 2.1 There are two main strands to the project: one is the physical retention and restoration of the building; the other is the related business plan and project activity which aligns with providing a sustainable and productive future for Kirktonhall as a digital media and commercial business centre.

- 2.2 The Creative Media project proposes to bring together creative people working in the digital media field including film, music, ICT, web based technologies, digital design and small scale fabrication. This proposes to include serviced office space alongside laboratory facilities for the design and fabrication of prototype jewellery or ceramics, a computer training suite, music recording and rehearsal facilities and a video suite for making and editing film and the project will also become a registered trainer and provide certificated learning and apprenticeship opportunities for young people and adults.
- 2.3 The project has four core drivers:
- To create a supportive environment for young creative digital businesses to grow;
  - To make high end digital packages and computer power available to small businesses and individuals who cannot afford them so that they can develop their business ideas and skills in an accessible, non-threatening and supportive environment;
  - To provide training and access to ICT for those who have difficulties obtaining that access for themselves or who face challenges in engaging with the digital world; and
  - To secure a viable future for Kirktonhall and the Simpson sundial, by providing a historical interpretation centre and encouraging cultural tourism.
- 2.4 The Kirktonhall Creative Media Group were granted preferred bidder status in June 2012 and have been supported by North Ayrshire Council and other funders to develop external funding applications to both develop their business plan for the redevelopment of the building and its sustainability thereafter.
- 2.5 The Cabinet of North Ayrshire Council agreed in January 2015 to continue the preferred bidder status to allow the Kirktonhall Creative Media Group to make progress in relation to external funding bids to the Heritage Lottery Fund and to Historic Scotland. To date, the group has not obtained a guarantee of further funds from the major external funders, and the condition of the building continues to deteriorate. The Group have currently withdrawn their funding bid following dialogue and guidance from HLF.
- 2.6 Almost three years have elapsed to date since the preferred bidder status was conferred and there is no certainty that the Group will obtain enough financial support to repair the building. There appears to be mixed views from the community and at least one local Elected Member is of the view that other options to secure the future of the building should be progressed.

### **3. Proposals**

- 3.1 It is proposed that Cabinet agrees to continue to offer support to Kirktonhall Creative Media Group to continue to develop its business objectives in conjunction with the other interested organisations in North Ayrshire, recognising the innovation and value to the community of the initiative. These are:
- To create a supportive environment for young creative digital businesses to grow;
  - To make high end digital packages and computer power available to small businesses and individuals who cannot afford them so that they can develop their business ideas and skills in an accessible, non-threatening and supportive environment; and
  - To provide training and access to ICT for those who have difficulties obtaining that access for themselves or who face challenges in engaging with the digital world.
- 3.2 This support can be provided by Connected Communities and can include assistance to develop appropriate partnerships in North Ayrshire and with external organisations.
- 3.3 It is further proposed that, in the light of lack of progress to secure external funding, the Kirktonhall Creative Media Group's status as preferred bidder for the building be discontinued and the building be offered for sale on the open market in order that the Council might pursue any opportunities to identify a future use for the building. If no appropriate offers are forthcoming the Council can reconsider whether any other options can be explored to secure a future for the building.

#### **4. Implications**

##### Financial Implications

- 4.1 The Council is continuing to keep Kirktonhall wind and watertight.

##### Human Resource Implications

- 4.2 There are no Human Resource implications at this stage.

##### Legal Implications

- 4.3 There are no legal implications at this stage.

##### Equality Implications

- 4.4 There are no equality implications at this stage.

## Environmental and Sustainability Implications

- 4.5 There are no environmental implications at this stage.

## Implications for Key Priorities

- 4.6 "Opportunities for lifelong learning have increased;"  
"Levels of educational attainment and achievement have improved;"  
"More young people are leaving school for positive destinations;"  
"Partnership working between the public, community and voluntary sector has improved"

## Community Benefit Implications

- 4.7 There are no community benefit implications at this stage.

## 5. Consultations

- 5.1 Extensive consultations have taken place with members of the Kirktonhall Creative Media Group, with external funders and with the local community.

## 6. Conclusion

- 6.1 The Kirktonhall Creative Media Group and their project team have developed a robust business plan and proposals for a property upgrade for Kirktonhall. However, discussions with potential funders have not been able to be progressed to any conclusion within the three year period of the group's preferred bidder status. During this period the building has been kept wind and watertight by the Council but the fabric of the building continues to deteriorate.



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## Reference :

For further information please contact Audrey Sutton, Head of Service (Connected Communities) on 01294 324414.

## Background Papers