



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cabinet

A Meeting of the **Cabinet** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Tuesday, 26 November 2019** at **14:30** to consider the undernoted business.

1 Declarations of Interest

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

2 Minutes

The accuracy of the Minutes of the meeting of the Cabinet held on 29 October 2019 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).

GENERAL BUSINESS FOR DECISION

Reports by the Executive Director (Finance and Corporate Support)

3 Revenue Budget 2019/20 : Financial Performance to 30 September 2019

Submit report by the Executive Director (Finance and Corporate Support) on the financial performance for the Council at 30 September 2019 (copy enclosed).

4 Capital Programme Performance to 30 September 2019

Submit report by the Executive Director (Finance and Corporate Support) on the Capital Investment Programme as at 30 September 2019 (copy enclosed).

- 5 Treasury Management and Investment Mid-Year Report 2019/20**
Submit report by the Executive Director (Finance and Corporate Support) on the Treasury Management update for the period 1 April to 30 September 2019 (copy enclosed).

Reports by the Executive Director (Place)

- 6 Millport Coastal Flood Protection Scheme**
Submit report by the Executive Director (Place) on the feedback from the most recent community consultations regarding the Millport Coastal Flood Protection Scheme (copy enclosed).
- 7 Proposed Flood Protection Schemes for Submission to SEPA as part of the Flood Risk Management Cycle of National Prioritisation**
Submit report by the Executive Director (Place) on the three flood protection scheme proposals for submission to SEPA for the next stage of evaluation for potential funding (copy enclosed).
- 8 Proposed Regional Spatial Strategy for Ayrshire**
Submit report by the Executive Director (Place) on the Regional Spatial Strategy, which was introduced through the Planning (Scotland) Act 2019 and proposals for Ayrshire Regional Spatial Strategy (copy enclosed).
- 9 Disposal of Hazeldene Interlink site, Blair Road, Kilwinning**
Submit report by the Executive Director (Place) seeking approval to market the surplus Hazeldene Interlink site, Kilwinning (copy enclosed).

Reports by the Executive Director (Communities)

- 10 Community Asset Transfer of Dunlop Memorial Hall**
Submit report by the Executive Director (Communities) on the transfer of ownership of Dunlop Memorial Hall from North Ayrshire Council to the Scottish Charitable Incorporated Organisation, "Irvine and Dreghorn Brass Band" (copy enclosed).

Reports by the Director (Health and Social Care Partnership)

- 11 Chief Social Work Officer Annual Report**
Submit report by the Director (Health and Social Care Partnership) on the Chief Social Work Officers annual update (copy enclosed).
- 12 Urgent Items**
Any other items which the Chair considers to be urgent.

Webcasting

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Cabinet Sederunt

Joe Cullinane (Chair)
John Bell (Vice-Chair)
Robert Foster
Alex Gallagher
Louise McPhater
Jim Montgomerie

Chair:

Apologies:

Attending:

IRVINE, 29 October 2019 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Joe Cullinane, John Bell, Robert Foster, Alex Gallagher and Jim Montgomerie; and Babs Mowat and Iain Haining (Church Representatives) (Agenda Items 1-5).

In Attendance

C. Hatton, Chief Executive; R. McCutcheon, Executive Director, Y. Baulk, Head of Service (Physical Environment), D Hammond, Head of Service (Interim) (Commercial), and R. McGilvery, Senior Manager (Housing Operations) (Place); M. Boyd, Head of Service (Finance) and A. Lyndon, Senior Manager (Procurement) (Finance and Corporate Support); A. McClelland, Head of Service (Education) and R. Arthur, Head of Service (Interim) (Connected Communities) (Communities); T. Bowers, Head of Service (Mental Health) (Health and Social Care Partnership); and M. Sugden, Communications Officer (Communications) and H. Clancy and A. Little, Committee Services Officers (Democratic Services).

Chair

Joe Cullinane in the Chair.

Apologies

Louise McPhater.

1. Chair's Remarks

The Chair welcomed those present to the meeting and announced that the Cabinet meeting would be webcast and that all decisions are subject to the Call In Procedure detailed at Standing Order 24.

2. Valedictory

The Chair made valedictory remarks on the late Cabinet (Education) Teaching Representative Gordon Smith, following his recent passing, and acknowledged the contribution he made to education in North Ayrshire.

2. Declarations of Interest

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

3. Minutes

The accuracy of the Minutes of the meeting of the Cabinet held on 24 September 2019 was confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

4. Scottish Attainment Challenge in North Ayrshire – Progress Report

Submitted a report and received presentation by the Head of Service (Education) on the impact of the Scottish Attainment Challenge on improved outcomes for learners in North Ayrshire. A data impact summary was set out at Appendix 1 to the report and a summary of key planned activity for 2019-20 set out at Appendix 2 to the report.

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

- improved outcomes for children and young people who are care experienced; and
- the contribution of attainment funding to the overall performance.

The Head of Service (Education) undertook to provide an update on improved outcomes for children and young people who are care experienced.

The Cabinet agreed to (a) note the progress made to date; and (b) receive a further progress report in one year.

5. South West Educational Improvement Collaborative (SWEIC) Annual Plan 2019

Submitted a report by the Executive Director (Communities) on the priorities and content of the South West Educational Improvement Collaborative (SWEIC) Annual Plan 2019. The SWEIC Annual Plan 2019 was set out at Appendix 1 to the report.

Members asked a question and were provided with further information in relation to the program of peer challenge between the collaboratives.

The Cabinet agreed to (a) approve the SWEIC Annual Plan 2019; and (b) note the progress made to date.

6. Religious Representation on Cabinet (Education)

Submitted a report by the Head of Service (Democratic Services) on the resignation of the current Church of Scotland religious representative on Cabinet and the appointment of a replacement.

The Cabinet agreed to (a) note the resignation of Elizabeth Higton from Cabinet and (b) appoint Andrew Bruce as the representative of the Church of Scotland on Cabinet when it meets to consider Education business.

7. Asset Management Plans

Submitted a report by the Executive Director (Place) on the updated Property Asset Management Plan, Housing Asset Management Plan, Open Space Asset Management Plan, Fleet Asset Management Plan and Roads Asset Management Plan. The Asset Management Plans were set out at Appendices 1-5 to the report.

The Cabinet agreed to approve (a) Property Asset Management Plan; (b) Housing Asset Management Plan; (c) Open Space Asset Management Plan; (d) Fleet Asset Management Plan; and (e) Roads Asset Management Plan.

8. Strategic Housing Investment Plan 2020-2025

Submitted a report by the Executive Director (Place) on the proposed Strategic Housing Investment Plan 2020-2025 with the Plan set out at Appendix 1 to the report.

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

- continued partnership working with local housing associations; and
- a Council development of 34 units on Arran and future development opportunities.

The Cabinet agreed to (a) approve the Strategic Housing Investment Plan 2020-2025 for submission to the Scottish Government; (b) give delegated authority to the Executive Director (Place) and Cabinet Member for Place to liaise directly with the Scottish Government to agree the North Ayrshire development programme and the rescheduling of projects if and as required; and (c) note that all future developments within the SHIP will obtain a Certificate of Lawful Use Development from the Council's Planning Service to provide assurance of conformance with the Local Development Plan.

9. Allocation of North Ayrshire Council Supported Accommodation

Submitted a report by the Executive Director (Place) on the North Ayrshire Council Supported Accommodation developments and the criteria and process that will be used to allocate the accommodation. The eligibility criteria was set out at Appendix 1 to the report.

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

- Trindlemoss service users moving to the unit in January 2020; and
- the adult commissioning framework currently put in place to review all assessments for care and support.

The Cabinet agreed to (a) approve the criteria and process that will be used to allocate North Ayrshire Council Supported Accommodation; and (b) note the content of the report.

10. Roads Winter Service and Weather Emergencies Plan 2019/20

Submitted a report by the Executive Director (Place) on the Roads Winter Service and Weather Emergencies Plan 2019/20. The Winter Preparation Action Plan was set out at Appendix 1 to the report and the Roads Winter Service and Weather Emergencies Plan 2019/20 set out at Appendix 2 to the report.

Members asked a question and were provided with further information in relation to the flexibility to add further resources at short notice.

The Cabinet agreed to (a) approve the Roads Winter Service and Weather Emergencies Plan 2019/20; and (b) note the preparations and developments contained in the Winter Preparation Action Plan.

11. Community Investment Fund (CIF) Update

Submitted a report by the Executive Director (Communities) on the progress in relation to the Community Investment Fund. A summary of CIF applications that have been approved by Locality Partnerships and Cabinet to date were set out at Appendix 1 to the report.

The Cabinet agreed to (a) note the progress to date in relation to the Community Investment Fund themes and expenditure; and (b) remit officers to identify alternative sources of funding for small-grant awarding Participatory Budgeting approaches for Locality Partnerships for consideration at a future Cabinet.

12. Proposals for Community Investment Fund (CIF) Expenditure

Submitted a report by the Executive Director (Communities) on applications by Locality Partnerships to allocate CIF funding to proposed projects. Funding applications from Irvine Newtown Men's Shed, the Three Towns Locality Partnership, the Garnock Valley Community Councils and the Garnock Valley Facilities and Amenities Working Group were set out at Appendices 1-4 to the report.

The Cabinet considered all applications before them against the CIF criteria and agreed to (a) approve the CIF applications in relation to (i) Accessibility improvements at Irvine Newtown Men's Shed; and (ii) Garnock Valley 2020 Vision; and (b) defer the CIF applications in relation to (i) Garnock Valley Participatory Budgeting – Community Councils; and (ii) Participatory Budgeting, The Three Towns Locality Partnership pending the introduction of proposals to Cabinet for small-grant awarding Participatory Budgeting.

13. Community Asset Transfer of Ground adjacent to Irvine Sports Club

Submitted a report by the Executive Director (Communities) on the transfer of ownership of ground adjacent to that occupied by Irvine Sports Club to the Scottish Charitable Incorporated Organisation, "Irvine Sports Club". A location plan was set out at Appendix 1 to the report.

The Cabinet agreed (a) in principle to the asset transfer of ground at Marress Road, Irvine currently occupied by Irvine Community Sports Club, from the Irvine Common Good to the Scottish Charitable Incorporated Organisation, "Irvine Community Sports Club", subject to the Club transferring ground to the Council forming part of the adjacent access track; and (b) note that officers will enter into negotiations with the Club to agree the terms of transfer, including price, and will issue a decision notice to the Club setting out the terms and conditions of transfer.

14. Award of Framework Agreement – Supply of Smoke, Heat and Carbon Monoxide Detection Materials

Submitted a report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for the Supply of Smoke, Heat and Carbon Monoxide Detection Materials Framework Agreement.

The Cabinet agreed to approve the award of the Framework Agreement (Lot 1 and 2) to Rexel UK Ltd.

15. Urgent Items

15.1 National Islands Plan: North Ayrshire Council consultation response

Submitted a report by the Executive Director (Communities) on North Ayrshire Council's response to the Scottish Parliament's Rural Economy and Connectivity Committee's (RECC) Call for Views on the Scottish Government's consultation on the draft National Islands Plan. The draft National Islands Plan was set out at Appendix 1 to the report, Strategic Objectives were set out at Appendix 2 to the report and North Ayrshire Council's response set out at Appendix 3 to the report.

In terms of Standing Order 5.7, the Chair adjourned the meeting for a short recess to allow Members to consider the report.

The meeting reconvened with the same Members and officers present and in attendance.

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

- housing and planning issues faced by Island communities; and
- Health and Social Care Partnership's priority in their ability to recruit in Island communities.

The Cabinet agreed to approve North Ayrshire Council's response to the RECC Call for Views on the Scottish Government's consultation on the draft National Islands Plan with the addition of Health and Social Care Partnership's priority on their ability to recruit in Island communities.

The Meeting ended at 4.15 p.m.

NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title:	Revenue Budget 2019/20 : Financial Performance to 30 September 2019
Purpose:	To advise Cabinet of the financial performance for the Council at 30 September 2019.
Recommendation:	That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) note the current financial projection for the Health and Social Care Partnership at 2.8; and (c) approve the virements detailed in Appendix 8.

1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2019/20 were approved by Council on 27 February 2019. The Housing Revenue Account (HRA) Revenue Budget for 2019/20 was approved by Council on 19 December 2018.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the second report for 2019/20 and covers the period to the end of September 2019 (Period 6). Projections to the year-end have been made.
- 1.3 At Period 6 the General Fund is forecasting a net in-year underspend of £0.618m (0.2%) after transferring resources to other funds. The majority of savings are on track for delivery.
- 1.4 The Housing Revenue Account is forecasting a net breakeven position for the year.
- 1.5 The Health and Social Care Partnership is forecasting an overspend of £2.308m at the end of August 2019, an improvement of £0.493m over that reported at the end of June. The Council services element of the projected overspend is £2.345m, which is an improvement of £0.579m over the same period.
- 1.6 A risk to the forecast position has been identified in relation to European Social Fund (ESF) funding. Income in excess of £2.4m is currently anticipated. Although no concerns have been highlighted in respect of the North Ayrshire Council projects, an ongoing national review of ESF projects may have a negative impact on the funding provided across Scotland. In addition, the Council continues to engage with the Big Lottery to recover all funding in respect of Better Off North Ayrshire.

2. Background

General Fund

- 2.1 The Council has set a breakeven budget for 2019/20. In addition to the budget approved on 27 February 2019, earmarked funds of £12.041m have been carried forward from 2018/19 for service expenditure in 2019/20 and are reflected in the figures within the 2019/20 financial performance reports as they are drawn down.
- 2.2 Current financial projections indicate that an in-year underspend of £0.618m, net of transfers to reserves, is anticipated for the year to 31 March 2020. This represents 0.2% of the Council's total budget.
- 2.3 Details of the current financial projections are summarised in the following table:

	Appendix	Annual	Projection	Projected	Projected			
	No	Budget	to 31	Variance	Variance			
		£000's	March 2020	for year	@ Period			
			£000's	(Fav)/Adv	4			
				£000's	(Fav)/Adv	Movement		Note
					£000's	£000's		
Service Expenditure								
Chief Executive and Democratic Services	1	4,003	3,945	(58)	-	(58)		(i)
Communities	2	135,931	135,931	-	-	-		(ii)
Finance & Corporate Support	3	16,252	15,830	(422)	(302)	(120)		(iii)
Place	4	64,515	64,485	(30)	-	(30)		(iv)
Other Corporate Services	5	14,925	14,925	-	(16)	16		
Sub Total		235,626	235,116	(510)	(318)	(192)		
Health and Social Care Partnership	9	95,675	95,675	-	-	-		2.8
Balance for Services		331,301	330,791	(510)	(318)	(192)		
Financing Charges	6	17,108	17,108	-	-	-		
Contribution to Loans Fund Reserve	6	2,150	2,150	-	-	-		
Total Planned Expenditure		350,559	350,049	(510)	(318)	(192)		
Planned Income								
Aggregate External Finance	6	(288,791)	(288,791)	-	-	-		
Council Tax	6	(56,789)	(56,897)	(108)	-	(108)		(v)
Use of Earmarked Funds	6	(4,979)	(4,979)	-	-	-		
Total Planned Income		(350,559)	(350,667)	(108)	-	(108)		
Net Expenditure/ (Income)		-	(618)	(618)	(318)	(300)		

- 2.4 The current projections include anticipated income in respect of European Structural Fund (ESF) projects, including £2.4m of outstanding income for prior year activities. The national programme for ESF is currently under review following European Commission audit and as a result there remains a risk to the national programme which could impact on local authority ESF awards. The matter is being taken forward by COSLA with regular updates at Leader's meetings. Whilst North Ayrshire Council's programme has not been highlighted as a particular concern, the national solution is changing the funding model and this could have a negative impact as it may affect all of Scotland.

- 2.5 Total outstanding income in relation to the Better Off North Ayrshire programme is currently estimated at £1.387m and, following recent claims experience with the Big Lottery, there is a risk that these funds may not be realised. The current projections include a prudent estimate that £0.747m of this income will be realised during 2019/20 reflected in the in year overspend of £0.326m reported in Appendix 4. The Council continues to engage with the Big Lottery with a view to recovering the full amount over the course of the programme.
- 2.6 The reported Planned Income includes a number of adjustments to Scottish Government funding from that reported at Period 4, as detailed in the following table:

	Revenue Support Grant £000's	Non Domestic Rates £000's	Specific Grants £000's	TOTAL AEF £000's
Planned Income				
P4 Revised Planned Income	(232,765)	(40,954)	(15,288)	(289,007)
Movements:				
Revised Teachers' Superannuation (Revised Funding following delay in implementation until September 2019)	545			545
School Counselling	(329)			(329)
Revised Planned Income	(232,549)	(40,954)	(15,288)	(288,791)

2.7 Commentary on Significant Movements from the Forecast at Period 4

The Council's overall financial forecast against the revised budget is an underspend of £0.618m. A brief explanation of the significant movements from the previous forecasts is outlined below:

- (i) **Chief Executive and Democratic Services – an underspend of £0.058m**
The forecast underspend is primarily related to vacancy management.

- (ii) **Communities – a breakeven position**
A net breakeven position continues to be reported relating to a number of over and underspends across the service. These are primarily related to an ongoing overspend on external specialist residential placements due to the ongoing high number of children in residential education, £0.344m, and a higher than anticipated number of ASN placements in other local authorities' establishments, £0.100m, offset by a reduced number of external day placements, (£0.229m), and increased income from ASN placements by other local authorities in North Ayrshire establishments, (£0.163m).

- (iii) **Finance and Corporate Support – underspend of £0.422m, an increase in underspend of £0.120m**
The increased underspend is primarily related to vacancy management across services, (£0.112m), and additional income in relation to Council Tax statutory additions, (£0.125m), partly offset by a reduced level of Housing Benefits overpayment recoveries, £0.117m.

(iv) Place – an underspend of £0.030m

The net underspend reflects a number of over and underspends across services, including:

- An underspend on Property Running Costs, (£0.322m), primarily related to Non Domestic Rates refunds and revaluations;
- An underspend on Other Housing costs, (£0.251m), related to additional income from temporary accommodation rents and vacancy management; and
- An underspend on Planning and Protective Services, (£0.144m), related to vacancy management;

These have been partly offset by;

- An overspend on Waste Services' Employee Costs, £0.234m, related to the introduction of the new domestic waste recycling scheme;
- An overspend on Waste Services' Third Party Payments, £0.147m, related to recycle processing costs, contamination levels and Household Recycling Centre costs, partly offset by a successful reduction in residual waste arisings resulting from the recent new domestic waste recycling scheme; and
- A projected underrecovery of income in relation to the Better Off North Ayrshire programme, £0.326m, linked to a prudent estimate of claims success.

(v) Council Tax – overrecovery of £0.108m

The overrecovery is primarily related to a projected underspend on Council Tax Reduction, partly offset by prior year adjustments.

Health and Social Care Partnership

- 2.8 A copy of the HSCP financial performance report as at the end of August 2019 is attached at Appendix 9. The report highlights the key challenges and variances for the Partnership.

The key points for Cabinet to note are summarised as follows:

- Projected overspend of £2.308m, a reduction of £0.493m from that reported at Period 4. £2.345m of which relates to services delegated to the Council, an improvement of £0.579m from Period 4. This is partly offset by an underspend on the Health services element of £0.037m, an increase of £0.086m;
- The movements since Period 4 are primarily related to an increased underspend on Management and Support Costs, arising from potential delays in commitments recognised as pressures in the 2019/20 budget, partly offset by an increased overspend on Residential Schools and Community Placements, reflecting current placements and projected discharge dates;
- The Integrated Joint Board has approved a financial recovery plan which works towards delivering financial balance. The impact of this has not yet been reflected in the reported overspend. Progress against the plan will be closely monitored;

- The 2019-20 budget includes savings targets of £6.134m. £2.319m of the savings have been delivered to date. However, the report identifies £0.365m of savings in relation to Learning Disability sleepovers and the projected overspend at Trindlemoss which may not be delivered as planned.

Delivery of the approved financial recovery plan is essential to minimise further financial risk to the Council within the context of the current debt of £5.139m.

Savings Update

2.9 The 2019/20 General Services Revenue Estimates for 2019/20 included targets for savings of £6.278m across all services. At 30 September 2019 the majority of savings are on target for delivery by 31 March 2020. Exceptions include:

- Delays in the realisation of prior year Property Rationalisation savings, £0.111m, and savings from the review of Catering Options, £0.165m, within Place, with the projected shortfall met from the existing budgets within Property Running Costs and Facilities Management;
- Delays in realising savings from the review of School Library Services, £0.037m, and the redesign of the school music service, £0.120m. The service redesign required to deliver these savings is ongoing and will be completed during 2019/20. Shortfalls during 2019/20 are being met from underspends across Communities;
- Savings from Staff Cover Budgets within Communities which are not forecast to be achieved, with a reported overspend of £0.100m being met from other underspends across Communities; and
- A projected £0.058m shortfall in the residential placements element of the Transform Enhanced Support for Young People saving within Communities which is also being met from other underspends across Communities.

Any delays in achieving approved savings before the end of the current financial year will have a detrimental impact on the delivery of services during 2020/21.

Housing Revenue Account

2.10 The Housing Revenue Account budgeted for a breakeven position in 2019/20 and a net breakeven position is currently projected. This is summarised in the following table with further details provided in Appendix 7.

	Annual Budget	Projection to 31 March 2020	Projected Variance for year (Fav)/Adv	Previous Variance @ Period 4 (Fav)/Adv	Movement	Note
	£000's	£000's	£000's	£000's	£000's	
Employee Costs	4,673	4,603	(70)	(178)	108	(i)
Property Costs	18,252	17,750	(502)	(145)	(357)	(ii)
Supplies and Services	225	221	(4)	-	(4)	
Transport and Plant Costs	38	36	(2)	(2)	-	
Administration Costs	1,860	1,874	14	(14)	28	
Third Party Payments	2,328	2,340	12	53	(41)	
Transfer Payments	211	211	-	-	-	
Other Expenditure	744	814	70	-	70	(iii)
Capital Financing	20,609	21,428	819	665	154	(iv)
Gross Expenditure	48,940	49,277	337	379	(42)	
Income	(48,940)	(49,277)	(337)	(379)	42	(v)
Net Expenditure	-	-	-	-	-	

2.11 Commentary Significant Movements from the Forecast at Period 4

A brief explanation of the significant movements from the revised budget is outlined below.

(i) Employee Costs - underspend of £0.070m, a reduction in underspend of £0.108m

The movement is related to reduced turnover arising from staff secondments.

(ii) Property Costs – underspend of £0.502m, an increase in underspend of £0.357m

The underspend has increased due to a reduction in planned cyclical works, including Aids and Adaptations.

(iii) Other Expenditure - overspend of £0.070m

The overspend reflects increased rent arrears write offs during the year.

(iv) Capital Financing – overspend of £0.819m, an increase in overspend of £0.154m

The additional overspend is related to an increased CFCR contribution in support of the HRA capital programme.

(v) Income – overrecovery of £0.337m, a reduction in overrecovery of £0.042m

The reduced overrecovery reflects revised income projections for the year.

3. Proposals

- 3.1 It is proposed that Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) note the current financial projection for the Health and Social Care Partnership at 2.8; and (c) approve the virements detailed in Appendix 8.

4. Implications/Socio-economic Duty

Financial

4.1 General Services

The net projection for the year as at 30 September 2019 is an underspend for the year of £0.618m.

Housing Revenue Account

The net projection for the year as at 30 September 2019 is a net breakeven position.

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 This report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

Community Wealth Building

4.7 None.

5. Consultation

5.1 Executive Directors have been consulted as part of the review of financial performance and have approved the projected variances contained in this report.

Laura Friel
Executive Director (Finance and Corporate Support)

For further information please contact **David Forbes, Senior Manager (Strategic Business Partner)**, on **01294 324551**.

Background Papers

Revenue Budget 2019/20: Financial Performance to 31 July 2019 - Cabinet – 24 September 2019

DEMOCRATIC SERVICES
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	461	460	(1)	(0%)	1
Policy, Performance & Community Planning	965	965	-	0%	2
Communications	443	423	(20)	(5%)	
Civil Contingencies	61	61	-	0%	
Committee Services	582	586	4	1%	3
Member Services	1,116	1,119	3	0%	
Information Governance	375	331	(44)	(12%)	
Net Total	4,003	3,945	(58)	(1%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	3,514	3,454	(60)	(2%)
Property Costs	7	8	1	14%
Supplies and Services	233	232	(1)	(0%)
Transport and Plant Costs	16	16	-	0%
Administration Costs	969	969	-	0%
Other Agencies & Bodies	311	318	7	2%
Transfer Payments	-	-	-	-
Other Expenditure	-	-	-	-
Capital Financing	-	-	-	-
Gross Expenditure	5,050	4,997	(53)	(1%)
Income	(1,047)	(1,052)	(5)	0%
Net Expenditure	4,003	3,945	(58)	(1%)

DEMOCRATIC SERVICES
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Budget £000	Projected Variance £000	Variance as % of budget	Section
			Movement - There has been an increased underspend of (£0.058m) since period 4 mainly due to vacancy management
3,453	(60)	-2%	Employee costs - There is an anticipated underspend of £0.060m due to vacancy management
-	2	-	Other minor variances
	(58)	0%	

COMMUNITIES**BUDGETARY CONTROL 2019/20****REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Early Years Education	17,475	17,475	-	0.0%	1
Primary Education	34,726	34,761	35	0.1%	2
Secondary Education	48,264	48,159	(105)	-0.2%	3
Additional Support Needs	15,699	15,725	26	0.2%	4
Education - Other	3,733	3,758	25	0.7%	5
Pupil Equity Fund	5,009	5,009	-	0.0%	
Connected Communities	11,025	11,044	19	0.2%	6
Net Total	135,931	135,931	-	0.0%	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	113,446	113,490	44	0%
Property Costs	454	463	9	2%
Supplies and Services	16,685	16,637	(48)	(0%)
Transport and Plant Costs	245	243	(2)	(1%)
Administration Costs	1,120	1,145	25	2%
Other Agencies & Bodies	12,317	12,562	245	2%
Transfer Payments	580	580	-	0%
Other Expenditure	-	-	-	
Capital Financing	61	61	-	0%
Gross Expenditure	144,908	145,181	273	0%
Income	(8,977)	(9,250)	(273)	3%
Net Expenditure	135,931	135,931	-	0%

COMMUNITIES
BUDGETARY CONTROL 2018/19

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Early Years Education
			Financial year 19/20 is year 2 of the expansion programme. It is expected that there will be an additional 18 establishments providing 1140 hours. Initial budgets have been allocated from the new funding in order to reflect the increased level of provision required. Additional costs have been incurred from August 2019. No variance is anticipated at this stage.
Note 2			Primary Education
			Movement : the overspend has increased by £0.005m since period 4 due to a minor change in other movements
1,446	(10)	-1%	PPP unitary charge is projected to be underspent by £0.010m mainly due to expected refunds of utility costs at year end.
	45		Other minor movements across various budget lines
	35		
Note 3			Secondary Education
			Movement : the underspend has decreased by £0.004m since period 4 due to a minor change in other movements
35,788	(100)	0%	Employee Costs: Teachers - there has been a reduction in the level of teacher entitlement across schools following the annual Pupil Census.
11,717	(40)	0%	PPP unitary charge is projected to be underspent by £0.040m mainly due to expected refunds of utility costs at year end.
	35		Other minor movements across various budget lines
	(105)		
Note 4			ASN
			Movement : the overspend has increased by £0.004m since period 4 due to a minor change in other movements
1,052	344	33%	An overspend on external specialist residential placements due to the ongoing high number of children in residential education. Currently there are 15 children in accommodation. Joint working is ongoing with HSCP to improve positive outcomes for these children.
1,010	(229)	-23%	There is an underspend on external day placements as a result of the screening process currently in place. This enables the children to remain in mainstream establishments or in-authority ASN establishments.
355	100	28%	Other Local Authorities expenditure - projections indicate an overspend due to an increase in the number of children in other local authorities establishments.
(264)	(163)	62%	Other Local Authorities income - other Local Authorities that choose to place children in NAC establishments. The projections indicate an over recovery due to an increase in charges together with an increase in demand.
	(26)		Other minor movements across various budget lines
	26		
Note 5			Education Other
			Movement : the overspend has decreased by (£0.060m) since period 4 mainly due to a reduction in the projection for Teachers cover costs.
2,718	43	2%	Employee costs: overspends in Music Instructors of £0.120m due to a delay in implementing efficiencies (plans are in place which will achieve these savings going forward) and in Teachers maternity & long term sickness cover of £0.100m. This is offset by underspends due to an additional Early Years funding allocation of £0.150m and a vacant Senior Manager post of £0.027m after offsetting payroll turnover.
253	49	19%	Admin costs : Increased Licence costs from SEEMIS.
295	29	10%	Supplies and Services: mostly due to expected computer replacement costs.
(1,323)	(96)	7%	Income : Additional income (£0.081m) related to recharges to external organisations for staff on secondments. An expected PPP insurance rebate of £0.030m is partly offset against a reduced income of £0.020m for Music tuition fees. The number of pupils assigned to each Music instructor has increased leading to greater levels of group sessions.
	25		
Note 6			Connected Communities
			Movement : the overspend has increased by £0.047m since period 4 mainly due to an increase in employee costs
6,067	127	2%	Employee Costs : There are projected overspends in Community Development of £0.073m, Arran Outdoor of £0.026m and £0.028m within Information & Culture. This mainly due to the lack of turnover.
-902	(64)	7%	Income : projected overachievement of £0.080m in Arran Outdoor and £0.025m in Arts against £0.041m underachievement in Library income streams
	(44)		Other minor movements across various budget lines
	19		

FINANCE AND CORPORATE SUPPORT
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Directorate	287	296	9	0%	
Audit & Risk	627	627	-	0%	
Finance					
Head of Service	121	121	-	0%	
Business Support	1,319	1,139	(180)	0%	1
Corporate Procurement	782	778	(4)	0%	
Customer Services	4,728	4,701	(27)	0%	2
Financial Services	1,124	1,108	(16)	0%	
FMS Project	10	10	-	0%	
Revenues	(385)	(520)	(135)	0%	3
People & Transformation					
Head of Service	136	136	-	0%	
Employee Services	992	1,011	19	0%	
Human Resources & Organisational Development	758	758	-	0%	
ICT	4,448	4,359	(89)	0%	4
Transformation	1,305	1,306	1	0%	
Net Total	16,252	15,830	(422)	0%	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	12,746	12,419	(327)	0%
Property Costs	61	61	-	0%
Supplies and Services	2,876	2,847	(29)	0%
Transport and Plant Costs	32	26	(6)	0%
Administration Costs	541	532	(10)	1%
Other Agencies & Bodies	1,804	1,804	-	2%
Transfer Payments	52,037	51,949	(88)	0%
Other Expenditure	200	200	-	0%
Capital Financing	0	0	-	-
Gross Expenditure	70,298	69,839	(459)	0%
Income	(54,046)	(54,009)	37	0%
Net Expenditure	16,252	15,830	(422)	0%

FINANCE & CORPORATE SUPPORT
BUDGETARY CONTROL 2018/19

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Business Support
			Movement - There is a movement of (£0.043m) from Period 4 mainly due to vacancy management and occupational health usage.
1,484	(165)	-11%	Employee Costs - There is a projected underspend of £0.165m due to vacancy management.
(185)	(20)	11%	Income - There is a projected over recovery of £0.020m due to increased usage of the occupational health service
5			Other minor variances
(180)			
Note 2			Customer Services
			Movement - There is movement of £0.117m from Period 4 mainly due to Housing Benefit Overpayments recovered
2,172	(134)	-6%	Employee Costs - There is a projected underspend of £0.134m due to vacancy management
52,037	(88)	0%	Transfer Payments - There is a projected underspend of £0.088m due to the housing benefit mid-year estimate return to DWP
(51,098)	195	0%	Income - There is a projected under-recovery of £0.195m due to housing benefit overpayments under-recovery of £0.225m and registration income of £0.030m offset by an over-recovery of £0.060m within DHP overpayments recovered. Budget virement to be approved to reflect historic trends
(27)			
Note 3			Revenues
			Movement - There is movement of (£0.125m) from Period 4 mainly due to the Council Tax Statutory Additions projection
442	11	2%	Employee Costs - There is a projected overspend of £0.011m due to turnover not achieved
101	(7)	-7%	Supplies & Services - There is a projected underspend of £0.007m due to software licences £0.005m and £0.002m Office equip & Consumables
224	(9)	-4%	Admin Costs - There is a projected underspend of £0.009m based on current trends within Bank Charges £0.005m and Sheriff Officer Commission £0.004m.
(1,153)	(130)	11%	Income - There is a projected over-recovery of £0.131m due to Council Tax Statutory Additions. Budget virement to be approved to reflect historic trends
(135)			
Note 4			ICT
			Movement - There is movement of (£0.089m) from Period 4 mainly due to vacancy management
2,252	(50)	-2%	Employee Costs - There is a projected underspend of £0.050m due to vacancy management
2,342	(29)	-1%	Supplies & Services - There is a projected underspend of £0.029m due to software licences £0.010m, Systems Support Unix £0.013m and Systems Support Voice £0.013m offset with an overspend of £0.007m within Internet costs
(10)			Other Minor Variances
(89)			

PLACE
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
Directorate and Support	£000 232	£000 220	£000 (12)	(5%)	
Physical Environment					
Head Of Physical Environment	99	99	-	0%	
Building Services	(2,506)	(2,506)	-	0%	
Works Scoping and Quality Assurance	-	-	-	0%	
Property Governance	(2)	(2)	-	0%	
Property Management & Investment	1,580	1,529	(51)	(3%)	1
Housing Assets & Investment	-	-	-	0%	
Property Maintenance	3,706	3,706	-	0%	
Property Running Costs	5,195	4,955	(240)	(5%)	2
Energy and Sustainability	4,136	4,136	-	0%	
Facilities Management	12,792	12,792	-	0%	
Other Housing	3,736	3,485	(251)	(7%)	3
Total for Physical Environment	28,736	28,194	(542)		
Commercial Services					
Head Of Commercial Services	210	210	-	0%	
Roads	6,724	6,724	-	0%	
Streetscene	4,514	4,514	-	0%	
Internal Transport	9,717	9,787	70	1%	4
Waste Resources	7,684	7,935	251	3%	5
Total for Commercial Services	28,849	29,170	321		
Economic Growth and Regeneration					
Management	356	386	30	0%	
Planning & Protective Services	1,589	1,445	(144)	(9%)	6
Economic Development	4,753	5,070	317	7%	7
Total for Economic Growth and Regeneration	6,698	6,901	203		
Net Total	64,515	64,485	(30)		

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	51,953	51,514	(439)	(1%)
Property Costs	20,911	20,349	(562)	(3%)
Supplies and Services	11,222	11,155	(67)	(1%)
Transport and Plant Costs	9,438	9,702	264	3%
Administration Costs	1,485	1,516	31	2%
Other Agencies & Bodies	18,555	18,851	296	2%
Transfer Payments	1,223	1,226	3	0%
Other Expenditure	490	491	1	0%
Capital Financing	-	200	200	
Gross Expenditure	115,277	115,004	(273)	(0%)
Income	(50,762)	(50,519)	243	(0%)
Net Expenditure	64,515	64,485	(30)	(0%)

PLACE
FINANCIAL PERFORMANCE 2018/19

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Property Management and Investment
			Movement : the underspend has increased by £0.019m since P4 due to vacancy management
1,580	(51)	(3%)	Employee Costs : £0.051m underspend in employee costs - due to vacancy management.
	(51)		
Note 2			Property Running Costs
			Movement : the underspend has increased by £0.333m since P4 due to Non Domestic Rates (NDR) rebates and reduction in valuations
5,195	(322)	(6%)	Net Property Costs - Overspends are due to the current delay in delivery of property rationalisation savings of £0.111m and the under recovery of income in relation to the commercial property rental of £0.151m. These overspends are offset by a refund of NDR of £0.288m for 17/18 & 18/19 due to property revaluations and a reduction of £0.296m in NDR revaluations for 19/20.
(1,882)	64	(3%)	Income : under recovery of service charges/insurance premiums
	18		Other Minor Movements
	(240)		
Note 3			Other Housing
			Movement - The underspend has increased by £0.108m since P4, due to increased recovery of income and an underspend in employee costs
3,911	(99)	(3%)	Employee Costs - There is a projected underspend of £0.099m due to vacancy management
(4,701)	(144)	3%	Income - There is a projected over recovery of £0.144m income, as an additional 28 temporary accommodation properties are currently in use
	(8)		Other minor movements
			A proposed virement of £0.200m from staff costs to CFCR in relation to the reprovisioning of the CCTV and Concierge facility at Marress House has been included in Appendix 8.
	(251)		
Note 4			Internal Transport
			Movement - There has been a favourable movement of £0.030m since P4, due to movements in transport provision contracts and a waste external hire ending earlier than anticipated.
4,334	66	2%	Transport Provision Costs - there is a projected overspend of £0.066m, this is due to a £0.109m overspend in HSCP transport provision as a result of the continued trend of increased demand and is partially offset by a £0.043m underspend in Education journeys.
	4		Other minor movements
	70		
Note 5			Waste Services
			Movement - there has been an increase in the projected overspend of £0.134m since P4 mainly due to increases in projected expenditure in recyclates processing costs (£0.099m), with net increases across a range of other minor movements of (£0.035m).
4,417	234	5%	Employee Costs - there is a projected overspend of £0.234m partly due to additional resources required to support the introduction of a new domestic waste recycling scheme in April. Also partly due to a requirement to supplement current resources to support seasonal and operational demands. Work is ongoing to review seasonal staffing and overtime levels to address this overspend.
457	(73)	(16%)	Supplies & Services - a projected underspend of £0.074m on aftercare costs of Shewalton Landfill Site which are being partly met from an existing provision and partly as a result of reduced leachate and trade effluent volumes, which can vary due to rainfall levels.
147	81	55%	Transport - a projected overspend of £0.054m re External Hires and Fuel due to the extension of additional vehicles required to support the introduction of a new domestic waste recycling scheme. Also a projected overspend of £0.037m in Haulage due to additional loads of materials being transported from Arran as a result of increased separation of recyclates and increasing waste arisings.
5,491	147	3%	Following successful implementation of the new domestic waste recycling scheme, there is a projected underspend of £0.408m for residual waste disposal costs, as more residual (grey bin) waste is being recycled. This has led to a corresponding increase in recyclate disposal costs, with a projected overspend of £0.410m. This overspend is higher than anticipated due to a reduction in market prices for recyclates and the level of contamination in blue bin waste. Awareness campaigns to improve recycling further and reduce contamination are ongoing. Projected overspends of £0.079m in Household Recycling Centre waste costs and £0.049m in the Bulky Waste contract residual processing costs are both the result of movement of residual waste processing costs to the bulky waste processing contract.
(3,000)	(162)	5%	Income - additional income projected of £0.050m due to increased separation and sale of scrap metal for recycling partly offset by reduced income from the Sale of Cardboard £0.016m. There is also £0.111m projected additional income from Waste Gas Extraction due to the capping and closure of the final landfill site cell. As well as additional income projected from Commercial Refuse Collection charges £0.014m.
	24		Other Minor Movements
	251		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 6			Planning and Protective Services
			Movement - There has been a favourable movement of £0.033m since P4, due to vacancy management
2,406	(148)	(6%)	Employee Costs - underspends due to vacancy management in Planning of £0.080m and Protective Services of £0.065m.
	4		Other Minor Movements
	(144)		
Note 7			Economic Development
			Movement - There has been an increase in projected overspend of £0.327m since P4, due to revised income projections arising from the BONA programme
740	(9)	(1%)	Employee Costs - underspend in Business Growth £0.009m due to vacancy management
	326	-	BONA - Income there is a shortfall of income projected of £0.326m due to a revised estimate of the amount of successful claims achieved.
	317		

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,233	2,233	-	0%	
SPT Concessionary Fares	286	286	-	0%	
Ayrshire Joint Valuation Board	786	786	-	0%	
Other Corporate Costs					
Pension Costs	1,843	1,843	-	0%	
Central Telephones	86	86	-	0%	
Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.)	9,691	9,691	-	0%	
Net Total	14,925	14,925	-	-	

MISCELLANEOUS ITEMS
FINANCIAL PERFORMANCE 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	17,108	17,108	-	-	
Contribution to Loans Fund Reserve	2,150	2,150	-	-	
Scottish Government Funding	(288,791)	(288,791)	-	-	
Council Tax	(56,789)	(56,897)	(108)	0%	1
Use of Earmarked Funds	(4,979)	(4,979)	-	-	
Net Total	(331,301)	(331,409)	(108)	0%	

Note 1 Council Tax

Income from Council Tax is forecasting to over recover by £0.108m primarily related to a projected underspend on Council Tax Reduction partly offset by prior year adjustments

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2019/20

REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019

	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£	£	£		
Employee Costs	4,673	4,603	(70)	(1%)	1
Property Costs					
Responsive Repairs	1,759	1,746	(13)	(1%)	
Void Repairs	3,451	3,476	25	1%	
Planned and Cyclical Maintenance	7,308	6,888	(420)	(6%)	
Aids and Adaptions	1,849	1,599	(250)	(14%)	
Other property costs	3,885	4,041	156	4%	
Total for Property Costs	18,252	17,750	(502)		2
Supplies & Services	225	221	(4)	(2%)	
Transport Costs	38	36	(2)	(5%)	
Administration Costs	1,860	1,874	14	1%	
Third Party Payments	2,328	2,340	12	1%	3
Transfer Payments	211	211	-	0%	
Other Expenditure	744	814	70	9%	
Capital Financing Costs	20,609	21,428	819	4%	4
Gross Expenditure	48,940	49,277	337	1%	
Income					
Council House Rents	(48,025)	(48,344)	(319)	1%	
Other Rents	(323)	(312)	11	(3%)	
Recharges	(449)	(475)	(26)	6%	
Other Income	(143)	(146)	(3)	2%	
Transfer from HRA Reserves	-	-	-	0%	
Total Income	(48,940)	(49,277)	(337)	1%	5
Net Expenditure	-	-	-		

HRA**BUDGETARY CONTROL 2019/20****REPORT FOR THE 6 MONTHS TO 30 SEPTEMBER 2019**

Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Employee Costs
			There has been a reduction in the projected turnover within employee costs of £0.108m since P4 due to revised timings on temporary secondments
4,672	(70)	-1%	There is an underspend of £0.070m due to vacancy management.
(70)			
Note 2			Property Costs
			There has been an increase in the underspend in property costs of £0.355m since P4 due to the reduced planned cyclical works, including Aids and Adaptations.
18,252	(502)	-3%	There is an underspend projected in Property Costs due to reduced planned cyclical works of £0.461m offset by an increase in grounds maintenance charges including Fly Tipping (£0.070m), cleaning (£0.040m) and utilities (£0.030m). There is a further underspend in Aids and Adaptations of £0.250m due to delays in work being requisitioned.
(502)			
Note 3			Other Expenditure
			The movement of £0.070m since P4 is due to the rent arrears write off
744	70	9%	There is an overspend of £0.070m projected to reflect an increase in arrears written off following the actual charge processed for the first half of the year.
70			
Note 4			Capital Financing
			The overspend has increased by £0.154m since P4 due to increased CFCR
12,212	1,240	10%	There is a projected additional CFCR contribution from the overall underspend within the HRA of £1.240m.
8,396	(421)	-5%	There is a projected underspend in capital financing costs of £0.421m following assessment of current borrowing requirements.
819			
Note 5			Income
			The underspend has reduced by £0.042m since P4 mainly due to reduced projections on rental income.
(48,025)	(318)	1%	There is an over recovery of Council House rents due to a higher number of tenanted properties than expected at the start of the year.
(915)	(19)	0%	Other income is expected to exceed budget by £0.019m due to increased Sheltered Housing Unit charges
(337)			

HRA reserves and balances	B/fwd from 2018/19	Transfer to / from Reserves	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Balance at 31/03/19
	£m	£m	£m	£m	£m	£m
Council House Building Fund	7.025	-	-	-	(2.483)	4.542
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Infrastructure Improvements	0.545	-	-	-	(0.200)	0.345
Major Refurbishment Works	0.052	-	-	-	-	0.052
Trindlemoss	0.791	-	-	-	0.200	0.991
	12.413	-	-	-	(2.483)	9.930

Budget Management - 30 September 2019
Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2019/20	
		Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Housing - Homeless Furnished Units - House and Hostel Rents Income	T	-0.253	
Housing - Homeless Furnished Units - Furniture and Fittings Purchases	T	0.155	
Housing - Homeless Furnished Units - Property Repairs	T	0.098	
Housing - Management - Other CFCR	T	0.200	
Housing - Assessment and Advice - APT&C Staff Costs	T	-0.125	
Housing - ASB Management - APT&C Staff Costs	T	-0.075	
Tourism - The Coig - Payment to Contractors	T	0.400	
Tourism - The Coig - Government Grant	T	-0.400	0.000
Finance & Corporate Support			
Revenues - Statutory Additions	P	-0.136	
Benefits - Council Overpayments Recovered	P	0.166	
Benefits - DHP Overpayments Recovered	P	-0.060	
Registration - Venues Off Hours Supplements	P	0.010	
Registration - Off/Venues Outwith Hours Supplements	P	0.020	0.000

Integration Joint Board
24 October 2019

Subject: **Budget Monitoring – Month 5 (August 2019)**

Purpose: To provide an update on financial performance to August 2019, including the projected outturn for the 2019-20 financial year.

Recommendation: It is recommended that the IJB:

- a) Note the projected year-end overspend of £2.308m;
- b) Approve the changes in funding as detailed in section 2.11 and Appendix E; and
- c) Note the potential impact of the Lead Partnerships.

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
MH	Mental Health
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned Activities) – Extra Contractual Referrals
CRES	Cash Releasing Efficiency Savings
NES	NHS Education Scotland – education and training body
NRAC	NHS Resource Allocation Committee

1.	EXECUTIVE SUMMARY
1.1	The report provides an overview of the financial position for the partnership and outlines the projected year-end outturn position informed by the projected expenditure and income commitments, these have been prepared in conjunction with relevant budget holders and services. It should be noted that although this report refers to the position at the July period end that further work is undertaken following the month end to finalise projections, therefore the projected outturn position is as current and up to date as can practicably be reported.
1.2	The projected outturn is a year-end overspend of £2.308m for 2019-20 which is an adverse movement of £0.311m from the previous reporting period. There is scope for this position to fluctuate due to in-year cost and demand pressures and assumptions in relation to funding and the achievement of savings. The position at July was a projected overspend of £1.997m and a financial recovery plan was approved by the IJB to work towards delivering financial balance. Progress against the plan will be closely monitored as the IJB may be required to approve additional actions later in the financial year if the planned impact is not realised.

