

Cabinet  
23 October 2012

**IRVINE, 23 October 2012** - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

**Present**

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

**Also Present**

John Easdale.

**In Attendance**

E. Murray, Chief Executive; I. Mackay, Solicitor to the Council; L. Friel, Corporate Director, S. Humphries, Chief Revenues and Benefits Officer, D. Tate, Senior Manager (Housing Assets and Investment) and T. Reaney, Procurement Manager (Finance and Infrastructure); I. Colvin, Corporate Director and O. Clayton, Head of Service (Community Care and Housing) (Social Services and Health); G. Macgregor, Head of Human Resources and Organisational Development; D. Moroney, Communications Officer and M. Anderson, Committee Services Officer (Chief Executive's Service).

**Chair**

Councillor Gibson in the Chair (Agenda Items 1-6 and 8-17) and Councillor Hill in the Chair (Agenda Item 7).

**1. Declarations of Interest**

In terms of Standing Order 16 and Section 5 of the Code of Conduct for Councillors, Councillor Gibson, as a Director of Irvine Bay Regeneration Company, declared an interest in Agenda Item 7 (Irvine Bay Regeneration Company - SPRUCE Funding), vacated the Chair for that item of business and took no part in its determination. Councillor Hill assumed the Chair for that item.

**2. Minutes**

The Minutes of the previous meeting of the Cabinet held on 2 October 2012, were signed in accordance with paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

### **3. Welfare Reform Action Plan**

Submitted report by the Corporate Director (Finance and Infrastructure) on the progress made against the Welfare Reform Action Plan. The Committee also received a presentation by the Chief Revenues and Benefits Officer which provided further information on the details of the reform, its impact on North Ayrshire and proposed actions in terms of mitigation.

The Council's Welfare Reform Working Group has developed an action plan to respond to each of the welfare reforms contained in the Welfare Reform Act 2012. Progress against the actions was summarised at Appendix 1 to the report and the report itself provided further detail on the current position in respect of the following:-

- the implications of the reduction in housing benefit due to under-occupation and expected increase in rent arrears;
- the Social Welfare Fund provision for crisis payments and community care grants;
- a modelling exercise to gauge the impact of the benefit cap of £26k;
- funding issues for local authorities in relation to the localised benefit scheme;
- draft Universal Credit Regulations;
- the replacement of Disability Living Allowance with a Personal Independence Payment;
- identified welfare reform training requirements for the Council;
- the introduction of the Social Security (Information-sharing in relation to Welfare Services etc.) Regulations 2012; and
- the response to the Scottish Government's consultation on passported benefit.

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

- the importance of keeping Members briefed on the implications of welfare reform;
- the anticipated number of direct payments to tenants in the light of figures from the Edinburgh pilot;
- the method used to calculate the Council's share of the Scottish Welfare Fund; and
- current delays in terms of Blue Badge assessments.

The Cabinet agreed to note (a) the terms of the report and presentation; (b) that the Corporate Director (Finance and Infrastructure) would arrange further briefing(s) for Members, as appropriate, on the implications of welfare reform for the residents of North Ayrshire and the Council.

#### **4. Discretionary Housing Payment Policy**

Submitted report by the Corporate Director (Finance and Infrastructure) seeking approval of the Discretionary Housing Payment Policy.

The Council's Discretionary Housing Payment scheme (DHP) is administered by the Benefits Service. A DHP is paid in addition to a claimant's Housing Benefit and Council Tax Benefit entitlement. It aims to prevent hardship and protect families and vulnerable people by sustaining tenancies and preventing homelessness.

The Welfare Reform Act 2012 introduces a range of reforms including a benefit cap, a reduction in housing benefit for under-occupation in social housing and Universal Credit, which will impact on the Discretionary Housing Payment scheme. A Discretionary Housing Payment Policy has been produced in response to the Welfare Reform Act 2012 and was set out at Appendix 1 to the report.

The Cabinet agreed to approve the Discretionary Housing Payment Policy as set out at Appendix 1 to the report.

#### **5. Procurement Reform Bill - Consultation**

Submitted report by the Corporate Director (Finance and Infrastructure) on the Council's response to the Scottish Government consultation on the Procurement Reform Bill.

The Procurement Reform Bill, which was issued by the Scottish Government for consultation on 10 August 2012, proposes new laws designed to improve the way in which the public sector buys goods, works and services. The Scottish Government is also using the consultation on the Bill as an opportunity to consult on matters concerning the living wage and its relationship with public sector procurement. A summary of the consultation document was provided at Appendix 1 to the report. Appendix 2 set out the Council's proposed response.

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

- question 5 of the consultation document and the potential requirement for public bodies to provide de-brief information to certain categories of supplier;
- the proposed response to question 25 in respect of advertising contracts;
- questions 17 and 20 of the consultation document and the issue of redacting information;
- question 31(b) and the definition of "community"; and
- the practical implications of consulting communities on desired Community Benefits.

The Cabinet agreed to approve the consultation response set out at Appendix 2 to the report.

