



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

North Ayrshire Council

A Meeting of North Ayrshire Council will be held remotely on **Wednesday, 16 February 2022** at **14:00** to consider the undernoted business.

Arrangements in Terms of COVID-19

In light of the current COVID-19 pandemic, this meeting will be held remotely in accordance with the provisions of the Local Government (Scotland) Act 2003. Where possible, the meeting will be live-streamed and available to view at <https://north-ayrshire-public-i.tv/core/portal/home>. In the event that live-streaming is not possible, a recording of the meeting will instead be available to view at this location.

1 Apologies

2 Declarations of Interest

Members are requested to give notice of any declarations of interest in respect of items of business on the Agenda.

3 Previous Minutes

The accuracy of the Minutes of the Ordinary Meeting held on 8 December 2021 will be confirmed and the Minutes signed in accordance with Paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

4 Leader's Report

Submit report by the Leader of the Council for the period covering 29 November 2021 - 6 February 2022 (copy enclosed).

5 Minute Volume (issued under separate cover)

Submit, for noting and for approval of any recommendations contained therein, the Minutes of Meeting of committees of the Council held in the period 4 June 2021 - 8 February 2022.

6 North Ayrshire Community Planning Partnership (CPP) Board: Minutes of Meeting held in December 2021

Submit report by the Interim Executive Director (Communities and Education) on the Minutes of a meeting of the North Ayrshire Community Planning Partnership Board held in December 2021 (copy enclosed).

7 Council/Committee Meetings

Submit report by the Chief Executive on the format and arrangements for Council and committee meetings during the remainder of the current Administration, including the proposed resumption of the hybrid meetings pilot (copy enclosed).

8 Outside Body Appointment

Council is invited to note that David Hammond replaces Yvonne Baulk as the officer appointee to the Board of Largs DBFM.

9 Medium Term Financial Outlook 2022/23 TO 2024/25

Submit report by the Head of Finance on the financial challenges facing the Council over the medium term in order to help inform the development of budget proposals (copy enclosed).

10 Housing Revenue Account (HRA) Capital Investment Programme, Revenue Budget and Rent Levels for 2022/23

Submit report by the Executive Director (Place) on the proposed HRA capital investment programme and revenue budget for 2022/23 and the consequential rent levels (copy enclosed).

11 Questions

In terms of Standing Order 12, submit:-

(1) a question by Councillor McMaster to the Cabinet Member for Health and Social Care in the following terms:

“The Cabinet Member for Health and Social Care will be aware of the cancellation of the contract at Cooriedoon Care Home. Can he provide me with assurances that the residential nursing care needs of the people of Arran will be met in future?”

(2) a question by Councillor Donald L. Reid to the Leader of the Council in the following terms:

"Under the 1% Framework Agreement, councils in Scotland have committed to allocate at least 1% of council budgets, made up of revenue and capital expenditure, using Participatory Budgeting (PB). Whilst it is for local authorities to decide how to take forward PB at a local level can the Leader advise on the position in North Ayrshire with specific comment on where NAC are in their aspiration to achieve the 1% objective?"

(3) a question by Councillor Donald L Reid to the Leader of the Council in the following terms:

"It has been widely circulated in the national press that some £5 billion in taxpayer's money has been paid in Covid business support grant to fraudsters. Press report also refer to claims that the Treasury rebuffed offers of investigation by the National Crime Agency because of embarrassment over these eye-watering losses.

Can the Leader (or other relevant Cabinet post holder) advise on the situation in NAC with regard to potential fraud within the Covid business support handouts and comment on any likely investigations into fraudulent claims, highlighting the total spend by NAC during the past 18 months (or other period as figures are available) on such business grant funding and provide any other relevant information on this matter."

(4) a question by Councillor Stalker to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"The flood prevention works at Dalry commenced on 1st April 2021 and was due to be completed by the 31st August 2021. The due date was then put back to the end of December 2021, and now it has been delayed yet again with a completion date of the 5th March 2022.

Given the distress and disruption to the residents of Dalry can I ask the Cabinet Member to provide an update regarding the on-going flood prevention works in the Garnock Valley and can he reassure the residents of Dalry that there will be no further delays and that this work will be finished by the 5th March 2022?"

(5) a question by Councillor Reid to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"Following a suggestion from the First Minister, does North Ayrshire have to cut the bottom off any doors in our schools across North Ayrshire to improve ventilation in our classrooms?"

(6) a question by Councillor Reid to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"Does cutting the bottom off any doors in any school or workplace effect building regulations?

Fire Safety around sealed doors on escape routes being an obvious obstacle amongst other issues of concern if we follow Scottish Government instruction in this regard."

(7) a question by Councillor Donald Reid to the Leader of the Council in the following terms:

"Has the Leader of the council met with any Scottish Government Ministers since the last Council meeting?"

(8) a question by Councillor Gurney to the Cabinet Member for Education in the following terms:

“Stanley Primary School in Ardrossan opened in August 2007. Part of the disastrous PPP contract that continues to afflict this Council, the school design was criticised in advance of its build.

The criticisms, from parents, pupils, staff and local residents, included the fact that the school was simply too small. This criticism was blithely dismissed by the Labour administration.

It did not take long for the foresight of everyone but those who built the school to be proven correct. As the school roll increased pupils at the school were soon shunted into huts to be taught. An arrangement that continues to this day. (And an arrangement that was yet another windfall for the private, off-shore organisations that hold the PPP contract.)

Part of the issue was the lack of land in the new school estate as the Labour administration followed up one disastrous decision by another, namely selling the land that was the site of the old school. A decision I opposed at the time but one that was forced through by the Labour administration in concert with their friends. The pupils were thus doubly disadvantaged. Not only are they being taught in huts their play space was severely restricted to accommodate the buildings.

In the years since I have continually sought a resolution to this problem. A problem that was foreseen and one that the administration ignored.

The building of the new Lockhart Campus, a project supported by money from the Scottish Government, offered a potential solution to the problem. The space created by the closure of the James McFarlane school could be utilised to create a new early years space, allowing the primary pupils to be re-integrated into their school, playgrounds to be returned, huts to be removed, and the extra payments to the PPP company ceased.

This solution, so clear to those in Ardrossan, has once again been dismissed out of hand.

It is not too late to address the issue. Will the Administration pledge to fully investigate the opportunity to provide adequate facilities for the children and bring fully costed proposals back to this chamber for decision?”

(9) a question by Councillor Gallagher to the Leader of the Council in the following terms:

“Can the Leader tell us how much general capital and housing revenue account capital investment has been made in the North Coast Ward since the Labour administration took control of the Council in 2016?”

(10) a question by Councillor Marshall to the Leader of the Council in the following terms:

“What has been the total value of the Council Tax receipts from newly built and occupied houses both in this Administration and in the previous Administration, as well as the annual total for each of the past 5 financial years?”

(11) a question by Councillor Marshall to the Leader of the Council in the following terms:

“How many new houses have been granted Planning Permission by the Planning Department in each of the present and immediate past two Administrations?”

(12) a question by Councillor Ferguson to the Cabinet Member for Education in the following terms:

“How many secondary school children in North Ayrshire have received a free laptop or a tablet, and a free internet connection as per the SNP election promises made in May 2021?”

(13) a question by Councillor Ferguson to the Cabinet Member for Education in the following terms:

“To ask the Cabinet portfolio-holder for Education if he thinks the decision to send out the controversial school 'sex survey' unaltered is still the right one?”

(14) a question by Councillor Ferguson to the Cabinet Member for Green New Deal and Sustainability in the following terms:

“To ask the Cabinet portfolio-holder for Green New Deal and Sustainability what discussions he has had with Scottish Fire and Rescue in relation to SNP proposals to cut the bottom off school doors?”

(15) a question by Councillor McNicol to the Leader of the Council in the following terms:

“Regarding the site of the former oil and bitumen refinery in Ardrossan on which this Council plans to build two schools and a leisure centre, will the Leader of the Council accept anything less than a guarantee that the site has been 100% cleared of the toxic contaminants we know are in the soil before embarking on building schools and a leisure facility?”

(16) a question by Councillor Donald L. Reid to the Leader of the Council in the following terms:

"Applications opened for free bus travel for under 22s in Scotland on 31 January 2022. Can the relevant Cabinet Member advise what the current uptake has been in North Ayrshire at this early stage (if figures are readily available) and what steps are being taken by NAC to publicise the availability of this excellent service for young people."

(17) a question by Councillor Billings to the Leader of the Council in the following terms:

"As the first tenants are gaining access to their much-anticipated new homes in Brodick it is time to consider what else is being done to address the ongoing housing crisis on Arran. It has long been recognised that the lack of affordable and flexible housing on Arran is a major factor that holds Arran back from reaching its full economic and social potential. Whilst the 34 new social housing units will contribute to the solution, the 2016 North Ayrshire Council (NAC) report commissioned on behalf of The Arran Economic Group recognised that housing is a multifaceted issue and that a range of approaches were needed. NAC's Strategic Housing Investment Plan 2022 states that 'the Council is undertaking research to determine locality preferences for housing on the island (Arran)'.

My question to the Cabinet Member for Green New Deal and Sustainability is could he explain what 'determine locality preferences for housing' means, and what form will this research take and when will it commence?"

(18) a question by Councillor Murdoch to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"Does the Cabinet Member think the Traffic Management Plan for Largs Campus needs reviewed, updated and implemented in a way that helps pedestrians, motorists and residents?"

(19) a question by Councillor Murdoch to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"Can the Cabinet Member please provide the figures related to the allocation of new housing at Flatt Road in Largs:

1. How many of the new properties were allocated to Largs Residents?
2. How many properties were allocated to North Coast Residents?
3. How many properties were allocated to North Ayrshire Residents?
4. How many properties were allocated to people from outside North Ayrshire?"

(20) a question by Councillor Murdoch to the Cabinet Member for Green New Deal and Sustainability in the following terms:

"Can the Cabinet Member please provide a specific date for the introduction of DPE (Decriminalised Parking Enforcement)?"

(21) a question by Councillor Murdoch to the Leader of the Council in the following terms:

"When will North Ayrshire Council consistently enforce and take action against Fly Tipping, Littering, Dog Fouling, Feeding Seagulls, Organic & Chemical Discharges & Emissions into the atmosphere and the coastal waters, etc?"

12 Motions

In terms of Standing Order 13, submit:-

(1) a motion by Councillor Foster, seconded by Councillor Macaulay, in the following terms:

"I move that:

1. Council has no confidence in Councillor Marshall remaining a member of the Planning Committee and Local Review Body and that he is removed from membership of these committees with immediate effect and
2. Councillor Larsen is appointed as chair of Planning Committee and the Local Review Body with immediate effect."

(2) a motion by Councillor Gurney, seconded by Councillor McClung, in the following terms:

“Our citizens will soon be asked to go to the polls and cast their vote. It is not controversial to suggest that it is important that as many people as possible are given the opportunity to exercise their democratic rights and that it is the duty of this Council to encourage that expression.

Indeed it is the duty of the Returning Officer to promote electoral awareness. That is unlikely to happen in the current circumstances when the most common comment heard at polling stations is to the effect that one would hardly know that there was an election, an issue brought sharply into focus by the recent COVID restrictions.

It is clear that we have a duty to promote the largest demonstration of democratic involvement that we can. Traditionally one of the most effective promotion techniques was to utilise election signs. Indeed signage was historically the most visible means of making the public aware that an election was upcoming.

Taking these circumstances into account it is imperative that every effort is made to raise electoral awareness and to facilitate that Council will implement a pilot project to allow election signage for the next poll.

Our previous policy on these matters was clear and comprehensive and so would be used verbatim, subject to any updating required by the Returning Officer who would have the delegated authority to do so if a poll, such as a snap general election caused by the removal of the Prime Minister, were to be called before the next Council meeting. This policy was discussed by Council on the 2nd of April 2014 and may be found here

<https://north-ayrshire.cmis.uk.com/north-ayrshire/CommitteesMeetings/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/339/Committee/4/Default.aspx>

This report made clear that

- The policy of allowing posters on Council property had proven fit for purpose and that there are no road safety or cost implications for the Council
- A previous Chief Executive’s clear recommendation to Council was to approve a policy which allowed for such signage. It is therefore clear that this is the right thing to do from an unbiased electoral perspective, especially given that the Chief Executive is also the Returning Officer

Following this pilot Council will receive a report on the issues in the following terms

- Benefits in terms of Public awareness

- Cost to the Council in terms of having to remove posters
- Environmental issues relating to inadequately secured posters becoming litter
- Road safety issues

Following this pilot, there will be a decision taken on whether the policy should continue for future polls.

I, therefore, moved that the Council agrees to implement the above proposals.”

(3) a motion by Councillor Ferguson, seconded by Councillor Billings, in the following terms:

“That the Council:

1. Welcomes the first-round award of £172million of UK Government Levelling Up funding to eight projects across Scotland.
2. Notes our satisfaction that one of the successful projects was an award of £23.7million to make long overdue improvements to the B714 which will help to provide more efficient transportation links between the Central Belt and North Ayrshire
3. Further notes that this is in addition to the transformative £103million awarded to the Ayrshire Growth Deal which will create approximately 7,000 jobs across Ayrshire.
4. Believes that this initiative will make a significant contribution to the economy of North Ayrshire and congratulates all the partners for their work in delivering what it sees as transformative, exciting, and innovative projects for North Ayrshire.
5. Finally, asks that the Chief Executive write to Iain Stewart MP Parliamentary Under-Secretary, Scotland Office, on behalf of the Council expressing our thanks to the UK Government for their support during the Levelling Up Fund application process and to express our commitment to working collaboratively with the Scotland Office to deliver upon on future Levelling Up Projects across North Ayrshire.

(4) a motion by Councillor Ferguson, seconded by Councillor Marshall, in the following terms:

“That Council

1. Notes that, 11 civil servants costing the taxpayer £700,000 p.a. have been assigned to work on the project to introduce legislation for a second independence referendum and believes these staff could be better employed working on how to close the attainment gap. And further
2. Agrees with the vast majority of people in Scotland that now is not the time to be undertaking this work. And finally
3. Asks the Chief Executive to write to the First Minister expressing grave concerns in relation to recent announcements that the Scottish Government have recommenced work on a second unwanted independence referendum.”

(5) a motion by Councillor Gallagher, seconded by Councillor Donald Reid, in the following terms:

“Scotrail currently led by Transport Scotland have just concluded a consultation to close station booking offices and in our area they propose to substantially reduce opening hours at our stations, causing concern that there will not be enough support to protect the security of the network and support vulnerable customers requiring assistance travelling.

We ask council to agree that the Chief Executive should make formal representation to ScotRail’s Chief Executive and the Scottish Government’s Minister for Transport reaffirming North Ayrshire Council’s opposition to any potential future ticket office opening hours reductions or closures and any staff reductions.”

13 Urgent Items

Any other items which the Provost considers to be urgent

Webcasting - Virtual Meeting

Please note: this meeting may be recorded/live-streamed to the Council's internet site, where it will be capable of repeated viewing. At the start of the meeting, the Provost/Chair will confirm if all or part of the meeting is being recorded/live-streamed.

You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during the webcast will be retained in accordance with the Council's published policy, including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site.

If you are participating in this meeting by invitation, you are consenting to being filmed and consenting to the use and storage of those images and sound recordings and any information pertaining to you contained in the them live-streaming/recording or training purposes and for the purpose of keeping historical records and making those records available to the public. If you do not wish to participate in a recording, you should leave the 'virtual meeting'. This will constitute your revocation of consent.

If you have any queries regarding this, please contact dataprotectionofficer@north-ayrshire.gov.uk.

North Ayrshire Council Sederunt

Ian Clarkson (Provost)
Robert Barr (Depute Provost)
John Bell
Timothy Billings
Marie Burns
Joe Cullinane
Scott Davidson
Anthea Dickson
John Easdale
Todd Ferguson
Robert Foster
Scott Gallacher
Alex Gallagher
Margaret George
John Glover
Tony Gurney
Alan Hill
Christina Larsen
Shaun Macaulay
Jean McClung
Ellen McMaster
Ronnie McNicol
Louise McPhater
Davina McTiernan
Tom Marshall
Jimmy Miller
Jim Montgomerie
Ian Murdoch
Donald Reid
Donald L Reid
Ronnie Stalker
Angela Stephen
John Sweeney

Chair:

Apologies:

Attending:

North Ayrshire Council
8 December 2021

At a Meeting of North Ayrshire Council at 2.00 p.m. involving participation by remote electronic means.

Present

Robert Barr, John Bell, Timothy Billings, Marie Burns, Joe Cullinane, Scott Davidson, Anthea Dickson, John Easdale, Todd Ferguson, Robert Foster, Scott Gallacher, Alex Gallagher, Margaret George, John Glover, Tony Gurney, Alan Hill, Christina Larsen, Tom Marshall, Shaun Macaulay, Tom Marshall, Jean McClung, Ellen McMaster, Ronnie McNicol, Louise McPhater, Davina McTiernan, Jimmy Miller, Ian Murdoch, Donald Reid, Donald L. Reid, Angela Stephen and John Sweeney.

In Attendance

C. Hatton, Chief Executive; C. Cameron, Director (Health and Social Care Partnership); R. McCutcheon, Executive Director (Place); K. Yeomans, Director (Growth and Investment); A. McClelland, Head of Service (Education) (Communities and Education); M. Boyd, Head of Service (Finance), F. Walker, Head of Service (People and ICT); A. Craig, Head of Service, N. Shearer, Team Manager (Legal Services), M. McColm, Senior Manager (Communications), H. Clancy, A. Little, D. McCaw and C. Stewart, Committee Services Officers and M. Anderson, Senior Manager (Committee and Member Services) (Democratic Services) (Chief Executive's Service).

Chair

Robert Barr, Depute Provost, in the Chair.

Apologies

Ian Clarkson and Jim Montgomerie.

1. Depute Provost's Remarks

In the absence of the Provost, the Depute Provost welcomed Members and officers to the meeting, which was proceeding on a wholly remote basis by electronic means, and dealt with preliminary matters.

2. Apologies

The Depute Provost invited intimation of apologies for absence, which were recorded.

3. Declarations of Interest

There were no declarations of interest in terms of Standing Order 10 and Section 5 of the Councillors' Code of Conduct.

There were no declarations of the Party Whip.

4. Previous Minutes

The accuracy of the Minutes of the Ordinary Meeting held on 27 October 2021 was confirmed and the Minutes signed in accordance with Paragraph 7(1) of Schedule 7 of the Local Government (Scotland) Act 1973.

5. Provost's Report

Submitted report by the Provost for the period from 18 October – 28 November 2021.

Noted.

6. Leader's Report

Submitted report by the Leader of the Council for the period from 18 October – 28 November 2021.

Noted.

7. Council Minute Volume

Submitted for noting and for approval of recommendations contained therein, the Minutes of meetings of committees of the Council held in the period 29 April – 29 November 2021.

Noted.

8. Appointment of Statutory Officer – Chief Social Work Officer

Submitted report by the Head of Democratic Services on the appointment of the Chief Social Work Officer.

Noted.

9. Hybrid Committee Meetings Pilot Update

Submitted report by the Head of Democratic Services of the continued hybrid committee meetings pilot which took place in November 2021.

At its meeting held on 27 October 2021, the Council received an update report on the outcome of an initial phase of a hybrid committee meetings pilot held in September/October 2021 and agreed to extend the pilot into November 2021. It was agreed that an update report be submitted to the December 2021 meeting of the Council.

The Council unanimously agreed as follows:

- (a) to note the outcome of the extended hybrid meetings pilot;
- (b) to pause the hybrid committee meetings pilot whilst the implications of the Omicron variant of COVID-19 were understood further; and
- (c) that a further report in respect of hybrid working be submitted to the next meeting of the Council for consideration.

10. Highlands and Islands Regional Economic Partnership

Submitted report by the Chief Executive on the developing proposals for a Highlands and Islands Regional Economic Partnership.

Councillor Cullinane, seconded by Councillor Bell, moved approval of the recommendations set out in the report.

As an amendment, Councillor Marshall, seconded by Councillor Ferguson, moved approval of the recommendations set out in the report, subject to Councillor Billings being nominated as an Elected Member representative from North Ayrshire Council instead of Councillor Gallagher.

There followed debate and summing up.

On a division and roll call vote, there voted for the amendment, Councillors Barr, Billings, Ferguson, Gallacher, George, Glover, Marshall, Stalker and Stephen (9) and for the motion, Councillors Bell, Burns, Cullinane, Davidson, Dickson, Easdale, Foster, Gallagher, Gurney, Hill, Larsen, Macaulay, McClung, McMaster, McNicol, McPhater, McTiernan, Miller, Murdoch, Donald Reid, Donald L. Reid and Sweeney (22), and the motion was declared carried.

Accordingly, the Council agreed as follows:

- (a) to participate in the Highlands and Islands Regional Economic Partnership;
- (b) to note that by participating in the proposed Highlands and Islands Regional Economic Partnership, North Ayrshire Council would help shape and refine the proposed operating and governance arrangements;

- (c) to appoint the Cabinet Member for Post-Covid Renewal and the Islands as the Council's representative on the Partnership; and
- (d) to delegate authority to the Chief Executive to make officer appointments to the Partnership

11. The Boundary Commission for Scotland: 2023 Review of UK Parliament Boundaries in Scotland

Submitted report by the Head of Democratic Services on the Boundary Commission for Scotland's 2023 Review of UK Parliament Constituencies in Scotland.

The Council unanimously agreed as follows:

- (a) to note (i) the Boundary Commission for Scotland's 2023 Review of UK Parliament Constituencies and (ii) that currently the four Ayrshire Parliament Constituencies remained unchanged; and
- (b) to receive further updates as the Review progressed.

12. Boundaries Scotland: 2019 Review of Electoral Arrangements

Submitted report by the Head of Democratic Services on the new electoral arrangements for the North Ayrshire Council area following a review by Boundaries Scotland. The arrangements would come into force in time for the local government elections on 5 May 2022.

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

- the background to the review process;
- the apparent inclusion of parts of Ardrossan within the Saltcoats and Stevenston ward;
- the timescale for the provision of guidance on the new wards, to facilitate arrangements for campaigning in the 2022 local government elections;
- the impact of the new wards on the level of community representation on the Arran Locality Partnership and arrangements for reviewing this; and
- the position of Blair Park, Dalry in the new ward arrangements.

The Head of Democratic Services undertook to provide (i) requested clarification on the boundary between the Saltcoats and Stevenston ward and the Ardrossan ward; (ii) a briefing note on the new electoral arrangements early in the new year, to guide existing Elected Members and prospective candidates on campaigning in the local government elections; and (iii) clarification on the position of Blair Park in terms of the new electoral arrangements.

Noted.

13. Compulsory Purchase – 2 Montgomerie Road, Saltcoats

Submitted report by the Head of Democratic Services on the proposed compulsory purchase of the site of the now demolished 2 Montgomerie Road, Saltcoats.

Councillor Cullinane, seconded by Councillor Bell, moved approval of the recommendations set out in the report. There being no amendment, the motion was declared carried.

