



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Audit and Scrutiny Committee

A Meeting of the **Audit and Scrutiny Committee** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Tuesday, 25 September 2018** at **10:00** 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 Audit and Scrutiny Committee held on 29 May 2018 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).

3 Council Plan/Directorate Plan Performance Reports - End of Year 2017/18

Submit report by the Chief Executive on the end of year 2017/18 Council Plan/Directorate Plan Performance Reports (copy enclosed).

4 Public Performance Reporting

Submit report by the Chief Executive on 2017/18 Public Performance Reporting and the Annual Performance Report 2017/18 (copy enclosed).

5 Local Government Benchmarking Framework

Submit report by the Chief Executive on results of the Local Government Benchmarking Framework and priorities identified by Directorates (copy enclosed).

6 Brexit Risks Update

Submit report by the Chief Executive on the work the Council is doing in preparation for Brexit (copy enclosed).

- 7 Complaint Report 2017/18**
Submit report by the Executive Director (Finance and Corporate Support) on the Council's performance and the volumes and trends of complaints in 2017/18 (copy enclosed).
- 8 Annual Audit Report**
Submit report by the Executive Director (Finance and Corporate Support) on the findings of the 2017/18 Annual Audit report and receive a verbal update from the external auditor (copy enclosed).
- 9 Early Learning and Childcare Expansion**
Submit report by the Head of Service (Inclusion) on the progress the Council is making on the Early Learning and Childcare Expansion Programme (copy enclosed).
- 10 Audit Scotland: Council's Use of Arm's-length Organisations**
Submit report by the Executive Director (Economy and Communities) on Audit Scotland's report on Councils' use of arms-length organisations (copy enclosed).
- 11 Gypsy/Traveller Site Standards**
Submit report by the Executive Director (Place) on the Council's response to the Scottish Government's report of the minimum recommended standards for the provision of Gypsy Traveller sites (copy enclosed).
- 12 Health and Social Care Partnership Financial Performance**
Submit report by the Director of North Ayrshire Health and Social Care Partnership on the financial performance of the HSCP for 2018/19 (copy enclosed).
- 13 National Fraud Initiative in Scotland 2016/17**
Submit report by the Executive Director (Finance and Corporate Support) on the outcome of the National Fraud Initiative (NFI) exercise concluded in 2018 (copy enclosed).
- 14 Internal Audit and Corporate Fraud Action Plans**
Submit report by the Executive Director (Finance and Corporate Support) on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 June 2018 (copy enclosed).
- 15 Internal Audit Reports Issued**
Submit report by the Executive Director (Finance and Corporate Support) on the findings of Internal Audit work completed between May and August 2018 (copy enclosed).
- 16 Urgent Items**
Any other items which the Chair considers to be urgent.

17 Exclusion of the Public

Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following item of business on the grounds indicated in terms of Paragraph 1 of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

In terms of Standing Order 19 (Disclosure of Information), the information contained within the following report is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

17.1 Corporate Fraud Reports Issued

Submit report by the Executive Director (Finance and Corporate Support) on the findings of Corporate Fraud investigations completed between May and August 2018 (copy enclosed).

Audit and Scrutiny Committee Sederunt

Marie Burns (Chair)
Margaret George (Vice Chair)
Joy Brahim
Alan Hill
Tom Marshall
Donald Reid
John Sweeney

Chair:

Apologies:

Attending:

**Audit and Scrutiny Committee
29 May 2018**

At a Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m.

Present

Marie Burns, Margaret George, Joy Brahim, Alan Hill, Donald Reid and John Sweeney.

In Attendance

E. Murray, Chief Executive, L. Friel, Executive Director, S. Hanif, Head of Finance (HSCP), M. Boyd, Head of Service (Finance), D. Forbes, Senior Manager (Financial Services), P. Doak, Senior Manager (Internal Audit, Risk and Performance), A. M. Fenton, Team Manager (Internal Audit) and J. Hamilton, Senior Manager (Employee Services) (Finance and Corporate Support); Y. Baulk, Head of Physical Environment, J. Barrett, Senior Manager (Homelessness and Community Safety) and K. Campbell, Facilities Manager (Place); S. Brown, Director North Ayrshire Health and Social Care Partnership; J. Butcher, Executive Director (Education and Youth Employment); A. Sutton, Head of Service Connected Communities and M Strachan, Senior Business Manager (Economy and Communities); A. Fraser, Head of Democratic Services, M. Davison, Senior Manager (Democratic Services), A Todd, Senior Policy and Performance Officer and A. Little, Committee Services Officer (Chief Executive's).

Chair

Councillor Burns in the Chair.

Apologies

Tom Marshall

1. 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.

2. Minutes

The Minutes of the meeting of the Audit and Scrutiny Committee held on 27 March 2018 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Operational Budget Management in the Health and Social Care Partnership

Submitted report and presentation by the Executive Director (Finance and Corporate Support) on a progress update on the operational budget management in the Health and Social Care Partnership.

The Committee received a presentation on the financial management, governance and accountability framework of the HSCP, which included:-

- How does the Health and Social Care Partnership Work (HSCP)?
- Details of the 2018/19 Budget;
- A summary of the 2018/18 budget;
- Financial governance and control framework;
- Financial framework tracker - 2018/19, the golden rules and examples of the tracker;
- The role of HSCP Managers;
- The role of Finance; and
- A summary of the current position.

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

- Difficulties in forecasting demand, particularly in areas such as mental health and secure accommodation and a range of work that is undertaken to assist in projecting and managing the demand for services;
- Delegation of functions to the Integration Joint Board (IJB) and the Health and Social Care Partnership and their obligation to spend within budget; The governance arrangements in place for the IJB and the HSCP;
- The role of the IJB's Performance and Audit Committee, the Council's Audit and Scrutiny Committee, NHS Board and NHS Audit Committee in scrutinising the performance of the IJB and the HSCP;
- The setting of the NHS budget that will now be finalised in June 2018; and The IJB deficit of £5.7m owed to the Council and the varying financial

The Committee agreed to (a) note the actions and assurances being given by the Health and Social Care Partnership to strengthen financial management, governance and accountability; and (b) receive regular financial

4. Directorate Plans 2018 Update

Submitted report by the Chief Executive on the 2018 update on the Council's Directorate Plans for 2015/18. Appendices 1-5 set out the Directorate Plans for Democratic Services, Finance and Corporate Support, Education and Youth Employment, Economy and Communities and Place, respectively. A new Strategic Plan for the Health and Social Care Partnership, which was approved on 19 April 2018 was attached at Appendix 6.

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

Democratic Services

- Performance indicator data due in April 2018 that had not been available for inclusion within the report but which will feature in the annual report.

Finance and Corporate Support

- the delivery of services via digital applications and the use of technology to allow staff to work smarter;
- The percentage of calls answered by the Contact Centre which relates to the speed the calls are answered;
- information on how long it takes to answer calls and callers who terminated their call before it is answered that could be provided by the telephony system; and
- The success of the Council Tax Bill competition in encouraging residents to move to e-billing and lessons learned for future initiatives to increase numbers further;
- The use of Community Benefit clauses as part of the procurement of services to provide employment opportunities; and
- Work that is being done to improve the rates of Council Tax Collection, debt recovery and Freedom of Information.

Education and Youth Employment

- A report that will be presented to Cabinet in August 2018 and a future meeting of the Audit and Scrutiny Committee on the Pupil Equity Fund and a breakdown of how each school has used this funding;
- Work that is being done to ensure all staff have had a PPD in the last 12 months;
- A number of Head Teacher vacancies as a result of retirements due to health and personal issues; and
- The breadth and depth of choice in the curriculum for senior pupils which is achieved by the grouping of schools to provide advanced highers.

Economy and Communities

- Positive engagement levels from the public, Community Councils and Elected Members on the Local Development Plan 2 and requests from other Councils to observe our work in this area; and
- Recognition by the Scottish Government of our integrated approach to Active Communities work and selection as a demonstrator of the CPP approach.

Place

- The higher take up of school meals during winter months and work that is underway to increase the take up of paid school meals;
- New Scottish Government standards that will be in place by June 2018 for school meals;
- Work that is also being undertaken in partnership with Education and Youth Employment and young people to attract them to take up school meals; and
- A report to Cabinet in May 2018 seeking approval to extend the successful grounds maintenance participatory budgeting initiative across all localities.

The Committee was requested to consider topics for scrutiny at future meetings.

The Committee agreed to (a) note the updates of the Directorate Plans at Appendices 1-5; (b) receive 6-monthly progress reports; (c) note the Health and Social Care Partnership's Strategic Plan at Appendix 6; and (d) that Members consider topics for scrutiny for future meetings of the Committee.

5. Health and Social Care Partnership Care Inspection Reports

Submitted report by the Executive Director (Health and Social Care Partnership) on the findings and grades relating to Health and Social Care Partnership managed services over 2017/18.

Appendix 1 to the report provided details of 17 external inspections that had been conducted by the Care Inspectorate during 2017/18. Six areas had improved grades, two areas were downgraded and all others sustained their previous grades.

Noted.

6. Care Inspection of North Ayrshire Housing Support Services

Submitted report by the Executive Director (Place) on the annual Care Inspectorate reports for North Ayrshire Council Housing Support Service and Ardrossan Short Stay Hostel. Appendix 1 to the report provided information on the assessment of the quality and performance of the Ardrossan Short Stay Hostel. Details of the assessment of Housing Support Services was provided at Appendix 2 to the report. Both services were graded as excellent.

Members asked questions and were provided with further information in relation to the 19 bedded unit at Ardrossan that had historically been used to house families but which is now used to house single people.

Noted.

7. Maximising Attendance

Submitted report by the Executive Director (Finance and Corporate Support) which provided information on sickness absence trends for the period 2013/14 - 2017/18, an analysis of trends and the policies, procedures and proactive interventions to support the Council's workforce. A range of statistical information was provided, including 9.35 average days lost per employee, set against the target of 7.53 average days.

Members asked questions and were provided with further information in relation to a range of stress policies in place, including referrals to Occupational Health, to support employees.

Noted.

8. Internal Audit Reports Issued

Submitted report by the Executive Director (Finance and Corporate Support) on the findings of Internal Audit work during March and April 2018. The findings from five separate audit assignments were detailed at Appendix 1 to the report, together with their respective executive summary and action plans.

Members asked questions and were provided with further information in relation to range of issues identified with the Lagan system that will be examined as part of the Digital Strategy.

The Committee agreed to note the outcome of the Internal Audit work carried out during the period.

9. Internal Audit and Corporate Fraud Action Plans: Quarter 4 Update

Submitted report by the Executive Director (Finance and Corporate Support) on the progress made in implementing the agreed actions from the Internal Audit and Corporate Fraud reports as at 31 March 2018. Appendix 1 to the report provided full details of seven actions which were not started or only partially complete at 31 March 2018.

Noted.

10. Internal Audit Annual Report

Submitted report by the Executive Director (Finance and Corporate Support) on the Internal Audit Annual Report 2017/18, attached at Appendix 1, that outlined the role of Internal Audit, the performance of the section during the year, the key audit findings and the annual audit assurance statement.

Members asked questions and were provided with further information in relation to the follow up process that will report on progress in relation to email controls in Education and Youth Employment.

Noted.

11. Corporate Fraud Team Annual Report

Submitted report by the Executive Director (Finance and Corporate Support) on the work of the Corporate Fraud team during 2017/18, which included information on the internal and external investigations undertaken, proactive work during 2017/18, the Council's participation in the National Fraud Initiative exercise, and a number of International Fraud awareness-raising events held across North Ayrshire.

Members asked questions and were provided with further information in relation to joint working with Housing Services in relation to tenancy abandonments to trace the tenant and recover the property.

Noted.

12. Accounting Policies

Submitted report by the Executive Director (Finance and Corporate Support) on the accounting policies to be adopted in the preparation of the Council's annual accounts for the year to 31 March 2018, outlined in Appendix 1 to the report.

The Committee agreed to approve the accounting policies as detailed in Appendix

13. Annual Governance Statement

Submitted report by the Executive Director (Finance and Corporate Support) on the Council's Annual Governance Statement for 2017/18 which was attached at Appendix 1 to the report. The Annual Governance Statement, which will be included within the annual accounts, explained how the Council complies with the Code of Governance Framework and outlined the governance framework in place and changes made to strengthen the framework during 2017/18.

The Committee agreed to approve the Annual Governance Statement, as outlined

14. Local Scrutiny Plan and National Scrutiny Plan 2018/19

Submitted report by the Executive Director (Finance and Corporate Support) on the Local Scrutiny Plan (LSP) for North Ayrshire for 2018/19 and the National Scrutiny Plan. The LSP which had been previously been circulated to Members, provided information on the scrutiny risks identified, proposed scrutiny responses and expected scrutiny activity for the Council during 2018/19

The Committee noted that no specific scrutiny is required in North Ayrshire for the

15. External Audit Action Plans Quarter 4

Submitted report by the Executive Director (Finance and Corporate Support) which provided (a) information on the progress made in implementing the agreed action plans arising from the external audit of the Council's 2015/16 and 2016/17 accounts; and (b) details of all the incomplete actions, along with the latest management comments (Appendix 1). The Committee was advised that the partially complete action had now been concluded.

Noted.

16. Strategic Risk Register

Submitted report by the Executive Director (Finance and Corporate Support) which provided information on (a) a review of the Strategic Risk Register undertaken for 2018/19, attached at Appendix 1 to the report; (b) the removal of three strategic risks, namely Health and Safety, Information and Brexit; and (c) details of Very High Risks, High Risks and Risks removed from the register.

Members asked questions and were provided with further information in relation to an Officers Group that is assessing the risks of Brexit.

The Committee agreed to (a) request that the Chief Executive provide a report on

17. Local Government in Scotland: Challenges and Performance 2018

Submitted report by the Executive Director (Finance and Corporate Support) which highlighted the key messages and issues from the Audit Scotland national report "Local Government in Scotland: Challenges and Performance 2018".

Noted.

18. Exclusion of the Public

The Committee resolved in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following item of business on the grounds indicated in terms of Paragraph 1 of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

In terms of Standing Order 19 (Disclosure of Information), the information contained within the following report is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

19.1 Corporate Fraud Reports Issued

Submitted report by the Executive Director (Finance and Corporate Support) on the findings of corporate fraud investigations completed between March and April 2018.

Noted.

The meeting ended at 12.45 p.m.

NORTH AYRSHIRE COUNCIL

25 September 2018

Audit and Scrutiny

Title: **End of year 2017/18 Council Plan / Directorate Plan performance reports**

Purpose: To present for scrutiny the end of year 2017/18 Council Plan/Directorate Plan performance reports.

Recommendation: That the Audit and Scrutiny Committee scrutinises the end of year 2017/18 Council Plan/Directorate Plan performance reports

1. Executive Summary

- 1.1 This report provides an update on the progress of the Council Plan 2015/20 and the Directorate Plans 2015/18 and was reported to Cabinet on the 19 June 2018.
- 1.2 The performance reports on the Directorate Plans provide more detail and narrative about the activity that is being delivered to deliver the Council's strategic priorities.
- 1.3 Further progress on performance including our key performance improvements will be reported to Audit and Scrutiny in the Public Performance Reporting/Annual Performance Report 2017/18.

2. Background

- 2.1 The Council Plan 2015/20 was approved by Council on the 18 March 2015. The 2017 Directorate Plans updates were approved by Cabinet on the 23 May 2017.
- 2.2 Council agreed that Council Plan progress would be reported annually and that the Directorate Plans would form the basis for reporting progress on the Council Plan and be reported on a six monthly basis to the Executive Leadership Team and Committee.
- 2.3 As the 2015/20 Council Plan is currently being refreshed Directorate Plans have been rolled forward a year.
- 2.4 As part of developing a new Council Plan we will be reviewing how we deliver our Directorate Plans and performance reports in the future.
- 2.5 Performance Review meetings took place throughout the months of May. All Executive Directors presented their six monthly performance to a Panel chaired by the Chief

Executive. The Performance Review meetings provide a sound basis for robust scrutiny of the performance of Directorates.

2.6 Directorate **Highlights** include:

Growing our Economy, increasing employment and regenerating Towns

- › We have made major progress in our bid to deliver the Ayrshire Growth Deal, which will trigger investment into key projects and infrastructure essential to drive our economic growth. This culminated in an announcement by the Prime Minister in March when she confirmed the UK Government's commitment to delivering the ambitious package of investment in the local economy.
- › We continue to invest in our young people with the recruitment of 93 new Modern Apprentices while we also became the first local authority in Scotland to automatically exempt care leavers from Council Tax, benefiting 185 young people immediately.
- › We helped 818 unemployed people move into jobs through our employability programmes.
- › Our innovative Team North Ayrshire has supported the creation of 588 new jobs by local business.

Working Together to develop stronger communities

- › Our sector-leading Locality Planning work continues to set the standards for other Councils. We are providing communities with a stronger voice to shape the services that we deliver to meet local needs and aspirations.
- › Communities are empowered through our Participatory Budgeting Programme, with 60 fantastic local community groups sharing in £145,000 of Council and partner money, voted for by local residents.
- › We are stepping up the fight against poverty and inequality in our communities through a variety of strategies including our Challenge Poverty action plan, a Fair for All Commission and the development of a community food strategy.

Ensuring people have the right skills for learning, life and work

- › Our Family Learning team continues to build greater relationships between schools and families, allowing parents to be more engaged in their children's learning, leading to a positive impact on attainment.
- › Our schools continue to deliver excellent education to our young people. This was acknowledged through the school inspections carried out by Education Scotland during the year.
- › We have made great strides in closing the poverty-related attainment gap:
 - In early years, there has been a steady increase in the proportion of children meeting their developmental milestones at the point at which they start school rising to 77% in 2017.
 - Attainment in Literacy and Numeracy is on a steadily increasing path and is in line with National performance in Primary schools.
 - There is a strong increase in S3 Literacy performance and the poverty-related attainment gap in Literacy and Numeracy has considerably decreased.

- › The opening of the new Largs Campus, and significant improvements delivered at other high schools in North Ayrshire, complements our portfolio of state-of-the-art learning and leisure facilities.

Supporting all our people to stay safe, healthy and active

- › Our award-winning Dirrans Centre was assessed as excellent by the Care Inspectorate, with every aspect of the centre's work graded at the highest possible level. A great tribute to the committed staff who work there.
- › £8.6m of income was generated for the most vulnerable members of our communities through the work of our Money Matters Team. This excellent work by the team was recognised nationally when they won the Herald Society Team of the Year.
- › We achieved a 79.4% increase in the number of meals that were served during our acclaimed school holiday meal programme. The number of meals we served reached over 22,000, ensuring that some of our most vulnerable children stay warm and fed during the school holidays. Expanding the meal programme from the schools into community centres and halls helped us to reach new communities across North Ayrshire.
- › We completed 34 new build properties at Cheviot Gardens in Irvine, increasing our stock of quality, energy efficient homes as part of our commitment to deliver 1000 new Council properties by 2023.

Protecting and enhancing the environment for future generations

- › We continue to protect our stunning natural environment for future generations with a further seven per cent reduction in carbon emissions in the past year.
- › Our first district heating project is now delivering cheap, renewable heating to Glencairn Primary School and the Glencairn House sheltered housing complex.
- › We have reduced environmental crime, issuing 489 fixed penalty notices for littering, fly-tipping, fly-posting and dog fouling. This has contributed to a 1.6 per cent increase in street cleanliness standards.
- › We recycled over 55 per cent of our household waste, re-affirming our commitment to reduce the impact of waste on our environment. We continue to be one of Scotland's top performing Councils in this area.

2.7 Democratic Services and Finance and Corporate Services continue to support the Directorates in the delivery of the strategic priorities. Highlights include:

- › The introduction of webcasting of Council meetings.
- › The successful management of two election events.
- › Our Long Term Financial Outlook Report identified the potential scale of financial challenge facing the Council over the next 10 years.
- › Improved customer satisfaction and reduced costs through innovating our processes and service delivery model for Council Tax and improved Benefit processing times whilst implementing Universal Credit.
- › We established a clear vision to support the Council's transformation agenda through our Technology strategy.
- › We ensured the Council was prepared for the implementation of GDPR.
- › We delivered an extensive Elected Member induction programme.

- › And we supported our workforce through:
 - resolving the Council's outstanding equal pay settlements
 - developing our health and wellbeing agenda through "Workwell"
 - extending Employee Benefits through the 'Better Off North Ayrshire' project including a new pay advance scheme and Health, Safety and Wellbeing Policy.

2.8 Our key **Areas of Focus** for the next six months include:

- › Further work to secure the long-term future of the Ardrossan Ferry including detailed design for harbour adaptations
- › Further commitments from Government to deliver the Ayrshire Growth Deal
- › Begin to deliver on our locality plans in partnership with our communities
- › Continue to address the causes and symptoms of poverty, including supporting Community Commissioners to speak truth to power
- › Ensuring that school leavers have the necessary support to move into a positive destination
- › Integrating a Speech and Language Therapist into the Universal Early Years Team to address the high number of children with speech and communication difficulties
- › Working with children in Primary 4 to continue our progress in closing the poverty-related attainment gap
- › Improving outcomes for children at risk through early-identification and partnership working
- › The development and approval of a new Council Plan
- › Drive forward opportunities from procurement through increasing spend within the local economy
- › Lead the Council's transformation agenda by implementing the digital and technology strategies and developing workforce planning

Council Plan 2015/20

2.9 A status summary from the 1 April 2017 to 31 March 2018 for each of the 31 performance measures is provided in Appendix 1.



2.10 The **latest available** expected outcomes shown for the performance measures with values and targets indicate that 83% of measures are on target or slightly adrift of target:

-

		
On target	Slightly adrift of target	Significantly adrift of target
50%	38%	12%

2.11 Detailed explanations for those measures adrift of target are provided in Appendix 2.

2.12 Performance improved in 56% of indicators with trend information over the one year period and in 55% over the three year period.

2017/18 Summary of short term/long term trends		
	Short Term	Long Term
 Improved	56%	55%
 Declined	44%	45%

Directorate Performance Reports

- 2.13 The Directorate performance reports attached at Appendices 3 to 8 provide more narrative about the activity that is being delivered to deliver the strategic priorities.
- 2.14 Detailed progress on performance including the Council Plan indicators will be reported to the Elected Members in the Public Performance Reporting/Annual Performance Report 2017/18.

3. Proposals

- 3.1 It is proposed that the Audit and Scrutiny Committee scrutinises the end of year 2017/18 Council Plan/Directorate Plan performance reports.

4. Implications

Financial:	There are no financial implications, as all commitments in Directorate Plans, are aligned with the Council's agreed budgets.
Human Resources:	There are no human resources implications as all commitments in Directorate Plans, are aligned with the Council's agreed budgets.
Legal:	There are no legal implications.
Equality: Children and Young People:	The plans outline Directorates' commitment to fulfilling its statutory duty and also their proactive approach to Equalities. The plans outline Directorates' contributions to a Child Centred Council.
Environmental & Sustainability:	The Plans support the Strategic Priority - <i>Protecting and enhancing the environment for future generations.</i>
Key Priorities:	The Directorate Plans support delivery of the Council's Strategic Priorities.
Community Benefits:	There are no community benefit implications.

5. Consultation

5.1 Cabinet approved the Performance Reports on the 19 June 2018.

A handwritten signature in black ink that reads "Elma Murray". The signature is written in a cursive style with a large 'E' and a long, sweeping 'M'.

Elma Murray OBE
Chief Executive

For further information please contact Anne Todd, Senior Policy and Performance Officer on **01294 324140**.

Background Papers
Council Plan 2015/20
Directorate Plans

Council Plan 15/20 • List of all Pis

Priority 1. Growing our economy, increasing employment and regenerating towns

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
CP_DE_P04 Number of Modern Apprentices supported through North Ayrshire sponsored initiatives	188		176			
EG_11 Leverage of External Funding	3.27		3.43			
EG_21 Number of jobs created by businesses in North Ayrshire supported by Business Development.	655		588			
EG_28 Town Centre Footfall	7,137,165		7,137,409			
WR18 Numbers accessing the employability pipeline	1,590		1,693			

Priority 2. Working together to develop stronger communities

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
CC_04 The number of community management and ownership initiatives	5		8			
CC_11 Total number of activities, programmes and learning event opportunities which support participation in democracy accessed by young people	New measure in 2017/18		10,259			
CC_12 Percentage of community groups who feel the Council is an effective partner in helping them deliver their aspirations (was E&S_P_C05)	New measure in 2017/18		100%			

Priority 3. Ensuring people have the right skills for learning, life and work

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
CC_01 The percentage of participants accessing learning opportunities whose confidence, knowledge and skills has improved as a result	97.9%		98%			
E&S_P_B01 % of children achieving their developmental milestones at the time the child starts primary school	77%		Available Sept 2018			
E&YE_PI_D02 % of leavers attaining literacy at National 5 (SCQF Level 5)	81.62%		Available Feb 2019			
E&YE_PI_D04 % of leavers attaining numeracy at National 5 (SCQF Level 5)	66.83%		Available Feb 2019			
E&YE_PI_D06 % gap in attainment of Looked After Children	86.2%		Available Feb 2019			
SOL_CHN11 % of school leavers entering positive destinations	93.4%		Available Feb 2019			

Priority 4. Supporting all of our people to stay safe, healthy and active

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
FM_PI001 % uptake of free school meals (Primary)	86.46%		85.52%			
FM_PI002 % uptake of free school meals (Secondary)	70.7%		73.38%			
HS - PI003 Number of new build Council housing units reaching completion on a yearly basis	7		34			
HS - PI005 Number of homeless presentations	761		1,044			
SOA_SSNA5 Percentage residents within North Ayrshire who feel unsafe walking in their neighbourhood after dark	Measured every two years		19%			
SP_DE_C18 Percentage uptake of school meals	59.55%		59.04%			
SPI 10_8_01 Number of attendances per 1,000 population for indoor sports and leisure facilities excluding pools	11,313		13,705			

Priority 5. Protecting and enhancing the environment for future generations

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
CP_FCS_001 Overall carbon emissions (tonnes)	47,076		43,756			
PL_PI024 Total installed capacity of low carbon heat and electricity generation across the Council's estate	New measure in 2017/18		9,029			
SENV03b Street Cleanliness Index - % Clean	90.6		92.2			

Priority 6. Underpinning Delivery

Code & Short Name	2016/17		2017/18		Short Term Trend	Long Term Trend
	Value	Status	Value	Status		
CP_FACS_004 Capital Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	72.2%		68.4%			
CP_FACS_005 Capital Expenditure - Housing Revenue Account (HRA) - Actual expenditure as a percentage of budgeted expenditure	83.1%		54.9%			
CP_FCS_002 Revenue Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	98.3%		96%			
CP_FCS_003 Revenue Expenditure - Housing Revenue Account - Actual expenditure as a percentage of budgeted expenditure	91.7%		99.1%			
CP_FCS_008 Percentage of Capital Projects completed within budget	94.6%		94.1%			
DP_DS_P15 The value of media (print/ online/ TV/ radio) coverage secured for North Ayrshire Council	19,592		18,683			
SOL_CORP06 Sickness absence days per employee full time equivalent (FTE) for the whole council	9.79		9.6			



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Proud to be  Overall Council of the Year 2017

Democratic Services

Q4 Performance Review

2017/18

For more information contact:

Head of Service – Andrew Fraser

Email – andrewfraser@north-ayrshire.gcsx.gov.uk

Telephone – 01294 324125

Focus. Passion. Inspiration.



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1. Update on actions from last meeting in November 2017

	Action	Progress
1.	Review and update Performance Report – be clear about real highlights	The Q2 2017/18 Performance Report was updated post meeting
2.	Code overtime to reflect work undertaken on behalf of other Directorates	Margaret Davison has met with Karen Clarke from People Services to discuss overtime rechargeable codes
3.	Discuss the development of a public facing infograph for Fair for All (FFA) with the steering group	Discussions are underway re FFA communications and a communication group is being set up. They will consider how best to promote the FFA work to our communities
4.	Embed looking outside and beyond for alternative methods of PPR	Officers continue to look at public performance reporting in both the public and private sector. Good practice has been identified which will be incorporated into the public performance arrangements for 2017/18.

2. Our Priorities

Democratic Services

Making it Happen

Strategic Priorities 2015-18 (2017 Refresh)

Further embed a culture of continuous improvement across the Council/ Support the Council's transformation

Tackle inequalities in outcomes for North Ayrshire residents through Community Planning and Locality Planning

Provide a comprehensive and responsive Legal Service

Effective delivery of Communications

Effective Governance

Service Priorities 2015-18 (2017 Refresh)

Priority 1 Actions

- Support Directorates to embed a performance culture through the work of the Performance Management Forum and continued self-assessment
- Work with staff to improve staff engagement
- Support the Council to develop evidence based policy

Priority 2 Actions

- Coordinate Fair for All, the CPP's Strategy to promote equity
- Work with our localities to deliver Locality plans
- Coordinate the development of the Local Outcomes Improvement Plan 2017/22
- Deliver the Community Justice Outcomes Improvement Plan
- Embed an equalities culture across the Council

Priority 3 Actions

- Further develop Legal Services relating to employment law
- Provide comprehensive legal support for Council initiatives e.g. Ayrshire Growth Deal, new Leisure Trust, URC wind up, commercialisation
- Through the Monitoring Officer ensure that the Council complies with all legal requirements

Priority 4 Actions

- Implement the new Communications Strategy
- Review and improve internal communications to drive and support the transformation journey
- Enhance North Ayrshire Council's reputation and public image
- Promote North Ayrshire Council to a local and national audience

Priority 5 Actions

- Successfully deliver elections
- Develop and implement governance arrangements for new administration in 2017

3. Directorate Priorities

Priority 1 • Further embed a culture of continuous improvement across the Council/ Support the Council's transformation

Key Highlights

- › Coordination of 16/17 Local Government Benchmarking Framework reporting
- › Production of accessible and infographic-based Annual Performance report and summary report
- › High level of employee engagement and well embedded Staff Reference Group

Priority Update

With the Council facing continual financial constraints it is imperative that performance is effectively managed, measured and reported to ensure we are providing high quality, responsive services.

The Performance Management Forum supported by the Policy and Performance Team has been working on a simplified Performance Management Framework that makes performance management more accessible and understandable to staff. The revised Framework will include a visual representation of the framework, guidance notes and e-learning. This is part of the work of developing and embedding a performance culture throughout the Council.

As regards performance management, over the last six months the corporate Performance Team have taken the lead on the analysis and coordination of the 2016/17 LGBF performance information, the Council-wide preparation for Best Value, Directorate Performance Review meetings and coordination/ prioritisation of awards submissions. Support has also been provided for the development of the new Council Plan.

Benchmarking activity is collected on a quarterly basis from Teams within Democratic Services. Evidence includes sharing best practice at the Scottish Performance Management Forum in relation to performance management frameworks and Best Value. The Communications Team recently presented the process and outcomes following the launch of the new Staff News web app at the National Communications Group. It was clear from the Group that North Ayrshire is sector leading in this area.

Key Transformation Projects

- › Preparation for Best Value Audit

Key Areas of Focus for the next six months

- › Further development and approval of a new Council Plan
- › Development of proposals for new style Directorate plans
- › Preparation for the Best Value Audit
- › Preparations for 17/18 Public Performance Reporting
- › Implementation of the PMF Work Plan including a revised Performance Management Framework

Priority 2 • Tackle inequalities in outcomes for North Ayrshire residents through Community Planning and Locality Planning

Key Highlights

- › Locality Planning remains a sector leading example of best practice
- › Locality Partnership Working Groups delivering on Locality Action Plans
- › Conferences and events showcasing the North Ayrshire approach
- › Development of Fair for All, involving partners and national expertise
- › Development and agreement of the Local Outcomes Improvement Plan (LOIP) 2017 – 2022

Priority Update

In terms of the Fair for All Strategy we now have good levels of support from national experts on the Fair for All Advisory Panel which provides guidance and critique on our approaches. In relation to the Food Theme, further development work has taken place and pledges and measures have now been developed for approval by the Community Planning Board. There has also been significant progress made in relation to areas of work including the basic income pilot, Poverty Conference, Child Centred Council and adverse childhood experiences, which all tie into the Fair for All Strategy.

Our Locality Partnerships have continued to develop. Most are using a working group model to progress actions in relation to the local priorities in between the quarterly Locality Partnership meetings. This has been complemented by mapping what is already happening locally and what local resources can be drawn upon.

Ideas for how to use the Community Investment Fund aligned to local priorities are emerging, with plans for a Community Investment Fund workshop and conference being developed by the Community Planning Team.

The six Locality Profiles with updated maps have been finalised. These provide key statistics and analysis such as, Local resident priorities, Economic Activity, Population, Education and various others. The profiles provide an update to the Areas of Family Resilience reports and help us to track progress at a local level.

The support mechanisms for this key area of work have been reviewed, with improvements made to how we bring the Locality Chairs together, and how partner Senior Lead Officers are themselves supported and developed. There continues to be interest from other local authority areas and the Scottish Government as to how we are tackling inequalities at a local level through our Locality Partnerships.

Key events in relation to Community Planning over the last six months are detailed below:

- The *Building Strong Communities through Partnership and Place* conference was held on behalf of the Improvement Service on 31 October 2017. The event was well attended with delegates from all over Scotland.
- Members of Mid and East Antrim (MEA) Borough Council were warmly welcomed to North Ayrshire Community Planning Partnership during their two-day visit on 31 October and 1 November. They joined the conference at Saltcoats Town Hall, and met with North Ayrshire Elected Members. We were pleased to receive thanks and positive feedback from the MEA Council Chief Executive and Police Service Northern Ireland.
- On 8 February 2018 we held an Elected Member and CP Partner workshop. This involved CP partners giving inputs on their work and explaining how Elected Members can link in with them. This event received very positive feedback from both members and partners.

Key Transformation Projects

- › Locality approach
- › Fair for All

Key Areas of Focus for the next six months

- › Delivery of Locality Action Plans
- › Support Locality Partnerships to develop initiatives which will use Community Investment Fund
- › Further Locality/Community Investment Fund Conferences
- › Engaging with wider Community Planning partners
- › Reformat and develop CPP Board
- › Implementation of Fair for All Strategy

Priority 3 • Provide a comprehensive and responsive Legal Service

Key Highlights

- › The customer satisfaction survey showed an overall satisfaction rate of 96%
- › Verbal feedback from the recent inspection of Adult Support and Protection Services commended excellent representation and advice from legal services
- › The licensing section successfully engaged and liaised with the taxi trade in reviewing the level of taxi fares and implemented a new fare scheme without challenge
- › The Rivergate project, while politically controversial, helped develop expertise in the developing world of public sector trading and innovative commercial projects
- › Agreement in principle reached on the Garnock Flood Prevention Scheme
- › No successful court challenges of Council decisions or successful complaints against Members under the Councillors' Code of Conduct

Priority Update

The cost of the in-house team for 2016/17, as opposed to external solicitors, continues to deliver benefits in terms of cost and organisational knowledge (in-house team are £49 per hour compared to 3 times that cost when outsourced). The in-house team is familiar with Council priorities and that brings strength in provision of advice. This enables it to pre-empt problems, find better ways of doing things and generally add value at all stages (rather than just fire-fighting when things have gone wrong). It should also be noted that in some areas, such as child and adult protection there is no external legal market. There are aspects of work which have had to be outsourced to gain specific expertise which is not available in-house but this was managed in conjunction with the in-house team to ensure that the advice being delivered was on track and relevant to the delivery of the project.

Much of the work of the Conveyancing and Contracts team over the last 6 months has been to support major Council projects including affordable housing projects, the Quarry Road development, Ardrossan Harbour, Ardeer, Ayrshire Economic Growth Board, the winding up of the CCTV Company and the Municipal Bank.

The Litigation team, which largely deals with child and adult protection, anti-social behaviour, contract disputes etc. has had another successful period dealing with "business as usual" and inputting for the preparation of the new GDPR regulations.

Both the Conveyancing and Litigation teams have been involved with the Garnock Flood Prevention Scheme which went to a Hearing on 18th April. Much work was done by both sections in preparation for the Hearing (Litigation) and the negotiation/land compensation process (Conveyancing). At the time of writing this update, the matter has concluded by getting agreements in principle from the landowners involved just prior to the

Hearing which meant that time was saved in not having to run a full Hearing. The final agreements to document the agreements reached will be completed by the middle of May.

The Licensing Section is one of the few front-line parts of Democratic Services. The current priority is to gather the data and to undertake analysis to inform the Licensing Board's Policy Statement and Overprovision Policy which will be produced later this year. They are also involved in the preparatory work for the implementation of minimum pricing of alcohol regulations on 1st May 2018. They also continue to work in partnership with other services to identify unlicensed houses in multiple occupation within North Ayrshire to provide greater safety to tenants.

Key Transformation Projects

- › Support for municipalisation projects as they develop
- › Support for legal aspects and implementation of all Council-wide transformation projects
- › Support for the Council's major capital projects including the Quarry Road Development, Ardrossan Harbour and new housing projects
- › Support for the pan Ayrshire Economic Growth Board and Ayrshire Growth Deal as the projects develop

Key Areas of Focus for the next six months

- › Support for the Council's capital programme including the Quarry Road Development, Ardrossan Harbour and new housing
- › Support for municipalisation projects
- › Support for the pan Ayrshire Economic Growth Board and Ayrshire Growth Deal as the projects develop
- › Legal support for GDPR
- › Preparation of the Licensing Board's Policy Statement and Overprovision Policy
- › Legal Support for the Millport Flood Prevention Scheme
- › Legal support to contract managers around TUPE issues - briefing session being arranged with colleagues in HR and Procurement

Priority 4 • Effective delivery of Communications

Key Highlights

- › Securing national print | TV coverage on: our period poverty launch; winning APSE Council of the Year; our innovative Council house building programme; the SURF Awards Most Improved Town category for Irvine; launch of consultation into future of high rise properties; and joining the 'final straw' campaign
- › Winning the Scottish Public Sector Award for the Save our Ferry Campaign
- › Comprehensive coverage of our budget
- › The Provost's Civic Pride Awards and Charity Dinner was held for the first time at the Portal, Irvine. The event received very positive feedback and raised over £18,000 for the chosen charities.

Priority Update

Results of the latest internal communications survey show that staff satisfaction with internal communications has increased by 7%, from 59% in 2016 to 66% in 2017 – and more than doubled from when the first survey was carried out in 2011.

Internal Communications keep our workforce up-to-date on what is going on throughout the Council. Highlights include producing 49 weekly News in Briefs and vlogs (video logs) and four editions of Staff Talk magazine. The team also launched a new 'Staff News' website, allowing both office and remote workers to access the Council's main corporate communications channels. Since its launch in June 2017 the web app now has 8,037 'users' accessing staff news from their desktop mobile phone or tablet and 90,110 unique page views.

The team also delivers a highly effective proactive and reactive media service. We responded to 447 press inquiries, issued 405 proactive press releases, managed 56 photocalls and were on-call 24/7 to provide an emergency out-of-hours media service. This work has helped us secure 1,117 individual pieces of media coverage with a total value of 18,683.

Integrated digital marketing and social media offering - online activity has seen us build the corporate Twitter account to a followership of over 19,200. Eight new social media accounts have been created with training delivered to council teams. News items continue to be uploaded regularly to the Council's external website and Staff News.

Marketing and Events continue to work across all Directorates to deliver a dynamic and innovative marketing and events service. The Team has delivered 148 marketing projects, assisted in the delivery of 36 Council events and processed 50 community event applications. Key projects this quarter include:

- Shaping North Ayrshire (Participatory Budgeting)
- Council Tax e-Billing campaign
- Participatory Budgeting Locality Events
- GDPR Animations and Poster Artwork

The Team has delivered eight digital media campaigns for the Council's strategic priorities:

- Growing our economy, increasing employment and regenerating towns - Made in Ayrshire campaign, Challenge Poverty Week and Modern Apprenticeship Week
- Working together to develop stronger communities - Provost's Civic Pride Awards
- Ensuring people have the right skills for learning, life and work - Walk to School Week
- Supporting all of our people to stay safe, healthy and active - Violence Against Women 16 Days of Action and Adoption Week
- Protecting and enhancing the environment for future generations – **Christmas** & New Year Household

For digital media campaigns the average impressions were 131,118 and the average engagement rate was 10.7%.

Fifty six proactive press releases were issued to promote North Ayrshire as a leading location for business and a great place to live, work, visit and invest. A four-page feature was published in Commercial Property magazine giving an overview of all the investment opportunity within the area and an advert within the Business Scotland publication promoted the work of Team North Ayrshire.

Eleven Bitesize Business e-bulletins were issued to our database of over 500 local businesses. North Ayrshire for Business now has over 870 followers on Twitter and the North Ayrshire Council Linked In page has over 3,123 followers.

Key business events include Modern Apprenticeship Week, an Inward Investment event held at Glasgow Science Centre and the opening of Kilwinning Employability Hub.

Members Services continues to provide a comprehensive support service to all Elected Members as well as more intensive support to the Leader and Provost.

Key Transformation Projects

- › Embedding the use of the Staff News website among the workforce with particular emphasis being given to our remote workforce where we will continue to provide training
- › Continue to deliver and improve the 'Take Two' vlogs to provide staff with a 'virtual' face-to-face communication with our senior management team
- › Continue to deliver digital media campaigns across our social media platforms exploring new online tools and using innovative content
- › Streamlining the Council's Facebook accounts to create more consistency in the overall branding and use of our accounts as well as identifying a network of key 'corporate' accounts

Key Areas of Focus for the next six months

- › Supporting household waste and recycling changes
- › Supporting the housing options appraisal for High Flats
- › Supporting the Ayrshire Growth Deal, pathfinder project and Basic Income pilot
- › Supporting the expansion of early years childcare provision
- › Irvine Town Centre regeneration works
- › Further development of internal communications offer focused on enhanced use of video and animation
- › Develop the International Investment offer for North Ayrshire and deliver an integrated marketing campaign to promote this
- › Official opening of Largs Campus

Priority 5 • Effective Governance

Key Highlights

- › Successfully delivered the introduction of webcasting of Council meetings, with the February 2018 Council meeting attracting over 400 'live' views
- › Community Councils – provided further training to community councillors and facilitated the creation of a new community council in Stevenston

Priority Update

We continue to promote the effective modernisation of committee processes, including the further implementation of the CMIS committee management information software use to introduce electronic agendas. Following discontinuation of the use of the Lotus Notes committee report template by report authors, the Committee Services team is now able not only to host agendas on the CMIS system, but also use it to 'build' agendas. This provides greater functionality for Elected Members and others accessing agendas electronically, allowing agendas to be viewed in their entirety as a 'document pack' or in the form of individual committee reports. The introduction of an actions tracking system also allows the team to monitor the implementation of Council and committee decisions through the CMIS system.

Working with colleagues in Economy and Communities and with local Elected Members, we have assisted in the establishment of a new community council in Stevenston. This brings to 13 the total number of active community councils in North Ayrshire, out of a possible 17.

Key Transformation Projects

- › Restructure of Committee Services team to offer greater flexibility

Key Areas of Focus for the next six months

- › Further implementation of webcasting

4. Directorate Performance Indicators

We currently have 14 Performance Indicators that link to our priorities and demonstrate our progress towards supporting the Council's priorities.






Four of our indicators are recorded for data purposes only and are used to monitor trends. These indicators may be influenced by factors outwith our control and are used to monitor performance and make decisions. The tables below highlight that we have continued our strong performance this year.

Ninety two percent of indicators show either improving or sustaining positive long term trends.

Please note that where end of year performance is not available, latest results have been used.






4.1. Council Plan Performance Indicators Summary

Democratic Services has one indicator that contributes to the Council's Strategic Priorities.

Council Plan Performance Summary– As at Q4 2017/18						
Priority	No of Indicators					
The value of media (print/ online/ TV/ radio) coverage secured for North Ayrshire Council	1				1	

4.2. Directorate Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Directorate's strategic priorities. We have 14 performance indicators in our Directorate Plan.

Directorate Plan Performance Summary– As at Q4 2017/18						
Priority	No of Indicators					
<i>Further embed a culture of continuous improvement across the Council Support the Council's transformation</i>	5	2	2		1	
<i>Tackle inequalities in outcomes for North Ayrshire residents through Community Planning and Locality Planning</i>	1	1				
<i>Provide a comprehensive and responsive Legal Service</i>	3	3				
<i>Effective delivery of Communications</i>	3				3	
<i>Effective Governance</i>	2	1	1			






4.3. Directorate Plan Performance Indicators • Red and Amber Status

The performance indicators which are slightly adrift of target are:

- **Absence Days lost per employee** - our performance of 5.1? narrowly missed our target of 5 days however, we have the lowest absence rate of any Council directorate. Performance over Quarter 4 showed improvements.
- **Percentage of invoices paid within 30 days for Democratic Services** - our annual performance of 92.20% was marginally below our target of 95.5%. Our performance however exceeds overall Council performance of 91.83%.
- **Implementation of the Performance Management Forum Work Plan** - Work Plan is complete with the exception of Performance Training which has been scheduled with the external provider for 2018119.

4.4. LGBF Indicators • Priorities

The measure - *Support services as a % of total gross expenditure* - is under the responsibility of the Finance and Corporate Support Directorate but Democratic Services makes a contribution to the performance of this measure. This indicator performs well against the target set and also compares favourably to other local authorities with North Ayrshire being ranked first.

LGBF Indicators 2016/17						
Service Area	No of Indicators					
<i>Further embed a culture of continuous improvement across the Council Support the Council's transformation</i>	1	1				

5. Quarter 4 Summary Sheet

Democratic Services 2017/18



0.14% - Total cost of the legal function as a % of running costs **of the whole Council** (2016/17)



6 Locality Plans were agreed by Locality Partnerships



100% of staff have had a PPD interview in last 12 months



100% of Key Corporate Governance Document up to date



96% very satisfied and satisfied customers (Legal Services)



81.6% • Employee Engagement Level – an increase from 69.9%

18,683 – value of media¹ (print¹ online¹ TV¹ radio) coverage secured for North Ayrshire Council, decreased from 19,592 in 2016/17



92.2% of invoices paid within 30 days for Democratic Services



131,118 Social Media impressions and engagements arising from proactive digital media campaign (*new measure for 2017/18*)



.17 Absence Days Lost (*slight decrease from last year – 4.46 days*)

66% - staff satisfaction with internal communications, an increase from 59%

¹ This figure is derived from a formula that assesses media coverage based on prominence and tone.

6. Employees

6.1. *Sickness Data*

The figure at March 2018 is 5.1? days which is slightly higher than our target of 5 days and the figure of 4.46 days at March last year. This is mainly due to unexpected long terms absences. Absences are effectively managed and staff are supported to get back to work as soon as they are able. 68% of staff in Democratic Services have had no absences last year, compared to a Council wide figure of 52%

6.2. *Other Employee Information*

The Employee Engagement Survey opened in Democratic Services on the 8 September 201? and closed on the 13 October 201?. The excellent response rate was 92.4% - **the highest within the Council**. Our engagement level is 81.6% (*an increase of 11.7% since 2015*) **and was also the highest across the Council**. With the extremely high response rate we can be confident that this engagement level is representative of the Service. The findings were shared and discussed with all staff at a Service workshop on the 23 March 2018. Following the workshop a draft Improvement Plan has been developed and circulated for comments.

A number of sessions with staff have taken place including a CPR session and Mindfulness session. A number of our staff also participate in the Livewell activities, for example a number of staff have signed up for the dancing classes that start in May.

7. External Evaluations

We continue to liaise closely with our external auditor in relation to our performance and public performance reporting arrangements and community planning.

Finance and Corporate Support

Year-End Performance Review

2017/18

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Focus. Passion. Inspiration.



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1. Update on actions from last meeting in November 2017

Action	Progress
1. Split 20-24 age group to identify individual Service	Analysis was carried out and identified that short term absence was more likely to involve young people with a trend of Monday/Friday. This was more likely to be prevalent within Business Support and Customer Services which have high numbers of staff within this age group. Employees in this group are also less likely to have the technology available to work from home. In addition to the existing monitoring and support which is in place, the Directorate has recently started to pilot personal days in a bid to provide more flexibility and reduce short term absence.
2. Examine Monday/Friday trends	
3. Examine high ratio of days to Directorate FTE for 25-29 age group	
4. Produce report for ELT on how we compare to last year for staff with no absences	Complete.
5. Review mid-year performance report: Ensure work of Internal Audit, HR and Business Support is fully reflected Challenges of Integra Add savings from transformation Savings from procurement Revise narrative for FOIs (<i>add volume</i>) and delighted customers Add what is being done to embed Integra Expand reference to job evaluation	Complete.
6. Issue procurement savings to Directorates	This information will be reported through the Procurement Board.

2. Our Priorities

Finance and Corporate Support

Council Plan Priorities 2015-20

Growing our economy, increasing employment and regenerating towns

Working together to develop strong communities

Ensuring people have the right skills for learning, life and work

Supporting all of our people to stay safe, healthy and active

Protecting and enhancing the environment for future generations

Directorate Priorities 2017-2018

Embedding Digital First to Provide Exceptional Customer Service

Develop customer focussed, end to end digital services
Increase and improve digital offering and develop marketing strategy to deliver channel shift
Support increased customer access and self -service
Review Customer Service's key systems to ensure that they are fit for purpose and future proofed
Deliver ICT services that align with the Council's Digital Strategy

Effective Financial Planning and Stewardship for the Council and its Partner Organisations

Refresh the long term financial plan to 2026/27
Develop 2018/19 – 2020/21 medium term financial plan
Rollout and embed the new Financial Management System including Procurement functionality
Implement Business Partnering by Financial Services to the Council and HSCP
Develop Procurement excellence through PCIP

Lead and Support the Delivery of Transformational Change and Organisational Development

Lead and support Transformation 2
Develop approach to increase realisable benefits and savings from change investment
Consolidate lean programme and Kaizen Blitz rapid improvement projects across Services
Support services to deliver work force plans
Deliver and evaluate People and Culture interventions which support the People Strategy

3. Directorate Priorities

Priority 1 • Embedding Digital First to Provide Exceptional Customer Service

Key Highlights

Technology Strategy

The Technology Strategy has been developed and agreed by ELT. This outlines the Council's approach to technology for the next 5 years around the trend of moving to Cloud, automation and streamlining of applications. The strategy will go to Cabinet at the end of May.

One Team

The implementation of a "One Team" model for delivery of Council Tax has been hugely successful within Customer Services. The approach involved a full end-to-end review of the top 10 processes, implementation of automation software and a redesign of the service to merge the front and back office teams. The outcome of this has been delivery of £85k in savings with 96% of requests processed at first point of contact. The approach has been replicated with the Scottish Welfare Fund team and the expectation is that this approach for service review and model for delivery can be widely adopted.

Data

A centralised Data Team has been established within Customer & Digital and a number of interesting proof of concept projects have been delivered. This includes analysis of funding provided to alleviate poverty as part of the Fair For All project and the development of a spend analysis tool to help to support services in identifying areas for transformation.

The responsibility for data protection and compliance with GDPR was transferred to Customer & Digital during 2017/18. The GDPR project has delivered excellent engagement and collaborative working across the Council towards legislative compliance. A new Information Asset Register has been created and continues to be populated, twenty corporate and IT policies and procedures have been updated/created, and procurement contracts are being revised and agreed with suppliers. There have been positive briefings with Unions, a successful high-profile communications programme, and creation and rollout of an e-learning module, Toolbox Talks, Teacher and Community Council Guidance. The GDPR team has benefited from shared learning and resources from the Digital Office to ensure alignment with the other Scottish Councils.

Invoice Processing Business Support

As with the implementation of many new systems, the implementation of Integra saw a significant increase in processing times for Business Support in relation to orders and invoices which resulted in a dip in performance of invoices being paid on time during Q2 and Q3. Analysis suggested that the resource required doubled initially, but by continuously reviewing the processes, transforming the approach to demand and introducing different work practices this has enabled performance to be increased in Q4 and targets have been achieved without any additional resource. This also allowed the team to be in a good position for "year-end" which then passed relatively smoothly. This was achieved whilst the team was also providing additional support to managers to enable orders and invoices to be processed correctly.

Priority Update

Develop Customer Focused, End to End Digital Services

Freedom of Information

During 2017/18, performance continued to be well below the targeted 90%+ for a variety of reasons. The lack of structured reports and difficulty in extracting data made it challenging to identify and address issues. A new database for managing queries has been introduced and this provides more detailed insight and enables action to be taken prior to cases breaching the timescales. Since the implementation of the new approach, performance for Q1 18/19 to date is 92% on the new system. Combined with the old system backlog this reduces to 80% overall.

Universal Credit Implemented

Universal Credit was implemented in November and this has seen the legacy caseload reduce by 8%. While Housing Benefit new claims and caseload are reducing other new work has come into the Benefits Service for Council Tax reduction or where there is change which requires Housing Benefit to stop. Despite this increase in workload the speed of processing Housing Benefit and Council Tax reduction new claims and changes of circumstance has improved with processing targets being exceeded in 2017/18.

Digital Engagement: Increase to Self-Service and Web Chat

There has been a significant increase in self-service of 12% this year. Seasonal increases show spikes in online usage; student exemptions based on college/ university enrolment, roads and pavement requests based on severe weather conditions. Overall other self-service transactions are increasing steadily. There has been a significant increase in the volume of web chats from 100 in 2015/16 to 600 per quarter in 2017/18.

Deliver ICT Services that Align with the Council's Digital Strategy

Network review

A strategic partner has been appointed to assist with the alignment of the Council's infrastructure to support cloud solution adoption and the implementation of new technologies such as Internet of Things (IOT). Improvements to internet connectivity for Bridgegate and Cunninghame House will support the implementation of Office 365 and the new application platform.

Virtual Desk Top/Enablement

Historically the approach for procuring devices has been to purchase desktops and latterly laptops which are configured for individual users. The Technology Strategy outlines a change of approach to a virtualised environment which means that the user configuration is held centrally on a server as opposed to the device, ultimately meaning that virtualised users can log into any virtualised device. The initial pilot has virtualised 300 devices from 2700.

IT Services will drive the transformation of the physical desktop estate of 2700 to thin client virtual desktop infrastructure (VD) enabling greater mobility. IT Services will introduce a loan system (enablement) of laptops similar to the "enterprise car scheme". Over time, surplus devices will be

removed to support a cost effective concurrent device usage model rather than the more traditional one device per person model. This project will run over the next 3 years.

Cyber Essentials

As part of the Cyber Resilience strategy for Scotland and achievement of Cyber Essentials accreditation in March, the Council intends to achieve Cyber Essentials + accreditation by October 2018. Cyber Essentials is a Government backed, industry supported scheme to help organisations protect themselves against common online threats.

Key Transformation Projects

Office 365 - Funding has been secured and an approach agreed for the implementation of 0365. A tender has been issued and it is expected that the contract will be signed in June. Due to the complexity of migrating from Lotus Notes to Microsoft email system, an implementation partner has been identified and contract discussions have commenced. A range of communication activities has commenced to help colleagues understand the benefit, their role and how they can start to prepare.

Platform - The IT software audit identified 150 software applications across the Council and highlighted many areas of duplication and cross over. A high number of applications increases complexity for both the Council and the customer with difficulties in sharing information, integrating systems and increased support and development costs. Budget to implement a new technology platform has been secured and a tender process is currently underway. It is expected that the first Services will go live on the platform in early 2019.

Key Areas of Focus for the Next Six Months

Office 365 - Approximately 250 early adopters will participate in a "test and learn" phase of 0365 to help to identify the best approach for roll out to 3000 users. Lunchtime time learning sessions are already well underway and these will continue into Quarter 2.

Platform - The first services to move onto the platform will be HR& Payroll and the IT Service Desk and implementation is expected to be complete by April 2019. Planning is underway for migrating all services currently delivered on Lagan onto the platform during 2019.

Structure Reviews - Significant structure reviews are underway for IT Services and Revenues and Benefits to enable the savings target for next year to be met. To facilitate this, reviews are currently underway across a range of teams to identify new ways of working.

GDPR becomes law on 25th May 2018. A GDPR Roadshow and launch will run across the Council 21-25 May 2018. Tasks will continue in order to embed and maintain compliance, for example, maintaining the Information Asset Register, introducing new Terms and Conditions and Data Sharing Agreements within new contracts and developing Service roadmaps. New quarterly ELT reporting of Information Governance and Data Protection will be introduced to align with the legislation. The team will be working closely with the 0365 project to ensure Service readiness for implementation.

Priority 2 – Effective Financial Planning and Stewardship for the Council and its Partner Organisations

Key Highlights

Procurement

During 2017/18, the Corporate Procurement team was restructured, with the inclusion of the team from the Health and Social Care Partnership which deals with the procurement and commissioning of social care services. The merged team is now fully resourced following numerous rounds of recruitment.

The Procurement team scored 68% when independently assessed against the national Procurement and Commercial Improvement Programme (PCIP) assessment tool which was introduced by the Scottish Government. This was a positive outcome and placed North Ayrshire 12th out of 32 Councils. The assessment covers many key aspects to the procurement process, including contract management, tendering, leadership etc.

As a consequence of changes to procurement legislation, local authorities are required to produce a Procurement Strategy. The Corporate Procurement team has published a three year strategy which will help ensure compliance with national and EU procurement legislation.

Financial Planning

Councils are operating in an increasingly challenging environment, to continue to support the Council's financial planning, the Service produced a Long Term Financial Outlook covering the period from 2018/19 to 2027/28. This will assist the Council in developing its plans for the next ten years and help inform the refresh of the Council Plan.

The 2018/19 – 2020/21 Medium Term Financial Plan and refreshed 10 year Capital Investment Programme were developed in partnership with Services across the Council. The key priorities, opportunities and risks facing the Council were identified. The development of an innovative on-line budget consultation tool enabled the public to engage with the budget development process and inform the identification of key expenditure and savings priorities.

The Treasury Management and Investment Strategy for 2018/19, aligning the Council's capital investment and borrowing plans and agreeing the Investment Strategy for the coming year, was completed and approved by Council.

A Finance Business Partnering model was successfully implemented and rolled out across services, providing expert advice and support across a range of high profile and innovative service developments.

Priority Update

Roll out and embed the new Financial Management System including Procurement Functionality

The new Financial Management System has been implemented across the Council providing an integrated, web based solution for the provision of procurement and financial services. This has now entered a further review phase to address specific issues that have arisen and identify further development opportunities to enhance the automation and digitalisation of services. The areas which will be reviewed and developed are detailed further under 'key areas of focus for the next six months' below.

Key Transformation Projects

Finance Business Partnering has been successfully implemented and rolled out across Services providing expert advice and support across a range of high profile and innovative service developments including:

- Expansion of Early Years provision
- Business Plan development, including the Arran Outdoor Education Centre
- The Accessible Housing Model
- Development of key investment opportunities with Economy and Communities

Key Areas of Focus for the Next Six Months

Review of Debt Recovery

A review of the Debt Recovery team within Council Tax will be undertaken in 2018/19, the objective of which will be to identify opportunities to maximise income collection. This will include:

- Identification of administration tasks which could be automated or transferred to another team
- Taking a more proactive approach in collecting Council Tax debt currently not collected by the Sheriff Officer
- Conducting a review of sundry debt to identify opportunities to take payments up front and improve the collection process

By the end of 2018/19, a new structure will be in place for Debt Recovery and targets set for improving collection levels.

Financial Services

The team will complete the annual financial statements for the Council and Charitable Trusts and work with the external auditor during their review of the statements.

A review will be carried out of budget monitoring arrangements across the Council to align staffing and workload to key areas of risk. This will include a review of the Education DMR process to ensure consistency with the wider budget management framework and working with the Health and Social Care Partnership to develop and maintain a robust financial framework.

A Financial Services Customer Charter will be developed detailing the relationships between Financial Services and individual budget holders.

Financial Management System

Work will continue with Capita to review and develop the system, including full end to end process reviews for invoicing, requisitioning, bank reconciliations and VAT and reviews of key problem areas including communication, reporting, training, systems administration and the development of self service. Electronic invoicing will also be implemented which will streamline processes and increase payment performance to suppliers.

Procurement

A Procurement Board will be established and a Council-wide procurement improvement plan will be developed and introduced.

The Procurement team will explore ways to increase the value of contracts placed with local suppliers while continuing to comply with procurement legislation. A two-year forward plan of contracting opportunities will be developed and the team will work with stakeholders to deliver contracts in line with the tender wave plan.

Priority 3 – Lead and Support the Delivery of Transformational Change and Organisational Development

Key Highlights

Human Resources and Organisational Development

The HR team secured agreement with the Trade Unions to resolve the Council's outstanding equal pay settlements through signing up to a Memorandum of Understanding (MOU). Settlement payments to employees have begun.

Job Evaluation version 3 has been fully implemented in conjunction with the Trade Unions. This new version ensures a robust approach to evaluation in light of the Gender Equality Duty on the public sector and the Equality Act 2010.

The Organisational Development team hosted and co-ordinated the Council-wide Employee Engagement Survey and have supported Services to ensure improvement plans are in place.

North Ayrshire Achieves 2017 has been led and hosted by the OD Team with another successful awards and recognition ceremony being held in Saltcoats Town Hall in November last year.

The team also worked to support the Council's 'Livewell' health and wellbeing programme by providing a number of events under the 'Workwell' theme which supports staff with 'real life' topics such as menopause and living and working with cancer. **Workwell** will evolve to further support our wellbeing agenda under the umbrella of 'Livewell' and the 'Our People Connects' theme of a great place to work.

Employee Services

The Voluntary Early Release (VER) scheme was redesigned and re-launched to support future financial sustainability. The new Voluntary Early Release (VER) scheme for both local government employees and teachers and associated professionals will be implemented to support workforce re-design.

Employee Benefits – The 'Better Off North Ayrshire' project continues to identify ways to increase disposable income by providing help and support including access to services to help people overcome barriers from the challenges of financial pressures. This will evolve to provide a range of employee benefits that will support our employees who are experiencing poverty by providing help and support. A new pay advance scheme has been implemented to support the transition of individuals in receipt of Benefits into employment.

The team achieved both the Disability Confident Level 2 award in relation to recruitment and Payroll Giving Bronze Award status, which was retained for 2017-18.

The Disclosure Scotland audit improvement plan, designed to enhance the Council's compliance with the requirements of the disclosure and PVG schemes, was implemented across the Council.

Health and Safety, Risk and Insurance

Health and Safety has worked in partnership with Property Management and Investment (PMI) to engage 3rd party contractors to deliver legislative requirements for Fire Risk Assessments for all Council establishments. In addition a fire safety e learning module has been developed.

A Fire Safety Policy has been developed to support the Council in meeting the relevant fire safety standards and helping to ensure the safety of employees, service users and members of the public. The new Health, Safety and Wellbeing Policy was also implemented across the Council during 2017/18.

External recognition was achieved by the Service with Kirsty Collins winning HR Assistant/Officer of the Year at the HR Network Awards. The OD Team were also finalists in two categories.

Priority Update

Financial Wellbeing events have resulted in increases in those saving for their future through additional voluntary contributions to pensions and also an increased take up in Credit Union members. Employee benefits will continue to be evolved as outlined in the 'key focus areas for the next six months' below.

The **Employee Engagement Survey** data has been analysed by the Performance team and support has been provided to senior managers across FACS to develop action plans which will address the key themes identified by members of staff through the survey.

The **Organisational Development team** has successfully implemented a new e-learning system for the Council, 'ilearn', which replaces the 'StudyIt' system.

The **Human Resources team** has begun to research span of control methodology; this will be further developed in the next six months in conjunction with a review of Scheme of Delegation governance processes from a HR standpoint.

Key Transformation Projects

Service Re-Design (Place) - The Transformation Team has been working closely with Senior Managers within Place to identify opportunities for delivering savings through service transformation. A range of tools such as mobilisation, process redesign, system rationalisation and demand management will underpin future service redesign allowing the Place team to reduce impact on service delivery through transformation.

Mobilisation - Over the last 2 years a number of pilots have run across different services to identify the benefits of having a mobile and flexible workforce. The pilots have identified that there is the potential to deliver productivity gains of between 20-30%. Benefits around reduced absence, improved building utilisation and reduced mileage and printing costs have also been seen in other organisations.

Personas have been developed to ensure that colleagues have the right tools that they need to access any information anywhere and to identify the best way to drive cultural change.

As part of the Technology Strategy, the **HR/Payroll System** review is progressing in line with our future platform-based approach.

Key Areas of Focus for the next six months

Mobilisation - Sensors have been procured to help to identify desk and room utilisation. The project team will work with Services to identify fixed and flexible workspaces and provide the technology available to make the best use of the space available. Flexible touch down space is being provided within IT, Economy & Communities, HSCP and Education in Cunninghame House. The roll out of virtual devices will significantly increase the number of people who are able to work flexibly and sit anywhere whilst keeping costs to a minimum. By the end of 2018/19, it is expected that there will be a clear roll out plan for mobilisation linking to service redesign.

Internet of Things - A number of proof of concept projects have been planned as a result of workshops held with colleagues in Place and hosted by the Transformation Team supported by Vodafone. The projects are to implement sensors to:

- Monitor temperature readings for Legionnaire's disease

- Take readings from Council properties on humidity to allow early intervention for cases of damp

- Put sensors into skips to change from scheduled emptying to on demand

These projects are designed to test both the technology and the process and to identify opportunities to deliver cashable benefits.

Transformation Agenda - The Transformation team is working closely with Chief Officers and Senior Managers to identify truly transformational projects which will deliver significant savings. Work is underway to agree cross cutting themes aligned with projects with savings targets attached. A workshop in June is expected to help to gain agreement to the future direction of the transformation agenda.

Strategic Workforce Planning – Both the HR and Employee Services Teams will work with Services to support workforce planning covering critical areas such as span of control, scheme of delegation governance, establishment control and a review of local government pay structures.

Human Resources and Organisational Development - A number of interventions will be led by the OD Team which will support cultural transformation such as, North Ayrshire Achieves, Children's rights through our Child Centred Council approach and Kindness.






Health and Safety, Risk and Insurance – Risk and Insurance will tender the Council's main insurance policies which are due for renewal on 1st April 2019.

The teams will develop a programme of campaigns to support behavioural change and reduce the number of incidents across the Council. This will include a 'Slips, Trips and Falls' campaign which will be launched in late-Summer 2018.

4. Directorate Performance Indicators





4.1. Council Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Council Plan priorities. Six indicators are measured by FACS. 5 of the annual Council Plan performance indicators are cost based financial indicators and do not have year-end information. These indicators and will be updated during June 2018.

Council Plan Performance Indicators as at Q4 2017/18						
Council Plan Priority	No of Indicators					
Underpinning Delivery	6			1		5






4.2. Council Plan Performance Indicators – Red and Amber Status

The table below shows the progress of the performance indicator which is significantly adrift of target.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
	Status	Status					
Sickness absence days per employee full time equivalent (FTE) for the whole council					9.6	7.53	<p>The Council did not achieve its target of 7.53 days lost per FTE with the year-end figure being 9.6. This however shows a 0.19 reduction from 2016/17's figure of 9.79. The top reasons for sickness are; Musculo I Skeletal, Stress I Anxiety and Surgical Procedures.</p> <p>Further information on interventions that have taken place is provided in Section 6 of this report.</p>





4.3. Directorate Plan Performance Indicators Summary













FACS measures progress of 25 annual Performance Indicators. The table below demonstrates a high level view of the progress made towards the Directorate's strategic priorities. Three of the annual Directorate Plan indicators do not have information and will be updated during June 2018. The 'data only' indicator relates to compliance with the Procurement and Commercial Improvement Programme (PCIP) which does not have a target.