## **6. Extension of the Modern Apprenticeship Scheme**

Submitted report by the Chief Executive on a review of the Modern Apprenticeship Scheme and seeking approval for additional funding to expand the Scheme within the Council.

The Council increased the number of Modern Apprentices employed within the Council from 35 up to 90 during 2011/12. The report set out proposals to increase further the current programme to a revised target of 180 Modern Apprenticeships, which, when the separate scheme for 25 Craft Apprentices is taken into account, would increase to over 200 the total number supported by the Council. The type and number of additional Modern Apprenticeships already identified within services and externally was attached at Appendix 1.

In addition to apprentices employed directly by North Ayrshire Council, the Economic Development Service also invests in a separate Modern Apprenticeship programme for external businesses, by providing a wage subsidy. This programme has already recruited over 50 apprentices and is anticipated to expand to over 200 in the next two years.

The cost of increasing the targeted number of Modern Apprentices is £612,596, which would be offset by funding of £216,150 from Skills Development Scotland resulting in an estimated net cost of £396,446 per annum. The programme would be resourced from the Economic Development Service budget for employability projects.

Members asked questions, and received clarification, on measures to minimise any additional administrative costs associated with an increase in the number of apprentices.

The Cabinet agreed to approve the required funding set out at Section 4 of the report to extend the Modern Apprenticeship Scheme.

## **7. Irvine Bay Regeneration Company - SPRUCE Funding**

Submitted report by the Corporate Director (Finance and Infrastructure) seeking approval for the Council to act as guarantor for Irvine Bay Regeneration Company (IBRC) in respect of proposed SPRUCE (Scottish Partnership for Regeneration in Urban Centres) loan funding.

Appendix 1 to the report provided a summary of IBRC projects supported by funding from the Council. The company's current business plan includes developments at Ardrossan Quayside, Annickbank (Irvine Enterprise Area) and Oldhall (Irvine Enterprise Area) and Sections 2.3-2.16 provided further information on each of these projects. IBRC intends to apply for SPRUCE funding for a proportion of the total costs of the projects. The total value of funding being sought by IBRC is £2.000m, namely 40% of the total investment. Funds will be repaid over a maximum of 12 years at an interest rate of between 4-5%. A condition of accessing the funds is that the Council acts as guarantor in the event of IBRC defaulting on the loan.

An extract of IBRC's business for 2012/15, showing committed and SPRUCE funding projects, was attached at Appendix 2 to the report. In addition to the income and expenditure shown in the extract, IBRC will receive income from the rental of the new developments and will also require to service the SPRUCE loan. The table at Section 2.21 of the report provided headline information on each of the new developments and confirmed annual loan repayments of £0.220m against 100% occupant rents of £0.490m. Servicing of the loan would require an average let of 45%.

Members asked questions, and received clarification, on the risk for the Council associated with the proposal.

The Cabinet agreed to approve the Council acting as guarantor for Irvine Bay Regeneration Company in respect of proposed SPRUCE loan funding for the three development opportunities outlined in the report.

## **8. Data Protection Policy - Policy Approval**

Submitted report by the Solicitor to the Council seeking approval for the Data Protection Policy.

The Council is already committed to a policy of protecting the rights and privacy of individuals (including customers, staff and others) in accordance with the Data Protection Act 1998. The Public Records (Scotland) Act 2011 requires public authorities to review their practice in managing information and to produce a Records Management Plan for approval by the Keeper of the Records of Scotland. An element of the Records Management Plan requires organisations to have in place an approved Data Protection Policy. A proposed Data Protection Policy was set out at Appendix 1 to the report.

Members asked questions, and received clarification, on the purpose of the proposed policy in terms of consolidating current practice within the Council.

The Cabinet agreed to (a) approve the Data Protection Policy; and (b) receive further reports on progress with implementation of the Policy.

## **9. Scheme of Assistance**

Submitted report by the Corporate Director (Social Services and Health) seeking approval for a revised Scheme of Assistance.

The Housing (Scotland) Act 2006 details local authority powers in relation to repair and improvement of private housing, and adaptations for people with a disability. This is known as the 'Scheme of Assistance'. The Scheme of Assistance details three types of assistance, namely advice and information, practical assistance and financial assistance.

The Council has operated its current Interim Scheme of Assistance since January 2011. In accordance with the agreed Local Housing Strategy Action Plan, and feedback received from the Interim Scheme of Assistance, a revised 'full' Scheme of Assistance has now been developed and was set out at Appendix 1 to the report.

The Cabinet agreed to approve the Scheme of Assistance set out at Appendix 1 to the report.

## **10. Consultation on The Same As You? 2000-2012**

Submitted report by the Corporate Director (Social Services and Health) on the Council's response to the consultation on 'The Same as You? 2000-12'.

The Same As You was launched by the Scottish Executive in May 2000 and reviewed the services then available to people with learning disabilities and people on the autistic spectrum. The Same As You covered all aspects of people's lives, including accommodation options, caring support services, access to educational and vocational opportunities, employment, access to leisure and recreational activities, health, advice and transport. It contained 29 recommendations intended to drive a change programme to improve services.