1.3	There has been as adverse movement in the position which mainly relates to the inclusion of the full year funding impact of the Intermediate Care and Rehab model of care. The main areas of pressure continue to be learning disability care packages, care homes, care at home, looked after children, and adult in-patients within the lead partnership. Alongside the specific actions outlined in the financial recovery plan services will continue to deploy tight financial management controls to support bringing expenditure back into line with budget.
1.4	It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on this basis as financial balance needs to be achieved. The service transformation programme and the delivery of those service changes will be at the forefront as this will have the greatest impact on the delivery of financial balance and the ongoing sustainability and safety of services.
2.	CURRENT POSITION
2.1	The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances, an update on progress in terms of savings delivery and action required to work towards financial balance.
	FINANCIAL PERFORMANCE
2.2	<p>Against the full-year budget of £242.359m there is a projected overspend of £2.308m (0.95%). An integrated view of the financial position should be taken; however, it is useful to note that this overall position consists of a projected overspend of £2.345m in social care services offset by a projected underspend of £0.037m in health services.</p> <p>The Integration Scheme outlines that there is an expectation that the IJB takes account of the totality of resources available to balance the budget in year.</p> <p>Appendix A provides the financial overview of the partnership position. The sections that follow outline the significant variances in service expenditure compared to the approved budgets with detailed analysis provided in Appendix B.</p>
2.3	Community Care and Health Services
	<p>Against the full-year budget of £67.775m there is a projected overspend of £1.488m (2.2%) which is an adverse movement of £0.384m. The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> a) Care home placements including respite placements – projected to overspend by £0.167m (£0.010m adverse movement). This is mainly due to funding a number of emergency respite placements on a permanent basis which brings the care home respite budget online but increases the overspend on permanent placements to £0.367m. This was agreed as it was likely that the emergency placements would not be discharged, and it allows the permanent placements to be financially assessed with the individual contributing appropriately to their care. Permanent placements will continue to be managed to bring the budget back into line. The projection can vary due to factors other than the number of placements e.g. the impact of interim funded places and outstanding requests for funding, this will require to be monitored closely. These overspends are partially offset by a projected over-recovery of Charging Order income of

£0.200m which is based on income received to date and improved processes to track the charging orders.

- b) Independent Living Services are projected to overspend by £0.268 (favourable movement of £0.048m) which is due to an overspend on physical disability care packages within the community and residential packages. There will be further work undertaken with the implementation of the Adult Community Support framework which will present additional opportunities for reviews and payment only for the actual hours of care delivered.
- c) Packages of care are projected to underspend by £0.097m which is an adverse movement of £0.006m. This is due to delays in new packages offsetting the use of supplementary staffing for existing packages, this has improved from the 2018-19 position.
- d) Care at home (purchased and in house) projected to overspend by £0.595m which is an adverse movement of £0.097m. The overspend is due to an increase in provided hours and the budget being reduced to reflect the 2019-20 approved saving. The overspend on in-house services relates to providing additional hours to cover a service that a provider handed back and the in-house service had to increase capacity to ensure the safety of vulnerable service users within the community of the North Coast locality and also the need to facilitate patient discharges from Crosshouse Hospital. The projection assumes that the number of hours currently being invoiced will reduce following an internal review of the hours provided. The service currently has, between hospitals and community individuals waiting on a care at home package and individuals waiting on an increase in their care packages.
- e) Long Term Conditions (Ward 1), projected overspend of £0.270m (adverse movement of £0.006m) which is mainly due to an overspend in employee costs to ensure staffing levels are at a safe level. This is a recurring pressure for which funding requires to be identified. This will be reviewed during 2019-20 along with other wards. Ward 2 is projected to be £0.026m underspent (favourable movement of £0.026m) but this is subject to continuing to receive £0.504m of funding from East HSCP for their patients, East have indicated their intention to reduce the number of commissioned beds.
- f) Community Care employee costs are projected to overspend by £0.308m (adverse movement of £0.020m) due to supernumerary / unfunded posts. These posts will be allocated to the appropriate service to manage the costs within the delegated budget.
- g) Locality services employee costs are projected to overspend by £0.176m (adverse movement of £0.031m) due to a projected shortfall in payroll turnover targets.
- h) Carers Act Funding is projected to underspend based on the currently committed spend. This could fluctuate depending on the volume of carers' support plans undertaken and the level of demand/services identified from these plans. This underspend will be used in the first instance to fund the projected overspend on care home respite placements.

	<p>i) Intermediate Care (excluding Models of Care) is projected underspend by £0.089m due to vacancies.</p> <p>j) Intermediate Care and Rehab Models of Care is projected to overspend by £0.260m which represents the full year funding impact of the model. This is subject to a separate report on the agenda, and whilst the IJB has not formally agreed to fund this investment on a permanent basis the posts are filled on a permanent basis and the additional cost is unavoidable. The projected overspend is based on the posts which are currently filled, with an assumption that any vacancies would be held until a longer term decision on funding investment is taken.</p> <p>k) Aids and adaptations – are projected to underspend by £0.200m per the approved recovery plan.</p>
2.4	<p>Mental Health Services</p> <p>Against the full-year budget of £75.483m there is a projected overspend of £1.275m (1.7%). The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> • Learning Disabilities – projected overspend of £1.364m, of which £1.157m is in relation to community care packages and £0.361m for residential placements. The projection assumes that the level of invoice variations will be higher than previously assumed and some slippage with planned new packages. These overspends are partially offset by vacant posts. • Community Mental Health – is projected to underspend by £0.031m (adverse movement of £0.022m) mainly due to vacancy savings (after allocating £0.090m of payroll turnover) and an underspend in care packages. • Addictions – is projected to be underspent by £0.095m (favourable movement of £0.005m) due to vacant posts. • Lead Partnership for Mental Health – overall projected overspend of £0.037m (favourable movement of £0.053m) which consists of: <p><i>Overspends:</i></p> <ul style="list-style-type: none"> • Adult inpatients £0.580m (favourable movement of £0.009m) - mainly due to the delay in closing the Lochranza ward on the Ailsa site. The ability to close Lochranza will be dependent on discharging at least two patients. The projection also assumes that a fifth bed will be sold by October 2019. • Psychiatry £0.025m (favourable movement of £0.020m) – overspend primarily due to agency costs. Agency staff are used in the absence of being able to recruit permanent posts. • UNPACS £0.242m (no movement) – based on current placements and an increased charge from the state hospital for the period April to August 2019.

	<p><i>Underspends:</i></p> <ul style="list-style-type: none"> • CAMHS £0.270m (favourable movement of £0.015m) – due to vacancies and delays with recruitment. This is after applying £0.150m of payroll turnover. • Psychology £0.160m (no movement) – due to vacancies. This is after applying £0.150m of payroll turnover. • Adult Community Mental Health £0.069m (no movement) - due to vacancies. • MH Pharmacy £0.154m (no movement) – due to continued lower substitute prescribing costs. • MH Admin £0.125m (favourable movement of £0.009m) - due to vacancies. <p>Note that elderly inpatients are reporting an adverse position at month 5 due to holding vacancies in relation to reconfiguring the wards. This resulted in using supplementary staff in the interim, but it is assumed to be online following implementation of the elderly mental health review.</p>
2.5	<p>Children & Justice Services</p> <p>Against the full-year budget of £35.745m there is a projected overspend of £1.069m (3%) which is an adverse movement of £0.150m. The main reasons for the projected overspend are:</p> <ol style="list-style-type: none"> a) Residential Schools and Community Placements – projected overspend of £1.262m (favourable movement of £0.109m). The projection is based on the current number of placements and estimated discharge dates for each placement. There are currently 22 placements and 2 secure placements. The reported projection assumes 3 discharges in December with the remaining 19 assumed to be still in a placement at the year end. There is no provision for any increase in placements. The favourable movement relates to two children transferring to the children with a disabilities care package budget. Whilst there has been some progress in reducing the overall number of external placements the financial benefit of this has been offset by unplanned secure placements. b) Looked After Children Placements – projected underspend of £0.118m (adverse movement of £0.018m) due to the current demand for fostering, adoption and kinship placements. c) Early Years – projected to underspend by £0.018m (adverse movement of £0.026m) mainly due to the level of vacancies in health visiting. This is after allocating £0.200m of payroll turnover and accounting for £0.175m of potential additional costs for the regrading of the HV posts. d) Children with Disabilities Residential Placements – projected underspend of £0.177m (adverse movement of £0.188m) due to two children transferring from Residential Placements.

2.6	Management and Support Costs Against the full-year budget of £9.319m there is a projected underspend of £1.496m (16%) which is a favourable movement of £0.255m. This underspend relates to the potential delay in commitment for pressure funding set aside in the 2019-20 budget, the requirement for this funding will need to be closely monitored and may require to be delegated to services as and when required.															
2.7	Primary Care and Prescribing Prescribing is the responsibility for the Health Board to fund and under the terms of the Integration Scheme the Health Board continues to underwrite the prescribing position across the three Ayrshire IJBs. At month 5 prescribing is projected to be £1.107m overspent. This is not included in the projected outturn due to the NHS underwriting the overspend.															
2.8	Savings Progress a) The approved 2019-20 budget included £6.134m of savings. <table border="1"><thead><tr><th>RAG Status</th><th>Position at Budget Approval £m</th><th>Position at Period 5 £m</th></tr></thead><tbody><tr><td>Red</td><td>-</td><td>0.393</td></tr><tr><td>Amber</td><td>2.980</td><td>2.529</td></tr><tr><td>Green</td><td>3.154</td><td>3.212</td></tr><tr><td>TOTAL</td><td>6.134</td><td>6.134</td></tr></tbody></table> b) The projected year-end outturn position assumes: i) £0.215m of the Red savings in relation to reducing LD sleepovers may not be delivered as planned and this is reflected in the overall projected outturn position; and ii) The £0.328m risk of savings relating to Trindlemoss is partially reflected (£0.178m) in the projected overspend position as there is ongoing work to establish the deliverability of the saving given that the savings were based on the service being operational from September. If progress is made to deliver the savings this would improve the overall outturn position (LD sleepovers) or prevent the overspend increasing further (Trindlemoss). The projected financial position assumes that all remaining savings on the plan will be delivered. Progress with savings delivery requires to be closely monitored to ensure the impact on the financial position can be assessed and corrective action taken where necessary. Appendix C provides an overview of the savings plan, this highlights that at this stage a total of £2.319m of savings have been delivered successfully. The Transformation Board is in place to provide oversight and governance to the programme of service change. A focus of the Board is to ensure plans are in place to deliver savings and service change, with a solution focussed approach to bringing programmes back on track.	RAG Status	Position at Budget Approval £m	Position at Period 5 £m	Red	-	0.393	Amber	2.980	2.529	Green	3.154	3.212	TOTAL	6.134	6.134
RAG Status	Position at Budget Approval £m	Position at Period 5 £m														
Red	-	0.393														
Amber	2.980	2.529														
Green	3.154	3.212														
TOTAL	6.134	6.134														

2.9	<p>Financial Recovery Plan</p> <p>The Integration Scheme requires the implementation of a recovery plan if an overspend position is being projected, to take action to bring overall service delivery back into line with the available resource. The previously approved financial recovery plan is included in Appendix D.</p> <p>This includes specific targeted actions with a focus on addressing the pressure areas, the actions will not only improve the projected overspend this year but will also address recurring overspends in service areas moving into future years. The plan requires the IJB support and approval, while many of the plans are operational management actions there may be some resistance from service users and communities to any changes to care packages and services.</p> <p>The plan will be monitored closely and is underpinned by more detailed plans with clear actions for high risk service areas. One of the most significant risk areas is Learning Disabilities, a more detailed plan with all actions including tracking progress with reviews is co-ordinated between the service and finance and transformation team. Weekly cross-service progress meetings are being held to track progress and ensure are implemented at pace.</p> <p>The overall recovery plan will be an iterative document to remain under review. Progress with the plan will be monitored against to ensure it has the required impact and this will feature in future reporting to the IJB. The plan was agreed in September therefore at this stage it is difficult to quantify the impact, further detail in relation to progress and financial impact will be included in future financial monitoring reports.</p> <p>There is a risk that if the planned impact is not achieved that further actions will require to be added to the plan and these may include actions that would impact on the quality and performance of front-line services. The plan also highlights areas where a future policy decision may be required by the IJB to support delivery, where required this will be brought back to the IJB.</p>
2.10	<p>Financial Risks</p> <p>The 2019-20 budget setting paper noted unfunded pressures which could present a risk to the projected outturn position. This included:</p> <ul style="list-style-type: none"> a) Paid as if at work is a pressure relating to health employed staff and the payment of a holiday pay element for regular additional payments, e.g. overtime. The cost across the Health Board is estimated to be £1.4m but is unclear at this stage what the cost will be for each service, for North Ayrshire this is estimated to be around £0.2m. When the cost pressure value is known the partnership will look to services to fund from within existing resources where possible. b) There is a potential pressure in relation to GP practices in difficulty. This is a dynamic pressure which we will look to manage in-year. If this cannot be achieved, then the default position would be to fund the North fair share of this (circa £0.2m) from any underspend in the Primary Care Improvement Fund (PCIF). <p>In addition to these pressures there is a potential reduction to the funding available for Ward 2 in Woodland View as East HSCP are reviewing the number of beds they want to commission from the ward.</p>

	<p>The IJB may be asked to take further decisions during 2019-20 in relation to managing the above pressures.</p>
2.11	<p>Budget Changes</p> <p>The Integration Scheme states that <i>“either party may increase it’s in year payment to the Integration Joint Board. Neither party may reduce the payment in-year to the Integration Joint Board nor Services managed on a Lead Partnership basis....without the express consent of the Integration Joint Board”</i>.</p> <p>Appendix E highlights the movement in the overall budget position for the partnership following the initial approved budget.</p> <p>Reduction Requiring Approval:</p> <p>The specific reductions that the IJB are required to approve are:</p> <ul style="list-style-type: none"> • Prescribing £0.550m – relates to a reduction an allocation for tariff reduction to global sum, this reduction is a flow through of a reduction in Scottish Government funding to the Health Board. As the Health Board underwrite prescribing budgets there is no risk to the IJB of this reduction. <p>It is recommended that the IJB approve the budget reductions outlined above.</p> <p>Future Planned Changes:</p> <p>Further areas which are outstanding and will be included in future reports include:</p> <ol style="list-style-type: none"> 1) Transfer of hub funding to the Communities Directorate (approx. £57k) 2) The transfer of the Douglas Grant and Redburn rehab wards from acute services to the North HSCP. The operational management of these wards has already transferred to the partnership, but the due diligence undertaken on the budget has highlighted a funding shortfall. It has been agreed with NHS Ayrshire & Arran that the financial responsibility will not transfer until balance is found. In the meantime, we are managing services and working to reduce the projected overspend prior to any transfer.
2.12	<p>Lead Partnerships</p> <p>North Ayrshire HSCP Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to be £0.051m (£0.037m MH and £0.014m Children) overspent. Full detail on the underspend is given in section 2.4 above.</p> <p>South Ayrshire HSCP Services hosted and/or led by the South Partnership are forecast to be online. The Community Equipment Store was funded with an additional £0.280m as part of the budget for this year, however it continues to be a source of pressure. It should be noted that expenditure is volatile depending on the timing of purchases.</p>

	<p>East Ayrshire HSCP</p> <p>Services managed under Lead Partnership arrangements by East Ayrshire Health and Social Care Partnership are projected to marginally overspend by £0.288m in total. The overall Primary Care Lead Partnership projected overspend is £0.266m and this projected variance mainly relates to additional payments within Primary Medical Services to GP practices currently experiencing difficulty (mainly practices that the NHS Board is administering due to previous GPs handing back contracts). The GP practices in difficulty issue is extremely fluid however negotiations are progressing with practices with a view to them returning to independent contractor status. Additional Ayrshire Urgent Care Services costs resulting from increased rates being paid to attract GPs over certain periods can prove challenging to fill without financial incentives. These additional costs are partially offset by savings in Dental services. This reflects the month 4 position for East as their next update is month 6.</p>
	<p>Further work is being taken forward to develop a framework to report the financial position and impact of risk sharing arrangements across the 3 partnerships in relation to hosted or lead service arrangements. This is to ensure the IJB are fully sighted on the impact for the North Ayrshire partnership. The IJB will be kept informed of progress with this work which is being progressed by the Ayrshire Partnership Finance Leads.</p> <p>At month 5 the impact of the Lead Partnerships has been calculated based on the average NRAC share which is the method that was used in previous years and has been agreed by the Ayrshire Finance Leads.</p> <p>The NRAC shares are: North 36.6%, South 30.5% and East 32.9%</p>
2.14	<p>Set Aside</p> <p>The Integration Scheme makes provision for the Set Aside Budget to be managed in-year by the Health Board with any recurring over or under spend being considered as part of the annual budget setting process. The 2019-20 set aside budget for North HSCP is £30.094m, based on expenditure in 2018-19. The acute directorate, which includes the areas covered by the set aside budget, is overspent by £5.5m after 5 months.</p> <p>58 additional and unfunded beds were open at the 31st March 2019. Crosshouse and Ayr hospitals have experienced a high level of demand and delayed discharges, resulting in increased operational pressures and additional expenditure.</p> <p>During 2018-19 the North Partnerships use of the set aside resources was £30.094m against the NRAC 'fair share' of £28.697m which is £1.127m above the 'fair share'. There is an expectation that the North Partnership will move towards its 'fair share'. The Models of Care programmes including the Intermediate Care and Rehab investment and the Palliative End of Life proposals being developed represent agreed or potential investment in community services with a view to reducing acute beds. This is in effect a mechanism to reduce the set aside resources.</p>

3.	PROPOSALS
3.1	<u>Anticipated Outcomes</u>
	<p>Continuing to implement and monitor the financial recovery plan will allow the IJB to take the action where required to ensure the partnership can deliver services in 2019-20 from within the available resource, thereby limiting the financial risk the funding partners, i.e. NAC and NHS AA.</p> <p>The transformational change programme will have the greatest impact on the financial sustainability of the partnership, the IJB require to have a clear understanding of progress with plans and any actions that can be taken to bring the change programme into line.</p>
3.2	<u>Measuring Impact</u>
	Updates to the financial position will be reported to the IJB throughout 2019-20.
4.	IMPLICATIONS
Financial:	<p>The financial implications are as outlined in the report.</p> <p>Against the full-year budget of £242.359m there is a projected overspend of £2.308m (0.95%). The report outlines the action being taken and proposed action to reduce the projected overspend.</p> <p>There are a number of assumptions underpinning the projections which could change as we progress through the year. We will continue to work with services to ensure the most accurate and reliable position is reported.</p> <p>The financial recovery plan details planned actions to reduce the projected overspend, this plan will require to be closely monitored and reviewed to determine if further actions may be required to bridge the gap.</p> <p>The main areas of financial risk which may impact on this position are highlighted in the report.</p>
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People	None
Environmental & Sustainability:	None
Key Priorities:	None
Risk Implications:	Within the projected outturn there are various over and underspends including the non-achievement of savings which need to be

	addressed. If the financial recovery plan does not deliver the required improvements to the financial position, there is a risk that further actions will require to be identified and service quality and performance may be compromised to achieve financial balance.
Community Benefits:	None

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	√

4.	CONSULTATION
4.1	<p>This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.</p> <p>The report is shared with the Director of Finance for NHS Ayrshire and Arran and the Executive Director Finance and Corporate Support for North Ayrshire Council.</p>
5.	CONCLUSION
	<p>It is recommended that the IJB:</p> <p>a) Note the projected year-end overspend of £2.308m;</p> <p>b) Approve the changes in funding as detailed in section 2.11 and Appendix E; and</p> <p>c) Note the potential impact of the Lead Partnerships.</p>

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2019-20 Budget Monitoring Report–Objective Summary as at 31 August 2019

Appendix A

Partnership Budget - Objective Summary	2019/20 Budget									Over/ (Under) Spend Variance at Period 4 £'000	Movement in projected budget variance £'000
	Council			Health			TOTAL				
	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
COMMUNITY CARE AND HEALTH	54,814	56,038	1,224	12,961	13,225	264	67,775	69,263	1,488	1,104	384
: Locality Services	24,919	25,726	807	4,486	4,400	(86)	29,405	30,126	721	608	113
: Community Care Service Delivery	26,035	27,204	1,169	0	0	0	26,035	27,204	1,169	991	178
: Rehabilitation and Reablement	1,765	1,568	(197)	1,912	2,055	143	3,677	3,623	(54)	(100)	46
: Long Term Conditions	1,736	1,205	(531)	4,574	4,787	213	6,310	5,992	(318)	(395)	77
: Integrated Island Services	359	335	(24)	1,989	1,983	(6)	2,348	2,318	(30)	0	(30)
MENTAL HEALTH SERVICES	23,654	25,148	1,494	51,829	51,610	(219)	75,483	76,758	1,275	1,276	(1)
: Learning Disabilities	17,830	19,302	1,472	511	403	(108)	18,341	19,705	1,364	1,329	35
: Commmunity Mental Health	4,459	4,481	22	1,611	1,558	(53)	6,070	6,039	(31)	(53)	22
: Addictions	1,365	1,365	0	1,345	1,250	(95)	2,710	2,615	(95)	(90)	(5)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	48,362	48,399	37	48,362	48,399	37	90	(53)
CHILDREN & JUSTICE SERVICES	32,135	33,144	1,009	3,610	3,670	60	35,745	36,814	1,069	919	150
: Intervention Services	3,859	3,950	91	325	371	46	4,184	4,321	137	157	(20)
: Looked After & Accomodated Children	16,325	17,341	1,016	0	0	0	16,325	17,341	1,016	1,059	(43)
: Fieldwork	4,713	4,765	52	0	0	0	4,713	4,765	52	6	46
: CCSF	311	266	(45)	0	0	0	311	266	(45)	(21)	(24)
: Criminal Justice	2,627	2,627	0	0	0	0	2,627	2,627	0	0	0
: Early Years	394	376	(18)	2,868	2,868	0	3,262	3,244	(18)	(44)	26
: Policy & Practice	3,906	3,819	(87)	0	0	0	3,906	3,819	(87)	(252)	165
: Lead Partnership NHS Children's Services Area Wide	0	0	0	417	431	14	417	431	14	14	0
PRIMARY CARE	0	0	0	47,169	47,169	0	47,169	47,169	0	0	0
ALLIED HEALTH PROFESSIONALS				5,131	5,081	(50)	5,131	5,081	(50)	(50)	0
MANAGEMENT AND SUPPORT COSTS	7,412	6,080	(1,332)	1,907	1,743	(164)	9,319	7,823	(1,496)	(1,241)	(255)
CHANGE PROGRAMME	655	655	(50)	1,082	1,082	0	1,737	1,737	(50)	(50)	0
TOTAL	118,670	121,065	2,345	123,689	123,580	(109)	242,359	244,645	2,236	1,958	278
Return Hosted Over/Underspends East	0	0	0		0	(17)			(17)	(34)	17
Return Hosted Over/Underspends South	0	0	0		0	(16)			(16)	(32)	16
Receive Hosted Over/Underspends East	0	0	0		0	105			105	105	0
REVISED PROJECTED OUTTURN	118,670	121,065	2,345	123,689	123,580	(37)	242,359	244,645	2,308	1,997	311

2019-20 Budget Monitoring Report – Detailed Variance Analysis per service

Appendix B

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
COMMUNITY CARE AND HEALTH	67,775	69,263	1,488	
Locality Services	29,405	30,126	721	<p>Older People permanent care homes - projected overspend of £0.367m based on 816 placements. Respite care is projected to be online.</p> <p>Income from Charging Orders - projected over recovery of £0.200m'</p> <p>Independent Living Services :</p> <ul style="list-style-type: none"> * Direct Payment packages- projected underspend of £0.089m on 62 packages and a net decrease of 1 packages expected during the year.. * Residential Packages - projected overspend of £0.020m based on 35 packages. * Community Packages (physical disability) - projected overspend of £0.159m based on 49 packages <p>NHS Packages of Care - projected underspend of £0.097m due to use of supplementary staffing offset by slippage in other packages.</p>
Community Care Service Delivery	26,035	27,204	1,169	<p>Care at home</p> <ul style="list-style-type: none"> - in house service - projected overspend of £0.139m based on the current level of contracted costs remaining until the year end. Care at home staff have been incurring additional hours as there are moratoria on four of the purchased care providers. - Purchased Care at home - projected overspend of £0.456m. This is after reducing the budget by £0.500m to reflect the agreed 19-20 saving. There are four moratoria in place but the hours purchased from other providers has increased. <p>Direct Payments - projected underspend of £0.106m based on 28 packages continuing until the year end.</p> <p>Transport costs - projected overspend of £0.055m due to increase in staff mileage within care at home.</p> <p>Admin costs - projected overspend of £0.80m mainly due to mobile phone equipment.</p> <p>Supplies and Services - projected overspend of £0.125m in relation to uniforms and other supplies.</p> <p>Voluntary Organisations - projected overspend £0.088m mainly in relation to the Alzheimer service.</p> <p>Income - projected over recovery £0.043m mainly in relation to CM2000 non compliance charges.</p>

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Rehabilitation and Reablement	3,677	3,623	(54)	<p>Employee costs - projected underspend £0.190m due to vacancies.</p> <p>Intermediate Care and Rehab Models of Care - projected to overspend by £0.260m which is the full year funding impact.</p> <p>Aids and Adaptations - projected underspend of £0.200m per the approved recovery plan</p>
Long Term Conditions	6,310	5,992	(318)	<p>Ward 1 - projected overspend of £0.270m due to the use of supplementary staffing.</p> <p>Ward 2 - projected underspend of £0.026m assuming £0.504m of funding transfers from East HSCP in relation to Kirklandside patients.</p> <p>Elderly CMHT - underspend of £0.044m due to vacancies.</p> <p>Carers Act Funding - projected underspend of £0.561m based on the committed spend. This could fluctuate depending on the volume of carers' assessments undertaken and the level of demand/services identified from these assessments. This underspend will be used in the first instance to cover the projected overspend on care home respite placements.</p>
Integrated Island Services	2,348	2,318	(30)	Outwith the threshold for reporting
MENTAL HEALTH SERVICES	75,483	76,758	1,275	
Learning Disabilities	18,341	19,705	1,364	<p>Residential Packages - projected overspend of £0.361m based on 41 current packages.</p> <p>Community Packages (inc direct payments) - projected overspend of £1.157m based on 291 current packages less 5% invoice variances. The projection assumes savings of £0.490m will be achieved and that any new packages or increases to current packages will be cost neutral. The direct payments projection is based on 40 current packages with a net increase of 3 to the year end less £0.102m recovery of unspent balances.</p> <p>Employee costs - projected underspend £0.073m mainly due to vacant posts</p>
Community Mental Health	6,070	6,039	(31)	Outwith the threshold for reporting
Addictions	2,710	2,615	(95)	<p>Employee costs - projected underspend £0.095m due to vacant posts</p> <p>ADP - projected online position.</p>

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Lead Partnership (MHS)	48,362	48,399	37	<p>Adult Community - projected underspend of £0.069m due to vacancies.</p> <p>Adult Inpatients- projected overspend of £0.580m due to a delay in closing the Lochranza wards. Assumes a 5th bed is sold from October.</p> <p>UNPACs - projected overspend of £0.242m which includes the charges from the state hospital (April - August 2019).</p> <p>LDS - assumed online pending completion of the relocation of services to Woodland View.</p> <p>Elderly Inpatients - assumed online pending the finalisation of the elderly mental health bed redesign.</p> <p>Addictions - projected underspend of £0.030m due to vacancies.</p> <p>CAMHS - projected underspend of £0.270m due to vacancies.</p> <p>MH Admin - projected underspend of £0.125 due to vacancies..</p> <p>Psychiatry - projected overspend of £0.025m due to agency costs.</p> <p>MH Pharmacy - projected underspend of £0.154m mainly within substitute prescribing.</p> <p>Psychology- projected underspend of £0.160m due to vacancies.</p> <p>Action 15 - assumed online position</p>
CHIDREN'S AND JUSTICE SERVICES	35,745	36,814	1,069	
Intervention Services	4,184	4,321	137	<p>Employee costs - projected overspend of £0.013m mainly due to incremental drift.</p> <p>Supported Carers Scheme - projected overspend of £0.031m based on 6 carers supporting 6 children.</p> <p>Transport Costs - projected overspend of £0.043m in relation to mileage costs.</p> <p>Third Party payments - projected overspend of £80k (combination , Children's 1st Advocacy and Action for Children (Functional Family Therapy)</p>

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
Looked After & Accom Children	16,325	17,341	1,016	<p><u>Looked After Children placements - projected underspend of £0.118m based on the following:-</u> Kinship - projected overspend of £0.050m. Budget for 339 placements, currently 334 placement but projecting 345 placements by the year end. Adoption - projected overspend of £0.003m. Budget for 74 placements, currently 74 placements. Fostering - projected underspend of £0.039m. Budget for 120 placements, currently 122 placements but projecting 114 placements by the year end. Fostering Xtra - projected underspend of £0.137m. Budget for 32 placements, currently 25 placements but projecting 24 placements by the year end. Private fostering - projected underspend of £0.081m. Budget for 11 placements, currently 10 placements. IMPACCT carers - projected underspend of £0.016m. Budget for 4 placements, currently 2 placements.</p> <p>Residential School placements including community packages - projected overspend of £1.262m. The projection is based on the current number of placements and estimated discharge dates for each placement based on the support from the mainstreamed Challenge Fund project. There are currently 22 placements. The projection assumes 3 discharges in December with the remaining 19 assumed to be still in a placement at the year end. There is no provision for any increase in placements.</p>
Fieldwork	4,713	4,765	52	Various minor overspends on transport and the out of hours service.
CCSF	311	266	(45)	Outwith the threshold for reporting
Criminal Justice	2,627	2,627	0	Outwith the threshold for reporting
Early Years	3,262	3,244	(18)	Outwith the threshold for reporting
Policy & Practice	3,906	3,819	(87)	<p>Employee costs - projected overspend of £0.084m due to non achieved payroll turnover.</p> <p>Residential Placements - projected underspend of £0.177m. This underspend has reduced as two children transferred from residential provision.</p>
Lead Partnership (CS)	417	431	14	Outwith the threshold for reporting

	Budget £000's	Outturn £000's	Over/ (Under) Spend Variance £000's	
PRIMARY CARE	47,169	47,169	0	Outwith the threshold for reporting
ALLIED HEALTH PROFESSIONALS	5,131	5,081	(50)	Outwith the threshold for reporting
MANAGEMENT AND SUPPORT	9,319	7,823	(1,496)	Projected underspend - this underspend relates to pressure funding awarded as part of the 2019-20 and the pressures have not yet arisen. This funding will be closely monitored and delegated to services as and when required.
CHANGE PROGRAMME & CHALLENGE FUND	1,737	1,737	(50)	Outwith the threshold for reporting
TOTAL	242,359	244,645	2,236	

Threshold for reporting is + or - £50,000

2019-20 Savings Tracker

Appendix C

Savings reference number	Description	Responsible Senior Management Lead	Deliverability Status at budget setting	Approved Saving 2019/20 £	Deliverability Status Month 5	Net Saving Achieved at Period 5 £000's
	Health and Community Care					
SP-HSCP-19-02	Roll out of multidisciplinary teams - Community Care and Health	Helen McArthur	Amber	55,000	Amber	0
SP-HSCP-19-04	Day Centres - Older People	Helen McArthur	Green	38,232	Green	38,232
SP-HSCP-19-05	Deliver the Strategic Plan objectives for Older People's Residential Services	Helen McArthur	Green	130,350	Amber	0
SP-HSCP-19-09	Care at Home - Reablement Investment	Helen McArthur	Amber	500,000	Amber	0
SP-HSCP-19-12	Assessment and Self Directed Support	Isabel Marr	Green	150,000	Amber	0
NHS - HSCP-9	Packages of Care	Isabel Marr	Amber	150,000	Green	150,000
	Mental Health and Learning Disabilities					
SP-HSCP-19-01	Integration of the Learning Disability team	Jan Thomson	Amber	56,000	Green	56,000
SP-HSCP-19-07	Mental Health - Tarryholme / Trindlemoss (Council element)	Jan Thomson	Amber	328,000	Red / Amber	0
NHS - HSCP-1	Trindlemoss (full year impact is £0.370m)* NHS element	Jan Thomson	Amber	250,000	Green	0
SP-HSCP-19-10	LD - Reduction to Sleepover Provision	Jan Thomson	Amber	215,000	Red	25,000
SP-HSCP-19-11	Reprovide Fergushill/Hazeldene at Trindlemoss & redesign commissioned services	Jan Thomson	Green	111,000	Amber	0
SP-HSCP-19-06	Adult Community Support - Commissioning of Services	Jan Thomson/Julie	Green	388,000	Amber	1,500
NHS - HSCP-4	UnPACs - 7% reduction*	John Taylor	Green	200,000	Amber	0
NHS - HSCP-5	Substitute Prescribing - 5% reduction*	John Taylor	Green	135,000	Green	135,000
NHS - HSCP-3	Review of Elderly Mental Health Inpatients*	William Lauder	Green	727,000	Green	0
NHS - HSCP-6	See a 5th bed at Woodland View - MH inpatients*	William Lauder	Amber	90,000	Amber	0

	Children, Families and Justice Services					
SP-HSCP-19-03	Fostering - reduce external placements.	Mae Henderson	Green	127,408	Green	127,408
SP-HSCP-19-08	Children's residential placements (CF)	Mae Henderson	Amber	355,000	Amber	0
	Partnership Wide					
SP-HSCP-19-13	Charging Policy	Lisa Duncan	Green	200,000	Green	200,000
NHS - HSCP-10	Reduce business admin services	Julie Davis	Green	50,000	Green	50,000
NHS - HSCP-11	ICF Project - Partnership Enablers	Michelle Sutherland	Amber	27,000	Green	27,000
NHS - HSCP-12	ICF Project - Buckreddan care home	Michelle Sutherland	Amber	16,000	Green	16,000
NHS - HSCP-13	Uncommitted ICF Funding	Michelle Sutherland	Green	80,000	Green	80,000
SP-HSCP-19-20	Living Wage	n/a	Green	187,000	Green	187,000
NHS - HSCP-7	Resource Transfer to South Lanarkshire	n/a	Green	40,000	Green	40,000
SP-HSCP-19-14	19/20 impact of 18/19 part year savings	Stephen Brown	Green	113,000	Green	113,000
SP-HSCP-19-15	Respite	n/a	Green	200,000	Green	200,000
SP-HSCP-19-16	Payroll Turnover Target	Stephen Brown	Amber	500,000	Amber	208,333
SP-HSCP-19-17	Lean Efficiency Programme	Stephen Brown	Green	50,000	Amber	0
NHS - HSCP-2	Payroll Turnover Target - Mental Health *	Thelma Bowers	Amber	300,000	Green	300,000
NHS - HSCP-8	Payroll Turnover Target - Other Services	Thelma Bowers	Amber	365,000	Green	365,000
				6,133,990		2,319,473

Ref	Service Area	Action	Service Impact	IJB Support	Included in P4 Position £000's	Planned Impact £ 000's	Responsible Officer
Health and Community Care:							
1	Care at Home	Reduction in Care at Home Provision: <ul style="list-style-type: none"> - reduce weekly hours of purchased provision by between 50 and 100 hours per week, by closing cases for clients admitted to hospital - review care packages with any reduction in hours closed to offset the overspend - continue to review the actions of Independent Providers in the use of CM2000 for maximum efficiency - further roll out and embed the reablement approach in CAH service to allow packages to be reduced 	May lead to delays in care at home packages being delivered and may impact on hospital discharges and increase delayed discharges. May have impact on Waiting list. Risk of this will be mitigated by ensuring resources are used efficiently, with a risk based approach to allocating resources.			200	Helen McArthur
2	Care Homes - Respite Placements	Health and Community Care Service to enforce a policy and criteria in relation to emergency respite in commissioned care home settings: <ul style="list-style-type: none"> - significant increase in emergency respite where in many cases residents are placed in long term care, action taken to fund long term placements in September - change of practice for social workers in relation to use of respite - provide clarity to commissioned care home providers that respite beds will be used for short term care to ensure expectations of service, care home and service user are aligned 	Action has been taken to address current placements to ensure the service delivered is equitable, that the HSCP are appropriately financially assessing residents and that the commissioned care homes are funded for long term care placements. The appropriate use of emergency respite placements will be reinforced to the social work team. The longer term commissioning and use of respite provision for older people is being considered as part of the Care Home Strategy.	√	√	-	Helen McArthur
3	Equipment & Adaptations	Temporary reduction (2019-20 only) in the equipment and adaptations budget. <ul style="list-style-type: none"> - mirrors the reduction made in 2018/19 to assist with overall financial position, would not be sustainable on a recurring basis as provision of equipment fundamental to keeping people safe at home - priority for equipment provision will be: <ol style="list-style-type: none"> 1. support for end of life care 2. complete adaptations started or committed to in writing prior to tightened control of expenditure 3. maintain equipment and adaptations in situ and on which service users depend 4. provide essential equipment to support avoidance of hospital admission 	Potential delays to equipment and adaptations for service users, this will be kept under review together with any waiting lists and impact on delivery of community based services, including monitoring the costs of any delays in supporting individuals to be supported in the community.			200	Helen McArthur

Ref	Service Area	Action	Service Impact	IJB Support	Included in P4 Position £000's	Planned Impact £ 000's	Responsible Officer
Mental Health and Learning Disabilities:							
4	Learning Disabilities	Prioritised Review of Adult Community Packages: - targeted reviews to be carried out immediately, reviews co-ordinated on a prioritised list with a focus on individuals moving service provider following the outcome of the tender exercise and with high cost packages being prioritised - will be supported with significant additional LD social work capacity with additional professional lead, additional social workers and the employment of agency staff to accelerate planned reviews - reviews will ensure the split of personal and non-personal care is appropriate and equitable (to ensure equity of provision and charging) - direct payments to be reviewed to progress claw-back of underspends - incorporates looking at clients where the service provided has been less than than commissioned to formalise re-alignment of care packages based on need	Service users will be reviewed by a dedicated review team, the outcome should ensure that all reviews are up to date and appropriate and equitable levels of care are being provided. This process may cause some anxiety for service users as there is an expectation that significant reductions can be made to care packages. No reduction will be made to care packages unless deemed to be safe and appropriate by the service, however there may be some resistance to change from service users, their families and advocates.	√		750	Thelma Bowers
5	Learning Disabilities	Trindlemoss development finalise the financial impact of the new service (LD day service, complex care unit and supported accommodation): - for 2019/20 require to plan to mitigate delay in savings being achieved - opportunities to further reduce cost of amalgamating day services - identifying supports required for service users in supported accommodation - policy in relation to eligibility and prioritisation for supported accommodation, model of care blueprint for other supported accommodation coming online	The opening of the new service at Trindlemoss (originally planned August 2019) has been delayed due to delays in the building works, this has impacted on the timescales for service users and patients transferring. The service will require to be configured around the affordability of the care and support, taking into account the positive environment and the opportunities the shared accommodation space offers in terms of reducing existing high cost care packages.	√		tbc	Thelma Bowers
6	Learning Disabilities	Sleepovers - develop policy in relation to 24 hour care for Adults in the Community: - policy decision to not provide one to one 24 hour sleepover service where there are: * supported accommodation alternatives available; * opportunities for service users to share a service (will be identified by geographically mapping services); or * where technology supports can be provided supported by a responder service. - Recovery plan action and financial impact is based on a plan to deliver a responder service from the Trindlemoss supported accommodation to support removal of sleepovers in the area	This will result in the removal of one to one 24 hour support from service users, an enhanced overnight service will be provided from Trindlemoss to support capacity for response. Individual service user safety will be a priority and the one to one support will only be removed where safe to do so.	√		128	Thelma Bowers
7	Learning Disabilities	Transition Cases (Adults aged 65+): - reviews undertaken jointly with LD and Older People's service which will deliver some savings, some work outstanding in relation to these reviews where changes to care packages have been identified - further action to scrutinise outcome of reviews and equity of service provision across client groups, particularly for high cost care packages which are not equitable with community care provided in Older People's services - requires a clear policy decision in relation to transitions of care and funding for community based supports	Service users are being reviewed with a view to reducing the cost of packages as the clients transition to the Older People's service. Some reviews for high cost community packages have identified individuals suitable for the criteria of long term care but resistance from service users to change from current care and support. If care packages cannot be reduced the IJB will be asked to agree a policy decision on the level of care provided in such cases.	√		134	Thelma Bowers/Helen McArthur

Ref	Service Area	Action	Service Impact	IJB Support	Included in P4 Position £000's	Planned Impact £ 000's	Responsible Officer
8	Adult Community Packages	Adult Resource Group no overall increase in care package provision: - ARG in place for Mental Health and Learning Disability care packages for approval, ARG will no longer be permitted to approve any increase to existing or new care packages unless there has been a reduction in service elsewhere - will require social workers to proactively review caseload and use finite resource available to support whole client group - arrangements will remain in place until the service brings the overall expenditure on community care packages back into line	Service users assessed as requiring a service will have to wait until resource has been identified to fund the care package, this is equitable with waiting lists for other services where resources are limited. This may result in delays in supports being provided but will also ensure that the service is managing, directing and prioritising resources effectively.	√	√		Thelma Bowers
9	All	Self Directed Support: - exploring how to embed this alongside the asset based approach promoted through the HSCP <i>Thinking Different, Doing Better</i> experience into services to change how we deliver services and balance service user and community expectations - undertaking self-evaluation for North Ayrshire against good practice, this will include stakeholder engagement to develop future approach	Positive impact to embed Self Directed Support, with a view to being realistic in managing expectations of services and service users. Address a perceived inequity in how services are delivered and how embedded SDS is across social care services.	√		-	Stephen Brown
Children and Families:							
10	Looked After and Accomodated Children	Children's External Residential Placements bring forward planned discharge dates: - overspend due to delays in bringing children back from expensive external residential placements due to timescales slipping, recovery action based on pulling forward all estimated timescales by one month and moving to planned level of 14 placements by March 2020 - scrutiny of detailed plans for individual children, to be reviewed alongside the internal children's houses to free up capacity to bring children back to NA sooner - close working with Education services as shared ambition and requirements to provide educational supports within NA - formalise and reinforce governance arrangements for approval of new external children's placements	Transformation plan to support more looked after children in North Ayrshire is focussed on delivering more positive outcomes for Children. Accellerating plans to move children to different care settings is challenging for the service as these are sensitive complex cases.			200	Alison Sutherland

Ref	Service Area	Action	Service Impact	IJB Support	Included in P4 Position £000's	Planned Impact £ 000's	Responsible Officer
Other:							
11	All	Recruitment freeze non-front line posts: - hold recruitment to all vacant non-front line care posts, eg support services, admin support - partnership vacancy scrutiny group remains in place and will ensure posts are not approved for recruitment until the new financial year	Minimal impact on front line services but depending on where vacancies arise during the rest of the year could have an impact on the capcity of support services, in particular to respond to service requests. The HSCP vacancy scrutiny group will ensure consideration is given to the impact on services when recruitment is delayed for individual posts.			200	Caroline Whyte
12	All	Moratorium non-essential expenditure: - communication issued to all budget holders (social care and health) with an instruction to delay or cease any areas of discretionary spend (areas including supplies and services, training, third party payments etc) - finance teams will liaise with budget holders as part of regular engagement and budgets will be removed non-recurringly to allow target reduction to be met	Minimal impact on front line services but is a short term one-off approach to reducing expenditure.			185	Caroline Whyte
13	All	Systems improvements re care packages: - Extension of CM2000 to adult services which will enable payment to care providers based on actual service delivered, being rolled out to some providers in advance of new tender - finance working with services to review areas where service delivered differs from that commissioned to improve systems and basis of financial projections, this work also supports ongoing reviews - action plan in relation to improving projections and actions identified from recent internal audit report re Community Based Care, including streamlining systems and processes to remove duplication, scope for error and reliability of information	Significant work required to review systems across social care services where different approaches are used for different service areas, some areas involve duplication of information and systems. Work will result in more assurance re the information reported, including financial projections and will also ensure the partnership has assurance that we only pay for the direct care delivered.		√	-	Thelma Bowers/Helen McArthur/Caroline Whyte
TOTAL						1,997	

2019-20 Budget Reconciliation

Appendix E

COUNCIL	Period	Permanent or Temporary	£
Initial Approved Budget			95,067
Resource Transfer	3	P	22,993
ICF Procurement Posts - Transfer to Procurement	3	T	(85)
FPC under 65's Scottish Government Funding	3	P	702
Transfer to IT WAN circuit Kilwinning Academy	4	P	(3)
Waste Collection Budget	4	P	27
CLD Officer from ADP Budget to E & C	4	T	(31)
Period 5 reported budget			118,670

HEALTH	Period	Permanent or Temporary	£
Initial Approved Budget (based on month 9 of 2018-19)			145,425
Adjustments to reflect month 10 -12 of 2018-19 including non-recurring amounts			(1,845)
Opening baseline budget for 19-20			143,580
Resource Transfer	3	P	(22,993)
Superannuation Uplift	3	P	2,994
Voluntary Redundancy Scheme	3	P	271
Post from acute - PA to Clinical Nurse Manager, Long Term conditions	3	P	15
Post from acute - Clinical Nurse Manager, Long Term Conditions	3	P	34
Functional Electrical Stimulation (Physio Equip) Equipment from acute			10
Pharmacy Fees	3	P	19
HPV Boys Implementation	3	P	18
Action 15 (anticipated increase)	3	P	930
Post from Acute -Specialist Pharmacist in Substance Misuse	3	T	12
Old age liaison psychiatrist from acute	3	P	108
Patient Transport Service	3	P	49
Infant feeding nurse	3	T	41
Associate Medical Director responsibility payment to Medical Director	3	T	(24)
Associate Medical Director sessions to the Medical Director	3	T	(71)
Contribution to the Technology Enabled Care (TEC) project	3	T	(50)
Superannuation Uplift Overclaimed	4	P	(270)
Action 15 overclaimed	4	T	(485)
Prescribing Reduction	5	P	(550)
Medical Training Grade Increase	5	P	51
Period 5 reported budget			123,689

GRAND TOTAL	242,359
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NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title:	Capital Programme Performance to 30 September 2019
Purpose:	To advise Cabinet of progress in delivering the Capital Investment Programme as at 30 September 2019.
Recommendation:	That Cabinet agree to (a) approve the revisions to budgets outlined in the report; and (b) note (i) the General Services and HRA revised budgets at 30 September 2019; and (ii) the forecast expenditure to 31 March 2020.

