

Corporate Strategy Committee  
29 September 1998

**Irvine, 29 September 1998** - At a Meeting of the Corporate Strategy Committee of North Ayrshire Council at 2.00 p.m.

**Present**

James Clements, Ian Clarkson, Stewart Dewar, Thomas Dickie, John Donn, David Gallagher, Samuel Gooding, Jane Gorman, James Jennings, Thomas Morris, David O'Neill, Robert Reilly and George Steven.

**In Attendance**

Chief Executive, the Directors of Financial Services and Social Work, the Head of Corporate Business, J. Tulips, Head of Education Services (Education) and S. Bale, Administration Officer (Chief Executive).

**Chair**

Mr Clements in the Chair

**Apologies for Absence**

Jack Carson and Samuel Taylor

**1. Minutes Confirmed**

The Minutes of the Meeting of the Committee held on 18 August 1998, copies of which had previously been circulated, were confirmed.

**2. Capital Plan**

Submitted report by the Director of Financial Services on progress on the Capital Plan.

The Council's Capital Allocation for 1998/99, including additional grants for Education and Spend to Save proposals amounts to £8.685m. Taking into account all factors the estimated total resources available amount to £12.45m. On 14th April 1998, the Committee approved the proposed programme of new projects allocated in two phases, with Phase II amounting to £552,000 subject to additional resources becoming available through slippage. The revised committed programme for 1998/99 indicates that Phase II cannot at present proceed in full. The main changes proposed are the rephasing of replacement vehicles/plant and equipment resulting in a carry over of £100,000 into 1999/2000 and the cost of Auchenharvie Academy replacement windows being delayed to March 1999 and funding allocated in 1999/2000. A further £100,000 originally included in Phase II for IT Systems Year 2000 is to be funded from the Repairs and Renewals Fund in order to achieve Year 2000 compliance.

The revised estimated expenditure total in 1998/99 is therefore £12.64m, which is still subject to the estimated Capital Receipts, in particular, St. Leonard's Road, Ayr, being received within the current financial year. There will therefore be slippage into 1999/2000 of £5.759m which will restrict the amount of new expenditure next year.

The Committee agreed to approve the revised Capital Plan subject to resources from Capital Receipts.

### **3. Private Finance Initiative**

Submitted report by the Director of Financial Services on the principle of PFI as a method of financing and operating projects.

On 25th June 1998, the Committee, after considering possible bids for PFI projects, agreed that a seminar for the Council on the principles of PFI as a method of financing and operating projects be arranged and to resume consideration of the proposals thereafter. The seminar was subsequently held on 28th August 1998, at which presentations were made by CoSLA, the Scottish Office and ADLO.

Due to the extremely short timetable, the need to seek the views of members on both the principle of using PFIs and their priorities for projects and the substantial input required to prepare an outline business case, the Council was unable to make any meaningful submission to the Scottish Office before the closing date of 30th June 1998 for 1998/99. The bids for PFI submitted by Councils are well in excess of the resources available to meet the costs which have been limited at £50m per annum. Of the £50m available, approximately £30m has been allocated to the first wave of projects submitted to the Scottish Office in 1997/98. The position for future funding of PFI projects is not yet clear, but it is anticipated to be at a lower level. The Scottish Office will notify Councils later in the year when the review has been completed. Due to the likelihood that only limited future resources will be available, it is proposed that an Officers Group be set up now to identify suitable priority projects for consideration by the Committee, in order that the Council is in a position to submit a business case to the Scottish Office in the next round of bids for 1999/2000.

After discussion, during which some reservations were expressed about the principle of PFI, the Committee agreed (a) to approve the further investigation of PFI as a possible method of financing and operating certain projects; (b) that an Officers Group be established to consider suitable priority projects; and (c) to approve in principle the appointment of a PFI Adviser to assist the group, subject to a further report to the Committee on the cost of this prior to any appointment being made.

### **4. Proposed Joint Venture**

Submitted report by the Head of Corporate Business on the outcome of the Seminar held on 17 September 1998 to consider a Proposed Joint Venture and proposals to develop a detailed Business Plan with EDI Ltd.

