

Cabinet
20 November 2012

IRVINE, 20 November 2012 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Willie Gibson, Anthea Dickson and Alex McLean.

In Attendance

E. Murray, Chief Executive; L. Friel, Corporate Director, G. Macgregor, Head of Human Resources and Organisational Development and D. Tate, Senior Manager (Housing Assets and Investment) (Finance and Corporate Support); I. Colvin, Corporate Director and O. Clayton, Head of Service (Community Care and Housing) (Social Services and Health); C. Hatton, Corporate Director (Development and Environment); I. Mackay, Solicitor to the Council (Corporate Services); J. Montgomery, General Manager (Policy and Service Reform); C. O'Kane, Change Programme Manager, D. Moroney, Communications Officer and M. Anderson, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Gibson in the Chair.

Apologies for Absence

Marie Burns, John Ferguson, Tony Gurney and Alan Hill.

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 Minutes of the previous meeting of the Cabinet held on 6 November 2012, were signed in accordance with paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Social Services Change Programme

Submitted report by the Corporate Director (Social Services and Health) on progress made in developing the Social Services Change Programme and seeking approval for a new model of service for Community Care. The Cabinet also received a presentation by the Corporate Director (Social Services and Health) which provided further information on the rationale for, and detail of, the proposed changes to Community Care service delivery.

The report summarised the current service delivery model, as set out in Appendix 1. It proposed the new model set out in Appendix 2 to the report, which is designed to streamline the service user journey from initial referral through assessment and enablement to long term support. The aim of the model is, as far as possible, to enable people who are referred to Social Services and to maximise their independence so that only those with the highest needs have a long-term involvement with the Service.

Stage 1 (April - September 2013) of implementation of the new model will include training for staff in eligibility criteria, new forms and processes and outcome-focussed support planning, as well as a focus on the culture change required to make Self-Directed Support (SDS) successful. Stage 2 (September 2013 - March 2014) will see SDS implemented for new service users and Stage 3 (April 2014 - April 2015) will involve the implementation of SDS for all service users.

During the period from May to October 2013, a new model of service for children will be designed in partnership with Education and Health Services. This will be the subject of a future report to Cabinet.

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

- the extent to which reablement is affected by delayed hospital discharge; and
- anecdotal and national evidence suggesting an association between delayed discharge and increased frailty/loss of confidence among patients.

The Cabinet agreed to (a) note the progress made in developing the Social Services Change Programme; (b) approve the new model of service for Community Care; (c) redesign strategies for all care groups in Community Care; (d) further developments of the model to meet the needs of the Children and Families and Criminal Justice Service; and (e) receive a further progress report in March 2013.

4. Revenue Budget 2012/13: Budgetary Control Statement to 30 September 2012

Submitted report by the Corporate Director (Finance and Corporate Support) on the revenue budgetary control position for the Council at 30 September 2012.

The unaudited annual accounts for 2011/12 reflected a General Fund uncommitted balance of £5.442m at 31 March 2012, equivalent to 1.6% of the net revenue budget. This figure was revised in the final version of the accounts to show a revised uncommitted balance of £6.029m, details of which were set out at Section 2.2 of the report. Current financial projections indicate an anticipated net in-year surplus of £1.965m for the year to 31 March 2013.

Sections 2.5 - 2.19 summarised a number of significant over and underspends across Council Services. Further details were provided in Appendices 1 - 8 to the report. The table at Section 2.18 of the report summarised the General Services revenue projections based on variances at the end of September 2012.

The position on the Housing Revenue Account at the end of September 2012 was outlined in the table at Section 2.19 of the report, with further details provided at Appendix 9. A commentary of the projected underspend of £0.282m was provided.

The Cabinet agreed to (a) note the information and financial projections outlined in the report; and (b) approve the carry forward of £3.745m to 2013/14 in respect of Economic Development projects (£2.000m), Service Development Initiatives (£1.610m) and the funding of the Local Development Plan (£0.135m).

5. Capital Monitoring to 30 September 2012

Submitted report by the Corporate Director (Finance and Corporate Support) on progress in delivering the Capital Investment Programme as at 30 September 2012.

The report illustrated movements in the General Services Capital Programme since it was approved on 1 February 2012. Actual expenditure to 30 September 2012 amounted to £8.170m (or 24.5% of the revised annual budget for 2012/13 of £33.429m). Details of actual spend by project against the revised budget were set out in Appendix 1 to the report, alongside anticipated spend to 31 March 2013. The table at Section 2.3 of the report outlined the movements in the Flexibility Budget since the report to Cabinet on 18 September 2012.

The report summarised the position of the 2012/13 Housing Revenue Account (HRA) Capital Budget as at 30 September 2012. Actual expenditure amounted to £8.921m or 31.6% of the revised budget of £28.182m. Current projections suggest there will be a small underspend of £0.065m at 31 March 2013.

Members received clarification on measures to improve the profiling of capital expenditure.