1. Executive Summary

- 1.1 The General Services Capital Investment Programme 2019/20 to 2027/28 was approved by Council on 27 February 2019. The Housing Revenue Account (HRA) Capital Investment Programme 2019/20 sits within the updated HRA Business Plan and was approved by Council on 19 December 2018.
- 1.2 This report identifies the current programme for 2019/20, taking account of adjustments made to the initial budgets. The report presents the revised budgets at 30 September 2019 and forecast expenditure to 31 March 2020.
- 1.3 At Period 6 the General Fund is forecasting a projected outturn of £52.853m. The HRA is forecasting a projected outturn of £44.118m.
- 1.4 A risk to the forecast position has been identified in relation to the Trindlemoss development within the Health and Social Care Partnership. A potential overspend against the current project has been identified and work is ongoing to agree revised funding levels and mitigating action with the relevant funding partners. The impact of this on both the General Fund and HRA capital programmes will be included in future capital performance reports.

2. Background

General Fund

- 2.1 The following table outlines the movements in the 2019/20 General Services budget:

	2019/20 £m
Budget approved as at 31 July 2019	54.306
a) Additional Funding	0.050
b) Alterations to phasing of projects:-	
2019/20 to 2020/21	(1.796)
2020/21 to 2019/20	0.296
c) Revisions to the Programme	0.009
Budget as at 30 September 2019	52.865

2.2 (a) Additional Funding

The capital programme has been updated to reflect additional Sustrans funding in relation to the Lochshore project.

2.3 (b) Alterations to the Phasing of Projects

Projects have been reprofiled for delivery in 2020/21 to reflect current programme plans, including:

- Communities
 - Gateside Early Years, £0.199m;
 - St Bridget's Early Years, £0.086m;
 - Annick Primary School Early Years, £0.295m;
 - Irvine Early Years, £0.314m; and
 - Kilwinning Learning Environment, £0.136m; and
- Place
 - Greenwood Interchange, £0.033m;
 - I3 Irvine Enterprise, £0.392m;
 - Irvine High Street, £0.040m;
 - Irvine Enterprise Area, £0.101m; and
 - Ardrossan Harbour and Landside, £0.200m.

This has been partly offset by the acceleration of £0.296m to 2019/20 in relation to:

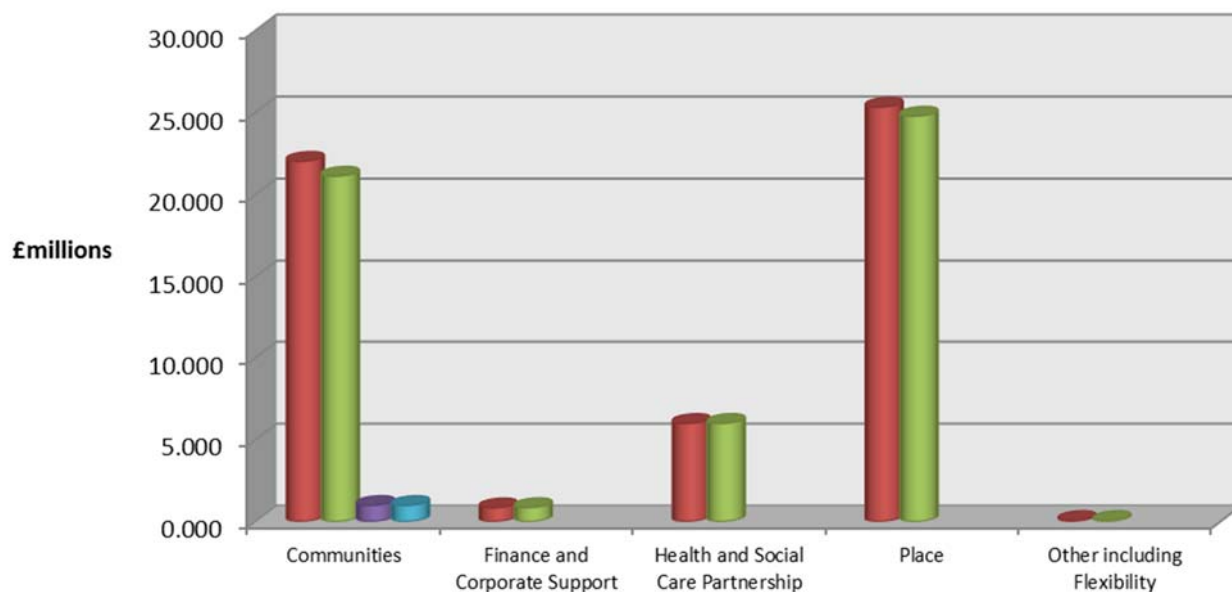
- Communities
 - Springside Early Years, £0.100m; and
 - St Peter's Early Years, £0.168m.

2.4 (c) Revisions to the Programme

The programme has been revised to include minor adjustments to Capital Funded from Current Revenue (CFCR) related to a vehicle insurance settlement.

2.5 This has resulted in a revised 2019/20 budget at 30 September 2019 of £52.865m.

2.6 The following graph illustrates the movement in each programme on a service basis compared to the revised programme:



Revised Programme - £54.306m	22.036	0.852	6.000	25.337	0.081
Programme @ P6 - £52.865m	21.131	0.866	6.000	24.787	0.081
Movement	(0.905)	0.014	-	(0.550)	-

2.7 The current projection on funding, elements of which are related to the profile of expenditure reported above, is a reduction of £1.441m from the approved budget, including:

- Specific Capital Grants reprofiled for use in 2020/21
 - VDLF, £0.425m; and
 - Early Years Expansion, £0.430m;
- Reprofiled utilisation of NAVT grant funding, £0.101m;
- Additional capital receipts in relation to the sale of vehicles and insurance settlements, (£0.046m);
- Other minor Grants and Contributions, £0.051m; and
- Reduced requirement for prudential borrowing, £0.581m.

2.8 Capital Projections to 31 March 2020

The projections are summarised by service in the following table:

	Budget 2019/20	Carry Forwards and Adjustments	Revised Budget 2019/20	Projected Expenditure / Income to 31 March 2020	Projected Variance Over / (Under)
	£000's	£000's	£000's	£000's	£000's
<u>Expenditure</u>					
Communities	22,036	(905)	21,131	21,119	(12)
Finance and Corporate Support	852	14	866	866	-
Health and Social Care Partnership	6,000	-	6,000	6,000	-
Place	25,337	(550)	24,787	24,787	-
Other including Flexibility	81	-	81	81	-
Total Expenditure	54,306	(1,441)	52,865	52,853	(12)
<u>Income</u>					
General Capital Grant	(15,125)		(15,125)	(15,125)	-
Specific Capital Grant	(12,871)	855	(12,016)	(12,016)	-
Use of Reserve Funds	(2,054)	-	(2,054)	(2,054)	-
Capital Funded from Current Revenue	(697)	-	(697)	(697)	-
Capital Receipts	(1,117)	(46)	(1,163)	(1,163)	-
Other Grants & Contributions	(4,305)	51	(4,254)	(4,254)	-
Prudential Borrowing	(18,137)	581	(17,556)	(17,544)	12
Total Income	(54,306)	1,441	(52,865)	(52,853)	12

Information on the progress of all projects can be found in Appendix 1. The projected underspend of £0.012m relates to the completed works at St Bridget's Primary School, which will be transferred to Flexibility.

- 2.9 A potential overspend has been identified in relation to the Trindlemoss development arising from contract variations and delays. The funding for this project is drawn from the General Fund, NHS Ayrshire and Arran and the HRA and work is ongoing to agree mitigating actions and funding arrangements. The impact of this on both the General Fund and HRA capital programmes will be included in future capital performance reports.

Housing Revenue Account

2.10 The following table outlines the movements in the 2019/20 HRA Capital budget:

	2019/20 £m
Budget approved as at 31 July 2019	54.072
a) Alterations to phasing of projects:-	
2019/20 to 2020/21	(11.564)
2020/21 to 2019/20	1.583
Budget as at 30 September 2019	44.091

2.11 (a) Alterations to the Phasing of Projects

Projects have been reprofiled for delivery in 2020/21 to reflect current programme plans, including:

- Council House Building Programme
 - Braithwic Terrace, £2.608m;
 - Towerlands, £2.287m;
 - Ardrossan Road, Seamill, £1.255m;
 - St Michael's Wynd, £3.008m;
 - Harbourside, Irvine, £0.278m;
 - Springvale, Saltcoats, £0.342m; and
 - St Beya, Millport, £0.751m; and
- Other Capital Works, £0.173m.

This has been partly offset by the acceleration of £1.583m of projects for delivery during 2019/20, including:

- Acquisition of Houses, £0.509m; and
- Council House Building Programme
 - Watt Court, £0.361m; and
 - Flatt Road Phase 1, £0.333m.

2.12 This has resulted in a revised 2019/20 budget at 31 July 2019 of £44.091m.

2.13 The current projections on funding, elements of which are related to the profile of expenditure reported above, are summarised below:

- Additional contribution from CFCR, £0.574m;
- Scottish Government House Building Grant deferred until future years, (£3.609m);
- Deferred contribution from HRA reserve, in line with projected expenditure, (£2.184m);

- Deferred allocation from the Affordable Housing Reserve, in line with projected expenditure, (£1.077m); and
- Reduced requirement for Prudential Borrowing, £3.685m.

2.14 Capital Projections to 31 March 2020

The projections are summarised in the following table:

	Budget 2019/20	Carry Forwards and Adjustments	Revised Budget 2019/20	Projected Expenditure / Income to 31 March 2020	Projected Variance Over / (Under)
	£000's	£000's	£000's	£000's	£000's
<u>Service</u>					
<u>Expenditure</u>					
Housing Revenue Account	54,072	(9,981)	44,091	44,118	27
Total Expenditure	54,072	(9,981)	44,091	44,118	27
<u>Income</u>					
Sale of Assets	(19)	-	(19)	(19)	-
CFCR	(12,878)	(574)	(13,452)	(13,452)	-
Capital Grants	(14,465)	3,609	(10,856)	(10,856)	-
Use of Reserves	(4,667)	2,184	(2,483)	(2,483)	-
Affordable Housing Contribution	(3,140)	1,077	(2,063)	(2,063)	-
Other Contributions	(350)		(350)	(350)	-
Prudential Borrowing	(18,553)	3,685	(14,868)	(14,895)	(27)
Total Income	(54,072)	9,981	(44,091)	(44,118)	(27)

Information on the progress of all projects can be found in Appendix 2. A variance of £0.027m is projected within the HRA capital programme for 2019/20 arising from increased costs in relation to Kilbirnie Housing Office.

3. Proposals

3.1 It is proposed that :-

In General Services -

The Cabinet is invited to (a) approve the further revisions to budgets outlined at Sections 2.1 to 2.7 and Appendix 1; and (b) note (i) the revised budget at 30 September 2019 and (ii) the forecast of expenditure to 31 March 2020.

In the H.R.A. -

The Cabinet is invited to (a) approve the further revisions to the budget outlined at Section 2.10 to 2.11 and Appendix 2; and (b) note the revised budget at 30 September 2019 and (ii) the forecast of expenditure to 31 March 2020.

4. Implications/Socio-economic Duty

Financial

- 4.1 The financial implications are as outlined in the report. Expenditure will continue to be closely monitored to ensure early action is taken regarding any projected underspends or overspends.

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 This report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

Community Wealth Building

- 4.7 None.

5. Consultation

- 5.1 Progress as outlined in this report has been approved by Executive Directors.

Laura Friel
Executive Director (Finance and Corporate Support)

For further information please contact **David Forbes, Senior Manager (Strategic Business Partner)**, on **01294 324551**.

Background Papers




Capital Programme Performance to 31 July 2019 – Cabinet – 24 September 2019

North Ayrshire Council Capital Statement 2019/20
Year Ended 31st March 2020




Period 6

Project Description	TOTAL PROJECT				CURRENT YEAR 2019/20							
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to date Variance 2019/20	Projected Expenditure to 31st March 2020	Actual Over/ (Under) Spend for 2019/20	True Over/ (Under) Spend	Brought / Carry Forward to 2020/21
	£	£	£	£	£	£	£	£	£	£	£	£
EXPENDITURE												
Communities												
Nursery Education	11,874,701	2,504,584	11,874,701	0	6,151,562	1,065,423	1,933,180	867,757	5,369,678	(781,884)	0	(781,884)
Primary Schools	19,281,433	104,785	19,281,433	0	538,683	10,667	16,299	5,632	550,889	12,206	0	12,206
Secondary Schools	36,830,857	2,743,157	36,830,857	0	1,566,248	277,091	383,870	106,779	1,430,156	(136,092)	0	(136,092)
Special Education	25,603,692	2,105,121	25,603,692	0	12,568,091	579,914	1,139,365	559,451	12,568,091	0	0	0
Information & Culture	156,926	8,378	156,926	0	150,363	0	1,816	1,816	150,363	0	0	0
Completed Projects	85,798,513	84,961,877	85,786,691	(11,822)	1,061,701	393,816	225,065	(168,751)	1,049,879	(11,822)	(11,822)	0
SUB TOTAL	179,546,122	92,427,902	179,534,300	(11,822)	22,036,648	2,326,911	3,699,594	1,372,683	21,119,056	(917,592)	(11,822)	(905,770)
Finance & Corporate Support												
Information Technology	909,007	797,761	909,007	0	297,000	45,777	71,436	25,659	312,041	15,041	0	15,041
Council IT Strategy	4,401,982	1,381,160	4,401,982	0	554,339	77,268	187,223	109,955	554,339	0	0	0
Completed Projects	340,870	340,870	340,870	0	0	0	0	0	0	0	0	0
SUB TOTAL	5,651,858	2,519,791	5,651,858	0	851,339	123,045	258,659	135,614	866,380	15,041	0	15,041
Health & Social Care												
Management & Support	804,598	723,627	804,598	0	100,784	19,813	19,813	0	100,784	0	0	0
Housing Non HRA	719,305	307,975	719,305	0	719,305	199,703	307,975	108,272	719,305	0	0	0
Adults	5,046,273	4,613,375	5,046,273	0	2,202,994	1,164,862	1,770,096	605,234	2,202,994	0	0	0
Young People	5,720,000	184,010	5,720,000	0	2,977,024	42,363	56,828	14,465	2,977,024	0	0	0
SUB TOTAL	12,290,175	5,828,987	12,290,175	0	6,000,107	1,426,741	2,154,713	727,972	6,000,107	0	0	0
Place												
Roads	52,134,198	6,183,489	52,134,198	0	5,734,994	3,653,328	2,938,988	(714,340)	5,734,994	0	0	0
Streetscene	2,903,793	891,848	2,903,793	0	2,202,768	147,894	190,823	42,929	2,202,768	0	0	0
Transport	1,826,759	319,169	1,826,759	0	1,826,759	97,685	319,169	221,484	1,835,959	9,200	0	9,200
Waste Services	15,011,315	14,569,632	15,011,315	0	352,298	88,292	73,615	(14,677)	352,298	0	0	0
Renewable Energy	1,120,001	852,536	1,120,001	0	142,744	0	(124,721)	(124,721)	142,744	0	0	0
Office Accommodation	2,042,173	430,029	2,042,173	0	2,042,173	638,981	430,029	(208,952)	2,198,496	156,323	0	156,323
Other Property	362,713	7,693	362,713	0	362,713	0	7,693	7,693	362,713	0	0	0
Regeneration	23,436,281	9,150,587	23,436,281	0	9,514,941	1,852,183	1,838,748	(13,435)	8,899,918	(615,023)	0	(615,023)
Ayrshire Growth Deal	12,617,000	49,188	12,617,000	0	133,333	0	49,188	49,188	133,333	0	0	0
Strategic Planning & Infrastructure	2,118,272	6,386,984	2,118,272	0	1,831,917	241,732	367,752	126,020	1,831,917	0	0	0
Completed Projects	19,538,844	18,365,976	19,538,844	0	1,192,371	73,989	19,504	(54,485)	1,091,772	(100,599)	0	(100,599)
SUB TOTAL	133,111,348	57,207,131	133,111,348	0	25,337,011	6,794,084	6,110,788	(683,296)	24,786,912	(550,099)	0	(550,099)
Other												
Other	80,590	0	80,590	0	80,590	0	0	0	80,590	0	0	0
SUB TOTAL	80,590	0	80,590	0	80,590	0	0	0	80,590	0	0	0
Total Project Expenditure	330,680,094	157,983,811	330,668,272	(11,822)	54,305,695	10,670,781	12,223,753	1,552,972	52,853,045	(1,452,650)	(11,822)	(1,440,828)
Total Project Income					(54,305,695)	(20,162,441)	(20,162,441)	0	(52,853,045)	1,452,650	11,822	1,440,828
Total Net Expenditure					0	(9,491,660)	(7,938,688)	1,552,972	0	0	0	0

The following classifications have been used to highlight financial performance against budget

-  On Target (+0.5% of budget)
-  Slightly off target (+ 0.5% to 2% of budget, or £0.125m, whichever is less)
-  Significantly off target (+2% or more of budget, or £0.500m, whichever is less)

The following classifications have been used to highlight delivery performance against original timescales set

-  On Target (up to 5% delay of original timescales)
-  Slightly off target (+ 5% to 10% of original timescales)
-  Significantly off target (+10% or more of original timescales)

Capital Programme Funding 2019/20

Funding Description	19/20 Budget at Capital Refresh Feb 2019	Carry Forward from 2018/19	Changes after Capital Refresh Feb 2019	Approved budget at Period 1 used as revised starting point 2019/20	Changes in Year	Revised Budget 19/20	Actual Income to 30 September 2019	Projected Income to 31st March 2020	Variance
	£	£	£	£	£	£	£	£	£
CAPITAL BORROWING									
Prudential Borrowing	25,968,425	1,881,465	369,319	28,219,209	-10,081,889	18,137,320	0	17,544,325	-592,995
SUB TOTAL	25,968,425	1,881,465	369,319	28,219,209	-10,081,889	18,137,320	0	17,544,325	-592,995
SCOTTISH GOVERNMENT FUNDING									
Specific Capital Grants									
Early Learning & Childcare	6,962,922	-86,161	100,872	6,977,633	-2,715,495	4,262,138	2,774,264	3,831,112	
Cycling / Walking /Safer Streets	222,000	77,927		299,927		299,927	122,893	299,927	
Flooding	3,017,000			3,017,000		3,017,000		3,017,000	
Vacant & Derelict Land Funding	2,141,000	1,733,218		3,874,218		3,874,218	2,803,719	3,449,681	
Town Centre Regeneration				0	1,418,000	1,418,000	709,000	1,418,000	
Capital Grants									
General Capital Grant	15,125,000			15,125,000		15,125,000	13,289,502	15,125,000	
SUB TOTAL	27,467,922	1,724,984	100,872	29,293,778	-1,297,495	27,996,283	19,699,378	27,140,720	-855,563
OTHER INCOME TO PROGRAMME									
Use of Funds :-									
Capital Fund	0	0	64,288	64,288	1,910,712	1,975,000	0	1,975,000	0
Change & Service Redesign Fund	26,058	0	52,789	78,847	0	78,847	0	78,847	0
CFCR	600,000	0	147,629	747,629	-50,910	696,719	96,719	696,719	0
Grants & Contributions	1,384,339	467,754	510,041	2,362,134	1,942,513	4,304,647	-41,693	4,253,991	-50,656
Capital Receipts	370,755	0	0	370,755	746,124	1,116,879	408,037	1,163,443	46,564
SUB TOTAL	2,381,152	467,754	774,747	3,623,653	4,548,439	8,172,092	463,063	8,168,000	-4,092
TOTAL CAPITAL PROGRAMME FUNDING	55,817,499	4,074,203	1,244,938	61,136,640	-6,830,945	54,305,695	20,162,441	52,853,045	-1,452,650

COMMUNITIES

CAPITAL MONITORING 2019/20

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/(Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£			
Nursery Education															
Early Years Programme															
EARLY LEARNING & CHILDCARE FUTURE PROJECTS	90,404	4,073	90,404	0	86,331	0	0	0	86,331	0	0	0	✔	✔	Budget to be moved to individual projects once costed and approved. Anticipated that the overall funding will be required to deliver all ELC Projects
ST BRIDGETS EARLY YEARS	639,706	0	639,706	0	210,000	0	0	0	123,606	(86,394)		(86,394)	✔	✔	
ST LUKES EARLY YEARS	168	168	168	0	168	168	168	0	168	0			✔	✔	
CASTLEPARK EARLY YEARS	185,000	191,110	185,000	0	179,173	133,933	185,283	51,350	179,173	0		0	✔	✔	
LAWTHORN EARLY YEARS	185,000	18,866	185,000	0	185,000	3,411	18,866	15,455	185,000	0		0	✔	✔	
HAYOCKS EARLY YEARS	152,785	112,302	152,785	0	152,785	2,541	112,302	109,761	152,785	0		0	✔	✔	
WOODLANDS EARLY YEARS	198,139	56,091	198,139	0	198,139	70,479	56,091	(14,389)	198,139	0		0	✔	✔	
CORSEHILL EARLY YEARS	450,000		450,000	0	450,000	147,383	220,876	73,493	491,938	41,938		41,938	✔	✔	
CALEDONIA EARLY YEARS	173,736		173,736	0	173,736	59,532	91,932	32,400	173,736	0		0	✔	✔	
BLACKLANDS EARLY YEARS	184,085		184,085	0	184,085	172,436	162,052	(10,384)	184,085	0		0	✔	✔	
SPRINGSIDE EARLY YEARS	247,885		247,885	0	0	0	0	0	100,115	100,115		100,115	✔	✔	
KILMORY EARLY YEARS	26,290		26,290	0	0	0	0	0	0	0		0	✔	✔	
ST PETERS EARLY YEARS	1,030,473		1,030,473	0	529,669	32,856	33,306	450	697,856	168,187		168,187	✔	✔	
ST MARKS EARLY YEARS	355,304		355,304	0	347,437	111,470	168,133	56,663	347,437	0		0	✔	✔	
WEST KILBRIDE EARLY EARLY YEARS	804	804	804	0	804	804	804	0	804	0		0	✔	✔	
GATESIDE EARLY YEARS	616,510	3,553	616,510	0	417,944	0	3,553	3,553	219,378	(198,566)		(198,566)	✔	✔	
IRVINE EARLY YEARS	2,303,928		2,303,928	0	668,139	319,916	321,611	1,695	353,886	(314,253)		(314,253)			
Completed Nursery Education															
GLENCAIRN / LOUDON MONTGOMERY EARLY YEARS	170,383	170,383	170,383	0	1,378	1,378	1,378	(0)	1,378	0		0	Complete	Complete	
ARDEER EARLY YEARS	230,000	206,455	230,000	0	24,790	0	1,245	1,245	24,790	0		0	Complete	Complete	
ST JOHNS EARLY YEARS	308,103	271,718	308,103	0	30,586	0	(5,799)	(5,799)	30,586	0		0	Complete	Complete	
STANLEY EARLY YEARS	27,000	9,554	27,000	0	23,385	0	5,939	5,939	23,385	0		0	Complete	Complete	
KILWINNING (PENNYBURN SCHOOL) EARLY YEARS	672,216	601,193	672,216	0	48,711	0	(22,312)	(22,312)	48,711	0		0	Complete	Complete	
DALRY PRIMARY SCHOOL EARLY YEARS	56,920	56,920	56,920	0	0	0	0	0	0	0		0	Complete	Complete	
SPRINGVALE EARLY YEARS	105,796	104,304	105,796	0	1,752	134	260	126	1,752	0		0	Complete	Complete	
ABBAY / ST LUKES PRIMARY SCHOOL EARLY YEARS	63,998	63,998	63,998	0	126	126	126	(0)	126	0		0	Complete	Complete	
Other Nursery Education					0			0	0						
ANNICK PRIMARY EXT - EARLY YRS PROVISION	3,400,068	633,093	3,400,068	0	2,237,424	8,856	577,367	568,511	1,744,513	(492,911)		(492,911)	✔	✔	
Total Nursery Education	11,874,701	2,504,584	11,874,701	0	6,151,562	1,065,423	1,933,180	867,757	5,369,678	(781,884)	0	(781,884)			
Primary Schools															
MOORPARK PRIMARY	9,621,465	104,785	9,621,465	0	463,683	10,667	16,299	5,632	475,889	12,206		12,206	✔	✔	
MONTGOMERIE PARK SCHOOL	9,659,968	0	9,659,968	0	75,000	0	0	0	75,000	0		0	✔	✔	
Total Primary Education	19,281,433	104,785	19,281,433	0	538,683	10,667	16,299	5,632	550,889	12,206	0	12,206			
Secondary Schools															
AUCHENHARVIE PE WORKS	2,235,422	2,149,385	2,235,422	0	282,168	125,602	196,131	70,529	282,168	0		0	✔	✔	
KILWINNING LEARNING ENVIRONMENT	2,805,435	592,781	2,805,435	0	1,084,080	151,489	187,738	36,249	947,988	(136,092)		(136,092)	✔	✔	
AYRSHIRE COLLEGE PARTNERSHIP DEVELOPMENT	200,000	0	200,000	0	200,000	0	0	0	200,000	0		0	✔	✔	
ARDROSSAN NEW BUILD	31,590,000	990	31,590,000	0	0	0	0	0	0	0		0	✔	✔	
Total Secondary Education	36,830,857	2,743,157	36,830,857	0	1,566,248	277,091	383,870	106,779	1,430,156	(136,092)	0	(136,092)			
Special Education															
NEW BUILD ASN SCHOOL	25,603,692	2,105,121	25,603,692	0	12,568,091	579,914	1,139,365	559,451	12,568,091	0		0	✔	✔	
Total Special Education	25,603,692	2,105,121	25,603,692	0	12,568,091	579,914	1,139,365	559,451	12,568,091	0	0	0			
Information & Culture															
CASTLES & HISTORIC MONUMENTS	71,926	1,816	71,926	0	71,926	0	1,816	1,816	71,926	0		0	Holding Code	Holding Code	
ABBAY TOWER	85,000	6,563	85,000	0	78,437	0	0	0	78,437	0		0	On Hold	OnHold	
Total Information & Cultural	156,926	8,378	156,926	0	150,363	0	1,816	1,816	150,363	0	0	0			

COMMUNITIES

CAPITAL MONITORING 2019/20

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/(Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
Completed Projects															
HAYOCKS PRIMARY SCHOOL NURSERY ADAPTS	206,800	206,800	206,800	0	0	0	0	0	0	0	0	0	Complete	Complete	
LOUDON MONT PRIMARY SCHOOL NURSERY ADAPTS	702,332	700,223	702,332	0	3,417	1,308	1,308	0	3,417	0		0	Complete	Complete	
ELDERBANK PS	11,123,543	11,122,155	11,123,543	0	1,388	0	0	0	1,388	0		0	Complete	Complete	
ANNICK PRIMARY SCHOOL	547,030	536,030	547,030	0	0	0	(11,000)	(11,000)	0	0		0	Complete	Complete	
ST PALLADIUS PRIMARY SCHOOL	45,386	45,386	45,386	0	0	0	0	0	0	0		0	Complete	Complete	
ST BRIDGETS PRIMARY SCHOOL	155,000	139,878	143,178	(11,822)	38,172	970	23,050	22,080	26,350	(11,822)	(11,822)	0	Complete	Complete	Underspend to be transferred to Flexibility
LEARNING ACADEMY AUCHENHARVIE	427,292	427,292	427,292	0	0	0	0	0	0	0		0	Complete	Complete	
LARGS ACADEMY	4,171,821	3,942,835	4,171,821	0	257,511	28,181	28,525	344	257,511	0		0	Complete	Complete	
GARNOCK CAMPUS	40,307,259	40,276,691	40,307,259	0	18,094	0	(12,474)	(12,474)	18,094	0		0	Complete	Complete	
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVT	3,146,156	2,858,765	3,146,156	0	742,745	362,983	455,354	92,371	742,745	0		0	Complete	Complete	
IRVINE ROYAL/COLLEGE ADAPTS	2,062,838	2,062,838	2,062,838	0	374	374	374	(0)	374	0		0	Complete	Complete	
KILWINNING ESTATE SECONDARY PITCH	712,080	712,080	712,080	0	0	0	0	0	0	0		0	Complete	Complete	
IRVINE LEISURE CENTRE	22,190,977	21,930,904	22,190,977	0	0	0	(260,073)	(260,073)	0	0		0	Complete	Complete	
Total Completed Projects	85,798,513	84,961,877	85,786,691	(11,822)	1,061,701	393,816	225,065	(168,751)	1,049,879	(11,822)	(11,822)	0			
Total Communities	179,546,122	92,427,902	179,534,300	(11,822)	22,036,648	2,326,911	3,699,594	1,372,683	21,119,056	(917,592)	(11,822)	(905,770)			

FINANCE & CORPORATE SUPPORT

CAPITAL MONITORING 2019/20

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/(Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£			
Information Technology															
PC REPLACEMENT/VIRTUAL DESKTOP *	181,000	36,282	181,000	0	181,000	18,617	36,282	17,665	181,000	0		0	✓	✓	
DATA RATIONALISATION & STORAGE	612,007	362,007	612,007	0	0	0	0	0	0	0		0	✓	✓	
PSN COMPLIANCE *	10,000	370,691	10,000	0	10,000	4,373	6,373	2,000	25,041	15,041		15,041	✓	✓	
AGILE WORKING *	106,000	28,782	106,000	0	106,000	22,787	28,782	5,995	106,000	0		0	✓	✓	
Total Information Technology	909,007	797,761	909,007	0	297,000	45,777	71,436	25,659	312,041	15,041	0	15,041			
Council IT Strategy															
MANAGED WAN SERVICES	717,979	707,979	717,979	0	6,000	0	0	0	6,000	0		0	✓	✓	
SCHOOLS ICT INVESTMENT *	366,339	154,497	366,339	0	366,339	77,268	154,497	77,229	366,339	0		0	✓	✓	
DIGITAL STRATEGY	380,696	8,772	380,696	0	22,000	0	(2,624)	(2,624)	22,000	0		0	✓	✓	
TECHNOLOGY INFRASTRUCTURE	490,000	35,350	490,000	0	80,000	0	35,350	35,350	80,000	0		0	✓	✓	
WAN	290,680	0	290,680	0	20,000	0	0	0	20,000	0		0	✓	✓	
LAN/WiFi	977,500	0	977,500	0	30,000	0	0	0	30,000	0		0	✓	✓	
TELEPHONY	454,226	0	454,226	0	30,000	0	0	0	30,000	0		0	✓	✓	
Total IT Strategy	4,401,982	1,381,160	4,401,982	0	554,339	77,268	187,223	109,955	554,339	0	0	0			
Completed Projects															
FMS SYSTEM	340,870	340,870	340,870	0	0	0	0	0	0	0		0	Complete	Complete	
Total Completed Projects	340,870	340,870	340,870	0	0	0	0	0	0	0	0	0			
Total Finance & Corporate Support	5,651,858	2,519,791	5,651,858	0	851,339	123,045	258,659	135,614	866,380	15,041	0	15,041			

CAPITAL MONITORING 2019/20

HEALTH & SOCIAL CARE

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/(Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£			
Management & Support															
HOME CARE SYSTEM	433,918	391,129	433,918	0	42,789	0	0	0	42,789	0		0	✓	✓	
CAREFIRST IT SYSTEM	120,678	84,620	120,678	0	36,058	0	0	0	36,058	0		0	✓	✓	
HSCP ICT INVESTMENT TO SUPPORT INTEGRATION	250,002	247,878	250,002	0	21,937	19,813	19,813	0	21,937	0		0	✓	✓	
Total Management & Support	804,598	723,627	804,598	0	100,784	19,813	19,813	0	100,784	0	0	0			
Housing Non HRA															
IMPROVEMENT GRANTS *	719,305	307,975	719,305	0	719,305	199,703	307,975	108,272	719,305	0		0	✓	✓	
Total Housing Non HRA	719,305	307,975	719,305	0	719,305	199,703	307,975	108,272	719,305	0	0	0			
Adults															
TRINDLEMOSS	4,146,000	3,749,665	4,146,000	0	2,150,075	1,152,483	1,753,740	601,257	2,150,075	0	0	0	●	●	Estimated 21 week delay. Projected overspend and mitigating actions under discussion with funding partners.
WARRIX AVENUE	900,273	863,710	900,273	0	52,919	12,379	16,356	3,977	52,919	0		0	✓	✓	
Total Older People	5,046,273	4,613,375	5,046,273	0	2,202,994	1,164,862	1,770,096	605,234	2,202,994	0	0	0			
Young People															
RESIDENTIAL & RESPITE UNIT	5,720,000	184,010	5,720,000	0	2,977,024	42,363	56,828	14,465	2,977,024	0		0	✓	✓	
Total Young People	5,720,000	184,010	5,720,000	0	2,977,024	42,363	56,828	14,465	2,977,024	0	0	0			
Total Health & Social Care	12,290,175	5,828,987	12,290,175	0	6,000,107	1,426,741	2,154,713	727,972	6,000,107	0	0	0			

* These projects are rolling programmes. Total budget only reflects current programmes

CAPITAL MONITORING 2019/20

Place

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/ (Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£			
PHYSICAL ENVIRONMENT															
Roads															
ROADS IMPROVE/RECONSTRUCTION *	3,113,846	3,113,846	3,113,846	0	3,113,846	2,672,896	2,323,559	(349,337)	3,113,846	0		0	✓	✓	
LIGHTING *	1,015,354	(31,783)	1,015,354	0	1,015,354	75,000	(31,783)	(106,783)	1,015,354	0		0	✓	✓	
UPPER GARNOCK FPS	17,400,000	2,276,920	17,400,000	0	450,000	384,657	450,699	66,042	450,000	0		0	✓	✓	
MILLPORT COASTAL FPS	27,598,000	581,104	27,598,000	0	362,795	0	56,208	56,208	362,795	0		0	✓	✓	
MILLBURN FPS	1,100,000	68,723	1,100,000	0	55,000	8,742	20,006	11,264	55,000	0		0	✓	✓	
MILLPORT PIER	500,000	80	500,000	0	150,000	150,000	0	(150,000)	150,000	0		0	✓	✓	
BRIDGES INFRASTRUCTURE PROG *	431,949	106,223	431,949	0	431,949	256,983	106,223	(150,760)	431,949	0		0	✓	✓	
LARGS PROMENADE SEAWALL	700,000	68,377	700,000	0	81,000	30,000	14,075	(15,925)	81,000	0		0	✓	✓	
PARKING CHARGES & DPE	275,050	0	275,050	0	75,050	75,050	0	(75,050)	75,050	0		0	✓	✓	
Total Roads	52,134,198	6,183,489	52,134,198	0	5,734,994	3,653,328	2,938,988	(714,340)	5,734,994	0	0	0			
Streetscene															
CEMETERY EXTNS, WALLS & INFRA *	1,451,645	0	1,451,645	0	1,451,645	0	0	0	1,451,645	0		0	Holding Code	Holding Code	
LAMLASH CEMETERY EXTENSION	636,078	454,490	636,078	0	344,504	140,136	162,916	22,780	344,504	0	0	0	✓	✓	
HAYLIE BRAE CEMETERY WALLS	150,280	134,651	150,280	0	15,629	0	0	0	15,629	0		0	✓	⚠	Wall repairs still outstanding
ARDROSSAN CEMETERY PLOTS AND WALLS	140,089	27,169	140,089	0	127,069	6,149	14,149	8,000	127,069	0		0	✓	✓	
KILBIRNIE CEMETERY	176,390	23,230	176,390	0	153,160	0	0	0	153,160	0		0	✓	✓	
KILWINNING CEMETERY NEW	7,500	7,990	7,500	0	7,500	0	7,990	7,990	7,500	0		0	✓	✓	
KNADGERHILL CEMETERY INFRASTRUCTURE	239,050	238,549	239,050	0	501	0	0	0	501	0		0	✓	✓	
KNADGERHILL CEMETERY EXTENSION	10,000	4,160	10,000	0	10,000	0	4,160	4,160	10,000	0		0	✓	✓	
DALRY CEMETERY EXTENSION	92,760	1,609	92,760	0	92,760	1,609	1,609	0	92,760	0		0	✓	✓	
WEST KILBRIDE CEMETERY ROADS	0	0	0	0	0			0	0	0		0	✓	✓	
BEITH CEMETERY ROADS	0	0	0	0	0			0	0	0		0	✓	✓	
KILBIRINIE CEMETERY ROADS	0	0	0	0	0			0	0	0		0	✓	✓	
Total Streetscene	2,903,793	891,848	2,903,793	0	2,202,768	147,894	190,823	42,929	2,202,768	0	0	0			
Transport															
VEHICLES *	1,826,759	319,169	1,826,759	0	1,826,759	97,685	319,169	221,484	1,835,959	9,200		9,200	✓	✓	
Total Transport	1,826,759	319,169	1,826,759	0	1,826,759	97,685	319,169	221,484	1,835,959	9,200	0	9,200			
Waste Services															
SHEWALTON LANDFILL	13,601,315	13,266,165	13,601,315	0	165,773	5,773	(6,377)	(12,150)	165,773	0		0	✓	✓	
WASTE COLLECTION REVIEW	1,410,000	1,303,467	1,410,000	0	186,525	82,519	79,992	(2,527)	186,525	0		0	✓	✓	
Total Waste Services	15,011,315	14,569,632	15,011,315	0	352,298	88,292	73,615	(14,677)	352,298	0	0	0			
Renewable Energy															
SOLAR PV RETROFIT EXTENSION	120,000	40,845	120,000	0	79,155	0	0	0	79,155	0		0	✓	✓	
NON DOMESTIC ENERGY EFFICIENCY PROGRAMME	1,000,000	811,691	1,000,000	0	63,589	0	(124,721)	(124,721)	63,589	0		0	✓	✓	
Total Renewable Energy	1,120,001	852,536	1,120,001	0	142,744	0	(124,721)	(124,721)	142,744	0	0	0			

CAPITAL MONITORING 2019/20

Place

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/ (Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
Office Accommodation															
PROPERTY LIFECYCLE INVESTMENT *	230,192	17,039	230,192	0	230,192	0	17,039	17,039	386,515	156,323	0	156,323	✓	✓	
PLI BRIDGEND COMMUNITY CTR*	0	0	0	0	0			0	0	0	0	0	✓	✓	
PLI PORTLAND PLACE*	0	2,825	0	0	0	0	2,825	2,825	0	0	0	0	✓	✓	
PLI GLENCAIRN PRIMARY SCHOOL*	0	6,462	0	0	0	0	6,462	6,462	0	0	0	0	✓	✓	
PLI ST BRIDGETS PRIMARY*	0	4,082	0	0	0	0	4,082	4,082	0	0	0	0	✓	✓	
PLI ST ANTHONY'S PRIMARY*	0	200	0	0	0	0	200	200	0	0	0	0	✓	✓	
PLI ST JOHN OGILVIE*	0	8,644	0	0	0	0	8,644	8,644	0	0	0	0	✓	✓	
PLI ST LUKE'S PRIMARY*	0	0	0	0	0	0	0	0	0	0	0	0	✓	✓	
PLI ST PETER'S PRIMARY*	100,000	68,991	100,000	0	100,000	69,000	68,991	-9	100,000	0	0	0	✓	✓	
PLI ST WINNINGS PRIMARY*	0	3,927	0	0	0	0	3,927	3,927	0	0	0	0	✓	✓	
PLI WEST KILBRIDE PRIMARY*	0	500	0	0	0	0	500	500	0	0	0	0	✓	✓	
PLI 6A KILWINNING ROAD*	476,000	35,862	476,000	0	476,000	0	35,862	35,862	476,000	0		0	✓	✓	
PLI AUCHENHARVIE ACADEMY*	170,786	112,771	170,786	0	170,786	70,786	112,771	41,985	170,786	0		0	✓	✓	
PLI IRVINE ROYAL ACADEMY*	0	3,827	0	0	0	0	3,827	3,827	0	0		0	✓	✓	
PLI ARDEER PRIMARY*	0	(4,171)	0	0	0	0	(4,171)	(4,171)	0	0		0	✓	✓	
PLI BLACKLANDS PRIMARY SCHOOL*	40,000	(13,125)	40,000	0	40,000	0	(13,125)	(13,125)	40,000	0		0	✓	✓	
PLI DALRY PRIMARY SCHOOL*	0	426	0	0	0	0	426	426	0	0		0	✓	✓	
PLI DYKESMAINS PRIMARY SCHOOL*	34,000	0	34,000	0	34,000	0	0	0	34,000	0		0	✓	✓	
PLI KILWINNING ACADEMY*	449,195	180,757	449,195	0	449,195	449,195	180,757	(268,438)	449,195	0		0	✓	✓	
PLI JAMES MCFARLANE SCHOOL*	0	450	0	0	0	0	450	450	0	0		0	✓	✓	
PLI ST LUKE'S PRIMARY SCHOOL*	40,000	0	40,000	0	40,000	0	0	0	40,000	0		0	✓	✓	
PLI CUMBRAE PRIMARY SCHOOL*	25,000	0	25,000	0	25,000	25,000	0	(25,000)	25,000	0		0	✓	✓	
PLI CORSEHILL PRIMARY SCHOOL*	25,000	32	25,000	0	25,000	25,000	32	(24,968)	25,000	0		0	✓	✓	
PLI BRIDGEGATE HOUSE*	0	0	0	0	0			0	0	0		0	✓	✓	
PLI REDBURN CC*	280,000	530	280,000	0	280,000	0	530	530	280,000	0		0	✓	✓	
PLI AUCHENHARVIE GOLF COURSE*	0	0	0	0	0	0	0	0	0	0		0	✓	✓	
PLI VIKINGAR*	130,000	0	130,000	0	130,000	0	0	0	130,000	0		0	✓	✓	
PLI WHITEHIRST PARK PRIMARY SCHOOL*	42,000	0	42,000	0	42,000	0	0	0	42,000	0		0	✓	✓	
Total Office Accommodation	2,042,173	430,029	2,042,173	0	2,042,173	638,981	430,029	(208,952)	2,198,496	156,323	0	156,323			
Other Property															
INDUSTRIAL PORTFOLIO *	230,713	0	230,713	0	230,713	0	0	0	230,713	0		0	✓	✓	
HOME	0	7,693	0	0	0	0	7,693	7,693	0	0					
BUILD	0	0	0	0	0	0	0	0	0	0					
WOODLANDS PRIMARY PLAYINGFIELD DRAINAGE	132,000	0	132,000	0	132,000	0	0	0	132,000	0		0	✓	✓	
Total Property	362,713	7,693	362,713	0	362,713	0	7,693	7,693	362,713	0	0	0			

CAPITAL MONITORING 2019/20

Place

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/ (Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
Regeneration															
TOWN CENTRE REGENERATION	1,418,000	6,085	1,418,000	0	1,418,000	0	6,085	6,085	1,418,000	0		0	✓	✓	
IRVINE HIGH STREET	3,393,927	1,796,579	3,393,927	0	1,930,502	709,274	442,655	(266,619)	1,890,073	(40,429)		(40,429)	✓	✓	
IRVINE HIGH STREET - SHOP FRONTS	150,000	0	150,000	0	150,000			0	150,000						
MILLPORT CARS	400,000	0	400,000	0	200,000	0	0	0	200,000	0		0	✓	✓	
MONTGOMERIE PARK MASTERPLAN	6,274,684	1,635,482	6,274,684	0	40,337	10,000	1,135	(8,865)	40,337	0		0			
LOCHSHORE, KILBIRNIE	1,542,767	132,995	1,542,767	0	479,915	32,319	70,143	37,824	529,858	49,943		49,943	✓	✓	
VDLF - IRVINE KYLE ROAD SITE PREP*	1,273,202	208,903	1,273,202	0	1,085,203	16,686	20,905	4,219	1,052,647	(32,556)		(32,556)	✓	✓	
VDLF - GREENWOOD INTERCHANGE*	105,349	105,349	105,349	0	0	0	0	0	0	0		0	✓	✓	
VDLF - ARDROSSAN NORTH SHORE*	1,432,099	88,510	1,432,099	0	1,414,089	70,500	70,500	0	1,414,089	0		0	✓	✓	
VDLF - NACCO SITE*	27,182	27,182	27,182	0	0	0	0	0	0	0		0	✓	✓	
VDLF - ANNICKBANK PH 3*	81,000	0	81,000	0	81,000	0	0	0	81,000	0		0	✓	✓	
VDLF - I3 IRVINE ENTERPRISE*	691,981	0	691,981	0	691,981	0	0	0	300,000	(391,981)		(391,981)	✓	✓	
ARDROSSAN HARBOUR INTERCHANGE	1,272,044	72,050	1,272,044	0	500,000	0	6	6	300,000	(200,000)		(200,000)	✓	✓	
QUARRY ROAD PHASE 2	5,220,045	5,059,088	5,220,045	0	1,376,556	1,003,904	1,215,599	211,695	1,376,556	0		0	✓	✓	
VDLF - GAS WORKS (DALRY)*	90,001	5,981	90,001	0	86,240	0	2,220	2,220	86,240	0		0	✓	✓	
VDLF - MCDOWALL PLACE, ARDROSSAN*	64,000	12,382	64,000	0	61,118	9,500	9,500	0	61,118	0		0	✓	✓	
Total Regeneration	23,436,281	9,150,587	23,436,281	0	9,514,941	1,852,183	1,838,748	(13,435)	8,899,918	(615,023)	0	(615,023)			
AYRSHIRE GROWTH DEAL															
AYRSHIRE GROWTH DEAL	12,617,000	49,188	12,617,000	0	133,333	0	49,188	49,188	133,333	0		0	✓	✓	
Strategic Planning & Infrastructure				0											
CYCLING/WALKING/SAFER STREETS *	299,927	83,796	299,927	0	299,927	0	0	0	299,927	0		0	✓	✓	
ACCESS PATH NETWORK PROGRAMME *	1,051,166	5,893,425	1,051,166	0	1,051,166	241,732	244,344	2,612	1,051,166	0		0	✓	✓	
CAR PARK STRATEGY	317,179	278,875	317,179	0	38,304	0	0	0	38,304	0		0	✓	✓	
ELECTRIC VEHICLES INFRASTRUCTURE	450,000	130,888	450,000	0	442,520	0	123,408	123,408	442,520	0		0	✓	✓	
Total Strategic Planning & Infrastruture	2,118,272	6,386,984	2,118,272	0	1,831,917	241,732	367,752	126,020	1,831,917	0	0	0			
Completed Projects															
CUNNINGHAME HOUSE PHASE 3-4	2,083,995	2,080,639	2,083,995	0	0	0	(3,356)	(3,356)	0	0		0	Complete	Complete	
CUNNINGHAME HOUSE PHASE 5	665,463	658,463	665,463	0	7,000	0	0	0	7,000	0		0	✓	Complete	
SALTCOATS TOWN HALL	3,720,893	3,726,185	3,720,893	0	3,544	0	8,837	8,837	3,544	0		0	✓	Complete	
SALTCOATS PUBLIC REALM	923,188	832,645	923,188	0	90,543	0	0	0	90,543	0		0	✓	Complete	
OLD BARONY CEMETERY WORKS	60,836	60,836	60,836	0	0	0	0	0	0	0		0	Complete	Complete	
KILWINNING CEMETERY INFRASTRUCTURE	117,845	117,845	117,845	0	0	0	0	0	0	0		0	Complete	Complete	Underspend to be transferred to Cemetery holding budget
DREGHORN CEMETERY	22,677	22,677	22,677	0	0	0	0	0	0	0		0	Complete	Complete	Underspend to be transferred to Cemetery holding budget
MILLPORT CEMETERY	35,412	35,412	35,412	0	0	0	0	0	0	0		0	Complete	Complete	Overspend to be transferred from Cemetery holding budget
SKELMORLIE CEMETERY WALL	131,939	131,939	131,939	0	0	0	0	0	0	0		0	Complete	Complete	
BEITH AULD KIRK	254,793	254,793	254,793	0	0	0	0	0	0	0		0	Complete	Complete	
GARDEN WEIR FISH PATH	55,825	55,825	55,825	0	0	0	0	0	0	0		0	Complete	Complete	
CCTV GENERAL	486,413	387,593	486,413	0	96,719	32,240	(2,102)	(34,341)	96,719	0		0	Complete	Complete	
RENEWABLE ENERGY PROGRAMME	51,018	51,018	51,018	0	0	0	0	0	0	0		0	Complete	Complete	
BIOMASS RETROFIT PROGRAMME	3,378,163	3,340,486	3,378,163	0	0	0	(37,678)	(37,678)	0	0		0	Complete	Complete	
PURCHASE OF STRATEGIC ASSETS	1,069,927	1,069,927	1,069,927	0	0	0	0	0	0	0		0	Complete	Complete	
STONEYHOLM MILL	47,346	49,116	47,346	0	0	0	1,770	1,770	0	0		0	Complete	Complete	
IRVINE ACTIVE TRAVEL HUB	1,356,757	1,374,898	1,356,757	0	19,050	0	37,191	37,191	19,050	0		0	Complete	Complete	
QUARRY ROAD PHASE 1	2,977,098	2,895,450	2,977,098	0	44,765	0	(36,883)	(36,883)	44,765	0		0	Complete	Complete	
IRVINE ENTERPRISE AREA *	220,599	41,597	220,599	0	220,599	41,598	41,597	(1)	120,000	(100,599)		(100,599)	✓	Complete	
VDLF - MOORPARK ROAD WEST	465,424	406,874	465,424	0	60,000	0	1,450	1,450	60,000	0		0	Complete	Complete	

