



NORTH AYRSHIRE
COUNCIL

Cunninghame House,
Irvine.

16 August 2012

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 21 AUGUST 2012** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

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 7)

The Minutes of the previous meetings of the Cabinet held on 6 June and 19 June 2012 will be signed in accordance with paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

3. Procurement Overview (Page 37)

Submit report by Corporate Director (Finance and Infrastructure) and receive presentation by Director of Scotland Excel on National and Local Procurement and to report progress against improving North Ayrshire Council's procurement practices (copy enclosed).

REPORTS FOR DECISION

- 4. North Ayrshire Panel of Safeguarders : Reappointments (Page 51)**
Submit report by the Chief Executive on the reappointment of Safeguarders and Legal Representatives to the Council's Panel of Safeguarders (copy enclosed).
- 5. Financial Assistance to Outside Bodies (Page 57)**
Submit report by Chief Executive on applications received for financial assistance (copy enclosed).
- 6. North Coast Tourism Assessment Study (Page 61)**
Submit report by the Chief Executive on the North Coast Tourism Assessment Study (copy enclosed).
- 7. Improvements to the Slipway at Arran Outdoor Education Centre (Page 103)**
Submit report by Corporate Director (Finance and Infrastructure) on additional capital funding to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre (copy enclosed).
- 8. Kilbirnie Conservation Area Regeneration Scheme Funding Bid (Page 107)**
Submit report by the Solicitor to the Council on the Kilbirnie Conservation Area Regeneration Scheme funding bid and to seek approval for its submission to Historic Scotland (copy enclosed).
- 9. Barony Church, Main Street, West Kilbride (Page 115)**
Submit report by the Solicitor to the Council on developments regarding the removal of the decking from the churchyard (copy enclosed).
- 10. Early and Effective Intervention Evaluation (Page 121)**
Submit report by the Corporate Director (Social Services and Health) on the progress of the Early and Effective Intervention model introduced in May 2011 (copy enclosed).
- 11. Affordable Housing Supply Programme (Page 127)**
Submit report by Corporate Director (Social Services and Health) on the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme (copy enclosed).
- 12. Risk Management Strategy and Strategic Risk Register (Page 139)**
Submit report by the Corporate Director (Finance and Infrastructure) on strategic risks facing the Council and to advise of the strategy that is in place for dealing with risk (copy enclosed).

REPORTS FOR INFORMATION

13. Risk Management Annual Report 2011/12 (Page 173)

Submit report by the Corporate Director (Finance and Infrastructure) on work carried out across the Council in relation to risk management during 2011/12 and future planned work (copy enclosed).

14. North Ayrshire Physical Activity and Sport Strategy (Fit for the Future 2010-15) (Page 185)

Submit report by Corporate Director (Education and Skills) on progress made in delivering the Strategy and seek support for its continued development (copy enclosed).

15. Sports Club Development (Page 191)

Submit report by Corporate Director (Education and Skills) on current progress in supporting local community sports club development. (copy enclosed).

CONTRACT APPROVAL

16. Transport Hub - Procurement of Vehicle Route System (Page 195)

Submit report by the Corporate Director (Finance and Infrastructure) on the outcome of the procurement exercise for the provision of a vehicle route system (copy enclosed).

17. Supply of UPVC Windows (Page 199)

Submit report by the Corporate Director (Finance and Infrastructure) on tendering for the procurement of upvc windows.(copy enclosed).

18. Removal and Disposal of Leachate (Page 203)

Submit report by the Corporate Director (Finance and Infrastructure) on the outcome of the procurement exercise for the removal and disposal of leachate from Shewalton Area 2 Landfill Site (copy enclosed).

19. West Kilbride Community Centre : Proposed Alterations (Page 209)

Submit report by the Corporate Director (Finance and Infrastructure) on tender submissions and to seek its agreement to accept the lowest priced tender (copy enclosed).

20. Bail Supervision/ Arrest Referral Service across South West Scotland Community Justice Authority Area (Page 217)

Submit report by the Corporate Director (Social Services and Health) on the tender exercise for the appointment of a provider organisation to operate a Bail Supervision / Arrest Referral service on behalf of North Ayrshire Council.

21. Educational Services to Children with Additional Support Needs (Page 221)

Submit report by Corporate Director (Education and Skills) on tenders received for the provision of Framework Agreements with external service providers (copy enclosed).

22. Irvine East/West Schools Projects (Page 231)

Submit report by Corporate Director (Education and Skills) on tenders received for works to Irvine schools (copy enclosed).

EXEMPT INFORMATION

23. Exclusion of the Public and Press

Resolve, in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the meeting, the press and the public for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 8 of Part 1 of Schedule 7A of the Act.

In terms of Standing Order 17 (Disclosure of Information) the information contained within the following report is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

24. Purchase of ex-Council Housing (previously subject to Right to Buy) (Page 239)

Submit report by Corporate Director (Social Services and Health) on a new policy approach to increase the supply of housing in high demand areas by purchasing ex-Council housing offered for sale on the open market (copy enclosed).

24. 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:

Apologies:

Meeting Ended:

Cabinet
6 June 2012

IRVINE, 6 June 2012 - At a meeting of Cabinet of North Ayrshire Council at 2.00 p.m.

Present

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

Also Present

Alex Gallagher, Tom Marshall, Elizabeth McLardy, Catherine McMillan and Alan Munro.

In Attendance

E. Murray, Chief Executive; I. Colvin, Corporate Director and O. Clayton, Head of Community Care and Housing (Social Services and Health); C. Kirk, Corporate Director (Education and Skills); I.T. Mackay, Solicitor to the Council, J. Miller, Senior Planning Services Manager and A. Blakely, I.T. Manager (Corporate Services); Y. Baulk, Head of Finance, A. Bodie, Head of Infrastructure and Design and Stephen Humphries, Chief Revenues and Benefits Officer (Finance and Infrastructure); J.M. Macfarlane, Head of Human Resources, J. Montgomery, General Manager (Policy and Service Reform), C. Naismith, Team Manager (Economic Development), K. Dyson, Communications Officer and M. Anderson, Committee Services Officer (Chief Executive's Service).

Also In Attendance

Fiona Mitchell Knight, Lesley McGiffen and Lisa Proctor (Audit Scotland); Christina Naismith (Care Inspectorate); and Douglas Huchison (Education Scotland)

Chair

Councillor Gibson in the Chair.

1. Declarations of Interest

1.1 Advice to Elected Members

Submitted report by the Chief Executive on the requirements of Standing Orders and Section 5 of the Code of Conduct for Councillors in relation to declarations of interest.

Standing Order 16 provides that if any Member of the Council has a financial or non-financial interest in any contract or any other matter as defined by Section 5 of the Councillors' Code Conduct, and is present at any meeting at which that matter is to be considered, he or she must, as soon as practicable after the meeting starts, disclose that he or she has an interest and, importantly, state the nature of this interest. Section 5 of the Code, which was appended to the report, sets out the rules in relation to declarations of interest.

To facilitate such declarations, a heading "Declarations of Interest" routinely appears as the first item on agendas for all meetings of the Council and its Committees. Any Member making a declaration is expected to make a statement which is sufficiently informative as to enable those at the meeting, or anyone reading the Minute, to understand the nature of the interest.

The Committee agreed (a) to note the report; and (b) that Members ensure (i) they are familiar with the requirements of Standing Orders and Section 5 of the Code of Conduct for Councillors in relation to declaring interests and (ii) consider the need to declare financial or non-financial interests in any contract or any other matter as defined by Section 5 of the Councillors' Code of Conduct when attending meetings of the Council and its committees.

1.2 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. Assurance and Improvement Plan 2012-15

Submitted report by the Corporate Director (Finance and Infrastructure) on the Council's updated Assurance and Improvement Plan (AIP) for 2012-15 prepared by the Local Area Network (LAN) of external scrutiny bodies.

Representatives of the LAN were in attendance to outline the Shared Risk Assessment (SRA) process.

The Council's AIP 2012-15, which was set out at Appendix 1 to the report, identified no significant scrutiny risks. Three areas identified as significant risks in the previous year have been downgraded to areas of uncertainty. Asset management is also highlighted as an area of uncertainty. Strategic planning within Social Services and Health and the strategic partnership with NHS Ayrshire and Arran has been downgraded from an area of uncertainty in 2011/12 to no significant risks.

Some core national risk priorities were assessed as part of the SRA process, as detailed in Section 2.4.5 of the report. A summary of scrutiny activity during 2011/12 and details of scrutiny work planned during 2012/13 were provided at Sections 2.4.6 and 2.4.7 of the report.

Members asked questions, and received clarification, on the extent to which it is possible to avoid duplication of effort in terms of the audit process.

Noted.

3. Appointment of Educational Representatives to Cabinet

Submitted report by the Chief Executive on arrangements for appointing three church representatives and others to the Cabinet.

Section 124 of the Local Government (Scotland) Act 1973, requires the Council to appoint three church or denominational representatives to any committee which either advises the authority on any matter relating to the discharge of their functions as education authority or discharges any of those functions of the authority on its behalf. The church representatives outlined at Section 2 of the report are as specified in Section 124 (4) of the 1973 Act.

Section 3 of the report set out proposals for making the necessary appointments. The appendix to the report contained a letter from the National Secular Society on the appointment of religious representatives.

Members asked questions, and received clarification, on any equality implications surrounding the appointment of church representatives. Officers undertook to ensure that the public notice seeking nominations should make it clear that the invitation was extended to all denominational groups.

The Cabinet agreed (a) that the Chief Executive invite the Church of Scotland and the Roman Catholic Church to appoint representatives to the Cabinet, or renominate the previous representatives being Mr Gordon McConnell for the Church of Scotland and the Very Reverend Matthew Canon McManus for the Roman Catholic Church; (b) to issue a public notice seeking nominations from church or denominational groups to fill the third position; (c) to co-opt a non-voting representative of the professional teaching associations, nominated by the Local Negotiating Committee for Teachers, to join the Cabinet, and to invite Mr Gordon Smith to continue in this role; (d) to appoint 2 non-voting pupil representatives (1 male, 1 female), being Members of the Youth Council, to attend meetings of the Cabinet to give a pupil perspective on educational matters; and (e) to recommend to Council that the Scheme of Administration be amended to provide for these appointments in the constitution of the Cabinet when considering educational matters.

4. Revised Policy for Rating of Lands & Heritages Partly Unoccupied for a Short Time

Submit report by the Corporate Director (Finance and Infrastructure) seeking approval to change the Council's policy for short term empty relief for non-domestic property with effect from 1 April 2011.

The Council adopted the short term empty property relief policy of the former Strathclyde Regional Council in 1996. At present, the policy defines “short-term” as a minimum of 1 month and a maximum of 3 months. Under the current short-term policy empty property relief is only awarded to industrial property that is occupied and where part of the property then becomes unoccupied.

Over the last 18 months, it has become evident that the current economic recession is having a significant impact on local business in terms of sustaining employment, cash flow and meeting their rates liability. In the circumstances, the policy is considered no longer fit for purpose and it is proposed to change it retrospectively from 1 April 2011 to provide as much support as possible to local business during this difficult economic period. Sections 3.2-3.3 of the report summarised the proposed changes to the policy, which was set out at Appendix 1 to the report. The full costs of the short-term empty property relief will be met by the Scottish Government through the Rates Pool.

Members asked questions, and received clarification, on the impetus for the proposed changes and the background to the policy itself.

The Cabinet agreed to approve the revised policy for short term empty property relief for non-domestic property with effect from the 1 April 2011, as set out at Appendix 1 to the report.

5. Lease of part of the Churchyard of the Former Barony Church, West Kilbride

Submitted report by the Corporate Director (Finance and Infrastructure) on the changes to the actual area of land occupied by West Kilbride Community Initiative Limited at Barony Church.

At its meeting on 1 March 2011, the former Executive agreed to a lease being granted to West Kilbride Community Initiative Limited, to facilitate the extension of the former church building to provide a café. Subsequent to the original planning submission, the company altered its proposals, resulting in an application for amended planning permission, which was also granted. The development, including decking area, has now been completed, but occupies a different shape to either of the previous plans, as shown at Appendix 1. In the circumstances, the report proposed that the lease be adjusted to reflect the actual area occupied.

Councillor McLardy was invited to address the meeting on her concerns in respect of this matter.

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

- the planning history of the matter and options open in terms of enforcement;
- the inaccuracy of the information contained in the organisation's planning application in terms of ownership or control of the land in question;
- the organisation's actions in building on land, part of which was not owned by, or leased to, it;
- whether construction of the decking had impacted upon graves located within the grounds of the former church; and
- the discrete issues for the Council as landowner and Planning Authority.

The Cabinet agreed (a) not to approve the amendment to the lease of the Barony Church, West Kilbride, to reflect the actual area of occupancy; and (b) that West Kilbride Community Initiative Limited be instructed to remove the decking in question within a reasonable time period to be defined by Officers.

6. Kirktonhall, 1 Glen Road, West Kilbride

Submitted report by the Corporate Director (Finance and Infrastructure) on the applications received for the property transfer of Kirktonhall to third sector organisations and to recommend actions in respect of these applications.

Kirktonhall has been identified as being suitable for transfer to third sector organisations as it is surplus to Council requirements and has generated strong interest from community groups. Three applications have been received for the property, from the Kirktonhall Business Centre Group, the West Kilbride Community Initiative Limited (WKCIL) and Creative Life International Society Limited. Section 2 of the report summarised the outcome of the assessment process. Applying the assessment criteria and balancing the risks and benefits of each proposal, the report recommended that further discussions be undertaken with the Kirktonhall Business Centre Group to ensure a robust Business Plan is in place prior to agreeing the transfer of Kirktonhall with associated terms and conditions. The report also recommended that the work is progressed in a reasonable timescale in order to minimise the risk of the property deteriorating further.

Members requested clarification on the current estimated value of the property. The Head of Infrastructure and Design Services undertook to provide the requested information to Members.

The Cabinet agreed to (a) authorise the Corporate Director (Finance and Infrastructure) to take forward negotiations with the Kirktonhall Business Centre Group as the preferred group with a view to the future transfer of Kirktonhall subject to an assessment of the group's Business Plan; and (b) note that a further report on the outcome of the above assessment and negotiated terms and conditions of any transfer will be brought back to the Cabinet for approval.

7. Proposed Multi Fuel Power Station at Hunterston: Public Inquiry

Submitted report by the Solicitor to the Council on the action taken to engage legal representation for the Council in the forthcoming Public Inquiry.

On 9 November, 2011, the Council agreed to object to an application by Ayrshire Power Limited for consent under the Electricity Acts for the construction of a multi fuel power station at the Hunterston Peninsula. This resulted in Scottish Ministers ordering a Public Inquiry to determine whether consent should be given to construct the power station as proposed.

The Council's Legal Services do not have the resources to undertake a major Public Inquiry and so external advisors have been sought. The Chief Executive, in consultation with the Leader and Depute Leader of the Council, agreed to instruct the appointment of Mr James Findlay, QC to represent North Ayrshire Council at the Inquiry. Mr Findlay will be supported by Junior Counsel, who will provide the necessary assistance the QC requires. The estimated cost of £150k will be met from the 2011/12 underspend.

Members asked questions, and received clarification, on whether the estimated cost included the calling of expert witnesses.

The Cabinet agreed to homologate the actions taken by the Chief Executive to engage the services of Legal Counsel to represent North Ayrshire Council at the Hunterston Public Inquiry.

8. Service Plans 2012/13

Submitted report by the Chief Executive seeking approval of the Service Plans 2012/13.

Services have produced their Service Plans for 2012/13 in accordance with the Service Planning and Budgeting Guidance issued in June 2011. There are six Service Plans in total, as set out in the Appendices to the report.

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

Chief Executive's Service

- plans for the expenditure of the additional funds provided by the Scottish Government to tackle youth unemployment in North Ayrshire;

Corporate Services

- the performance of the Council's IT Service Desk;
- the terms of the SOCITM Customer Satisfaction Survey;
- action to promote digital inclusion and its role in assisting job seekers to apply for posts online;
- issues surrounding the provision of a secondary data centre and arrangements for the recovery of service applications and data in the event of a disaster within the main data centre;

Education and Skills

- promoting the Council's success in terms of early years education and promoting leadership in secondary schools;
- political decision making as an identified risk within the Service Plan;

Social Services and Health

- the Joint Equipment Service;
- the Service's capacity for improvement;
- the identification of those over 65 as vulnerable older people;
- interpreting the Service's performance in terms of the number of people in receipt of home care;
- recognising the role of key staff in responding to the failure of any independent care provider; and

Finance and Infrastructure

- refurbishing the Council's housing stock and its role in helping to tackle fuel poverty and improve energy efficiency.

The Cabinet agreed to (a) approve the Service Plans for 2012/13 as set out at Appendices 1 - 6, (b) agree to receive 6-monthly progress reports at future meetings; and (c) note that a report would be submitted to a future meeting of the Cabinet on the Council's business continuity and disaster recovery procedures.

9. Policy Boards

Submit report by the Chief Executive on approval to establish 6 cross-party Policy Boards to assist in the preparation of policy proposals for consideration by Cabinet.

In light of the anticipated work programme for Cabinet, the report proposed the creation of cross-party Policy Boards reflecting the portfolios of Cabinet, as set out at Section 2.2 of the report. The report proposed the establishment of the following 6 Policy Boards, each consisting of up to 10 Elected Members and with more detailed remits to be considered at the next meeting of the Cabinet :-

- Education Attainment and Achievement Policy Board, chaired by Councillor Tony Gurney;
- Economy and Employment Board, chaired by Councillor Marie Burns;

- Health and Social Care Body Board (including Integration and Housing), chaired by Councillor Anthea Dickson;
- Environment and Infrastructure Policy Board, chaired by Councillor John Ferguson;
- Finance and Corporate Support Policy Board, chaired by Councillor Alex McLean; and
- Community Empowerment Policy Board, chaired by Councillor Alan Hill

Members asked questions, and received clarification, on the inclusion of Corporate Procurement within the remit of the Finance and Corporate Support Policy Board.

The Cabinet agreed to (a) the establishment of 6 cross-party Policy Boards to support its work; and (b) request that the Chief Executive brings forward detailed remits for these Boards to the next meeting.

10. Bridging Finance to North Ayrshire Citizens Advice Service

Submitted report by the Chief Executive seeking homologation of the offer of bridging finance of £13,960 to North Ayrshire Citizens Advice Service (NACAS).

On 26 March 2012, NACAS announced that its intention to close its offices on Arran and in Kilbirnie and Largs from June 2012 as a result of increasing numbers of clients and reduced public sector funding. The Chief Executive wrote to the NACAS Board asking it to postpone such action until the review of the Council's support for financial advice services currently being undertaken by Social Services and Health was complete. This review includes input from NACAS and is due to report by the end of September 2012.

As a result of this, further meetings were held between officers from Social Services and representatives of the NACAS Board to discuss the way forward. Following these further meetings, it was agreed to offer NACAS bridging finance of £13,960 from the Social Services and Health budget to postpone the closure of offices until the end of September 2012.

The Cabinet agreed to (a) homologate the offer of bridging finance of £13,960 to North Ayrshire Citizens Advice Service; and (b) receive a further report after the completion of the review currently being undertaken by Social Services and Health.

11. Committed to Excellence Award

Submitted report by the Chief Executive on the "Committed to Excellence" status awarded to the Council by Quality Scotland.

The Council is committed to participating in Quality Scotland's "Levels of Excellence" recognition programme, which is a European-wide programme based on the EFQM Excellence Model. Quality Scotland's vision is to make business excellence a national characteristic.

Quality Scotland invited the Council to highlight three specific improvement projects for validation which summarised in a written submission, as highlighted at Section 2.2 of the report. Accredited EFQM assessors from Quality Scotland confirmed at the end of the process that the Council had successfully demonstrated that it is "Committed to Excellence". This status will last for two years, during which the Council can use the "Committed to Excellence" logo on its various communications. The Provost will attend the Quality Scotland Scottish Awards for Business Excellence Awards 2012 event on 19 June to collect the award.

Noted.

12. Blue Badge Reform

Submitted report by the Corporate Director (Social Services and Health) on recent and forthcoming changes to the Blue Badge scheme.

Since the beginning of January 2012 to date, Social Services and Health has processed a total of 525 blue badge applications, of which 249 have been discretionary applications requiring further assessment. From 1 September 2012, the regulations will provide mandatory independent mobility assessments (IMAs) which will be undertaken by the local authority based on information provided by a GP. There will be an annual funding transfer of £19,000 from Health to the Council's Social Services and Health service from 1 April 2012.

The current charge for a blue badge in North Ayrshire is £20, as per the revised charging policy introduced in June 2011. The Council does not charge for replacement badges (lost or stolen) but, under the new process, Northgate will charge local authorities £4.60 for each new and replacement badge issued.

Noted.

13. Coastal Communities Fund bid – Millport Pier

Submitted report by the Chief Executive on the Stage one application submitted to the Coastal Communities Fund for the renovation of Millport Pier.

The Government has introduced a new programme called the Coastal Communities Fund to support economic development projects in coastal areas across the UK. It will have around £23 million available each year for projects.

A cross departmental working group of officers has identified two potential projects, as set out in Section 1 of the report. Of these, the regeneration of Millport Pier was assessed as representing the best fit with the Council's Economic and Regeneration Strategy. A bid for funding was made in April 2012 with a business plan and capital delivery plan to be completed prior to the end of September 2012. If successful, proposals for match-funding will require to be brought forward.

Noted.

14. 3 Year Microsoft Enterprise Agreement 2012/2015 - Report on Tenders

Submitted report by the Solicitor to the Council on tenders received for the procurement of a 3 Year Microsoft Enterprise Agreement.

Following discussions with the Council's Procurement Service, an ITQ (Invitation to Quote) was raised via the Buying Solutions website on 20 March 2012. The criterion for the award of the contract was Most Economically Advantageous Tender, evaluated on the basis of Cost 60% and Quality 40%. Four responses to the ITQ process were received and fully evaluated. The highest scoring proposal was submitted by Insight, as shown in Section 2.4 of the report.

Based on current Microsoft Office usage, 2,600 devices would be licensed at a cost of £260,832 per annum for 3 years. There is a facility within the agreement to true up or true down by 10%.

The Cabinet agreed to the procurement of a 3-year agreement for a Microsoft Office Enterprise Agreement through Insight.

15. Family Support Service

Submitted report by the Corporate Director (Social Services and Health) on a tender exercise to appoint a provider to deliver a Family Support Service, providing early intervention services to parents with children 0-8 years in order to build capacity and capability.

The Community Planning partners have recognised that a step change is required in order to achieve North Ayrshire's vision of "a better childhood", and reduce the need for crisis interventions in later life. One of the early intervention proposals to be funded from the Council's budget is a Family Support Service. There is a need to provide intensive support to vulnerable families, to help with household organisation and ways of creating a more structured family environment within the home.

The provider will link with the range of Community Planning partners including Social Services and Health, Health, Education and Skills and third sector organisations. Funding of £400k has been allocated to the Family Support Services for each of the next 3 years, beginning in 2012/13.

The Cabinet agreed to a tender exercise to appoint a provider to deliver the Family Support Service for an initial period of 1 year, with the option to extend on an annual basis for up to three years.

16. Procurement Exercise - Tenants Home Contents Insurance

Submitted report by the Corporate Director (Social Services and Health) on tenders for the provision of Tenants Home Contents Insurance for North Ayrshire Council tenants.

Since 1995, the Council has offered tenants the option of obtaining household contents insurance under a Tenants Contents Insurance Scheme. Currently all tenants have the option of applying for standard insurance cover of £9,000 to £35,000. The cost of £9,000 of cover is £2.10 per fortnight, with special premiums available for pensioners. The current contract ends on 30 September 2012.

Members asked questions, and received clarification, on the need to tender under the European Union procurement regulations.

The Cabinet agreed (a) to authorise an Open Tendering exercise for the provision of Home Contents Insurance for a period of three years, with the option of extending the contract for two further twelve month periods, with tender responses to be submitted via the Public Contracts Scotland portal; and (b) that a written explanation be provided to Members on the necessity to tender in terms of the European Union procurement regulations.

17. Bridgegate Streetscape Improvements

Submitted report by the Corporate Director (Finance and Infrastructure) on the contract for the main contractor to carry out the construction work associated with the improvements to the streetscape within the Bridgegate area of Irvine.

Section 1 of the report provided details of the planned improvements to the Bridgegate area and gave details of the tendering exercise undertaken. Three tenders were received and reviewed in terms of both cost and quality (60: 40 Cost:Quality Ratio). The results were set out in Appendix 1 to the report.

Progress in relation to the project will continue to be reported to the Irvine Area Committee.

The Cabinet agreed (a) to note progress relating to the Bridgegate Streetscape Improvements, and (b) that the contract be awarded to Land Engineering (Scotland) Limited for the value of £1,781,120.48.

18. Approval to Award Business Gateway Services in Mainland Ayrshire

Submitted report by the Chief Executive on the tender of Business Gateway Services post October 2012 in Mainland Ayrshire (in collaboration with East Ayrshire Council and South Ayrshire Council).

Section 1 of the report provided details of the Business Gateway service. A restricted tendering process was followed under the European Union procurement process. Six Pre Qualification responses were received and evaluated, with 4 subsequently invited to tender. One supplier declined to submit a tender. The tender report was set out at Appendix 1 to the report.

The Cabinet agreed that Lanarkshire Enterprise Services Limited be awarded the contract for the provision of Business Gateway Services in Mainland Ayrshire from October 2012 to September 2017 (in collaboration with East Ayrshire Council and South Ayrshire Council), with a 3-month hand-over period with the current contractor from July to September 2012.

19. Economic Development, Business Development Approvals Committee - Minutes of Meeting held on 24 April 2012

Submitted report by the Chief Executive on the Minutes of the Meeting of the Economic Development, Business Development Approvals Committee held on 24 April 2012.

Noted.

The meeting ended at 4.25 p.m.

Cabinet
19 June 2012

IRVINE, 19 June 2012 - At a Meeting of Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Willie Gibson, Alan Hill, Marie Burns, Anthea Dickson, John Ferguson, Tony Gurney, Alex McLean; (For Education Items Only) Very Reverend Matthew Canon McManus and Gordon Smith.

Also Present

Alex Gallagher.

In Attendance

E. Murray, Chief Executive; I. Colvin, Corporate Director (Social Services & Health); L. Friel, Corporate Director, A. Bodie, Head of Infrastructure & Design Services, C. Hatton, Head of Environment and Related Services (Finance and Infrastructure); C. Kirk, Corporate Director, M. Armstrong, M. Docherty, A. Sutton, Heads of Service, J. McKnight, Manager, Community Development, S. Storrie, Project Manager (Education and Skills); A. Blakely, IT Manager, E. Gunn, Customer Services Manager and A. Laurenson, Team Manager (Corporate Services); M. Macfarlane, Head of Human Resources, J. Montgomery, General Manager (Policy and Service Reform), C. O'Kane, Change Programme Manager, L. McEwan, Communications Manager, M. McKeown, Committee Services Manager and A. Little, Committee Services Officer (Chief Executive's)

Also In Attendance

A. Jones, Headteacher, Largs Academy; R. Wallace, Ardrossan Academy and L. Kolodziej, Auchenhavie Academy.

Chair

Councillor Gibson in the Chair.

1. Chair's Remarks

The Chair (a) welcomed the Headteacher of Largs Academy, and the pupils from Ardrossan and Auchenhavie Academies who were in attendance; (b) updated the Cabinet on the visit by Derek Mackay MSP, Minister for Local Government and Planning, the first Ministerial visit of the new administration; and (c) requested that the Solicitor to the Council circulate an update to the Cabinet on the removal of decking installed by West Kilbride Community Initiative Limited at the Barony Church, West Kilbride.

2. 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.

3. Largs Academy Improvement Plan

Submitted report by the Corporate Director (Education and Skills) on arrangements for sustaining and improving the quality of education in Largs Academy.

Largs Academy was inspected by HMIE in February 2008 and a very positive report was published in May of that year. A further follow-through report published in December 2009 noted the extensive, clear and very convincing evidence of continued and significant improvement since the original inspection. Appendix A to the report outlined some key facts about Largs Academy. The School Improvement Plan was appended at Appendix B and outlined the following six priorities:-

- Raising Attainment
- Monitoring and Evaluation
- Curriculum for Excellence
- Policy Review
- Leadership Development
- Development of Coaching

Members asked questions and were provided with information in relation to:-

- a variety of community initiatives undertaken by the school;
- arrangements to share learning/good practice with other schools;
- the promotion of business enterprise via links with the Chamber of Commerce;
- a number of sporting achievements in netball, basketball and football;
- the Leadership Programme for 2nd year pupils and a coaching model being developed for senior pupils; and
- the pupil support unit.

The Cabinet noted the efforts made by Largs Academy to improve the quality of education.

4. Scotland's Schools for the Future - Phase 3 Investment Proposals

Submitted report by the Corporate Director (Education and Skills) on the submission of a funding application for Phase 3 Scottish Government Schools Investment programme.

In October 2011 the Council approved a business case for Education and Skills which highlighted a number of service proposals and school estate developments. Officers have been developing a range of investment proposals around the school estate. Round 1 of the business case has already been agreed and signed off by Members, largely covering investment in the primary and nursery estate and Garnock Academy. Round 2 of the business case will be a £10m investment for the primary school estate, approved as part of the Capital Programme in February 2011. Round 3 of the proposed business case would continue with the neighbourhood approach, considering the secondary and special school estate and the establishment of investment plans.

In February 2012, the Scottish Government launched Phase 3 of funding support from the Scotland's Schools for the Future programme. Applications for Phase 3 require to be submitted to the Scottish Government by 21 July 2012.

In preparation for the funding application for the secondary school estates, nine current secondary schools were each considered within the Education and Skills business case objective to rationalise the secondary estate. The wider school estate to identify more innovative ways of meeting the needs of all children, including those children with complex needs currently attending Haysholm and James McFarlane schools, was also considered

A new campus, located within the 3 Towns, on a site still to be identified, would replace the existing James McFarlane school, Haysholm school, Auchenharvie Academy and Ardrossan Academy. Consolidating these schools on one location and as part of a joint campus with health and social care services allows for efficiencies in the building fabric and Climate Act demands but also offers opportunities to improve learning environments and deliver integrated education and care services.

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

- a range of funding support options detailed in Table 1 within the report and the preferred option to develop a campus with health and social care to replace the existing James McFarlane school, Haysholm school, Auchenharvie Academy and Ardrossan Academy that would be submitted to the Scottish Government;
- consideration by the Scottish Government of all options in light of all other applications;
- the nature of potential revenue savings;
- the significant educational benefits of well designed schools that provide flexible accommodation that can be adapted quickly for a wide variety of needs;
- the provision of a dedicated wing for children with special needs and the integration of all pupils in a range of other facilities within the school; and
- the financial impact of the proposal and the need to build in financial provision for future years.

The Cabinet agreed (a) to note the progress on the development of the Phase 3 funding application; (b) to the preferred option to develop a campus with health and social care to replace the existing James McFarlane School, Haysholm School, Auchenhavie Academy and Ardrossan Academy; and (c) that officers prepare and submit the application no later than 21 July 2012.

5. School Placing Requests Online

Submitted report by the Corporate Director (Education and Skills) on the proposal to accept school placing requests online that are received by means of electronic communication.

The Electronic Communications (Scotland) Order 2006 (SSI 2006/367) allows a placing request to be made by means of electronic communication. The Authority must pass a resolution (i.e. get acceptance by the appropriate Committee) to accept receipt of such electronic requests and thereafter publish such a resolution. At present placing requests are received on paper forms and these are keyed into a database. It is proposed that North Ayrshire residents should be given the opportunity to complete placing requests online. This online form would be capable of being printed by both the person making the request and the relevant service. Automated emails would subsequently keep the customer updated with the progress of their request and outline expected timescales and next steps.

The Cabinet agreed to allow placing requests to be made by means of electronic communication.

6. Cluster Plus Pilot Project

Submitted report by the Corporate Director (Education and Skills) on the progress of the Cluster Plus Pilot Project within the Ardrossan Community.

The Education Business Case for Change was approved by the Education Executive of North Ayrshire Council on 25 October 2011. It included recommendations on the further development of cluster working. The Cluster Plus Pilot Project includes all Education and Skills staff delivering services in the Ardrossan area, and aims to develop their collaboration and joint working with partners and community organisations. A range of training and workshops have taken place for Education and Skills Managers, partners and community organisations and young people from throughout the cluster. Education Scotland carried out a Validated Self-Evaluation of the process on 21 May 2012 and initial feedback is that there is a lot of enthusiasm for the project and a need to build on that momentum.

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

- projected efficiency savings that will be reflected in future revenue budget reports; and
- the incorporation of Auchenharvie in the Cluster Plus Pilot Project, if the 3 Towns campus proposal is successful.

The Cabinet agreed to (a) note the progress; and (b) receive a further report in June 2013 detailing the benefits that have been achieved through the project and recommendations around how these can be taken forward in other communities.

7. Schools of Sport

Submitted report by the Corporate Director (Education and Skills) on the Schools of Sport programme to seek support for the extension of the initiative as appropriate.

The Scottish Government Games Legacy plan for Glasgow 2014, sets out a strategy to make Scotland more 'active, connected, sustainable and flourishing'. The North Ayrshire Physical Activity and Sport Strategy, 'Fit for the Future 2010-2015,' is providing a local strategic context for delivery. In a recent development, the National Governing Bodies of Scottish Rugby, Football and Basketball expressed an interest in delivering Schools of Sport programme in North Ayrshire.

Expressions of interest were sought from North Ayrshire secondary schools. As a result of this process, Ardrossan Academy will become a School of Rugby and a School of Basketball, Irvine Royal Academy will become a School of Rugby and Auchenharvie Academy will become a School of Football. The funding is currently provided by North Ayrshire Council, approximately £30,000 per annum for three schools. The three sports will match fund the programme with sportscotland providing further input. It is envisaged that schools will progress to identifying how they will contribute to the overall programme in kind or financially.

Members asked questions, and received clarification, on:-

- the initial interest expressed by all secondary schools in the School of Sport programme; and
- the participation of other sports in the programme in future years.

The Cabinet agreed to welcome and support the Schools of sport programme.

8. Nurturing Excellence in Culture and Sport

Submitted report by the Corporate Director (Education and Skills) on an innovative initiative to develop excellence in young people who participate in culture and sport in North Ayrshire.

The Scottish Government Games Legacy Plan for Glasgow 2014 sets out a strategy to make Scotland more 'active, connected, sustainable and flourishing'. Education and Skills currently support a range of individuals who excel in pursuit of their chosen activity, mainly in relation to sports and music, and has recently developed a programme designed to provide more strategic and effective support for individuals who excel in their chosen field. A formal funding request was made to the Council via the normal budget process to enable a support mechanism to be established for the individuals described above. Funding of £100,000 was allocated for three categories, namely talented sports individuals, talented arts individuals and support to organisations. The report provided information on the overarching principles that will apply to all applicants and participants.