Directorate Plan Performance Indicators as at Q4 2017/18						
Council Plan Priority	No of Indicators					
Growing our Economy, Increasing Employment and Regenerating Towns	1	1				
Directorate Plan Priority						
Embedding Digital First to Provide Exceptional Customer Service	12	9	1	2		
Effective Financial Planning and Stewardship for the Council and its Partner Organisations	7	2	1		1	3
Lead and Support the Delivery of Transformational Change	5	2		3		





4.4. Directorate Plan Performance Indicators – Red and Amber Status

The table below shows the progress of the indicators that were significantly adrift of the target. Two indicators – Percentage of FACS invoices that were paid within 30 days and the Accuracy Rate in Registrations - were slightly adrift of target.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
	Status	Status					
Ebilling for Council Tax Customers					8,588	15,000	The campaign for 2017/18 targeted all council tax payers within North Ayrshire Council. This campaign initiated a number of marketing techniques to maximise take-up. This campaign saw an increase of 21 % from last year's campaign to 8,588 EBill customers but has fallen significantly short of the target set of 15,000. A review of success from the different marketing techniques is underway and an action plan will be put in place for 2018/19.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
Percentage of FACS staff with no sickness absence					48%	55%	This Performance Indicator is a positive measure of the percentage of staff who have no sickness absence during 2017/18. The cumulative year-end number of staff with no sickness over the whole year was 48% which is below the target of 55%. This is a reduction on 2016/17 which was 51%.
Sickness absence days per employee (FACS) per FTE					7.46	7	Overall the sickness absence days for Finance and Corporate Support (FACS) for 2017/18 was 7.46 days against a target of 7 days. Sickness absence for the Directorate in 2017/18 has decreased in comparison to the year-end figure for 2016/17 which was 10.17 days, a 27% reduction. Further information on interventions that have taken place is provided in Section 6 of this report.
Percentage of FACS who have had a PPD interview in the last 12 months					86%	95%	There are 425 staff within Finance and Corporate Support and 396 were eligible to have a Performance and Personal Development (PPD) discussion with their manager during the period 1 April 2017 to 31 March 2018. 341 staff had a PPD and this equates to 86% which is below the target of 95% and a decline in the previous year's result by 5%. Gaps in Chief Officer and Senior Manager availability within Financial Services impacted adversely on FACS overall performance (96% average achieved across other teams).






The indicator below is measured across the Council by FACS.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
	Status	Status					
Freedom of Information requests responded to in 20 working days (%) (Council Wide)					80%	94%	<p>in Quarter Four, the number of requests received and closed has remained steady at 343 compared to 353 in Quarter Three.</p> <p>Since September 2017 when responsibility for FOi requests transferred from Democratic Services to Customer & Digital, a new corporate FOi manager and team have been assembled, professional practitioner training attended, a process review undertaken and a new FOi database implemented at end-March 2018. The benefits of this will be better management and auditing of requests throughout their lifecycle, automation of previously manual elements, and introduction of new management reports, including breaches. Service FOi coordinators received training on the new system and were provided with FOi business and legislative guidance.</p>

4.5. LGBF Indicators – Priorities





FACS collates 9 performance indicators which are part of the Local Government Benchmarking Framework (LGBF). One of these indicators is measured through the Council Plan and three are measured through the Directorate Plan and are included in the tables above at 4.1 and 4.3.

The table below demonstrates a high level view of the Directorate's other five LGBF performance indicators. The single annual LGBF indicator that does not have information is calculated by an external organisation and will be updated during September 2018.

LGBF Indicators 2017/18						
Service Area	No of Indicators					
Customer and Digital Services	0					
Finance	2		1			1
People & Transformation	3	1		1	1	
Audit, Fraud, Performance & Risk	0					

4.6. LGBF Indicators – Red and Amber Status

The table below shows the progress of the indicator which was significantly adrift of target. One other indicator – Percentage of invoices that were paid within 30 days – was slightly adrift of target. Both of these indicators are measured across the Council by FACS.

Description	2016/17	2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
	Status	Status					
Sickness Absence Days per Employee (excluding teachers)					10.81	7.53	The Council did not achieve the target of 7.53 days. Sickness absence per employee (Excluding teachers) was 10.81 days, a 0.07 decrease from 2016/17 figure. Musculo/ Skeletal, Stress/Anxiety and Surgical Procedures are the top three reasons for sickness. The Council continues to take a proactive approach to health and well-being with support from Occupational Health. This sits alongside close monitoring and management in accordance with the Maximising Attendance Policy and Procedures.

5. Year End Summary

**FACS
2017/2018**



£5.3m

FACS savings
since 2010



94.8% Percentage
of income due from
Council Tax



1190 number
of weeks
employment
through
community
benefits clauses



**Improvements for all
four** speed of processing
Housing Benefit and
Council Tax claims and
changes of circumstances
Indicators

£0.378m

Financial
Recoveries for
Corporate Fraud
Team

84% Customers
delighted



99.85%
accurate pays



71.7% • Employee
Engagement Level,
an increase of 6.1%
from the last survey

£455m

Budgets Supported
by Financial
Services



68% (PCIP)
Procurement &
Commercial
Improvement
Programme



24 Internal Audit
Reports Published



36.7% of Self
Service
Transactions now
accessed online
by members of
the public

2.71 days
improvement
in Sickness
absence days
per employee
(FACS) per FTE
since 2016/17



3521 delegates
attended **181**
training courses

6. Employees

6.1. Sickness Data

Pro-active measures to support staff well-being have been introduced. A 'Workwell' group under the umbrella of 'Livewell' has been established which supports staff with their wellbeing at work.

Initiatives have been put in place including promotion of DSE assessments in the new working environment, the 'Step Challenge' and fruit baskets to support healthy eating. Discounted KA Leisure membership is available to employees and staff participate in activities during lunchtimes and after work. Mindfulness sessions have been promoted to employees. A number of staff within Finance and Corporate Support are training to participate in the North Ayrshire 10k run later in 2018.

The Council provides Occupational Health services which offer a programme of "mini health checks", physiotherapy and counselling and enables employees to self-refer. Physiotherapy and Employee Counselling services are promoted as a preventative measures rather than a cure. Employees are also encouraged to self-refer for minor issues before they escalate to absences.

The year-end absence figure for FACS was 7.46 days per FTE against a target of 7.00 days, which is slightly above the target by 0.46 days but represents a significant improvement of 2.71 days per FTE since 2016/17. The top reasons for sickness absence within FACS in 2017/18 were Stress/Anxiety, Depression, Gastro Intestinal and Surgical Procedures.

Sickness absence continues to be closely monitored and managed in accordance with the Maximising Attendance Policy and Procedures and this, coupled with support through Occupational Health referrals, has helped to reduce sickness absence levels.

The directorate will pilot the introduction of 'personal days' for 6 months and the impact will be reviewed in November 2018. Employees are also encouraged to work from home where appropriate to reduce sickness absence.

6.2. Other Employee Information

Employee Engagement Survey

The survey was open between 23 October 2017 to 10 November 2017 and the response rate was 69.2%. FAGS Engagement level was 71.7% which was an improvement of 6.1% from the 2015 survey.

The Gouncil-wide Areas for Improvement (AFI) were the same as the 2015 survey: Gommunication, PPD, Recognition, Management Skills, Pay/Job Grade and Workload/Staffing Levels. Two of FAGS areas for improvement are the same as the Gouncil-wide AFIs: Gommunications and Personal Performance and Development (PPD). FAGS also had a specific AFI relating to Ghange. The next steps for FAGS are:

- A team specific approach will look further at data sets and comments to identify trends and synergies.
- Neutral data sets will be looked at to try to move to positive responses
- Improvement plans will be prepared by teams to focus on their key areas for improvement.
- Each team will look at improvement planning and approaches and ensure that actions are not the same as the 2015 survey improvement plan

Awards and Recognition

North Ayrshire Achieves 2017 saw once again a wealth of nominations telling us about our people and the work they do. FAGS had 7 finalists at the annual ceremony in November.

FACS Awards 2017 have been held where finalists and the 5 winners attended the annual ceremony and received their trophies. This annual event has now been superseded by the **FACS Recognition Scheme**, which was launched in February 2018. The awards will run on a quarterly basis with an annual ceremony. Forty eight nominations were received for the first quarter and nine staff received recognition in the categories of Focus, Passion and Inspiration.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Proud to be  Overall Council of the Year 2017

Education and Youth Employment

Q4 Performance Review

2017/18

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Focus. Passion. Inspiration.



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1. Update on actions from last meeting in November 2017

	Action	Progress
1.	Investigate the possibility of offering the flu jab for staff.	Progress to date: letters for reclaiming the cost of 2017/18 flu inoculations were issued, although uptake was low. To raise the profile of the free flu jab in 2018/19, Education will work in partnership with Occupational Health to deliver the service at a number of locations. Further investigation will be carried out over the Summer holidays.
2.	More presentations to elected Members on wider achievements could be provided.	Presentations and briefing sessions took place in February around the progress and impact of Scottish Attainment Challenge and Pupil Equity Funding on the poverty-related attainment gap as well as the Early Learning and Childcare Expansion Programme. Additional presentations of a range of topics, including wider achievement, will be arranged for after the summer break.
3.	Andrew to discuss North Ayrshire News (NAN) articles.	Newsletters for key projects such as the Scottish Attainment Challenge and the Early Learning and Childcare Expansion are produced regularly and circulated around elected members, staff and partners. Further work still to be done to improve the directorate's use of North Ayrshire News.
4.	Provide Elma with the Getting it Right For Every Child (GIRFEC) Newsletters	This action has been completed.
5.	Proxy measures to be provided to cabinet as a hard copy on 12 December 2017.	This action has been completed.

2. Our Priorities

Education and Youth Employment

"Ensuring people have the right skills for learning, life and work"

Strategic Priorities 2015-18 (2018 Refresh)

Priority 1

We are reducing inequalities and delivering improved outcomes for children and young people

Priority 2

High quality learning and teaching is taking place in all our establishments

Priority 3

Self-evaluation and performance improvements are embedded throughout our schools and central support teams

Priority 4

Levels of attainment and achievement are improving for all learners

Priority 5

High numbers of our young people are entering positive and sustained post-school destinations

Service Priorities 2015-18 (2018 Refresh)

- Embed and extend nurturing approaches to promote inclusion across all education establishments.
- Within the framework of the inclusion strategy, ensure effective support for children and young families.
- Further strengthen and embed existing high-quality approaches to ensure we are Getting It Right For Every Child (GIRFEC).
- Encourage and support active collaboration and engagement with parents, including child's learning.
- Further extend and develop approaches to support the well-being of our children, staff, parents and carers in partnership with other agencies.

- Develop and implement strategic vision for learning and teaching for all of our learners.
- Evaluate and enhance curriculum in the Broad General Education (BGE) and Senior Phase.
- Support and strengthen the professional capacity of staff.

- Broaden and extend our approach to self-evaluation to ensure a consistency of rigour which will support continuous improvement planning in all education establishments.
- Further refine our approaches to the use of data and research to inform effective teaching and learning, including benchmarking and what works elsewhere.
- Further develop reporting of management information to inform policy and practice, and to meet the requirements of the national Improvement Framework.
- Analyse Employee Engagement Survey and develop and implement improvement plan.

- Raise attainment and achievement throughout the Broad General Education (BGE) and Senior Phase through innovative approaches to learning and teaching.
- Further develop a Senior Phase curriculum that blends different types of learning and provides a range of appropriate learning pathways leading to the achievement of qualification and awards at all levels.
- Integrate a range of personal and wider achievement options into learning programmes to enhance the skills and qualifications of learners.

- Strengthen partnership links and collaborative arrangements with the Further Education and Higher Education sectors, employers, commerce and the third sector.
- Continue to support young people with Additional Support Needs (ASN) to secure a sustained destination that meets their needs.
- Further develop our approaches to ensure our young people leave school with the skills employers need.
- Develop our young workforce by introducing national career and work experience standards.
- Work with key partners to develop and introduce modern apprenticeship programmes for our young people.

3. Directorate Priorities

Priority 1 · We are reducing inequalities and delivering improved outcomes for children and young people

1.1 Key Highlights

- › Developments in nurture and nurturing approaches
- › Success of partnership working of schools and the Family Learning Team in engaging parents in their children's learning
- › Development of schools' counselling service

1.2 Priority Update

Nurture

The primary nurture group strand has been successfully expanded to 20 nurture groups, with very positive evaluation for 95 finishers, showing significant improvements in social and emotional skills. Our secondary nurture group targeted intervention is providing support for 117 young people in 7 nurture groups and initial scoping involving collecting qualitative information shows very positive impact for young people to date. Our early years nurture intervention is now established in nine early years settings and initial scoping is showing that this is already making a substantial difference for the young people who are targeted. Our whole school nurture and restorative approaches training is progressing well and there is evidence in many schools in the authorities of culture shift, and there is very promising evidence of more nurturing and inclusive practice developing, as a result of universal and targeted work.

Inclusion

Both the Inclusion Policy and Standard Circular for inclusion have been updated and implemented. We continue to work towards achieving the promises of the Children's Services Plan and the pledges of the Fair for All strategy.

Children and Young People (Scotland) Act 2014

Full implementation of the Young People Act has been further delayed. Nevertheless, the directorate continues to maintain a strong focus on GIRFEC (Getting it Right For Every Child) and continues to support and promote the use of Child's Plans. The Named Person Service is now well established and requests for assistance are being generated and actioned in all establishments. The service continues to provide relevant training and support for schools in support of information sharing.

Family Learning

The appointment of additional Family Learning Workers has had a very positive impact on the Family Learning Team's ability to respond to the demand for increased delivery of family learning programmes in all schools in Quartiles 1 and 2 (the most deprived areas). So far this session the Family Learning Team has engaged with 2782 families which is an increase in participation of 22% from this point last year.

Our partnership with the Centre for Excellence for Looked After Children in Scotland (CELCIS) in co-delivering the secondary school 'Parents in Partnership' Programme has led to increased and

sustained parental engagement and parent-led groups. Collaboration with NAC's 1+2 and the Scottish Centre for Information on Language Teaching (SCILT) in delivering the highly successful 'Wee Famille' project has resulted in almost 40% of families in the pilot school learning French together for 7 weeks.

The 'Read, Write, Count' initiative provided a platform to work in partnership with 25 schools in Quartiles 1 & 2 to issue Read Write Count resources bags and provide follow-up sessions for families of P2 and P3 children on how to support learning at home. This is an increase of 12 schools from Quartiles 1&2 engaging with the Family Learning Team compared to last year, and represents our engagement with 401 families of P2 and P3 children. Almost all of the impact statements from parents/carers are share positive views on enjoying the opportunity to learn alongside their child and how this has developed their own confidence.

Mental and Emotional Wellbeing

Place2be is well established in 6 targeted schools. Over 2000 individual and group counselling sessions took place over the last academic session. All schools have reported a positive impact on learners' social and emotional wellbeing. Secondary counsellors are now available in all our secondary schools. Counselling services have been expanded to include all secondary schools through the introduction of 9 counsellors. Over 100 pupils have been supported with their mental and emotional wellbeing through the counselling service. Analysis of evaluations to date shows that this service is having a positive impact on wellbeing. Our communities have been affected by tragic loss of life this year. Our approach to working in partnership has supported our response to these very challenging circumstances. The school counselling service, educational psychology, HSCP and Police Scotland are working together to support our communities and individuals affected.

A wide range of resources has been sourced or developed to support staff in delivering mental and emotional wellbeing in schools, these include; Playback Ice, Kit bag, Mindfulness, support for Change and Loss, as well as a suite of electronic resources for staff and learners being included in our new Connecting With Mental Health Glow page. A full programme of in-house training is in place to support staff with the use of these resources. To date, over 500 practitioners have benefited from this training.

High Quality Learning Environments

Refurbishment programmes in Kilwinning Academy, Irvine Royal Academy and Auchenhavie Academy are enhancing the learning environment for our young people. The completion of Largs Campus in March 2018 marks the introduction of new state of the art learning and leisure facilities for communities on the North Coast. Capital projects have been approved for Moorpark Primary School, Annick Primary School and new builds at Montgomery Park (primary) and Stevenston (ASN school). All of these projects are delivered in partnership with PMI and external partners and are ensuring that our school estate has positive learning environments which are supporting our children and young people to be the best they can be.

1.3 Key Areas of Focus for the next six months

- Implementation of plans resulting in the review of the Educational Resource Bases in St Mark's and Hayocks as well as the Outreach Service
- Development in partnership with HSCP and NHS Public Health of a Mental Health Strategy

Priority 2 · High quality learning and teaching is taking place in all our establishments

2.1. Key Highlights

- › An extremely positive inspection of the work of the department in leading the Scottish Attainment Challenge and supporting head teachers with Pupil Equity Funding
- › Learning and Teaching strategy complete with complementary strategies underway; all underpinned by high-quality professional learning
- › During August – December 2017 the Professional Learning Academy had training and interventions taking place in all Quartile 1 and 2 establishments involving 129 staff and 1,385 learners
- › Robust and data-rich reviews of the quality of learning, teaching and assessment in all establishments

2.2. Priority Update

The initial learning and teaching strategy was completely revised and the new format has now been presented to the Learning, Teaching and Assessment Board for approval and comments. Both the Early and First Level numeracy frameworks are complete and training has been successfully implemented in all establishments: the Early Level Framework has been further strengthened by the inclusion of SketchNotes which will provide additional support and guidance for staff. These will be launched in August 2018. The Second Level framework is now underway. Both the literacy and numeracy strategies will complement this work and are in their early stages. These strategies will reflect the pedagogical approaches being shared by the Professional Learning Academy and further training will be developed in order to respond to demand from all establishments.

Curriculum reviews have been extended to include Early Level, Broad General Education (BGE) and Senior Phase. The number of reviews has been reduced this year as a result of other inspection and evaluation activity across the service. The Quality Improvement Framework is fully embedded and continues to provide extremely high-quality and robust data around the quality of learning, teaching and assessment within establishments. The data gathered from these reviews is collated and high level messages shared with leadership teams across all schools and establishments. This intelligence is used to shape establishment Improvement Plans and the continuous professional learning available to staff through the Scottish Attainment Challenge, as well as the work of the service more broadly: the quality improvement workshops designed and led by the senior team are an example of this data-led approach to continuous professional learning. The evaluation of Senior Phase recommended no further action at this stage and a further, more detailed review is planned for early in session 2018-19.

The Professional Learning Academy have completed their first block of interventions, training and twilight training sessions for establishments and is nearing the end of the second block (due for completion in June 2018). Data and impact analysis is available for all sessions. Significant impacts have been seen in the approach to supporting reading comprehension, developing vocabulary and engagement with narrative. Interventions such as Number Sense have also seen significant impacts in attainment at the Early and First Levels. The robust, consistent and thorough approach to professional learning as developed by the Learning Academy has been praised by Education

Scotland during the recent inspection. All quartile 1 and 2 schools have completed the 'Leadership in Literacy' training which had a focus on developing writing skills. Currently these schools are now involved in the 'Leadership in Numeracy' programme. Practitioners engage in training delivered by the Professional Learning Academy team and then return to their establishments and work closely with the most vulnerable learners to raise attainment and achievement. The practitioners also support staff within their establishment and share their knowledge and expertise.

A range of leadership opportunities are available to develop leadership capacity at all levels. This ranges from professional learning opportunities available for students, those at Post Graduate Diploma in Education level and probationer teachers, through to those holding or aspiring to middle and senior leadership posts. A range of new and specialist leadership opportunities is also being offered this year through the Scottish Attainment Challenge, Professional Learning Academy work stream for Leadership and coaching development. A new Hands-on Headship programme has been introduced this year to offer practical professional development to those new to post.

In preparation for the new academic session and the fourth year of the Scottish Attainment Challenge, the team within the Professional Learning Academy have devised a broader and even more comprehensive training programme for teachers, early years practitioners and classroom assistants. There are 18 different interventions on offer including a year-long programme of training focusing on Visible Learning: an important approach in improving pedagogical practice across both the primary and secondary sectors. With 55 different twilight training sessions on offer, establishments will be able to specifically tailor their professional learning to the needs of their staff and learners. In response to concerns about attainment at the First Level the team have created a training programme for teachers allocated to Primary 1 classrooms for session 2018/19. This will be delivered in early June 2018 once staff have been allocated their new classes. All establishments will be provided with specific advice and guidance around the Primary 1 numeracy and maths curriculum and the most effective pedagogical approaches which underpin this. This will be complemented by ongoing support from the Professional Learning Academy.

The South West Educational Improvement Collaborative has been set up and a range of workstream areas have been included in the first year of the plan. All workstreams include mechanisms to maximise the levels of collaboration across schools and the constituent local authorities.

2.3. Key Areas of Focus for the next six months

- A broader range of training and interventions will be offered by the Professional Learning Academy will be available to all establishments
- North Ayrshire will become a leading centre for Reading Recovery with the first two cohorts of staff beginning training in August 2018
- Deeper collaboration with the South West Educational Improvement Collaborative will be underway
- A more detailed and in-depth review of the Senior Phase arrangements within all secondary schools is scheduled for 2018-19

Priority 3 – Self-evaluation and performance improvement are embedded throughout our schools and central support teams.

3.1 Key Highlights

- › Approaches to self-evaluation have been strengthened through further development of the Directorate's Quality Improvement Framework and revision of school improvement planning processes based on consultation with school leadership teams.
- › Performance in school inspections by Education Scotland continues to be very positive.
- › Design & implementation of robust internal Attainment Challenge self-evaluation processes to drive forward Service activity and interventions, which are closing the poverty related attainment gap.
- › Utilisation of Lean Six Sigma continuous improvement methodology to drive internal process improvements and design from within the central support team.
- › Embedding of data literacy framework and development of an increased range of opportunities to strengthen school leadership team and practitioner capacity to interrogated and manipulate data in planning for improvement.

3.2 Priority Update

Self-evaluation and performance have been further embedded throughout our schools and central support teams through a range of initiatives throughout 2017-18. This is primarily demonstrated through the Directorate's Quality Improvement Framework, which ensures consistent and robust approaches are adopted in gathering evidence and evaluating impact to secure performance improvement. The Quality Improvement Framework is a key driver in structuring professional dialogue between school leadership teams and senior officers to support on-going evaluation as well as planning, implementation and measurement of performance improvements outlined in annual School Improvement Plans. Senior officers have continued to play a central role through regular school quality Improvement visits, which have a key focus on planning for improvement and targeting identified areas for improvement through revisited action points.

Planning processes have also been reviewed and a new, simplified template to combine school improvement planning with plans for pupil equity funding will be in operation for session 2018-19. Likewise, the format of the Standards and Quality Report has been adjusted based on head teacher feedback and a revised template will be used from 2018-19.

A new Assessment and Moderation framework has now been finalised following consultation with school leadership and is undergoing review by the Directorate's recently established Learning, Teaching and Assessment Board. This board has been commissioned with a specific focus on enhancing evaluation of quality of learning and teaching in schools, assessment and moderation as well as driving forward initiatives and interventions in identified authority wide areas for school improvement.

The Directorate has continued to maintain quarterly senior officer evaluation sessions to support the Directorate to identify key strengths and areas for further improvement in our central support team. During this reporting period the Directorate has linked this self-evaluation to a commitment to use of Quality Management in Education 2 (QMIE2) as an overarching framework to further strengthen evaluation practice. A key principle of the Directorate's QMIE2 activity is obtaining feedback from key stakeholders to drive self-evaluation and performance improvement. Initial evidence gathered for QMIE2 QI 1.1: *Improvements in performance*, QI 2.1: *Impact on children, young people and*

families, and *QI 9.4: Leadership of Change* has directly supported enhancement in processes in strategic planning for improvement across the Service.

Self-evaluation and performance improvement are also further demonstrated in our central resources & infrastructure team's utilisation of Lean Six Sigma methodology to increase internal process efficiency and consequently improve customer experience. This was achieved through establishing 3 in-service Lean Six Sigma working groups to review and improve internal processes for *Class Structures & Staffing*, *Maternity Leave* and *Timesheets*.

Self-evaluation and performance improvement are also evidenced in collaborative working across a range of North Ayrshire services in the early years sector through involvement in Scottish Government's Children and Young People's Improvement Collaborative. This has enabled early years professional to establish four local quality principles and a range of test-of-change improvement projects to enhance the quality of *Nurturing Places*, *Children's Learning*, *Environment* and *Community*.

Approaches to self-evaluation have also been strengthened in keys areas of Service transformation through design, development and implementation of an annual local authority Attainment Challenge self-evaluation framework which enables the Attainment Challenge Programme Board to have a sharpened focus on measuring and evaluating impact of activity, monitoring of effective outcome realisation as well as evaluating project governance and strategic planning.

Implementation of the Directorate's developed data literacy framework has continued to embed practitioner and school leadership use of data to drive improvement and intervention planning. This has been primarily achieved through provision of a range of resources, tools, support networks and training sessions for practitioners and school leaders at varying stages of data literacy development in our establishments. Consultation with stakeholders has informed the Directorate's current exploration into a data visualisation solutions which will enable education establishments to more effectively interrogate and manipulate data as part of planning for improvement.

The Directorate has also remained committed to addressing employee engagement survey identified areas for improvement, many of which are mirrored across other Services, relating to workload, staffing levels, pay | job grades, recognition and communication. The Directorate has committed to cascading survey findings to line managers in order to identify appropriate actions in specified improvement areas for each relevant team.

In response to issues identified surrounding bureaucracy and workload by school based staff, the Directorate has committed to revising the Learning & Teaching Strategy and Assessment & Moderation Strategy to include guidance to address workload concerns.

3.4. Key Areas of Focus for the next six months

- The Directorate of Education & Youth Employment will review and revise the Learning & Teaching Strategy.
- Continue to strengthen approaches to self-evaluation in the early years sector aligned to expansion to the increase in free early years entitlement from 600 hours to 1140 hours by 2020.
- Further develop our approaches to quality assurance and improvement with a specific focus on sustainability as the potential impact of National strategies impacting on the role of local authorities in Quality Improvement.
- The quality improvement framework will be revised to reflect changes in service structure whilst ensuring a high level of ongoing support and challenge for establishments.

Priority 4 • Levels of attainment and achievement are improving for all learners

4.1 Key Highlights

- › Attainment in Literacy and Numeracy is on a steadily increasing path and the poverty-related attainment gap in Literacy and Numeracy has considerably decreased.
- › Reading – Attainment for all Learners has increased and there has been a significant reduction in the gap in P7 and S3
- › Writing – Attainment for most learners has increased, only P1 learner performance has dipped slightly. The gap has reduced in P7 and significantly reduced in S3
- › Listening and talking – Attainment of all learners has increased. The gap has reduced for P1 and P7 and has significantly reduced in S3
- › Exclusions remain below the national average with the exclusion of pupils in SIMD deciles 1 and 2 well below the national average

4.2 Priority Update

In early years, there has been a steady increase over time in the proportion of children meeting their developmental milestones at the point at which they start school from 2014 to 2017 rising from 69% in 2014 to 77% in 2017.

Curriculum for Excellence data gathered from 2016 and 2017 demonstrates that we are making strong progress in closing the poverty related attainment gap. Raising attainment in numeracy remains broadly in line with the national average at primary stages and teacher professional judgement data shows that there is an improving trend overall in numeracy attainment levels with the greatest gains being the proportion of pupils achieving first level at P4, with notable gains for the percentage attaining second level by P7. This also shows that there is evidence of a reduction in the poverty related attainment gap when comparing the attainment of children and young people from [Scottish Index of Multiple Deprivation](#) (SIMD) deciles 1 and 2 and deciles 9 and 10 in every measure. When comparing the progress of pupils in SIMD deciles 1 and 2 compared to those in SIMD deciles 3 to 10, we are narrowing the poverty related attainment gap at almost all of the main stages. The gap has widened slightly for those achieving first level at P4 and this will be the focus of developments in the coming period.

Attainment in literacy has increased at P1, P4, P7 and S3, from 2015 to 2017, for reading, writing and listening and talking. In reading, the attainment gap between those children and young people in SIMD deciles 1 and 2 and those in deciles 9 and 10 has reduced at all stages, except P4. In writing, the attainment gap between those children and young people in SIMD deciles 1 and 2 and those in deciles 9 and 10 has reduced at all stages. Writing attainment, and in particular the attainment of writing in P1 continues to be a focus for improvement. In listening and talking, the attainment gap between those children and young people in SIMD deciles 1 and 2 and those in deciles 9 and 10 has reduced at all of the main stages, except P1. From a total of 12 main measures across literacy, the authority has narrowed the gap in 10 of those from 2016 to 2017.

Attainment in numeracy remains broadly in line with the national average at primary stages but slightly below in S3. Teacher judgements show that there is an improving trend in overall numeracy attainment levels, with the greatest gains being the number of children achieving first level at P4. In numeracy, teacher judgements show that there is evidence of a narrowing of the poverty related attainment gap when comparing SIMD deciles 1 and 2 with deciles 9 and 10 in every measure. When comparing the progress of children and young people in SIMD deciles 1 and 2, compared to

those in SIMD deciles 3 to 10, we are closing the gaps at almost every level. Children in SIMD deciles 1 and 2 have maintained progress over the course of two years in P1 and have improved at all other levels with the largest increase being seen for those who are secure in second level for numeracy. In 2017, the percentage of young people achieving fourth level by the end of S3 compared well to the national average across both literacy and numeracy.

Measures put in place to gauge progress in health and wellbeing include the early years developmental milestones and also [Pupil Attitudes to Self and School](#) (PASS). Targeted measures are in place to measure the effectiveness of specific interventions such as nurture projects. A baseline has been established using PASS with P4 to P7 pupils and the initial results show a positive overall picture, with all measures showing between 80% and 90% for high or moderate satisfaction levels. Individual schools have begun the process of analysing the PASS responses to inform future curricular changes for health and wellbeing, as well as future planning of additional targeted interventions.

Attendance rates overall in both primary and secondary sectors broadly mirror the national picture. Although there has been a slight decline in attendance rates over the last three years in both primary and secondary, where the gap between the most and least deprived has widened, this is mirrored by the national trend, and the gap for North Ayrshire Council remains lower than the national gap. We have recently launched our attendance strategy and initial analysis of the data demonstrates that this has already had a positive impact.

Overall, exclusions remain below the national average with the exclusion of pupils in SIMD deciles 1 and 2 well below the national average. Exclusions have decreased over the past 3 years in secondary and the gaps between exclusions for pupils living in SIMD deciles 1 and 2, compared to those living in other deciles but remains well below the national average.

Our approach to the collection and analysis of data continues to strengthen, and data is used effectively to inform interventions at both authority and school level. The data literacy workstream has brought coherence and consistency through a clear data literacy framework. This framework lays out the approach to associated staff training and the work of data coaches in all establishments. Analysis of the attainment gaps has taken place and there is a shared understanding of the poverty related gaps. Headteachers and staff welcome, and are making increasing use of, the data packs provided by the local authority and the support and challenge offered by central officers and data coaches to support the use of data to inform improvement.

Mechanisms for the sharing of good practice and innovation will be re-launched, including updated approaches to curricular networks, Teacher Learning Communities and sharing practice through head teacher meetings. Four thematic workshops have taken place and have been extremely well attended by Heads of establishments. The programme of support workshops for Heads, 'Hands-on Headship', has started with the first session taking place in January and subsequent sessions planned up until September 2018. These have been positively received and this is evident through the high numbers booking places. The first two sessions were evaluated extremely positively with all participants rating them as very professional relevant and effective.

The initial evaluation of the Senior Phase curriculum within all secondary establishments has taken place. All schools had appropriate curriculums in place and a further, more detailed review is now scheduled for early in session 2018-19.

All secondary schools are annually updated on the wider achievement courses that are being delivered across the authority and review and amend their offer accordingly. Data is collated on

nationally recognised achievements where appropriate and shared. A wider achievement awareness event is held to give teachers and partners the opportunity to find out more information on options that are available and to network with others. Contact with other Authorities and Ayrshire College has been made to share information and to compare and contrast delivery models. Where appropriate, Scottish Qualification Authority (SQA) courses are being introduced to support some wider achievement options.

Attainment Challenge activity and Pupil Equity Funding spending have been a key focus of our work to reduce the poverty related attainment gap. Our data is showing positive progress in reducing this gap, in terms of Curriculum for Excellence attainment levels.

Reviews have taken place twice throughout the session on the implementation and impact of Pupil Equity Funding. Processes are in place to monitor and report on progress at school level as part of the Quality Improvement Framework. Head Teachers report to being more confident in measuring the impact of interventions and there are significant links between the work of the Attainment Challenge and the choices Heads are making in spending their Pupil Equity Funding. Examples of this can be seen through the Nurture work, mental health and wellbeing and the Professional Learning Academy.

4.4 Key Areas of Focus for the next six months

- › An increased focus on the poverty related attainment gap which is evident at the Primary 4 stage through targeted programmes delivered by the Professional Learning Academy and support for schools in the Early and First Level curriculum.
- › Continue to develop our approaches to measuring improvement and evaluating progress in health and wellbeing.
- › Introduction of a data visualisation tool to enable establishments to use their data in increasingly bespoke and sophisticated ways.

Priority 5 • High numbers of our young people are entering positive and sustained post-school destinations

5.1 Key Highlights

- › Schools are offering a broader range of vocational options to their pupils
- › Our Activity Agreement programme has been fully evaluated & refreshed ensuring that our most vulnerable school leavers have suitable post-school provision
- › In partnership with HE institutions we have ensured that those in our most disadvantaged areas have increased access to degree level study on leaving school

5.2 Priority Update

A strategic plan between the Council and Ayrshire College is under development which will ensure that the partnership is delivering the best outcomes for all our learners.

We have worked in partnership with Ayrshire Chamber to increase the number & range of work placements for young people with Additional Support Needs. Training has been delivered to employers.

Schools have improved partnership working with employers. There are increased levels of curriculum input from businesses together with support on the development of employability skills

All secondary schools and some primary schools have used the national Career Education Standard to evaluate practice.

In partnership with the Developing Young Workforce (DYW) regional steering group a set of guidelines for employer activity in school been completed.

Youth employment activity in North Ayrshire is co-ordinated through Local Employability Partnership (LEP) and education remains an active member of this group.

Following evaluation of our in-house pre-apprenticeship programme, we have been collaborating with Council business team and Ayrshire Chamber to expand to the private sector.

5.4 Key Areas of Focus for the next six months

- › Ensuring that school leavers – summer 2018 have the necessary support to move into a positive destination
- › Further develop the work with private sector employers to implement a pre-apprenticeship programme for senior pupils
- › Continue to link vocational activity in schools more closely with Labour Market Information to include specific targeted developments e.g. Early Years expansion
- › Complete our joint strategy document with Ayrshire College & carry out an evaluation of the partnership to inform activity for the coming year

Key Transformation Projects

› Early Learning and Childcare Expansion Programme

Through the creation of a programme board to deal specifically with the Early Years and Childcare Expansion programme, plans are being implemented in the following areas: workforce planning; consultation & engagement; infrastructure; quality & curriculum; service delivery; out of school care. The Programme Board received approval from Scottish Government for the proposed programme of delivery. Pilot programmes for extended hours are currently underway at Loudon Montgomery Early Years Class and Glencairn Early Years Class. The Board has also engaged with parents and carers through a roadshow of briefing sessions across the authority.

› Children Services Improvement Board (CSIB)

The board established a number of workstreams which were tasked with delivering more effective and efficient support services for all children and young people. Due to completion of a number of the board's workstreams and identification of a continued need for an integrated holistic approach to the delivery of children's services this Board has been reconfigured. This Board focuses on supporting implementation of remaining aspects of the Children & Young People (Scotland) Act 2014, North Ayrshire's Children's Services Plan and any other relevant strategies with a focus on delivering children's service improvements and consequently better outcomes for children and young people.

› Scottish Attainment Challenge (SAC)

North Ayrshire Council is one of nine local authorities to receive Scottish Government Attainment Challenge funding to drive forward improvements in educational outcomes in Scotland's most deprived communities by closing the poverty-related attainment gap for children and young people. The purpose of the Attainment Challenge Programme Board (ACPB) is to govern, support and challenge the work of the six workstream groups which deliver the outputs of the North Ayrshire Attainment Challenge project. These workstreams are: Nurture; Mental Health and Wellbeing; Professional Learning Academy; Family Learning; Leadership Development; and Data Analysis. The recent inspection of North Ayrshire Council by Education Scotland and Audit Scotland on our work to reduce the poverty-related attainment gap through the Scottish Attainment Challenge and Pupil Equity Funding was extremely positive. Several areas of good practice will be highlighted in the inspection report, which is due to be published in the coming weeks.

4. Directorate Performance Indicators

4.1 Council Plan Performance Indicators Summary






The table below demonstrates a high level view of the progress made towards the Council Plan priorities.

There are 5 indicators linking to Priority 3 in the Council Plan connected to educational achievement and school leavers destinations.

- › **E&S_P_801** % of children achieving their developmental milestones at the time the child starts primary school
- › **E&YE_PI_D02** % of leavers attaining literacy at National 5 (SCQF Level 5)
- › **E&YE_PI_D04** % of leavers attaining numeracy at National 5 (SCQF Level 5)
- › **E&YE_PI_D06** % gap in attainment of Looked After Children
- › **SOL_CHN11** % of school leavers entering positive destinations









Raising attainment and achievement of all North Ayrshire learners from Early Years to the school leaving stages has been continuously challenged and improved over the last 5 years and this is reflected in **most indicators of attainment and achievement showing increasing trends over the entire period**. The focus on Literacy, Numeracy, Health and Wellbeing has been promoted through innovative learning and teaching approaches, family engagement, nurture and inclusion strategies and developing professional capacity and leadership.

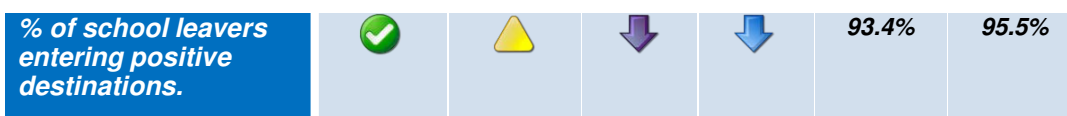
The effect of such comprehensive strategies are expected to produce sustainable long-term positive impacts on our learners and their life-improving opportunities. Therefore, our targets are set in an aspirational spirit, supported by previous trends. We are monitoring both long-term and short-term trends on all our indicators to detect any major deviations from targets and/or previous performance.

Council Plan Performance Summary • As at Q4 2017/18						
Priority	No of Indicators					
3 – Ensuring people have the right skills for learning, life and work.	5	1	3	n/a	1	n/a

4.2 Council Plan Performance Indicators • Red and Amber Status

The table below shows the progress of the performance indicator which is slightly adrift | significantly adrift of target.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target
	Status	Status				
% of leavers attaining numeracy at National 5 (SCQF Level 5).					66.83%	70%
% gap in attainment of Looked After Children.					86.2%	84%



- **E&YE_PI_D04** % of leavers attaining numeracy at National 5 (SCQF Level 5)

There was a slight dip in performance in this indicator in 2017 compared to 2016 exam diet but the 5-year trend is still an increasing one. As our targets are aspirational and adjusted annually to take into account the most recent past performance, any slippage in performance compared to a previous year will fall short of the target.

Annual variations in performance can have random causes related to the structure and of the leavers cohort (if there are more pupils leaving at the end of S4 they are less likely to attain Numeracy at level 5), the school presentation policies as well as individual pupils' abilities. A 1 percentage point decrease in performance translates in less than 15 school leavers in each year attaining Numeracy at a lower SCQF level than the equivalent of a National 5 award. Performance in 2017 is the second highest performance ever recorded for a similar type of award in North Ayrshire.

- **E&YE_PI_D06** % gap in attainment of Looked After Children

There was a slight dip in performance in this indicator in 2017 compared to 2016 exam diet but the 5-year trend is still an improving one. The attainment % gap of a Looked After school leaver compared to the average North Ayrshire school leaver is more likely to be subject to short term random variations due to the small number of the Looked After segment in the total annual school leaver cohort. On the average, there are between 35 and 55 school leavers every year who were Looked After at any point during the latest school session. The overall attainment of each of these young people has a much stronger impact on the entire group than one school leaver in the entire 1500 annual cohort at authority level.

The total tariff score of an average Looked After school leaver from North Ayrshire remains 17% higher than the total tariff score of the average Looked After school leaver in Scotland. Similarly, the percentage gap in attainment for Looked After school leavers is much smaller in North Ayrshire than at national level (86% compared to 102%). The long-term trend of this indicator is also an improving one.

- **SOL_CHN11** % of school leavers entering positive destinations






After a few years of rapidly improving performance in the positive school leaver destinations indicator in North Ayrshire (the 2015 performance recorded 96% was one of the highest in Scotland), the value of this indicator has been adrift of trend and target for the second year running. As this is still in line with National performance, it has immediately triggered the performance monitoring concerns over medium to long term trends and is now being investigated as a priority area for improvement for the service.

4.3 Directorate Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Directorate's strategic priorities.

















The primary focus of Education and Youth Employment Directorate remains raising attainment and achievement of all learners and improving development and success opportunities for young people in North Ayrshire. As part of the national Scottish Attainment Challenge strategy, this focus has been served by more comprehensive strategies including enhancing opportunities for professional development for our school staff, new support strategies for family learning and active intervention for improving mental health and wellbeing of our young people in all educational establishments. All these strategies are supported by a service-wide new approach to data awareness, data literacy and data-based decision-making.





As in the case of Council Plan indicators, our Directorate Plan performance indicator targets are set in an aspirational spirit, supported by previous trends. We are monitoring both long-term and short-term trends on all our indicators to detect any major deviations from targets and/or previous performance.

Directorate Plan Performance Summary• As at Q4 2017/18						
Priority	No of Indicators					
1 • We are reducing inequalities and delivering improved outcomes for children and young people.	2	1	nla	1	nla	nla
2 • High quality learning and teaching is taking place in all our establishments.	2	2	nla	nla	nla	nla
3 – Self-evaluation and performance improvement are embedded throughout our schools and central support teams.	3	nla	nla	2	nla	1
4 – Levels of attainment and achievement are improving for all learners.	4	2	nla	nla	nla	nla
5 – High numbers of our young people are entering positive and sustained post-school destinations.	3	1	2	nla	nla	nla
Total PI Indicators	12	6	2	3	nla	1

4.4 Directorate Plan Performance Indicators • Red and Amber Status

The table below shows the progress of the performance indicator which is slightly adrift | significantly adrift of target.

Description	Q4 2016/17	Q4 2017/18	Short Term Trend	Long Term Trend	Current Value	Current Target
	Status	Status				
Average total tariff score of the lowest 20% attainment cohort.					174	189
% of Leavers attaining numeracy at National 5 (SCQF Level 5).					66.83%	70%
% of school leavers entering positive destinations.					93.4%	95.5%
% of non-teaching staff who have had a					67.5%	98%

PPD in the last twelve months.						
% of teaching staff who have had a PRD in the last twelve months.					69%	98%

- **Average total tariff score of the lowest 20% attainment cohort.**

Although the value of the indicator for the average total tariff score of the lowest attaining 20% of the school leaver cohort has been lower in 2017 than in the last two years, it remains above national performance and is closely related to the reduction in the average number of courses taken by S4 pupils. By encouraging our learners to stay in school beyond their minimum school leaving age and diversifying the curricular choices for each subsequent year they remain in school there is a strong expectation that this is only a temporary slippage in performance of the "lowest attaining 20%" of our young people. The aim is to reduce the gap between the top and bottom achievers so that all young people get a fair opportunity for success at the time they leave school. The current structure of the tariff scale devised by the Scottish Government Insight benchmarking tool has been criticised for a certain bias toward valuing more the graded (academic) courses and awards and not recognising fully the value of vocational qualifications at the same SCQF level. A new – alternative – tariff scale is currently being tested and it is hoped that its use will correct this identified bias.

% of Leavers attaining numeracy at National 5 (SCQF Level 5).

Please see comments above – indicator **E&YE_PI_D04**

% of school leavers entering positive destinations.

Please see comments above – indicator **SOL_CHN11**

% of non-teaching staff who have had a PPD in the last twelve months.

The cycle of completing PPD reviews is aligned to academic sessions and as such, is still underway. The directorate is on track to achieve our target for PPD by the end of June 2018.

% of teaching staff who have had a PRD in the last twelve months.

The cycle of completing PRD meetings is aligned to academic sessions and as such, is still underway. The directorate is on track to achieve our target for PRD by the end of June 2018.

4.5 **LG8F Indicators • Priorities**

The table below demonstrates a high level view of the Directorate's progress made towards the LGBF priorities.






The Directorate uses all LGBF indicators (with the exception of SOL_CHN11 % school leavers in positive destinations and SOL_CORP06a Sickness Absence days per teacher) as Data Only indicators. This is because LGBF indicators are either:

- outwith the control of Directorate actions or ability to collect the information (e.g. Participation rate of 16-19 year olds or % Adults satisfied with local schools)

- › it is unclear if the direction of travel is indicative of positive or negative performance (cost per pupil indicators)
- › are calculated according to a different methodology than the one used in national practice in education performance benchmarking (86 leavers as opposed to the Insight school leavers annual cohort)
- › are newly introduced this year





The general short and long-term trends of LGBF school attainment indicators for 2017 is consistently improving, in some cases to a significant extent compared to previous year performance, over the past 5 years and compared to national performance.

These are annual indicators and the latest available data is from 2016/17 exam results. 2017/18 exam result data will be available in February 2019.

LG8F Indicators 2016/17						
Service Area	No of Indicators					
Children Services	21	1	1	0	9	8

4.6 LG8F Indicators • Red and Amber Status

The table below shows the progress of the performance indicator which is slightly adrift 1 significantly adrift of target.

Description	2015/15	2016/17	Short Term Trend	Long Term Trend	Current Value	Current Target
	Status	Status				
% of school leavers entering positive destinations					93.4%	95.5%

Please see comments above for Directorate Plan indicator SOL_CHN11

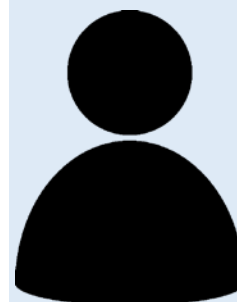
5. Quarter 4 Summary Sheet

Education and Youth Employment Directorate

2017/18



School Leavers from North Ayrshire are outperforming pupils from similar areas of socio-economic deprivation (in all SIMD deciles)



65.6% of young people are choosing to stay on in school until the end of S6 (highest rate recorded in the past 10 years)

100%

% of participants in parenting programmes report an increase in their levels of interaction with their children



81.6% of school leavers attaining Literacy at Level 5 or better



School exclusion rates have dropped consistently over the last 5 years and are better than National performance

90.3%



Participation rate of 16 to 19-year-olds in education, employment or training in 2016/17

Looked After children from North Ayrshire schools are achieving better than

Looked after children elsewhere



6. Employees

6.1 Sickness Data

The figure at March 2018 is 5.43 days which is below the target of six days. This demonstrates a positive trend of reducing absence. Absences are effectively managed across the Directorate and staff are supported to get back to work as soon as they are able. 57% of staff have had no absence over the last year.

6.2 Other Employee Information

The Employee Engagement survey opened on the 25 September 2017 and the response rate was 25%, equating to 655 responses from 2565 employees. This is 5.9% lower than the response rate in 2015 which was 31.4%. The Council wide response rate for 2017 was 35.5%, this is 2% lower than the response rate for 2015.

The top three response rates were; Senior Managers at 100%, Psychological Services at 92.3% and Headquarters staff at 68.2%. Therefore, responses from school establishments will be a focus for the next survey.

Education and Youth Employment employee engagement level is 69.6%, a slight decrease of 0.9% since the 2015 survey which was 70.5% and an overall increase of 16.1% since the initial survey in 2012, when the engagement level was 53.5%. In comparison to the Council wide engagement level which is 71.2%, Education and Youth Employment are only 1.3% lower in the engagement level.

The main areas of strength identified through the responses to specific statements and the additional comments on 'One good thing about working in the Council' were; Clarity of Job, Team Working, Staff Values and Leadership and Participation.

The main areas of improvement identified are; Workload, Staffing Levels, Pay/Job Grade and Recognition, Communication. These improvement areas mirror those of the Council as a whole.

The detailed findings will now be cascaded to Line Managers who will work with employees to identify appropriate actions which will help their specific improvement areas.

7. External Evaluations

Education Scotland carried out 3 inspections in our schools in the period between 1 January 2018 and March 2018. The evaluations were as follows:

Primary

Establishment	Date of inspection published	Leadership of Change	Learning, Teaching and Assessment	Raising attainment and achievement	Ensuring wellbeing, equality and inclusion
Corsehill Primary School	6 March 2018	Excellent	Very Good	Very Good	Excellent

Early Years Class

Establishment	Date of inspection	Leadership of change	Learning, Teaching and Assessment	Securing children's progress	Ensuring wellbeing, equality and inclusion
Corsehill Primary Nursery Class	6 March 2018	Very Good	Very Good	Very Good	Very Good

Schools – Inspected with 'new approaches to inspection' criteria

Establishment	Date of inspection published	Self-evaluation for self-improvement	Raising attainment and achievement
Kilwinning Academy	27 February 2018	Good	Good
Annick Primary School	24 April 2018	Very Good	Good

The Care Inspectorate visited a number of our Early Years establishments. The evaluations from these visits are as follows:

Establishment	Date of inspection	Quality of care and support	Quality of environment	Quality of staffing	Quality of management and leadership
Skelmorlie Early Years Class	22 March 2018	Very Good	Not assessed	Very Good	Not assessed
Cumbrae Early Years Class	19 March 2018	Very Good	Good	Not assessed	Not assessed
Castlepark Early Years Centre	21 February 2018	Very Good	Not assessed	Not assessed	Very Good
Moorpark Early Years Class	30 January 2018	Very Good	Not assessed	Very Good	Not assessed
St Peter's Early Years Class	13 December 2017	Good	Good	Not assessed	Not assessed
Winton Early Years Class	24 November 2017	Very Good	Not assessed	Very Good	Not assessed



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Proud to be  Overall Council of the Year 2017

Economy and Communities

Q4 Performance Review

2017/18

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Focus. Passion. Inspiration.



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1. Update on actions from last meeting in November 2017

	Action	Progress
1.	Reflect how absence should be a feature of SMT agenda	This has been added as a standing item on the SMT agenda.
2.	Revise/sharpen performance report including section 6.1	The report approach has been reviewed to ensure key information is clearly highlighted.
3.	Bring Social Capital report to ELT	The report has been drafted and will be presented to the ELT in September 2018.
4.	Consider annual report/event to showcase regeneration which would be of Interest to private sector and investors	Although there is a desire to progress this, focus has been on stakeholder engagement/events on a regional level and the development of a portfolio of inward investment campaigns to promote North Ayrshire and key investment opportunities. There remains a significant portfolio of work that needs to be progressed. Regeneration presentations have taken place with all political groups and we would intend to build in an annual report to our future communications plans.

2. Our Priorities

Economy and Communities Directorate

To be the best at what we do in Scotland

Strategic Outcomes 2016-19

Healthy, Working Communities

Support 4000 jobless people with opportunities, training, education and support towards work.

Vibrant Places

North Ayrshire is the place for families to live, visitors to enjoy and business to invest.

Growing Business

Support new and growing business to create 1000 new jobs by April 2019

Service Priorities 2016-2019

Ayrshire Growth Deal

- Governance
- Business Case
- Projects:
 - Life sciences
 - Coastal Corridor
 - Connecting communities for growth

Locality Planning

- Community Empowerment Unit
- Developing & Supporting Locality Partnerships
- Community Investment Fund
- Community Engagement & Participatory Budgeting
- Active Communities
- Community Food Plan

Inclusive Growth

- Roll-out of Inclusive Growth pilot to other Ayrshires
- Social Economy Development
- Employability Hubs
- Employability Service
- Co-hub development
- 250 Council Apprentices
- Poverty Challenge Fund
- Digital inclusion
- Fair for All

Service Transformation

- Regional Economic Development Pathfinder Project
- Re-shaping our Regeneration delivery
- Tourism development
 - Clyde Island Renaissance
- Team North Ayrshire
- Cultural, leisure and sports development

Best in Class – the 2020 challenge

- Benchmarking results
- National Indicators
- Awards
- Attract, develop and support international events

Essential Ingredients

- Staffing
- Leadership
- Financial Management
- Customer Consultation
- Stakeholder Engagement
- Communication
- External Funding

3. Directorate Priorities

Priority 1 • Ayrshire Growth Deal

Key Highlights

- Prime Minister's announcement in March regarding starting negotiations on the Ayrshire Growth Deal
- £10 million investment completed at Irvine Enterprise Area

Priority Update

The Prime Minister's announcement in March stating that the UK Government are "opening talks over a new Ayrshire Growth Deal" is a significant step forwards in negotiating the Ayrshire Growth Deal.

The Scottish Government have previously stated that they will provide support, subject to any commitment being matched by the UK Government. The Prime Minister's announcement has already led to discussions with UK and Scottish Government Officers, and positive feedback being provided on the submitted project business cases. While prioritisation will be required to focus the AGD interventions, the approval of project business cases could be in place in spring 2019 to allow implementation thereafter.

Notwithstanding the requirement for financial support from Government, the AGD establishes a series of priority interventions which continue to be developed as set out below:

Irvine Enterprise Area

Capital investment of around £10 million at the Irvine Enterprise Area (IEA) has recently been completed, and various enquiries from businesses for the use of the office/industrial properties at Annickbank and Riverside Way are being processed.

The next phase of investment is being considered through the Ayrshire Growth Deal and successful bid to the Scottish Government for £5M investment in infrastructure through the Tax Incremental Finance (TIF) mechanism. The TIF investment will seek to build on the success in growing jobs over the last five years, with over 300 additional jobs located at IEA.

A decision on the Medicine Manufacturing Innovation Centre (MMIC) bid is expected imminently, with Irvine on a shortlist of sites to secure investment in a facility with development costs of over £50M and which would further raise the profile of the Enterprise Area.

Marine Tourism

Ongoing work has been advanced during the last six months to develop the Marine Tourism proposition for the Ayrshire Growth Deal. This will advance the current Outline Business Case to a Final Business Case, further identifying key economic impacts. Activity within the directorate allied to the Growth Deal, also includes the following.

Work was undertaken in Millport to explore the marine tourism opportunities presented by the proposed flood defence scheme. A charrette workshop open to the community and visitors was carried out in the town centre that highlighted the demand for step-ashore facilities and additional boat berthing and onshore facilities. This led onto work being undertaken to identify feasible options for step-ashore and berthing facilities and what opportunities the harbour and surrounding facilities presented for marine tourism development. An economic analysis of various marine options followed an appraisal of infrastructure options.

Preparations to lay the council's visitor moorings at Millport, Brodick, Lochranza, Pirnmil, Blackwaterfoot and Whiting Bay are in hand and moorings will be ready for 2018/19 season. There are marketed with partners at SailScotland and Welcome Anchorages with information such as routes, facilities and sailing itineraries being provided by the SetSail North Ayrshire website.

Looking towards the Scottish Government's theme Year of Coast & Waters 2020 a new events manager has been recruited to develop a programme from 2018 onwards and to create a new signature maritime event for 2020. A portfolio of events venues and assets will be developed to attract organisers and investors to North Ayrshire - this work is current under development.

Working with the Scottish Sailing institute, Largs Yacht Haven, Largs Sailing Club and SportScotland the council supported a bid to the International Sailing Federation to host the Para World Sailing Championship in 2019. Puerto Sherry in the Bay of Cadiz, Spain won the bid with Largs coming in as a strong contender in offshore facilities.

The council supported the 2018 Youth National Sailing Championship at Largs by providing event infrastructure support, transport assistance and a civic reception welcome to the competitors, families and event personnel in March/April. The event generated an additional 6,000 bed nights and a direct economic benefit of £270,000 into Largs.

Digital tourism on the coastal corridor was promoted with our partners in Visit Scotland, the other Ayrshire local authorities, Ayrshire College and Business Gateway by running 2 digital tourism awareness raising workshops at Saltcoats and Ayr Ayrshire for accommodation businesses across the coastal corridor who want to develop better online booking, social media skills and take advantage of the digital economy. Key companies from within the coastal corridor have been targeted as part of this initiative. All of this work has supported Visit Scotland objectives and follows on from a direct request from their CEO.

Great Harbour

The Great Harbour is the working title for the future development of Irvine Harbourside and the Ardeer Peninsula. Created to exploit Scotland's best Urban Waterfront. The initiative is supported through the Scottish Government, North Ayrshire Council and European Funds and committed partnerships across private, public and third sectors. Strongly supported through the Ayrshire Growth Deal, the Great Harbour will advance through the release of investment opportunity that includes Waterfront Living, through the Social Housing Investment Plan and private sector development, Cafe Life, Maritime Quays and the new Maritime Arts Centre supporting an international arts programme.

Activity supporting the development of the Great Harbour over the last 6 months has included:

- Maritime Quays - Early action design works supporting the Maritime Mile proposals and a commitment from the Scottish Government to support £1M of investment being developed through new additional berthing and a connected public realm to Irvine Harbourside;
- ICA Irvine Contemporary Arts Centre – discussions with the National Maritime Museum supporting a working proposition, through the creation of a prospectus for investment. The new ICA offers opportunities for public/private sector collaboration and funding integrating commercial licensed leisure with creative arts and studios. Development funding is being advanced within a partnership with master planning, technical studies and funding submissions all well advanced;

- Waterfront Village Quarter – including SHIP and private sector housing and commercial opportunities. The master plan process is supportive of housing development within the regeneration of the Harbourside combining private sector development as well as planned social rented development within the SHIP programme. The North Ayrshire Strategic Housing Investment Plan (SHIP) 2018-2023 has provision for 80 new homes to be developed at the Harbourside. The initial sites (3, 4, and 5) are now committed under the SHIP Programme delivering circa 80 units. Additional releases will be for private sector housing creating a new residential waterfront village and neighbourhood. The masterplan provides a new urban waterfront village with mixed tenure. This will include (Phase 1) a flagship scheme for older people housing showcasing new models for housing fit for the changing needs of older people in the 21st Century.
- Detailed Master planning supporting a new vibrant Waterside Quarter – designed to lead to shovel ready project activity;
- Connecting Communities work through adoption of the Place Standard and consideration of the community benefits as part of the master planning process – further works to be led with support from Architecture Design Scotland;
- An application for Sustrans Community links funding is also under development, linking opportunities across blue and green networks to promote active leisure, participatory sport and the coastal trails and core paths;
- Discussions and master planning for the Ardeer Peninsula with NPL Estates as principle land owner – with additional proposals under consideration through the Growth Deal and early negotiations around future funding and joint venture possibilities.

Ardrossan Harbour/North Shore

Further to the announcement in 2017 that Ardrossan will be maintained as the home port for the Brodick and Campbeltown ferry routes, a masterplan for the development of Ardrossan Harbour is being prepared. This will direct an investment programme of at least £15.5M which will see investment in marine infrastructure, a new terminal building, car parking, a public realm link into Ardrossan town centre and the provision of a hotel development site.

Consideration is being given to the delivery model for Ardrossan North Shore with the joint owners of the site, Peel Land and Property.

Clyde Corridor

The "Clyde Way" route concept has been developed into the ring routes agreed by the industry group and stakeholders. An Outline Business Case for the Irvine Maritime Mile has been submitted to the Scottish Government with the outcome expected during May/June 2018. Further work is ongoing to develop the design, details and costs of the projects within the Maritime Mile in conjunction with the wider Harbourside master planning development.

Technical analysis of former NACCO Industries site, Irvine is to be undertaken in 2018/19. This will see analysis of access to area and masterplan for the provision of development opportunities.

Key Transformation Projects

- Ayrshire Growth Deal

Key Areas of Focus for the next six months

- › Secure approval of the Ayrshire Growth Deal
- › Secure MMIC facility in Irvine
- › Seek approval for investment in IEA through Tax Incremental Finance Mechanism
- › Establish and promote our Coastal Corridor including taking forward Clyde Islands
- › Undertake detailed masterplan of Great Harbour
- › Delivery model for Ardrossan North Shore
- › Agree the funding and operational model for Ardrossan Harbour and develop the detailed design work of the preferred option.
- › Develop proposals to secure investment into Hunterston, working with Scottish Enterprise, EDF and Peel Ports
- › Launch the "Clyde Way"

Priority 2 • Locality Planning

Key Highlights

- › Locality Planning developments
- › Mainstreaming Participatory Budgeting pilot completed
- › Participatory democracy progressing

Priority Update

The Community Empowerment Unit was established at the end of September 2017 and this model, though temporary, will continue to inform the approach to community empowerment and Locality Planning in North Ayrshire.

Locality Planning

Locality Planning in North Ayrshire is recognised nationally as a sector leading development which will significantly inform the current national Local Governance Review and the Public Sector Reform agenda. This year has seen a number of best practice visits and seminars with Scottish Government, including the strong focus on inequalities and the integration of community and spatial planning which is inherent within our approach. North Ayrshire is leading the Ayrshire engagement for the Local Governance Review.

Locality Partnerships

Locality Partnerships have made significant progress and are preparing a range of action plan initiatives to address their locally identified needs. The appointment of Locality Coordinators has been a significant step in the coordination of community and CPP actions. This year's annual Locality Conference is planned for June to progress plans for the Community Investment Fund (CIF) proposals. The proposals will be co-designed with communities with a strong focus on Fair for All following a process of local engagement. This follows the decision at the August 2017 Cabinet, within the Fair for All agenda, to allocate the CIF on a per capita basis.

Participatory Democracy

The LDP2 and Locality Planning are now increasingly more closely aligned due to the increased number of community councils and the work of the North Ayrshire Community Council Forum. The active North Ayrshire Community Council forum brings together all of the Community Councillors to share knowledge and experience in addition to undertaking training for their roles. Following the successful election to re-establish Beith and District Community Council, Stevenston Community Council has now been re-established in the final quarter of the year, taking us to a total of 13 active community councils.

Young People

Young people's participation and engagement in North Ayrshire has been recognised by a COSLA Gold award. Levels of participation in online PB have been the highest in Scotland. In February six on-line votes were set up, one per locality, resulting in 6,814 young people voting during the Youth PB Digital Vote. Their participation enabled 58 projects to secure funding.

Year of Young People legacy groups are working with elected members on themes of importance to them. Participatory budgeting features in the plan with the aim of locality events throughout the year. Signature events include:

- › YOYP Participatory Budgeting Event
- › Duke of Edinburgh Awards
- › Youth on Brexit Event, SYP 65 and National SYP Awards
- › Joint Cabinet Live
- › North Ayrshire Youth Festival and Colour Run
- › National Youth Work week and Youth Conference

The Council has agreed to become a "Child Centred Council" and this ground breaking work is being led by the directorate. The Scottish Youth Parliament sat in North Ayrshire in March 2018 and contributed to the development of child-centred actions.

Community Asset Transfer

Eight new community management and ownership Initiatives have been agreed this year.

The Development Trusts Association Scotland (DTAS) and the Community Ownership Support Service (COSS) have contributed to developing our participation request processes in line with Scottish Government guidance and on behalf of our sports clubs, we have asked DTAS to pursue the status of Community Amateur Sports Clubs with the Scottish Government as an additional recognised structure for asset ownership transfer.

Participatory Budgeting

The grant awarding phase of our Participatory Budgeting (PB) approach has allocated £145,000 of Council and other partners' money to groups across North Ayrshire, with record numbers involved in a powerful process of networking and sharing resources. New partnerships have been formed in all Localities.

Grant funded PB has proved very popular, during March three market stall events in Kilwinning, Garnock Valley and Three Towns attracted a total of 1,328 votes. This enabled 60 groups to receive funding with many attendees commenting on how the events enforced the "community spirit" and promoted a "sense of participation and involvement in community improvements".

The communities of the Three Towns are currently engaged in a deliberative process to mainstream participatory approaches to the Streetscene environmental budget, through a large scale community participation process. Requests by local people have included planting of community orchards, fruit bushes, vegetables and potatoes to provide free fresh food, as well as community adoption of these sites. To support this, advice surgeries will also be held in the Three Towns to encourage people to select and grow plants that are best suited to the environment and soil. This pilot will be used to inform and improve participatory and environmental processes, to be rolled out across all Localities next year, and contributing to an expected 1% spend, using this approach, of all Local Authority spending by 2021.

North Ayrshire and Glasgow City Council are currently the subjects of a national PB film promotion, commissioned by Scottish Government and COSLA, where the excellent practice and the value of relationships with community partners and the trust engendered by PB and other participatory approaches is highlighted.

Food Strategy

Approval was given to develop a Food Strategy and North Ayrshire Food Forum from our Fairer Food Reference Group (FFRG) in December. Fair For all Draft Pledges for food, performance measures and a subsequent action plan have since been created. Draft measures and proxies are now a key feature of the Active Communities Strategic Partnership approach, linked to healthy diet and obesity, as well as household food insecurity and production. Partnership working extends across a number of services within North Ayrshire Council and HSCP, as well as external agencies.

The Fairer Food Strategy Group are continuing the development of a North Ayrshire Food Map which will help identify local opportunities while contributing to the development of a North Ayrshire Action Plan for Food. A draft Food Charter is being developed with CPP partners, for discussion with the Food Forum. Links with HSCP, Housing/Homelessness and with Dietetics are resulting in further joint approaches across services.

Priority areas have been identified for weekend food provision pilots.

In addition, Employability and Skills are co-locating staff with partners who are managing household food insecurity to improve engagement and direct support for users and to improve volunteering and employability opportunities. We are also developing the current Auchenhavie and Ardrossan Academy Schools Cooking and Work Project with Garfields restaurant in Ardrossan and nearby farms. This will link in with the three secondary schools in the Three Towns and will be part of Developing the Young Workforce activity and Year of Young People.

Active Communities

The Active Communities Strategy continues to be delivered through the DrEAM programme. The Active Schools programme is expected to exceed full year targets at academic year end in June 2018, despite a reduction in Quarter 4 due to adverse weather closures. Highlights so far this academic year see the percentage of distinct participants for the same period increase to 26% (14% in 2016). This represents 18,265 individual pupils participating in activities.

A considerable increase is shown in the number of sessions delivered across ASN establishments, 140 were delivered, 250% more than the same period last year. The number of volunteers has also increased, by 69.4% to 359 during the same timeframe.

Arran Outdoor Education Centre has accommodated 1,584 pupils and 372 education staff during 2017/18. An additional 238 places were booked by organisations based outside of North Ayrshire.

Kindness

North Ayrshire has been selected as the Carnegie UK test site for the place of kindness. National work is taking place through the Kindness Innovation Network and within North Ayrshire, partners are investigating the role and impact of kindness in individuals, organisations and communities. This is regarded by Scottish Government as an enabler for public sector reform and is of national interest.