CAPITAL MONITORING 2019/20

Place

Project Description	TOTAL PROJECT				2019/20 BUDGETS								DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Actual Over/ (Under) Spend for 19/20	True Over/ (Under) Spend	Brought / Carry Forward to 2020/21	Delivery Status Financial	Delivery Status Physical	
VDLF - WINTON PARK	11,708	11,708	11,708	0	0	0	0	0	0	0		0	Complete	Complete	
KILBIRNIE CARS (KNOX INST)	333,877	342,401	333,877	0	0	0	8,524	8,524	0	0		0	Complete	Complete	
LARGS MASTERPLAN	336,055	336,055	336,055	0	0	0	0	0	0	0		0	Complete	Complete	
BUS CORRIDOR IMPROVEMENTS	100,000	0	100,000	0	100,000	0	0	0	100,000	0		0	Complete	Complete	
BUS ROUTE CONGESTION MEASURES	300,000	0	300,000	0	300,000	0	0	0	300,000	0		0	Complete	Complete	
CUMBRAE FERRY & BUS STOP	250,000	0	250,000	0	250,000	0	0	0	250,000	0		0	Complete	Complete	
ST BRIDE'S CHAPEL, ARRAN	81,592	81,593	81,592	0	151	151	151	0	151	0		0	Complete	Complete	
Total Completed Projects	19,538,844	18,365,976	19,538,844	0	1,192,371	73,989	19,504	(54,485)	1,091,772	(100,599)	0	(100,599)			
Total Place	133,111,348	57,207,131	133,111,348	0	25,337,011	6,794,084	6,110,788	(683,296)	24,786,912	(550,099)	0	(550,099)			

OTHER BUDGETS

Project Description	TOTAL PROJECT				2019/20 BUDGETS					
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2019/20	Year to Date Budget 2019/20	Actual Expenditure to 30 September 2019	Year to Date Variance 2019/20	Projected Expenditure to 31 March 2020	Over/ (Under) Spend for 19/20
	£	£	£	£	£	£	£	£	£	£
FLEXIBILITY / IMPROVEMENT FUND	80,590	0	80,590	0	80,590	0	0	0	80,590	0
Total Other Budgets	80,590	0	80,590	0	80,590	0	0	0	80,590	0

	Budget Approved 19 December 2018	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised Budget 2019/20	Actual Spend to 30/09/2019	Year End Projection	Carry forward (to)/from future years	True Over / (Under)spend	Delivery Status Financial	Delivery Status Physical	Comments
Description	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Council House Build Programme											
Council House Building General	-	1,349	(1,039)	310	37	217	(93)	-			
Acquisition Of Houses On Open Market	848	-	-	848	398	1,357	509	-	✔	✔	Budget increased to reflect acceleration of programme to 16 Buybacks
New Build Glencairn House SHU	-	-	-	-	-	-	-	-	✔	✔	
New Build Canal Court	-	-	-	-	(171)	-	-	-	✔	✔	
New Build Dickson Drive Phase 2	386	1,331	-	1,717	456	1,793	76	-	✔	✔	
New Build Watt Court	-	3,429	(1,597)	1,832	698	2,193	361	-	✔	✔	Acceleration of Phase 2 from 20/21
New Build Braithwic Terrace	1,500	567	1,041	3,108	103	500	(2,608)	-	✔	✔	Delay to start of project until January 2020
New Build Flatt Road Phase 1	10,500	224	(3,158)	7,566	2,837	7,899	333	-	✔	✔	
New Build Towerlands	1,000	(39)	1,826	2,787	103	500	(2,287)	-	✔	✔	Delay to start of project until January 2020
New Build Tarryholme	-	1,006	-	1,006	777	1,006	-	-	✔	✔	
New Build Kinnier Road	-	170	-	170	-	170	-	-	✔	✔	
New Build Ardrossan Road Seamill	4,621	20	-	4,641	1,348	3,386	(1,255)	-	✔	✔	Delay to start of project until January 2020
New Build St Colms	200	(89)	89	200	242	242	42	-	✔	✔	
New Build St Michaels Wynd	3,528	(238)	318	3,608	-	600	(3,008)	-	✔	✔	Delay to start of project until January 2020
New Build Harbourside Irvine	6,000	(42)	(5,430)	528	31	250	(278)	-	✔	✔	
New Build Afton Court	-	(28)	55	27	23	60	33	-	✔	✔	Initial fees ahead of project start in 20/21
New Build Caley Court	-	(10)	210	200	92	119	(81)	-	✔	✔	Initial fees ahead of project start in 20/21
New Build Springvale Saltcoats	1,000	(6)	448	1,442	103	500	(942)	-	✔	✔	
New Build Dalrymple Place	3,276	-	(2,093)	1,183	102	1,200	18	-	✔	✔	
New Build St Beya Millport	700	-	551	1,251	103	500	(751)	-	✔	✔	
Garnock Academy Site	-	-	20	20	-	-	(20)	-			
Corsehillhead	-	-	20	20	-	-	(20)	-			
Ayrshire Central Site	-	-	50	50	-	-	(50)	-			
Total For Council House Build Programme	33,559	7,644	(8,689)	32,514	7,290	22,492	(10,021)	-	-	-	
Improvement to Existing Homes - Building Services											
Window Replacement	-	-	-	-	(52)	-	-	-	✔	✔	
Window Replacement - High Flats	-	1,525	(39)	1,486	51	1,486	-	-	✔	✔	0
Bathroom Programme	1,061	-	-	1,061	273	1,061	-	-	✔	✔	0
Kitchen Programme	1,375	-	-	1,375	172	1,375	-	-	✔	✔	
Total For Improvements to Existing Homes - Building Services	2,436	1,525	(39)	3,922	444	3,922	-	-	-	-	
Improvement to Existing Homes - External Contractors											
Central Heating	1,167	121	-	1,288	436	1,288	-	-	✔	✔	
Insulated Re-Rendering	1,831	(9)	-	1,822	656	1,822	-	-	✔	✔	
Electrical Rewiring	490	(182)	-	308	140	308	-	-	✔	✔	
Total For Improvements to Existing Homes - External Contractors	3,488	(70)	-	3,418	1,232	3,417	-	-	-	-	

HRA Capital Statement
For Year Ended 31 March 2020

APPENDIX 2

Description	Budget Approved 19 December 2018	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised Budget 2019/20	Actual Spend to 30/09/2019	Year End Projection	Carry forward (to)/from future years	True Over / (Under)spend	Delivery Status Financial	Delivery Status Physical	Comments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Refurbishment Schemes											
Roofing & Rendering	3,527	96	-	3,623	1,071	3,623	-	-	✓	✓	
Refurb - Dickson Court	-	36	-	36	(76)	36	-	-	✓	✓	
Kilwinning Housing Office	-	-	-	-	3	-	-	-	✓	✓	0
Kilbirnie Housing Office	-	223	-	223	18	250	-	27	✓	✓	
Garrier Court	-	2,074	(1,311)	763	30	816	53	-	✓	✓	
Connel Court	-	1,253	(10)	1,243	590	1,243	-	-	✓	✓	
Refurb Maress House	-	123	-	123	-	123	-	-	✓	✓	
Refurb Friars Lawn	947	234	(240)	941	29	941	-	-	✓	✓	
Total For Refurbishment Schemes	4,474	4,039	(1,561)	6,952	1,664	7,032	53	27			
Other Capital Works											
Energy Efficiency Standard	1,276	(2)	-	1,274	160	1,274	-	-	✓	✓	
Other Capital Works	6,218	(5,389)	(646)	183	8	10	(173)	-	✓	✓	
Health And Safety Works	-	207	-	207	-	207	-	-	✓	✓	
Major Improvements	-	(3)	-	(3)	65	65	68	-	✓	✓	
Detection Equipment	-	4,432	-	4,432	328	4,432	-	-	✓	✓	
Solar Panels	-	392	(93)	299	389	392	93	-	✓	✓	
Professional Management Charges	874	-	-	874	1,112	874	-	-	✓	✓	
Total For Other Capital Works	8,368	(363)	(739)	7,266	2,062	7,254	(12)	-			
TOTAL EXPENDITURE	52,325	12,775	(11,028)	54,072	12,692	44,118	(9,980)	27			
Sale Of Assets	-	-	(19)	(19)	(19)	(19)	-	-			
CFCR	(12,212)	-	(666)	(12,878)	-	(13,452)	-	(574)			
Capital Grants	(2,229)	(2,325)	(9,911)	(14,465)	(3,984)	(10,856)	-	3,609			
Affordable Housing Contribution	(193)	-	(2,947)	(3,140)	-	(2,063)	-	1,077			
Funding from Reserves	(1,229)	(791)	(2,647)	(4,667)	-	(2,483)	-	2,184			
Commutated Sums	-	-	(350)	(350)	-	(350)	-	0			
Prudential Borrowing	(36,462)	(9,659)	27,568	(18,553)	-	(14,896)	9,980	(6,322)			
TOTAL INCOME	(52,325)	(12,775)	11,028	(54,072)	(4,002)	(44,118)	9,980	(27)			
NET EXPENDITURE	-	-	-	-	8,690	-	-	(0)			

NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title: **Treasury Management and Investment Mid-Year Report 2019/20**

Purpose: To provide Cabinet with a Treasury Management update for the period 1 April to 30 September 2019.

Recommendation: That Cabinet agrees to (a) endorse the contents of the Treasury Management and Investment Mid-Year Report for 2019/20 (Appendix 1); (b) note the Prudential and Treasury Indicators contained therein; and (c) note the changes arising from the review of Loans Fund Advances.

1. Executive Summary

1.1 The Treasury Management and Investment Strategy and treasury management indicators provide a framework for the Council's treasury activities to ensure the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

1.2 This mid-year review report:

- provides an update on performance to 30 September 2019;
- updates the annual prudential indicators to reflect the latest information available to the Council;
- demonstrates that the treasury management activities carried out during the period 1 April to 30 September 2019 have been consistent with the Treasury Management and Investment Strategy 2019/20 and have complied with the treasury management indicators set out in the Strategy; and
- details the review of Loan Fund Advances and the resulting changes.

2. Background

General Fund

2.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017) requires that Elected Members are provided with regular monitoring reports on treasury management activities. The Treasury Management Strategy for 2019/20 was approved by Council on 27 February 2019.

This report is the Mid-Year Report, providing Cabinet with an update on treasury management activities for the period 1 April to 30 September 2019. Council will receive an annual report following the end of the financial year.

These reports ensure that the Council is meeting best practice in accordance with CIPFA's Code of Practice.

2.2 The 2019/20 Mid-Year Report is attached at Appendix 1 and covers:

- Prudential and treasury indicators;
- Borrowing and associated rates; and
- Investments and associated rate of return.

2.3 This report provides an update on performance to 30 September 2019 and the annual prudential indicators to reflect the latest information. It is a statutory duty for the Council to determine and keep under review its approved borrowing limits and prudential indicators. Details within the report demonstrate that during the period 1 April to 30 September 2019 the Council has operated within the authorised and operational limits and prudential indicators as set out in the Council's 2019/20 Annual Treasury Management Strategy Statement (TMSS).

2.4 The Executive Summary of the Mid-Year Report provides a high level overview of treasury management and performance, with more detail provided in the body of the report. Key points to note are:

- the re-profiling of capital expenditure into future years and continued use of internal resources have had an impact on all of the prudential indicators;
- during the year the council has undertaken £20m long term borrowing along with temporary borrowing and use of internal balances to balance short term financial savings with longer term security of costs;
- The PWLB margin increases by 1% on 9 October 2019. The Council will monitor the impact of this change and review the strategy with regards to the balance of long and short term borrowing and use of internal balances as appropriate,
- investment returns are above the targeted returns and is reflective of the increased diversification of the Council's investment portfolio to maximise return whilst minimising risk.

2.5 Following the introduction of the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016, the calculation of Loans Fund Advances for both the General Fund and the HRA has been undertaken, releasing £9.800m from earmarked reserves within the General Fund and reducing the requirement for prudential borrowing within the HRA.

3. Proposals

3.1 It is proposed that Cabinet (a) endorse the contents of the Treasury Management and Investment Mid-Year Report for 2018/19 (Appendix 1); (b) note the Prudential and Treasury Indicators contained therein; and (c) note the changes arising from the review of Loans Fund Advances.

4. Implications/Socio-economic Duty

Financial

4.1 General Services

Capital Financing Costs - the Council budgeted £19.201m for financing costs and expenses on debt for 2019/20. It is currently estimated that actual costs will total £17.051m. This underspend will be transferred to the Loans Fund Reserve in line with the previously agreed policy to support delivery of the capital investment programme.

Review of Loans Fund Advances - £9.800m of earmarked reserves has been transferred to the General Fund Unearmarked Balance. Proposals for the utilisation of these funds will be considered as part of the Medium Term Financial Plan 2020/21 to 2022/23.

Housing Revenue Account

Capital Financing Costs - the Council budgeted £8.397m for financing costs and expenses for debt in 2019/20. It is currently estimated that actual costs will total £7.976m.

Review of Loans Fund Advances – the HRA Business Plan will be updated to reflect a £7.036m reduced requirement for prudential borrowing over the period to 2027/28.

In both cases, the main reasons for the underspends are a) the current strategy to use short-term external borrowing as well as utilising cash balances, resulting in savings on external interest costs and b) realignment of capital income which reduces the need for borrowing, resulting in savings on loans fund principal and interest payments.

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 This report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

Community Wealth Building

4.7 None.

5. Consultation

- 5.1 The review of Loans Fund Advances has been shared with the Council's external auditors.

Laura Friel
Executive Director (Finance and Corporate Support)

For further information please contact **David Forbes, Senior Manager (Strategic Business Partner)**, on **01294 324551**.

Background Papers

Treasury Management and Investment Strategy 2019/20 – Council 27 February 2019
Loans Fund Model - November 2019



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Treasury Management and Investment Mid-Year Report

2019/20



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Treasury Management and Investment Mid-Year Review 2019/20

1. Purpose

The Council is required by regulations issued under the Local Government in Scotland Act 2003 and the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017) to produce a mid-year review of treasury management activities. The purpose of this mid-year review is to report the performance of the Council's treasury operation and how this measures up against the Council's Treasury Management and Investment Strategy. This is done through the publication of updated prudential and treasury indicators for 2019/20.

This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2019/20, to meet the minimum reporting requirement, the following reports should be submitted to Elected Members:

- an annual treasury management and investment strategy (submitted to the Council on 27 February 2019)
- the capital strategy (submitted to the Council on 27 February 2019)
- a mid-year treasury update report (this report)
- an annual review following the end of the year describing the activity compared to the strategy (will be submitted to Council in June 2020)

Regulations place responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of treasury activities for the six months to 30 September 2019 and highlights performance against the Council's policies previously approved by members.

2. Executive Summary

During the six month period to 30 September 2019, the Council complied with its legislative and regulatory requirements.

The **key prudential and treasury indicators** for 2019/20 have been updated based on the latest available information and will be used to assess performance at the end of the year.

TABLE 1

Prudential and treasury indicators	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
Capital expenditure (Indicator 1)		
· Non-HRA	55.817	52.853
· HRA	64.423	44.118
· Total	120.240	96.971
Capital Financing Requirement (CFR):		
· Non-HRA	204.377	195.719
· HRA	163.993	132.433
· Total	368.370	328.152
Gross borrowing (Indicator 4)	368.370	318.152
Operational Boundary (Indicator 5)	383.326	352.495
Authorised Limit (Indicator 6)	421.659	387.745
Investments (Indicator 8)		
· Longer than 1 year	-	-
· Under 1 year	20.000	24.650
· Total	20.000	24.650

A summary of performance is provided below with more detailed information provided in the body of the report.

Capital Expenditure for both the General Fund and HRA vary from original estimates due to changes in the profile of projects and the receipt of new external funding. Full details of all movements in the capital expenditure budgets are included in the capital programme performance reports submitted to Cabinet throughout the year.

The **Capital Financing Requirement (CFR)** is the underlying borrowing requirements of the Council. The reduction to the requirement during 2019/20 reflects the change in profile of the capital programme as well as changes in estimates of external funding.

Gross Borrowing reflects the actual borrowing which has been undertaken. This is projected to be lower than anticipated due to the revised profile of capital projects and the use of temporary borrowing and internal funds, the latter being a key element of the Treasury Management Strategy to minimise costs.

The **Operational Boundary** is the maximum we would anticipate borrowing to fund the current year capital programme building in flexibility for the timing of the different funding streams and principal repayments. The in-year variance is linked to the use of internal funds and the re-profiling of the capital programme.

The **Authorised Limit** is set at 10% above the Operational Boundary to give some flexibility to raise funds for future year capital investment.

The Council has a strategy of taking a combination of temporary and permanent borrowing in recognition of the Council's longer term borrowing requirements and the market rates available at that time. This balances short term financial savings with longer term security of costs. In the period 1 April to 30 September 2019 there were a number of instances of temporary borrowing and at 30 September 2019 the value amounted to £17m, which is due to be repaid at various dates between now and 10 September 2020. In the same period the Council also took out an additional £20m long term borrowing.

Following a 1% increase in PWLB rates on 9 October 2019, the Council will monitor the impact of the change and review its strategy with regards to the balance of long term and short term borrowing and the utilisation of internal balances and other source of funding as appropriate.

Affordability of borrowing is measured by a number of indicators, including the impact of:

- Percentage of financial costs relative to the net revenue stream of the General fund and Housing Revenue Account.

As at 30 September 2019 the above indicator shows estimated ratios of 5.1% and 16.9% for General Fund and HRA respectively.

The **average investment** rate to 30 September 2019 was 0.79%, compared to a target of 0.60% and actual in 2018/19 of 0.48%. The higher return secured this year to date reflects the increased diversification of the Council's investment portfolio to maximise return whilst minimising risk.

Other prudential and treasury indicators and supporting information can be found in the main body of this report.

Following a review of The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016, a review of General Services and HRA loans fund advances has been undertaken. The resulting actions will release £9.800m of earmarked funds to the General Fund Unearmarked Balance. Proposals for the utilisation of these funds will be presented to Council as part of the Medium Term Financial Plan 2020/21 to 2022/23. Within the HRA, reduced repayments over the medium term will be reflect in a £7.036m reduction in the requirement for prudential borrowing over this period.

Conclusion

The Executive Director (Finance and Corporate Support) confirms that long-term borrowing is only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) has not been breached.

3. Prudential and Treasury Indicators for 2019/20

The Prudential Code establishes a framework to ensure Councils demonstrate effective control over levels of, and decisions relating to, capital investment activity including borrowing. The Treasury indicators are used to ensure that risk is managed and controlled effectively. Together the Prudential and Treasury Indicators consider the affordability and impact of capital expenditure decisions and set out the Council's overall capital framework.

These indicators help the Council to demonstrate public accountability in relation to borrowing and investments. As part of this accountability this report will summarise the following: -

- Capital activity during the year (section a);
- Impact of this activity on the Council's underlying debt (the Capital Financing Requirement) (section b);
- The actual prudential and treasury indicators (section a – e);
- Overall treasury position identifying how the Council has borrowed in relation to this debt, and the impact on investment balances (section e);
- Detailed debt activity (section e); and
- Summary of interest rate movements in the year (section 4);
- Detailed investment activity (section 5).

(a) The Council's Capital Expenditure and Financing 2019/20 (Prudential Indicator 1)

The Council incurs capital expenditure when it invests in its long term assets. Capital Expenditure can be funded in two main ways:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply other resources, the capital expenditure will give rise to borrowing, which is approved as part of the Council's investment plans.

The tables below show the planned capital expenditure for 2019/20 and the latest forecast alongside the amount estimated to be financed in year and the amount which will give rise to borrowing.

TABLE 2

General Fund	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
Capital expenditure (Indicator 1)	55.817	52.853
Financed in year from external funding and reserves	29.849	35.309
Unfinanced capital expenditure	25.968	17.544
HRA	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
Capital expenditure (Indicator 1)	64.423	44.118
Financed in year from external funding and reserves	18.130	29.222
Unfinanced capital expenditure	46.293	14.896

(b) The Council's Overall Borrowing Need (the Capital Financing Requirement) (Prudential Indicators 2 and 3)

This indicator outlines the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not been paid from either a capital or revenue resource and therefore needs to be funded from borrowing. It is essentially a measure of the Council's underlying borrowing need.

Part of the Council's treasury activity is to meet the funding requirements for this borrowing need. The treasury management section organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government through the Public Works Loan Board [PWL], or the money markets), by utilising temporary cash resources within the Council or through temporary borrowing from other local authorities.

The Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. The Council is required to make an annual revenue charge, called the Loan Fund Principal Repayment. This is effectively a repayment of the borrowing need and it is charged to revenue over the life of the asset. This charge reduces the CFR each year. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- increasing the annual revenue charge

The Council's CFR for the year is shown in the following table and is a key prudential indicator. The opening balance excludes the PPP / NPD schemes because no borrowing is actually required against these schemes as a borrowing facility is included in the contract.

Table 3 shows that based on historic capital expenditure and this year's capital expenditure the Council has a cumulative underlying borrowing need of £328.152 forecast at 31 March 2020. This is lower than the original estimate as a result of changes in the profile of capital projects and the receipt of new external funding.

TABLE 3

CFR	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
Opening Balance	307.862	307.680
Add unfinanced capital expenditure (General Fund and HRA per Table 2)	72.261	32.440
Less Loans Fund Principal Repayments	(11.753)	(11.968)
Closing balance (Indicator 2)	368.370	328.152
Annual Change (Indicator 3)	60.508	20.472

(c) Limits to Borrowing Activity (Prudential Indicators 4 - 6)

Borrowing activity is constrained by the prudential indicators for CFR, gross borrowing and by the authorised limit to ensure the Council operates its activities within well-defined limits.

Gross borrowing and the CFR

There is a need to ensure that gross debt does not, except in the medium term, exceed the total CFR (i.e. the Council does not borrow more than it needs to fund its capital programme). In exceptional circumstances Councils are allowed to borrow to cover the current financial year plus the next two financial years (i.e. to 2021/22). This provides some flexibility to borrow in advance where this is appropriate.

Table 4 highlights the Council's forecast gross borrowing position against the CFR and confirms that at 30 September 2019 the Council has complied with this prudential indicator as gross borrowing is currently within its CFR. The Council is currently under-borrowed by £66.681m due to the continuing strategy to delay long-term external borrowing by utilising internal cash balances.

TABLE 4

	2019/20 Original Estimate £m	2019/20 Revised Estimate £m	30 September 2019 Actual £m
Gross borrowing position (Indicator 4)	368.370	318.152	261.471
CFR	368.370	328.152	328.152
(Under)/Over Borrowed Position	-	(10.000)	(66.681)

As part of its Annual Treasury Management Strategy the Council sets limits for external borrowing which it is not normally expected to exceed. These limits are explained below.

The Operational Boundary

The operational boundary is the expected maximum borrowing position of the Council during the year, taking account of the timing of various funding streams and the recharge of principal repayments from the revenue account. Periods where the actual position varies from the boundary is acceptable subject to the authorised limit not being breached.

The Authorised Limit

The authorised limit represents a limit beyond which external debt is prohibited. This limit is set by Council and can only be revised by Cabinet approval. It reflects the level of external borrowing which, while not desirable, could be afforded in the short term, but is not sustainable in the longer. The current limit is set at 10% of the Operational Boundary.

Table 5 demonstrates that between 1 April and 30 September 2019 the Council's gross borrowing was within both the operational boundary and its authorised limit, by a significant margin due to the continuing strategy to delay new external borrowing by utilising internal cash balances and changes in the capital programme and additional funding that have resulted in a reduced borrowing requirement.

TABLE 5

	Estimated £m	Revised £m
Average gross borrowing position 1 April to 30 September 2019		262.557
Maximum gross borrowing position 1 April to 30 September 2019		274.896
Operational boundary per Treasury Strategy 2019/20 (Indicator 5)	383.326	352.495
Authorised limit per Treasury Strategy 2019/20 (Indicator 6)	421.659	387.745

(d) Treasury Position at 30 September 2019 (Prudential Indicators 7 - 11)

The Council's debt and investment position is organised by the treasury management service to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within agreed parameters. Procedures and controls to achieve these objectives are well established through both Member reporting and the Council's Treasury Management Practices.

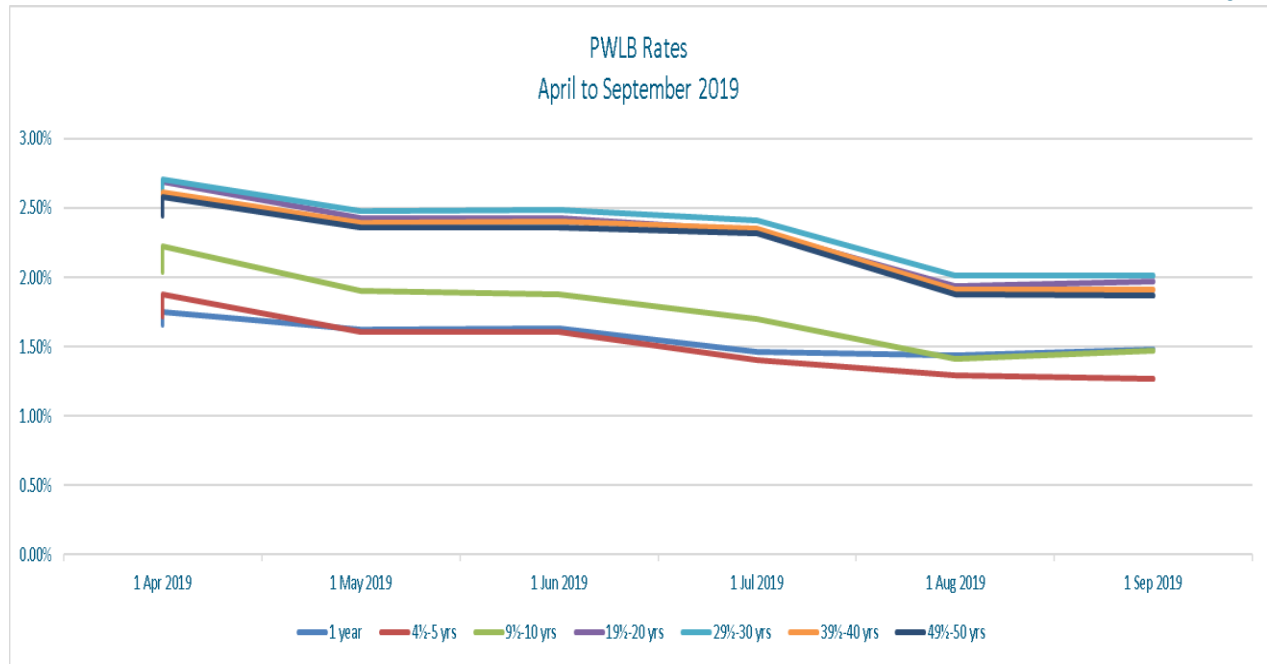
Borrowing Strategy for 2019/20

The Borrowing Strategy for 2019/20 anticipated a gradual rise in both bank interest rates and medium and longer term fixed borrowing rates during 2019/20. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued economic uncertainty has promoted a cautious approach, whereby investments continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

The UK economy continues to face a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. A no-deal EU exit cannot be entirely ruled out for 2019/20. Central bank actions and geopolitical risks, such as prospective trade disputes, have and will continue to produce significant volatility in financial markets, including bond markets.

The following graph demonstrates that the general trend has seen a slight reduction in PWLB rates during the period April to September 2019.

However, it should be noted that on 9 October the treasury raised the margin that applies to new loans from the PWLB by one percentage point. The government will monitor the impact of this change and keep rates policy under review. The Council will also monitor the impact of this change and will review the strategy with regards to the balance of long term and short term borrowing and the utilisation of internal balances as appropriate.



Borrowing Position for 2019/20

To date in 2019/20, the Council has taken a combination of long term and temporary borrowing, including £20m PWLB borrowing, in recognition of the Council's longer term borrowing requirements and the market rates available at that time. Due to investment concerns, both in terms of counterparty risk and low returns on investment, the Council has also used internal short-term cash reserves to temporarily fund its capital borrowing requirement to 30 September 2019.

In terms of outlook for the remainder of the year, based on current capital plans and replacement borrowing requirements, it is estimated that the Council will borrow £103.989m this financial year, with a forecasted planned under borrowed position of £10.000m at the end of March 2020.

Rescheduling

No rescheduling has taken place between 1 April 2019 and 30 September 2019 as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

The Council's treasury position (excluding borrowing by PPP/NPD and finance leases) at the 31 March 2019 and 30 September 2019 was as follows:

TABLE 6

	31 March 2019 Principal £m	Rate/ Return %	30 September Principal £m	Rate/ Return %
Fixed rate funding:				
-PWLB	174.135	5.52%	183.053	4.88%
-Other Local Authorities	28.000	0.70%	24.586	0.69%
-Market	27.931	4.70%	1.882	6.80%
Variable rate funding:				
-Market	25.950	5.88%	51.950	5.22%
Total debt (Indicator 7)	256.016	4.94%	261.471	4.56%
CFR	293.271		328.152	
Over / (under) borrowing	(37.255)		(66.681)	
Investments:				
- internally managed	21.850	0.65%	24.650	0.79%
Total investments (Indicator 8)	21.850		24.650	

All investments at 30 September 2019 mature within one year in line with the Treasury Management and Investment Strategy (**Indicator 9**).

The maturity structure of the debt portfolio (**Indicator 10**) at 30 September 2019 is shown below and shows the period when the Council is required to repay and/or refinance debt. It is important to ensure a reasonable spread of debt to mitigate against high exposure levels in respect of refinancing. The current profile ensures this:

TABLE 7

Maturity Profile of Borrowing (Indicator 10)	31 March 2019 Actual £m	30 September 2019 Actual £m
Under 12 months	66.908	59.864
12 months and within 24 months	16.091	20.099
24 months and within 5 years	3.205	0.365
5 years and within 10 years	11.469	6.369
10 years and within 20 years	24.830	24.512
20 years and within 30 years	-	29.750
30 years and within 40 years	103.513	103.512
40 years and within 50 years	20.000	7.000
50 years and above	10.000	10.000
Total Borrowing	256.016	261.471

The next indicator is used to manage risk and reduce the impact of adverse movement in interest rates. This sets a limit on the Council's exposure to fixed and variable interest rates (**Indicator 11**). The Council approved a limit on variable borrowing of £60.000m in the Treasury Management Strategy 2019/20.

TABLE 8

	2019/20 Original Limits £m	30 September 2019 Actual £m
Limits on fixed interest rates based on net debt (Indicator 11)	361.658	209.521
Limits on variable interest rates based on net debt (Indicator 11)	60.000	51.950

(e) Affordability Prudential Indicators (Prudential Indicator 12 - 14)

These Prudential Indicators assess the affordability of capital investment plans and provide an indication of the impact of capital investment plans on the Council's overall finances. The cost impact of borrowing decisions are reflected in the Council's budget as loan charges.

The actual and estimates of the ratio of financing costs to net revenue stream indicator identifies the trend in the cost of capital (borrowing and other long-term liabilities net of investment income) against the net revenue stream.

TABLE 9

Estimate of ratio of financing costs to net revenue stream (Indicator 14)	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
General Services	5.5%	5.1%
HRA	17.9%	16.9%

4. Investment Rates in 2019/20

The Bank Rate has remained at 0.75% during the period April to September. The Council's treasury advisers, Arlingclose, project that this rate will remain stable for the foreseeable future but there remains substantial risks to this forecast, dependant on outcomes associated with the UK's withdrawal from the EU and the evolution of the global economy.

5. Investment Position for 2019/20

Investment Policy

The Council's investment policy is governed by Scottish Government investment regulations, which have been implemented in the annual treasury management and investment strategy approved by the Council on 27 February 2019. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

All investments in 2019/20 have complied with our investment policy.

Resources

The Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's cash resources at 30 September 2019 were as follows:

TABLE 10

Cash Balances	2019/20 Actual £m
1 April 2019	21.850
30 September 2019	24.650
Change within 6 months	2.800

Investments held by the Council

The Council has maintained an average balance of £24.355m of invested funds and utilised cash balances during the year in support of the under-borrowed position.

The Council's treasury management advisors, Arlingclose Limited, have six Scottish unitary authorities in their client group and provide regular investment benchmarking information to the Council. In terms of investment performance, North Ayrshire Council's average weighted rate of return on investments during the period 1 April 2019 to 30 September 2018 was 0.79% (0.48% for the period to 30 September 2018). The actual rate of return on investments as at 30 September for North Ayrshire Council was 0.76% compared to the group average rate of 0.78%.

The target investment rate for 2019/20 was 0.60% and the higher return secured this year to date by North Ayrshire Council reflects the increased diversification of the Councils investment portfolio to maximise return whilst minimising risk.

We will continue to invest with approved counterparties in accordance with the approved strategy.

6. Review of Loans Fund Advances

Under the Schedule 3 of the Local Authority (Scotland) Act 1975, the Council operates a Loans Fund with the purpose of undertaking borrowing in order to make advances to support capital expenditure and determining the annual repayment to be charged to the General Services and HRA revenue accounts.

At 31 March 2019, North Ayrshire Council's Loans Fund included outstanding advances of £282.025m, due to be repaid over the next 48 years, and projections for a further £261.342m of advances in support of the approved General Services and HRA capital programmes.

Regulatory Changes

The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 replaced the provisions under the 1975 Act with Section 14 of the Regulations stating that Councils may vary the period and/or amount of the repayments, if they consider it prudent to do so.

Resulting Action

Following consideration of the revised Regulations, a review of the current methodology has determined that, in line with the Council's existing policy, all current and future loans fund advances should be calculated using the Asset Life method, which aligns the repayment of advances to the Useful Economic Life (UEL) of the assets to be acquired, and should be calculated using an annuity rate linked to the average interest rate of borrowing undertaken by the Loans Fund, 5% p.a. at 31 March 2019.

Following a review of all existing Loans Fund advances, it has been determined that there are sufficiently detailed records on which to base a recalculation of advances made since 2008/09, with all advances made after this date being examined to determine the most appropriate UEL and then recalculated using the revised methodology detailed above.

Impact of the Resulting Actions

Although there is no change in the overall level of Loans Fund advances to be repaid, this will result in the reprofiling of the principal and interest payments based on the review of the UEL of the assets with a resulting increase in the interest calculations over the period of the advances of £2.820m by 2073/74 for the General fund and £5.652m by 2064/65 for the HRA. The recalculation has resulted in a number of movements over the remaining period of the current General Services Capital Programme and the equivalent period of the HRA capital programme.

Within the General Services Capital Programme the recalculation of payments will result in reduced annual repayments over the period to 2027/28 which will be offset by increased payments in later years. Similarly, within the HRA Capital programme, following an initial increase in annual repayments to 2020/21, there will be a reduction in annual repayments over the period to 2027/28 which will be offset by increased payments in later years

It should be noted that these projections are based on the current Capital Programmes as approved by Council. Any changes to the approved Programmes will impact on the movement.

Impact on the Medium Term Financial Plan

The anticipated reduction in Loan Charge Repayments over the medium term will eliminate the need for the budgeted drawdown of reserves from the Loans Fund Reserve and Capital Fund over this period, releasing £9.800m to the General Fund Unearmarked Balance. Proposals for the utilisation of these funds will be presented to Council as part of the Medium Term Financial Plan 2020/21 to 2022/23.

Within the HRA, following an initial increase, the reduction in Loan Charge Repayments will be reflected in a reduced requirement for prudential borrowing of £7.036m over the period to 2027/28.

NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title: **Millport Coastal Flood Protection Scheme**

Purpose: To update Cabinet on the feedback from the most recent community consultations regarding the Millport Coastal Flood Protection Scheme and to seek approval to submit a formal Scheme Notification to Scottish Government.

Recommendation: It is proposed that Cabinet:-

- a) Notes the work carried out including the extensive engagement which has helped to develop community support for the proposed scheme;
- b) Notes that officers will finalise the scheme notification documents; and
- c) Agrees officers will submit the Formal Scheme Notification to the Scottish Government.

1. Executive Summary

- 1.1 The requirement for a coastal flood protection scheme for Millport was included within the Ayrshire Local Flood Risk Management Strategy and Plan produced in 2015 and 2016 respectively. Since then work has been progressing to develop an acceptable design solution for a flood protection scheme.
- 1.2 Three design solutions were presented to Cabinet in December 2018. The preferred solution was the provision of off shore breakwaters connecting the small islands in Millport Bay, plus onshore flood walls along the Millport shoreline as shown in the diagram at paragraph 2.1. The preferred option not only provides the required element of flood protection, but it also creates an area of sheltered water which could allow the future development of a community marina supporting the potential for step ashore facilities under the auspices of the Ayrshire Growth Deal.
- 1.3 In May 2019, Cabinet agreed that officers should undertake further community engagement to progress with the outline design of the onshore elements of the Scheme. Cabinet also agreed that officers should continue to work with the local community with regards to their aspirations for coastal tourism through the Ayrshire Growth Deal.
- 1.4 Cabinet is invited to note the outcome of the latest community consultations, which have been very positive, and approve submission of the Millport Coastal Flood Protection

Scheme Notification to Scottish Government to allow statutory public consultation on the proposals to take place in early 2020.

2. Background

- 2.1 In December 2018, Cabinet approved the preferred Millport Coastal Flood Protection Scheme solution (see Figure 1 below) and agreed to officers carrying out a community engagement event based on that option. Cabinet also agreed that officers would continue to work with the community with regards to their aspirations for coastal tourism through the Ayrshire Growth Deal.

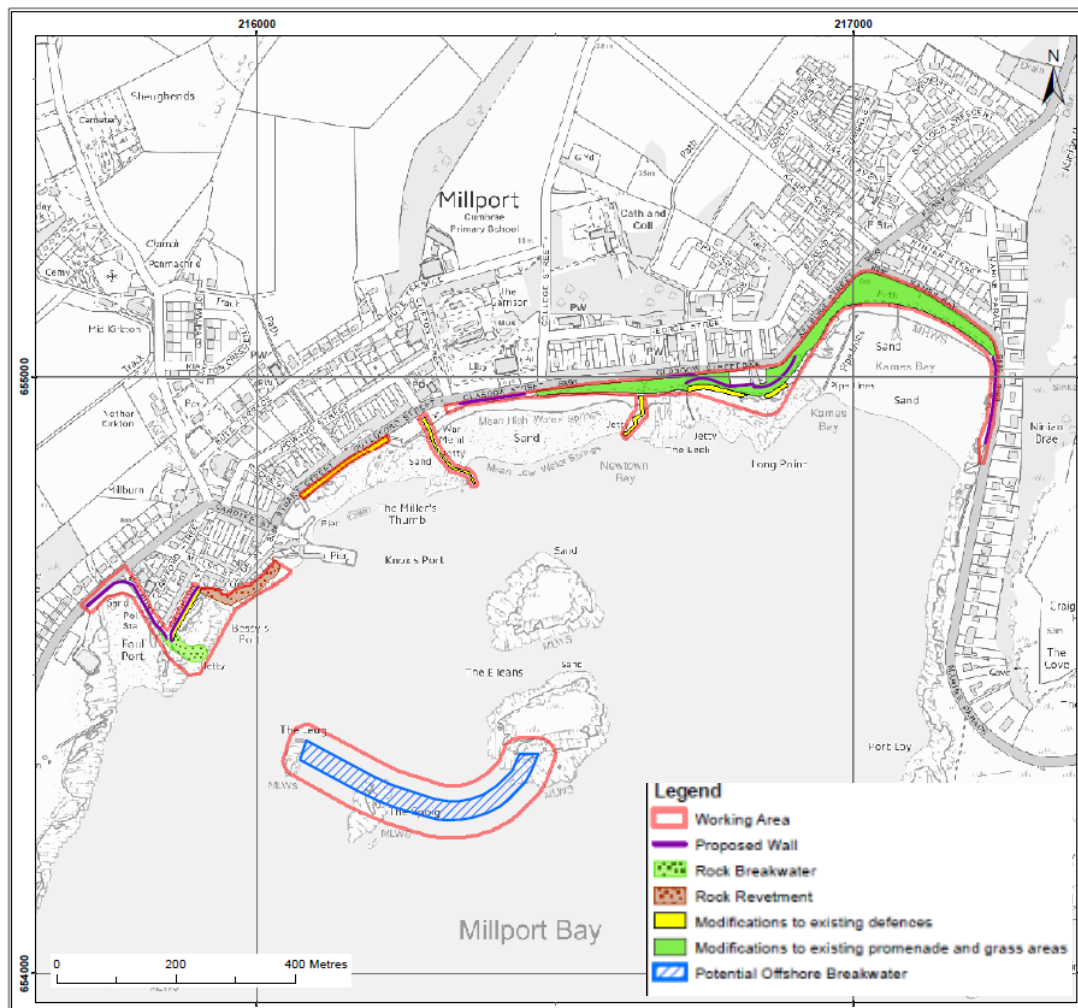


Figure 1: Millport Flood Protection Scheme – Agreed preferred solution

- 2.2 A community consultation event was held in Millport on 12 and 13 of February 2019 followed by a student consultation involving pupils from Largs Academy. The consultation sought views on the preferred option through workshops to discuss the onshore elements of the Scheme. The feedback from the consultation was very positive but it was clear that the onshore elements required further refinement to reduce the visual impact of the proposed flood walls and integrate them into the existing landscape.

- 2.3 In July 2019, a series of targeted community consultations were carried out for the Clyde Street, Cross House and Crichton Street residents. These residents are the most directly impacted by the proposed flood protection scheme. At Clyde Street a visualisation of the revetment has been prepared, and we will further agree with residents the best way to minimise the visual impacts of the structure during the detailed design process. At Cross House, the meeting resulted in changes being made to the proposals, such as replacing part of the existing garden wall with a flood wall. The feedback provided by residents was positive and enabled the project team to develop the outline design further with greater confidence.
- 2.4 The 19 and 20 August 2019 community engagement was a very positive event. An updated landscape design proposal was presented for the onshore works based on the February 2019 event feedback, including the targeted meetings. There were around 170 visits made to the design workshops over the two-day period. A total of 33 questionnaire responses were received. The responses to the questionnaire were generally supportive of the proposals. A summary of the August 2019 consultation feedback is provided at Appendix 1.
- 2.5 The Consultation Feedback Report includes survey results which confirm that 90% of people believe that the Flood Protection Scheme has been developed with the appropriate involvement of the community. Figure 3.3 within the Report demonstrates that the community are generally supportive of the scheme proposals.
- 2.6 Access along the seafront, and the interface between pedestrians and cyclists, is important in the design of the scheme. Accordingly, the final scheme will seek to promote facilities to encourage appropriate cyclist and pedestrian use as much as possible.
- 2.7 Officers are also progressing a business case for a step ashore proposal under the auspices of a wider initiative supporting marine tourism through the Ayrshire Growth Deal. A step ashore facility is made possible by the flood protection scheme. Preliminary works were commissioned with Blue Sea Consulting LLP to provide an indicative proposal for the location of step ashore facilities. This will include further engagement with the wider community on the development of any proposal. Over 50 responses to date have been received in response to initial consultation feedback. Responses are positive in support of the proposed step ashore facility, its location and potential for a community led operating model.
- 2.8 With considerable community and visitor support for a step ashore facility at Millport and a clear strategic fit within the AGD's marine tourism proposal, the project is well positioned to be further developed. This will include a business case to the Scottish Government, supporting the case for further technical and design works through the AGD.
- 2.9 The Economic Appraisal of the proposed Flood Protection Scheme was also reviewed to reflect the changes made to the design since the Scheme Recommendation Report was issued. The project still shows a strong, positive 2.37 Benefit Cost Ratio.
- 2.10 The offshore Site Investigation which took samples of the seabed sediments has now been completed. The laboratory analysis and final reporting is anticipated by December

2019. The site investigation report will provide information for the development of the Environmental Impact Assessment and the final scheme design.