Accordingly, the Council agreed to make the following resolution:

"That The North Ayrshire Council resolves in exercise of the powers conferred by Section 124 of the Housing (Scotland) Act 1987 and in accordance with the provisions of the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 to make a compulsory purchase order to be called "The North Ayrshire Council (2 Montgomerie Road, Saltcoats) Compulsory Purchase Order 2021" to purchase compulsorily ALL and Whole the site of the former dwellinghouse situated at 2 Montgomerie Road, Saltcoats KA21 5DJ shown coloured red on the attached Plan together with those rights in common to the entrance gates, access avenue, drying green and washhouse shown coloured blue on the said Plan specified in the Disposition by the Executor of William Barr recorded GRS(AYR) 2nd September 1970, authorise and instruct a Proper Officer of the Council to sign the Order and Plan on behalf of the Council; affix thereto the Common Seal of the Council; submit the Order and Plan to the Scottish Ministers for confirmation; give the appropriate notice to the owners and occupiers of the subjects, insert the appropriate notice in the local press and certify to the Scottish Ministers that the subjects (a) do not belong to the local authority, (b) have not been acquired by statutory undertakers for the purposes of the undertaking, (c) do not form part of a common or open space (d) are not held inalienably by the National Trust for Scotland; and (e) are not listed as being of special historical or architectural interest under Section 1 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997, and take all steps necessary to complete the compulsory purchase procedures"

14. Questions

In terms of Standing Order 12, submitted:

- (1) a question by Councillor Larsen to the Cabinet Member for Education in the following terms:

"Can the Cabinet Member confirm if any child has been assessed and placed in Early Years at Lockhart Campus?"

Councillor Bell thanked the Member for her question and responded in the following terms:

“Assessment of current need in the early years’ population is ongoing and assessment already undertaken has established that, at present, our local early years centres and classes can appropriately meet the needs of the children beginning this stage of their education.

So far this session, around 80 children have been assessed by our Educational Psychology Team to determine their additional support needs and these children are being appropriately supported within their local early years provision. We will continue to assess need in the early years population to determine the most appropriate support. Therefore, no child under the age of 5 is accommodated in Lockhart Campus at this time.

The Lockhart campus can and will continue to be able to accommodate early years children who are assessed as requiring to access this facility in the future and this will continue to be determined on an individual basis as at present.

We are committed to providing inclusive and nurturing learning environments across our early years centres and classes that allow children to flourish, including high quality outdoor spaces, communication-friendly environments, and sensory areas where appropriate. This is supported by ongoing coaching and high-quality training for our staff.”

As a supplementary question, Councillor Larsen asked the Cabinet Member to advise what he would do to ensure that the parents of children with additional support needs were informed that early years provision was an option at Lockhart Campus, and to confirm when it would be possible to see the new Lockhart Campus early years uniform.

Councillor Bell responded by noting that all of the children attending the P1 class at Lockhart Campus currently had been appropriately supported in their mainstream early years settings. The Cabinet Member confirmed that the ongoing assessment process would ensure that children continued to be supported appropriately in terms of early year provision and that if and when an early years uniform was required for Lockhart Campus, the children would be involved in designing it.

(2) a question by Councillor Stalker to the Cabinet Member for Green New Deal and Sustainability in the following terms:

“I would like to ask the Cabinet Member for Green New Deal and Sustainability about the progress that has been made with Transport Scotland regarding the former trunk road through Dalry?

A package of improvements was agreed in principle with Transport Scotland in December 2020.

As far as I am aware to this date, Transport Scotland have still to formally approve this and release funding to the Council. My fear is with £23.7 million of money from the UK Government's levelling up funding for the B714 now announced, the proposed work of carriageway and footway resurfacing, drainage improvements, lighting and structure improvements and replacement road signage will be side-lined where this work is drastically need to help improve Dalry and which should have been completed before road was handed over to North Ayrshire Council."

In the Cabinet Member's absence, the Leader of the Council thanked the Member for his question and responded in the following terms:

"I can confirm that officers agreed a package of improvements to be undertaken on the former trunk road infrastructure through Dalry in December 2020 with an estimated financial settlement of over £700k. The Chief Executive wrote to his counterpart in Transport Scotland recently to request confirmation of when the funding would be made available to the Council and a response was subsequently received.

The response advises that Transport Scotland's *'legal services are progressing with the drafting of a full and final settlement agreement and...an initial draft will be issued to North Ayrshire Council in the coming weeks. Upon receipt of a signed agreement from North Ayrshire Council, payment of the agreed settlement figure can be processed shortly thereafter.'*

Subject to timely receipt of the funds, it is the Road Service's intention to programme the works to be undertaken during the 2022/23 financial year.

The recently announced £23.7m from the UK Government's levelling up funding for the B714 upgrade will not have any impact on the handover works agreed on the former trunk road through Dalry."

(3) a question by Councillor Marshall to Councillor McPhater in her capacity as a Council appointee on North Ayrshire Ventures Trust, in the following terms:

"Noting that North Ayrshire Venture Trust (NAVT) has agreed to provide a £800,000 funding boost to extend the Ardrossan Marina can the Member provide a list of the funds made by NAVT over the last 3 years by organisation and value?"

Councillor McPhater thanked the Member for his question and made reference to the following written response:

"North Ayrshire Ventures Trust Ltd is a separate entity from the Council and operates two specific funds. The first relates to grants to voluntary, community and social enterprises. From this fund, £709,020 has been awarded during the 3 years to 30 November 2021 to the undernoted list of groups:

| Community Body | Total Awarded |
|--------------------------------------|----------------------|
| 55th Ayrshire Scouts | 10,000 |
| Irvine Gymnastics Club | 30,000 |
| Kilwinning Bowling Club | 30,000 |
| Ardrossan Rugby Club | 30,000 |
| Ardrossan Highland Games | 10,000 |
| Clyde Porpoise | 16,000 |
| Vineburgh Community Association | 39,940 |
| North Ayrshire Foodbank | 30,000 |
| WKCI | 9,665 |
| Castlepark Community Association | 30,000 |
| Lamlash events | 10,000 |
| Evolution Skatepark | 30,000 |
| Input SCIO | 29,046 |
| Ayrshire Children's Services CIC | 30,000 |
| MECOCO | 30,000 |
| Millport Town Hall | 15,932 |
| ACES Woodwynd Community Centre | 30,000 |
| Garnock Rugby Club | 30,000 |
| Irvine Cricket Club | 30,000 |
| Woodside Farm CIC | 10,000 |
| Cumbrae Community Development Co. | 22,687 |
| Radio City | 8,250 |
| Irvine Sports Club | 30,000 |
| Inspire Motivate Celebrate Saltcoats | 17,500 |
| Cumbrae Wave | 30,000 |
| COAST | 30,000 |
| Community Choices | 30,000 |
| TACT | 60,000 |
| TOTAL | 709,020 |

In addition, a further £380,000 was awarded from this fund to North Ayrshire Council to support the following projects:

| Project | Total Awarded |
|---------------------------------------|----------------------|
| Green Jobs Fund | 250,000 |
| Covid 19 support for Community Groups | 100,000 |
| Events Coordinator | 30,000 |
| TOTAL | 380,000 |

The second fund operated by NAVT relates to the disbursement of funds transferred from the former Irvine Bay Regeneration Company to support regeneration capital projects in the area comprising generally Irvine, Stevenston, Saltcoats and Ardrossan.

In addition to those projects which were ongoing at the time of the transfer in 2017, NAVT has awarded a further £3,985,852 to North Ayrshire Council during the 3 years to 30 November 2021 to support the following projects permissible in terms of the funding transfer agreement between Irvine Bay Regeneration and the Council:

| Capital Project | Total Awarded |
|---------------------------------|----------------------|
| Irvine High Street Public Realm | 1,375,852 |
| Ardrossan Harbour | 2,000,000 |
| Annickbank Phase 3 | 500,000 |
| Repurposing Property Grant Fund | 110,000 |
| TOTAL | 3,985,582” |

As a supplementary question, Councillor Marshall noted that, while grants to voluntary groups were spread across the whole of North Ayrshire, capital project funding was restricted and sought clarification as to whether funding applications from the North Coast, including for the Largs seafront public toilets, could be considered.

Councillor McPhater responded by undertaking to seek clarification on this matter.

The Head of Democratic Services clarified that funds which had been transferred from the former Irvine Bay Regeneration Company could only be used to support projects within the Irvine Bay area, but undertook to provide further information to Members on the detail of the funding arrangements.

(4) a question by Councillor McNicol to the Leader of the Council in the following terms:

“In November, it was announced that the former Seabank care home in Canal Street, Saltcoats was to become the site of a new national drug rehabilitation facility (subject to planning permission).

Scotland’s level of drug-related deaths in the past year was 3.5 times higher than across the UK as a whole, and was higher than any other European country. So I welcome initiatives to tackle drug use, and I appreciate the proposed Specialist Residential Family Unit will help keep families together while treatment is offered to a person suffering from addiction.

My question relates not to the services that will be offered by such a facility, but to the openness, transparency and accountability in this council and how we interact with the people we represent. Will the Leader of the Council inform Members what meetings/discussions took place with Elected Members and North Ayrshire Council officers prior to this decision being made? Will he also inform Members who made the decision and what Consultation was carried out with local Elected Members and residents of Saltcoats prior to this decision?"

Councillor Cullinane thanked the Member for his question and responded in the following terms:

"Angela Constance MSP in her role as the Minister for Drugs Policy announced in Parliament on 3 August this year that there would be a new national residential rehabilitation service developed in North Ayrshire. The facility will specifically support families affected by drug use. The announcement noted that funding had been agreed in principle for the new National Specialist Residential Family Service to be run by the charity and housing association Phoenix Futures and that the service would be based in Saltcoats. At that time, I can confirm that there had been no consultation with the Council, the Alcohol and Drugs Partnership nor the Integration Joint Board in relation to the development, none of which were engaged in, or aware of the development of the proposal and subsequent announcement.

This approach is not conducive to the principles of partnership working between national and local government that we seek to foster and, on that basis, as Leader of North Ayrshire Council, I wrote to the Minister on 10 August to express concerns in this regard. Following the Minister's response on 25 August a meeting was arranged to discuss the development. This meeting took place on 28 October. Present at this meeting, were the Drugs Minister and Scottish Government officials, myself as Council Leader, Craig Hatton as Chief Executive, Councillor Foster as Cabinet Member for Health and Social Care, Caroline Cameron as Director of the HSCP, and a number of representatives from Phoenix Futures were also present.

In response to the question asked there were, therefore, no meetings with Elected Members and North Ayrshire Council officers prior to the decision being made. The Scottish Government made the decision with no consultation with local Elected Members and residents of Saltcoats.

At the meeting on 28 October with the Drugs Minister, I again raised the impact of the lack of communication and consultation and the support North Ayrshire Council could have provided. For example, in working together to identify a suitable location to complement our own regeneration plans for the area and to enable a joined-up response to local enquiries, providing an opportunity for local Elected Members and residents to understand the proposals and their impact.

It is my understanding that Phoenix Futures have not yet concluded on the purchase of the building. The Health and Social Care Partnership and ADP have subsequently had ongoing engagement with Phoenix Futures on the new facility to scope out the impact on local services, the referral pathways and a communications plan which will include engagement with local Elected Members and the community. Colleagues in the HSCP will continue to positively engage with the provider to ensure the new national facility also meets the needs of local residents”

As a supplementary question, Councillor McNicol asked why local Elected Members were not updated on the outcome of the meeting between the Minister, Phoenix Futures and the Council, and asked for an assurance that local people would have an opportunity to have their concerns addressed before the facility went ahead.

Councillor Cullinane responded by emphasising that the Council had not been involved in developing the proposal, but had emphasised to the Minister and Phoenix Futures the importance of consultation and engagement with local community and had been assured that this would take place once the building had been purchased.

(5) a question by Councillor McNicol to the Leader of the Council in the following terms:

"Since the Ardrossan North Shore Site was decommissioned between 1986 and 1989, the following site investigations have been carried out by North Ayrshire Council and Cunninghame District Council:-

- Ardrossan North Shore Site Investigation Non -Technical Summary, May 2021
- Envirocentre, Ardrossan Development Site 2019 Site Investigation Interpretative Report, August,2019
- Envirocentre Detailed Investigation, Ardrossan Phase 1 (Northern and Southern Corners), April 2011
- Fairhurst, Proposed Developers Package, July 2010
- Envirocentre Detailed Delineation Investigation, Ardrossan Phase 1, December 2008
- Envirocentre Remediation Strategy, Ardrossan Main Site, July 2008
- Envirocentre Draft Remedial Strategy, Ardrossan Former Shell Bitumen Terminal, November 2006
- Mason Evans, Ardrossan Phase II, Hydrocarbon Remediation Report, June 2006
- Arup Revised Conceptual Site Model, September 2006
- Arup, Ardrossan Bitumen Terminal Investigation and Remediation Strategy, March 2001
- Shell UK Ltd, Ardrossan Bitumen Terminal, Risk Assessment Report, May 2000
- Shell UK Ltd, Ardrossan Bitumen Terminal, Factual Report Volume 1, Text and Figures, 1999
- Raeburn Drilling & Geotechnical, Report on Ground Investigation, July 1995 and
- Fairhurst, 20800 Shell Bitumen, Ardrossan, Treatment of Contamination, July 1991

Additional works carried out in 2020 and 2021 include:-

- Environmental monitoring completed in 2020
- Production of Remedial Strategy Document completed in 2020
- Assessment of existing soil stockpiles on site completed in 2021
- Assessment of sediment quality in adjacent proposed marina development area with respect to potential use as infill on the Ardrossan North Shore Site completed in February 2021
- Site investigation works of the Coast to Coast site which is to form part of the development site, completed in April, 2021

Will the Leader of the Council inform Members of the cost to North Ayrshire Council since 1996 and previously Cunninghame District Council, of all Site Investigations (as detailed above) carried out by Companies on the North Shore Site, Ardrossan since the site was vacated by Shell UK Ltd in 1986? Will he also inform Members of the cost to decontaminate the North Shore site prior to the commencement of any works?"

Councillor Cullinane thanked the Member for his question and responded in the following terms:

"The list of previous studies undertaken into ground conditions at the North Shore site illustrates how extensive our understanding is of site conditions. However, the majority of these were undertaken prior to the Council taking ownership of the site in 2020 with the cost met by Shell, Peel Land and Property or the Irvine Bay Regeneration Company.

Works since that point have included site investigations, environmental monitoring, the development of a remediation strategy, assessment of stockpiles, assessment of sediment quality, investigations of the Coast to Coast bus garage site, meetings with local Members and residents, habitat surveys, the development of an environmental impact assessment and of a specification or tender package for the works. The total cost to the Council of these investigations and associated recommendations has been £160,114.

The cost of decontamination works will be confirmed in Spring 2022 on the award of a contract for the works. The tender package for the works was issued on 1 December, and a planning application submitted on 29 November."

The Leader concluded his written response by referring to the Member's repeated leading questions on a range of issues relating to the development of the North Shore and asserting that it was time for Councillor McNicol to state whether he would oppose any development at this location, regardless of the facts presented.

As a supplementary question, Councillor McNicol, clarified that he was not against a new school but was against the site and, referring to clauses within the Ardrossan Community Campus project 'Employer's Requirements' document and to contaminants referred to in the Site Investigation report, asked whether the Leader and his Administration would accept less than a guarantee that the site was 100% free of known toxins before embarking on a plan to build two schools and a leisure facility there.

Councillor Cullinane responded by referring to numerous assurances he previously made with regard to an appropriate remediation strategy for the site and expressing concern that the Member's stated objection to the site might preclude him from taking part in consideration of the matter when it came before the Planning Committee.

(6) a question by Councillor Ferguson to the Cabinet Member for Education in the following terms:

"To ask the Cabinet portfolio holder for Education how many teachers and school support staff have raised serious concerns with NAC over the last 3 years in relation to online abuse? (Please provide a year-on-year breakdown of possible)."

Councillor Bell thanked the Member for his question and responded in the following terms:

"North Ayrshire Council treats any abuse of staff seriously and seeks to respond accordingly. We do not gather statistical data to offer in relation to online abuse of teachers and school support staff however we do respond to any complaint or concern raised by a member of our staff.

In general, staff in schools will approach their Head Teacher or Head of Centre with any concern. The Head might be able to investigate, dependent on the circumstances and information available, but would certainly be able to offer support and advice. If it is found that the online abuse is coming from another member of staff, then there are policies to protect individuals who are subject to this abuse. The individual has recourse to the Dignity and Respect at Work Policy and Grievance procedure.

Occasionally, parents will post unfair and ill-informed information online. When schools are made aware, they will invite that parent to discuss their concerns and seek to reach a resolution.

If a pupil is found to be the culprit, the school's response will be in line with policy and take into account individual circumstances.

Furthermore, like every other citizen, any member of staff can contact the police who can investigate and who can ask social media channels and online platforms to divulge information about users."

As a supplementary question, Councillor Ferguson referred to a report from School Leaders Scotland about some concerning TikTok videos which had been reported to Police Scotland, and asked whether the Cabinet Member would have a discussion with Education about reminding students about the dangers of TikTok and its appropriate use.

Councillor Bell responded by confirming that he would ask Education to provide more information to pupils about the dangers of social media to seek to ensure that it was used with respect for others.

(7) a question by Councillor Ferguson to the Cabinet Member for Health and Social Care in the following terms:

“To ask the Cabinet portfolio holder for Health and Social Care what contingencies have been put in place to support NHS Ayrshire and Arran over the winter period in the event of a ‘Code Black’?”

Councillor Foster thanked the Member for his question and responded in the following terms:

“A Code Black scenario is where there is a risk to patient safety due to hospitals being at full capacity and under those conditions the NHS may postpone planned operations and appointments to so that staff can concentrate on the demand for urgent care. On 28th October 2021, NHS Ayrshire and Arran enacted their Full Capacity Protocol across both Crosshouse and Ayr Acute Hospitals. The triggers for enacting the protocol are similar to those in a Code Black scenario, i.e. patients with long waits for beds, delays in ambulance handovers, insufficient bed capacity to meet demand, all areas of the hospital full with additional patients placed in areas they would not normally be cared for, critical care capacity reached and a number of patients medically fit for discharge awaiting social care or awaiting a transfer to a downstream or community hospital bed. Pressures across the care system are the greatest they have ever been at any point during the pandemic. We are undoubtedly both at a local and national level heading towards the most challenging winter our health and social care services will face. All available resources are currently being deployed.

The HSCP are continuing to work tirelessly to support the acute hospitals to reduce delayed transfers of care by prioritising timely access to social care. The factors currently putting pressure on the acute hospitals include a combination of patients presenting at hospital more acutely unwell and requiring support with complex needs, workforce challenges, high occupancy levels due to demand and people experiencing delays in the availability of social care. There are very similar pressures being experienced across the rest of our community-based health and social care services.

In support of winter pressures, new investment of £300million in hospital and community care has been announced by the Scottish Government. The funding is focussed on four main areas – Maximising Capacity, Ensuring Staff Wellbeing, Ensuring System Flow and Improving Outcomes with the overarching aim being to reduce risks in community settings and supporting flow through acute hospitals. The funding is to support a range of measures to maximise capacity in hospitals and primary care, to reduce delayed discharges, improve pay for social care staff, and to ensure those in the community awaiting support receive effective and responsive care. Specific funding allocations were communicated to HSCPs on 4 November, with a total of £3.4million allocated to North Ayrshire specifically for interim care, Multi-Disciplinary Teams and Care at Home capacity.

The Partnership has developed a North Ayrshire winter plan in line with the funding allocation which will be presented for IJB approval on 16 December. The funding and new investment is welcomed, particularly in relation to community services, and this will allow the IJB to take a longer-term position to increase capacity across our system and to invest in services which focus on early intervention and prevention and the alternatives to hospital admission. However, expectations require to be managed in relation to how quickly this will have a noticeable impact on our health and social care system, as the investment is reliant on successful recruitment. Particularly, as there is ongoing recruitment underway across services including acute hospitals, community health and social care services (including commissioned providers), mental health, addictions, vaccinations and testing and primary care with all parts of the health and care system drawing on the same pool of candidates.

Prior to the allocation of funding, for some time now the Partnership has been proactively accelerating recruitment across a number of priority areas, including care at home, the nursing workforce and mental health services. For example, in Care at Home, there have been 12 face-to-face recruitment events since early September and there are further events planned over December and January. Workforce is a key priority in addressing the demand on services and we have been proactively recruiting into services. So far, the Partnership has had some success in areas as result; however, the impact is incremental and in many cases the progress in growing teams has been more than offset by increased demand, high turnover of staff due to the number of alternative job opportunities and the inability for commissioned care providers to recruit and retain a sustainable workforce.

The continued focus of the Partnership and IJB as we move into winter, is to continue to support the hospitals to return to delivering on patient safety and quality requirements. This will be supported through pro-active recruitment to build service capacity and by positively working across our health and care system to maximise all capacity, for example by the use of interim care solutions.

As Cabinet Portfolio Member for Health and Social Care, I would like to take the opportunity to acknowledge the tremendous efforts of staff across the Health and Social Care Partnership who have been under immense pressure for a sustained period, whilst continuing to deliver services with professionalism and dedication. The workforce is our greatest asset and growing and retaining their skills and experience will be the key to addressing the current and future pressures as we head into one of the most difficult winter periods.”

As a supplementary question, Councillor Ferguson, having recorded his own appreciation of the work of all NHS staff during the pandemic, referred to recent pressures experienced by A&E services in Lanarkshire and asked if there were appropriate contingency arrangements in place, potentially including access to Army personnel, to cover a similar situation in Ayrshire and Arran.

Councillor Foster responded by confirming that there were weekly meetings between senior managers from the HSCP and NHS, including involvement by the Minister, and that improving flow through the hospital was a priority as winter impacted on A&E services.

(8) a question by Councillor Donald L. Reid to the Cabinet Member for Green New Deal and Sustainability in the following terms:

“What explorations have taken place within NAC regarding the legal mechanisms that might require owners of retail properties which are closed (and in truth simply abandoned, often for several years) in North Ayrshire, to encourage them to maintain their properties to a reasonable standard; and in terms of payments of business rates, what concessions are made for retail property owners who allow their properties to remain empty resulting in them degrading and bringing what has been described as ‘an air of despondence’ to many town centres in North Ayrshire?”

In the Cabinet Member’s absence, the Leader of the Council thanked the Member for his question and responded in the following terms:

“The Council, as Planning Authority, has no powers to encourage the upkeep of vacant retail properties. Should the condition of a property deteriorate to a point where it is considered to adversely affect the amenity of the area, the Planning Authority, at that point, can require the owner to take steps to abate the harm. This must be the minimum necessary required to abate the harm. Should the owner not take the minimum steps, the Council can carry out the works itself and seek its costs from the property. There is also a right of appeal against such action.

Protective Services often have to deal with the issues resulting from properties, including retail premises, which have been closed for some time and are suffering from the effects of little or no maintenance. Where such properties present a danger to the public, the Council's Protective Services Team will try to establish the current owners and work with them in order to remove or reduce the danger, but if this isn't possible, they will carry out the work and attempt to recover any costs incurred. Unfortunately, the powers available to Protective Services, which include Building, Public Health and Environmental Health legislation, do not solely address the many issues that such properties present within town centres.