Key Areas of Focus for the next six months

- Finalise and publish Locality Partnership Action Plans
- Develop proposals for CIF expenditure
- Continue to mainstream PB
- Progress the Food Strategy and Community Food Plan

- › Continue to develop our contribution to the national Kindness work
- › Lead the Ayrshire engagement for the Local Governance Review.

Priority 3 • Inclusive Growth

Key Highlights

- › Inclusive Growth Pilot rolled out to Ayrshire
- › Proposals developed for new approach to supporting disabled residents back to work
- › £408,476 back in pockets of residents through Better Off North Ayrshire
- › Challenge Poverty Fund proposals approved by Cabinet
- › 818 unemployed people supported into work through council funded employability programmes
- › Basic Income pilot proposals developed – we will be at the vanguard of developments in this area

Priority Update

The Inclusive Growth Diagnostic for Ayrshire was finalised during a workshop in December and will help develop the proposed regional pathfinder. An Inclusive Growth Programme Manager has been recruited in order to take the findings of the North Ayrshire diagnostic and ensure they are used to design new interventions and influence the direction of existing services. An immediate priority has been to look at one of the "excluded groups" identified as part of the diagnostic. Disabled people are significantly less likely to be in employment than the rest of the population and thus it is clear that action is taken to address this. In Quarter 4, plans were progressed for a Supported Employment project using £500k from the Challenge Poverty Fund - taking a refreshed approach to disability and employment. Other key projects designed to ensure our most disadvantaged residents can benefit from opportunities are:

North Ayrshire Council's Employability Pipeline

The pipeline is continuing to be developed through the £5 million European Social Fund project (ESF). Fullarton Employability Hub opened in October with Kilwinning Hub launched in January. Capital works on the Ardrossan Employability hub are complete with a launch expected in May/June. During 2017/18, 635 unemployed people have registered with the hubs, 1,693 unemployed people are participating in programmes funded or operated by the Council and 818 formerly unemployed residents have gained employment, 42.8% above the annual target.

Better Off North Ayrshire

Better Off North Ayrshire is a Lottery/EU funded initiative which sets out to provide financial inclusion services in a different way. A holistic approach is taken in order to get to the root cause of peoples financial difficulties. Rather than just dealing with the presenting issues only, Better Off provides a range of interventions designed to prevent further crisis presentations. Developments have included a web service which supports people to self-serve, a single point of contact and online referral system, co-location of services and closer joint working across the partnership. Over 800 people have been supported in Year 1 of the programme, with an aspiration that over 3,000 will be supported over the 3 years. 417 people have received energy advice and support, 217 have benefitted from digital support to manage money online. Affordable loans have been granted to 128 clients and 102 have accessed debt advice service and support.

Total financial gains for Better Off clients to date is £408,476. This incorporates gains from income having been maximised, savings from reduced outgoings, interest saved through clearing high costs debt and savings built through the credit union.

Skills for Life

The inclusive growth diagnostic for North Ayrshire highlighted females as an excluded group with an employment rate 10% below the Scottish average. In response Skills for Life has focused on supporting lone parents recently. In January 2018, 21 lone parents moved into a six month supported placement across the council. Their roles include: care at home assistants; admin assistants; customer services; catering assistants; and assistant Rangers. They will continue to get support in their placement to ensure they sustain the placement and progress to a positive destination on completion. The average length of unemployment prior to Skills for Life is seven years. It has been calculated that participants will be on average £92.40 per week better off by participating in the Skills for Life placement. The previous cohort of Skills for Life graduates were extremely successful, with 85% securing employment (66% within the council) and 10% going into further education. A further phase of Skills for Life placements is scheduled for August 2018.

Modern Apprenticeships

The council's Modern Apprenticeship programme continues to provide a large number of opportunities for young people. A total of 93 Modern Apprentices were recruited during 2017/18, meaning we are on target to achieve our three year target of 270 places. In 17/18, the programme became more inclusive, with five ring fenced places for care experienced young people. Plans are now being put in place to ensure other excluded groups such as disabled people can take up the opportunities.

Basic Income Pilot

The council has submitted a joint application to the Scottish Government alongside City of Edinburgh Council, Glasgow City Council and Fife Council to undertake a Basic Income Pilot Feasibility Study. As part of this work a cross-council Councillors Group has been established to provide oversight to the project. A second North Ayrshire Elected Member Briefing session will take place in May to update Members on the plans for the Feasibility Study.

Support for Care Experienced Young People

We are developing approaches to corporate mentoring of care experienced young people and have appointed a Corporate Parenting Mentor to develop training, coach mentors, and assist in identifying and matching relationships between young people and mentors. We will also work with MCR Pathways in one of our schools to pilot their approach to mentoring.

Social Enterprises

North Ayrshire has 133 Social Enterprises (SEs), ahead of the Social Enterprise Strategy's target of 110. Considerable engagement is taking place in this sector. Key projects either in development or being delivered relate to procurement, Living Wage, Supported Businesses, Public Private Partnerships, Food Poverty, Early Years provision and the development of North Ayrshire's Social Enterprise Network (NASEN). The aim is NASEN will become the voice of the sector.

The Development Fund is an integral part of the support available and to date £10,900 has been committed to several SEs to provide support for HR, marketing, Investor Ready Business Plan, constitution and website development.

Digital Participation

Digital skills was highlighted as a key constraint to inclusive growth within the North Ayrshire Diagnostic. The cross-service working group continues to pursue digital participation opportunities both in the council's workforce and with partners and communities.

Leader funding has enabled the appointment of a Digital Learning Officer for our library and community "Maker Spaces," predominantly in the Garnock Valley. Activities include film making, digital art and animation, a Young Engineers and Science Club based in Dalry as part of a Scotland wide programme to encourage the STEM agenda, electronic music making and 3D modelling. Much of this work is intergenerational and involves volunteers.

An additional £100k was invested in increasing digital skills and capacity as part of the Better Off North

The council is working with colleagues in South and East Ayrshire councils to assess how improvements to digital infrastructure can be delivered regionally and identify where there may be potential for pilot projects. The outcome of this joint work will inform potential funding bids as part of any Growth Deal and/or future Challenge Fund bid to UK or Scottish Government to support 5G, R100 programmes and Smart Towns/Cities.

Key Transformation Projects

- › Inclusive Growth
- › Financial Inclusion Strategy
- › Social Enterprise Strategy
- › Digital Participation Strategy

Key Areas of Focus for the next six months

- › Implementation of the Challenge Poverty Fund
- › Further develop work which links the strategic food plan with community activities and projects
- › Exploration of North Ayrshire Basic Income pilot
- › Implementation of Social Enterprise Strategy
- › Supported Employment programme
- › Care-Experienced and Mentoring Programme for Young People
- › Digital Participation Strategy

Priority 4 • Service Transformation

Key Highlights

- › Cabinet agreement to further consider Regional Pathfinder
- › Target of 1,000 jobs in three years exceeded within 18 months
- › 266 start-ups assisted through Business Gateway since April 2017
- › 60,000 attended the Golf Open events

Priority Update

In September Cabinet agreed to the further development of the proposed Regional Pathfinder project for detailed consideration. Work has been undertaken to outline the potential benefits, efficiencies and risks. The detailed proposal to the three Ayrshire authorities is expected to go to Cabinet in June 2018.

Following the purchase of Urban Regeneration Company (URC) assets, legacy funds have been passed to North Ayrshire Ventures Trust for disbursement in line with the agreed objectives of the Irvine Bay Regeneration Company. Promotion of sites is being considered by appropriate groups.

Business Development have supported businesses in creating 1,243 jobs since April 2016, with 588 of these created in 2017/18 (77% ahead of annual target). Team North Ayrshire (TNA) and Ayrshire College continue to develop our businesses' mentoring and leadership needs. TNA currently account manage 243 businesses, 644 businesses received support from Business Development and an additional 266 start-ups were assisted via Business Gateway. A recent evaluation by EKOS highlighted significant returns (see section 7).

The International Action Plan has been validated by the Economic Development and Regeneration Board (EDR Board) and Team North Ayrshire Group. Development of an Ayrshire Export Partnership is being explored with public and private sector partners. We have received 30 enquiries for investment locally.

The Men's and Ladies' Scottish Open attracted 60,000 visitors, details are available in the Quarter 2 report.

Irvine High Street £3M investment to improve public realm and link facilities will commence in June 2018. A large proportion of the funds will be secured from external sources.

Consultation on masterplan development for land at Lochshore, Glengarnock is ongoing. The proposals will seek to deliver outdoor recreation, tourism, sports and housing uses.

Confirmation of funding support of £600,000 towards the 'Irvine Active Travel Hub' Project has been received. This will install public infrastructure including a bike library and an e-bike charging station.

Key Transformation Projects

- › Ayrshire Growth Deal
- › Proposed Economic Regional Pathfinder
- › Marine and coastal tourism development

Key Areas of Focus for the next six months

- › Development of Ayrshire Growth Deal and associated projects
- › Further investigation of potential impact of Economic Regional Partnership proposal
- › Further progress and implement the marine and coastal tourism offer
- › Review of Connected Communities services to continue transformation within the Council

Priority 5 • Best in Class • The 2020 challenge

Key Highlights

- › HMIE Inspection of Community Learning and Development
- › CoSLA Gold Award for our Youth Participation and Citizenship Framework
- › Townhouse and Portal Officially opened in July
- › Ardrossan confirmed as the mainland port for the Brodick and Campbeltown routes for 30 years
- › Trading Standards e-cigarettes enforcement

Priority Update

May's HMIE inspection of our Community Learning and Development was very positive. More details can be found in the Quarter 2 report.

The Youth Participation and Citizenship Framework were presented with a Gold COSLA award. Our Locality Partnership submission was awarded a bronze award. The APSE award for the "Best Efficiency and Transformation Initiative" included case studies of Economy and Communities' Lean Six Sigma and Kaizen Blitz projects. As a directorate we are proud to have contributed to the APSE Overall Council of the Year award and reached the finals of the APSE Community Initiative. The directorate was awarded or directly contributed to three Herald Society Awards. Irvine won the Most Improved Place in the SURF Awards.

Protective Services received two awards, the Scottish Government Building Standards Division's (LABSS) National Building Standards Performance Excellence for a medium sized Local Authority for the second year running and the Best Article in Trading Standards Today 2016117 from the Chartered Trading Standards Institute. Building Standards were appointed as verified by the Scottish Government for the maximum term of six years due to their excellent performance record.

During October, Trading Standards began enforcing The Health (Tobacco, Nicotine etc. and Care) (Scotland) Act 2016 following an education phase for retailers of nicotine vapour products (NVPs). Almost 200 packs of goods were seized in North Ayrshire with a total value of £2,800.

Planning received a commendation in the Built Heritage Category after being a finalist in the Royal Town Planning Institute (RTPI) Planning for Excellence Awards for Saltcoats Town Hall.

North Ayrshire Council hosted the Locality Partnership Conference, Portal and Townhouse were formally opened and the DrEAM initiative was launched during 2017118. Please see Quarter 2 report for details.

Work is advancing to consider future island work, in relation to the National Islands Bill. Consultation has taken place and we have responded to the Scottish Government's draft proposals.

Key Transformation Projects

- › Cultural Approach
- › Empowering Young People
- › Embedding Active Communities strategic approach with communities

Key Areas of Focus for the next six months

- › Completion of Quarry Road phase one and progress with regeneration programmes
- › Development of Child-centred Council
- › Embed Active Communities Strategies using DrEAM across partners and communities

Priority 6 • Essential Ingredients

Key Highlights

- › Engagement Survey levels – see section 6.2
- › Draft proposals for External Funding Strategy presented to ELT
- › Employee Engagement Forum profile rising
- › Preparation for GDPR (EU General Data Protection Regulation)

Priority Update

The Corporate Stakeholder Mapping development work continues. A PSIF internal assessment was completed during 2017¹¹⁸.

Special events took place in libraries to highlight Customer Service Week in October.

Managing Reputation

Following a strong start to the year, the response to press enquiries within the optimum four hour timeframe has reduced from 70% to 46% over the year, though still higher than in 2016¹¹⁷.

During the financial year 166 press releases were issued, within the target range. This included coverage around the Scottish Open Golf events, the Chinese and USA Consul visits, the formal opening of the Portal, and Irvine Public Realm consultation.

Engagement

The Employee Engagement Survey took place between 23rd October and 10th November 2017. Please see section 6.2 for details.

The Employee Engagement Forum has focused on improving communication as well as leading a series of events to increase staff engagement. These took place after the Engagement Survey window. Colleagues are continuing to engage with the screens within the main Cunninghame House office, with regular information flowing into them. Updates are also shared with staff located elsewhere. The Performance team infographic is being used by other directorates to compliment the Performance on a Page and Performance Review Reports.

Key Transformation Projects

- › None identified in this priority






Key Areas of Focus for the next six months

- › Employee Engagement Survey Actions
- › Developing Employee Engagement Forum
- › Exploring absence peaks during winter months and prevention

4. Directorate Performance Indicators

4.1. Council Plan Performance Indicators Summary






The table below demonstrates a high level view of the progress made towards the Council Plan priorities. Where 2017/18 data is not available the most recent status has been used.

Council Plan Performance Summary- As at Q4 2017/18						
Priority	No of Indicators					
SP1 • Growing our economy, increasing employment and regenerating towns	5	2	1		1	
SP2 • Working together to develop stronger communities	3	3				
SP3 • Ensuring people have the right skills for learning, life and work	1	1				
SP4 • Supporting all of our people to stay safe, healthy and active	1	1				

- ▲ The indicator slightly adrift of target is **CP_DE_P04 Number of Modern Apprentices supported through North Ayrshire Council sponsored initiatives**. This includes internal and external Modern Apprentices. Achieved 176 against a target of 185. Internal Modern Apprentices are at the levels expected, however demand from private sector businesses for Modern Apprentices has been slightly lower than expected, meaning a reduction in the number of external placements. It is slightly lower than in 2016/17, when 188 Modern Apprentices were supported.

4.2. Directorate Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Directorate's strategic priorities. Where 2017/18 data is not available the most recent status has been used.

Directorate Plan Performance Summary- As at Q4 2017/18						
Priority	No of Indicators					
<i>Ayrshire Growth Deal</i>	This priority is managed through actions.					
<i>Locality Planning</i>	3	3				
<i>Inclusive Growth</i>	5	4		1		
<i>Service Transformation</i>	11	4		1	1	5
<i>Best in Class – the 2020 challenge</i>	14	8	2	2	2	
<i>Essential Ingredients</i>	3	1	1		1	

- ▲ The indicators slightly adrift of target are:






- **SOL_C&L2 Cost Per Library Visit** – Achieved £1.57 against a target of £1.50 for 2016/17 (most recent data available) and is ranked 7th out of 32 local authorities. Despite a 20% reduction in investment and contraction of 15% in opening hours libraries maintain a strong performance and our aspirations are to maintain Quartile 1. A full programme of primary school visits and events from author visits to seasonal craft sessions, together with award-winning programmes like DigiDabble and Appiness keep the library services relevant to public needs and stimulate footfall. Virtual visits are increasing with 2417 access to library ebooks, magazines and music. The

Garnock Valley MakerSpaces for creativity and innovation has commenced, with a launch in early May

- **SOL_C&L5c % of adults satisfied with museums and galleries** - Achieved 74% against a target of 75% for 2014-17 (most recent data available) and is ranked 13th out of 32 local authorities. This data is averaged over a three year period. Our aspirations are to improve our position within the 2nd quartile with the reopening of the Heritage Centre and establishment of the Townhouse. Work continues with Creative Scotland to launch the Place Partnership and fund a Creative Connector - Place Partnership Officer to carry out research, capacity building and audience & participation development. More co-curated community exhibitions, such as The Medda and Irvine Folk festival have proved popular and build local capacity for heritage skills. The high profile Scottish Diaspora Tapestry exhibitions in partnership with North Ayrshire with Irvine Burns Club and Graham Fagan's 'Slave's Lament' proved popular and exceeded all expectations of footfall.
- **EC_05 Employee Engagement Level within Economy and Communities** – Achieved 76.4% against a target of 78%. The engagement level has fallen from 77.3% in 2015. It is higher than the council-wide figure of 71.2% and work is underway to develop an action plan to address this. See section 6.2 for details.













4.3. LGBF Indicators • Priorities

The table below demonstrates a high level view of the Directorate's progress made towards the LGBF priorities.

LGBF Indicators 2016/17						
Service Area	No of Indicators					
Connected Communities	2	1		1*		
Economic Growth	1					1

* SOL_C&L0Sd % of adults satisfied with leisure facilities – please see section 4.4 for details

4.4. Performance Indicators • Red Status

Description	Relevant Plan(s)	Q4 2016/17 Status	Q4 2017/18 Status	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
EG_20 Number of unemployed people registered with employability hubs	Directorate P/an					635	900	Please see explanation below.
EG_13 Tourism bed nights within North Ayrshire	Directorate P/an					442,840	489,600	Please see explanation below.
SOL_C&L01 Cost per attendance at sports facilities £	Directorate P/an and LGBF		N1A			£3.32	£0.75	Please see explanation below.
SOL_C&L05d % of adults satisfied with leisure facilities	Directorate P/an and LGBF Priority		N1A			72.33%	80%	Please see explanation below.

 The indicators significantly adrift of target are:

- EG_20 Number of unemployed people registered with employability hubs** - The target was set based on five Employability Hubs being operational in 2017/18, however only Kilbirnie and Stevenston Hubs operated for the full year. Irvine Employability Hub came online in October (focussing on promotion and establishing partner services for the first quarter of operation) followed by Kilwinning Hub in early 2018. Ardrossan Employability Hub is temporarily closed until May when new premises will be available. Referrals from DWP have also been lower than expected because of their focus on the full roll-out of universal credit in this period. This impacted the number of referrals and registrations, however despite this and the capacity being significantly lower than expected, 635 unemployed people have registered with the operational hubs meaning performance for these hubs has been very positive.
- EG_13 Tourism bed nights within North Ayrshire** - The data recorded for 2016/17 is the most recent available and relates to the 2016 calendar year. This indicator is under target, however has shown a consistent increase since 2013 and a 3.4% increase since 2015. Future targets have been

set based on current figures and the knowledge that more hotels will be available over the next few years.

National tourism trends indicate that people are continuing to stay overnight but for fewer nights. Spend patterns indicate that they are still spending on day activities supporting the North Ayrshire economy at similar levels, but are fitting more activities into fewer (albeit, fuller) days. It reflects broader economic trends and consumer spend patterns at a Scottish level.

- **SOL_C&L01 Cost per attendance at sports facilities £** - The costs of running aging facilities at Irvine and Garnock, alongside the costs of the new developments of Portal and Garnock Campus will have contributed to this indicator during 2016/17.

Portal and Garnock Campus opened in February and January 2017 respectively. Kilwinning Academy Sports Pitch opened in October 2017 and is proving popular with new and existing groups. It is managed by KA Leisure (KAL). The new Largs Campus will be open to the public on 23rd April 2018.

As this PI is a ratio, the lower attendance at the older facilities will also have contributed to this result. The number of attendances at sports facilities excluding pools has increased by 20.9% in the past 12 months, reflecting the increased use of the newer facilities.

- **SOL_C&L05d % of adults satisfied with leisure facilities** - This indicator covers the three years prior to and including 2016/17 which coincided with running aging facilities. The Magnum and Garnock Pool are now closed and replaced with improved facilities at Garnock and Irvine as well as the new Largs Campus.

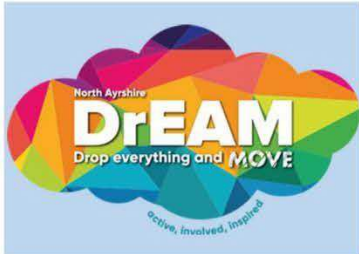
KAL have a number of innovative health partnerships including for example, recovery from Heart/Stroke, Mind and Be Active etc. The DrEAM (Drop Everything and Move) event attracted significant social media engagement. They work closely with the council, NHS and community sports clubs to provide a diverse range of sports and physical activities for all abilities.

It is expected these developments will have a positive impact on satisfaction going forward, however as the satisfaction percentages are averaged over three years it may take some time to impact this figure fully.

Quarter 4 2017-18

Summary Sheet

Economy and Communities



Building Standards
appointed by Scottish
Government as verifier
for max term of 6
years!

Our **Youth Participation and Citizenship Framework** won **CoSLA GOLD** and are shortlisted for the Scottish Public Service Awards. **Locality Planning** won a **CoSLA Bronze** award. **Information and Culture** reached the finals of the **APSE** awards. We achieved the Scottish **Public Service Award** for our **Inclusive Growth Diagnostic**. The **Herald Society** recognised our work. Our colleagues at **North Ayrshire Achieves** honoured us with four awards. We were presented with a **SURF** award for **Irvine** for the "most improved place". Planning won the **Scottish Award for Quality in Planning** for their work around North Ayrshire Town Centre Audits!

1,243 jobs created
since **April 2016** by
businesses supported by
Business Development.

644 businesses are
receiving support
from Business
Development

Employability and Skills have
helped **818 unemployed**
people find work in
2017/18



Exceeding their target 18
months early!

100% of respondents
are satisfied with
Planning Services
since April
2016

HMIE Inspection for
Three Towns
Community Learning &
Development was very
positive

8 new Community
Management and
Ownership
initiatives have been
approved

£408,476 back in the
pockets of some of our
most vulnerable residents



10,259 opportunities
for promoting
democracy accessed by
Young People



Ardrossan to Brodick ferry routes saved!
Attracting **£15m**
investment



15,524 adult learning
opportunities accessed
that were provided by
Connected Communities

portal and
Townhouse
officially opened!



Since April 2017, **6.01 Full Time**
Equivalent (FTE) days were
lost to sickness.

The most common reason for
sickness absence was
musculo / skeletal or stress /
anxiety

6. Employees

6.1. Sickness Data

Economy and Communities were very slightly above the annual target of 6 FTE, with 6.01 FTE days lost due to sickness during 2017/18. The main reasons were musculo-skeletal problems, stress/anxiety and surgical procedures.

Services over the monthly target are Eglinton, Information & Culture and Protective Services. Regeneration and Tourism & the Coastal Economy reported no absences (4 and 10 months in a row respectively). A review of single day absence was carried out by Senior Managers following the last Performance Review meeting and, while no patterns were detected, monitoring continues.

6.2. Other Employee Information

The Employee Engagement Survey opened on the 23rd October 2017 and the response rate was 71.4% which gives us confidence in the robustness of the data. The engagement level was 76.4%, slightly lower than in 2015.

The main areas of strength are a strong belief in the purpose and priorities of the council; staff values; and teams striving to serve our customers and colleagues better. The most positive themes from the "one good thing" statements were helping our community, our people including external partners and the ability to work flexibly.

The areas that will be focused on are PPDs, working environment, communications and workload. This is in addition to the areas identified at council level.

The directorate made a decision to share all team data with all Senior Managers to allow them to compare results and learn from each other. Feedback is being discussed with staff, with all staff being encouraged to ask for further information. The approach is focused on the understanding that the results are "their data".

No area of the survey was analysed in isolation and key linkages between the various areas for improvement are being identified with staff. By observing these connections it is expected this will result in a much more impactful action plan.

7. External Evaluations

Community Learning and Development (CLD) partners within North Ayrshire Council and the Three Towns of Ardrossan, Saltcoats and Stevenston were inspected by Education Scotland during May 2017. The results of the inspection are very positive. Please see Quarter 2 Performance Review Report for further details.

Business Development requested an independent evaluation of their support provision from EKOS. They concluded provision is "highly regarded by both stakeholders and client business and has helped generate notable levels of new economic activity within North Ayrshire". Critical success factors include:

- › The involvement of the private sector in both leadership and strategy roles
- › The involvement of all relevant partners that have role within economic development
- › Strong buy-in around shared priorities
- › Pro-active business engagement
- › Strong growth pipeline
- › Tailored support and single point of contact
- › Greater integrated working between business support and other council services

Areas for improvement included the need for greater range of data gathering in terms of partnership input, addressing the potential for bottlenecks and clearer branding. Recommendations are being addressed.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Proud to be  Overall Council of the Year 2017

Place

Q4 Performance Review

2017/18

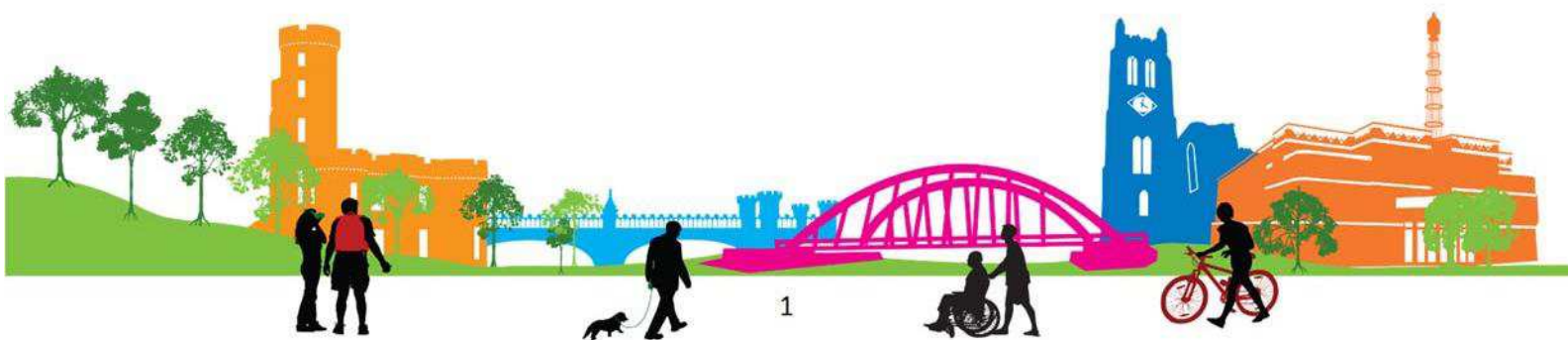
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Focus. Passion. Inspiration.



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1. Update on actions from last meeting in November 2017

	Action	Progress
1.	Continue to challenge short and long term absence taking account of triggers for short term absence Analyse the Monday/Fridays absences	Place Directorate continues to closely monitor all absences. Senior Managers are accountable to the Executive Director and produce monthly detailed reports to ensure absence management actions are taken in accordance with North Ayrshire Policy. Business Manager is working with Senior Managers and has produced trend analysis findings showing further areas for improvement. Meeting has taken place with Business Support and HR to review data/reports provided – outcome is more bespoke reporting.
2.	Investigate combining posts to create more flexibility in service delivery	Roads and Streetscene asset management staff have now been integrated to provide efficient service delivery. Restructure has taken place within Building Services and PMI to realign posts across governance, scoping of jobs and operations. At design stage, sustainability team work closely with the affordable housing team to identify and implement energy efficient features on new build developments.
3.	Consider how Place feed into Education and Youth Employment Early Years Expansion working groups to ensure robust intervention	The early year's model has now considered FM service provision. A transitional plan is being developed to support implementation.
4.	Investigate greater use of ParentPay to increase uptake of school meals	ParentPay has now been expanded to high schools – effective April 2018.
5.	Add performance overview to report	Completed

2. Our Priorities

Place Directorate

To improve the lives of North Ayrshire people and develop stronger communities

Strategic Priorities 2015-18 (2017 refresh)

Supporting all of our people to stay
safe, healthy and active

Protecting and enhancing the
environment for future generations

Service Priorities 2015-18 (2017 refresh)

Effective Asset Management

- Roads
- Property
- Housing
- Fleet
- Open Space
- Capital Projects

Environmental Sustainability

- Renewable Energy
- Sustainable Travel
- Waste Management
- Environmental Crime
- Energy Efficiency
- Flood Risk Management

Service Transformation

- Catering
- Enterprising
- Waste Management
- Property Management & Repair
- H&SCP Transport
- Housing First
- Locality Working

Safe Communities

- ASB Strategy
- Road Safety
- Housing Options
- Local Housing Strategy
- Council House Building
- Welfare Reform
- Equalities

Customer Service

- Efficient Processes
- Right First Time
- Communication
- Policies & Procedures
- Value for Money

3. Directorate Priorities

Priority One • Effective Asset Management

Key Highlights

- Working in partnership with client services the delivery of the Council's construction related capital projects including:
 - › Largs Campus (£51.93m);
 - › 28 new SHU at Glencairn House in Stevenson (£5.26m);
 - › "3G" synthetic football pitch at Kilwinning Academy (£0.65m);
 - › refurbishment of Robert Service Court SHU (£2.8m);
 - › refurbishment and extension of Loudon Montgomery Primary School (£0.70m);
 - › 34 new builds at Cheviot Gardens, Irvine (£4.58m).
- Retained the Freight Transport Association Van Excellence Accreditation. This not only recognises the high quality of our Transport Service but supports our municipalisation ambitions to retain external business and additional income.
- Developed a Community Engagement Strategy to support the delivery of grounds maintenance through participatory budgeting. A significant proportion of the grounds maintenance budget has been set aside to provide residents and businesses within communities the opportunity to influence the delivery of grounds maintenance service. As part of a pilot idea generation workshops have taken place in the 3 Towns to identify priorities, currently out for further consultation. Our approach has been recognised by the Scottish Government and a short film was commissioned to showcase the work completed by North Ayrshire.
- Appointed a partner to manage the Council's Industrial Property portfolio, including the supporting the delivery of physical improvements across the estate. These improvements will ensure the portfolio is more closely aligned with market requirements and support the requirements of local business. Improvements in condition, combined with a more uniform approach to leases and the eventual application of service charges, is also intended to increase the income to the Council and overall value of the portfolio.

Priority Updates

- External improvements to Auchenhavie Academy, Canal Court SHU and Quarry Road Phase 1 offices are currently on-site and progressing well. A programme of life-cycle improvement works has been undertaken to address condition issues across the corporate estate and improve and/or significantly enhance the life of our property assets. In addition several major projects have been progressed through initial design stages such as: the new Additional Support Needs Campus in Stevenston; new SHU, amenity bungalows and housing office at Sharon Street Dalry; new build housing development at Dickson Drive Irvine and refurbishment of Dickson Court SHU Beith.
- Completed infrastructure works to cemeteries at Lamlash, creating 20 new lairs, Kilbirnie New creating space for further 56 lairs, complex repairs to Beith Old Kirk walls, road repairs and new kerbing at Ardrossan and new path installed at Kilwinning to address draining/flooding issues.
- Continued to undertake significant investment within our housing stock with the replacement of windows in 46 homes, new bathrooms in 1400 homes, new kitchens in 270 homes, new central heating systems in 350 homes, re-wiring in 222 homes, new roofs and render on 816 homes, 101 external wall installations and £1m of energy efficiency improvements which:
 - › Replaced central heating systems in 50 houses,
 - › Installed external wall insulation to 8 houses, and
 - › Installed external wall and roof insulation to 27 houses.
- Resurfaced over 45 km of the road network, widening and resurfacing of 1.1 km of road at Lochranza, Arran.
- Completed a number of parapet upgrades in Kilwinning and Irvine, and strengthening works at Millburn & Blair bridges. Design was completed for culvert replacement at Gillies Hill with works programmed for early 2018/19.

Key Transformation Projects (see Service Transformation – priority 3)

Key Areas for focus for the next six months

- Continue to implement actions from the Open Space, Fleet, Roads Property and Housing Asset Management Plans, supporting investments, key areas include:
 - Continue to work with community groups with an interest in open space asset transfers and use technology to maximise effect in the recording of asset information.
 - Continuing to review commercialisation and further business development opportunities for our fleet.
 - Implement the strategy for inspection of roads assets and development of a maintenance programme.
 - Continue to develop and deliver projects within the general services capital programme and progress the rationalisation of the Council's property estate.
 - Continue to develop and deliver projects within the Strategic Housing Investment Plan and improve existing stock to achieve SHQS and EESSH standards.

Priority Two • Environmental Sustainability

Key Highlights

- Further carbon emission reduction of 7% in 17/18, as a result of our ambitious Environmental Sustainability & Climate Change Strategy. The five year reduction figure is 24%.
- Appointment of a delivery partner to install our solar panel retrofit programme on Council housing to alleviate fuel poverty and reduce carbon emissions. A revised business case was successfully developed during 2017/18 to provide free electricity as part of the installations. This was approved by Cabinet in March 2018, and installations are scheduled to begin on up to 500 properties in summer 2018. Financial savings for tenants totals £1m over the 20 year period of the scheme, with carbon savings of some 6,500 tonnes, as well as the leveraging in of £1.2m of UK Government feed-in tariff grant subsidy.
- Completion of our first district heating project, providing 100% renewable heat from biomass to our recently completed 28 unit Glencairn House sheltered housing complex and Glencairn Primary School in Stevenston. The heat tariff for tenants in the sheltered housing has been set at 4.5p per kilowatt hour, and does not include any punitive 'standing charges', thereby providing truly affordable warmth.
- Implementation of our pathfinder 'Non Domestic Energy Efficiency Programme', which has involved implementation of a variety of energy conservation measures across 14 Council owned buildings to deliver guaranteed gross savings of £100,000 per annum and carbon savings of 500 tonnes per annum. Examples include installation of energy efficient LED lighting at Irvine Royal Academy, and energy efficiency boiler replacement at West Kilbride PS. The project was completed in April 2018. The viability of a second phase of the programme will be considered during 2018/19.
- Through the Environmental Enforcement Pilot, 489 fixed penalty notices were issued for littering, fly-tipping, fly-posting and dog fouling in 2017/18. This initiative forms part of the Council's T2 transformation programme to alter service demand by deterring and thereby reducing environmental crime and has contributed to a 1.6% increase in street cleanliness standards as identified through the LEAMS survey.
- Closed Shewalton Landfill Site and put in place new more environmentally beneficial residual waste treatment arrangements.

Priority Updates

- Identification of a route to market for our white label energy supply. This involved research and market engagement during 2017/18 to establish a procurement strategy for a supply partner. Officers are preparing a report to Cabinet, scheduled for consideration in June 2018, to seek approval to enter into a partnership agreement with a white label supplier, in anticipation of a full launch in autumn 2018.
- Feasibility studies completed during 2017/18 for two further district heating schemes as part of new build housing proposals in Dalry and in Largs, comprising 169 properties in total. These schemes are scheduled for completion in 2019/20 and 2020/21 respectively.
- Implementation of Phase 3 of our 'Schools Energy Challenge'. This year's programme involved the Irvine Royal Academy and Ardrossan Academy cluster primary schools and realised reductions in energy consumption and waste, and an increase in active travel in each school.
- Installation of external wall insulation, using grant funding, to 205 privately owned homes, helping to alleviate fuel poverty and reduce carbon emissions in the private sector.
- Installation of innovative secondary hot water optimisation in 35 Council owned buildings to deliver gas and electricity savings of 44% against energy use associated with hot water provision.
- A review of the 24 Integrated Design Systems Projects undertaken from the University of Glasgow has identified a number of projects for progression to business cases including:
 - › Solar PV
 - › Heat Pumps
 - › Use of River Irvine to provide low carbon district heatingOfficers are meeting with University of Glasgow academic staff in June to discuss strategic development of the partnership. This follows positive feedback from the University on the level of support provided by Council officers to inform individual projects. As a result we will formally partner with the University on another set of ISDP projects in the 2018/19 academic year. We will also be discussing the feasibility of individual ISDP reports being taken forward by individual students as final year projects, furthering the value from this partnership to both the University and North Ayrshire Council.
- Completion of a feasibility study for growing biomass feedstock within the Council estate, to use within our biomass installations and/or for sale to the market. This will be developed into an investment grade business case during 2018/19.
- Garnock Connections is a Heritage Lottery funded partnership with RSPB, Scottish Natural Heritage and Scottish Wildlife Trust. Confirmation was received in March 2018 that we have been awarded £2m to deliver a range of environmental improvements in the River Garnock catchment area, including major habitat enhancement, access improvements, and training opportunities, making a significant contribution to delivery of our Local Biodiversity Action Plan 2015-18.
- Continual development of flood protection schemes at the Upper Garnock Valley and Millport:
 - › Results from the Upper Garnock Valley Public Hearing will be fed into the design of the scheme, which is scheduled to start when the scheme is approved in summer 2018.
 - › Development of additional options such as a replacement pier forming part of the flood protection works at Millport has been identified through community engagement.
- Appointed a partner as the long term provider of the pool car scheme following a successful pilot to reduce the environmental footprint of grey fleet mileage. Over 300,000 miles have been driven in the pool cars since the scheme's introduction in October 2015. 2018/19 will see the permanent CarShare solution capacity increasing to 33 cars with continued electric vehicle capacity.

- Completed a review of business travel arrangements, resulting in a new hierarchy for business travel to reduce carbon emissions and business mileage costs associated from 'grey fleet' miles.
- Approval of the Council's Zero Waste Strategy 2017-2022 which sets out priorities and actions meet the 60% household waste recycling national target by 2020. Our overall position is one of the best recycling Councils in Scotland at 55.3%.
- Working in partnership with Cunninghame Furniture Recycling Company, diverted 143 tonnes of material from landfill in 2017/18, enabling provision of 20 training and employment opportunities and supporting 2,049 residents in securing home furnishings.
- Completed Phase 1 of the low energy road lighting programme resulting in the conversion of over 13,500 units (56%), resulting in annual reductions of 3.12 MWh in energy consumption, 1664 Tonnes of CO2 and £337k in energy budget from the project start point.
- Meeting is scheduled for May 2018 to take forward the development of a single use plastic reduction strategy:
 - Working with other services to develop a Single-use Plastic Waste Prevention Action Plan and will be seeking Cabinet approval in June to support the move towards being a "Plastic-Free Council"
 - Working with the "Sustainable Arran" initiative with a view to Arran becoming a Sustainable Island. The initiative includes "Think About Plastic Arran" which aims for Arran's coastline to be plastic free, to achieve the Plastic Free Coastline status from Surfers Against Sewage which is a recognised accreditation process through the UK and beyond.
 - The Facilities Management Service has eliminated the annual use of over 600,000 plastic coated cartons and straws in 2017 by using re-usable beakers for serving milk and fruit juice in schools and are working with their suppliers to introduce fully biodegradable disposable food containers. The service also provided free reusable drink mugs to staff at Cunninghame House as part of the launch of the new cafeteria and are avoiding the use of plastic straws and stirrers.
- The Ayrshire Shoreline Management Plan has been developed, which will help to manage risks to people, assets and the environment as a result of tidal flooding and erosion. The draft plan went out to a 12 week public consultation on the 29 January 2018. The plan will then be presented to the Council for approval within the project target date.

Key Transformation Projects (see Service Transformation – priority 3)

Key Areas for focus for the next six months

- Continued implementation of the Councils Environmental Sustainability and Climate Change Strategy 2017-2020, in particular the installation of solar panels on 500 Council owned homes, launch of a new white label energy supply partnership, and continuing to develop and deliver further district heating schemes.
- Begin construction of 24 new Council homes at Dickson Drive, Irvine, which incorporates two 'sustainability demonstrator' homes, showcasing the latest in home energy efficiency and smart technology.
- Launch of a new Low Carbon Behaviour Strategy for Council staff, to help further reduce energy consumption in our own estate.
- Continued implementation of the Councils Zero Waste Strategy 2017-2022.
- Progression of the Flood Protection scheme at the Upper Garnock Valley and Millport.
- Begin work on a new Electric Vehicle Strategy for North Ayrshire.
- Continue to promote the permanent CarShare solution.
- Develop and implement Single-use Plastic Waste Prevention Action Plan.
- Ensuring that our capital construction projects, including our ambitious Council house building projects, reflect the latest sustainability technologies and standards.

Priority Three • Service Transformation

Key Highlights

The Directorate Transformation programme links directly with each of our five priorities and has delivered a number of key projects including:

- The introduction of Low Energy Street Lighting which realised savings of 104K. (Priority two Environmental Sustainability)
- Secured the Council's first external contract to provide catering services to the private sector and opened C4fe at Cunninghame House, providing catering services to staff as part of a municipalisation approach and generating additional income. (Priorities 3 & 5, Service Transformation/Customer Services)
- Commercial waste increased income by 48K through enhanced marketing exploring business growth opportunities.
- The implementation in October 2017 of revised household waste recycling opening hours has resulted in savings of 122K. (Priority 2 Environmental Sustainability)
- The implementation of a revised Roads and Streetscene model which increased the efficiency of the Service by 150K in 2017/18. (Priority 3 Service Transformation)
- Implementation of a revised rent structure, which has harmonised rents and is based on a fair and reasonable charging method. (Priority 5 - Customer Service)

Priority Updates

- Ground maintenance programme has been reviewed in preparation for participatory budgeting. The pilot for the Threetowns ground maintenance participatory budgeting will commence in April 2018.
- Street cleaning routes have been remodelled using route optimisation technology. This is providing a more efficient and effective street cleaning operation.
- Facilities Management developed its municipalisation approach through the operation of new cafes at the Portal and Garnock Campus and the provision of event catering at Saltcoats Town Hall and the Greenwood Centre, realising additional gross income of £198k in the first half of 2017/18.
- The implementation of a new integrated staffing structure to support new processes between elements of Building Services and PMI, to improve delivery of maintenance and repair programmes.
- Implemented stage 1 of new centralised model for CCTV monitoring of Fullerton Concierge Station.
- We have developed a pilot to support Education in their early years expansion by providing catering, cleaning and janitorial support as a new model to deliver the 2020, 1140 hours requirements.

Key Areas for focus for the next six months

- Ongoing development and delivery of all projects associated with the transformation Programme. Actions include specific operational reviews to deliver service improvements and the completion of all the actions included in all our strategic plans including Waste, Open Space, Environmental Sustainability, Climate Change and Local Housing.
- Continue to develop asset management techniques and systems to extend the lifecycle of assets through timely and appropriately planned investment. This includes the development of improved electronic asset management software and Building Information Management (BIM) processes and procedures.

- Continue to ensure the effective delivery of all our capital projects to support the Council's Key Strategic Priorities including our Council House building programme.
- The extension of the CCTV delivery model, and incorporating additional services including an out of hour's service.
- Continued development of our 'Municipalisation Approach' that maximises the utilisation of our assets, skills and capacity to foster an entrepreneurial spirit among services, off-set future efficiency savings and help achieve the strategic priorities of the Council.
- Rollout of the participatory budgeting for Grounds Maintenance across localities.
- Development of arrangements to introduce Decriminalised Parking Enforcement and parking controls across North Ayrshire through a refreshed Parking Strategy.

Priority Four · Safe Communities

Key Highlights

- Approval of the draft Local Housing Strategy 2018-2022 and associated Outcome Plan, for publication and submission to the Scottish Government.
- Increased the Council's housebuilding programme from 750 new homes to 1000 new homes for delivery by March 2022.
- Working in partnership with RSL's, other Council services and the Health & Social Care Partnership (HSCP), agreed a new Strategic Housing Investment Programme that will realise the construction of over 1500 new social homes by 2023.
- Continued to welcome Syrian refugees, bringing the total to 97 as part of the Council's 5 year humanitarian commitment to resettle 160 refugees in North Ayrshire.
- Served 22,005 meals in 2017/18 through the out of school term time activity and meals programme, following the transfer, where available of the programme into community buildings. (79.4% increase compared with 2016/17.)
- Developed option for consultation regarding the future provision of High Flats.
- The successful completion of our 'Housing First' pilot scheme, which resulted in minimising repeat homelessness and the use of temporary accommodation. The pilot initially focused on clients who were affected by mental health and/or addiction issues, offering permanent accommodation and support from initial contact, ensuring that clients remain settled in their tenancies with no reported offending behaviour.

Priority Updates

- Working in partnership with a number of services and DWP, a range of initiatives continue to be developed and implemented to mitigate the impacts of welfare reforms. Universal Credit full service was rolled out in November 2017 for North Ayrshire, we are still maintaining our sector leading performance, achieving 3.59% for gross rent arrears at the end of 2017/18 against a target of 4%.
- Completed project at Cheviot Gardens, Irvine consisting of 34 general needs, amenity and wheelchair new build housing and the refurbishment of 23 sheltered housing units at Robert W Service Court, Kilwinning.
- Purchased 15 ex local authority properties from the open market to bring back into social housing stock in 2017/18.
- Projects at Glencairn House, Stevenston consisting of 28 sheltered housing units; Canal Court sheltered housing redevelopment containing 36 units, incorporating a community hub and Dickson Court, Beith sheltered housing refurbishment consisting of 22 units are progressing on site.
- Continue to work with Police Scotland to investigate accidents and implement road safety improvements.
- Effective partnership working with the Health & Social Care Partnership (HSCP) has included the identification of several sites for development of new supported accommodation; a substantial increase in the number of adopted homes for our older people; and excellent joint working in relation to child protection.

Key Transformation Projects (see Service Transformation – priority 3)

Key Areas for focus for the next six months

- Implementation of the new Local Housing Strategy 2017-22.
- Continued development of the Council's increased house-building programme.
- Increase partnership working with private home owners to improve condition of mixed tenure housing stock.
- Continue to mitigate the impacts of the implementation of Universal Credit full service and the wider Welfare Reforms.
- Continue to develop the new partnership model for Community Safety.
- Following successful pilot, wider implementation as appropriate, of the 'Housing First' pilot.
- Increase the uptake in school meals by implementing a range of marketing activities and introducing toolkits in schools, in conjunction with Education and Youth Employment to encourage better eating/better learning, and support your people to make healthier choices.
- Undertake the consultation exercise and evaluate findings to inform the future provision of High Flats.
- Review of Homelessness service.
- Work with private sector landlords to improve housing conditions for tenants.

Priority Five • Customer Service

Key Highlights

- Housing Support service and Ardrossan Short Stay Hostel were inspected by the Care Inspectorate in February 2018 to assess the quality and performance of these services. Inspected provision was graded as being at level 6 - Excellent.
- Concierge Service – Customer Service Excellence awards. The concierge service continue to excel in Customer care as demonstrated by the re accreditation awarded to the service following inspection in April 2018.
- Introduction of a new structure within Building Services has seen an approx. 37% improvement on the average days taken to complete non-emergency housing repairs, resulting in top quartile position.
- Approval of Customer Connections - Housing Services' Tenant Participation Strategy 2017-22, setting out the strategic priorities for Housing Services over the next five years to actively develop and support tenant participation.
- A stronger approach to communication by the Roads & Streetscene Service supporting delivery of projects and, in particular, the winter maintenance programme, liaising with elected and community members, improving relativity and perception of the Services.
- Developed a Bereavement Charter, in conjunction with undertakers and local clergy.

Priority Updates

- Partnership approach to implementation of the Councils Gypsy/Traveller policy has contributed towards a 44% reduction in complaints and enquiries within Housing Services.
- 97.37% of tenants users were satisfied with the housing repairs and maintenance service received. The national average is 90%.
- Waste Resources awareness communication campaign "Right Stuff Right Bin" has focused on reducing contamination levels in recycling containers, residents have been advised of the change to organic waste collection frequency and Waste Awareness Officers have been communicating a textile recycling campaign to residents, aiming to reduce contamination in blue bins caused by textiles in the areas with highest levels of contamination.
- The impact of LED lighting has reduced reactive fault repair instructions. Lamps restored to working condition within seven days has improved to 96%.

Key Transformation Projects (see Service Transformation – priority 3)

Key Areas for focus for the next six months

- Continue to analyse complaint data to identify areas for improvement in service delivery.
- Continue to benchmark performance to identify areas for improvement and cost reduction.
- Following our Investors in People Platinum Accreditation for Housing in March 2017, continue to work towards the requirements of the new sixth generation of IiP.
- Implementation of a Bereavements Charter designed to ensure service excellence in Bereavement Services across North Ayrshire.
- Implement the Customer Connections - Housing Services' Tenant Participation Strategy for 2017-22.
- Review North Ayrshire Housing Allocation Policy in line with statutory guidance




4. Directorate Performance Indicators

The Directorate uses 54 key performance indicators that align to our priorities and link into the Council Plan, Directorate Plan and LGBF. 12 of these indicators are used to analyse trends and are recorded for data purposes only. Typically these indicators are informed by a range of sources some of which are outside the control of the Council but help build an evolving picture and inform decisions on future intervention and Service provision. The tables below highlight the good performance against our 54 measures of which 35 are meeting/exceeding target, 6 are slightly adrift and 1 is significantly adrift of target.

Please note that where end of year performance is not available, latest results have been used.





Council Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Council's Strategic Priorities.

Performance Information – Q4 2017/18				
Priority	No of Indicators			
4. Helping all of our people to stay safe, healthy and active	5	1	2	2
5. Protecting and enhancing the environment for future generations	3	1	1	1

Directorate Plan Performance Indicators Summary

The table below demonstrates a high level view of the progress made towards the Directorate Priorities.





Performance Information – Q4 2017/18					
Priority	No of Indicators				
4. Helping all of our people to stay safe, healthy and active	8	3	3	0	2
5. Protecting and enhancing the environment for future generations	22	20	1	0	1
Underpinning our service delivery	24	12	2	1	9

LGBF Indicators Summary

The table below demonstrates a high level view of the progress made towards our LGBF priorities

LGBF Indicators – Q4 2017/18				
Priority	No of Indicators			
Corporate	21	17	3	1

Performance Indicators – Red status

Description	Relevant Plan(s)	Q4 16/17	Q4 17/18	Short Term Trend	Long Term Trend	Current Value	Current Target	Latest Note
		Status	Status					
Number of days lost within 'Place' due to sickness absence	Directorate					11.10	9	A number of initiatives are in place to reduce sickness absence within the directorate including 'well-being Wednesdays', inoculations, mini-health checks, referrals to occupational health and our Business Manager, working with Senior Managers and has produced trend analysis findings showing further areas for investigation.

 The indicators slightly adrift of target are:

- Street cleanliness Index - % clean. Achieved 92.5% against a target of 94%. Although adrift of target performance has improved by 1.6%.
- % of tenancies to applicants who were assessed as homeless sustained for more than a year. Achieved 78.28% against a target of 81%.
- % uptake in school meals (Primary). Achieved 85.52% against a target of 87%.
- % uptake of school meals. Achieved 59.04% against a target of 60%.
- % of adults satisfied with street cleaning. Latest performance 78.33% against a target of 80%.
- % of adults satisfied with parks and open spaces. Latest performance 81% against a target of 88%.

The Improvement Service use a 3 year average for satisfaction taken from the Scottish Household Survey. The confidence interval for all figures are within 5.5%. This latest data on Scottish Government website is 'Scotland's People Annual Report Results from the 2016 Scottish Household Survey' published in September 2017.

Performance has slightly declined. We are reviewing what methods the Scottish Household Survey are using to collate information and improve satisfaction through greater community involvement. Performance monitoring is in place to improve operational performance and targeting of resources to areas of greatest need. We continue to improve cleanliness through Environmental Enforcement and Educational activities to reduce prevalence of litter requiring removal and continue to promote responsible behaviour.

Quarter 4 Summary Sheet Place

Capital projects completed
on time, within budget



Cheviot Gardens, Irvine

providing state of
the art learning,
working, living
and leisure
environments.



Cafe

Income 198K
from
Extended
Catering
offers



Robert W Service Court
refurbishment

Schools
Out!

Increase of
79.4% in out
of term meals



Largs Campus

96.9%
EESHH
compliance

Ranked 1st for void rent loss at 0.35%

Introduced
'Housing First' pilot
to reduce
repeat homelessness

Commitment to build
1000 affordable, energy
efficient new homes by 2020

revised rent structure
has harmonised rents

Housing Service rated as
best in Scotland
at providing high quality
services at low cost
By SHN

Approval of the Local Housing Strategy 2017-2022



97 Syrian refugees
resettled into the
community

7% Reduction



CO₂

Grounds Maintenance

Introduction of Participatory
budgeting through locality
partnership



1.6% improvement
street cleanliness

489 FPN's
issued



Expansion of the
CarShare scheme
to 30 vehicles

Approval of the Councils
Zero Waste Strategy
2017-2022



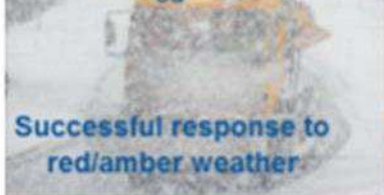
Revised household waste recycling
opening hours saving 122K
55.3% of household waste recycled

Approval of Connections
Housing Services



Tenant
Participation Strategy
2017-22

During extended winter peri-
od



Successful response to
red/amber weather

22%
improvement
on the
average days
taken to
complete
non emergency
housing repairs



Level 6 - Excellent for
the inspected provision
of Housing Support &
Short Stay Hostel
care
inspectorate

Concierge Service
8 compliance plus awards for
Customer Service Excellence



retained the recognition of
excellence for the
cornerstone of Van
Excellence

6 Employees

Sickness Data

In 2017/18 we lost 15641 days due to sickness absence (1409.11 FTEs) resulting in 11.10 average days lost per FTE against a target of 9 days. In comparison in 2016/17 we lost 14905 days (1466.98 FTEs) resulting in 10.16 average days lost per FTE.

Across the Directorate the highest reason for sickness absence is muscular/skeletal injury, to address this we have included the manual handling procedure, highlighting the six key principles of key movement to staff at team meetings and displayed in our staff newsletter and TV presentations throughout offices and depots.

Sickness absence is closely monitored within the parameters of the absence management procedures by Service Managers and forms part of the discussion at quarterly performance meetings.

Other Employee Information

Wellbeing Wednesdays

As part of our commitment to our workforce a number of health and wellbeing days for all of the Place Directorate staff across North Ayrshire continue to take place.

These events provide employees with a range of support services and advice, including:

- Flu vaccinations
- Cholesterol checks
- General health advice
- Mini physio sessions
- Back care advice
- KA Leisure information
- Money matters advice
- Health & safety advice
- Library Service

Staff Briefings

2017/18 Service Plan staff briefing sessions took place across the Directorate. The sessions gave information about the priorities for the Council, the Directorate as a whole as well as individual Services going forward. The Briefings also communicated information to staff about what is going on within other Services in the Directorate. The sessions give staff the opportunity to speak to senior management directly and raise any concerns they may have. Feedback about items raised at each of the sessions is provided to staff.

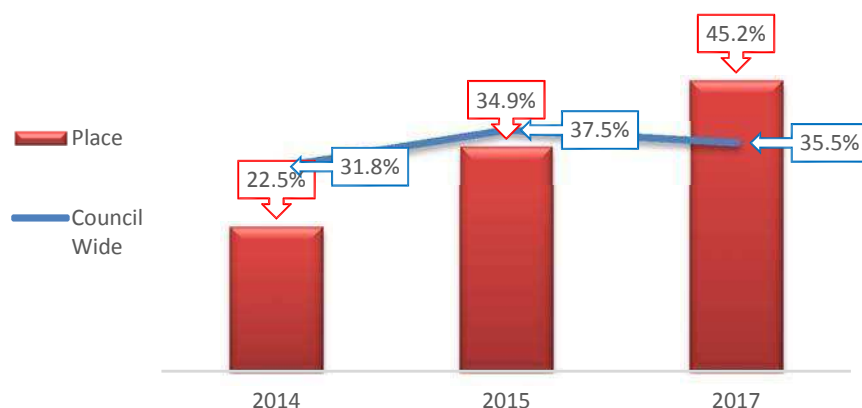
Employee Engagement

The 2017 Employee Engagement Survey has seen an overall positive result for Place with improved performance across all levels.

Ensuring that our staff feel fully engaged and empowered in relation to their own personal development and how we shape our services, both now and in the future, is hugely important to the continued success of the Directorate and our ability to deliver excellent value for money services to the residents of North Ayrshire.

The approach this year has enabled us to engage with those staff who historically have been harder to reach due to their job role, shift patterns, part time, remote location or where their role takes in a wider geographical area.

Overall Response rate of 45.2% shows Place being 9.7% above the Council average compared to 2.6% below the Council average in 2015.



8 External Evaluations

Physical Environment

Housing Service:

- Concierge Service – reaccreditation in the Customer Service Excellence awards. Awarded an additional 3 compliance pluses for going above and beyond. Service now has 8 compliance plus awards in total and no partial awards.
- The Care Inspectorate graded the inspected provision of Housing Support and Ardrossan Short Stay Hostel as being at Level 6 – Excellent. This performance has been consistent since 2013.

Following our Investors in People Platinum Accreditation for Housing in March 2017, continue to work towards the requirements of the new sixth generation of iIP.

Facilities Management:

- FM Soil Association Gold food for life accreditation. Evaluated annually.
- Education Scotland HM inspectorate in meeting food nutrition Standards.

Commercial Services

Transport Hub:

- Vehicle and Operator Standards Agency (VOSA) continued compliance of the Councils obligations and undertakings under the Operator's licence requirements.
- Driver and Vehicle Standards Agency (DVSA) Annual tachograph repair and calibration review. This allows the Council to continue to operate as an approved tachograph repair and calibration centre.

Roads & Transportation:

Report from The Office of the Scottish Road Works Commissioner has noted the improvements made in performance at North Ayrshire e.g:

- Reducing use of early starts notices from 53% to 26%
- Reducing use of late starts notices from 9% to 3%
- Reducing the use of works extensions notices from 24% to 17%
- Increasing the number of sample inspections carried out on utility works from 63% to 89%.



NORTH
AYRSHIRE

Joint Performance Review Report

Quarter 3 & 4 2017-18

(October 2017 – March 2018)

Version 1, 27th April 2018

TSI North
Ayrshire

scottishcare 
The voice of the independent care sector in Scotland


North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

NHS
Ayrshire
& Arran

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Introduction

The purpose of this report is to afford a high level overview of the progress made in 2017/18 by the Health & Social Care Partnership in delivering the 5 strategic priorities as set out in our 3 year strategic plan.

A glossary of acronyms used within this report is contained in Appendix 4.

Overview

The final year of our 3 year strategic plan proved as challenging as our previous years. We started off by carrying out an initial review of our Integration Scheme and along with our colleagues in East HSCP the initial consultation concluded that we did not need to make changes to the scheme as in its current form as it gives us the necessary framework to make the improvements necessary.

The winter period proved very challenging for our Health and Community Care Services. The impact of flu on staff as well as North Ayrshire residents has meant that our hospitals have been at crisis point. Our Care at Home service, Intermediate Care Teams and Locality teams have all worked together with our Acute colleagues to ensure people were discharged from hospital as soon and as safely as possible to keep capacity within the whole system.

As our financial position became clearer in the second six months of the year we, as is the position with the majority of Partnerships across Scotland, were forecasting an overspend position. Support of our 2017-18 overspend on the application of the Integration Scheme to the projected amount of £5.315m was agreed with a share to the value of £2.682m for North Ayrshire Council and £2.633m for NHS Ayrshire & Arran.

Our new Strategic Plan has been finalised. The focus of our new Strategic Plan will continue to emphasise the ongoing relevance of our 5 Strategic Priorities:

- Tackling Inequalities
- Engaging Communities
- Improving Mental Health and Wellbeing
- Bringing Service Together
- Prevention and Early Intervention

Phase one Challenge Fund projects are well under way and beginning to demonstrate that transformation is possible with greater detail provided throughout the report.

Our Locality Planning Forums have continued to focus on their priorities and are working closely with the CPP LPFs. They have all developed their engagement action plans and have been actively promoting their work at various other community groups.

Update on Actions from Previous Review Meeting

Action	By Whom	Progress Comment
Examine the percentage of staff with no sickness – currently 39%	HSCP	
Consider period for performance report	HSCP	
Consider how we can measure the impact of CPOs on reoffending rates	HSCP	
Continue to lobby CJA Board for North Ayrshire data	HSCP	
More work required to separate low and high acute stays including the story behind the data Update performance report with revised data	HSCP	
Raise issues with identifying trajectory targets before budget discussions are finalised with Geoff Huggins	HSCP	

Children, Families and Criminal Justice – Our Highlights

Intervention Services

North Ayrshire has seen a drop in the overall number of individual children referred to the Children's Reporter, from 2,018 in 2009/10 to 752 in 2016/17; this represents a decrease of 63%. We have gone from 1,737 individual children referred for Non-Offence grounds in 2009/10, to 696 in 2016/17, a 60% reduction. In terms of Offence referrals we went from 410 individual children referred on Offence grounds in 09/10, to 97 individual Children in 2016/17, this being a 76% reduction in the number of Children referred for offences. This is reflected in our benchmarking with other LAs where we have seen a positive trend in our ranking.

North Ayrshire has historically had among the highest level of referrals to the Children's Reporter in Scotland, and while there remains challenges, this month we have been able to capture the positive progress that we are making in referrals to the reporter. This is a positive indicator that our Early Intervention strategy is having a positive impact. In particular the introduction of the MAASH (Multi-agency Assessment and Screening Hub), has enabled us to work in partnership to support vulnerable and in need children, young people and families without the need for more statutory involvement from the Children's Reporter. This trend analysis, enables HSCP and our partners to understand that through early intervention and quality partnership working we are able to intervene at the point that a concern is identified and that only those who require consideration of compulsion are referred to the Reporter.

Justice Services

Justice Services have two of our teams in the final of the HSCP Awards, the Unpaid Work Team and the Fieldwork Team. We reviewed our annual Plan in March 2018 and have made remarkable progress on the commitments we made at the start of 2017. We are also at the stage of being able to advertise for a Desistance Officer, the first such post in Justice Services in Scotland. In recognition of our progress in service user engagement, we have been invited to present at the forthcoming Social Work Scotland Conference in June.

Universal Early Years

There has been a slight increase in numbers of women exclusively breastfeeding at first visit and 6 weeks review. Breast feeding rates at first visit are up from 22% in Q1 17/18 to 26% in Q2 17/18, at 6-8 weeks they are up from 14% to 17% over the same period.

There has also been a slight decrease in the number of children with BMI > 91st Centile at 27 month review. Children with BMI > 91st Centile down to 11% in Q2 17/18 from 13% in Q1 17/18.

We also achieved Community UNICEF Baby Friendly accreditation.

Children's Services & Quality Improvement Highlights:

Highlights over the previous 6 months have included the capital funding agreement for the Additional Support Needs 8 x bedded respite unit and 8 x bedded residential unit which will sit alongside the Additional Support Needs (ASN) school on the Auchenharvie school site.

We underwent an External Qualification Verifier assessment and it was reported there was high confidence identified in the maintenance of SQA standards within this verification Group across all 3 areas: Resources, Candidate Support and Internal Assessment and Verification.

Looked After & Accommodated Highlights

The Child Protection Team commenced in October 2017. The team comprises one Team Manager and seven social workers who are finding their new role pressurised but rewarding. In the first 6 months they have completed 90% of Child Protection reports within 14 days of notification of concern. 75% of Case Conferences have taken place within 21 days of notification of concern and from notification of child protection to case conference, the average days have reduced from 80 to 21 days. This has led to benefits of better communication and engagement with families, closer working relationships, particularly with health visitors and safeguarding midwives, Timeous responses in dealing with risk and safety to children and their families and better outcomes for children.

Fieldwork Services Highlights

North Ayrshire has completed their Stop to Listen Pathfinder. This aimed to develop child centred practice enabling children and young people to be heard effectively, to enable them to tell what has happened to them at their own pace and to improve staff confidence and competence surround Child Sexual Abuse. Currently, there is national evaluation on going regarding our Stop to Listen. This evaluation will focus on the changes the pathfinders applied in their localities and the learning captured from evaluating this.

Significant progress has been made with regards to Locality Planning. Kilwinning Academy will be the base for the new Kilwinning Locality Team, staff have been identified and the 24 multi agency staff will be co-located within Kilwinning Academy. Development of pathways in order to support Lead Professionals and Named Persons is underway with one session held and two others scheduled.

Children, Families and Criminal Justice – Our Challenges

Intervention Services

There continues to be pressure within the system around the number of young people who are in crisis and a risk to themselves. Consideration is ongoing as to how we identify such high risk young people earlier, enabling improved multi-agency approaches and subsequent outcomes for all. In a challenging financial environment this is not without its difficulties, the Team around Family (Named Person) model is anticipated to reach those most at risk earlier.

Justice Services

We have embraced the challenge of getting all our staff to use ViSOR. (Violent and Sex Offender Register) ViSOR is a database of records of those required to register with police under the Management of Offenders etc. (Scotland) Act 2005. ViSOR is accessed by police, social services and the prison service. ViSOR has never been routinely used by social services and this is a national issue. The Home Office, who provide ViSOR, now requires staff to be vetted at a high level before they are allowed to use the system. All our staff are committed to being vetted to use ViSOR and we have 6 staff attending ViSOR training in April 2018. Team Managers are prioritising worker time to include input to ViSOR. It is hoped that over the next year we will see a huge increase in our use of this information system.

Universal Early Years

High number of children with Speech, Language and Communication difficulties at 27 months assessment continues to present, which is a national trend, however with the introduction of integrating a Speech and Language Therapist into the Universal Early Years team will enhance service knowledge and accelerate access for children who require specialist intervention by a therapist or other clinical team member such as Audiologist.

Children's Services & Quality Improvement Challenges

The timeframe for planning the respite and residential unit to ensure best build design to meet the range of needs our children will be exciting and yet challenging.

There is ongoing activity within C&F Area Teams for undertaking case conferences within agreed timeframes and this now has to include Kinship care reviews. This increased workload will be challenging for the team.

Looked After & Accommodated Challenges

In terms of Fostering, a review of the service would be beneficial, in terms of recruitment and raising the profile of fostering. As well as support to foster carers, training, practical assistance and model of service delivery.

It is noted that the service has been much pressured and numbers have risen from 100 foster placements in 2008 to 180 in 2018 (80% increase) while at the same time staffing levels have decreased.

Fieldwork Services Challenges

Work has been undertaken with staff in order to consider ways to stream line processes, reduce bureaucracy and allow staff to make best use of their time. This has resulted in a number of changes to how staff complete their work. New paperwork and processes have been introduced as well as a new Duty System. The number of improvements have been required to introduce these on a phased basis. By the end of April 2018, all fieldwork teams will be using the new Child's Plan and CP1 Assessment.

Health and Community Care – Our Highlights

Overview

October 2017 to March 2018 was a challenging time for the Health and Community Care Team (HCC) as the pressures of increased activity and demand on services during the winter period were experienced across the health and social care system. I am immensely proud of the dedication, commitment, enthusiasm, creativity and dynamism demonstrated by my senior team and their teams.

Across all of our services, the HCC Team supported over 1800 hospital discharges in the six months to 31 March 2018 while preventing almost 350 admissions through targeted interventions. Securing that level of performance is particularly remarkable given the budgetary and workforce pressures that the teams were operating with.

This period has proven to be equally successful for the HCC Team, with sustained and improving qualitative performance, as determined by external assessors, secured in a number of areas.

A flavour of the successes achieved within each service area are described in turn below.

Community Care Services

The Care at Home Team increased the average number of care packages confirmed for patients in Crosshouse Hospital from 25 to 45 per week. We achieved this through recruitment of additional staff to the in-house service, while delivering further efficiencies in recycling capacity.

