

Cabinet
21 August 2012

IRVINE, 21 August 2012 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

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

Also Present

John Easdale and Alex Gallagher.

In Attendance

E. Murray, Chief Executive; C. Kirk, Corporate Director, J. McKnight, Manager (Community Development) and D. Yuille, Project Manager (Education and Skills); I.T. Mackay, Solicitor to the Council and A. Laurenson, Team Manager (Corporate Services); O. Clayton, Head of Service (Community Care and Housing) and S. Gault, Head of Service (Children, Families and Criminal Justice) (Social Services and Health); Y. Baulk, Head of Finance, A. Bodie, Head of Infrastructure and Design Services, C. Hatton, Head of Environment and Related Services, P. Doak, Senior Manager (Internal Audit and Risk Management) and T. Reaney, Procurement Manager (Finance and Infrastructure); J. Montgomery, General Manager (Policy and Service Reform), K. Don, Economic Development Officer (Tourism), K. Dyson, Communications Officer and M. Anderson, Committee Services Officer (Chief Executive's)

Also In Attendance

Hugh Carr, Head of Strategic Procurement (Scotland Excel).

Chair

Councillor Gibson in the Chair.

Apologies for Absence

Alex McLean.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 16 and Section 5 of the Code of Conduct for Councillors.

2. Minutes

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

3. Procurement Overview

Submitted report by the Corporate Director (Finance and Infrastructure) on national and local procurement and on progress in terms of improving North Ayrshire Council's procurement practices.

Hugh Carr, Head of Strategic Procurement with Scotland Excel was in attendance to respond to questions from Members.

The report set out the implications of the Scottish Government's review of Public Sector Procurement in Scotland, including details of the categorisation of goods and services. Progress was assessed in relation to a number of local issues, including the Council's Procurement Strategy and Elected Member training, as well as national issues, such as the Procurement Reform Bill. Information on the Procurement Capability Assessment of the Council and the Corporate Procurement Unit's performance indicators was also contained in the report.

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

- the Council's current performance in terms of contract and supplier management, and plans for improvement;
- the background to the lower percentage of invoices being paid within 30 days of receipt;
- the nature of the support provided to local businesses; and
- the opportunity for local SMEs to tender for the Category B contracts highlighted at Section 2.7 of the report.

The Cabinet agreed to (a) note the report; (b) receive a further report in 6 months; and (c) approve continued membership of Scotland Excel.

4. North Ayrshire Panel of Safeguarders : Reappointments

Submitted report by the Chief Executive on the reappointment of Safeguarders and Legal Representatives to the Council's Panel of Safeguarders.

The Council is required to maintain a Panel of Safeguarders and is responsible for appointing Safeguarders and Legal Representatives. Under the Children's Hearings (Scotland) Act 2011, responsibility for Safeguarders will transfer to a new national Safeguarder Panel operated by Children 1st. The current period of appointment of the Council's Safeguarders and Legal Representatives expired in June 2012. Pending implementation of the new Act, it was proposed that the Panel, set out in the appendix to the report, be reappointed for a further 3 years.

The Cabinet agreed to approve the reappointment of 12 Safeguarders, including 5 Legal Representatives, to the North Ayrshire Panel of Safeguarders, as set out in the appendix to the report.

5. Financial Assistance to Outside Bodies

Submitted report by Chief Executive on applications received for financial assistance.

The Corporate Grants for Outside Bodies budget for 2012/13 is £8,000. The Council has a number of existing budget commitments which reduce the level of funding available for disbursement to £4,313.68. In addition, there is a commitment to support Largs Games in 2013 and an award of £2,500 was recommended in this regard.

The Council is in receipt of a number of applications for financial assistance from various national and local organisations, amounting to a total of £27,155.93. In view of the extent to which the budget is oversubscribed, the report proposed that officers investigate alternative proposals for supporting the applications in question.

The Cabinet agreed (a) to provide financial assistance in the amount of £2,500 to Largs Town Twinning Association to support preparations for the Largs Games 2013; and (b) that, in the light of the extent to which the remaining Corporate Grants budget is oversubscribed, it be remitted to (i) the Chief Executive to write to applicants to offer to support them to identify alternative sources of funding; and (ii) the Head of Service (Community and Culture) to prepare a report for the Cabinet in Autumn 2012 on Nurturing Communities proposals which will promote capacity building within communities and organisations.