2.11 An additional review of the potential impacts of the scheme on maritime navigation is progressing well with various statutory undertakers.

2.12 The assumptions used in the flood risk assessment for Marine Parade have been reviewed and refined which has allowed the proposed mitigation measures to be made less intrusive.

2.13 Officers have now finalised the Scheme outline design based on the preferred option detailed at Fig 1 at para 2.1 and which also incorporates the community views expressed at the recent engagement with regards to the onshore flood protection measures. On approval, it is proposed Officers will prepare a Formal Scheme Notification for submission to Scottish Government in early 2020.

2.14 An indicative timescale is detailed below. The key milestones remain in-line with the December 2018 Cabinet Report:

- December 2019 - Completion of EIA and other scheme notification documents
- End of February 2020 - Formal notification of scheme and commencement of statutory public consultation
- End of May 2020 - Conclusion of consultation period
- September 2020 - Cabinet approval to progress the detailed design (provided a public hearing or inquiry is not required)
- late 2020 to early/mid 2021 - Detailed design
- early/mid 2021 to summer 2021 - Tender period
- late summer 2021 - Tender evaluation, approval and award
- autumn/winter 2021 – Contractor mobilisation
- winter 2021/22 - Construction commences
- late 2023 - Scheme completed and operational

2.15 The necessary statutory public consultation mentioned above will be carried out in line with the Flood Risk Management (Scotland) Act 2009 which sets out a process which must be adhered to. This process includes a period of 28 days in which objections can be made to the scheme. The purpose of the extensive consultation already carried out was to identify community concerns so that issues could be addressed prior to the formal process.

3. Proposals

3.1 That Cabinet notes the work carried out including the extensive engagement which has helped to develop community support for the proposed scheme.

3.2 That Cabinet notes officers will finalise the scheme notification documents.

3.3 That Cabinet agrees officers will submit the Formal Scheme Notification to the Scottish Government.

4. Implications/Socio-economic Duty

Financial

- 4.1 The costs associated with the delivery of the proposed Millport Coastal Flood Protection Scheme are estimated at £27.5m and will attract 80% funding from Scottish Government with the remaining 20% funding being the responsibility of the local authority. The required funding is allocated in our approved Capital Investment Plan.

There is no financial allocation to secure the local community's aspirations to retain the existing timber pier structure, which will only be possible should the community be able to secure funds.

Human Resources

- 4.2 None.

Legal

- 4.3 The Scheme notification will follow the process outlined in the 2009 Flood Risk Management (Scotland) Act. Flood Protection Schemes have a single statutory consultation, which will be undertaken in spring 2020, and the approval process includes planning consent. Negotiations with the third-party landowners who will be involved in the delivery of the scheme are progressing well.

Equality/Socio-economic

- 4.4 An Equality Rights Impact Assessment will be carried out during the detailed design stage of the project.

Environmental and Sustainability

- 4.5 The flood protection scheme will protect the environment and fabric of Millport against flooding in the long term. The need for an EIA will be determined once the details of the scheme are finalised and with reference to the Environmental Impact Assessment (Scotland) Regulations 2017. In determining whether an EIA is required, relevant factors will include the details and scale of the works and the potential impacts on the marine environment. If required, an EIA would accompany any planning or marine application which is necessary for the scheme.

Key Priorities

- 4.6 The flood protection scheme will protect the safety of residents in the affected areas and will also help develop the economy of Millport which aligns to the Council Plan 2019 – 2024. The scheme will contribute to keeping people and communities safe, make Millport a vibrant, welcoming and attractive place and create a sustainable environment.

Community Wealth Building

- 4.7 The scope for Community Wealth Building will be reviewed as flood protection scheme develops.

5. Consultation

- 5.1 To date, four informal community consultation events have been held with stakeholders, including the event which took place on 19 and 20 August 2019. A summary of the August Consultation feedback is attached in Appendix 1. The consultation events have significantly influenced the development of the proposed flood protection scheme.
- 5.2 In addition to the above, targeted community consultation was carried out in July 2019 for the Clyde Street, Cross House and Crichton Street residents.
- 5.3 A forum was established involving stakeholders, elected members and officers to discuss issues relating to the impact of the proposed flood protection scheme. This has afforded the opportunity to consider the views of the local community and reflect these within the design.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **David Hammond, Head of Commercial Services**, on **01294 324570**.

Background Papers

Appendix 1 – Millport Community Consultation Summary – August 2019

Appendix 2 – Visualisation of proposed scheme

Millport Coastal Flood Protection Scheme

Summary of August 2019 Consultation Feedback

Client: North Ayrshire Council

Reference: PB4749-RHD-ZZ-XX-RP-Z-020

Status: 1.0/Final

Date: October 2019

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Document title: Millport Coastal Flood Protection Scheme

Document short title: Millport Consultation August 2019

Reference: PB4749-RHD-ZZ-XX-RP-Z-020-P1.0

Status: 1.0/Final

Date: October 2019

Project name: Millport FPS

Project number: PB4749

Author(s): Amy Savage

Drafted by: Amy Savage

Checked by: Elaine Hawkins

Date / initials: 17th October 2019

Approved by: Nick Cooper

Date / initials: 18th October 2019

Classification

Project related



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Appendices

- Appendix A** August 2019 Consultation Questionnaire
- Appendix B** Frequently Asked Questions and Answers (August 2019)
- Appendix C** Table of Questionnaire Results (anonymised)

1 Introduction

This report presents the findings of the fourth Millport Coastal Flood Protection Scheme (FPS) Community Consultation Questionnaire, which formed part of the community consultation event held during the week commencing 19th August 2019. Empowering communities is a core policy of both North Ayrshire Council and the Scottish Government. Engagement and consultation with the people of Millport is an essential part of the scheme development process.

The preferred way forward for the coastal flood protection scheme was presented at the consultation event held in February 2019. During the February 2019 consultation, public feedback was provided on the landscape design proposals for the onshore parts of the scheme. Since then the project team has completed further work to develop the proposals, taking this feedback into account.

The August 2019 consultation event updated the Millport community on the progress with the development of the scheme proposals. The aim of the questionnaire provided alongside this event was to provide a further opportunity for comment before the formal Flood Protection Scheme documents are prepared and submitted for statutory consultation and approval by the Scottish Government.

This report first provides details of the community consultation undertaken (Section 2). Section 3 outlines the methodology for the survey and analysis, before going on to set out the results (Section 4). This report provides brief conclusions regarding the results of this questionnaire only, because the survey is part of an ongoing process of planning and design.

2 Summary of consultation

2.1 Previous consultation

Three previous community engagement workshops have been held, with consultation questionnaires issued alongside each of these workshops:

- The first consultation and questionnaire (November/December 2016) focussed on how the seafront is used and the important aspects to be considered in development of the scheme.
- The second consultation and questionnaire (March 2017) provided an update on the development of the scheme proposals and explored the community's wider ambitions for the town (led by the Council's Tourism and Coastal Economy team).
- The third consultation and questionnaire (February 2019) updated local residents on progress with scheme development, including the findings of the Scheme Recommendation Report that was presented to North Ayrshire Council's Cabinet. The community design workshops explored the requirements for the onshore works, including the location, appearance, landscaping and access needs for the flood walls and other structures.

2.2 Targeted consultation meetings with residents

In advance of the August 2019 public consultation, targeted meetings were held with groups of residents to discuss particular issues relating to the Cross House, Clyde Street and Crichton Street parts of the scheme.

For the Cross House, the position of the flood wall in front of the property was reviewed. The main conclusion from this discussion was agreement that the garden wall should be replaced with a flood wall, instead of having an additional wall seaward of the garden wall in an area where there is limited space.

For Clyde Street, additional information was provided about the rock revetment proposals, including the height of the rock revetment compared to the natural rock foreshore. The impact of the flood protection scheme construction on property boundaries was also discussed. Further details of the rock revetment proposals (cross-sections, elevations and visualisations) were provided at the August consultation event to confirm the information provided during the targeted meetings.

The flood protection scheme proposals for Crichton Street have been reviewed again to ensure that access to the foreshore is maintained and the height of the flood wall minimised to reduce visual impact.

2.3 Consultation process

The August 2019 consultation event was publicised via letters to local residents, posters provided to seafront businesses and the library, a press release to the local newspaper, and using the North Ayrshire Council website and social media. The timing of the event during August recognised that there are many property owners in Millport who are not resident all year round. More seasonal residents were able to attend this consultation than the previous events. The first day of the consultation (Monday 19th August 2019) was the last day of the school holidays, which also helped to increase resident's availability to attend. **Between 160 and 180 visits were made to the exhibition and workshops over the two day period.**

Consultation materials prepared for the August 2019 consultation event included revised and new display boards. These display boards provided information on the process of scheme development, the changes since the last consultation, and answers to the outstanding questions identified from the responses to the February consultation questionnaire. A brief presentation was given on the scheme proposals at various points throughout the consultation sessions. The project team were available throughout the event to answer individuals' questions about the scheme. The 'Frequently Asked Questions and Answers' leaflet was updated to address the questions raised in the February 2019 consultation, and made available at the August consultation sessions. This is attached as Appendix B. A questionnaire was also developed, specific to this event, with an online version available for via the NAC website. The questionnaire is provided in Appendix A.

The video visualisation of the scheme that had been prepared for the February 2019 consultation was updated to show the revised proposals. The visualisation showed a 3D model representation of the onshore works and offshore breakwater. The visualisation was well received during the event (see Section 3.4). The updated visualisation provided a more accurate representation of the proposed onshore works, clearly showing the changes that had been made since the February 2019 consultation.

The exhibition materials from this consultation event, including the visualisation video, plus the materials from the previous consultations, were also provided on the North Ayrshire Council website.

Consultation with statutory stakeholders and other organisations with a potential interest in the Millport CFPS is ongoing, following the statutory processes required for approval of a flood protection scheme.



Figure 2-1: Consultation materials



Figure 2-2: Showing attendance at the consultation event

3 Consultation questionnaire

3.1 Methodology

As for the previous consultation questionnaires for the Millport Coastal FPS, two survey methods were used:

- i. Online, using Survey Monkey, through a link on North Ayrshire Council's website; and
- ii. Printed questionnaire provided during the consultation workshops.

The questions asked ranged from identification through to satisfaction with the engagement process, as set out in the questionnaire attached as Appendix A. Questions covered the following topics:

- 1 Contact details
- 2 Flood Protection Scheme Proposals
 - i. West Bay Road & Millburn Street
 - ii. Crichton Street

- iii. Clyde Street
- iv. Stuart Street & Harbour
- v. Glasgow Street (Newtown Beach)
- vi. Glasgow Street (Cross House)
- vii. Kames Bay

3 Consultation process

To comply with Data Protection requirements, all personal identification results have been omitted from this report. Where specific comments are discussed, in some cases these have been re-worded slightly to ensure clarity in this report.

3.2 General information and consultation process

There were between 160 and 180 visits made to the August 2019 consultation workshops. In total, 33 questionnaire responses were received. This compares to 116 responses in December 2016, 162 responses in March 2017 and 29 responses (plus 9 student responses) in February 2019.

As well as the questionnaire responses, there were individuals who approached North Ayrshire Council with queries following the consultation event. Detailed responses to those queries have been provided via letter and email.

It seems that the large number of local residents who attended the consultation event felt that they had provided their feedback during their discussions with the Project Team and therefore did not complete the questionnaire.

For previous consultations, questionnaires were posted to all Millport residents. This was considered to be unnecessary at this stage in the scheme development due to the greater awareness of the project within the community, and the number of responses received to previous questionnaires.

When asked to comment on the consultation process the questionnaire responses were strongly positive (**Figure 3-1**). Specific positive comments made included:

- *“well thought out”*
- *“thank you for considering all of the worries and concerns”*
- *“A well thought out and step by step involvement in the consultation process conducted by the Agencies with the Local Community I believe has led to the very supportive and partnership development of the Project to date.”*
- *“The individuals involved in the consultation process ... have been excellent and have been extremely helpful and available at all time - thank you”*

The following concerns were raised:

- There should be an opportunity for open debate rather than just one-to-one discussions between the community and the design team.
- Need more notice and consideration of the local character i.e. high numbers of elderly not on computers.
- More varied types of communication should be used *[suggestions were not provided]*.
- It was requested by one respondent that all parties who have shared their views are kept personally up to date with information about the next steps for the project

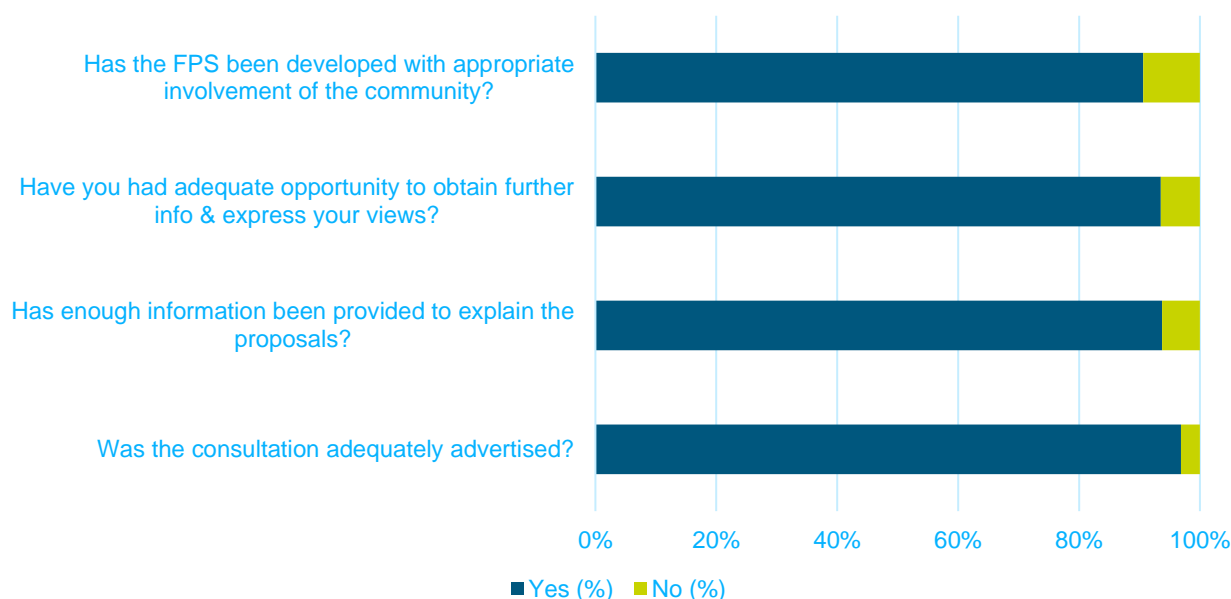


Figure 3-1: Opinions on the consultation process

Comments on the video visualisation were also positive, with 88% of respondents confirming that the visualisation had helped them to understand the scheme proposals. One questionnaire commented that they would have preferred a slower flythrough, and another that the offshore breakwater should have been included. A further comment noted that the scheme was shown at high tide, which shows a more limited visual impact of the breakwaters. The offshore breakwater did form part of the visualisation, although a greater part of the visualisation focussed on the onshore works. Visualisation of the breakwater at low tide was included in the February 2019 version of the visualisation, so the online version of the visualisation could be updated to include this view.

“The eyes on effect of seeing the video brought the whole project to life and individuals perceptions of what had been discussed was clearly evident at the Presentation on the 22 August 2019.”



Figure 3-2: Illustration of comments provided in questionnaire responses

3.3 Acceptability of the scheme proposals

For each part of the proposed Flood Protection Scheme, the consultation questionnaire asked: “Do you accept that the proposed solution is appropriate [for this area]”. Figure 3-3 below shows that the responses to this question were mainly positive.

For previous consultation report, infographics were prepared to summarise the keywords included in the ‘general comments’ sections of the questionnaires. For this report, infographics were found to be unsuitable because of the limited number of detailed text responses. Therefore the specific comments made in relation to each area are summarised below. Questions and comments requiring a response are discussed in Section 3.4.

For all areas, comments were included regarding the appearance of the structures, and their design (in terms of materials/finishes) to be in keeping with the character of Millport, and the specific area where appropriate.

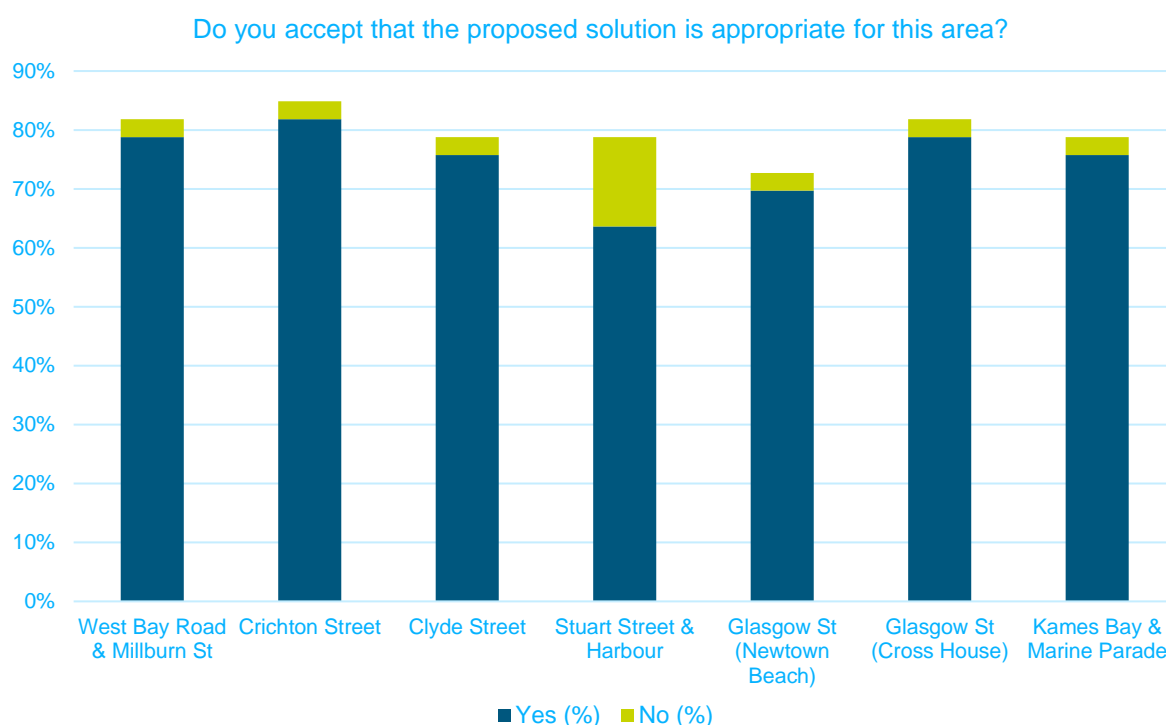


Figure 3-3: Acceptability of the proposals

Comments for West Bay Road, Millburn Street and Crichton Street

- The materials/finish of walls should be appropriate to the area, both colour and texture.
- A reverse curve should be added to the sea facing side of this wall.
- Designs on the concrete of a heritage nature could be used to soften the appearance.
- Effort should be made to source breakwater rock that best matches the existing rock in terms of colour and texture.
- Concerned about the visual impact of the proposed breakwater.
- The steps to the shore on Crichton Street are a good compromise – allow/improve access.
- Works should include improvements to the roads and footpaths adjacent, as in poor state of repair.

Comments for Clyde Street

- Acceptable provided the height of the proposed rock armour is as presented during the consultation.
- Effort should be made to source rock that best matches the existing rock in terms of colour and texture.
- Concerns raised regarding changes to the existing natural appearance of the area.

Millport Pier

- Disappointed that there will be no work to the wooden section of the pier.
- Would prefer to see maintenance continue on the timber section of the pier to keep it functional at least until further marina development works take place.
- Consideration should be given to the possibility that there may be works to the timber pier in the future.
- Contractor should improve the pier to enable off-loading of construction materials (minimise ferry traffic).
- There needs to be a basic landing provision for dinghies.
- Very pleased that the pier is not to be demolished.

Offshore breakwater

- The breakwater must not be left to look like a pile of rocks.
- Concerned about the likely visual impact of the proposed breakwaters. The Leug and the Spoig will essentially be absorbed into the breakwaters.
- Proposals will protect the town with potential for development in marine tourism and infrastructure.
- Offshore breakwater will be beneficial as a flood defence and will create a sheltered area for boats.
- Encouraged by this practical and simple solution.

Onshore works to Stuart Street

- The shape and appearance of the current wall should be changed as little as possible.
- Add visuals of a heritage nature to the walls to reflect history and conservation area status.
- The posts supporting the "Fairy Lights" should remain.

Glasgow Street (Newtown Beach)

- Space must be made available for the many dedicated wooden benches, and other existing benches. Benches are more comfortable than the proposed seating incorporated into the wall. Arm rests are needed to aid standing and sitting, concrete is cold to sit on.
- The proposed separation of cycles and pedestrians is good, as is the new wall.
- The cycle path should be next to the road.
- The cycle path should not be next to where cars park.
- The plan needs to ensure that there is no reduction in the size of the grass area.
- A raised grass level and a shorter wall is a much better solution.
- Jetties getting refurbished is a priority. Access from the sea urgently needs improving, plus a solution for safe dinghy storage at the crocodile jetty.
- Keep or replace the trees once the work is complete.
- An attractive and practical solution. Having attended the previous meetings, I can see that discussions and comments from the community have been taken into account.

Glasgow Street (Cross House)

- The flood problem concerning the side door to the Cross House needs to be addressed if required.

- Safety concerns raised regarding the current condition of the masonry revetment and risk of deterioration before the scheme is completed.
- Any of the necessary work should reflect the character of Millport.

Kames Bay and Marine Parade

- The onshore defences should be dark in colour to be in context with the existing dark coloured buildings, pavements, rocks and walls.
- Any of the necessary work should reflect the character of Millport town.

3.4 Questions and further information

Some respondents asked for additional information and/or raised further questions about the scheme. These questions and the responses to them, or how they will be addressed during the further development of the scheme, are summarised in Table 1.

Table 1 – Questions raised in response to the August 2019 consultation questionnaire

Question	Response / how this question will be addressed
It is unclear whether the existing railings are to be retained or replaced in the proposals for West Bay Road.	The railings along West Bay Road will be removed, with the crest wall constructed in their place. Railings will not be installed on top of the flood wall, because the wall itself will act as a barrier.
How will people access the rock foreshore along Clyde Street.	Access along the natural rock foreshore will still be possible above the crest of the rock revetment. Access to the sea over the rock revetment will not be advised, and it is expected that signs will be installed advising against climbing over the rock revetment.
Will the property title deeds be affected (i.e. ground plan and high water boundary) for properties on Clyde Street.	As discussed during the targeted residents meetings, the property boundaries will not change. The proposed rock revetment will extend above the high water mark, to within the property boundary. Property owners will not own the revetment, which North Ayrshire Council will be responsible for. Appropriate legal agreements will be drawn up between the Council and property owners where necessary. This will be progressed by the Council before the scheme is constructed.
Will rising sea levels ultimately make these breakwaters obsolete.	The design of the breakwaters has considered the expected impacts of climate change, based on current guidance. It is currently expected that the scheme design will provide the design standard of protection for at least 50 years. After 50 years, the breakwaters will continue to reduce wave energy before it reaches the shore, but providing a standard of protection of less than 1 in 200 per year. If required in the future the design standard of protection could be improved by increasing the height of the breakwaters, by increasing the height of the sea wall or by providing individual property protection.
Will there stop being a channel for boats to reach the pier	After the breakwaters have been constructed the navigation channel will need to move from the current channel between the Spoig and the Eileans, to the western channel between the Leug and the shore. Consultation is ongoing with relevant organisations relating to navigation.
The breakwaters should fully close the gaps between the Spoig and the outer Eilean. Gaps will allow heavy seas through at high tide and could appear to non-local small craft to be a viable navigation channel.	It is acknowledged that one of the scheme layout plans implied that there would be gaps at either end of the breakwaters. This is because the plans were based on the actual ground levels of the small islands. The breakwaters will have a continuous minimum crest level of +4.0mODN between the Leug, the Spoig and the outer Eilean. This level is above the high water mark. Waves could overtop the breakwaters during very severe storms, but this is considered in the scheme design. Navigation beacons will be provided on the breakwaters to show that the former channel is blocked. The leading lights will also be changed if required. Admiralty Charts will be changed and an appropriate communication plan agreed with the

Question	Response / how this question will be addressed
	relevant navigation organisations to ensure the sailing community is appropriately informed.
The statement that a Hebridean Princess type vessel could come inside the breakwater is misleading. The Princess will be unable to enter the harbour as there is insufficient depth.	The scheme proposals have been reviewed against the navigation requirements for vessels up to the size of the Hebridean Princess. This review has shown that Millport Bay inshore of the breakwaters would have sufficient space and depth to be navigated by vessels of equivalent size and manoeuvrability as the Hebridean Princess. This review did not consider access to the harbour; the consultation material did not state that the harbour would be accessible to the Hebridean Princess. Appropriate facilities would need to be provided (as a separate project) to enable the Hebridean Princess to berth at Millport.
The flood problem concerning a side door to the Cross House needs to be addressed if required.	The scheme design will address any possible flow routes around the ends of each section of sea wall. This includes the at the side door to the Cross House, where a flood gate will be provided if necessary.
How does the public access the beach especially water sports, horse riders, etc	Access to Newtown beach will not be changed from the current situation. The access point near to the bottom of College Street will be maintained; there will be a gap in the flood wall here. There will also continue to be access paths near to the Crocodile Jetty, and in the existing locations around Kames Bay. The two jetties at the east and west ends of Newtown Beach will be refurbished as part of the scheme, which will improve access for small vessels/watersports.
The plans show that a jetty east of the Crocodile Jetty will be refurbished. There is no jetty in that position. Work should focus on the Crocodile Jetty. It should have provision to leave dinghies tied up at all stages of tide (safely).	This was an error on the plans; an outfall was marked as a jetty. The Crocodile Jetty and the jetty at the west end of Newtown Beach will be refurbished. Provision for mooring dinghies will be considered as part of the design of this refurbishment.
The project is under engineered for the area to the west of the Cross House.	Present day flood risk, and residual risks with the scheme in place have been assessed for each part of the Millport seafront based on detailed wave modelling. This analysis takes into account the ground levels and new flood wall levels for each part of the Millport seafront. Based on best practice modelling and design methods, the design criteria are met in the area to the west of the Cross House with flood wall between 1.0m and 1.2m high, and improvements to the masonry revetment. Drainage improvements will be included in the scheme design to address any residual overtopping, e.g. from spray that carries past the wall.
The masonry revetment at the Cross House needs to be repaired now – there are holes and it is dangerous.	The safety concerns for this area are noted, and NAC will consider temporary solutions in advance of the FPS construction (currently expected to begin in Autumn 2021).
Does the wall extend to the diving dale on Marine Parade? Although damaged this is still used.	The flood wall will end to the north of the diving dale. The poor condition of this area is under review by North Ayrshire Council.
Provide more detail of how cycle paths combine with existing routes, address safety concerns of cycle routes next to parked cars, and how any works to cycle ways would be funded.	<p>Based on consultation feedback, an additional objective for the scheme was identified as improving pedestrian and cycle access along the seafront, by separating the different users of the area where possible.</p> <p>Since the August consultation event it has been confirmed that there are constraints on separating cyclists and pedestrians, because the promenade is legally defined as a Core Path, so cycle access along the promenade cannot be prevented. Solutions to improve the current situation within the scheme area are being reviewed. This assessment is considering the interfaces between cyclists, moving and parked cars, bus stops and pedestrians crossing the potential cycle routes.</p> <p>The FPS funding will not cover the construction of new cycle paths, or for works outside the scheme area (e.g. from the Field Studies Centre to the ferry slip. However, where surfacing needs to be replaced as part of the scheme, this could be</p>

Question	Response / how this question will be addressed
	done in a way that e.g. signposts cyclists and pedestrians towards using separate routes.
There is currently no adequate boat launch slipway on the island. Is their scope, within the planned work, to facilitate a small slip for launching dinghies at all states of tide.	The Flood Protection Scheme does not include a slipway, as this would not be funded by the Scottish Government grant. The two jetties at the east and west ends of Newtown Beach will be refurbished as part of the scheme, which will improve launch facilities for small vessels. It is possible that the construction contractor may need to construct a slipway as part of the temporary works in order to deliver materials to site, but this cannot be specified as a construction requirement.
Have the impacts of the breakwater on seals, birds, fish and water quality been considered?	A detailed environmental impact assessment is required as part of the formal Flood Protection Scheme submission, and for approval by Marine Scotland in advance of construction. This will set out how the potential impacts of the offshore and onshore works have been considered and minimised through the design of the scheme, and any mitigation measures required as part of the construction process. The Environmental Statement will be made available to the public when the scheme is notified.

4 Conclusions

The August 2019 Community Consultation was a very positive event, with good attendance.

Support for the scheme proposals was again strong, building on the positive feedback previously received during the February 2019 consultation. Millport residents provided overwhelmingly positive feedback on how their comments had been taken on board in the development of the onshore elements of the scheme since the February community design workshops.

A relatively low number of questionnaire responses were received. Whilst this is disappointing, given the good attendance at the workshops, it seems that the large number of local residents who took part in the consultation event felt that they provided their feedback during their discussions with the Project Team and therefore did not complete the questionnaire.

The comments and questions about the scheme proposals demonstrate that there are still concerns about the appearance of both the offshore and onshore works. As the design of the scheme progresses this issue will continue to be taken into account, with the aim of minimising visual impact of the works as far as possible.

Access along the seafront, and the interface between pedestrians and cyclists is a recognised issue for Millport. Wherever possible, improvements in access will be included in the scheme design. The approach to addressing the cycling issues throughout the scheme area has not yet been finalised, but it is still the aim that the scheme will incorporate features to encourage cyclists to use a separate route to pedestrians.

A number of concerns were raised regarding the safety of parts of the seafront, such as the masonry revetment near to the Cross House and the diving dale on Marine Parade. These issues have been noted by North Ayrshire Council and are being reviewed.

Millport Flood Protection Scheme

Community Consultation Questionnaire, August 2019

Many homes and businesses in Millport are at risk of flooding from the sea. North Ayrshire Council is developing the Millport Coastal Flood Protection Scheme with close community involvement. In our continued commitment to help people improve their lives on Great Cumbrae, North Ayrshire Council is developing a flood protection scheme to reduce this risk.

The preferred way forward for the coastal flood protection scheme was presented at the consultation event in February 2019, and has now been agreed by North Ayrshire Council Cabinet. You provided feedback on the landscape design proposals for the onshore parts of the scheme at the February consultation, and since then we have completed further work to develop the proposals, taking your views into account.

This consultation event presents the updated scheme proposals, and provides you with a further opportunity to comment before the formal Flood Protection Scheme documents are prepared and submitted for statutory consultation and approval by the Scottish Government.

Additional information about the coastal flood protection scheme proposals, including layout plan drawings and a 3D visualisation of the scheme proposals, are available on the North Ayrshire Council website: www.north-ayrshire.gov.uk/flooding. Information will also be provided during a community consultation event to be held at the Garrison in Millport on 19th and 20th August 2019.

This questionnaire gives you the opportunity to express your views about the preferred scheme. Please complete as much of the questionnaire as you wish. Your views will be taken into account in the preparation of the formal Flood Protection Scheme documents. We will prepare a report to summarise the feedback from the August consultation event and the responses to this questionnaire, which will be made available on the Council website.

Completed questionnaires should be returned to the Garrison House (library information desk) or posted to North Ayrshire Council at the address below, before 16th September 2019. The questionnaire can also be completed online, via the North Ayrshire Council website: www.north-ayrshire.gov.uk/flooding.

Privacy statement

We will only process your personal information provided in this questionnaire to contact you if you have expressly stated you wish to be contacted.

Your personal data will be stored securely, in line with the Council's policies, and only held for as long as is necessary. If you would like to find out more on how we manage your data, please visit:

<https://www.north-ayrshire.gov.uk/privacy-policy.aspx>

Thank you for your time and input. We will keep people informed about the development of the flood protection scheme using newsletters and the North Ayrshire Council website. For any immediate questions please contact:

North Ayrshire Council: Cunninghame House, Irvine, KA12 8EE

Contact: Patricia Rowley

Tel: (01294) 310000

Email: millportcoastalfps@north-ayrshire.gov.uk

Royal HaskoningDHV: Rightwell House, Bretton, Peterborough, PE3 8DW

Contact: Amy Savage

Tel: (01733) 336522

Your contact details

If you would like North Ayrshire to keep you updated on the flood protection scheme proposals please tick here.	
If you would like North Ayrshire Council to contact you regarding your response to this questionnaire please tick here.	

Please provide your name and contact information so that we can contact you:

Name:			
Address:			
Telephone:			
Email:			
Are you willing for North Ayrshire Council to retain your contact details in order to contact you regarding this response and/or the flood protection scheme proposals? Contact details will not be used for any other purpose.	YES		
	NO		

Flood protection scheme proposals

West Bay Road and Millburn Street

- For this area, an offshore solution to provide flood protection is not possible.
- 85m long raised crest wall (0.8m to 1.0m high) and drainage improvements along West Bay Road.
- 115m raised crest wall (1.0m high) and drainage improvements along Millburn Street.
- 50m long shore-connected rock breakwater, extending south-east from the rocks at the corner of Millburn Street and Crichton Street.



Do you accept that the proposed solution is appropriate for West Bay Road and Millburn Street?	YES	NO	Other (please comment)
--	-----	----	------------------------

Comments on the proposals for West Bay Road / Millburn Street (continue on additional page if required):

Crichton Street

- For this area, an offshore solution to provide flood protection is not possible.
- 50m long shore-connected rock breakwater, extending south-east from the rocks at the corner of Millburn Street and Crichton Street.
- 100m long wave return flood wall along the seaward side of the footpath (top of the rock foreshore), between 0.8m and 1.0m high, and drainage improvements.
- 40m concrete steps to the beach, replacing part of the existing masonry revetment.
- 25m rock armour revetment, along the south-facing section of Crichton Street.



Do you accept that the proposed solution is appropriate for Crichton Street?

YES

NO

Other (please comment)

Comments on the proposals for this Crichton Street (please continue on an additional page if required):

Clyde Street (we have met with Clyde Street residents to discuss these proposals)

- For this area, an offshore solution to provide flood protection is not possible.
- 90m long rock armour revetment, built over the rock outcrops, to a level of +4.0m ODN (2.2m above the high- water mark, between 1m and 2m below ground level of the adjacent properties).



Do you accept that the proposed solution is appropriate for Clyde Street?

YES

NO

Other (please comment)

Comments on the proposals for Clyde Street (please continue on an additional page if required):

Stuart Street and Harbour

- No works to timber section of Millport Pier.
- 120m offshore rock armour breakwater connecting The Leug and The Spoig.
- 210m rock armour breakwater between The Spoig and the southern Eilean.
- Improvements to the appearance of the top of the existing sea wall and drainage improvements.



Do you accept that the proposed solution is appropriate for Stuart Street and the Harbour area?

YES

NO

Other (please comment)

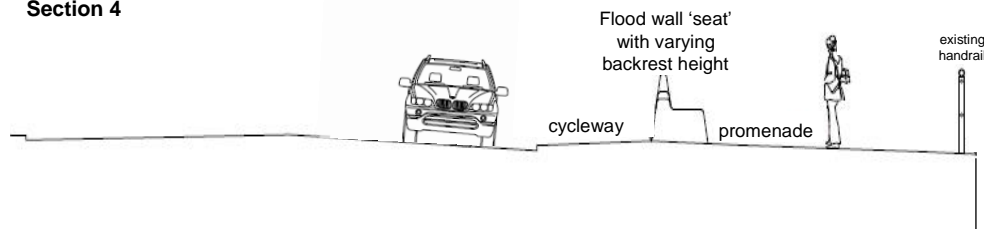
Comments on the proposals for Stuart Street and the Harbour area (please continue on an additional page if required):

Glasgow Street (Newtown Beach)

- 135m long flood wall, between 0.6m and 0.9m high, from Clifton Street to College Street.
- Flood wall positioned between the footpath and the promenade and designed so it can be used as seating. Access will be provided through the wall.
- 20m long flood wall, 0.6m high, to the east of the beach access near to College Street.
- Raise level of grass area by up to 0.6m between College Street and the Crocodile Jetty (200m).



Section 4



Do you accept that the proposed solution is appropriate for Glasgow Street (Newtown Beach)?

YES

NO

Other (please comment)

Comments on the proposals for Glasgow Street (Newtown Beach) (please continue on an additional page if required):

Glasgow Street (Cross House)

The proposed solution for this area has been developed based on discussions at consultation meetings with owners of properties in the Cross House.

- 80m long flood wall, up to 1.2m high, to the west of the Cross House.
- Replace part of the Cross House garden wall with a flood wall (the same height).
- 95m long wave return flood wall, up to 1.2m high, from in front of the Cross House building to Kelburn Street. Concrete steps on the seaward side of this flood wall in places.
- Stone revetment replaced with concrete stepped revetment.

Do you accept that the proposed solution is appropriate for the Cross House area?

YES

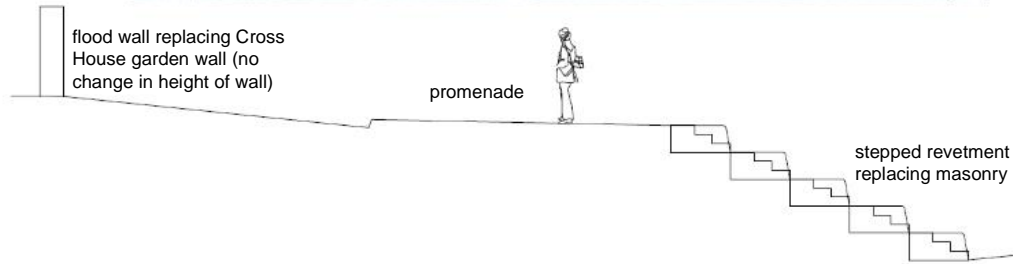
NO

Other (please comment)

Glasgow Street (Cross House)



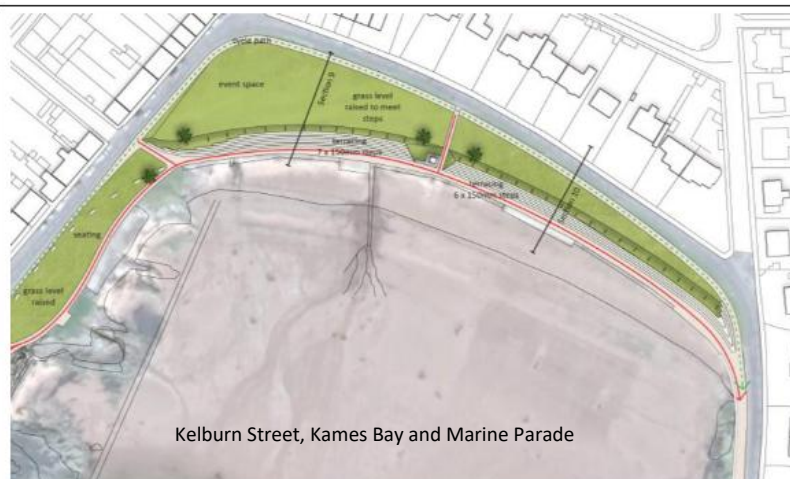
Section 6



Comments on the proposals for the Cross House area (please continue on an additional page if required):

Kames Bay

- Raise the level of the grass bank along 120m of Kelburn Street.
- Raise level of grass areas, and concrete steps down to the promenade, along 290m of Kames Bay.
- 200m long wave return crest wall, raising the height of the sea wall by 0.8m, along the northern part of Marine Parade, including drainage improvements.



Kames Bay (Section 10)



Do you accept that the proposed solution is appropriate for Kelburn Street, Kames Bay and Marine Parade?	YES	NO	Other (please comment)
Comments on the proposals for Kelburn Street, Kames Bay and Marine Parade (please continue on an additional page if required):			

Consultation Process

The Council wishes to continually improve, so we would appreciate your comments on this consultation process to benefit future exercises like this one.

Was this consultation adequately advertised?	YES	NO
Has enough information been provided to explain the proposals?	YES	NO
Have you had an adequate opportunity to obtain further information and express your views?	YES	NO
Has the Flood Protection Scheme been developed with appropriate involvement of the community?	YES	NO
Is there any other information that should be provided about the Flood Protection Scheme proposals, or any questions that have not yet been answered?		
Did you see the video visualisation of the scheme proposals?	YES	NO
Did the visualisation help you to understand the scheme proposals?	YES	NO
Do you have any comments on the video visualisation?		
Do you have any other comments on the consultation process?		

Additional space for further comments:

Frequently asked questions and answers (page 1)

1. Aims and objectives for this project
2. The Preferred Option
3. How has the community of Millport influenced the development of the preferred option?
4. Millport Pier
5. Costs and Funding
6. Process and Timescales
7. Approvals
8. Works required on land
9. Aesthetics and Landscaping
10. Environment
11. Navigation and Moorings
12. Climate Change
13. Additional benefits of the preferred option
14. Communication

1. Aims and objectives for this project

The principal aim of the Millport Coastal FPS is to protect life and property, providing a 200 year return period standard of protection (protection against flooding from a storm with a 0.5% probability of occurrence in any year). A flood protection scheme for Millport will directly reduce the frequency and severity of flooding to Millport and the problems this causes.

2. The Preferred Option

A Scheme Recommendation Report was prepared which recommended the following preferred option based on technical, economic and environmental considerations:

- A 120m rock armour breakwater connecting The Leug and The Spoig
- A 210m rock armour breakwater between The Spoig and the southern Eilean.
- No works will be undertaken to the timber section of Millport Pier.
- Onshore flood walls and drainage improvements.
- Estimated capital cost - **£27.5 million**.

The preferred option has been approved by North Ayrshire Council Cabinet. The preferred option opens up opportunities for the community to progress a marina development which could accelerate the economic regeneration of Millport.

3. How has the community of Millport influenced the development of this preferred option?

Following the first scheme newsletter, community representatives raised concerns about the proposed nearshore breakwater (extension to Millport Pier). We held a local meeting, at which offshore breakwater solutions were proposed by Millport residents. After the meeting we modelled and assessed these options, which were proven to be technically viable and were taken forward to further development.

During the 2016 consultation workshops the community highlighted that there were flood risks to Kames Bay and Marine Parade. This was confirmed by further consultation, flood risk modelling and assessment.

Works to protect this area are now included in the scheme proposals, and have recently been refined.



Following further community feedback, including the petition 'Save Millport Pier', an additional scheme option was assessed which incorporated works to Millport Pier.

Based on comments about the potential impact of the onshore works, we have reviewed the height of the flood walls making them as low as possible. For example, for part of Glasgow Street, the flood defence level can be achieved by raising ground levels instead of a flood wall.

In July 2019 we met with residents of Clyde Street to provide further information about the rock revetment proposals and better understand their concerns. A visualisation of the revetment has been prepared, and we will agree with residents the best way to minimise the visual impacts of the structure.

We also met with owners and residents of the Cross House to explore the constraints on the scheme design in this area. The meeting resulted in changes being made to the proposals, such as replacing part of the garden wall with a flood wall.

The Council is continuing to meet with the working group which has been established with community representatives, North Ayrshire Council elected members and officers to address community issues relating to the Flood Protection Scheme proposals and related matters, including Millport Pier and the proposals for a marina.

The next stage of consultation is the formal (statutory) consultation on the proposed scheme, which is required before it can be approved by Scottish Government for funding and for construction to go ahead. Further details on this process are included below (Section 6).

4. Millport Pier

Refurbishment of the masonry section of Millport Pier began in April and is continuing through the summer.

Scottish Government has confirmed that grant funding only covers costs directly associated with flood protection works. This means that the regeneration of the timber pier cannot be financed from flood protection funding. It might be possible to seek investment for works to the timber pier from other funding sources such as the Ayrshire Growth Deal.

The preferred option does not include the demolition of the timber pier. This enables plans for the future development of the pier and harbour area to be taken forward as a separate project.

5. Costs and Funding

The estimated costs for the preferred option is much higher than the previously approved scheme budget. Cost estimates have increased due to the introduction of offshore breakwater options, findings of ground investigations and increase in extent of the scheme. However, Scottish Government has confirmed that **the proposed scheme continues to be eligible for funding**.

The preferred option has an **estimated capital cost of £27.5 million**. Based on this estimate, the Scottish Government grant would be £22.0 million, with North Ayrshire Council required to contribute £5.5 million. The final amount of funding from Scottish Government will be calculated based on the value of the accepted construction tender. The cost estimate will be updated on completion of development of the landscape design proposals.

6. Process and Timescales

The expected timescale for progressing the proposed scheme is:

- | | |
|-----------------------------|---|
| • December 2019 | Complete scheme design, EIA and scheme notification documents |
| • Early 2020 | Formal notification of scheme |
| • Spring - Summer 2020 | End of FPS consultation period |
| • Autumn 2020 - Spring 2021 | Detailed design |
| • Spring - Summer 2021 | Tender period |
| • Autumn 2021—Spring 2023 | Construction |

It should be noted that this timescale does not include for a public hearing or inquiry. If either is required due to objections to the formal scheme submission this would delay the project by at least a year, as well as increasing project costs for North Ayrshire Council and the Scottish Government.

7. Approvals

The Millport Coastal Flood Protection Scheme (FPS) will be advanced as a formal FPS under the Flood Risk Management (Scotland) Act 2009. The first stage of the formal process is the publication of documents setting out the scheme proposals. Notification of the start of the process must be given to owner, tenants and/or occupiers of land needed for the scheme. This notice will also be published in newspapers and as public notices.