On 25th June 1998, the Committee agreed to examine jointly with EDI Ltd the creation of Joint Venture companies to develop (i) the landraise site at Bogside, Irvine; and (ii) Call Centres within North Ayrshire. Following the seminar on the legal and financial implications of an EDI partnership agreement, it is proposed that the Council begin the process of developing detailed Business Plans in respect of both the landraise site and the Call Centre site. The Legal Services Manager and the Director of Financial Services also propose taking further detailed advice from Counsel and from taxation specialists in order that the Council's position can be fully protected during the creation of the Business Plan.

The Committee agreed to proceed to develop a detailed Business Plan with

EDI Ltd in respect of the landraise site and the Call Centre site.

## **5. Social Inclusion Partnership (SIPs)**

Submitted report by the Chief Executive on proposals for the setting up of Social Inclusion Partnerships (SIPs) and to seek authority to proceed with an application through the North Ayrshire Regeneration Partnership.

The Secretary of State for Scotland has announced that the existing Priority Partnership Areas and Regeneration Programme Areas are being asked to review their Regeneration activities with a view to becoming Social Inclusion Partnerships. In addition, money has been allocated to fund new Social Inclusion Partnerships, which are due to begin operating in April 1999. North Ayrshire Regeneration Partnership does not require to apply for Social Inclusion Partnership status but it is expected that the existing Partnership will adjust its programme to focus more closely on promoting Social Inclusion.

The three principles of the Government's approach to social exclusion are (i) the need for a co-ordinated approach; (ii) to tackle prevention of exclusion as well as exclusion itself; and (iii) to demonstrate innovation. Expressions of interest in submitting an application for the new Social Inclusion Partnership funding have been invited by the Scottish Office by 30th September 1998. Thereafter, a short list will be drawn up and the relevant Partnerships will be invited to prepare detailed proposals from which a final selection will be made. The Council's Corporate Task Group on Regeneration is considering a possible Social Inclusion Partnership bid, which would ultimately require to be submitted by the North Ayrshire Regeneration Partnership.

The Committee agreed to authorise the preparation of a bid for funding for a Social Inclusion Partnership through the North Ayrshire Regeneration Partnership.

## **6. Social Inclusion Strategy for Young People**

Submitted joint report by the Directors of Education and Social Work on the findings of the Review Group established to examine the Council's approach to young people in trouble.

On 15th April 1997, the Committee approved the establishment of a Joint Review Group comprising representatives of Education and Social Work Directorates and the Reporter's Office to examine such issues as school support for difficult children, the operation of Joint Assessment Teams, the education of children being looked after by the Social Work Directorate, and the accessing and funding of specialist day and residential provision for troubled young people. The Review Group has now completed its remit and has produced a report entitled "Social Inclusion Strategy for Young People".

The report reflects the positive emphasis now being applied to support young people, stresses the inclusive approach, linking into the comprehensive approach to social inclusion being pursued by the Council and the North Ayrshire Regeneration Partnership in response to a number of related Government initiatives. It also recommends that a North Ayrshire Social Inclusion Forum be established comprising the relevant Head of Services from Education and Social Work together with additional nominated staff from each Directorate and regularly inviting representatives of other relevant agencies such as the Children's Panel Chair, the Area Reporter, Psychiatric Services. The Forum would meet three times a year to gather data, plan provision, monitor progress, identify training needs etc. It is further proposed that a Social Inclusion Placement Group be established comprising senior representatives of Social Work and Education to discuss all

children being considered for special residential or day placement, which would include the Rosemount Centre.

The Committee has also recently established a Youth Strategy Steering Group and it is intended to maintain good communication links between the two initiatives. The Youth Strategy Steering Group will, however, be aimed at all young people, covering aspects such as demand for leisure facilities etc, whilst the Social Inclusion Forum is targeted on a much smaller specific group of young people who are in trouble.

After discussion, the Committee agreed (a) to approve the Social Inclusion Strategy for Young People Review Report; and (b) to instruct the Directors of Education and Social Work to take the necessary steps to implement the Strategy.

## **7. Childcare Strategy: Funding**

Submitted report by the Chief Executive on the proposed means of implementing the Government's Childcare Strategy in North Ayrshire.