6. North Coast Tourism Assessment Study

Submitted report by the Chief Executive on the North Coast Tourism Assessment Study.

The North Coast Tourism Assessment Study, set out in the appendix to the report, assesses the tourism potential of the area and presents a 'framework' for growth opportunities to help guide future decision-making and development of the tourism economy over the next 3-5 years. The study has been used to support and guide the priorities contained within the North Ayrshire Tourism Action Plan agreed by the former Executive on 14 February 2012 and the Nuclear Decommissioning Authority (NDA) Investment Framework agreed by the Council on 26 October 2011.

The Cabinet agreed to (a) note the North Coast Tourism Assessment Study set out at Appendix 1 to the report; (b) support the implementation of opportunities highlighted in the study to address the identified shortfalls and tourism-related weaknesses of the area; and (c) that the Economic Development Officer (Tourism) attend a future meeting of the North Coast Area Committee to report on the detail of the study.

7. Improvements to the Slipway at Arran Outdoor Education Centre

Submitted report by the Corporate Director (Finance and Infrastructure) on additional capital funding to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre

The slipway was constructed as part of the Arran Outdoor Education Centre works to provide access to the water for a range of craft. Works totalling £93,981 are now required to re-texture the surface on the lower section of the slipway, repair and extend the mass concrete end ramp, and repair and enhance the rock armoured slopes.

There is presently £45,614 in the 2012/13 Capital Programme to address required immediate/short-term repairs to the slipway serving the Arran Outdoor Education Centre. The Officer Capital Programme and Assets Group (CPAG) considered this matter at its meeting on 26 July 2012 and agreed to recommend to Cabinet that the additional capital funding required to ensure the medium to long term sustainability of the slipway be made available.

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

- whether the slipway had been properly specified and constructed in the first instance; and
- the likelihood of issues arising again in the future.

The Cabinet agreed to provide an additional £48,367 of capital funding in 2012/13 to ensure the medium to long term sustainability of the slipway at Arran Outdoor Education Centre.

8. Kilbirnie Conservation Area Regeneration Scheme Funding Bid

Submitted report by the Solicitor to the Council on the Kilbirnie Conservation Area Regeneration Scheme funding bid and to seek approval for its submission to Historic Scotland.

At its meeting of 19 June 2012, the Cabinet approved the preparation of a proposal for a Conservation Area Regeneration Scheme (CARS) funding bid for Kilbirnie. Officers have since undertaken work to prepare the funding bid. The report proposed a 5-year programme (April 2013-March 2018) comprising improvements to the Walker Hall and Knox Institute, public realm works in relation to the bridge at the Cross, a grants scheme, a contribution to the redevelopment of the former Stoneyholm Mill buildings and analysis of its future redevelopment potential, training and skills opportunities, and professional fees.

The projected total cost of the CARS package is £1,035,000, to be met by Historic Scotland CARS Funding (£500,000), the Council (£500,000) and private property owners (£35,000).

Members asked questions, and received clarification, on the level of professional fees.

The Cabinet agreed to approve the submission of a bid to Historic Scotland for a Conservation Area Regeneration Scheme for Kilbirnie.

9. Barony Church, Main Street, West Kilbride

Submitted report by the Solicitor to the Council on developments regarding the removal of the decking from the churchyard at Barony Church, Main Street, West Kilbride.

On 6 June 2012, the Cabinet refused a request by West Kilbride Community Initiative Limited (WKCIL) to amend its lease of the former Barony Church to allow the retention of decking on an area not covered by the lease. The Cabinet agreed that the Initiative be instructed to remove the decking within a reasonable time. WKCIL has since advised that it does not intend to remove the decking in question. The report considered the options now open to the Council, including the implications and likelihood of success of any Court action to secure the removal of the decking.

Members asked questions, and received clarification, on the circumstances surrounding the execution of the lease to WKCIL.

The Cabinet agreed to obtain Queen's Counsel (QC) opinion on the likelihood of success of Court action to secure the removal of the decking from the former churchyard at Barony Church, Main Street, West Kilbride.