Two elements of the Care at Home Service were inspected by the Care Inspectorate. Both the Irvine, Garnock Valley & Community Alarm services and the Three Towns, North Coast & Arran Services performed very well and were awarded Grade 5s for Quality of Care & Support and for Quality of Management & Leadership. These services have demonstrated a strong improvement ethos for many years with consistent historic improvement now stretching back over 6 years.

Locality Services

With additional resources, the Locality Services Team were able to return to one admission for every discharge funding model for Care Home Placements. From a peak of 80 delayed discharges in November 2017, the team were able to reduce this to around 40 during any given week for the rest of the period.

Our Occupational Therapy Waiting List was almost 370 individuals waiting for an assessment, with the longest wait recorded at over one year. With a focus on screening the waiting list, as well as all new referrals to the service the waiting list had been reduced by over half while the maximum waiting time had been reduced to approximately 5 months.

Our Money Matters Team in 2017-18 delivered £8.6m in income generation for the most vulnerable in our community. This excellent work by the team has been recognised nationally, winning the Herald Society Team of the Year award recently.

The District Nursing service has continued to support increasing numbers of patients. Recruitment to the team in the Three Towns has eased some long-standing pressures, resulting in improved quantity and quality of service.

Finally, during this period NAHSCP participated in the first Multi-Agency Joint Inspection of Adult Support and Protection arrangements. The Joint Inspection Team determined that our Outcomes were Good; our Systems and Processes were Very Good; and our Management and Leadership were Very Good.

Rehabilitation and Intermediate Care Services

The Winter Plan Trajectory for the Intermediate Care Team was an ambitious 20% increase in referral rate from 25 to 30 new patients per week. This was facilitated by complementing the existing team with the enhanced skillset of the Salaried GP and temporary ANP. The Team exceeded this trajectory and averaged approximately 40 new referrals per week. The team also worked at shifting the source of referral from a 2:1 hospital: community to 1:1 balance thus supporting higher rates of discharges and also preventing admissions to acute hospitals

The pan-Ayrshire Business Case for the development of Rehabilitation and Intermediate Care was delivered to NHS management and approved.

The already Platinum IIP Award Winning Dirrans Centre was awarded Grade Gs across all aspects of the inspection criteria by the Care Inspectorate.

Long Term Conditions

Ward 1 performed very well throughout the second half of 2017/18, despite the reduced bed capacity. At the same time, Ward 2 delivered a level of throughput 100% above the winter plan trajectory. The Charge Nurse introduced dedicated end of life care beds within the ward, ensuring patients and their families, have the highest levels of nursing care from a dedicated team.

Both Wards were subject to an unannounced HAI Inspection in February 2018 and were complemented on the quality of the environment and knowledge of the staff. Particular praise was given to Ward 1 for its cleanliness which was as a result of the Charge Nurse who had established and sustained an improvement plan.

In preparation for the Carers Act the team have been working with Young Carers to develop and pilot a Young Carers Statement. In addition, the Team listened to feedback from Adult Carers before inviting them to design a Carers Assessment Tool. This has now been piloted and is rolling out from April 2018, NAHSCP will have the only Carers Assessment Tool in Scotland that has been designed by Carers for Carers.

Arran Services

Having reduced from 17 to 12 beds over summer 2017, the Arran War Memorial Team responded well to the pressures associated with the winter period. At two points over the Christmas period the Hospital experienced 100% occupancy with continued demand at the front door. The staff responded positively to this. At the same time, the integrated response demonstrated across health and social care ensured the Care at Home and Care Home capacity on the island was maximised to support the local population during these periods of particular pressure.

Towards the end of 2017/18 the Team were granted 2 years of funding from ARCAS to develop a cancer nursing service, dedicated to the provision of Palliative and End of Life Care. This additional funding will ease pressures on that service while the Team develop integrated Nursing Services across the Hospital, Community and Primary Care sectors.

Health and Community Care – Our Challenges

Community Care

The key challenge for the Community Care Team in the second half of 2017/18 has been to recruit to full establishment. At the same time, while the 'number of hours lost' to cancelled hospital discharges has reduced greatly, it continues to have an adverse impact on the responsiveness of this service. Similarly, while priority has been given to establishing packages to support discharge from hospital, resulting in the number of people in Crosshouse Hospital awaiting Care at Home being in single figures throughout the winter period, the community waiting list has remained significantly higher.

Locality Services

A key challenge for the Locality Services Team has been the continued demand for Care Home placements while the Care Home discharge rate has reduced markedly on the previous year, resulting in the numbers waiting on both the hospital and community waiting lists being much higher than desirable. At the same time, the planned changes to the Hospital Team have not been fully enacted, resulting in limited capacity and increasing workload for the Social Work staff. This is being actively managed and capacity will be addressed as part of the Discharge to Assess proposal that is being developed and will see individuals being discharged from Acute Care to have an assessment of their needs concluded. This will be central to the delivery of the planned savings in this area in 2018/19.

Rehabilitation and Intermediate Care

The fragility of the 'Enhanced' element of the Integrated Care Team was the biggest challenge for the Rehabilitation and Intermediate Care Team, with the temporary ANP having their secondment terminated by the South Ayrshire Health and Social Care Partnership, leaving only a part-time Salaried GP to support the wider team. The risks associated with this are being mitigated by recruiting to a substantive ANP and a further temporary ANP early in 2018/19.

Long Term Conditions

The budgetary pressures within Wards 1 and 2 was very challenging in that previous 6 months. Ward 1 overspend is a result of the workforce pressures and the need to staff at a level above establishment to maintain safe cover for the new ward environment following the move from Pavilion 3.

At the same time, the Team have been working closely with colleagues nationally and from Scottish Government to plan for the implementation of the Carers Act. The Regulations were only finalised at the end of March 2018, leaving the Team with extremely limited time to establish the local processes, paperwork, systems, guidance and charging policy necessary to support the Act.

Arran Services

While there has been significant progress made towards integrating teams on Arran with a view to delivering a new, fully integrated Hub with Single Point of Contact, the development of a business case to support this has been delayed due to revised advice from the Estates Team. The new process, has been developed and will be progressed in line with the timescales agreed with the Estates Team.

Mental Health Services –Our Highlights

Addiction Services

In Ward 5, the importance of ensuring that physical health checks are undertaken at our Addictions multi-disciplinary team clinics has meant that timeous support has been put in place for a number of clients. In the last 3 months, 5 individuals have been assessed and then supported to attend A&E and the Combined Assessment Unit due to potentially life threatening conditions.

Laura Mitchell, Principal Clinical Psychologist, has joined our Addiction Services. Laura will be invaluable in supporting staff in the delivery of psychological interventions whilst also carrying a caseload supporting a small number of service users with complex needs.

CAMHs

The progressive actions associated with service redesign in Kilwinning locality drawing together services, individuals and resources has been the highlight. This has been a demonstration of collective action and an opportunity to change practice, influence service model and future delivery. This has ensured timeous response, mapping and scoping of need and sound recommendations. Future proofing has been the objective and placing young people and their families at the forefront.

In-patients

Woodland View welcomed Dr Philippa Whitford MP in November 2017, who was very complimentary of the facilities and welcomed the investment in our local area.

Promoting attendance remains a focus for activity and to this end a pan Ayrshire and cross service summit was held in September 2017 to discuss common issues and generated a number of potential solutions/improvements. Within inpatient services there has been a general improvement in sickness absence rates.

There have been a number of announced and unannounced Mental Welfare Commission review visits across inpatient services. There has been very positive feedback across all. The physical environment at Woodland View has particularly been recognised in terms of its design and positive impact for patient care.

Psychiatric Liaison

Significant development work continued with regards to the planning of the new National Secure Adolescent Inpatient Service (NSAIS) with senior managers and clinicians being involved in design workshops and visiting other existing provisions locally and in England to help inform our design.

Work continues to the new Warrix Avenue facility as part of the Tarryholme Drive development, which will function as a step down model from inpatient rehabilitation services.

Ward 6 has been recognised nationally as an area of progressive and innovative practice in their approach to low secure services through their clinical care model and use of zonal observations that balances the need for security and safety with least restrictive practices in avoiding the use of enhanced observations.

Learning Disability Services

The initial pilot for the redesign of overnight sleepover support for people with learning disability was very successful. All packages of care involving sleepover supports across North Ayrshire (n=79) are to be reviewed for their potential to be changed to maximise people's independence. This work is ongoing, and all reviews should be done by end of July. The work in relation to sleepovers has been accepted for a poster presentation at the NHS Scotland conference in June.

Allocation of respite in line with the new provision (42 nights instead of 56, in order to support more equitable allocation) has taken place, supported by a successful series of consultation events. A small number of complaints have been received in relation to this, and all have been responded to. Learning from the most recent round of respite allocation is being used to inform development of a revised timeline for the process, which will structure the allocation for the 2019-20 period.

The development of Tarryholme Drive is progressing well and is giving us the opportunity to explore new opportunities for Day Service provision. As part of this work, Fergushill Day Centre has undertaken a 'skills bank' survey of its staff, to identify opportunities for developing its programme of activities, and staff themselves. This work will benefit Fergushill now, and inform future activity within Tarryholme.

Community Mental Health Services

Wellbeing and Recovery College pilot started in March. There are 12 courses being held across each of the localities between March and June. These cover a range of subjects, including Living Life to the Full, Wellness Recovery Action Planning, Write to Recovery, Peer to Peer training and Stress Less! Some of the courses are already over-subscribed and attendance levels have been high for the courses that have started. Further courses are planned for autumn 2018.

Maureen watt, Minister for Mental Health visited the Ayrshire College. Paul Hough [(Student Wellbeing Liaison Officer) (Ayrshire College)] did exceptionally well in conveying his role and all of the fantastic work he has done. The Minister advised that Ayrshire is her "go to place" when looking for best practice in the field of mental health services and how Ayrshire lead the way in so many areas across Scotland.

Mental Health Services – Our Challenges

Addiction Services

It continues to be frustrating and challenging for NADARS partnership staff having to use 2 client electronic records (CareFirst and CarePartner). Select NAC staff have successfully trialled accessing CareFirst whilst away from their team base via their mobile phone linked to the laptop (Positive feedback from staff allowing more face to face time with clients, seeing more clients, reduction of travel etc.). NHS staff have not been permitted to undertake this pilot illustrating the ongoing differences to staff within the Partnership.

The lack of uncertainty about funding has created difficulties for staff and clients about longer term support and care planning needs.

CAMHs

The most significant challenge to CAMHs and is reflected in complaints, is wait times, especially neuro-development and conditions like autism and ADHD. The context of this is linked to the broader challenge of significant referrals to specialist CAMHs across a range of conditions and age groups.

In-patients

Progress to identify alternative support options for individuals within Lochranza have not progressed as well as had been hoped. A key issue is the South Partnership's agreement to the financial model to support discharges. There was a sudden peak in clinical activity across Woodland View and Ailsa sites during the Christmas period. Through flexible use of staff and adjustment to shift patterns and allocation of available staff the requirement for agency support was minimised however, services remaining projected to deliver well below the required 50% reduction in spend on agency.

Physical environmental concerns have been raised by the Mental Welfare Commission again with regards to the EMH inpatient setting at Ailsa. Concerns are even starker now given the difference in environments between Ailsa and Woodland View.

Progress has been slower than anticipated in the purchase of forensic beds by neighbouring Boards that is key to financial sustainability of this model. A lot of work has been undertaken in engaging with other Boards and there will be a number of referrals to Ward 6 and 7C that will achieve income in 2018/19.

Learning Disability Services

Staff retention and recruitment continues to be challenging. There has been a significant loss in the numbers of practitioners across the Learning Disability teams and replacing these experienced staff is proving difficult. Leadership capacity is also proving challenging with the project management post for LD change project (Sleepovers) ending in March 2018, with responsibilities being distributed across a number of staff. A job description for a Development post for LD Strategy has been developed and ratified, and will be advertised. Transition issues will also be an issue with regard to the cessation of the current interim-Senior Manager for Learning Disability post, interviews for which will take place on the 12th of April.





Community Mental Health Services

There continues to be challenges in capacity of the MHO service. While a full time MHO has been recruited to build capacity, this has been offset by MHOs leaving the service or being absent. Challenges with staffing are exacerbated by a steady increase in the number of AWI applications. The service continues to train as many new MHOs as possible as a longer term strategy to enable the local authority to meet statutory responsibilities.






Waiting times continue to be an issue in both Social Work aspect of the service and within some interventions within PCMHT. We continue to monitor these areas and strive to look at ways to reduce the waiting times.

Report Summary

The tables below demonstrate a high level view of the progress made towards the 3 year HSCP Strategic Plan during the quarter four period (January - March).

Performance Information						
Priority	No. of Indicators					
Tackling Inequalities	13	4	1	2	3	3
Engaging Communities	6	3	-	-	-	3
Bringing Services Together	16	8	-	4	2	2
Prevention and early intervention	24	14	-	5	1	4
Improving mental health and wellbeing	4	1	-	3	-	-

Partnership Actions			
Priority	No. of Actions	No. Complete Actions	Actions in Progress
Tackling Inequalities	4	4	-
Engaging Communities	3	3	-
Bringing Services Together	4	4	-
Prevention and early intervention	4	4	-
Improving mental health and wellbeing	3	3	-

					
On target	Slightly adrift	Significantly Adrift	Data only	Target to be set	Long Term Trend - shows the performance of indicator over the full lifespan of the indicator


























Some NHS indicators are reported one quarter behind. In tables below NHS data is Q2 and Q3

1. Tackling Inequalities



Reducing poverty and the gap between the richest and poorest supports increased economic participation, improved social cohesion and builds stronger communities.



Last 2 Quarters												
PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
T11	Number of young people working on activity agreements	8	12			13	16			Q4 2017/18	Successful Learners & Responsible Citizens	
T12	The amount of income generated (£) for service users by the Money Matters Service	£6,630,199	£5,946,060			£8,686,858	£7,928,080			Q4 2017/18	Inequalities	
T13	Percentage of individuals subject to level 1 Community Payback Order Unpaid Work completed within three months	98.29%	57%			95.3%	57%			Q4 2017/18	Community Safety	
T14	Percentage of Referrals to CMHT living in SIMD 20% most deprived areas.	60%	TBC			62%	TBC			Q4 2017/18	Inequalities	
T15	Number of Adult/LD/CAMHS in out of area units (North Ayrshire Residents)	33 (Q2)				33 (Q3)				Q4 2017/18	Effective Use of Resources	
T16	Percent of young people completing Activity Agreement that went on to a Positive Destination. Rosemount, Throughcare/Aftercare	83%	55%			70%	55%			Q4 2017/18	Successful Learners and responsible citizens	

Last 2 Quarters

PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
TI7	Balance of Care for looked after children: % of children being looked after in the Community	87.61%	90%			88.16%	90%			Q4 2017/18	Positive Life chances	LGBF
TI8	Number of LAAC who have 3 or more moves in the past 12 months	12	10			12	10			Q4 2017/18	Best Start Possible	
TI9	Number of Naloxone Kits Supplied	132 (Q2)	TBC			48 (Q3)	10			Q3 2017/18	Healthier	
TI10	Average number of tenancy placement moves experienced by young people, Supported by Aftercare, prior to a permanent allocation.	2.58	Data only			2.2	Data only			Q4 2017/18	Positive Life Chances	
TI11	Number of people attending Cafe Solace	1,931	Data only			1482	Data only			Q4 2017/18	Positive Experiences	
TI12	Percentage of formerly looked after young people entitled to aftercare in employment, education or training	40.54%	38%			47.67%	38%			Q4 2017/18	Successful Learners and responsible citizens	
TI13	Number of volunteers working with Cafe Solace	28	Data only			24	Data only			Q4 2017/18	Positive Experiences	

1. Tackling Inequalities

Action Title	Status	Action update	% Complete
<p>We will work to reduce the impact of health inequalities on you and your family</p> <p>T11,5,13</p>		<p>Tackling Inequalities continues to be a high priority for the partnership. Work is continuing to identify how we can provide greater levels of support to areas with higher levels of deprivation. We are now making better use of local intelligence to inform planning decisions at the strategic and locality level.</p> <p>The next phase of development of the Locality Planning Forums will be to improve the capacity for Community Engagement. Having engaged well with local services, locality forums will now actively seek to engage with local people and communities. Further development for engagement purposes is now being planned to help support locality forums in future consultation purposes.</p> <p>In publishing the Pan-Ayrshire shared equality outcomes, we are now committed to delivering actions set out in the Pan Ayrshire action plan. Many of these actions relate to engaging with and improving the lives of people from diverse backgrounds, cultures and with varying levels of need. The Partnership's Engagement and Participation strategy sets out our intention to focus on how best to engage with harder to reach and marginalised groups.</p> <p>We continue to deliver the Promoting Equality training on a Pan Ayrshire basis twice a year with the next round of training taking place in April 2018. Training in relation to Religious Diversity and Anti-discriminatory practice has now been developed and has already delivered 2 sessions during March, to 27 members of staff.</p>	100%
<p>We will work with partners to help people who use our service to identify and deal with their financial difficulties</p>		<p>In quarter four the Money Matters Service generated 2,056,659.28 for local people through Income Maximisation. During the period, the service received 1259 enquiries, allocated 562 Cases, with a further 91 awaiting decision.</p>	100%

Action Title	Status	Action update	% Complete
TI 2		Also, the service received 44 appeal referrals from North Ayrshire Citizen's Advice Service (NACAS) during the quarter four period. Money Matters referred 42 Welfare Rights and 23 Debt enquires to NACAS. Going forward, NACAS will no longer be a partner with Money Matters Service.	
<p>We will maximise the potential for you to work</p> <p>TI 1,6,12</p>		<p>We now have seven young people with care experience engaged in Modern Apprenticeship posts within North Ayrshire Council and this will continue for the foreseeable future.</p> <p>The Young Person Support Team continues to deliver on the Duke of Edinburgh Award scheme as well as the John Muir awards.</p> <p>Young people within the Rosemount Project have continued to be supported through the Activity Agreement towards positive destinations. Further, the Rosemount project has continued to work with the National Galleries of Scotland, once again resulting in the launch of a gallery of the young people's work in Edinburgh, to high acclaimed. The team have committed to another year of partnership with the Gallery.</p> <p>The Throughcare team have continued to work with individual young people and supported them to enhance life skills on an individual basis as well as to attend Activity Agreements and other opportunities elsewhere.</p> <p>The TCAT Employability Project came to a planned conclusion on 30 June 2017. A project evaluation showed that of the businesses and organisations that attended the Ayrshire wide seminars, half have changed policy and practice as a direct result. This has helped around 300 individuals with employability support. Opportunities are emerging to maintain and develop employability services for people affected by cancer and other health conditions.</p>	100%
We will provide support to help keep you safe from harm		The Child Protection & Safeguarding Team was launched in October 2017, consisting of seven social workers and one Team Manager. Now based at Cunningham House, the team is making positive progress in demonstrating faster responses to CP activity.	100%



Action Title	Status	Action update	% Complete
TI 3,4,7,9		<p>There has been further reduction in enhanced observations within adult acute Mental Health setting. Model of care work continues in Ward 8 and wider piece of work as to nurse led approaches to application and reduction of enhanced observation levels will be undertaken in 2018/19. A Slips, Trips and Falls assessment/recording tool continues to be piloted too early to extrapolate results as yet, will continue into 2018/19.</p> <p>In relation to Addictions Service there has been a positive uptake of Brief Intervention for Recreational Drug use training from staff. Management have agreed that all NADARS staff will undertake this training in North Ayrshire.</p> <p>Smart technology continues to be rolled out further as remaining service users will have canary systems installed in their home to gather data to identify appropriate support required. Business plan drafted re Response Service to ensure individual safety if overnight supports withdrawn. Work will progress into next strategic planning cycle</p> <p>No change as still awaiting Scottish Government guidance and legislation. Expected implementation early 2019. Information sharing bill that affects the Named Person and Child's Plan will not be completed until later in 2018 and then will have to proceed through the parliamentary process.</p>	


2. Engaging Communities

We know that people in communities have a critical role to play in supporting each other and in designing services to meet local needs.

		Last 2 Quarters										
PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	Q3 2017/18	Q4 2017/18
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
		Status										
EC1	Number of Adults accessing Direct Payments	115	TBC	?	↑	112	TBC	?	↓	Q4 2017/18	Independent	
EC2	Number of Children accessing Direct Payments	40		?	↓	42		?	↓	Q4 2017/18	Positive Life chances	
EC3	Percentage of fostered looked after and accommodated children who are accommodated in an in-house foster	92.98%	80%	✓	↑	92.77%	80%	✓	↑	Q4 2017/18	Positive Life chances	
EC4	Number of MH/LD Adults accessing Direct Payments	52	TBC	?	↑	51	TBC	?	↑	Q4 2017/18	Independent	
EC5	Actively recruit new in-house foster carers	102	85	✓	↑	103	85	✓	↑	Q4 2017/18	Best Start Possible	
EC6	Number of LD service users in voluntary placements.	67	43	✓	↓	67	43	✓	↓	Q4 2017/18	Independent	

2. Engaging Communities











Action Title	Status	Action update	% Complete
We will work with local communities		<p>The next phase of development of the Locality Planning Forums will be to improve the capacity for Community Engagement. Having engaged well with local services, locality forums will now actively seek to engage with local people and communities. Further development and confirmation on suitable training is required, however this will be progressed in 2018/19.</p> <p>In addition to Locality Planning forums undertaking direct community engagement, locality based community link workers continue to identify and record local services, organisations and support groups.</p>	100%
We will improve how we involve and engage with local communities		<p>The HSCPs new engagement and participation strategy will set out the Partnership's direction in terms of engaging with local communities. In addition, the partnership will once more take part in the nation 'What Matters to You?' conversation in June 2018. This time around, the partnership will seek to take a more targeted approach and attempt to engage with those considered 'hardest to reach'.</p> <p>Further, the partnership will once more take part in the nation 'What Matters to You?' conversation in June 2018. This time, the partnership will seek to take a more targeted approach and attempt to engage with those considered 'hardest to reach'.</p> <p>Community Connectors continue to meet with local groups and services, maintain Carena and Facebook to ensure up to date and relevant information is available to the residents of North Ayrshire. Carena Information Kiosks are now installed in 11 sites in North Ayrshire including ten GP practices and Bridgegate House. The remaining 9 kiosks will be completed over the next few months.</p> <p>In terms of digital media, the Partnership's own website was launched in January 2018 and continues to build up its content. Our twitter account continues to grow and now has 1,677 followers and HSCP information is regularly tweeted from the platform. New to this platform is the weekly publication of a performance infographic detailing key Partnership service activity.</p>	100%

Action Title	Status	Action update	% Complete
		Foster Carers in North Ayrshire now have their own Facebook page, providing a forum for carers to share information and advice. A similar page will be developed for Kinship Carers.	
<p>We will build on the strengths of local communities</p> <p>EC 5, 6</p>		<p>The Community Link Worker service is delivered in 19 practices. Plans to deliver the service in the remaining practices are being developed. Community Link Workers provide a social prescribing service to local people, effectively referring patients back to alternative opportunities within their own communities that can help address symptoms of illness. The service is also offered to patients of a cross border practice that is geographically situated in North Ayrshire but is managed within another Board area.</p> <p>Community Link Workers continue to provide valuable advice to local people on alternative opportunities and services that support them to improve their health and wellbeing. The team maintain a good knowledge of local services available in communities in order to appropriately support local people.</p>	100%

3. Bringing Services Together

The Partnership provides significant opportunities to integrate services and ultimately to enhance the experience of the people and the carers who use these services.



Last 2 Quarters

PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
BST1	Number of days people spend in hospital when they are ready to be discharged (Bed days lost).	Published data unavailable										
BST2	Average length of stay on an Acute Mental Health Ward	Published data unavailable										
BST3	Percentage of CP Concerns referrals from Health practitioners	11.8%	6%			18.4%	6%			Q4 2017/18	Positive Life chances	
BST4	Number of bed days saved by ICES providing alternative to acute hospital admission	Published data unavailable										
BST5	Number of referrals for equipment	1,851	TBC			1,680	TBC			Q4 2017/18	Independent	
BST6	Average waiting time for referral for equipment from Stores	2	TBC			3	TBC			Q4 2017/18	Independent	

Last 2 Quarters

PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
BST7	Average working days lost to sickness absence per employee. (HSCP NAC Staff)	11.07	8.25			15.38	11			Q4 2017/18	Engaged Workforce	
BST8	Percentage working days lost to sickness absence (HSCP NHS Staff)	6.18	4			6.19	4			Q4 2017/18	Engaged Workforce	
BST9	Number of Occupied bed days lost while waiting for Care at Home package	1,407				513				Q4 2017/18	Effective Use of Resources	
BST10	Percentage of purchased care service covered by a contract	78.67% (Q1)	70%			85% (Q4)	70%			Q4 2017/18	Effective Use of Resources	
	Emergency Admissions to Acute Hospitals Rate per 1000*	13	13.3		December 2017	11.7	12.6			January 2018		MSG
	Admissions from Emergency Dept. Rate per 1000*	9.4	8.5		December 2017	8	8.7			January 2018		MSG
	Unscheduled Hospital Bed days in acute rate per 1000 *	80.5	87.4		December 2017	70.2	97.6			January 2018		MSG


Last 2 Quarters



PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
	Emergency Dept. attendances Rate per 1000*	24.4	22.4		December 2017	22.6	23.4			January 2018		MSG
	Number of Delayed Discharges bed days (all reasons) rate per 1000*	13.9	20.2		December 2017	11.9	21.6			January 2018		MSG
	Number of Delayed Discharges bed days (Code 9) rate per 1000*	1.8	6.0		December 2017	2	8.4			January 2018		MSG


* In January 2017 the Ministerial Strategy Group for Health and Community Care (MSG) identified a suite of indicators that it would monitor to show the effectiveness of Integration. The MSG indicators above are measured against our projected trajectory as calculated for Scottish Government. These figures are reported monthly rather than quarterly. The numbers associated with the rates for the previous 6 months are detailed in Appendix 3.

Rate per 1000 calculated against North Ayrshire Adult {18+} population {National Records for Scotland - Midyear estimates 2015}

3. Bringing Services Together

Action Title	Status	Action update	% Complete
<p>We will work together to provide better services</p> <p>BST 1, 3, 4, 10</p>		<p>In response to the Carer (Scotland) Act that came into force on 1st April 2018, we have developed an Adult Support plan and a young carer's statement. Both were developed by carers for carers.</p> <p>On Arran the Implementation of all review recommendations continue to be implemented and are progressing well.</p> <p>In Inpatient Mental Health Services, Warrix Avenue planning continues and physical works will commence in April 2018.</p> <p>In NADARS, drop-in session's times and dates have been identified for wider partners and community reference. A meeting is arranged (May 2018) to promote the drop in sessions with Alcohol Liaison.</p> <p>Duty response continues to be refined to ensure that all referrals are managed by the right discipline at the right time and systems are updated to reflect interventions and timely response.</p> <p>Further, Joint locality meetings are working well with excellent examples of joint assessment and working practices. A review the agendas for these meetings and management observation of some meetings has taken place to ensure that all staff are engaged and involved in feedback and potential refinement of any processes.</p> <p>In Community Mental Health the MDT Pilot is now due to start in May for 12 weeks. The preferred accommodation for the integrated services has now been agreed as Three Towns Resource Centre. Updates will be provided as part of the next strategic planning cycle.</p> <p>In CAMHS, we continue to develop the locality model, further developing relationships with colleagues from Education. Development continues in relation to establishing an integrated referral criteria and shared intervention model. Work will continue into the new strategic planning cycle. In furthering the Marr College</p>	100%

Action Title	Status	Action update	% Complete
		<p>project, information continues to be gathered from each Ayrshire partnership area to inform the future practice of the integrated cluster models. Development work in this area will continue into the new strategic planning cycle.</p> <p>In residential children's units, the number and frequency of children absconding has reduced and it is felt that work by staff has been a positive factor. The Looked After scrutiny group continues to work to progress care plans for children and young people in residential care which again has proved positive.</p>	
We will develop services around local communities		<p>In Community Mental Health, the MDT Pilot has been delayed slightly and will now commence in May for 12 weeks.</p> <p>In CAMHS, the Marr programme is now focussing on scaling up and the nursing resource has been linking with Prestwick academy to further develop the locality model. Detailed analysis of activity has helped inform performance and associated RTT implications. Work will continue into the new strategic planning cycle.</p>	100%
We will work more closely with GPs and primary care		<p>The first meeting of the MDT pilot team is scheduled for late April 2018. This will include colleagues from various health and social care services (GPs, MH, and Social Work) as well as housing colleagues. The MDT team's model will continue to develop in the next strategic planning cycle.</p> <p>There are four preferred Mental Health Link Practitioner posts have been identified and will be in post soon. The GP practices to be supported by the Link Practitioners have been identified.</p> <p>In Learning Disability Services, the Interim Service Manager continues to be a member of the Kilwinning locality partnership forum, looking to deliver on locality Health and Wellbeing priorities in coordination with local GP practices.</p> <p>Steady progress is being made in the recruitment and training of pharmacists and pharmacy technicians to manage acute and repeat prescriptions, taking demand and pressure from GP practices.</p>	100%

Action Title	Status	Action update	% Complete
We will improve the quality of the services we provide		<p>The Learning & Development team continue to contribute to joint training. Examples include working with NHS libraries around training in Research Skills. The Team also continue to contribute to qualifying Care at Home Workers for SSSC Registration.</p> <p>Challenge fund projects continue and are leading on service change reviews.</p>	100%

4. Prevention & Early Intervention

Dealing with problems at an early stage can increase the chances of positive outcomes for people, reduce costs and prevent issues from becoming much more serious and difficult to address.

		Last 2 Quarters										
PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
PEI1	Number of Service users receiving Care at Home	2,024	1,703	✓	↑	2,021	1,703	✓	↑	Q3 2017/18	Independent	
PEI2	Number of community care service users (65+) that have a community alarm installed in their place of residence.	3,447	2,800	✓	↑	3,526	2,800	✓	↑	Q4 2017/18	Independent	
PEI3	The number of community care service users that have an enhanced telecare unit installed in their place of residence	878	600	✓	↑	917	600	✓	↑	Q4 2017/18	Independent	
PEI4	Percentage of people aged 65+ with intensive needs (plus 10 hours) receiving care at home. (Annual only)					30.13%	34%	⛔	↓	2016/17 (Annual)	Quality of Life	LGBF
PEI5	Percentage of ICES service users seen within 1 day of referral	Published data unavailable										
PEI6	Average Length of Secure Remands	0	90	✓	↑	0	90	✓	↑	Q4 2017/18	Positive Life chances	




Last 2 Quarters


PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
PEI7	Percentage of ASP Inquiries completed within 5 days	56.1%				56.5%				Q4 2017/18	Safe	
PEI8	Addictions referrals to Treatment within 3 weeks (Alcohol)	94.8%	90%			94.9%	90%			Q3 2017/18	Healthier	LDP
PEI9	Addictions referrals to Treatment within 3 weeks (Drugs)	96.9%	90%			97%	90%			Q3 2017/18	Healthier	LDP
PEI10	Number of ABIs Delivered (Priority Area)	Published data unavailable										
PEI11	Number of ABIs Delivered (Non Priority Area)	Published data unavailable										
PEI12	Number of children who have been through SNAP who have been sustained within their local school	100%	100%			100%	100%			Q4 2017/18	Successful Learners and responsible citizens	
PEI13	Preschool children protected from disease through % uptake of child immunisation programme (Rotavirus)	Published data unavailable										
PEI14	Preschool children protected from disease through % uptake of child immunisation programme (MMR1)	Published data unavailable										

Last 2 Quarters

PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome	National Indicator
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend			
PEI15	Number of people referred to Flexible Intervention service	25	TBC	?	↓	21	TBC	?	↓	Q4 2017/18	Quality of Life	
PEI16	Number of interventions completed by FIS	23	TBC	?	↑	9	TBC	?	↓	Q4 2017/18	Quality of Life	
PEI17	Number of Hospital Admissions to Ward 1	Published data unavailable										
PEI18	Care at Home capacity lost due to cancelled hospital discharges (Hrs)	4,512.49	3,000	⬮	↓	6,305.42	4,000	⬮	↓	Q4 2017/18	Effective Use of Resources	
PEI19	Number of patients waiting for CAH package (Hospital)	162	80	⬮	↓	50	80	⬮	↓	Q4 2017/18	Effective Use of Resources	
PEI20	Number of Service Users delayed due to funding being confirmed	50	0	⬮	↓	29	0	⬮	↓	Q4 2017/18	Effective Use of Resources	
PEI21	Number of Service Users delayed in discharge to a care home after funding confirmed	88	30	⬮	↓	11	30	⬮	↓	Q4 2017/18	Effective Use of Resources	
PEI22	Number of People delayed awaiting CAH Package (Community)	43	80	✅	↑	50	80	✅	↑	Q4 2017/18	Effective Use of Resources	
PEI23	% of babies breastfeed at 6/8 weeks old	14.34% (Q2)	18%	✅	↓	19.84% (Q3)	18%	✅	↑	Q3 2017/18	Best Start Possible	
PEI24	Number of secure remands for under 18s	0	5	✅	↑	0	5	✅	↑	Q4 2017/18	Positive Life chances	

4. Prevention & Early Intervention

Action Title	Status	Action update	% Complete
<p>We will promote good health and wellbeing</p> <p>PEI 8, 9, 10, 11, 13, 23</p>		<p>The Evaluation of Adult Support and Protection services was completed in June 2017 and identified a number of recommendations for improvements many of which were adopted and now under implementation.</p> <p>Maintenance of CareNA to ensure information is up to date and relevant continues. The possibilities of working with NHS inform to enhance information available continues to be explored.</p> <p>Community Link Workers are now operating in 19 General Practices across North Ayrshire. This includes the social prescribing service which is also offered to patients of a cross border practice that is geographically situated in North Ayrshire but is managed within another Board area.</p> <p>In relation to the Named Person service, requests for assistance continue to be received and processed. A service directory has been developed and uploaded to GLOW for use by education practitioners.</p>	100%
<p>We will identify target groups through research and screening</p> <p>PEI 12, 13, 14</p>		<p>TEC-enabled care is being trialled in the management and diagnosis of conditions such as hypertension and CPOD. The TEC team are helping GP practices to increase the number of patients being treated.</p> <p>Mental Health Inpatient service continues to strive to ensure access to national screening programmes also for those in longer term inpatient care.</p> <p>A key focus within the new Engagement and Participation Strategy is to actively identify and engage with those considered hardest to reach. This work will be progressed in 2018-19.</p>	100%
<p>We will support individual needs</p>		<p>Telecare has continued to meet its trajectory in relation to new users and the pilot project with Scottish Ambulance Service continues to prevent hospital admissions.</p>	100%



Action Title	Status	Action update	% Complete
PEI 11, 12, 13, 14, 15, 16, 17		<p>The Tender Specification for future Care at Home services has been completed and has been published on Public Contract Scotland.</p> <p>The Reablement Service continues to support individuals to maximum independence and allow them to live their lives with minimum or no intervention.</p> <p>In relation to the Universal Early Years challenge fund project, all staff are now in post with exception of Speech and Language Therapist who will start in April 18. Requests for assistance are processed via Named Person Service. Family Nurturers and Mental Health Nurse are currently supporting families.</p>	
<p>We will support people who care for others</p> <p>PEI 5, 8, 9, 10, 11</p>		<p>The evaluation of the Stop to Listen Pathfinder is now ongoing at the national level, incorporating the feedback from all 4 pilot sites (North Ayrshire included). Learning from this work will be used to inform future service developments.</p> <p>Health Inpatient worker from Health Improvement Scotland is currently shadowing Community Care fieldwork teams. The seconded post is looking to gather learning to inform further developments. This post will continue until May 2018.</p> <p>In Universal Early Years, discussions continue around the coding of additional fields on child records in relation to recording of children's views. Final changes to the Childs Plan and Assessments on Care partner continues to be discussed. All work will be completed in accordance with project timelines by June 2018.</p> <p>In community care, befriending and tackling social loneliness continue to be a key focus of intervention to allow people to have a break when they need it. Children's Services continues to deliver respite support, as required, to families of children with learning disabilities. In learning Disability Service the review of respite is almost complete and will introduce eligibility criteria, respite grading and booking system to improve access to the service.</p>	100%


5. Improving Mental Health & Well Being

Good mental health impacts positively on individuals, families and communities.

		Last 2 Quarters									
PI No.	Performance Indicator	Q3 2017/18				Q4 2017/18				Performance Data Last Update	National Outcome
		Value	Target	Status	Long Trend	Value	Target	Status	Long Trend		
IMH1	Number waiting for PCMHT (North) more than 18 weeks	Published data unavailable									
IMH2	Referral to Treatment Times – Psychological Therapies (North)										
IMH3	CAMHS – Percentage of patients seen within 18 weeks (Pan–Ayrshire)										
IMH4	Number of accepted CAMHS Referrals with presenting complaint of anxiety or depression (including low mood/depression)										

5. Improving Mental Health & Well being

Action Title	Status	Action update	% Complete
<p>We will improve the services available to support mental health and wellbeing</p> <p>IMH 1, 2</p>		<p>The Community Mental Health Teams continue to provide a service to people with Dementia and their families, including the offer of a minimum of 1 years post diagnostic support. In addition, Memory Cafes continue to develop and are very well attended.</p> <p>The Crisis Response Team business case has been tabled and presented at SPOG, the outcome of this is they fully support the business case. A decision is yet to be made regarding finances to implement the business case.</p> <p>In Mental Health Inpatient Services, the development of the liaison service and additional resource for Mental Health Advance Nurse Practitioners has created more resilience in the system to meet demand. Further refinement is ongoing to redirect and support those who inappropriately present to Woodland View.</p> <p>A working group has been established to develop the Excellence in Specialist Care in Dementia. This will review current practice and help prepare for the forthcoming national report and associated recommendations. It has been noted that particular Ward 3 Woodland View will be cited as areas of gold standard practice.</p> <p>To help support carers, a support and information service will be piloted during the summer of 2018.</p> <p>In Child and Adolescent Mental Health Services, the neuro-developmental pathway model has been successfully launched and rolled out across Ayrshire, with identified good practice shared between partners.</p>	100%
We will follow the Mental Health Strategy for Scotland		A performance development session took place in May 2017, with further progress made on PIs. The developed Logic Model has been submitted to Scottish Government, as part of the national consolation for	100%

Action Title	Status	Action update	% Complete
		<p>Mental Health Outcomes, for consideration. Service is yet awaiting feedback. This work will be progressed in the next strategic planning cycle</p> <p>In engaging with service users and carers the work of the Mental Health Public Reference Group continues, with a new chair having been appointed. Going forward, the group will be subject to review and it is intended that the group is involved with the review of participation and engagement activity.</p> <p>Actions to tackle discrimination are embedded within the mental health change programme. One example of action includes the Action Plan produced by NADARS to consider and take forward appropriate actions based on recommendations from the Scottish Transgender Alliance research into transgender experience of Addictions Services.</p> <p>Development work in relation to best use of information systems, continues as part of the Information Systems Steering group. Some aspects of assistive technology are being considered in the redesign of Overnight support packages for those with learning disabilities. Work will be progressed in the next strategic planning cycle.</p>	
<p>We will develop new services to meet local needs</p> <p>IMH 3, 4</p>		<p>The roll out the Opiate Replacement Therapy (ORT) prescribing and support model continues with increased numbers being supported by the additional prescribing disciplines (for example, ANP, Pharmacist and GP primary care prescriber). A cost pressure has been submitted for funding to implement the final Phase three of the model in 2018/19 but no budget has been confirmed as yet.</p> <p>In CAMHS, we have now recruited two nurse posts to develop the relationship with community paediatrics and children and young people with developmental disability. This will build on the future service model.</p> <p>Work has been progressed with colleagues in housing and there is an established programme of building included in the SHIP, to realise a range of supported accommodation models, however, these builds will not be realised until the earliest, 2021. The Tarryholme Drive project, progresses according to plan with first stage build of Community Mental Health Rehabilitation unit, scheduled for completion sept 2018. Full refurbishment of main block completed by March 2019.</p>	100%

6. Performance against National Objectives

The table below details the matrix of Performance indicators. It maps our indicators against the national outcomes and the 5 Strategic Priorities.

Strategic Priorities /National Outcome	Bringing Services Together	Engaging Communities	Improving Mental Health & Well Being	Prevention & Early Intervention	Tackling Inequalities	Grand Total
Effective Use of Resources	2			6	1	9
Healthier	7		4	4	1	16
Independent	2	3		3		8
Inequalities					2	2
Quality of Life	2			4		6
Positive Experience					2	2
Safe				1		1
Children's Outcomes	1	3		6	6	16
Criminal Justice Outcomes					1	1
Carers Supported						0
Engaged Workforce	2					2
Grand Total	16	6	4	24	13	63

7. Change Programme 2017-18

PROJECT	STATUS
Develop Primary Care services in Local Communities	<p>The vision to wrap services around GP Practices, developing multi-disciplinary teams which engage at an early stage is starting to develop.</p> <p>The following work has taken place:</p> <ul style="list-style-type: none"> Kilwinning Medical Practice has been selected for development to become an exemplar site for General Practice Multi-disciplinary Team working. This work will launch on the 25TH April. The approval of the new GP contract for Scotland has identified the need to develop both a core and enhanced MDT team by 2021. The HSCP has now implemented the Community Link Workers programme and 6 are now in post. On the 14th December 2017 the IJB approved the recruitment of an additional 5 Community Link workers to ensure all practices in North Ayrshire receive appropriate support and these are at recruitment. Kilwinning Medical Practice has now produced an evaluation report about its work in Buckreddan Nursing Home. On 14th Dec 2017 the IJB approved 6 month extension of this work to allow for mainstreaming of this work to be developed.
Develop and deliver a new strategy for Mental Health and Learning Disabilities	<p>Work carried out in Quarter 3 and 4 is as follows:</p> <p>Computerised CBT</p> <ul style="list-style-type: none"> 1191 referrals total with 692 from North 573 are active and 47 have completed all 8 sessions. 354 have not engaged with the programme in total and have been discharged. We are looking at a pilot in South to get GPs to engage further with patients who do not take it up initially. Further roll out is planned in the coming months <p>Community Mental Health Teams</p> <ul style="list-style-type: none"> Accommodation costs for combining teams has been scoped. Impacting on learning disability and NADARS teams. Monies to be sourced from NHS Capital fund to upgrade the buildings. <p>Woodland View</p> <ul style="list-style-type: none"> Low Secure/Forensic Steering Group met and working groups agreed to take the programme forward National Secure Adolescent Inpatient Services Capital Business Case Development with three further workshops. Working groups have been agreed and meeting dates sought. <p>Learning Disabilities</p> <p>Review of day services-</p> <ul style="list-style-type: none"> A Review of service is underway with sub groups looking at programme of activity, structure of the day and workforce, staff events are being planned in the near future. A carers and service user walk round of TDP took place on 18th and 20th September Engagement with families, carers and service users will begin in May 2018 The new model will be in place for September 2018 for testing before the move to THD <p>Review of Respite Services-</p> <ul style="list-style-type: none"> Priority work stream at present due to present difficulties Respite criteria, no of nights provided and booking system have been reviewed-no of weeks has been reduced from 8 weeks to 6 weeks and allocation of respite will be based on assessed need, new assessment tool is now being implemented.

	<ul style="list-style-type: none"> • Service user and carer consultation events have taken place. • Review complete and closed <p>Tarryholm Drive: Supported Accommodation-</p> <ul style="list-style-type: none"> • Service user and carer event took place at TDP on 18th and 20th September. • Tenders for the building work have been delayed slightly. <p>Assessment and Treatment -</p> <ul style="list-style-type: none"> • Due to reconfiguration of the environment within houses 4-6 this has freed up House 7 for the out of area patient returning from Wasthills • Due to the number of retrials and absence level currently the staffing model is being reviewed and in the interim a bank LD staff nurse post is being advertised <p>Integration of teams-</p> <ul style="list-style-type: none"> • Work stream is on hold at present <p>Sleepover Provision Review-</p> <ul style="list-style-type: none"> • Cluster pilots have now been evaluated • Consultation events have taken place with support providers • Action learning sets have been attended in June and September with all other HSCPs • All service users have been notified by letter than a review will be undertaken of their overnight support packages
Support the needs of Older People and Adults with Complex Care Needs	<p>New Models of Care Older for People And People With Complex Care Needs has been re-focussed and deconstructed into its component parts – in order to provide a more focussed and detailed breakdown of the work. This will begin with a single model for rehabilitation and intermediate care. In addition, we are developing New Models for Care for our island populations on Arran and Cumbrae. The following activity took place in Q4:</p> <ul style="list-style-type: none"> • Update new business cases for PWC Review • Rehab and Intermediate Care - Leads Group (agree future model) • PMO meeting and business case review and feedback • Further development of Clinical Leadership Approach • Outline business case to Senior Manager /Assistant Director for review and sign off • Intermediate Care & Reablement Model to Programme Board • Business Case to SPOG 17/11/17 • Business case sign off by SPOG 8/12/17 • Business Case to Scrutiny 20/12/17 • Business case now provided to Scottish Government and Intermediate Care and Reablement Board work has commenced.
Build Teams around Children	<p>Establishing teams of professionals in each of the six localities in North Ayrshire who work together and, as far as is possible, are located in the one base will ensure that children, young people and families who need additional support have the right professionals around them. Activity carried out in Q4 is as follows:</p> <ul style="list-style-type: none"> • Locality work stream meetings commenced. • Kilwinning Academy approved as accommodation for Kilwinning locality team. • Restructure of children and families Team Managers to align with locality plans. • Team Manager identified for Kilwinning Locality. • Consultation with Irvine Children and Families Fieldwork Team and expressions of interest invited for Kilwinning locality – closing date 29th January 2018. • Planning for Locality Workshop on 15th February initiated. • Model in place by end May 2018

8. Employee Attendance

Staff absence up to 31st March 2018 is detailed in Appendix 1 with tables 1 (NAC Staff Group) and table 2 (NHS staff). Staff absence cannot as yet be compiled as one staffing group.

Sickness absence from NAC staff in the partnership is 40% above target of 11 days at 15.4 days. This is a significant increase on Q2 performance of 29.8% above target. Only 3 teams are performing better than target. Compared to the same period in the previous year sickness absence has worsened by 4% from 14.8 days.

NHS sickness absence for staff in the partnership to March 2018 was 6.19%. This is 37.6% above the 4.5% target, and is the same as the Q2 figure of 6.19%. Compared to the same period in 2016-17 there has been a 6.5% improvement from 6.62%.

A Challenge Fund Project has been identified to tackle sickness absence across the partnership in 2017-18. As part of this, additional provision has been made for staff to directly access counselling and physiotherapy services.

9. Compliments and Complaints

Complaints/compliments continue to be recorded in the two parent organisations. There is a development to centralise complaints recording within the partnership.

Complaints (NAC) responded to in the year are detailed in the table below (the figures below are provisional until the finalised figures are received):

HSCP Section	Responded to In time		Responded to out-with Time		% Responded to In Time		
	Complaint Stage		Complaint Stage		Complaint Stage		
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2	Stage 3
Children Families and Criminal Justice	19	24	9	3	68%	89%	-
Health and Community Care	27	9	11	8	71%	53%	-
Mental Health and Addictions	8	4	1	1	89%	80%	-

Complaints (NHS Mental Health) responded to in Quarter 3 and 4 are detailed in the table below. Numbers are for pan-Ayrshire as data cannot be broken down by partnership.

% responded to within 20 day deadline – Q3 - 33%, Q4 - 39%

% acknowledged within 3 working days - 100%

Speciality	Oct	Nov	Dec	Jan	Feb	Mar	Total
General medicine	1	-	-	-	-	-	1
Rehabilitation medicine	1	-	-	-	-	-	1
General psychiatry	1	1	-	1	3	-	6
Community psychiatry	-	2	-	-	-	1	3
Child and Adult Psychiatry	8	5	-	5	3	-	21
Forensic psychiatry	1	-	-	-	-	-	1
Psychiatry of old age	-	2	-	-	-	2	4
Learning disability (mental handicap)	-	1	-	-	-	-	1
Clinical Psychology	1	1	1	-	2	1	6
Mental Health Nursing	-	3	-	-	1	-	4
Community Psychiatric Nursing	-	1	-	-	-	-	1
Community Nursing (District Nursing)	-	-	1	-	-	-	1
Health Visiting	-	1	1	-	-	-	2
Addictions	5	3	3	1	-	-	12
Totals:	18	20	6	7	9	7	67

Councillor Enquiries

Directorate	Department	No. of requests closed	No. closed on time	% closed on time	Average no. of days to resolve Stage Ones	Target (days)
Health & Social Care Partnership	Children, Families & Crim Justice	13	9	69%	4.2	5
	Health & Community Care	65	35	54%	6.4	5
	Mental Health	7	2	29%	9.9	5
	Total	85	46	54%	6.4	5

MP/MSP Enquiries

Directorate	Department	No. of requests handled	No. close on time	% closed on time	Average no. of days to resolve	Target (days)
Health & Social Care Partnership	Children, Families & Crim Justice	9	5	56%	10.2	10
	Health & Community Care	21	9	43%	10.5	10
	Mental Health	8	4	50%	10.6	10
	Total	37	20	54%	10.5	10

77 compliments were recorded in last 6 months of 2017-18, on NAC system. Zero compliments were received by NHS in this period. In addition 16 compliments were recorded through the Care Opinion system. Some examples of the compliments received are detailed below:

	Health and Community Care	HCC • Money Matters	HCC – Locality Services	CFCJ – Intervention Services	Other	NHS	Care Opinion	Grand Total
Compliment	63	2	5	1	2	0	16	93

- › *Thank you for all your help and kindness with **'s dad. As you know looking after an elderly person can be challenging and you made it so much easier. For now he is content to be back home.*
- › *The carers were all very nice. A simple chat made a difference to my wellbeing.*
- › *I thought that it was good that the carers encouraged me to do for myself, as it helps me regain my independence. All carers were great, they all go the extra mile by asking if anything else was required before leaving. I miss them all and their cheery banter.*
- › *Many thanks to you and your colleagues for a fascinating and informative day. Please pass on grateful thanks to all the workers, both in your office and at the Pathways Centre for sharing their*

valuable time. Children and Families in Irvine are fortunate to have such a team of dedicated professionals supporting them.

- › I would like to give Thanks for the professional service of Clare Calderwood of Money Matters Team her knowledge is excellent and most helpful and Very understanding. But the real highlight of her talent is that she does not make you feel below her she understands the situations. A credit to the Money matters team alongside her Colleague Catherine.***

10. Finance Requested

Full financial report is available in Appendix 2.

NAHSCP 2017/18 Financial Outturn

The final outturn is £3.537m overspent for 2017/18. Added to the £3.245m deficit brought forward from 2016/17 results in a closing deficit of £6.782m of which £0.971m will be funded by the NHS and £5.811m will require to be repaid to NAC in future years.

The main areas of pressure in the year were:

- Looked After and Accommodate Children (LAAC) with £0.587m in fostering, adoption and kinship, £1.381m in residential school placements and £0.235m in relation to the delayed closure of the children's unit.
- LD Care Packages £0.757m
- Mental Health Inpatients £1.258m of which £0.700m relates to the sale of beds at Woodland View.

These were partially offset by underspends in the following areas:

- Care at Home £0.273m
- MH Lead Partnership exc MH inpatients £1.067m. This includes £0.307m from the MH funding allocations from the Scottish Govt.

Moving Forward

NAHSCP has developed a robust financial plan for 2018/19 which includes additional funding for the 2017/18 pressure in LAAC and LD care packages as well as demand and demography increases for 2018/19.

Savings also included those arising from the use of the Challenge fund.

To support the IJB to operate within its financial envelope in 2018/19, NAHSCP will:-

- Bring a transformation and change agenda to the forefront
- Look to address current culture, practise and models of care across areas and in ways that focus on a reduction in statutory sector care with primacy being given to self-management, familial support and sign-posting to non-statutory alternatives.
- Create a financial framework to allow detailed monitoring of month to month spending allowing early identification of potential overspends and hence allowing early corrective action to be put in place
- Maximise savings achievable from the Challenge Fund Phase 1 & 2
- Continue to target absence and overtime.
- The action plan from the budget management audit will be rolled out to ensure operational budget management arrangements are tightened and fit for purpose to improve financial performance.

In addition to this, monthly monitoring and progress of all savings and Challenge fund projects will be undertaken and reported on alongside budgetary performance, with any projects delivering adversely versus the agreed plans being highlighted at the earliest opportunity and having corrective action agreed accordingly.

Note that this figures quoted in the table and narrative are draft subject to completion of the annual accounts.

11. Appendices

Appendix 1 - Staff Absence

Table 1a 2017-18 Data

Days Lost per FTE	FTE	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	YTD Target	Variance
Bus Sup - Operations	162.46	0.82	1.11	1.24	0.82	1.08	0.97	1.21	1.27	0.97	1.29	0.92	0.64	12.3	7.5	4.84
Bus Sup - Strategy	13.00	0	0	0	0	0	0	0	0	0.38	0	0.23	0	0.61	7.5	-6.89
CF - Fieldwork	121.66	0.7	0.79	0.98	0.87	1.12	1.02	0.91	0.94	1.44	1.98	1.31	1.18	13.2	7.5	5.74
CF - Intervent Serv	76.80	0.51	1.19	1.45	1.73	1.32	1.18	0.45	1.06	1.12	1.36	1.84	2.42	15.6	7.5	8.13
CF - Justice Services	52.40	2.1	1.24	1.42	1.18	1.85	1.53	1.81	3.08	1.96	2.25	2.74	2.25	23.4	7.5	15.91
CF - LAAC	107.71	1.64	1.51	1.27	0.84	1.51	0.88	1.1	1.17	1.24	1.32	1.72	1.3	15.5	10	5.5
CF - Pract Dev & Rev	13.00	0.55	1.11	1.22	0.78	1.59	0.74	0.46	0.77	0.08	0.85	0.38	0	8.53	4	4.53
CF - Univer Early Yrs	8.40	0.11	1.53	2.33	0	1.56	0.95	2.97	1.62	0.83	0.95	0.19	0	13	7.5	5.54
HCC - Arran Services	8.14	3.75	2.21	2.21	0	0	0	0.77	1.23	0.12	0	0.31	2.33	12.9	7.5	5.43
HCC - Comm Care Serv	512.18	1.1	1.35	1.4	1.29	1.43	1.1	1.37	1.55	1.29	1.45	1.33	1.37	16	11	5.03
HCC - Locality Cumbræ	82.43	1.13	1.05	1.15	0.62	1.14	1.33	1.27	1.11	1.34	1.57	1.79	1.87	15.4	7.5	7.87
HCC - Long Term Cond	22.14	1.35	1.59	0.93	0.78	1.36	1.79	1.56	1.11	1.42	1.56	2.21	2.31	18	7.5	10.47
HCC - Rehab & Reable	23.00	1.13	0.83	1.13	0.17	1.25	1.33	0.78	1.7	1.27	0.96	1.26	0.58	12.4	7.5	4.89
HSCP - Finance	2.00	0	0	0	0	0	0	0	0	0	0.5	0	1	1.5	4	-2.5
Management Team	8.00	0	0.63	0	0	1.75	0	0	0	0	0	0.75	0	3.13	4	-0.87
MHS - Addictions	17.60	1.54	2.23	1.6	1.12	0.59	0.27	1.18	2.48	2.57	2.77	3.64	2.72	22.7	7.5	15.21
MHS - Community	18.10	0.1	0.73	2.72	1.1	1.68	1.1	1.57	1.99	1.94	1.82	0.22	1.22	16.2	7.5	8.69
MHS - Learning Diff	50.97	1.15	2.21	2.32	2.07	2.25	1.51	1.68	2.35	2.46	2.47	1.66	1.63	23.8	7.5	16.26
Plan & Performance	19.80	0	0.06	0.11	0.39	0.67	1.12	1.24	0.69	0.27	0.15	0.05	1.08	5.83	4	1.83
HSCP	1,319.77	1.05	1.25	1.33	1.08	1.35	1.08	1.21	1.42	1.3	1.5	1.41	1.4	15.4	11	4.38

Table 1b 2016-17 Data

Days Lost per FTE	FTE*	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	YTD Target	Variance
C&F - Fam Pl/Disab	29.27	0.02	0.00	0.00	0.59	0.11	0.14	0.35	0.07	0.24	0.20	1.09	1.20	4.01	5.00	-0.99
C&F - Fieldwork	97.84	1.92	1.78	2.05	1.67	1.58	0.80	1.36	1.44	1.33	0.62	1.02	0.97	16.54	6.00	10.54
C&F - Policy & Practice	7.00	0.00	0.50	0.00	0.13	0.00	0.00	0.00	0.07	1.00	0.00	0.14	0.14	1.98	4.00	-2.02
C&F - Residential/Thcare	103.27	1.14	1.31	1.00	0.46	0.81	1.27	1.46	1.67	2.06	2.21	2.03	1.73	17.15	10.00	7.15
C&F - Specialist Support	87.43	1.50	1.27	0.99	0.82	0.89	1.13	1.16	1.42	1.00	1.32	1.58	1.39	14.47	7.50	6.97
CC - Assess & Enablement	41.10	0.40	1.07	1.08	1.81	0.58	0.51	0.95	0.37	0.33	0.38	1.64	1.07	10.19	7.50	2.69
CC - Fieldwork	4.99	2.84	1.50	3.15	2.43	0.00	0.00	2.65	3.58	2.77	5.52	5.96	6.85	37.25	7.50	29.75
CC - MH/LD	76.42	1.96	1.37	0.80	0.68	1.09	1.12	0.68	1.36	1.65	1.60	2.14	1.62	16.07	7.50	8.57
CC - Personalisation	2.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	7.50	-5.50
CC - Service Delivery	529.55	1.27	1.12	1.06	1.20	1.38	1.26	1.09	1.10	1.06	1.12	1.16	1.25	14.07	11.00	3.07
CC - Care Manage & Review	48.23	2.33	1.57	0.71	0.62	0.95	1.30	1.42	2.20	1.04	0.88	0.70	1.00	14.72	7.50	7.22
Criminal Justice	63.60	1.31	1.93	1.93	1.49	1.92	1.83	1.38	1.76	1.92	1.44	2.28	2.70	21.89	7.50	14.39
Practice & Performance	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50	-7.50
Res - Business Support	183.79	1.39	1.14	1.12	1.14	0.91	1.15	1.54	1.32	0.99	1.07	1.02	0.87	13.66	7.50	6.16
Res - Finance	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50	-7.50
Res - Money Matters	19.00	0.14	0.00	0.00	0.00	0.06	0.55	1.39	1.88	0.94	1.26	0.59	0.66	7.47	5.00	2.47
Res - Planning & Perform	6.80	1.24	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.44	0.00	0.00	1.83	4.00	-2.17
Res - Service Develop	19.30	1.30	1.30	1.97	1.09	1.19	1.75	1.15	0.82	0.41	0.67	0.68	0.92	13.25	7.50	5.75
Health & Social Care	1,322.58	1.34	1.22	1.12	1.09	1.16	1.15	1.18	1.27	1.17	1.17	1.32	1.29	14.48	11.00	3.48

Table 2: NHS Staffing Absence 2017/18

Organisation & HR Development

Workforce Information

Attendance summary by Service/Department - March 2018

North Ayrshire H&SCP



Current month absence for March 2018

Current year accumulative as at 31 March 2018

	Contracted Hours	Short Term Sick		LongTerm Sick		All Sick	Maternity Leave		Absence relating to EFPs*		Contracted Hours	Short Term Sick		LongTerm Sick		All Sick	Maternity Leave		Absence relating to EFPs*	
		Hrs	%	Hrs	%	%	Hrs	%	Hrs	%		Hrs	%	Hrs	%	%	Hrs	%	Hrs	%
North Ayrshire H&SCP																				
Business Support North																				
Community Locality Admin North	1407	0	0.00%	16	1.14%	1.14%	0	0.0%	0	0.00%	16306	143	0.87%	621	3.81%	4.68%	0	0.0%	17	0.10%
Mental Health Support	20827	253	1.21%	448	2.15%	3.36%	0	0.0%	298	1.43%	247404	3262	1.32%	6451	2.61%	3.93%	837	0.3%	2531	1.02%
North Ayrshire Management & Admin	2023	0	0.00%	0	0.00%	0.00%	0	0.0%	5	0.26%	24130	189	0.78%	0	0.00%	0.78%	0	0.0%	205	0.85%
Business Support North	24257	253	1.04%	464	1.91%	2.95%	0	0.0%	303	1.25%	287839	3594	1.25%	7072	2.46%	3.71%	837	0.3%	2753	0.96%
Children's Health / Care & Justice Services North																				
Child Services	1994	19	0.97%	158	7.90%	8.86%	88	4.4%	0	0.00%	49788	403	0.81%	2063	4.14%	4.95%	2495	5.0%	530	1.07%
Early Years Children & Families North	12852	95	0.74%	255	1.98%	2.72%	549	4.3%	311	2.42%	123589	1175	0.95%	3837	3.10%	4.06%	1890	1.5%	2111	1.71%
School Nursing	1271	19	1.47%	0	0.00%	1.47%	0	0.0%	98	7.67%	14516	103	0.71%	1250	8.61%	9.32%	0	0.0%	410	2.82%
Children's Health / Care & Justice Services North	16118	133	0.83%	413	2.56%	3.38%	637	3.9%	408	2.53%	187893	1682	0.89%	7150	3.81%	4.70%	4385	2.3%	3051	1.62%
Community Health & Care Services North																				
Community Health & Social Care North	5107	53	1.03%	165	3.23%	4.26%	0	0.0%	53	1.03%	59773	853	1.43%	2018	3.38%	4.80%	0	0.0%	552	0.92%
District Nursing North	9099	119	1.31%	321	3.52%	4.83%	462	5.1%	117	1.28%	108163	1530	1.41%	5676	5.25%	6.66%	4013	3.7%	1211	1.12%
North Partnership Management Team	587										8382	32	0.38%	0	0.00%	0.38%	0	0.0%	41	0.49%
Older People Services North	13591	589	4.34%	644	4.74%	9.07%	0	0.0%	10	0.07%	147009	3811	2.59%	11953	8.13%	10.72%	2226	1.5%	2203	1.50%
Packages of Care North	3242	36	1.11%	552	17.03%	18.14%	158	4.9%	0	0.00%	40006	848	2.12%	3732	9.33%	11.45%	2232	5.6%	192	0.48%
Rehabilitation & Reablement Service North	5227	113	2.15%	0	0.00%	2.15%	165	3.2%	40	0.77%	60483	887	1.47%	1424	2.35%	3.82%	1403	2.3%	702	1.16%
Remote & Rural North	7143	24	0.34%	458	6.41%	6.75%	0	0.0%	78	1.08%	87874	1482	1.69%	3393	3.86%	5.55%	0	0.0%	673	0.77%
Community Health & Care Services North	43996	933	2.12%	2140	4.86%	6.98%	785	1.8%	297	0.67%	511691	9443	1.85%	28195	5.51%	7.36%	9873	1.9%	5573	1.09%

Organisation & HR Development

Workforce Information

Attendance summary by Service/Department - March 2018

North Ayrshire H&SCP



	Current month absence for March 2018									Current year accumulative as at 31 March 2018										
	Contracted Hours	Short Term Sick		LongTerm Sick		All Sick	Maternity Leave		Absence relating to EFPs*	Contracted Hours	Short Term Sick		LongTerm Sick		All Sick	Maternity Leave		Absence relating to EFPs*		
		Hrs	%	Hrs	%	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	%	Hrs	%	Hrs	%	
North Ayrshire H&SCP																				
Lead Partnership North																				
Addictions North	10301	79	0.77%	225	2.18%	2.95%	330	3.2%	102	0.99%	117896	2122	1.80%	7363	6.25%	8.04%	1073	0.9%	1663	1.41%
Adult Mental Health Community	1045										12371	56	0.45%	0	0.00%	0.45%	0	0.0%	40	0.32%
Associate Medical Director	10682	28	0.26%	176	1.65%	1.91%	352	3.3%	0	0.00%	125896	754	0.60%	624	0.50%	1.09%	4232	3.4%	590	0.47%
EMH In-patient North	24746	882	3.56%	927	3.74%	7.31%	259	1.0%	285	1.15%	294975	8035	2.72%	15775	5.35%	8.07%	1321	0.4%	4145	1.41%
Health & Social Care Management	1661										17914	173	0.96%	218	1.21%	2.18%	0	0.0%	128	0.71%
MH - Adult Community North	10362	269	2.60%	0	0.00%	2.60%	330	3.2%	122	1.17%	123450	2227	1.80%	2497	2.02%	3.83%	2978	2.4%	1485	1.20%
MH - Adult Mental Health In Patient	44832	1284	2.86%	1630	3.64%	6.50%	489	1.1%	575	1.28%	535589	14737	2.75%	26499	4.95%	7.70%	4839	0.9%	6845	1.28%
MH - Child & Adolescent Mental Health	7884	289	3.67%	383	4.85%	8.52%	0	0.0%	81	1.03%	84069	1876	2.23%	2764	3.29%	5.52%	0	0.0%	1285	1.53%
MH - EMH Community North	133	0	0.00%	0	0.00%	0.00%	0	0.0%	8	5.65%	2446	68	2.76%	0	0.00%	2.76%	0	0.0%	64	2.61%
MH - Learning Disabilities	9589	272	2.84%	608	6.34%	9.17%	0	0.0%	94	0.98%	120175	3982	3.31%	9176	7.64%	10.95%	0	0.0%	1902	1.58%
MH - Psychology	14952	107	0.71%	105	0.70%	1.42%	882	5.9%	371	2.48%	174012	2185	1.26%	2352	1.35%	2.61%	8501	4.9%	2838	1.63%
Lead Partnership North	136187	3210	2.36%	4053	2.98%	5.33%	2642	1.9%	1638	1.20%	1608794	36214	2.25%	67266	4.18%	6.43%	22943	1.4%	20984	1.30%
North Ayrshire H&SCP	220558	4529	2.05%	7069	3.20%	5.26%	4064	1.8%	2646	1.20%	2596217	50933	1.96%	109683	4.22%	6.19%	38039	1.5%	32361	1.25%
total for North Ayrshire H&SCP	220558	4529	2.05%	7069	3.20%	5.26%	4064	1.8%	2646	1.20%	2596217	50933	1.96%	109683	4.22%	6.19%	38039	1.5%	32361	1.25%

Appendix 2 - Finance Information

North Ayrshire Health & Social Care Partnership

Partnership Budget - Objective Summary as at 31st March 2018	2017/18 Budget									2017/18	
	Council			Health			TOTAL			Over/ (Under) Spend Variance at 10	Movement in projected budget variance from Period 10
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	54,525	53,508	(1,017)	10,680	10,881	201	65,205	64,389	(816)	(1,044)	228
: Locality Services	26,165	25,790	(375)	3,440	3,423	(16)	29,605	29,213	(391)	(635)	244
: Community Care Service Delivery	25,828	25,331	(497)	1,825	2,114	289	27,653	27,445	(208)	(595)	387
: Rehabilitation and Reablement	756	798	42	3,160	3,091	(69)	3,916	3,889	(27)	313	(340)
: Long Term Conditions	1,325	1,212	(113)	2,255	2,253	(3)	3,580	3,465	(116)	(7)	(109)
: Integrated Island Services	451	377	(74)	0	0	0	451	377	(74)	(120)	46
MENTAL HEALTH SERVICES	22,377	23,304	927	49,335	49,432	99	71,712	72,736	1,026	1,538	(512)
: Learning Disabilities	17,209	18,231	1,022	478	458	(19)	17,687	18,689	1,003	1,121	(118)
: Community Mental Health	3,824	3,794	(30)	1,844	1,786	(58)	5,668	5,580	(88)	31	(119)
: Addictions	1,344	1,279	(65)	1,191	1,175	(15)	2,535	2,454	(80)	(82)	2
: Lead Partnership Mental Health NHS Area Wide	0	0	0	45,822	46,013	191	45,822	46,013	191	468	(277)
CHILDREN'S SERVICES AND CRIMINAL JUSTICE	30,112	32,710	2,598	3,379	3,234	(144)	33,491	35,944	2,454	1,973	481
: Intervention Services	3,835	3,616	(219)	295	324	29	4,130	3,940	(190)	(91)	(99)
: Looked After & Accommodated Children	15,430	18,375	2,945	0	0	0	15,430	18,375	2,945	2,277	668
: Fieldwork	6,527	6,549	22	0	0	0	6,527	6,549	22	124	(102)
: CCSF	395	385	(10)	0	0	0	395	385	(10)	(29)	19
: Criminal Justice	2,812	2,812	0	0	0	0	2,812	2,812	0	0	0
: Early Years	311	233	(78)	2,641	2,525	(115)	2,952	2,758	(193)	(196)	3
: Policy & Practice	802	740	(62)	0	0	0	802	740	(62)	(52)	(10)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	443	385	(58)	443	385	(58)	(60)	2
PRIMARY CARE	0	0	0	49,637	49,518	(119)	49,637	49,518	(119)	0	(119)
MANAGEMENT AND SUPPORT COSTS	4,089	4,514	425	61	1,163	1,102	4,150	5,677	1,527	1,296	231
CHANGE PROGRAMME	708	341	(367)	2,146	1,846	(300)	2,854	2,187	(667)	(463)	(204)
LEAD PARTNERSHIP AND SET ASIDE	0	0	0	0	132	132	0	132	132	133	(1)
TOTAL	111,811	114,377	2,566	115,238	116,206	971	227,049	230,583	3,537	3,433	104

Appendix 3 – MSG Indicators

	Monthly Data							
Performance Indicator	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	Performance Data Last Update	Performance Data Spark Chart
	Value	Value	Value	Value	Value	Value		
Number of Emergency Admissions to Acute Hospitals	1,630	1,735	1,768	1,781	1,854	1,791	January 2018	
Emergency Admissions to Acute Hospitals Rate per 1000	12.4	12.7	12.5	12	13	11.7	January 2018	
Number of Admissions from Emergency Dept.	1,030	1,131	1,113	1,104	1,268	1,080	January 2018	
Admissions from Emergency Dept. Rate per 1000	7.6	8.4	8.2	8.2	9.4	8	January 2018	
Emergency Dept. conversion rate	32	33	35	35	38	35	January 2018	
Number of unscheduled hospital bed days in Acute	11,427	12,081	12,276	11,211	10,909	9,498	January 2018	
Unscheduled Hospital Bed days in acute rate per 1000	84.3	89.1	90.5	82.7	80.5	70.2	January 2018	
Number of Emergency Dept. Attendances	3,235	3,431	3,203	3,122	3,311	3,062	January 2018	
Emergency Dept. attendances Rate per 1000	23.9	25.3	23.6	23	24.4	22.6	January 2018	
Number of Delayed Discharges bed days (all reasons)	1,481	1,493	1,997	1,891	1,528	1,298	January 2018	
Number of Delayed Discharges bed days (all reasons) rate per 1000	13.5	13.6	18.2	17.3	13.9	11.9	January 2018	
Number of Delayed Discharges bed days (code 9)	208	220	176	180	200	223	January 2018	
Number of Delayed Discharges bed days (Code 9) rate per 1000	1.9	2	1.6	1.6	1.8	2	January 2018	

Appendix 4 – Glossary of Acronyms

Acronym	Description
A&E	Assessment and Enablement
ACH	Ayrshire Central Hospital
ADHD	Attention Deficit Hyperactivity Disorder
ARAF	Ayrshire Risk Assessment Framework
AWMH	Arran War Memorial Hospital
BIRD	Brief Intervention & Recreational Drug Use
C&F	Children and Families
CAMHS	Child and Adolescent Mental Health Team
CareNA	Care North Ayrshire
CBT	Cognitive Behaviour Therapy
CMHT	Community Mental Health Team
CP	Child Protection
CYPSG	Children & Young Peoples Strategic Group
EMH	Elderly Mental Health
GP	General Practitioner (Practice)
HCC	Health and Community Care
HSCP	Health & Social Care Partnership
ICES	Intermediate Care and Enablement Service
IGPAG	Information Governance Pan Ayrshire Group
LAA	Looked After & Accommodated
LAAC	Looked After & Accommodated Children
LD	Learning Disabilities
LOT	Local Operational Teams
MADART	Multiple Agency Domestic Abuse Response Team
MH	Mental Health
MH PRG	Mental Health Public Reference Group
MHS	Mental Health Service
MSG	Ministerial Strategy Group for Health and Community Care
NAC	North Ayrshire Council
NACAS	North Ayrshire Citizens Advice Service
NADARS	North Ayrshire Drug and Alcohol Service
ORT	Opiate Replacement Therapy
OT	Occupational Therapy
PAC	Performance and Audit Committee
PC	Primary Care
PCMHT	Primary Care Mental Health Team
PDS	Post Diagnostic Support
PRG	Public Reference Group
Res	Resources
SDS	Self-Directed Support
SSSC	Scottish Social Services Council
TCAT	Transforming Care After Treatment

NORTH AYRSHIRE COUNCIL

Agenda Item 4

25 September 2018**Audit and Scrutiny**

Title: Public Performance Reporting 2017/18

Purpose: To present for scrutiny the 2017/18 public performance reporting and the draft Annual Performance Report 2017/18.