The Cabinet agreed to (a) approve the revisions to budgets outlined at Section 2.1 of the report; and (b) note (i) the actual General Services and HRA expenditure to 30 September 2012 and (ii) the forecast of expenditure to 31 March 2013.

6. Property Management and Investment

Submitted report by the Corporate Director (Finance and Corporate Support) on the development of the Property Management and Investment teams.

Establishment of Property Management and Investment as the Council's "Corporate Landlord" will provide a single corporate approach to the management

of property assets and deliver best value whilst ensuring the portfolio meets future Service demands. The non housing team, to be established from 1 December 2012, will be formed from the current non housing team within Infrastructure and Design Services and three staff who will transfer from Education and Skills (Logistics and Infrastructure). There are no proposed changes to the structure of the housing team at this time, but agreement has been reached with the service to establish two additional posts to respond to requirements in respect of asbestos and property factoring.

Currently the cost of the non housing team service is charged to other Council Services in a number of ways. There are no proposals to change the allocation bases, however a fundamental review of the fee levels charged to capital projects has been undertaken. A new fee matrix for professional fees was attached at Appendix 1 to the report. Based on the new fee matrix, and a review at individual project level of Council's General Fund Capital Programme to 2015/16, there is a requirement to vire resources within Infrastructure and Design Services, to ensure the design team resources align with fee income anticipated. Details were set out at Appendix 2. A summary of key information on each of the main services was provided at Appendix 3 to the report.

Members received clarification on the anticipated frequency of reviews of the proposed fee matrix.

The Cabinet agreed to (a) note the establishment of Property Management and Investment as the corporate landlord for the management of all property assets; (b) note the fees structure summarised at Appendix 1 to the report; (c) approve the virement detailed at Appendix 2; and (d) note the resources and funding bases of the Service as summarised at Appendix 3.

7. Pensions Reform - Implementation of Auto Enrolment

Submitted report by the Corporate Director (Finance and Corporate Support) on the Pensions Act 2011, the Council's staging date of 1 April 2013 and a recommended implementation date.

Changes to pension law, as a result of the Pensions Act 2011, will affect all employers with at least one worker in the UK. From October 2012, the new pension legislation introduces a number of new employer duties in relation to the automatic enrolment of eligible workers into a pension scheme at their allocated staging date, namely the date at which the new legislation comes into effect for a particular employer. The Council's staging date of 1 April 2013 cannot be changed. However, the guidance issued by the Pensions Regulator allows employers with a defined benefit or a hybrid pension scheme, and for certain employees only, to delay the implementation of Auto Enrolment. The Council has the option of implementation on 1 April 2013, deferral for up to 3 months until 1 July 2013, transitional arrangements until 30 September 2017 or transitional arrangements until 30 September 2017 followed by a postponement for 3 months until 1 January 2018. Section 2.6 of the report considered the options for implementation and recommended a date of 1 January 2018.

In order to implement automatic enrolment effectively and to achieve consistency in approach, South Lanarkshire Council is chairing a Scotland-wide sub-group on which North Ayrshire Council is represented. A key objective of the sub-group has been to develop a joint approach to communication and the main activities in this regard were contained within Appendix 1.

The Cabinet agreed to (a) note the content of this report; and (b) implement auto enrolment on 1 January 2018.

8. Irvine - Montgomerie Park Surface Water System Vesting

Submitted report by the Solicitor to the Council on progress in respect of negotiations with Scottish Water to vest the sewerage system at Montgomerie Park, Irvine and a proposal to tender and secure contracts to undertake essential improvement works to the Sustainable Urban Drainage Systems (SUDS) in order to secure the transfer of maintenance obligations to the Scottish Water.

The Montgomerie Park new development area has been masterplanned and promoted by North Ayrshire Council since initial approval of the proposals by the former Corporate Services Committee in January 2003. To date, infrastructure to open up the site for development has been installed by developers on behalf of the Council. From mid-2004 onwards, when the sewerage infrastructure design and installation commenced, a strategy for the treatment of surface water was developed in association with Scottish Water and SEPA.

Scottish Water are now working to the requirements of 'Sewers for Scotland 2' as the new standard for the Vesting of surface water drainage systems (including ponds). An inspection of the system at Montgomerie Park was undertaken by Scottish Water in association with a team from Abertay University. This resulted in the submission of a report to the Council in March 2012 outlining the repairs, upgrades and improvements required to bring the surface water system up to a standard deemed acceptable by Scottish Water for its transfer. The projected cost of undertaking the improvements identified in the Abertay report is £175,000, which can be met from the 2012/16 Capital Programme.

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

- whether the cost of the works in question was included in the current capital programme; and
- the timing of the required works.

The Cabinet agreed to (a) approve a budget of £175,000 to undertake essential repairs and improvements to the installed SUDS at Montgomerie Park; and (b) the completion of a procurement exercise for appropriate improvement works.