10. Early and Effective Intervention Evaluation

Submitted report by the Corporate Director (Social Services and Health) on the progress of the Early and Effective Intervention model introduced in May 2011.

The Early and Effective Intervention model became operational in North and South Ayrshire on 23 May 2011. It moves away from the traditional response of automatic referral to the Scottish Children's Reporter Administration (SCRA) and attempts to deal with low level offences in a timely and proportionate way. From 23 May 2011 to 31 March 2012, 80 young people involved in offending in North Ayrshire were referred to the EEI co-ordinator. Of those, multi-agency meetings were convened in respect of 19 young people and a range of supports and interventions made available. The remaining 61 received standard police warnings. To date, 80% of those young people discussed and provided with support have not been involved in re-offending.

In the year 2011/12, the offence referrals that went via SCRA averaged 103 days between the date of the offence being committed and the SCRA disposal being received, compared with an EEI average of 19 days between the offence being committed and the multi-agency disposal being made. Given the success of the initiative, discussions have taken place between the Scottish Government and the Crown Prosecution Service about extending EEI to include 16- and 17-year-olds.

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

- the success of the initiative; and
- the background to the decision by East Ayrshire Council not to participate.

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

11. Affordable Housing Supply Programme

Submitted report by Corporate Director (Social Services and Health) on the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme

The report provided background information on the Scottish Government's move to 3-year budget allocations in respect of the Affordable Housing Supply Programme. Where delivery cannot be demonstrated within that timeframe, budget awards will be redistributed nationally.

The Council aims to deliver an average of 50 new units per year (150 units by March 2015). Two current projects (Copeland Crescent, Millport and Redstone Avenue, Kilwinning) will collectively deliver an anticipated 56 new homes and a further project at John Galt Primary School is expected to provide approximately 80 additional units. This brings the Council's total delivery of new homes to 136 units by March 2015, which is within acceptable parameters. The report also provided information on the key implications of a bid by Cunninghame Housing Association, in partnership with Cordale Housing Association, under the Scottish Government's 'Innovation Funding Programme'. Table 2 within the report listed potential slippage projects which would be delivered by March 2015 in the event of further funding becoming available.

Members asked questions, and received clarification, on the likely timescale for a decision in relation to the proposals by Cunninghame Housing Association in partnership with Cordale Housing Association.

The Cabinet agreed to (a) note the changes to the Affordable Housing Supply Programme relating to the introduction of Resource Planning Assumptions and the Strategic Local Programme; (b) approve the draft Strategic Local Programme and the proposed budget allocations set out at Appendix 1 to the report; and (c) authorise the transfer of land at John Galt Primary School, Irvine to the Housing Revenue Account for a nil receipt.

12. Risk Management Strategy and Strategic Risk Register

Submitted report by the Corporate Director (Finance and Infrastructure) on strategic risks facing the Council and to advise of the strategy in place for dealing with risk.

The Council's BV2 action plan highlighted the need to further embed a culture of risk management across the Authority. The Corporate Management Team (CMT) subsequently agreed a risk management improvement plan in April 2012, identifying the 6 areas for development set out in Section 2.1 of the report. Underpinning the improvement plan and ensuring that risk management is further embedded within the Authority, is the revised Risk Management Strategy, which was set out in the Appendix 1 to the report. The Strategic Risk Register was attached in Appendix 2 to the report and identifies the Council's top risks as Welfare Reform, partnership working, financial and demographic pressures and economic regeneration.

The Cabinet agreed to (a) approve the updated Risk Management Strategy set out in Appendix 1 to this report; and (b) note the Strategic Risks for the Authority contained in Appendix 2 to the report.

13. Risk Management Annual Report 2011/12

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

The aim of the Risk Management Annual Report 2011/12, set out in the appendix to the report, is to provide an overview of risk management activities undertaken during 2011/12, highlighting examples of good practice implemented during 2011/12 and detailing further work which will be carried out during 2012/13.

The Cabinet agreed to note (a) the content of the annual risk management report, set out in the appendix to the report and (b) progress being made in developing the Council's approach to risk management.

