

NORTH AYRSHIRE COUNCIL

WRITTEN SUBMISSION

National Indicator: Reduce Scotland's Carbon Footprint

The two national housing policy/standards areas that are directing North Ayrshire Council in assisting with the delivery of the national indicator are:

The Energy Efficiency Standard for Social Housing (EESH) – This will help to reduce energy consumption, fuel poverty and the emission of greenhouse gases in Scotland. It will make a significant contribution to reducing carbon emissions by 42 per cent by 2020 and 80 per cent by 2050 in line with the requirements set out in the Climate Change (Scotland) Act 2009.

Home Energy Efficiency Programme For Scotland (Area Based Schemes) (HEEPS:ABS) – This national scheme provides measures to support those in the private sector who likely to have difficulty paying their fuel bills or keeping their home sufficiently warm.

EESH Considerations

The Council has estimated that in order to ensure its housing stock is compliant with EESH, an additional investment of £7-£9 million will be required over the period 2015-2020.

The advice received from the Scottish Government indicates that much of this funding should be delivered via contributions from the Energy Company Obligation (ECO) scheme or should be part of wider HEEPS:ABS programmes. To date the Council has had mixed levels of success in attracting ECO funds as a number of providers tend to be reluctant to commit to longer term projects at agreed rates, actively look to reduce the level of funding once projects are on-site and overload the process with quality assurance processes that makes it very difficult to deliver projects within the agreed scope.

EESH sets a standard that significantly exceeds the energy efficiency standards set by the Scottish Housing Quality Standard (SHQS). Many of the measures put in place to achieve SHQS will fall short of EESH. As a result of this social landlords will require to incur additional funding to achieve EESH. These costs could have been avoided if EESH and SHQS had been aligned.

The funding regime for EESH requires to be streamlined, with clear and accurate guidance that provides certainty over the funding streams available.

HEEPS:ABS Considerations

Over the last two financial years the Council has been proactive in attracting HEEPS:ABS funding from the Scottish Government and has delivered a number of external wall insulation projects within the private sector. Without this funding, the Council would not have been in a position to deliver these projects, which in turn will lead to the delivery of the national indicator.

Given the sustained level of investment the Council has made in its housing stock over the last 10 years, it is now in a position where there is a limited number of opportunities to deliver high impact area based schemes within Council managed estates and as a result will be looking to local RSL's to be more actively involved with the delivery of HEEPS: ABS. Unfortunately these RSL partners are advising that despite being able to secure this funding for private sector houses, they are not in a position to fund the elements of work required to their own housing stock.

The Scottish Index of Multiple Deprivation (SIMD) data indicates North Ayrshire has 46 data zones within the 15% most deprived data zones in Scotland, with 12 of these data zones recorded within the most deprived 5%. Within these data zones there is private ownership of non-traditional houses. By providing local authorities with financial certainty for the period 2015-2020 and the resource to manage large scale area based schemes within solely the private sector, the Council would be better placed to contribute to the delivery of the national indicator.

National Indicator: Increase the number of new homes

Whilst the recent increase in subsidy levels was to be welcomed, it is still the case that many RSLs are struggling to maintain their development programmes as a result of the reduced per unit subsidy levels. This is further exacerbated as demand for smaller properties has increased (as a result of changing demographics, an ageing population and the impact of Welfare Reform). The current 3p equivalent formula reduces per unit grant for 1 or 2 person properties, further reducing the subsidy levels which RSLs can seek and negatively impacting their ability to build the house type and size that is required.

It is also dis-incentivising to suggest that 'greener' homes be built with additional subsidy given to encourage this – yet that subsidy is taken from the overall affordable housing budget. Therefore, whilst more units are 'greener', less are actually able to be subsidised. Affordable housing completions would consequently reduce.

National Indicator: Improve access to suitable housing options for those in housing need

This indicator does not actually measure success in relation to the provision of a housing options service; housing options is about much more than the % of homeless cases awarded a priority need. The Council's success in improving access to housing options for those in housing need and the subsequent abolition of priority need, has largely been the result of major investment and service re- provisioning in order to deliver early intervention, coupled with a proactive prevention approach

across the Community Planning partners. The outcome of this approach has been a quadrupling of the number of households approaching the Council's housing service for assistance.

This proactive, preventative approach is being undermined by the suite of Welfare Reforms that have, and are still to be, introduced. Councils are being negatively impacted, compared to RSL's etc., by the temporary accommodation 'exemption classification.' With the introduction of Universal Credit and LHA rates, North Ayrshire Council's rental income will reduce by 50%. Moving forward, how do we adequately resource homeless housing options and support services for homeless households?

We welcome the increased emphasis that has been put on monitoring, and legislating for, the private rented sector as this tenure is now critical to housing providers' ability to provide an effective housing options service. However, if the monitoring and enforcement of these powers/duties lie with councils it must be recognised that this has significant resource implications.

A737 Road Improvements

We welcome the Scottish Government's commitment in the draft budget to progress development work on the A737 Dalry Bypass over the period 2015/2016. We are keen to see this delayed scheme progress as soon as statutory procedures are completed given that it will significantly reduce congestion within Dalry and improve access to business locations and employment opportunities across North Ayrshire. By improving journey times, the scheme will help unlock future housing development as well as support the Council's and the Scottish Government's priorities for growth, transport and regeneration.

However, further trunk road improvements are urgently required to improve Ayrshire's connectivity with Glasgow. We would, therefore, wish to see a commitment in the budget for delivery of The Den realignment and road improvements at Beith, both of which are delayed schemes, and identified as priorities by Transport Scotland's Motorway and Trunk Road Network Programme 2013. We would also like to see budget provision for other strategic trunk road improvements along this corridor and to the A78 as a matter of priority.