The Cabinet agreed to welcome and support the Nurturing Excellence programme.

9. Irvine Carters' Society Community Floats Group

Submitted report by the Corporate Director (Education and Skills) on a proposal to relocate the Irvine Carters' Society Community Floats Group from the old Police Station in Irvine to Eglinton Park.

Irvine Carters' Society was first formed for business and charitable purposes and their history is as old as the Incorporated Trades of the Royal Burgh of Irvine. The society requires to relocate from its current location in the old Police Station in Irvine due to proposed development of the site. The current proposal is to relocate the Carters' Society and their floats to the Nissen shed formally known as the "Playbarn" in Eglinton Country Park Visitor Complex.

The Cabinet agreed to the relocation of the Carters' Society and their floats to the Nissen shed in Eglinton Country Park Visitor Complex.

10. Review of Senior Management (Chief Officer) Structure

Submitted report by the Chief Executive on options for change to the Council's senior management (chief officer) organisational structure.

The last review of the senior officer structure was undertaken in 2009 and implemented during 2010. In view of the changes and reform taking place both nationally and within the Council it is appropriate for a further review of the suitability of the Council's senior officer arrangements to ensure that the Council's strategic priorities can continue to be delivered. A further review will be required in the next 12 to 18 months to reflect other changes at a national and local level. The current review is the first stage within a phased approach to keeping structures up-to-date and flexible.

The report provided information in relation to the current position within the Change Programme, Public Sector Reform and succession management. Proposals for Education and Skills, Social Services and Health, Finance and Infrastructure, Corporate Services and Chief Executives were detailed in sections 3.1 - 3.16 of the report. Appendix 1 to the report provided details of the existing service functions and Appendix 2 detailed the proposed immediate changes in Phase 1 and the related impact on staffing levels.

The Cabinet agreed the proposals as detailed in the report.

11. Sundry Debtors Write off

Submitted report by the Corporate Director (Finance and Infrastructure) on balances written off under delegated powers and seeking authority to write off balances over £1,000.

The Council's Financial Regulations allow sums due to the Council to be written off when all avenues for recovery have been exhausted and where the sums are considered to be irrecoverable. Delegated authority allows sums of less than £500 to be written off by the by the Corporate Director (Finance and Infrastructure) and sums of between £500 and £1,000 to be written off by the Corporate Director (Finance and Infrastructure) in consultation with the Chief Executive. Individual debts of over £1,000 require the approval of the Cabinet before being written off.

An exercise was recently carried out to identify and remove any historical prescribed debt that had not been previously written-off from the sundry debtor system. Appendix 1 to the report provided details of 1225 accounts below £1,000, with a value of £93,165.20 that were identified during the review and have been written off under delegated powers. A further 108 accounts in excess of £1,000, amounting to £25,142.97 require Cabinet approval to write off.

The Cabinet agreed to write off 108 accounts in excess of £1,000, amounting to £25,142.97, as set out in Appendix 1 to the report.

12. Write off irrecoverable and non-recoverable Housing Benefit overpayments

Submitted report by the Corporate Director (Finance and Infrastructure) on balances written off under delegated powers during 2011-12 and seeking authority to write off non-recoverable and irrecoverable Housing Benefit and Council Tax Benefit overpayments in excess of £1,000.

The Council's Financial Regulations provide that sums due to the Council may be written off when all avenues for recovery have been exhausted and where the sums are deemed to be irrecoverable. In terms of the Council's policy for the recovery of Housing Benefit and Council Tax Benefit Overpayments, overpayments in excess of £1,000 that cannot be recovered must be written off with Elected Member approval.

Non-recoverable overpayments occur when an official body, such as the Council, causes an overpayment by a change in policy or by failing to act and the customer could not reasonably have been expected to know that they were being overpaid. In such cases, the overpayment is not recovered from the claimant and is put forward for write off. Irrecoverable overpayments occur in cases such as where the claimant is deceased or moved away and their whereabouts are unknown.

Appendix 1 to the report provided details of 77 non-recoverable overpayments totalling £12,024.87 that have been written off under delegated powers. A further 20 accounts in excess of £1,000 totalling £49,038.21 require the Cabinet's approval to be written off. The same appendix showed that there are 498 irrecoverable overpayments below £1,000 with a value of £90,170.44 which have been written off under delegated powers, and a further 31 accounts in excess of £1,000 totalling £79,025.27 requiring the Cabinet's approval.

The Cabinet agreed to (a) note the sums written off under delegated powers; and (b) to approve the write off Housing Benefit and Council Tax Benefit overpayments in excess of £1,000, as set out in Appendix 1 to the report.

13. Council tax and non-domestic rates write off 2010-11

Submitted report by the Corporate Director (Finance and Infrastructure) seeking retrospective approval to write off Council Tax and non-Domestic Rates debts identified during the 2010-11 financial year, as set out in Appendices 1 and 2.

All Council Tax and Non-Domestic Rates accounts go through a full recovery process. However, on occasion, information is received which confirms that the debt is unlikely to be recovered or where continued recovery action is considered inappropriate. Appendix 1 to the report showed that £531,919.36 of Non-Domestic Rates debt, covering the period 2008-09 to 2010-11, was written off during the financial year 2010-11. Appendix 2 to the report provided details of the £296,292.62 of Council Tax debt, covering the period from 2005-06 to 2010-11, which was written off during 2010-11.

The Cabinet agreed to give retrospective approval to write off the Council Tax and Non-Domestic Rates debt set out in Appendices 1 and 2 to the report.

14. Updated Benefit Fraud Prosecution Policy

Submitted report by the Corporate Director (Finance and Infrastructure) on the updated benefit fraud prosecution policy.

The Council's Benefit Fraud Prosecution Policy sets out the Council's commitment against fraud and the factors that are taken into account when deciding the appropriate sanction to apply against a person who has obtained housing and council tax benefit by fraudulent means. The policy is reviewed annually for any legislative or operational changes and was last amended in 2010. The Welfare Reform Act 2012 has amended Section 115A and 115B of the Social Security Administration Act 1992 as from 8 May 2012. This amends the amount the Council can impose for an administrative penalty for benefit fraud offences committed from 8 May 2012 onwards and also the time period the claimant has to accept an administrative penalty.

The report provided details of the changes introduced by the Welfare Reform Act 2012. The Benefit Fraud Prosecution Policy has been amended to take account of the changes and was attached at Appendix 1.

The Cabinet agreed to approve the updated Benefit Fraud Prosecution Policy.

15. SPT Grant Funding

Submitted report by the Corporate Director (Finance and Infrastructure) on the Grant funding from Strathclyde Partnership for Transport (SPT) for 2012-13.

In accordance with the Transport Outcomes Report (TOR) an agreement between SPT and North Ayrshire Council, bids are made to SPT on an annual basis for capital funding towards schemes named in the TOR. As a result, North Ayrshire Council has been offered grant funding totalling £1,100,000 from SPT for financial year 2012-13 for Kilwinning Station Park and Ride Car Park, Bus Quality Corridor enhancements, Arran Bus Route Improvements and Bus Stop improvements. SPT are currently finalising the 2012/13 TOR and this is expected to be approved by the SPT Board in June. Reports to each Area Committee earlier in 2012, sought Members' suggestions for potential public transport related schemes. These have been added to a list of potential schemes maintained by the Council for inclusion in the TOR, to be used when future bids are sought for SPT funding. Appendix 1 to the report provided a list of the potential SPT schemes.

Members asked questions, and received clarification, on the progression of construction of the park and ride car park at Kilwinning Station.

The Cabinet agreed to (a) note the offers of grant funding received from SPT for projects to be delivered during 2012-13; and (b) delegate authority to the Head of Infrastructure and Design Services to bid for appropriate future public transport improvement funding from SPT in line with the TRO.

16. Treatment of Residual Waste

Submitted report by the Corporate Director (Finance and Infrastructure) on a proposal to join the Clyde Valley partnership to secure a long term solution for the treatment of residual waste.

The Council has explored a range of solutions for the long-term treatment of residual waste. In order to achieve a quantity of waste sufficient to enable a practical and economic solution the Council worked in conjunction with South and East Ayrshire Councils. However given the anticipated closure date of the Council's current disposal facilities at Shewalton it was clear that the Council had to move quickly to secure appropriate arrangements

Exploratory discussions have taken place with North Lanarkshire Council who are the lead Council for the Clyde Valley Waste partnership. The partner Councils (North Lanarkshire, East Renfrewshire, Renfrewshire and East Dumbartonshire) are undertaking a joint procurement exercise for the procurement of a residual waste treatment and disposal solution. A high level financial model has been completed which has identified considerable cost avoidance, gained largely through economies of scale, across the participating Councils over the length of a contract. In order to maximise the potential benefits of cost avoidance the partnership is looking to commence the procurement exercise during the Autumn of 2012. Appendix 1 provided details of an Inter Authority Agreement, agreed by the four participating Councils for the residual waste procurement process. The Agreement covers how the costs of procurement will be apportioned and how project governance arrangements will operate, including mechanisms to deal with disagreement between Councils, and the processes to be followed and the financial consequences should a Council withdraw from the project during the course of the procurement.

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

- the long term nature of the project (25 years);
- consideration of environmental and economical factors when considering transportation of waste; and
- the provision of more details of the procurement process and that procurement advisors had not yet been appointed.

The Cabinet agreed (a) formal negotiations be conducted with the Clyde Valley partnership with a view to North Ayrshire joining their joint procurement exercise for the treatment of residual waste; (b) subject to the satisfactory conclusion of detailed negotiations with the Clyde Valley partnership, the Council enters into the Inter Authority Agreement (as attached at Appendix 1) to procure a long term solution for the treatment of residual waste; and (c) the Head of Environment & Related Services be the Council's nominated representative on the steering group and is authorised to take appropriate decisions as detailed in the Inter Authority Agreement.

17. Conservation Area Regeneration Scheme Funding

Submitted report by the Solicitor to the Council on Historic Scotland Conservation Area Regeneration Scheme (CARS) funding availability and to seek approval to progress a funding bid for Kilbirnie.

Historic Scotland announced that a new Conservation Area Regeneration Scheme (CARS) funding round will be open for applications until 31 August 2012. Grant funding may be awarded for various purposes related to the historic built environment within Conservation Areas such as making improvements to key buildings, providing small grants to private property owners, public realm works and the provision of training, education and skills. The thirteen Conservation Areas within North Ayrshire have been assessed in terms of their potential for a successful CARS package. This has taken account of Historic Scotland guidance, the quality of the historic environment, opportunities for improvements to key buildings, potential partners and funding possibilities.

Following appraisal of a number of conservation areas against the Historic Scotland criteria (Appendix 1) it was considered that Kilbirnie represents the Conservation Area with the most potential for a viable Council led bid. Key considerations for Kilbirnie include the need for regeneration and investment in the built environment, Council control of prominent historic buildings, the improvement of which would make a significant difference within a concentrated area, and its lack of any previous Historic Scotland investment.

It had been recognised that the Millport Outstanding Conservation Area had some potential to access funding from the Conservation Area Regeneration Scheme and that officers should therefore assist in the analysis of the potential for a bid for Conservation Area Regeneration Scheme funding by the Cumbrae Community Development Company.

The Cabinet agreed (a) to approve the preparation of analysis of the potential for a Conservation Area Regeneration Scheme funding bid for Kilbirnie; and (b) that a report setting out the implications be provided to a future meeting in advance of the bid deadline.

18. Shared Services - Pan Ayrshire Regulatory Service

Submitted report by the Chief Executive on the business case for a pan Ayrshire regulatory service.

Since the spring of 2006, an agreed programme of work in respect of Regulatory Services, namely Building Standards, Environmental Health and Trading Standards has been progressed through the Shared Services arrangements, agreed by all three Ayrshire Councils. Work has been progressed in respect of governance arrangements, operational structures and the financial model for the Shared Service. This work has now been completed and a Business and Implementation Plan has been finalised. The Plan outlines the proposal for moving forward based on management structures, financial arrangements and Service benefits. The financial implications detailed in the report, indicated that there is no overwhelming financial incentive for the project to proceed. Savings, in relation to management structures, will not be achievable until the end of year two and there are likely to be costs for each Council in relation to severance payments and ICT development.

The Cabinet agreed that the case for a Pan-Ayrshire regulatory Services is not conclusive and that no further work should be undertaken.

19. Scottish Futures Trust - Hubco update

Submitted report by the Corporate Director (Finance and Infrastructure) on progress of the Scottish Futures Trust (SFT) South West Territory Hub partnership, and to highlight other SFT activity affecting North Ayrshire.

Bids for enabling fund for projects contained in the Territory delivery plan have been made for Garnock Campus and Montrose House. An initial bid had been made for the new leisure centre in Irvine but this was withdrawn due to timing of the project and the implementation of the Hubco. The project team has completed the competitive dialogue process and awaits the final tender submissions from the two bidders. These will be assessed during July. Arrangements are being put in place to ensure a smooth and timeous contract approval and partnership agreement process in September, to allow the Hubco to go 'live' in October. The report provided details of enabling funding offered to the Council for Garnock Academy and Montrose House, and to Irvine Bay Regeneration Company for projects in Ardrossan.

A South West Hub Territory Draft Delivery Plan is being developed which sets out the priorities of the South West Hub Territory Participants for the use of services from South West Hubco. A summary of the Plan was attached as Appendix 1 and the full plan will be finalised nearer to start date of the Territory Partnership.

The Chief Executive of SFT will take the lead for property asset management within the Scottish Cabinet. The SFT will review asset management plans and provide an external challenge to public bodies on their strategic approach to property asset management and the savings that can be achieved. A more detailed report on this will be brought to Members at a future Cabinet meeting.

The Cabinet noted the update on progress on the hub initiative and other related SFT activities in North Ayrshire.

20. Change Programme: Progress as at 31 May 2012

Submitted report by the Chief Executive on an update in relation to the Change Programme.

On 16 March 2011, the Council agreed that quarterly update reports should be submitted to the former Executive for information. On 13 September 2011, the Executive agreed to extend the Strategic Partner contract with iMPower for a further year, to 20 October 2012.

The report provided information in relation to:-

- National Policy Developments;
- Specific programmes/projects in Social Services and Care and Education and Skills;
- Bridgegate House;
- Altering service demand;
- Transports;
- Asset Management;
- Supporting services; and
- Customer Services

Details of the Change Fund and Service Redesign and Investment Fund established to cover the costs of the Change Programme were attached at appendices A and B respectively.

The Cabinet was advised that a briefing on the Virtual Learning Environment (VLE) will be arranged for Members.

Noted.

21. Welfare Reform Action Plan and Baseline Indicators

Submitted report by the Corporate Director (Finance and Infrastructure) on the Welfare Reform action plan and baseline indicators.

The Welfare Reform Act 2012 contains a range of welfare reforms that have significant consequences for the local wider community, all benefit claimants and Council Services and strategies. Some reforms were implemented in 2011 under separate regulations and other reforms are now being phased in over the period 2012 to 2017. In recognition of the significant impact of the new legislation, a cross service Welfare Reform Working Group was established in February 2012.

The working group has developed an action plan to respond to each of the welfare reforms. The action plan contains details of the 13 welfare reforms to be implemented, their possible impact, the action to be taken, the person responsible for leading that action, the date the action will be taken and the target date for completion. The group has also compiled a set of baseline indicators that will be used to measure and track the reforms and identify any trends that are emerging. Appendix 1 set out the action plan and baseline indicators.

Noted.

22. BV2 Improvement Plan: Progress Update

Submitted report by the Chief Executive on progress in implementing the BV2 Improvement Plan 2011/12 as at 31 March 2012.

The BV2 Improvement Plan was approved by the Council on 13 April 2011 and has been reported on quarterly. A Quarter 3 report on progress at 31 December 2011 was submitted to the former Executive on 28 February 2012 and to the former Scrutiny Committee on 28 March 2012. This report indicated that 10 actions were slightly adrift of target and three would not be complete by March 2012. The Executive agreed to approve extensions to the three actions (2.1.3, 5.4.1 and 7.4.2) in the improvement plan which it was indicated would not be complete until later in 2012. The BV2 Improvement Plan has now been successfully implemented, with the exception of the three actions which were given extensions into 2012/13. The table at 2.2 showed the overall progress in implementing the BV2 Improvement Plan. The progress during the last quarter made on the three actions which were given extensions into 2012/13 were detailed at 2.3. Progress on each of the remaining 97 actions in the BV2 Improvement Plan is now shown as being complete and at 100% on Covalent. A report setting out full details of all 97 actions is available on request from the Policy and Performance Team and is also available on the Members' Page on Navigate - "MNavigate".

Noted.

23. ICT Infrastructure Strategic Review

Submitted report by the Solicitor to the Council on the progress made on the Council's ICT Infrastructure Strategic Review.

The Council's ICT Strategy was approved by the former Executive on 6 December 2011 and advised that IT Services would engage with ICT Industry partners to provide an ICT infrastructure that is reliable, flexible and secure, conforms to appropriate technical standards and will enable staff to be more agile in how they deliver services to the public. The ICT Asset Management Plan has a key action to develop roadmaps and replacement plans for ICT assets in line with the ICT Strategy. A Data and Voice Infrastructure Review is now complete and the main outcomes were detailed at 3.2.1. Over and above and out-with the scope of the Infrastructure review there is a requirement to develop a strategic approach to manage and control wireless access within schools.

The report provided information in relation to:-

- the wide area network;
- the local area network;
- telephony;
- wireless access in schools; and
- the estimated costs and compliance scores of the short-listed options and the existing infrastructure costs.

The Cabinet agreed to (a) note progress on the Infrastructure Review; (b) approve the allocation of funding from the Service Redesign Investment Fund over the 3 years; and (c) approve progression to the tender phase of the ICT Infrastructure Review.

24. All Ayrshire Roads & Transportation Professional Services Framework Agreement

Submitted report by the Corporate Director (Finance and Infrastructure) on tenders for the provision of an All Ayrshire Consultancy framework.

The Roads Service currently procures professional consultancy services via an existing North Ayrshire Council Consultancy Services Framework contract which was awarded in 2008 and is due to end in December 2012. The neighbouring authorities of East Ayrshire Council and South Ayrshire Council (and potentially East Renfrewshire Council) are also requiring to procure these services and in order to achieve best value for all participating Councils it is proposed to prepare and tender a single contract which can then be used by the participating Councils in relation to roads and related services. The new contract will cover the disciplines from the existing contract with the addition of flood engineering and coastal engineering. No equivalent contract is currently in place for this type of service with either Scotland Excel or the Scottish Procurement Directorate. It is anticipated that the annual spend across all partners will be in the order of £600k per year. East Ayrshire Council procurement unit have agreed to lead this project and are preparing the contract document and advising on the procurement process and timescales. North Ayrshire procurement team are fully involved in the project.

The Cabinet agreed to approve the tendering of a collaborative consultancy framework agreement for civil engineering and related specialist professional services.

25. Procurement Exercise: Supply of both Glass Reinforced Plastic (GRP) and PVC External Doors

Submitted report by the Corporate Director (Finance and Infrastructure) on the procurement exercise undertaken for the supply of external doors.

On 9 of December 2011, an advert was placed in the Official Journal of the European Union for the procurement of supply of glass reinforced plastic (GRP) and PVC external doors, using the restricted procurement method. The contract period is three years with the option to extend for up to a further two years; extensions being offered in periods of one year. The estimated contract value is £150,000 per annum. The supply of these goods is not included within any Scotland Excel frameworks.

Sixteen companies expressed an interest on Public Contract Scotland for the supply contract; seven of whom completed and submitted a Pre Qualification Questionnaire (PQQ). Of the seven who returned the PQQs four companies were invited to tender. Tender submissions and sample products were returned by two of these companies and evaluated against minimum requirements being satisfied then assessed against a quality/price ratio of 30/70. The 30% allocated to quality reflects the importance attributed to product delivery and installation criteria such as the weight of the door and the ease of installation. The evaluation matrix and scores were contained in Appendix 1. The preferred supplier following evaluation is SBP Ltd trading as Permadoor.

The Cabinet agreed to award the contract for the supply of GRP and PVC external doors to SBP Ltd, trading as Permadoor.

The meeting ended at 4.20 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

21 August 2012

Cabinet

Subject:	Procurement Overview
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Purpose:	To update the Cabinet on National and Local Procurement and to report progress against improving North Ayrshire Council's procurement practices.
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Recommendation:	That the Cabinet agrees to (a) note the report; (b) receive a further update in six months, and; (c) approve continued membership of Scotland Excel.
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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 the performance of Scotland Excel were presented to the Executive on 16 August 2011 and 28 February 2012.
- 1.3 The Council also commissioned its strategic partner, iMPower, to review the Council's procurement function and a report was presented to the Executive on 16 August 2011.
- 1.4 This report updates the Cabinet on progress and provides information on other relevant procurement issues, including the National Procurement agenda.

2. Current Position

The Review of Public Procurement in Scotland

- 2.1 Procurement is an important part of the National Efficiency Agenda and, in 2006, the Scottish Government commissioned a national review of Public Sector Procurement in Scotland. The review was conducted by John F McLelland CBE.

2.2 A number of recommendations were made in the report, the key recommendations being:-

- The profile of procurement should be raised to that of equivalent corporate functions;
- Organisations should invest in procurement, including the recruitment of qualified professional procurement staff. It was recommended there should be one procurement professional for every £10-15m of procurement spend;
- The categorisation of goods and services according to demand. For example, if all public sector organisations procure the same goods/services they should be determined as a Category A commodity and procured by a National Centre of Expertise to benefit from economies of scale. If there are goods/services specific to individual sectors (Local Authority, NHS, Further Education) they should be determined as a Category B commodity and procured by Sector Centres of Expertise. All other commodities would be determined as Category C and procured by the organisations' procurement teams;
- Increased collaboration across the public sector to achieve efficiencies through economies of scale; and
- Increased use of technology to capture management information and provide efficiencies in the ordering, receipting and payment of goods/services.

2.3 Following the publication of this report, the Centres of Expertise were set up. The National Centre of Expertise is Scottish Procurement and they procure all the Category A commodities. The Local Authority Centre of Expertise is Scotland Excel which was formed on 1 April 2008 and they procure all the Category B commodities.

Scottish Procurement / Category A update

2.4 Scottish Procurement is the national centre of expertise and responsible for procuring commodities used by all of the public sector. This includes stationery, postal services, IT hardware and utilities.

2.5 Two new contracts have recently been awarded. The new IT consumable contract commences on 1 September 2012 and will deliver savings of up to 20%. The new energy contract commences in April 2013 and will also deliver significant savings to the public sector.

Scotland Excel / Category B update

- 2.6 Scotland Excel is the Local Authorities' Centre of Expertise and responsible for procuring commodities commonly used across all Local Authorities.
- 2.7 Since the last report on Scotland Excel on 28 February 2012, four new contracts have been awarded. They are:-
- Groceries and Provisions
 - Plumbing Materials
 - Electrical Materials
 - Waste Disposal Equipment
- 2.8 Scotland Excel estimated savings of £182,860 could be achieved by the Council through using these contracts. The estimated savings for plumbing materials is the most significant component and further work is underway to analyse this.
- 2.9 North Ayrshire Council has also been participating in a number of User Intelligence Groups (UIG) to define procurement strategies for forthcoming tenders and will continue to lobby Scotland Excel for consideration to be given to splitting contracts into lots to help SMEs tender for these opportunities.
- 2.10 This year Scotland Excel plans to do more construction and social care contracts and the Council had two representatives at the Construction Masterclass event in Edinburgh on 15 June 2012.
- 2.11 Scotland Excel also facilitated a workshop, hosted by Inverclyde Council on 20 June 2012, for social care commissioning staff and procurement managers. At the request of the Scotland Excel Procurement Improvement Team the Council's Procurement Manager delivered a presentation at this event highlighting the positive work undertaken at North Ayrshire between Corporate Procurement and Social Services.
- 2.12 The Council's Procurement Manager was also invited by the Director Scotland Excel to take part in a joint presentation (Scotland Excel and North Ayrshire Council) to the Society of Local Authority Chief Executives (SOLACE) on 29 June 2012.

Cost and Benefits of Membership of Scotland Excel

- 2.13 The cost of membership of Scotland Excel is £89,882 for 2012/13.
- 2.14 In addition to the procurement savings secured via Scotland Excel there are a number of indirect benefits to North Ayrshire. If North Ayrshire was not a member of Scotland Excel, additional resources would be required within the Corporate Procurement Unit, it is also unlikely that North Ayrshire would secure similar levels of savings to those secured by Scotland Excel due to bulk purchasing on behalf of all 32 Local Authorities.

Procurement Capability Assessment (PCA)

- 2.15 Following on from the McLelland Review 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.

- 2.16 The four levels of assessment are:-

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

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

Year	North Ayrshire Council Score (%)	Local Authority Average Score (%)
2009	17	22
2010	27	32
2011	34	40

- 2.18 The target for North Ayrshire Council for 2012 is 46% which represents a significant increase on the 2011 score of 34%.

- 2.19 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 score for 2011 and target for 2012 is detailed in the table below:

Section	2011 score (%)	Current level	2012 target (%)	Target level
Procurement Leadership and Governance	43	Conformance	47	Conformance
Procurement Strategy and Objectives	54	Improved	66	Improved
Defining the Supply Need	20	Non conformance	40	Conformance
Commodity Strategies and Collaborative Procurement	35	Conformance	50	Improved
Contract and supplier management	15	Non conformance	33	Conformance
Key purchasing processes and systems	28	Conformance	45	Conformance
People	43	Conformance	60	Improved
Performance Measurement	33	Conformance	44	Conformance
Total	34	Conformance	46	Conformance

- 2.20 Progress against each of the eight categories is as follows:

Procurement Leadership and Governance

- 2.21 Standard sourcing procedures have been developed in accordance with the Scottish Government Procurement Journey. Procurement reports are also presented to the CMT every quarter.

Procurement Strategy and Governance

- 2.22 The Council's new procurement strategy will be submitted to the Cabinet in October 2012 and a procurement improvement plan is in place.

Defining the Supply Need

- 2.23 The Council is using output based specifications on a more regular basis and Category Managers are undertaking supply market analysis.

Commodity Strategies and Collaborative Procurement

- 2.24 Commodity strategies are in place with cross functional sign off. There is also an increased level of participation in collaborative contracts.

Contract and Supplier Management

- 2.25 A contract management process is in place based on the Procurement Journey and the Council's Contract register is updated regularly.

Key Purchasing Processes and Systems

- 2.26 PECOS will have been implemented in schools and schools are also piloting using procurement cards.

People

- 2.27 Procurement training has been delivered to staff involved in the procurement process and the Council's Procurement Team has received EU procurement training.

Performance Measurement

- 2.28 The Council uses Covalent to monitor trends and the Council's Best Practice Indicators are updated on time.
- 2.29 The assessment for 2012 will take place on 26 October 2012 and an update will be provided in a follow up report to Cabinet.

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

Tenders

- 2.30 The Corporate Procurement Unit is now responsible for the facilitation of the tender process for all commodities excluding social care. The total procurement spend going through the CPU is approximately £120m.
- 2.31 This will ensure greater consistency in documentation (which helps suppliers), increased savings, less risk of legal challenges and a more co-ordinated approach to contracting with Small and Medium Enterprises and local suppliers.

Performance Indicators (PIs)

- 2.32 The CPU provide a set of procurement indicators to the CMT quarterly, as outlined in the table below.

	2011/12 Out-turn	2012/13 Target	2012/13 Quarter 1	Comments
Spend with Local Suppliers (value)	£22.5m	£24.0m	n/a	See note 1
Spend with Local Suppliers (% of overall spend)	15.4	16.5	n/a	See note 1
Spend with SMEs (value)	£81.2m	£80.5m	n/a	See note 1
Spend with SMEs (% of total value)	55	55	n/a	See note 1
Number of apprenticeships / jobs created through Community Benefit clauses	3	14	Nil	On target. Jobs to feed through throughout the remainder of the year as contracts are awarded for large projects.

Procurement savings (revenue)	£427k	£583k	£333k	On target.
Procurement savings (capital)	nil	£1,187k	Nil	A large number of capital contracts are being tendered later in the year.
Procurement Savings (HRA)	£4,158k	£11k	Nil	Last years savings were attributed to three major projects: roofing & rendering, heating & re-wiring and new Council House build at Winton Avenue, Kilwinning.
Spend through PECOS	£34.2m	£40m	£11.6m	On target to exceed £40m.
% Payments made within 30 days of receipt of a valid invoice	83	90	80	See note 2
% Payments made by electronic means	84	86	84	On target
% Spend through contracts / frameworks against non-contract/maverick spend	n/a	80	n/a	See note 1

Note 1: Figures for Quarter 1 will not be available until late August 2012 as the data is imported from the Scottish Government procurement hub and it takes up to 7 weeks to provide this.

Note 2: A number of factors caused this disappointing statistic such as resource issues and delays in receiving invoices from Services. An action plan is in place to improve this. There will be monthly reports sent to Services, quarterly meetings with Services, an accounts payable user group set up and the increased use of PECOS and procurement cards should also help the situation.

Savings

- 2.33 The target for procurement savings is £1,782,036 for 2012/13.
- 2.34 The savings are split between Capital, Revenue and the Housing Revenue Account.
- 2.35 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.
- 2.36 The procurement savings achieved will contribute towards the additional cost of resourcing the centralised procurement team and to service efficiency targets.

Payment to Suppliers

- 2.37 The most disappointing PI related to payment to suppliers and an action plan is in place to address this.

Local Businesses

- 2.38 The Council continues to support local businesses through the Supplier Development Programme (SDP). This programme is free to join and it organises and provides free training courses and Meet the Buyer events.
- 2.39 The Procurement Manager also attends a quarterly meeting with the Procurement and Economic Development Teams in East and South Ayrshire to promote and support the programme. An event has been organised for local businesses on 5 September 2012 named 'Is the Public Sector for you?'. This is a joint event between the three Ayrshire Local Authorities and the Supplier Development Programme. The Procurement Manager is delivering a presentation at this event.
- 2.40 Since the centralisation of procurement, the Council now has a clearer picture of what it buys and where it comes from. The CPU are now using this data to tailor the Council's procurement strategies to ensure there are opportunities for local companies, either through splitting contracts into lots or ensuring there is a fair representation of local companies invited to bid for low value tenders.

Community Benefits

- 2.41 One of the areas the Council has been proactive in is the use of community benefit clauses. These clauses have been used in the council house build programme and the plan is to widen this further.
- 2.42 This year community benefit clauses will be incorporated in the Irvine East school, Irvine West school, the new Leisure Centre and Bridgegate Streetscape projects.
- 2.43 It is intended to widen the use of community benefit clauses beyond large construction projects. Funding was approved in the 2012/13 budget to recruit a Community Benefits Officer on a temporary basis and this post will be located within the procurement team.

PECOS

- 2.44 The Council use the Professional Electronic Commerce Ordering Solution (PECOS) tool as its electronic trading tool. In 2010/11, orders totalling £34.2m were placed through this system. The target for 2012/13 is £40m.
- 2.45 The Council has now implemented PECOS in most schools and this project will be complete by the end of December 2012.
- 2.46 The advantages of using PECOS are:
- quicker ordering
 - real time prices through electronic catalogues
 - better management information
 - the provision of an automatic audit trail of order, receipt and invoice approval.

Procurement Cards

- 2.47 The Council has piloted the use of procurement cards in three secondary schools. As there were no significant issues raised the plan is to roll this out further across the Council.
- 2.48 The card the Council are using is the Government Procurement Card 3 (GPC 3) and is administered by the Royal Bank of Scotland.
- 2.49 The advantages of procurement cards are:-
- quicker ordering of goods
 - time efficiency savings by reducing the number of invoices
 - beneficial pricing through purchasing via the internet
 - faster payment to suppliers
 - the Council receives a rebate from RBS based on spend

- 2.50 The cards are free of charge to the Council and they are particularly suitable for low value purchases such as travel.

Procurement Strategy

- 2.51 The current Procurement Strategy expires December 2012 and a new strategy is being developed. Consultation will take place with all Services with the aim of submitting this to a Cabinet meeting in October 2012.

Elected Member training

- 2.52 A procurement training course has been developed for Elected Members. This will be delivered in September/October 2012 and will include procurement legislation, community benefits, use of local suppliers and price/quality evaluation criteria.

National Procurement Issues

Procurement Reform Bill

- 2.53 The Scottish Government are submitting a Procurement Reform Bill to the Scottish Parliament in 2013. Consultation commenced on 10th August 2012.

Construction Review

- 2.54 The Scottish Government is conducting a review of construction procurement. The review is due to commence late summer 2012 and a final report is expected in 12 months' time.
- 2.55 The Scottish Public Sector currently spend approximately £2billion a year on construction and Local Authorities account for 56% of this spend.
- 2.56 Of this £2bn, 44% is spent with Small and Medium Enterprises (SMEs) and 70% with Scottish contractors.

Information and Communication Technology (ICT) review

- 2.57 John F McLelland CBE conducted a review of ICT for the Scottish Government.
- 2.58 One of the issues identified was the number of different software solutions and providers being used. The key message was the need for better coordination of ICT procurement.

- 2.59 A National ICT Public Sector Board is in place and North Ayrshire Council's Chief Executive, is a member of the board.

3. Proposals

- 3.1 It is proposed that the Council continues with membership of Scotland Excel as the savings achieved, the additional cost of tendering and the potential increase in tender costs if the Council withdrew from membership, outweigh the annual membership fee. It is, therefore, proposed that membership be continued and reviewed again in February 2013.
- 3.2 The Cabinet is invited to (a) note the report; (b) receive a further update in 6 months, and; (c) approve continued membership of Scotland Excel.

4. Implications

Financial Implications

- 4.1 The membership fee for Scotland Excel is £89,882 for 2012/13. This represents a reduction of £1,554 on the fee for 2011/12 due to efficiency savings within Scotland Excel.

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

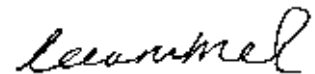
- 4.7 None directly from the report but procurement will continue to contribute to this policy.

5. Consultations

- 5.1 The Corporate Management Team receives a quarterly report on procurement activity.
- 5.2 Services have been consulted throughout the year on procurement matters and the performance of Scotland Excel.

6. Conclusion

- 6.1 That the Cabinet notes the report, agrees to receive a further update in six months and supports the proposal to continue with membership of Scotland Excel.



LAURA FRIEL
Corporate Director (Finance and Infrastructure)

Reference :

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

Background Papers

None.

NORTH AYRSHIRE COUNCIL

Agenda Item 4

21 August 2012

Cabinet

Subject: **North Ayrshire Panel of Safeguarders:
Reappointments**

Purpose: To seek approval from the Cabinet for the reappointment of Safeguarders and Legal Representatives to the Council's Panel of Safeguarders.