Regarding business rates: these are controlled by the Scottish Government. Discounts are applied follows:

- 50% discount for unoccupied properties for the first three months of vacancy and 10% discount thereafter
- 100% discount for unoccupied listed buildings
- 100% discount for unoccupied buildings in receipt of a valid building warrant from the date of issue of the warrant until this lapses

The recently launched Repurposing Property Grant Fund, was created to help support landowners and community groups to bring back vacant land and properties to use. This is a key strand of the Council's Community Wealth Building Strategy and Regeneration Delivery Plan and long-term plans to regenerate the area. It aims to reinvigorate discussion on vacant and derelict sites and bring redundant properties back into positive use. Through this approach, the Council will work closely with landowners and community groups to make the most of local assets.

The Fund has been promoted widely to encourage applications and approaches have been made to several community organisations and town centre property owners to raise their awareness of the Fund. The first phase of the Fund totals £200,000 and will allow landowners or community groups to carry out feasibility studies to identify potential options for the sites and their viability. The potential for further stages of the Fund to support project delivery following the feasibility stage will be informed by the outcome of the first round.

The Council is also reviewing its current commercial portfolio including empty shop units in some of our towns and how these can be re-purposed for non-retail use. Work by officers is underway that will inform new plans to be brought forward in the new year that maximise Community Wealth Building opportunities and result in empty retail units being brought back into re-use."

As a supplementary question, Councillor Donald L. Reid asked whether, given the inordinately large number of vacant or derelict properties in Beith and Kilbirnie, consideration could be given, if the opportunity arose, to the compulsory purchase of at least some of these buildings or to making buildings available for social housing.

Councillor Cullinane responded by referring to site visits undertaken by the Regeneration Team together with local ward Members and confirmed that the outcome of these would be taken forward.

(9) a question by Councillor Donald L. Reid to the Cabinet Member for Green New Deal and Sustainability in the following terms:

“There is great interest in the extension of National Cycle Route 7 from Kilbirnie to Dalry and I am aware of some level of progress by North Ayrshire Council on this issue. Can a brief update be provided on the current situation?”

In the Cabinet Member’s absence, the Leader of the Council thanked the Member for his question and responded in the following terms:

“The existing alignment of National Cycle Network Route 7 from Dalry to Kilbirnie uses unrestricted rural roads. The Council and Community share a longstanding aspiration to identify an alternative off-road alignment for the route. Feasibility work has been undertaken but delivery has not been achieved to date.

A potential new alignment was identified by a member of the community in August 2020. This was supported by the ‘Garnock Valley Moving Around’ committee. Details of this route were shared with the Council in August 2020 and considered at the Garnock Valley Locality Partnership meeting on 15 September 2020. At this meeting it was agreed that North Ayrshire Council would approach Sustrans with view to securing the funding required to appoint a suitable transportation consultancy to review the feasibility of this new route.

The proposal was received positively by Sustrans who subsequently applied to Transport Scotland for the funding to undertake the study. Sustrans received confirmation of the award on 1 July 2021. North Ayrshire Council staff worked with Sustrans to prepare a brief for the competitive tender of study. This process was won by AECOM.

An inception meeting took place on 15 November 2021 and an initial site walkover took place on 30 November 2021. This involved representatives of the AECOM team, North Ayrshire Active Travel team and Dalry Community Council.

Landowners have been informed of the study and in-person meetings are planned for January 2022. These will discuss options and better understand any concerns that landowners may have. Feedback from landowners will shape preliminary designs which will be worked up and taken back to them for further discussion.

In the early stages of the study, AECOM will focus on:

- Consideration of viable options to cross private landowners’ fields that would not negatively impact farm operations;

- Flood risk management; and
- Initial negotiations with Network Rail, as the identified route requires to utilise an existing underpass under the live train line

The North Ayrshire Active Travel team will report and provide project updates through the Garnock Valley ‘Moving Around’ sub-group of the Locality Partnership, as the project progresses.”

In terms of Standing Order 5.7, the Depute Provost agreed that the meeting be adjourned at 3.30 p.m. for a short comfort break, reconvening at 3.45 p.m. with the same Members and officers present and in attendance.

(10) a question by Councillor Stephen to the Leader of the Council in the following terms:

“What dialogue has the Leader had with the Scottish Government regarding the fairer funding for North Ayrshire Council? The Scottish Conservatives have repeatedly called on fairer funding for all councils”

Councillor Cullinane thanked the Member for her question and responded verbally. The Leader questioned any attempt to write Austerity out of the history books and referred to the level of cuts the Council had had imposed on it since 2010. He advised that, every year, his Administration lobbied for a fair settlement for North Ayrshire Council and local government in general, and advised that it was the Labour Administration which had refused to accept the cuts offered in the 2017/18 settlement, leading to changes in the Scottish Government’s approach. The Leader advised that, annually, he wrote to the Finance Minister in advance of the budget; supported COSLA’s national campaign for fair funding for local government; and took the opportunity to express the need for fairer funding whenever he engaged with Ministers, including the most recent meeting with the Local Government Secretary, Shona Robinson MSP.

(11) a question by Councillor Marshall to the Leader of the Council in the following terms:

“Given that are circa 375 Procurement Cards issued to staff who are employed by North Ayrshire Council can the Leader confirm what policies and training arrangements are in place for staff and that the cards are being used in line with Community Wealth Building objectives?”

Councillor Cullinane thanked the Member for his question and responded in the following terms:

“Procurement cards offer a more flexible and timely route for the procurement of lower level goods and services across the Council. Since they were introduced, this has had the benefit of reducing the number of transactions which in many instances would otherwise have been purchased via petty cash, where physical cash handling brings its own risks. It is recognised, however, that the use of Procurement cards comes with responsibility for cardholders, approvers and administrators.

In terms of training and guidance, all users require to operate procurement cards in accordance with the published Procurement Card policies and procedures guide which includes key information around responsibilities, controls and available support and comply with the Council’s Standing Orders relating to contracts. In addition, operational support for cardholders and approvers is delivered through 2 iLearn on-line training modules.

It should also be stressed that if any inappropriate use of procurement cards is found to have taken place, these matters will be dealt with in accordance with the Council’s disciplinary procedures and may also result in criminal proceedings.

From a Community Wealth Building perspective, procurement is one of the key pillars of the CWB Strategy. The Council’s Business Development Team actively engage with North Ayrshire businesses, be it through training and support around Council quick quotes, tender or framework opportunities. Spend through procurement cards also contributes to these objectives.”

As a supplementary question, Councillor Marshall referred to the difficulty of controlling spend on Procurement Cards and to the number of cards held by various schools and Services, and asked whether it was time to review the use of procurement cards and reduce the number in circulation.

Councillor Cullinane responded by advising that this was an operational matter and that no report on Procurement Cards had been brought to Cabinet in the last five years. The Leader noted that the issue of Procurement Cards had been raised at Audit and Scrutiny and suggested that this committee was the appropriate vehicle for undertaking scrutiny. He noted that if Audit and Scrutiny recommended a change of approach, the Cabinet would consider it.

(12) a question by Councillor Billings to the Cabinet Member for Green New Deal and Sustainability in the following terms:

“In June 2018 North Ayrshire Council adopted the Plastic Waste Prevention Action Plan, with the stated aim of being a ‘Plastic Free Council’, by 2022. In addition, it was agreed that Council officers will proactively work with community partners, local businesses and the 3rd Sector Organisations to promote and encourage initiatives and activities to prevent and reduce the impact of single-use plastics on the local environment.

Could the Member for Green New Deal and Sustainability tell me what progress the Council has made towards becoming plastic free, what further steps are required to achieve this aim, and provide details of the proactive engagements and initiatives have taken place to encourage outside organisations to prevent and reduce the impact of single-use plastics?”

In the Cabinet Member’s absence, the Leader of the Council thanked the Member for his question and responded in the following terms:

“Despite the challenges presented by the pandemic, work has continued to progress to implement the Council’s Single Use Plastics Action Plan.

Initial efforts focused on undertaking internal surveys to gather critical baseline data to inform options for alternative products. Officers then worked collaboratively to take the following steps:

- Removal of two million plastic straws from the local environment
- No purchase of plastic cups across the Council or supply of plastic bottles through commercial catering
- No single use plastic used in the serving of primary school meals apart from soup lids, and an option for these lids is being investigated
- All academies have now switched to biodegradable disposables, cutlery and packaging
- Removal of sauce sachets and replacement with large pump bottles (this has been temporarily impacted by the pandemic)
- Period products – we are working with a supplier who provides plastic-free products
- Engaged with schools to promote sustainable behaviours and to raise awareness of the impact of Single Use Plastics dropped as litter on the environment, as well as encouraging young people to reduce, reuse and recycle their plastic and other waste

Officers have also worked externally with the ‘Think About Plastic’ initiative on Arran a part of the Plastic Free Coastlines Campaign and supported them in gaining accreditation as the first community in Scotland to be granted "Plastic-Free Community" status.

Following the recent COP26 conference, a three-phase communications plan has been developed which links to the Council's Environmental Sustainability and Climate Change Strategy and the forthcoming legislative ban on certain Single Use Plastics, to encourage our employees and citizens to be 'Plastic-Smart' for roll-out over the coming months to further embed desired behaviours.”

As a supplementary question, Councillor Billings referred to the potential for contamination associated with placing biodegradable disposables in recycling bins and asked whether changes would be made to ensure that the effectiveness of the Council's recycling was not adversely affected.

Councillor Cullinane responded by undertaking to ask officers to provide Members with details information on alternative use products and their disposal. The Leader noted that, as a local authority, North Ayrshire had one of the best recycling rates in the country, but improvements could always be made, such as those implemented especially within schools in respect of the colour of bins.

(13) a question by Councillor Gallacher to the Leader of the Council in the following terms:

“Noting that the Cabinet declared a climate change emergency in June 2019, how many Members of the Administration party now drive an electric vehicle?”

Councillor Cullinane thanked the Member for his question and responded verbally. The Leader advised that, while he would not speak for other Cabinet Members, he did not personally own a car, but did have a bike. Councillor Cullinane concluded his remarks by referring to the type of vehicle owned by the Member himself.

As a supplementary question, Councillor Gallacher asked whether the Leader agreed with him that the cost of electric cars was prohibitive for the majority of people.

Councillor Cullinane responded by asserting that supply and demand was the basis of capitalism and that, with increased demand, electric cars would hopefully become more affordable for working men and women in our communities.

(14) a question by Councillor Glover to the Leader of the Council in the following terms:

“How many NAC staff are employed in community wealth building and what is the annual salary cost?”

Councillor Cullinane thanked the Member for his question and referred to the following written response:

“Community Wealth Building (CWB) is a Council-wide commitment which takes a transformational approach to economic development and aims to create fair and resilient local and regional economies by ensuring wealth and prosperity is generated and contained locally.

The Council’s CWB Strategy was launched in May 2020 and sets out 55 actions aligned across 6 objectives:

- Community Wealth Building Council: We will work across all our services and wider local and regional partners to implement Scotland’s first approach to Community Wealth Building. Looking at how we do things differently and with CWB ambitions in mind
- Procurement: We will use our spend to actively encourage and support a growing, diverse and resilient local business base, and to support our net zero carbon ambitions.
- Fair Employment: We will encourage the creation of fair and meaningful jobs with progression opportunities to unlock the potential of our residents.
- Land and Assets: We will support the wider regeneration of our communities by maximising all of our land and assets including through alternative uses for community and business benefit.
- Financial Power: We will invest locally and encourage regional and national institutions to invest in our communities.
- Plural Ownership of the Economy: We will support the creation and sustainability of a range of business models including SMEs, social enterprise, employee ownership, cooperatives, municipal activity and community enterprises.

A total of 13 CWB posts have been created across services in Economic Development and Regeneration (EDR) and Connected Communities. The staff are committed to progressing the 55 strategy actions and are working in new ways to support local businesses and communities and regenerate our local area. The following 8 posts are funded from existing revenue budgets:

- Community Benefits Officer
- Procurement Development Manager
- Development Manager (Regeneration)
- Regeneration Officers x2
- Community Wealth Building Co-ordinator
- Community Economic Development Officer
- Estates Surveyor Community Wealth Building

The total annualised salary cost (2021/22) to the Council of these roles is £399,276. Another 5 posts have been funded by the Ayrshire Growth Deal. These are:

- Locality Business Advisors x3
- Fair Work Ayrshire Programme Manager
- CWB Fund Programme Manager”

As a supplementary question, Councillor Glover asked whether the Leader regarded his flagship policy as value for money.

Councillor Cullinane responded by expressing the view that spending on CWB was better value for money than some Elected Members and that the approach was about being ambitious as a Council. The Leader noted the number of recent questions to Council about matters such as procurement and vacant or derelict buildings, and suggested that Community Wealth Building could bring longer-term benefits in such areas. Councillor Cullinane further stated that, in his many discussions with local businesses as Leader of the Council, North Ayrshire had been commended as having the best approach to economic development in the country and that he was very proud of the work of the business and CWB teams.

(15) a question by Councillor Murdoch to the Leader of the Council in the following terms:

“Does the Leader of the Council think it is acceptable, that borrowing against the future income from the Largs Seafront Car Park Fund and using some of the capital from the fund, is the only immediate way to finance the refurbishment of the Seafront Toilets next to the Seafront Car Park in Largs?”

Councillor Cullinane thanked the Member for his question and responded in the following terms:

“As per previous responses on this matter, Elected Members will be aware that the closure of public toilets was a Council budget decision on 17 February 2016. An amendment was approved to keep open the public toilets on the seafront in Largs with the cost met from increasing fees and charges and from the Largs Car Park Fund.

This is ultimately a Council decision. Any change to the current arrangements would again be a matter for Council and be set within the context of the legal requirement for the Council to deliver a balanced budget, recognising any capital and revenue cost implications and funding.”

As a supplementary question, Councillor Murdoch referring to the refurbishment costs for the Largs seafront public toilets, which he considered excessive, asked the Leader whether he would support exploring other ways of financing and maintaining public toilets across North Ayrshire, in the interests of health, supporting local business and tourism.

Councillor Cullinane responded by suggesting that the Member submit a funding proposal for public toilet provision, for consideration as part of the Council's forthcoming budget-setting process. The Leader advised that the outcome of the Scottish Government's budget was awaited the following day and indicated that, given the high percentage of the Council's funding which came from Scottish Government, this would give the Member an idea of the likely budget context for considering any public toilet provision proposal.

(16) a question by Councillor Murdoch to the Leader of the Council in the following terms:

"During the full Council Meeting held on Wednesday 8 September 2021, I asked the following question.

Can the Leader of the Council please provide any examples of a North Ayrshire Sole Trader winning a tender for work with NAC through the Community Wealth Building Initiative and can you please provide details of how many North Ayrshire Sole Traders or small businesses with one or two employees are on the tendering list?

Can the Leader of the Council please provide details of what has been done to advertise and encourage North Ayrshire Businesses of all sizes to register as approved contractors with NAC and get involved with the procurement and tendering process at North Ayrshire Council, since I asked the question on the 8 September?"

Councillor Cullinane thanked the Member for his question and responded in the following terms:

"Since the question to Council on 8 September, our Business Team have recorded 104 instances of local businesses being provided with information relating to Procurement processes. This activity covers information provision on procurement opportunities with NAC and other public sector organisations, direct notification of Quick Quote opportunities with North Ayrshire Council and general information provision regarding the Quick Quote process.

A series of 7 Procurement support sessions have been arranged in local libraries with the first one being held this week in Irvine Library. A planned session at Stevenston Library for 30 November 2021 had to be postponed due to an issue with the Library heating. This session will be re-scheduled following completion of repairs to the heating system.

Further sessions are planned for Kilwinning, Largs, Kilbirnie, Cumbrae and Arran libraries before the end of December 2021. These sessions have been advertised through direct business contact, Councillor update and via the Council's social media channels. Uptake of available appointments has been positive to date.

The sessions cover:

- an overview and sight of the platforms for public service procurement, including Public Contract Scotland (PCS) and Public Contract Scotland Tender (PCST)
- how to register and ensure that your profile is set up correctly, so that alerts are coming through for suitable opportunities for your sector of work
- how to search for public sector opportunities
- understanding the Council's Quick Quote / Tender Process
- or more tailored / individual support arranged where required."

As a supplementary question, Councillor Murdoch noted that, on the list of businesses and sole traders provided to him, almost all related to taxi contracts for schools, and asked whether the Leader thought this was good enough in terms of Community Wealth Building.

Councillor Cullinane responded by referring to the 55 actions within the Community Wealth Building Strategy mentioned in his earlier response and to the annual report on the actions taken over the course of the first year of the strategy. The Leader then referred to the work done to support all business around accessing procurement opportunities. The Leader added that work was also taking place with other anchor institutions to try to increase local spend across North Ayrshire and expressed confidence that procurement activity would look completely different in a year or two's time.

(17) a question by Councillor Murdoch to the Leader of the Council in the following terms:

"Can the Leader of the Council please provide details of North Ayrshire Council's involvement during the COP 26 events in Glasgow?"

Councillor Cullinane thanked the Member for his question and referred to the following written response:

"North Ayrshire Council COP26 activities:

Prior to COP26

- **NAC, three-phase calendar of local events** to promote COP26 and climate change activities. The programme was linked to the seven themes of our Environmental Sustainability and Climate Change Strategy 2021-2023 and five COP26 campaign themes. It covered inter alia following topics: Adaptation and Resilience; Nature; Energy Transition; Clean Transport and Finance.

During the three-phase campaign the Council:

- Raised awareness around climate change and COP26 by highlighting relevant NAC projects including waste and recycling initiatives, housing sustainability projects, flood management schemes, tree planting strategy and decarbonisation of the NAC fleet.
- Launched the North Ayrshire Environmental Sustainability and Climate Change 2021-2023 (ESCCS 3). The launch event included 4 expert panel speakers discussing green recovery, community climate change/adaptation activities, low carbon technologies and youth response to the climate emergency. The event was very successful with over 3,500 views on Facebook. The link to the event can be found below

<https://www.facebook.com/northayrshireofficial/videos/35888382255579/>

- The final phase of the campaign focused on events and activities held during COP26.
- **Climate Fringe COP26, 'The Importance of Fair Trade in Responding to Climate Change' virtual event held on 22 September 2021:** The Leader of North Ayrshire Council participated in the event organised by North Ayrshire Fair Trade Zone Group and discussed the relationship between fair trade and climate change.
- **NAC, Live Joint Cabinet held on 2 November 2021.** Pupils were invited to discuss issues that affect young people in North Ayrshire. There were 5 interactive themes hosted in breakout rooms.

Theme 3 focused on Climate Change and COP26. Young people were asked questions around their role in tackling climate change and what they would like North Ayrshire Council to focus on when tackling climate change. The feedback gathered during the Live Joint Cabinet will help us to shape the school sustainability awareness programme. The Council has a dedicated Sustainability Awareness Officer responsible for delivering lessons on sustainability and climate change matters to classes and eco-committees.

During COP26

- **COP26 Summit, Virtual Exhibition Zone, from 1 to 12 November 2021:** As part of the wider programme of events and networking opportunities, Scottish Enterprise and its partner agencies created an online virtual exhibition zone at the COP26 summit. Over the 12 days of COP26, the exhibition zone formed a key part of the COP26 programme. It acted as a shop window, showcasing innovative Scottish businesses and stakeholder organisations who are leading the way in climate expertise and solutions to investors and business leaders from across the world. North Ayrshire Council participated in this virtual exhibition and promoted local work and climate change activities.

- **Co-operation Live, ‘Climate Change and your Council’ event held on 3 November 2021:** The Leader of North Ayrshire Council participated in a co-operative Party meeting with other local authorities from across the UK. The Leader had an opportunity to talk about the work North Ayrshire Council have done on moving to net-zero and our approach to addressing climate change.
- **UNISON/TUC COP26, Fringe event held on 8 November 2021:** The Leader of North Ayrshire Council participated in this event and talked about climate change, our work and commitment to achieve net zero carbon target by 2030.
- **COP26 Summit, Scotland’s Climate Ambition Zone held on 11 November 2021:** The Chief Executive of North Ayrshire Council and SOLACE Climate Change and Energy Portfolio Lead delivered a presentation on ‘*Political, Strategic Practical Aspects of Fair Decarbonisation*’ at the COP26 Scottish Local Government and Partners Leadership ‘*Just Transition to Net Zero*’ event hosted by Scottish Government.”

As a supplementary question, Councillor Murdoch asked, if the Council was going to take COP26 seriously, what action would be taken in terms of fly tipping, littering, dog fouling, organic and chemical discharges and emissions into the atmosphere and coastal waters.

Councillor Cullinane responded by undertaking to have a detailed response provided.

(18) a question by Councillor Murdoch to the Leader of the Council in the following terms:

"Can the Cabinet Member please provide details of where the additional funding in this year's Roads Budget was spent?"

Councillor Cullinane thanked the Member for his question and referred to the following written response:

“An additional £1m was allocated to the Council’s annual roads maintenance investment programme this financial year to help further improve the condition of our network.

The Roads Service adopt an asset management-based approach to road maintenance and undertake condition assessments of all our roads on an annual basis. Condition information is entered into our Roads Asset Management System to determine a long-term investment programme. This approach takes account of road condition, deterioration rates and criteria established to meet Council priorities. This ensures an appropriate prioritisation of works in line with available budgets.

The details of the areas identified for expenditure of the additional £1m funding, through the aforementioned process, are:

| LOCATIONS FOR ADDITIONAL £1M 2021-22 | | | | CONTRACT COSTS |
|--------------------------------------|---------------|---|---|----------------|
| B7081 | Springside | Main Rd, Springhill Terr, Kilmarnock Rd | From roundabout at Towerlands Rd to EAC boundary | £200,000 |
| A71 | Irvine | Eastbound | From slip road at Greenwood Interchange to Corsehill Mount Roundabout | £240,000 |
| Unc | Dalry | Wingfaulds Avenue | From derestricted to junction B780 | £40,000 |
| B714 | Dalry | B714 | From Girthill Farm to Yonderhouses | £145,000 |
| Unc | Stevenston | Shore road | Full Length | £28,000 |
| Unc | Irvine | Campsie Way | From Towerlands Road to car park at Kilsyth Walk | £47,000 |
| B781 | West Kilbride | B781 | From junction C26 to Faulds farm | £110,000 |
| C26 | West Kilbride | C26 Kilruskin | Part length | £70,000 |
| Unc | Kilbirnie | Balgray Avenue | Full Length | £20,000 |
| Unc | Kilbirnie | Baillieston Avenue | Full Length | £13,000 |
| Unc | Kilbirnie | Keir Hardie Drive | Full Length | £22,000 |
| Unc | Kilbirnie | Causeyfoot Drive | From junction Keir Hardie Drive to junction Castle Drive (including loop) | £40,000 |
| Unc | Kilbirnie | Borestone Avenue | From Mossend to Camphill junction (half width) | £10,000 |
| Unc | Kilbirnie | Camphill Drive | From junction Borestone Avenue to junction Greenhills | £15,000 |
| | | | | £1,000,000 |

As a supplementary question, Councillor Murdoch referred to the small number of Largs streets included in the programme and to outstanding resurfacing works required to Haco Street and Kelvin Street in Largs, and asked whether there was any scope to accelerate funding to allow completion of works to these two streets in the current financial year.