In May 1998, the Minister for Children, advised all Councils on the role of local authorities in developing a national Childcare Strategy for Scotland. The Council has subsequently been allocated £113,560 from the Scottish Office for the purpose of (i) the provision of new or the funding of existing childcare places; (ii) the formation of local partnerships to oversee and co-ordinate the planning and development of childcare in each area; (iii) the carrying out of audits of childcare services and of potential demand for childcare; (iv) the provision of local childcare information services. Projects have therefore been identified to utilise this grant allocation comprising (a) provision of an Information Service and the development of Childcare Partnership; (b) provision of Residential Respite Care; (c) a Family Support Unit; (d) provision of Pilot Activity-Based After-School Units; and (e) support for Voluntary Sector Childcare Projects. As this additional funding has been provided by the Government on a one off basis, careful consideration has been given to ensuring that these proposals have no financial implications for future years.

The Committee agreed to approve the proposals to improve childcare provision throughout North Ayrshire from the specific grant allocation of £113,560, as detailed in the report.

## **8. Code of Guidance on Funding of External Bodies and Following the Public Pound**

Submitted (a) report of the Member/Officer Working Group on Funding External Bodies, being the Minutes of their Meetings held on 24 June and 11 September 1998 and (b) a report by the Head of Corporate Business on the outcome of the deliberations of the Member/Officer Working Group.

On 3rd March 1998, the Committee agreed to establish an Officer Working Group to consider the implications of implementing the Code of Guidance on Funding External Bodies and Following the Public Pound and that the Group report to Chair and Vice-Chair, the Chair and Vice-Chair of the Support Services Committee and Councillor Donn prior to reporting back to the Committee.

The Code of Guidance applies to any substantial funding relationship entered into by Councils. In January 1998, CoSLA issued operational guidance on the Code which defines that the relevant factors, when considering whether a funding relationship is substantial, are (i) Council expenditure equal to the product of at least £1 in the Council Tax, which in North Ayrshire equates currently to

£44,000; (ii) whether the funding represents 30% or more of the organisation's funding; and (iii) whether the absence of Council funding would affect the organisation's capacity to continue.

The purpose of the Code is to ensure that the funding provided by the Council is spent prudently and that monitoring arrangements are set up to scrutinise how the funding is spent by the organisation. The Working Group, as well as looking at the number and different types of organisations which the Council supports in terms of the criteria outlined in the Code, has also examined the roles and responsibilities of Members who are nominated by the Council to Boards of Companies, Trusts etc. In this situation, the first and foremost responsibility of the Member is to the Board on which they sit and not to the Council. The appointment to a Board may involve a Member in matters, during normal Council business, where the interests of that external body arise. Clarification has also been provided on the circumstances where a Member is required to declare any relevant interest either pecuniary or non-pecuniary.

After discussion, the Committee agreed (a) that further guidance be sought from CoSLA on the appropriate arrangements for scrutiny of national organisations which are funded by more than one Council; (b) that, with the exception of organisations which receive funding from the Council under contractual arrangements, all other organisations receiving funding of over £7,500 which amounts to 30% or more of their funding or which amounts to the equivalent of a product of at least £1 in the Council Tax receive annual scrutiny under the Code of Guidance on Funding External Bodies; (c) that organisations receiving funding of £7,500 or below which amounts to 30% or more of their funding be scrutinised on a random sampling basis of 1 in 10, ensuring that all organisations are scrutinised over a fixed number of years; (d) that the grant application form be standardised for all Directorates; (e) that authority be given to the Officers Working Group to draw up appropriate procedures for scrutiny and standard application forms (f) that the Guide to Members on Involvement with External Organisations be adopted and issued in leaflet form to all Members; and (g) that a check be undertaken of all outside organisations to which Members are currently appointed, to ensure that these organisations have appropriate insurance arrangements.

## **9. Best Value Appraisal Process**

Submitted report by the Head of Corporate Business on progress with regard to the Council's Best Value Implementation Plan and the current Best Value Appraisal Process.

On 7th April 1998, the Council approved the Best Value Implementation Plan, comprising a 3 Year Service Review Programme and a Compliance Plan containing 18 tasks. The Compliance Plan has been monitored regularly by the Best Value Development Team and of the 18 tasks, 10 are complete, 7 are in progress and 1 has not yet commenced. The Council further agreed that the Head of Corporate Business be responsible for management and co-ordination of the Service Review Programme.

On 18th August 1998, the Committee agreed to approve the proposals for quality assurance, reporting and decision making with regard to Service Reviews. Following the recent disaggregation of the Commercial Services Directorate, the total number of service reviews scheduled to start in the current financial year has been reduced by 3 to 40. As part of the 1998 Best Value Appraisal Process, each Council is required to nominate 12 service reviews, from which 3 - 6 will be selected by the Scottish Office for scrutiny and 12 have therefore been nominated and submitted.