Recommendation: That the Cabinet approves the reappointment of 12 Safeguarders, including 5 Legal Representatives, to the North Ayrshire Panel of Safeguarders, as set out in the Appendix to this report.

1. Introduction

- 1.1 The Council is required to maintain a Panel of Safeguarders and is responsible for appointing Safeguarders and Legal Representatives. Safeguarders are persons (normally with a relevant professional background in law, social work or teaching) who may be appointed by Children's Hearings or Sheriffs to safeguard the interests of the child in the proceedings. A Safeguarder can provide an independent assessment of what course of action might be in the child's best interests which can be helpful to the Children's Hearing or to the Sheriff.
- 1.2 The implementation of the new Children's Hearings (Scotland) Act 2011 was due to "go live" in September 2012. Under the new Act, Safeguarders will transfer to a new national Safeguarder Panel operated by Children 1st. The implementation date has however been delayed until the 2nd quarter of 2013, with 24 June, being the new date for transfer. From this date, Legal Representatives will be administered by the Scottish Legal Aid Board.

2. Current Position

- 2.1 The North Ayrshire Panel is currently made up of 12 Safeguarders, 5 of whom are also Legal Representatives, as shown at Appendix 1. They come from a range of professional backgrounds and are appointed to cases on a rotational basis. The Council receives approximately four requests each month for Safeguarders to be appointed, although this can vary significantly from time to time.

- 2.2 Legal Representatives and Safeguarders with a legal qualification are appointed when legal representation is required to allow a child to effectively participate at a Hearing, or when it may be necessary to make a supervision requirement that they reside in a residential establishment.

3. Proposals

- 3.1 The current period of appointment for the Council's Safeguarders and Legal Representatives expired in June 2012. Pending implementation of the new Act, it is proposed that the Panel be reappointed for a further 3 years.
- 3.2 Accordingly, the Cabinet is invited to approve the reappointment of 12 Safeguarders, including 5 Legal Representatives, to the North Ayrshire Panel of Safeguarders, as set out in the Appendix to this report.

4. Implications

Financial Implications

- 4.1 There is provision within the Chief Executive's budget to meet the cost of Safeguarders' fees until the implementation of the Children's Hearings (Scotland) Act 2011. The Legal Representatives' fees are reimbursed by the Scottish Government.

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 We have improved the life chances for children, young people and families at risk (SOA 8); and More children and young people live in a safe and supportive environment (SOA 8a).

5. Consultations

- 5.1 There has been consultation with the Solicitor to the Council, the Locality Reporter Manager, Sheriff Principal, Children's Panel Chair and the Corporate Director (Social Services and Health) on their performance. Disclosure Scotland criminal records checks will be carried out.

6. Conclusion

- 6.1 The Safeguarders who expressed an interest in continuing are recommended for reappointment until 30 June 2015. The reappointment of Safeguarders will allow the Council to meet the demand for these appointments requested by the Children's Panel and the Sheriff.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Martyn McKeown, Committee Services Manager on telephone number 01294 324130.

Background Papers

None.

APPENDIX 1

Name	Safeguarder	Legal Representative
Mike Bailey	Safeguarder	
Barbara Black	Safeguarder	
Elspeth Black	Safeguarder	Legal Representative
Helen Boyd	Safeguarder	Legal Representative
Lauren Fowler	Safeguarder	Legal Representative
Linda Henderson	Safeguarder	
Judith Higson	Safeguarder	
Alison Jamieson	Safeguarder	Legal Representative
Sean Lynch	Safeguarder	Legal Representative
Joe Scanlon	Safeguarder	
Annabel Sinclair	Safeguarder	
Kay Ullrich	Safeguarder	

NORTH AYRSHIRE COUNCIL

Agenda Item 5

21 August 2012

Cabinet

Subject:	Financial Assistance to Outside Bodies
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Purpose:	To advise Cabinet of applications for financial assistance.
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Recommendation:	That Cabinet agrees (a) to note the Corporate Grants for Outside Bodies Budget 2012/13 of £4,313.68 available for disbursement once the funding commitments outlined at Section 2 of the report have been taken into account; (b) to provide financial assistance in the amount of £2,500 to support preparations for the Largs Games 2013; and (c) that, in the light of the extent to which the remaining Corporate Grants budget is oversubscribed, it be remitted to (i) the Chief Executive to write to applicants to offer them support to identify alternative sources of funding; and (ii) the Head of Service (Community and Culture) to prepare a report for the Cabinet in Autumn 2012 on Nurturing Communities proposals which will promote capacity building within communities and organisations.
------------------------	---

1. Introduction

- 1.1 At its meeting on 16 February 2010, the former Executive approved a reduction in the Corporate Grants Budget amounting to 14.9% over the 3-year period 2010-13.
- 1.2 On 12 October 2010, a revised report was submitted to the Executive, proposing a further reduction level of 20% over the 3-year period 2011-14, with 2010-11 acting as the new baseline. The Corporate Grants for Outside Bodies Budget for 2012/13 is £8,000.

2. Current Position

- 2.1 The Council has a number of existing commitments which reduce the level of funding now available for disbursement, details of which are provided below:-

Fullarton Community Health House

- 2.2 The Council is currently committed to meeting rental costs of £3,067.20 in respect of the Fullarton Community Health House in 2012/13. Arrangements for this facility are under review and the outcome will be reported separately in due course.

Prestwick Airport Consultative Committee

- 2.3 The Council is committed to a £500.00 contribution to the all-Ayrshire Prestwick Airport Consultative Committee towards the administrative costs of Prestwick Airport.

Isle of Arran Ferry Committee

- 2.4 £50 - Arran Community Council Representative Membership fee.
- 2.5 Taking into account these commitments, the amount of grant funding remaining for disbursement in 2012/13 is £4,313.86.

3. Proposals

- 3.1 In addition to the commitments outlined at Section 2 above, there is a commitment to support Largs Games in 2013.
- 3.2 At its meeting on 25 January 2012, the North Coast Area Committee received a report by Richard Wilkinson, Chair of Largs Games Committee on Largs Games 2013. The Games are held every 2 years between Largs's twin town of Andernos-les-Bains and the latter's other twin towns of Nussloch (Germany) and Segorbe (Spain). Largs Town Twinning Association sent a team of 24 young people of the Andernos-les-Bains games in 2009 and 25 young people attended the Segorbe games in 2011. 7-10 June 2013 will be the first occasion where Largs has hosted the games.
- 3.3 As part of its decision, the Area Committee agreed to:-
- "(d) commend the Games to North Ayrshire Council for its support through in kind and/or financial assistance."
- 3.4 The Minute of the Area Committee was subsequently approved by the Council at its meeting on 22 February 2012.
- 3.5 It is, therefore, proposed that financial support in the amount of £2,500.00 is provided for Largs Games 2013, to be met from the 2012/13 Corporate Grants for Outside Bodies Budget in order to allow necessary preparations for the event to be made.

Further Applications for Financial Assistance

- 3.6 The Council is also in receipt of a number of applications for financial assistance from various national and local organisations, amounting to a total of £27,155.93.
- 3.7 Taking into account the commitments outlined at Section 2 and the recommended award referred to at Section 3.5, the sum of £1,813.68 remains available for disbursement. In the circumstances, it is proposed that officers investigate alternative proposals for supporting the applicants in question.
- 3.8 The Cabinet is invited to agree:-
- (a) to note the Corporate Grants for Outside Bodies Budget 2012/13 of £4,313.68 available for disbursement once the funding commitments outlined at Section 2 of the report have been taken into account;
 - (b) to provide financial assistance in the amount of £2,500 to support preparations for the Largs Games 2013; and
 - (c) that, in the light of the extent to which the remaining Corporate Grants budget is oversubscribed, it be remitted to (i) the Chief Executive to write to applicants to offer them support to identify alternative sources of funding; and (ii) the Head of Service (Community and Culture) to prepare a report for the Cabinet in Autumn 2012 on Nurturing Communities proposals which will promote capacity building within communities and organisations.

4. Implications

Financial Implications

- 4.1 The Corporate Grants Budget 2012/13 amounts to £8,000. Taking into account the Council's existing commitments, a total of £4,313.68 remains available for disbursement.

Human Resource Implications

- 4.2 None arising from this report.

Legal Implications

- 4.3 None arising from this report.

Equality Implications

- 4.4 All recipients of grant funding from the Council require to have equal opportunity policies in place.

Environmental Implications

- 4.5 None arising from this report.

Implications for Key Priorities

- 4.6 Grant awards to outside bodies and local community groups contribute to North Ayrshire Outcomes 11a (levels of voluntary action and community involvement have increased), 11b (partnership working between the public, community and voluntary sector has improved) and 15c (partnership working has improved in the Single Outcome Agreement).

5. Consultations

- 5.1 None required. However, Community Development (Education and Skills) undertook assessments for those applications which were submitted as Community Development/Local Youth Action Fund grant funding but which are referred to the Corporate Grants for Outside Bodies Budget as they are cross North Ayrshire.

6. Conclusion

- 6.1 It is for the Cabinet to consider whether it wishes to support the applications.



ELMA MURRAY
Chief Executive

Reference :

For further information please contact Melanie Anderson, Committee Services Officer on telephone number 01294 324131.

Background Papers

Application forms

NORTH AYRSHIRE COUNCIL

Agenda Item 6

21 August 2012

Cabinet

Subject:	North Coast Tourism Assessment Study
Purpose:	To inform the Cabinet of the North Coast Tourism Assessment Study.
Recommendation:	That the Cabinet agrees to (a) note the North Coast Tourism Assessment Study set out at Appendix 1 to the report; and (b) support the implementation of opportunities highlighted in it to address the identified shortfalls and tourism-related weaknesses of the area.

1. Introduction

- 1.1 The North Coast Tourism Study assesses the tourism potential of the North Coast area of North Ayrshire. The study provides an overview of the tourism potential of the area and presents a 'framework' for growth opportunities that will help guide future decision-making and development of the area's tourism economy over the next 3-5 years.

2. Current Position

- 2.1 Tourism in North Ayrshire employs 3,180 FTEs and brings some £123.65 million into the local economy, with 1,125,300 tourists visiting the area. Tourism in the North Coast area employs 521 FTEs, brings in £23.61 million into the local island economy and attracts some 237,860 tourists in 2011. (*Scottish Tourism Economic Activity Monitor 2011: North Ayrshire & The North Coast Reports*)
- 2.2 The tourism sector of North Ayrshire has declined dramatically in the last year and a concerted effort must now be made to address this downturn and grow the sector.
- 2.3 The North Coast study area is a 'destination' that is a composite of a number of key settlements or sub-destinations with their own assets and challenges, offering differing visitor experiences. The study identifies the key tourism issues affecting the North Coast area including the Cumbraes, Largs and West Kilbride.

- 2.4 The North Coast Tourism Study will enable the new pan-Ayrshire Tourism Action Plan to support prioritised development. This will also be supported by the North Ayrshire Local Action Plan through:-
- developing focussed marketing and promotion;
 - improving the day, overnight and activity offer;
 - improving the visitor experience through customer service and business development support; and
 - supporting infrastructure development which compliments the natural environment and key tourism products such as marine recreation and leisure, wildlife and walking activities.
- 2.5 A 2-year North Coast Tourism project is currently being developed for delivery from 2013-2015. An application to the Magnox Socio-Economic funding has been made, but as yet has not been confirmed.
- 2.6 The North Coast Tourism Study proposes areas for local development activity through:-
- product development;
 - infrastructure improvements;
 - working in partnership within the Council and externally with the community and industry;
 - tourism marketing and promotion;
 - tourism research and intelligence; and
 - skills development.
- 2.7 The study provides evidence, guidance and the way forward to development activities in the short, medium and long term. With the right investment and focus, these can be initiated in order to grow the benefits from tourism for not only the North Coast area but all of North Ayrshire.
- 2.8 The Study has been used to support and guide the priorities contained within the North Ayrshire Tourism Action Plan agreed by the Executive on 14 February 2012 and the NDA Investment Framework agreed by Council on 26 October 2011.

3. Proposals

- 3.1 The Cabinet is invited to agree to (a) note the North Coast Tourism Assessment Study set out at Appendix 1 to the report; and (b) support the implementation of opportunities highlighted in it to address the identified shortfalls and tourism-related weaknesses of the area.

4. Implications

Financial Implications

- 4.1 There are no financial implications at this time.

Human Resource Implications

- 4.2 None at this current time.

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental Implications

- 4.5 None

Implications for Key Priorities

- 4.6 The North Ayrshire Local Tourism Action Plan 2012-2017, working with the Ayrshire and Arran Tourism Strategy 2012-2017, supports North Ayrshire Council's Community Plan and will deliver on the following tourism-related Single Outcome Agreement (SOA) objectives:-

1. We live in a Scotland that is the most attractive place for doing business in Europe.
- 1a. Transport links and services to and from North Ayrshire have improved.
- 1b. North Ayrshire is a more attractive tourist destination.

- 4.7 It also relates to the priority "Working" in the SOA and Objective 1 "Regenerating Our Communities and Increasing Employment" in the Council Plan.

- 4.8 Growing the tourism economy of North Ayrshire is highlighted in the Economic Development and Regeneration Strategy for North Ayrshire 2010 – 2020, through Strategic Objective 6: To support the creation of distinctive, vibrant town centres and establishing mechanisms to encourage spend in North Ayrshire. This is supported by the North Ayrshire Local Development Plan (LDP) which sets out the principal land use for tourism development.

- 4.9 The North Coast Tourism Study aims and objectives also supports **VisitScotland** Sustainable Tourism **Strategy** the Scottish Governments Tourism Framework for Change and the new Ayrshire & Arran Tourism Strategy 2012-2017.

Community Benefit Implications

- 4.10 The North Ayrshire Local Tourism Action Plan and the North Coast Tourism Assessment will benefit the community through the economic growth of tourism creating new employment opportunities, adding to the quality of life for North Ayrshire's community as well as visitors. The emphasis on partnership working with local businesses and the community will enable capacity building, leaving legacies and assets from tourism development for the communities benefit such as cultural and heritage, events and festivals, leisure and recreation facilities and opportunities.

5. Consultations

- 5.1 This study consulted with key stakeholders and partner organisations such as Visit Scotland, local tourism and business groups, tourism operators and visitors to the North Coast area.

6. Conclusion

- 6.1 Tourism is an important part of North Ayrshire's economy and has great potential to grow. The North Coast Tourism Study sets out clear areas for actions for tourism in the next five years. In partnership with the industry and stakeholders with the right commitment and investment, the Council will be able to address the downturn in the tourism economy and work in partnership to grow visitor numbers, expenditure and tourism related employment. This partnership approach will benefit the North Coast and the wider North Ayrshire area by attracting additional visitors into and through the area.



ELMA MURRAY
Chief Executive

Reference : KD/AM

For further information please contact Kathleen Don, Economic Development Officer - Tourism on telephone number 01294 225193

Background Papers

NA

NORTH AYRSHIRE COUNCIL

NORTH COAST TOURISM ASSESSMENT STUDY



August 2011

TOURISM RESOURCES COMPANY
Management Consultancy and Research Services

2 LA BELLE PLACE, GLASGOW G3 7LH
Tel: 0141-353 1143 Fax: 0141-353 2560
Email: info@tourism-resources.co.uk
www.tourism-resources.co.uk



Management Consultancy and Research Services

2 LA BELLE PLACE, GLASGOW G3 7LH
Tel: 0141-353 1143 Fax: 0141-353 2560
Email: info@tourism-resources.co.uk
www.tourism-resources.co.uk

Mr Alex Anderson
Economic Development Manager
North Ayrshire Council
Perceton House
IRVINE
North Ayrshire
KA11 2DE

16th August 2011

Dear Alex

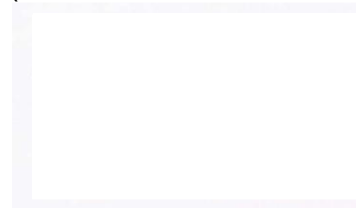
NORTH COAST TOURISM ASSESSMENT STUDY

Please find attached our report on our work assessing the tourism potential of the North Coast of North Ayrshire. The document provides an overview of our findings and a 'framework' that will help guide future decision-making and development of the area's tourism economy over the next three to five years.

Again our thanks for providing us with the opportunity of working with you on this project.

Kind Regards

Yours sincerely
(For and on behalf of Tourism Resources Company)



Sandy Steven
Director

Ref: AJS/IM/0834-R2



Tourism Resources Company Ltd
Reg. Office: 2 La Belle Place, Glasgow G3 7LH
Registered in Scotland No. 132927

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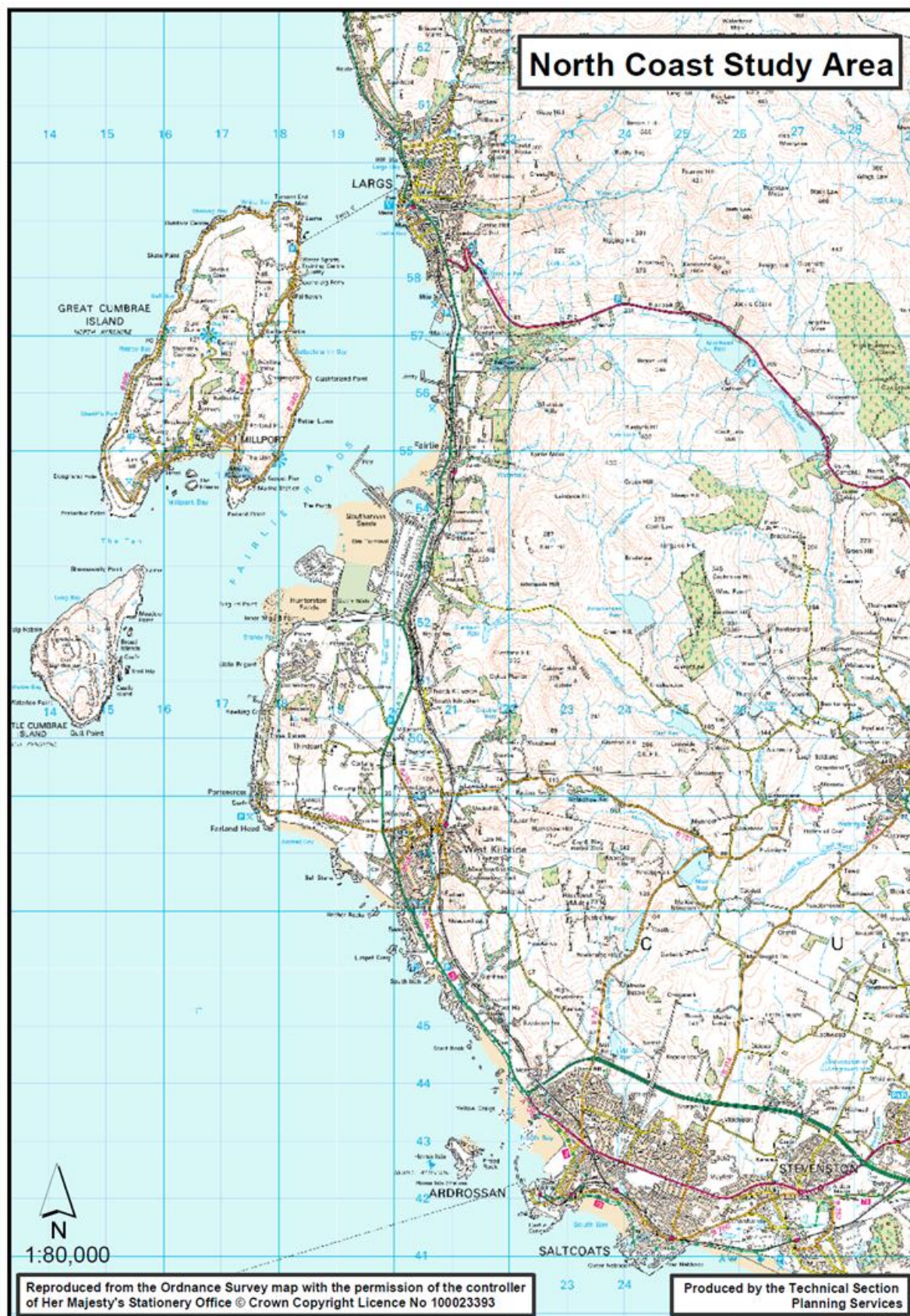
1 BACKGROUND

North Ayrshire located on the West Coast of Scotland, fronting the Firth of Clyde has a population of circa 136,000 and comprises a mainland area and four inhabited islands. The area is easily accessible to and from the wider Scottish Central Belt and the Glasgow conurbation which has seen the area play an important role as a holiday and traditional day trip destination over many years. However the area no longer attracts the historic levels of overnight tourism associated with the regional holiday patterns of the 1950s affecting its visitor economy. This, when combined with other changes in its economy, has prompted the drive to find ways to reinvigorate the tourism sector.

The wider economy of the area has undergone considerable change in the last 20 years with decline in manufacturing and energy production as well as the traditional tourism sector. The area has not benefited from the growth in the finance and business sectors evident elsewhere in Scotland and continues to rely heavily on Public Sector employment. However that said the tourism sector remains important to the North Ayrshire economy generating an estimated £134 million in tourism revenue from around 1.2 million visitors to the area each year. The sector in North Ayrshire employing over 3,600 fulltime equivalent employees. The aim is now to grow this further.

The geography which is the focus of this commission has a tradition of offering a diverse range of visitor experiences – see map overleaf. Although there has been some decline in certain sectors of the visitor economy it still continues to play a major role. The study area is a ‘destination’ that is a composite of a number of key settlements or sub-destinations with their own assets and challenges, offering differing visitor experiences.

An opportunity has arisen to target additional funding for local investment and in particular the development of the tourism sector in the area. North Ayrshire Council (NAC), in partnership with a number of other key stakeholders, is seeking over the next five years to develop the tourism potential of the North Coast of North Ayrshire. A study (this document) was commissioned to identify a framework to guide future investment and intervention in the area’s tourism economy. Tourism Resources Company (TRC) conducted this work during early 2011.



The outputs of the commission are aimed at:

- Identifying the key tourism issues affecting the North Coast area including the Cumbraes and Ardrossan / Saltcoats;
- Providing a contextual framework for the development of tourism in the area;
- Identifying and assessing options that would meet the objectives of increasing the area's tourism economy; and
- Providing a five-year outline for investment and change in the sector to guide NAC and its partners in pulling together appropriate action plans and sourcing funding packages.

2 CONSULTANCY INPUT

The table below reflects in broad outline the work conducted by TRC over the first few months of 2011. This work involved consultations with key stakeholders within the tourism sector and conducting an appraisal of the current destination tourism offering. TRC's input also included a review of future market opportunities and culminated in a development framework and recommendations for the future of the area's tourism economy.

At this time the outcomes provided are at a strategic level. As can be seen from the report's conclusions a number of additional future strands of work will need to be initiated to inform and help take forward the conclusions of this review.

CONSULTANCY INPUTS	
PHASE I BASELINE / STRATEGIC ISSUES	
Inception / Meetings / Project Management / Baseline Existing Offering	
General Review and Analysis of Other Relevant Documentation / Statistics / Consumer Surveys etc	
Destination Visits Where Needed (Supply of Product / Services Overview), Appraisal of Destination Offerings to Inform Gap / Consultations	
Review of Existing Market Demand Data and Future Market Segmentation Opportunities	
Identify Development Plans / Proposals / Projects Already in Pipeline	
Overview of Market and Product Trends to Help Establish Future Opportunities for Each Sub-Destination	
Review / Consultations Wider Issues Affecting Destination Future (Aspirations of Others) Stakeholder / Other Consultations Where Appropriate Workshops	
PHASE II - FUTURE VISIONING AND POSITIONING	
Initial Consultancy Workshop to Establish Destination Visions and Positioning, Hierarchy and Framework	
Workshop to Discuss Interim Findings and Conclusions re Develop / Confirm with Client and Stakeholders Future Positioning / Visioning. Client and Stakeholder Workshop Session	
PHASE III - UNLOCKING THE POTENTIAL	
Marrying Opportunities to Destination Vision - Identify Development Opportunities [Strategic Direction]. Confirm Development Needs etc	
PHASE IV - MAPPING THE FUTURE	
Draft Report Production (Written Works)	
Draft Report Submission / Client Feedback / Finalisation of Reports / Presentation of Findings / Meeting at Conclusion of Study	

3 SUMMARY OVERVIEW OF THE DESTINATION

3.1 Background

In discussion with the study Steering Group it was agreed that this report would adopt as a premise that the reader had a working knowledge of the North Ayrshire Coast tourism sector. To that end a detailed overview of the offering and current market conditions was not required. However, for the less informed reader the short section below provides a summary overview.

As already highlighted the area has a long history of tourism activity with successes going back to the early beginnings of mass overnight leisure tourism in the UK. These days however are over and the markets for the destination have changed dramatically in the last 30 to 40 years.

When considering the current position it needs to be borne in mind that 'tourism' divides, at its most basic, into three core types of demand. These are:

- Leisure-related overnight tourist demand;
- Business-related overnight tourist demand ; and
- Day visitor demand to a destination.

In each of these sectors changes have been taking place not only in terms of the facilities and tourism assets linked to each sector, but also in the profile and scale of the demand from each.

Some of the key issues affecting the North Ayrshire Coast tourism economy are discussed below.

3.2 Supply of Tourism Assets

As part of the study a brief 'audit' and review of the range and quality of the visitor experience on offer was conducted by the research team. This work was concluded to allow objective analysis of where the destination exhibited key strengths and weaknesses in relation to competitive destinations and the markets that offer opportunities in the future.

Profiled below are some of the main findings which include comment on: the all-important bedstock; and the main visitor attractions. Added to these built facilities are the assets of the natural environment and the activity opportunities these provide viz sailing, walking, cycling, etc.

Accommodation Facilities

TRC conducted a brief update of the historic data to provide an estimate of the current supply of overnight accommodation available in the area for visitors. (The baseline was a fully detailed audit completed in 2005 for Scottish Enterprise and utilising our team's own knowledge updated in part by some research to reflect the current situation – [The non-serviced accommodation which includes self-catering units and caravan and camping is in need of more detailed analysis to provide the current definitive picture]).

In broad terms the table below reflects the current 'scale' of supply of overnight rooms and bedspaces in the study area. Note the dominance of bedspaces in the caravan sector, a situation not dissimilar to other coastal destinations around Scotland. Of note also is the fact that the majority of this supply is neither on the mainland nor strictly within the study area itself being located in the neighbouring 3 Towns geography.

AUDIT OF ACCOMMODATION FACILITIES				
Rooms (Sleepers)				
	3 Towns	North Ayrshire (exc Cumbrae)	Cumbrae	Total
Serviced Accommodation	24 (52)	292 (680)	45 (90)	361 (822)
Non-Serviced Accommodation	13 (28)	124 (263)	113 (268)	250 (559)
Totals	37 (80)	416 (943)	158 (358)	611 (1,381)
Caravan Counts [Rounded]	800 (2,000)	250 (600)	400 (1,000)	1,400 (3,600)

Visitor Attractions

The North Coast area offers a number of important built 'attractors' / attractions that appeal and provide facilities to both overnight tourists and day visitors.

Some of these key assets include those presented below.

(However as already stated in addition to those highlighted there are the 'attractions' of the natural environment that offer opportunities to participate in a wide range of outdoor pursuits. In addition are the visitor experiences offered by the area's towns and settlements eg the 'built environment' and public realm notably that offered by Largs and West Kilbride).

THE MAIN VISITOR ATTRACTIONS IN THE NORTH COASTAL AREA		
Largs	Cumrae	Other
Brisbane Observatory	Cathedral of the Isles	Ardrossan (Clyde) Marina
Clyde Marina	Garrison House	Ayrshire Coastal Pathway
Cumrae Voyages	Sportscotland National Centre	Clyde Muirshiel Regional Park
Inverclyde Sports Centre	University Marine Biological Station Millport (UMBSM)	Fairlie Quay Marina
Kelburn Country Park		Fins Restaurant
Largs Marina		'Peace' Island
Largs Museum		Portencross Castle
Largs Old Kirk / Skelmorlie Aisle		Rowantree Garden Centre
Nardinis Café		Seamill Hydro
Scottish Sailing Institute		West Kilbride Craft Town Initiative
Vikingar Centre		

3.3 Destination Key Strengths and Weaknesses

As part of the study TRC conducted wide-ranging consultations with a broad mix of stakeholders in the local tourism economy. This included interviews with various operators of: attractions; accommodation units; marinas, etc and also elected representatives and officials of NAC and numerous Agencies.

(The findings of these stakeholder interviews are presented in the Appendices as being the 'issues' it is perceived are affecting or curtailing the success of the local tourism sector). Presented below is TRC's assessment of the main strengths and weaknesses the area exhibits in relation to the market opportunities it might seek to unlock in the future.

DESTINATION KEY ATTRIBUTES	
Strengths	Weaknesses
<ul style="list-style-type: none"> - Strong Marine Leisure Sector - Proximity to Central Belt Day Visit Market - Sports Training and Higher Education Institutions - Largs - Nardini's Day Visit Destination - Affluent Population in Retiral - Coastline Environment / Seascapes - Accessible Islands - Golf (Associations) - Transport Links into and from the Area (Rail, Road, Ferry, and Airport) - Hunterston Peninsula (Business Tourism) - Opportunities for Outdoor Activities (Rural Hinterland) - New Developments Underway 	<ul style="list-style-type: none"> - Proximity to Glasgow - 'Tired' Public Realm - Not on any Main / Recognised Tourist Route - Falling Overnight Accommodation Stock - No Major Tourism Icons - Limited Commercial Sector / Curtailing Business Tourism - Fragmentation of Sector - Gaps in Product Offering - Product Offering of Variable Quality - Generally Poor Food and Beverage Offering - Management and Vocational Skills

3.4 **Conclusion**

The review of the destination experience on offer suggests that the North Coast has a number of clear advantages in certain markets in the future, however, offset against these are the 'negatives' or weaknesses that will ultimately, negatively affect the destination's chances of optimising what opportunities there might be in the future.

The issue now is to confirm what market sectors present real growth opportunities for the North Coast in the future and what steps need to be taken re positioning and re-engineering the destination offering to meet their needs and deliver success.

4 FUTURE STRATEGIC MARKET OPPORTUNITIES

4.1 Overview

Current and future markets for the destination fall into two key segments, as discussed previously. These are:

- Overnight Tourism; and
- Day Visitors.

At this time overnight tourism and its economic impact in the area is potentially smaller than that generated by the Day Visitor market. (This cannot be confirmed by official statistics at this time but is anecdotal as the volumes of demand are biased towards day visitors). That said 'per head' spend by overnight tourism visitors generates much greater return to any tourism destination. As a result one of any destination's aspirations is to increase overnight tourism as the 'per head value' to the economy is higher than attracting local / regional markets to make day visits. (The additionality to the local economy is greater therefore attracting more of the overnight sector is one of the key aspirations of this study).

Already, at times of peak demand, some of the area's key day visit attractions / destinations operate at capacity eg Largs. Growth potential therefore lies in expanding the season and appeal outside these periods as well as attracting more overnight demand. The Day Visitor market to the North Coast is already significantly important but it also offers further opportunity in the future. (The location of the Coast within easy travelling distance of major conurbations and other centres of population as well as other overnight tourism destinations whose resident tourists can be attracted / encouraged to make a day visit to North Ayrshire is one which should be capitalised upon).

In addition to day visitors the overnight sector, in particular niches, also offers the location opportunities for growth.

We provide below a brief overview of what sectors of the market TRC believe offer opportunities in the future. The report then goes on to discuss projects / interventions needed if the sustainable economic opportunities and commercial advantage arising from these sectors is to be unlocked.

OVERNIGHT TOURISM SECTORS OFFERING OPPORTUNITY

(Main sectors, albeit other niche markets exist)¹

General Leisure Tourism:

This will include domestic tourists (ie those from the UK) and to a lesser extent overseas tourists ie those from outside the UK. In broad terms this will encapsulate:

- Those visiting as part of a general leisure short break; and
- Those visiting the area to undertake specific activities.

Marine Tourism

- Marina and Sailing-related markets; and
- Markets participating in other marine activities – eg diving and fishing.

Education and Life-Long Learning

- Sports Tourism;
- Education / Research and School Groups; and
- Life-Long Learning Sectors / Leisure Learning.

Visiting Friends and Relatives (VFR)

Business Tourism Sectors

- Non-Discretionary Sectors – (Contractors / those visiting local companies / Government Agencies, etc);
- Discretionary Tourism Sectors (Conferences, Training, Team Building).

DAY VISIT MARKETS

- Scottish Residents from outside Ayrshire;
- Ayrshire Residents;
- Overnight Tourists resident in other areas travelling through or visiting the area on a day trip;
- Education / School Groups, etc.

Sectors will be made up of:

- Individuals / Family Groups;
- Education and other Specialist Groups;
- Tour / Bus Groups.

¹ These are presented as generic segments.

4.2 VisitScotland Segmentation [The Leisure Market]

As indicated future target markets can be 'collectivised' and labelled using various terminologies. For the purpose of this study, in parallel with the above descriptors the consultants have also presented future targets for the destination using segments championed by VisitScotland. These are discussed in more detail in the Appendices to this document. This segmentation analysis is that used to classify the various domestic (non-Scottish) leisure tourism sectors that offer opportunities for Scotland as a whole. In terms of the North Coast of Ayrshire these are potentially similarly relevant as the area has appeal across a very broad range of markets (age group, life stage and spending power).

The Scottish domestic overnight markets also offer opportunities. Understanding, in detail, the products and services these different sectors of the market seek and providing same will help deliver success to the destination. The 'needs' of each of these sectors is highlighted in the Appendices and has been brought together by VisitScotland as a result of extensive research. The needs of each sector, when set against the existing offering in North Ayrshire, allows the 'gaps' in current provision to be identified and confirmed and informs the development framework included in later sections of the report.

The sectors of demand offering potential for the North Coast in the future mirrors those VisitScotland have identified as being key future target markets. (Note: These sectors are those domestic markets from outside Scotland. In addition to these sectors is the domestic market from inside Scotland itself who can be targeted):

Domestic Tourists:

Mature Devotees;
Affluent Active Devotees;
Younger Domestic Explorers; and
Affluent Southern Explorers.

Overseas Tourists

Scotland's core overseas markets as identified by VisitScotland are: USA; Canada; Germany; France; Spain; Italy; Netherlands; and Sweden with emerging markets considered to be: China; India; Russia; Czech Republic; Hungary; and Poland. The traditional European and North American markets are seen as being the most relevant to North Ayrshire and in most cases when in evidence in the area are likely to be day visit tourists who are resident in neighbouring areas eg Glasgow or the wider region. Overseas tourists will be attracted by wider Ayrshire marine and golf credentials in the main.