Councillor Cullinane responded by referring to the asset management-based approach used to determine road and footways improvements. The Leader advised that works to the two streets mentioned by the Member had been delayed for a variety of reasons but that every effort would be made to facilitate completion of their resurfacing before the end of the financial year.

15. Motions

In terms of Standing Order 13, submitted:

- (1) a motion proposed by Councillor Marshall and seconded by Councillor Ferguson in the following terms:

"That Council welcomes the publication of the Draft Fourth National Planning Framework (NPF4) which includes Hunterston as a Strategic Asset and in particular the development of "Infrastructure for the generation and storage of electricity from renewables of or exceeding 50 megawatts" and agrees:

- (i) that Planning Officers prepare a detailed response to the consultation for consideration and approval by the Planning Committee; and
- (ii) that the response to the consultation includes the proposal that development of infrastructure for the generation and storage of electricity at Hunterston should include emerging small nuclear reactors subject to appropriate legislation and regulation."

As an amendment, Councillor Hill, seconded by Councillor McTiernan, moved the terms of the motion, subject to the deletion of point (ii).

There followed debate and summing up.

On a division and roll call vote, there voted for the amendment, Councillors Burns, Davidson, Dickson, Gurney, Hill, Larsen, Macaulay, McClung, McMaster, and McTiernan (10) and for the motion, Councillors Barr, Bell, Billings, Cullinane, Easdale, Ferguson, Foster, Gallacher, Gallagher, George, Glover, Marshall, McPhater, Miller, Donald Reid, Stalker, Stephen and Sweeney (18), Councillors McNicol, Murdoch and Donald L. Reid abstaining, and the motion was declared carried.

Having lost connection during part of this item and effectively leaving the meeting for a short time during the presentation of the motion, it was noted that Councillor McNicol took no part in the determination of this matter.

Accordingly, the Council agreed as follows:

"That Council welcomes the publication of the Draft Fourth National Planning Framework (NPF4) which includes Hunterston as a Strategic Asset and in particular the development of "Infrastructure for the generation and storage of electricity from renewables of or exceeding 50 megawatts" and agrees:

- (i) that Planning Officers prepare a detailed response to the consultation for consideration and approval by the Planning Committee; and
 - (ii) that the response to the consultation includes the proposal that development of infrastructure for the generation and storage of electricity at Hunterston should include emerging small nuclear reactors subject to appropriate legislation and regulation."
- (2) a motion proposed by Councillor Billings, seconded by Councillor Ferguson, in the following terms:

"The Scottish Government published its proposals for the licensing scheme for short-term lets on 22nd November 2021, which requires that all short-term lets must be licensed with their local authority. The licensing scheme proposals have been subject of considerable criticism from local authorities, the tourism industry and members of the Scottish parliament, who consider that the costly and burdensome licensing scheme is both unnecessary and has the potential to inflict considerable harm on Scotland's tourism industry. An alternative registration scheme has been proposed by the Association of Scotland's Self-Caterers that would be less costly for providers, less onerous for local authorities to administer, whilst still providing the required health and safety protection. A compulsory registration scheme would achieve the health and safety aims of the licensing scheme but would be less costly for providers and less onerous for North Ayrshire Council to administer.

I, therefore, move that North Ayrshire Council agrees that the Chief Executive writes to the Cabinet Secretary for Social Justice, Housing and Local Government to state that North Ayrshire Council does not agree with the Scottish government's licensing proposals for short-term lets, and that an alternative compulsory registration scheme should be considered."

As an amendment, Councillor Gurney, seconded by Councillor McClung, moved the terms of the motion, subject to the following:

“Replace the text after “The Scottish Government published its proposals for the licensing scheme for short-term lets on 22nd November 2021, which requires that all short-term lets must be licensed with their local authority” with

“This scheme seeks to

- alter the presumptive balance away from favouring the unscrupulous short-term lets of local accommodation by multinational corporations and back towards the families of local people
- mitigate the deleterious effects of local properties being dedicated to holiday rentals rather than serving the long-term accommodation needs of residents
- address the disadvantages caused by the vertiginous rise in house prices to feed this market, effectively pricing out generations of local people from their own towns and villages
- create a basis for long-term, sustainable communities rather than ghost towns

As a council dedicated to supporting the people who live and work in North Ayrshire first and foremost, North Ayrshire Council supports this change.”

Members asked questions of clarification of the movers and seconders of the motion and amendment.

There followed debate and summing up.

On a division and roll call vote, there voted for the amendment, Councillors Bell, Burns, Cullinane, Dickson, Gallagher, Gurney, Hill, Larsen, Macaulay, McClung, McMaster, McPhater, McTiernan, Miller, Murdoch, Donald Reid and Sweeney (17) and for the motion, Councillors Barr, Billings, Easdale, Ferguson, Gallacher, George, Glover, Marshall, Stalker and Stephen (10), Councillor Donald L. Reid abstaining, and the amendment was declared carried.

Having lost connection during part of this item and effectively leaving the meeting for a short time, it was noted that Councillor McNicol took no part in the determination of this matter.

Accordingly, the Council agreed as follows:

“The Scottish Government published its proposals for the licensing scheme for short-term lets on 22nd November 2021, which requires that all short-term lets must be licensed with their local authority.

This scheme seeks to:

- alter the presumptive balance away from favouring the unscrupulous short-term lets of local accommodation by multinational corporations and back towards the families of local people

- mitigate the deleterious effects of local properties being dedicated to holiday rentals rather than serving the long-term accommodation needs of residents
- address the disadvantages caused by the vertiginous rise in house prices to feed this market, effectively pricing out generations of local people from their own towns and villages
- create a basis for long-term, sustainable communities rather than ghost towns

As a council dedicated to supporting the people who live and work in North Ayrshire first and foremost, North Ayrshire Council supports this change.”

Councillors Davidson and Foster left the meeting during consideration of this matter.

- (3) a motion proposed by Councillor Dickson, seconded by Councillor Cullinane, in the following terms:

"The Management of Offenders (Scotland) Act 2019 changed the conviction information requirements on all disclosures. Minor offences no longer have to be disclosed for a long period of time, nor do offences that occurred before age 12.

This change in disclosure supports employers to recruit the right person for the job regardless of unrelated convictions thereby releasing people from the poverty trap that many find themselves following a period of being involved in our justice system.

We need leadership in this area of recruiting with conviction, to help narrow inequalities and to support businesses to fill vacancies; the result being we help to sustain our businesses, reduce unemployment; each part contributing to our community wealth building.

Employers often state that they have difficulty in filling vacant posts. They may well have over-looked suitable candidates who have had a conviction. Changing their recruitment outlook could be hugely beneficial to both businesses and applicants. They need confidence to change their practice.

Many seeking employment feel it's a waste of time to apply for jobs because they are convinced their conviction rules them out of any consideration. They need confidence that their application will be objectively considered.

North Ayrshire Council is a big employer with a wide range of jobs requiring a huge range of skills.

We already play a big part in supporting people into employability but just as we supported carers by becoming a Carer Positive employer, so I believe we should, as a key partner in the Community Justice Ayrshire Partnership, become an ambassador to Recruit with Conviction and actively promote the value of our recruiting with conviction.

I therefore propose the following motion:-

“That North Ayrshire Council agrees to become an Ambassador for Recruit with Conviction; will support and promote safe and sustainable employment for people with convictions in our workplace, and further agrees to seek to influence other workplaces”.

There being no amendment, the motion was declared carried.

16. Urgent Item

The Depute Provost agreed that the following item be considered as a matter of urgency due to the timing of the census referred to in the motion.

16.1 Motion

A motion by Councillor Ferguson, seconded by Councillor Marshall, in the following terms:

“That the Council:

- (a) does not participate in the Scottish Government’s 2021/22 Health and Well-being School Census; and
- (b) asks the Chief Executive to write to the Cabinet Secretary for Education and Skills asking them to rethink the explicit nature of questions contained within future Health and Well-being School Censuses.”

As an amendment, Councillor Burns, seconded by Councillor Gallagher, moved the terms of the motion, subject to the following:

“Delete everything after “Council” and add:

- (a) fully participates in the Scottish Government’s 2021/22 Health and Well-being School Census; and, recognising that parents and pupils can opt out
- (b) includes all questions as recommended by stakeholders involved in the development of the questionnaire”

Members asked questions of clarification of the movers and seconders of the motion and amendment. The Head of Service (Education) (Communities and Education) was also invited to respond to a question regarding the anonymity of the questionnaire.

Thereafter, after debate, the movers of the amendment and motion summed up.

On a division and roll call vote, there voted for the amendment, Councillors Bell, Burns, Cullinane, Dickson, Easdale, Gallagher, Gurney, Hill, Larsen, Macaulay, McClung, McPhater, McTiernan, Miller, Murdoch, Donald Reid, Donald I. Reid and Sweeney (18) and for the motion, Councillors Barr, Billings, Ferguson, Gallacher, George, Glover, Marshall, McNicol, Stalker and Stephen (10), Councillor McMaster abstaining, and the amendment was declared carried.

Accordingly, the Council agreed as follows:

- (a) to fully participate in the Scottish Government's 2021/22 Health and Well-being School Census; and, recognising that parents and pupils can opt out;
- (b) to include all questions as recommended by stakeholders involved in the development of the questionnaire."

17. Closing Remarks

In closing the meeting, the Depute Provost took the opportunity to thank Members for their participation and offered his best wishes for the festive season.

The meeting ended at 6.35 p.m.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

LEADER'S REPORT

For the period covering: 29 November – 6
February 2022

The attached report gives a summary and brief details to Council, of meetings and events attended by the Leader of North Ayrshire Council, Councillor Joe Cullinane.



LEADER'S REPORT

For the period covering: 29 November – 6 February 2022

AYRSHIRE JOINT ECONOMIC COMMITTEE, 29 November

On 29 November I attended a meeting of the Ayrshire Joint Economic Committee to hear updates on the Ayrshire Regional Economic strategy and on the Ayrshire Growth Deal. Attendees also received an update on awards from the Community Renewal Fund and UK Government Levelling Up Fund. This of course includes North Ayrshire Council's successful bid to the Levelling Up fund to upgrade the B714. This will deliver £23.7million in addition to the £3million of Council funding we set aside for the project back in June 2021 allowing us to move on to the next stages of the project which will include the design phase.

COMMUNITY PLANNING PARTNERSHIP BOARD, 2 December

I was pleased to chair a meeting of the Community Planning Partnership Board on 2 December. Attendees received updates on the progress of the Local Improvement Outcome Plan (LOIP) and a report on the update received from the Community Planning Improvement Board. Board members then joined workshops one of which was delivered by Ian McMeekin from the Scottish Fire and Rescue Service about the new smoke alarms Scottish Government legislation which comes into effect in February. Ian spoke specifically about support being given to elderly and vulnerable people.

I would like to thank all our Partners for their collaborative working the past year and look forward to working with them again in the new year.

HIGHLANDS AND ISLANDS REGIONAL ECONOMIC PARTNERSHIP MEETING, 3 December

On 3 December I attended the first meeting of the recently established Highlands and Islands Regional Economic Partnership. Discussion focused primarily on the National Strategy for Economic Transformation (NSET) and what are anticipated to be the next steps in the process. The NSET is the Scottish Government's refreshed 10-year strategy which will aim to transform the Scottish economy by prioritising investment in the industries of the future to deliver new, green jobs.



KILWINNING LOCALITY MEETING, 6 December

I attended a Kilwinning Locality meeting on 6 December. Updates were received on Grants, The Ayrshire Community Trust Adult Volunteering Recognition Awards, learning update from local Head Teachers, an HSCP update, new fire legislation (smoke alarms), Kilwinning Youth Forum and an update on the locality plan.

There was also a Community Investment bid made by Corsehill Primary school Parent Council for £50,000 to be made available to build a play park in the Corsehill area.

ARDROSSAN TASKFORCE MEETING, 7 December

On 7 December I attended a meeting of the Ardrossan Task Force where attendees received updates from the Ardrossan Steering Group on legal and commercial arrangements and the technical subgroups. There was also an update on the Vessel and the Troon infrastructure project.

The next meeting will be held on 23 February.

COSLA SPECIAL LEADERS MEETING, 10 December

Also, on 10 December I attended a COSLA Special Leaders meeting to discuss the Local Government budget on offer. At that meeting I proposed a Labour motion that Councils "cannot accept" the SNP-Green budget being offered. I am pleased to say that all 32 Council Leaders in Scotland backed the motion.

I will reiterate my comments from that meeting here. There is no doubt that this is an appalling budget for local Councils. It is a real-terms cut to our budget and comes after more than a decade of cuts. Councils are seeing costs rising, on top of an increase in National Insurance and a rise in the cost of living, while at the same time Councils are having more demands placed on them from Scottish Government decisions made in Edinburgh - but we are receiving no funding to cover them. There is no funding in this budget to provide a fair pay deal for local government workers so again Councils are being asked to cut local services, to cut local jobs, to fund a pay award for our staff.

The budget is simply not acceptable and it will be our communities who will suffer as we struggle to fund our schools, social care, community facilities and maintain our local infrastructure with reduced funds.



COSLA SPECIAL LEADERS MEETING, 10 December

Also, on 10 December I attended a COSLA Special Leaders meeting to discuss the Local Government budget on offer. At that meeting I proposed a Labour motion that Councils “cannot accept” the SNP-Green budget being offered. I am pleased to say that all 32 Council Leaders in Scotland backed the motion.

COSLA SPECIAL LEADERS MEETING, 15 December

I attended another COSLA Special Leaders meeting on 15 December to receive an update on developments relating to COVID-19 more specifically with respect to the emergence of the Omicron variant. The Deputy First Minister John Swinney attended the meeting to outline the likely implications for local government and to answer questions on the current situation and the potential impacts of Omicron in Scotland.

COSLA SPECIAL LEADERS MEETING, 21 December

On 21 December there was a further COSLA Special Leaders meeting to further discuss the Local Budget settlement and strategy going forward. There was also an update on a £66million fund by the Scottish Government to be distributed to Councils to help hospitality businesses affected by the restrictions implemented because of the Omicron variant.

COMMUNITY WEALTH BUILDING COMMISSION, 11 January

I chaired a meeting of the Community Wealth Building Commission on 11 January where attendees received updates on the progress of the Ayrshire Anchor Charter and on progress of the various workstreams from the Lead Officer Working Group (LOWG) meeting held in November. There was a particular focus on the Fair Employment workstream which Ayrshire College is taking the lead on. It was noted that there is an interest in focusing on improving recruitment practices within Anchors to ensure recruitment is inclusive and accessible to all.

The Commission will meet again on 17 March where we will be joined by the Minister for Public Finance, Planning and Community Wealth, Tom Arthur MSP.

COSLA SPECIAL LEADERS MEETING, 14 January

On 14 January I attended a COSLA Special Leaders meeting to discuss the following items

- Local Government Settlement
- Grant funding to hospitality sector



- Prioritisation of Social Care

Following on from the Leaders meeting on 21 December, where it was agreed that Local Government would deliver a £66m December 2021 top-up fund for hospitality businesses, it was announced that the Scottish Government would be providing a Business Support Hospitality & Leisure top-up of £32m to be delivered in January 2022.

NORTHERN IRELAND DEVELOPMENT TRUST EVENT, 19 January

I was delighted to speak at a Northern Ireland Development Trust virtual event, facilitated by Trademark Belfast, on 19 January about Community Wealth Building and, in particular, our journey here in North Ayrshire to be the first CWB Local Authority in Scotland. I spoke about how CWB incorporates Fair Employment and how it is beneficial to have a local workforce.

LOCALITY BUDGET ENGAGEMENT EVENT, 20 January

Together with our Chief Executive, Craig Hatton, I hosted a Locality Budget event on 20 January. The session enabled our contacts throughout our localities to hear where our money last year has been spent and our journey through the pandemic. It also provided an opportunity for attendees to tell us where they think money should be prioritised in the forthcoming year.

STEP PROJECT INDUSTRY AND MEDIA BRIEFING, 21 January

On 21 January I attended two separate briefing events on the new Spherical Tokamak for Energy Production (STEP) Ardeer site bid, one with local businesses and one with the media. Ardeer remains the only Scottish site in the running to host a prototype fusion energy plant along with another four sites in England. STEP is a UK Atomic Energy Authority (UKAEA) programme which has the possibility of delivering a source of low-carbon and clean energy which is enough to supply our National Grid. If successful, this would bring investment to our region and create jobs for the future.

We should receive a final decision on whether we have been successful towards the end of the year.

STEP PROJECT – LUNCH WITH STAKEHOLDERS, 25 January

On 25 January I attended a lunch with a visiting delegation from the UK Atomic Energy Authority (UKAEA) together with other stakeholders including NPL and Glasgow University. This followed on from a site visit to Ardeer where the UKAEA team were taken round the site



by our Head of Economic Development, Caitriona McAuley and other senior officers. The UKAEA team were able to talk more about the STEP programme and the energy it provides.

This is an exciting time for North Ayrshire and for Scotland. I would like to thank Caitriona and her team for all their hard work on this landmark project.

STEP PUBLIC WEBINAR, 26 January

On 26 January I attended a public webinar providing information on the Ardeer STEP bid. Hosted by the UK Atomic Energy Authority (UKAEA), the event provided members of the public the opportunity to ask questions on the project.

COSLA LEADERS, 28 January

I attended a meeting of COSLA Leaders on 28 January. Agenda items included:

- Local Elections
- UK Shared Prosperity Fund
- Local Government Finance
- Employability Update
- Review of UK Fiscal Framework
- National Care Service Update
- National Care Home Contract Negotiations
- Whole Family Wellbeing Fund
- Enhanced Easter Study Support for Senior Phase Learners

POLICY ADVISORY PANEL MEETING, 3 February

On 3 February I attended a meeting of the Policy Advisory Panel where attendees received reports on Community Wealth Building (CWB) Advertising and Sponsorship Framework and also on a Memorial Tree initiative.

My Cabinet approved a Roundabout Advertising pilot in 2019 and Floral Bed Sponsorship earlier in 2021 to provide promotion and recognition opportunities for local businesses and deliver new income generation streams to the Council. The roundabout project has proved to be extremely successful with all available locations being taken by local businesses within a week of becoming available. It is anticipated the floral bed sponsorship project will be similarly successful when fully rolled out in 2022. As part of ongoing efforts to drive forward the CWB agenda, further advertising and sponsorship opportunities have emerged aligned to the CWB 'land and assets' pillar for local businesses to provide cost-effective and local opportunities to increase their

LEADER'S REPORT



business profile, make a contribution to their recovery strategies and establish innovative and sustainable income generation business models that can be reinvested in local services.



A handwritten signature in black ink that reads "Joe Cullinane". The signature is written in a cursive style.

Councillor Joe Cullinane
Leader North Ayrshire Council

NORTH AYRSHIRE COUNCIL

16 February 2022

North Ayrshire Council

Title: **North Ayrshire Community Planning Partnership (CPP)
Board: Minutes of Meetings held on 2 December 2021**

Purpose: To submit the Minutes of the meeting of the North Ayrshire Community Planning Partnership Board held on 2 December 2021.

Recommendation: That the Council notes the Minutes contained in Appendix 1.

1. Executive Summary

- 1.1 It was previously agreed that the Minutes of the Community Planning Partnership (CPP) Board be submitted to North Ayrshire Council for information. The key matters arising from the minutes have been highlighted for the attention of Council and are detailed in Section 2.1.

2. Background

- 2.1 Minutes of the meeting of the CPP Board held on 2 December 2021 are appended. Particular matters for the Council's attention include the following:

Agenda Item 3

CPP partners received an update on the Ayrshire Growth Deal. This included information on the i3 area in Irvine, the Great Harbour, Hunterston Strategic Development Area, International Marine Science and Environment Centre at Ardrossan and marine tourism.

Agenda Item 4

Board members participated in two workshops. Scottish Fire and Rescue Service led discussion on the new fire alarm requirements and how best to prepare communities. At Workshop 2 partners considered the work of Community Justice Ayrshire and further partnership working opportunities.

Agenda Item 5

Partners considered the development of the new Local Outcomes Improvement Plan, the associated Stakeholder Reference Group and methods of public engagement.

A report was also provided on the North Ayrshire Community Planning Partnership response to a request from the Community Planning Improvement Board. This covered examples of our local response to the pandemic which reflect the themes of whole systems response, empowerment and Community Planning as a mechanism for local delivery. It also provided local illustrations of how we will meet the future expectations of Community Planning.

Agenda Item 6

Partners had a wide ranging discussion on key developments and joint working opportunities including youth volunteering with Scottish Fire and Rescue Service, Scottish Enterprise strategic plan and SPT capital projects.

3. Proposals

3.1 That the Council notes the Minutes contained in Appendix 1.

4. Implications/Socio-economic Duty

Financial

4.1 None

Human Resources

4.2 None

Legal

4.3 None

Equality/Socio-economic

4.4 None

Environmental and Sustainability

4.5 None

Key Priorities

4.6 The CPP activities detailed within this report support the Local Outcomes Improvement Plan.

Community Wealth Building

4.7 None

5. Consultation

5.1 No consultation was required.

Caroline Amos
Executive Director (Interim), Communities and Education

For further information please contact **Morna Rae, Senior Manager (Policy, Performance and Community Planning)**, on mrae@north-ayrshire.gov.uk.

Background Papers

Appendix 1: CPP Board Notes (December 2021)

Community Planning Partnership Board

Thursday 2 December 2021 at 11.00 am

Via Microsoft Teams



North Ayrshire
Community Planning Partnership

Present

North Ayrshire Council

Joe Cullinane, Elected Member (**Chair**)

John Bell, Elected Member

Scott Davidson, Elected Member

Anthony Gurney, Elected Member

Ellen McMaster, Elected Member

Karen Yeomans, Executive Director, Growth & Investment

Caroline Amos, Interim Executive Director, Communities & Education

North Ayrshire Health and Social Care Partnership

Bob Martin, Chair North Ayrshire IJB

Ayrshire College

Carol Turnbull, Principal and Chief Executive

DWP

Sheila Lynn, Service Leader

NHS Ayrshire and Arran

Ruth Mellor, Consultant in Public Health (sub for Lynn McNiven)

Police Scotland

Chief Superintendent Faroque Hussain

Scottish Enterprise

Theresa Correia, Senior Manager

Scottish Fire and Rescue Service

Ian McMeekin, Area Manager

Skill Development Scotland

Paul Zealey, Skills Planning Lead

Scottish Partnership for Transport

Allan Comrie, Senior Transport Planner

Third Sector Interface

Kaileigh Brown, Executive Director, The Ayrshire Community Trust

In Attendance

Morna Rae (NAC), Jacqueline Greenlees (NAC), Paul Timmons (Scottish Fire and Rescue Service), Jennifer McGee (NAC), Annie Torrance (Community Justice Ayrshire), Claire Gilsean (Community Justice Ayrshire)

Apologies

Cllr M Burns (NAC), Cllr A Gallagher (NAC), Craig Hatton (NAC), Lesley Bowie, (NHS Ayrshire and Arran), Hazel Borland (NHS Ayrshire and Arran), Lynne McNiven (NHS Ayrshire & Arran), Caroline Cameron (NA HSCP), Vicki Yuill (Arran CVS), Audrey Sutton (NAC), Rhona Arthur (NAC), Lorraine Tulloch (KA Leisure), Sam Anson (Scottish Government).