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

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

The North Ayrshire Physical Activity and Sport Strategy, Fit for the Future 2010-2015 provides a local strategic context for the delivery of the vision of "inspiring more people in North Ayrshire to be more active, more often". The strategy identifies the ways in which the number, variety and quality of opportunities will be increased by strong partnership working across the four key themes of the Strategy, namely Opportunities, Places and Spaces, Strengthening and Developing Communities, and

Promotion and Profile. The report provided an analysis of the Strategy Action Plan and outlined progress against the four main themes. All actions and sub actions are recorded as 'green' and making good or very good progress towards overall completion.

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

- measures to maximise the benefits of the Commonwealth Games 2014, both in terms of improving the health and fitness of people in North Ayrshire and encouraging sport tourism to the area;
- the importance of encouraging older people to be more active and measures to address this; and
- the potential role of Elected Members in raising the profile of the Physical Activity and Sport Strategy and Nurturing Excellence in Culture and Sport.

Noted.

15. Sports Club Development

Submitted report by Corporate Director (Education and Skills) on progress in supporting local community sports club development.

The report summarised progress in respect of the development of community sports clubs. Four new Community Sport Hub locations were identified at Arran, Auchenharvie, Ardrossan and Largs as part of the plan agreed by Sportscotland. Continued support to Kilwinning Community Sports Club has enabled the Kilwinning project to begin work during 2012 on its new premises and playing facilities. Irvine Community Sports Club has secured almost all the funding necessary to begin detailed planning while finalising funding options for modernising facilities at the Irvine site. Additional support has also been provided to a number of community organisations wishing to adopt the community sports hub approach, including Beith Community Development Trust, West Kilbride Community Sports Club and groups in Dalry, Irvine and Kilbirnie.

During the past 6 months, an increasing number of sports clubs have made approaches to North Ayrshire Council to transfer over the ownership or leases of sports facilities. The majority relate to football pitches and pavilions. Additional support has also been provided to West Kilbride Community Sports Club seeking to develop a village 'hub' or community hub model.

Noted.

16. Transport Hub - Procurement of Vehicle Route System

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

On 11 October 2011, the former Executive agreed to undertake a procurement exercise for the provision of a vehicle route system. The tender sought submissions from suitable companies for both outright purchase and lease of an appropriate system along with support and maintenance plans. Only two tenders met the minimum requirements at Stage 1 of the tender evaluation process and were taken forward for Stage 2 evaluation. During the post tender clarification, it became apparent that one of the tenderers was unable to meet the specification requirements, leaving Trackyou as the sole potential tenderer. The cost of purchase will be £487,064 over 3 years, with £75,239 in recurring costs.

The Cabinet agreed to (a) to award a contract for the provision and maintenance of a vehicle route system to Trackyou on the basis of a purchase, rather than leasing, plan; and (b) delegate the completion of contract documentation to the Head of Environment and Related Services.

17. Supply of UPVC Windows

Submitted report by the Corporate Director (Finance and Infrastructure) on tendering for the procurement of upvc windows

On 5 January 2012, the Council awarded an EU contract for the supply of upvc windows to Nova Group Limited. The contract period was for 12 months with an option to extend by up to a further 18 months. The company subsequently declined an extension to their contract and presented a counter-offer of a 2-month extension up to 4 March 2013 which, in order to maintain continuity of service, has been accepted. It is necessary to undertake a procurement exercise for the supply of upvc windows to deliver the window renewal programme detailed in the Housing Revenue Account Business Plan.

The Cabinet agreed to (a) approve the initiation of the procurement for the supply of upvc windows in compliance with European Union procurement regulations, for a period of three years with an option to extend for up to two years; and (b) note the 2-month contract extension agreed with Nova Group Ltd.

18. Removal and Disposal of Leachate

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

On 10 April 2012, the former Executive agreed to conduct a procurement exercise for the removal and disposal of leachate from Shewalton Area 2 Landfill Site. The contract period is for 4 years from the Service Commencement Date with an option to extend for two 12-month periods at the discretion of the Council. The commencement date of the contract is 1 October 2012. The completed evaluation matrix was attached at the appendix to the report. Oran Environmental Solutions Limited scored highest against the evaluation criteria.

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

19. West Kilbride Community Centre: Proposed Alterations

Submitted report by the Corporate Director (Finance and Infrastructure) on tender submissions and to seek its agreement to accept the lowest priced tender for alterations to West Kilbride Community Centre, Corse Street, West Kilbride.