The Committee agreed (a) to approve the progress report on the Compliance

Plan for submission to the Scottish Office as part of the 1998 Best Value Appraisal Process; and (b) to homologate the decision by the Head of Corporate Business to nominate the 12 named service reviews in the report for potential Scottish Office scrutiny.

#### **10. Review of Delivery Agencies**

Submitted report by the Head of Corporate Business on a proposal to include Council Services in the consideration of a single Local Delivery Organisation.

On 26th May 1998, the Committee agreed (a) to approve the creation of a single integrated delivery agency for North Ayrshire encompassing the Business Development role of BEFNA, the regeneration and community development and access roles of the Three Towns Initiative and ASSIST and providing a vehicle for a comprehensive and co-ordinated approach to the New Deal; and (b) to nominate the Chair and the Convenor to the proposed Steering Group to implement the creation of the integrated delivery agency. Arising from the deliberation of the Steering Group, consideration has been given as to whether the Council's own Business Development service and the Youth and Adult Training Unit could potentially be amalgamated into the new organisation. This may minimise the potential duplication of services and confusion between the Council's services and the new LDO. It is considered that economic development activities should not form part of this consideration and should be retained within the Council in order that the Council may continue to have some influence on economic development matters at a regional and national level.

After discussion, the Committee agreed to remit to a Member/Officer Working Group in the first instance to consider in detail possible options for extending the current review of local delivery organisations to include elements of the Council's Business Development section and Youth and Adult Training Unit and report, prior to any consideration by the external steering group.

#### **11. Railtrack: Night-time Operation of Coal Trains from Hunterston**

Submitted report of the meeting held on 23 September 1998 with Railtrack regarding the night-time operation of coal trains from Hunterston.

At the meeting the operators were again pressed for a cessation or a reduction in the operation of night trains. The representatives of Railtrack, Clydeport and EWS Railways, whilst appreciating the disturbing effects of night time operations advised that it would not be possible to allow the rescheduling of either the 1.10 a.m. or the 6.00 a.m. trains and that 11 trains per day is the absolute minimum required by Clydeport to meet existing customer demands.

A number of points for action were agreed at the meeting. These were as follows:- (a) including the investigation of the possibility of re-opening the railway sidings at Ardeer Stevenston;

(b) improved signalling;

(c) constructing barrier walls along the railway at particular locations;

(d) the possibility of instructing train drivers to slow down whilst travelling through the Three Towns and West Kilbride;

(e) the possibility of loading three trains during the day, thereby removing

the need to run empty trains to the Clydeport terminal during the night,;

(f) the monitoring of noise levels along the route by the Council and

(g) the issue of a joint press release highlighting progress on the discussions.

It was further agreed to recommend to the Committee that discussions be opened among the Council, Railtrack and the Minister for Industry on the need for a strategic review of rail freight in Ayrshire.

The Committee agreed to approve the points for action as outlined above.

## **12. Customer Comments Scheme: Performance Review Report for Quarter Ended 30 June 1998**

Submitted report by the Head of Corporate Business on the Council's performance in managing customer comments for the 3 month period to 30 June 1998.

The overall number of customer comments during the quarter was 234, which compares with 291 received during the previous quarter. This has to some extent reversed the previous upward trend.

Noted.

## **13. Local Government Ombudsman Annual Report 1997/98**

Submitted report by the Head of Corporate Business on the main aspects of the Local Government Ombudsman's Annual Report and North Ayrshire Council's performance within its overall context.

Noted.

## **14. Local Agenda 21**

### **(a) Ayrshire Biodiversity Action Plan**

Submitted report by the Chief Executive on progress in the development of an Ayrshire Biodiversity Action Plan.

On 20th January 1998, the Committee agreed (a) to approve the establishment of a partnership with the other Ayrshire authorities and local groups as appropriate to pursue an Ayrshire Biodiversity Action Plan; and (b) that the Council's Local Agenda 21 Co-ordinator be the Council's representative on this group. The Local Biodiversity Action Plan process involves (i) establishing partnerships; (ii) reviewing the biological resource through the preparation of an audit; (iii) developing Action Plans with objectives, targets and actions which cover lists of species and habitats of conservation concern/importance; (iv) implementing the Plan; and (v) monitoring. The partnership working is now underway and in June, the group held a seminar in Ayr to launch their audit document for the purposes of public consultation.