1. Welcome and Apologies

The Chair welcomed everyone to the meeting and apologies were noted.

2. Minute of the Previous Meeting and Action Note

The minutes of the meeting held on 30 September 2021 were approved.

Ian McMeekin highlighted that in terms of the Unwanted Fire Alarm Consultation action, discussions have taken place in regarding schools and the wider Council estate. The team continue to liaise with Council Officers.

3. Ayrshire Growth Deal

Karen Yeomans provided the Board with an update on the work of the Ayrshire Growth Deal.

K Yeomans advised the Board that in i3 area, Irvine there are two significant projects. The first is flexible space which is about bringing advanced manufacturing business space and will provide much needed high spec, energy efficient and flexible commercial space. The project has secured £15m of Ayrshire Growth Deal investment.

The project is currently at phase 1 which will commence in 2022 and the team are exploring options for acceleration of future phases. In the last 12 months the outline business case has received approval from the Scottish Government with anticipated Full Business Case expected early 2022.

The second project at the i3 area is the digital processing manufacturing centre which will be operated by the University of Strathclyde and the National Manufacturing Institute Scotland. The project has secured £6m of Ayrshire Growth Deal investment.

Online services were launched August 2021, with phase 1 opening in 2022 and phase 2 opening in 2025. K Yeomans commented that the business case for phase 1 is advanced.

In terms of the Great Harbour and Maritime Mile, K Yeomans highlighted that this comprises part of an expansive investment programme to secure The Great Harbour as a major regional destination.

The Growth Deal will commit £14m investment into a phased programme of works which will lead the physical transformation of the wider location by implementation of the maritime mile project. Additional Growth Deal funding will create capacity to support community participation in commercial opportunities at the maritime mile.

K Yeomans highlighted that detailed project work advancing. There has been:

- An appointment of design team for regional play facility concept,
- Early-stage interventions being identified for Ship/HAC/Harbour Master's Cottage to bring early opportunities to market,
- Partnership approach explored,
- Engagement with NPL (Harbour Master) to unlock potential and
- Boat based tourism funding explored to explore additional funding support.

K Yeomans commented that the development of The Great Harbour will create a unique coastal destination comprising a number of key assets to attract new visitors to the area and create jobs.

In terms of the Hunterston Strategic Development Area, K Yeomans highlighted that this project will receive £18m of Ayrshire Growth Deal Funding.

This site offers offering a unique industrial capacity associated with strategic infrastructure such as rail, utilities, grid connections, deep water marine access and proximity to key academic research and innovation resources across the City Region. As Scotland's largest strategic deep-water port with direct rail and grid connections, the site has a critical role in Scotland's energy, blue and green economy priorities.

Extensive research, analysis and engagement with experts, industry, academics and land owners has developed a sophisticated understanding of the strategic capacity of the assets at Hunterston and relationship with International Marine Science and Environment (IMSE) and wider blue economy opportunities. This is currently being tested and finalised with partners in order to enable a strategic programme of activity that will unlock a national scale opportunity in the Blue Economy and one that will support the national transition to net zero. This will provide a new platform for socio economic benefit and wellbeing to North Ayrshire

In terms of the International Marine Science and Environment Centre at Ardrossan, K Yeomans highlighted that this project will receive £10.5m of Ayrshire Growth Deal funding and it will be part of £170m+ of Capital investment which will fund:

- Campus,
- Harbour,
- Marina expansion,
- International Marine Science and Environment Centre ,
- Housing and
- Low Carbon Hub.

This project is a Centre of Excellence & Innovation developed between industry and academic partners. It will develop and capture innovation in marine sciences; marine spatial planning; marine technology; and marine education and training and ensure that the Firth of Clyde is recognised as an exemplar in marine sustainability.

The University of Stirling are supporting project development as a blue economy academic partner.

In terms of the Marine Tourism, K Yeomans highlighted that this project will receive £9.5m of Ayrshire Growth Deal Funding. £5.5m will be used for enabling works for expansion at Ardrossan which is expected to commence in 2023. The team are currently reaching final draft outline business case with concept design and financially viable operating and capex model. £4m will be use for transit marina provision on Arran & Cumbrae which is currently programmed for commencing 2025/26, although project activity now underway and will explore opportunities for acceleration. Outline business cases will be targeted in 2022.

The Chair thanked K Yeomans for her comprehensive update and advised that the Board would welcome further updates in 2022.

I McMeekin asked K Yeomans about wider performance management and how the team report back to stakeholders and links back to groups across Ayrshire. K Yeomans explained the benefits realisation plan which is being pulled together. K Yeomans suggested that this should be brought to a future meeting of the CPP Board.

M Rae asked K Yeomans if she can advise the Board of the comms plan used for the Growth Deal work. K Yeomans highlighted that there is a plan for each programme, the next engagement work will be around the Great Harbour in the new year. K Yeomans suggested that it would be keen to meet with M Rae to discuss how to effectively consult communities.

T Correia commented that the team do a tremendous amount of work and it is exciting to see things taking shape.

The Chair thanked K Yeomans for her update.

4. Workshop Session

The Board split into two groups, and each attended two workshop sessions.

Workshop 1 – New Fire Alarm Requirements from 2022 – supporting vulnerable people

I McMeekin led this workshop which covered new legislation around home fire alarms coming into force in Scotland in 2022 and partners discussed how best to prepare communities and spread the message.

This included:

- Discussion around increased scams relating to the purchase of new fire alarms and how to protect communities against this. National adverts have been circulated but what could we be doing locally?
- The role of locality planning and the Locality Partnerships in helping spread the message.
- Partners working with Trading Standards to ensure good quality advice and support on choosing a provider is available.
- A letter drop was suggested covering what communities need to know.
- Partners including the Police continuing to refer Home Fire Safety Visits when entering properties.

Workshop 2 – Community Justice Ayrshire

A Torrance led this workshop. Background was given on Community Justice and partners discussed what more we can do.

This included:

- Support with cascading key messaging effectively through CPP and to Council services,
- Building on engagement with Ayrshire College,
- Sharing learning with CJAP from DWP pilot with HMP Kilmarnock,
- Supporting Recruit with Conviction, highlighting strategic link with Community Wealth Building and sharing learning from Scottish Fire and Rescue's experience,
- Working with the CPP Senior Officers Group to identify opportunities, and
- There is a need to ensure parents get access to wrap around childcare allowing them to be able to attend training, work, or volunteering.

5. Governance

Development of the new LOIP

Morna Rae advised the Board on the development of the new LOIP and the work done to date.

A Stakeholders Reference Group has been set up and their first meeting has taken place. The group is chaired by Kaileigh Brown.

M Rae commented that there has been good participation from Community Reps, Elected Members and Community Planning partners which fed into our consultation which is now live.

Communities can respond to the consultation via a number of different channels such as:

- Hard copy forms will be available in libraries,
- Online Microsoft Forms questionnaire,
- Shaping North Ayrshire – online debate,
- Email,
- Telephone and
- Survey to Peoples Panel members.

M Rae advised the Board that communication materials were shared with Community Planning partners and encouraged them to promote this via their channels. In terms of internal promotion of this work M Rae advised that the following promotional methods are being used:

- CPP and Council social media,
- All staff email to NAC/HSCP employees,
- Email distribution lists,
- Youth engagement, and
- School social media.

M Rae also highlighted that there will be thematic workshops scheduled in January to look at potential outcomes and targets. To support discussions the team are carrying out some background research.

The Chair thanked M Rae for her update.

Community Planning Improvement Board

M Rae advised the Board that Community Planning Improvement Board (CPIB) is a national group. They wrote to all Chairs of Community Planning Boards in October 2021 to share their research into the critical role Community Planning has played during Covid and the significant contribution Community Planning can make to Covid recovery plans in Scotland. The CPIB asked for comment on their report and M Rae provided an overview of the response provided.

This included some examples of our local response to the pandemic which reflect the themes of whole systems response, empowerment and Community Planning as a mechanism for local delivery. Such as:

- Community Supports Hubs,
- Kindness work with Carnegie,
- Whole Systems approach – Health Weight Priority 6,
- Clear strong communication and
- Fortnightly meetings with the TSI to provide coordinated support to community groups.

The CPIB has identified the following areas of focus for Community Planning to meet future expectations:

- Re-Focusing priorities
- Involving and empowering communities
- Relationships, structures and bureaucracy

The local illustrations given for each of these were:

- Aligning spatial planning and community planning,
- LP refresh of priorities,
- Approach to new LOIP,
- Case study of the Local Police Plan HISA,
- Supporting people to be more involved with local democracy, and
- Customer to Citizen work.

Partners commented on the usefulness of the report as an overview of the local approach. The Chair thanked M Rae for her update.

LOIP Q2 Performance

J Greenlees provided Senior Officers with a presentation on the LOIP Q2 Performance. J Greenlees provided updates under each of the LOIP themes:

- Working and Fair For All Economic Growth
- Thriving & Fair For All Children
- Safer & Fair For All Environment
- Healthier & Fair For All Health
- Fair For All Food

J Greenlees highlighted that in terms of next steps, the Q2 detailed report will be circulated in due course.

The 20/21 Annual Report has been published. J Greenlees encouraged the Board to complete the survey embedded with the Annual Report.

Cllr Bell asked J Greenlees how the average earnings were calculated. J Greenlees undertook to find out this information and report back to Cllr Bell.

The Chair thanked J Greenlees for her update.

6. Key Partner Discussion and Sharing on Key Developments and Opportunities

The Chair advised at the September Board meeting that this would become a standing item on the agenda to allow wider sharing amongst partners.

I McMeekin explained to the Board that Scottish Fire and Rescue Service have sought funding for another youth volunteer scheme in North Ayrshire covering Kilwinning and Three Towns. The team are also having discussions regarding the Kickstart scheme to help get people back into employment.

T Correia advised that Scottish Enterprise are waiting on the publication of the Government Economic Strategy to support the finalisation of Scottish Enterprise's plan. There will be consultation with a range of partners as the new plan is developed.

A Comrie advised that SPT are consulting with Local Authorities about their capital projects and accepting bids from various schemes. Discussions have taken place to see how projects can be carried forward to the next financial year.

M Rae advised that Ashley Pringle from KA Leisure has stepped down as link between KA Leisure and the CPP Board. M Rae conveyed her thanks to A Pringle. Anne Todd and Lorraine Tullloch will be taking forward this role.

M Rae also advised that she produces a weekly policy briefing and asked for any members of the Board who wish to be added to the distribution list to get in touch.

The Chair thanked everyone for their updates.

9. Any Other Business

No other business was discussed.

The Chair thanked everyone for attending today and conveyed his best wishes for the festive period.

10. Date of next Meeting

The next meeting of the North Ayrshire CPP Board will be held on **Thursday 3 March 2022 at 11.00 am via Microsoft Teams.**

16 February 2022

North Ayrshire Council

Title: **Council/Committee Meetings**

Purpose:

To invite the Council to consider the format and arrangements for Council and committee meetings during the remainder of the current Administration, including the proposed resumption of the hybrid meetings pilot.

Recommendation:

That the Council agrees:

- (a) to reschedule a number of meetings in the pre-election period prior to the Local Government Elections on 5 May 2022) as illustrated in Appendix 1, such that:
 - (i) the scheduled meeting of the Cabinet on 22 March 2022 is cancelled in favour of a Special Meeting on 8 March 2022;
 - (ii) the scheduled full Council meeting on 30 March 2022 is cancelled in favour of a Special Meeting on 16 March 2022; and
 - (iii) for the purpose of considering Minutes of Meeting only, a Special Meeting takes place at 1.00p.m. on 30 March 2022;
 - (b) to resume the hybrid committee meetings pilot, subject to:
 - (i) consultation with the Health and Social Care Partnership with regard to the IJB arrangements;
 - (ii) any applicants/licence-holders attending the Licensing Committee doing so on a remote basis only;
 - (iii) the number of physical attendees not exceeding the current maximum capacity of the Council Chambers;
 - (iv) any hybrid meetings during the pilot proceeding as "remote meetings (with physical participation)", meaning that any failure of the hybrid equipment would result in the meeting reverting to a remote platform;
 - (v) the implementation of all necessary COVID-19 mitigation measures in respect of the Council Chambers;
 - (vi) the pilot being suspended in the event of additional COVID-19 restrictions; and
 - (vii) the extent of the pilot being dependent on the availability of sufficient staff resources; and
-

-
- (c) that, in principle, meetings of the Council and its committees revert to a physical format, with the provision of hybrid facilities for those who may wish to access remotely, in the new Administration, subject to (i) the relevant change to Scottish Government guidance permitting it and (ii) the carrying out of appropriate risk assessment.
-

1 Executive Summary

- 1.1 The timetable of Council and committee meetings for the remainder of the current Administration includes a number of meetings due to take place in the pre-election period prior to the Local Government Elections. It is suggested that a number of meetings in this period should be rescheduled as illustrated in Appendix 1.
- 1.2 The format of Council and committee meetings has been wholly remote since June 2020. A hybrid meetings pilot at the end of 2021 was paused in light of concern around the Omicron variant of COVID-19. In light of the latest Scottish Government advice, it is recommended that the hybrid pilot be resumed, running until the end of the current Administration.

2 Background

Committee Timetable

- 2.1 At its meeting on 8 September 2021, the Council approved a timetable of Council/committee meetings for the period from January 2022 until the conclusion of the current Administration in May 2022.
- 2.2 The timetable currently includes a number of meetings during the pre-election period for the Local Government Elections (which commences at 4.00 p.m. on 14 March 2022, running until Polling on 5 May 2022), during which there are restrictions as to the business which can be considered.
- 2.3 In order to provide more certainty in the run-up to this year's Local Government Elections, it is suggested that the Cabinet meeting scheduled to take place on 22 March 2022, be brought forward to 3.30 p.m. on 8 March 2022.
- 2.4 A Special Meeting of the Council on 16 March 2022, close to the start of the pre-election period, is also suggested. The scheduled full Council meeting on 30 March 2022 would be cancelled, replaced by a Special Meeting at 1.00 p.m. on 30 March 2022 for the purpose of considering Minutes of Meeting only.
- 2.5 The proposed changes are illustrated in green font at Appendix 1.
- 2.6 By exception, there remains the provision to schedule a further Special Meeting(s) should a matter of urgency necessitate it.

Meeting Format

- 2.7 As a result of COVID-19 and associated restrictions, meetings of the Council and its committees have taken place on a remote basis via MS Teams since June 2020.
- 2.8 A hybrid meetings pilot, involving the Licensing Committee and Integration Joint Board, took place in October-November 2021. This allowed up to 50% of committee members to attend in person in the Council Chambers, with the remainder joining the meeting remotely via MS Teams. At its meeting on 8 December 2021, the Council agreed to pause the pilot to allow the implications of the Omicron variant of COVID-19 to be understood further.
- 2.9 Whilst a wholesale return to offices is not currently recommended, the latest Scottish Government guidance does allow for the resumption of the hybrid meetings pilot, subject to measures to minimise the incidence and spread of COVID-19, such as the wearing of face coverings when not speaking, maintaining 1m social distancing and ensuring appropriate ventilation. Further information on the measures assessed as being necessary for the Chambers are set out at Section 4.6 below.
- 2.10 The hybrid pilot involved meetings of the Licensing Committee and Integration Joint Board and was subject to (i) consultation with the Health and Social Care Partnership with regard to the IJB arrangements, (ii) any applicants/licence-holders attending the Licensing Committee do so on a remote basis only; (iii) any hybrid meetings during the pilot proceeding as remote meetings (with physical participation) with no more than 50% of committee Members attending in person and on the basis that any failure of the hybrid equipment would result in the meeting reverting to a remote platform; (iii) the pilot being suspended in the event of a reintroduction of social distancing requirements; and (iv) the extent of the pilot being dependent on the availability of sufficient staff resources.
- 2.11 In resuming the pilot, it is noted that COVID requirements and Health and Safety Risk assessment do not permit the Council Chambers to be fully occupied as per pre-pandemic. It is therefore recommended that the conditions at Section 2.9 above remain in place for the time being.
- 2.12 It is expected that meetings will revert to a physical format, along with the provision of hybrid facilities for those who may wish to access remotely, with the start of the new Administration, subject to (i) the relevant change to Scottish Government guidance permitting it and (ii) the carrying out of appropriate risk assessment.

3 Proposals

3.1 The Council is invited to:

3.1.1 to reschedule a number of meetings in the pre-election period prior to the Local Government Elections on 5 May 2022) as illustrated in Appendix 1, such that:

- (i) the scheduled meeting of the Cabinet on 22 March 2022 is cancelled in favour of a Special Meeting on 8 March 2022;
- (ii) the scheduled full Council meeting on 30 March 2022 is cancelled in favour of a Special Meeting on 16 March 2022; and
- (iii) for the purpose of considering Minutes of Meeting only, a Special Meeting takes place at 1.00p.m. on 30 March 2022;

3.1.2 agree to resume the hybrid committee meetings pilot, subject to:

- (i) consultation with the Health and Social Care Partnership with regard to the IJB arrangements;
- (ii) any applicants/licence-holders attending the Licensing Committee doing so on a remote basis only;
- (iii) the number of physical attendees not exceeding the current maximum capacity of the Council Chambers;
- (iv) any hybrid meetings during the pilot proceeding as “remote meetings (with physical participation)”, meaning that any failure of the hybrid equipment would result in the meeting reverting to a remote platform;
- (v) the implementation of all necessary COVID-19 mitigation measures in respect of the Council Chambers;
- (vi) the pilot being suspended in the event of a reintroduction of COVID-19 restrictions; and
- (vii) the extent of the pilot being dependent on the availability of sufficient staff resources.

3.1.5 agree that, in principle, meetings of the Council and its committees revert to a physical format, with the provision of hybrid facilities for those who may wish to access remotely, in the new Administration, subject to (i) the relevant change to Scottish Government guidance permitting it and (ii) the carrying out of appropriate risk assessment.

4 Implications/Socio-economic Duty

Financial

- 4.1 Prior to COVID-19, only meetings of the Council, Cabinet and Integration Joint Board were webcast, but it is assumed that webcasting/live-streaming will be expected as a matter of course in future. Additional webcasting hours have been purchased to accommodate this in the interim. These hours can be used to stream wholly physical, wholly remote or hybrid meetings.
- 4.2 Remote meetings have reduced expenditure on Elected Member travel. The resumption of physical attendance could increase such costs where Members claim them.

Human Resources

- 4.3 Remote/hybrid meetings are more resource-intensive than physical meetings. Due to a secondment, the Committee Services team currently comprises three Committee Services Officers and each hybrid meeting is currently supported by three CSOs (although it may be possible to reduce this to two over time).

Legal

Room Temperature/Working Conditions

- 4.4 The Workplace (Health, Safety and Welfare) Regulations 1992 lay down particular requirements for most aspects of the working environment and Regulation 7 deals specifically with the temperature in indoor workplaces, stating that “During working hours, the temperature in all workplaces inside buildings shall be reasonable.” Although the law does not state a minimum or maximum temperature for working environments, the temperature would normally be expected to be at least 16°C (or 13°C if much of the work involves rigorous physical effort).
- 4.5 However, COVID-19 brings exceptional circumstances and, as there is the possibility of more harm occurring from COVID-19 than cooler air, closing the windows during meetings in the Council Chambers to bring the room to what might be considered a more reasonable temperature, has not been permitted.
- 4.6 Recently updated guidance from the HSE has indicated that air-conditioning/ blown air heating systems may be suitable for use where other mitigating measures to ensure adequate fresh air are in place. Corporate Health and Safety and Property Management and Investment advise that, for the Chambers, the following should apply:
- heating can now be used, subject to a minimum of three windows being open before and during the meeting and the mechanical ventilation system being in operation
 - the wearing of face coverings at all times unless addressing the meeting in order to limit the amount of breath droplets being introduced into the atmosphere. (Please note that where an exemption from wearing a face covering is applicable, attendees must be offered a full face visor)
 - windows may be closed during any confidential parts of a meeting, subject to CO2 monitors being in the room to monitor ventilation and the air blown heating system also being switched off. Additional recesses will also be introduced so that the windows and doors can be opened to allow fresh air into the Chambers
 - physical distancing of at least 1m
 - the capacity of the room is now 26 Members and officers and up to four public gallery seats
 - hand hygiene controls in place
 - everyone attending (including visitors) must comply with the Cunninghame House COVID-19 Risk Assessment

Remote and Hybrid Meetings

- 4.7 The Local Government (Scotland) Act 2003 permits the holding of and participation in remote meetings. The Council's Standing Orders were varied using the Chief Executive's urgency powers to mirror the terms of the Act and facilitate the holding of remote and/or hybrid meetings. [The Standing Orders relating to the Integration Joint Board already include a general provision which encompasses remote or hybrid meetings]. In terms of Section 43(2) of the 2003 Act, the decision on whether a meeting is remote or hybrid is for the Provost/Chair.

Public Gallery Provision

- 4.8 The temporary power to exclude the public from Local Authority meetings on coronavirus grounds was enforceable under Part 1 of the 2020 Act. Parts of the Act, including this power, expired on 30 September 2021. Whilst live streaming of remote meetings is likely to constitute public access to a meeting of the Council or its committees held on a wholly remote basis, the resumption of physical meetings or the introduction of hybrid meetings will require some public gallery provision even if live streaming continues.

Equality/Socio-economic

- 4.9 The reintroduction of a small physical public gallery as part of the hybrid pilot addresses access issues where a member of the public has no access to IT equipment to allow them to view a live-stream. A provision within the hybrid protocol also allows for assistance to be provided by officers in exceptional circumstances where an invited party to a meeting/hearing has no suitable device.
- 4.10 At the same time, there may also be some equalities advantages associated with live-streaming meetings of the Council and committees in terms of offering easier/more extensive access to meetings than would be afforded by a small public gallery.

Environmental and Sustainability

- 4.12 Reintroducing a physical attendance element to meetings of the Council and its committees would have a small negative impact associated with travel to and from meetings.
- 4.13 Similarly, there will be some negative impact in the event that additional heating is required within the Chambers while windows are open.

Key Priorities

- 4.14 None arising from the recommendations set out in this report.

Community Wealth Building

- 4.15 None arising from the recommendations set out in this report.

5 Consultation

- 5.1 Members of the Licensing Committee previously provided feedback on the hybrid pilot and this has already been reported to the Council.
- 5.2 Consultation has taken place with colleagues from Corporate Health and Safety/ Property Management and Investment with regard to Section 4 of the report.