West Kilbride Community Centre is owned by North Ayrshire Council and leased to West Kilbride Community Association. The General Services Capital Programme provides £100,000 for the proposed alterations to centre. The overall project budget is £568,907, with the remaining £468,907 to be met from various other funding sources detailed within the report.

Infrastructure and Design Services assessed the completed Pre-Qualification Questionnaires, with the five highest scoring contractors then invited to tender. The completed evaluation matrix was attached at the appendix to the report. McLaughlin Construction Limited, Irvine, provided the lowest adjusted offer of £515,167.02.

Members asked questions, and received clarification, on the changes required to the specification to allow the project to be delivered on budget.

The Cabinet agreed to approve acceptance of the lowest competent tender of £515,167.02 from McLaughlin Construction Limited for alterations to West Kilbride Community Centre, Corse Street, West Kilbride.

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

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

On 27 March 2012, the Executive agreed to a tender exercise for the appointment of a provider organisation to deliver a Bail Supervision/ Arrest Referral service across South West Scotland Community Justice Authority area, on behalf of North Ayrshire Council. The contract period is 6 months with an option to extend on a yearly basis for up to a maximum of two years. The value of the contract per annum will be approximately £225,000. Two submissions met the minimum criteria and were then evaluated in terms of quality of service (60%) and cost (40%), with SACRO scoring the highest against the evaluation criteria, as indicated in Table 1 of the report.

The Cabinet agreed to award the contract to SACRO to operate the Bail Supervision/ Arrest Referral service across South West Scotland area on behalf of

North Ayrshire Council.

21. Educational Services to Children with Additional Support Needs

Submitted report by Corporate Director (Education and Skills) on tenders received for the provision of Framework Agreements with external service providers for day educational services to children with additional support needs.

The report notified the Cabinet of the second round of Framework Agreements (2012-2015) for day services for children and young people with additional support needs. Seven service providers submitted tenders, all of which satisfied the minimum requirements and tenders were evaluated on the basis of the most economically advantageous tender in terms of cost and quality. Details of the service providers who submitted rates were attached as Appendix 1 to the report.

The purchasing of services under the Framework Agreement will be determined following more detailed consideration of the specific type of service provided by the service provider, the pupil's individual needs and the day rate submitted at the tender stage. It is anticipated that the value of services procured via the Framework Agreements over the three year period will be in excess of £350,000 for each service provider.

The Cabinet agreed to accept the tenders submitted by all seven service providers listed in the Appendix to the report for day educational services to children with additional support needs.

22. Irvine East/West Schools Projects

Submitted report by Corporate Director (Education and Skills) on tenders received for works to Irvine schools

On 29 March 2011, a tender process was initiated for the Irvine East and Irvine West Projects and on 20 June 2011, a design team led by Gardiner and Theobald was appointed to provide a full design and project management service for both the Irvine East and Irvine West Projects. Tenders were subsequently invited for the associated construction works, with the bidders asked to submit a single tender that would then be split into three separate contracts. The scope of the proposed works was included in Appendix A to the report. A summary of the tender returns was set out at Appendix B.

Members asked questions, and received clarification, on Morgan Sindall PLC and the location of its offices.

The Cabinet agreed to accept the most economically advantageous tender as submitted by Morgan Sindall PLC (Organisation A) for the sum of £15,723,119.27 to carry out the proposed construction works associated with the Irvine East/West Schools Projects.

23. Exclusion of the Public and Press

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

24. Purchase of ex-Council Housing (Previously Subject to Right to Buy)

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

The Council has identified £1 million of funding to allow the purchase of second hand, ex-Local Authority homes. The report detailed a policy approach to allow the purchase properties located within the most highly pressured areas in mainland North Ayrshire. 'Ceiling costs' for the purchase of properties, including repairs to bring them up to a lettable standard, were set out in the report. The approach would comply with the strategic investment priorities identified within the Local Housing Strategy 2011-2016.

The Cabinet agreed (a) to approve the policy approach detailed within this report and (b) to grant delegated powers to the Head of Community Care and Housing for the purchase of ex-Council housing in accordance with the policy approach set out in the report.

The meeting ended at 3.50 p.m.