9. Write of Tenant Rent Arrears

Submitted report by the Corporate Director (Finance and Corporate Support) on tenant rent arrears and court costs and seeking approval to 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 £1,017,260 were outstanding as at 30 September 2012, with £119,726.33 now deemed to be irrecoverable. A further £27,079.16 of court costs were also deemed to be irrecoverable, making a total of £146,805.49. The proposed write-off represents 0.27% of the Council's budgeted rent income for 2012/13 and 43% of the budget available to meet the costs of write-offs in the year. In accordance with the Code of Practice, £102,192.73 has been written off under delegated authority. The remaining £44,612.76, 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 £44,612.76.

10. Self-Assessment Strategy Update

Submitted report by the Chief Executive on progress in respect of the Council's self-assessment strategy and seeking support for the forthcoming Council-wide self-assessment exercise.

The Council's self-assessment activities were set out at Section 2 of the report and summarised diagrammatically at Appendix A to the report. The Council-wide PSIF self-assessment is the process for developing a shared understanding of strengths and areas for improvement faced by the strategic leadership and corporate management of the Council. This self-assessment is a key area of work, and forms part of the Council's preparations for the Recognised for Excellence submission.

The three-stage self-assessment process was outlined at Section 2.4.2 of the report and options for Elected Member involvement were highlighted at Section 2.4.4. Option A (Elected Members (Cabinet) are active members of each assessment team) was the approach recommended.

In terms of external recognition, Housing Services are preparing a detailed submission document in support of a Recognised for Excellence (R4E) submission. This will help inform the full Council R4E submission, which will commence in 2013 with the assessment in 2014. In addition, 22 EFQM

Accredited Assessors are now embedded within Services. Assessors are available to facilitate internal self-assessments for their own Service and or for other Services and external assessments, as appropriate. In addition, Services have been encouraged to further develop assessors' competencies through involvement in EFQM Recognised for Excellence assessments, COSLA Excellence Award submissions and participation in COSLA Excellence Award long leeting.

Members received clarification on the spread of EFQM Accredited Assessors across the Services of the Council.

The Cabinet agreed to (a) note (i) the current position with regard to self-assessment in the Council; (ii) that the Council will undertake a Council-wide self-assessment during February-April 2013; and (iii) the progress being made with the Council's Recognised for Excellence journey; and (b) support the Council-wide self-assessment as described at Option A of Section 2.4.4 of the report.

11. Change Programme: Progress as at 31 October 2012

Submitted report by the Chief Executive on progress in relation to the Council's Change Programme.

Information on the following elements of the Council-wide transformational change programme was presented:-

- the Education and Skills work streams identified in its Business Case;
- continuing work on the project to make Bridgegate House the main public face of the Council;
- the early intervention and prevention programme;
- Altering Service Demand work to investigate environmental crime, more specifically fly tipping, dog fouling and littering;
- the Transport Business Case, which outlined the potential benefits of having a centralised transport hub;
- the Council's "corporate landlord" approach to asset management;
- evaluation of the delivery of "supporting services";
- Customer Services, including a review of Registration Services and a refresh of the Council's main customer-facing website; and
- a number other initiatives currently under review.

The Cabinet agreed to note (a) the continuing good progress of the Change Programme as at 31 October 2012; and (b) the need to refresh the pipeline of transformational activity, in line with the additional pressures faced by the Council.

12. Currie Court Complex, Ardrossan

Submitted report by the Corporate Director (Finance and Corporate Support) on the proposed award of a contract for the conversion of the Independent Living and Sheltered Housing Accommodation at Currie Court, Ardrossan.

Housing Services, Social Services and Infrastructure and Design Services have been working closely to develop the detailed specification for the Currie Court project and now have a design that fully meets the requirements of the client groups concerned. The tendering process is now complete, with the most competitive compliant tender being submitted by Frank Haslam Milan Limited for £2,298,031. A breakdown of the tender was provided at Section 2.3 of the report and the Tender Outcome Report at Appendix 1 gave a summary of the procurement process.

The lowest tender received exceeds the previously agreed budget for the Sheltered Housing Unit element of the project. The report proposed that the additional cost be funded via procurement savings achieved via other HRA capital works (£135,000) and HRA Business Plan - 2013/14 sheltered housing capital funds (£255,050).

The Cabinet agreed (a) that the project progress as per the current design specification, with the additional costs to be funded via procurement savings achieved through other HRA capital works (£135,000) and the HRA Business Plan - 2013/14 sheltered housing capital funds (£255,050); and (b) to approve the acceptance of the tender submitted by Frank Haslam Milan Limited, for the sum of £2,298,031, as detailed in the Tender Outcome Report at Appendix 1 to the report.

13. Environment and Infrastructure Policy Board

Submitted report by the Corporate Director (Development and Environment) on the Minutes of the Environment and Infrastructure Policy Board meeting held on 22 October 2012.

Noted.

14. Finance and Corporate Support Policy Board

Submitted report by the Corporate Director (Finance and Corporate Support) on the Minutes of the Finance and Corporate Support Policy Board meeting held on 29 October 2012.

Noted.

The meeting ended at 3.20 p.m.