Recommendation: That the Audit and Scrutiny Committee agrees (a) to note the status of the Council's performance indicators at Appendices One, Two and Three; (b) to endorse the Annual Performance Report 2017/18 set out at Appendix Four.

1. Executive Summary

- 1.1 This Performance Report presents how the Council, working with its communities and partners, has worked to improve economic growth, close the attainment gap and ensure resources are directed to support those who need them most.
- 1.2 Despite 2017/18 bringing increasing demands on its services set against a period of financial difficulty, the Council continued to established itself as a local authority which is leading the way on many fronts, not least by becoming the:
 - First to become a child centred Council
 - First to exempt care leavers from Council Tax until they reach the age of 26
 - First to tackle period poverty by providing free sanitary products in all secondary schools
 - First to commit to explore options for the creation of a White Label Energy company, in a bid to eradicate fuel poverty
 - First to progress Basic Income Pilot with three other Scottish local authorities to provide
- 1.3 This innovative, sector leading work is echoed across all areas of Council business. Indeed, the Annual Performance Report for 2017/18 confirms that the Council has improved a wide range of its services, almost 65% of measures have improved over a three year period. This performance was recognised nationally when the Council was named as the Association of Public Service Excellence's (APSE) UK Council of the Year for 2017.
- 1.4 The report outlines the Council's performance across all Performance Indicators (PIs)

details the content of the Annual Performance Report which will be published on the

2. Background

- 2.1 Although the 2015 Account Commission's Direction covers a three year period, the Commission continues to engage with the Local Government Benchmarking Framework (LGBF) Board and monitor the ongoing development of the LGBF and councils' reporting of performance on an annual basis.
- 2.2 A high level review of councils' public performance reporting through their websites has recently been undertaken by Audit Scotland to support the development of the next Direction in 2019.
- 2.3 The Council's public website already contains considerable performance information and is currently reviewed on a monthly basis. Links to relevant performance are made e.g. community planning and locality planning.
- 2.4 **Sixty six** indicators including the Council Plan indicators have been identified as being appropriate for demonstrating our performance against the strategic priorities and enablers.
- 2.5 The performance indicators are published on the website via an interactive portal - *North Ayrshire Performs* - generated from Pentana. Detailed information including performance status, trends and how we compare to others is available. Links have been made to the set of LGBF indicators and the *mycouncil* portal which allows the public to assess how well we perform in relation to other councils.

Key Performance Improvements




A number of key areas have demonstrated significant improvements over the last number

- 91% increase in the number of unemployed people who have progressed to employment through Council funded or operated schemes over the last three years
- 76% reduction in the number of Children referred to the Scottish Children's Reporters Administration for offences over the last eight years.
- 31% increase in the number of school leavers attaining literacy at National 5 and 27% increase in the number of school leavers attaining numeracy at National 5 over the last six years.
- 24% reduction in our Carbon Emissions over the last five years.
- For the second year we have improved customer satisfaction through the quicker processing of Housing Benefit and Council Tax Reduction claims at a reduced cost.

Performance Indicators




- 2.6 **Appendix One** details the full set of Pis, showing (where available) three years of performance data, along with targets and a traffic light (Red, Amber Green) symbol to show whether the target level of performance has been achieved (Green), is slightly adrift
- 2.7 Analysis of the indicators with latest available targets is outlined in Table 1. **92.9%** of indicators are on target or slightly adrift of target.

Table 1

2017/18 Summary of Traffic Light Status	
Traffic Light	Indicators
 on target	42 (75%)
 slightly adrift	10 (17.9%)
 significantly adrift	4 (7.1%)

- 2.8 2017/18 data for eight education indicators will be available in February 2019.
- 2.9 **Appendix Two** lists the 4 Red and 10 Amber indicators along with management commentary from the relevant Directorate.
- 2.10 **Appendix Three** provides more detailed information in relation to the delivery of the maximum capital budget for 2017/18.
- 2.11 Comparison of 2017/18 performance with 2016/17 performance and 2014/15 performance is noted in Table 2. Performance improved in 60% of indicators with trend information over the one year period and in 64.5% over the three year period.

Table 2

2017/18 Summary of short term/long term trends		
	Short Term	Long Term
 improved	60%	64.5%
 Declined	31.7%	29.0%
 No change	8.3%	6.5%

Annual Performance Report

- 2.12 The draft Annual Performance Report 2017/18 is attached at **Appendix Four**. The Report presents how working with its communities and partners the Council has worked to improve economic growth, close the attainment gap and ensure resources are directed to support those who need them most.
- 2.13 A review of Annual Performance Reports in the public and private sector was carried out earlier in the year and areas of good practice have been incorporated into the report including:

- A year of key events
- An overview of performance
- A priority in action section highlighting the impact of activity
- Greater use of infographics e.g. how we spend your Council Tax

2.14 The Report will be made available primarily as an electronic document downloadable from the website with a limited number of summary hard copies being made available at the Council's main public buildings. The summary document will highlight key data through the use of infographics which will be used to improve the accessibility of performance information.

2.15 A vlog will be recorded with the Chief Executive to accompany the report on the website and raise awareness of the report.

3. Proposals

3.1 it is proposed that Audit and Scrutiny agrees (a) to note the status of the Council's performance indicators at Appendices One, Two and Three; and (b) endorse the content of the Annual Council Performance Report 17/18 set out at Appendix Four.

4. Implications

Financial:	The cost of design and print run of summary hard copies can be met from the Policy and Performance revenue budget.
Human Resources:	There are no human resource implications.
Legal:	Reporting requirements specified in the 2015 Accounts Commission Direction represent a departure from the previous Direction. The Accounts Commission want to better reflect the impact that councils are making on their communities and how they are contributing to improved outcomes for local people. There is more scope for Councils to choose their own Performance indicators (Pis) to fulfil the Best Value obligations arising from the Local Government in Scotland Act 2003. This report confirms the arrangements for the Council's compliance with its duties under the Local Government Act 1992 and the Local Government in Scotland Act 2003 and commitment to improving public performance reporting.
Equality:	There are no equality or implications for children and young people.
Children and Young People:	
Environmental & Sustainability:	There are no environmental and sustainability implications.
Key Priorities:	The Report helps to demonstrate the Council's delivery of its strategic priorities.
Community Benefits:	There are no community benefit implications.

5. Consultation

- 5.1 The content of this report was discussed by the Executive Leadership Team on the 8 August 2018 and by Cabinet on 4 September 2018.

A handwritten signature in black ink that reads "Elma Murray". The signature is written in a cursive style with a large 'E' and a long, sweeping underline.

Elma Murray OBE
Chief Executive

For further information please contact **Anne Todd, Senior Policy and Performance Officer** on **01294 324140**.

Background Papers
Council Plan 2015/20
Directorate Plans

APPX 1 • Annual Performance Report Committee Report Summary

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving		Improving
	Warning		No change or minimal change		No change or minimal change
	OK		Getting Worse		Getting Worse
	Unknown				
	Data Only				

Priority 1. Growing our economy, increasing employment and regenerating towns

1. Council Plan • corporate

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CP_DE_P04 Number of Modern Apprentices supported through North Ayrshire sponsored initiatives	220		188		176	185			
EG_11 Leverage of External Funding	2.03		3.27		3.43	Data Only			
EG_21 Number of jobs created by businesses in North Ayrshire supported by Business Development.	New measure in 2016/17		655		588	333			
EG_28 Town Centre Footfall	6,814,037		7,137,165		7,137,409	6,800,000			
WR18 Numbers accessing the employability pipeline	New measure in 2016/17		1,590		1,693	Data Only			

Priority 1. Growing our economy, increasing employment and regenerating towns

2. Service performance

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
DP_FACS_P01 No of weeks employment through using Community Benefit clauses	New measure in 2017/18				1,581	1,000			
OP_FCS_PRO_P_P01 % Procurement spend with local suppliers	19.4%		20%		Available Aug 2018				

Priority 2. Working together to develop stronger communities

1. Council Plan • corporate

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CC_04 The number of community management and ownership initiatives	5		5		8	5			
CC_11 Total number of activities, programmes and learning event opportunities which support participation in democracy accessed by young people	New measure in 2017/18				10,259	4,000			
CC_12 Percentage of community groups who feel	New measure in 2017/18				100%	95%			

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
the Council is an effective partner in helping them deliver their aspirations (was E&S_P_C05)									

Priority 2. Working together to develop stronger communities

2. Service performance

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
SPI 11_A_02 Number of visits to/usages of council funded or part funded museums per 1000 population	1,951		1,962		1,819	1,200			
SPI 12_A_02 Number of library visits per 1000 population	12,061		11,213		14,621	6,500			
SPI 13a_SDS4aii The average time (weeks) to deal with major and local planning applications determined during the year: Major developments - Average time (weeks) to deal with applications	26.7		13.8		9.5	18			
SPI 13b_SDS4bii The average time (weeks) to deal with major and local planning applications determined during the year: Local developments - Average time (weeks) to deal with applications	5.3		5.2		5.3	9			

Priority 3. Ensuring people have the right skills for learning, life and work

1. Council Plan • corporate

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CC_01 The percentage of participants accessing learning opportunities whose confidence, knowledge and skills has improved as a result	96.5%		97.9%		98%	95%			
E&S_P_801 % of children achieving their developmental milestones at the time the child starts primary school	72%		77%		Available Sept 2018				
E&YE_PI_D02 % of leavers attaining literacy at National 5 (SCQF Level 5)	79.35%		81.62%		Available Feb 2019				
E&YE_PI_D04 % of leavers attaining numeracy at National 5 (SCQF Level 5)	68.49%		66.83%		Available Feb 2019				
E&YE_PI_D06 % gap in attainment of Looked After Children	92.6%		86.2%		Available Feb 2019				
SOL_CHN11 % of school leavers entering positive destinations	94.8%		93.4%		Available Feb 2019				

Priority 3. Ensuring people have the right skills for learning, life and work

2. Service performance

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
E&S_P_A05 Average total tariff score of the lowest 20% attainment cohort	182		174		Available Feb 2019				
E&S_P_A06 Average total tariff score of the middle 60% attainment cohort	786		805		Available Feb 2019				

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
E&S_P_A07 Average total tariff score of the highest 20% attainment cohort	1,779	✓	1,785	✓	Available Feb 2019			↑	↑
E&S_P_804 % of participants (on completion of parenting programmes) who report an increase in their confidence levels as a parent	100	✓	100	✓	100	100	✓	-	↑
E&S_P_805 % of participants (on completion of parenting programmes) who report an increase in their levels of interaction with their children	100	✓	100	✓	100	100	✓	-	↑

Priority 4. Supporting all our people to stay safe, healthy and active

1. Council Plan • corporate

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
FM_PI001 % uptake of free school meals (Primary)	85.71%	✓	86.46%	✓	85.52%	87%	⚠	↓	-
FM_PI002 % uptake of free school meals (Secondary)	66.85%	✓	70.7%	✓	73.38%	71%	✓	↑	↑
HS - PI003 Number of new build Council housing units reaching completion on a yearly basis	56	📈	7	📈	34	63	📈	↑	-
HS - PI005 Number of homeless presentations	744	📈	761	📈	1,044	Data Only	📈	↓	↓
SOA_SSNA5 Percentage residents within North Ayrshire who feel unsafe walking in their neighbourhood after dark	29%	✓	Measured every two years		19%	25%	✓	?	↑
SP_DE_C18 Percentage uptake of school meals	59.31%	✓	59.55%	✓	59.04%	60%	⚠	-	↑
SPI 10_8_01 Number of attendances per 1,000 population for indoor sports and leisure facilities excluding pools	11,193	✓	11,313	✓	13,705	10,000	✓	↑	↑

Priority 4. Supporting all our people to stay safe, healthy and active

2. Service performance

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
HS - PI009 % of lets to homeless	24.8%	✓	27.3%	✓	27.9%	25%	✓	↑	↑
HS - PI028 Average length of time taken to re-let properties in the last year (days)	16.07	✓	15.44	✓	16.71	17	✓	-	-
NAHSCP_03 Percentage of individuals subject to level 1 Community Payback Order Unpaid Work completed within three months	90.32%	✓	93.37%	✓	95.33%	57%	✓	↑	↑
NAHSCP_09 Percentage of fostered LAAC who are fostered by an in-house placement	82.49%	✓	87.08%	✓	92.77%	80%	✓	↑	↑
NAHSCP_11 Percentage of children in a kinship care placement subject to residence order	33.8%	✓	34.64%	⚠	38.46%	40%	✓	↑	↑
NAHSCP_21 Number of service users (65+) with a community alarm package (Previously SPSS_P_A05)	3,063	✓	3,219	✓	3,526	2,800	✓	↑	↑
NAHSCP_22 Number of service users with an enhanced telecare package	622	✓	770	✓	917	600	✓	↑	↓

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
OP_EC_03 Percentage of food poisoning investigations within two days of inquiry (EH) formerly known as SP1213LP_P_A04	100%		100%		100%	100%			
OP_EC_04 Percentage of high priority pest control requests responded to within working one day of enquiry (EH) formerly known as SP1213LP_P_A05	97%		97.7%		97.2%	95%			
SOA1112_08a_001 Percentage of families previously registered on the Child Protection Register who have been re-registered following a period of less than one year	6.3%		4.8%		3.9%	5.0%			
SP_EG_15 Percentage of high priority public health complaints responded to within 1 working day of receipt (EH) formerly known as SP1213LP_P_A03	99%		98.4%		93.9%	95%			
SPSS_P_C05 Percentage of individuals subject to level 2 Community Payback Order Unpaid Work completed within six months	92.45%		95.63%		94.27%	67%			

Priority 5. Protecting and enhancing the environment for future generations

1. Council Plan • corporate



























































Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CP_FCS_001 Overall carbon emissions (tonnes)	50,709		47,076		43,756	50,198			
PL_PI024 Total installed capacity of low carbon heat and electricity generation across the Council's estate	New measure in 2017/18				9,029	Data Only			
SENV03b Street Cleanliness Index - % Clean	95.8		90.6		92.2	94			

Priority 6. Supporting our Priorities

1. Council Plan • corporate

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CP_FACS_004 Capital Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	90.18%		72.2%		68.4%	98.5%			
CP_FACS_005 Capital Expenditure - Housing Revenue Account (HRA) - Actual expenditure as a percentage of budgeted expenditure	69.83%		83.1%		54.9%	95%			
CP_FCS_002 Revenue Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	98.4%		98.3%		96%	98.8%			
CP_FCS_003 Revenue Expenditure - Housing Revenue Account - Actual expenditure as a percentage of budgeted expenditure	95.47%		91.7%		99.1%	96.5%			
CP_FCS_008 Percentage of Capital Projects completed within budget	100%		94.6%		91.2%	98%			
DP_DS_P15 The value of media (print/ online/ TV/ radio) coverage secured for North Ayrshire Council	New measure for 2016/17		19,592		18,683	Data Only			
SOL_CORP06 Sickness absence days per employee full time equivalent (FTE) for the whole council	8.98		9.79		9.6	7.53			

Priority 6. Supporting our Priorities
2. Service performance

Code & Short Name	2015/16		2016/17		2017/18			Short Term Trend	Long Term Trend
	Value	Status	Value	Status	Value	Target	Status		
CP_FACS_011 % of Council-Wide Stage One (Frontline Resolution) Complaints Handled on Time	91%		90%		91%	80%			
CP_FCS_009 % of Council-Wide Stage Two (Investigations) Complaints Handled on Time	90%		92%		89%	85%			
CPP_PP5 Level of satisfaction with public sector partners - North Ayrshire Council	Previously measured in 2013/14				60	56			
DP_FACS_P04 Speed of processing Housing Benefit (New Claims) days	23.11		20.32		16.75	21			
DP_FACS_P05 Speed of processing Housing Benefit (Change of circumstances) days	16.3		13.9		11.25	13			
DP_FACS_P06 Speed of Processing (Council Tax Reduction) new claims (days)	29		25.43		22	26			
DP_FACS_P07 Speed of processing (Council Tax Reduction) changes of circumstances (days)	5.97		4.44		3.97	4.6			
DP_FACS_P08 Gross administration cost per Housing Benefit/Council Tax Benefit case (£)	£41.42		£37.26		£34.88	£40.14			
DP_FACS_P11 Percentage of Customers delighted with the overall Customer Service	69%		77%		84%	77%			
SP_FCS_P09 Percentage of public service buildings that are suitable and accessible to disabled people	62%		67%		67.4%	62%			
SP_FCS_P_A04 Percentage of North Ayrshire Council employees who have recorded as having a disability	2.3%		2.22%		2.08%	Data Only			
SP_FCS_P_A05 Percentage of Black and Minority Ethnic (BME) North Ayrshire Council employees	0.7%		0.93%		0.94%	Data Only			

APPX 2 - Annual Performance Report Committee Exception Report

Priority 1. Growing our economy, increasing employment and regenerating towns







1. Council Plan • corporate

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
CP_DE_P04	Number of Modern Apprentices supported through North Ayrshire sponsored initiatives	188	185	✓	176	185	⚠	↓	↓	2017/18 • Quarter Four Update: At the end of Qtr4 there were a total of 176 modern apprentices, 90 with North Ayrshire Council and 86 with external businesses. This is provisional data from YETI on 18/04/18.

Priority 3. Ensuring people have the right skills for learning, life and work




1. Council Plan • corporate

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
E&YE_PI_D04	% of leavers attaining numeracy at National 5 (SCQF Level 5)	66.83%	70%	⚠	Available Feb 2019			↓	↑	2017/18 • Quarter Four Update: There was a slight dip in performance in this indicator in 2017 compared to 2016 exam diet but the 5-year trend is still an increasing one. As our targets are aspirational and adjusted annually to take into account the most recent past performance, any slippage in performance compared to a previous year will fall short of the target. Annual variations in performance can have random causes related to the structure and of the leavers cohort (if there are more pupils leaving at the end of S4 they are less likely to attain Numeracy at level 5), the school presentation policies as well as individual pupils' abilities. A 1 percentage point decrease in performance translates in less than 15 school leavers in each year attaining Numeracy at a lower SCQF level than the equivalent of a National 5 award. Performance in 2017 is the second highest performance ever recorded for a similar type of award in North Ayrshire.

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
E&YE_PI_006	% gap in attainment of Looked After Children	86.2%	84%		Available Feb 2019					2017/18 • Quarter Four Update: There was a slight dip in performance in this indicator in 2017 compared to 2016 exam diet but the 5-year trend is still an improving one. The attainment % gap of a Looked After school leaver compared to the average North Ayrshire school leaver is more likely to be subject to short term random variations due to the small number of the Looked After segment in the total annual school leaver cohort. On the average, there are between 35 and 55 school leavers every year who were Looked After at any point during the latest school session. The overall attainment of each of these young people has a much stronger impact on the entire group than one school leaver in the entire 1500 annual cohort at authority level. The total tariff score of an average Looked After school leaver from North Ayrshire remains 17% higher than the total tariff score of the average Looked After school leaver in Scotland. Similarly, the percentage gap in attainment for Looked After school leavers is much smaller in North Ayrshire than at national level (86% compared to 102%). The long-term trend of this indicator is also an improving one.
SOL_C HN11	% of school leavers entering positive destinations	93.4%	95.5%		Available Feb 2019					2017/18 • Quarter Four Update: After a few years of rapidly improving performance in the positive school leaver destinations indicator in North Ayrshire (the 2015 performance recorded 96% was one of the highest in Scotland), the value of this indicator has been adrift of trend and target for the second year running. As this is still in line with National performance, it has immediately triggered the performance monitoring concerns over medium to long term trends and is now being investigated as a priority area for improvement for the service.

3. Ensuring people have the right skills for learning, life and work

2. Service performance

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
E&S_P_A05	Average total tariff score of the lowest 20% attainment cohort	174	189		Available Feb 2019					2017/18 • Quarter Four Update: Although the value of the indicator for the average total tariff score of the lowest attaining 20% of the school leaver cohort has been lower in 2017 than in the last two years, it remains above national performance and is closely related to the reduction in the average number of courses taken by S4 pupils. By encouraging our learners to stay in school beyond their minimum school leaving age and diversifying the curricular choices for each subsequent year they remain in school there is a strong expectation that this is only a temporary slippage in performance of the "lowest attaining 20%" of our young people. The





Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
										aim is to reduce the gap between the top and bottom achievers so that all young people get a fair opportunity for success at the time they leave school. The current structure of the tariff scale devised by the Scottish Government Insight benchmarking tool has been criticised for a certain bias toward valuing more the graded (academic) courses and awards and not recognising fully the value of vocational qualifications at the same SCQF level. A new - alternative - tariff scale is currently being tested and it is hoped that its use will correct this identified bias.

Priority 4. Supporting all our people to stay safe, healthy and active
1. Council Plan • corporate

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
FM_PIO01	% uptake of free school meals (Primary)	86.46%	85%	✓	85.52%	87%	⚠	↓	➡	2017/18 Q4 Update Continue to promote an overall experience for children in relation to lifestyle by providing healthy, high quality food and drinks, teaching children about health and diet as part of the curriculum and creating a positive ethos for healthy eating in our schools. Attend primary school parent evenings, P1 registration sessions and provide taster sessions. To promote the benefits of school meals and support the 1140 hours of early learning and childcare expansion an informative leaflet was developed and launched to present our new early years meal menus which offer a superb range of healthy and nutritious foods. Early years meals are an important part of the daily activity within early years centres and classes - as well as developing young people's tastes and interest in food for the future, schools provide opportunities for children to socialise with their friends.
SP_OE_C18	Percentage uptake of school meals	59.55%	57%	✓	59.04%	60%	⚠	➡	↑	2017/18 • Quarter Four Update: Continue to promote an overall experience for children in relation to lifestyle by providing healthy, high quality food and drinks, teaching children about health and diet as part of the curriculum and creating a positive ethos for healthy eating in our schools. Attend primary school parent evenings, P1 registration sessions and provide taster sessions. To promote the benefits of school meals and support the 1140 hours of early learning and childcare expansion an informative leaflet was developed and launched to present our new early years meal menus which offer a superb range of healthy and nutritious foods. Early years meals are an important part of the daily activity within early years centres and classes - as well as developing young people's tastes and interest in food for the future, schools provide opportunities for children to socialise with their friends.





Priority 4. Supporting all our people to stay safe, healthy and active

2. Service performance

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
SP_EG_15	Percentage of high priority public health complaints responded to within 1 working day of receipt (EH)	98.4%	95%		93.9%	95%				2017/18 • Quarter Four Update: Yearly performance of 93.9% was marginally short of the 95% target. This shortfall equates to 16 out of the 264 high priority complaints received. High priority public health complaints have a one working day response time which is being highlighted in order to improve performance.





Priority 5. Protecting and enhancing the environment for future generations

















1. Council Plan • corporate

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
SENV03b	Street Cleanliness Index - % Clean	90.6	96.5		92.2	94				2017/18 • Quarter Four Update: The overall score for LEAMS is 92.2%. An improvement plan has been developed and performance monitoring is in place to improve operational performance and targeting of resources to areas of greatest need. Continue to improve cleanliness through Environmental Enforcement and Educational activities to reduce prevalence of litter requiring removal.

Priority 6. Supporting our Priorities

1. Council Plan • corporate

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
CP_FA_CS_004	Capital Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	72.2%	98%		68.4%	98.5%				2017/18 • Quarter Four Update: The information presented represents the delivery of the maximum capital budget for 2017/18. Regular reports are provided to Cabinet during the year which refines the anticipated spend taking account of the wider environment, project specification and profile of expenditure as the project develops. The percentage delivery of the final programme as reported to Cabinet in March 2018 was almost 90%. More detailed information is provided in the appendix presented to Cabinet on 4 September 2018.

Code	Short Name	2016/17			2017/18			Short Term Trend	Long Term Trend	Note
		Value	Target	Status	Value	Target	Status			
CP_FA CS_005	Capital Expenditure - Housing Revenue Account (HRA) - Actual expenditure as a percentage of budgeted expenditure	83.1%	94.5%		54.9%	95%				2017/18 • Quarter Four Update: The information presented represents the delivery of the maximum capital budget for 2017/18. Regular reports are provided to Cabinet during the year which refines the anticipated spend taking account of the wider environment, project specification and profile of expenditure as the project develops. The percentage delivery of the final programme as reported to Cabinet in March 2018 was almost 97%. Slippage against the maximum programme relates primarily to the reprofiling of the New Build and Sheltered Housing programmes.
CP_FC S_002	Revenue Expenditure - General Fund - Actual expenditure as a percentage of budgeted expenditure	98.3%	98.5%		96%	98.8%				2017/18 • Quarter Four Update: The underspend has resulted from vacancy management and the early delivery of future year savings and higher than budgeted income across a range of services. In addition there has been planned underspends in relation to resources set aside for the Community Investment and Poverty Challenge funds not being fully drawndown in year, Scottish Government Funding received in advance and lower loan charges aligned to the Council's Capital Investment Programme.
CP_FC S_008	Percentage of Capital Projects completed within budget	94.6%	97%		94.1%	98%				2017/18 • Quarter Four Update: Two projects were completed above budget during 2017/18. Two projects reported minor overspends of less than 5%.
SOL_C ORP06	Sickness absence days per employee full time equivalent (FTE) for the whole council	9.79	7.57		9.6	7.53				2017/18 • Quarter Four Update: There are many initiatives on going across the Council to help support employee well-being and reduce sickness absence. These initiatives are led by both employees and managers and cover areas such as: stress management, financial well-being, bereavement support, employee counselling, mini health checks, physiotherapy, exercise and dance classes, healthy eating and weight loss programmes.

APPX 3

General Services Capital Programme Slippage 2017/18

Budget

The information below summarises movements in the original budget to establish the maximum potential budget of £46.766m;

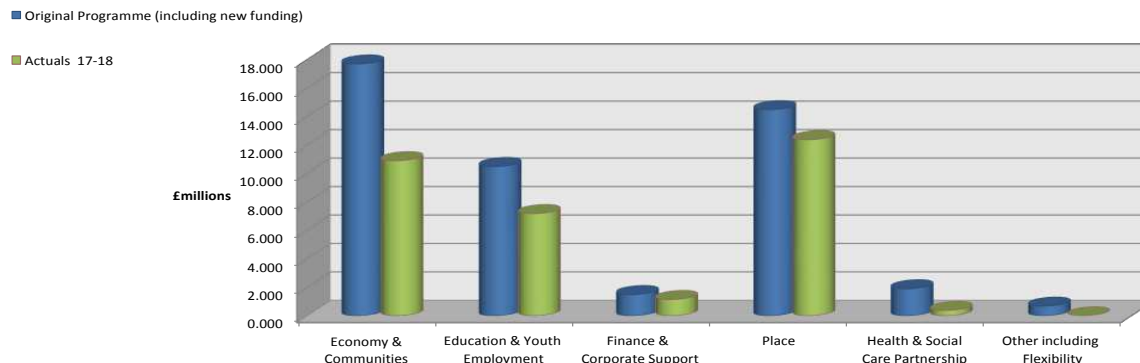
- The budget approved by the council at the start of 2017/18 was £38.451m ;
- £6.132m was carried forward from 2016/17;
- £2.556m of additional funding from grants, contributions and transfers from revenue were secured; and
- Savings of £0.373m delivered.

The final variance against the maximum budget was £14.760m, achieving 68.44% spend, compared with 72.2% of the budget spent in 2016/17.

Regular reports are provided to cabinet to update the budget in line with revised programme delivery. In financial year 2017/18, General Services capital expenditure amounted to £32.006m against a final budget of £35.668m, delivering almost 90% of final projected spend, the comparative figure in 2016/17 was more than 93%.

Analysis of Slippage

The graph below highlights slippage on the maximum programme by Directorate.



	Economy & Communities	Education & Youth Employment	Finance & Corporate Support	Place	Health & Social Care Partnership	Other including flexibility	Totals
Original Programme (including new funding)	17.700	10.495	1.495	14.489	1.904	0.683	46.766
Actuals 17-18	10.901	7.187	1.151	12.383	0.384	0.000	32.006
Variance	-6.799	-3.308	-0.344	-2.106	-1.520	-0.683	-14.760
% slippage based on original programme	38%	32%	23%	15%	80%	n/a	32%
% share of total slippage	46%	22%	2%	14%	10%	5%	100%

An analysis of the slippage has been carried out to assist future profiling of the capital programme. The tables below provide (1) a programme summary and (2) analysis of the main projects contributing to the slippage.

Programme Analysis

Type of slippage	Amount £m
Original profile incorrect	(5.813)
Decision making delay	(3.217)
3 rd party permission delays I Contractor delays	(1.541)
Re-assessment of specification I strategy	(1.350)
Other	(2.839)
Totals	(14.760)

Project Analysis

Decision Making £3.217m		
8714	Project removed from capital plan at Capital Refresh	(£0.318m)
Irvine Enterprise Area	Delay around terms of procurement framework	(£0.345m)
Quarry Road Phase 2	Specification of project revised	(£0.739m)
Early Learning & Childcare I Dykesmains Primary School Nursery Adapts	Delay as a result of development of wider ELC expansion plans	(£1.517m)
Profile Incorrect £5.813m		
Largs Academy		(£1.286m)
Tarryholme		(£1.403m)
Community Investment Funds		(£2.162m)
Re-assessment of specification I strategy £1.350m		
Largs Masterplan	Revised proposal and delay due to weather	(£0.161m)
Managed Wan Services I PC Replacement I agile working	Aligned to new Digital I Technology Strategies	(£0.185m)
Non Domestic Energy Efficiency Programme	Re-assessment of alternative works	(£0.500m)
Moorpark Primary School	New build agreed at Capital Refresh	(£0.504m)
3rd party permission delays I contractor delays £1.541m		
Saltcoats Town Hall	Main work complete - additional work to external stonework ongoing	(£0.210m)

Cemeteries	Work at Knadgerhill Cemetery delayed due to purchase of land from Common Good and delays at Haylie Brae Cemetery due to weather conditions	(£0.511m)
Access Paths Network and Cycling, Walking & Safer Streets	Permission delays from Marine Scotland at Fairlie Coastal Path and contractor delays at various sites. Associated income carried forward	(£1.158m)
Other £2.839m		
Saltcoats Public Realm	Contractor going into liquidation	(£0.175m)
Flexibility Budget	Balance of unallocated funds	(£0.682m)
VDLF Funding Projects	Approval received from SG to carry forward income	(£1.310m)

Conclusion

The five categories outlined above total £14.760m being the difference between the maximum available budget of £46.766m and the final expenditure of £32.006m resulting in an outturn of 68.44% for 2017/18.

The most significant reason for slippage within the programme related to the profile of expenditure contributing £5.813m to the overall position.

Annual Performance Report 2017/18



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Proud to be **apse** Overall Council of the Year 2017

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Welcome

This Performance Report presents how our Council, working with our communities and partners, has fulfilled our vision of - A Better Life. Collectively we have worked to improve economic growth, close the attainment gap and ensure our resources are directed to support those who need them most.

We want all our residents to flourish in safe, sustainable and creative communities supported by a Council that is open, engaging and caring, so that everyone has a choice about how they live and can be confident about how to achieve their ambitions and aspirations.

The Council has improved year-on-year across a wide range of our services, which resulted in our award as the Association of Public Service Excellence (APSE) UK Council of the Year for 2017. This was a fabulous recognition for the Council, our staff, councillors and of course every one of our communities.

As the financial challenges continue to increase we need more and more help from our partners and businesses to succeed. We want - and need - to work with you to understand how our services can be delivered in the best way and what our priorities should be. We know that no two areas are the same which is why we have introduced our Locality Partnerships, Community Investment Fund and our Shaping North Ayrshire Participatory Budgeting programmes - to let you decide where the money goes in your community.

Over the last year we have worked hard to improve equity by driving forward with our Fair for All strategy focusing on alleviating poverty, taking an inclusive approach to economic growth, improving the health of our residents, increasing access to affordable food and putting children and young people at the centre of our thoughts. Over this period we also became the first Child-Centred Council in Scotland to make sure we give our young people the best possible start in life.

For us all to work together to make North Ayrshire the best place to live, work and grow up we need to trust in each other and that is why we want to hear what you think about our performance and what we can do to improve.

Please take the time to let us know.



Councillor Joe Cullinane
Leader of the Council



Elma Murray
Chief Executive

Introduction

Our mission is to improve the lives of North Ayrshire people and develop stronger communities.

In 2017/18, North Ayrshire Council had five strategic priorities:

Growing our economy, increasing employment and regeneration

Working together to develop stronger communities

Ensuring people have the right skills for learning, life and work

Supporting all of our people to stay safe, healthy and active

Protecting and enhancing the environment for future generations

The following pages highlight a few of the many achievements that we have made along with our partners across the private, public and third sectors, and communities throughout the year.

Our Performance at a Glance

Below are some of the key areas where we have continually improved our performance over the last number of years:



91% increase in the number of unemployed people who have progressed to employment through Council funded or operated schemes over the last three years.

76% reduction in the number of Children referred to the Scottish Children's Reporter Administration for offences over the last eight years.



31% increase in the number of school leavers attaining literacy at National 5 and 27% increase in the number of school leavers attaining numeracy at National 5 over the last six years.

24% reduction in our Carbon Emissions over the last five years.



84% of our customers were delighted with the Customer Service they received

A Year of Key Events

North Ayrshire Creating Active Communities Conference



Formal Opening of the State of the Art Garnock Community Campus



Official Opening of Cheviot Gardens Housing Development, Irvine

Launch of the 'Period Poverty' initiative - the first of its kind in Scotland - to give young women and girls struggling to afford basic sanitary products access to a free supply at their secondary school



Challenge Poverty Week and the acclaimed Challenge Poverty Conference

First Council in Scotland to approve a policy of exempting care leavers from Council Tax

Council agreed to build social housing in Arran

Launch of the Better Off North Ayrshire service



Keep North Ayrshire Warm this Christmas campaign

Council online budget engagement



Official Opening of Sweeney Court/Sweeney Street Ardrossan Cunninghame Housing Association Event

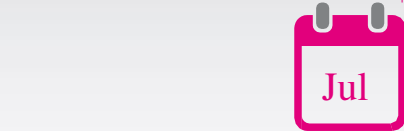
Council Budget Setting for 2018/19

Opening of Kilwinning Employability Hub



200th Anniversary of completion of Beith Townhouse

Delivery of successful Local Government Elections



Aberdeen Asset Management Scottish Men's and Ladies Open Golf tournaments, providing a significant boost to the local economy

Formal openings of our fabulous facilities at the Townhouse and Portal



Doors Open Day - various locations

Official opening of the integrated Fullarton Community Hub, Irvine

Formal Opening of the 206-bed Woodland View Hospital, Irvine

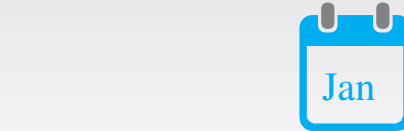
The Council was awarded APSE Overall Council of the Year for Service Delivery

DrEAM (Drop Everything and Move) events across North Ayrshire



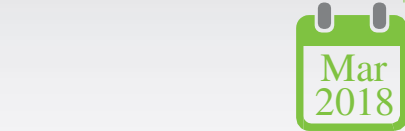
Shaping North Ayrshire - Your Environment, You Decide - Streetscene Participatory Budgeting Event

Opening of the new Brodick Ferry Terminal



North Ayrshire Health and Social Care Partnership Strategic Plan consultation

Holocaust Memorial Day Service with Irvine Royal Academy pupils and Royal British Legion



Provost's Civic Pride Awards Charity Dinner which recognised community heroes and raised over £19,000 for charity

Scottish Modern Apprentice Week

Reopening of refurbished Kilwinning Library

Our Priorities at a Glance



Growing our economy, increasing

We will only achieve our ambition of a fair and equitable society in North Ayrshire if everyone is able to prosper. This is Inclusive Growth and is a key economic strand of our Fair for All strategy. During 2017/18 we have continued to make real progress in this area.

KEY ACHIEVEMENTS

- We have made major progress in our bid to secure and deliver the Ayrshire Growth Deal. This major partnership initiative with all three Ayrshire Councils, and the Westminster and Scottish Governments, will trigger investment into key projects and infrastructure essential to drive our economic growth.
- Our Modern Apprenticeship programme continues to provide opportunities for our young people. A total of 93 Modern Apprentices were recruited by the Council during 2017, meaning we are on track to achieve our three year target of 270 places. During 2017, we also ring-fenced five places for care experienced young people.
- We were the first local authority in Scotland to automatically exempt care leavers from Council Tax, immediately benefiting 185 young people.
- We are working with the City of Edinburgh Council, Glasgow City Council and Fife Council to undertake a Basic Income Pilot Feasibility Study. The pilot will provide an unconditional, regular payment instead of benefits, with the aim of cutting welfare bureaucracy and reducing poverty.

93
Modern Apprentices
were recruited by the
Council during 2017

First local authority
in Scotland to exempt
care leavers from Council
Tax immediately
benefiting
185
young people



Priority in Action

Better Off North Ayrshire is a service funded by the European Social Fund and the Big Lottery Fund. The service provides people with advice on the benefits they are entitled to and help to apply online. The service also provides information on how to find and apply for jobs.

We supported a client facing the threat of eviction. By moving their high cost debt to more affordable sources of credit we freed up £90 per week, meaning the family could meet the shortfall in rent due to the benefit cap. A budget banking account was also opened to assist with managing money.

A client who was overspending was provided with budgeting support, and after reviewing their outgoings, a saving of £4,320 per annum was achieved.



👍👍 I now have the money to get my house sorted. The loan was so easy and I'm getting help with my gas. Need a warm home for my kids. 👍👍

👍👍 Very helpful, explained things in detail and in a language I could understand. Would gladly recommend. 👍👍

👍👍 You have went above and beyond and you didn't have to. 👍👍

Better Off
North Ayrshire clients

Priority in Action

The Modern Apprenticeship programme continues to deliver exceptional outcomes. Stacey* began her Customer Service Level 2 Modern Apprenticeship in October 2017. Due to her commitment and the support of the team, she excelled throughout her qualification, achieving her certificate ahead of schedule. Since then, Stacey has secured a full time post within North Ayrshire Council and continues to deliver excellent services for our residents.

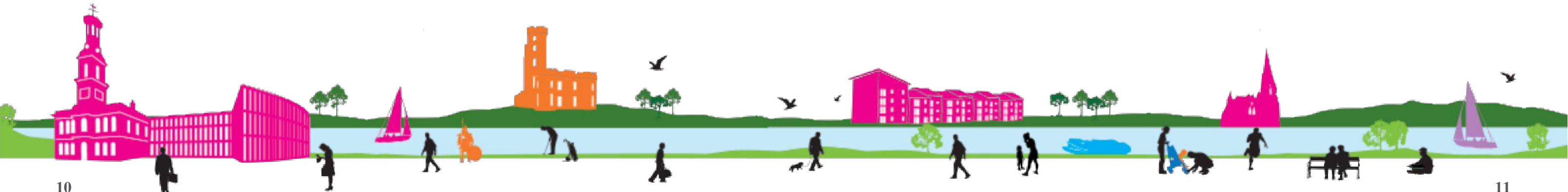


As a mum to two young children, Claire* participated in our Skills for Life programme - a 6 month employability programme that provides support for long-term unemployed participants built around a vocational work placement. During the programme, thanks to assistance with childcare arrangements and costs through a Scottish Government pilot, Claire and her family were able to benefit financially from her work. Last autumn she was offered a contract during school hours and six months on she has sustained her employment within North Ayrshire Council and is looking forward to the future.

👍👍 It's not just about the money. I think we all enjoy spending better quality time together when I get home from work. We really value our time together as a wee family. Being part of the Skills for Life programme has been great for me and my girls. 👍👍

Claire

*names have been changed





additional income was generated for residents through Better Off North Ayrshire

Our innovative Team North Ayrshire has supported the creation of



588

new jobs by local business

644



businesses received support from our Business Development Service



start-up enterprises were assisted through Business Gateway

We helped

818



unemployed people move into jobs through our employability programmes

Total investment of around



at the Irvine Enterprise Area (IEA) has been completed

of the working age population are in employment up from 64.7% last year



Working together to develop

Our sector-leading Locality Planning work continues to set the standards for other Councils. We are providing forums for our community voices to be heard in shaping the services that we deliver to meet local needs and aspirations.

KEY ACHIEVEMENTS

- We have seen an increase in the number of active community councils to 13. This is also supporting the ongoing development of the North Ayrshire Community Council Forum, with greater numbers of more active members sharing their knowledge and experience.
- We have actively engaged our young people in a wide range of the Council's work. Levels of participation in our online Participatory Budgeting (PB) were the highest in Scotland with 6,814 young people voting during the Youth PB Digital Vote. Their participation enabled 58 projects to secure funding. This excellent work was acknowledged through receiving a COSLA Gold Award.
- In December we became Scotland's first "Child-Centred Council". This means that children and young people are at the heart of everything we do.
- We are stepping up the fight against poverty and inequality in our communities. Our Fair for All Commission brings together a wide range of partners working to eliminate child poverty. This is supported through initiatives such as our Challenge Poverty action plan and the development of a community food strategy.

!! This safe space funded by PB has provided a much needed resource in the area, young people who access the facility have taken great pride and responsibility in its creation. !!

!! PB funding allowed our LGBT group to organise a celebration event which was a great success. It brought

LGBT young people together from all over North Ayrshire. !!

Priority in Action

Our PB approach, Shaping North Ayrshire, has allocated £145,000 of Council (and other partners') money to groups across North Ayrshire. We had record numbers of citizens involved in a powerful process of networking, sharing resources, and joint decision-making. Some participants described the benefits of attending the events.

Having my eyes
open to events I had
no idea were going
on.

The community
spirit.

Sense of
participation
and involvement in
community
improvements.

Meeting other
groups in the same
area and mixing with
organisers.



Priority in Action

The Garnock Valley Men's Shed is a place where men can meet to socialise and work together on a wide variety of projects and hobbies. Using the well-equipped workshop, men of all ages, backgrounds, and interests share their skills working shoulder-to-shoulder on personal and community projects. In the social area, men can relax with friends and have a laugh over a cup of tea or coffee.

My main learning
I been around
the whole concept
of the Men's Shed
organisation. Visiting
established sheds at
Westhill and Inverurie
has been invaluable
as we as a group were
able to see first hand
how a shed has been
successfully established
and flourished and the
benefits it has brought
to the community.
Funding applications
and generating
interest in the project

have been my main
learning areas.

The learning
experience
allowed me to gain
SCQF level 3 in
volunteering skills
set by the Scottish
Qualifications
Authority with a little
help from my friends
at Scottish Learning
Partnership and the
Council's Community
Learning Development
workers.

The Men's Shed
does exactly what
it is designed for
by getting men of all
ages out of the house
and socialising in an
informal
environment.



 **1,328**
votes
were cast at Locality
Participatory Budgeting
events

10,259
opportunities for promoting
democracy were accessed by
Young People including online
voting and participation in
local and national
youth committees 


a new Community
Management and
Ownership initiatives
have been approved


100%
of community
groups
feel the Council is an
effective partner in
helping them deliver
their aspirations


15,524
Council provided adult
learning opportunities were
accessed by local residents

Figures for Men's and
Ladies' Scottish Open Golf
Tournaments July 2017:


60,000
visitors


78%  of overnight
stays were in
Ayrshire and
Arran



£4,052,840 gross
visitor
spend 

Over
350 
adult volunteers
were involved

Over
11,500 
pupils saw the Open Championship
Trophy and learned about golf

106 
pupils attended
"Give Golf a Go"

15  young people played with
professional female golfers and
were invited to advance their skills

 Coaching, media, TV advertising, marketing
support were just some of the volunteering
opportunities accessed by our young people 

"MADE IN"
business events were held to

650 

skills for learning, life and work

Our schools continue to deliver excellent education to our young people. This was acknowledged through the school inspections carried out by Education Scotland during the year.

KEY ACHIEVEMENTS

- We have made great strides in closing the poverty-related attainment gap:
 - In early years, we have made solid progress in the proportion of children meeting their developmental milestones at the point at which they start school rising to 77% in 2017.
 - with national performance in primary schools.
 - There is a strong increase in S3 Literacy performance and the poverty-related attainment gap in literacy and numeracy has considerably decreased.
- Our Family Learning Team continues to build greater relationships between schools and families, allowing parents to be more engaged in their children's learning, leading to a positive impact on attainment.
- Place2be (a national charity providing emotional support to children) is well established in six of our schools. Over 2,000 individual and group counselling sessions took place over the last academic session. All schools have reported a positive impact on learners' social and emotional wellbeing.
- Counsellors are now available in all our secondary schools. Over 100 pupils have been supported with their mental and emotional wellbeing through the counselling service.
- The opening of the new Largs Campus, and significant improvements delivered at other high schools in North Ayrshire, complements our portfolio of state-of-the-art learning and leisure facilities.
- Schools are offering a broad range of options to pupils including vocational learning. We are ensuring that those in our most disadvantaged areas have increased access to degree level study on leaving school.

Priority in Action

We have continued to invest in our nurturing approach, supporting the mental and emotional well-being of some of our most vulnerable children. We now have 20 primary school nurture groups, improving social and emotional skills for 95 children. Our secondary school nurture groups are providing support for 117 young people and initial reports show very positive outcomes. Our early years nurture intervention is now established in nine early years settings and this is already making a substantial difference.



a huge difference to both children who attend on a daily basis. They understand much better how they should behave in class. They also seem so much more settled in the classroom setting. 🍌🍌

Class Teacher

🍌🍌 I love my job. I the children who attend nurture. They are all individuals with different requirements. They make me so happy to be part of their lives. They also teach me things which I am truly grateful for. 🍌🍌

Teacher

🍌🍌 I like coming to school because it makes me happy. 🍌🍌

Child

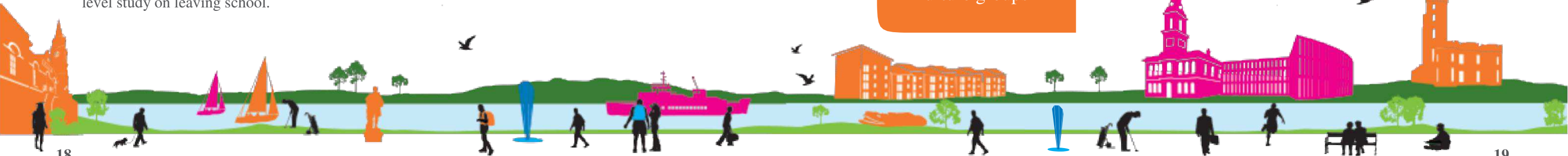
🍌🍌 I'm happy when I'm playing in the Cosy Corner. 🍌🍌

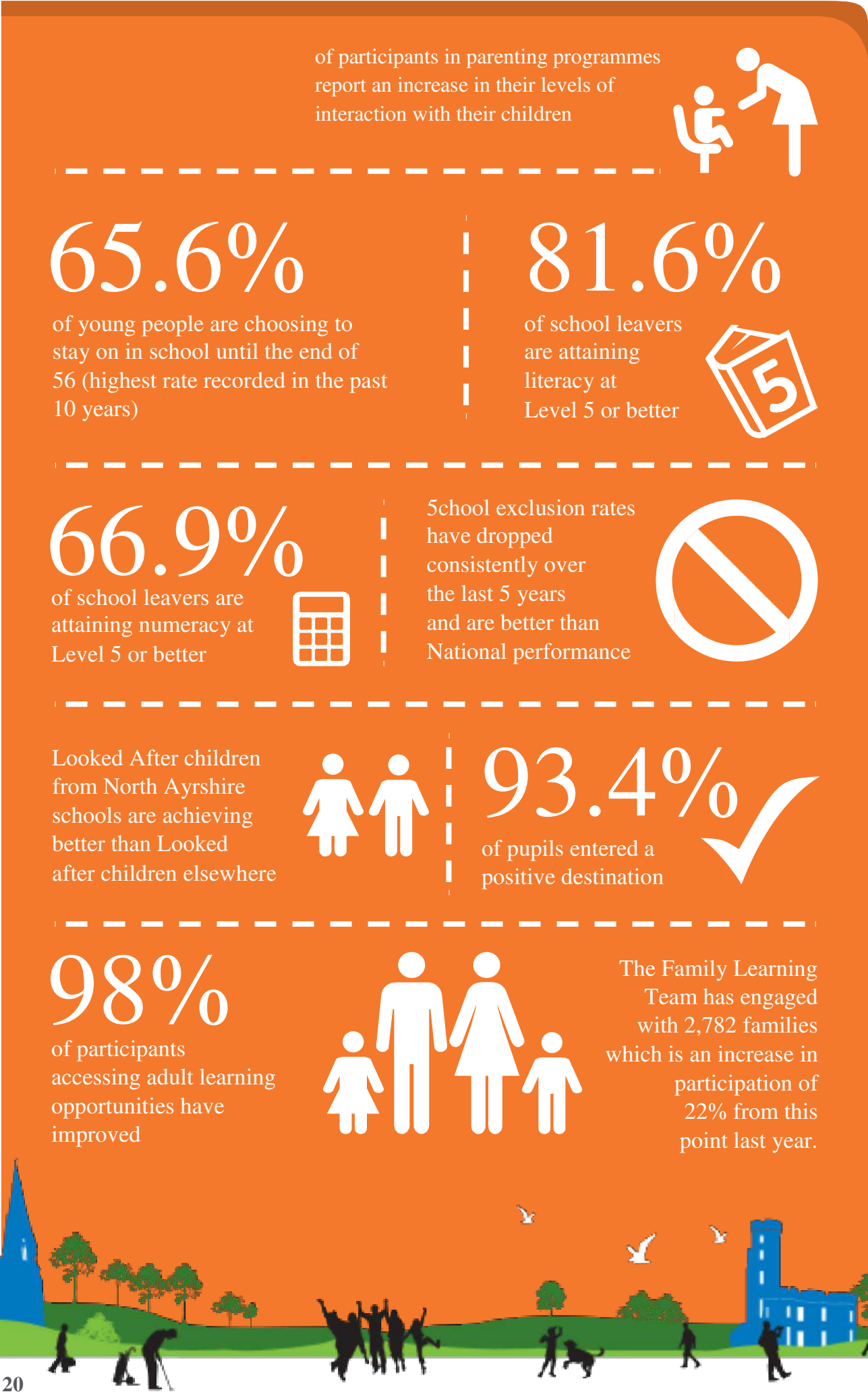
Child

🍌🍌 My daughter has really benefited from nurture and has come on great. I am really happy with her progress. 🍌🍌

Parent

We now have
20
primary school
nurture groups





Supporting all our people

We continued to build on our successful partnerships providing a co-ordinated response to the health, social and emotional needs of everyone in North Ayrshire.

The Health and Social Care Partnership (the Partnership) has begun to realise some of the benefits of the integrated system working. For example in supporting older people to remain at home or get home from hospital as soon as possible. The Partnership has also worked with our education team to deliver the Children's Services action plan and with our housing services who provide high quality homes. These partnerships add significant value and support the ambitions of our Fair for All strategy.

An Annual Performance Report has been published by the Partnership which shows what has been achieved and the impact it is having to ensure 'All people who live in North Ayrshire are able to have a safe, healthy and active life.' The report can be found on our website at: www.nahscp.org/partnership-strategies-plans-reports/

KEY ACHIEVEMENTS

HOUSING

- We completed 34 new build properties at Cheviot Gardens in Irvine, increasing our stock of quality, energy efficient homes. We continue to work in partnership with Registered Social Landlords, to deliver a new Strategic Housing Investment Programme that will see the construction of over 1,500 new social homes by 2023.
- We achieved an Excellent (level 6) rating by the Care Inspectorate for our Housing Support service and Ardrossan Short Stay Hostel when inspected in February 2018.
- Our Tenant Participation Strategy 2017/22 - Customer Connections - was launched to actively develop and support tenant participation. This strategy is underpinned by a commitment to continue to provide excellent services that meet our customers' needs.



KEY ACHIEVEMENTS

SUPPORTING PEOPLE

- Our acclaimed school holiday meal programme increased the number of meals served by 79.4% during the year. We reached over 22,000 young people, ensuring that some of our most vulnerable children were kept warm and fed during the school holidays. Expanding the meal programme from schools into community centres and halls helped us to reach new communities across North Ayrshire.
- We developed a Bereavement Charter, in conjunction with undertakers and local clergy. The Charter sets out pledges to bereaved families about the standards of service and care they should expect to receive following the death of a loved one.
- Our award-winning Money Matters team helped some of our most vulnerable members of our communities access over £8.6m of additional income. The excellent work of the team was recognised nationally when they won the Herald Society Team of the Year.
- We continued to welcome Syrian refugees, bringing the total to 97 as part of our five year humanitarian commitment to resettle 160 refugees in North Ayrshire.

KEY ACHIEVEMENTS

COMMUNITY SAFETY

- We continue to work with our Community Planning Partners to increase community safety in North Ayrshire, including through delivery of the Fair for All strategy Environmental Pledges which include satisfaction with open areas, neighbourhoods and reducing fuel poverty.
- The annual crime statistics have demonstrated improved performance across North Ayrshire in the last 12 months including:
 - Common assault has reduced by 9.8%
 - Overall violent crime has reduced by 8.0%
 - Road traffic casualties have reduced by 13.7%
 - Disorder complaints have reduced by 5.4%
 - Domestic abuse has reduced by 4.1%

A reduction in
total crime of
6.7%
-
11,574
fewer
incidents

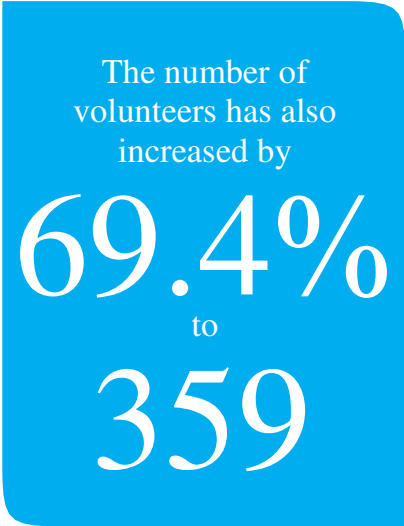


North Ayrshire
Community Planning Partnership

KEY ACHIEVEMENTS

SUPPORTING PHYSICAL ACTIVITY

- Our Active Communities Strategy continues to be delivered through the DrEAM programme. www.dreamnorthayrshire.com/. The programme encourages everyone to get active and have fun.
- There was a significant increase in the number of active school sessions delivered across our Additional Support Needs establishments. 140 sessions were delivered, 250% more than the same period last year. The number of volunteers has also increased, by 69.4% to 359.
- Arran Outdoor Education Centre has accommodated 1,584 pupils and 372 education staff. An additional 238 places were booked by organisations based outwith North Ayrshire.



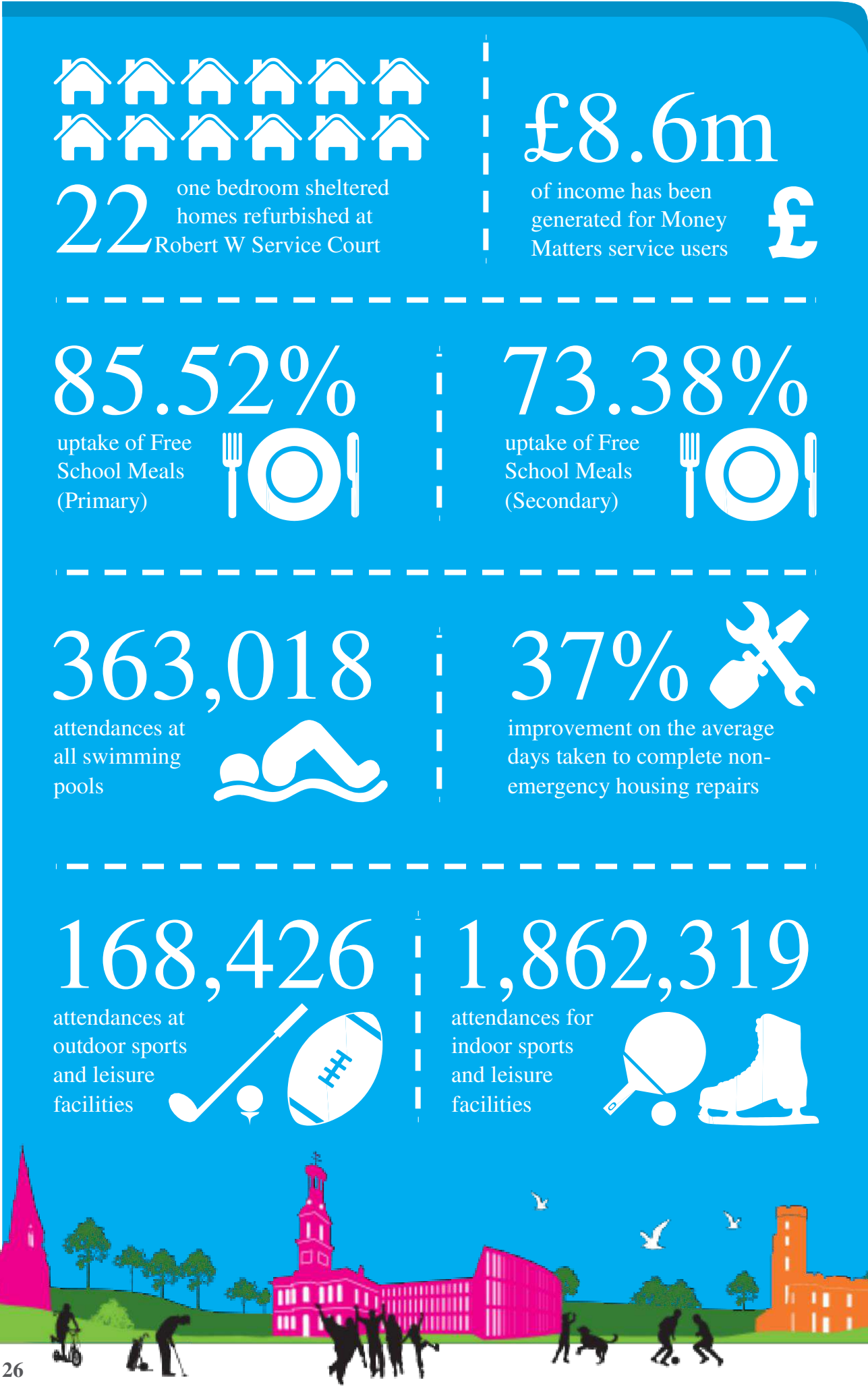
Priority in Action



We have completed our latest development at Cheviot Gardens, Irvine delivering 34 new homes for North Ayrshire residents. The site includes 23 general needs homes and nine amenity bungalows which provide independent living for older people. Two homes at Cheviot Gardens were designed to meet the specific needs of local families to enable them to live more independently. These are fully wheelchair accessible homes and the tenants directly influenced the design and internal layout of their properties. The site incorporates Solar PV panels and other features which contribute to our sustainability agenda. Before works commenced on site local people were invited back to 'Meet the Builder'.

♥♥ We just love our new home, it's just lovely. ♥♥
Tenant

Our 'Housing First' pilot scheme has resulted in minimising repeat homelessness and the use of temporary accommodation for those selected to take part in the initiative. The pilot focused on six individuals who were previously using temporary accommodation and homeless services but had yet to sustain a tenancy in the long term. Each of these individuals had a long history of offending behaviour, were affected by mental health, and had long standing addiction issues. By offering permanent accommodation and intense support from the offset this ensured these tenants still remain settled in their tenancies one year later. In addition to this, none of the individuals have re-offended, they have accessed the support provided and engaged well to turn their lives around in a very positive way.



Protecting and enhancing the environment for future generations

We are committed to ensuring environmental factors are an integral part in the decision-making process and working with communities to develop the local priorities for environmental improvement.

KEY ACHIEVEMENTS

- We continue to protect our stunning natural environment for future generations with a further 7% reduction in carbon emissions in the past year. Our ambitions and plans for carbon emissions are detailed in our Environmental Sustainability and Climate Change Strategy.
- We are delivering cheap renewable heating to Glencairn Primary School and the Glencairn House sheltered housing complex through our first district heating project.
- Our streets are cleaner through our work to reduce environmental crime. We have seen a 1.6 per cent increase in street cleanliness standards.
- We continue to be one of Scotland's star performers in recycling waste. We recycled over 55 per cent of our household waste, re-affirming our commitment to reduce the impact of waste on our environment.
- We delivered a number of capital projects including:
 - 28 new Sheltered Housing Units at Glencairn House in Stevenston
 - "3G" synthetic football pitch at Kilwinning Academy Refurbishment of Robert
 - Service Court Sheltered Housing Unit Refurbishment and extension of
 - Loudoun Montgomery Primary School
 - New education campuses at Largs and Glengarnock, providing state-of-the-art school and leisure facilities
- We strengthened our approach to communicating with the public by our Roads Service supporting the delivery of projects, in particular the winter maintenance programme.

Priority in Action

We developed a Community Engagement Strategy to support the delivery of grounds maintenance through participatory budgeting. A significant proportion of the grounds maintenance budget was set aside to provide residents and businesses within communities the opportunity to influence the delivery of these services.