The documents to be published are:

- A description of the construction works (operations) to be carried out;
- Maps, plans, studies and specifications for these operations; and
- Explanation of how these operations will contribute to the implementation of the flood risk management plan.

When advertised, the scheme documents will be available to view at the Millport Library and Cunninghame House (North Ayrshire Council offices). Information will also be provided on the NAC Flooding website.

Anyone has the right to object or make representations to the published proposals, within set time limits. Full details of how to make an objection will be given when the FPS documents are published. The legal process is a lengthy one. Objections not withdrawn or resolved are likely to result in at least 12 months delay to the delivery of the scheme.

If a valid objection is raised by anyone with an interest in land affected by the scheme, or by any statutory consultee, the Scottish Ministers will be called on to decide whether a Public Local Inquiry or a Public Hearing will be held. An independent Reporter will be appointed, and North Ayrshire Council and any objectors will be given time to prepare their statements. After the Public local Inquiry or Public Hearing, the Reporter will make a recommendation to the appropriate Council Committee or the Scottish Ministers as appropriate.



North Ayrshire Council
Comhairle Siorrachd Air a Tuath

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If the Scheme is confirmed after a Public Local Inquiry or a Public Hearing, or if no objections are received, then land owners and occupiers will be notified and finally the scheme will be confirmed. On confirmation of the scheme, North Ayrshire Council will write to Scottish Ministers to request deemed planning consent. Final notification of the legal Flood Order will be made in local newspapers, and there will be at least six weeks for appeals to be lodged and before any work can begin.

To enable construction of the scheme, a Marine Licence and a Harbour Works Order will also be required. The Environmental Statement will be an important supporting document for these applications. Formal consultation is required before a Marine Licence can be issued.

For the Millport Coastal FPS to progress, it will require strong community support. Formal objections to the scheme can lead to significant delays, cost increases, and could potentially prevent a scheme from being approved by Scottish Government, thereby losing the investment opportunity provided by the scheme.

8. Works required on land

The offshore breakwaters will only protect Stuart Street, Guildford Street and part of Glasgow Street from wave overtopping. Breakwaters will not sufficiently reduce the risk of flooding to the west of Millport Pier, or to most of Glasgow Street. Offshore breakwaters extending east from the Leug, or east from the Eileans, are not technically or financially viable solutions. Therefore, **onshore and foreshore works are also required** to provide a complete flood protection scheme for Millport.

- A **shore-connected rock breakwater** will extend seaward from the corner of Millburn Street and Crichton Street by about 50m, and would be about 20m wide. The top level of the breakwater will be about the same as the road level along Crichton Street (+4.0mODN).
- A **rock armour revetment** will be built over the rocky foreshore seaward of Clyde Street. The top of the revetment will also be about +4.0mODN. This is about 2m above the spring tide level, and 1-2m below the property gardens. Without this revetment, the garden walls would need to be rebuilt to a higher level.
- In some places the existing stone revetments will be replaced with **stepped concrete revetments**. At Crichton Street, this will help to maintain access to the foreshore. At the Cross House, the stepped revetment enables a lower flood wall.
- The **height of the sea walls will be increased** along West Bay Road, Millburn Street, Crichton Street, and Marine Parade. **Flood walls** will be needed along parts of Glasgow Street.
- The height of the flood walls and sea walls will vary in each area. **We will make sure that the flood walls are as low as possible.** For parts of Glasgow Street, Kelburn Street and Kames Bay, the flood protection requirements can be met by **raising the level of the grass areas** instead of using walls.
- During the meeting with Cross House property owners it was agreed that it would be best to **replace part of the garden wall** with a flood wall, instead of a higher wall next to the promenade.

- **Drainage improvements** will be included as part of the crest wall and flood wall works, and suitable access provided.

9. Aesthetics and Landscaping

North Ayrshire Council recognises the tourism and conservation aspirations of Millport. We want to work with you to develop a landscape design that minimises any negative visual impacts during the construction works and in the longer term.

We have developed the landscape design proposals based on your comments at the February 2019 consultation, and the questionnaire. Important considerations include:

- maintaining easy access to the promenade and beach from shops and homes, for example by raising ground levels to provide flood protection wherever possible, instead of walls;
- the position of the flood walls, such as around the Cross House;
- what the flood walls should look like, including their shape and the materials used to build them;
- designing the flood walls so that they can be used as seats;
- maintaining or improving access to the foreshore, e.g. by replacing some of the stone revetments with stepped concrete revetments;
- improving the condition of the jetties on Newtown Beach;
- providing foreshore access for small craft (e.g. kayaks) at West Bay;
- the way the area is used and could be used in the future; and
- other opportunities to improve the appearance of the seafront.

As well involving the community in the landscape design, we are working with North Ayrshire Council's planning team regarding the appearance of the scheme within the historic setting of the Millport Conservation Area. A Design and Access Statement will be included in the Environmental Statement.

10. Environment

The Flood Protection Scheme could have impacts on the environment, during construction and in the longer term. In developing the scheme design, we are assessing impacts on people and the environment, and identifying ways to minimise and mitigate against these impacts.

The most important issues for selection of a preferred option relate to impacts on the human environment, including visual appearance, impacts on tourism and the economy and changes to navigation in Millport Bay. The importance of these issues is reflected by the Council's investment in consultation and the changes that have been made to the scheme proposals based on consultation feedback.

An Environmental Impact Assessment (EIA) will be completed because the scheme will change the marine environment. An Environmental Statement will be prepared for the preferred option and will confirm the mitigation measures that are required as part of the scheme. The mitigation measures will be implemented through appropriate design and the construction methodology.

We will continue to consult with stakeholder organisations and the community of Millport as part of the environmental assessment process and take your views into account as the scheme is developed.

11. Navigation and Moorings

The preferred option will change navigation routes in Millport Bay. We have reviewed the potential navigation risks and consulted with navigation organisations, which has demonstrated that safe navigation inshore of the breakwaters should be possible for recreational vessels, and vessels of a similar size to the Hebridean Princess, depending on sea conditions. But it will no longer be possible for the Waverley to berth at Millport Pier.

The preferred option will also mean that some of the existing moorings in Millport Bay will need to be changed. We are consulting with The Crown Estate Scotland about these changes.

Suitable aids to navigation will be included in the scheme design, and the relevant charts will need to be updated.

12. Climate change

The wave modelling and design undertaken to develop the potential scheme options considered the level of flood risk to Millport with and without the impact of climate change. However, visual impact of the onshore works is a significant constraint, and the design aims to minimise the height of the flood walls. So it was decided that the initial standard of protection of the scheme should be 1 in 200 per year (0.5% AEP) without an allowance for climate change. The scheme will be designed so that adaptation to address climate change impacts can be undertaken in the future.

13. Additional benefits of preferred option

Although works to Millport Pier cannot be funded as part of the Flood Protection Scheme, the scheme will enable future works to the harbour area to be taken forward as a separate project. Funding for further works might be available from the Ayrshire Growth Deal.

Within the sheltered area created by the offshore breakwaters, it might be possible to develop a small marina. A working group has been established with community representatives, North Ayrshire Council elected members and officers to address community issues relating to the Flood Protection Scheme proposals and related matters including Millport Pier and the proposals for a marina.

14. Future communication

For a Flood Protection Scheme to progress it will require strong community support. North Ayrshire Council is committed to working closely with the local community throughout the life of this project.

The current consultation event provides an update on the developing scheme design. **Questionnaires are available for you to provide your comments**, which can be returned to Millport Library. The questionnaire can also be completed online, via the NAC Flooding website. This consultation will close on Monday 16th September 2019. We will collate the feedback responses and prepare a consultation report, which will be made available via the NAC Flooding website.

Any significant changes to the scheme proposals before the statutory approval process will be communicated through the usual channels.

APPENDIX C - TABLE OF QUESTIONNAIRE RESULTS

[illegible]

Is that the proposed solution is for Glasgow Street (Cross House)?		Comments on the proposals for the Cross House area. Open-Ended Response	Do you accept that the proposed solution is appropriate for Kames Bay?		Was this consultation adequately advertised?		Has enough information been provided to explain the proposals?		Have you had an adequate opportunity to obtain further information and express your views?		Has the Flood Protection Scheme been developed with appropriate involvement of the community?		Is there any other information that should be provided about the Flood Protection Scheme proposals, or any questions that have not yet been answered?		Did you see the video visualisation of the scheme proposals?		Did the visualisation help you to understand the scheme proposals?		Do you have any comments on the video visualisation?		Do you have any other comments on the consultation process?	
Yes	No Other (please specify)		Yes	No Other (please specify)	Yes	No	Yes	No	Yes	No	Yes	No	Open-Ended Response		Yes	No	Yes	No	Open-Ended Response		Open-Ended Response	
No			Yes		Yes		Yes		Yes		Yes				Yes		Yes				well thought out	
			Yes				Yes															
							Yes		Yes		Yes											
			Yes				Yes		Yes		Yes		It seems that the worries about the seals and birds and fish have been considered. I hope this is the truth.		Yes		Yes					thank you for considering all of the worries and concerns
			Yes				Yes		Yes		Yes						Yes					
			Yes				Yes		Yes		Yes						Yes		Yes			
		Very Good	Yes				Yes		Yes		Yes						Yes		Yes			
			Yes				Yes		Yes		Yes						Yes		Yes			
			Is there a real need to refurbish the above jetty? Currently there is no jetty in that position. Would suggest to focus work, and budget, on the crocodile jetty just to the west of this one. It should have provision to leave dinghies tied up at all stages of tide (Safety). A Basic Pontoon would be ideal.	Yes		Yes		Yes		Yes		Yes		There is currently no adequate boat launch slipway on the island. Is there scope, within the planned work, to facilitate a small slip for launching dinghies at all states of tide	Yes		Yes					
			Yes		Yes		Yes		Yes		Yes						Yes		Yes			
No		Excellent, Great plan and very attractive	Yes	No		Yes		Yes		Yes		Yes				Yes		Yes				
			Yes				Yes		Yes		Yes					Yes		Yes		It is a pity that it did not imitate the off shore breakwater proposal		
							Yes		Yes		Yes		only that expressed by me above									Just need more notice and consideration of the local character ie high 90 of elderly not on computers, need greater notice and more wained types of communication
			Yes		Yes		Yes		Yes		Yes		NO		Yes		Yes		Shower!			
			Yes		Yes		Yes		Yes		Yes				Yes		Yes					
			Yes		Yes		Yes		Yes		Yes				Yes		Yes					
			Yes		Yes		Yes		Yes		Yes				Yes		Yes					
		Excellent	Yes		Yes		Yes		Yes		Yes		Yes		Yes		Yes		Yes			
			Yes		Yes		Yes		Yes		Yes				Yes		Yes				very Clear upgrading of flood protection	
			Project is under engineered for area West of Crosshouse. Suitable for 1:1 flooding but not suitably engineered for 1:200 year event	Yes		Yes		No	Yes		Yes		Detail Of how cycle paths combine with existing routes	Yes		Yes		Yes				
No		This area is in desperate need of repair now. Not sure it can wait 5 years. There are holes appearing in the sloping areas larger enough for a foot to go through. Further storms are likely to cause even more areas to fall away. It is dangerous.	Yes		Yes		Yes		Yes		Yes				Yes		Yes					
			The onshore defences should be dark in colour, not light as shown in the visualisations. The existing buildings, pavements, rocks and walls are almost all dark brown or dark grey in colour. If the onshore sea walls and other hard landscape features are light in colour they will be out of context with the character of the island.	Yes		Yes		No		No		No	There should be an opportunity for open debate rather than just one-to-one discussions between the community and the design team.	Yes		Yes		The scheme appears to be shown at high tide - lessening the true impact of the breakwaters.				
		Appears acceptable and it is noted discussions have taken place with the Crosshouse residents. However it appears to have subsequently come to light that one resident has a problem concerning a side door which should be addressed if required.	Yes		Yes		Yes		Yes		Yes				Yes		Yes					
1 3%		Excellent solution and well thought out. Visually will look substantial.	Yes		Yes		Yes		Yes		Yes		No all information and consultation has been very good in the Project.	Yes		Yes		The eyes on effect of seeing the video brought the whole Project to life and individuals perceptions of what had been discussed was clearly evident at the Presentation on the 22 August 2019.		A well thought out and step by step involvement in the consultation process conducted by the Agencies with the Local Community I believe has led to the very supportive and partnership development of the Project to date.		
Any of the necessary work should reflect the character of Millport town						No	Yes	Yes		Yes		Yes		Please ensure all parties involved in the consultation who have shared their views should be kept personally up to date with next steps/meetings etc.	Yes		Yes	No		The three individuals involved in the consultation process have been excellent (Amy, Patricia and Mike?) and have been extremely helpful and available at all time - thank you		
					Yes		No		No		No		How far along marine parade will the wall reach? Although some what damaged many boat users still use the diving dale and boating pond on Kames bay. Does the wall go that far along? And if so will access points be installed to enable access to the shore?	Yes		No		Does not show access direct to the beach				

Appendix 2 – Images from the visualisation video as shown in the August 2019 Community Consultation



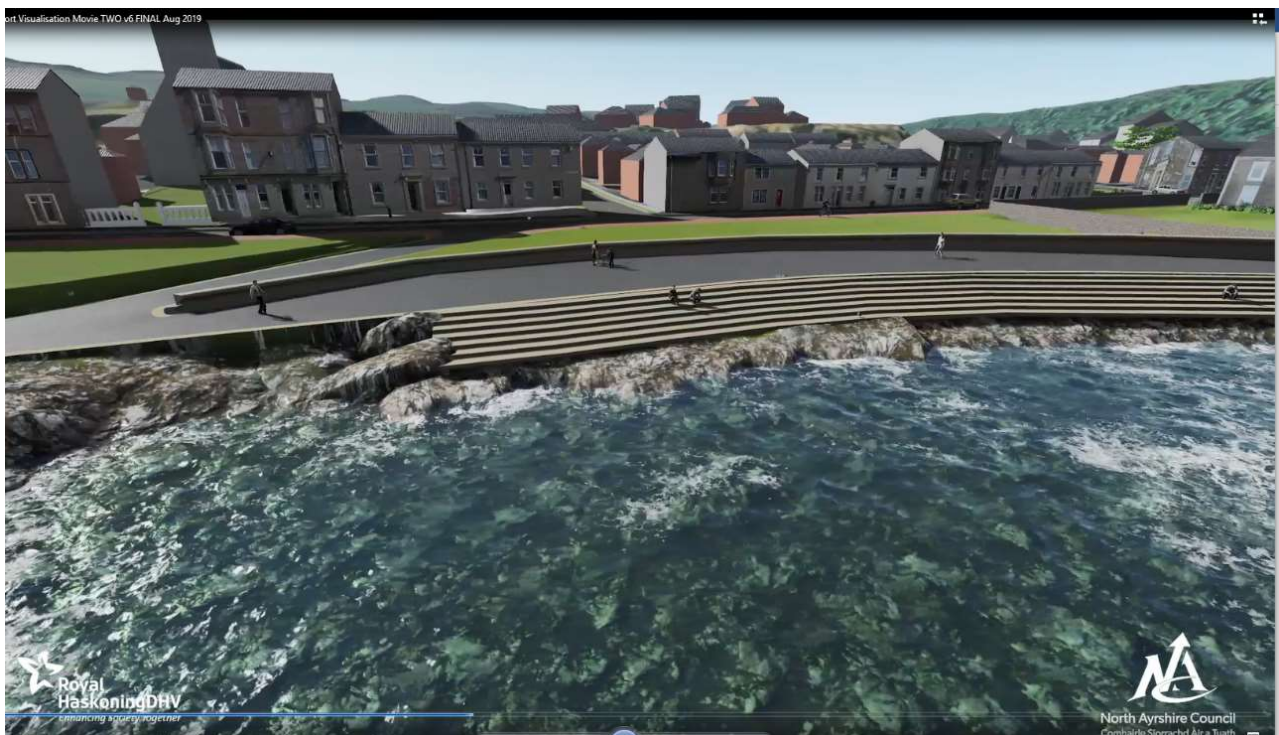
Kames Bay _ image1



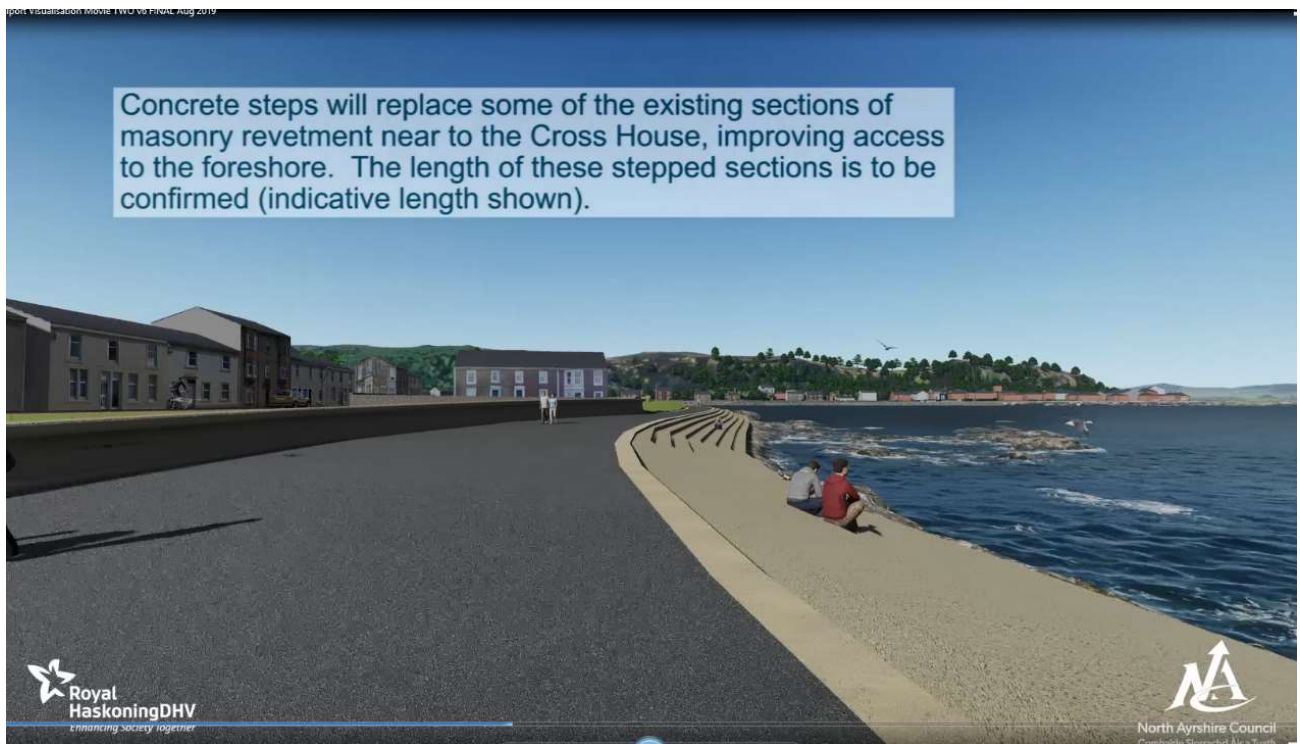
Kames Bay _ image2



Kames Bay _ image3



Cross House/George Street _ image4



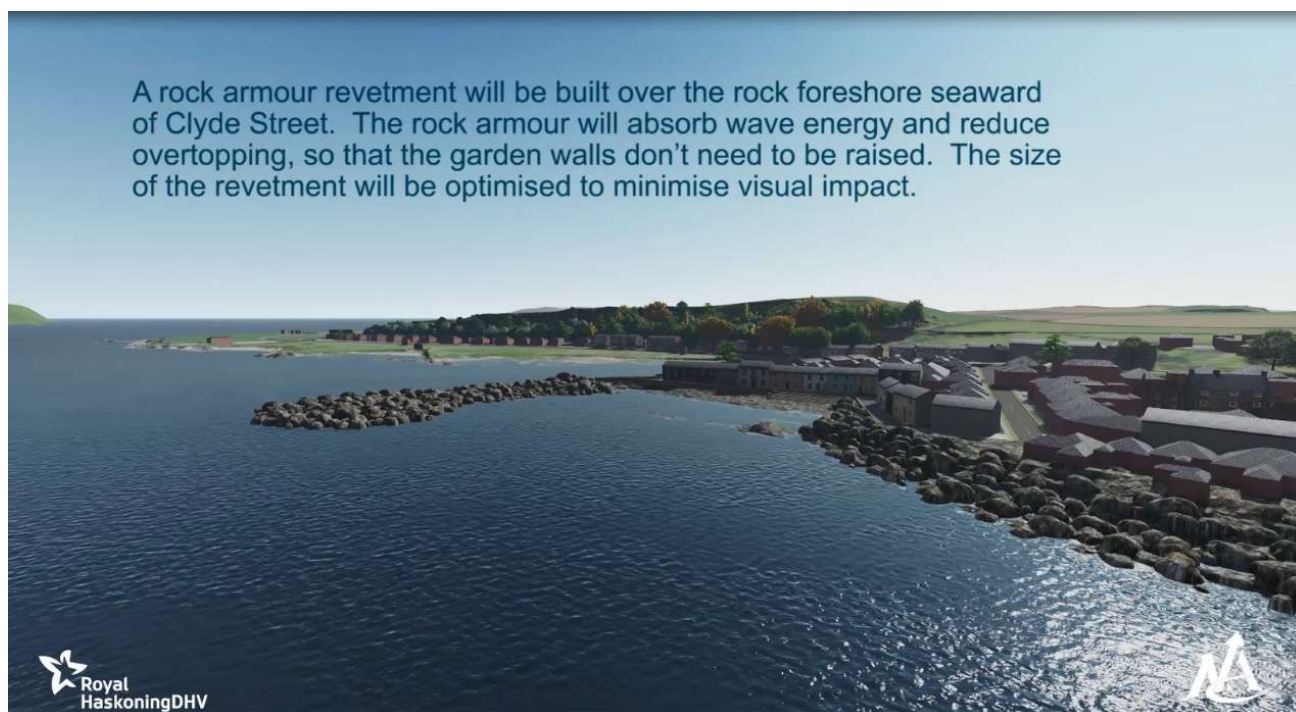
Cross House/George Street _ image5



George Street _ image6



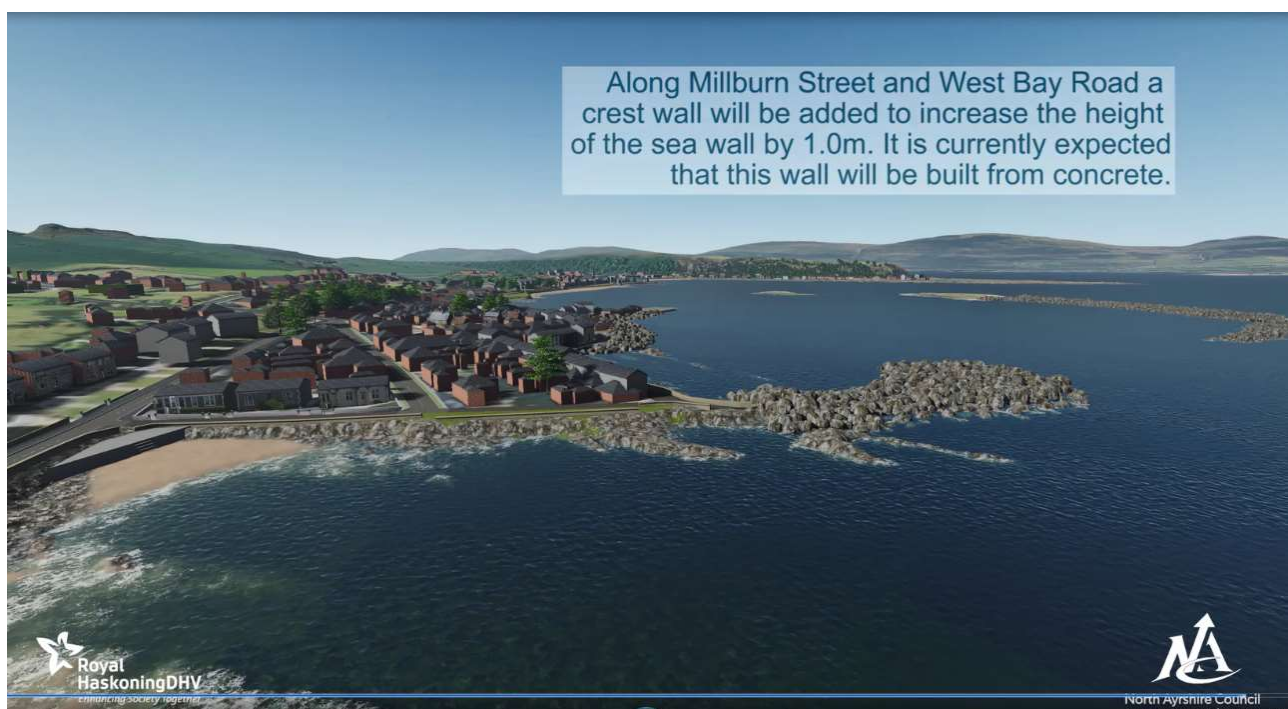
In front of Garrison House_ image7



Clyde Street_ image8



Crichton Street/Miller Street _ image9



West Bay Road/Millburn Street _ image10

NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title:	Proposed Flood Protection Schemes for Submission to SEPA as part of the Flood Risk Management Cycle of National Prioritisation
Purpose:	To advise Cabinet of proposals for three flood protection scheme proposals for submission to SEPA for the next stage of evaluation for potential funding.
Recommendation:	That Cabinet approves three potential flood protection schemes for submission to SEPA for evaluation: <ul style="list-style-type: none"> a) Lower Irvine Valley Flood Scheme proposal b) Keppen Burn Culvert Upgrade proposal c) Brodick & Lamblash Flood Scheme proposal

1. Executive Summary

- 1.1 The Flood Risk Management (Scotland) Act 2009 lays the foundation for a risk based, plan-led, sustainable approach to flood risk management in Scotland.
- 1.2 The Act sets out a national framework for flood risk management which follows a cycle of strategy then a cycle of planning. The planning cycle seeks to deliver studies, projects and other measures identified through the strategy cycle. These two processes are designed to overlap to deliver an ongoing programme of flood risk activity.
- 1.3 Potential flood schemes for inclusion in the '2nd Cycle of National Prioritisation' are being invited by the Scottish Environment Protection Agency (SEPA). SEPA will collate projects bids from each flooding Local Plan District in Scotland. The timetable to carry out the prioritisation is indicated below:
 - 23 December 2019: Deadline for submission of proposed flooding schemes to SEPA
 - June 2020: first draft of National Prioritisation published
 - December 2020: 2nd Cycle Flood Risk Management Strategy public consultation
 - December 2021: Final 2nd Cycle Flood Risk Management Strategy published
 - Summer 2022: 2nd Cycle Flood Risk Management Plan published
- 1.4 Following detailed flood risk studies, three potential projects have been identified for submission to SEPA for consideration from a North Ayrshire perspective. These are: (i) Lower Irvine Valley Flood Scheme (ii) Keppen Burn Culvert Upgrade proposal; and (iii)

Brodict & Lamash Flood Scheme. Details of each project are provided within the body of the report and the appendices. The projects have been identified through evaluation of both national and local flood risk information and analysis.

- 1.5 The principle of flooding scheme funding is that, subject to evaluation and prioritisation by SEPA, approved projects are grant funded by the Scottish Government for 80% of the total project costs. The remaining 20% is funded by the local authority (including contributions from other stakeholders where relevant).
- 1.6 It is important to note that submission of bids at this stage does not mean that the project will be grant funded. SEPA and the Scottish Government have a limited budget for national flooding schemes, and consider projects based on a range of criteria, including analysis of the benefit/cost ratio of each submission from Local Plan Districts across the country. Projects are then prioritised accordingly for funding. The projects identified would be scheduled for delivery between late 2022 and 2028.
- 1.7 Cabinet is invited to review the proposed flooding schemes and approve their submission to SEPA for the next stage of evaluation and prioritisation.

2. Background

- 2.1 The Flood Risk Management (Scotland) Act 2009 sets out a national approach to flood risk management which follows a cycle of strategy then a cycle of planning. The latter cycle seeks to deliver studies, projects and other measures identified through the strategy cycle. These two processes are designed to overlap to deliver an ongoing programme of flood risk activity. The 1st Cycle of Flood Risk Management Strategy took place between 2010 and 2016. SEPA divided Scotland into 12 Local Plan Districts (LPDs). The 'Ayrshire' district comprises the North, East and South Ayrshire Council areas. North Ayrshire is the lead authority for the Ayrshire LPD.
- 2.2 The 1st Cycle of National and Local Flood Risk Management Strategy for Ayrshire was developed by SEPA in close collaboration with local authorities, Scottish Water, Forestry Commission, Scottish Natural Heritage and Transport Scotland. It was published in December 2015.
- 2.3 The 1st Cycle of Flood Risk Management Plan was subsequently published in June 2016. It proposed implementation of two major Flood Protection Schemes (Upper Garnock and Millport Coastal), but also completion of a number of flooding studies to determine potential future projects which could be considered for inclusion in the next Flood Risk Management Plan cycle.
- 2.4 The outcome of the flooding studies undertaken as part of the 1st Flood Risk Management Plan is that three schemes in North Ayrshire are being proposed for submission to the National Prioritisation exercise. Subject to evaluation and prioritisation with submissions from other Local Plan Districts, this may lead to them being included as projects for further development in the 2nd Cycle of the Ayrshire Local Flood Risk Management Plan which will run from 2022 until 2028. The three schemes are detailed in the following table below:

Delivery Lead	Proposed scheme	Indicative Cost (£)	Current Scheme Stage
NAC	Lower Irvine Valley Flood Scheme	14.85m	Feasibility Study/Outline option Appraisal
NAC/Transport Scotland/ Network Rail	Keppenburn Culvert Upgrade	2.32m	Detailed Design
NAC	Brodick and Lamlash	1.2m	Feasibility Study/Outline option Appraisal

2.5 Each of the three projects is further detailed in the following paragraphs. There is a process led by SEPA and the Scottish Government to assess project bids for future cycles, the details of which are provided below at paragraph 2.14.

Lower Irvine Valley Flood Scheme Proposal

2.6 It was agreed with SEPA that SEPA's Fluvial Flood Hazard map for the Lower Irvine Catchment had low confidence and that a Flood Risk Assessment (FRA) was required to improve understanding of the flood risk to this area. The FRA was completed in 2017.

2.7 The option appraisal for flood mitigation was carried out during 2018. An option to protect Irvine up to the 1 in 200 years return period flood event could not produce a positive benefit/cost ratio therefore the options had to be extended to look at a lower return period protection. The findings of the extended option appraisal indicated that it is potentially viable to offer protection to 180 residential properties and 60 commercial properties against a 1 in 100 year flood event.

2.8 The recommended option comprises the following combination of measures, the physical elements of which are illustrated in the plan at Appendix 1:

- Direct defences, consisting of 3.7km of flood walls and 2.7km of flood embankment
- Property Level Protection (PLP) for Irvine Sports Club with an escape route
- PLP for 35 properties
- Emergency Plan, including a Traffic Management Plan

2.9 The summary of the outline cost of the proposed scheme (including optimism bias, which adds an additional element to the budget to cover cost risks) indicates that there is a positive benefit/cost ratio when taking into account the property damage costs from a 1 in 100 year flooding event:

Recommended Option	Overall Cost (incl 60% optimism Bias)	Total Benefit for 1 in 100 year	BCR for 1 in 100 year
Structural Option 1	£14,853,847	£20,886,890	1.41

Keppen Burn, Fairlie Culvert Upgrade Proposal

2.10 The case for a Keppen Burn Culvert Upgrade was identified in the first cycle of the Ayrshire Local Flood Risk Management Plan. The culvert is made up from a combination of piped and open sections flowing from the hill side of Kelburn Estate towards to Firth of Clyde. Flooding has previously disrupted the railway line at this location and regularly disrupts the A78 trunk road. Local businesses, such as the Fairlie Marina, are also impacted as the flow path from the culvert follows the local topography. A scheme to alleviate flooding was developed jointly between the Council, Network Rail and Transport Scotland. The FRA, completed in 2014, identified that the culvert capacity is low and some degree of flooding can be expected to occur on average once every two years. The potential number of properties at risk of flooding was quantified and is summarised below:

Keppen Burn - Properties at risk	Return Period (years)						
	2	5	10	25	50	100	200
Total	18	20	23	31	36	36	41

2.11 The detailed design was completed in 2016 and was followed by an economic assessment in 2017. In 2019, a further hydrology and economic review was undertaken to ensure that the latest hydrology dataset was used and that all SEPA requirements are being met.

2.12 The findings of the economic appraisal are summarised below. The scheme proposal has a positive benefit/cost ratio and the delivery costs of the scheme would be shared by Network Rail, Transport Scotland and North Ayrshire Council. Further negotiation would require to take place on apportionment of the 20% funding costs to be shared between the parties if the project was to be taken forward. The scheme elements are detailed in Appendix 2.

Recommended Option	Overall Cost (incl 40% optimism Bias)	Total Benefit for 1 in 200 year	BCR for 1 in 200 year
Culvert Structure Upgrade	£2,317,150	£2,433,107	1.05

Brodict and Lamash Scheme Proposal

2.13 It was agreed with SEPA that SEPA's Flood Hazard map for the Glen Coyle Water (Brodict) and Monamore and Benlister Burns (Lamash) had low confidence. Therefore, a FRA was required to improve understanding of the flood risk to this area. There was also a need to factor in flooding from coastal sources. The FRA was completed in 2017 for both catchments and the number of properties at risk of a 1 in 200 years flood event are summarised below:

In a 1 in 200 year event	Residential Properties	Commercial Properties
Brodict All Flood cells	86	34
Lamash All Flood cells	127	25

2.14 During the FRA development and later in the option appraisal stage the work was reviewed and supported by SEPA. The FRA was completed to a high specification to

satisfy SEPA's requirement for adopting the result and incorporating it into the SEPA Hazard Map database.

2.15 The option appraisal for flood mitigation was undertaken during 2018. Protecting the entire town of either Lamlash or Brodick with a comprehensive flood scheme to protect against the 1 in 200 years return period flood is not economically viable. Therefore, the options had to be extended to look at each flood cell (i.e. the areas predicted to flood) and confirm the potential to protect clusters of properties flooding from the same flood mechanism. The findings of flood risk to properties and extended option appraisals show that it is possible to protect some of the flood cells in both towns. The findings are summarised below. A diagram outlining the proposals is provided at Appendix 3a and 3b. A total of 68 residential properties and 10 commercial properties would be protected under the scheme proposals.

Brodick:

Recommended Options	Overall Cost (incl 60% optimism Bias)	Total Benefit for 1 in x year	BCR for 1 in x year
Flood cell 1 _ 1 in 100 years	£28,836	£27,354	0.95
Flood cell 2 _ 1 in 200 years	£27,624	£75,561	2.74
Flood cell 3 _ 1 in 200 years	£500,363	£1,178,079	2.35
Total	£556,823	£1,280,994	

Lamlash:

Recommended Options	Overall Cost (incl 60% optimism Bias)	Total Benefit for 1 in 200 year	BCR for 1 in 200 year
Flood cell 5	£627,278	£574,664	0.93

2.16 The two island communities are subject to flooding from similar coastal and fluvial flood sources. However, they only belong in a broader sense to the same catchment. Brodick and Lamlash could be promoted as two separate flood schemes, with the acknowledgement that the Lamlash scheme proposal has a lower benefit/cost ratio. If promoted as a single scheme for Brodick/Lamlash catchment it would have a combined benefit/cost ratio of 1.57. Officers will discuss the best approach to take with SEPA and the Scottish Government as part of their appraisal.

2nd National Prioritisation Process and Timescale

2.17 The prioritisation process for the 2nd Cycle, which will cover the period 2022 until 2028, will be carried out using a multi-criteria approach based on a range of financial and non-financial criteria. The latest indication of the timescales for the next steps in the Flood Risk Management process are as follows:

- 23 December 2019: Deadline for submission of proposed flooding schemes to SEPA
- June 2020: first draft of National Prioritisation published
- December 2020: 2nd Cycle Flood Risk Management Strategy public consultation

- December 2021: Final 2nd Cycle Flood Risk Management Strategy published
- Summer 2022: 2nd Cycle Flood Risk Management Plan published

3. Proposals

- 3.1 It is proposed that Cabinet notes the level of flood risk to the study areas presented in this report and the mitigation proposals developed.
- 3.2 It is proposed that Cabinet approves the submission of the proposed flood schemes to SEPA for the 2nd Cycle of National Prioritisation, which will inform publication of the subsequent 2nd Cycle Flood Risk Management Strategy and Flood Risk Management Plan. The Plan will cover the period 2022 until 2028.
- 3.3 It must be noted that if any of the schemes are accepted by SEPA and the Scottish Government, then the Council would be required to financially commit to the delivery of the schemes, including capital budget provision for the 20% local authority share of each project (see paragraph 4.1 below) within the delivery period agreed with Scottish Government. Flooding schemes, by their nature, have significant lead-in times for delivery due to the requirement for detailed design, public consultation, land assembly and procurement. If any of the three schemes within this report are accepted through the National Prioritisation for funding, construction would likely begin sometime after 2025.

4. Implications/Socio-economic Duty

Financial

- 4.1 The high-level indicative costs associated with the delivery of the proposed schemes are estimated as follows:

Delivery Lead	Proposed Scheme	Total indicative costs (£ Million)	NAC share (20%) (£ Million)	Scottish Government share (80%) (£ Million)
NAC	Lower Irvine Valley Flood Scheme	14.850	2.970	11.88
NAC/Transport Scotland/ Network Rail	Keppen Burn Culvert Upgrade	2.320	0.464*	1.856
NAC	Brodick and Lamlash	1.200	0.240	0.960
Total		18.370	3.674	14.696

* Note: this would be shared (see below).

- 4.1.2 If any of the schemes are successfully prioritised, then they will attract 80% funding from Scottish Government with the remaining 20% funding being the responsibility of the local authority. The exception is the Keppen Burn where the project is expected to be delivered jointly with Transport Scotland and Network Rail. The Council's share of all funding required would be reviewed as part of a future Capital Plan refresh, depending on the outcome of the prioritisation exercise.

Human Resources

4.2 None.

Legal

4.3 The Scheme delivery will follow the process outlined in the 2009 Flood Risk Management (Scotland) Act.

Equality/Socio-economic

4.4 An Equality Impact Assessment will be carried out during the detailed design stage of any scheme as it progresses.

Environmental and Sustainability

4.5 If any or all of the schemes are prioritised and developed further an environmental screening exercise will clarify the extent of any environmental surveys required.

Key Priorities

4.6 The flood protection schemes will enhance the safety of people and communities; create vibrant, welcoming and attractive places; and ensure a sustainable environment in the affected areas which aligns to the priorities of the Council Plan 2019 – 2024.

Community Wealth Building

4.7 Opportunities for Community Wealth Building would be reviewed as part of the development of any flood scheme projects.

5. Consultation

5.1 Any requirements for consultation will be linked to the result of the 2nd National Prioritisation outcome.

RUSSELL McCUTCHEON
Executive Director (Place)

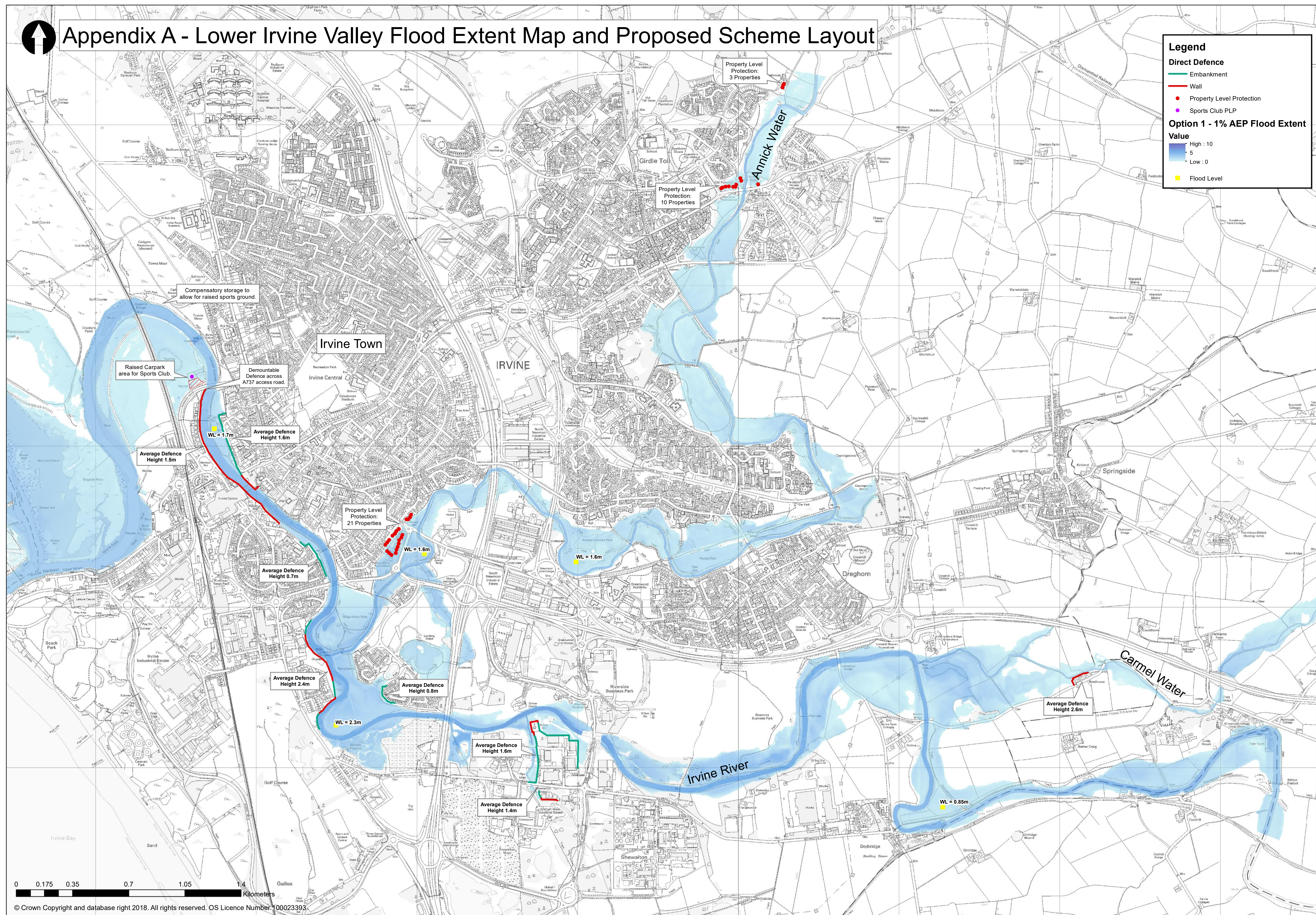
For further information please contact **David Hammond, Interim Head of Commercial Services**, on **01294 324570**.