4.3 Emerging Market Trends

4.3.1 Introduction

The preceding overview provides a broad insight into the profile of the sectors that offer the North Coast opportunities in the future and potentially will form the core of its future target markets. How each sector is segmented and labelled becomes the topic of future debate that will inform the marketing and promotion of the destination.

At this time the critical aspect is to understand the broader needs and aspirations of each sector as it is these needs re physical product and services that the North Coast will need to provide if it is to be successful in penetrating these markets further. The aim will be to draw new demand into the area and at the same time maintain current market share in an increasingly competitive marketplace. These issues see the need for the current offering to be viewed in light of what the target markets will demand in future. If success and growth in the economy is to be achieved then there must be a marrying of the markets' needs and the 'destination offering'. This sees it a strategic requirement that gaps and shortfalls in the offering are addressed.

This approach, in seeking to balance need and offering, has informed the conclusions of this study ie the development framework evolved for the North Coast. The resulting market-informed destination development strategy attached, providing guidance to NAC and others in the sector as to how the destination experience needs to evolve if the market is to grow.

It is understanding and being able to predict what these markets will want both now and in the future and deliver same that will see the destination achieve success. When it comes to development and re-engineering / repositioning a destination it becomes of paramount importance therefore to understand what are the trends taking place not solely in the profile and scale of the demand side of the equation but also in the product development side of the equation.

Trends and changes in demand alongside new products are coming to the fore across Scotland and for that matter the World and these are affecting consumer behaviour and the levels of success achieved by host destinations. The more enlightened and successful locations are those that evolve to meet needs – this is a lesson that the North Coast needs to emulate. The attached development framework and recommendations evolved by TRC are those that it is considered are necessary to achieve progress.

Emerging Global Trends – Demand

- Growth in tourism worldwide is anticipated to increase in the long term – volume increases;
- Emerging markets and new sources of demand are becoming evident vs emerging and new competitive destinations for markets, current and new;
- Eco-consciousness on the increase amongst consumers both in terms of the environment as an ‘attractor’ but also the consumers’ environmental / carbon footprint;
- Terrorism / added security affecting choice / feeling of wellbeing and travel patterns;
- Brand overload / confusion, too many choices / similarity in offering – a call for differentiation;
- Market congestion, escape from the crowd and homogeneous destinations / differentiation is now on the agenda;
- Technological changes affecting consumer information sources / marketing and promotion, consumer behaviour and buying patterns;
- Information overload / influencers on decision making growing / social networking and recommendations;
- In the shorter term the world economy and exchange rate fluctuations have led to growth in domestic tourism or ‘staycations’ – rediscovering the home product / experiences.

Demographic and Lifestyle Trends

- UK population shift:
 - (2005 – 16% over 65);
 - (2020 – 31% over 65).
- World population majority currently under 30 years of age;
- The rise of ‘singles’ – spending power;
- Family values – ‘togetherness’ / change in family structures, effects of divorce / remarriage and the make up of family groupings and holiday taking patterns affecting ‘experiences’ being sought and product offerings;
- Tribing, large groups of friends / family coming together;
- Appeal of self-catering on the increase;
- Ethical consumers – green issues;
- ‘Peter Pan’-ism – eternal youth, older being more adventurous and active longer than previous generations with added spending powers;
- Obesity / lifestyle management – increase awareness and interest in health and wellbeing, impacting on purchases;
- Increasing sophistication – quality expectations;
- Demand for authenticity, ‘real’ experiences not ‘pastiche’;
- ‘Word of mouth’ recommendations, ‘organic’ marketing / promotion, strength of the web / blog;
- Growing connoisseurship – depth of interest / interaction with ‘specifics’ of the destination experience as an ‘activity, culture, cuisine and countryside’;
- Conscientious consumerism – giving back and being socially and environmentally aware influencing consumption;
- Mercurial consumption – wide-ranging influences with IT and social media impacting decision-making and swaying purchase choice in consumer short interest timeframes;
- Quest for life-long learning experiences / skills.

Emerging Trends – Products

General ‘Product’ / Experience Trends

(New products both leading / creating demand and evolving to meet consumer trends)

- Accommodation / Lodging requirements:
 - Eclectic design – ‘personalised’ hotels – boutique hotels;
 - Spiritual retreats, lifestyle spas, eco-products;
 - Timeshare segmentation, increased flexibility;
 - Integrated resort products selling wider area;

- Fractional ownership emerging in Europe;
 - Coaching hotels – independent car-borne market;
 - Vacation holiday homes / static caravan demand;
 - The continued rise of supply and appeal of Aparthotels (mix of serviced and self-catering components).
- Other:
 - Focus on ‘things to do’, not just ‘things to buy’;
 - Homogeneous retail – reactive against – seeking individual alternatives;
 - Growth in new ‘fringe’ activities / sports (for example specialist cycling products moving to mainstream and other new extreme sports forms growing in appeal and prominence);
 - Growing sophistication of the business tourism sector and the ‘connectivity’ it needs via broadband, wi-fi, etc.

4.4 Conclusion

A review of the destination’s strengths and weaknesses alongside the market sectors that offer opportunities points to a need for certain developments to take place if the destination experience on offer is to be sufficiently attractive to allow the North Coast to maintain its current market share and indeed grow its future share.

The following sections provide a framework for growth of the local tourism sector going forward.

It must be reiterated that potentially opportunities in the future do not solely revolve around pure ‘leisure tourism’ sectors. It can be seen that business-related, education and sports training based tourism is an extremely important subset of demand for the area and one which offers further opportunities in the future.

5 DESTINATION POSITIONING AND DEVELOPMENT FRAMEWORK

5.1 Introduction

As discussed in some depth earlier, the development of the destination needs to follow a 'plan' that has as its chief goal meeting and delivering the needs of target markets. The market opportunities in turn informing the 'packaging and positioning' of the destination ie in future how and where in the marketplace does the destination see itself – where do its strategic advantages lie and how best can these be brought to the fore, built on and capitalised upon. This calls for a vision or strategic positioning decisions to be made. These, in turn, will inform development and help the destination create its own place in the market by 'differentiating' itself and playing to its strengths. In turn this will help it overtake the competition and increase its appeal. This achieved through a combination of targeted marketing / promotion and product development.

The area has several key strengths and attributes with already a strong position in a number of markets / sectors – notably the marine / sailing sector and sports education to name but two.

Presented in the remainder of the report are the recommendations for the future emanating from the destination review.

5.2 Strategic Framework

5.2.1 Key Aims and Goals

Presented below is the framework it is believed will help guide future development of the tourism sector in the North Coast of Ayrshire.

The consultants have not suggested any 'vision' statement for the destination but see the study as providing a plan for a more vibrant tourism economy locally. The key aims being:

- Increase the Volume and Value of Tourism in the Local Economy;
- Create Employment; and
- Ensure Sustainability of the Tourism Sector.

This to be achieved by:

- Building on market opportunities;
- Extending the season and appeal over a longer timeframe;
- Expanding spending opportunities.

In order to achieve these goals a range of changes, development and interventions will potentially be needed. This document explores these at a strategic level setting the scene for stakeholders going forward, highlighting the next moves to be taken in delivering 'step change' in the area's tourism economy.

5.3 Strategic Opportunities – Positioning and Priorities

The first step is agreement on 'market positioning'. This involves agreeing the key sectors of growth and the priorities / changes needed to achieve pre-eminence. The North Coast needs to attain a reputation for meeting and exceeding the market's expectations leading to growing demand.

5.3.1 Key Sectors / Strategic Positioning

An analysis of the current offering and sectors of opportunity suggest that, in the future, key sectors of demand and markets in which the North Coast should strategically position itself include those of:

1. Activity-based Leisure Tourism;
2. Specialist Education, Training and Research; and
3. The Traditional Day Visitor Sector (Passive and Active Sectors).

The review of current success and opportunities point to these three key areas where the destination can seek to influence demand in future by re-engineering the product / destination experience and offering to improve market share. These positions are discussed briefly below.

The conclusion is that the North Coast should follow a path that sees it position itself strongly as a destination that offers the market superior opportunities for Activity-based leisure tourism as well as providing a focus and reputation as a specialist destination in the education and training markets. Allied to these will be the destination's ongoing credentials and appeal to traditional day visitors from neighbouring conurbations seeking both active and passive experiences on the coast, in the towns and settlements and the rural hinterland of the North Coast.

1. Activity-Based Leisure Tourism

The area as already discussed has key credentials that can be built on and further value extracted. These include the strong sailing and marine product on offer which already has high awareness in the marketplace. Added to these are the opportunities to unlock more from diving and other marine assets and emerging sports. Added to the 'marine' offering are the general rural outdoor assets of Clyde Muirshiel Regional Park and other parts of the area that can be developed and their profiles raised viz walking, cycling, etc. The area also has a wealth of specialist sports training facilities that can potentially expand their offering and appeal (see below).

2. Specialist Education, Training and Research

The North Coast / Cumbrae Island already has a cluster of significant specialist training and education establishments that are high profile and are providing significant benefits to the local tourism economy. These centres potentially have the opportunity to expand and to spawn development / encourage others to locate to the area. The existing centres themselves can also encourage new demand to the area. There are also symbiotic relationships that could be developed between those centres currently operating in the area and new proposals for research still at the embryonic stage eg renewables research, etc.

This education / training focus a position that can be built upon with the correct form of encouragement and development. The sector offers significant levels of overnight accommodation and training opportunities that could be developed and opened up to new markets, expanding the wider destination appeal.

3. The Traditional Day Visitor Sector

For many years now the North Coast (including Cumbrae) has been a traditional 'coastal' day out for Ayrshire residents and those from surrounding towns and the Central Belt conurbation. This attraction built on the coastal environment / seascapes and principally the Town of Largs with its traditional seaside resort appeal for all age groups.

It is envisaged the area's role as a 'host' for day visitors is one it will continue to play into the foreseeable future. However at certain times the destination's ability to expand and grow its contribution to the local economy is constrained. At times visitor pressure can outstrip the destination's ability to accommodate the demands placed on it – witness Largs on a sunny day when the pressure on car parks, etc sees the Town reach capacity and demand is displaced. There are also issues in these times of economic pressure that whilst numbers are holding up expenditure patterns and financial benefits to the host are in danger of falling. For the future what is needed is for a new 'model' of day visit offering to evolve. One that: extends the season; provides new reasons for visits; and offers new experiences is required. The area has the ability to present and position itself as more than a 'one trick pony' ie there is indeed more for day visitors to achieve in the area than solely visit the town of Largs – albeit this will always be a key driver of day visit tourism. Other opportunities including activities and sports on the water and in the rural hinterland of Clyde Muirshiel. The evolving retail offer of West Kilbride's Craft Town are also opportunities for repositioning and driving growth, as are encouraging new use of routes through the area.

5.4 Unlocking Economic Benefit

Using positioning and targeting key markets as a method of unlocking additional economic benefit suggests the framework for the destination's future needs to evolve to encompass a number of initiatives aimed at supporting the positioning strategy. The product / destination offering must evolve to coalesce and have a close fit with the markets' needs. The framework prioritises a closer marrying of product to markets.

The consultants have reviewed the opportunities and the target markets for the future and have prepared a preliminary set of recommendations for change to the destination's tourism offering that will help drive growth in the future.

These recommendations are presented in the remaining sections of this report and have been arranged under a number of themes.

6 DEVELOPMENT FRAMEWORK / ACTION PLAN

6.1 Introduction

Below are highlighted the consultancy team's main recommendations for development of the North Coast tourism sector. These are presented as a framework of activities or issues that need to be addressed. In certain instances the recommendations themselves call for further work or analysis around particular issues or sections of the tourism economy. In essence the framework can act as an Action Plan for the tourism sector.

6.2 Key Themes

The review of the area and the recommendations for change are presented under a number of key themes. These include:

- Product and Services Development
- Business and Skills Development
- Destination Management

These factors capture tourism facilities and infrastructure, management and customer skills and communication across and outside the destination.

6.3 Framework Recommendations / Action Plan

Presented in the tables overleaf are a series of actions aimed at helping the North Coast move forward positively.

DEVELOPMENT FRAMEWORK – STRATEGIC ACTIONS		
Action / Target	Timeframe	Notes
DESTINATION MANAGEMENT		
Formation of a Forum / Leadership Group to provide focus to the North Coast tourism sector.	ASAP / Short timeframe.	Invite to a facilitated workshop representatives from across the whole tourism sector / all those with a vested interest (public and private bodies) to discuss if there is an appetite to evolve a model for Destination Development / Management. A Forum simply for discussion of issues or Partnership / Leadership body to take forward, in a more formal manner, the tourism sector in the North Ayrshire Coast.
Creation / Adoption of a Destination Development Plan.	Short term completion.	<p>If a Leadership Forum is created it may wish to adopt wholesale or review this document and take it on as a Destination Development Plan. In turn the document can have more detail added acting as a plan for the whole sector. (Resultant Plan to highlight in detail actions / timeframes allocating roles and responsibilities and champions).</p> <p>Destination Development Plan based on, and informing, community development plans. (Detailed product development proposals can be highlighted. This would encapsulate recommendations for new accommodation models, etc).</p>
Monitoring future change / performance measurement and reporting.	Medium Term / Ongoing.	Explore opportunity to create a framework to monitor change in the tourism sector locally / regionally. Put in place local intelligence gathering model to collate trading and performance data across various products. Track performance and disseminate findings across the sector to help inform investment / management decisions / attract inward investment eg in accommodation operations room and bed occupancy / sources of demand re business / leisure tourism; footfall at attractions, etc.
Create and execute a programme of consumer research.	Short / Medium Term.	External, primary market research to establish market awareness and views of the destination. (Also confirm what the market sees as the geography of the destination). Feed findings into creation of any destination 'identity' and communication / marketing messages or plans to confirm same and raise awareness – A Destination Marketing Strategy might evolve in future (See recommendations above re creation of local tourism forum. Research may also highlight opportunities to create new 'packages' and virtual product development around key positioning vehicles).

DEVELOPMENT FRAMEWORK – STRATEGIC ACTIONS		
Action / Target	Timeframe	Notes
PRODUCT AND SERVICES DEVELOPMENT		
If considered appropriate, create a detailed Product and Services Development Plan. (Highlighting physical development opportunities / needs across geography of the destination).	ASAP.	Build on the work of this first phase. Marry future market opportunities to destination offering to ensure each locale / settlement evolves physical product / services that will help it retain and build new market share. (See opportunities for new accommodation, enhanced attractions and activities etc). The Plan to evolve under a spatial dimension identifying locations for particular investment. [See recommendations below for key components of the product offering that should ultimately be pulled together into an integrated plan if considered appropriate. See inclusion of development recommendations for accommodation; activities; retail, etc].
Confirm an integrated Calendar of Events and consider development of new events particularly out of the main season.	Medium Timeframes.	Use events as a key component of any promotion of the area to help raise awareness and confirm identity and position. At the same time events used as a vehicle to extend the season and create appeal and new demand.
Ensure basic visitor infrastructure services are in line with expectations.	Ongoing.	For example toilets are a basic start. See also visitor services / information provision. Seek innovative methods of delivering such services in a cost effective manner. (Identify if a role exists for further sustainable community involvement in provision of such services in other settlements).
Create an Audit of existing accommodation and Development Strategy for the sector.	ASAP.	Opportunities and gaps exist in the current portfolio of overnight accommodation offering. A plan is needed that confirms current supply and provides a market rationale for new development with, if appropriate, potential development sites / opportunities identified. An accommodation / lodging sector prospectus could help attract inward investment in new product locally. See Investment Plan overleaf.

DEVELOPMENT FRAMEWORK – STRATEGIC ACTIONS		
Action / Target	Timeframe	Notes
PRODUCT AND SERVICES DEVELOPMENT (Cont)		
Accommodation Investment Plan / Prospectus.	ASAP.	<p>(See above). There are currently gaps and potential development opportunities that could unlock economic advantage for the area eg extension and development of the existing Specialist Education, Training and Research focus offers one of the main opportunities. This will provide opportunities in overnight and day markets. (See Sportscotland National Centre, UMBSM, etc). Potentially, as other 'Centres of Excellence' or research emerge, eg Hunterston, then residential training / management / conference and meeting centre facilities could be encouraged to come to market enhancing the Business Tourism sector. In parallel, such facilities can provide services to extend the life-long learning market also providing opportunities in overnight leisure tourism. The area also currently has a shortfall in the range of general accommodation offering.</p> <p>Opportunities for 'destination' operations potentially exist viz specialist serviced products, self-catering clusters / niche resort products in and around Largs. The ability to target overnight residential / vacation home owners (lodges, caravans etc is also possible). Development of boutique / destination hotels and general bedstock should also be addressed given wider market trends and potential commercial development plans for Hunterston. (If these plans proceed there will be a need for bedstock during development and operational phases and in turn this benefits the overnight business tourism sector, both discretionary and non-discretionary). A spatial plan, and external promotion of actual 'sites' for development that could be identified by further research acting as a 'prospectus' to encourage investment in the lodging sector in North Ayrshire. This plan, if backed up with preliminary appraisal of development opportunities, could help attract new investors / operators.</p>
Investment Proposals for the Marine / Activities Sector.	ASAP / Short Term.	<p>In the marine sector, a recent national study by TRC (2010) into the sailing market² identified potential growth and further opportunities exist within the sector. (More recent research in 2011 suggests that even in the current climate this sector is holding its own). The ongoing development of marina facilities and land-based support facilities offers opportunities for the area and the existing marina / support sites and those proposed at Fairlie / Ardrossan could be progressed. See also land based waterfront development at Ardrossan which includes tourism accommodation elements / new hotel as per above. Other land / water-based 'activities' and the opportunities to offer new facilities should be explored further to identify viable projects.</p>

² <http://www.tourism-resources.co.uk/News/LatestNews.aspx>

DEVELOPMENT FRAMEWORK – STRATEGIC ACTIONS		
Action / Target	Timeframe	Notes
PRODUCT AND SERVICES DEVELOPMENT (Cont)		
Investment in the built environment and visitor infrastructure / public realm.	Ongoing.	In both the day visit market and overnight tourism sectors, a range of environmental and wider commercial changes will also add to the destination appeal. Improvements to the retail / urban offering and public realm in Largs and West Kilbride in the main (each destination an attractor for day visits). Largs – see proposed Business Improvement District and build on West Kilbride's Craft Tourism Initiative including projects in the pipeline eg progress Barony. Consider also more linking and packaging of the two settlements as a combined day out eg a North Ayrshire Trail, etc. [Encourage visitors to make circular routes through the area, for example entering Largs from Glasgow via Inverclyde or Haylie Brae and leave area to return via West Kilbride / Dalry].
Prepare plan for 'Activities sector'. Unlock further potential of rural hinterland / Clyde Muirshiel and the natural coastal environment.	Ongoing.	Assess and prepare plan that highlights where real sustainable opportunities exist to create 'access to' and new activities provision. Development opportunities may exist around top of Haylie Brae to provide new focus particularly for the day visit market – see links with fishing loch and viewing area / potential Clyde Muirshiel outpost – consider opportunities for interpretation / commercial concessions also focus for activity opportunities. Also assess new expansion opportunities for activities using the natural environment linked to existing operators eg, Go Ape / adult team building etc (linked to existing training centres / operators). Bird-watching at Hunterston, potential bird hides, etc.
Built 'Standalone' Visitor Attractions.	Ongoing.	<p>At this time it is not foreseen that there is an immediate opportunity, market or financial rationale for creation of any major, new, standalone visitor attractions per se. In the current climate realistic funding and investment routes do not exist and therefore deliverability is not realistic and sustainability / ongoing reinvestment difficult to achieve.</p> <p>There are however, opportunities to expand and build on facilities that are currently operating in the area improving standards, etc to expand appeal and economic contribution – these should be actioned initially.</p> <p>Other opportunities may exist to create destination 'retail' as attractions eg garden centres, etc. Each and any proposals need to be considered on their own merits.</p>

DEVELOPMENT FRAMEWORK – STRATEGIC ACTIONS		
Action / Target	Timeframe	Notes
BUSINESS AND SKILLS DEVELOPMENT		
See Destination Plan – create and link in a Business Skills Plan.	ASAP	If appropriate, a comprehensive plan for improving skills across the sector and up-skilling others currently not employed by the sector to meet the requirements of the many stakeholders – at vocational, management and leadership levels should evolve. Revisit any existing strategy / plan and assess in detail any current gaps / market needs and identify solutions.
Vocational Skills (as a key component of above).	Short Term.	Revisit existing programmes / plans and update in light of new market focus and resources available for training. See service skills; customer care; and vocational skills elements. (Assess in parallel if specialisms are a constraining eg marina operations / services as well as specialist training / sports, etc).
A Plan for Business Management Skills.	Short / Medium Term.	Drive improvements in business best practice – operational and financial management; understanding investment appraisal eg how to unlock opportunities, etc. See links to proposed monitoring and evaluation framework recommendations under leadership re measuring and monitoring performance, etc.

7 CONCLUSION

The consultancy remit was to review the tourism destination experience on offer within the North Coast area of Ayrshire and identify opportunities for growth. The study team have reviewed what is currently on offer, and set this alongside emerging market and product trends and the future market opportunities available to the destination in a bid to identify where there is a need for change if potential is to be unlocked.

The conclusion reached by this preliminary review is that the North Coast has some strong cards to play and already has pre-eminence in certain tourist markets that can be built on and used to attract new markets. These strengths lie in the education, sports and training sector, allied in certain instances to the area's strong marine tourism credentials and opportunities for activities. These factors when combined with the appeal of the main built settlements / coastal environment amongst day visitors suggests further opportunities for growth at different levels do exist. However the scale of opportunity needs to be appraised and the investment needed to unlock growth considered against the benefits it will deliver.

The geography under study is small in terms of the region's wider offering and it needs to be borne in mind that the boundaries are indeed porous. Facilities and services in neighbouring settlements and areas all have a part to play in linking with those of the North Coast to provide services and facilities to visitors. For example the current overnight accommodation offering in the study area is limited but in the surrounding areas there is a degree of supporting infrastructure. This affects the potential viability and opportunity for future lodging development as the spheres of influence can often be larger than the immediate study area ie this calls for a review of the development opportunities identified to be considered against the wider area as well as the harsh light of commercial viability in today's market.

In the final analysis at this early stage the consultants are of the opinion that there are a number of key developments and projects that should be considered over the next three to five years. Even if these cannot be realise within the timeframe due to the shortage of commercial investment funds or public sector finance then they should at least be appraised / progressed to a point where, when the time is right they can be moved forward and implemented.

These key areas of physical development include:

- Improving the portfolio of overnight accommodation / lodging products available to the visitor (including self-catering; niche resorts; boutique serviced properties);
- Building on the area's education / research and sports training credentials (expanding existing operations);
- Expanding the activities provision / facilities eg Clyde Muirshiel, walking, cycling, etc;
- Building on the area's marine credentials / markets viz marinas and other watersports;
- Improving the built environment and attraction of the main settlements re retail mix and public realm – notably Largs and West Kilbride's craft focus.

Other key areas for consideration include the area's 'events' portfolio. The ability to use events to raise profile at the same time expand appeal outside the main periods of demand, an important tool. In certain instances demand for the destination can outstrip its ability to comfortably host visitors eg day trippers to Largs, etc. This calls for the need to encourage a spreading / dispersal of demand across the timeframe and the wider geography. In parallel there may be the potential for exploitation of new 'routes' / trails through the area to encourage visits to settlements other than just Largs – see West Kilbride and Ardrossan waterfront, etc. In addition to the physical proposals highlighted is the need for the area to evolve some kind of forum or 'focus' around which the tourism / visitor economy can congregate. Some form of vehicle to provide a focus for stakeholders or indeed champion or lead destination management, should be considered.

Allied to the physical and leadership issues are the perennial issues surrounding skills within the sector. These need to be maintained at optimum levels so that opportunities can be maximised. This sees the need to ensure vocational and management skills of the correct type are inculcated with the sectors management and workforce. The ability to deliver service and manage key to unlocking added value.

In parallel with good individual business management is informed management / investment within the wider tourism sector. At present the level of market intelligence available at a local level is severely limited.

Future monitoring of change / business demand levels and profile, if collated, and shared amongst all those active in the sector will help inform strategy, individual business operations and investment. In parallel it may also encourage others to invest in the sector in the certain knowledge that there is an understanding of the dynamics of the local tourism economy. Monitoring and spreading the word about positive changes achieved also helping win a following and active participation by a broader spectrum of those active stakeholders in the visitor economy – strength in numbers. These factors themselves helping bring the business community and residents together to create new opportunities and provide focus to marketing / promotion of the wider destination – with all buying into a single vision for the future.

This report provides a summary overview of the destination, development framework and a range of recommendations / actions or priorities for the sector. These need to be taken forward if opportunities for consolidation and growth are to be unlocked.

APPENDIX I

STAKEHOLDER FEEDBACK

ISSUES IDENTIFIED FROM CONSULTATIONS WITH KEY STAKEHOLDERS
(Presented in no Particular Order)



- Quality and consistency;
- Lack of food and beverage, entertainment and things to do;
- Lack of accommodation especially hotels / self-catering / caravan and camping;
- Access from Central Belt;
- Holidaying patterns have changed / Nostalgia destination;
- Area burdened with industrial image;
- Small fragmented business profile in sector;
- Has lacked joined up thinking and promotion;
- 3 Councils, 1 tourism strategy, lack of a champion;
- North Ayrshire Council needs to see tourism as more of an asset;
- Strong marina product;
- VS sells Arran not whole area;
- Unemployment but an affluent area;
- Lack of parking in Largs;
- Town centres tired;
- Seasonality an issue;
- West Kilbride – positive asset;
- Some operator apathy in area;
- Hinterland underutilised;
- Training and skills issues;
- Lack of knowledge of what is in the area – activities / accommodation;
- Opportunities – marine / marina / events / wildlife / adventure activities / day visitor packaging;
- Proportion of vacant / charity shops in town centres.

APPENDIX II

VISITSCOTLAND SEGMENTATION

VISITSCOTLAND SEGMENTATION

Mature Devotees

Mature Devotees are mid and lower affluence, older couples from the North of England and Scotland, who are particularly committed to holidaying in Scotland, spending the most nights here of all the segments. They are a little below average for spend on holidays in general, but Scotland takes a disproportionate share of their spend. When they go away, they tend to take longer breaks, often touring in their own car, sometimes with a caravan, or arranging accommodation directly in a B&B or small hotel, quite possibly somewhere they already know, as they like to revisit special places. They think of Scotland as an affordable destination, and are no doubt good at seeking out offers. The internet has passed them by.

Profile

- 1.9 million households in UK;
- Northern based – 80% Yorkshire and above;
- Low affluence;
- Oldest segment (average age 50);
- High percentage retired;
- Traditional in outlook;
- Church goers;
- Likely to buy British;
- Not users of technology / internet.

Holiday Behaviour

- Scotland high share of spend;
- 81% visited Scotland in last year;
- Guest houses / B&Bs / small hotels (3*);
- Will seek out offers;
- Like to explore local area;
- Like to tour and watch wildlife (by car).

Affluent Active Devotees

Affluent Active Devotees enjoy living life to the full, taking plenty of short breaks and occasional longer holidays. They are well-travelled experience-seekers. They will revisit special places, but also try new destinations, and they make sure they mark special occasions. Whilst they like to plan where they go, they are also quite spontaneous, and will often book accommodation close to time of travel, reflecting their confidence and knowledge. Some of them use the internet actively, for convenience, booking accommodation online, whilst others are less internet-savvy. Scotland is a close destination for them, and one they love. They are the highest spenders of all on Scottish holidays. This is because they participate in activities, including golf and other sports, but also because they treat themselves to the finer things in life: preferring to stay in hotels, and enjoying good food and drink.

Profile

- 1.4 million households in UK;
- Northern based – 80%; 48% Scottish;
- High affluence;
- Second oldest segment (average age 50);
- Upmarket and traditional;
- Financially savvy;
- Enjoy finer things in life;
- Eat in good restaurants;
- Medium internet use.

Holiday Behaviour

- Second highest total holiday spend;
- UK neutral, Scotland loyal;
- Scotland high share of spend;
- 85% visited Scotland in last year;
- Stay in hotels (quality – boutique);
- Enjoy good food and drink;
- Enjoy active pursuits on holiday;
- Like to plan where to go but will also book last minute.

Younger Domestic Explorers

Younger Domestic Explorers are very strong advocates of holidays in their own country. They believe that breaks in England and Scotland enable them to get away at short notice, offer good value for money, and offer plenty to see and do. They also believe there is always more of the UK to discover and explore.

There are two sub-segments in this group – couples / singles and families. The families group, which make up 36%, will have school age children and will have limited disposable income. They love breaks in their own country and will prefer to stay in self-catering accommodation due to the freedom that it provides them. They love to tour, watch wildlife but also enjoy cultural and educational activities such as visiting museums. For the singles / couples segment, as they are just starting out on their career and enjoying life to the full, they also have limited disposable income to spend on holidays. Breaks in the UK are therefore well suited to this group – they will also stay in self-catering, hotels and bed & breakfasts whilst on a break to Scotland. This group are more likely to research their roots, as well as touring, visiting museums and watching wildlife.

Profile

- 2 million households in UK;
- Northern based – 70% Yorkshire and above;
- Low affluence;
- Second youngest segment (25-45);
- 36% have children (school age);
- Families or young professionals;
- Convenience important (busy lives);
- High internet users (online purchasing and booking).

Holiday Behaviour

- Strong advocates of holidaying in own country;
- 81% visited Scotland in last two years;
- Like to plan where to go on holidays (but can be spontaneous!);
- Like to be active on holiday;
- Like to go somewhere different every holiday and broaden minds.

Affluent Southern Explorers

Affluent Southern Explorers spend the most nights away on holiday. Whilst they are affluent high achievers, they are not overly materialistic, and prefer simpler, local accommodation such as B&Bs and self-catering. They tend to take longer breaks, both in the UK and abroad, and are particularly seeking to broaden their mind and to mix with the locals – they like to engage with, and understand, the culture of places they visit. They enjoy discovering new places as well as returning to familiar places, and are always open to suggestions from articles in newspapers and from reading guide books.

Profile

- 2.3 million households in UK;
- Southern based (39% London);
- Most affluent segment;
- Fourth oldest segment (average age 49);
- Professionals;
- Financially savvy;
- Enjoy finer things in life;
- Have a relationship with Scotland (through university, friends / family).

Holiday Behaviour

- High usage of B&Bs and self-catering;
- 84% visited Scotland in last two years;
- Take long breaks;
- Like to broaden mind on holiday;
- Holidays off the beaten track;
- Like outdoor activities / golf.

Northern Sometimers (Not warm markets for Scotland)

Northern Sometimers are mid affluence, mid-aged couples from Northern England, Scotland and Northern Ireland (some (32%) have older children aged 12-17). They prefer to travel abroad for holidays whenever they can afford to, as they believe the UK does not offer good value for money. They also believe that it is easier to plan a holiday abroad than stay in the UK. They are slightly warmer towards Scotland than the rest of the UK and are the warmest of the cold segments. They may consider Scotland for a city break (the type of break they prefer in the UK) so they can go shopping, stay in a good value hotel and perhaps take in a show or theatre performance. They like to have fun on their short city break, so eating and drinking will play a large part of this. As well as visiting cities, they will also take breaks in the UK to see friends and family.

Profile

- 1.7 m households in UK
- Northern based – 80% Yorkshire & above;
- Mid affluence
- Average age 45 (but 49% under 45)
- 32% have older children (12-17)
- Prudent with finances
- Image conscious group – keep fit/gyms important
- Also early adopters of new technology
- High internet usage

Holiday Behaviour

- 2nd highest segment for going abroad
- Like to eat/drink/lie in the sun (highest segment)
- UK negative but Scotland warmer
- Like visiting cities in UK
- Stay in hotels (not families)
- Like shopping, eating & drinking
- Like having fun on holidays/short breaks
- Like to visit friends/relatives in the UK

Southern Travel Junkies (Not warm markets for Scotland)

Southern Travel Junkies are affluent professionals across all ages. Their holidays are an important part of their lifestyle, in fact you could say they help to define them as people. They like to take a main holiday plus several short breaks a year, mainly abroad. Whilst some have children, this is not obviously reflected in their travel behaviour. They are adventurous, and like to go to new and different destinations, including fashionable places and vibrant cities. No doubt they tick places off a list. They tend to hop on a plane, and living in the South they have a wide choice of destinations on their doorstep. They will be influenced by good deals – and probably react quite spontaneously to offers. They use the internet actively to plan and research their trips. If they do take a break in the UK, it is likely to be to a city, to enjoy some shopping and good food and drink, or to visit friends and relatives, when they tend to find their own accommodation rather than stay. They have little relationship with Scotland, yet recognise there is much to discover and explore here – at some point in the future. They believe Scotland is difficult to get to, and, like the rest of the UK, is not particularly good value for money compared with destinations abroad.

Profile

- 2.2 million households in UK
- Southern based (37% London)
- 2nd most affluent segment
- 3rd youngest segment (average age 45)
- Professionals
- Financially savvy
- Status brands
- Technology adopters

Holiday Behaviour

- Highest total holiday spend
- 2/3rds of holidays abroad
- UK & Scotland negative (but will visit friends & family)
- Like city breaks (shopping)
- Enjoy good food & drink
- Stay in hotels (also hostels – to be different)
- Like to go somewhere different every holiday
- Like fashionable places
- Fly anywhere if good deal

NORTH AYRSHIRE COUNCIL

Agenda Item 7

21 August 2012

Cabinet

Subject: **Improvements to the Slipway at Arran Outdoor Education Centre**

Purpose: To seek approval for additional capital funding to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre.

Recommendation: It is recommended that the Cabinet agree to provide an additional £48,367 of capital funding in 2012/13 to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre.

1. Introduction

- 1.1 The Arran Outdoor Education Centre (AOEC) opened in January 2008 and is providing a wide range of excellent outdoor activities for all age groups.
- 1.2 The slipway was constructed as part of the AOEC works to provide access to the water for a range of craft. The slipway has now been in use for over four years, however it cannot be used in all tide conditions.
- 1.3 Immediately following construction and once in use approximately 10% of the slipway surface, was considered to be too smooth. The contractor (Barr Construction) subsequently undertook remedial work in accordance with the contract specification to roughen sections of the surface but a short section near the bottom of the ramp remains with inconsistent surface texture.
- 1.4 At very low tides the end section of the slipway can be seen and some erosion is evident resulting in a step before the sea bed. In addition, the tops of a small number of temporary steel sheet piles used during the construction are now slightly visible above the sea bed due to sand movement. This could pose a potential occasional hazard to craft and users at such times.
- 1.5 In addition, severe storms in the past two years have damaged the rock armour protection at the top of the slipway and ongoing erosion is now evident.