Smartcard Programme

The smartcard programme offers a simple ticketing payment system which can be used on various transport modes and to pay for other public services e.g. school meals. The programme has been recently piloted on Isle of Arran bus services with the introduction and use of a new generation of ticket machine technology.

The Scottish Government's decision to maintain current funding levels for the programme (£2.8m) over the period 2015-16 is welcomed. Increased funding, however, could support roll-out of similar technology across North Ayrshire and support more integrated transport provision and joined-up journeys for our communities. Improved integration of public transport offers many benefits, including encouraging less car dependency, lower CO2 emissions, reduced congestion etc. as per the NPF indicators mentioned in the call for evidence.

Ferry Services

Ferry services are an important contributor to the economic and community development of North Ayrshire's island communities. Therefore, in general, we welcome the Scottish Government's proposals to increase funding for ferry services for the budget period 2015-16. The Ardrossan to Brodick ferry service operated by CalMac Ferries Ltd (CFL) serves approximately 730,000 passengers, 134,000 non-commercial vehicles and 13,000 commercial vehicle trips on an annual basis and is a vital lifeline for residents and businesses on Arran.

The Ferries Plan (2013-22) confirmed Scottish Government support for proposals to implement an upgrade of Brodick Harbour by 2016, as well as the provision of a second vessel on the Arran to Brodick Route during an extended period in the summer months. The upgrade involves up to £18m of investment and the provision of a new two-berth pier, a new terminal building, increased marshalling areas, expanded car-parking provision and a new bus stance. The project is expected to be funded by contributions from Transport Scotland and CMAL, North Ayrshire Council (£1.2m), Strathclyde Partnership for Transport (c.£1m) and from other funding partners. Budget provision for this key priority has been secured by the Brodick Harbour Redevelopment Group.

However, following on from the recognition of the importance of Scotland's island communities as set out in the 'Empowering Scotland's Island Communities' prospectus published earlier this year, we wish to see further budget provision for additional ferry terminal and ferry service improvements. While the improvements at Brodick set out above are welcomed, there are further challenges with our ferry infrastructure. For example, improvement in the quality of the terminal facilities at Ardrossan is urgently required.

We welcome the increased budget provision for Road Equivalent Tariff (RET) which is due to be introduced on Arran ferry services from 27 October 2014 onwards. Reducing the cost of travelling to and from the island has potential to deliver significant economic and social benefits to the island, including increasing visitor numbers and related tourism related expenditure. We would like to see the Scottish Government set aside budget provision to help communities, businesses and other stakeholders deal with the impact of RET, once the nature of these impacts are clear. For example, support may be required for improved road improvements, tourism infrastructure, or enhanced public transport infrastructure, as a result of increased demand.

Active Travel

We note that the proposed budget for the three main sources of funding for active travel is slightly reduced from 2014/15. This is as a result of the budget for Cycling Walking and Safer Streets (CWSS) being reduced by to £8 million, the budget for Sustainable and Active Travel being reduced to £25 million and the budget for the Future Transport Fund being increased to £20.25 million. Whilst we note and welcome the fact that this allocation is higher than previous years, it is unclear from

the information available what proportion of this will be directly allocated to active travel.

We would welcome the maintenance or preferably an increase of the allocation made to active travel. We believe that this is essential to the delivery of the Cycling Action Plan for Scotland (CAPS) and National Walking Strategy at a national and local level. This includes the continuation of the CWSS allocations which enable Local Authorities including North Ayrshire Council to secure external funding to deliver active travel from a range of sources including Sustrans and Strathclyde Partnership for Transport. We believe that significant levels of funding are required to deliver: infrastructure to support the achievement of the vision that 10% of all journeys will be made by bike by 2020; Active Travel Action Plans (required by CAPS); Core Paths Plans to deliver the basic framework of paths at a local level; and the promotion of behaviour change to promote modal shift.

We would, therefore, commend that the level of allocation made to active travel in 2014/15 be maintained or enhanced in 2015/16. This will enable the delivery of the national strategies and active travel agenda at a local level. This will in turn provide benefits to local communities in terms of sustainable travel, increased access to jobs and services, improved health and well-being, carbon emission reduction and improved air quality.

Glasgow Prestwick Airport (GPA)

We welcome the Scottish Government's £10 million loan investment in GPA to help meet its financial obligations and assist in the airport's return to profitability, securing its long-term future.

GPA is a major employer and a major contributor to the Ayrshire and Scottish economies, supporting tourism, freight, Ministry of Defence, and aerospace interests. It is estimated that, in 2012, GPA generated a net additional economic impact of 1,350 jobs and £47.6 million in Gross Value Added (GVA) across Ayrshire. In Scotland as a whole, these impacts are increased to a total of 1,810 jobs and £61.6 million in GVA. Close proximity to GPA enhances North Ayrshire's competitive advantage for inward investment, connecting the area to UK and international markets.

Digital Infrastructure

Improvements to digital infrastructure are essential if North Ayrshire is to improve its business competitiveness and support the transition to low carbon economy. Digitally well-connected communities enables work, social and business activities to happen without the need to travel and, in turn, supports efforts to reduce traffic congestion and Scotland's carbon footprint.

The Step Change Project 2015 is one way to expand and improve digital infrastructure, providing broadband access in areas where it is not commercially viable. Funded by local authorities, including North Ayrshire Council, and other partner agencies, the project will contribute toward the Scottish Government's ambition of increasing broadband access to over 95 per cent of premises by the end

of 2017. Continued funding of the Next Generation Digital Fund supports delivery of improved broadband infrastructure and improved prosperity across North Ayrshire.

For the reasons outlined, we welcome the Scottish Government's proposal to increase the fund to £42m.

North Ayrshire Council

31 October 2014