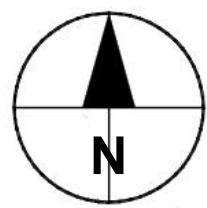
Background Papers

Appendix 1– Lower Irvine Valley Flood Extent Map and Proposed Scheme Layout

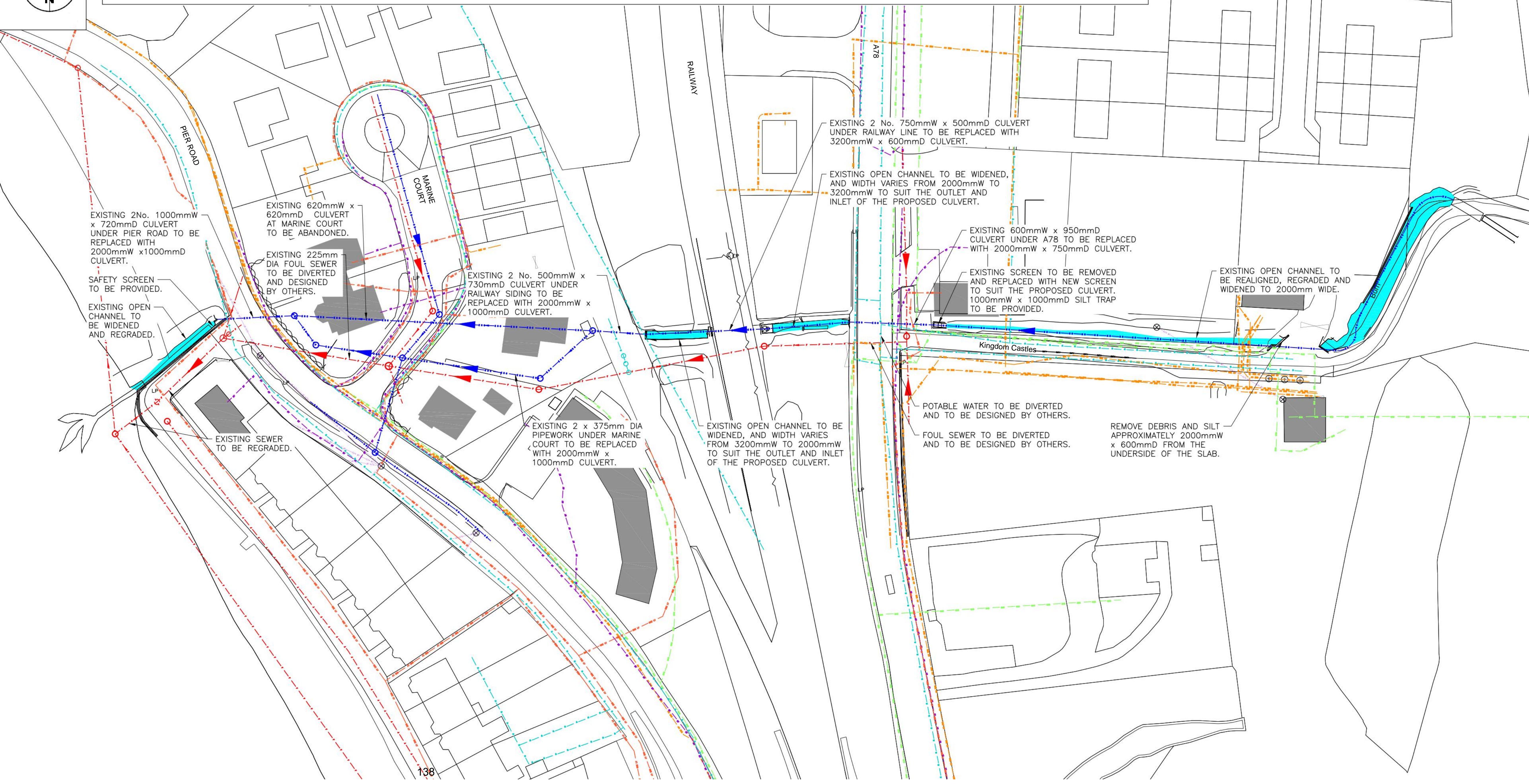
Appendix 2 – Keppen Burn, Fairlie Culvert Upgrade Scheme Layout

Appendix 3 – Brodick and Lamlash Flood Extent Maps

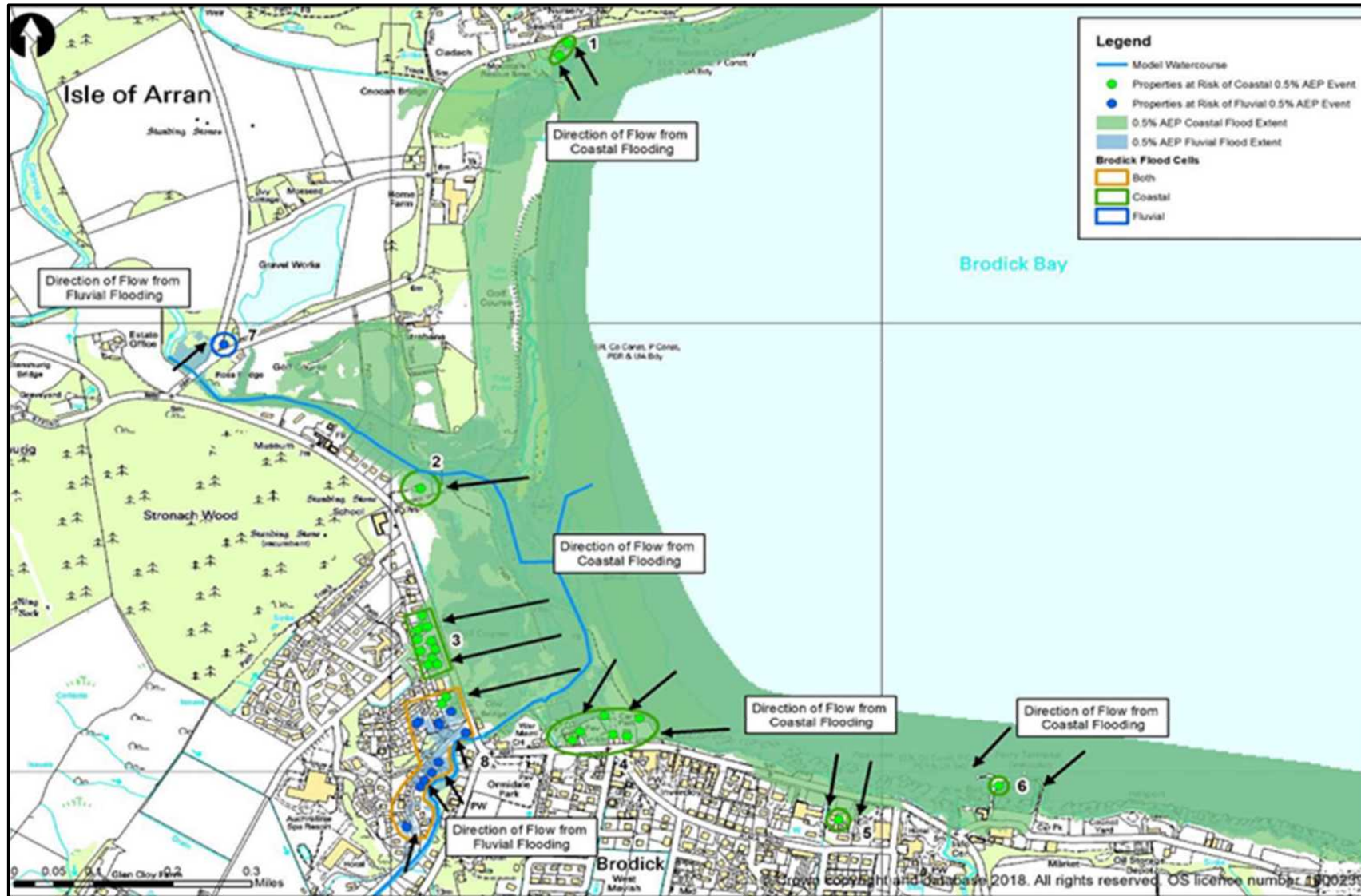




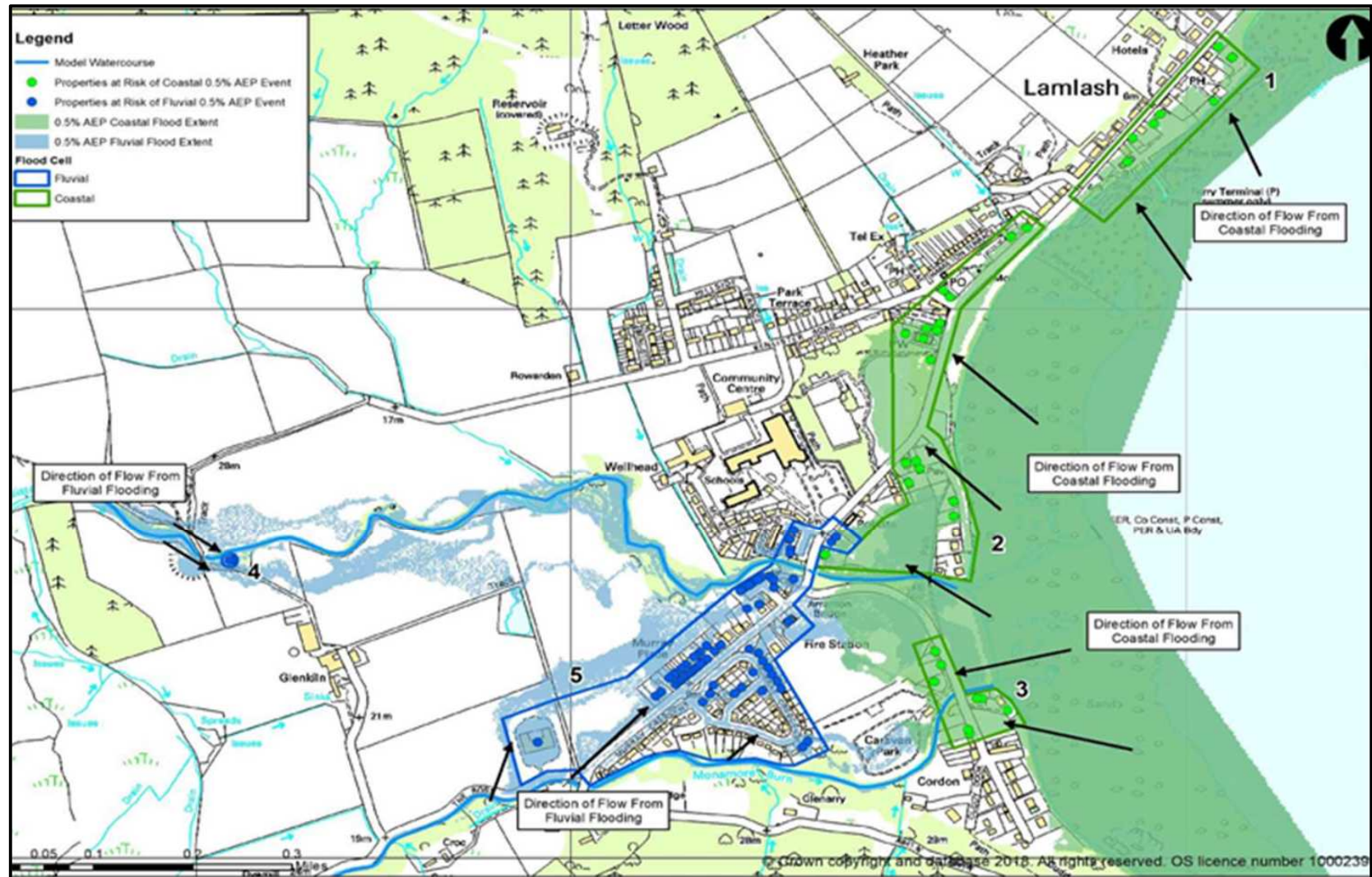
Appendix B– Keppen Burn, Fairlie Culvert Upgrade Scheme Layout



Appendix C1 – Brodick Flood Extent Map and Identified Flood Cells



Appendix C2 – Lamlash Flood Extent Map and Identified Flood Cells



NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title: **PROPOSED REGIONAL SPATIAL STRATEGY FOR AYRSHIRE**

Purpose: The purpose of this report is to advise on a Regional Spatial Strategy, which was introduced through the Planning (Scotland) Act 2019, and to seek approval for the Council to work in partnership with East and South Ayrshire Councils to prepare an Ayrshire Regional Spatial Strategy.

Recommendation: It is recommended that Cabinet:

- (i) notes and agrees the proposed programme for undertaking a Regional Spatial Strategy;
- (ii) agrees that the Council will work collaboratively with East and South Ayrshire Councils to prepare an Ayrshire Regional Spatial Strategy;
- (iii) agrees that a Regional Spatial Strategy, when prepared, will be brought to Cabinet for approval in tandem with similar procedures being undertaken in East and South Ayrshire Councils.

1. Executive Summary

- 1.1 The Planning (Scotland) Act 2019 received Royal Assent in July 2019. The Act brings with it significant changes to many aspects of the planning system in Scotland including development planning, development management, performance and fees. A key change is the introduction of a requirement for planning authorities to prepare Regional Spatial Strategies
- 1.2 Planning Officers have met with both the Scottish Government and Officers from East and South Ayrshire Council, and identified broad support for the delivery of an Ayrshire Regional Spatial Strategy to inform the next National Planning Framework (NPF4) which is programmed for public consultation in the Autumn of 2020.

2. Background

- 2.1 As reported to the Planning Committee on 3rd September 2019 the Planning (Scotland) Act 2019 received Royal Assent in July 2019. The Act brings with it significant changes to many aspects of the planning system in Scotland including development planning, development management, performance and fees.
- 2.2 A key change brought forward by the Planning (Scotland) Act 2019 with implications for North Ayrshire is the introduction of a requirement for planning authorities to prepare Regional Spatial Strategies. The Act states that Regional Spatial Strategies should be prepared by a planning authority or two or more planning authorities acting jointly. The strategies will provide a long term direction to large scale development, identify the need for strategic development, set out the long term spatial framework for the areas concerned and set priorities for the delivery of strategic development as well as identify locations for strategic development.
- 2.3 Further to the Act itself, on 30 September 2019 the Scottish Government published its post-bill work programme for implementation of the Act. This sets out the programme for producing primarily (i) the new National Planning Framework, which will become a statutory document and comprise part of the Development Plan for North Ayrshire; and (ii) the secondary legislation and guidance that will set out in detail how the various elements of the Act should be implemented.
- 2.4 The work programme anticipates that the draft National Planning Framework (NPF4) will be issued for public consultation in Quarter 3 of 2020. The NPF4 will then be laid before parliament for a period of 120 days to allow representations to be made. A further draft will then be prepared, taking account of the representations. It is anticipated by the Scottish Government that final approval of the NPF4 will be in the final quarter of 2021.
- 2.5 The Act states that the NPF4 should have regard to Regional Spatial Strategies. For this to be possible, RSS's would need to be prepared to a very tight timeframe i.e. within the next 6 – 9 months. This is considered highly ambitious given the level of work and potentially joint working that will be required. However, early dialogue with Scottish Government officials has pointed towards planning authorities preparing an *indicative* regional spatial strategy. They have indicated that should be a 'light touch' strategy that should be prepared by September 2020. Thereafter, they have stated that the Government will work with planning authorities to inform the preparation of statutory guidance relating to regional spatial strategies, so that future versions of RSSs are more detailed and subject to greater levels of engagement.
- 2.6 It is considered that there is significant value in accelerating the production of a regional spatial strategy to be able to meet the Government's September 2020 target. It is critical that the Council's strategic priorities get embedded in NPF4. The Council's Local Development Plan seeks inclusion of Hunterston in NPF4. Having an approved Regional Spatial Strategy will be a key means of ensuring that this happens.
- 2.7 It is proposed that a Regional Spatial Strategy be prepared on an Ayrshire wide basis, through partnership working with East and South Ayrshire Councils. There are a number of strong reasons why an Ayrshire Regional Spatial Strategy should be taken forward.
- (i) The Act requires RSS's to direct 'strategic development' with strategic development defined in the Act as 'development that is likely to have a

significant impact on future development within the area of more than one planning authority.’ It therefore seems entirely correct for a RSS to be prepared collaboratively, across authority boundaries.

- (ii) East, North and South Ayrshire Councils have a successful track record of coming together for the purposes of strategic land use planning. Before the Planning etc. (Scotland) Act 2006, a number of iterations of the Ayrshire Joint Structure Plan were prepared and approved jointly by the three authorities, with the Ayrshire Joint Planning Unit continuing to provide a joined up strategic planning function up until 2013.
- (iii) The establishment of the Ayrshire Regional Economic Partnership with formal governance arrangements and the associated Economic Strategy sets a marker and precedent for joint working on an Ayrshire regional scale. It is expected that the RSS will use the Ayrshire Regional Economic Strategy as a starting point for the RSS to then develop in a spatial manner.
- (iv) The three Ayrshire Councils are currently working together to take forward the Ayrshire Growth Deal, for which Heads of Terms were agreed in March this year for £251 million investment. The Regional Spatial Strategy will be an important mechanism for ensuring the growth deal projects are embedded within the National Planning Framework. It is also expected that the Regional Spatial Strategy will consider not just the growth deal projects themselves, but also the long term land use requirements that may emerge as a result of the investment i.e. successful growth deal projects will likely simulate demand for further investment that will need to be planned for spatially.
- (v) There are a number of strategic issues (e.g. flooding, the land use implications of climate change, tourism, renewable energy and transport) that are better considered and tackled at a wider, strategic scale.

2.8 Whilst consideration has been given to cross-border working with other neighbouring authorities, for the reasons described above, it is considered there are clearer advantages and practical benefits in taking forward an Ayrshire Regional Spatial Strategy. However, it is anticipated that there will need to be close co-operation and consultation with neighbouring authorities’ out-with Ayrshire as they prepare their Regional Spatial Strategies and the ability of the Ayrshire authorities to speak ‘in one voice’ will be an advantage in that regard.

2.9 Discussion with officials from the Planning Services of East and South Ayrshire Council have arrived at a mutual recommendation that an Ayrshire Regional Spatial Strategy should be prepared. The decision to move forward on this basis will require to be taken by the other Ayrshire Councils as per their respective decision-making processes. It is understood that East Ayrshire Council’s Cabinet approved the recommendation on 6th November 2019 and that South Ayrshire Council will also be giving consideration to the matter in due course, which is required if the preparation of an RSS is to be accelerated to meet Scottish Government target dates.

- 2.10 Should agreement be reached by all three Councils to proceed, work will be required to commence as soon as possible to develop a Regional Spatial Strategy over the next 6 – 9 months. It is anticipated that this work will be coordinated by a working group derived primarily from the Planning Services of the three Councils, but with engagement with appropriate other stakeholders, particular those responsible for taking forward the Ayrshire Growth Deal and the Ayrshire Economic Strategy, as well as the Regional and National Transport Strategies which are currently under review.
- 2.11 The introduction of Regional Spatial Strategies within the Planning (Scotland) Act 2019 presents a new opportunity to think strategically about the long-term development of Ayrshire and North Ayrshire's place within Ayrshire and Scotland more generally. This report recommends that a Regional Spatial Strategy is most appropriately taken forward on an Ayrshire-wide basis. It is also considered critical that this work be accelerated and prioritised, so it can be considered by Scottish Government in the development of the statutory NPF4.

3. Proposals

- 3.1 That Cabinet notes and agrees the proposal to undertake a Regional Spatial Strategy.
- 3.2 That Cabinet agrees that the Council will work collaboratively with East and South Ayrshire Councils to prepare an Ayrshire Regional Spatial Strategy;
- 3.3 That Cabinet agrees that a Regional Spatial Strategy, when prepared, will be brought to Cabinet for approval in tandem with similar procedures being undertaken by both East and South Ayrshire Councils.

4. Implications/Socio-economic Duty

Financial

- 4.1 None.

Human Resources

- 4.2 As suggested above and subject to agreement by all three authorities, the preparation of a Regional Spatial Strategy will be carried out by existing officers within the Planning Services of the three Ayrshire Councils. Given the relatively short timeframe in which the 'indicative' RSS needs to be prepared in order that it can feed into the National Planning Framework, there will be a need to prioritise staff resources on this over the 6 – 9 month period.

Legal

- 4.3 The requirement to prepare a Regional Spatial Strategy has been introduced by the Planning (Scotland) Act 2019. The Act also states that any RSS should be taken into account in the development of the National Planning Framework. It is therefore

considered critical that in order for the priorities of North Ayrshire, and indeed Ayrshire as a whole to be fully represented within the NPF4 and for the region to be strongly positioned in a Scotland wide context, a Regional Spatial Strategy should be prepared in early course in order that it can be included in the preparation of NPF4. The Planning (Scotland) Act 2019 offers little detail on what should be included within an RSS. This will be picked up and expanded upon in Scottish Government guidance at a later date. In the absence of detailed guidance to inform the first indicative RSS, the Councils will have significant flexibility to shape the strategy and to ensure that key priorities are fully embedded in the strategy.

Equality/Socio-economic

- 4.4 The Regional Spatial Strategy would further support inclusive growth on a regional scale in line with the emerging Regional Economic Strategy.

Environmental and Sustainability

- 4.5 The Regional Spatial Strategy would be subject to a Strategic Environmental Assessment. The process would play a critical role in maximising the environmental performance of the Regional Spatial Strategy.

Key Priorities

- 4.6 The proposed Regional Spatial Strategy would be a spatial representation of the Council's emerging regional Economic Strategy and support the delivery of the Council Plan's priorities of 'Inclusive, growing and enterprising local economy', 'People enjoy good life-long health and well-being', 'Effective infrastructure and digital connectivity', 'Affordable, modern and well-designed homes that meets residents' needs', 'Vibrant, welcoming and attractive places', and 'A sustainable environment.'

Community Wealth Building

- 4.7 The preparation of a Regional Spatial Strategy will contribute significantly to the aims and aspirations of the Locality Outcome Improvement Plan, and in particular the delivery of the Ayrshire Economic Strategy and the Ayrshire Growth Deal. These strategies and plans aim to progress a more inclusive economy by promoting a community wealth approach.

5. Consultation

- 5.1 A consultation strategy will be developed with colleagues in East and South Ayrshire as an integral part of the process for preparing an indicative Regional Spatial Strategy over the next 6-9 months. It is envisaged that early engagement with the Ayrshire Regional Economic Partnership will be central to preparing the Strategy, ensuring that it aligns with the Ayrshire Growth Deal projects in order to embed them within the National Planning Framework. Additionally, consultation across Council services and with a wider range of local, regional and national stakeholders will inform the indicative strategy.

- 5.2 It is envisaged that once RSS moves to a statutory footing following the preparation of guidance, future versions of the RSS will be subject to greater levels of engagement, including with communities.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **James Miller, Senior Manager Planning Services**, on **01294 324315**.

Background Papers

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NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title:	Disposal of Hazeldene Interlink site, Blair Road, Kilwinning
Purpose:	To seek Cabinet approval to market the surplus Hazeldene Interlink site, Kilwinning.
Recommendation:	It is recommended that Cabinet approve the demolition of the property and subsequent disposal of the site.

1. Executive Summary

- 1.1 Following the planned relocation of the HSCP Community Based Services provision from Hazeldene Interlink in Kilwinning to the newly developed Trindlemoss development in Irvine, the property and site will be surplus to Council requirements.
- 1.2 This report recommends demolition of the existing building and marketing of the subjects as a cleared site for offers in the region of £320,000 for private housing development.

2. Background

- 2.1 Hazeldene Interlink is located on Blair Road in Kilwinning. The property was constructed in 1966 and has an internal floor area of 999m². It is a single storey, flat roofed construction with a condition rating of low B and requires lifecycle investment of over £550,000 to bring the property up to a suitable standard.
- 2.2 The property is currently occupied by Health and Social Care Partnership Community Based Services which provides day care opportunities for adults with a focus on development of independent living and employability skills.
- 2.3 The service provision is scheduled to relocate to the Trindlemoss development in Irvine following its completion. The facility is expected to be operational from January 2020 and will provide an improved environment for delivery of Day Services to a wide-ranging client group, in an area that provides easy access to general community facilities.
- 2.4 In consultation with Housing, Property Management and Investment have assessed the site to establish any requirement for social housing and concluded the existing demand for social housing in Kilwinning is being met by the sites already committed and programmed in the Strategic Housing Investment Plan (SHIP). The Local Housing

Strategy was utilised to inform this assessment whilst also taking into consideration the residential character of the surrounding area. It is anticipated the site will be developed to deliver private housing.

- 2.5 The site is located within the Kilwinning general urban area and would be suitable for housing in accordance with the revised Local Development Plan (LDP).
- 2.6 The rationalisation of property assets is a key element within the Council's Transformation Programme and links to the Council's Estate Strategy and Property Asset Management Plan.

3. Proposals

- 3.1 It is recommended that Cabinet approve the demolition and disposal of Hazeldene Interlink in Kilwinning for private housing development for offers in the region of £320,000.

4. Implications/Socio-economic Duty

Financial

- 4.1 The cost of demolishing the buildings on the site is estimated to be in the region of £100k which will be met from the estimated income from the sale of the site (circa £320k) thereby achieving an estimated net receipt income of circa £220k.
- 4.2 The estimated 10 year lifecycle investment requirement to maintain the property in suitable condition is over £550k. This investment will be avoided by disposal of the property.

Human Resources

- 4.2 No direct HR implications.

Legal

- 4.3 If the report is approved the process to demolish the existing building and market the property will be progressed as quickly as possible. Legal Services support will be required to conclude the sale of the property.

Equality/Socio-economic

- 4.4 None

Environmental and Sustainability

- 4.5 The Council's carbon footprint will be reduced as a result of the disposal of the building.

Key Priorities

- 4.6 The report supports the Council's key priorities of 'Aspiring Communities' and 'Inspiring Place':
- Inclusive, growing and enterprising local community
 - Vibrant, welcoming and attractive places
 - A sustainable environment

Community Wealth Building

- 4.7 Disposal of the site for house building will potentially contribute to a number of the 5 strands of Community Wealth Building.

5. Consultation

- 5.1 Consultations have taken place with all Council services via the Strategic Property Assets Group in arriving at the recommendation contained in the report.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Yvonne Baulk, Head of Physical Environment**, on **01294 324398**.

Background Papers

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NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title:	Community Asset Transfer of Dunlop Memorial Hall
Purpose:	To agree the transfer of ownership of Dunlop Memorial Hall from North Ayrshire Council to the Scottish Charitable Incorporated Organisation, "Irvine and Dreghorn Brass Band."
Recommendation:	<p>That Cabinet:</p> <ul style="list-style-type: none"> a) Agrees to the asset transfer of Dunlop Memorial Hall from North Ayrshire Council to the Scottish Charitable Incorporated Organisation, "Irvine and Dreghorn Brass Band;" b) Authorises officers to conclude the associated legal and community asset transfer process; and c) Approves the recommended terms of transfer on this occasion at 10% of the property valuation (£4000).

1. Executive Summary

- 1.1 The report proposes the community asset transfer of Dunlop Memorial Hall from North Ayrshire Council to the Scottish Charitable Incorporated Organisation "Irvine and Dreghorn Brass Band."
- 1.2 The transfer of the Dunlop Memorial Hall will provide a base for the community brass band in the unlisted, historic building, which has been declared surplus to service requirements by North Ayrshire Council. The proposed use includes rehearsal and storage rooms for brass and percussion instruments and a music library. There will be a right of access and communal parking as these areas are shared with adjacent buildings to be retained by NAC
- 1.3 This report recommends that Cabinet agrees to the transfer with an associated 10% of the valuation costs applied and that officers should be authorised to conclude the process under these terms.

2. Background

- 2.1 Under the terms of the Community Empowerment (Scotland) Act 2015, community asset transfer provides an opportunity for people to be involved in developing and providing opportunities or services for their local communities. It may also allow groups to develop commercial ventures, which will support community benefit. Asset transfer may also mean that public assets get used more frequently and more effectively. Community-led ownership may also allow additional opportunities for groups to secure extra funding or resources.
- 2.2 The Irvine and Dreghorn Brass Band has been providing musical recreation and development for young people and adults since 1975. The Band's current hall is due to be demolished and they are seeking suitable premises. The Dunlop Memorial Hall is particularly suitable as the Band has historic connections with the community. It will enable greater links to be forged with the community, Dreghorn Primary School and Greenwood Academy.
- 2.3 The Dunlop Memorial Hall functioned as the community hall until its repurposing as the Council's library headquarters in 2013. Its current market value is £40,000. Through the transfer of the Dunlop Memorial Hall, the Council will achieve a capital receipt of £4000, a reduction in revenue expenditure and, in the longer term, in capital costs too. The current annual running costs are approximately £9000 per annum, resulting in a four year payback period.
- 2.4 The library team has relocated to Greenwood Conference Centre to enable the community asset transfer to take place. The hall is named after John Boyd Dunlop, the inventor of the pneumatic tyre, who was born in Dreghorn and the building still bears a commemoration plaque.
- 2.5 The asset will be used to create:
 - A large, sound-proofed room permanently laid out for the brass band;
 - A small concert venue for community events;
 - Individual rooms for tuition;
 - Office/social space and meeting facilities;
 - Secure instrument storage;
 - Music library; and
 - Recording facility.
- 2.6 There will be a right of access and communal parking as these areas are shared with adjacent buildings to be retained by NAC
- 2.7 The transfer of the Dunlop Memorial Hall offers increased exposure to music and the arts and has been enthusiastically welcomed by the community.

3. Proposals

- 3.1 It is proposed that Cabinet:

- a) Agrees the asset transfer of Dunlop Memorial Hall from North Ayrshire Council to the Scottish Charitable Incorporated Organisation, “Irvine and Dreghorn Brass Band”.
- b) Authorises officers to conclude the associated legal and community asset transfer process.
- c) Approves the recommended terms of transfer on this occasion at 10% of the property valuation (£4000).

4. Implications/Socio-economic Duty

Financial

- 4.1 Through the transfer of the Dunlop Memorial Hall, the Council will achieve a capital receipt of £4000, a reduction in revenue expenditure and, in the longer term, in capital costs too. The current annual running costs are approximately £9000 per annum.

Human Resources

- 4.2 None.

Legal

- 4.3 The property will be sold to Irvine and Dreghorn Brass Band for a purchase price of £4000. This price reflects the provisions of the Disposal of Land (Scotland) Regulations 2010, which requires an option appraisal to compare the difference between the proposed price and the market value, against the community benefit from the project. Other normal conditions will be included in the sale, in negotiation with the Band.

Equality/Socio-economic

- 4.4 There will be considerable socio-economic benefits from the transfer. These include positive impacts for the musical arts and community wellbeing.

Environmental and Sustainability

- 4.5 The transfer seeks to provide sustainable community facilities.

Key Priorities

- 4.6 The proposals contained within the report support the North Ayrshire Council Plan priorities:
- Active and strong communities
 - Inclusive, growing and enterprising local economy
 - People enjoy good life-long health and wellbeing.

Community Wealth Building

- 4.7 Both applications support the following pillars of community wealth building:

- Advancing community enterprises;
- Advancing local ownership of underused land and buildings; and
- Supporting local business activities and increasing the variety of ownership models.

5. Consultation

- 5.1 The consultation required in terms of the Community Empowerment (Scotland) Act 2015 for a community asset transfer application has now concluded with no objections received.
- 5.2 The Dreghorn and Irvine Brass Band has received an enthusiastic welcome from the Dreghorn Community Association and the North Ayrshire Council Music Service. Members of local groups including the Brownies/Guides, Dreghorn Baptist Church and Irvine Camera Club welcomed the proposal to bring back the asset into community use and the opportunities for young people to play in the band.

Audrey Sutton
Interim Executive Director of Communities

For further information please contact **Rhona Arthur, Interim Head of Connected Communities**, on **01294 324415**.

Background Papers

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NORTH AYRSHIRE COUNCIL

26 November 2019

Cabinet

Title: Chief Social Work Officer Annual Report

Purpose: To provide the report of the Chief Social Work Officer to Cabinet as required by the Scottish Government's Guidance.

Recommendation: That Cabinet note and endorse the report set out at Appendix 1.

1. Executive Summary

- 1.1 There is a requirement for every Local Authority to appoint a professionally qualified Chief Social Work Officer (CSWO) and this is contained within Section 3 of the Social Work (Scotland) Act 1968 as amended by Section 45 of the Local Government etc. (Scotland) Act 1994.
- 1.2 In line with the legislation and guidance, the CSWO is required to prepare an annual report for the Council, on all statutory, governance and leadership functions of their CSWO role.
- 1.3 Given all social work and social care functions have been formally delegated to the Integrated Joint Board this report has also been presented to North Ayrshire's Integration Joint Board.
- 1.4 This is the tenth annual report covering the period of April 2018 to March 2019. It is attached as Appendix 1.

2. Background

- 2.1 In 2014, the Office of the Chief Social Work Adviser, following consultation with CSWOs across Scotland, SOLACE, the then ADSW and others, identified a more standardised approach to prepare the annual reports.
- 2.2 The report provides an overview by the CSWO of the partnership structures, robust governance arrangements and the performance of social services in the context of the demographic landscape of North Ayrshire and the delivery of Social Services. It looks more closely at the statutory functions of the service and the quality and workforce development within our services. The report is also forward looking, reviewing the preparation for key legislative changes that will impact on our delivery and reviewing the key challenges the service will be facing in the forthcoming year.

2.3 The report highlights the range of Social Work activity throughout the year and places that in the context of the socioeconomic challenges faced locally. Of particular note, the following three areas should be highlighted:

- The most recent SIMD figures (2016) show a worsening position in North Ayrshire in the domains of Income, Employment, Education and Housing. All of these domains are likely to impact on the demands for Social Work interventions and this appears to be borne out particularly in relation to increased Adult and Child Protection activity, Mental Health, Disabilities and Destitution presentations. There are significant challenges due to a combination of the financial pressures, demographic change and the cost of implementing new legislation and policy.
- The Audit Scotland Report of 2016 on 'Social Work in Scotland' concluded that "*Current approaches to delivering Social Work Services will not be sustainable in the long term. There are risks that reducing costs further could affect the quality of services. Councils and Integration Joint Boards (IJBs) need to work with the Scottish Government, which sets the overall strategy for Social Work across Scotland, to make fundamental decisions about how they provide services in the future. They need to work more closely with service providers, people who use Social Work Services and carers to commission services in a way that makes best use of resources and expertise available locally. They also need to build communities' capacity to better support vulnerable people to live independently in their own homes and communities*".
- The new Health and Social Care Partnership structures create possibilities to take a whole system approach to delivery of services and the Social Work role and function within this environment will remain a vital one if these possibilities are to be realised. Throughout this annual report, examples are given of new and innovative approaches to the delivery of Social Work Services.

3. Proposals

3.1 It is proposed that Cabinet notes the key themes and challenges detailed in the report and that it endorses the report as set out in Appendix 1. The report highlights the role of social work in helping the Partnership achieve its five priorities. Examples from the report that I would like to highlight are as follows:

1. We cannot underestimate the impact of poverty and Welfare Reform on the lives of people in North Ayrshire. In addressing the priority of "Tackling Inequalities" the important role of Money Matters should be highlighted. The team generated over £9.5M in benefits for service users in the last year.

2. In addressing the priority of "Engaging Communities" the work we have done to assist and inform the Scottish Independent Care Review and our progress in suicide prevention should be noted.

3. Our commitment to the priority of "Early Intervention and Prevention" has had an impact on our child protection services and the number of children placed on our Child Protection Register. Our Universal Early Years team is identifying needs and risks earlier and the implementation of the National Health Visitor Pathway has assisted greatly in this.

4. An example of our work towards the priority of “Improving Mental Health and Wellbeing” is seen in our employment of four Recovery Development Workers who all have lived experience in working with peers in their recovery journey.

5. The Health and Social Care Partnership is fully focused on the priority of “Bringing Services Together” and this is evidenced in our Localities model for children’s services, which builds teams around the child and in adult services, by the creation of multi-disciplinary teams around Primary Care.

6. Our workforce is our most important resource and it is essential that staff are skilled, committed, trained and supported to provide the best possible health and social care services to the people of North Ayrshire. A recent interactive experiential learning initiative that has had a particularly positive impact on staff and others has been the “Thinking Different Doing Better” experience. This has been designed in partnership with various community groups, businesses, volunteers, our third and independent sector partners and staff working across the Health and Social Care Partnership. The purpose of the experience, which is open to the public, is to inspire us to think differently about health and care, with a particular focus on our assets.

3.2 **Anticipated Outcomes**

That the Council and the Scottish Government are made aware of the positive impact of Social Work Services in North Ayrshire as well as the significant challenges that are being faced.

3.3 **Measuring Impact**

Impact will be measured in terms of the direction and support to continue to transform the delivery of Social Work Services.

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 This report covers matters which contribute to the key priorities around vulnerable children and adults within the North Ayrshire and the Council and IJB Strategic Plans.

Community Wealth Building

- 4.7 Anticipated greater community and service user involvement in the design, commissioning and reviewing of Social Work Services.

5. Consultation

- 5.1 The Chief Executive and members of the Extended Partnership Senior Management Team across the partnership have been consulted on this report.

Stephen Brown
Director North Ayrshire Health and Social Care Partnership

For further information please contact **David MacRitchie, Chief Social Work Officer**, on **01294 317781**.

Background Papers

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Chief Social Work Officer Report

2018–19



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Introduction

In April 2015, Integration Joint Boards were established and Health and Social Care Partnerships (HSCPs) formed across Scotland. All Local Authority Social Work responsibilities were delegated by North Ayrshire Council to the North Ayrshire Integration Joint Board (IJB) which was fully established in 2015 by the Public (Joint Working) (Scotland) Act 2014 with responsibility for the strategic, operation and financial oversight of the North Ayrshire Health and Social Care Partnership (NAHSCP). The appointment of Chief Social Work Officer (CSWO) is not delegated to the IJB. I was appointed to the role in March 2017, having had a period as Interim CSWO and, before that, acting as Deputy for three years. My post within NAHSCP is as Senior Manager for Justice Services.

The NAHSCP is one of the three Ayrshire partnerships formed with the NHS Ayrshire and Arran and has lead Partnership responsibility for Mental Health and Learning Disability Services as well as Child Health Services.

In 2018 the NAHSCP published its second strategic plan. This plan was created in partnership with third and independent sector colleagues, public health, community planning partners, local communities and, most importantly, people who use our services.

Through our public consultation, we asked if people agreed with the Partnership's vision and the five identified priorities. Following this engagement, we still believe these priorities are the right ones to improve services and, most importantly, to improve health and wellbeing for everyone in our local communities.

"All people who live in North Ayrshire are able to have a safe, healthy and active life"

- Tackling inequalities
- Engaging communities
- Prevention and early intervention
- Improving mental health and wellbeing
- Bringing services together

Evidence of our progress in working towards these priorities is captured within the body of the report.

1 Key challenges, developments and improvements during 2018/19

In reviewing the content of this report, there are many areas where I can highlight the contribution and at times, leading role, of our social work teams in supporting NAHSCP in taking forward a significant change agenda. These are:

- Innovation within services – with many examples of social work teams working together more efficiently to care for service users. Such as the joint working between Money Matters and Service Access.
- Ongoing Service User Involvement – with a range of meaningful consultation exercises being undertaken over the last year. These exercises helped inform both strategic level documents and the individual care that a service user receives.
- Integration – Following the integration of addiction services, there has been significant progress in undertaking a similar process for our Mental Health and Learning Disabilities Teams.
- Peers – with the North Ayrshire Drug and Alcohol Recovery Service employing Recovery Development Workers. This is in line with the [North Ayrshire Health and Social Care Partnership Strategic Plan](#).
- Carers – with numerous activities being undertaken to develop and support the carer role within North Ayrshire. With North Ayrshire being the first Local Authority or Partnership to introduce an online resource for carers.
- Our registered services continue to be of high quality, as evidenced by many of registered services receiving and maintaining high grades from the Care Inspectorate. As at 31st March 2019 all but one of NAHSCP inspected services received a grade 4 or above.

We have increasing demands for social care services, in the main linked to our population changes. These are: increasing number of older people – with multi morbidity, rising number of children born with lifelong disabilities and increasing complexity thereby making demands on services. Other challenges are with balancing systemic issues when operating with two different large organisations and their process.

- HR and System issues providing a barrier to Integration – Although some of our teams have either successfully integrated, or are in the process of integrating, both sets of workers are still operating under different terms and conditions and working on different information systems. Until these issues are resolved full integration will not be achieved.
- System wide pressures – Demand and complexity across services remains high. For example, the Children with Disabilities team battles with both increasing numbers of referrals and levels of complexity. Financial and staffing pressures are also evident across the social work learning disability team.

2 Partnership structures/Governance arrangements

Previously, the CSWO was normally the Director of Social Services, a convergence of roles that was widely recognised as being the most straightforward way in which the requirements of the Scottish Government's guidance on this role could be met. The post is one of professional leadership and accountability but should assist authorities in understanding the complexities of social work service delivery and the role that social work plays in contributing to the achievement of local and national priorities and outcomes. The post provides professional advice to local authorities, elected members and officers in the authority's provision of social work services.

Since the advent of HSCPs, the role of the CSWO has become more complex, given the diversity of governance and accountability structures. The responsibility for the operation of social work services was devolved to the IJB and in recognition of the continued importance of this role, the CSWO is a standing member of the IJB as one of the professional advisors.

Currently, the establishment of professional boundaries and clarity within partnership roles is proving to be challenging. Health colleagues require advice from the CSWO in terms of their role, remit and responsibility for the social work tasks undertaken within their integrated teams. Conversely, social workers, rightly demand the support and clarity provided by their lead professional. This has resulted in increasing demands on the time of the CSWO, with difficulties experienced in balancing the role and responsibilities of the CSWO with those of being a Senior Manager within the NAHSCP.

Within NAHSCP, I am a member of the Partnership Senior Management Team (PSMT) alongside Heads of Service, Principal Managers and other professional leads for health disciplines. The PSMT meets on a weekly basis. Out-with these meetings, I meet regularly with the NAHSCP Director and Heads of Service and contribute fully to any matters relating to social work quality and performance.



Attendance at forums of the local authority and Community Planning Partnership (CPP), which would previously have been fulfilled by the Director of Social Services (also then CSWO), are now fulfilled by the Director of NAHSCP. It is through regular meetings with the Chief Executive, to whom I am directly accountable, as well as within NAHSCP that communication and consultation is managed allowing me to deliver effectively the functions of the CSWO in North Ayrshire.

Partnership working is the key to the delivery of social services against local and national outcomes. The CPP 'Fair for All Strategy' delivers the Local Outcomes Improvement Plan 2017–2022. This identifies four priorities, all required to build stronger communities for the people of North Ayrshire to live safely, in better health,

without poverty, and by giving our children and young people an opportunity to have the best start in life.



As CSWO, I sit on several steering groups and strategic partnership forums that look to deliver on the CPP's priorities.

The Children's Services Strategic Partnership has overseen the Improving Children's Outcomes agenda and is responsible for the strategic direction of children's services across North Ayrshire. Our Children's Services Plan 2016–20 makes promises to the children of North Ayrshire and we are meeting those promises through partnership working and the development of supporting strategies and actions to realise the intended outcomes.

The Corporate Parenting Strategy places responsibility on partners for working together to meet the needs of looked after children and young people.

I am an advisor to North Ayrshire's Chief Officers' Group for Child and Public Protection and am a member of the Child and Adult Protection Committees. I am also a member of the Multi Agency Public Protection Arrangements (MAPPA) Strategic Oversight Group. In this way, a comprehensive overview is maintained of all issues relating to public protection and of risk management arrangements across North Ayrshire.

As lead officer for social work in NAHSCP, I chair a monthly Social Work Governance Board that focuses on the quality and support required by our social work staff, both registered and non-registered to ensure we deliver effectively to the people in North Ayrshire. The onset of partnerships has seen this governance board sit amongst one of many that have been set up to establish necessary accountability in the health professions. As health and social care services have become integrated, it is important to maintain a forum in which the professional integrity of a discipline is a key focus. However, it is equally important to have mechanisms by which learning can be shared and scrutiny robustly delivered on any cross-cutting issues. I am currently working with the other lead professionals to establish these processes. The Clinical Care and Governance Board is the overarching governance group to which all other governance groups report.

3 Social Services delivery landscape

North Ayrshire has a population of 135,280 living across a mixture of town and rural communities on the mainland and two island communities, Arran and Cumbrae.

In North Ayrshire, 39% of residents live in 20% of the most deprived areas of Scotland, the fourth highest incidence of deprivation in Scotland; a third of our children live in poverty, a situation second only to Glasgow. Deprivation is directly linked to a higher prevalence of complex individual problems such as mental ill health, increased drug and alcohol problems, criminality, lower life expectancy, illness in later life and poorer outcomes for children.

Social Services provision in North Ayrshire is a mix of in-house services and those commissioned from the third and independent sections. Our partners in the independent and voluntary sectors make a valuable contribution to health and social care provision in North Ayrshire. Services commissioned by the Council are subject to North Ayrshire Health and Social Care Contract Management Framework which places the interest of services and carers at the heart of decision making and focusses on joint working and adopting positive, open relationships.

Several provider forums have developed over recent years in response to the desire amongst the independent, public and third sectors to work together to develop and provide high quality, responsive health and social care services. The main forum in operation is the North Ayrshire Health and Social Care Providers Forum which meets quarterly, and its remit is to discuss any matter relating to the development of delivery of care and support services in North Ayrshire. Several service specific forums are also in operation. Details, including feedback from delegates who attend forums, can be found at NA HSCP website in the [Our work with providers section](#).

Procurement of services can be a lengthy and protracted process in order to meet all legislative requirements. The complexity of procuring the right service in social services can have a serious impact on the quality of life and health of people who use these services and their carers. We have worked with our partners to design a Service Delivery Options Framework which provides details of the pros and cons of procurement options available when considering service design.

The Arran Service Review in 2017 has resulted in the proposed development of a Health and Social Care HUB. This requires the rationalisation and modernisation of several buildings within the Arran estate. Development of this has been through engagement with HUB South West and Healthcare planners to draw up an initial agreement for capital works. This agreement was approved by the Integrated Joint Board in June 2019. Next steps include presentation to NHS Board and submission to Scottish Government in late summer, early autumn, 2019.

In March of 2019, the Care Inspectorate and Healthcare Improvement Scotland produced a report on the effectiveness of strategic planning North Ayrshire Partnership. The results were as follows;

Quality Indicator 1: Key Performance Outcomes

1.1 Improvements in partnership performance in both healthcare and social care

Evaluation: Adequate

Quality Indicator 6: Policy development and plans to support improvement in service

6.1 Operational and strategic planning arrangements

6.5 Commissioning arrangements

Evaluation: Good

Quality Indicator 9: Leadership and direction that promotes partnership

9.1 Vision, values and culture across the partnership

9.2 Leadership of strategy and direction

Evaluation: Good

4 Resources

Resources

In October 2018, the Scottish Government published the Medium-Term Health and Social Care Financial Framework which sets out the future shape of Health and Social Care Demand and Expenditure. Within the report it outlined that the Institute of Fiscal Studies and Health Foundation reported that UK spending on healthcare would require to increase in real terms by an average of 3.3% per year over the next 15 years to maintain NHS provision at current levels, and that social care funding would require to increase by 3.9% per year to meet the needs of a population living longer and an increasing number of younger adults living with disabilities. The report recognised that despite additional planned investment in health and social care the system still needs to adapt and change.



The focus of the financial framework is on the main health and social care expenditure commitments, as set out below.

- Over the course of this parliament, baseline allocations to frontline health boards will be maintained in real terms, with additional funding over and above inflation being allocated to support the shift in the balance of care.
- Over the next five years, hospital expenditure will account for less than 50% of frontline NHS expenditure. This relates to the policy commitment to 'shift the balance of care', with a greater proportion of care provided in a setting close to a person's home rather than in a hospital.
- Funding for primary care will increase to 11% of the frontline NHS budget by 2021–22. This will amount to increased spending of £500 million, and about half of this growth will be invested directly into GP services. The remainder will be invested in primary care services provided in the community.
- The share of the frontline NHS budget dedicated to mental health, and to primary, community, and social care will increase in every year of the parliament. For adults, and in some cases for children, these services, along with unscheduled hospital care, are now managed by Integration Authorities.

Availability of funding for public services remains uncertain. The implementation of new policy initiatives and the lifting of the public sector pay cap has also impacted on the funding available for core services and the flexibility to use resources in line with local requirements.

Financial information is part of the performance management framework, with regular reporting of financial performance to the IJB. This includes an integrated approach to financial monitoring, reporting on progress with savings delivery, financial risks and any variations and changes to the delegated budget. There were significant financial challenges during the past year due to increasing demand for social care services, the

delivery of the transformation programme and associated savings. Despite this there was an improved financial position compared to 2017-18.

The main areas of pressure continue to be learning disability care packages, care home placements and residential placements for children. In general, these areas overspend due to this provision being demand led and subject to fluctuations throughout the year. These services are at times difficult to deliver within budget as some can be low volume but very high cost.

Although financial balance has not been delivered in previous years, significant progress has been made during 2018-19 to ensure the ongoing financial sustainability of the IJB. This work will continue and be built upon moving into 2019-20. Key successes for 2018-19 include:

- Repayment of the outstanding debt to the Council has commenced with a substantial contribution of £0.668m to the outstanding debt.
- 2018-19 is the first year where the year-end IJB position has been accounted for in a truly integrated way with resource shifting from the NHS budget to offset Social Care pressures.
- Overall reported surplus allows for the earmarking and protection or ring fenced funding for Scottish Government priorities.

Challenge Fund

North Ayrshire Council, during the 2017–18 budget setting process, approved the development of an innovative approach for the establishment of a £4m ‘Challenge Fund’. This ‘invest to save’ programme created an opportunity for services, using a change approach, to realise both required North Ayrshire Council savings and additional savings which could be re-invested into newly designed services.