2. Current Position

- 2.1 There is presently £45,614 in the 2012/13 capital programme to address the required immediate/short-term repairs to the slipway.
- 2.2 Wallace Stone, Chartered Marine Civil Engineers have been commissioned to provide a detailed report on the condition of the slipway. The report recommends carrying out repair and improvement works to remove potential hazards at areas exposed at low tide and ensure the medium to long term sustainability of the slipway (i.e. up to 50 years) by protecting against further erosion.
- 2.3 The report has identified works required totalling £93,981, i.e. £48,367 more than the current agreed budget.
- 2.4 The Officer Capital Programme and Assets Group (CPAG) considered this matter at its meeting on 26 July 2012 and agreed to recommend to Cabinet that the additional capital funding required to ensure the medium to long term sustainability of the slipway be made available.

3. Proposals

- 3.1 The Cabinet is invited to agree to provide an additional £48,367 of capital funding in 2012/13 to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre.
- 3.2 The following work will be undertaken:
 - Retexture the reinforced concrete slipway by providing a ribbed surface on the lower section of the slipway;
 - Repair the mass concrete end ramp by cutting away the raised edges and metal protrusions and extending the end of the ramp to meet the seabed;
 - Repair and enhance the rock armoured slopes to protect the slipway head against future storm damage and erosion.
- 3.3 The works will be timed to coincide with the most appropriate local tides and suitable weather conditions. The timing of the work will be very weather and tide dependent and contractor's method statements will ensure that the works are carried out in the most efficient manner.
- 3.4 The completion of this project will address the risks associated with the condition of the existing slipway, rock armour slopes and mass concrete end ramp.
- 3.5 This will ensure the long term sustainability of the existing slipway and coastline.

4. Implications

Financial Implications

- 4.1 Additional capital funding of £48,367 is required to ensure the long term sustainability of the slipway and to address the effects of recent erosion. This can be met from uncommitted resources within the 2012/13 General Services Capital Programme.

Human Resource Implications

- 4.2 There are no Human Resource implications.

Legal Implications

- 4.3 Investment in the slipway will reduce the risk of personal injury to users and potential damage to craft at low tide periods.

Equality Implications

- 4.4 There are no equality implications.

Environmental Implications

- 4.5 There are no direct environmental implications. However the works will prevent further coastal erosion and prolong the life of the structure and the adjacent coastline.

Implications for Key Priorities

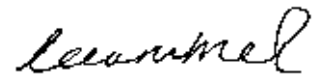
- 4.6
- | | |
|----|---|
| 10 | We live in well-designed, sustainable places where we are able to access the amenities and services we need; |
| 12 | We value and enjoy our built and natural environment and protect and enhance it for future generations; |
| 15 | Our Public Services are high quality, continually improving, efficient and responsive to local peoples needs. |

5. Consultations

- 5.1 Consultation has taken place with the Arran Outdoor Education Centre Manager. Specialist advice has been received from Wallace Stone, Marine Engineers.

6. Conclusion

- 6.1 The slipway has been in use for four years and is contributing to the ongoing success of the centre. Recently some works have been identified to improve the surface, to eliminate potential hazards at low tide periods and to protect the slipway and adjacent coastline from further erosion.
- 6.2 A programme of improvements has been developed based on specialist advice that will ensure the long-term sustainability of the slipway and coastline. Although additional funding is necessary to complete these works it is anticipated that no further significant interventions will be required in the longer term.
- 6.3 A consequence of not moving forward with this project at this time could result in further deterioration, leading to a more costly programme of work at a later date.



LAURA FRIEL
Corporate Director (Finance and Infrastructure)

Reference : AB/II

For further information please contact Angus Bodie, Head of I&DS on 01294 225211

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 8

21 August 2012

Cabinet

Subject: **Kilbirnie Conservation Area Regeneration Scheme Funding Bid**

Purpose: To advise Cabinet of progress with the preparation of a Kilbirnie Conservation Area Regeneration Scheme funding bid and to seek approval for its submission to Historic Scotland.

Recommendation: That Cabinet approves the submission of a bid to Historic Scotland for a Conservation Area Regeneration Scheme for Kilbirnie.

1. Introduction

- 1.1 At its meeting of 19 June 2012, the Cabinet approved the preparation of a proposal for a Conservation Area Regeneration Scheme (CARS) funding bid for Kilbirnie. Officers have since undertaken work to prepare the funding bid and ensure that costs and justification are in place.
- 1.2 This report sets out the implications for the Council of supporting the bid.

2. Current Position

- 2.1 Historic Scotland announced in March that a new CARS funding round will be open for applications until 31 August 2012. The funding available totals £10m and it is expected that awards will be made from a minimum of around £500,000 to a maximum to any single scheme of £2m. The scheme will run from 2013 until 2018.
- 2.2 Historic Scotland states that resources will be targeted towards Conservation Areas:-
- recognised as 'priority areas' for Historic Scotland investment, including areas where Historic Scotland have not recently invested and where there is a demonstrable need;
 - where economic, social and physical need for financial support can be demonstrated;

- highlighted as being a priority for investment through Development Plans and by Community Planning Partnerships;
- where support can be demonstrated to be adding value to a wider package of public or private investment and action;
- that are being actively managed in line with best practice set out in Planning Advice Note 71: Conservation Area Management; and
- where there is evidence of strong local commitment for heritage-led regeneration.

2.3 At the meeting on 19 June 2012, the Cabinet agreed to progress the Kilbirnie bid including further assessment of potential key buildings within the Conservation Area and confirmation of the costs involved in supporting a bid. The need for the regeneration of Kilbirnie town centre was recognised. Local property values have not justified on-going maintenance and repair costs, resulting in decline. The Conservation Area does retain significant residual merit and opportunity and given its compactness, the proposed investment would make a significant difference. A plan of the Kilbirnie Conservation Area is attached at the Appendix.

2.4 The CARS application requires information to be submitted on the condition of the Conservation Area, as well as future proposals for investment and management. To assist with this requirement, conservation architects ARPL have produced a Conservation Area Appraisal and Management Plan. This identifies the costs associated with works required to improve buildings within the Conservation Area as well as advice on how to sustain improvements, including through planning controls. Works are defined as 'urgent need', 'required' and 'desirable' allowing for prioritisation of investment.

2.5 Considering the above, the proposed CARS would involve a 5-year programme including the following estimated costs:-

- Improvements to the Walker Hall - £305,000;
- Improvements to the Knox Institute - £340,000;
- Public realm works at primarily in relation to the Bridge at the Cross - £75,000;
- A Grants Scheme primarily facilitating conservation repairs and reinstatement of properties' architectural details for private property owners. Also an extension of the recent shop front improvement scheme - £175,000;
- A contribution to the redevelopment of the former Stoneyholm Mill buildings and analysis of its future redevelopment potential - £25,000 (maximum grant award);
- Training and skills opportunities linked to the above and which would cover a range of age and interest groups - £15,000;
- Professional fees through the involvement of a Conservation Architect as required by the bid criteria and based on 10% of construction costs - £100,000.

- 2.6 Letters of support have been requested from the owners of Stoneyholm Mill and received from the Community Council, demonstrating a level of community support.
- 2.7 Funding of £500,000 will be sought from Historic Scotland. Council funding of £500,000 is required to support the proposed bid, which assumes investment in the two priority buildings as outlined at 2.5. On confirmation of the costs of redevelopment options and the level of financial commitment which may be provided by the owner, an element of the funding package may be allocated to the Stoneyholm Mill as a third priority building.
- 2.8 The CARS bid will be submitted prior to 31 August, subject to Cabinet approval of this report (and taking into account the call in procedure). Thereafter the outcome of the bid will be announced in January 2013. If the bid is successful a CARS would operate from April 2013 to March 2018.

3. Proposals

- 3.1. That Cabinet approves the submission of a bid to Historic Scotland for a Conservation Area Regeneration Scheme for Kilbirnie.

4. Implications

Financial Implications

- 4.1 The projected total cost of the CARS package is £1,035,000 and this is proposed to be split as follows:
- Historic Scotland CARS Funding: £500,000
 - North Ayrshire Council: £500,000
 - Private Property owners: £ 35,000
- 4.2 The private property owners' contribution is an estimate and is dependant on the level of uptake of the grants scheme.
- 4.3 Expenditure would be incurred over the 5-year life of the CARS from 2013 to 2018 with an average cost to the Council of £100,000 per year. Investment may be concentrated in year 2 through investment in the priority buildings. The Council's contribution will be met from the Economic Development revenue budget and the future capital programme.

Human Resource Implications

- 4.4 Conservation expertise will be necessary for some of the specialist work involved as part of the contracting works to be undertaken. Otherwise, the management and administration of the scheme would be undertaken by existing staff resources.

Legal Implications

- 4.5 Should the bid be successful the Council would be required to enter into a legal agreement with Historic Scotland to ensure the terms and conditions of the funding are met.
- 4.6 The duty to formulate proposals for the preservation and enhancement of Conservation Areas is contained within Section 63 of the Planning (Listed Building and Conservation Areas) Scotland Act 1997.

Equality Implications

- 4.7 None.

Environmental Implications

- 4.8 The CARS would greatly improve the character and appearance of Kilbirnie Conservation Area and create a more vibrant and attractive town centre.

Implications for Key Priorities

- 4.9 The Council's Core Objective 1: Regenerating our communities and increasing employment is supported. Single Outcome Agreement contains a key ambition that 'Town centre improvements will be implemented to attract business and inward investment'.

5. Consultations

- 5.1 Consultation has taken place with the Education and Skills, Finance, Estates, Economic Development and Infrastructure and Design Services. These Services have and will continue to contribute to the preparation of the bid. The Council's Capital Programme and Asset Group has reviewed the bid. Historic Scotland have been and will continue to be consulted.
- 5.2 Support has been expressed by the Kilbirnie and Glengarnock Community Council.

6. Conclusion

- 6.1 The CARS proposal represents an opportunity to secure significant external investment for regeneration in Kilbirnie through the implementation of a 5-year CARS scheme. It is proposed that Cabinet approves the submission of a bid to Historic Scotland for a CARS for Kilbirnie.



IAN T MACKAY
Solicitor to the Council

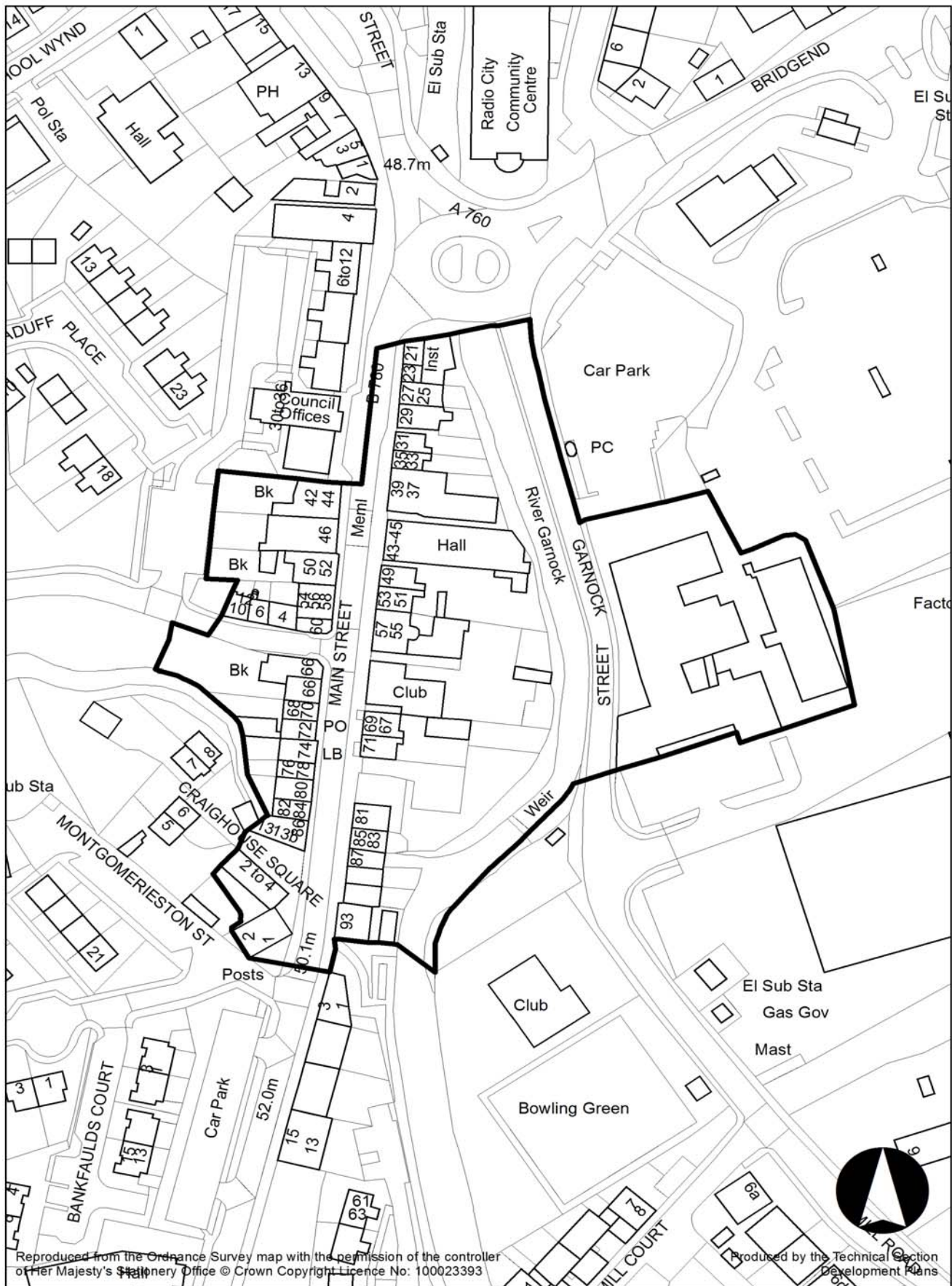
Reference :

For further information please contact Douglas Cameron, Planning Officer on telephone number 01294 324762

Background Papers

Historic Scotland Conservation Area Regeneration Scheme Guidance and Application Form

Kilbirnie Conservation Area Appraisal and Management Plan



NORTH AYRSHIRE COUNCIL

Agenda Item 9

21 August 2012

Cabinet

Subject: **Barony Church, Main Street, West Kilbride -
Lease of Part of the Churchyard**

Purpose: To advise the Cabinet of developments regarding the removal of the decking from the churchyard.

Recommendation: The Cabinet is requested to confirm what action, if any is to be taken to secure implementation of the decision of the Cabinet of 6 June 2012.

1. Introduction

- 1.1 The Cabinet considered a report from the Solicitor to the Council at its meeting on 6 June, 2012 in which it was reported that West Kilbride Community Initiative Limited (WKCIL) had installed wooden decking on part of the Churchyard adjacent to the Barony and that the ground on which the decking sits is not as shown on a plan annexed to a report submitted to and approved by the Executive on 1 March, 2011, nor in the Lease granted by the Council. A request for regularisation of the Lease was proposed at the meeting on 6 June 2012; however, the Cabinet agreed that it was not willing to agree to any amendment of the Lease and that the Initiative be instructed to remove the decking within a reasonable period of time.

2. Current Position

- 2.1 The Solicitor to the Council wrote to the agents representing WKCIL on 20 June 2012 requesting removal of the decking. After some pressing a response was received on 30 July 2012 in which the Initiative indicated that they would not remove the decking and they considered that they had a valid Lease.

- 2.2 The Cabinet was advised at the meeting on 6 June that the history of this development involved a number of planning applications for change of use and extension to the Barony building. The Council's Executive at its meeting held on 1 March 2011 agreed to lease part of the churchyard for an extension to the building to house a cafe. The plan attached to the officer's report to that meeting identified the area of the churchyard to be incorporated. The plan did show a structure beyond the new building which it is now established represented a terrace or decking which was always the applicant's intention.
- 2.3 In examining the Planning files for this property it is clear that the development included a decking area originally of some 32 square metres. Planning permission was granted under delegated authority for the extension and decking on 9 June 2009
- 2.4 It was not made clear in the Executive report of 1 March 2011 that the lease included a decking area and no mention was made of this in the body of the report. The decking was to be 2.5 metres wide and 14 metres long, extending the length of the cafe extension.
- 2.5 The Initiative, subsequent to receiving planning permission on 9 June 2009, decided to change the shape of the decking which resulted in an application for variation of the 2009 consent. This too was approved under delegated authority on 31 August 2010.
- 2.6 It appears that, when the report was prepared for the Executive meeting on 1 March 2011, an outdated plan was attached. The planning position at the time of the report to the Executive showed a curved decking area extending to a maximum of 3.9 metres by 7.5 metres.
- 2.7 Subsequent to the decision of the Executive, the Council's Estates Service negotiated terms of a Lease with WKCIL. The extent of the leased area was based on a plan produced by the Initiative's solicitor which was that as approved on the variation of planning permission granted on 31 August 2010. No one appears to have linked the Executive report plan to the plan produced and subsequently incorporated into the Lease. The Lease was signed in June 2011 and the decking was eventually constructed in early 2012. Once erected, it was discovered that the decking had not been installed as per the 2010 planning consent, but now was rectangular in shape measuring 3 metres by 8 metres.
- 2.8 The Lease, which has now been registered with the Land Register, does not represent the ground now occupied by the Initiative, nor the area of ground which the Executive approved in March 2011.

- 2.9 The officers who prepared the Lease and agreed to the area of ground had no authority to execute the document given that it did not represent that which the Council had authorised through the Executive.
- 2.10 When an action is taken without authority, the validity of that action can be questioned. In this case, the area leased was unauthorised and, subsequently, there is a possibility that the Lease itself or at least a part of it could be challenged.
- 2.11 In such circumstances, it would be possible for a Court action of reduction to be raised, where the Court, if satisfied that the reduction or undoing of the action in this case the Lease, is justified. If the Council wished to proceed to have the decking removed they would need to raise Court proceedings against WKCIL in the Court of Session to obtain a Court Order that the Lease was unauthorised and, therefore, should be rescinded.
- 2.12 Alternatively, the Council, it has been suggested, could simply go in and remove the decking without the benefit of a Court Order. If such action were taken, it would leave the Council open to action for damages which would likely be successful.
- 2.13 Ultimately, the issue will centre on what did the Executive believe it was approving at its meeting on 1 March 2011. The report did not mention decking or terracing. The drawing does show a structure beyond the building extension. The Planning Service has always been aware that terracing or decking was part of the development.
- 2.14 A question has also been raised regarding works carried out within the graveyard and possible interference with graves. Evidence supplied by WKCIL from qualified archeologists who had conducted a number of surveys of the churchyard indicate that they found no evidence of graves which had been disturbed by the works carried out in connection with the extension or decking.
- 2.15 Success in any Court action is never guaranteed. In this case, given the uncertainty of what the Council agreed to and what was eventually constructed, and also the fact the Initiative have a duly registered Lease, it is unlikely that a Court would grant an Order permitting the Council to remove the decking. The cost of a Court of Session action could be considerable and resultant publicity extensive.

3. Proposals

- 3.1 Given the uncertainty of success in any Court action and costs associated with this, it is recommended that Court action is not pursued. The Initiative will require to secure an extension to the current Lease to accommodate the Air Source Heat Pumps required to ventilate the building and it is proposed that officers meet with representatives of WKCIL to negotiate a compromise regarding the future of the decking and the lease of the part of the churchyard. Thereafter, a further report following such negotiations can be brought back to the Cabinet.
- 3.2 The Cabinet is invited to confirm what action, if any is to be taken to secure implementation of the decision of 6 June 2012.

4. Implications

Financial Implications

- 4.1 The cost of any Court action to resolve this situation could be extensive. If precipitative action is taken to remove the decking, claims for damages may well follow. There is no funding currently available for any such action.

Human Resource Implications

- 4.2 There are none.

Legal Implications

- 4.3 There is no guarantee of a successful action of reduction of the Lease. If a claim for damages were the result of actions taken without the benefit of a Court Order, it would be difficult to defend such action.

Equality Implications

- 4.4 There are none.

Environmental Implications

- 4.5 The evidence supplied from the archeologists indicates that there has been no disturbance of any graves within the churchyard when the extension or decking have been constructed.

Implications for Key Priorities

- 4.6 None of the key priorities apply.

5. Consultations

- 5.1 The Chief Executive has been consulted regarding the terms of this report and local Members have been kept advised of the developments on this matter.

6. Conclusion

- 6.1 It is recognised that errors were made in the manner in which this development has been handled. Misunderstanding over what was proposed and what areas of ground were required have compounded the problem.
- 6.2 In light of the unwillingness of the Initiative to remove the decking, the only recourse would be to proceed to Court action on which there is no guarantee of success. Negotiations with the Initiative may prove more productive.



IAN T MACKAY
Solicitor to the Council

Reference : 14/ITM/KLB

For further information please contact Ian Mackay, Solicitor to the Council on telephone number 01294 324385

Background Papers

Planning application and lease paperwork.

NORTH AYRSHIRE COUNCIL

Agenda Item 10

21 August 2012

Cabinet

Subject:	Early and Effective Intervention Evaluation
Purpose:	To advise Cabinet of the progress of the Early and Effective Intervention model introduced in May 2011.
Recommendation:	That the Cabinet agrees to (a) note the information contained within the report; and (b) approve the continued development of this strategy as an approach to best meet the needs of both young people who offend and the communities within which they live.

1. Introduction

- 1.1 The Early and Effective Intervention model became operational in North and South Ayrshire on the 23 May 2011. A social worker was employed to work across both local authorities to identify young people (aged under 16) involved in offending who would benefit from early intervention. Young people who meet the criteria are discussed at a multi-agency meeting and offered supports appropriate to their needs.
- 1.2 The model operates within a framework consistent with a number of policy initiatives including:
 - The Reducing Re-offending Programme
 - Preventing Offending By Young People
 - Framework For Action
 - United Nations Convention on the Rights of the Child
 - Getting It Right for Every Child (GIRFEC) agenda.
- 1.3 The Early and Effective Intervention model moves away from the traditional response of automatic referral to the Scottish Children's Reporter Administration (SCRA) and attempts to deal with low level offences in a timely and proportionate way.

2. Current Position

- 2.1 From 23 May 2011 to 31 March 2012, 103 young people involved in offending in North and South Ayrshire were referred to the EEI co-ordinator. (80 of these young people from North Ayrshire). This figure is lower than had been anticipated, primarily due to police officers on the ground taking time to assimilate the process into the suite of responses available to them. Awareness-raising with officers continues and the rate of referral to the EEI co-ordinator continues to grow.
- 2.2 Over the year, offences committed by young people already subject to statutory supervision requirements continued to be referred directly to SCRA.
- 2.3 Of the 80 North Ayrshire referrals received by the EEI co-ordinator, multi-agency meetings were convened in respect of 19 young people with a range of supports and interventions made available. The remaining 61 received standard police warnings. These meetings have been consistently supported by a variety of organisations including Social Services, Education, Anti-Social Behaviour, NHS Ayrshire and Arran, the Police and the Third sector. To date, 80% of those young people discussed and provided with support have not been involved in any further re-offending.
- 2.4 In 2010/11 in North Ayrshire, there were a total of 76 report requests received via SCRA relating to young people not on Supervision Orders who had committed an offence. With the establishment of EEI, this figure reduced to 19 in 2011/12, representing a 75% reduction in formal report requests. This consequently led to a 73% reduction in young people made subject to voluntary supervision and a 100% reduction in young people made subject to statutory supervision to the Children's Panel.
- 2.5 In the year 2011/12, the offence referrals that went via SCRA averaged 103 days between the date of the offence being committed and the SCRA disposal being received. This compares with an EEI average of 19 days between the offence being committed and the multi-agency disposal being made.

- 2.6 All of the above evidence demonstrates that the establishment of EEI has delivered on the three key areas originally intended:
- Young people are diverted from statutory measures wherever possible.
 - Young people who offend have their needs and deeds addressed in a timeous way.
 - Young people who offend are supported to ensure their chances of re-offending are reduced.
- 2.7 The Early and Effective Intervention model (EEI) in less than a year, proved a successful model for dealing with young people involved in offending.
- 2.8 The Scottish Government funded the EEI co-ordinator post for one year. The post-holder was seconded from North Ayrshire Council's Young Person's Support Team for that year. Given the success of the initiative the post-holder's duties will now be re-directed towards the EEI role to ensure sustainability.
- 2.9 The successful evaluation of the North and South Ayrshire model, along with positive evaluations elsewhere, has provided impetus for discussions between the Scottish Government and the Crown Prosecution Service about the possibility of extending EEI to include 16- and 17-year-olds. It is anticipated that 16- and 17-year-olds involved in low level offending behaviour could be more appropriately, and effectively, addressed through the EEI model than through the adult court system.
- 2.10 Should those discussions progress as anticipated it is the intention of the North and South Ayrshire EEI process to extend the referrals for 16- and 17-year-olds.
- 2.11 Following discussions with the Authority Reporter and the Police, the EEI process has also recently been extended to include young people who commit offences and are subject to statutory supervision. It is anticipated that this will enable the EEI multi-agency group to not only review the suitability of the current measures of a young person's care plan but also to augment supports as appropriate in an effort to reduce the possibility of re-offending. Given the evaluation of the current EEI model, it is anticipated that where such additional supports may be required, these can be identified and provided much more quickly than if the referrals were to go via SCRA.
- 2.12 The Police will continue to refer the more serious offences directly to SCRA and Court as appropriate.

3. Proposals

- 3.1 The Cabinet is invited to agree to (a) note the information contained within the report; and (b) approve the continued development of this strategy as an approach to best meet the needs of both young people who offend and the communities within which they live.

4. Implications

Financial Implications

- 4.1 There is no cost implication for the Council as a result of the ongoing EEI developments. Indeed, after the first year evaluation, the reduction in the number of formal report requests and statutory and voluntary supervision requirements has generated savings in staff time which has allowed us to respond to the increasing demands of care and protection. This initiative has resulted in no additional cost to the Council.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 The approach is in line with all legal frameworks around youth justice.

Equality Implications

- 4.4 There are no equality implications.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The Early and Effective Intervention model will link to all of the following National Outcomes as well as North Ayrshire's associated SOA outcomes:-

- Our children have the best start in life and are ready to succeed
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens
- We have improved life chances for children, young people and families at risk
- We live our lives safe from crime, disorder and danger
- We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others

5. Consultations

- 5.1 All key stakeholders have been consulted, including the Scottish Children's Reporters Administration, NHS, Education and Skills, Police, Anti-Social Behaviour Investigation Team and the relevant third sector organisations. Young people and their parents are also routinely consulted about the impact and effectiveness of intervention initiated by EEI.

6. Conclusion

- 6.1 The implementation of Early and Effective Intervention, has proven to be an approach that enables all agencies to respond to young people who commit crime in a more proportionate, timely and appropriate way. The time between an offence being committed and appropriate supports being put in place has improved, and 81% of young people have avoided committing further offences. Fewer young people have required compulsory measures of care through the Children's Hearing system and Police Officers, Social Workers and Teachers have seen a reduction in time-consuming report writing allowing them more time to focus on the public-facing aspect of their roles.

- 6.2 Given the success of the first year of EEI in North and South Ayrshire, an extension to the process is now being planned. Young people who commit offences whilst on Supervision Orders to the Children's Hearing system are now included in the process. Young people aged 16 and 17 who commit lower level offences that would previously have been dealt with through the adult criminal justice system will also be included, as agreement has now been reached with the Crown Prosecution Service.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference :

For further information please contact Stephen Brown, Senior Manager on telephone number 01294 317804

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 11

21 August 2012

Cabinet

Subject: **Affordable Housing Supply Programme**

Purpose: (a) To advise the Cabinet of changes to the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme and (b) To seek approval for the draft Strategic Local Programme and to allocate available budgets in order to deliver our high priority affordable housing development projects.

Recommendation: That the Cabinet agrees to (a) note the changes to the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme; (b) approve the draft Strategic Local Programme and the proposed budget allocations; and (c) authorise the transfer of land at John Gault Primary School, Irvine to the Housing Revenue Account for a nil receipt.

1. Introduction

- 1.1 In May 2012, the Scottish Government published a guidance note which detailed their procedures for the future operation of the Affordable Housing Supply Programme. This is the budget used to provide subsidy to Councils and Registered Social Landlords (RSLs) for building new affordable homes.
- 1.2 The most significant change to the operation of the Supply Programme is a move to three-year budget allocations, referred to by the Government as "Resource Planning Assumptions" (RPA).
- 1.3 North Ayrshire Council's Resource Planning Assumption award for 2012 - 2015 is £9.361m. However, it should be noted that only £3.398m of this is 'new money', the balance (£5.963m) is money which was previously committed by the Government for projects approved (and funding awarded) as part of last year's Innovation and Investment Fund.

- 1.4 To put this in some context, the total development subsidy awarded for the previous three years amounted to £18.407m, and as recently as 2007/08 the Council was awarded over £10m in a single year. This can be compared to only £1.13m per annum for the next three years.
- 1.5 A second operational change sees the introduction of the "Strategic Local Programme" which describes the Council's decision (taken in partnership with local RSLs) on how the budget will be spent. All projects included within the Strategic Local Programme must be deliverable by the end of the three-year period (i.e. 31 March 2015).
- 1.6 The Government has made clear that it expects the Strategic Local Programme to include development projects delivered by both the Council and local RSLs.
- 1.7 In accordance with the Scottish Government's guidance the draft Strategic Local Programme was submitted by the deadline date of the 29 June 2012. The finalised plan, following approval from the Cabinet, must be submitted no later than 31 August 2012.
- 1.8 The mainland Housing Need and Demand Assessment carried out in 2009 to inform the development of the Local Housing Strategy 2011-2016 identified a shortfall of 2,700 affordable homes within North Ayrshire.

2. Current Position

- 2.1 From the available £3.398m allocation, the Government's guidance indicates a benchmark subsidy of £42k per new unit should be made available to RSLs to subsidise development and a maximum of £30k per unit to Local Authorities. To complicate matters, the RSL benchmark is based on the development of a 2-bedroom, 3-person house. Larger units will qualify for increased subsidy (calculated in accordance with government guidance and formulae). All subsidy figures can also be further increased by £4k should the developing organisation wish to achieve a 'greener' product. Development on Arran is based on a benchmark of £43k per unit.
- 2.2 The Government has also indicated that where the Strategic Local Programme is unable to demonstrate delivery of completed units within the three year time frame, budget awards will be redistributed nationally. It is imperative, that in order to ensure subsidy allocated to North Ayrshire is invested in the area, the SLP includes our high priority development projects, and a slippage programme which can be implemented if any project cannot be progressed for an unforeseen reason.

- 2.3 Further to the above, the Council is required to prepare an annual Strategic Housing Investment Plan (SHIP), for submission to the Government, which details the high, medium and low affordable development priorities for the area. The Council's most recent SHIP (2012-2015) was approved by the Executive of North Ayrshire Council on 10 April 2012.
- 2.4 The SHIP 2012-2015 considered a range of local priorities, including the Council's commitment, through the Housing Revenue Account Business Plan to deliver 500 new units over 10 years, (commencing 2011/12 with the first completions due 2012/13), based on a subsidy provision assumption of £30k per unit.
- 2.5 Housing Services aim to deliver an average of 50 new units per year (150 units by March 2015). Two current projects (Copeland Crescent, Millport and Redstone Avenue, Kilwinning) will collectively deliver an anticipated 56 new homes. The SHIP has identified a further project at John Gault Primary School which will deliver approximately 80 additional units. This brings the Council's total delivery of new homes to 136 units by March 2015, which is within acceptable parameters (+/- 10%) in terms of meeting our commitments.
- 2.6 For information, the Cabinet should note that the John Gault Primary School site (which is held on the Council's General Fund) is zoned for affordable housing development in the Local Development Plan. It has been subject to a valuation by the District Valuer. The District Valuer has produced a restricted valuation appraisal using methodology adopted by the Valuation Office Agency for sites for social rented housing. This valuation method explores the market value of the site subject to the Special Assumption that its use be restricted in perpetuity to the provision of affordable housing for rent.
- 2.7 The District Valuer has estimated development costs for the site in their appraisal using the information supplied by North Ayrshire Council, which includes an anticipated government subsidy of £30,000 per unit. When calculating a land value they also take into account the estimated typical rental income, together with estimated build costs and fees and other costs (demolition costs are not included).
- 2.8 After taking all of the above into account, the District Valuer has calculated that the John Gault site has a residual land value of £(Nil).
- 2.9 Housing Services have also been in discussion with our local RSL partners, in order to ascertain their capacity for delivering new homes under the revised subsidy funding regime.

- 2.10 The RSL discussions, discussions with the Scottish Government, and consideration of both the Council's and the SHIP's strategic priorities has allowed the preparation of a proposed SLP (summarised in Table 1) which is deliverable, balanced and offers value for money.

Table 1: Main Programme

Project	No of Units	Developer	Subsidy Req/d (£m)	Subsidy Funding Mechanisms
John Gault Primary School, Irvine	80 units*	North Ayrshire Council	£2.400	<ul style="list-style-type: none"> • 53% RPA (£1.274m) • 47% Council Housing Building Unallocated Budget (£1.126m)
Vineburgh Phase 4, Irvine	48 units	Cunningham Housing Association	£2.124	<ul style="list-style-type: none"> • 100% RPA
TOTAL SPEND			£4.524	
TOTAL RPA Allocated			£3.398	£0.00 balance
TOTALNAC CHB Budget			£1.126	£1.585 balance

** calculated on site size and indicative densities for social housing per hectare (subject to change as project commences)*

- 2.11 The above programme is deliverable, using the existing funding streams indicated to provide the grant (or subsidy) element of the overall project.
- 2.12 However, there is another funding factor which may influence the programme. Last year, Cunningham Housing Association, in partnership with Cordale Housing Association, submitted a bid to the Scottish Government, under their 'Innovation Funding Programme' (the bid model was described to the Executive of North Ayrshire Council on 24 May 2011, in the report entitled "Scottish Government Proposals for Innovation & Investment Funding - Council House Building and RSL Development").

2.13 The Cunninghame/Cordale bid sought additional subsidy with which to deliver 700 new supply affordable homes, of which between 200-350 would be in North Ayrshire. Although that original bid has been subject to a number of changes (eg. increasing the number of homes to be delivered from 700-1000 and a potential change in the RSL partners) the key implications for this report and the North Ayrshire SLP, if the bid is successful, are:

- The Scottish Government has recently indicated that the £3.398m RPA award would be 'top sliced' (i.e. an element of the RPA budget would be reallocated to the funding awarded via the bid). Although no definite figures have been provided by the Government on the extent of the top slicing, early discussions suggest that as much as 25% may be reallocated. This level of reduction would have a significant impact on our ability to deliver our key strategic development priorities and was not previously mentioned as a potential consequence during the preparation and submission of the Innovation bid.
- One of the projects contained in the bid is a high priority for delivery, and is included in Table 1 as such (Vineburgh Phase 4). Should the bid be successful, and should there be no detrimental impact on our RPA award, we will have uncommitted RPA funding in respect of the Vineburgh Phase 4 project, which will require to be directed towards an alternative project.