Craig Hatton
Chief Executive

For further information please contact Melanie Anderson, Senior Manager (Committee and Member Services), on melanieanderson@north-ayrshire.gov.uk

Background Papers

N/A

Approved Committee Timetable January – May 2022

Meeting Cycle 1

| Week Beginning | Week | Monday | Tuesday | Wednesday | Thursday | Friday |
|----------------|------|-------------------------------|--|-------------------------------------|---|--------|
| 3 January | | Public Holiday | | | 10.00 a.m. Policy Advisory Panel | |
| 10 January | 1 | | 11.00 a.m. Audit & Scrutiny Pre-Agenda 2.30 p.m. Cabinet Pre-Agenda | 10.00 a.m. Licensing | 10.00 a.m. IJB Budget Briefing (private) | |
| 17 January | 2 | | 2.30 p.m. Cabinet | 10.00 a.m. Audit & Scrutiny | 10.00 a.m. Appeals (if required) | |
| 24 January | 3 | | | 2.00 p.m. Planning 2.30 p.m. LRB | | |
| 31 January | 4 | NHS Board (for info) | 10.00 a.m. IJB Pre-Agenda | | 10.00 a.m. Policy Advisory Panel | |
| 7 February | 5 | | 2.00 p.m. Police & Fire & Rescue | 10.00 a.m. Licensing | 10.00 a.m. Integration Joint Board | |
| 14 February | 6 | 2.00 p.m. Council Pre-Meeting | 2.30 p.m. Cabinet Pre-Agenda | 2.00 p.m. Council | 10.00 a.m. Appeals (if required) 2.00 p.m. Ayrshire Economic Partnership Board | |

Meeting Cycle 2

| Week Beginning | Week | Monday | Tuesday | Wednesday | Thursday | Friday |
|----------------|------|---|--|---|------------------------------------|---|
| 21 February | 1 | | 2.30 p.m. Cabinet (Education) | 2.00 p.m. Planning 2.30 p.m. LRB | | |
| 28 February | 2 | 1.00 p.m. Council Pre-Meeting 2.00 p.m. Ayrshire Regional Economic Joint Committee | 11.00 a.m. Audit & Scrutiny Pre-Agenda 2.30 p.m. Special Cabinet Pre-Agenda | 2.00 p.m. Special Council (Budget) | | 10.00 a.m. IJB PAC |
| 7 March | 3 | 2.00 p.m. Council Pre-Meeting | 10.00 a.m. Audit and Scrutiny 2.00 p.m. IJB Pre-Agenda 3.30 p.m. Special Cabinet | 10.00 a.m. Licensing | 2.00 p.m. Special Planning | 10.00 a.m. Ayrshire Shared Services Joint Committee |
| 14 March | 4 | 1.00 p.m. Special Council Pre-Meeting | 2.30 p.m. Cabinet Pre-Agenda | 10.00 Special Appeals 2.00 p.m. Special Council | 10.00 a.m. Integration Joint Board | |
| 21 March | 5 | | 2.30 p.m. Cabinet [±] | 2.00 p.m. Planning 2.30 p.m. LRB | 10.00 a.m. Appeals (not required) | |
| 28 March | 6 | 2.00 p.m. Council Pre-Meeting | | 1.00 p.m. Special Council (for Minutes only) 2.00 p.m. Final Council Meeting | | |
| 4 April | | | | | | |
| 11 April | | | | | | |
| 18 April | | | | | | |
| 25 April | | | | | | |
| 2 May | | | | | Local Government Elections | |

The pre-election period is highlighted in yellow

*Please note that the deadline for any call in from the final Cabinet meeting would be 15 March and the call in would, therefore, be considered as an urgent item at the Council meeting on 16 March rather than being submitted to a meeting of the Audit and Scrutiny Committee.

NORTH AYRSHIRE COUNCIL**16 February 2022****North Ayrshire Council**

Title: **Medium Term Financial Outlook 2022/23 to 2024/25****Purpose:** To outline the financial challenges facing the Council over the medium term in order to help inform the development of budget proposals.**Recommendation:** That Council considers the financial challenges identified in the Medium Term Financial Outlook 2022/23 to 2024/25, notes the scale of the financial challenges which the Council faces over the medium term and brings forward proposals to set a balanced budget for 2022/23.

1. Executive Summary

- 1.1 Local authorities continue to operate in an increasingly complex, challenging and uncertain environment with public sector funding not keeping pace with the increasing costs and demand for services, with challenges continuing to be present in relation to the Covid-19 pandemic. In this climate it is important that Councils take both a medium term and long-term view, however it is recognised that the continuation of single year settlements from Scottish Government does present challenges in this regard. The Council's Long Term Financial Outlook was updated and presented to Council on 16 December 2020. This is the cornerstone of the Council's strategic financial framework and establishes a sound basis for the development of the Medium Term Financial Outlook and subsequent annual budgets, enabling the Council to address the challenges it faces and align resources to key priorities.
- 1.2 The Long Term Financial Outlook 2021/22 to 2030/31 identified an estimated funding shortfall of £120m over the next ten years which the Council requires to address. This is based on best estimates with sensitivity analysis highlighting the implications of changes to the underlying assumptions.
- 1.3. The Medium Term Financial Outlook for the period 2022/23 to 2024/25 draws on the same data and projections as the Long Term Financial Outlook, however, due to the timing of the local government settlement within the context of the production of this report, the 2022/23 funding position is already known at this time. This includes further one-off funding of £120m being announced by Scottish Government on 27 January 2022. Although the Scottish Government has indicated that high level provisional funding levels for 2023/24 and 2024/25 will be made available to local authorities early in 2022, this information is not known at this time. Based on current planning assumptions around financial pressures, Scottish Government funding levels and Council tax funding this has identified a gross funding gap of £38.999m (including

HSCP) over the next 3 years which must be addressed as part of the Council's Medium Term Financial Plan.

- 1.4 To address the financial challenges whilst minimising any impact on communities, the Council must continue to progress a Budget Programme which incorporates financial efficiencies from a sustainable change programme that delivers at scale and pace over the medium and longer term and for this to be considered within the context of the key priorities set out within the Council Plan 2019-2024.
- 1.5. Elected members have previously received briefings on the contents of the Medium Term Financial Outlook and officers are currently developing proposals to support the Medium Term Financial Plan for 2022/23 to 2024/25 which will be presented to Council for consideration on 2 March 2022. It is recognised however, that, whilst additional funding from Scottish Government is welcome, the one-off nature of the funding does not address the base funding pressures in the medium term.

2. Background

Long Term Financial Outlook (LTFO)

2.1 The updated Long Term Financial Outlook 2021/22 to 2030/31 was approved at Council on 16 December 2020 and outlined the potential impact of :

- The strategic financial framework;
- Local issues for North Ayrshire including current and anticipated demographic and health profiles, employment and levels of deprivation and the impact these will have on the Council's income and cost base;
- Global and national economic performance;
- Factors affecting Scottish Government funding and funding for Local Government;
- The financial outlook for North Ayrshire including funding and expenditure requirements;
- A review of the Council's balance sheet including assets, debt, future liabilities and reserves; and
- The strategic response required by the Council to ensure future financial sustainability.

Key Messages

2.2 The LTFO highlighted a number of key messages in relation to the anticipated financial environment and the potential impact on funding and expenditure requirements of the Council over the next 10 years, including:

- Demographic Changes – North Ayrshire's overall population is forecast to reduce by 3.9% over the period, with reductions in the numbers of children and working

age adults being offset by a projected 18.1% increase in Older People. At the same time the percentage of North Ayrshire residents living with disabilities or long term health and mental health issues is projected to be higher than the Scottish average. This will result in significant changes to demand for services, particularly in Communities and Health and Social Care;

- Economic Impacts – North Ayrshire’s economy has taken longer to recover from previous challenges than other areas, with pre-Covid economic activity still below pre-2008 levels. The percentage of adults claiming out of work benefits is 40% higher than the Scottish average and 26.8% of North Ayrshire’s SIMD datazones are within the 15% most deprived in Scotland. It is anticipated that this will be further exacerbated by the impacts of the Covid-19 pandemic;
- Other Expenditure Requirements – In addition to the demographic and economic impacts on service demands, the expenditure requirements of the Council will be subject to further pressures in relation to pay and price inflation and the revenue implications of the Council’s ambitious General Services Capital investment Programme which will result in increased budget pressures across the full timeframe of the LTFO;
- External Funding – The economic impact of Covid-19 on the UK and Scottish economies is expected to result in real terms reductions in public expenditure budgets. Combining the anticipated reduction in the Scottish block grants with the potential impact of any shortfall in the recovery of devolved revenues and the continued direction of funding to support Scottish Government funding priorities within Health, Social care and Education sectors, the LTFO is projecting ongoing challenges to the overall local government funding position, resulting in anticipated reductions in Aggregate External Finance allocations to North Ayrshire Council of 1% per annum in the medium term;
- Council Tax Income and the Use of Reserves – As funding from the Scottish Government in relation to core local government services reduces, North Ayrshire Council will become increasingly reliant on income from Council Tax and internal reserves to fund service delivery. The LTFO assumes a 3% per annum Council Tax increase over the period. However, it is anticipated that the Council’s Useable Reserves will be reduced to the minimum recommended levels by 2024; and
- The Financial Challenge - The LTFO identifies an estimated funding shortfall of £120m over the next ten years. This is based on best estimates with sensitivity analysis highlighting that a 1% change in the underlying assumptions could result in this increasing to as much as £228m over the same period.

The Medium Term Financial Outlook

- 2.3 In developing its medium term financial plan for the period 2022/23 to 2024/25, the Council should consider the key messages noted in the Audit Scotland Report: Local Government in Scotland: Financial Overview 2020/21, reported to Audit and Scrutiny Committee on the 16 November, 2021. Unsurprisingly the focus of the report centred around the impact of the pandemic across a number of areas, including communities and people, service delivery and partnership working and resources and governance. The report recognised the additional financial support provided by Scottish

Government during the period and the need for councils to undertake long term renewal planning.

2.4 The Medium Term Financial Outlook for the period 2022/23 to 2024/25 draws on the same data and projections as the Long Term Financial Outlook and examines the medium term impact arising from:

- The Economic Outlook;
- The Scottish Landscape including factors affecting Scottish Government funding and funding for Local Government;
- The financial outlook for North Ayrshire including the anticipated demographic profile and the impact these will have on the Council's cost base, key costs pressures and funding anticipated from Government Grant, Council Tax and Reserves;
- The Health and Social Care Partnership;
- The Council's approach to ensure future sustainability and alignment of resources with key priorities; and
- The Capital Investment Programme.

Economic Outlook

2.5 Funding for public services is inextricably linked to the performance of global and national economies. A review of financial commentators has informed the undernoted assessment.

2.6 In 2022 households will experience reduced disposable income as the result of a variety of factors, the most material of which are likely to impact from April 2022;

Rising Inflation

2.7 The latest figures (December 2021) show CPI at 5.4%, the highest rate in 30 years and the RPI measure stood at 7.5%. Further, at present Scottish inflation is in line with that seen for the UK as a whole. The biggest price rises have been connected to basic goods, like food and energy. Most economists expect CPI to peak in April 2022 at over 6%, possibly nearing 7%. The main reason for this peak will be the introduction of a higher price cap for electricity and gas.

Predicted Interest Rate Rise

2.8 In addition to commodity price rises there is a risk of further household budget pressures relating to higher interest rates. At present, market expectations are for increases in interest rates in 2022, rising to 1.25%. This in turn could impact on household debt and mortgage payments. Mortgage payments could be further impacted on by the recent big rise in house prices, with the ONS estimating that the average house price in Scotland increased by 11.4% in the year to November 2021.

Higher Taxes

- 2.9 April will see the introduction of a range of tax measures that will likely reduce household disposable incomes. These include the raising of National Insurance by 1.25% and the freezing of income tax rate banding, which will pull more people into higher tax brackets over time. A further impact on household disposable incomes comes through benefits (e.g. Universal Credit and Pensions) being uprated in April in line with inflation from last September, when CPI stood at around 3%, at least 3% below the expected April CPI of 6 to 7%.

The Scottish Landscape

- 2.10 There are a range of potential outcomes for Local Government budget components and factors affecting these over the period from 2022-23 to 2026-27. The main sources used in the analysis include: the Scottish Government's 'Draft Budget 2022-23'; 'Medium Term Financial Strategy' (MTFS); associated Scottish 'Resource Spending Review Framework' (RSRF); and the Scottish Fiscal Commission's 'Scotland's Economic and Fiscal Forecasts (SEFF) 2021'.
- 2.11 Obtaining a clear picture of the future Local Government resource budget is made difficult by the following factors:-
- the ongoing COVID-19 impact on both revenues and funding;
 -
 - the impact of COVID-19 on business activity and business rates income;
 -
 - the Scottish Government's approach to the setting of Council Tax rates;
 -
 - the degree to which wage settlements will be affected by the rise in inflation;
 -
 - how the Scottish Government deals with the large Block Grant Adjustment reconciliation due in 2024-25; and
 -
 - how the introduction of the 'National Care Service' affects budget allocations.
- 2.12 Based on the latest UK and Scottish Government pronouncements, the medium term outlook does not look positive. While the Scottish resource budget as a whole may continue to increase, in both cash and real terms, this extra funding is likely to be directed towards key priority areas (e.g. the NHS, Adult Social Care and Education). Beyond these immediate priorities lies another layer of prioritisation, including addressing child poverty and climate change. Where such priorities coincide with Local Government activities then additional funding may be forthcoming, although possibly ring fenced to some degree. However, it seems likely that, in relative terms, the Local Government budget will remain a lesser priority area of spending.
- 2.13 Details of the initial 2022/23 Local Government Finance Settlement were published on 20 December 2021. For North Ayrshire Council the core revenue funding represented a £0.488m reduction in cash terms (0.16%) from 2021/22 and an increase in core capital grant of £0.545m. On 27 January 2022 the Scottish Government announced further one-off funding support of £120m to local authorities,

with £3.208m allocated to North Ayrshire Council. Therefore, the core revenue funding for 2022/23 represents a £2.720m increase in cash terms (0.90%) from 2021/22. Additional funding to support new or existing Scottish Government policies were also included across health and social care, education through permanent staffing support, clothing grants and universal free school meal for primary 4/5 pupils and child bridging payments. Details of the full allocation to North Ayrshire Council have yet to be confirmed. The settlement contained the following requirements and key points to note:

- Maintaining pupil / teacher ratios at a national level and ensuring places for all probationers;
- Funding allocated to the HSCP should be in addition to the 2021/22 recurring baseline position; and
- Councils will have full flexibility to set the Council Tax rate that is appropriate for their local authority area.

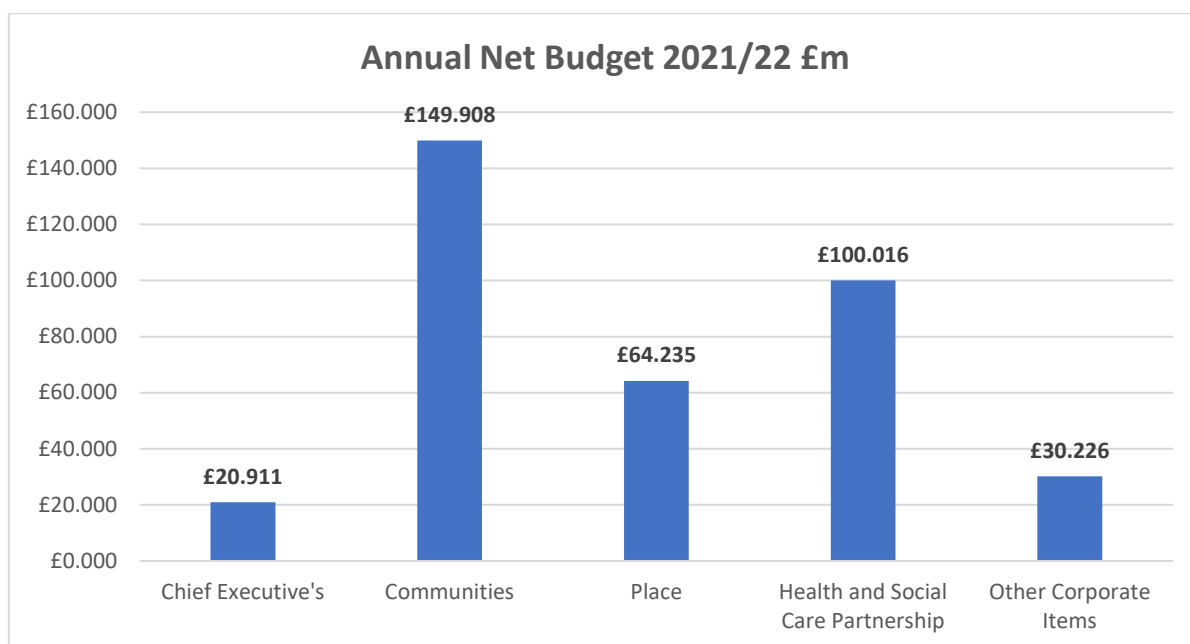
2.14 COSLA continues to engage with the Scottish Government on a range of fiscal measures, issues and flexibilities. To try and aide medium term planning within local authorities the Scottish Government has committed to publish indicative grant allocations for 2023/24 and 2024/25 and this is expected in the spring of 2022. It is recognised that caution will have to be applied with this information, however, this is clearly a step in the right direction. Further key elements of discussion include:

- The broad area of financial sustainability and fair funding for local authorities set within the context of the level of general grant allocation and the financial pressures facing councils (including inflationary and legacy COVID impacts) and importantly the extent to which ring fenced funding to support Scottish Government policy commitments impacts on the level of general grant;
- The progression of financial flexibilities including the areas of service concessions which will follow the review of capital accounting and the removal of any limits / caps applied when setting council tax;
- Productive dialogue around the true costs associated with the implementation of new Scottish Government policy commitments, so as to prevent or at least limit local authorities bearing any additional cost burden. A current example of this being the roll out of universal free school meals and the revenue and capital cost implications; and
- The Scottish Government commitment to a National Care Service and consideration to all policy, operational, resource and funding implications from this.

Financial Outlook for North Ayrshire Council

Allocation of Resources

2.15 The Chart below summarises the allocation of resources for 2021/22 approved at Council in March 2021, with around 60% of gross expenditure relating to employee costs;



2.16 As noted in section 2.14 of the report it is recognised that in the last number of years, the level of influenceable budget which is not linked to Scottish Government requirements or statutory contractual commitments, be it through the Health and Social Care Partnership or large elements of the Communities budget, has greatly reduced. This continues to place a disproportionate level of pressure on the other Council budgets and reinforces the desire for local authorities to have more flexibility around resource allocation.

Medium Term Financial Pressures and Planning Assumptions

2.17 Following an assessment of the pressures and income levels anticipated over the next 3 years further work has been completed in respect of the short and medium term impact of anticipated pressures. In addition, ongoing work on the review of the General Services Capital Programme is expected to identify significant cost pressures linked to construction inflation, mainly as a consequence of the pandemic. When set within the context of the planning assumptions around funding this has resulted in a projected medium term gross funding gap of £38.999m over the next 3 years.

2.18 The significant pressures identified within the Medium Term financial Outlook include:

- Workforce costs including estimated future pay settlements and pension auto enrolment. The impact of the 1.25% national insurance rise will also take effect from April 22 at a cost of around £1.5m:

| Staff Group | 2022/23 Planning Assumption | 2023/24 Planning Assumption | 2024/25 Planning Assumption |
|-------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Teachers | 3% | 3% | 3% |
| Other Staff | 3% | 3% | 3% |

- Some significant Inflationary uplifts for major utilities, commodities and contractual commitments. In respect of utilities over 80% of our anticipated energy need for 2022/23 has been purchased in advance via Procurement Scotland with a further 50% purchased for 2023/24, therefore this has mitigated what would otherwise have been a significant cost exposure, with energy increases forecast at over 50% from April 2022. The medium term budget implications will continue to be monitored closely. The Council makes no provision for general inflation, however it is recognised that this will place further strain on operational budgets;
- The occurrence of rising construction inflation, mainly from the impact of the pandemic places a significant burden on the affordability of the 10 year capital programme. As part of the review of the capital programme in 2022/23 further revenue contributions to the loans fund will be incorporated in the medium term financial plan to help mitigate the impact of the rising costs;
- Legacy impact of pressures impacted by the pandemic are likely to trail through into 2022/23 and possibly beyond, whilst additional Scottish Government funding ceased in 2021/22. They include waste services costs, facilities management costs and income, commercial and general income and financial pressures faced by North Ayrshire Leisure Ltd;
- Additional cost pressures linked to Scottish Government policy commitments is an area where effective dialogue between local authorities, COSLA and the Scottish Government is vital. The medium term financial plan has identified financial risk in certain areas, including universal free school meal expansion. Initial indications are such that the funding to support the policy is insufficient to meet the cost of delivery and this is recognised across capital and revenue costs; and
- The Scottish Government policy intent in delivering a National Care Service will also have potentially wide ranging financial and operational implications for the Council including funding, assets and staffing. From the current landscape significant socio economic and demographic pressures remain, including:
 - A growing older population;
 - Increased demand for adult services; and
 - Increased demand for support of vulnerable children and young people.

2.19 Single year settlements have been a feature of Scottish Government budget setting since 2015/16. This approach continues to create a high level of uncertainty around future funding levels and impedes progress in delivering sustainable change. This, alongside the complex interaction of block allocations from the UK Treasury, Scottish Government fiscal policy, priorities and commitments and the complexities of the distribution formulae, makes it difficult to forecast future grant funding levels. As noted in section 2.14 of the report the Scottish Government intends to publish indicative grant allocations for 2023/24 and 2024/25 in the spring of 2022.

2.20 With an uncertain funding outlook set within the context of funding commitments for Scottish Government policy areas it is both reasonable and prudent to assume that the level of future budget settlements will remain challenging. Based on this, a reduction of -1.0% has been built in for year 2 and year 3 of the Medium Term

Financial Outlook. This remains consistent with the planning assumption of a number of other Scottish local authorities. This assumes that the £120m additional funding to local authorities announced on 27 January 2022 for the 2022/23 budget is non-recurring. North Ayrshire Council received an allocation of £3.208m from the additional funds announced.