These projects included placing social workers within a secondary school and a feeder primary school to support the schools in order to prevent children becoming subject to statutory measures or becoming accommodated. A review of this project after a year showed that no children had become subject to statutory measures, no children were accommodated and no children were involved in the child protection system.

The funding also allowed for additional reablement staff to be employed within care at home service, resulting in a lower level of support which prevented situations escalating to the point that increased packages of care or even residential care was required. A Learning Disability Review team was also established to review existing care package provision.

The projects which commenced in 2017–18 have completed during 2018–19 and, following evaluation, have either ceased or continued to be funded on a recurring basis by the savings made. Due to financial pressures in the partnership the £4m originally available for investment was reduced to £2m and with projects nearing completion there is now no separate funding out-with the baseline IJB budget to fund investment in similar transformational change programmes.

Moving Forward

Strong financial leadership will continue to be required to ensure that future spend is contained within the available resources. This requires to be supported by a plan to deliver a balanced budget to safeguard against short-term mitigating actions to reduce expenditure, which when required can negatively impact on the outcomes of service users. The IJB move into the 2019-20 with an approved balanced budget supported by a transformational change plan.

In March 2017, the IJB approved the first Medium Term Financial Plan covering the period 2017-2020. This is being refreshed and will be presented to the IJB during 2019. The Partnership will continue to face high levels of demand for services, however, it is essential that services are commissioned within the resources made available building on the good progress during 2018-19. This will be a high priority during 2019–20. The transformation plans are aligned to the partnership's Strategic Plan priorities and delivery of the plan will continue to be monitored and progressed through the Partnership Transformation Board.

To achieve its vision, the Partnership recognises it cannot work in isolation. The Partnership will continue to strengthen relationships with colleagues within the Community Planning Partnership to ensure a joint approach to improving the lives of local people.

Most importantly, the Partnership must work closer with local people and maximise the use of existing assets within communities to improve the overall health and wellbeing.

5 Service quality and performance including delivery of statutory functions

5.1 Tackling inequalities

5.1.1 *by addressing poverty*

Money Matters - Money Matters, throughout 2018 – 19, continued to tackle inequalities and poverty by ensuring service users received their legal entitlement to benefits. The team generated over £9.5m in benefits to service users. This included providing advice, assistance and representation at tribunals to 629 service users. From the cases which progressed to appeal, Money Matters achieved a 71% success rate resulting in service users receiving over £1.6m in benefits which they otherwise would not have received.

Money Matters also provide a helpdesk service which received 4387 enquires/referrals. Alongside these services, the team provide financial assessments for non-residential charges in community care packages, kinship care assessments and support to all HSCP teams and management.

5.1.2 *by improving access to work*

Justice Services - Since September 2017, two Employability Mentors have been employed by the Unpaid Work team with the remit of working with all justice service users to provide support in working towards employment, which is recognised as a significant factor in helping to reduce re-offending. The process begins with an in-depth assessment of the service user's learning and skills needs and includes assistance in preparing CVs and identifying training relevant to the area of employment in which they have an interest.

A significant number of service users have undertaken training in CSCS (Construction Skills Certification Scheme), forklift driving, Health and Safety, Safety at Sea and Hospitality. Several service users have undertaken voluntary work which builds on their skills and experience in addition to adding to their CV and self-confidence. Some of the hours spent addressing employability count towards 'other activity' as part of the Unpaid Work Requirement.

5.1.3 *by co-production*

Justice Services - The Making a Difference (MAD) group, the first service user group of its kind in Scotland, is an innovative and collaborative initiative to ensure that those directly affected can inform and shape the design, development and delivery of Community Justice Services across North Ayrshire. The Core aims of the MAD include:

- Establishing and enhancing effective partnerships
- Encouraging and enhancing existing processes and opportunities for participation
- Establishing and embedding a variety of opportunities for user involvement and participation in the design, development and delivery of community justice service
- Building community facing and community engaging services
- Supporting recovery, desistance and social integration

Towards the end of 2018 we appointed a Desistance Officer to support our service user engagement. Again, this is the first post of its type in Justice Services in Scotland. In recognition of the MAD work, and other developments in Social Work Justice Services, our Justice Fieldwork Team received the NAHSCP innovative Team Award in March 2018.

While the work of the MAD is having a demonstrable positive impact on services, the focus is on creating spaces for service users to participate in services in different ways, to be decided by those services users. For example, the MAD group worked with PING (People's Involvement Networking Group – South Ayrshire) and CVN (Community Voices Network – East Ayrshire) to host the '#JustFootballTournament', in the Summer of 2018.

5.2 Engaging Communities

5.2.1 to identify priorities for our services

Mental Health Conversation – The three Ayrshire Health and Social Care Partnerships have committed to the development of an Ayrshire and Arran Mental Health Strategy. Our aim was to ensure the Ayrshire Mental Health Strategy included the views of people who use services, their family members, carers, the local workforce and people and communities in Ayrshire. This was accomplished via the Ayrshire Mental Health Conversation.

To capture as many responses as possible, people had the opportunity to provide feedback via local conversation events, paper – based questionnaires (available in all local libraries and within other local services) and an online survey. The conversation led to 777 responses.

So far, the feedback has been used to develop the Ayrshire Mental Health Conversation: Priorities and Outcomes 2019 – 2027. This document is our strategic response to the Scottish Government's Mental Health Strategy and has been approved by the three partnership Integrated Joint Boards.

The future would be for the Implementation groups, that will be developed following the formal launch of this, to consider the feedback from the conversations as they develop local plans.

5.2.2 to develop local strategies and policies within a National context

Advocacy Strategy – In June 2018 the IJB considered and supported the recommendations made by the Mental Welfare Commission regarding independent advocacy. It was agreed that an Advocacy Strategy would be developed for the 31st December 2018 deadline involving key stakeholders. A draft was sent to the Mental Welfare Commission for Scotland on the 31st of December to meet the national deadline.

The short life working group set up to progress this developed a public engagement survey monkey which was opened on 12th October 2018 and closed on the 16th November 2018. There was also engagement with people who use independent advocacy services by means of focus group conversations in AIMS Advocacy Service, Housing Services and Children's Services.

Following IJB approval, the plan was provided to the Mental Welfare Commission Scotland. It is anticipated that this strategy will assist in delivery the Strategic Objectives set out in the North Ayrshire Strategic Plan for 2018 – 21.

The **Young People's (YP) Suicide Taskforce** (formerly the Young People's Operational Suicide Prevention Group) has continued to meet regularly in 2019, with governance from the Young People's Strategic Suicide Prevention Group (YPSSPG). Over the course of a year the YP Taskforce has progressed work in two community action plans with the overall objective of preventing suicide in young people.

A key element of the community action plan has been the 13 Ways Campaign. A series of 13 animations with key messages focusing on young people supporting each other, were developed and released via social media in the weeks leading up to Xmas 2018 – starting in September coinciding with Suicide Prevention Week (10th September 2018). The animations illustrated one of each of 13 messages, with a narration by a young person and an animation to illustrate the message. There was also an introductory message and a final adult message which was added in towards the end from the parents of one of the young people who had died within North Ayrshire. The key message is that suicide is not the solution – there are many people and ways to support and help. Young people were central to developing the language, visuals and stories, and were supported to contribute meaningfully specifically (but not exclusively) through the Year of the Young People Ambassadors. The campaign has been very well received and has been given a positive response perhaps because of the ownership by all groups and the young people of the messages and the rationale. Young people have been the best ambassadors – the YOYP ambassadors winning the category prize for Mental Health and Wellbeing in the Youth Link awards for this work.

The YPSSPG and Young People's Suicide Taskforce are committed to building on the 13 Ways Campaign and maximising the reach of the campaign to young people. Key activity over the coming year will include peer research with the aim of developing a mental health toolkit, getting celebrity endorsement to widen the reach of the 13 Ways social media campaign and working with young people to agree a message in relation to supporting their peers when they have concerns that a friend has suicidal intent.

The YPSSPG finalised a Crisis Response Plan in the event of a young person completing suicide. A Table Top exercise was co-ordinated by the CPC and Police Scotland in September 2018 to test the plan, the exercise evaluated well and provided multi-agency workers with the opportunity to discuss how they could work and support each other in the event of a completed suicide by a young person. Unfortunately, the plan was initiated on a number of occasions in 2018/2019 due to young people completing suicide. Each death had a profound impact on the families, communities and workers who knew the young person; but it was agreed by both the

Young People's Suicide Taskforce and the YPSSPG that the plan was effective in protecting and supporting young people whom were impacted by the deaths.

The CPC also commissioned a short life working group to establish guidance in relation to suicide risk assessment and safe planning within education. This will ensure that young people are receiving a consistent and efficient response from all members of education staff when there are concerns in relation to their mental health and wellbeing. The guidance is in the process of being finalised with a planned launch in September 2019.

Our Young People established a **Champions Board** in August 2018 and they have just celebrated their first birthday. Along with other Young People they organised and delivered a peer research event specifically looking at language, stigma and behaviour used within the care system.

This proved very successful and the Champions Board are taking forward the seven recommendations within the event report. They are also working to develop a Mental Health Toolkit specifically for Care Experienced children and Young people.

We have also begun to develop our 'Family Firm' policy, procedures and protocols and in the spirit of this policy we have appointed a Corporate Parenting Support worker and a Modern apprentice within the Corporate Parenting Team who are both Care Experienced. We have also secured 10 ring fenced modern apprentice opportunities for Care Experienced young people

We have delivered Nurture training to all our residential staff and have started this training for Foster Carers to reduce placement disruption.

All Care Experienced children and Young people have a shared record, accessible to the team around the child ensuring that information about their needs is shared as quickly as possible so the right support can be offered at the right time.

5.2.3 to shape our services

Arran Engagement – 175 people attended engagement events on the island between May and November 2018 ensuring both staff and the community on Arran were engaged and involved in the ongoing developments for service improvement.

All the key elements from the consultation events have been built into our plans going forward and they largely relate to transport. We also recognised that we needed to engage with a larger, more diverse, group including young people. Plans are currently in place to undertake this work in Autumn 2019.

What Matters to You – 2018 – On the 6th of June 2018 – What Matters to You? Day (WMTYD) - A total of 1612 conversations were recorded across the Partnership. All teams displayed the individual conversation cards in an area visible to carers and family members.

In the four weeks that followed WMTYD the teams involved had a discussion session based on the feedback forms provided. The teams noted how many conversations they had, the benefits and challenges of taking part, decided on one change that they would make as a team and agreed on a suggested change for the overall service. The feedback forms were then returned to the Partnership Engagement Officer.

Each team taking part had committed to making one change based on the conversations they had. 18 teams committed to implementing practical changes such as:

- Providing training for staff and/or the people that they support
- Meet with more local groups and services to increase service awareness
- Change the language used in appointment letters
- Introduce a de-brief session at the end of each day to keep staff aware of what service users and carers have been telling them
- Coordinate more trips out for people accessing the service
- Provide more opportunities for people to share their views daily
- Make people aware of waiting lists to ensure realistic expectations
- Implement an internal communication log
- Create a women's group
- Develop a form filling service
- Ensure patients have access to advocacy
- Ensure patients receive a phone call prior to visits

5.3 Bringing Services together

5.3.1 *by partnership working*

Justice Services – The Early Intervention from Custody project seeks to offer support to women to access and attend existing health and other services, and to develop improved integrated pathways between Health and Social Care in North Ayrshire, resulting in sustainable and efficient delivery of services.

The greatest need for this group has been Addiction and Mental Health Services. Women receive support to improve their health and avoid custody whilst promoting their social inclusion and decreasing their marginalisation.





Case Study 1

Ms S appeared as a first offender in September and was referred to the Early Intervention Service for extra support. The allocated staff member completed a home visit and explained the court process. It was agreed that phone contact would be maintained through the court process to support Ms S emotionally and to help reduce her anxiety and this worked best for her as she was in full-time employment. The staff member supported Ms S to court when she appeared for her trial.

The **Caledonian Women's Service** offers emotional and practical support to women who have been victims of domestic violence. The service aims to reduce their vulnerability and work with other services, including education, housing, police and the voluntary sector, so that women and their families are better supported.

During 2018-19, the team worked with 123 women across Ayrshire and Arran (an increase from 62 the previous year), offering a variety of services and support, from safety planning sessions only, to longer term interventions and support. The team currently have ongoing work with 59 women (An increase from 34 the previous year) from North Ayrshire.

Within the Caledonian Woman's Service, the **Children's Worker** role is to ensure the rights of the child and that the child's needs are met. Although a specific role, the Caledonian System is an approach involving team and multi-agency working. It is everyone's job to support and protect children involved in domestic abuse. Since re-accreditation of the Caledonian System, the Children's worker role involves not only direct work with children, but also fathers in terms of the impact of domestic abuse on their children. The Children's worker is also trained to co-facilitate the children and fathering module on the group work programme.

5.3.2 by building teams around the child

Children's services are developing a locality-based approach centred on bringing together multidisciplinary teams of health and social care professionals. The first team will be established within one of our local secondary schools, Kilwinning Academy, in September 2019. Others will be established in localities throughout 2020. The ethos is that children access the correct support within their local area, provided by the right discipline and without undue delay.

5.3.3 by creating multi-disciplinary teams around Primary Care

In July 2017 NHS Ayrshire and Arran working with the three Ayrshire Health and Social Care Partnerships developed 'Ambitious for Ayrshire' to respond to the new national GP contract. A discussion paper which outlined the strategic direction for 'Core' Multidisciplinary Team working in Primary Care. This work has begun to be developed in both the Kilwinning and Garnock Valley Localities of North Ayrshire, which meet the ambitions of the Primary Care Improvement Plan.

Work within Kilwinning has been consistently evaluated with the views of stakeholders captured throughout. Discussion with 2 of the GP's from Oxenward Medical Practice highlighted some of the positive and negative outcomes of the project.

On the positive side, they said that they had found it easy to generate patients to discuss; that it was good to meet the MDT face to face; that it provided a focus to achieve deadlines and expediate the process for patients; and communication channels were improving. While most things would have been completed eventually without the meeting, this process helped to speed everything up and was also helpful in addressing some issues where there was no previous knowledge of a solution.

Negatives were mainly around time demands. They were unsure about the necessity for 2 weekly meetings as it was very time consuming to generate patients, attend the meeting and then look for patients for the next meeting. They also couldn't guarantee that they could always send a representative to each meeting.

5.3.4 by integrating our services

North Ayrshire Drug and Alcohol Recovery Service –The NAHSCP's first integrated team, NADARS, has continued to evidence the benefits of the integration



process, such as a blended multi-disciplinary workforce. Additionally, there is increased access to a new range of prescribing, including GP's, Advanced Nurse Practitioners (ANPs) and pharmacist. Locality-based working is now being undertaken, including anonymous drop -ins for people wishing support for their own or others substance use. Ongoing issues include HR terms and conditions with two separate employers and two separate recording systems.

Mental Health Services and Learning Disabilities - Integration of these services will also benefit from co-location and the planning for this has required movement to be agreed by services currently occupying parts of the NHS estate. This is in line with the Health Board's wider capital plan. Whilst co-location progresses, we are currently consulting with staff and referrers to agree operational policies that will function in an integrated manner.

5.4 Early Intervention and Prevention

Receiving support and care at an early stage can help improve service users' long term quality of life. The impact of many health conditions, or events may be reduced or even prevented if the right support is provided at the right time.

5.4.1 by targeting our services

Young Person Support Team - Since its inception, the SNAP (STOP NOW AND PLAN) initiative has supported children ages 8-11 engaging in aggressive and anti-social behaviour at school or in the community. Experienced and highly trained staff work with each family to assess challenges and problems and develop an action plan aimed at reducing the potential of antisocial behaviour and chances of conflict with family, peers and authority figures.

For the period 2018-19, 100% the children who have been involved through SNAP have been sustained within their local school.



The Rosemount Project - The Rosemount Project is a crisis Intervention support service and aims to support vulnerable children and young people assessed as high risk of not remaining within their family homes and local communities. This is done using a holistic multi-faceted approach with the delivery of customised service interventions to meet the needs of complex families

In 2018-19 the Rosemount Project worked with approximately 359 families with 94% of children and young people remaining within their family homes on a long term basis.

Money Matters - Additional resources were allocated to the Money Matters Team and, following consultation with our service which provides the first point of contact for the public, Service Access, it was agreed that Money Matters Income Advisers would be based in Service Access and work in partnership addressing problems of destitution.

The priority was to tackle inequality and prevention and early intervention. Service users who require assistance with Foodbank vouchers or are facing eviction will be immediately directed to Money Matters Income Advisers.

The initial on site assessment prevents a wait or referring on process, meaning action is quicker and, on most occasions, the person will meet with the right person at the point of the referral being received.

Case Study



Notification received from Housing Services for eviction of a tenant due to rent arrears. Through partnership working, Money Matters assisted the tenant to claim a Discretionary Housing Payment, and arrears of £508.80 were awarded which halted the eviction. During the initial appointment with the tenant in March 2019 it transpired he had been sanctioned from Universal Credit (UC) and had not received any payment from UC since July 2018. Advisers assisted the tenant to challenge the sanction decision, which was successful, awarding the tenant £2,542.56 of arrears of benefit that he

had been due.

5.4.2 by innovation in our services

Mental Health - We continued our pilot North Ayrshire Wellbeing and Recovery College for people affected by mental health problems and delivered the participatory course open to anyone over 16 years old who lives, works or studies in North Ayrshire. Some of the more successful courses have been repeated as well as new courses being trialled. These courses include:

- Living life to the full – eight week course based on cognitive behavioural therapy
- Crafty Corner – peer delivered series of six craft workshops
- It's not what's wrong with me it's what happened to me that matters (Levels 1 and 2) – trauma informed practice and the science of adverse childhood experiences (ACEs) delivered over five sessions for each level
- Your voice counts – five sessions that support self – advocacy by encouraging participants to try out ways of getting their point across face to face, on the phone and in writing
- Right to Recovery – five week course that focusses on self – management for people experiences emotional difficulties or mental ill health
- WRAP (Wellness Recovery Action Plan) – two day course to support the development of a prevention and wellness process that anyone can use to get well and stay well

We are developing the approach by supporting people with lived experience of mental health problems to access training to enable them to work towards co-facilitation of courses and other peer roles within the Wellbeing and Recovery College. We are also in the process of developing a website to increase access to the courses and share information more widely.

North Ayrshire Drug and Alcohol Recovery Service – NADARS have listened to the very positive feedback from the women who previously participated in the Women in North Ayrshire Group (WINA's) and have used that information and experience to develop a Men in North Ayrshire (MINA's) addiction recovery support group.

NADARS also recognised that men aged 35 years and over are highlighted in the national “Staying Alive” report as most at risk of drug related death and viewed this as an opportunity to increase practical and supportive interventions for males in service. This group is a 10-week programme aimed at men and topics include Health & Wellbeing (Mental, Physical Health, Exercise & Relaxation), personal finance, basic fire safety and first aid, sexual health & Blood Borne Viruses (BBV), naloxone awareness & medication management and concordance, confidence building, effective communication and strategies for moving on. They have a range of guest speakers available to speak on specialist subjects including individuals who are in recovery and have used North Ayrshire addiction services. Feedback to date is very positive and the team are now in the process of setting up the second roll out of the 10-week programme.

5.4.3 by making use of Community Assets

Syrian Refugee Coordinators - The Health and Social Care Partnership has continued to support the successful resettlement and integration of Syrian Refugees via the Syrian Refugee Coordinator to coordinate services delivered by the partnership to refugee families.

A new initiative known as ‘The Syrian Swans’ supports young girls to get out and about in the local community. This runs from a church hall on a fortnightly basis and includes various activities including; pamper nights, visits to a show home, talks from Royal Bank of Scotland community representatives regarding various aspects of banking, session rights and responsibilities of young people in North Ayrshire and visits to the police and fire stations.

The idea is to expose the girls in a planned way to various aspects of Scottish life to encourage and foster ideas and aspirations for the future and to provide a relaxed and informal place to discuss different topics.



Case Study

The young person presented as angry and losing control physically at times with peers. He is on the fringes of the community and has been through a Syrian war, before subsequently fleeing to a refugee camp and then to the UK.

His father has died, and his mum is not always great with routines, boundaries and general parenting. She has also had her own health issues. There have been significant concerns about him being

excluded from school and some concerns about him being placed into alternative care arrangements.

He is currently being supported by the Rosemount Project, social work, school and the Refugee Support Team. These teams are working in partnership together and have also accessed some culturally sensitive counselling for him in Glasgow. The counsellor has been using play therapy with him and looking at a variety of issues including anger management.

To date he has received approximately eight sessions of counselling and is appearing a lot calmer

He seems to be happier, his personality is coming out a bit more, for example, his caring attitude towards his brother. He is a bit cheekier, but in a positive way, and he is beginning to get the message that it is ok to lose at games and that name calling is just that.

He is currently being given positive opportunities to socialise within his local community with organised football teams and boxing

North Ayrshire Involved! Group won the Excellence in Mental Health Services category for its innovated approach to providing mental health services, which ensures those using the services are at the centre of their design, delivery and evaluation.

The Excellence in Mental Health Services award recognised those who have engaged people creatively, championed the rights of people with mental health problems and put service users at the centre of care.

5.4.3 by services that maintain older people at home and in good health

Care at Home - With the number of Service users being provided with Care at Home support increasing by 10% to 2,230 from 2,021 in 2017/18 and the number of people receiving a Community Alert increasing by 9% to 4,912 in 2018/19 from 4,500, we have continued to work to ensure the high quality of service provision expected.

Our Care at Home service was inspected during 2018-19 with Quality of Care and Quality of Staffing being the focus. The outcome was a grading of 'Very good' for both inspected elements during a period of increased demand, up by 45% compared to 2017/18.

Telecare/Community Alarm – In 2018/19 we continued to expand the use of Community Alarm and Telecare, enabling service users to contact an emergency contact centre where their safety and wellness can be ensured.

- 2017/18 – Community Alarm 4500/Telecare 917
- 2018/19 – Community Alarm 4912/Telecare 1038

5.5 Improving Mental Health and Wellbeing



5.5.1 by developing peer support services

Recovery Development Workers –NADARS have created four posts of Recovery Development Worker (RDW). This new development was as a result of a service review and redesign which highlighted the benefits of individuals with lived experience in working with peers in their recovery journey. The funding has enabled a staff complement reconfiguration to recruit four permanent contracted Recovery Development Workers. This initiative has increased the service's capacity to provide a range of interventions. Positive feedback from service users and staff has been received and the workers enjoy employment and deserved recognition for the strengths they bring to the NADARS team.

5.5.2 by supporting young people to become confident adults

Additional Support Needs School - Following the secured funding to develop an additional support needs residential and respite facility in 2017-18, it was confirmed that a new additional support needs school will also be developed on the same site. This development presents a very necessary and unique opportunity for the North Ayrshire HSCP, and Education Services and Youth Employability to meet better the needs of children and young people with additional support needs within North Ayrshire.

The ASN School will enable professionals to work together within the one campus which will highlight the advantages of an integrated approach to benefit some of our most disadvantaged children and young people. This opportunity allows us to in our children and young people with complex needs who require to have access to the best facilities we can provide to ensure that they are able and supported to make life choices and to realise their potential.

The Rosemount Project – Young people were supported to take part in the 'Beings' project, in Edinburgh, where they were joined by others from employability courses, youth organisations, schools and youth clubs and encouraged to "show the inside on the outside" through a variety of media. The young people interpreted individual paintings and sculptures as a springboard for making their own artworks exploring their emotional and inner lives.

5.5.3 by nurturing

Children and Families – A nurture-based approach is being rolled out across the Children and Families residential services. In order to introduce and develop this nurture based approach, there has been work on the following; awareness raising sessions for all staff; concept of nurture being utilised within supervision, team meetings and development sessions; Nurture steering group to be formed; nurture champions to be identified across the service; managers to complete a four day training course and an external consultant facility to be procured and residential implementation strategy to be completed

5.5.4 by supporting carers

Carers - We recognise that only 39% of carers responding to the national Health and Care Experience Survey felt supported. During 2018/19 we achieved Level 2 Care Positive Employer status.

We purchased a Digital Resource for Carers, which is available to all unpaid carers across North Ayrshire. The NAHSCP was the first Local Authority or Partnership to sign up to such a resource.

The online resource helps carers support their own physical and emotional health and wellbeing as well as providing information about managing their carer's responsibilities and supporting the person they look after. Additionally, it offers a range of resources to support the carer including e-learning resources, essential reading guides and factsheets, advice around supportive technology, financial planning and advice on dealing with working and caring.

A new collaboration for the Partnership has been with the Community Brokerage Network (CBN). The CBN has secured funding to make this support service completely free to service users and the Partnership. In the past calendar year CBN have supported 48 people and their families in North Ayrshire and their families in North Ayrshire with the majority being Children with Disabilities and Adult Services.

CBN employ brokers to work with people with social care needs to plan and organise their support whether they are eligible for an individual budget or not. They help connect people back into their communities and think creatively about how they can receive further support.

Within North Ayrshire there are now 45 local businesses offering discounts and concessions to local carers who present a Carers Appreciation Card. We have 537 carers registered to date.

5.6 Statutory duties

5.6.1 Children and Families Social Work Teams

Our Children and Families area teams have been involved with 1,498 young people over the course of the past year. As at the end of 2018/19 we have 88.19% of looked after children being looked after in the community. This means where possible the child is placed in a familiar environment, as research shows that children achieve better outcomes if they can remain within the family home or with a family member or friend, or in a community setting. Our intervention services have been involved with 802 young people over the course of the past year.

5.6.2 Child Protection

We began the year with an unprecedented high number of children registered on our Child Protection Register and of the 143 family groups registered throughout the year seven (4.9%) of those families had been registered previously within the last 12 months

The greatest increase in North Ayrshire's Child Protection Register in the last year has been of children aged 0 -5 years. Indeed, North Ayrshire's pre-school (pre-birth to school entry age) child protection registrations and investigations are higher than other areas in Scotland. A number of factors are influencing this increase.

Over the last few years North Ayrshire HSCP has led on the implementation of the newly established national health visitor pathway. This means that every family benefits from their named health visitor undertaking a minimum of 11 home visits/assessments for children from 36 week gestation to pre-school, building relationships, offering advice and identifying any needs that may have arisen.

NHS Ayrshire & Arran has also developed a specialised team of midwives to work with families in the home environment, in the pre-birth period, to assist where families may be experiencing need and possible risks.

North Ayrshire HSCP has also integrated their health visiting service to include team members with additional skills, such as mental health nurses, speech and language therapists and social workers, all jointly working with families to identify family strengths as well as risks and needs. We have created a team-around-the-family approach.

We acknowledge that this multi-stranded early intervention approach has led to earlier identification of needs and risks and enabled us to put proportionate supports in place to manage these needs/risks. This multi-disciplinary approach to keeping babies and children in North Ayrshire safe, has led to children being placed on the Child Protection Register. However, we are seeing children being on the register for shorter periods of time, and additionally the number of children becoming looked after and accommodated is reducing. The highest number of de-registrations is due to improved home circumstances.

There are also wider determinants in play that have an impact, such as North Ayrshire having one of the highest proportion of its children living in poverty in Scotland, recognising the strong links between poverty and child protection; and the importance of implementing early intervention support services.

North Ayrshire Health and Social Care Partnership is fully committed to working alongside families and wider partners to safeguard children, while balancing this with support to enable children to remain with family, wherever possible.

Throughout the year we have continued to monitor registrations via regular dedicated case audits undertaken by the CSWO and Senior Children and Families Managers. These audits include reviewing children on the Register for a year as well as those on the Register for less than three months.

The number of children registered as at 31st March 2019 was 113.

5.6.3 Fostering and adoption

The fostering team has run successful campaigns, such as open evenings with the family placement team, to recruit over the past year and our total numbers of carers stand at 104. This is 1 more carer than last year.

5.6.4 Children with disabilities

The trend of the increasing number of referrals continues as does the levels of complexity. There has been a 50% increase in caseload from May 2016 (210 to 315) and 150% increase since 2013 (126 to 315).

The Children and Families Disabilities Team embraces the ethos and principles of Self Directed Support. We have developed and reviewed both systems and paperwork to enable us to engage families with the service in an open and transparent way as to how their needs are assessed and outcomes can be met.

5.6.5 Community Care Teams

Adults with long term conditions and older people receive assessment for services from our Locality based teams. There were 3860 individuals receiving a service in 2018-19, an increase of 12.2% over the previous year. Increased demand due to a growing ageing population is well documented as is the multi-morbidity of health conditions they face and the increase in organic mental health conditions such as dementia. The level of support required to maintain people at home is significant.

One of our specialist services is the Dirrans Centre team. This team achieved Investor in People Platinum award in 2017 and have just completed the interim assessment of the three-year strategy for re-accreditation in 2020.

The Investor in People standard is a nationally recognised benchmark for good practice in achieving business success through people.

The Platinum Award highlights truly high performing organisations that are operating at the pinnacle of people management practice using Investors in People to drive the business forward.

Our interim report congratulated us on continuing to achieve in line with the Platinum level of Investors in People. Our final assessment is in April 2020.



Case Study

Service user B has followed an eventful journey in his rehabilitation with a CVA (Stroke)

B, at the age of 47 years had a CVA which changed his life.

Prior to his stroke he was an active man who ran his own painting and decorating business. He lived alone in an upstairs flat

His stroke left him with dense right sided weakness, wheelchair dependent and with expressive dysphasia.

B struggled with who he was now and the dramatic change in his life. His mood was very low and he was frustrated with his difficulties in communication.

Following discharge from hospital he received physiotherapy, speech and language therapy at Douglas Grant Rehabilitation Centre. He had Community O.T. support to address the inaccessibility of his home and to assist in applying for accessible housing.

He now depended on his parents for support and gradually became more withdrawn.

DGRU O.T. referred B to the Dirrans Centre. At this time he had very low mood and was difficult to engage with.

At the centre B was appointed a key worker who spent time finding out all about B as a person, his likes/dislikes, what was important to him and his hopes and goals for the future. This took TIME to build up a positive relationship.

B enjoyed cooking, had been a keen reader, had an interest in computing and hoped to improve his mobility and fitness.

At the centre the O.T. introduced B to adult literacy, cooking and life skills class to help build up confidence dealing with money, helping with communication and recognising values etc. He had been introduced to KA leisure stroke fitness class but B did not engage with this as he felt everyone was of an older generation.

He was then introduced to the local Pennyburn gym and the O.T. helped to develop a tailored exercise programme for him. His confidence began to grow as he developed new activities and skills. His mobility improved and was walking with a quad stick.

An opportunity arose for B to attend the Calvert Trust, outdoor centre in the Lake District, with the Dirrans Centre. This centre provides challenging activities for people with disabilities.

This was a turning point for B.

He participated wholeheartedly in gorge walking, sailing, abseiling and climbing. He was very much part of the group who supported each other to complete the task, which often almost seemed impossible. He pushed himself to the limits and gained a whole new prospective on life. He realised that although his life had dramatically changed he still could participate in challenging and enjoyable activities.

He reported that this experience was hugely beneficial to building his determination, facing his fears and adapting to challenging situations. His family immediately noticed the change in him.

Following this trip he was discharged from the Dirrans Centre but continued to receive outreach support to maximise his independence and maintain his progress.

B is now a fully functioning member of his community. He attends computing classes, attends his local gym 4 times a week, and is investigating job opportunities. He has been re-housed to a bungalow which meets his needs and allows him to be as independent as possible.

5.6.6 Learning Disability Services

The North Ayrshire Learning Disability Service continues to undergo development, working to a complex and multifaceted change agenda while also responding to significant financial challenges. The work previously undertaken to change respite services provision is well established. Families have responded positively to the changes it brought regarding the maximum entitlement and the process for allocation. Review of packages involving sleepover supports has also progressed well, with every effort being made to consider not only the assets and needs of the individual within this process, but also the nature, quality and needs of their broader support network.

This focus on a broad consideration of individuals, their networks, and their community context, characterises much that is happening across the service. The establishment of a small review team comprising a Social Worker, Occupational Therapist and Support Worker, has allowed for the exploration of a new approach to the review of care packages, which better accommodates the contribution of individuals to this

process, and the consideration of their existing and potential assets and links to the broader community. This work commenced in the Garnock Valley in early 2019, and is planned to move onto the Irvine locality, with the intention of further refining the process based on reviews undertaken there.



The review approach developed by the team is also being explored for use within the new Day Opportunities Centre, at Trindlemoss in Irvine. Due to open in the last quarter of 2019, Trindlemoss will have a focus on asset building, enablement, and collaboration with the community, which fits well with the materials and experience developed by the Review Team. The staff in the existing two day services involved in the move (Fergushill and Hazeldene) have been proactively working with the management team and external organisations in the process of refreshing their existing culture and service model, in order to make best use of the opportunities that will be available within and close to Trindlemoss. The Ayrshire Community Trust, Community Link Workers, Care Inspectorate, and Scottish Commission for Learning Disability have all been contributors to this process.

Along with the focus on community collaboration afforded by Trindlemoss Day Opportunities Service, the development of 20 supported accommodation tenancies on that site, as well as other developments in Dalry and Largs' This further exemplifies the intent of the Learning Disability Service to support communities to include people better with learning disabilities, and people themselves to take better advantage of those opportunities for inclusion. Building capacity in individuals and communities is core to this, and will hopefully, over the next three to five years, allow for the refocusing of activity within and further evolution of the integrated Learning Disability Service, in collaboration with the full range of services and community

partners. It is important to recognise the responsibility of all to support the inclusion and wellbeing of people with learning disabilities. As stated above, this essential work is occurring in the context of significant financial pressures on the service, but also of significant pressure on the Social Work component, because of those financial pressures, as well as staffing pressures.

There has been a slight increase in caseload sizes from this stage last year, with it growing from 532 to 536

5.6.7 Mental Health Services

There are currently 44 on the waiting list, with the longest waiting since 11th January. From the list there has been increased requests as the year has gone on e.g. February we had two applications and August so far, we have had ten.

In order to try and address the waiting list we employed two temporary Mental Health Officer's (MHO's) who work 1.5 days per week and focus only on private welfare guardianship applications. Other MHO's will pick up on this work when they have capacity to do so. There had been discussions earlier in the year to review the MHO service however this is currently on hold due to other pressures of work such as integration and reviewing current model of care.

5.6.8 Adult Support & Protection

In summer 2017, North Ayrshire put their name forward to volunteer to be included in the very first Joint Thematic Inspection of ASP.

The resulting inspection report rated North Ayrshire as the top performing area for Adult Support and Protection of the six local authority areas inspected across Scotland. The inspectors agreed with our self – evaluation ratings as follows:

- | | |
|--|-----------|
| • Outcomes for adults at risk of harm | Good |
| • Key process to support ASP practice | Very Good |
| • Leadership and governance in relation to ASP | Very Good |

As a result of the Inspection, in September 2018, North Ayrshire submitted their ASP improvement Plan, based on the two areas highlighted by the Inspectors for improvement activity:

- Information sharing with Police Scotland
- Independent Advocacy

Progress has been positive in relation to both issues, to date. Following training with a group of specifically selected Police Officers in North Ayrshire, we have seen an improvement in relation to Police attendance at ASP Case Conferences. In addition, Police in attendance have been briefed on the Case to be discussed and are therefore better prepared to provide input to the meeting, maximising the benefit of their attendance.

The North Ayrshire Adult Protection Committee has also set itself a target of Independent Advocacy being considered for 100% of ASP Cases which go to ASP Investigation and beyond.

Our very good inspection result has led to twenty-two other local authority areas contacting North Ayrshire to request that we share information on our processes and supporting paperwork or to arrange to visit us to discuss how we organise and report on our various processes and our leadership in respect of ASP.

Our Adult Protection Committee (APC) Independent Convenor and our Senior Officer ASP have both been invited on to the Scottish Government Inspection Taskforce. This group will be overseeing the planning and implementation of the next round of ASP Inspections of all areas not involved on the original 2017 Inspection, to take place over the next two years.

North Ayrshire is very well represented Nationally in respect of ASP. Our APC Independent Convenor is the Chair of the National APC Chairs' Group and our Senior Officer ASP is the Chair of the National Social Work Scotland ASP Network.

5.6.9 Public Protection

In 2018 the South West Scotland Strategic Oversight Group (SOG) commissioned an independent review of its MAPPA office model and functionality. The review report was presented to the SOG in November 2018 and its findings were considered. The report found that the "operation of MAPPA in South West Scotland is operationally sound" and that this was "supported by the standard key performance indicators and statistics produced measuring the overall performance". The report also concluded that, "There is strong evidence of good working relationships throughout the area at an operational level with excellent self-assessment processes embedded in local procedures".

The independent report suggested that the MAPPA office staffing structure should be looked at to ensure that it remained fit for purpose. With the scope of MAPPA extended from March 2016 to include other Risk Of Serious Harm (ROSH) offenders, and the resulting focus on the ROSH assessment and risk management plan, we have seen a considerable reduction in MAPPA Level 2 cases being referred to the MAPPA office. (see figures in appendix page 25)

The staffing structure of the MAPPA office, prior to the independent review, was made up of two MAPPA Coordinators, one strategic and one operational, based at Ayr Police Station, along with 3 administrative staff. There was a 0.5 administrative staff member based at Dumfries Police station.

The SOG agreed to create 1.5 MAPPA Coordinator posts for South West Scotland with the full-time post being based at Ayr Police Station and a 0.5 post based at Dumfries Police Station. It was also decided to reduce the number of administrative staff at Ayr Police Station from 3 to 2.

The new MAPPA structure is nearing full implementation with only the 0.5 Coordinator post to recruit to.

ViSOR (Violent and Sex Offender Register) is a Home Office database of records of those required to register with the police under the Sexual Offences (Scotland) Act 2009. All Justice Services social workers have agreed to be vetted at the appropriate level to use ViSOR and we have two ViSOR terminals located in our

main staff office. Staff are encouraged to make regular use of ViSOR to assist in their effective management of violent and sex offenders.

National figures provided by Police Scotland for the period from November 2017 to November 2018 indicate that of the 49 vetting applications over that year across Scotland, North Ayrshire submitted 10 of these. North Ayrshire also had 10 of the 104 Visor users across Scotland who had logged into their accounts over that period.

We are currently going through a re-structuring of services within the HSCP, and part of this re-structuring involves the creation of a Public Protection Service. This public protection service will have responsibility for Child Protection, Adult Support and Protection, MAPPA, Justice Services and Community Justice. It is hoped that this service will be operational from September 2019.

6. Workforce

6.1 Professional development and qualifying the workforce

North Ayrshire Social Services Assessment Centre (NASSAC) supported approximately 85 candidates to achieve an SVQ Award to meet registration requirements (SSSC). We deliver SVQ Social Services and Health Care Awards and the Leadership and Management Care Award.

We also supported four modern apprentices to achieve their award.

Continuous professional development increases skills and confidence in delivering quality services. We have 70 different course titles that are available to staff through NAHSCP's learning and development calendar. Based on demand and identified learning needs, 57 courses ran with 1742 delegates attending over 2018/19.

The Health and Social Care Partnership is in the early stages of undertaking an ambitious staff engagement exercise called "Thinking Different Doing Better". Thinking Different Doing Better is a unique, interactive experience, which has been designed in partnership with various local community groups, businesses, volunteers, our third and independent sector partners and staff working across the Health and Social Care Partnership. Over the course of 2019/2020, approximately 3000 staff and 3000 community members will attend the three hour experience, which consists of 90 minutes of experiential learning, followed by a 90 minute intimate discussion with our Director, Stephen Brown.

The experience is created to facilitate learning about the NAHSCP, our priorities, values and partners, whilst providing the opportunity for participants to give their views on things such as financial spend and how we, as a Partnership, can do better. The session will inspire staff and the public to think differently and focus on our assets, both in the community and within people, which should ultimately lead to improved outcomes across each of our five priorities.

6.2 Practice Teaching

Practice learning is an essential component of social work training and the NAHSCP is committed to providing Practice Learning Opportunities (PLO) for social work students via the Learning Network West (LNW). NAHSCP is well regarded as a source of good quality learning opportunities and we value the partnership working and knowledge exchange activities with our colleagues from the relevant universities, the LNW, Institute for Research and Innovation in Social Services (IRISS), the Social Work Scotland Learning and Development subgroup and the SSSC.

We continue to face increasing challenges in being able to support our quota of students each year due to internal restructures, relocation of teams and virtual and hot-desk models of working. To date none of these challenges has prevented NAHSCP in being able to fully support our students and this demonstrates the ongoing commitment in the partnership.

6.3 Workforce Planning

NAHSCP has a workforce that numbers 3,367 split NAC 1,866 (55.4%) and NHS 1,501 (44.6%).

Appendix

MHO service

<i>Mental Health (Care and Treatments) 2003</i>	<i>2013–14</i>	<i>2014–15</i>	<i>2015–16</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>
Emergency detentions	30	29	24	44	44	54
Short term detentions	71	72	75*	87	69	74
Compulsory treatment	48	40	54	25	52	38
Warrants undertaken	2	1	3	1	2	1

<i>Criminal Justice Act Scotland 1995</i>	<i>2013–14</i>	<i>2014–15</i>	<i>2015–16</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>
CORO	4	4	4	4	4	4
Compulsion orders	4	4	6	5	6	2
Hospital directions	1	1	1	1	1	1
Assessment orders	4	1	2	2	2	2
Treatment orders	2	1	1	2	2	4
Transfer for treatment	1	0	3	3	3	2

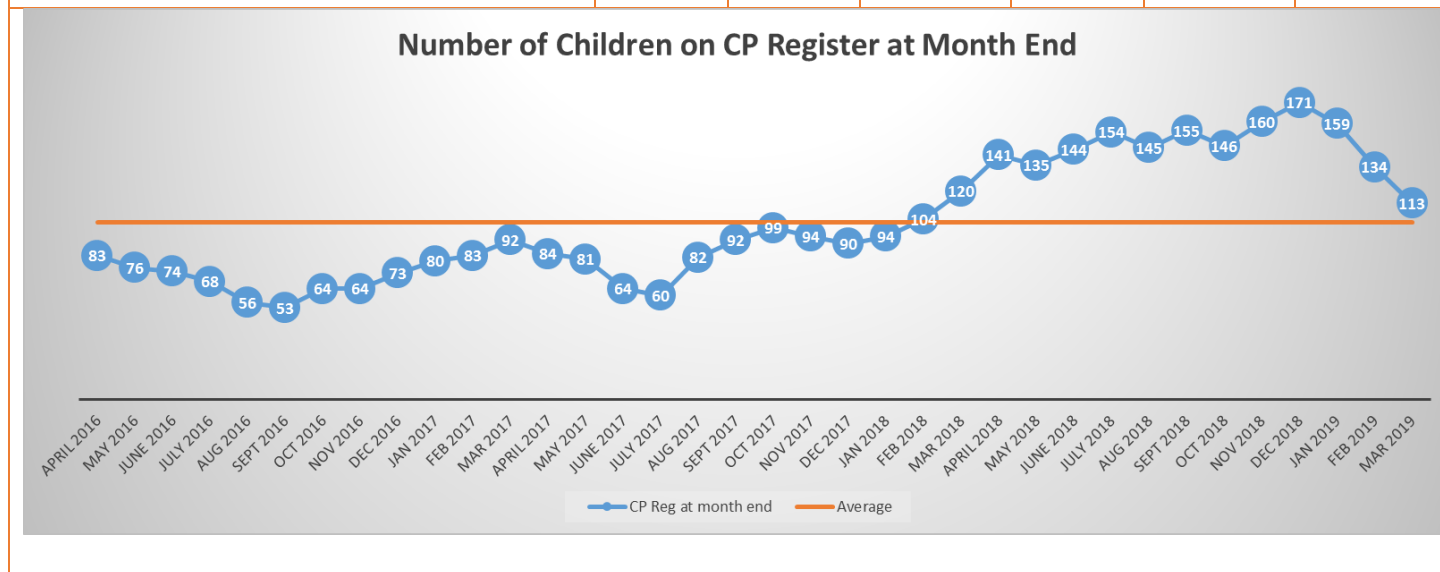
<i>Adults with Incapacity Act (Scotland) 2000</i>	<i>2013–14</i>	<i>2014–15</i>	<i>2015–16</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>
Private Welfare Guardianships *	204	291	255 (60)	287 (67)	367 (92 new)	411 (58 new)
CSWO Guardianships **	44	47	59 (19)	52 (21)	46 (8 new)	40 (16 new)
Financial Intervention Order (LA) ***	42	58	53	41 & 21 in process	57	26
MHO report: PWG application	79	86	68	96	100	38

Adult protection

	<i>2013–14</i>	<i>2014–15</i>	<i>2015–16</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>
ASP referrals	631	812	697	654	512	457
ASP case conferences	24	44	73	48	40	47
Protection orders	9	7	6	4	4	1
Adult concern reports	0	1039	1349	1446	1609	1,838

Child protection

	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
Child protection concerns	885	858	901	835	729	920
Child protection investigations (CP1s)	578	526	430	469	474	383
Child protection initial conferences	81	176	162	133	136	126
Pre-birth conferences	26	32	31	16	18	43



Looked after children

	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
Children newly accommodated in North Ayrshire	100	91	81	64	72	70

	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
Foster carers		85	97	100	103	104

<i>Permanency planning</i>	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
Number of permanency plans approved	25	38	22	37	35	-
Adoption – approved and placed	3	15	13	10	10	10
Adoptions granted	9	3	15	13	8	7
Permanence orders approved	27	7	11	16	14	7

Permanence orders granted	12	14	6	9	12	9
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Emergency placements

	2015-16	2016-17	2017-18	2018-19
Child Protection Orders	13	12	15	25 (17 family groups)
S143 of the Childrens Hearing (Scotland) Act 2011	21	24	-	-

Secure placements

	2015-16	2016-17	2017-18	2018-19
Number of secure placements	3	1	0	1

Justice Services

	2016-17	2017-18	2018-19
Number of reports submitted to the courts (CJSW reports, Section 203, Short Notice CJSW & Supplementary CJSW)	844	826	754
Number of home leave and background reports submitted	118 (64 leave reports, 54 background reports)	102 (44 leave reports, 58 background reports)	114 Leave Reports – 49 Background Reports - 65
Unpaid Work Orders	579	480	403

	2014/15	2015/16	2016/17	2017/18	2018/19
Level 1 Mappa	130	142	155	153	181
Level 2 Mappa	10	14	4	7	2
Level 3 Mappa	1	1	1	2	1