Over the last year South Ayrshire Council has been responsible for providing the secretariat to the Ayrshire Biodiversity Group and the group is now seeking assistance in the form of ongoing secretariat support and accommodation for their meetings.

The Committee agreed that the Council host meetings of the Ayrshire Biodiversity Group in 1999 and provide secretariat services.

**(b) Green Apple Awards 1998**

Submitted report by the Chief Executive on the Council's success in the Green Apple Awards 1998.

The Green Apple Awards, which are supported by the Chartered Institute of Environmental Health, the Municipal Journal, the Green Organisation and EMP Plc Contract Publishing are awarded annually to specific environmental projects or various environmental initiatives which have been undertaken by local authorities. The Council's Environmental Policy was entered and has been selected as one of the major winners in the competition. The exact category of award will not be known until the presentation ceremony itself which is due to be held in London on 8th December 1998. The Green Organisation which is responsible for staging and running the awards has also asked the Council if they wish to be involved in their Best Practice publication.

The Committee agreed (a) that the Convenor and one officer attend the award ceremony; and (b) to approve the Council's inclusion in the Chartered Institute of Environmental Health Best Practice publication.

**(c) Environment Week 1999**

Submitted report by the Chief Executive on a proposal to change the composition of the Environment Week Working Group.

Environment Week activities have in the past been organised by an Officers Working Group established by the Corporate Strategy Committee and comprising representatives from the Chief Executive, Financial Services, Education, Community Services and Planning, Roads and Environment Directorates. It is proposed that future arrangements for Environment Week should be undertaken by a Special Working Group of the Local Agenda 21 Officers Team.

The Committee agreed that future arrangements for Environment Week should be developed by a Special Working Group of the Local Agenda 21 Officers Team which will report directly to the Corporate Strategy Committee.

**15. Area Committees**

**(a) North Coast and Arran**

Submitted the annexed report (Appendix CS1) of the North Coast and Arran Area Committee, being the Minutes of its Meeting held on 14th September, 1998.

The Committee agreed to note the report.

**(b) Garnock Valley**

Submitted the annexed report (Appendix CS2) of the Garnock Valley Area Committee, being the Minutes of its Meeting held on 15th September, 1998.

The Committee agreed to note the report.

**(c) Kilwinning, Dreghorn & Springside**

Submitted the annexed report (Appendix CS3) of the Kilwinning, Dreghorn and Springside Area Committee, being the Minutes of its Meeting held on 16th September, 1998.

The Committee agreed to note the report.

**(d) Irvine**

Submitted the annexed report (Appendix CS4) of the Irvine Area Committee, being the Minutes of its Meeting held on 16th September, 1998.

The Committee agreed to note the report.

**(e) Three Towns**

Submitted the annexed report (Appendix CS5) of the Three Towns Area Committee, being the Minutes of its Meeting held on 17th September, 1998.

The Committee agreed to note the report.

**16. Appointment to Prison Visiting Committees**

Submitted report by the Chief Executive on a request by the Association of Visiting Committees for Scottish Penal Establishments that the Council consider adopting their recommended procedures for appointments to Prison Visiting Committees.

The Committee agreed to retain the status quo on determining representation.

**17. Conferences, Seminars Etc.: Invitations**

Submitted invitations to attend the undernoted Conferences/Seminars:-

(a) The Scottish Tourist Board's Industry conference entitled "Raising our Game" to be held in Glasgow on 6th October 1998;

(b) The Rural Forum Annual Conference 1998 entitled "All Change - Sign Posts to the Future of Rural Scotland" to be held in Castle Douglas on 29th - 30th October 1998;

(c) The Scottish Local Government Information Unit conference entitled "Answering the Land Question" on Land Reform, Local Government and Land Value Taxation to be held in Perth on 30th October 1998; and

(d) The EMAP Montgomery Launch Event entitled "Interbuild 2000" to be held in Birmingham on 20th October 1998.

The Committee agreed to authorise the Convener to attend (a); Councillor Sillars to attend (b); no attendance at (c); and the Chair of the Commercial Services Committee to attend (d).

The meeting ended at 2.45 p.m.