2.14 The importance of a robust slippage programme in such a circumstance is clear, and Table 2 provides information on how we will utilise the RPA monies, no longer required for Vineburgh Phase 4, if the Cunninghame bid is successful. In addition the Scottish Government announced additional £20m for affordable housing on 27th June 2012. This may result in a 16% uplift in available funds. The projects outlined in Table 2 would allow us to respond swiftly to the release of this and any further funding. The projects detailed below are not in any priority order and they would be evaluated on a site by site basis depending on the level of funding available and taking account of the Council's development priorities.

Table 2: Potential Slippage Projects (additional projects which can be delivered by March 2015)

Project	No of Units	Developer	Subsidy Req/d (£m)	Subsidy Funding Mechanisms
Second Hand Market Purchases, Arran	9 units	Trust Housing Association	£0.447	● 100% RPA
The Courtyard, Irvine	8 units	Irvine Housing Association	£0.336	● 100% RPA
Beithglass Rd, Skelmorlie	30 units	Cunninghame Housing Association	£1.200	● 100% RPA
Kelburn Hotel, Fairlie	18 units	Cunninghame Housing Association	£0.670	● 100% RPA
Harbourside, Ardrossan	52 units	Cunninghame Housing Association	£2.080	● 100% RPA

3. Proposals

- 3.1 The Cabinet is invited to agree to (a) note the changes to the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme; (b) approve the draft Strategic Local Programme the proposed budget allocations set out at Appendix 1 to the report; and (c) authorise the transfer of land at John Gault Primary School, Irvine to the Housing Revenue Account for a nil receipt (as set out in Section 2.6 above).

4. Implications

Financial Implications

- 4.1 The reduction in subsidy will mean a reduction in the affordable housing development programme, which will in turn reduce the level of inward investment in the area.

- 4.2 The financial implications of the reduced subsidy award in the recent resource planning assumptions could mean, in the fullness of time, that the Council may be unable to deliver the Housing Revenue Account Business Plan commitments of 500 new houses over a 10-year period.
- 4.3 At present however, the Council is able to supplement the development programme through other income streams (detailed in Table 3), in order to ensure our strategic priorities are met.

Table 3: Funding Availability to March 2015

Fund	£m	Comments	£m available for programme
Resource Planning Assumption	£3.398	-	£3.398
Council Housing Building Budget	£3.711	£1.0m of this budget should be withheld at present, to allow for contingencies, following tender returns for Copeland Crescent, Millport exceeding forecast figures, and to allow progress should the same situation arise at Redstone Avenue, Kilwinning	£2.711
Affordable Housing Account (ie. income generated from the reduction to the second homes council tax discount)	£1.505	at March 2015	£1.505
Total			£7.614

- 4.4 It will be noted that the level of available funding detailed in Table 3, exceeds that required as detailed in Table 1. The reason for this is that some flexibility has been retained, to ensure that the Council and its partners are able to deliver a meaningful development programme in future years. It is also assumed that our RPA award is unlikely to increase significantly in future.

Human Resource Implications

- 4.5 These are no human resource implications associated with this proposal.

Legal Implications

- 4.6 There are no immediate legal implications emerging from the proposals in this paper.

Equality Implications

- 4.7 There are no equality implications associated with this proposal.

Environmental Implications

- 4.8 There are no direct environmental implications from the proposals in this paper.

Implications for Key Priorities

- 4.9 There are no direct implications for key priorities.

5. Consultations

- 5.1 Various Council departments have been consulted with by Housing Services, who have responsibility for submitting the Strategic Local Programme to the Government:

- Planning Services
- Financial Services,
- Estates Services (Infrastructure & Design)

- 5.2 The Council has consulted with local RSL partners on the implications of the new resource planning assumptions and the potential impact on new supply programmes.

- 5.3 Cunninghame Housing Association, Irvine Housing Association and Trust Housing Association (the main developing RSLs in the area) have been asked to submit their deliverable development projects in writing to the Council.
- 5.4 The Council's Housing Service has also met with each individual RSL to agree the content and deliverability of the Strategic Local Programme.
- 5.5 Ongoing consultation is held between North Ayrshire Council's Housing Service and the Scottish Government's Local Area Team, in order to maximise any opportunity which may arise in terms of reallocated funding.

6. Conclusion

- 6.1 The process and method which the Scottish Government use to allocate affordable housing development subsidy has changed, and reduced significantly in relation to North Ayrshire.
- 6.2 This report details how the Council will seek to maximise the delivery of affordable housing in the context of this much reduced financial award.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference :

For further information please contact Olga Clayton, Head of Community Care and Housing on telephone number 01294 324626

Background Papers

None

STRATEGIC LOCAL PROGRAMME

Local Authority: North Ayrshire
 Resource Planning £9.361
 Assumption: 2012 - 2015:

New money for Local Programmes £3.398

Input figures following the layout in template and add lines as necessary. No 'Total' formulae included within this worksheet. Please enter amounts as

Project Address	Developer	Units			Total	Units by Type		Please specify *	Total (should equal Total)	Greener Standards (tick to)	Est. Start Fin. Year	Est. Completion Fin. Year**	Total Project Cost	Grant per Unit (3p equivalent excl. Council)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Needs	Part Needs								
Vineburgh #4, Irvine (Social Rent)	Cunninghame HA	0	0	48	48	46	2	Am. Bung	48	-	2013	2015	£ 5.557	£ 0.040	£ 2.124
Vineburgh #4, Irvine (Social Rent)	Cunninghame HA	0	0	48	48	46	2	0	48	-	-	-	£5.557	£ 0.040	£ 2.124

Project Address	Developer	Units			Total	Units by Type		Please specify *	Total (should equal Total)	Greener Standards (tick to)	Est. Start Fin. Year	Est. Completion Fin. Year**	Total Project Cost	Grant per Unit (3p equivalent excl. Council)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Needs	Part Needs								
John Gault, Irvine (Social Rent)	NAC	0	0	80	80	70	10	Am/W' Chr	80	-	2013	2015	£ 10.400	£ 0.016	£ 1.274
John Gault, Irvine (Social Rent)	NAC	0	0	80	80	70	10	0	80	-	-	-	£ 10.400	£ 0.016	£ 1.274

*Part Needs - e.g. wheelchair, amenity etc. ** All projects included to achieve a March 2015 completion date.

Consultation Details:

As stated within our guidance, details of local consultation and engagement which has led to the development of the above programme should be provided in the box below -

Consultation has been undertaken with Cunninghame Housing Association, Irvine Housing Association and Trust Housing Association, the main developing organising RSLs in North Ayrshire.

Completed by: Trudi Fitzsimmons

Date: 27/06/2012

STRATEGIC LOCAL PROGRAMME (SLIPPAGE)

Local Authority: North Ayrshire

Resource Planning Assumption - 2012 -

2015:

£9.361

New money for Local Programmes

3.398

£0.000

Slippage Projects

Input figures following the layout in template and add lines as necessary. No 'Total' formulae included within this worksheet. Please enter amounts as £0.000

Project Address	Developer	Units			Total	Units by Type		Please specify*	Total (should equal	Greener Standards	Est. Start Fin.	Est. Completion Fin.	Total Project Cost	Grant per Unit (3p equivalent)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Needs	Part Needs								
Second Hand Market Purchases, Arran (Mid Market Rental) (Arran)	Trust HA	0	9	0	9	9	0	-	9		2013	2015	£ 1.260	£ 0.050	£ 0.447
Second Hand Market Purchases, Arran (Mid Market Rental) (Arran)	Trust HA	0	9	0	9	9	0	0	9				£ 1.260	£ 0.050	£ 0.447

Project Address	Developer	Units			Total	Units by Type		Please specify*	Total (should equal	Greener Standards (tick	Est. Start Fin.	Est. Completion Fin.	Total Project Cost	Grant per Unit (3p equivalent)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Needs	Part Needs								
Beithglass Road, Skelmorie (Social Rental)	Cunninghame HA	0	0	30	30	24	6	0	30		2013	2015	£ 3.120	£ 0.040	£ 1.200
Beithglass Road, Skelmorie (Social Rental)	Cunninghame HA	0	0	30	30	24	6	0	30				£ 3.120	£ 0.040	£ 1.200

Project Address	Developer	Units			Total	Units by Type		Please specify*	Total (should equal	Greener Standards (tick	Est. Start Fin.	Est. Completion Fin.	Total Project Cost	Grant per Unit (3p equivalent)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Needs	Part Needs								
Former Kelburn Hotel, Fairlie (Social Rental)	Cunninghame HA	0	0	18	18	9	9	GF Am/W/C hr Flats	18		2013	2015	£ 1.959	£ 0.035	£ 0.670
Former Kelburn Hotel, Fairlie (Social Rental)	Cunninghame HA	0	0	18	18	9	9	0	18				£ 1.959	£ 0.035	£ 0.670

Project Address	Developer	Units			Total	Units by Type		Please specify*	Total (should equal	Greener Standards (tick	Est. Start Fin.	Est. Completion Fin.	Total Project Cost	Grant per Unit (3p equivalent)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Need	Part Need								
Courtyard, Irvine (Social Rental)	Irvine HA	0	0	8	8	8	0		8		2013	2015	£ 0.880	£ 0.042	£ 0.336
Courtyard, Irvine (Social Rental)	Irvine HA	0	0	8	8	8	0	0	8				£ 0.880	£ 0.042	£ 0.336

Project Address	Developer	Units			Total	Units by Type		Please specify*	Total (should equal	Greener Standards (tick	Est. Start Fin.	Est. Completion Fin.	Total Project Cost	Grant per Unit (3p equivalent)	TOTAL SG Grant
		Rehab	Off the Shelf	New Build		Gen Need	Part Need								
Harbourside, Ardrossan (social rent)	Cunninghame HA	0	0	40	40	34	6	Am/W/C hr	40		2013	2015	£ 4.160	£ 0.040	£ 1.600
Harbourside, Ardrossan (NSSE)	Cunninghame HA	0	0	12	12	12	0		12		2013	2015	£ 1.248	£ 0.040	£ 0.480
Harbourside, Ardrossan	Cunninghame HA	0	0	52	52	46	6	-	52				£ 4.160	£ 0.040	£ 2.080

As stated within our guidance, details of local consultation and engagement which has led to the development of the above programme should be provided in the box below -

Consultation has been undertaken with Cunninghame Housing Association, Irvine Housing Association and Trust Housing Association, the main developing organising RSLs in North Ayrshire. Within the Council consultation has

Completed by:

Trudi Fitzsimmons

Date:

27/06/2012

NORTH AYRSHIRE COUNCIL

Agenda Item 12

21 August 2012

Cabinet

Subject: **Risk Management Strategy and Strategic Risk Register 2012/13**

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 updated 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.

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.
- 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 monitored through the Council's strategic risk register. This identifies each risk and details the risk scoring, the controls that are in place and, where possible, other actions which will be taken to further reduce the impact of each risk on the Council.
- 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 managed appropriately, and Services are aware of these risks, risk management can contribute positively towards the organisation's decision making processes, making the Authority more innovative and effective in its approach to service delivery.

2. Current Position

- 2.1 The Council's BV2 action plan highlighted the need to further embed a culture of risk management across the Authority. The Corporate Management Team (CMT) subsequently agreed a risk management improvement plan in April 2012, identifying 6 areas for development:
- The establishment of a Corporate Risk Management Group;
 - That the Service Planning and Budgeting Process includes greater emphasis on identifying service risks;
 - Enhanced risk management reporting arrangements to Elected Members;
 - The inclusion of certain key risks identified by Internal Audit within Service Risk Registers;
 - That the Team Manager (Risk and Insurance) is consulted at an early stage on risk assessments undertaken for key projects;
 - That training should be provided to Elected Members and senior officers on risk management.
- 2.2 Underpinning the improvement plan and ensuring that risk management is further embedded within the Authority, the Council has reviewed its Risk Management Strategy and this is attached within Appendix 1 of this report.
- 2.3 The purpose of the Strategy is to provide a framework for the identification, evaluation, control and monitoring of risk within the Authority. It identifies reporting requirements for risk and details specific roles and responsibilities to ensure that ownership and awareness of risk sits within Services.
- 2.4 In line with the Council's Risk Management Strategy the Corporate Management Team, acting at the Council's Strategic Risk Management Group, has reviewed the draft Strategic Risk Register.
- 2.5 The Strategic Risk Register is updated to reflect the changing environment the Council operates within. To inform the risk identification process a number of documents were considered:
- 2011/12 Strategic Risks;
 - Assurance and Improvement Plan 2012/15;
 - Community Planning Partnership Risk Register;
 - 2012/13 Service Risks.

- 2.6 For each of the risks detailed in the Strategic Risk Register, a number of components are identified including:
- the current status (high, medium or low) and the risk score;
 - the senior officer(s) with lead responsibility for the risk;
 - the potential effect on the Council's key priorities;
 - internal controls that are currently in place;
 - further actions that will be taken.
- 2.7 In addition to the above, discussions were held with the CMT and other senior officers to sense check the revised register.
- 2.8 The Strategic Risk Register is attached in Appendix 2. This was considered by members of the CMT during May and June 2012. 9 Strategic Risks were identified within the register, with the top risks for the Council relating to:
- Welfare Reform;
 - Partnership Working;
 - Financial and Demographic pressures;
 - Economic Regeneration.
- 2.9 To assist in the assessment of each risk a risk matrix was used to ensure a level of consistency across the Council. A copy of the matrix is included within Appendix 1 for information.

3. Proposals

- 3.1 The Risk Management improvement plan will further embed a culture of risk management across the Council. Underpinning the improvement plan, the Risk Management Strategy has been reviewed and the Strategic Risk Register updated.
- 3.2 The Cabinet is invited to (a) approve the updated Risk Management Strategy set out in Appendix 1 to this 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

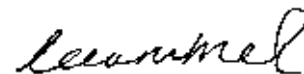
- 4.6 Risk Management forms part of the Council's corporate governance arrangements and contributes towards the successful achievement of the Council's key priorities.

5. Consultations

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

6. Conclusion

- 6.1 The Strategic Risk Register for 2012/13 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 and will ensure that the management of risk is applied consistently across the Authority.



LAURA FRIEL

Corporate Director (Finance and Infrastructure)

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

2012/13

Version:	FINAL
Date:	28 May 2012
Author:	David Johnston
Classification:	Public



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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.

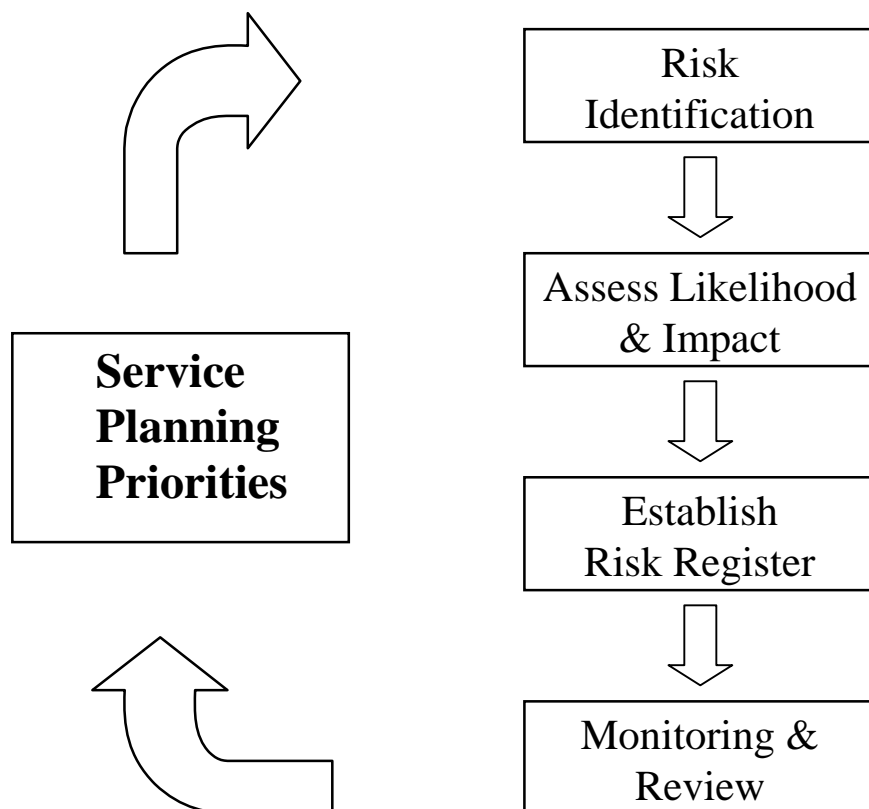
RISK MANAGEMENT PROCESS

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;
- 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 / External Audit will assess the adequateness 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 Infrastructure)

- 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 annual audit plan;
- 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.

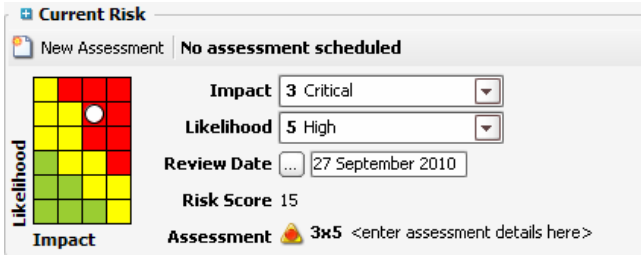
All Staff

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.

In line with the Council's Risk Management Strategy, the Corporate Management Team has reviewed the Strategic Risk Register. The Register identifies 9 Strategic Risks with the table below summarising the assessments made for 2012/13:

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

Through the review, the previous risks relating to "Uncertain Economic Climate and Link to Deprivation" and "Demographic Change" have been incorporated within a new strategic risk "Economic Regeneration". The risk focuses on the effective targeting of resources to maximise opportunity and minimise the impact the current economic climate has upon our communities.

Risks in relation to Political Decision Making, General Legislative Requirements and Performance Management have been removed from the Council's Strategic Risk Register following a review of the controls adopted to manage these areas.

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

- Welfare Reform;
- Partnership Working;
- Financial and Demographic Pressures;
- Economic Regeneration.

A summary of the key risks is outlined below:

Welfare Reform

The UK Government's Welfare Reform Bill 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 Council has established a Corporate Welfare Reform Group to oversee the implementation of the Bill and to co-ordinate and respond to implications arising from it. A draft action plan has been established, detailing issues, actions and associated timescales. Regular reporting is being put in place to keep Members and the CMT updated.

Partnership Working

The BV2 report for the authority identified that Partnership Working was maturing but it also recognised challenges in the work between the Council and Health Board and the complexity of shared service arrangements.

The Council is investing in developing these partnership arrangements, establishing performance measures to demonstrate success and ensuring that the benefits and efficiencies that can be gained from effective partnership working are not lost.

Financial and Demographic Pressures

The Council continues to operate within a challenging financial environment and has undertaken a significant service reform programme looking at how services are both structured and delivered. There is also now an expectation that national austerity will continue for longer than anticipated originally. Difficult decisions will require to be taken within tight timescales to ensure the Council contains expenditure within available resources. Future demographic change will also bring significant financial pressures to the Council, in particular meeting the needs of increasing numbers of older people.

The development of an overarching financial strategy, the implementation of a rolling 3 year budget and provision to members of an option based budget will allow resources to be targeted to priority areas. The appointment of a Strategic Partner to assist in transforming Council working practices, and the development and implementation of a short and medium/long term change programme, will assist in realising efficiency savings. Social Services have introduced a change programme centred around shifting the balance of care for older people and developing a Personalisation of Care programme.


Economic Regeneration


The current economic climate in North Ayrshire coupled with high levels of deprivation and unemployment are impacting adversely on the economic well-being of the community and residents. Continued economic uncertainty coupled with Welfare Reform is likely to exacerbate the current position and place greater demand on Council Services at a time of reducing resources.

In response 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 and a new Board established. Specific funding has been agreed in relation to Youth Employment and Business Growth and a new dedicated Economic Development and Regeneration Project Director post has now been filled.


Review of Strategic Risk Register


The Register will be revisited in January 2013 by the Council's new Corporate Risk Management Group with reports being made to the Corporate Management Team and the Cabinet, seeking agreement for the 2013/14 Strategic Risk Register.


Risk Code & Title					SR01.2012/13 Welfare Reform		Current Risk Matrix				
Description		The UK government's Welfare Reform Bill aims to improve work incentives, simplify the benefits system and reduce administration costs. The Bill 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, the demand for Council services and on Council strategies.					<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>Likelihood</div><div>Impact</div></div></div>				
Risk Status		High Risk	Risk Traffic Light				Current Risk Score		18	Assigned To	
Potential Effect		Failure to manage risks associated with the Bill will negatively impact upon North Ayrshire residents, the demand for services and staff. The full impact of the new legislation has yet to be established but there are some early areas of concerns in relation to potential increases in rent areas and bad debt, resulting in reduced income for the HRA, an increase in homelessness and greater demands for social housing.								Iona Colvin; Laura Friel	
Internal Controls		A Welfare Reform Group has been established and meets monthly with a remit to identify, co-ordinate and respond to the implications of reforms, keeping Members and the CMT updated. A draft action plan has been developed which outlines the issues and the timescales for action.						Risk Next Review Date		31-Jan-2013	
Linked Actions											
Linked Actions Code & Title							Due Date		Assigned To		
SP1213FI_A_E06 The Welfare Reform Group to identify and assess the implications of each reform prior to implementation							31-Mar-2013		Stephen Humphries		
SP1213FI_A_E07 Manage the migration of the welfare reforms into revenues & benefits							31-Mar-2013		Stephen Humphries		
SP1213HS_AC_3.2 Plan and manage the implications of Welfare Reform							31-Mar-2013		Alex Adrain; Marianne McManus; Carol Nelson		


Risk Code & Title		SR02.2012/13 Partnership Working				Current Risk Matrix
Description	The BV2 report identified Partnership Working as maturing, but recognised that additional development is still required, and that progress on the implementation of Shared Services arrangements continues to be slow. It is recognised that all organisations need to work more effectively together to ensure a more integrated approach is taken to strategy and service delivery. The risk facing the authority is that the potential benefits and efficiencies that could be gained from effective partnership working are being lost or minimised.					<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>Likelihood</div><div>Impact</div></div></div>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	15	Assigned To
Potential Effect	Where the risk is not managed adequately the potential benefits and efficiencies from partnership working may be lost. Additional scrutiny may be experienced where partnerships fail to improve levels of service delivery. Levels of performance and the ability to achieve set objectives within the Service and across the authority could also be affected. Partners may fail to deliver streamlined services to local communities. Partnership resources may not be used effectively.					Iona Colvin; Carol Kirk
Internal Controls	The Council is investing heavily in supporting the CHP structure through Committee, Officer Locality Groups and the Forum. There is evidence that this is having an impact on improving partnership working. The Council is working with partners to develop a response to the integration of Health and Social Care. This will be progressed on a pan-Ayrshire and North Ayrshire specific basis and the Council will consider proposals in late 2012. Ayrshire is a test site for the development of the Integrated Resource Framework, the object of which is to help shift the balance of care. The Council is working with Community Planning partners to develop a locality planning or 'neighbourhood approach', which will see the alignment of planning and prioritisation of service development in relation to local need. Development of the Strategic Alliance has improved the promotion of joint working and shared services in relation to Social Care and Health. The appointment of a senior police officer as Director of Community Safety gives a joined-up approach to tackling issues in local communities. Further joint provision is planned with the Police around domestic violence.				Risk Next Review Date	31-Jan-2013
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
SOA1213_HA3 Implement Year 2 of the Change Fund - Reshaping Care for Older People and the development of the Joint Commissioning Strategy				31-Mar-2013	Gillian Macfarlane	
SOA1213_HA4 Implement Year 2 of the Alcohol and Drug Partnership Strategy Plan				31-Mar-2013	Gillian Macfarlane	
SOA1213_SS10 Establish Children Experiencing Domestic Abuse Recovery (CEDAR) project and associated partnership agreements				31-Mar-2013	Morna Rae	
SOA1213_W7 Implement the Learning Communities Strategy and Partnership Framework				31-Mar-2013	Kathryn Bryce	



SP1213ES_A_B01 Implement Solihull Parenting Approach across North Ayrshire	31-Mar-2013	Frances Rodman
SP1213ES_F_F04 Development of cluster working	31-Mar-2013	Kathryn Bryce
SP1213FI_A_A04a Co-ordinating a partnership arrangement with East and South Ayrshire	30-Jun-2012	Patricia Rowley
SP1213FI_A_E25 Develop potential shared service in roads	30-Jun-2012	Joe Smith
SP1213LP_A_A04 Joint Health Protection Plan	31-Mar-2013	Kevin McMunn
SP1213SS_A_D19 SS_EAP_1213_06: Develop a pan-Ayrshire joint equipment service with NHS and partner authorities in South and East Ayrshire	31-Mar-2013	Alan Brown; Marlene Harkis
SP1213SS_A_E01 SS_EAP_1213_07: Work in partnership with MacMillan to mainstream the advice service for people affected by cancer	31-Mar-2013	Isobel Kelly
SP1213SS_A_E02 SS_EAP_1213_08: Work in partnership with stakeholder groups to develop the Social Services employability strategy to increase employment opportunities for service users	31-Mar-2013	John Godwin



Risk Code & Title		SR03.2012/13 Financial and Demographic Pressures				Current Risk Matrix
Description	The Council continues to operate within a challenging financial environment and has undertaken a significant service reform programme looking at how services are both structured and delivered. Moving forward the delivery of further savings/efficiencies will become more challenging and whilst the 2012/13 settlement from the Scottish Government was more favourable than expected it still presents real challenges to the Council in delivering both national and local priorities. There is now an expectation that national austerity will continue for longer than anticipated originally. Difficult decisions will require to be taken within tight timescales to ensure the Council contains expenditure within available resources. Future demographic change will also bring significant financial pressures to the Council, in particular meeting the needs of increasing numbers of older people. The risk facing the Council is that it may be unable to meet increasing service demands where resources are reducing.					<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>Impact</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	Delays in decision making may impact on the financial position of the authority. 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	Development of an overarching financial strategy. Implementation of a rolling 3 year budget and provision to members of an option based budget allowing resources to be targeted to priority areas. Appointment of a Strategic Partner to assist in transforming Council working practices and the development and implementation of a short and medium/long term change programme to realise efficiency savings. Introduction of Social Services change programme centred around shifting the balance of care for older people and developing a Personalisation of Care programme.			Risk Next Review Date	31-Jan-2013	
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
SP1213FI_A_E03 Progress the Council's interim financial strategy				31-Mar-2013	Yvonne Baulk	
SP1213FI_A_E04 Update the Financial Strategy				31-Mar-2013	Yvonne Baulk	
SP1213FI_A_E05 To develop a ten-year financial planning model that recognises, and is sensitive to, key variables				31-Mar-2013	Yvonne Baulk	
SP1213HS_AC_6.1 Develop and implement a Value for Money Strategy that focuses on procurement and delivery of services				31-Mar-2013	Alex Adrain	
SP1213SS_A_D09 Establish transparent Resource Allocation System (RAS) for social care services				31-Mar-2013	Alan Brown	
SP1213SS_A_D10 Introduce revised Self-Directed Support procedures which take account of legislation enacted by the Scottish Government.				31-Mar-2013	Alan Brown	
SP1213SS_A_D11 Test the effectiveness of the path finder for self-directed support (SDS) in respect of the RAS and revised SDS procedures				31-Mar-2013	Alan Brown	

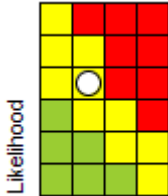

Risk Code & Title		SR04.2012/13 Economic Regeneration				Current Risk Matrix	
Description		The current economic climate in North Ayrshire coupled with high levels of deprivation and unemployment are impacting adversely on the economic well-being of the community and residents. Continued economic uncertainty coupled with Welfare Reform is likely to exacerbate the current position and place greater demand on Council Services at a time of reducing resources. 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><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>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	15	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.					Elma Murray; 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 and a new Board established. Specific funding has been agreed in relation to Youth Employment and Business Growth. A new dedicated Economic Development & Regeneration Project Director post has now been filled.				Risk Next Review Date	31-Jan-2013	
Linked Actions							
Linked Actions Code & Title				Due Date	Assigned To		
CP1213_1.03 Support development of Enterprise Area in Irvine to create high quality jobs				31-Mar-2013	Alastair Laurenson		
CP1213_1.04 Deliver the expanded Modern Apprenticeship programme				31-Mar-2013	Lorraine Crum		
SP1213CE_C01 Implement the Council's Economic & Regeneration Strategy				31-Mar-2013	Alex Anderson		
SP1213ES_A_A07 To further build on the capacity of schools to support leavers make effective transitions into positive, sustained post-school destinations				31-Mar-2013	Laura Cook		
SP1213ES_A_A09 Develop effective planning and delivery of CfE and other educational opportunities with partners and Learning Communities				31-Mar-2013	John McKnight		
SP1213FI_A_E06 The Welfare Reform Group to identify and assess the implications of each reform prior to implementation				31-Mar-2013	Stephen Humphries		






Risk Code & Title		SR05.2012/13 Continued Viability of Private Care Providers				Current Risk Matrix
Description	The Council and its partners are operating within a challenging economic climate and there is a concern that independent and voluntary sector agencies, contracted by the Council to provide services, go into administration or cease trading. The risk facing the authority is that it must ensure standards of care and governance for vulnerable people where a provider fails.					<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	High Risk	Risk Traffic Light		Current Risk Score	12	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.					Iona Colvin
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 has been 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 approved by Committee and will be implemented in 2012/13. The new National Care Home contract introduces significant new responsibilities for local authorities.				Risk Next Review Date	31-Jan-2013
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
SP1213SS_A_D05 Develop overarching 'Commissioning Strategy' for Social Services and Health and implement across all care groups.				31-Mar-2013	Isobel McKnight	
SP1213SS_A_D06 Implement a Contract Management and Quality Assurance Framework				31-Mar-2013	Isobel McKnight	
SP1213SS_A_E04 Facilitate the development of the 3rd Sector and enable them to deliver new and innovative social care services within North Ayrshire.				31-Mar-2013	Isobel McKnight	

Risk Code & Title		SR06.2012/13 Strategic Workforce Issues				Current Risk Matrix
Description	The Council has established a challenging Service Reform Programme which is impacting on the size and experience of the workforce. The programme recognises the need to develop additional skills and capacity within the workforce to meet new challenges being identified. Organisational Development is an integral part of the Service Transformation Programme to ensure the skill sets, knowledge and capabilities are in place to deliver the reformed Service. The risk to the Council is that inadequate organisational development, as part of the transformation process, will result in a loss of skills, knowledge and expertise, impacting on delivery and/or quality of service.					<div><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>Impact</div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div>
Risk Status	High Risk	Risk Traffic Light		Current Risk Score	12	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.					George Young
Internal Controls	The High Impact Leadership Programme, the Management Development Programme, Learning Events and the revised PPD process continue to develop and enhance the skills and knowledge of the workforce. A strategy is also in place to ensure skills transfer from the Council's strategic partner to Council staff, to ensure the retention of knowledge within the authority. 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. The Redeployment and VER programmes support service redesign and manage workforce change.				Risk Next Review Date	31-Jan-2013
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
SP1213CE_A08 Manage organisational change and workforce rightsizing				31-Mar-2013	George Young	
SP1213CE_B01 Progress the Organisational Development Strategy (ODS)				31-Mar-2013	George Young	

Risk Code & Title		SR07.2012/13 Asset Management				Current Risk Matrix
Description	The Council has established additional governance structures relating to the capital programme but recognises that its management of capital spend has to improve following slippage in previous years. New arrangements are in place to monitor the programme and identify, at an early stage, any potential barriers to fully implementing the capital programme. The risk to the Council is that it does not deliver its investment plans on time, impacting adversely on outcomes.					
Risk Status	Warning	Risk Traffic Light		Current Risk Score	9	Assigned To
Potential Effect	A failure to improve will lead to further slippage of the capital programme and adverse scrutiny. Where investment plans are not delivered on time additional and unplanned costs may be incurred. Any failure to achieve investment plans will also impact directly upon key business priorities of the Council.					Yvonne Baulk; Laura Friel
Internal Controls	Review undertaken of Capital Programme concentrating on major projects targeted at meeting the Council's core objectives. Further development of the Capital Programme Asset Group with the implementation of improved project planning principles aimed at ensuring a more efficient and tighter control of capital budgets. Better utilisation of overall resources bringing forward capital projects to utilise projected shortfalls. Individual Asset Management Plans established for identified key asset themes.				Risk Next Review Date	31-Jan-2013
Linked Actions						
Linked Actions Code & Title				Due Date	Assigned To	
SP1213FI_A_E03 Progress the Council's interim financial strategy				31-Mar-2013	Yvonne Baulk	
SP1213FI_A_E04 Update the Financial Strategy				31-Mar-2013	Yvonne Baulk	
SP1213FI_A_E05 To develop a five-year financial planning model that recognises, and is sensitive to, key variables				31-Mar-2013	Yvonne Baulk	
SP1213FI_A_E12 To develop CPAG to ensure delivery of capital investment programme, to avoid slippage and to ensure compliance with the Councils priorities				31-Mar-2013	Hazel Hair	
SP1213FI_A_E22 Progressing the Action Plans from the five Finance and Infrastructure Asset Plans				31-Mar-2013	Angus Bodie; Craig Hatton	

Risk Code & Title		SR08.2012/13 Information Management				Current Risk Matrix		
Description		The internet is becoming an increasingly important channel for the delivery of services to, and communication with, Council stakeholders. Government initiatives are encouraging more use of technology, the internet and more access to public sector information. The Council is considering additional use of social networking technology and the use of equipment to capture more effectively the efficiencies gained from new technology. The information we use, whether electronic or paper, presents challenges to the authority which need to be managed. The risk to the Council is that we fail to adequately protect and manage the information we use.					<div><div>Likelihood</div><div>Impact</div></div>	
Risk Status	Warning	Risk Traffic Light			Current Risk Score	9	Assigned To	
Potential Effect	A significant risk is presented to organisations and/or individuals where protected or personal information is lost and made public. Adverse scrutiny and media attention following data/information loss will create a negative perception and a loss of confidence in the Council's ability to manage data. If Information Management arrangements fail data may be lost resulting in significant fines against the authority.						Ian Mackay	
Internal Controls	An ICT Security Policy Framework has been established which includes: an Acceptable Computer Use policy; Information Classification Guidelines; an Information Asset Register; an ICT Security Policy and a Records Management Policy. In support of these policies information, instruction and training have been provided to Management and staff across the authority.					Risk Next Review Date	31-Jan-2013	
Linked Actions								
Linked Actions Code & Title					Due Date		Assigned To	
SP1213CE_A07a Social Media Strategy and Policy developed and approved					31-May-2012		Jim Montgomery	
SP1213ES_F_F03 Develop and maximise new technologies to create more efficient ways of working					31-Mar-2013		Mark Armstrong	
SP1213IT_D01 Implement ICT Strategy and Action Plan					31-Mar-2013		Lorna Morley	

Risk Code & Title		SR09.2012/13 Equal Pay Issues				Current Risk Matrix	
Description	Pay claims already intimated against the Council are being managed within a funding framework and, based upon current information, resources have been identified to fund these costs. A small number of new claims continue to be submitted each year which will add to the financial risk upon the authority. The risk value of new claims will decrease year on year until July 2015.						
Risk Status	Warning	Risk Traffic Light			Current Risk Score	8	Assigned To
Potential Effect	Where additional claims are intimated or award criteria is changed there may be an additional cost burden placed upon the council creating uncertainty in funding arrangements.					George Young	
Internal Controls	Evaluate the risk of each claim on a case by case basis mitigating the risk to the authority where reasonable to do so. An annual financial evaluation of pay claims is undertaken between Finance and HR and a contingent liability set aside to meet anticipated costs. Regular technical updates are provided to the authority looking at relevant case law and the implications to the authority.				Risk Next Review Date	31-Jan-2013	
Linked Actions							
Linked Actions Code & Title					Due Date	Assigned To	
SP1213CE_A10 Resolve equal pay issues at least cost to Council by March 2013					31-Mar-2013	George Young	

Risk Status	
	Alert
	High Risk
	Warning
	OK
	Unknown

NORTH AYRSHIRE COUNCIL

Agenda Item 13

21 August 2012

Cabinet

Subject: **Risk Management Annual Report 2011/12**

Purpose: To inform Elected Members of work carried out across the Council in relation to risk management during 2011/12 and future planned work.