In 2010, the Scottish Government set up an evaluation team to review the evidence on progress that had been made since publication of the Same As You and to identify the challenges that remain. The purpose of the current consultation report is to summarise the evidence which the evaluation team gathered about the progress on the Same As You? and the main findings of the report were set out at Section 2.3. The proposed response to the consultation was provided at Appendix 1 to the report.

Members asked questions, and received clarification, on the need to improve the service provided to those with learning disabilities in GP surgeries.

The Cabinet agreed to approve the proposed response to the consultation set out at Appendix 1 to the report.

## **11. Kilwinning: Redstone Avenue: Council House Development Project**

Submitted report by the Corporate Director (Social Services and Health) on tenders for the Council House development project at Redstone Avenue, Kilwinning and on a proposed increase in the number of units to be delivered.

The Housing Revenue Account Business Plan has committed North Ayrshire Council to a new build program of 50 new homes per annum over the next 10 year period, based on existing Scottish Government subsidy levels. On 24 May 2011, the former Executive of North Ayrshire Council approved the submission of a bid to the Scottish Government, seeking £29,000 per unit of subsidy to part fund a new 44 unit development project at Redstone Avenue, Kilwinning.

Originally, the forecast number of units at the site (ie. 44 units) had been identified as part of a density calculation carried out to inform the subsidy bid. A cautious density estimate had been supposed, as the site required extensive grouting works to infill mine shafts under the land. On completion of the grouting work the design team has developed a new layout which offers the opportunity to increase the number of new houses by 2, to a new total of 46 units, as shown at Appendix 1 to the report. The overall construction costs would also increase by an estimated £220,000 for the two additional units and an additional £14,000 in Design Team fees was also indicatively identified. The additional cost would be met from the Housing Revenue Account budget which includes an earmarked fund for Council house building.

The Cabinet agreed (a) that the number of homes delivered by this project can be increased from 44 to 46 units; and (b) to authorise the commencement of the procurement process for the project contractor.

## **12. 2012/13 Housing Revenue Account (HRA) Major Capital and Investment Programme**

Submitted report by the Corporate Director (Finance and Infrastructure) on progress being made in relation to the HRA major works programme.

All social landlords are required to attain the Scottish Housing Quality Standard (SHQS) by April 2015. The Housing Revenue Account (HRA) Business Plan, approved by the then Executive on 18 January 2011, reflects the investment requirements of the housing stock and makes provision for significant investment and improvements to be made to the stock, to both meet and exceed the SHQS. Excluding new house building activity, mortgage to rent acquisitions and open market purchases, the HRA capital budget for 2012/13 is £22,576,596. The HRA revenue budget for major works for 2012/13 is £13,838,153.

A Business Plan Implementation Group was formed in May 2010, to oversee the development and implementation of the Business Plan. The working group consisted of Elected Members, tenant representatives and council officers.

Appendix 1 to the report provided a summary of progress to 31 August 2012, outlining all major projects being funded through the HRA this financial year.

Noted.

### **13. Framework Agreements for the Provision of Taxi Services**

Submitted report by the Corporate Director (Finance and Infrastructure) on the outcome of the procurement exercise to put in place Framework Agreements for the Provision of Taxi Services.

The introduction of Framework Agreements would enable Education Services to use mini competitions to put in place new Additional Support Needs contracts, create a more consistent approach to how taxi services are procured and provide potential savings through ensuring corporate taxi journeys are arranged on the basis of best value rather than availability.

Full details of the tender process and recommendation are provided in the Tender Outcome Report set out at Appendix 1. Tenderers were given the option of applying for taxi services for Additional Support Needs (ASN), Corporate, and ASN and Corporate. A total of 45 submissions were received.

Members noted a typographical error in the appendix to the report, which referred to "printing" rather than "taxi" services.

The Cabinet agreed to the award of Framework Agreements for the Lots and to the taxi providers noted in the Tender Outcome Report set out at Appendix 1 to the report.

### **14. Insulated Rendering Works proposed for 60 Houses in Kilbirnie**

Submitted report by the Corporate Director (Finance and Infrastructure) on tenders received in respect of insulated render works to 60 houses in Kilbirnie.

The Housing Revenue Account (HRA) capital budget for the financial year 2012/13, as approved by the former Executive on 1 February 2012, makes provision for £580,000 for the proposed insulated rendering works to 60 houses within the Council's housing stock in Kilbirnie.

The Tender Outcome Report set out at Appendix 1 provided a summary of the procurement process and made a recommendation for the appointment of the successful contractor.



The Cabinet agreed to approve the acceptance of the Tender submitted by CCG (Scotland) Limited, for the sum of £503,701.99, as detailed in the Tender Outcome Report set out at Appendix 1 to the report.

## **15 Community Empowerment Policy Board**

Submitted report by the Corporate Director (Education and Skills) on the Minutes of the Meeting of the Community Empowerment Policy Board held on 17 September 2012.

Noted.

## **16. Economy and Employment Policy Board**

Submitted report by the Chief Executive on the Minutes of the Meetings of the Economy and Employment Policy Board held on 3 September and 1 October 2012.

Noted.

The meeting ended at 3.45 p.m.