We piloted workshops in the Three Towns to identify local priorities. Ideas included planting of community orchards, fruit bushes, vegetables and potatoes to provide free fresh food, as well as community adoption of these sites. To support this, advice surgeries will also be held in the Three Towns to encourage people to select and grow plants that are best suited to the environment and soil. This pilot will be used to inform and improve participatory and environmental processes, to be rolled out across all Localities next year. This will contribute to ensuring at least one percent of all Council spend is done this way by 2021.



55.3%

of all household waste was recycled



£122k

was saved from revised household waste recycling centres' opening hours



96.9%

of Council dwellings are compliant with the Energy Efficient Standard for Social Housing



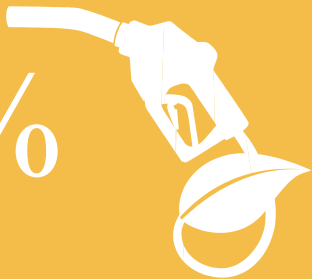
489

Fixed Penalty notices were issued for environmental crime including littering, fly-tipping, fly-posting and dog fouling



Our CarShare scheme was expanded to 30 vehicles with over 300,000 miles driven in the Council's pool cars since the scheme's introduction in October 2015

7%



3,884

tonnes reduction in carbon emissions from Council fleet



Supporting our Priorities

Our priorities can only be met if we have a sound financial base and a clear focus on what our customers and communities need. We also need good governance, good communication and most importantly highly-motivated staff who work well together.

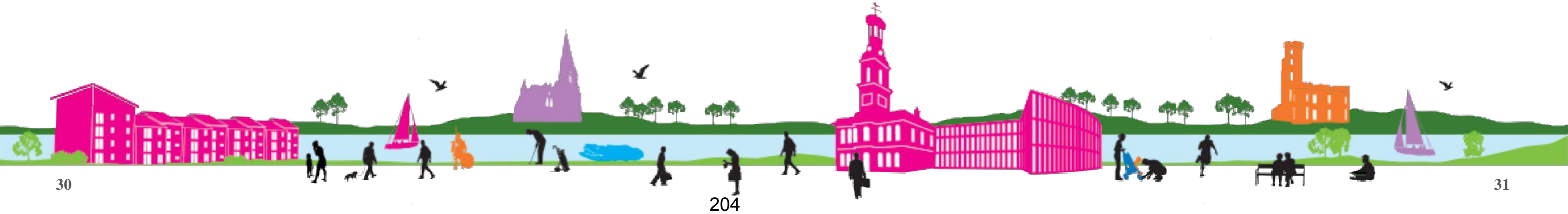
KEY ACHIEVEMENTS

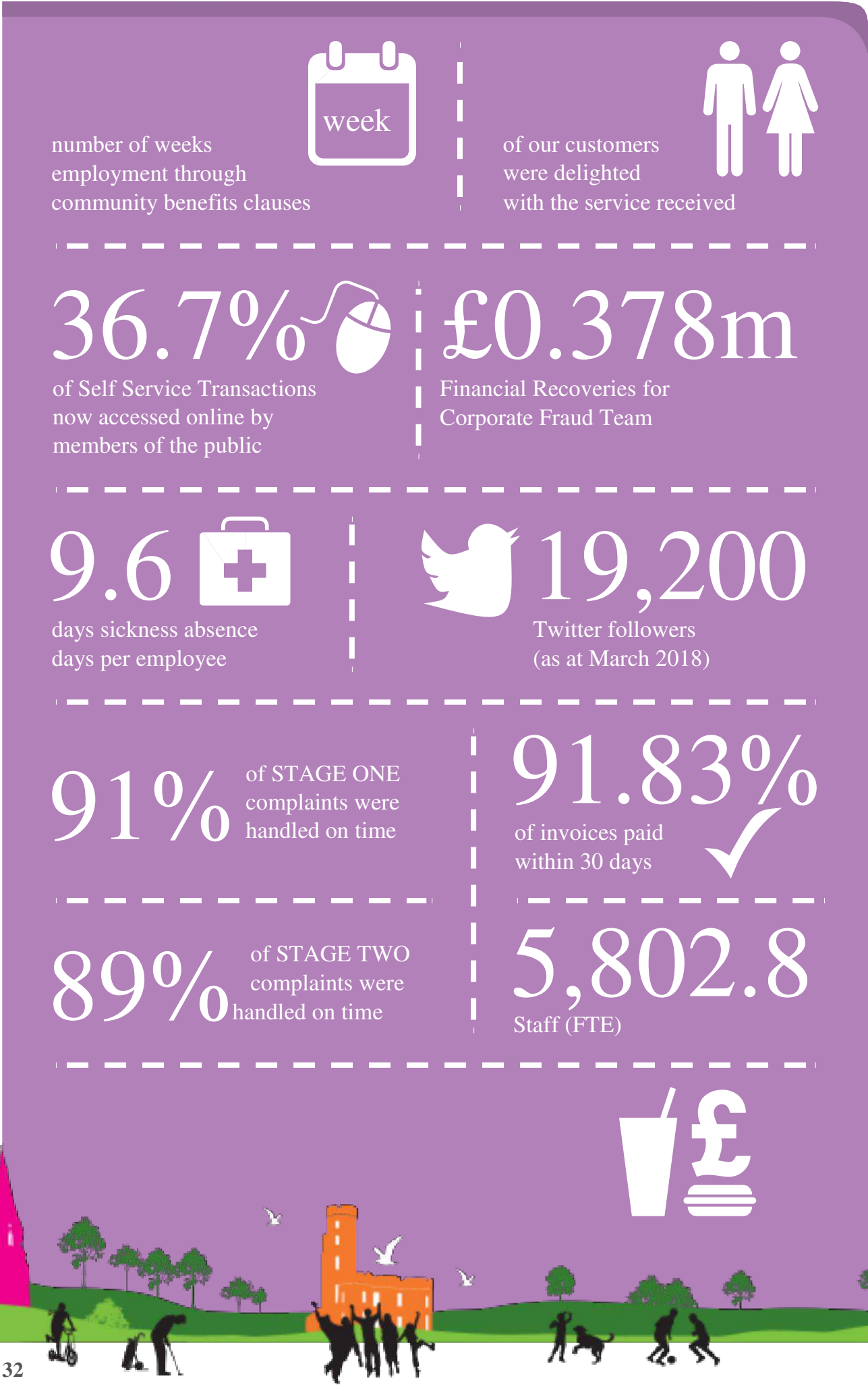
- We successfully introduced webcasting of Council meetings, with the February 2018 Council meeting attracting over 400 'live' views.
- We successfully managed two election events.
- We improved customer satisfaction and reduced costs through innovating our processes and the service delivery model for Council Tax. We have also improved benefit processing times whilst implementing Universal Credit.
- There has been a significant 12% increase in the number of residents using our self-service routes this year. We have also increased the volume of web chats from 100 in 2015 to 600 per quarter in 2017.
- Our General Data Protection Regulations (GDPR) project team has delivered excellent engagement and joint working which ensured we were on track to meet the new legislative requirements.
- The development of an innovative on-line budget engagement tool enabled the public to engage with the budget development process and inform the identification of key expenditure and savings priorities.
- We established a clear vision to support our transformation agenda through our Technology Strategy.

Priority in Action

In 2017 the Revenues and Benefits Business Improvement Team conducted a review of Council Tax processes. The objective was to provide the best service possible for our customers, getting it right first time and avoiding repeat contact. The review looked at the delays and what caused issues for the team. A new One Team approach has now been implemented which has resulted in:

- 96% of transactions being dealt with at the first point of contact.
- Transactions are now completed immediately rather than within 10 working days.
- Processing times have been reduced by 19 minutes for change of address.
- Customer satisfaction had increased to 95%.
- 10% increase in the percentage of delighted customers.
- Customer complaints have decreased by 36.6%.





2017/18 Performance Indicators

North Ayrshire Council

Search...

Sign in Register

Home > Council > Performance and spending > Council performance

Council performance (North Ayrshire Performs)

Find out how we're performing against our indicators by visiting our online performance area. You will also find out how our performance compares to others: [North Ayrshire Performs Portal](#).

Annual Performance Reports

Our Annual Performance Reports provide a balanced view of the council's progress in achieving its priorities.

Reports include information on successes, challenges and performance in achieving the strategic priorities of the Council Plan:

- [Annual Performance Summary 2017 \(PDF, 1.9mb\)](#)
- [Annual Performance Report 2016/17 \(PDF, 1.95mb\)](#)
- [Annual Performance Report 2015/16 \(PDF, 1.43mb\)](#)
- [Annual Performance Report 2014/15 \(PDF, 1.96mb\)](#)
- [Annual Performance Report 2013/14 \(PDF, 5.26mb\)](#)

We carried out a survey of our People's Panel, with 62% of all respondents telling us they were aware that the council published an annual report.

View [more details \(PDF, 259kb\)](#) on what they thought of our public performance reporting.

Key Performance Symbols

The [Key of Performance Symbols \(PDF, 213kb\)](#) provides explanations for the main symbols that appear in the [North Ayrshire Performs Portal](#).

Performance and spending

- [Achievements, recognition and awards](#)
- [Audits and inspections](#)
- [Benchmarking](#)
- [Benefits performance](#)
- [Budgets and finance](#)
- [Building standards performance](#)
- [Council performance](#)**
- [Council Tax performance](#)
- [Education and youth employment performance](#)
- [Expenditure on consultants](#)
- [Housing performance](#)
- [Payments to suppliers](#)
- [Trading Standards performance](#)
- [Planning performance](#)

More data about our performance measures and how our performance compares with other councils is available at our North Ayrshire Performs portal on our website at:

www.north-ayrshire.gov.uk/council/performance-and-spending/council-performance.aspx

How did we spend your Council Tax?

Band D £1,186.56 2017/18

Financing Costs
£85.87

Other Corporate Services
£26.74

Chief Executive and Democratic Services
£12.82

Finance & Corporate Support
£59.95

Education and Youth Employment
£380.33

Economy and Communities
£78.00

Health and Social Care Partnership
£329.08

Place
£213.77

Please take a few minutes to tell us what you think about this Annual Report by completing our survey online: <https://www.surveymonkey.co.uk/r/CMW68QK>

Alternatively you can complete this page and return to Policy and Performance,
Democratic Services, Cunninghame House, Friarscroft, Irvine KA12 5EE

Call us on: 01294 324140 or email us at: northayrshireperforms@north-ayrshire.gov.uk

1. How do you rate the design and layout of the Annual Report?

☐ Very good ☐ Fairly good ☐ Average ☐ Poor

2. How easy is it to read and understand?

☐ Very easy ☐ Fairly easy ☐ Not very easy ☐ Not at all easy

3. How useful is it in informing you about the work of your Council?

☐ Very useful ☐ Fairly useful ☐ Not very useful ☐ Not at all useful

4. Which sections did you find particularly useful?

5. What other information would you like to see in a future Annual Report?

6. Other comments

Thank you for your feedback.

We will use your feedback to improve future publications.

NORTH AYRSHIRE COUNCIL

Agenda Item 5

25 September 2018**Audit and Scrutiny Committee**

Title:	Local Government Benchmarking Framework (LGBF) 2016/17
Purpose:	To advise of the results of the LGBF indicators for 2016/17 and to highlight Directorates' priorities.
Recommendation:	That Audit and Scrutiny Committee notes the LGBF results and priorities identified by Directorates and that further work will continue within Directorates to identify improvement activity in the priority areas

1. Executive Summary

- 1.1 This report presents the results of the LGBF indicators for 2016/17 and highlights the Improvement Service's areas for development that will enable us to make further use of the Framework.
- 1.2 This report also highlights in yellow the **priorities** identified by Directorates as attached in **Appendix 1**. Appendix 1 also contains the feedback narrative provided by Directorates following analysis of the results in March 2018.

2. Background

- 2.1 During the past seven years, North Ayrshire Council has been working with other Scottish councils and the Improvement Service to develop and improve the Local Government Improvement Framework (LGBF). The LGBF brings together a wide range of information about the performance of Scottish councils. The LGBF is designed to:
- help councils better understand why they achieve their current performance levels
 - build understanding of where council performance varies
 - build understanding of why council performance variation occurs
 - help identify and share good practice across councils
- 2.2 The Improvement Service will continue to work to broaden the range of indicators being deployed to support benchmarking. The following priorities have been identified by the Improvement Service to strengthen the LGBF across the next period:
- i. To ensure the framework has relevance, credibility and timeousness.

- ii. To better align the LGBF and outcomes.
- iii. To demonstrate how the framework is being used to inform decision making, drive improvement, and strengthen public accountability.

2.3 A performance update has been circulated to Elected Members through North Ayrshire News.

2.4 Analysis of the national data highlights that our performance has improved from 2015/16. There are now 75 indicators with nine new Children's Services indicators included this year. There are five indicators where 2016/17 data was still not available in the March data refresh. The charts below shows our performance in terms of quartiles for 2015/16 and 2016/17.

Chart 1: 2015/16 LGBF Indicators by Quartile

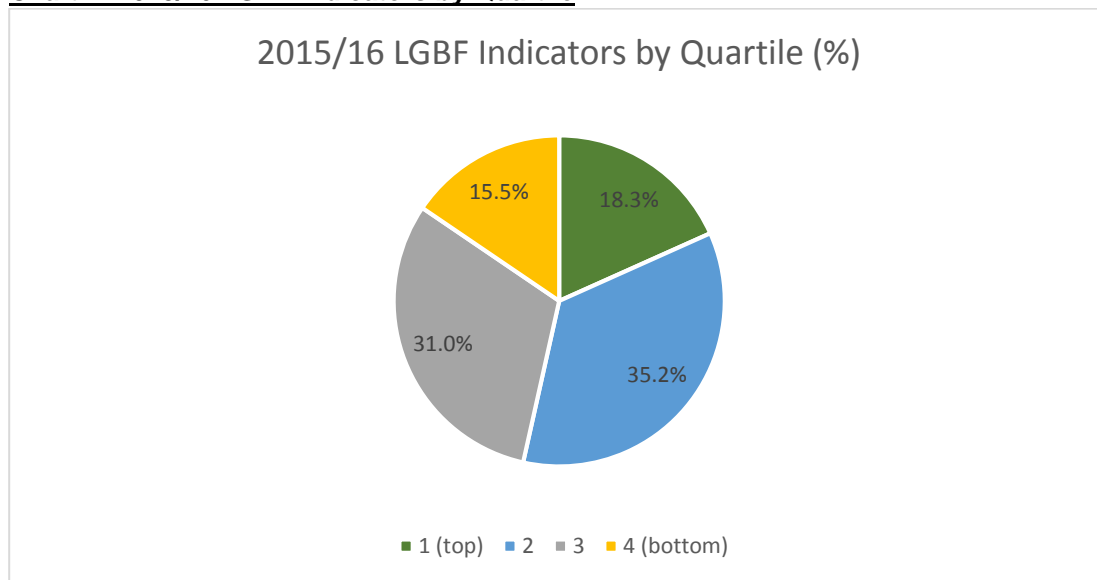
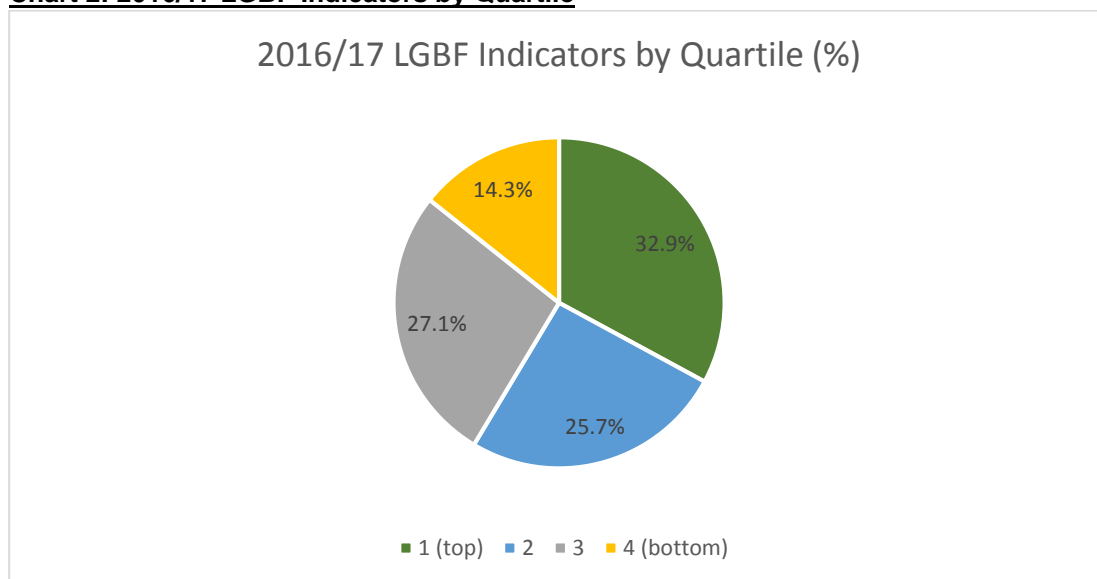


Chart 2: 2016/17 LGBF Indicators by Quartile



- 2.2 The LGBF forms part of our performance management arrangements in terms of driving improvements in key areas. Directorates identified priority areas in 2016. These are areas where a strong or improving performance is of particular importance to North Ayrshire.
- 2.3 Following publication of the LGBF data, work has been undertaken with Directorates to analyse our performance and develop plans to improve performance in our key priority areas. The identified priorities and other measures are highlighted in Appendix 1.
- 2.4 We will continue to use the framework to support our improvement journey.

3. Proposals

- 3.1 It is proposed that Audit and Scrutiny Committee notes the LGBF priorities identified by Directorates and that work will continue within Directorates to identify improvement activity in the priority areas

4. Implications

Financial:	The aim of benchmarking activity is to learn from best practice. In many cases this will enable an improved service to be delivered at the same cost, or the same level of service to be delivered at lower cost.
Human Resources:	Some of the indicators detailed in the LGBF, such as that on absence levels, deal specifically with matters relating to Human Resources.
Legal:	Effective benchmarking can be seen not only as a means of improving performance or lowering cost, but of complying with the Council's legal obligation to deliver Best Value.
Equality: Children and Young People:	Some of the indicators detailed in the LGBF, such as those relating to the % of the highest paid 5% of employees who are women and gender pay gap, deal specifically with equality. Others show a clear link between performance and deprivation and equality in its wider sense. Some of the LGBF indicators, such as that on absence levels, deal specifically with matters relating to Children and Young People.
Environmental & Sustainability:	Numerous indicators relate to environmental issues.
Key Priorities:	Implementation of effective benchmarking practices across the Council will help support the Council's strategic priorities.
Community Benefits:	There are no community benefit implications.

5. Consultation

- 5.1 The Executive Leadership Team discussed this report on 16 May 2018 and Cabinet discussed this report on the 29 May 2018.

A handwritten signature in black ink that reads "Elma Murray". The script is cursive and fluid.

**Elma Murray OBE
Chief Executive**

For further information please contact Margaret Davison, Senior Manager Democratic Services on 01294 324138.


































Background Papers

N/A
















All Indicators - Directorate Priorities have been highlighted in yellow

Education and Youth Employment










Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
CHN1 Cost Per Primary School Pupil	4773.45	4883.02	↓	18	16	↑	3	2	↑	Performance has declined. Improved from Quartile (Q) 3 to Q2.	As a Local Authority we sit in the middle of the cost per pupil – the Authority has costs associated with providing education on island communities (an ongoing review of management costs should help to improve this)
CHN2 Cost per Secondary School Pupil	6964.05	7113.44	↓	23	23	→	3	3	→	Performance has declined. Position maintained in Q3.	As above – removal of 20+ teachers from the secondary estate will improve this position.
CHN3 Cost per Pre-School Education Registration	4643.78	4748.34	↓	25	20	↑	4	3	↑	Performance has declined. Improved from Q4 to Q3.	Early Years grants will be supported by additional funding. This will change the cost per pupil across Scotland. Finance are working closely with the Early Years Team to manage costs within available funds. A fully costed model is being implemented.
CHN4 % achieving 5 or more awards at SCQF Level 5	52.00	60.00	↑	29	18	↑	4	3	↑	Performance has improved. Improved from Q4 to Q3.	Continued work on the National Improvement Framework (NIF) priorities will support ongoing Directorate priority to improve attainment.
CHN5 % achieving 5 or more awards at SCQF Level 6	24.00	32.00	↑	31	18	↑	4	3	↑	Performance has improved. Improved from Q4 to Q3.	
CHN6 % of pupils living in the 20% most deprived areas gaining 5+ awards at level 5	39.00	46.00	↑	12	7	↑	2	1	↑	Performance has improved. Improved from Q2 to Q1.	
CHN7 % of pupils living in the 20% most deprived areas gaining 5+ awards at level 6	13.00	18.00	↑	18	7	↑	3	1	↑	Performance has improved. Improved from Q3 to Q1.	As 4-6 plans focus through attainment challenge work is expected to continue to have a positive impact on this measure.
CHN10 % of Adults Satisfied with Local Schools	84.33	81.33	↓	12	13	↓	2	2	→	Performance has declined. Position maintained in Q2.	Improved infrastructure, parental involvement initiatives and outcomes are expected to reverse this position.
CHN11 Proportion of Pupils Entering Positive Destinations	94.80	93.40	↓	9	21	↓	2	3	↓	Performance has declined. Declined from Q2 to Q3.	Developing Young Workforce initiatives; renewed focus in schools including mentoring; work experience standards and improving attainment are expected to stabilise this years decline in performance.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
CHN 12a Overall Average Total Tariff	803.96	881.96		28	18		4	3		Performance has improved. Improved from Q4 to Q3.	Continued work on NIF priorities will support ongoing Directorate priority to improve attainment.
CHN 12b Average Total Tariff SIMD Quintile 1	608.00	692.00		10	4		2	1		Performance has improved. Improved from Q2 to Q1.	
CHN 12c Average Total Tariff SIMD Quintile 2	719.00	802.00		20	9		3	2		Performance has improved. Improved from Q3 to Q2.	
CHN 12d Average Total Tariff SIMD Quintile 3	876.00	1038.00		18	5		3	1		Performance has improved. Improved from Q3 to Q1.	
CHN 12e Average Total Tariff SIMD Quintile 4	1074.00	1094.00		7	10		1	2		Performance has improved. Declined from Q1 to Q2.	
CHN 12f Average Total Tariff SIMD Quintile 5	1101.00	1222.00		23	12		3	2		Performance has improved. Improved from Q3 to Q2.	
CHN 18 % of funded early years provision which is graded good/ better	95.1	98.3		9	5		2	1		New measure. Performance has improved. Improved from Q2 to Q1.	This will become a new national baseline performance measure by 2020. We are revising our early years to support this measure.
CHN 19a School attendance rates (per 100 pupils)	93.30 (2014/15)	92.60		23	26		3	4		New Measure. Performance has declined. Declined from Q3 to Q4.	Discussion with Head Teachers taking place to have renewed focus on attendance. Decline minimal.
CHN 19b School attendance rates (per 100 'looked after children')	92.77 (2014/15)	n/a	n/a	7			1			New measures. Data not available	N/A
CHN 20a School exclusion rates (per 1000 pupils)	22.70 (2014/15)	19.72		15	10		2	2		New Measure. Performance has improved. Position maintained in Q2.	N/A
CHN 20b School exclusion rates (per 1000 'looked after children')	42.25 (2014/15)	n/a	n/a	5			1			New measures. Data not available	N/A
CHN 21 Participation rate for 16-19 year olds (per 100)	89.90	90.30		20	23		3	3		New measure. Performance has improved. Position maintained in Q3.	Continue to work with SDS, College providers and employers to help maintain young people in a positive destination.
Corp 6a Sickness Absence Days per Teacher	6.00	5.88		14	17		2	3		Performance has improved. Declined from Q2 to Q3.	Focussed work with Head Teachers. Use of data to identify specific issues.










Finance and Corporate Support

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
Corp 1 Support services as a % of Total Gross expenditure	2.52	2.28		1	1		1	1		Performance has improved. Position maintained in Q1.	The Council retained the top place ranking for the fourth year across Scotland and remains in the top quartile. It should be recognised that, while this is excellent performance, the percentage across Councils will be affected by the degree of centralisation or decentralisation of support services. No specific improvement action is planned in relation to this indicator.
Corp 3b The % of the highest paid 5% of employees who are women¹	53.74	55.51		7	7		1	1		Performance has improved. Position maintained in Q1.	The Council was ranked 7/32 in 2016/17 and remains in the top quartile. This position remains unchanged since 2015/16. Within its family group North Ayrshire has the highest percentage of female top earners. No specific improvement action is planned in relation to this indicator; North Ayrshire Council has policies, procedures and guides in place to ensure the Council conducts a fair and safe selection process.
Corp 3c The gender pay gap¹	1.79	1.16		9	7		2	1		Performance has improved. Improved from Q2 to Q1.	The Council is ranked 7/32 across Scotland and has moved from the second quartile in 2015/16. No specific action is planned in relation to this indicator; the Council has a range of policies in place including flexible working arrangements which support women into full time employment and higher graded posts. It is envisaged that the gender pay gap will continue to reduce year on year.
Corp 4 The cost per dwelling of collecting Council Tax	10.43	7.67		19	10		3	2		Performance has improved. Improved from Q3 to Q2.	There are a number of workstreams that will deliver further efficiencies around cost of collection – digital, automation and the “One Team” approach. The work around this aligns with our in-year council tax recovery where a review of debt recovery is being progressed.
Corp 6b Sickness Absence Days per Employee (non-teacher)¹	9.87	10.88		9	16		2	2		Performance has declined. Position maintained in Q2.	The Council continues to support employees to return to work and reduce sickness absence through initiatives such as - Wellbeing activities and Work-life balance opportunities. We also provide access to employee counselling and financial well-being support and case management discussions with Occupational Health and Services. Managers have been

¹ Council wide indicators.













Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
											introduced, to provide tailored support to individual employees. Managers are supported with training in relation to healthy working lives, stress management and maximising attendance. HR Professional support and guidance is also available to assist with managing cases consistently and effectively. Absence reporting continues to be monitored to highlight trends and areas of concern. This allows early intervention support to be initiated.
Corp 7 % of income due from Council Tax received by the end of the year	94.68	94.68		25	28		4	4		Performance unchanged. Position maintained in Q4.	A review of debt recovery is being progressed.
Corp 8 % of invoices sampled that were paid within 30 days ¹	92.50	92.96		18	18		3	3		Performance has improved. Position maintained in Q3.	Work will commence in 18/19 to maximise opportunities from Integra and the implementation of e-invoicing.
Econ4 % of procurement spent on local small/ medium enterprises	14.03	15.30		28	26		4	4		Data for this indicator has been updated due to new methodology. Performance has improved. Position maintained in Q4.	Within the confines of procurement regulations and legislation we will maximise the opportunities to procure from local businesses and SMEs. Integra gives us the opportunity to refine our data and ensure more accurate reporting of this.







Health and Social Care Partnership










Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile	2016/17 Quartile	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
CHN8a The Gross Cost of "Children Looked After" in Residential Based Services per Child per week	3037.48	2542.71		14	6		2	1		Performance has improved. Improved from Q2 to Q1.	Focus is to decrease need to accommodate children in residential facilities with increase in options to support Foster Care. Review of length of stay within Residential units and progression of Child Plans is underway as part of Residential Review.
CHN8b The Gross Cost of "Children Looked After" in a Community Setting per Child per Week	281.57	307.58		19	17		3	3		Performance has declined. Position maintained in Q3.	Increase in support and interventions to support children in community settings such as kinship/fostering to prevent placement breakdown and prevent accommodation away from community.
CHN9 Balance of Care for looked after children: % of children being looked after in the community	90.22	86.84		14	23		2	3		Performance has declined. Declined from Q2 to Q3.	From the pilot areas of Elderbank and Greenwood there have been no children since Sept 17 formally looked after/or accommodated. Learning is still underway which if sustained then workforce model expansion is being explored.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile	2016/17 Quartile	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
CHN 17 % of children meeting developmental milestones	73.41	n/a	n/a	22	n/a		3			New measure. Data not available	Data should be available as locally collected by HSCP for all children at 13-15 month and 27-30 months. Areas of concern remain from communication and language development, emotional and social development.
CHN 22 % of child protection re-registrations within 18 months	5.33	7.19	↓	17	21	↓	3	3	▬	Performance has declined. Position maintained in Q3.	The Management Information Group monitor individual cases as numbers remain low, key areas identified are new risk factors presented
CHN 23 % of LAC with more than 1 placement in the last year (Aug-Jul)	20.73	21.71	↓	13	17	↓	2	3	↓	Performance has declined. Declined from Q2 to Q3.	Monitoring of placements and new ways to increase support and resilience across fostering provision and kinship will be introduced
SW2 SDS spend on adults 18+ as a % of total social work spend on adults 18+	2.07	2.34	↑	29	28	↑	4	4	▬	Performance has improved. Position maintained in Q4.	The HSCP senior management team have agreed to pilot an assets based approach to assessment of individuals and the use of SDS as a means of promoting choice and control, as well as personal resilience and independence in responding to identified needs. The pilot will be under-way by June 2018, results available by December 2018.
SW1 Older Persons (Over65) Home Care Costs per Hour	22.00	28.40	↓	20	26	↓	3	4	↓	Performance has declined. Declined from Q3 to Q4.	A comprehensive review of costs included in this indicator will be carried out.
SW3 % of people 65+ with intensive needs receiving care at home	34.16	30.13	↓	18	22	↓	3	3	▬	Performance has declined. Position maintained in Q3.	The reablement approach is working and reducing the level of need and complexity of packages that are being offered.
SW5 Older persons (over 65's) Residential Care Costs per week per resident	357.36	354.72	↑	13	11	↑	2	2	▬	Performance has improved. Position maintained in Q2.	While we closed 2016/17 with a higher number of people in permanent care than the available budget could fund, the creation of a waiting list in 2017/18 has delivered budgetary balance.
SW4a % of adults receiving any care or support who rate it as excellent or good	79.29	n/a	n/a	24			3			Data not available	
SW4b % of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life	82.46	n/a	n/a	22			3			Data not available	

Economy and Communities

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance -/+	2015/16 Rank	2016/17 Rank	Rank -/+	2015/16 Quartile (Q)	2016/17 Q	Quartile -/+	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
C&L1 Cost per attendance at Sports facilities	2.07	3.32		12	22		2	3		Performance has declined. Declined from Q2 to Q3.	The costs of running aging facilities at Irvine and Garnock, alongside the costs of the new developments of Portal and Garnock Campus will have contributed to this indicator during 2016/17. Portal and Garnock Campus opened in February and January 2017 respectively. Kilwinning Academy Sports Pitch opened in October 2017 and is proving popular with new and existing groups. It is managed by KA Leisure. The new Largs Campus will be open to the public on 23rd April 2018. As this PI is a ratio, the lower attendance at the older facilities will also have contributed to this result. For example, the number of attendances at sports facilities excluding pools YTD figure has increased by 21.3% in 2017/18 compared to the same period in 2016/17, reflecting the increased use of the newer facilities.
C&L2 Cost Per Library Visit	1.47	1.57		4	7		1	1		Performance has declined. Position maintained in Q1.	Despite a 20% reduction in investment and contraction of 15% in opening hours libraries maintain a strong performance and our aspirations are to maintain Q1. A full programme of primary school visits and events from author visits to seasonal craft sessions, together with award-winning programmes like DigiDabble and Appiness keep the library services relevant to public needs and stimulate footfall. Virtual visits are increasing with 24/7 access to library ebooks, magazines and music. The Garnock Valley MakerSpaces for creativity and innovation has commenced, with a launch in early May.
C&L3 Cost of Museums per Visit	0.31	0.28		1	1		1	1		Performance has improved. Position maintained in qQ1.	A full programme of exhibitions, classes and events has been launched with the Townhouse. The Heritage Centre roof repairs have taken longer than anticipated and merged with other scheduled restoration work. Reopening has been delayed because of problems with heating, our aspiration is to maintain Q1 when both facilities are fully functioning.
C&L5a % of adults satisfied with libraries	92.33	92.00		2	2		1	1		Performance has declined. Position maintained in Q1.	Library services are striving to provide a high-quality range of library services normally only available in affluent city-centres, within a tight budget. Maintaining Q1 with forthcoming consultations about proposed budget reductions.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance -/+	2015/16 Rank	2016/17 Rank	Rank -/+	2015/16 Quartile (Q)	2016/17 Q	Quartile -/+	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
											Aspirations are to sustain high satisfaction levels however delivery methods will be impacted by budget constraints.
C&L5c % of adults satisfied with museums and galleries	76.67	74.00		11	13		2	2		Performance has declined. Position maintained in Q2.	Our aspirations are to improve our position within the Q2 with the reopening of the Heritage Centre and establishment of the Townhouse. Work continues with Creative Scotland to launch the Place Partnership and fund a Creative Connector - Place Partnership Officer to carry out research, capacity building and audience & participation development. More co-curated community exhibitions, such as The Medda and Irvine Folk festival have proved popular and build local capacity for heritage skills. The high-profile Scottish Diaspora Tapestry exhibitions in partnership with North Ayrshire with Irvine Burns Club and Graham Fagan's 'Slave's Lament' proved popular and exceeded all expectations of footfall.
C&L5d % of adults satisfied with leisure facilities	75.00	72.33		18	23		3	3		Performance has declined. Position maintained in Q3.	This indicator covers the three years prior to and including 2016/17 which coincided with running aging facilities. The Magnum and Garnock Pool are now closed and replaced with improved facilities at Garnock and Irvine as well as the new Largs campus. KAL have a number of innovative health partnerships including for example, recovery from Heart/Stroke, Mind and Be Active etc. The DrEAM (Drop Everything and Move) event attracted significant social media engagement. KAL works closely with us, NHS and community sports clubs to provide a diverse range of sports and physical activities for all abilities. Portal and Garnock Campus opened in February and January 2017 respectively. Kilwinning Academy Sports Pitch opened in October 2017 and is proving popular with new and existing groups. It is managed by KA Leisure. The new Largs Campus will be open to the public on 23rd April 2018. The number of attendances at sports facilities excluding pools YTD figure has increased by 21.3% in 2017/18 compared to the same period in 2016/17.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
											It is expected these developments will have a positive impact on this figure going forward, however as the satisfaction percentages are averaged over three years it may take some time to impact this figure fully.
ENV5a Cost of Trading Standards, Money Advice & Citizen Advice per 1,000 population	4936.46	3716.24		12	10		2	2		Name has changed to better reflect measure. Performance has improved. Position maintained in Q2.	Note: Protective Services are only responsible for the Trading Standards element of this PI. The Trading Standards team are continually reviewing service delivery and adopting best practice where possible to provide maximum impact for the community and deal with existing, new and emerging issues which have the potential to cause harm to our businesses and residents. Changes to funding mechanisms for the money advice and citizen advice services, over which Protective Services have no control, has the potential to cause significant shift in this PI in future years.
ENV5b Cost of environmental health per 1,000 population	13274.08	13466.77		13	12		2	2		Performance has declined. Position maintained in Q2.	The Environmental Health team are continually adopting best practice to ensure an effective and efficient service is maintained to help businesses and residents comply with existing and new legislation. As far as we are aware this PI also includes finances associated with other areas of the environment such as expenditure on public toilet provision over which Protective Services have no control. This figure is likely to show an improvement as a result of reducing expenditure in these areas.
Econ1 % of Unemployed People Assisted into work from Council Funded/ Operated Employability Programmes	8.23	14.67		20	13		3	2		Performance has improved. Improved from Q3 to Q2.	Performance has improved as expected as services rolled out and bedded in following late start of programme in 2015. Further expansion of employability hubs network help increase performance in 17/18. As external funding ceases in December 2018, thoughts are moving to new funding applications and how better services can be delivered in the future. Key to this will be whether employability is delivered regionally. Future aspirations are likely to be less about growing the volume of people supported but more focused on key excluded groups such as disabled, females and care




Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile (Q)	2016/17 Q	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
											leavers. A more targeted approach may again call the efficacy of this measure into question.
Econ2 Cost per planning application	4270.93	3787.11	↑	13	8	↑	2	1	↑	Performance has improved. Improved from Q2 to Q1.	Planning Services continue to promote the eDevelopment portal to encourage online applications.
Econ3 Average Time Per Commercial Planning Application	5.31	6.49	↓	1	2	↓	1	1	▬	Performance has declined. Position maintained in Q1.	Planning Services continue to meet developers or their representative in advance of them submitting all planning applications. This means issues can be resolved and requirements of the process are explained in advance. This prevents rework once the application is submitted, positively impacting processing time. In addition Planning Services continue to promote the eDevelopment portal to encourage online applications.
Econ5 No of business gateway start-ups per 10,000 population	15.43	22.37	↑	21	5	↑	3	1	↑	Performance has improved. Improved from Q3 to Q1.	Start up performance continues to rise in 17/18 and this coincides with improvement in survivability rates seen. Work will continue to develop support for new businesses and help increase sustainability.




Place

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance +/-	2015/16 Rank	2016/17 Rank	Rank +/-	2015/16 Quartile	2016/17 Quartile	Quartile +/-	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
C&L4 Cost of Parks& Open Spaces per 1,000 Population	29817	29450	↑	27	29	↓	4	4	▬	Performance has improved. Position maintained in Q4.	Comprehensive review of costs included in Indicator carried out together with Benchmarking with East Ayrshire Council to compare performance. Measures put in place to accurately reflect costs by removing certain costs in line with published guidance should see continued improved performance. Continue to reduce in line with Council budgetary decision.
C&L5b % of adults satisfied with parks and open spaces	85.33	81.00	↓	18	26	↓	3	4	↓	Performance has declined. Declined from Q3 to Q4.	Scottish Household Survey is used as basis for this indicator which is a very small proportion local residents. Improve satisfaction through greater community involvement and Participatory Budget approach.
ENV1a Net cost per Waste collection per premises	55.75	54.60	↑	12	11	↑	2	2	▬	Performance has improved. Position maintained in Q2.	Zero Waste Strategy approved by Cabinet which will see significant savings within Waste Collections as reflected in refreshed waste Budgets, therefore continue to reduce costs in line with Council budget decisions.
ENV2a Net cost per Waste disposal per premises	120.16	101.81	↑	26	22	↑	4	3	↑	Performance has improved. Improved from Q4 to Q3.	Continue to seek best value and cost avoidance in contracting waste disposal requirements within context of increased landfill tax and the

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance -/+	2015/16 Rank	2016/17 Rank	Rank -/+	2015/16 Quartile	2016/17 Quartile	Quartile -/+	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
											forthcoming ban on landfill activities which will increase costs. Higher cost attributable to transfer of waste from islands.
ENV3a Net cost of street cleaning per 1,000 population	14875.49	14784.02	↑	21	19	↑	3	3	▬	Performance has improved. Position maintained in Q3.	Continue to reduce in line with Council budgetary constraints. Review of allocation to be undertaken to ensure we are in line with Local Financial Returns (LFR) guidance.
ENV3c Street Cleanliness Score	95.80	90.60	↓	10	29	↓	2	4	↓	Performance has declined. Declined from Q2 to Q4.	Performance has declined, however Q2 17/18 result is 94.5 and further improvement is forecast. Performance monitoring in place to improve operational performance and targetting of resources to areas of greatest need. Continue to improve cleanliness through Environmental Enforcement and Educational activities to reduce littering.
ENV4a Cost of maintenance per kilometre of roads	10820.85	11216.70	↓	15	16	↓	2	2	▬	Performance has declined. Position maintained in Q2.	To maintain position reflecting budgetary decisions and await further review of Indicator.
ENV4b % of A class roads that should be considered for maintenance treatment	35.60	36.19	↓	28	28	▬	4	4	▬	Performance has declined. Position maintained in Q4.	Reduced capital in 2016/17, however extra funding has been allocated for 2018-19. Due to timing of the Scottish Road Maintenance Condition Surveys we expect to see improvement in the Roads Conditions Index reported in 2019-20. Performance directly related to investment. Funding targeted towards A class, B class and C class and unclassified on a prioritisation basis to improve scores.
ENV4c % of B class roads that should be considered for maintenance treatment	33.56	36.83	↓	18	24	↓	3	3	▬	Performance has declined. Position maintained in Q3.	See above
ENV4d % of C class roads that should be considered for maintenance treatment	48.70	50.76	↓	31	31	▬	4	4	▬	Performance has declined. Position maintained in Q4.	See above
ENV4e % of unclassified roads that should be considered for maintenance treatment	35.44	34.55	↑	13	8	↑	2	1	↑	Performance has improved. Improved from Q2 to Q1.	See above
ENV6 The % of total household waste	56.00	55.31	↓	4	5	↓	1	1	▬	Performance has declined. Position maintained in Q1.	Maintain position in the upper quartile. Zero Waste Strategy approved which will achieve further improved recycling rates.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance -/+	2015/16 Rank	2016/17 Rank	Rank- /+	2015/16 Quartile	2016/17 Quartile	Quartile -/+	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
arising that is recycled											
ENV7a % of adults satisfied with refuse collection	88.33	87.67	↓	11	7	↑	2	1	↑	Performance has declined. Improved from Q2 to Q1.	Review the methods the Scottish Household Survey are using to collate information and continue to improve satisfaction through greater community involvement and implementation of the Zero Waste Strategy.
ENV7b % of adults satisfied with street cleaning	79.67	78.33	↓	8	9	↓	1	2	↓	Performance has declined. Declined from Q1 to Q2	Review the methods the Scottish Household Survey are using to collate information and improve satisfaction through greater community involvement. Performance monitoring in place to improve operational performance and targeting of resources to areas of greatest need. Continue to improve cleanliness through Environmental Enforcement and Educational activities to reduce prevalence of litter requiring removal. Continue to promote responsible behaviour.
HSN1b Gross rent arrears (all tenants) as at 31 March each year as a % of rent due for the reporting year	3.23	3.39	↓	3	3	▬	1	1	▬	Performance has declined. Position maintained in Q1.	Universal Credit full service was rolled out in November 2017 locally, despite this we are still maintaining our sector leading performance, achieving 3.47% at end of February 2018. The Rent Arrears Working Group and HRA Welfare Reform Advice Team will continue to work together, with tenants and the Department of Work and Pensions to ensure that we maintain our rent collection levels.
HSN2 % of rent due in the year that was lost due to voids	0.33	0.33	▬	1	1	▬	1	1	▬	Performance is unchanged. Position maintained in Q1.	The Voids and Allocations Working Group will continue to monitor performance and ensure our top performance is maintained.
HSN3 % of council dwellings meeting Scottish Housing Standards	99.07	98.67	↓	3	3	▬	1	1	▬	Performance has declined. Position maintained in Q1.	100% SHQS compliance is targeted for 31 March 2018.
HSN4b Average number of days taken to complete non-emergency repairs	8.91	7.85	↑	10	12	↓	2	2	▬	Performance has improved. Position maintained in Q2.	At quarter 2 of 2017/18 the result was 4.96 days as a result of a staff restructure and change to processes. We expect to move into the top quartile when 2017/18 is reported.
HSN5 % of council dwellings that are energy efficient	99.69	99.48	↓	11	10	↑	2	2	▬	Performance has declined. Position maintained in Q2.	99.5% compliance is targeted for 31 March 2018. 17/18 Q3 performance is 99.8%. Continue to improve.
Corp asset 1 Proportion of operational buildings that are	89.80	91.63	↑	9	5	↑	2	1	↑	Performance has improved. Improved from Q2 to Q1.	Improved performance. The asset rationalisation work being undertaken by the Strategic Property Assets Group (SPAG) will enable us to further improve performance.

Indicator Ref and Name	2015/16 Value	2016/17 Value	Performance -/+	2015/16 Rank	2016/17 Rank	Rank -/+	2015/16 Quartile	2016/17 Quartile	Quartile -/+	Performance Summary	Directorate Comments on performance, improvement activity and future aspirations
suitable for their current use											
Corp asset 2 Proportion of internal floor area of operational buildings in satisfactory condition	99.52	99.66		1	1		1	1		Performance has improved. Position maintained in Q1.	Improved performance. The asset rationalisation work being undertaken by the Strategic Property Assets Group (SPAG) will enable the current performance to be maintained.

Improving	No change	Worsening
		

NORTH AYRSHIRE COUNCIL
22 September 2018**Audit And Scrutiny Committee**

Title:	Brexit Risks Update
Purpose:	To respond to a request from the Audit and Scrutiny Committee for an update on the work the Council is doing in preparation for Brexit.
Recommendation:	It is proposed that the Audit and Scrutiny Committee (a) notes the contents of this report; and (b) agree to receive a quarterly update report on Brexit development.

1. Executive Summary

- 1.1 At the meeting of the Audit and Scrutiny Committee on 29 May 2018 members asked that a report be provided on the findings of the Brexit Officers' Group. This report presents an update of the work that is going on across the Council in preparation for Brexit and to mitigate real and perceived risks.

2. Background

- 2.1 Following the UK's vote to leave the EU, the UK Government triggered Article 50 in March 2017, starting a two year negotiation on a Withdrawal Agreement. On 29 March 2019 the UK will leave the EU and all EU law will transfer into UK law. The UK Government will then decide whether to keep, amend or discard each law. The UK can leave the EU in March 2019 without an agreement, but an 'orderly withdrawal' is the stated desired outcome for all parties.
- 2.2 A phased approach has been taken to the UK/EU negotiations. In December 2017 the focus was on citizens' rights, the UK's contribution to the EU budget and participation in EU programmes and the Ireland/Northern Ireland border arrangements. The next phase concluded in March 2018, with agreement for a 21-month transition period until December 2020 where current arrangements will continue. The UK/EU negotiations are now focused on the future relationship including customs, security, criminal justice, economic co-operation, and a science, research and innovation partnership. The impact of the customs union on Ireland and Northern Ireland still remains a key issue. The aim is to have an agreed Withdrawal agreement between the UK and EU by October 2018 for ratification.
- 2.3 A number of pieces of legislation will implement the UK's withdrawal from the EU. These include the European Union (Withdrawal) Bill, a Trade Bill which would allow the UK to operate its own trade policy after Brexit, a Taxation (Cross-border Trade) Bill which will replace EU customs rules and allow the UK to impose its own tariffs after Brexit, and an Immigration Bill. Several of these bills have
- 2.4 The UK Government published their Brexit White Paper on 12 July 2018. It sets out the sort of
- 2.5 There remains significant uncertainty as to what form Brexit arrangements will take and what specific impacts or opportunities this may have for North Ayrshire. Both the UK and EU have stated that

the potential for the UK to leave the EU in March 2019, moving to World Trade Organisation (WTO) rules, without an implementation period.

- 2.6 Whilst the Government is negotiating with the EU and taking legislation through Parliament to enable Brexit, the Council is engaged through appropriate national, regional and local partnership channels. We are also monitoring developments closely to consider the impact for the area. Currently, there is a lack of detailed information about the implementation plans which will affect North Ayrshire and our residents.
- 2.7 The Council has a strategic leadership role on behalf of the residents and businesses of North Ayrshire. We have taken a proactive, co-ordinated approach to support preparations for Brexit. We have closely monitored national and local developments, and established a cross-council working group to collate our collective cross-service knowledge, producing key reports for the executive leadership team. The continued uncertainty about the nature of the future UK/EU relationship has meant we have been unable to develop detailed impact assessments of specific issues or services. However, we have continued to be proactive in identifying the range of issues and risks that we have considered and the action we have and are taking. Appendix One details these risks. The main concerns for North Ayrshire are around the following areas. These are also detailed in Appendix
- EU citizens / workforce
 - Funding
 - Trade
 - Legislation
- 2.8 The Council recently hosted a Scottish Government Brexit event targeted at EU residents, to provide up to date information on their immigration status post-Brexit. The meeting was a collaborative event with the Scottish Government, and the three Ayrshire Councils. It was well attended, with an extremely engaged audience. A number of Council staff who are potentially impacted by the changes also attended. Appendix Two is the handout provided at the meeting detailing EU citizens rights in the withdrawal agreement. A further event was subsequently held on Arran.
- 2.9 The coming months will bring greater clarity in terms of finalising negotiations, before moving into the transition period. At that point, we will be in a position to begin preparations for the scenario we know will be happening.
- 2.10 Before then we are planning to bring together all Council staff who we know are EU nationals (or may have family members who are EU nationals) to pass on the information provided by the Scottish Government. This will also give us an opportunity to listen to their concerns and use this to inform the work COSLA and the Scottish Government are doing in this area.

3. Proposals

- 3.1 It is proposed that (a) Audit and Scrutiny Committee notes the contents of this report and (b) agree to receive a quarterly update report on Brexit development.


4. Implications

Financial:	There is not enough clarity to know what the financial implications are.
Human Resources:	There is not enough clarity to know what the human resources implications are.

Legal:	There is not enough clarity to know what the legal implications are.
Equality: Children and Young People:	There is not enough clarity to know what the Equality or Children and Young People implications are.
Environmental & Sustainability:	None are currently known.
Key Priorities:	
Community Benefits:	There are no community benefit implications.

5. Consultation

5.1 The Brexit working group contributed to the production of the Appendix.



Elma Murray OBE
Chief Executive

For further information please contact Margaret Davison, Senior Manager, Democratic Services on **01294 324138**.

Background Papers

Appendix One - Issues, Potential Impacts and Council Actions

Appendix Two - EU citizens' rights in the withdrawal agreement

APPENDIX A

Issue	Changes, challenges, risks and opportunities	Actions by Council
Council Workforce	<ul style="list-style-type: none"> Impact on non UK EU Nationals within current workforce Impact on members of the workforce who are married to EU Nationals (no data is held on this). 	<ul style="list-style-type: none"> People Services undertook an evaluation of the workforce to identify Non UK EU nationals. 30 were identified covering a mix of professional, clerical and manual roles. Based on numbers there will be no significant impact to the Council's ability to provide services. City of Edinburgh are finalising letters and guidance for their workforce (with input from an immigration lawyer the council has retained) the material will be shared with other Councils so they can determine if they are of benefit to use. The Scottish Government has asked if all Heads of HR can undertake and share an impact assessment of Brexit on Scottish Council employees. The purpose of this is to understand the total number of EU/EEA nationals employed by each Council who will potentially be affected. In order to provide a collective view of the likely impact of Brexit, each Council has undertaken an assessment of their workforce and returned a survey to COSLA. COSLA will collate responses to inform an action plan to address risks and offer support to employees impacted by Brexit. The Scottish Government will utilise this information to inform their strategy for supporting EU Citizens across Scotland. Attendance at Home Office Session on EU Settlement Scheme Further profiling on Non UK EU Nationals will be undertaken to assess continuous employment with North Ayrshire Council to support applications for 'settled status' enabling individuals to stay indefinitely in the UK.
Workforce	<ul style="list-style-type: none"> Loss of employees from EU27 countries may affect the Council's ability to commission services from the private sector - especially in areas such as construction and social care. Loss of employees from EU27 countries may affect partner organisations such as the NHS. Potential for reduction in workers terms and conditions 	<ul style="list-style-type: none"> Keep up to date with developments in this area and be prepared to respond once there is greater clarity.
EU Migrants	<ul style="list-style-type: none"> EU foreign nationals employed by the Council, NHS and local businesses are facing an uncertain future. Changes to UK Government immigration policy as a result of Brexit may result in fewer EU nationals living locally, with consequential impacts on service demand, local business and population levels. With population in North Ayrshire projected to continue to decline over the coming years, any reduction in immigration into the area could have a significant impact. There are currently around 2000 EU Nationals living in North Ayrshire. 	<ul style="list-style-type: none"> The Council responded to a Scottish Parliament Committee Inquiry into immigration post Brexit. Evidence was submitted to COSLA as part of a joint response to the UK Government's Migration Advisory Committee call for evidence on the economic and social impact of the UK's exit from the EU. A workshop with EU migrants was held on Arran as part of Scottish Government funded research into Scottish immigration policy post Brexit (January 2018). The Council hosted an engagement event for EU citizens in Ayrshire involving the three Ayrshire Council Leaders, COSLA and Scottish Cabinet Minister Mike Russell. The event was well attended and key actions were identified for Governments and Councils. The Council will be coordinating follow up activity with other Ayrshire Councils and COSLA. The Council is also involved in a depopulation group with a number of other local authorities who are concerned about reducing population projections within their areas.

EU Structural & Investment Funds (ESIF)	<ul style="list-style-type: none"> • For almost four decades North Ayrshire has secured support for a range of activity from EU Structural & Investment Funds (ESIF). Current 2014-20 Scottish programmes support employability, social and financial inclusion initiatives. The Council is also leading an Ayrshire wide intervention on support to businesses. (A report of EU funds was presented to Cabinet on 19 June 2018). • UK-EU negotiators agreed in December 2017 that ESIF programmes in the UK could run as normal to end 2020. Scottish Government has, however, decided to set October 2018 as the final date for ESIF applications in Scotland. The aim is to ensure funds are fully committed by 29 March 2019 in order to meet the earlier UK Treasury guarantee of co-finance for projects agreed prior to Brexit. With all UK-EU negotiations caveated by the phrase 'nothing is agreed until all is agreed', the adoption of the earlier date was considered a lower risk, reducing likelihood of unspent funds being returned to the EU. • Despite the earlier application deadline, Scottish Government has advised applicants that it may be possible to extend the timeframe for delivery of approved ESIF projects to 2022-23. • After ESIF, UK government has spoken of a successor domestic funding programme - the UK Shared Prosperity Fund. Little detail is yet available, though a consultation exercise is anticipated in autumn 2018. • There is a potential £8.4bn UK-wide funding gap for local government if EU funded activity is not matched from 2020. 	<ul style="list-style-type: none"> • Work through Scottish Local Authority Economic Development Group (SLAED) to create a strong local authority voice on ESIF policy and technical issues. • Developing funding applications to secure further benefit to North Ayrshire from ESIF's final years in the UK. • Work with COSLA's Brexit Strategic Stakeholder Group to understand issues and how the public sector and communities can best prepare. • Engagement in debates around EU funding replacement(s), including developing and delivering lobby activity at Westminster and Holyrood. • Participation in a range of strategic external partnerships to reflect North Ayrshire's diverse needs: Highlands & Islands European Partnership (HIEP); West of Scotland European Forum (WoSEF); Industrial Communities Alliance (ICA)(ICA has 60+ local authority members in Scotland, England and Wales.). • Responded to UK and Scottish Parliament Inquiries, stressing: <ul style="list-style-type: none"> - the need for successor policy and funding frameworks to target support to where it is most needed - support should be set at a level, and over a time frame, to drive the change needed to address challenges to sustainable competitiveness - economic, demographic and social needs vary considerably across Scotland and this needs to be reflected. Governments ought to move away from a centralist, controlling framework to design successor programmes which will deliver inclusive economic growth. This can be done by giving flexibility at the regional level to determine right mix of aid to businesses, people and investment in economic infrastructure - governments' need to engage soon on the main features of successor programmes to allow planning to ensure opportunities are maximised. • Lobby papers are being taken forward with UK and Scottish Ministers in collaboration with Industrial Communities Cross Party Group at Holyrood and the new Industrial Communities All Party Parliamentary Group at Westminster. Similar connections are being made via the Highlands & Islands European Partnership, with active engagement with Scottish Ministers and UK Government Scottish Office Minister, Lord Duncan.
Post Brexit access to selected EU Programmes	<ul style="list-style-type: none"> • Scottish local government is seeking access to certain EU cooperation and funding programmes post Brexit. The transnational dimension to Horizon innovation projects, Interreg Cross Border initiatives, and Erasmus' educational exchanges. The European Commission proposes UK local authorities should be eligible to participate in EU transnational programmes like other non-EU Member States e.g. Norway, Iceland, Switzerland, Liechtenstein, Andorra, Monaco. 	<ul style="list-style-type: none"> • The Council is engaging alongside West of Scotland, Highlands & Islands, Scotland Europa and COSLA partners, to press the case for continued access to Horizon, Erasmus and Interreg programmes. • The case for continued UK access to these programmes has been included in Council submissions to Scottish Parliament Inquiries. • Erasmus plays an important role in North Ayrshire's 1+2 modern languages programme. The case for continued access post Brexit is also being pressed via Education networks.
State Aid	<ul style="list-style-type: none"> • EU State Aid rules limit public financial support to companies and define places where aid can be offered. This targets support to post-industrial areas like North Ayrshire, and provides a legal basis for support to projects that create or protect jobs. In Scotland, Regional Selective 	<ul style="list-style-type: none"> • Council held a training session in August when officials from Scottish Government's State Aid Unit gave advice on the regulatory framework up to Brexit and what may happen beyond. A report will be considered by ELT in the autumn.

	<p>Assistance (RSA) awarded £44 million to North Ayrshire businesses, creating/ safeguarding 4,000 jobs in the decade to 2014.</p> <ul style="list-style-type: none"> • UK Government has confirmed that existing rules and map will remain in force until end 2020 and may be frozen for a period thereafter. On- going role for EU State Aid rules in the UK is subject to discussion and negotiation. The default situation is for the UK to set up its own UK-wide State Aid framework, with the Competition & Markets Authority established as the UK's independent State Aid Authority. • It is probable that Councils will have to monitor the development of future EU legislation closely if the UK decides to broadly shadow it to ensure 'regulatory equivalence' beyond 2020. 	<ul style="list-style-type: none"> • Key Council State Aid concerns were raised via the ICA to the House of Lords Committee 2017 Inquiry into the future of State Aid. This included European Commission proposals to significantly restrict Councils' ability to support development, investment and innovation by larger businesses. • ICA has a strong track record in influencing the shape of State Aid regulations and is likely to be an effective route for engaging in the development of post-2020 regulations. • Issues specific to island and mainland communities are being raised in conjunction with the Highlands & Islands European Partnership and the West of Scotland European Forum.
Trade	<ul style="list-style-type: none"> • Lack of clarity on issues such as future customs systems, tariff and non-tariff barriers, harmonisation of regulations, etc. • Despite this, North Ayrshire businesses continue to export and to look for new markets. • A US trade deal may be conditional on US companies being able to take direct court action against government for interference with trade. This may impact on proposed government innovative social proposals. • If the pound continues to be weak, this may make the UK more attractive in terms of tourism. It is also good for exports, but will have an impact on this cost of imports. This could push up the cost of purchasing for the Council. 	<ul style="list-style-type: none"> • The Council is investigating potential development of an export partnership in Ayrshire and consideration of an export hub. Recent joint visit to France by the Council and Ayrshire Chamber showed taste for engagement and appetite for Scottish products. • The Council maintains strong commitment to 'Team North Ayrshire' connection with business, regional and strategic partners, and key decision makers. • Our Business team is working with Ayrshire Chambers of Commerce to promote Brexit related information to local businesses. We are also jointly working on a Brexit preparation event for local businesses in October. It will adapt the preparation advice developed by the Chambers at UK level to an Ayrshire context. • Scottish and Irish Chambers of Commerce are campaigning for a new fund to provide a buffer for business post 2019 if the UK withdraws from the EU without agreeing a deal. • Given the size and scale of much of our local business base, there is concern that a 'no deal' Brexit could have a particularly strong local impact especially in the immediate aftermath. • All advisers in the Business team will participate in a workshop with Scottish Development International (SDI) to increase skills and knowledge to enable them to assist local business with action planning. • The UK Government has created an Employer Toolkit with information on the Settlement Scheme for EU employees and this will be promoted through Business Bites https://www.gov.uk/government/publications/eu-settlement-scheme-employer-toolkit • Keep up to date with developments in this area.
Intellectual Property and Copyright	<ul style="list-style-type: none"> • It is anticipated that Public Lending Right will continue under its UK banner. However copyright, which affects print and digital publishing across the board, has been negotiated at EU level and legal frameworks are based on the EU zone. The Council's library service is concerned about plans to protect copyright and to provide public access post Brexit. For ebooks and digital licences an agreement is needed which sees the UK included in the European zone. If the zone is 	<ul style="list-style-type: none"> • Working with COSLA, library and other networks to identify issues of joint concern and to coordinate action on target topics, such as copyright.

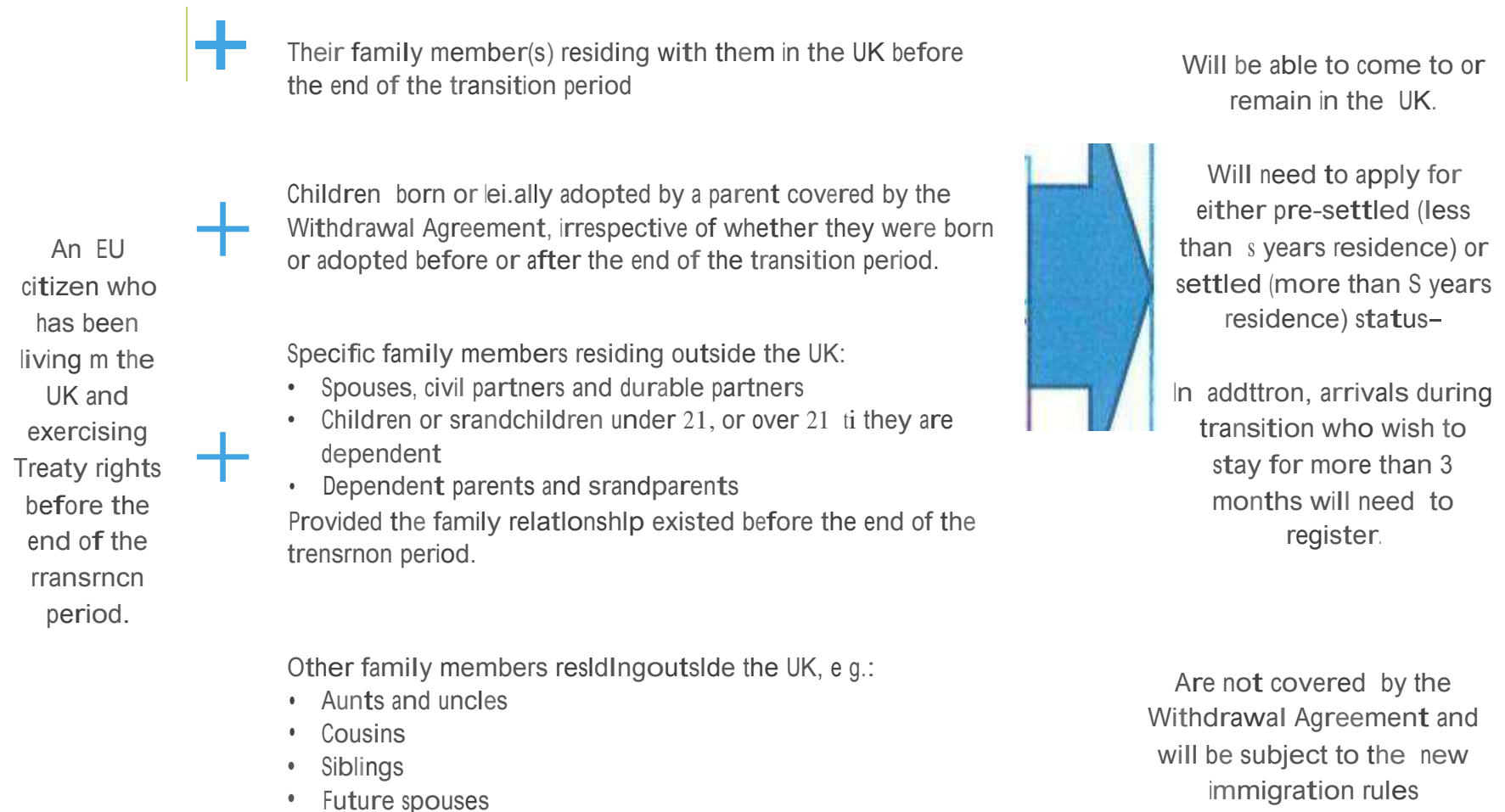
	EU Member States only, this would affect £10,000s worth of ebooks, digital magazines, software licences, online reference resources, CDs, DVDs and music streamlining services.	
Powers	<ul style="list-style-type: none"> • Whilst EU law may no longer apply, in light of strong commitments made by Scottish Government that they will ensure Scotland's environmental policies are advanced, it is anticipated that local versions of EU directives on Environmental Impact Assessment, Strategic Environmental Assessment will be maintained. • UK Government has agreed to create a Brexit consultative mechanism with local government. COSLA has identified 64 returning powers of interest to local government. • Legal uncertainty - for 40 years our law has increasingly aligned with EU Law and Directives. It is unclear to what extent this will continue if European cases are no longer binding. • If the European Convention on Human Rights is abolished it is unclear how it will be replaced. • The uncertainty around future sharing of intelligence across states may make us more vulnerable to terrorist attack. 	<ul style="list-style-type: none"> • Working with COSLA and other networks to monitor and inform proposals related to key areas of environmental legislation. • Working with COSLA to seek extension of consultative mechanism to include free trade and other international negotiations, and for the proposed UK consultative mechanism to be replicated at a Scottish level.
Regional Policy	<ul style="list-style-type: none"> • UK spend on regional support is less, as proportion of GDP, than most other EU countries. Regional disparities in productivity are wider in the UK than in other western European countries. CBI (2016) • EU Structural & Investment Funds and EU State Aid rules have set the framework for much of the UK's domestically-funded regional policy for the past forty years. They are key tools in the EU efforts to promote economic and social cohesion across all Member States. They have also forced UK and Scottish governments to target regional state aid to businesses in designated Assisted Areas. • Council support for regional economic growth is made in the context of tight local authority budgets. Any national economic slow-down or reduction in national tax receipts would impact on Council financial settlements, leading to further reductions in available funding. This would impact on service provision at a time of increasing demand. 	<ul style="list-style-type: none"> • 'Economic Strategy for North Ayrshire' and 'Fair for All' strategy both aim to secure inclusive economic growth in North Ayrshire. • The Council is also engaging more widely to influence future programmes and deliver positive outcomes for our businesses and communities. We are working with government, national and regional partners to explore potential for an Ayrshire Regional Partnership to support regional inclusive growth and an Ayrshire Growth Deal to support development and investment. • Via COSLA, the Council is linked to discussions with Local Government Associations covering England and Wales. • Through the West of Scotland European Forum (WoSEF) and ICA, the Council aligns with industrial and regional policy agendas which target support to (post) industrial areas like Ayrshire. The Alliance also provides a strong link to academics with considerable international experience and reputation on economic and EU regional policy programmes. Scottish Ministers, MSPs and MPs have indicated interest in working with ICA, with the organisation described as being 'ahead of the game' and 'setting the agenda' in its publications eg on post Brexit regional policy. North Ayrshire Council contributions to the ICA's Policy Group and papers have been warmly welcomed by partners. We submitted a response to the National Council of Rural Advisers consultation on future rural economy strategy, stressing the need for a supportive policy framework and high level engagement of island and rural communities, social enterprises and businesses. • Council submissions to policy funding and regulatory consultations have been shared with external strategic partners including Ayrshire Councils, COSLA, SLAED, Highlands & Islands European Partnership, West of Scotland European Forum, Industrial Communities Alliance (GB and Scotland).