Recommendation: That the Cabinet agrees to note (a) the content of the Annual Report, as set out in the appendix to the report and (b) progress being made in developing the Council's approach to risk management.

1. Introduction

- 1.1 North Ayrshire Council is committed to ensuring that it responds to and manages the challenges impacting on the authority. The Council recognises that a certain amount of risk is inevitable if it is to achieve its objectives. A risk management framework has been established to support services and inform the decision-making process.
- 1.2 The Council has in place a Risk Management Strategy and a strategic risk register which are also on the agenda for this meeting of the Cabinet.
- 1.3 This is the first time that a risk management annual report has been prepared for North Ayrshire Council. The aim of the report is to provide an overview of risk management activities undertaken during 2011/12, highlighting examples of good practice, and also detailing further work which will be carried out during 2012/13.

2. Current Position

- 2.1 The Annual Report is attached at Appendix 1 to this report. The report highlights initiatives which have been implemented during 2011/12, which contribute to improving the risk control environment, and further actions which are planned for 2012/13.

2.2 Some examples of initiatives which have been implemented during 2011/12 are:

- a financial management strategy
- development of governance arrangements
- a care and contract management framework;
- the establishment of an Economic Development Board to oversee the implementation of the ten year Economic Regeneration Strategy.

Information on each of these and other examples are provided within the Annual Report.

2.3 In April 2012, the Corporate Management Team agreed an improvement plan for risk management. This is designed to further embed a culture of risk management across the Council and contained a number of actions which are currently being progressed.

2.4 Some of the further actions being implemented during 2012/13 are:

- the establishment of a Corporate Risk Management Group
- the further embedding of the risk management framework in the Service Planning and Budgeting process.

3. Proposals

3.1 It is proposed that the Cabinet notes (a) the content of the attached annual risk management report, as set out in the appendix to this report and (b) progress being made in developing the Council's approach to risk management.

4. Implications

Financial Implications

4.1 None.

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

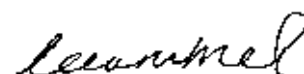
- 4.6 Risk Management forms part of the Council's corporate governance arrangements and contributes towards the successful achievement of the Council's key priorities.

5. Consultations

- 5.1 Consultation has taken place with the Corporate Risk Management Group on the content of the annual report.

6. Conclusion

- 6.1 A number of initiatives have been implemented across the Council during 2011/12 which improve the risk control environment.
- 6.2 Further work to embed a culture of risk management across the organisation has been agreed by the Corporate Management Team and will be implemented during 2012/13.



LAURA FRIEL

Corporate Director (Finance and Infrastructure)

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 Annual Report

2011/12

Version:	FINAL
Date:	26 th July 2012
Author:	David Johnston
Classification:	Public

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Areas for Further Development:	Page 6
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Introduction/Background

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 objectives. A risk management framework has been established to support services, informing the decision making process.

A risk is an event or outcome which, if occurring, will have an impact upon the Council's ability to achieve its business priorities. The aim of risk management is to reduce the likelihood and/or severity of loss by identifying risks, evaluating the potential consequences and determining the most effective method of controlling or responding to the risks.

If a risk is managed appropriately, and its impact upon the authority understood, the risk management framework can contribute positively towards the organisation's decision-making processes. It can remove barriers to success and make the authority more innovative and effective in its approach to Service delivery.

To ensure a consistent approach across the Council, the risk management framework is embedded within the Service Planning and Budgeting process and requires priorities and objectives within the service plan to be assessed for risk.

Following a review of the risk management framework, an improvement plan was prepared and subsequently agreed by the Corporate Management Team in April 2012. The improvement plan will enhance current governance structures creating additional awareness and ownership of risk within services.

Purpose of Report

The purpose of this report is to provide an overview of risk management activities undertaken from 1st April 2011 to 31st March 2012 and to identify additional work still required to ensure awareness and ownership of risk is enhanced.

The report is intended to detail activity undertaken by services, highlighting good practice, as well as raising the profile of risk management and the benefits gained from having a structured and integrated approach to managing risk.

Risk Control Initiatives

This report provides services with the opportunity to highlight good practice and share activities that contributed to the management of risk within the authority. The following initiatives relate to risks identified within the Council's Risk Registers and help to provide assurance that effective risk management arrangements are in place and being applied across the authority.

Strategic Initiatives

Financial Management

During 2011, the authority consolidated all existing financial planning documents into an overarching financial strategy. This was the starting point for the development of the medium (5 year) to long-term (10 year) financial plan, enabling the Council to assess and respond to the impact of, and risks associated with reducing funding. Linkages were identified to other Council strategies providing an integrated governance framework for the strategic and operational planning of Council resources.

Partnership Working

The Council needs to work closely with community planning partners to ensure a more integrated approach is taken to strategy and service delivery. The 2011/12 strategic risk register identified that partnership working is maturing but that further work was still required to improve this, particularly with NHS Ayrshire and Arran. A number of examples have been identified from 2011/12 that demonstrate continuing development of partnership working.

Local operational teams have been developed in North Ayrshire using Older People's Change Fund monies to encourage and develop partnership working where the service user is at the core of the process. This early intervention approach enables the most appropriate care plan to be devised, which may also facilitate early discharge from hospital or prevent an admission.

The Early and Effective Intervention process, addressing young people's offending at an earlier stage and attempting to divert them away from statutory measures, was introduced in May 2011. This is a multi-agency approach that involves the Council, NHS, Strathclyde Police, the Scottish Children's Reporters Authority and the third sector.

Social Services have also been involved with the Multi-Agency Problem Solving Group throughout 11/12 with the Youth Services and Money Matters teams being active participants in this approach alongside other Council services, Strathclyde Police and KA Leisure.

North Ayrshire Council and NHS Ayrshire and Arran Addictions Services co-located in November 2011 and work continues on developing shared processes and protocols to offer a more seamless and holistic service to service users.

Governance

In response to weaknesses identified by Internal and External Audit, further development of the Council's financial planning and governance arrangements were provided through a programme of training on the Financial Regulations, Codes of Financial Practice and Standing Orders Relating to Contracts. This was delivered to relevant staff across the authority.

Care and Contract Management Framework

Social Care services are delivered by both the Council and providers with whom the Council contracts. The economic environment has impacted upon private providers and their ability to maintain services, causing concern for users and reduced confidence in the service provided. Social Services recognises the need for a process that will give service users more confidence in the services which the Council purchase on their behalf and to have better early warning systems in place to proactively manage issues arising through the use of private providers.

The development of the Care and Contract Management Framework provides a proactive monitoring system, giving clear guidance for Council staff and providers on how the performance of purchased services will be monitored and what will happen when things go wrong. It sets out how providers, care managers and contract monitoring staff will work together to ensure that services deliver the outcomes set out in care plans at an individual and organisational level.

Information Management and Governance

The Council has adopted an Information Management Strategy and action plan providing guidance and training to services on managing the Council's information risks. The development of the Information Asset Register enables services to manage their information assets and to identify and mitigate associated risks. The programme of work continues to build upon previous management development training held in late 2010.

Performance Management

Performance Management arrangements within the authority have been strengthened following assessments undertaken as part of the BV2 audit. A performance management strategy has been developed and implemented and the BV2 improvement plan achieved a 97% completion rate, including the implementation project for Covalent.

Economic Regeneration

In August 2011, the Executive of North Ayrshire Council agreed the establishment of an Economic Development Board to oversee the delivery of a 3-year business plan. This will contribute to the implementation of the Economic Development and Regeneration Strategy 2010-2020; this strategy is designed to improve North Ayrshire's economic performance by delivering a larger and more sustainable business base, enabling more employment to be created locally. A new dedicated post of Economic Development and Regeneration Project Director was agreed. During 2011/12, the Council undertook lobbying of UK and Scottish Ministers to obtain political support in relation to managing levels of local deprivation.

Operational Risk Activities

Driving at Work Guidance

The Driving at Work Guidance, part of the Council's Health and Safety Masterfile, took effect from October 2011 and provides operational guidance on managing occupational driving risks. To complement the guidance insurance reports detailing claim costs and numbers have been, and will continue to be, provided to all services. Through better management of the risks associated with driving at work the Council anticipates a reduction in incidents involving vehicles, reducing insurance costs and sickness absence.

Procurement of an Emergency Call Out Service for Council Locations

Due to inconsistent arrangements across services, a corporate working group was established to consider current call-out and standby arrangements for alarm activations. From April 2011 an Emergency Call-out Service was introduced, responding to alarm activations, break-ins or vandalism. The contract provided a consistent approach to alarm activations, reducing call-out and standby charges and providing a secondary means of alarm confirmation ensuring a police response. Due to false alarm activations the police would not guarantee a response unless a secondary means of confirmation was put in place.

Fraud

The Council maintains membership of the National Anti-Fraud Network (NAFN) hosted by a number of authorities in England. The fraud bulletins highlight identified threats, ensuring authorities are able to manage fraud risks in advance of a loss and are able to share experiences across the UK. Within Financial Services, the Audit, Risk and Performance section established a distribution network of identified fraud contacts and a monitoring process to ensure relevant issues within bulletins are managed effectively by Service. The work looks to ensure that prompt action can be taken by services in response to potential fraud threats.

Areas for Further Development

The risk improvement plans agreed by the CMT identifies a plan of action to refresh the council's approach to risk management. The main areas for future development are detailed below.

Development of Corporate Risk Management Group

Currently a draft Strategic Risk Register is prepared and discussed by the Corporate Management Team acting as the Council's Risk Management Group. It has been recognised that the process of identifying strategic risks needs to be extended, considering a wider pool of information held within services. It has been agreed that a Corporate Risk Management Group will facilitate these discussions in advance of information being considered by the CMT. Services have identified senior representatives to sit on this group and an initial meeting has been held to establish a working terms of reference.

The new group will create closer ownership of strategic risks by services, encourage links between strategic and service risks and provide a more integrated approach to the identification and management of risks within the authority.

Change Programme

The Council is facing significant financial challenges in relation to changing demographics, changing national policies and new legislation. Work is being undertaken in relation to key change projects. Some examples include the establishment of a transport hub, personalisation of care and the development of the Council's approach to asset management. Governance arrangements and programme risks, identified as part of the Change Programme, need to be reflected within the Council's risk register and risk management strategy.

Information Management

The Information Management Strategy highlights the role of Internal Audit in relation to information management and compliance with data protection legislation. The Council's Records Management Plan and the Internal Audit Plan are both risk based and discussions will be held to identify the added value Internal Audit can bring to the management of the Council's information.

Governance

To enhance Elected Members' awareness and ownership of risk, three reports will be provided to Committee on an annual basis. In addition to this annual report, this will include updates to the Council's Risk Management Strategy and Strategic Risk Register.

Service Planning and Budgeting Guidance

The service planning and budgeting process provides a structured approach to identifying the actions and resources necessary to meet the Council priorities. It also allows services to evaluate the significant barriers to achieving their key priorities and establish reasonable controls to mitigate the impact these risks will have upon delivering outcomes.

Within the Service Planning and Budgeting documentation, current guidance on risk is limited. Additional guidance will be provided to strengthen current arrangements. Services will also be required to consult with the Team Manager (Risk and Insurance) during the preparation of their risk registers, to ensure a consistency of approach across Council services.

Strengthen Links between Internal Audit reports and Service Risk Registers

Some significant risks, identified through audit reports, will be included within service risk registers. Service risk registers will also be evaluated when the audit plan is being prepared, with areas of relevance added to the audit programme.

Training on Risk Management

The Team Manager (Risk and Insurance) will meet with all services' senior management teams on an annual basis to discuss and raise awareness of the risk management strategy. Training will also be provided to elected members to raise members' awareness of the Council's approach to risk management.

Conclusion

This report identifies a number of risk control initiatives undertaken by Council services during 2011/12 and additional work to be undertaken during 2012/13, to further strengthen the Council's approach to risk management. The activities are identified as a means of raising the profile of risk management, developing awareness and ownership of risk within Services.

NORTH AYRSHIRE COUNCIL

Agenda Item 14

21 August 2012

Cabinet

Subject: North Ayrshire Physical Activity and Sport Strategy (Fit for the Future 2010-15)

Purpose: To inform Elected Members of the progress made in delivering the Strategy and seek support for its continued development.

Recommendation: That the Cabinet notes progress being made by the Partnership in delivering the North Ayrshire Physical Activity and Sport Strategy.

1. Introduction

- 1.1 The Glasgow 2014 Commonwealth Games, preceded by the London 2012 Games, provide an opportunity to leave a lasting legacy in relation to the role that physical activity and sport plays in developing strong, vibrant and healthy communities.
- 1.2 The North Ayrshire Physical Activity and Sport Strategy, Fit for the Future 2010-2015 provides a local strategic context in delivering the vision of "inspiring more people in North Ayrshire to be more active, more often". It identifies the ways in which the number, variety and quality of opportunities will be increased by strong partnership working across the four key themes of the Strategy.

Opportunities - To continue to promote and provide opportunities for participation in regular physical activities and sport for the community of North Ayrshire.

Places and Spaces - To further develop and implement a strategic approach for the provision and operation of quality physical activity and sports facilities enabling access.

Strengthening and Developing Communities - To continue to strengthen and develop the capacity of community organisations.

Promotion and Profile - To continue to promote and raise the profile of the importance of physical activity and sport.

- 1.3 A strong partnership has been developed between North Ayrshire Council, KA Leisure, sportscotland, NHS Ayrshire and Arran, local community sports organisations and national governing bodies for sports in delivering the Strategy Action Plan.

2. Current Position

- 2.1 Analysis of the Strategy Action Plan and progress against the actions has indicated that against the four main themes progress is rated green. All sub actions are recorded as green, and making good or very good progress towards overall completion.

Opportunities

- 2.2 Very good progress has been made in relation to increasing the range of opportunities provided by public sector and community organisations.
- 2.3 Overall customer activity has increased across KA Leisure provision from 1,474,814 in 2010/11 to 1,577,590 in 2011/12 (*source KA Leisure Annual Report 2012*) .
- 2.4 B-Active on Ice was an ice sports festival staged at the new Auchenharvie Ice Rink during September 2011. Over 2500 people from local clubs and communities participated or attended the events during two weekends.
- 2.5 The Auchenharvie Ice Rink development has seen an increase in participants of ice-related sports and activities whilst supporting local clubs to work more closely by establishing an ice users forum.
- 2.6 KA Leisure hosted the North Ayrshire Community Games held at the KA Campus, St Matthew's Academy in August 2011, which attracted over 1,900 participants. The event showcased a number of sports which will feature in the Glasgow 2014 Commonwealth Games and forms part of the North Ayrshire Legacy Programme. The programme was funded by Event Scotland and the 2014 Communities Fund and organised by a partnership involving North Ayrshire Council, community sports clubs and volunteers.
- 2.7 The North Ayrshire School of Sport programme in Ardrossan Academy, Auchenharvie Academy and Irvine Royal Academy will aim to increase the numbers of participants and the quality of opportunity available to S1 pupils in order to maximise their aspirations.

Places and Spaces

- 2.8 New facility developments or improvements will play an important role in increasing participation and the delivery of quality programmes.
- 2.9 Kilwinning Community Sports Club has commenced development work which will deliver new changing and playing facilities within.
- 2.10 Irvine Community Sports Club has a well developed business plan which has already attracted substantial funding to deliver its project plan.
- 2.11 New community facilities in Beith and Largs will further enhance provision and provide increased stimulus for other organisations who are considering similar projects.
- 2.12 The future North Ayrshire Council asset transfer policy will assist groups to consider future initiatives in Irvine, Kilwinning, Ardrossan, Saltcoats, Stevenston, Largs, Kilbirnie and Dalry.
- 2.13 Currently, 91% of primary schools and 100% of secondary schools meet the target of two hours physical education (PE) a week.
- 2.14 An audit of school PE facilities has identified a number of projects which will improve or increase opportunities to deliver PE in local schools.
- 2.15 During 2012/13, work will be undertaken in six schools to complete a range of minor improvements/adaptions as part of a two year plan, the indicative cost is £312,850. A further five schools are scheduled for works to be completed during 2013/14 at indicative cost of £345,194.

Capacity

- 2.16 Work with groups on the Island of Arran and Auchenharvie is assisting them to establish local community sport partnerships or 'hubs' to further build local community organisations.
- 2.17 In addition existing sports clubs or organisations are being supported in improving their club structures or developing new initiatives, in West Kilbride, Irvine, Garnock Valley, Ardrossan and Kilwinning.

Promotion and Profile

- 2.18 NHS Ayrshire and Arran secured funding during 2011/12 to develop a website which will provide detailed information relating to sports clubs, programmes and activities.
- 2.19 An audit has provided an initial benchmark for the numbers and ranges of programmes available to all sections of the community.
- 2.20 The website will be used to promote initiatives and related events in the run up to the 2014 Glasgow Commonwealth Games.
- 2.21 The Nurturing Excellence Programme for Sport will be promoted using the website and its own local ambassadors who are now joining the programme.

3. Proposals

- 3.1 It is proposed that the Cabinet notes progress being made by the North Ayrshire Physical Activity and Sport Partnership in developing and delivering the strategy actions.

4. Implications

Financial Implications

- 4.1 Physical Activity and Sport Strategy actions including minor adaptations to schools are met from approved budgets within the Council and partnership organisations, groups.

Human Resource Implications

- 4.2 There are no Human Resources implications.

Legal Implications

- 4.3 There are no legal implications arising from the report.

Equality Implications

- 4.4 There are no equality implications arising from the report.

Environmental Implications

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

Implications for Key Priorities

- 4.6 The North Ayrshire Physical Activity and Sport Strategy, Fit for the Future 2010-15, contributes to the following SOA outcomes:
- 3a "opportunities for lifelong learning have increased";
 - 4a "levels of educational attainment and achievement have improved";
 - 5a "opportunities to support the positive development of young children have increased";
 - 6b "health inequalities have reduced";
 - 6e "people are more active more often";
 - 11a "levels of voluntary action and community involvement have increased";
 - 11b "partnership working between the public, community and voluntary sector have improved".

5. Consultations

- 5.1 Education and Skills, sportscotland, KA Leisure, NHS Ayrshire and Arran and thematic groups have been consulted.

6. Conclusion

- 6.1 The Physical Activity and Sport Strategy (Fit for the Future 2010-15) is providing a framework to deliver improved partnership working which is translating into a range of positive local developments across North Ayrshire.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : CK/JMcK/AF

For further information please contact John McKnight, Manager Community Development on telephone number 01294 324488

Background Papers

North Ayrshire Physical Activity and Sport Strategy, Fit for the Future 2010-2015

NORTH AYRSHIRE COUNCIL

Agenda Item 15

21 August 2012

Cabinet

Subject:	Sports Club Development
Purpose:	To inform Elected Members of the current progress in supporting local community sports club development.
Recommendation:	That the Cabinet notes the progress in terms of the continued delivery of this innovative approach to community sports club development in North Ayrshire.

1. Introduction

- 1.1 'Club Sport in Scotland 2011-2015', by sportscotland 2011 provides the framework for club sport development in Scotland. The vision is, 'A Scotland where sport is a way of life'. Sportscotland aims to work with stakeholders to deliver a world class sporting system at all levels. Developing the quality and quantity of local sports clubs in local communities is viewed as being essential in contributing to this vision.
- 1.2 North Ayrshire Council delivered a very successful club demonstration project in conjunction with sportscotland from 2007 to 2010. The project and subsequent evaluation report was used as a basis to inform future community club development strategy by sportscotland.
- 1.3 Funding was secured from April 2011 to continue this successful approach as part of the national development by sportscotland of community sport 'hubs'.
- 1.4 The North Ayrshire Physical Activity and Sport Strategy Fit for the Future 2010-15 provides the local framework for ensuring that community sports hub development is integrated into the wider strategy and contributes to meeting local outcomes in relation to health, physical activity, volunteering and community capacity.
- 1.5 The adoption of a sound community work approach, with a focus on the individual and club structures, has enabled clubs to develop their overall capacity to deliver successful community sports clubs or 'hubs'.

2. Current Position

- 2.1 Four new Community Sport Hub locations were identified at Arran, Auchenharvie, Ardrossan and Largs, as part of the plan agreed by sportscotland. Arran and Auchenharvie were phased from 2011/12, with Ardrossan following in 2012/13 and Largs 2013/14.
- 2.2 Continued support to Kilwinning Community Sports Club has enabled the Kilwinning project to begin work during 2012 on its new premises and playing facilities. The Irvine Community Sports Club has secured almost all the funding necessary to begin detailed planning while finalising funding options for modernising facilities at the Irvine site.
- 2.3 Additional support has also been provided to a number of community organisations wishing to adopt the community sports hub approach. These have included Beith Community Development Trust, West Kilbride Community Sports Club and groups in Dalry, Irvine and Kilbirnie.
- 2.4 During the past 6 months, an increasing number of sports clubs have made approaches to North Ayrshire Council to transfer over the ownership or leases of sports facilities. The majority of requests relate to football pitches and pavilions.
- 2.5 A corporate approach to asset transfer is being finalised which will be adopted to manage and support organisations to progress their ambitions.
- 2.6 With an extended remit to support community sports 'hubs' or partnerships it has been possible to work on Arran with 13 different sports clubs, while progressing work with the Auchenharvie Community Sports Hub.
- 2.7 Additional support has also been provided to West Kilbride Community Sports Club seeking to develop a village 'hub' or community hub model.
- 2.8 Throughout 2011/12 the number of organisations seeking support and presenting proposals for a range of community initiatives has increased.
- 2.10 North Ayrshire Council will require to prioritise and manage this increase in demand which continues to grow following the success of other local sports clubs initiatives as part of the community sport hub process.

3. Proposals

- 3.1 It is proposed that the Cabinet notes the progress in terms of the continued delivery of this innovative approach to community sports club development in North Ayrshire.

4. Implications

Financial Implications

- 4.1 Sportscotland is providing an initial three years funding of £38,000 per year to support this initiative.

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 The proposals will assist in achieving the following SOA outcomes:

- 3a "opportunities for lifelong learning have increased";
- 4a "levels of educational attainment and achievement have improved";
- 5a "opportunities to support the positive development of young children have increased";
- 6b "health inequalities have reduced";
- 6e "people are more active more often";
- 11a "levels of voluntary actions and community involvement have increased";
- 11b "partnership working between the public, community and voluntary sector have improved".

5. Consultations

- 5.1 Local sports clubs, sportscotland, KA Leisure and NHS Ayrshire and Arran have been consulted. In addition, there is extensive ongoing dialogue with local sports clubs and organisations.

6. Conclusion

- 6.1 The sports club development programme in North Ayrshire has provided an innovative approach for community sports organisations. Further work will seek to broaden its impact across a wider range of communities and sports in North Ayrshire.



CAROL KIRK

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Background Papers

North Ayrshire Physical Activity and Sport Strategy, Fit for the Future 2010-2015

NORTH AYRSHIRE COUNCIL

Agenda Item 16

21 August 2012

Cabinet

Subject: **Transport Hub - Procurement of a Vehicle Route System**

Purpose: To advise the Cabinet of the outcome of the procurement exercise for the provision of a vehicle route system.

Recommendation: That the Cabinet agrees to (a) award a 5-year contract for the provision and maintenance of a vehicle route system to Trackyou; and (b) delegate the completion of contract documentation to the Head of Environment and Related Services.

1. Introduction

- 1.1 At its meeting on 11 October 2011, the Executive agreed to undertake a procurement exercise for the provision of a vehicle route system. The routing system is central to the development of a Corporate Transport Hub that seeks to optimise vehicle use and journeys in the delivery of Council services.
- 1.2 A formal tender was advertised in line with Procurement Regulations on 6 January 2012. The tender sought submissions from suitable companies for both outright purchase and lease of an appropriate system along with support and maintenance plans.
- 1.3 These services are not within the Scotland Excel procurement framework.

2. Current Position

- 2.1 The evaluation process consisted of two stages:-

Stage 1 – Pre-qualification - minimum quality standards

Stage 2 – Price and Quality

- 2.2 Four completed tenders were received on 20 February 2012 from AMT Sybex, Masternaut, Trackyou and Trafficmaster and evaluated against the following Stage 1 minimum requirements :-
- Compliance with North Ayrshire Council's Terms and Conditions of Contract;
 - Experience;
 - Satisfactory references; and
 - Financial standing.
- 2.3 Only two of the submissions (Masternaut and Trackyou) met the minimum requirements and were taken forward for Stage 2 evaluation against the following criteria:-
- Price (60%)
 - Quality (40%)
 - Contract management
 - Installation period
 - Maintenance and system support
 - System capabilities
 - Innovation and future development
- 2.4 During the post tender clarification, Masternaut failed to clarify the pricing of specialist equipment and failed to provide assurances regarding their ability to provide certain elements of the specification specifically with regard to gritting software and hardware. On the basis of this, it became apparent that Masternaut was unable to meet the specification requirements.
- 2.5 As a result of Masternaut's failure to meet the specification, Trackyou was left as the sole potential tenderer.
- 2.6 Trackyou tendered costs for the basic system were benchmarked against Masternaut's tendered costs for the basic system and were significantly lower.

3. Proposals

- 3.1 The Cabinet is invited to agree to (a) to award a contract for the provision and maintenance of a vehicle route system to Trackyou; and (b) delegate the completion of contract documentation to the Head of Environment and Related Services.

4. Implications

Financial Implications

- 4.1 On the basis of a five-year purchase, the total contract value will be £637,542.48.
- 4.2 The tender included options for leasing or purchasing. The total costs of a three-year lease (£548,584) against a purchase plan (£487,064) over the same period shows a difference of £61,520. The recurring costs thereafter would be £186,178 per annum for leasing compared to £75,239 per annum for the purchase option. Given that both the initial purchase cost and the subsequent recurring costs are lower than the leasing costs, the recommendation is to pursue the purchase plan.
- 4.3 The implementation costs of £487,064 will be met from the service redesign fund. The ongoing costs thereafter of £75,239 per annum will be met from efficiency savings generated from the transport hub project.
- 4.4 The costs associated with the implementation and additional support will be exceeded by the efficiencies arising from implementation of the ICT-based telematic solution.

Human Resource Implications

- 4.5 There are no Human Resource implications.

Legal Implications

- 4.6 The procurement exercise has been undertaken in line with European and Public Procurement Regulations.

Equality Implications

- 4.7 There are no equality implications.

Environmental Implications

- 4.8 The vehicle route system will be utilised to ensure the most efficient use of vehicles and planning of journeys and therefore reduce associated carbon omissions.

Implications for Key Priorities

4.9 The proposals will contribute towards the achievement of the following SOA objectives:-

- 14b The public sectors Carbon Footprint has been reduced.
- 15b Public services are more efficient and effective

Community Benefit Implications

4.10 There are no community benefit implications.

5. Consultations

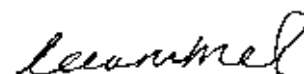
5.1 The Council's Change Management, Roads, Waste, Transport and ICT service areas have formed part of the procurement panel.

5.2 The IT security officer has closely scrutinised the Trackyou submission to ensure compliance with IT security requirements.

5.3 Trade Unions have been advised of the implementation of a vehicle route system. A policy is being developed in respect of the application of information gathered by the system.

6. Conclusion

6.1 A procurement exercise for the provision and maintenance of a vehicle route system has identified Trackyou as the preferred supplier.



LAURA FRIEL
Corporate Director (Finance and Infrastructure)

Reference : CH/LB

For further information please contact Craig Hatton, Head of Environment & Related Services on telephone number 01294 541514

Background Papers

Tender documentation.

NORTH AYRSHIRE COUNCIL

Agenda Item 17

21 August 2012

Cabinet

Subject: **Supply of UPVC Windows**

Purpose: To seek the approval of Cabinet to commence tendering for the procurement of upvc windows.

Recommendation: That Cabinet agrees to (a) approve the initiation of the procurement process for the supply of upvc windows; and (b) note the two-month contract extension agreed with the Nova Group Ltd.

1. Introduction

- 1.1 On 5 January 2012, the Council awarded an EU contract for the supply of upvc windows to Nova Group Limited. The contract period was for 12 months with an option to extend by up to a further 18 months.
- 1.2 On 4 June 2012, Building Services offered Nova Group Limited an extension to their contract which they declined citing economic pressures. However, Nova presented a counter-offer of a 2-month extension up to 4 March 2013 which, in order to maintain continuity of service, has been accepted.

2. Current Position

- 2.1 The window renewal programme is undertaken by Building Services on behalf of Housing Services.
- 2.2 The HRA (Housing Revenue Account) business plan has an on-going replacement programme of windows. The business plan identifies £4.6m of expenditure in relation to window replacement.
- 2.3 The supply of these goods is not included within any Scotland Excel framework.

3. Proposals

- 3.1 The Cabinet is invited to approve the initiation of the procurement for the supply of upvc windows in compliance with European Union procurement regulations, for a period of three years with an option to extend for up to two years. This period is considered sufficient to attract a good market response to ensure a competitive exercise.
- 3.2 The Cabinet is further asked to note the 2-month contract extension agreed with Nova Group Ltd.

4. Implications

Financial Implications

- 4.1 Housing Business Plan makes provision of £4.6m for window replacement in the period 2013 -2016.

Human Resource Implications

- 4.2 There are no implications

Legal Implications

- 4.3 The procurement exercise will be undertaken in accordance with European Union procurement regulations.

Equality Implications

- 4.4 The equality credentials of companies invited to bid will be verified as part of the pre qualification process.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The window replacement programme contributes to the following Single Outcome Agreement outcomes:-

10a The quality of social housing has improved

15b Public Services are more efficient and effective

Community Benefit Implications

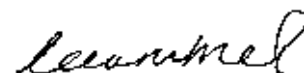
- 4.7 This is a supply contract and, therefore, there are no community benefits.

5. Consultations

- 5.1 This report has been prepared in conjunction with the Corporate Procurement Service.
- 5.2 The tender documentation will be completed in consultation with Infrastructure and Design Services to ensure that the clients requirements are specified.

6. Conclusion

- 6.1 It is necessary to undertake a procurement exercise for the supply of upvc windows to deliver the window renewal programme as detailed in the HRA Business Plan.



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Reference : CH/LB

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Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 18

21 August 2012

Cabinet

Subject: **Removal and Disposal of Leachate from
Shewalton Area 2 Landfill Site**

Purpose: To advise the Cabinet of the outcome of the procurement exercise for the removal and disposal of leachate from Shewalton Area 2 Landfill Site.

Recommendation: That the Cabinet agrees to (a) award a contract for the removal and disposal of leachate from Shewalton Area 2 Landfill Sites to Oran Environmental Solutions Limited; and (b) delegate the completion of contract documentation to the Head of Environment and Related Services.

1. Introduction

- 1.1 At its meeting on 10 April 2012, the former Executive agreed to conduct a procurement exercise for the removal and disposal of leachate from Shewalton Area 2 Landfill Site.
- 1.2 The contract period is for 4 years from the Service Commencement Date with an option to extend for two 12-month periods at the discretion of the Council.
- 1.3 A formal tender was advertised in the European Journal in line with Procurement Regulations on 11 May 2012.
- 1.4 These services are not within the Scotland Excel procurement framework.

2. Current Position

- 2.1 The evaluation process consisted of two stages:-

Stage 1 - Pre-qualification - minimum requirements;

Stage 2 - Tenderers who successfully passed the Stage 1 were evaluated against the Stage 2 Price/Quality criteria.

2.2 Five completed tenders were received and evaluated against the following Stage 1 pre-qualification criteria:-

- Confirming acceptance of North Ayrshire Council's Standard Terms and Conditions of Contract;
- Demonstrating relevant experience in delivering similar landfill leachate disposal and removal services by providing two suitable references for the supply of landfill leachate removal and disposal services;
- Demonstrating the ability to comply with all of the detailed specification requirements;
- Providing a copy of the trade effluent discharge consent for all proposed sites (including any sub-contractors) under the Contract which evidences that the existing licensed capacity meets the contract requirements;
- Providing a copy of the waste management licence/permit authorisations for all proposed sites under the Contract which evidences that the existing licensed capacity meets the requirements of the Contract;
- Providing a copy of the Waste Carriers Licence and Vehicle Operator's Licence Certificate for all haulage contractors proposed under the Contract which evidences that the contractors existing licences meet the requirements of the Contract; and
- Demonstrating financial and legal standing.

2.3 Four out of the five submissions met the pre-qualification criteria and were taken forward for price/quality evaluation. The price was evaluated on the basis of price offered per tonne for the provision of the service during normal working hours and was fully inclusive of all costs required to perform the requirements of the service specified within the Invitation to tender document.

2.4 The completed evaluation matrix is attached at Appendix 1. Oran Environmental Solutions Limited has scored highest against the evaluation criteria.

2.5 The commencement date of the contract is 1 October 2012 to allow the new contractor to mobilise resources.

3. Proposals

3.1 The Cabinet is invited to agree to (a) award a contract for the for the removal and disposal of Leachate from Shewalton Area 2 Landfill Site to Oran Environmental Solutions Limited; and (b) delegate the completion of contract documentation to the Head of Environment and Related Services.