- 2.21 The medium term financial plan includes a planning assumption of an annual 3% increase to Council Tax. Council tax income is a vital source of funding and represents around 16% of council funding i.e. £62m per annum. With current inflation (Dec 2021) based on the RPI measure sitting at 7.5%, this proposed increase sits well below current inflation. As part of the 2022/23 budget settlement the Scottish Government have removed the cap and allowed Councils the flexibility to set their own level of council tax. An important point to note when considering the level of council tax to be set is the future year impact of any decision e.g. a decision to maintain council tax at 2021/22 levels equates to around £2m less income. Due to the recurring impact on the base budget for 2023/24 and aligned to current planning assumptions this would then require an increase in council tax in 2023/24 of more than 6% to simply recover the base income position. This is before the measures to address the budget gap for the year are even put in place. This would present further significant challenges in delivering balanced budgets in future years.
- 2.22 Since 2017/18 the Council has used over £17m of reserves to support recurring expenditure. A full review of all revenue reserves will be carried out as part of the medium term budget considerations.
- 2.23 A summary of the anticipated position of the Council (including the HSCP) over the next three years is provided in the table below. Further work continues to refine the underlying assumptions. Final savings proposals are being progressed and will be presented to Council on 2 March 2022.

| | 2022/23 £m | 2023/24 £m | 2024/25 £m | Total £m |
|--------------------|-----------------------|-----------------------|-----------------------|---------------------|
| General Fund Gross | £4.465 | £11.032 | £8.823 | £24.320 |
| Funding Gap | | | | |
| HSCP Pressures | £5.338 | £4.694 | £4.647 | £14.679 |
| | | | | |
| Total | £9.803 | £15.726 | £13.470 | £38.999 |

Sensitivity Analysis

- 2.24 Given the uncertainty that underpins the assumptions, sensitivity analysis has been carried out on the key components. A +/-1% movement on these is noted below:
- Scottish Government Grant £3.0m;
 - Council Tax Funding £0.65m;
 - Payroll incl. HSCP £2.5m

2.25 The table below exemplifies the potential impact on the gross funding gap based on a number of scenarios around the level of grant funding. The shaded box highlights the assumptions within the current summary, noting also the settlement for 2022/23 is known and represents an increase of £2.720m (+0.90%).

| Gross Funding Gap Scenarios Based on Scottish Govt Grant | 2022/23 £000's | 2023/24 £000's | 2024/25 £000's | Total £000's |
|---|---------------------------|---------------------------|---------------------------|-------------------------|
| 2% Increase | | 6,680 | 4,424 | 11,104 |
| 1% Increase | 11,265 | 9,682 | 7,426 | 28,373 |
| Flat Cash | | 12,704 | 10,448 | 23,152 |
| 1% Reduction* | | 15,726 | 13,470 | 29,196 |
| 2% Reduction | | 18,748 | 16,492 | 35,240 |
| 3% Reduction | | 21,770 | 19,514 | 41,284 |
| 4% Reduction | | 24,792 | 22,536 | 47,328 |
| * 2022/23 settlement known | | | | |

2.26 The medium term financial outlook generally assumes any new policy or legislative requirements will be funded fully by the Scottish Government. It is recognised, however, where new policy requirements are not fully funded, this presents further financial pressure. In the area of universal free school meal expansion the Council has made prudent financial provision in excess of the additional funding provided by Scottish Government across both revenue and capital. It is noted however that discussions around funding will continue between COSLA and Scottish Government in this policy area.

2.27 The ongoing Covid-19 pandemic has resulted in significant costs to all local authorities during 2020/21 and 2021/22. Through a combination of financial recovery planning and funding support from Scottish Government this position has been managed within the overall resources available and has also supported investment into recovery and renewal activities. The majority of funding from Scottish Government ceases in 2021/22, however legacy financial pressures remain across a number of areas including waste services, commercial and general income, facilities management and North Ayrshire Leisure Ltd. The Council has retained earmarked funds to help mitigate the impact of these pressures, however, it is anticipated the funds will be utilised fully by 2023/24.

Reserves Strategy

2.28 The Council's reserves are classified as either earmarked or unearmarked. The Council's current unearmarked reserves, i.e. those set aside to allow the Council to manage any unanticipated events, were reported in the 2020/21 Annual accounts as £11.315m, equivalent to 2.9% of General Fund net budgeted expenditure. This compares to the recommended best practice of between 2% and 4% and the Council's approved Reserves Policy that unearmarked reserves are held at a minimum of 2% of General Fund net budgeted expenditure. In addition to the unearmarked reserves, earmarked reserves have been established to meet a range of known commitments, including the Council's Investment fund and Recovery and

Renewal Investment programme, and it is anticipated that these will reduce significantly over the next few years.

- 2.29 The level of Council reserves requires to be maintained at the right level to ensure the Council's future financial stability. These are kept under review and considered bi-annually on the setting of the Council's budget and on closure of the Council's Account.
- 2.30 The Council also maintains statutory reserves in the form of an Insurance fund and Capital Fund. The Insurance Fund is maintained to meet the cost of future insurance liabilities, while the current Capital Fund is earmarked to support the Council's capital investment programme and any capital financing requirements, as noted above.

Health and Social Care Partnership (HSCP)

- 2.31 The Integration Scheme sets out the Integrated Joint Board's (IJB) responsibility for financial planning and management of the HSCP's resources. The IJB has an implicit statutory obligation to set a balanced budget.
- 2.32 Information on anticipated pressures and proposed savings options are shared with North Ayrshire Council to inform the allocation of resources delegated to the IJB. As part of the recent 2022/23 budget announcement the Council at this time plans to make (subject to approval by Council) a net contribution to the HSCP of £9.931m reflecting the requirements as set out in the 2022/23 local government finance settlement. It should also be noted that further resources have yet to be distributed and it is anticipated that when this has been done the additional net resources to the HSCP for 2022/23 are likely to be in excess of £15m to help address a range of pressures and support policy areas.
- 2.33 The cumulative debt position to the Council at 31 March 2021 amounts to £3.807m. Whilst this continues to present a financial risk to the Council, through a combination of the annual budget set aside for repayment to the Council and more recently through the IJB generating a level of general reserve of £4.151m and an anticipated underspend position forecast in 2021/22, the current level of financial risk to the Council has been greatly reduced.

The Council's Approach

- 2.34 With a forecast reduction in resources occurring at the same time as increased cost and demographic pressures, the scale of the financial challenge remains significant. This is also set within the context of the savings which have already been delivered between 2010/11 and 2021/22 which totals over £118m, equivalent to around 25% of the gross revenue budget.
- 2.35 Together with the anticipation of continued pressure on public sector funds, exacerbated by the ongoing response to the Covid-19 pandemic, and longer lead in times to deliver sustainable change, this requires the Council to take a longer-term approach to financial planning. The requirement for such an approach is recognised by a number of bodies including CIPFA and Audit Scotland and has been reflected in many local authority Best Value Assurance Audits.

2.36 The Council’s approach to addressing the financial challenges is influenced by the Council Plan 2019-24 and the Community Wealth Building Strategy. The Council’s key priorities are defined as:

- **Aspiring Communities**

- Active and strong communities;
- Children and young people experience the best start in life;
- Inclusive, growing and enterprising local economy;
- Residents and communities enjoy good life-long health and well-being;
- Residents and communities are safe.

- **Inspiring Place**

- Well connected with effective infrastructure;
- Homes that meet residents' needs;
- Vibrant, welcoming and attractive environment;
- A sustainable environment.

- **A Council for the Future**

- An accessible Council that puts residents and communities at the heart of what we do;
- An efficient Council that maximises resources and provides value for money;
- A valued workforce that delivers high quality services;
- A powerful and respected voice.

2.37 The Council’s sustainable change programme continues to be progressed across a range of themes. It is recognised that progress has been impacted by the pandemic, however it remains vital that change is delivered at pace and scale to support both the budget programme and the Council’s Community Wealth Building ambitions over the medium and long term and to help reduce any impact communities from the services that are provided. A number of projects are aligned to each of the key themes with Digital being an enabler across each of the themes;

| Digital | | | | |
|----------------|--------------------------|--|-------------------|----------------------|
| Sustainability | Land and Property Assets | Children, Young people and Communities | Caring for People | Transport and Travel |

2.38 Another key enabler in supporting the Budget Programme is from the use of investment, most notably through the Council’s Investment Fund and Recovery and Renewal Investment Programme. With total resources of over £25m a key focus of this investment is to support sustainability projects as part of the Council’s journey towards net zero. In addition to the clear environmental benefits, financial efficiencies

through energy savings and returns on investment will accrue to help address the financial challenges over the medium term.

Capital Investment Programme

- 2.39 The 10 year General Services Capital Investment Programme 2021/22 to 2030/31 was approved at Council on 4 March 2021. The review being undertaken as part of the 2022/23 Budget will be minor, however, it is becoming more apparent that significant cost pressures, mainly through construction inflation and contractor claims as a consequence of the pandemic, will present affordability challenges in delivering the current programme. This volatile landscape will continue to be monitored, however, it is prudent that, at this time and to help mitigate the financial risks, further financial provision is incrementally incorporated in the medium term financial plan to supplement the existing loans fund resources.
- 2.40 The capital review will also focus on other areas of financial risks including additional costs associated with Scottish Government policy areas, i.e. universal free school meal expansion and the anticipated capital infrastructure costs to support this. In terms of funding, dialogue continues with Scottish Government via COSLA around this, however there is a risk that funding will not meet the anticipated level of cost.
- 2.41 In terms of funding the capital programme, further prudent assessments will be undertaken around the level and timing of capital receipts, the anticipated level of Scottish Government capital grant, the anticipated funding profiles associated with the Ayrshire Growth Deal and how the use of the Council's loans fund reserve and capital fund will support the programme across the 10 years.
- 2.42 The anticipated revenue implications of the current Capital Investment Programme have been reflected in both the Medium and Long Term Financial Outlook. However, any further operating or staffing costs resulting from changes or additions to the Capital Investment programme will result in an increased funding gap from the year of completion.

Progress and Next Steps

- 2.43 In advance of the presentation of the Medium Term Financial Outlook, briefings for elected members have been carried out.
- 2.44 Officers continue to progress the Budget programme and develop options to address the budget gap covering the period 2022/23 to 2024/25. Progress to date has been shared with elected members throughout the process.
- 2.45 Discussions continue with the Integrated Joint Board to support a partnership approach to development of the Health and Social Care Partnership's budget.
- 2.46 A virtual community engagement session was held on 20 January 2022. This involved community representation across all localities. This was followed up by an interactive Facebook live engagement session on 27 January 2022. All feedback has been captured and will be considered as part of the Budget setting process.

2.47 It is planned that proposals for the Medium Term Financial Plan 2022/23 to 2024/25 will be presented to Council for consideration on 2 March 2022.

3. Proposals

3.1 That Council considers the financial challenges identified in the Medium Term Financial Outlook 2022/23 to 2024/25, notes the scale of the financial challenges which the Council faces over the medium term and brings forward proposals to set a balanced budget for 2022/23.

4. Implications/Socio-economic Duty

Financial

4.1 The anticipated funding gap over the period 2022/23 to 2024/25, based on current assumptions, is £38.999m. Council will require to set a balanced budget for 2022/23 and future years. The gross funding gap projected for 2022/23 is £9.803m.

Human Resources

4.2 It is anticipated that delivery of savings will impact on the Council's future workforce. The Council has established corporate and Service workforce plans which include; active management of the size of its permanent workforce; vacancy management; review of temporary contracts; together with selective use of voluntary severance and early retirement. Communication and regular consultation will continue to take place with the workforce and Trade Unions.

Legal

4.3 It is a statutory requirement for the Council to set a balanced budget and appropriate level of Council Tax to support this. Development of a balance budget is contingent on identification and subsequent delivery of transformation and robust savings alongside management of risk and pressures, particularly those of a demand led nature. Chief Officers will require to provide assurance that plans are in place to secure delivery of proposed savings and deliver services within the final financial envelope.

Equality/Socio-economic

4.4 An Equality Impact Assessment will be carried out for all options presented to Council to assist Council's in making decisions on the bridging of the funding gap.

Environmental and Sustainability

4.5 Significant elements of Council investment have been targeted towards sustainability projects and this is reflected in the Council's sustainable change programme. This will play a key role in supporting the Council's journey towards net zero.

Key Priorities

- 4.6 In addressing the financial challenge which the Council faces it will seek to minimise the impact this has on delivering its key priorities within the context of the Council Plan 2019-24.

Community Wealth Building

- 4.7 All capital and revenue investment will continue be considered within the context of the Council's Community Wealth Building Strategy, with maximising opportunities for local suppliers through procurement a key priority and pillar of the strategy. Further, this strategy is a vital reference for the Council's sustainable change programme, most notably through the Land and Property Assets theme.

5. Consultation

- 5.1 Development of the Council's medium term financial plan is carried out collaboratively across the Executive Leadership Team and with key Partners and stakeholders.

Mark Boyd
Head of Service (Finance)

For further information please contact **Mark Boyd, Head of Finance**, on **01294 324560** .

Background Papers

None

NORTH AYRSHIRE COUNCIL

16 February 2022

North Ayrshire Council

| | |
|------------------------|--|
| Title: | Housing Revenue Account (HRA) Capital Investment Programme, Revenue Budget and Rent Levels for 2022/23 |
| Purpose: | To advise Council of the proposed HRA capital investment programme and revenue budget for 2022/23 and the consequential rent levels. |
| Recommendation: | That the Council agrees to: (i) approve the HRA capital investment programme for 2022/23, as detailed in Appendix 1; (ii) approve the HRA revenue budget for 2022/23, as detailed in Appendix 2; (iii) approve a rent increase of 2.50% in 2022/23 for council houses, garage sites, lock-ups and sheltered housing service charges; and (iv) note the indicative rent increases of 4.00% for 2023/24 and 2024/25. |

1. Executive Summary

- 1.1. Section 203 of the Housing (Scotland) Act 1987 includes a requirement for local authorities to maintain a Housing Revenue Account (HRA) to record all income and expenditure related to their direct provision of housing. Councils must estimate, annually, the amounts to be debited or credited to the account, through setting a budget, which is returned to the Scottish Government and published annually.
- 1.2. An annual review of the HRA 30-year Business Plan was carried out during 2021 to assess the factors expected to impact on the HRA budget. This has resulted in capital and revenue budgets being set which deliver:
- a capital investment programme, which maintains the Scottish Housing Quality Standard incorporating the Energy Efficiency Standard for Social Housing (ESSH)
 - £48.351m investment to 2032 to work towards achieving the Energy Efficiency Standard for Social Housing 2 (ESSH2) in the Council's housing stock (or ensuring properties are as energy efficient as is practically possible where ESSH2 is not achievable) including £24.4m further investment in solar PV panels

- £50.432m investment through the Council's new housebuilding programme, with a further 196 new build houses expected by 31 March 2023. This will take the total new builds to 891 units and support the delivery of 1,625 units of new build housing by the end of the Strategic Housing Investment Plan 2022-2027
 - £19.290m of property-related revenue expenditure
 - Continuation of the £10m Estate Based Regeneration Programme, with £8.177m committed for the period 2022/23 to 2028/29
 - Continuation of the £25m Sheltered Housing Reprovisioning Programme to 2025/26
- 1.3. In order to meet these commitments, the proposed increase to housing rents is 2.50% for 2022/23. This in line with the increase indicated in the HRA 30-year Business Plan last year for 2022/23. Tenants have been consulted on the proposed rent levels included within this report.
- 1.4. A summary of the anticipated level of earmarked and unearmarked reserves is provided at paragraph 2.7.3. The HRA revenue budgetary control report to 30 November 2021, submitted to the Cabinet meeting of 25 January 2022, projected that the HRA will have reserves of £17.519m at the end of the financial year, of which £1.500m is unearmarked. This equates to 2.8% of revenue expenditure.
- 1.5. Full details of the capital and revenue budgets are contained in Appendix 1 and Appendix 2 respectively.

2. Background

- 2.1. Section 203 of the Housing (Scotland) Act 1987 includes a requirement for local authorities to maintain a Housing Revenue Account (HRA) to record all income and expenditure related to their direct provision of housing. Councils must estimate, annually, the amounts to be debited or credited to the account, through setting a budget, which is returned to the Scottish Government and published annually.
- 2.2. A Special Meeting of the Council on 16 December 2020 considered housing rent levels for the three years to 2023/24. Members approved an increase of 1.90% for 2021/22 and noted indicative rent increases of 2.5% for 2022/23 and 2.5% for 2023/24.
- 2.3. An annual review of the HRA Business Plan financial model was undertaken during 2021. The Plan provides assurance of the financial sustainability of the management of the Council's housing stock over a 30-year period. The following factors were included in the review, taking into consideration the continued impact of COVID-19 on the provision of the Council's Housing Service and its tenants:
- Asset Management
 - Revenue Expenditure
 - Rent Affordability

- Stakeholder management
- Value for Money
- Treasury Management
- Risk Management
- Financial Planning

Asset Management

- 2.4 A strategic approach to asset management has been adopted, ensuring consistency between the 30-year HRA Business Plan and the Housing Asset Management Plan (HAMP). This ensures resources are used effectively and reduces the risk of longer-term inefficiencies.

Capital Programme

- 2.5 The £114.507m investment in the proposed 2022/23 HRA capital Programme is detailed in Appendix 1. The programme will be funded by a combination of Capital Funded from Current Revenue (CFCR), government grants, prudential borrowing, reserves and contributions towards the new build programme from the Affordable Housing Account.
- 2.6 The capital programme will result in major repairs and improvement works to the housing stock in 2022/23, including:

| Programme | No. of properties | |
|--------------------------|-------------------------------------|---------|
| | 2021/22 Projected completions | 2022/23 |
| Roofing and/or rendering | 280 | 475 |
| Insulated rendering | 42 | 27 |
| Electrical rewiring | 85 | 239 |
| New kitchens | 223 | 854 |
| Heating upgrades | 730 | 959 |
| New bathrooms | 746 | 195 |
| Window replacement | 6 | 94 |
| Door replacement | 0 | 1100 |

- 2.7 The door replacement programme was due to commence during 2021/22 but was delayed due to issues in procuring a contractor; the programme will commence in 2022/23. The window replacement programme is up to date, therefore the 94 units in the table above reflects only projected repairs.
- 2.8 The capital programme includes investment to ensure the Council continues to meet the Scottish Housing Quality Standard (SHQS), which now incorporates the Energy Efficiency Standard for Social Housing (ESSH). In addition, provision has been made within the budget to install additional sustainability measures to support our progress in achieving the Energy Efficiency Standard for Social Housing 2 (ESSH2), the newer and more progressive standard, by its December 2032 deadline. The 2022/23 budget

includes £48.4m investment by 2032 towards achieving the Energy Efficiency Standard for Social Housing 2 (EESH2) in the Council's housing stock (or ensuring properties are as energy efficient as is practically possible where EESH2 is not achievable) including £24.4m further investment in solar PV panels.

Strategic Housing Investment Plan

- 2.9 The revised Business Plan reflects the Council's commitment to deliver a comprehensive new build programme - with a variety of house types - as well as significant investment in housing for older people and tenants with additional needs. The Council and its RSL partners have been monitoring the impact of both COVID-19 and Brexit on the SHIP. There is clear evidence of both time and financial impacts, due to national labour and material shortages and an increase in material costs. Details of Council developments completing during 2021/22, including those delayed due to COVID-19, are shown below:

| Project | Number of Units | Status in 2021/22 |
|---|------------------------|--|
| Refurbishments: | | |
| Kinnear Road, Saltcoats | 2 | Completed |
| Friars Lawn, Kilwinning | 22 | Completion due by 31 March 2022 |
| Total refurbishments (<i>not included in 1,625 new build commitment</i>) | 24 | |
| New build: | | |
| St Beya Gardens, Cumbernauld | 18 | Completed |
| Dalrymple Place, Irvine | 33 | Completed |
| Springvale Depot, Saltcoats | 14 | Completed |
| Flatt Road, Largs | 123 | Completed (122 homes plus staff base) |
| Towerlands, Irvine | 50 | Completion due by 31 March 2022 |
| Brathwic Terrace, Arran | 34 | Completion due by 31 March 2022 (development has been subject to significant delays related to COVID-19) |
| St Michael's Wynd, Kilwinning | 23 | 23 of 79 units expected to complete by 31 March 2022 |
| Total new build | 295 | |

Details of the full Council house build programme can be found in the Strategic Housing Investment Plan 2022-2027, which was approved by Cabinet on 2 November 2021. A total of 1,625 new homes are targeted for completion by the Council by 31 March 2027, of which 632 were completed at 20 January 2022, with the total expected to increase to 695 by 31 March 2022.

- 2.10 Following the success of previous years, funding will be available to continue investment in purchasing ex-local authority houses and empty homes. Acquiring these types of properties will help to address both asset management and estate management issues as well as increasing the Council's stock numbers.

Other Capital Projects

- 2.11 The Sheltered Housing Reprovisioning Programme continues to be implemented. Refurbishment work is complete at Garrier Court, Springside (19 units) and Friars Lawn, Kilwinning (22 units) is due for completion during the 2021/22 financial year. The sheltered complex at St Colms Place, Largs has been demolished, with construction underway on a new 29-unit complex. Completion of these projects will mean that over 50% of the Council's sheltered housing complexes are new build or have been modernised. The approved budget for 2021/22 identified a further £25m over five years to update a further 11 sheltered units. Works will commence in Summer 2022 to refurbish Barnett Court, Saltcoats and Cheviot Court, Irvine in the next phase of the programme. Two completely new units are currently under construction at Harbourside, Irvine and St Michaels Wynd, Kilwinning.

Revenue Expenditure

- 2.12 The proposed 2022/23 HRA Revenue Budget is outlined in Appendix 2. Planned expenditure of £54.404m will predominantly be funded by tenants' rental income and charges for services.
- 2.13 The Revenue Budget includes funding of £19.290m for property related expenditure in 2022/23. This expenditure will assist the Council in maintaining its efficient and sector-leading performance in respect of the management of void properties and planned and responsive maintenance. Additionally, provision has been made for tenant-led budgets and other areas of estate management, such as rear sub-divisional fencing and infrastructure improvements.

Rent Affordability

Rent Increase

- 2.14 In order to meet the investment requirements of the 30-year Business Plan, including maintaining the Scottish Housing Quality Standard (SHQS) which now incorporates the Efficiency Standard for Social Housing (ESSH), working towards the new Energy Efficiency Standard for Social Housing 2 (ESSH2), delivering the Council house building programme and continuing to deliver customer-focused services, it is proposed to increase housing rents by 2.5% for 2022/23. The Business Plan indicates anticipated rent increases of 4.00% for both 2023/24 and 2024/25.
- 2.15 The Council's average weekly rent is below the Scottish average local authority rent for 2021/22 (Council average is £75.85 compared to Scottish average of £79.26). The proposed rent increase for 2022/23 is expected to

maintain the Council's position compared with the Scottish average. The Council's current average rent is also significantly lower than the average for registered social landlords within North Ayrshire, as detailed in the table below.

| | Average Rent 2020/21 |
|--|----------------------|
| East Ayrshire Council | £75.30 |
| North Ayrshire Council | £75.85 |
| South Ayrshire Council | £78.21 |
| Scottish local authority average | £79.26 |
| ANCHO | £85.01 |
| Riverside Scotland (formerly Irvine Housing Association) | £90.17 |
| Cunninghame Housing Association | £94.18 |

N.B. The Scottish Housing Regulator changed the method used to collect the data for average weekly rents in 2020, therefore figures may not match other data sources due to differing methods of data collection.