Land Use/Spatial Planning	<ul style="list-style-type: none"> • Creation of Development Plans and processing of planning applications is carried out in fulfilment of statutory duties prescribed in devolved regulations, some of which transpose EU law. At this stage it is not known what will happen to the elements related to EU law, though it is anticipated that much would be retained in domestic law in light of the match with policy aspirations of Scottish Government. It is not expected that Brexit will substantially affect the Local Development Plan - primary land use strategy - because it already aligns to local and national economic and community priorities which relate to economic and community resilience. 	<ul style="list-style-type: none"> • Scottish Government and COSLA are monitoring for impact on land use and spatial planning. • Action required will be organised collectively through COSLA.
Community impact	<ul style="list-style-type: none"> • As there are still so many unknowns around Brexit, it is difficult to have any certainty around community impacts. This could include <ul style="list-style-type: none"> ◦An increase in unemployment - increasing demand for Council services and reducing income from Council Tax and rates. ◦A rapid increase in the cost of food due to a weaker pound, longer border delays on imports and increased tariffs (Kent County Council estimate that the number of vehicle subject to inspection at Dover port could increase from 100,000 to two million per annum). • Food shortages 	<ul style="list-style-type: none"> • The Council has developed a food strategy to reduce local food poverty. It is also supporting a range of local grower initiatives. • Keep up to date with developments in this area and be prepared to respond, once there is greater clarity. • We hosted a Brexit engagement event on Arran, including Q&A session with Cabinet Minister Mike Russell MSP and workshop discussion facilitated by Scottish Rural Action. (The issues discussed were not specific to Arran). The event also included the launch of a new SG funded Brexit project aimed at developing a strong Scottish island and rural message to forward to EU-UK negotiators.
Regulatory Standards and Consumer Protection	<ul style="list-style-type: none"> • Businesses will require significant regulatory expertise and guidance from the Council as an enforcing authority. There will be an increased demand to carry out surveillance, checks and inspections to satisfy bodies inside and outside the EU that our products, businesses etc. meet relevant standards. 	<ul style="list-style-type: none"> • Working with COSLA, regulatory and other networks to monitor developments, identify and pursue preparatory actions required by local authorities.
International Engagement on Sustainable Economic Development	<ul style="list-style-type: none"> • Whilst UK and Scottish Governments have found difficulty in agreeing devolved powers, these discussions could have implications for Council powers on environmental, sustainable and economic development policy and require Councils to engage in wider international arenas. • National economic slow-down likely to be magnified locally. Many sectors have not returned to pre-recession levels (housing) or have seen a continuation of slow, structural decline that started pre-recession (industry). • UK and Scottish Governments discussion on devolved powers could have implications for Council powers, for example on environmental, sustainable and economic development policy. • Ayrshire work in developing regional partnership approach has potential to transform the regional economy • Potential to learn from experience of broad range of international partners, beyond the EU, on successful ways of delivering sustainable economic development. 	<ul style="list-style-type: none"> • Working closely with COSLA to monitor developments and to identify, and pursue, joint local authority opportunities as required. • Through COSLA the Council is investigating potential engagement with non-EU bodies dealing with local economic development, employment, skills, social inclusion (Organisation for Economic Co-operation and Development, Council of Europe), and is also examining the potential for joint engagement in international bodies and in international commitments dealing with sustainable economic development. • Exploring potential to engage with non-EU European bodies dealing with local economic development, employment, skills and social inclusion (Organisation for Economic Co-operation and Development, Council of Europe). • Examining potential for joint engagement in international bodies and voluntary international commitments dealing with sustainable economic development. • Working closely with COSLA to monitor developments and to identify, and pursue, joint local authority action as required.
Council Finances	<ul style="list-style-type: none"> • Even the most optimistic estimate of the economic impact of Brexit on the economy presents a negative picture. If this occurs this will lead to 	<ul style="list-style-type: none"> • The Council continues to monitor the financial situation and the long-term financial outlook produced by the Council set out a number of scenarios.

	a reduction in tax receipts - impacting negatively on funding for public services and the local government financial settlement	
Northern Ireland Border	<ul style="list-style-type: none"> • Potential destabilising effect of any border deal on the Northern Ireland peace process, impacting on sectarian tensions in North Ayrshire 	<ul style="list-style-type: none"> • Keep up to date with developments in this area and be prepared to respond, once there is greater clarity.
Environmental Health	<ul style="list-style-type: none"> • There will be issues around food safety standards for food exported to and imported from Europe and elsewhere. 	<ul style="list-style-type: none"> • Environmental Health are working with Food Standard Scotland to improve our understanding of the issues and to ensure we are prepared.
Protecting the UK financial markets	<ul style="list-style-type: none"> • The economic success of London and the South is based firmly on the success of our financial markets. It is likely that the government will look to secure a deal with the EU to protect them. Any such deal would involve compromise in other areas. Already an interim agreement is in place around our fishing rights, which maintain the status quo. Other areas may be traded off in any future negotiations. 	<ul style="list-style-type: none"> • Keep up to date with developments in this area and be prepared to respond, once there is greater clarity.

EU citizens' rights in the Withdrawal Agreement

Summary: everyone residing in the UK in accordance with the EU rules *before* the end of the transition period (31 December 2020) will be able to stay in the UK *after* the end of the transition period, irrespective of when they arrived. They will need to apply for legal status from the UK Government (either pre-settled or settled status).



*Applications for pre-settled and settled status will be open on a voluntary basis during the transition period (29 March 2019— 31 December 2020) and possibly earlier, and will be mandatory 6 months after the end of the transition period. Applications can only be made through new online system, currently in development. All applications will be subject to criminality checks.

NORTH AYRSHIRE COUNCIL
25 September 2018**Audit and Scrutiny Committee**

Title: 2017/18 Complaint Report

Purpose: To inform the Audit and Scrutiny Committee of the Council's complaint performance and the volumes and trends of complaints received in Financial Year 2017/18.

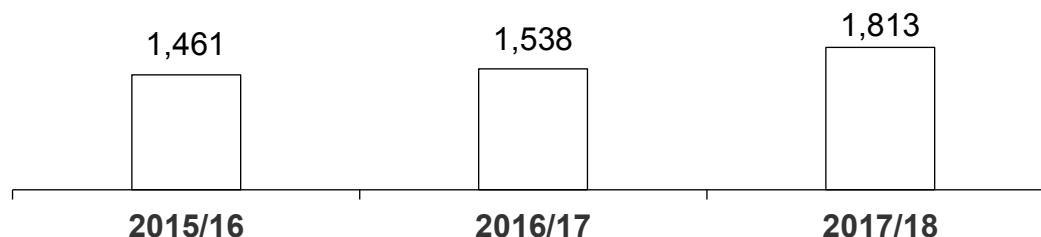
Recommendation: That the Committee notes the report and the information provided.

1. Executive Summary

- 1.1 The report details complaint information relating to North Ayrshire Council during 2017/18, covering the period from 1 April 2017 to 31 March 2018.
- 1.2 In order to allow comparisons the report also details complaint data covering 2016 and 2015 (referred to in the report as 2016/15 and 2014/15).
- 1.3 Performance is measured through a number of Scottish Public Services Ombudsman (SPSO) performance indicators, some of which have national targets.

2. Background

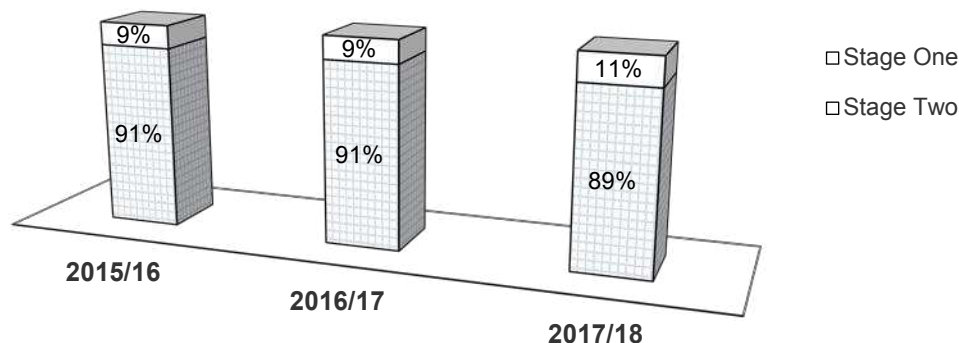
- 2.1 This section contains statistical information and commentary on some of the key complaint performance indicators devised by the SPSO in conjunction with all 32 Scottish councils.

2.2 *Volume of complaints received and closed*

- 2.2.1A higher volume of complaints was received in 2017/18 compared to previous years but there are valid reasons for this. More details can be found in the attached report.

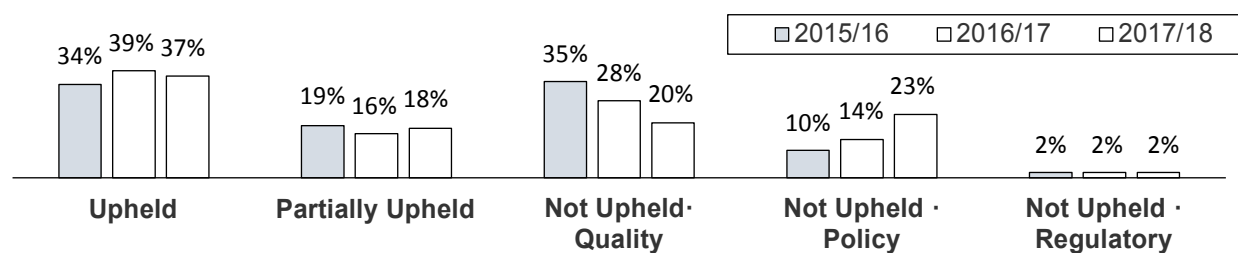
2.2.2 There is no target for the volume of complaints the Council should receive as this is an unknown quantity and cannot be predicted.

2.3 *Complaints closed as each Stage*



2.3.1 The Council cannot predict how many complaints will be closed under each stage, however, most should be straightforward in nature or easy to resolve and will be handled as Stage Ones. There is no target set for the volume handled under each Stage.

2.4 *Complaint outcomes*



2.4.1 The volume of complaints closed as poor quality has reduced when comparing 2017/18 with 2016/17. This is due to an improvement in the quality of complaint commentaries, allowing better complaint outcomes to be determined.

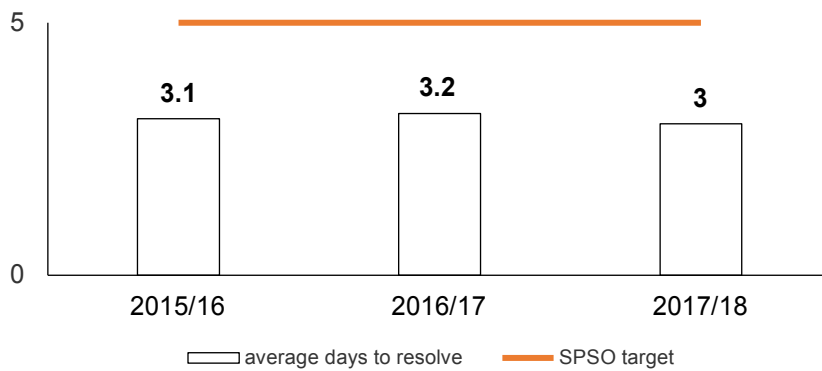
2.4.2 Policy complaints increased in 2017/18 mainly due to three issues - the changing of the Council's flag flying protocol, the removal of a free bus service and the removal/transfer of some public conveniences.

2.4.3 There is no target for the number of complaints the Council should uphold as complaint

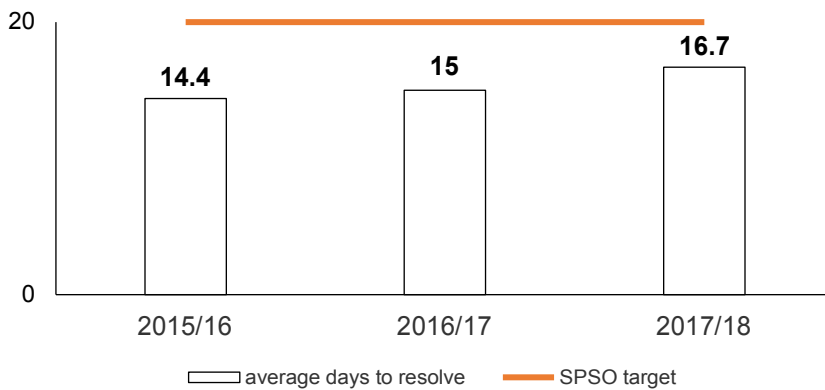
2.4.4 Further analysis of upheld complaints is contained in the attached report under Appendix 1.

2.5 Average time in working days for a full response at each Stage

Stage One



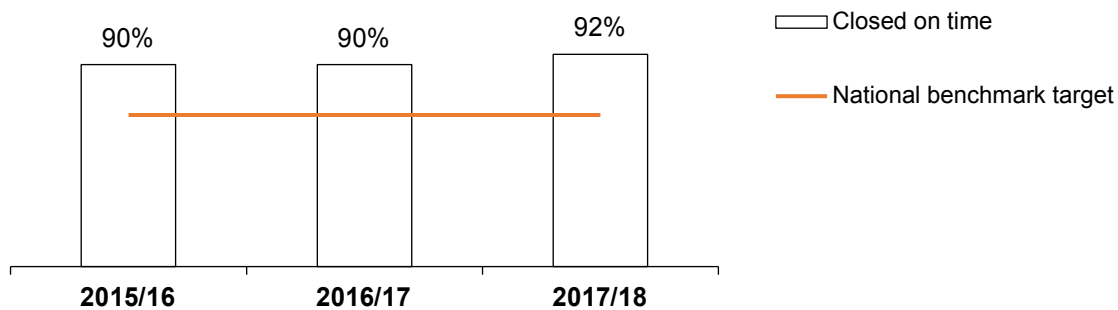
Stage Two



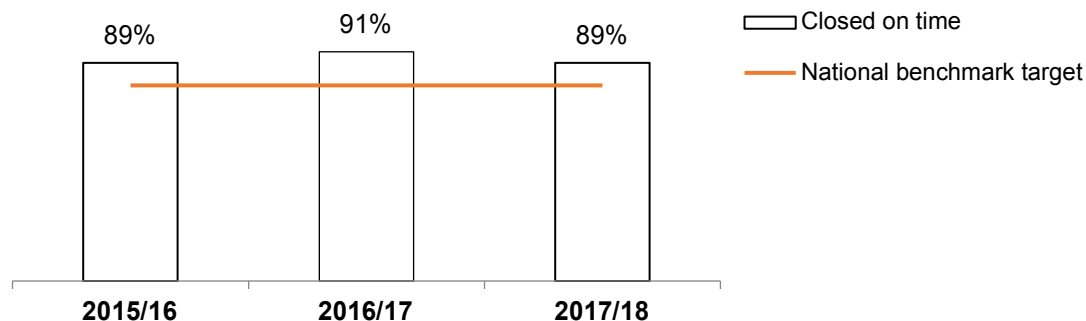
2.5.1 The average time in working days for a response under both Stages has met the SPSO target response timescales for the last three years.

2.6 Complaints closed within timescale

Stage One



Stage Two



2.6.1 Complaints that did not meet timescale during 2017/18 was due to several factors and

extensions could have been approved for some of these. More details of complaints not

2.6.2 It should be noted there has been no discernible dip in performance even though there was an 18% increase in the number of complaints handled when compared to 2016/17.

2.7 ***Complaint time scale extensions***

2.7.1 Stage One complaints should be responded to within 5 working days but we can extend them

an additional 5 working days (10 if the complaint relates to Social Work) under certain circumstances. Stage Two complaints should be responded to within 20 working days but again we can extend the timescale of these to a date in the future if certain circumstances are

2.7.2 A total of 30 complaints had their Stage One timescale extended during 2017/18 and the majority were closed within the new timescale. A total of 15 Stage Two complaints had their timescales extended and all met the new agreed due dates.

2.7.3 More information on complaints that were extended is contained in the attached report.

2.8 ***Changes or Improvements made as a result of complaints***

2.8.1 Not all Services were able to implement improvements from complaints due to a number of factors, including the feasibility of making changes and resource/budget considerations. That said, there were some improvements made to service provision as a result of complaints received during 2017/18 and a selection are noted in the attached report.

3. **Proposals**

3.1 It is proposed the Committee approves the report and recognises NAC performance in relation to the information listed in Section 2 above.

4. Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	None
Environmental & Sustainability:	None
Key Priorities:	<p>The Two Stage CHP supports the Council's key priority of delivering more effective and efficient service provision.</p> <p>Timely reports are produced with a focus on analysing trends and identifying improvements.</p> <p>Support and guidance from the Complaint Team ensures greater consistency in complaint handling, improvements in response times and a reduction in duplication of effort.</p>
Community Benefits:	The Two Stage CHP demonstrates a commitment to improve service delivery for North Ayrshire customers and

5. Consultation

- 5.1 Complaint Handling Satisfaction Surveys are issued quarterly to customers who complained to capture their views on the Two Stage CHP and how Services handled their complaints.
- 5.2 The full survey results are contained within the attached report.



Laura Friel
Executive Director (Finance & Corporate Support)

For further information please contact **Darren Miller** on **(01294) 322988**.

Background Papers
2017/18 Complaint Report



Complaint Report 2017/18



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Foreword by the Chief Executive

North Ayrshire Council is committed to providing high quality services for North Ayrshire residents, businesses and visitors but it is recognised dissatisfaction will sometimes occur. When it does, we want to know what went wrong, why it went wrong and what we can do to make things right.

Our Two Stage Complaint Handling Procedure provides the public with the opportunity to raise their views and share their experiences which in turn helps us understand where we do well and also where we need to improve. We review our complaint handling performance regularly to ensure we learn from mistakes and use the feedback we receive to improve services the Council provides.

I am therefore pleased to present the North Ayrshire Council complaint report for 2017/18. The report supports the Council's commitment to valuing complaints and contains complaint performance information, statistics and trends.

I trust you find the report informative.

Elma Murray OBE
Chief Executive

Introduction

North Ayrshire Council (NAC) define a complaint as ***an expression of dissatisfaction about the Council's action or lack of action, or about the standard of service provided by or on behalf of the Council.***

Customers must normally make their complaint within six months of the date they first knew of the problem unless there are special circumstances that would cause this timescale to be extended.

In most cases a complaint will be made because the Council has:

- done something wrong
- not done something it should have
- failed to live up to expectations

To address these, the Council's CHP has two stages for handling complaints from the public:-



Stage One complaints (also known as *Frontline Resolution*) are straightforward, non-complex complaints the Council can resolve at the initial point of contact or as close to the point of service delivery as possible. The Council has up to **5 working days** to resolve these.



Stage Two complaints (also known as *Investigations*) are complaints the Council are typically unable to resolve at Stage One and need more time to carry out further investigation. This may be because the nature of the complaint is complex, serious or high risk. The Council has up to **20 working days** to resolve these.

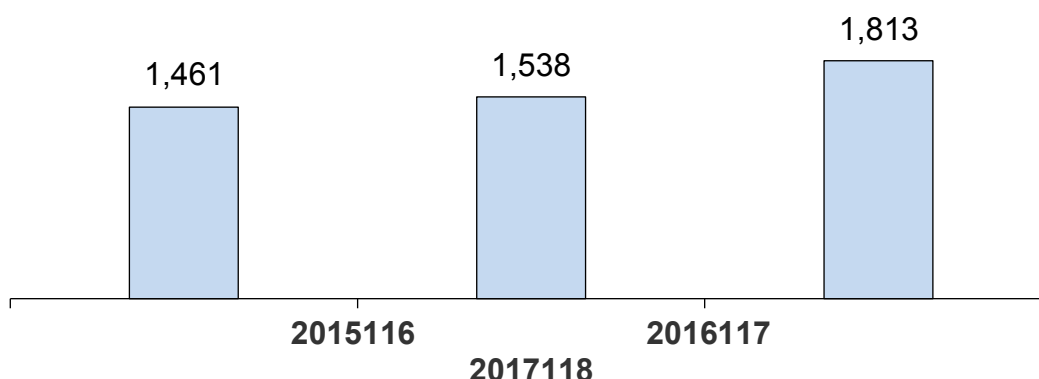
This report details the Council's performance handling complaints under both Stages and covers the period 1 April 2017 to 31 March 2018 (referred to in the report as 2017/18). Performance is measured through a number of Scottish Public Services Ombudsman indicators, some of which have national targets.

In order to allow a year on year comparison the report includes complaint data covering 2015/16 and 2016/17.

Social Work complaints received in our Health & Social Care Partnership aligned with the Two Stage CHP on 1 April 2017 and complaint information relating to this Directorate has been integrated into the report.

Reporting complaints is a statutory requirement and is monitored by Audit Scotland in conjunction with the SPSO.

1(a) - Volume of complaints received and closed



- A higher volume of complaints was received in 2017/18 compared to previous years and the table below shows the volume breakdown for each Directorate over the three periods:

Directorate	2015/16	2016/17	2017/18	Variance
				(16/17 - 17/18)
Chief Executive Service	4	2	1	neg.
Democratic Services	0	5	5	no change
Economy & Communities	33	44	33	-25%
Education & Youth Employment	115	84	116	+38%
Finance & Corporate Support	172	195	210	+8%
HSCP (Social Work complaints)	-	-	127	n/a
Place	1,068	1,146	1,237	+8%
Multi-service complaints	69	62	69	+11%
Total	1,461	1,538	1,798	+17%

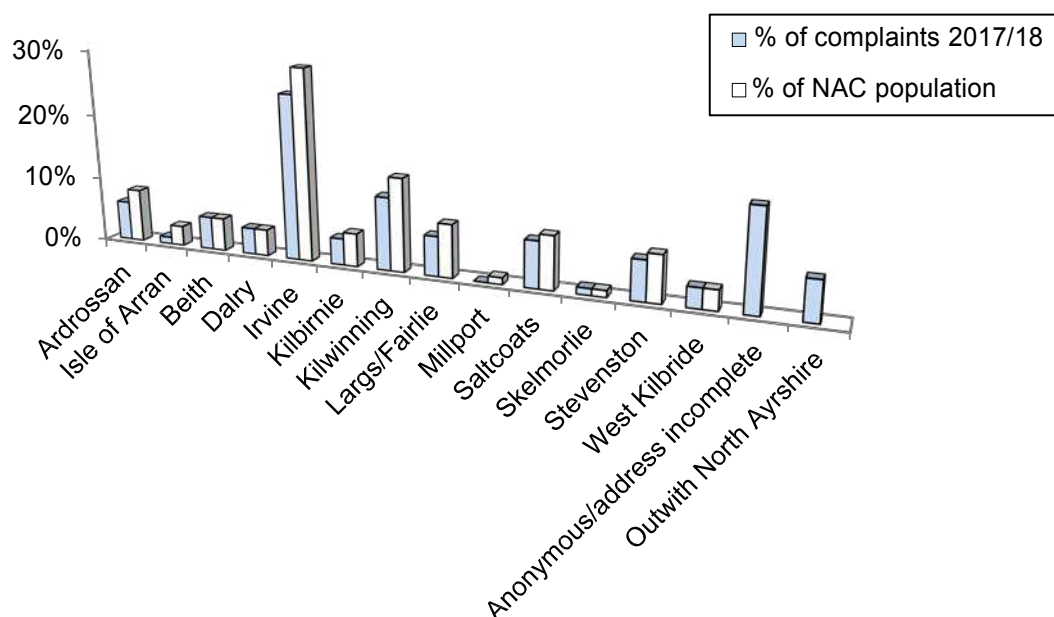
- Social Work complaints are now included in the Council's complaint statistics (from 1 April 2017) and has contributed to the higher volume being reported Council-wide for 2017/18.
- The 38% increase in complaints for Education is the result of schools being better able to identify complaints after receiving additional support and guidance from the Customer Complaint Team throughout the year.
- Some Directorates had small percentage increases in their complaint volumes compared to the previous year but there were no discernible trends and the complaints covered a range of Services. The increase in multiservice complaints was not attributable to an increase in complaints relating to any particular Service.
- 15 complaints received in 2017/18 have been excluded from the above table as they were complaints about a decision made by Elected Members.

1(b) - Complaints received per thousand population

Based on 135,790 residents (nrscotland.gov.uk June 2017 estimate)		
2015/16	2016/17	2017/18
10	11	13

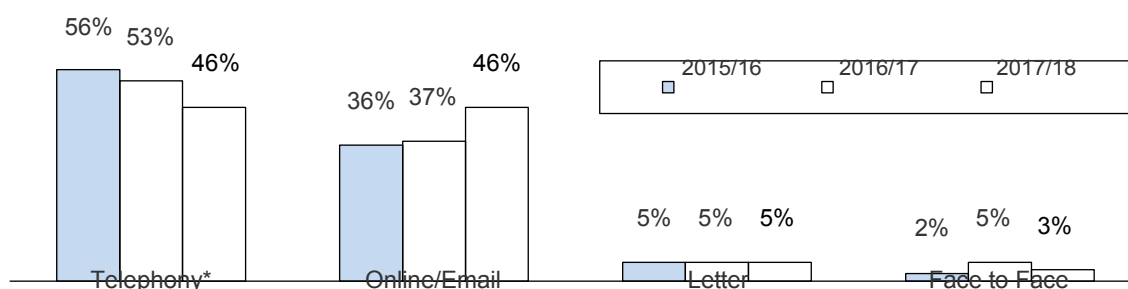
- 13 complaints per 1,000 residents is equivalent to 1% of the North Ayrshire population.

1(c) • Analysis by geographical area



- Residents and customers of Irvine and Kilwinning raised the highest volume of complaints but this was expected given the population sizes. The complaints were various in nature and covered a range of different services.
- 15% of online complainants provided incomplete addresses or chose to remain anonymous. These complaints were handled in line with our CHP where sufficient information was provided.
- 6% of all complaints were made by individuals who do not live in North Ayrshire and the substance of each complaint was investigated, where possible, in line with our CHP.

1(d) • Analysis by channel



* includes the Contact Centre

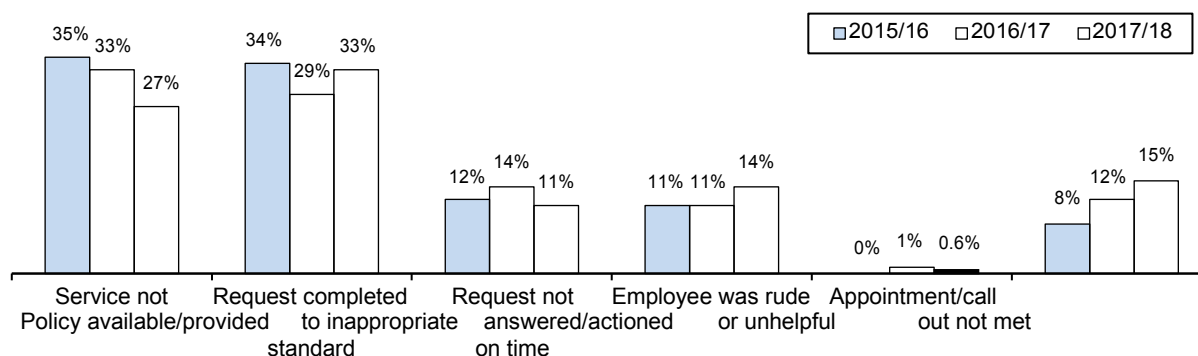
- There is a year on year trend of more customers using digital channels to raise their complaints instead of the traditional telephony methods. This illustrates customers are willing to use new technologies when raising concerns with the Council.

1(e) • Analysis by complaint category and topic

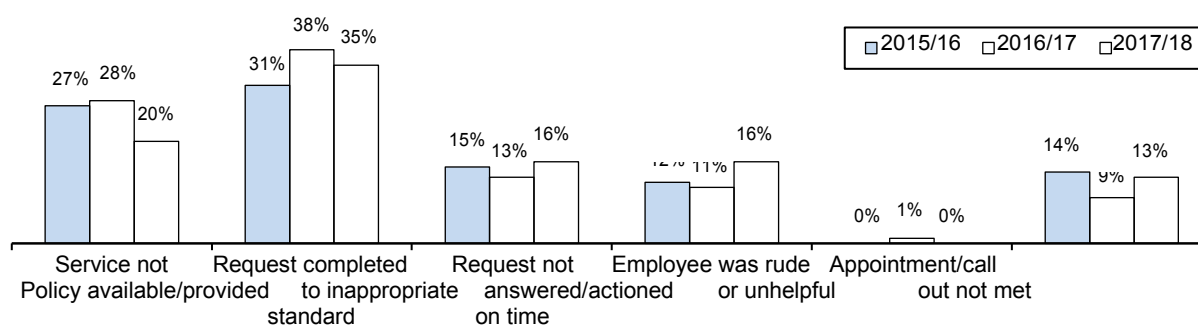
All complaints received by the Council are recorded in a customer record management system and categorised.

The following graphs illustrate the percentage of complaints handled under each category for each Stage:

Stage One



Stage Two



- Complaints the Council received in 2017/18 fall into two main categories - services that are not available/provided and service requests not done to an appropriate standard.
- The increase in Stage One policy complaints can be partly attributed to issues concerning the Council's flag flying protocol, the removal of a free school bus service and issues surrounding the closure/transfer of some public conveniences.

Key complaint topics identified for Services in each Directorate are listed below. Services where no key topics were identified (or too few complaints were received to undertake meaningful analysis) will not be listed:

Education & Youth Employment

Service	Key complaint topic(s)
Schools	<ul style="list-style-type: none"> • Service provision/delivery • Employee Actions

Economy and Communities

Economic Growth

Service	Key complaint topic(s)
Planning	<ul style="list-style-type: none"> • Planning permissions/applications

Place

Commercial Services

Service	Key complaint topic(s)
Roads	<ul style="list-style-type: none"> • Gritting/Grit bins • Street lighting
Streetscene	<ul style="list-style-type: none"> • Grounds maintenance (including parks, play areas and open spaces) • Grass-cutting/grass cutting scheme • Employee Actions • Cemetery/Church management
Transport	<ul style="list-style-type: none"> • Removal of free bus travel to Greenwood Academy pupils
Waste Services	<ul style="list-style-type: none"> • Missed bins/pull outs • Employee Actions

Physical Environment

Service	Key complaint topic(s)
Building Services	<ul style="list-style-type: none"> • Quality issues - work incomplete or poor workmanship • Follow Ups not done
Facilities Management	<ul style="list-style-type: none"> • School Crossing Patrols
Housing	<ul style="list-style-type: none"> • Customer Care • Employee Actions • Estate Management
PMI	<ul style="list-style-type: none"> • Closure/transfer of public conveniences • Capital works programme (planned works for tenants) • Council stock issues • Gas Central Heating issues • Inspector issues

Finance & Corporate Support

Customer & Digital Services

Service	Key complaint topic(s)
Benefits	<ul style="list-style-type: none">• Standard of service• Communication
Customer Services (Contact Centre and Customer Service Centres)	<ul style="list-style-type: none">• Incorrect information provided• Introduction of self-service payment machines• Employee Actions
Revenues	<ul style="list-style-type: none">• Communication• Recovery of monies

HSCP (Social Work complaints)

Service	Key complaint topic(s)
Children, Families & Criminal Justice	<ul style="list-style-type: none">• Employee Actions• Service provision/delivery
Health & Community Care	<ul style="list-style-type: none">• Employee Actions• Service provision/delivery
Mental Health	<ul style="list-style-type: none">• Service provision/delivery• Employee Actions

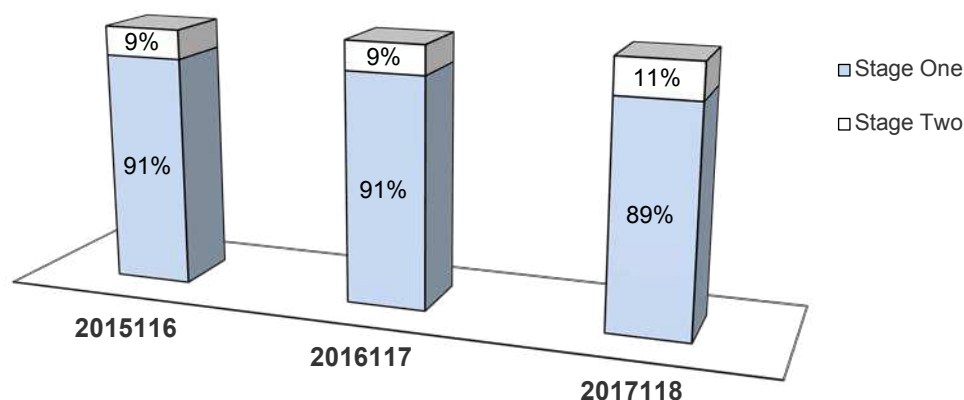
Complaints concerning an Elected Member decision

In Q1 2017 Elected Members agreed to changes to the way flags are flown outside Cunninghame House and several complaints were received from members of the public as a result.

- The key topics listed are based on complaints whether upheld or not.
- Employee Actions appears as a key topic for some Services, however the topic is broad in its definition and has been used where customers perceive employee actions or behaviour to be unacceptable. This includes instances where:
 - The attitude of employees were considered inappropriate
 - The content/tone of letters from employees were considered inappropriate
 - Employee actions were considered inappropriate
 - Employees made inappropriate comments or offered inappropriate advice
 - Employees were considered 'officious' when quoting procedures, policies or regulations

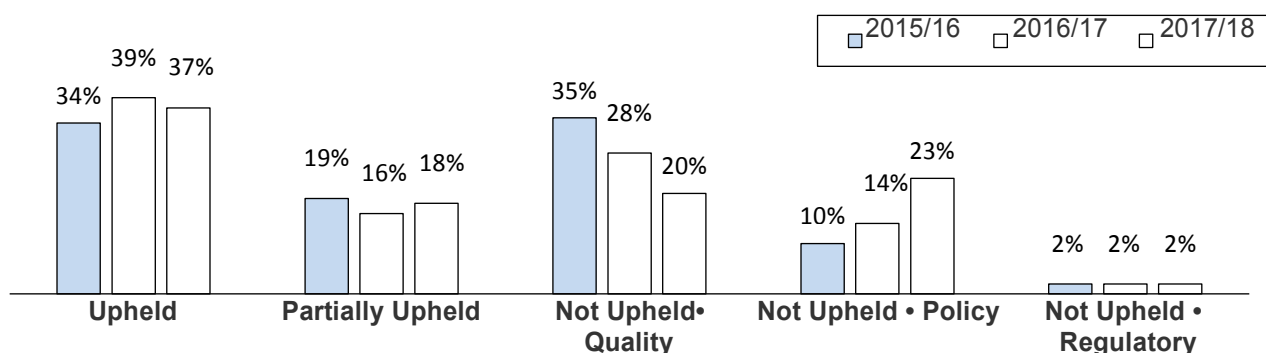
Of the 14% of complaints logged with the topic Employee Actions, half were determined to be unfounded. Where Services did identify unacceptable behaviour, appropriate action was taken to address this.

2 • Complaints closed at each Stage



- Although there is no set target for complaints handled under each Stage, it is expected the majority will be non-complex in nature and this is apparent when reviewing the volume of complaints handled at Stage One over the last three years.

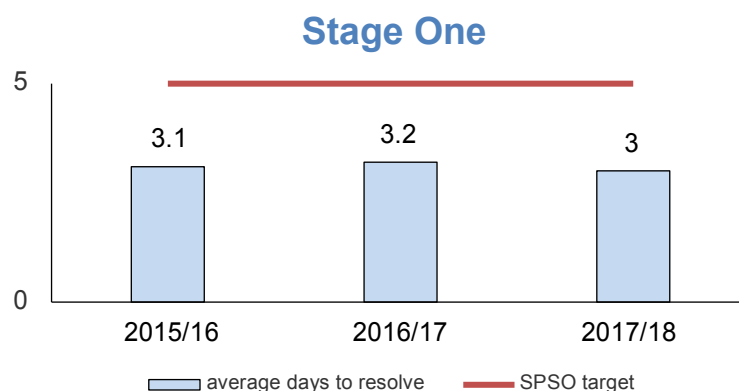
3 (a) • Complaint outcomes



- Just over a third of all complaints handled in 2017/18 were fully upheld.
- The volume of poor quality complaints has reduced when comparing the last two years. This is due to an improvement in the quality of complaint submissions, which has allowed better complaint outcomes to be determined.
- Policy complaints increased in 2017/18 and can be attributable in part to three issues - the changing of the Council's flag flying protocol, the removal of a free bus facility and the removal/transfer of some public conveniences.
- There is no target for the number of complaints the Council should uphold as outcomes are unique to each complaint and cannot be predicted.

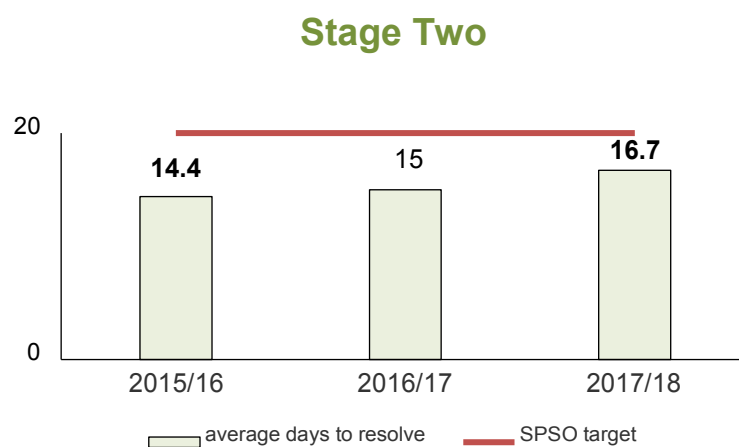
3 (b) • Average time in working days for a full response at each Stage

The graphs below show the average time in working days for complaints closed under both Stages.



- The average time in working days for a response under Stage One has consistently met the SPSO target response time over the last three years.

(Any Stage One complaints that had their timescale extended have been omitted from the calculation.)



- The average time in working days for a response under Stage Two has comfortably met the SPSO target response time of 20 working days over the last three years.

(Any Stage Two complaints that had their timescale extended have been omitted from the calculation)

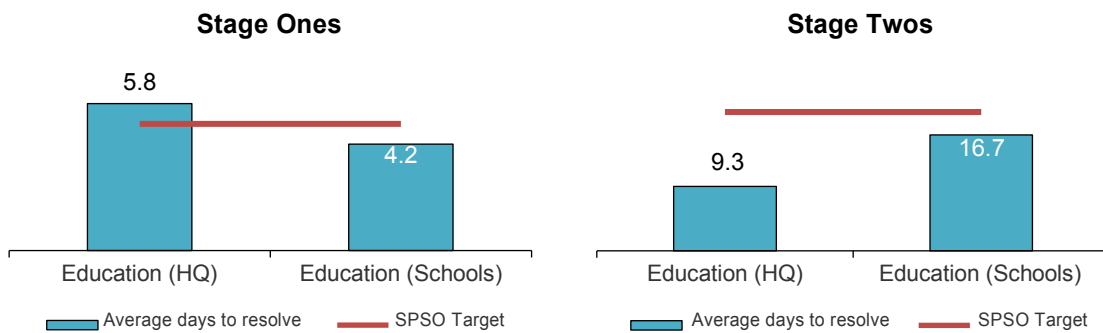
3 (c) • Average time in working days for a full response per Service

Below is a Directorate breakdown showing the average time in working days for a response under both stages in 2017/18:

Democratic Services



Education & Youth Employment

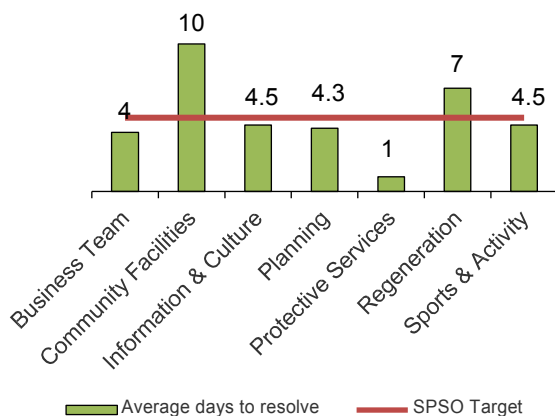


Finance & Corporate Support

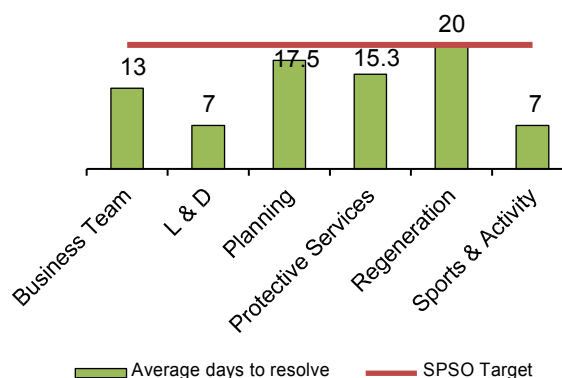


Economy & Communities

Stage Ones

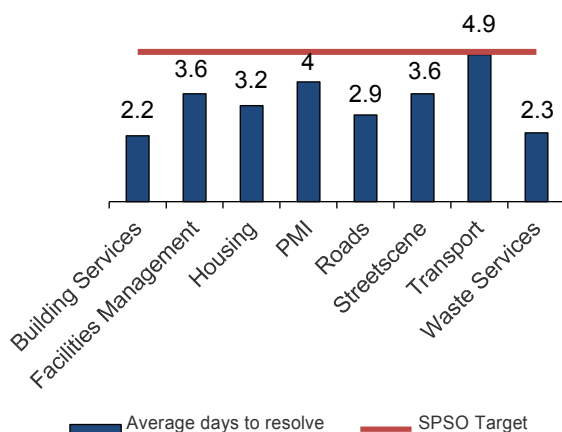


Stage Twos

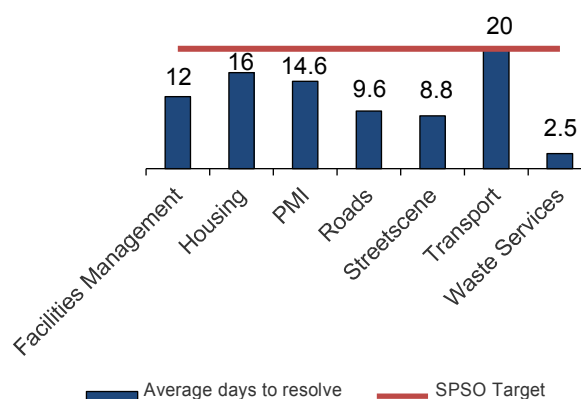


Place

Stage Ones

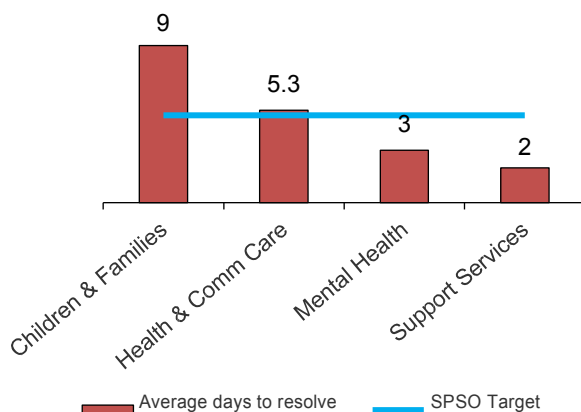


Stage Twos

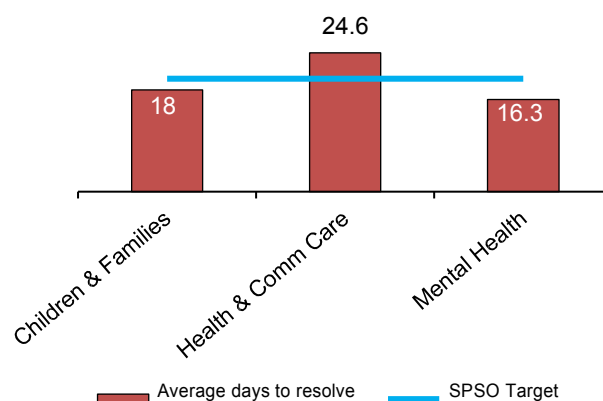


HSCP (Social Work complaints)

Stage Ones



Stage Twos

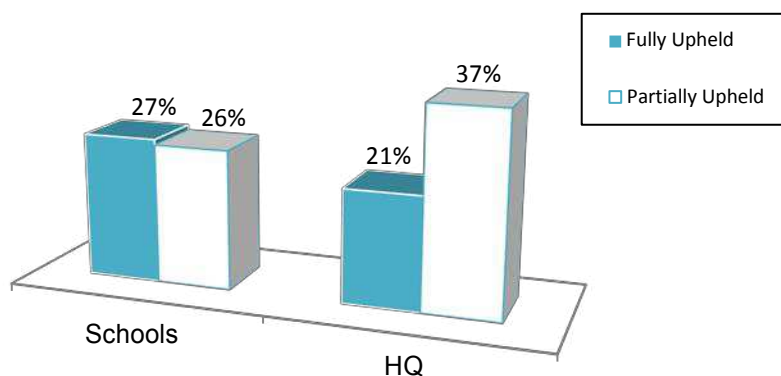


- Any complaints that had their timescales extended have been omitted from the graphs.
- See Sections 5 and 6 for more information on complaints not closed on time and complaints that were extended.

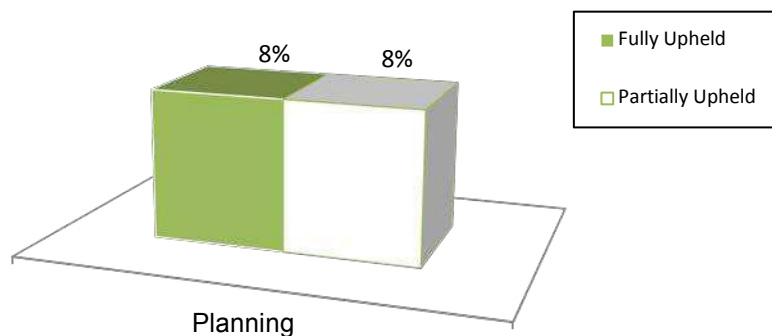
4 • Upheld 1 Partially Upheld Complaint percentage volumes by Service

A third of all complaints resolved in 2017/18 were upheld and a fifth were partially upheld. The graphs below detail the Directorate breakdowns and any Directorates or Services that received small volumes have been omitted from the graphs:

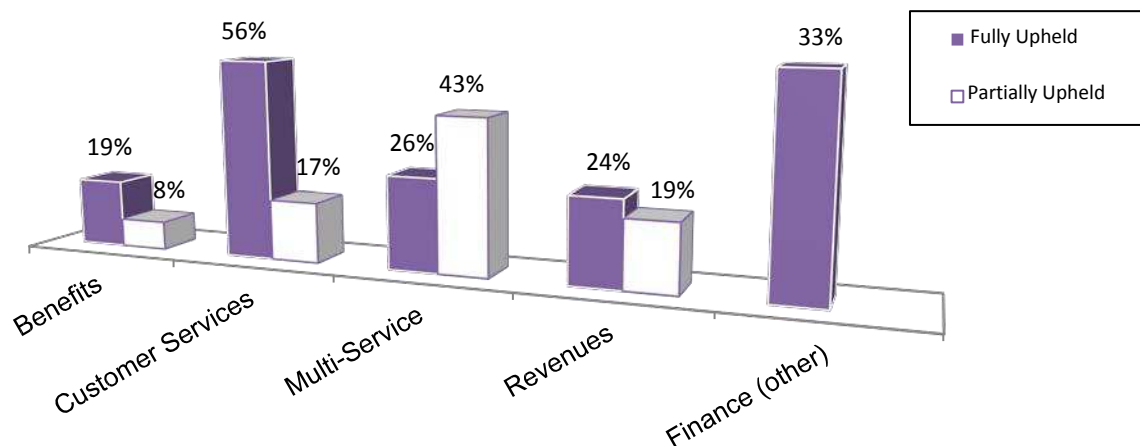
Education & Youth Employment



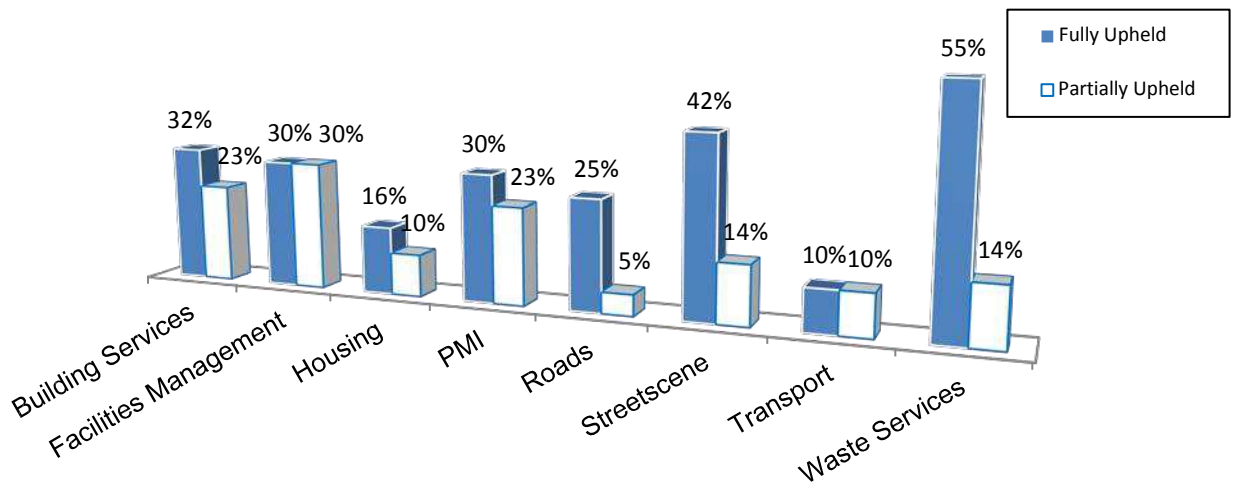
Economy & Communities



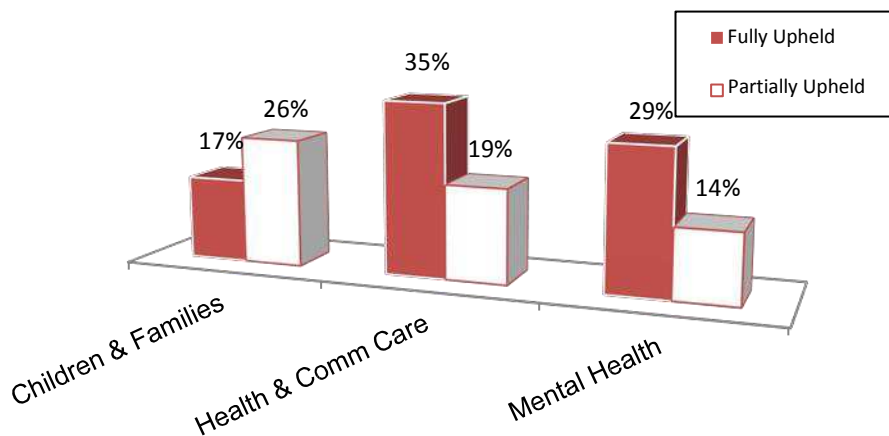
Finance & Corporate Support



Place



HSCP (Social Work complaints)

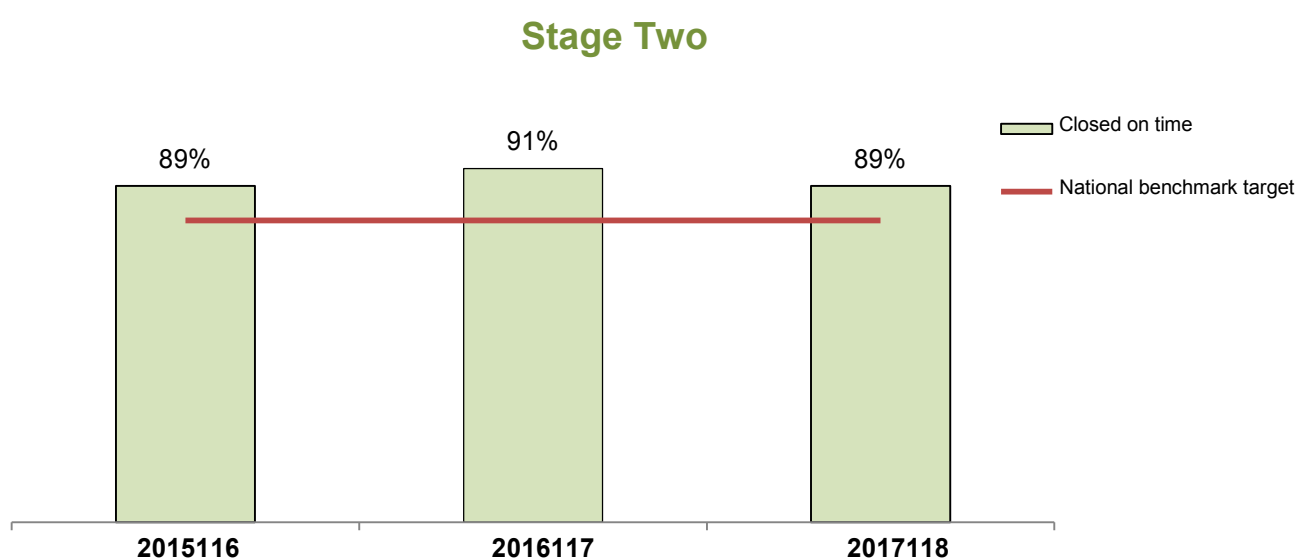
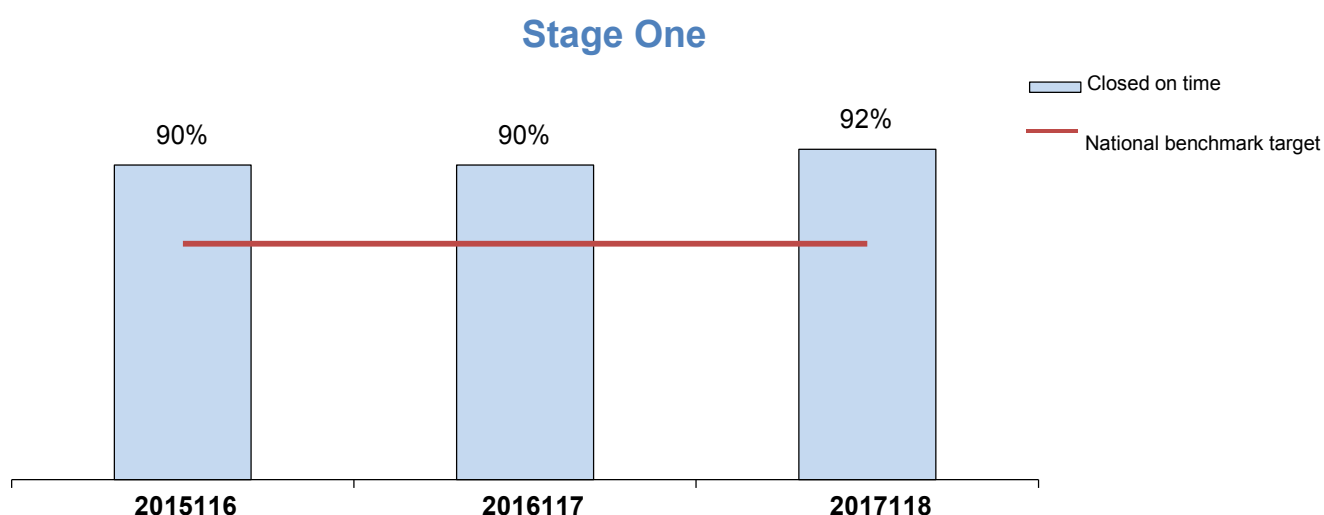


- The average percentage of complaints fully upheld in each Service was 30% and the average partially upheld was 19%.
- Further analysis relating to upheld complaints is contained in Appendix 1.

5 • Complaints closed at each Stage within timescale

The Improvement Service conducted a review of complaint data across all 32 Scottish Local Authorities and national averages were calculated for complaints closed on time for Stage One and Stage Two. These averages are **80%** and **85%** respectively and are used by the Council to benchmark its complaint performance.

How the Council has performed over the last three years is noted below:

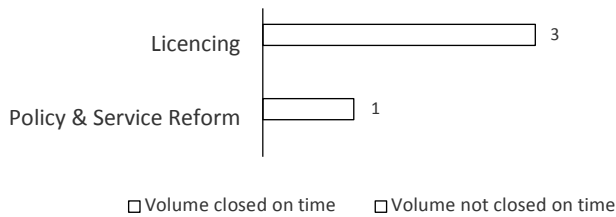


- It is pleasing to note there has been no discernible dip in performance even though there was an 18% increase in the number of complaints handled when comparing 2017/18 to 2016/17.
- Some complaints did not meet timescale during 2017/18 and reasons are detailed in the next few pages.

(Any complaints that had their timescale extended are detailed separately in Section 6)

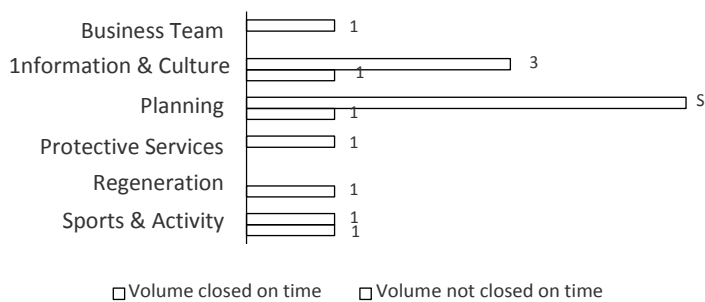
Stage Ones

Chief Executive (inc. Democratic Services)



No Stage One complaints breached timescale during 2017/18.

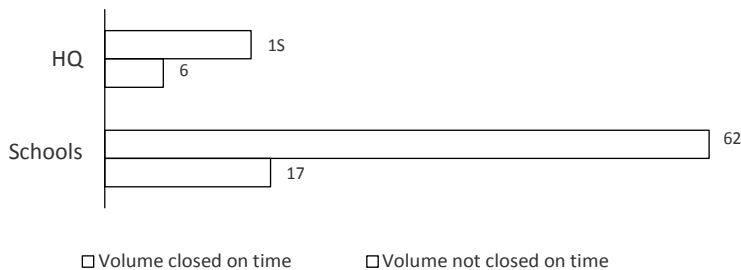
Economy & Communities



A small number of complaints were closed just beyond the 5 working day timescale. Reasons included complainants not being available to assist and complaints being incorrectly routed.

Of the 15 complaints handled under this Stage, 26% were not closed on time.

Education

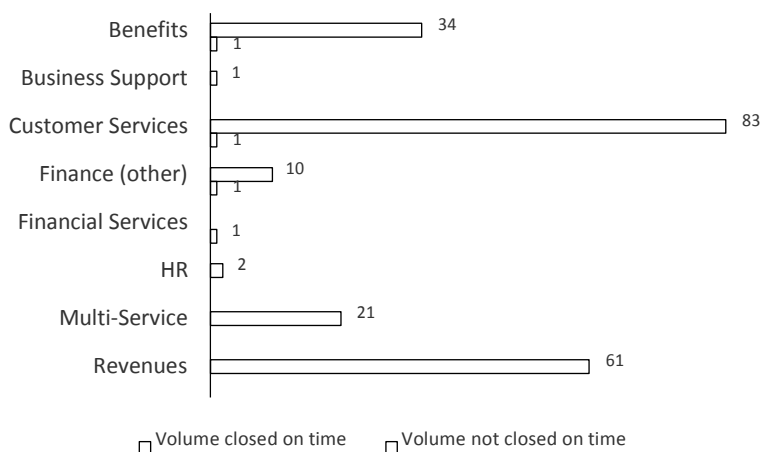


Several school complaints did not meet timescale due to parents being unavailable to discuss the issues.

As no reasons were provided as to why the some complaints did not meet timescale, a reminder was issued to provide such commentaries going forward.

Of the 100 complaints handled under this Stage, 23% were not closed on time.

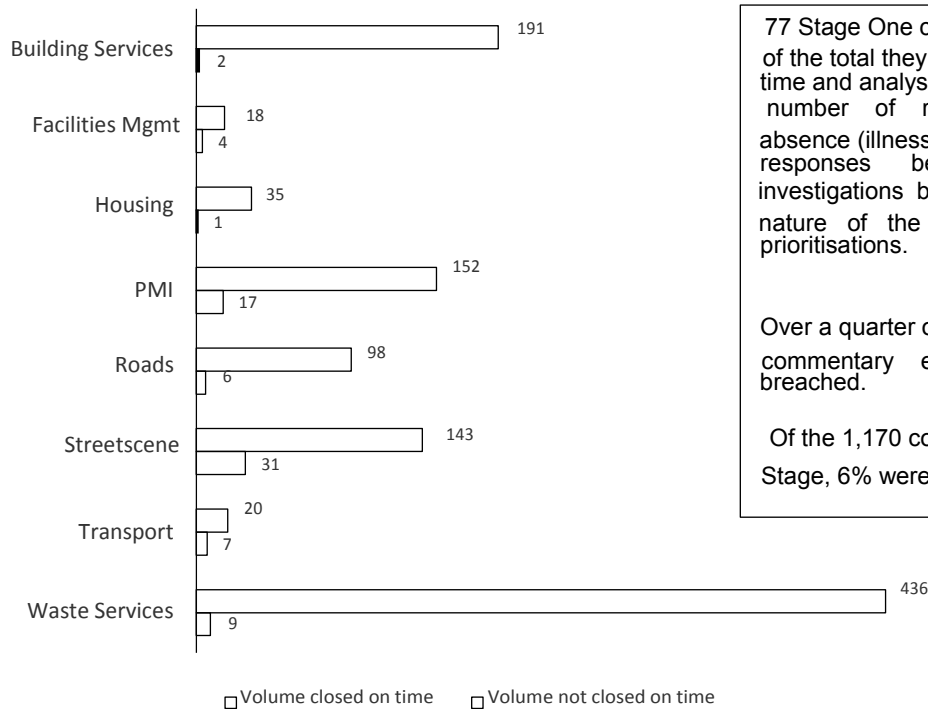
Finance & Corporate Support



A very small number of Stage One complaints for FACs were not closed on time. Due to the low volume no trends were identified.

Of the 216 complaints handled under this Stage, 2% were not closed on time.

Place



77 Stage One complaints across Place (7% of the total they handled) were not closed on time and analysis shows they breached for a number of reasons, including officer absence (illness or annual leave), delays in responses being authorised, further investigations being required (due to the nature of the complaints) and workload prioritisations.

Over a quarter of these complaints had no commentary explaining why they had breached.

Of the 1,170 complaints handled under this Stage, 6% were not closed on time.

HSCP (Social Work complaints)

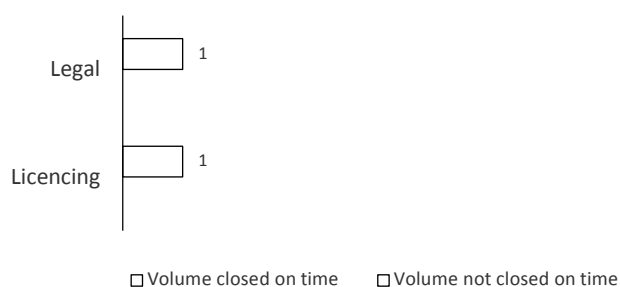


Although several Stage One complaints did not meet timescale during 2017/18, the Directorate transitioned to the Two Stage procedure used by the rest of the Council on 1 April 2017 and it was expected some complaints would breach timescale as employees became familiar with the new processes to follow.

Of the 71 complaints handled under this Stage, 27% were not closed on time.

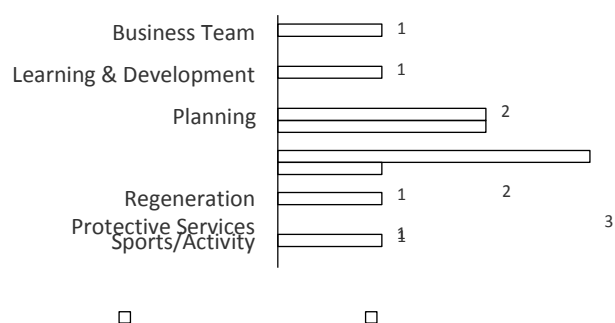
Stage Twos

Democratic Services



No complaints breached timescale in 2017/18.

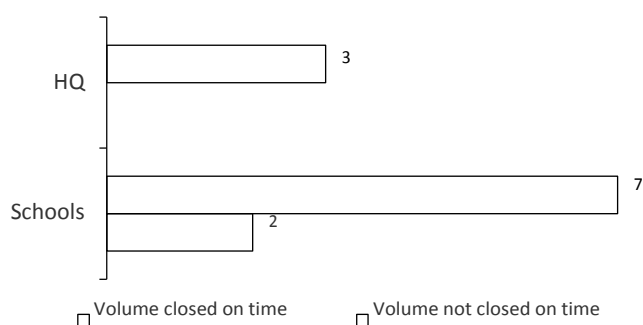
Economy & Communities



Two Planning complaints were closed beyond the 20 working day timescale due to just a delay in receiving the final response the Manager.
One Protective Services complaint was manager signing the response letter.
closed on day 23 due to a delay in the senior Stage, 25% were not closed on time.

Of the 12 complaints handled under this

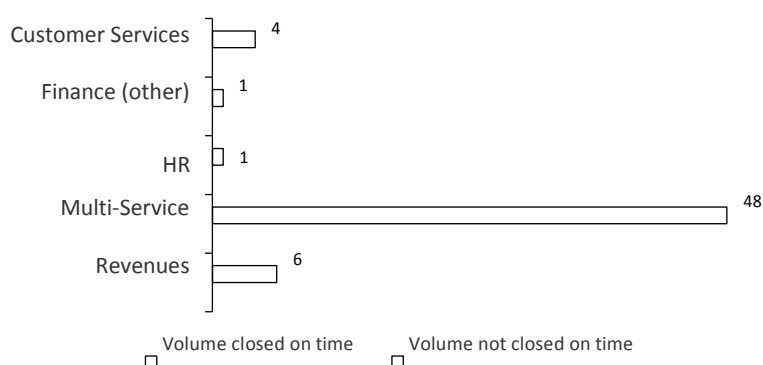
Education



Two complaints breached timescale due to a manager being on leave and a face to face meeting being arranged with a parent beyond the complaint due date.

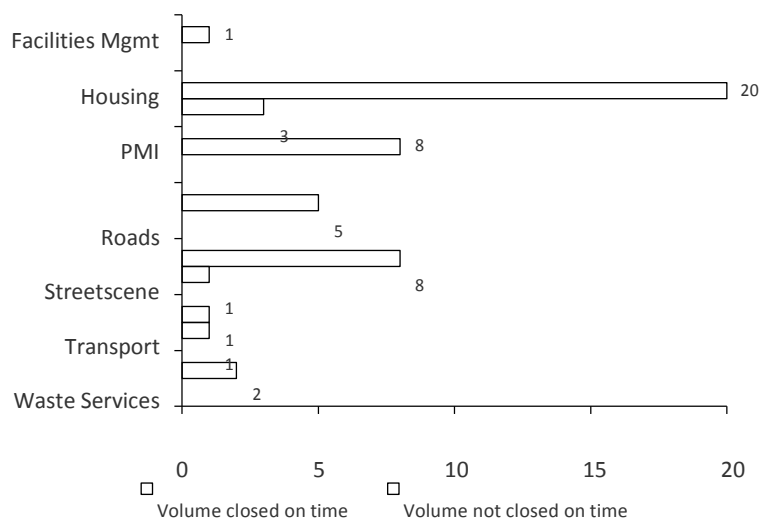
Of the 12 complaints handled under this Stage, 17% were not closed on time.