4. Implications

Financial Implications

- 4.1 The value of the contract is approximately £300,000 per annum and will be met from existing service resources.
- 4.2 The volume of leachate requiring removal and disposal can fluctuate with rainfall levels and reduces as landfill cells are capped. Both of these factors can affect the contract value.

Human Resource Implications

- 4.3 There are no known human resource implications

Legal Implications

- 4.4 The procurement exercise has been undertaken in line with Procurement regulations.

Equality Implications

- 4.5 The equality credentials of companies submitting tenders has formed part of the evaluation process.

Environmental Implications

- 4.6 The environmental credentials of companies submitting tenders has formed part of the evaluation process.
- 4.7 The services offered will assist the Council in meeting the requirements of the Pollution and Prevention Control permit for the landfill site.

Implications for Key Priorities

- 4.8 The proposals will contribute towards the achievement of the following SOA objectives:-
 - 12a: Our environment is protected and enhanced
 - 15a: Public perceptions of public services have improved

Community Benefit Implications

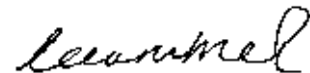
- 4.9 The contract does not offer any local community benefit beyond those associated with improving the environmental management of the area.

5. Consultations

- 5.1 The Corporate Procurement Unit has been consulted upon the contents of the report.

6. Conclusion

- 6.1 A tender exercise of for the removal and disposal of Leachate from Shewalton Area 2 Landfill Site has identified Oran Environmental Solutions Limited as the preferred contractor.



LAURA FRIEL
Corporate Director (Finance and Infrastructure)

Reference : CH/DM/LB

For further information please contact Craig Hatton, Head of Environment & Related Services on telephone number 01294 541514

Background Papers

Tender documentation.

Appendix 1				
Tenderer	Total Price Score (out of 80)	Total Quality Score (out of 20)	Total Score (out of 100)	Rank
Oran Environmental Solutions Ltd.	80.00	20.00	100	1
Scottish Water	75.59	20.00	95.59	2
Billy Bowie	70.33	19.60	89.93	3
Acre Industrial	65.49	19.20	84.69	4

NORTH AYRSHIRE COUNCIL

Agenda Item 19

21 August 2012

Cabinet

Subject: **West Kilbride Community Centre: Proposed Alterations**

Purpose: To advise the Cabinet of tender submissions and to seek its agreement to accept the lowest priced tender.

Recommendation: The Cabinet is invited to approve acceptance of the lowest competent tender as set out in the appendix to the report.

1. Introduction

- 1.1 The General Services Capital Programme currently has provision of £100,000 for the Proposed Alterations to West Kilbride Community Centre, Corse Street, West Kilbride. The overall project budget is £568,907. The remaining £468,907 is met from various other funding sources which are listed at Section 4.2 of this report.

2. Current Position

- 2.1 West Kilbride Community Centre is currently owned by North Ayrshire Council and leased to West Kilbride Community Association.
- 2.2 The East wing of West Kilbride Community Centre requires refurbishment works at ground, first and second floor levels. These works are required to convert the unused first and second floor areas into a community gymnasium, dance studio and boxing suite.
- 2.3 The value of the works falls below the threshold of EU tendering.
- 2.4 No suitable Scottish Government or Scotland Excel contracts are available for similar works.
- 2.5 The project was advertised on Public Contracts Scotland as a Restricted Procedure with interested contractors requiring to complete a Pre-Qualification Questionnaire. Fifteen contractors submitted Pre-Qualification Questionnaires on 12 December 2012.

- 2.6 Infrastructure and Design Services assessed the completed Pre-Qualification Questionnaire's for General Technical Experience, Project Specific Experience, Health and Safety and Financial suitability. The five highest scoring contractors were invited to tender.
- 2.7 West Kilbride Community Association (WKCA) has a strong relationship with North Ayrshire Council. The Association manages an Adult Education programme on behalf of the Community Education Group in the Council and, in hosting the West Kilbride Village Nursery, provides another valuable service. The Council has recognised the contribution made by West Kilbride Community Centre to the area by contributing funds for the maintenance of the fabric of the building in recent years.
- 2.8 For a number of years, the upper floors of the East Wing of West Kilbride Community Centre have been in need of significant repairs and have therefore been out of use. WKCA and North Ayrshire Council have explored options by reviewing a number of proposed schemes to refurbish and repair the unused upper floors of the East wing.
- 2.9 WKCA have been able to attract significant external funding from sources such as The Moffat Charitable Trust, The Robertson Trust and Ayrshire Leader.
- 2.10 The ground floor is currently used by the community and is well attended with bookings throughout the year by various community groups.
- 2.11 The building in its current state is operational at ground floor level only. The first and second floors lie empty due their poor condition and lack of flooring, heating and toilets.
- 2.12 The proposed alterations are designed to transform currently unused areas of the Community Centre to provide a community gymnasium, dance studio and boxing suite with male and female changing facilities.
- 2.13 The poor condition of the building at first and second floor levels results in significant heat loss. Heat generated at the occupied ground floor level escapes via the un-insulated upper floors.

- 2.14 One of the many local community groups keen to make use of this building includes a boxing club. This group supplied and installed their own boxing ring and equipment and for a period used the second floor to run their club. However, the boxing club was prevented access in 2010 due to the lack of toilet facilities and health and safety concerns over access and the structural stability of existing floors.

3. Proposals

- 3.1 The Cabinet is invited to approve acceptance of the lowest competent tender as set out in the appendix to this report.

4. Implications

Financial Implications

- 4.1 The project cost is £568,907.
- 4.2 The project funding breakdown is as follows:

	£
The Moffat Charitable Trust	400,000
North Ayrshire Council (capital programme)	100,000
North Ayrshire Council (DDA budget)	38,907
North Ayrshire Council (Energy budget)	15,000
The Robertson Trust	10,000
West Kilbride Community Association	5,000
Project Total Budget	568,907

- 4.3 On completion of the refurbishment project, WKCA will procure gym and fitness equipment. This will be paid for by funds raised directly by WKCA (£55,000) and a grant from Ayrshire Leader (£55,000).
- 4.4 North Ayrshire Council's contribution can be met from:
- General Services Capital allowance of £100,000;
 - Disability Discrimination Act (DDA) budget of £38,907;
 - Energy Management budget of £15,000.

Human Resource Implications

- 4.5 There are no Human Resource implications pertinent to this report.

Legal Implications

- 4.6 There are no legal implications pertinent to this report.

Equality Implications

- 4.7 There are no equality implications pertinent to this report.

Environmental Implications

- 4.8 The completed project will be more energy efficient through improved insulation.

Implications for Key Priorities

- 4.9 The proposal contributes to a number of the Council's Strategic objectives and the following Single Outcome Agreement outcomes:-

- 6a Health and wellbeing have improved.
- 6e People are more active more often.
- 11a Levels of voluntary action and community involvement have increased.
- 11b Partnership working between the public, community and voluntary sectors has improved.
- 12a Our environment is protected and enhanced.

Community Benefit

- 4.10 There are no direct community benefit requirements in this contract, but the recommended contractor is based in North Ayrshire.

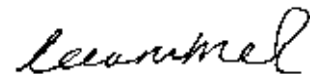
5. Consultations

- 5.1 The Corporate Procurement Unit was consulted during the tender process.
- 5.2 Close liaison with Education and Skills Service has been maintained to ensure that this refurbishment project meets the Client's needs.

- 5.3 The interests of West Kilbride Community Association are represented by an appointed committee. Close liaison with the committee has been maintained to ensure that this refurbishment project meets the needs of the Community Association.

6. Conclusion

- 6.1 The Cabinet is requested to approve the acceptance of the lowest priced tender as submitted by McLaughlin Construction Ltd., Irvine.



LAURA FRIEL
Corporate Director (Finance and Infrastructure)

Reference : AB/AK

For further information please contact Angus Bodie, Head of Infrastructure and Design Services on telephone number 01294 225211

Background Papers

Tender documentation.

ABSTRACT OF OFFERS

Contract No: WKB/301/018



NORTH AYRSHIRE
COUNCIL

WEST KILBRIDE COMMUNITY CENTRE GYMNASIUM**CORSE STREET, WEST KILBRIDE****ABSTRACT OF OFFERS**

Contractor	Original Offer	Corrected Offer	Lowest Adjusted Offer
McLaughlin Construction Ltd, IRVINE	£644,938.39	£655,384.09	£515,167.02
Clark Contracts Ltd, PAISLEY	£646,213.21	£669,797.14	
Morris & Spottiswood, GLASGOW	£655,805.00	£662,774.09	
Ashleigh (Scotland) Ltd., PRESTWICK	£666,159.11	£666,131.51	
James Frew Ltd., STEVENSTON	£673,959.40	£673,959.40	

NORTH AYRSHIRE COUNCIL

Agenda Item 20

21 August 2012

Cabinet

Subject: **Bail Supervision/ Arrest Referral Service across South West Scotland Community Justice Authority area**

Purpose: To advise the Cabinet of the tender exercise for the appointment of a provider organisation to operate a Bail Supervision/ Arrest Referral service on behalf of North Ayrshire Council.

Recommendation: That the Cabinet agrees to award the contract to SACRO for the appointment of a provider organisation to operate the Bail Supervision/ Arrest Referral service on behalf of North Ayrshire Council.

1. Introduction

- 1.1 At its meeting on 27 March 2012, the Executive agreed to a tender exercise for the appointment of a provider organisation to deliver a Bail Supervision/ Arrest Referral service across South West Scotland Community Justice Authority area, on behalf of North Ayrshire Council.
- 1.2 A formal contract notice was advertised, in line with the European Procurement Regulations on 17 May 2012 for a contract period of six months with an option to extend the contract on a yearly basis for up to a maximum of two years.

2. Current Position

- 2.1 The tender document was issued on 17 May 2012 with a closing date of 21 June 2012. At the closing date for applications, three tender submissions were received. All submissions were assessed initially for their capability and capacity to provide the service. Two submissions met the minimum criteria.
- 2.2 The two submissions which met the criteria were then evaluated in terms of quality of service (60%) and cost (40%). The bias towards quality reflects the importance of ensuring that the successful tender has the necessary expertise to provide the service.

2.3 The quality of service element was rated using a scoring framework based on the following criteria:-

- Staffing (10%)
- Policies and Procedures (10%)
- Outcome for Service Users (10%)
- Service Outcomes (10%)
- Quality Processes (10%)
- Flexibility and Added Duty (10%)

2.4 The tender evaluation panel consisted of five officers from Criminal Justice Social Work, representing the four Local Authorities who will be recipients of the service as well as an officer specialising in addiction services, together with a sixth member, the Planning and Compliance Officer from South West Scotland Community Justice Authority.

2.5 Sacro scored the highest against the evaluation criteria. The completed evaluation matrix is detailed in Table 1.

TENDERER	QUALITY	PRICE	OVERALL SCORE	RANK
SACRO	60%	39.73%	99.73%	1
APEX	51.69%	40%	91.69%	2

3. Proposals

3.1 It is proposed that the Cabinet award the contract to SACRO to operate the Bail Supervision/ Arrest Referral service across South West Scotland area on behalf of North Ayrshire Council.

4. Implications

Financial Implications

4.1 The value of the contract per annum will be approximately £225,000.

Human Resource Implications

4.2 Provisions do not apply to the transfer of employees. The current provider of the Bail Supervision service across the three Ayrshire's Sacro will deliver the Bail Supervision/ Arrest Referral service across South West Scotland Community Justice Authority.

Legal Implications

- 4.3 The procurement exercise has been undertaken in accordance with the Council's Standing Orders and European Procurement Procedures.

Equality Implications

- 4.4 The equality credentials of the service providers have formed part of the evaluation process.

Environmental Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The continued provision of a Bail Supervision service and re-introduction of an Arrest Referral service (in Ayrshire) will contribute to the achievement of the following Single Outcome Agreement outcomes:

- The harmful effect of alcohol and drug misuse are reduced (6c).
- Levels of crime and anti-social behaviour are reduced and crimes being detected have increased (9b).

Community Benefit Implications

- 4.7 The appointed provider will potentially recruit from the local community thus offering employment opportunities.

5. Consultations

- 5.1 Consultation previously took place with Senior Social Work Managers across Ayrshire and Dumfries and Galloway and with the Chief Officer of South West Scotland Community Justice Authority.

- 5.2 The tender exercise has been undertaken in consultations with the Councils Legal Services and the Planning and Commissioning Team, Social Services and Health.

6. Conclusion

- 6.1 The tender exercise has identified Sacro as the preferred provider organisation. The award of the contract to Sacro will allow the further development of the Bail Supervision Service in Ayrshire extending it into Dumfries and Galloway and the creation of an Arrest Referral service across South West Scotland Community Justice Authority area.



IONA COLVIN

Corporate Director (Social Services and Health)

Reference :

For further information please contact Fiona MacKinnon, Social Services Manager on telephone number 01294 318755

Background Papers

Tender documentation

NORTH AYRSHIRE COUNCIL

Agenda Item 21

21 August 2012

Cabinet

Subject: **Educational Services to Children with Additional Support Needs**

Purpose: To advise the Cabinet of the tenders received for the provision of Framework Agreements with external service providers for the provision of educational services to children and young people with additional support needs who require to be placed outwith the resources of North Ayrshire Council.

Recommendation: That the Cabinet agrees to accept the tenders submitted by all seven services providers listed in the appendix to the report.

1. Introduction

- 1.1 A report was submitted to the Education Executive on 17 February 2009 seeking approval to enter into a series of Framework Agreements with external service providers for the provision of day educational services to children and young people with additional support needs who require to be placed outwith the resources of North Ayrshire Council (2009-2012).
- 1.2 This report notifies the Cabinet of the second round of Framework Agreements (2012-2015).

2. Current Position

- 2.1 In February 2012, expressions of interest were invited from experienced and registered service providers in conformity with the European Union (EU) Open Procedure for Tendering. Invitation to tender documents were issued to 17 service providers who expressed an interest.

- 2.2 Seven service providers submitted tenders and all of them satisfied the minimum requirements. All have provided educational day placements to the Council during the period of the last Framework Agreement, 2009-2012. They are all registered with the Scottish Government Register of Independent Schools. Due to the variable and changeable requirements of pupils with Additional Support Needs, it is the intention to award Framework Agreements to all seven service providers.

3. Proposals

- 3.1 All tenders were received by the specified return date of 11 June 2012. The tenders were evaluated on the basis of the most economically advantageous tender in terms of cost and quality.
- 3.2 A quality/price ratio of 40/60 was applied. Details of the service providers who submitted rates are attached as Appendix 1 to this report.
- 3.3 It is proposed to enter into Framework Agreements with each of these service providers. The purchasing of services under the Framework Agreement will be determined following more detailed consideration of the specific type of service provided by the service provider, the pupil's individual needs and the day rate submitted at the tender stage.
- 3.4 The Framework Agreement will be in place for a period of three years.
- 3.5 The Cabinet is invited to agree to accept the tenders submitted by all seven service providers listed in the Appendix to the report.

4. Implications

Financial Implications

- 4.1 The financial element of the tenders was assessed using tendered day rates. It is anticipated that the value of services procured via the Framework Agreements over the three year period will be in excess of £350,000 for each service provider. The costs of awarding services through the Framework Agreements are contained within existing budgets.

Human Resource Implications

- 4.2 None.

Legal Implications

- 4.3 The award of Framework Agreements will ensure that Educational Services achieves Best Value through competitively tendered day rates whilst ensuring compliance with both North Ayrshire Council financial regulations and public procurement regulations.

Equality Implications

- 4.4 None.

Environmental Implications

- 4.5 None.

Implications for Key Priorities

- 4.6 Contributes to improving attainment and numbers of young people entering positive destinations.

Community Benefit Implications

- 4.7 None arising directly from this report.

5. Consultations

- 5.1 Consultations have been held with officers from Social Services. The Corporate Procurement Unit has provided guidance throughout the tender process.

6. Conclusion

- 6.1 It is recommended that the Cabinet approves the appointment of all seven service providers as detailed above.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : MD/DC

For further information please contact David Carracher, Quality Improvement Manager, on telephone number 01294 324497.

Background Papers

Tender documentation



NORTH AYRSHIRE
COUNCIL

**Tender Outcome Report
For Recommendations over £350K**

Framework Agreement Ref: NAC\EAS\2012-04-001

Framework Agreement for the Provision of Day
Education for Pupils with Additional Support Needs

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Evaluation Results.....	4
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Framework Agreement Ref: NAC\EAS\2012-04-001
For the procurement of
Day Education for Pupils with Additional Support Needs

1 PURPOSE

The purpose of this document is to summarise the invitation to tender process and present a recommendation for Framework Agreement award. The recommendation is based on the results of the tender evaluation carried out on the responses to the Provision of Day Education for Pupils with Additional Support Needs Invitation to Tender. The report will provide assurance that the tender evaluation has been undertaken in accordance with EU Procurement Directives, Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) and the Councils Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council.

2 INTRODUCTION

- 2.1 This report has been compiled on behalf of the Tender Evaluation Team following the completion of the evaluation of responses to the Invitation to Tender for the Provision of Day Education for Pupils with Additional Support Needs.
- 2.2 This document contains information that is Commercial in Confidence and is not in the public domain. The contents of this document must not be disclosed or discussed with any third party.

3 BACKGROUND

- 3.1 *The existing Contract for the Provision of Day Education for Pupils with Additional Support Needs for North Ayrshire Council was to expire on 16th August 2012.*
- 3.2 In order to comply with the Council's Standing Orders and Public Contracts (Scotland) Regulations 2012 (SSI 2012/88) (as amended) a formal tendering exercise was undertaken.
- 3.3 The contract term is for *three years* plus the option to extend for *one year*.
- 3.4 The estimated total value of the overall *Framework Agreement* (including any possible extensions and all collaborative partners) is *approx. £2.5 million* with an estimated annual budgetary spend to North Ayrshire Council of *£855,000*.

4 TENDER NOTICE, INTEREST & RETURNS

- 4.1 A formal contract notice 2012/S84-138710 was advertised under the *Open Procedure* in the *Official Journal of the European Union and Public Contracts Scotland Procurement Portal* with a return date of 12 noon, 11th June 2012.
- 4.2 The contract notice attracted *seventeen* expressions of interest from a wide range of potential providers of which seven submitted tenders by the deadline.
- 4.3 The return date for completed electronic Tenders was 12 noon, 11th June 2012.

5 EVALUATION PROCESS

- 5.1 The evaluation of such Tenders was in two stages. Stage one assessed the responses to the Minimum Criteria. If, during stage one, it was apparent that a Tenderer has submitted a fundamentally non-compliant Tender in respect of any of the Invitation To Tenders requirements, then the Council could choose to reject that Tender. Clarification could be sought from Tenderers at this stage, in order to determine whether their Tender is complete and compliant.

- 5.2 Following completion of stage one, Tenderers meeting the minimum criteria progressed to stage two of the evaluation. Stage two of the evaluation was carried out by a Tender Evaluation Panel consisting of appropriately experienced Council Officers and each Tenderers response was assessed against the following published criteria:

Price 60%

Quality 40%

Quality was evaluated using the following sub-criterias/sub-weightings:

Sub-Criteria A	Service delivery	20%
Sub-Criteria B	Access / exiting	5%
Sub-Criteria C	Contract manager	2%
Sub-Criteria D	Key Staff	5%
Sub-Criteria E	Recruitment / Training	5%
Sub-Criteria F	Customer Service	3%

- 5.3 The assessment of the criteria took place on 14th June 2012 at Auchenharvie Admin. Base. The Tender Evaluation Panel consisted of:

David Carracher, Quality Improvement Manager, Education & Skills
Willie Ferries, Principal Teacher, Education & Skills

Maurice McTeague from North Ayrshire Council Corporate Procurement Team provided advice prior to the evaluation in order to facilitate the meeting but did not score the submissions.

6 EVALUATION RESULTS

- 6.1 **Price** 60%

Contractors were asked to submit prices for education provision, specifying whether transport was **included** * or not which gave the following results and scores:

Company	Price Tendered	Ranking	Score as % of overall marks
Aspire	£624*per week	1	60%
Geilsland (Church of Scotland)	£750 p w	5	42%
Spark of Genius	£625* / 750* p w	2	55%
Quarriers	£820 p w	6	39%
Ardfern	£545 p w	3	54%
MPS	£645 p w	4	47%
National Autistic Society	£1035 / £1202 p w	7	28%

- 6.2 **Quality 40%**

The Evaluation of the Technical Aspects of the tender responses was carried out by the Tender Evaluation Panel. A summary of which is as follows;

Aspire

The evaluation panel felt the response was well written but that there was one minor concern identified regarding a *comment on an HmiE report* however the panel were confident that the Tenderer would be able to satisfy North Ayrshire Council's requirements and expectations.

Geilsland

The evaluation panel felt the response was well written but that there was one minor concern identified regarding a *comment on an HmiE report* however the panel were confident that the Tenderer would be able to satisfy North Ayrshire Council's requirements and expectations.

Spark of Genius

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations.

Quarriers

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations.

Ardfern

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations.

MPS

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations.

National Autistic Society

The evaluation panel felt the response was well written and were confident that the Tenderer would be able to fully meet North Ayrshire Council's requirements and expectations.

The summary of the quality element is shown in the table below:

Company	Technical Score	Ranking	Score as % of overall marks
Aspire	27	3	27%
Geilsland (Church of Scotland)	24	7	24%
Spark of Genius	32	1	32%
Quarriers	26	4	26%
Ardfern	25.6	5=	25.6%
MPS	26.6	5=	25.6%
National Autistic Society	28	2	28%

7 OVERALL SCORE

- 7.1 Following agreement of an overall score for each Tenderer and taking into consideration all qualitative and commercial elements of the responses, a high level summary sheet was completed as shown below:

Company	Actual Price	Pricing Score	Quality Score	Total Score	Total Ranking
Aspire	£624*per week	60%	27%	87%	=1
Geilsland (Church of Scotland)	£750 p w	42%	24%	66%	5
Spark of Genius	£625* / 750* p w	55%	32%	87%	=1
Quarriers	£820 p w	39%	26%	65%	6
Ardfern	£545 p w	54%	25.6%	79.6%	3
MPS	£645 p w	47%	26.6%	73.6%	4
National Autistic Society	£1035 / £1202 p w	28%	28%	56%	7

8 RECOMMENDATION

- 8.1 The recommendation of the Tender Evaluation Panel is that a Framework Agreement be awarded to all *Tenderers*, subject to any challenges during the Standstill Period. All who tendered have unique / specialist skills that may be appropriate to the needs of individual children and this will be considered by Head of Service in addition to the cost when authorising each external placement.
- 8.2 Subject to approval, Letters of Intent will be issued to all successful and unsuccessful Tenderers acknowledging the Standstill Rules.
- 8.3 Both successful and unsuccessful Tenderers will be provided with the opportunity to receive a full debrief in accordance with EU Legislation, the Public Contracts (Scotland) Regulations and Scottish Procurement Directorate guidance.
- 8.4 Upon the conclusion of the Standstill Period, where no formal Legal challenge has been raised, to issue Letters of Acceptance to the successful companies.

9 AUTHORITY TO APPROVE

- 9.1 In line with Standing Orders Relating to Contracts and Contract Procedure Rules for North Ayrshire Council, the Tender Evaluation Panel seeks to obtain authority from Cabinet to accept the Tender and award a Framework Agreement to the Tenderers identified in section 8.1.
- 9.2 If authority to accept is given by cabinet, please attach a copy of the action note giving approval.

Representative of Committee:

PRINT NAME: _____

SIGNED: _____

DATE: 30.7.2012

NORTH AYRSHIRE COUNCIL

Agenda Item 22

21 August 2012

Cabinet

Subject:	Irvine East/West Schools Projects
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Purpose:	To seek authority for the acceptance of tenders for the proposed works associated with the Irvine East/West Schools Projects.
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Recommendation:	That the Cabinet agrees to accept the most economically advantageous tender for a main contractor to carry out the proposed works associated with the Irvine East/West Schools Projects.
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1. Introduction

- 1.1 On 10 August 2010, the Education Executive agreed to a recommendation to issue consultation papers on (a) the future of Broomlands, Fencedyke and Towerlands Primary Schools; and (b) the future of John Galt Primary School.
- 1.2 On 14 December 2010, the Education Executive received a paper on the outcomes of the consultation process and agreed to the recommendations to (a) close Broomlands, Fencedyke and Towerlands Primary Schools and transfer the pupils to a new build replacement (Irvine East); and (b) close John Galt Primary School and extend Castlepark and Woodlands Primary Schools to accommodate the re-zoned pupils (Irvine West). It was also agreed that the existing Castlepark Community Nursery be replaced with a new-build facility within the Castlepark Primary School Campus (Irvine West).
- 1.3 On 29 March 2011, a tender process was initiated through the OGC Buying Solutions Framework for Design Team Services for the Irvine East and Irvine West Projects and on 20 June 2011, a design team led by Gardiner and Theobald was appointed to provide a full design and project management service for both the Irvine East and Irvine West Projects.
- 1.4 On 8 November 2011, the Executive approved the recommendation to invite tenders for the associated construction works in relation to the Irvine East/West Schools Projects. The bidders would be asked to submit a single tender that would then be split into three separate contracts – Castlepark Primary School (including Community Nursery), Woodlands Primary School and Irvine East Primary School.

2. Current Position

- 2.1 The scope of the proposed works is available in Appendix A.
- 2.2 In order to comply with the Council's Standing Orders and The Public Contracts (Scotland) Regulations 2006, a formal tendering exercise was undertaken. The project was advertised in the Official Journal of the European Union (OJEU) and the Public Contracts Scotland web portal. A restricted single stage design and build tender process was utilised that involved an initial Pre Qualifying Questionnaire (PQQ) element followed by an official 'Invitation to Tender'.
- 2.3 The PQQ was used to create a shortlist of potential bidders by obtaining sufficient information to evaluate their technical knowledge, experience, capability, capacity and organisational and financial standing. 17 responses were received on 16 December 2011 and evaluated.
- 2.4 A shortlist of the five highest scoring submissions was drawn up and invited to tender for the construction works. All five contractors submitted a return on 13 July 2012. The evaluation of the tender responses was carried out by a group comprising relevant members from the Council's Education and Skills and the Design Team with support from the Council's Corporate Procurement Unit. The criterion for the award of the contract was based on a 40% quality and 60% price split. This method was used to ensure the most economically advantageous tender is accepted. A summary of the tender returns is available in Appendix B.
- 2.5 Construction work on Irvine East and West is programmed to start in September 2012 with Irvine West completing Summer 2013 and Irvine East completing Summer 2014.

3. Proposals

- 3.1 It is proposed that the Cabinet agrees to accept the most economically advantageous tender as submitted by Morgan Sindall PLC (Organisation A) for the sum of £15,723,119.27 to carry out the proposed construction works associated with the Irvine East/West Schools Projects.

4. Implications

Financial Implications

- 4.1 The budget allocation in the Capital Plan for Irvine East and Irvine West is £12m and £7.4m respectively, a total budget allocation of £19.4m. As detailed in Appendix D, following the tender process, it is projected that the total budget required for the project is approx £18m, £1.4m under the budget allocation.

Human Resource Implications

- 4.2 None arising directly from this report.

Legal Implications

- 4.3 The tenders were sought in accordance with the Council Financial Regulations, Standing Orders and all relevant EU Procurement Regulation. There are no direct legal implications as a result of this tender process.

Equality Implications

- 4.4 None arising directly from this report.

Environmental Implications

- 4.5 The facilities will be designed and constructed to minimise the impact on the environment. Sustainable development and environmental good practice will be considered for the design and operation of the facilities. Energy efficient and low carbon measures will be implemented to minimise the carbon footprint.

Implications for Key Priorities

- 4.6 The Irvine East and Irvine West Projects will contribute to the delivery of relevant Single Outcome Agreement outcomes including:
- 4a Levels of educational attainment and achievement have improved;
 - 4b More young people are leaving schools for positive destinations;
 - 5a Opportunities to support the positive development of vulnerable young children have increased;
 - 12a Our environment is protected and enhanced;
 - 14b The public sector's carbon footprint has reduced;
 - 15a Public perceptions of public services have improved;
 - 15b Public services are more efficient and effective.

Community Benefit Implications

- 4.7 To facilitate compliance with the Council's strategy to promote the utilisation of community benefit clauses in public procurement exercises, prospective bidders were asked to submit a targeted recruitment and training method statement with their submissions. Specific clauses regarding targeted recruitment and training have been introduced into the contract. Bidders were also asked to provide evidence on engagement with local sub-contractors (within 30 mile radius) to provide them with the opportunity to bid for work packages. Further detailed information on the community benefits is available in Appendix C.

5. Consultations

- 5.1 Consultations regarding the contents of the paper, the proposed procurement option and the tender documentation have taken place between the Council's Corporate Procurement Unit, the Design Team, Education and Skills, and Finance and Infrastructure.

6. Conclusion

- 6.1 Cabinet approval will facilitate the appointment of a main contractor and the start of the construction phase of the projects.



CAROL KIRK
Corporate Director (Education and Skills)

Reference : MA/DY/JN

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

Background Papers

Tender documentation-

IRVINE EAST SCOPE OF WORKS

(Approved budget - £12m inclusive of construction works, fees, surveys, statutory consents, etc.)

- New build 3 stream primary school comprising 18 classrooms with associated activity spaces, wc/ cloaks, stores.
- Audio/ visual room, library, ICT suite, multi-purpose/ parent room.
- Gym/ multipurpose hall.
- Kitchen/dining area.
- Staff accommodation including offices, staff bases, staff room, wc's and stores.
- Additional Support Learning provision with 3 classrooms, activity space, therapy/sensory support room, kitchen, laundry, wc/ cloaks and stores.
- Hearing Impairment provision with 2 classrooms.
- Nursery class to accommodate 60/60 capacity for 3-5 years with associated wc/ changing area, cloaks, store and external play area.
- Landscaped external teaching and play spaces, secure play surface, staff and visitor parking.

IRVINE WEST SCOPE OF WORKS

(Approved budget £7.4m inclusive of construction works, fees, surveys, statutory consents, etc.)

Castlepark Primary School

- Extension to accommodate 4 additional classrooms with associated activity areas, cloakrooms, wc's and storage.
- Internal refurbishment and remodelling of existing teaching areas.
- Internal refurbishment and remodelling of admin block/ entrance area.
- Existing dining/ kitchen area to be extended and remodelled to accommodate increase in pupil numbers.
- Extension to gym hall to provide storage and changing rooms.
- Landscaping of playground.

Castlepark Community Nursery

- New build nursery to accommodate 60/60 capacity for 3-5 years and 20/20 for under 3's.
- Reception, staff accommodation, quiet rooms, food prep areas, laundry, toilets/ changing areas, cloakrooms, community rooms, storage.
- Landscaped external play area.
- Physical link with Castlepark Primary School.

Woodlands Primary School

- Extension to accommodate 3 additional classrooms and new nursery provision with separate entrance (4th new classroom created using existing nursery class).
- Existing nursery to be extended to accommodate 50/50 capacity.
- Partial landscaping of playground.

Appendix B

Irvine East/West Schools Tender Returns

Clarified Tender Results - Construction Costs

Name	Total Tender As Submitted	Clarification	Clarified Tender Total	Difference from Lowest	% diff
Morgan Sindall	£13,866,252.00	£1,856,867.27	15,723,119.27	£0.00	
Barr Construction	£15,999,372.37	£676,808.53	16,676,180.90	£953,061.62	6.06
Bam	£16,454,694.96	£724,812.29	17,179,507.25	£1,456,387.98	9.26
MCL	£16,646,570.00	£746,633.24	17,393,203.24	£1,670,083.96	10.62
Lend Lease	£18,497,840.00	£469,010.11	18,966,850.11	£3,243,730.83	20.63

Scoring (60% Price / 40% Quality)

Name	Clarified Tender Total	Lowest Price	Price / lowest	%	Pricing Mark (% x 60)	Quality Score	Total	Rank
Morgan Sindall	15,723,119.27				60.00	34.61	94.61	1
Barr Construction	16,676,180.90	£15,723,119.27	0.9428	94.28%	56.57	37.33	93.90	2
Bam	17,179,507.25	£15,723,119.27	0.9152	91.52%	54.91	34.56	89.47	3
MCL	17,393,203.24	£15,723,119.27	0.9040	90.40%	54.24	34.35	88.59	4
Lend Lease	18,966,850.11	£15,723,119.27	0.8290	82.90%	49.74	36.00	85.74	5

Appendix C

North Ayrshire Council deems community benefit to be a 'core element' of the overall North Ayrshire Schools Programme, and a mandatory delivery requirement of the Irvine East/West Schools Project.

In clarification, and in line with guidance from Construction Skills in Scotland, the following minimum targets are required as outcomes from this contract.

1. Four Work Placements per site (16-19 years) during the Works period, of a minimum two weeks in length for individuals with a home address within the Irvine East, John Galt, Castlepark and Woodlands Primary School Catchment Areas.
2. Four Curriculum Support Activities events (minimum ½ day or equivalent) within the Irvine East schools, and One Curriculum Support Activities event (minimum ½ day or equivalent) within the Castlepark, John Galt and Woodlands Primary Schools during the Works period.
3. Engagement of 2 Apprentices on the Works for a minimum of 50% of the Project Weeks. I.e. 50 % of the project programme durations for Irvine West - Castlepark and Woodlands and 50 % of the project programme duration for Irvine East.
4. Specific recruitment for the Works must be targeted through local agencies and evidenced.
5. 1 No graduate placement per £9 million capital throughput across the whole project.

As noted the above is a minimum delivery standard, and it is envisaged that the Contractor will also provide the following

1. Evidence on engagement with local sub-contractors (within 30 mile radius).
2. Evidence on continuous links with the School Communities, including Parent Councils for each school during the Works period.
3. Evidence of on site training and development.
4. Evidence on engagement with North Ayrshire Council Youth Services identifying joint opportunities that this Project provides.

Prior to commencement of the Works, the Contractor shall agree a specific programme for the delivery of the Community Benefits with the Contract Administrator. The Programme shall be reported on a monthly basis during the Works period.

Appendix D

Irvine East/West Schools Cost Plans

Project	Irvine East	Irvine West	Total
Construction Works (Most Economically Advantageous Tender)	£9,265,899.54	£6,457,219.74	£15,723,119.27
Advance Works	£0.00	£73,180.00	£73,180.00
Total Construction Works	£9,265,899.54	£6,530,399.74	£15,796,299.27
Professional fees, SI's, Statutory Consents, NAC costs, etc	£1,333,360.69	£868,605.06	£2,201,965.75
Total Development Cost	£10,599,260.23	£7,399,004.80	£17,998,265.02
Approved Budget	£12,000,000.00	£7,400,000.00	£19,400,000.00
Difference from budget	-£1,400,739.77	-£995.20	-£1,401,734.98