Stakeholder Management

- 2.16 The Housing (Scotland) Act 2001 requires councils to consult with tenants and have regard to the views expressed prior to setting rents.
- 2.17 In preparing the HRA budget for 2022/23, two options for rent increases were identified by Officers and considered at an elected member briefing and the Housing Business Plan Group in November 2021. The options were subsequently included in the tenant consultation exercise that took place during November and December 2021, namely, to increase rents by either 2.5% or 2.75%. The higher increase option reflected additional investment of £0.130m in tenant led budgets. Further information on the options considered is included within the Rent Matters Newsletter at Appendix 4.
- 2.18 A total of 980 responses were received - a response rate of 7.5%. This is the highest response to a rent consultation by North Ayrshire Council to date. Responses received from the tenants' consultation indicated an 80.1% preference for 'Option 1', a rent increase of 2.5% for 2022/23. Tenants responded on-line via the website, social media and telephone calls with Housing Services staff.

Value for Money

- 2.19 Scotland's Housing Network benchmarks the Scottish Social Housing Charter outcome results of Scottish councils, including areas such as housing management performance, repairs and customer satisfaction and value for money. The Network recently confirmed that the Service remains a top performer amongst local authority members, both in terms of level of service and value for money.

- 2.20 During the tenant satisfaction survey completed in summer 2018, 92.1% of tenants agreed that the rent charge for their property represented good value for money.
- 2.21 The Council continues to explore opportunities for operational and management efficiencies and reflect any savings identified in the HRA budget.

Treasury Management

- 2.22 The Prudential Code for Capital Finance in Local Authorities requires Councils to demonstrate that capital investment programmes and the level required to be funded by borrowing are affordable, prudent and sustainable. The Key Performance Indicator which demonstrates this is the ratio of financing costs to the net revenue stream. For 2020/21 the Council's ratio was 17.7% compared to the Scottish average of 21.6%. The estimated indicators for the next 3 years are shown below. The rising ratio is indicative of the significant capital investment programme as outlined in the Strategic Housing Investment Plan and work to achieve the Energy Efficiency Standard for Social Housing 2 (EESH2). The financing costs are considered prudent and affordable within the 30-year HRA Business Plan.

| Proportion of financing costs to net revenue stream | 2021/22 | 2022/23 | 2023/24 |
|---|----------|----------|----------|
| | Estimate | Estimate | Estimate |
| | % | % | % |
| HRA | 18.6% | 25.7% | 27.6% |

Revenue and Capital Balances

- 2.23 The HRA revenue budgetary control report to 30 November 2021 submitted to the Cabinet meeting of 25 January 2022 advised Members of a projected HRA balance of £17.519m at 31 March 2022. This includes an unearmarked balance of £1.500m, which equates to 2.8% of revenue expenditure. Analysis of the HRA balances is shown in the table below.

| | Balance at 31 March 2021 | Transfer between reserves | Earmarking of in year surplus | Projected Balance at 31 March 2022 |
|-----------------------------|--------------------------|---------------------------|-------------------------------|------------------------------------|
| | £m | £m | | £m |
| HRA Not Earmarked | 1.500 | - | - | 1.500 |
| HRA Earmarked | | | | |
| Council House Building Fund | 5.580 | 1.000 | - | 6.580 |
| Welfare Reform | 1.500 | - | - | 1.500 |
| Major Refurbishment Works | 0.052 | - | - | 0.052 |
| Sustainability Fund | 3.174 | 0.318 | 1.508 | 5.000 |
| Infrastructure Improvements | 0.305 | - | 0.111 | 0.416 |
| Additional CFCR | 1.000 | (1.000) | - | - |
| Tenant led budget | 0.520 | | | 0.520 |

| | | | | |
|------------------------------|---------------|----------|--------------|---------------|
| Cyclical Planned Maintenance | 0.055 | (0.055) | | - |
| Disturbance Allowance | 0.385 | (0.385) | | - |
| Responsive Repairs | 0.150 | (0.150) | | - |
| Voids - non programmed works | - | 0.272 | 1.286 | 1.558 |
| Software Licenses | - | | 0.123 | 0.123 |
| Electrical Testing | - | | 0.270 | 0.270 |
| Total Earmarked Fund | 12.720 | - | 3.298 | 16.018 |
| Total HRA Balance | 14.221 | - | 3.298 | 17.519 |

Risk Management

2.24 In developing the HRA Business Plan, the risk landscape was reviewed to determine major/strategic risks and ensure effective mitigation is in place. The Council has an effective system of internal control which is subject to regular review by our internal and external audit functions and regulatory authorities. The following major/strategic risks were considered:

Access to expertise and materials

2.25 The COVID-19 pandemic, alongside Brexit, has resulted in increased difficulty for landlords accessing the materials and expertise required to perform landlord functions. The impact on the Council's Housing Asset Management Plan, Strategic Housing Investment Plan and repairs service provision is continually assessed to ensure delivery remains viable and any mitigation required can be actioned at the earliest opportunity.

Stock quality and decarbonisation

2.26 The Scottish Government's 'Housing to 2040' strategy sets out their ambitions for housing's contribution in tackling climate change. This includes standards such as EESSH2, and ambitions for zero emissions new build housing.

2.27 Provision has been made within the HRA Business Plan for investment to achieve EESSH2 within the Council's housing stock, or make properties as energy efficient as practically possible, by the 2032 deadline. Proposals for investment were approved by the Council's Cabinet on 25 January 2022. Emerging technology is also under constant review to ensure the Council can maximise benefits from constantly evolving new technology and improvements to energy efficiency.

2.28 In addition, measures have now been put in place to develop an 'Energy Strategy' for each new build Council housing development to maximise sustainability measures and minimise carbon emissions and fuel poverty.

Tenant Safety

2.29 The Council has established procedures to ensure compliance with statutory duties and responsibilities in relation to tenant safety. Regular assessment

and assurance is undertaken to ensure the necessary training, skills, experience and knowledge are in place.

- 2.30 In 2020/21 the Council did not comply with gas safety requirements for 1,228 properties as a direct result of the COVID-19 pandemic. Whilst this situation was quickly resolved and reported via the Council's Annual Assurance Statement, work is ongoing to ensure business continuity measures are in place around areas of statutory compliance moving forward.
- 2.31 The HRA Business Plan incorporates investment required to comply with the new fire and smoke alarm standard which apply from February 2022, and the reduction in electrical safety monitoring cycles.

Rent Affordability

- 2.32 The current economic climate presents an increased challenge to keep rents affordable. Removal of the Universal Credit uplift, the ongoing impact of the COVID-19 pandemic and rapidly increasing energy costs are amongst current notable risks.
- 2.33 Benchmarking of rent levels is undertaken annually, alongside national conversations regarding proposed increases. Rent levels are monitored to assure they are within Local Housing Allowance rates. Housing Services also invest in resources specifically focused on welfare reforms and welfare/benefits and debt advice, to maximise tenants' income and support households experiencing financial difficulties.

Cost Control

- 2.34 Within the review of the HRA Business Plan, inflation has been estimated using forecasts for the appropriate indices. Alongside this, service delivery costs are benchmarked and a competitive tendering process is undertaken for fixed term contracts.

Income Management

- 2.35 The percentage of total rent collected compared to rent due has reduced in recent years (2018/19 – 100.3%, 2019/20 - 99.2%, 2020/21 - 97.3%). The percentage of rent due not collected through homes being empty in the last year has remained relatively static (2018/19 – 0.5%, 2019/20 – 0.6%, 2020/21 – 0.5%).
- 2.36 Rent arrears and voids are monitored through a performance management framework, and in the context of changes in the welfare system. Stress testing against falls in rental income is undertaken to identify mitigations necessary.
- 2.37 Universal Credit full migration, which commenced as a pilot in 2019, is expected to conclude in 2023. In 2020/21 the number of tenants claiming Universal Credit increased by 920 compared to the previous year. 3,090 (70.8%) of the 4,363 tenants claiming Universal Credit at 2020/21 year end were in arrears, with an average debt of £381.85, an increase of 70.3% in average debt from 2019/20. The updated HRA Business Plan continues to

include investment in a Welfare Reform Advice Team to support tenants in accessing benefits, maximising income and minimising arrears. In addition, £1.5m continues to be earmarked within the HRA as a contingency to manage the impact of Welfare Reform.

Data Accuracy

- 2.38 Robust processes are in place to ensure data accuracy. The recently established Business Improvement Team introduces system expertise to the Service, and more in-depth system housekeeping measures are in development. A review of the Housing Performance Management System is planned for 2022/23, which will include arrangements around data validation and auditing. The Council's internal and external auditing arrangements are also utilised to review data accuracy. This ensures decisions are based on good quality data.

Treasury Management

- 2.39 The Council has a clear strategy reflecting risk management and the wider operating environment. Section 2.21 details the financing costs, which are considered prudent and affordable within the 30-year HRA Business Plan.

Fraud

- 2.40 There are effective risk management arrangements and procedures in place to minimise the risks of any attempts at fraud from being successful. The Council also takes part in the National Fraud Initiative to prevent and detect fraud.

3 Proposals

- 3.1 Council is invited to: (a) approve the HRA capital investment programme for 2022/23, as detailed in Appendix 1; (b) approve the HRA revenue budget for 2022/23, as detailed in Appendix 2; (c) approve a rent increase of 2.50% in 2022/23 for council houses, garage sites, lock-ups and sheltered housing service charges; and (d) note the indicative rent increases of 4.00% for both 2023/24 and 2024/25.

4. Implications/Socio-economic Duty

Financial

- 4.1 The proposed rent increase of 2.50% in 2022/23 will provide the required resources to invest in the Council's housing stock, with total planned revenue expenditure of £54.404m. This includes CFCR of £12.209m to support a capital programme totaling £114.507m in 2022/23.

Human Resources

- 4.2 None.

Legal

- 4.3 The Council has consulted with tenants on the proposed rent increases in line with the legal requirement to do so.

Equality/Socio-economic

- 4.4 The investment proposals outlined in the report will ensure the housing stock continues to support the needs of our tenants, including those with accessibility issues due to age or disability.

The investment in our properties to provide safer, warmer and more fuel-efficient homes will support improvements in the health and wellbeing of all our tenants, including young people and families.

Environmental and Sustainability

- 4.5 The budget proposals include substantial investment which will directly support the delivery of the Council's Environmental Sustainability and Climate Change strategy.

Key Priorities

- 4.6 Investment through the HRA capital programme and revenue budget supports and links to the following Council Plan priorities:
- Affordable, modern and well-designed homes that meets residents' needs
 - Vibrant, welcoming and attractive places
 - A sustainable environment.

Community Wealth Building

- 4.7 Through delivery of the SHIP, contractors are required to participate in the Council's Community Benefits Programme. Development projects aim to deliver new employment opportunities for the area, including jobs and apprenticeships. Work is undertaken in partnership with Procurement and Economic Development and Regeneration to maximise community wealth benefits in procuring fixed term contracts.

5. Consultation

- 5.1 A programme of consultation with key stakeholders has been carried out to gather their views of the current service provision and priorities for future service delivery. This engagement was facilitated, in the main, through the Housing Business Plan Group and the Tenants and Residents Network.
- 5.2 In addition, a consultation on the proposed rent increases (Appendix 4) was launched on the Council's website and social media pages and emailed to tenants (where email addresses were available). The

consultation period ran during November and December 2021 and tenants were asked to provide their views on two options for rent increases. Responses received from the tenant consultation indicated an 80.1% preference for Option 1: a rent increase of 2.5% for 2022/23. A total of 980 responses were received, which is a response rate of 7.5%. This is the highest response to a rent consultation to date. Tenants responded on-line via the website, social media and through calls with Housing staff.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact Yvonne Baulk, Head of Housing and Public Protection on 01294 324398.

Background Papers

None.

| North Ayrshire Council Draft HRA Capital plan 2022/23 | | | |
|---|------------------|--------------------------------|------------------|
| Pogramme Description | 2022/23 | Future Years House Building | Total |
| | £000 | £000 | £000 |
| Council House Building | | | |
| Flatt Road (Phase 1) | 1,712 | 0 | 1,712 |
| Brathwic Terrace | 18 | 0 | 18 |
| Harbourside (Phase 1) | 6,460 | 128 | 6,588 |
| St Beya Gardens | 6 | 0 | 6 |
| Towerlands Primary School | 25 | 0 | 25 |
| St Colms Pl | 1,896 | 66 | 1,962 |
| Bourtreesill Village | 2,000 | 5,293 | 7,293 |
| James MacFarlane | 3,050 | 257 | 3,307 |
| James Reid | 6,050 | 2,673 | 8,723 |
| Caley Court | 1,769 | 86 | 1,854 |
| Garnock Academy Site | 7,950 | 1,923 | 9,873 |
| Afton Court | 910 | 25 | 935 |
| Corsehillhead | 1,450 | 25 | 1,475 |
| Ayrshire Central Site | 9,498 | 24,536 | 34,033 |
| Montgomerie Park (Phase 1) | 10,900 | 22,403 | 33,303 |
| Stanecastle ASN School | 3,300 | 2,247 | 5,547 |
| Largs Police Station | 1,908 | 29 | 1,936 |
| Fullarton Street | 1,090 | 9,637 | 10,727 |
| Glebe Place | 10 | 1,823 | 1,833 |
| Regeneration Project 1e | 15 | 1,593 | 1,608 |
| Unallocated Regeneration Block 1 | 55 | 11,209 | 11,264 |
| Regeneration Project 1a | 160 | 1,033 | 1,193 |
| Regeneration Project 1b | 175 | 1,217 | 1,392 |
| King's Arms Project (Regen Project 1c) | 265 | 821 | 1,086 |
| Regeneration Project 1d | 360 | 7,912 | 8,272 |
| Council House Build General | 1,542 | 0 | 1,542 |
| Contingency | 1,163 | 3,132 | 4,294 |
| Refurbishment Schemes | | | |
| Saltcoats MSF Investment | 1,881 | 191 | 2,071 |
| Kinnear Road | 3 | 0 | 3 |
| Fullarton Regeneration | 3,000 | 0 | 3,000 |
| Acquisition of Houses - Open Market | 720 | 0 | 720 |
| Improvements to Existing Stock | | | |
| Bathroom | 75 | 0 | 75 |
| Electrical | 698 | 0 | 698 |
| Heating | 2,524 | 0 | 2,524 |
| Kitchen | 2,610 | 0 | 2,610 |
| Roofing & Rendering | 4,450 | 0 | 4,450 |
| Insulated Rendering | 421 | 0 | 421 |
| Window | 325 | 0 | 325 |
| Smoke Detectors | 458 | 0 | 458 |
| Energy Efficiency | 5,362 | 0 | 5,362 |
| Solar Panels | 3,862 | 0 | 3,862 |
| Regeneration Programme | 1,287 | 0 | 1,287 |
| Nelson Street Regeneration | 442 | 0 | 442 |
| Door Replacement | 2,191 | 0 | 2,191 |
| Sheltered Housing | 8,531 | 0 | 8,531 |
| Management Charge | 1,326 | 0 | 1,326 |
| Other Capital Works | 726 | 0 | 726 |
| Health and Safety Works | 207 | 0 | 207 |
| Window Replacement - Saltcoats High Flats | 2,886 | 0 | 2,886 |
| Major Improvements | 6 | 0 | 6 |
| High Flats - Irvine | 6,780 | 0 | 6,780 |
| TOTAL EXPENDITURE | 114,507 | 98,259 | 212,766 |
| Funded By:- | | | |
| CFCR | (12,209) | 0 | (12,209) |
| Council House Build Fund | (1,151) | (2,673) | (3,824) |
| Affordable Housing Fund | (1,596) | (4,158) | (5,754) |
| Capital Grants - House Building | (14,175) | (29,147) | (43,322) |
| Prudential Borrowing | (85,375) | (62,281) | (147,656) |
| TOTAL INCOME | (114,507) | (98,259) | (212,766) |

| Draft HRA Revenue Budget 2022/23 | | |
|----------------------------------|---|------------------|
| | Cost Type | 2022/23 (£'000s) |
| <u>Income</u> | Rents: | |
| | Council houses | (53,310) |
| | Other rents | (403) |
| | Utilities Credit Billing | (14) |
| | Other Income: | |
| | External recharges | (565) |
| | Internal recharges | (103) |
| | Health Resource Funding | (9) |
| Gross Income | | (54,404) |
| <u>Expenditure</u> | Employee Costs | 5,300 |
| | Property Costs: | |
| | Responsive repairs | 5,603 |
| | Void expenditure | 3,133 |
| | Planned & Cyclical maintenance | 4,627 |
| | Tenant Led Budgets | 216 |
| | Infrastructure Improvements | 337 |
| | Aids & adaptations | 1,617 |
| | Other property costs | 3,757 |
| | Supplies and Services | 319 |
| | Transport Costs | 34 |
| | Administration Costs | 506 |
| | Insurances | 143 |
| | Central Support Costs | 1,578 |
| | Payments to Other Agencies, Bodies and Persons | 11 |
| | Internal Services | 2,531 |
| | Capital Financing: | |
| | CFCR | 12,209 |
| | Principal repayments | 5,422 |
| | Loans Fund interest | 6,961 |
| | Loans Fund expenses | 136 |
| | Revenue interest | (36) |
| Gross Expenditure | | 54,404 |

RENT CONSULTATION 2022/23 – RESULTS

Total number of responses: 980

Stock at Dec 2021: 13,114

Percentage of tenant responses: 7.47%

| | | |
|---|---|---------------------------------|
| <p>Option 1: Increase rents by 2.5% Increase of £1.90 pw</p> | <p>Delivers base budget</p> | <p>785 responses 80.10%</p> |
| <p>Option 2: Increase rents by 2.75% Increase by £2.09 pw</p> | <p>Delivers base budget plus an additional £0.13m in tenant led budgets</p> | <p>195 responses 19.90%</p> |

RENT MATTERS

WIN
£100 shopping
vouchers

Information for North Ayrshire Council Tenants

Winter 2021

PLEASE READ – It's important you have your say

North Ayrshire Council consults annually with tenants on proposals relating to rent setting. This is your opportunity to have a say in how much rent you pay.

This year's rent setting consultation period will run from 19 November to 17 December 2021. We will use your feedback to prepare a report for a meeting of the Council in February 2022, where members will consider the proposed rent increase for Council tenants for 2022/23.

We will write to inform you what your new rent charge will be at least four weeks in advance of any changes being implemented in April 2022.

Details of the two options can be found on page 3 of this leaflet, along with ways to give your feedback.



Struggling to pay your rent?

It is important that you pay your rent on time and in full. Contact your Housing Officer immediately if you are in arrears and have not made an arrangement to clear them.

The Welfare Reform Advice Team can help if you are experiencing financial difficulties, but you must get in touch quickly.

**Call them on
0300 999 4606.**



**Pay your
rent first**
Don't risk losing your home

Complete the rent consultation to be entered into our prize draw to win £100 in shopping vouchers.

Good luck!

WIN
£100 shopping
vouchers

Everyone pays rent, even if you receive housing benefit or your Universal Credit is being paid directly to us. It is important that we receive feedback from as many tenants as possible.

How do our rents compare?

| Landlord | 2019/20 (Actual) in £ | 2020/21 (Actual) in £ | 2021/22 £ |
|--|--------------------------|--------------------------|--------------|
| North Ayrshire Council | 72.23 | 74.44 | 75.85 |
| Scottish LA Average | 75.44 | 78.09 | 79.26 |
| East Ayrshire Council | 73.17 | 74.19 | 75.30 |
| South Ayrshire Council | 75.55 | 77.05 | 78.21 |
| ANCHO | 83.20 | 84.59 | 85.01 |
| Cunninghame Housing Association | 90.90 | 93.06 | 94.18 |
| Riverside Scotland (formerly Irvine Housing Association) | 88.86 | 88.84 | 90.17 |

Source: Scottish Housing Regulator. Indicative rent levels for 2021/22 have been calculated using actual average rents for 2020/21 and applying the approved rent increases for each landlord.

Capital Programme 2021/22

Due to the COVID-19 pandemic, we were unable to carry out some of the works in our Capital Programme planned for 2021/22. We continue to prioritise tenant safety. We have reviewed our Capital Programme to ensure any outstanding works **which were** planned are being incorporated in future years' plans. We appreciate your patience during this time.

Future Challenges

One of the major challenges we will face as a landlord in the next few years is meeting the new Energy Efficiency Standard for Social Housing (ESSH2), which has a deadline of December 2032. In order to ensure our housing stock meets this standard, we need to significantly invest in our homes to improve their energy efficiency. We have included this investment in our latest 30-year Business Plan which helps us determine future rent levels.



Your Views Matter



We want to consult with you on the proposed annual rent increase for North Ayrshire Council's houses in 2022/23.

We have outlined two options for rent charges for 2022/23:

Option 1

Increase rents by **2.5%**
Average increase of **£1.90 per week**

- **£48.4m** investment to achieve EESSH2 by 2032 deadline, including **£24.4m** further investment in solar PV panels
- Commitment to build **1,625 new homes**
- Continuation of **£10m** Estate Based Regeneration Programme
- Continuation of **£25m** Sheltered Housing Reprovisioning Programme
- **£0.216m** tenant led budget, with new proposals being launched for its use

Option 2

Increase rents by **2.75%**
Average increase of **£2.09 per week**

- **£48.4m** investment to achieve EESSH2 by 2032 deadline, including **£24.4m** further investment in solar PV panels
- Commitment to build **1,625 new homes**
- Continuation of **£10m** Estate Based Regeneration Programme
- Continuation of **£25m** Sheltered Housing Reprovisioning Programme
- **£0.346m** tenant led budget, with new proposals being launched for its use

What are Tenant Led Budgets?

This is an annual budget which will be influenced by tenants for community based projects. The additional investment included in Option 2 provides the opportunity to further support our communities to create vibrant, welcoming and attractive places. We are currently reviewing our approach to tenant led budgeting, and will consult with tenants representatives on our proposals. We will provide an update on this in our next Tenancy Matters edition.

Both options include circa £26.2m of improvements to existing stock for 2022/23, including:



215
bathrooms



874 kitchens



2000 external
doors



115 heating
systems



844 boilers



239 rewires



475 roof /
renders



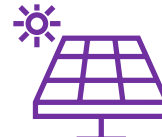
94 windows



27 external wall
insulations

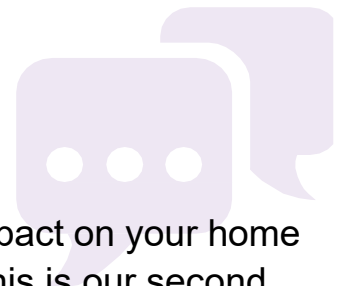


800 smoke
detectors



894 solar PV
panels

Have Your Say



Our plans and how we spend the budget will have an impact on your home and your community. We want to hear what you think. This is our second 'fully digital' consultation, making it as easy as possible to gather your views. All you need to do is select one of the following options:



Telephone or Text: [Option 1](#) or [Option 2](#) to 07385 383318
(Number will close at the end of the consultation)



Complete our [online form](#).



Email tenantparticipation@north-ayrshire.gov.uk



Private message us on social media [@nachousingservices](#)
[@NAC_Housing](#)

Your 2022/23 rent options:

Option 1

Increase rents by **2.5%**
Average increase of **£1.90 per week**

Option 2

Increase rents by **2.75%**
Average increase of **£2.09 per week**

An additional £130k tenant led budget to Option 1, with new proposals being launched for its use