Finance & Corporate Support



No complaints breached timescale in 2017/18.

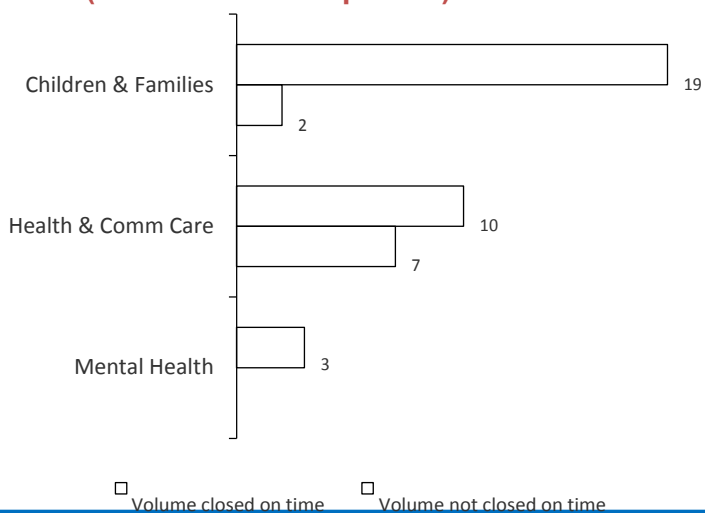
Place



A small number of Stage Two complaints were closed just beyond the 20 working day timescale. One related to a customer who issued a threatening email to an employee who was late due to employee cross-over (due to annual leave) and the two remaining complaints were complex investigations.

Of the 50 complaints handled under this Stage, 10% were not closed on time.

HSCP (Social Work complaints)



Several Stage Two complaints did not meet timescale during 2017/18, however, the Directorate transitioned to the Two Stage procedure used by the rest of the Council on 1 April 2017, and it was expected some complaints would breach while the new processes were embedded.

Of the 41 complaints handled under this Stage, 22% were not closed on time.

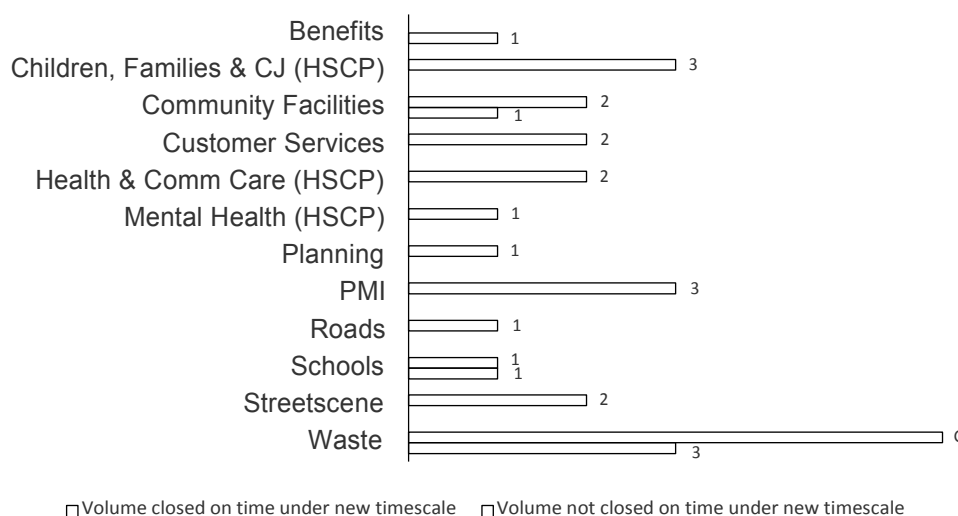
6 • Complaint timescale extensions

Stage One complaints should be responded to within 5 working days but the Council can extend them an additional 5 working days (an additional 10 if the complaint relates to Social Work) under certain circumstances.

Stage Two complaints should be responded to within 20 working days but again the Council can extend the timescale to a new date in the future if certain circumstances are met.

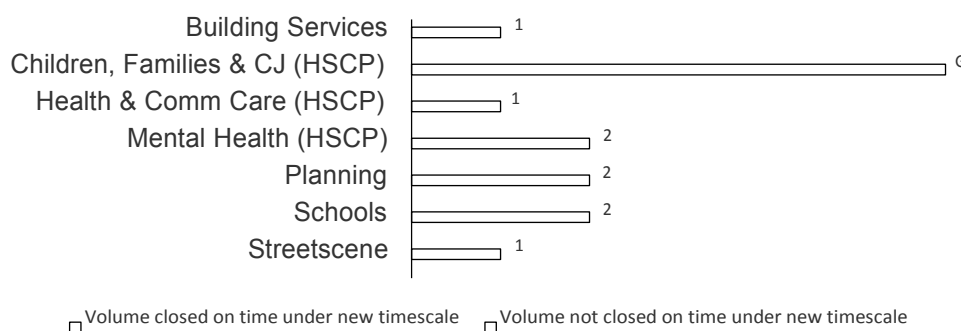
Complaints extended under both Stages during 2017/18 are detailed below.

Stage Ones



- 30 Stage One complaints had their timescales extended and six did not meet the new timescale. Reasons included complainant and employee availability, information awaited from 3rd parties and additional investigations being required.

Stage Twos



- 15 Stage Two complaints that had their timescales extended and all met the agreed new due dates.

Extending complaints is not considered normal practice so extension volumes should typically be low.

7 • Customer satisfaction with complaints handling

Complaint handling customer satisfaction surveys were issued during 2017/18 to determine how customers felt about their complaint experience. The survey questions fall under specific headings and key themes identified are listed below.

Whilst over 150 customers responded, it should be noted not all customers answered every question so the percentage results are reflective of this.

"Considering a complaint" (what did the customer consider when making their complaint)

- 67% said they felt raising a complaint would enable the Council to make things better
- 53% of respondents said they felt they should raise a complaint because something had gone wrong
- 44% said they knew they had a right to complain
- 47% of respondents said they knew the Council had a complaint procedure

"Making your complaint" (how did the customer feel when making their complaint)

- 45% said they knew there would be a formal record of their complaint
- 43% of respondents said they felt confident raising their complaint
- 34% said they knew their complaint would be passed to the appropriate person/department to resolve

"Investigating the complaint" (how did the customer feel during the complaint process)

- 30% felt the employee handling their complaints were empowered to resolve them
- 33% said they felt their concerns were understood and employees empathised with their situation
- 31% said they received updates as their complaints progressed
- 14% said they knew what stage their complaint was handled under

"Resolving the complaint" (what happened when the complaint was resolved by the Service)

- 42% of respondents said they were contacted with the outcome to their complaint
- 25% felt their complaint was handled fairly (although this may be subjective based on the outcome the customer wanted)
- 26% said the response received directly addressed their complaint
- 23% said they understood how any actions had been taken or any decisions had been reached

"Reflecting on the complaint experience" (would the customer make a complaint again)

- 65% of respondents said they would complain again and 39% would encourage others to complain
- 43% of respondents said they would complain again as it is important to raise issues
- 40% said they would complain again as complaints help improve service delivery

"Customer Satisfaction" (how did the customer rate their complaint experience)

- 54% of respondents were generally satisfied with how their complaints were handled and 24% thought their experience was excellent.

The feedback highlights some good scores as well as some development work. The introduction of a new Complaint Improvement Framework during 2018/19 should help address some of the low scores that have been identified.

8 • Improvements as a result of complaints

Complaint data for each Service is issued on a monthly basis and reviewed for accuracy, with remedial action undertaken if incorrect information is identified. The data is then issued to each Service quarterly, with a report provided to the Council's Head of Service Group. A report is also produced and submitted to the Audit & Scrutiny Committee every six months.

Not all Services are able to implement improvements from complaints due to a number of factors, including the feasibility of making changes and resource/budget considerations. That said, there were improvements made to service provision as a result of some complaints received during 2017/18 and a selection are noted below.

-) As a result of some complaints from residents regarding waste being put in incorrect bins, **Waste Services** developed a recycling leaflet that was issued across North Ayrshire together with changes to the brown bin collection frequency.
-) National Entitlement Card application processing involved a manual system where applications were being passed between offices, resulting in information going missing and some applications being misplaced. As a result of some complaints about this, **Customer Services** transferred the process to a new system, reducing the possibility of applications/information going missing.
-) A complaint was received regarding **Building Services** operatives making too much noise when starting repair work early in one morning. As a result operatives have been instructed to ensure noise levels are kept to a minimum if starting early.
-) Due to a breakdown in communication between 3rd party contractors, **Property Management & Investment** reviewed their handover procedures between installation and maintenance contractors in order to document areas of responsibility.
-) Due to some issues a customer had with a contractor, **Roads** will closely monitor the contractor in order to ensure any unacceptable performance is addressed.
-) As a customer was not happy with the way they were spoken to by one of our employees, our **Health & Community Care** service reiterated the employee code of conduct at their team meetings.
-) As a result of a complaint where cardboard had not been removed because it was sitting against a resident's blue bin, **Waste Services** issued a reminder for operatives to uplift such waste if placed alongside the bin.
-) In **Customer Services**, a customer complained that their DHP application was delayed after it was handed into a Customer Service Centre. A new scanning process was therefore introduced to reduce delays in applications being actioned.
-) As a result of a complaint to the **Welfare Reform Advice Team** about short notice visits, the notice given in appointment letters has been increased to 5 days.

-) As a result of a tenant being unable to contact one of our contractors by phone, **Property Management & Investment** discussed the matter with the contractor who now provides an email and text option on initial correspondence.
-) As a result of a customer complaining that a request for parking assistance had not been answered, **Roads** introduced timescales for completing such requests.

Although the list is not exhaustive, it does provide a selection of the improvements Services made as a result of complaints, concerns and feedback received during 2017/18.

Actions and improvements as a result of complaints received are published on the NAG website under the banner "You Said, We Did".

9 • Compliments

Over 570 compliments were recorded across the Directorates during 2017/18:

Directorate	Volume
Chief Executive Service	2
Democratic Services	5
Economy & Communities	64
Education & Youth Employment	4
Finance & Corporate Support	151
Health & Social Care Partnership	160
Place	188

Of the compliments recorded:

- A number were cross-Council, with customers commending or praising more than one service.
- Some were internal, with employees complimenting other employees.
- Many related to specific individuals and teams.

The following word cloud details some of the feedback employees received:



10 • ALEO complaints

The SPSO requested all Arms-Length External Organisations (ALEOs) comply with the requirements of the Two Stage GHP. As North Ayrshire Leisure Limited (NALL) is an ALEO of the Council, NALL adopted the GHP.

From 1 April 2017 to 31 March 2018, the Company received a total of 195 complaints, of which 52% were resolved at Stage One and the remainder resolved at Stage Two.

The complaints received were categorised as follows.

Category	2017118 Volume	% of total
Facilities (General)	55	28%
Facilities (Gleanliness)	3	1%
Gustomer Service	54	28%
Activities and Programming	46	24%
Policy/General	33	17%
Marketing and Promotion	4	2%
TOTAL	195	
100%		

The table below details a three year comparison of complaints received in relation to each category.

	Total by Year		
Category	2015116	2016117	2017118
Facilities General	41	41	55
Facilities Gleanliness	6	13	3
Gustomer Service	47	95	54
Activities and Programming	46	33	46
Policy/General	35	16	33
Marketing and Promotion	4	5	4
TOTAL	179	203	195

The table below details complaint response times and by category. Performance figures show that all Stage Two complaints were answered within the 20 working day target with 52% being answered within 5 working days.

	Stage One (< 5 days)	Stage Two (<20 days)
Category	2017118 Total	2015116 YTD Total
Facilities General	36	19
Facilities Gleanliness	2	1
Gustomer Service	24	30
Activities and Programming	19	27
Policy/General	17	16
Marketing and Promotion	4	0
TOTAL	102	93

Gomplaint responses are provided via the same channel the complaint is received (or by letter or e-mail for Stage Two responses). Where possible and appropriate, complaints made verbally are addressed and answered verbally as quickly as possible by the appropriate manager.

The Gompany values all complaints it receives and uses them to inform management and develop decisions. Examples of complaints received over the period are detailed in the table below.

Category	Nature of Complaint	Company Response1Action
Facilities General	A complaint was received about older children using the training pool and lifeguards taking no action.	Customer was advised that we cannot ban older children from training pool as they may not be able to swim. Managers will encourage lifeguards on duty to monitor and manage area better.
Customer Service	There were a small number of customer complaints about trying to contact centres by telephone but receiving no answer.	Customers were apologised to for poor customer service. Front of House staff also deal with walk in customers, asked if phoning to avoid peak times. New corporate telephone system currently being explored.
Activities and Programming	There were some customer complaints concerning late cancellation of classes and not being advised in advance.	Customers received an apology and advised that instructor/s had reported sick at last minute not allowing time to contact customers. Gompany is seeking to recruit more Aerobics Instructors to reduce cancellations.
Policy/General	There were several complaints received about changes to pricing which occurred from October 2017.	Customers advised that there had been no price increases in 6 years, prices remain in the bottom quartile in Scotland Gompany sustainability is paramount.

It was proposed that the categorisation of complaints change from April 2018 in order to provide the Board with greater detail on the range of complaints being received (in addition to providing better management information for managers in the decision making process).

The categories currently being used will reduce from six to five and will now be broken down by location. The locations will be Irvine, Three Towns, Garnock & Kilwinning and North Goast & Arran.

Details of complaints received using the new categorisations will be detailed in the North Ayrshire Gouncil 2018/19 annual complaint report.

11 • SPSO referrals

The SPSO recently published its 2017/18 statistics and below are details of the complaints the Ombudsman's office received about North Ayrshire Council (NAG) during 2017/18:

Type of complaint

SPSO Subject heading	Volume
Building Control	2
Consumer Protection	0
Economic Development	0
Education	3
Environmental Health & Cleansing	2
Finance	2
Fire & Police Boards	0
Housing	8
Land & Property	1
Legal & Admin	2
National Park Authorities	0
Other	0
Personnel	0
Planning	0
Recreation & Leisure	2
Roads & Transport	0
Social Work	6
Welfare Fund - Community Care Grants	0
Welfare Fund - Crisis Grants	0
Subject Unknown or Out Of Jurisdiction	0

- 28 NAG complaints were referred to the SPSO in 2017/18 and the total number relating to the Scottish Local Authority sector as a whole was 1,542. This equates to 1.8% of all referrals made.
- The highest number of NAG referrals related to Housing and Social Work but this is unsurprising given 39% of all referrals the SPSO received for the sector in 2017/18 related to these two services.
- Interestingly there were no NAG Planning complaint referrals made to the SPSO in 2017/18, even though Planning complaints made up 10% of all referrals the SPSO received for the sector.

Outcome of complaints

Stage	Outcome	Volume
Advice	Not duly made or withdrawn	8
	Out of jurisdiction (discretionary)	0
	Out of jurisdiction (non-discretionary)	0
	Premature	3
	Total	11
Early Resolution	Not duly made or withdrawn	1
	Out of jurisdiction (discretionary)	3
	Out of jurisdiction (non-discretionary)	2
	Outcome not achievable	1
	Premature	1
	Proportionality	7
	Resolved	0
	Total	15
Investigation	Fully upheld	0
	Some upheld	1
	Not upheld	2
	Not duly made or withdrawn	0
	Resolved	0
	Total	3

- Reviewing the NAG complaint referrals the SPSO received during 2017/18, many were resolved at the Advice or Early Resolution stages and no action was therefore required by the Council. The SPSO decided to investigate only three complaints during the year and further details of these are noted below:

SPSO ref	Nature of complaint	SPSO Decision
201607212	Customer was unhappy with the condition of a property she moved into. Customer said it took the Council too long to carry out repairs that were needed and that the Council did not respond to all the issues she raised in her complaint.	Some complaint elements upheld. One recommendation made.
201702249	Customer complained the Council did not adequately respond to the repairs at his property relating to dampness and a faulty boiler. Customer also complained that the Council failed to properly assess his homelessness application and take into account his mental health.	No complaint elements upheld. No recommendations made.
201700955	Customer complained about how her application for accessible housing points (points awarded to someone to help them find an alternative property, on the basis that their current home is not suitable for their needs) was assessed.	No complaint elements upheld. No recommendations made.

More details regarding complaint referrals for North Ayrshire Council can be found on the SPSO website at <https://www.spsso.org.uk/decision-reports>.

12 • Glossary

Term	Explanation
Stage One	Stage One (aka <i>Frontline Resolution</i>) aims to resolve straightforward customer complaints that require little or no investigation. Any employee may deal with complaints at this stage and they can be resolved via any channel. The main principle is to seek resolution at the earliest opportunity and as close to the point of service delivery as possible. Stage One complaints must be responded to within 5 working days unless an extension (a maximum of 5 additional working days or 10 if the complaint relates to Social Work) is requested and approved by a senior manager. The Council should, however, always aim to resolve these types of complaints within 5 working days.
Stage Two	Not all complaints are suitable for Frontline Resolution and not all complaints will be satisfactorily resolved at that stage. Complaints therefore handled at Stage Two (aka <i>Investigation</i>) typically require a detailed examination before the Council can state its position. These complaints may already have been considered at Stage One, or they may have been identified from the outset as being complex, serious or high risk and needing immediate investigation. The investigation under a Stage Two should establish all the facts relevant to the points made in the complaint and give the customer a full, objective and proportionate response that represents our final position. Stage Two complaints must be responded to within 20 working days unless an extension is approved by senior manager in conjunction with the customer. Stage Two complaints require a written response, signed by a senior manager.

Complaint criteria

When an expression of dissatisfaction is received the Council determines if the issue falls into one of six complaint categories:

- A service the Council should be providing is not being provided (or is available)
- A request for a service was provided but not to an appropriate standard
- A request for service has not been answered or actioned within the agreed SLA timescale
- A Council employee was rude, unhelpful or unprofessional
- A Council employee did not attend an appointment or call-out on a dateltime agreed
- The complaint relates to a policy (internal or external)

If the issue being raised relates to one or more of the above, the matter is considered a complaint and will be recorded and handled as such. If not, the matter will be handled as a request for a service, observation or enquiry and actioned accordingly.

Appendix 1 • Upheld complaints analysis

In response to a question raised by our Audit & Scrutiny Committee when the half yearly 2017/18 report was produced, an exercise was undertaken within each Directorate to analyse complaints they fully upheld during the first 6 months of 2017/18. Although it is accepted that outcomes are unique to each complaint and cannot be predicted, this analysis was to ensure complaints were being closed using the correct outcomes and that improvements were being identified if complaints were being upheld.

The analysis produced by each Directorate showed the following:-

Economy & Communities

A small number of complaints were fully upheld for this Directorate and there were no concerns with the outcomes selected. Improvements were identified in some instances.

Education & Youth Employment

The majority of upheld complaints related to service provision in schools and the Directorate is committed to reducing complaints in this area through on-going support provided by the Senior Management team as well as school leadership team development opportunities. Policies, strategies and guidance documents are also regularly reviewed to ensure they meet school requirements.

Some improvements were made as a result of the complaints received in both Primary and Secondary schools.

The Directorate continues to view complaints as an opportunity to ensure the services provided best meet the needs of learners, partners and communities.

Finance & Corporate Support

Complaints that were fully upheld for this Directorate were varied in nature and related to a number of services.

A small number of topics featured more than others but no patterns or trends were identified and the complaints were typically isolated events. Improvements were often made as a result of complaints that were fully upheld.

Place

Complaints that were fully upheld for this Directorate were varied in nature and covered a range of services.

One service that upheld most of its complaints was the result of genuine errors and in some instances local improvements were made. In another Service, a review was undertaken that identified complaints that should have been closed as service requests and all affected cases were amended to reflect this.

The most recorded complaint topic across the Directorate was 'Other'. As this topic is not helpful when trying to identify complaint trends, the Place Performance Team is working with each Service to identify additional topics for inclusion in the complaint recording form to reduce the necessity to use this option.

Health & Social Care Partnership

Last year this Directorate adopted the same complaint procedure the rest of the Council uses and a major change was that all informal complaints are now recorded. A positive outcome of this is that the Directorate has been able to identify trends from some of these complaints (which would not have been ordinarily logged under the previous procedure that was being used).

Gomplaints that were fully upheld for some of the HSGP Services has resulted in some changes being introduced and as employees become more comfortable with the data being produced, there is an expectation further trends will be identified and more improvements made.

Conclusion

It is evident complaint outcomes are generally being classified correctly and the average volume of complaints being upheld per Service is less than one third. Directorates receive regular complaint data which they review and use to identify improvements and1or changes to service provision.

End of Report

NORTH AYRSHIRE COUNCIL

Agenda Item 11

25 September 2018**Audit and Scrutiny Committee**

Title: **Annual Report on the 2017/18 Audit****Purpose:** To invite the Committee to note the annual audit report for 2017/18 and to consider a verbal report by the external auditor.**Recommendation:** That the Committee (a) notes the findings of the 2017/18 audit as contained in the External Auditor's annual report at Appendix 2; (b) notes the agreed action plan as outlined on pages 51-52 of the annual report; (c) considers a verbal report by the External Auditor and (d) approves the audited Annual Accounts for signature.

1. Executive Summary

- 1.1 The unaudited accounts for the year to 31 March 2018 were approved by Council on 27 June 2018 and submitted to the Council's external auditors, Deloitte LLP, for audit. The Audit Director for Deloitte LLP has now issued his proposed Independent Auditor's Report which is free from qualification and confirms that the accounts give a true and fair view of the state of the affairs of the Council, its group and the Council's charitable trusts as at 31 March 2018.
- 1.2 As detailed at paragraph 2.5, a number of adjustments have been identified during the audit process. These adjustments do not impact on the reported balance of unearmarked reserves which have remained unchanged at £6.624m.
- 1.3 Deloitte LLP's proposed annual audit report includes an action plan in relation to recommendations for improvement identified during the course of the audit. For the year to 31 March 2018, the areas which have been identified for action relate to; development of the next stage transformation programme, establishment of cash reconciliation system, more timely reporting to members on financial reporting and availability of management information in support of the non domestic rates grant. Details of these and the proposed management actions are included at pages 51 and 52 of the Auditor's Report.

2. Background

- 2.1 The Council's accounts for the year to 31 March 2018 were submitted to Deloitte LLP for audit by the statutory deadline of 30 June 2018. The external auditor is required to complete the audit by 30 September 2018 and to report on certain matters arising to those charged with governance in sufficient time to enable appropriate action to be taken before the financial statements are approved and certified.
- 2.2 The 2017/18 audit of the Council was conducted by Deloitte LLP, the second year of a five year cycle as the Council's appointed external auditors.
- 2.3 As well as auditing the financial statements, Deloitte LLP have reviewed the Council's financial position and aspects of financial sustainability, financial management, governance and transparency and value for money. In addition, Deloitte LLP have considered the Council's arrangements in relation to the Accounts Commission's Strategic Audit Priorities.
- 2.4 Appendix 1 includes the letter of representation to be signed by the Executive Director (Finance and Corporate Support) as the responsible officer for North Ayrshire Council. Deloitte LLP's proposed annual report to members, which summarises the findings of their audit is attached at Appendix 2.
- 2.5 Accounting adjustments totalling £16.085m have been identified during the audit process. These adjustments relate primarily to the Council's share of the value of Strathclyde Pension Fund's assets following the provision of updated valuation information by the Fund's actuaries and are offset by a matching reduction in the Council's unusable pension reserve. The reported balance of unearmarked reserves has remained unchanged at
- 2.6 Other adjustments were identified in relation to the classification of assets and liabilities on the balance sheet. These resulted in the reclassification of £0.180m from short term debtors to cash and cash equivalents on the Council's single entity balance sheet and the reclassification of £7.190m between cash and cash equivalents and short term borrowing on the Council's group balance sheet. These adjustments had no net impact on the net assets or reserves of the Council or its group.
- 2.7 The auditors have confirmed that the Council has effective financial planning and management arrangements in place. At 31st March 2018 the General Fund closed with a breakeven position after earmarking £13.022m, including £2.500m to support the non recurring investment identified as part of the 2018-19 revenue budget.
- 2.8 With regards to financial sustainability, the General Fund Balance is £33.235m and consists of earmarked commitments of £26.611m and an unearmarked balance of £6.624m, which is equivalent to 2.0% of annual budgeted expenditure and is in line with the Council's Reserve Strategy. This is the minimum level recommended by best practice. The report recognises the refresh of the Council Plan and development of next stage transformation is crucial to the financial sustainability of the Council.

- 2.9 The Council's share of group reserves reported in the Group Balance Sheet has increased by £9.366m as a result of adjustments to inter group balances between the Council and its Subsidiaries and Joint Ventures, primarily related to North Ayrshire Council's share of the reserves held by Strathclyde Passenger Transport.
- 2.10 Pages 11 to 17 in the attached audit report (Appendix 2) outline the significant risks and other matters identified in the audit plan for 2017/18 together with the auditors' views of the key judgements and controls in place. These risks relate to:
- Recognition of Grant Income;
 - Valuation of Property Assets; and
 - Management Override of Controls.

The report confirms that no material issues were identified in relation to these matters.

- 2.11 The auditors have confirmed that the charitable trust accounts have been correctly
- 2.12 A link to the final audited accounts will be issued to all Members for their information.
- 2.13 Some of the key messages noted in the audit report are:
- The Council's management commentary is a good example of best practice;
 - Whilst the Council's unearmarked reserves are within the best practice threshold, they are at the lower end of the threshold;
 - The Council has effective financial planning and management arrangements, including the preparation of medium and long-term financial plans;
 - The Council has adequate financial capacity and systems of internal control in place;
 - The Council has a corporate fraud team which reports directly to the Audit and Scrutiny Committee and the Council's arrangements for the prevention and detection of fraud and irregularities operate effectively;
 - The relationship between the executive leadership team and Councillors is open and effective;
 - Effective collaboration between Councillors will be crucial for the transformation of service delivery to be successful;
 - The Council and its partners have a clear and shared vision and this is set out in the Local Outcomes Improvement Plan 2017-22;
 - The Council is open and transparent in its decision making;
 - The Council's effective participatory budgeting programmes are a good example of best practice;
 - The Council's contribution towards the Integration Joint Board's (IJB) transformation efforts is crucial for the financial sustainability of both the Council and the IJB.
 - The Council has a well established Performance Management Strategy.

2.14 An action plan which sets out the main areas identified for action from the annual audit work is detailed on pages 51-52 of the report. The areas identified are in relation to:

- Effective collaboration between members on the establishment of the transformation programme to address the Council's financial challenge;
- Establishment of the cash reconciliation process;
- Exploration of options for the faster reporting of financial performance to elected members; and

Full details of the issues and the steps being taken by the Council to address them are included in the action plan.

2.15 Representatives from Deloitte LLP will be in attendance at Committee and will present a verbal report highlighting the main findings of the 2017/18 audit.

2.16 It should be noted that the auditor received a statutory objection to the accounts relating to Common Good and Trust Funds and has arranged to meet with the objector to consider the issues and evidence provided.

3. Proposals

3.1 That the Committee (a) notes the findings of the 2017/18 audit as contained in the External Auditor's annual report at Appendix 2; (b) notes the agreed action plan as outlined on pages

4. Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	None
Environmental & Sustainability:	None
Key Priorities:	The external audit report provides reassurance that the Council is operating efficiently and effectively.
Community Benefits:	None

5. Consultation

- 5.1 The Chief Executive, Executive Directors and other appropriate officers have been consulted during the audit process.



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

Unaudited Annual Accounts 2017/18 - North Ayrshire Council - 27 June 2018.

EXECUTIVE DIRECTOR (Finance and Corporate Support): Laura Friel

Cunninghame House, Irvine KA12 5EE
Tel: 01294 310000 Fax: 01294 324544
www.north-ayrshire.gov.uk

Appendix 1



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

If telephoning please ask for: Laura Friel 01294 324512

Date: 25 September 2018

Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Our Ref: NAC/201718

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of the North Ayrshire Council for the year ended 31 March 2018 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the North Ayrshire Council as of 31 March 2018 and of the results of its operations, other comprehensive net expenditure and its cash flows for the year then ended in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

In addition to the above, this representation letter is provided in connection with your audit of the Management Commentary, Remuneration Report and Annual Governance Statement for the following purposes:

- Expressing an opinion on the auditable part of the Remuneration Report as to whether it has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014;
- Expressing an opinion as to whether the information given in the Management Commentary is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- Expressing an opinion as to whether the information given in the Annual Governance Statement is consistent with the financial statements and that the report has been prepared in accordance with the Delivering Good Governance in Local Government Framework (2016).

I am aware that it is an offence to mislead a Council's auditor.

As Responsible Financial officer and on behalf of the Council, I confirm, to the best of my knowledge and belief, the following representations.

Financial statements

1. I understand and have fulfilled my responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code), which give a true and fair view, as set out in the terms of the audit engagement letter.
2. We have provided you with all relevant information and access as agreed in the terms of the audit engagement letter with Audit Scotland. We acknowledge our responsibilities for the design, implementation and operation of internal control to prevent and detect fraud and error.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of *IAS24 "Related party disclosures"*.
5. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.
6. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to liquidate the Council or cease trading as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Council's ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.
7. We confirm that all of the disclosures within the Management Commentary, Remuneration Report and the Annual Governance Statement have been prepared in accordance with the relevant legislation and guidance.
8. We have considered the valuation of the Council's Property, Plant and Equipment, and are not aware of any circumstances indicating volatility in asset values requiring a revaluation in the current year.
9. With respect to the revaluation of properties in accordance with the Code:
 - a. the measurement processes used are appropriate and have been applied consistently, including related assumptions and models;
 - b. the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the estimates and disclosures;
 - c. the disclosures are complete and appropriate.
 - d. there have been no subsequent events that require adjustment to the valuations and disclosures included in the financial statements.

10. We confirm that the provision included within the financial statements in respect of equal pay is our best estimate of the liability due by the Council.
11. We confirm that the provision included within the financial statements in respect of landfill site restoration is our best estimate of the liability due by the Council.
12. We confirm that:
 - all retirement benefits and schemes, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;
 - all settlements and curtailments have been identified and properly accounted for;
 - all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
 - the actuarial assumptions underlying the valuation of the scheme liabilities (including the discount rate used) accord with the directors' best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
 - the actuary's calculations have been based on complete and up to date member data as far as appropriate regarding the adopted methodology; and
 - the amounts included in the financial statements derived from the work of the actuary are appropriate.

Information provided

13. We have provided you with all relevant information and access.
14. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
15. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
17. We are not aware of any fraud or suspected fraud that affects the entity and involves:
 - i. management;
 - ii. employees who have significant roles in internal control; or
 - iii. others where the fraud could have a material effect on the financial statements.
18. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
19. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws, regulations, and contractual agreements whose effects should be considered when preparing financial statements.

20. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
21. No claims in connection with litigation have been or are expected to be received.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Laura Friel
Executive Director (Finance and Corporate Support)

Signed as Responsible Financial Officer, and on behalf of the Council



North Ayrshire Council

Report to the Audit and Scrutiny Committee and the Controller of Audit
on the 2017/18 audit

Issued on 10 September for the meeting on 25 September 2018

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Introduction

The key messages in this report

Audit quality is our number one priority. We plan our audit to focus on audit quality and have set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the financial statements.
- A strong understanding of your internal control environment.
- A well planned and delivered audit that raises findings early with those charged with governance.

I have pleasure in presenting our final report to the Audit and Scrutiny Committee for the 2018 audit. The scope of our audit was set out within our planning report presented to the Committee in March 2018.

This report summarises our findings and conclusions in relation to:

- The audit of the **financial statements**; and
- Consideration of the **four audit dimensions** that frame the wider scope of public sector audit requirements as illustrated in the following diagram. This includes our consideration of Best Value and the five Strategic Audit Priorities agreed by the Accounts Commission.



Introduction (continued)

The key messages in this report - financial statements audit

I would like to draw your attention to the key messages of this paper in relation to the audit of the financial statements:

Conclusions from our testing

- The significant risks, as identified in our audit plan, related to:
 - recognition of grant income;
 - valuation of property assets; and
 - management override of controls.
- A summary of our work on the significant risks is provided in the dashboard on page 10.
- We have identified a number of audit adjustments from our procedures to date which have been corrected by management. This is detailed in the appendices at page 49.
- The management commentary and annual governance statement comply with the statutory guidance and proper practice and are consistent with the financial statements and our knowledge of the Council. It was noted during our reviews that the Council's Management Commentary is a good example of best practice.
- The auditable parts of the remuneration report have been prepared in accordance with the relevant regulation.
- Based on our audit work, we expect to issue an unmodified audit opinion as part of the Council's annual accounts.
- We have completed our audit work on the separate annual accounts of each of the Council's ten charitable trusts - see page 15 for more detail. Based on our work we expect to issue unmodified opinions as part of those accounts.

Insights

- We have utilised Spotlight, Deloitte's patented analytics tool, to perform analytics on the journal entries posted in the year to profile the journal population which has helped us identify journals of audit interest, such as journals posted on non-business days or journals with key words. No issues were noted from this testing.
- We have raised insights which have been identified throughout the course of the audit and are detailed on page 16.

Status of the audit

- The audit is substantially complete subject to the completion of the following principal matters:
 - finalisation of the annual accounts;
 - finalisation of our internal quality control procedures;
 - receipt of signed management representation letters;
 - our review of events since 31 March 2018; and
 - completion of Whole of Government Accounts (WGA) procedures.
- We will provide a verbal update to the Committee on the matters above during the meeting on 25 September.

Introduction (continued)

The key messages in this report - audit dimensions

The following three pages set out the key messages of this paper in relation to the four audit dimensions:

Financial sustainability

The Council underspent against its General Fund revenue budget by £13,022k in the year. This underspend has been carried forward and earmarked for use in future periods. Unearmarked General Fund reserves at year end (£6,624k) remains approximately 2% of budgeted net expenditure in line with the previous year and with Council policy. Whilst this remains at the lower end of recommended best practice, this is in line with the policy approved by the Council when setting its budget for 2017/18.

The Council produced spending estimates for the three year period 2018/19 to 2020/21 showing an estimated cumulative funding gap of £25,551k over the period. The Long Term Financial Outlook (LTFO) was also updated in the year to assess the financial challenges and potential funding gap faced over the next ten years (2018-2028), and identified a potential funding shortfall of £156 million over the ten year period. In order to address these challenges, the Council plans to conduct a fundamental review of the services provided and the partnerships the Council has with communities and other stakeholders.

The Council is currently refreshing its Council and Transformation Plans. It is essential that the transformation activity delivers financial benefits to address the anticipated significant funding gap over the medium to long terms. We therefore recommend that this is developed at pace.

2017/18 reported a breakeven General Fund position following the carry forward of £13,022k to fund 2018/19 service expenditure. This was against a budget of £335,662k.	At 31 March 2018, the Council held £6,624k of unearmarked reserves which is approximately 2% of budgeted net expenditure. This is at the lower end of the best practice threshold (2-4%).	A balanced budget for 2018/19 was approved based on funding of £331,213k , which maintained unearmarked reserves at £6,624k.	The Council achieved £7,140k of savings in 2017/18 (2.1% of budgeted expenditure) - this has contributed to cumulative savings of £48,726k in the last five years.	The Council's LTFO estimates a funding shortfall of £156 million over the next ten years (2018-2028).
--	--	--	--	--

Introduction (continued)

The key messages in this report - audit dimensions (continued)

Financial management

The Council has effective financial planning and management arrangements in place. It prepares medium and long-term financial plans and the Executive Leadership Team (ELT) and Councillors regularly review progress. Financial plans are linked to priorities and other strategic developments. Councillors challenge management where performance departs from plans. Progress is discussed at Cabinet and at the Audit and Scrutiny Committee. The Council's spending is clearly linked to its priorities, however it could improve how it shows that the spending makes a difference to these areas. Whilst the management commentary has provided a link to the Annual Performance Report, providing clear examples of where outcomes can be linked to expenditure would improve this transparency.

From our review of internal audit reports issued in the year and following our testing performed throughout the audit we are satisfied that the Council has adequate financial capacity and systems of internal control in place. Following the introduction of a new Head of Finance during the year, and the introduction of a designated s95 officer for the Integration Joint Board for the first time, we are satisfied with the capacity and capability of the finance team in place.

The Council has a Corporate Fraud Team which reports directly to the Audit and Scrutiny Committee, and the Council participates in the National Fraud Initiative (NFI). We are therefore satisfied that the Council has appropriate arrangements in place for the prevention and detection of fraud and corruption.

Introduction (continued)

The key messages in this report - audit dimensions (continued)

Governance and transparency

The relationship between executive leadership and Councillors is open and effective. There has been strong leadership from the ELT and Members throughout the year. Focus needs to be placed on the leadership from Members in the short to medium term future given the significance and importance of transformational change required for the Council to achieve long term financial sustainability. Effective collaboration between Members will be crucial in order for the transformation of service delivery to be successful.

The Council and its partners have a clear and shared vision which is set out in the Local Outcomes Improvement Plan (LOIP). The Council has a good understanding of the challenges facing North Ayrshire and is effectively supported by elected members and Council partners.

The Council is open and transparent in its decision making with all minutes available through the Council's website. Council meetings are also streamed on its website and available to the public to view. The Council encourages residents to get involved and take responsibility in decisions regarding Council services and spending public money. The Council's effective participatory budgeting programmes are a good example of best practice for other local authorities to follow.

The Council has a well established partnership with NHS Ayrshire & Arran through the North Ayrshire Integration Joint Board (IJB). However, it is critical that the IJB plans to achieve long term financial sustainability by commissioning services within the available budget.

The Council's contribution towards the IJB's transformation efforts is crucial for the financial sustainability of the IJB. Whilst it is the responsibility of the IJB to commission services within its own budget, collaboration with the Council and the Health Board will be required for transformation efforts to be successful. The IJB as at the end of 2017/18 carried forward a deficit of £5,807k payable to the Council as a result of cumulative overspend in the last two years, presenting a recoverability risk to the Council.

Value for Money

The Council has a well-established Performance Management Strategy. The Community Planning Partners (CPP) have recently produced the LOIP, which replaced the Single Outcome Agreement. The LOIP provides the strategic direction for the CPP partners and aims to 'Create a Better Life' for North Ayrshire residents. The LOIP priorities are reflected in the plans of the individual organisations.

Over the past few years the Council has done considerable work in identifying priority indicators within the Local Government Benchmarking Framework (LGBF) indicator set. During 2016 the Council identified a sub-set of core LGBF indicators which it believes that maintaining or improving performance in these areas will have greatest impact for North Ayrshire and its residents. The results of this work is evident in the sharp improvement in the number of indicators in quartile one and a decrease in the number of indicators in quartile four from the 2016/17 LGBF data.

Pat Kenny
Audit Director

Our audit explained

Area dimensions

In accordance with the 2016 Code of Audit Practice, we have considered how you are addressing the four audit dimensions:

- Financial sustainability
- Financial management
- Governance and transparency
- Value for money

Final audit report

In this report we have concluded on the audit risks identified in our planning report and any other key findings from the audit.

Key developments in your business

As noted in our planning report, the Council continues to face significant financial challenges due to an increase in costs whilst facing increased demand for services.

The delivery of financially sustainable services by the IJB continues to be a challenge.

Materiality

Group materiality or £10,SSSk and performance materiality of £7,916k has been based on the benchmark of gross expenditure adjusted for net contributions to the IJB, and is a slight increase from what we reported in our planning paper due to updated final figures.

We have used these as the basis for our scoping exercise and initial risk assessment. We have reported to you all uncorrected misstatements greater than £250k.

Scope of the audit

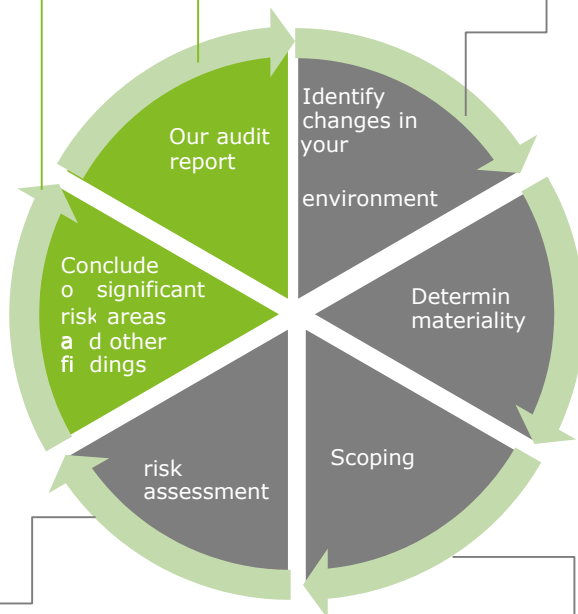
We have audited the financial statements for the year ended 31 March 2018 of North Ayrshire Council group. We have also audited the separate financial statements for the year ended 31 March 2018 of North Ayrshire Council's charitable trusts.

Significant risks

Our risk assessment process is a continuous cycle throughout the year. Page 10 provides a summary of our risk assessment of your significant risks.

Quality and Independence

We confirm we are independent of North Ayrshire Council. We take our independence and the quality of the audit work we perform very seriously. Audit quality is our number one priority.



Timeline 2017/18

November 2017 - February 2018

Meetings with management and other staff to update understanding of the processes and controls.

27 March 2018

Presented planning paper to the Audit and Scrutiny Committee.

July - August 2018

Review of draft accounts, testing of significant risk and performance of substantive testing of results.

31 March 2018

Year end.

25 September 2018










Audit and Scrutiny Committee meeting and accounts sign off.

22 August 2018

Audit close meeting.

Significant risks

Dashboard

Risk	Material	Fraud risk	Planned approach to controls testing	Controls testing conclusion	Consistency of judgements with Deloitte's expectations	Comments	Page no.
Recognition of grant income			D+I	Satisfactory		Satisfactory	11
Management override of controls			D+I	Satisfactory		Satisfactory	12
Valuation of property assets			D+I	Satisfactory		Satisfactory	13

Overly prudent, likely to lead to future credit



Overly optimistic, likely to lead to future debit.

D+I: Testing of the design and implementation of key controls

Significant risks (continued)

Risk 1 - Recognition of grant income

Risk identified

International Standards on Auditing (ISA) 240 states that when identifying and assessing the risks of material misstatement due to fraud, the auditor shall, based on a presumption that there are risks of fraud in revenue recognition, evaluate which types of revenue, revenue transactions or assertions give rise to such risks.

Key components of income for the Council, as summarised in the table below, are the Government Grant and non-domestic rates which are directed by the Scottish Government and not considered a significant risk as the process for receipt of this income is not complex and can be verified 100%.

The significant risk is pinpointed to the recognition of grant income (excluding General Revenue Grant income). Council tax, non-domestic rates and housing rent income are set through the annual budget process with no management judgement and therefore have a low risk of fraud. Similarly, other Service Income includes fees and charges across all Services, which are set through formal approval processes, with

no history of fraud or error.



Key judgements and our challenge of them

There is significant management judgement around determining if there are any conditions attached to a grant and if so whether the conditions have been met. The complex accounting for grant income as the basis for revenue recognition in the accounts will depend on the scheme rules for each grant.



Deloitte response

We have performed the following:

- assessed management's controls around recognition of grant income; and
- tested a sample of capital grants and contributions and grant income credited to Service Income and confirm these have been recognised in accordance with any conditions applicable.

Type of income	2017/18 (Ek)	Significant risk?
<u>Taxation and Non-Specific Grant Income</u>		
Council tax income	51,646	
Non domestic rates	40,568	
Government Grant	225,141	
Capital grants and contributions	38,361	
<u>Service Income</u>		
Service Specific Grant income	39,549	
Housing Benefit Subsidy	52,937	
Housing Revenue Account	46,596	
IJB commission income (book entry)	89,347	
Other Service Income	59,179	

Deloitte view

We have concluded that grant income has been correctly recognised in accordance with the requirements of the CIPFA Code of Practice on Local Authority Accounting.

Significant risks (continued)

Risk 2 - Management override of controls



Risk identified

In accordance with ISA 240 management override is a significant risk. This risk area includes the potential for management to use their judgement to influence the financial statements as well as the potential to override the Council's controls for specific transactions.

The key judgments in the financial statements are those which we have selected to be the significant audit risks around recognition of grant income and valuation of property assets. These are inherently the areas in which management has the potential to use their judgment to influence the financial statements.

Deloitte view

- We have not identified any significant bias in the key judgements made by management.
- The control environment is appropriate for the size and complexity of the Council.

Deloitte response

We have considered the overall sensitivity of judgements made in preparation of the financial statements, and note that:

- the Council's results throughout the year were projecting to stay within budget and this was closely monitored with confidence that the Council would be able to meet its overall financial targets.
- senior management's remuneration is not tied to particular financial results.

We have considered these factors and other potential sensitivities in evaluating the judgements made in the preparation of the financial statements.

We have performed design and implementation testing of the controls in place around accounting estimates and internal management reporting with no issues noted.

Significant transactions

We did not identify any significant transactions outside the normal course of business or any transactions where the business rationale was not clear.

Journals

We have made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We have used Spotlight data analytics tools to test a sample of journals, based upon identification of items of potential audit interest. Criteria used to identify journals of audit interest include journals posted by anonymous users, journals containing key words or blank descriptions, and journals entered on non-business days, as well as others. We have not identified any issues with journal postings from our testing.

Accounting estimates

In addition to our work on key accounting estimates discussed above, our retrospective review of management's judgements and assumptions relating to significant estimates reflected in last year's financial statements has been completed with no issues noted.

Significant risks (continued)

Risk 3 - Valuation of property assets

Risk identified

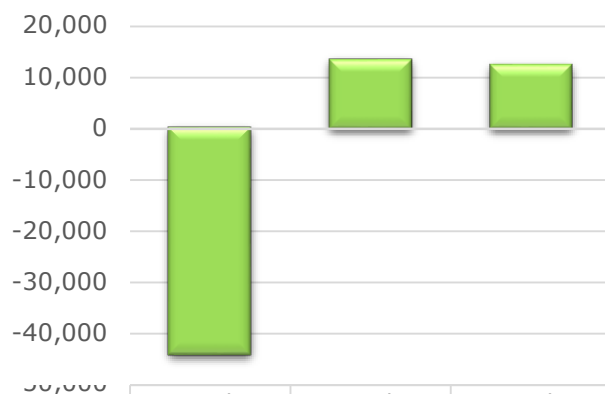
The Council is required to hold property assets within Property, Plant and Equipment at a modern equivalent use valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value.



Key judgements and our challenge of them

The Council held £914,562 of land and property assets at 31 March 2018 (2016/17: £953,477k). The financial year to 31 March 2018 represented year two of a five year rolling programme in which 20% of the portfolio was revalued (with the exception of council dwellings which is 100% revalued every year). All council dwellings are revalued by the Council internally and all other valuations are performed by an external valuer.

Net revaluation movements (£k)



■ Net revaluation movements (£k)

	2017/18	2016/17	2015/16
Net revaluation movements (£k)	-43,995	13,229	12,247



The movement in net revaluation from 2016/17 is largely due to the nature of assets revalued in this year of the rolling programme. In 2016/17 the property portfolio was revalued upwards by approx. 1.4% and in 2017/18 was revalued downwards by approx. 4.8%. We are satisfied based on work performed along with our internal property specialists that the valuation assumptions and methodologies employed are reasonable.

Deloitte response

- We assessed management's controls around the valuation of property assets;
- We reviewed the revaluations performed in the year and assessed whether they have been performed in a reasonable manner, on a timely basis and by suitably qualified independent individuals;
- We tested a sample of revalued assets and re-performed the calculation assessing whether the movement has been recorded through the correct line of the accounts;
- We considered material changes in assets not subject to full revaluation during the year;
- We considered assets classified as surplus or held for sale to assess whether these have been valued and disclosed in line with IFRS; and
- We involved the use of our internal property specialists to review and challenge the assumptions and methodology adopted by the Council's internal and external valuation specialists, including sample testing of inputs to the valuation.

Deloitte view

We have concluded that the net book value is materially correct. The Council's valuation assumptions are in line with other councils and fall within the expected range highlighted by our internal valuations specialist, Deloitte Real Estate.

Other matters

Defined benefits pension scheme

Background

The Council participates in two defined benefits schemes:

- Scottish Teachers' Superannuation Scheme, administered by the Scottish Government; and
- The Strathclyde Pension Scheme, administered by Glasgow City Council

The net pension liability has decreased from £248,414k in 2016/17 to £104,157k in 2017/18 primarily as a result of the triennial valuation commissioned by Strathclyde Pension Fund as at 31 March 2017. Additional factors include lower than anticipated salary inflation and an increase in the value of pension assets recognised.



Deloitte response

- We obtained a copy of the actuarial report produced by Hymans Robertson, the scheme actuary, and agreed in the disclosures to notes in the accounts;
- we reviewed and challenged the assumptions made by Hymans Robertson, including benchmarking as shown in the table opposite;
- we assessed the reasonableness of the Council's share of the total assets of the scheme with the Pension Fund financial statements;
- we reviewed the disclosures within the accounts against the Code; and
- we assessed the independence and expertise of the actuary supporting the basis of reliance upon their work.

	Council	Benchmark	Comments
Discount rate (% p.a.)	2.70	2.57	Reasonable, slightly optimistic
Retail Price Index (RPI) Inflation rate (% p.a.)	3.40	3.05	Prudent
Consumer Price Index (CPI) Inflation rate (% p.a.)	2.40	2.05	Prudent
Salary increase (% p.a.) (over RPI inflation)	0.20	0.20	Reasonable
Pension increase in payment (% p.a.)	2.40	2.05	Reasonable
Pension increase in deferment (% p.a.)	2.40	2.05	Reasonable
Mortality - Life expectancy of a male pensioner from age 65 (currently aged 65)	21.40	21.20	Reasonable
Mortality - Life expectancy of a male pensioner from age 65 (currently aged 45)	23.40	23.00	Reasonable

Deloitte view

We have reviewed the assumptions and, on the whole, the set of assumptions used is reasonable when compared with the Deloitte benchmarks. The assumptions have been set in accordance with generally accepted actuarial principles and are compliant with the accounting standard requirements of IAS19.

From our testing we noted that the estimated pension asset figure used within the actuary calculations was materially different to the asset values reported in the Strathclyde Pension Fund audited accounts. The actuary has revised its calculations resulting in a material adjustment of £16,085k to the Council accounts. This has been corrected by management and included in the schedule of adjustments reported within the appendix to this report.

Other matters (continued)

Charitable trusts

Risk identified

From 2013/14, all Scottish councils who act as sole trustees for any registered charities have to fully comply with the Charities Accounts Regulations. This requires Charities SORP compliant accounts to be prepared for each Charity, and a separate audit of each. North Ayrshire Council administers ten such registered charities.

As the gross income of each trust is less than £100,000, the Council has opted to prepare the charitable trust accounts on a receipts and payments basis in accordance with The Charities Accounts (Scotland) Regulation 2006. Fully compliant Charities accounts are SORP

therefore not required and disclosure is limited to that specified in the Regulations.

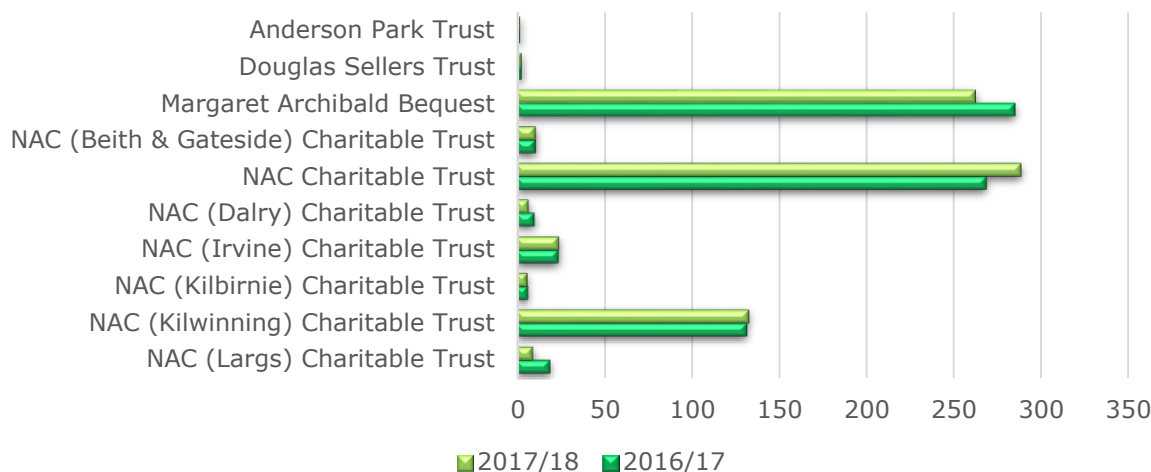


We have assessed that the statement of receipts and payments and the statement of balances have been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006. One adjustment has been raised for the Margaret Archibald Bequest as a result of an incorrect year end market value being used to determine the value of one of the trust's investments. The value

of that investment has been reduced by £1k, resulting in total investments held by the trust reducing from £220k to £219k. This has been adjusted within the updated accounts. No other issues have been noted.

A summary of the total assets held by each of the charitable trusts audited has been provided in the table adjacent.

Total assets held (Ek)



Deloitte view

We found from our testing of the charitable trusts accounts in the year that they have been correctly accounted for in accordance with the Regulations.

In December 2017, Audit Scotland issued a technical guidance note specific to charities. This note recommended that auditors encourage local authorities to make use of connected charity provisions in place under The Charities Accounts (Scotland) Regulations 2006. The provisions allow charities with common trustees to combine their annual accounts and as a result reduce the number of separate annual accounts to be published. We recommend the Council reviews this guidance and considers the option of combining the ten trusts into one set of annual accounts going forward.

Other matters (continued)

Insights delivered

We welcome this opportunity to set out for the Audit and Scrutiny Committee our observations from our substantive audit procedures. Below are some insights we have identified from our audit.

Insight	Detail
Following the implementation of the new 'Integra' financial ledger system, management has not been able to fully reconcile its month end cash balances.	<ul style="list-style-type: none">• The new 'Integra' ledger system was supposed to have the capability to perform automatic reconciliations between Council bank accounts and the ledger. However, this process has not functioned effectively since implementation, resulting in the need for management to perform this reconciliation manually.• Reconciliations are inefficient and involve reconciling a high volume of transactions. As a result, the year end cash reconciliation was not fully complete as at the time of the audit.• Unreconciled balances were cumulatively immaterial for audit purposes. We have substantively tested all cash reconciliations as part of our work performed in order to gain assurance that the cash figures recognised in the accounts are materially correct.• We understand that communication between management and Capita is ongoing in order to resolve this issue. In the meantime, we recommend that management makes alternative arrangements to ensure cash reconciliations between the ledger and bank are completed in a timely manner, especially given the inherent fraud risk associated with cash. We understand management is in the process of implementing a fully manual process to mitigate the impact of this failure in the system.
We found during our audit of the Non Domestic Rates Account that management is unable to generate reports of grant balances as at a point in time in the past. This led to significant issues during the audit as we could only generate reports tying to the NDR grant balance as at that point in time, which had moved from the balance as at year end which was being audited.	<ul style="list-style-type: none">• Management is unable to generate reports using parameters of periods in the past, and can only generate a report of the NDR grant as at that point in time. As the NDR grant balance changed between the year end date and the date of the audit, this caused difficulties during the audit.• Deloitte was able to reconcile differences to such a degree that unreconciled differences were immaterial. We recommend that in future periods management generates and saves all relevant reports as at year end in preparation for the audit.

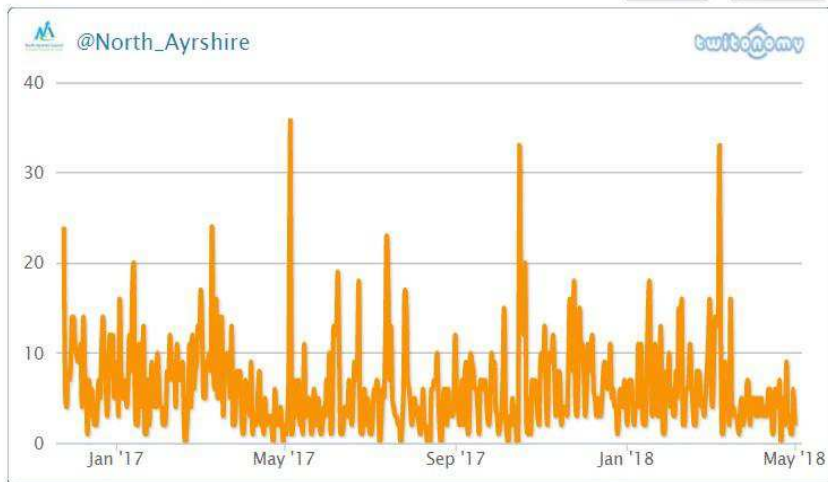
Other matters (continued)

Insights delivered (continued)

Given the increasing importance social media for community engagement and accessibility, we have reviewed the Council's Twitter account for any areas where improvements can be made.

Tweet history

Download: [Chart](#) [Tweets](#)



Twitter reports that the time most people check Twitter is 1pm-3pm Monday to Thursday, with the lowest amount checking in after 8pm every day and 3pm on Fridays. We note that the Council's posts occur evenly throughout the working week, with the timing of the posts also spread evenly.

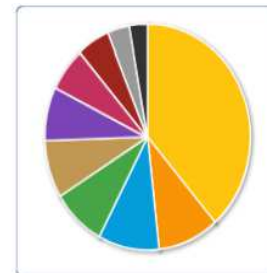
We noted from review of the Council's Twitter account that it regularly posts images and this practice should be continued: according to Twitter, this increases retweets by 41% and favourites by 48%.

From our review, we are satisfied that the Council is utilising social media appropriately to increase its visibility and the accessibility of information for the citizens of North Ayrshire.

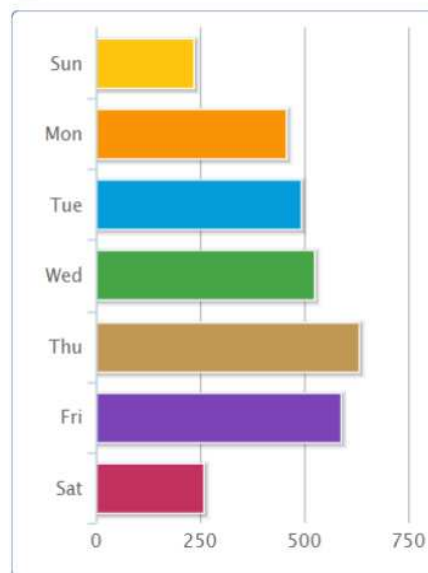
The 'hashtags' most used by the Council are as expected and would be clearly accessible by North Ayrshire residents.

Hashtags most used

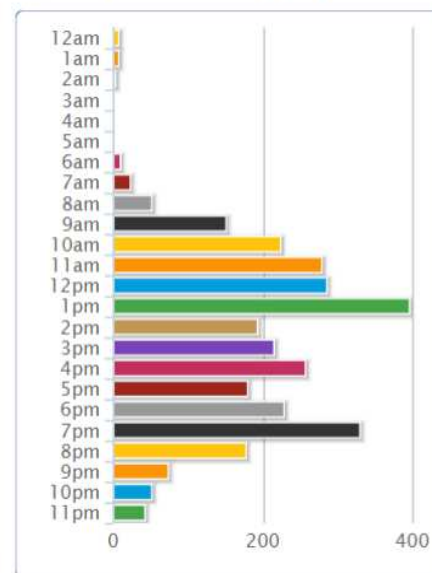
#grittertwitter	257	#saveourferry	64
#shapingnorthayrshire	64	#cpw17	56
#civicpride18	55	#16daysna	52
#civicprideawards17	42	#ge2017	34
#countdowntoport	23	#council17	19



Days of the week



Hours of the day (UTC+1)



Our audit report

Other matters relating to the form and content of our report

Here we discuss how the results of the audit impact on other significant sections of our audit report. The revisions to ISA (UK) 700 have changed the form and content of the audit report, including how different sections are presented.



Our opinion on the financial statements

Our opinion on the financial statements will be unmodified based on our work completed to date.



Material uncertainty related to going concern

We have not identified a material uncertainty related to going concern and will report by exception regarding the appropriateness of the use of the going concern basis of accounting.



Emphasis of matter and other matter paragraphs

There are no matters we judge to be of fundamental importance in the financial statements that we consider it necessary to draw attention to in an emphasis of matter paragraph.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in an other matter paragraph.



Other reporting responsibilities

The Annual Report is reviewed in its entirety for material consistency with the financial statements and the audit work performance and to ensure that they are fair, balanced and reasonable.

Our opinion on matters prescribed by the Controller of Audit are discussed further on page 19.



Your annual accounts

We welcome this opportunity to set out for the Audit and Scrutiny Committee our observations on the annual accounts. We are required to provide an opinion on the remuneration report, the annual governance statement and whether the management commentary has been prepared in accordance with the statutory guidance.

	Requirement	Deloitte response
Management Commentary	The Management Commentary comments on financial performance, strategy and review and targets. Deloitte note that the Management Commentary has been prepared in line with issued guidance. The commentary included both financial and non financial KPIs and made good use of graphs and diagrams. The Council also focuses on the strategic planning context.	We have assessed whether the Management Commentary has been prepared in accordance with the statutory guidance with no exceptions noted. We have also confirmed that the information contained within the Management Commentary is materially correct and consistent with our knowledge acquired during the course of performing the audit, and is not otherwise misleading. It was noted during our reviews that the Council's Management Commentary is a good example of best practice. See page 20 for further detail.
Remuneration Report	The remuneration report has been prepared in accordance with the 2014 Regulations, disclosing the remuneration and pension benefits of Senior councillors and Senior Employees of the Council.	We have audited the disclosures of remuneration and pension benefit, pay bands, and exit packages and confirmed that they have been properly prepared in accordance with the regulations.
Annual Governance Statement	The Annual Governance Statement reports that North Ayrshire Council governance arrangements provide assurance, are adequate and are operating effectively.	We have assessed whether the information given in the Annual Governance Statement is consistent with the financial statements and has been prepared in accordance with the accounts direction. No exceptions noted.

Your annual accounts (continued)

Audit Scotland has issued a series of Good Practice notes to highlight where annual reports can be improved. We would encourage the Council to use the findings to assess and enhance their own disclosures to ensure they provide high quality information to stakeholders in their annual accounts.

We have provided below some extracts which should be considered by the Council in drafting future annual reports.

Management Commentary

The following areas for improvement were identified when reviewing the Council's management commentary:

- Performance indicators - while there is a link provided to the performance report, the management commentary should expand on the key movements in performance and the key drivers, especially given some significant changes in Local Government Benchmarking Framework performance.

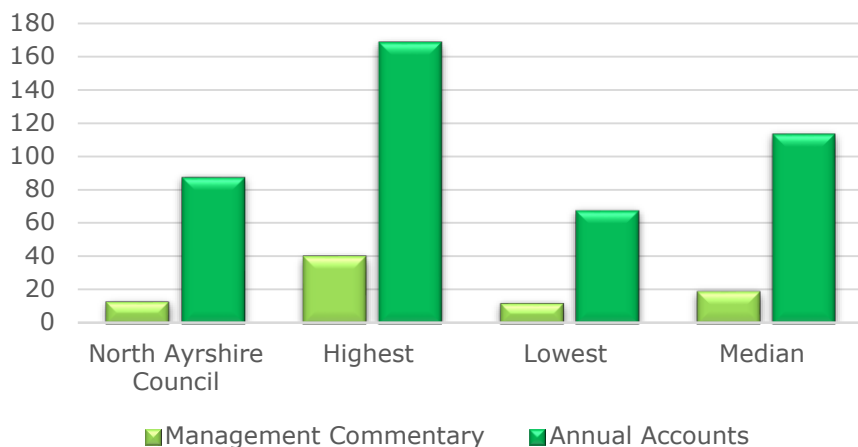
Governance Statement

The following areas for improvement were identified when reviewing the Council's governance statement:

- Action plan - while reference is made to issues from both current and prior year, an action plan should be included and show key issues arising (e.g., the areas highlighted in the significant governance issues section). Any significant issues identified in the prior year should be followed up.

Whilst we have noted the above for improvement, it is also noted that the Council's draft Management Commentary is a good example of best practice. Information is presented in a clear and concise manner, with good use of tables and graphics to effectively summarise the information provided. Deloitte are satisfied that the accounts are compliant with statutory guidance and all required changes have been made.

Length of accounts 2017/18



We have reviewed the annual accounts of the Council against other Councils across Scotland.

This shows that North Ayrshire Council is towards the lower end of the scale, with management commentary one page longer than the shortest in Scotland, and the accounts as a whole between the lowest and the median. Despite having annual accounts at the lower end of the scale, the Council complies with all statutory guidance and as mentioned above is a good example of best practice Management Commentary. An effective use of illustrations including tables and graphs has allowed the Council to present its information in a clear and concise manner, requiring fewer pages.

Audit dimensions

Overview

Public audit in Scotland is wider in scope than financial audit. This section of our report sets out our findings and conclusion on our audit work covering the following:

Audit dimensions

- The Code of Audit Practice sets out four audit dimensions which, alongside Best Value in the local government sector, set a common framework for all the audit work conducted for the Auditor General for Scotland and for the Accounts Commission.

Strategic audit priorities

- In its Strategy, which is updated annually, the Commission sets out an overall aim of holding councils to account for their pace, depth and continuity of improvement facilitated by effective governance. Within this, the Commission also sets out five Strategic Audit Priorities (SAPs).

Shared risk assessment

- Local Area Networks (LANs) bring together scrutiny body representatives to agree and write a Shared Risk Assessment (SRA). The output of the SRA process informs an annual Local Scrutiny Plan (LSP) which summarises the results of the shared risk assessment of the Council and the proposed scrutiny response.

Best value

- The Commission formally agreed the overall framework for the approach to auditing Best Value (BV) in councils in June 2016. Best Value is assessed over the five year audit appointment, as part of the annual audit work. The Best Value Assurance Report (BVAR) for North Ayrshire Council is planned for future years. We will follow up on the areas reported in our 2017/18 annual audit report and consider these as part of the work on the four audit dimensions to focus on the councils arrangements for demonstrating Best Value.

Statutory performance indicators

- The 2015 Statutory Performance Information (SPI) Direction published by the Commission requires councils to report a range of information in accordance with, but not confined to, the requirements of the Local Government Benchmarking Framework. One of the Accounts Commission's Strategic Audit Priorities is "the quality of councils' reporting of their performance to enhance accountability to citizens and communities". Accordingly, we have considered this as part of our work within this areas. It is also to be addressed in more depth in those councils subject to a Best Value Assurance Report.

Specific risks

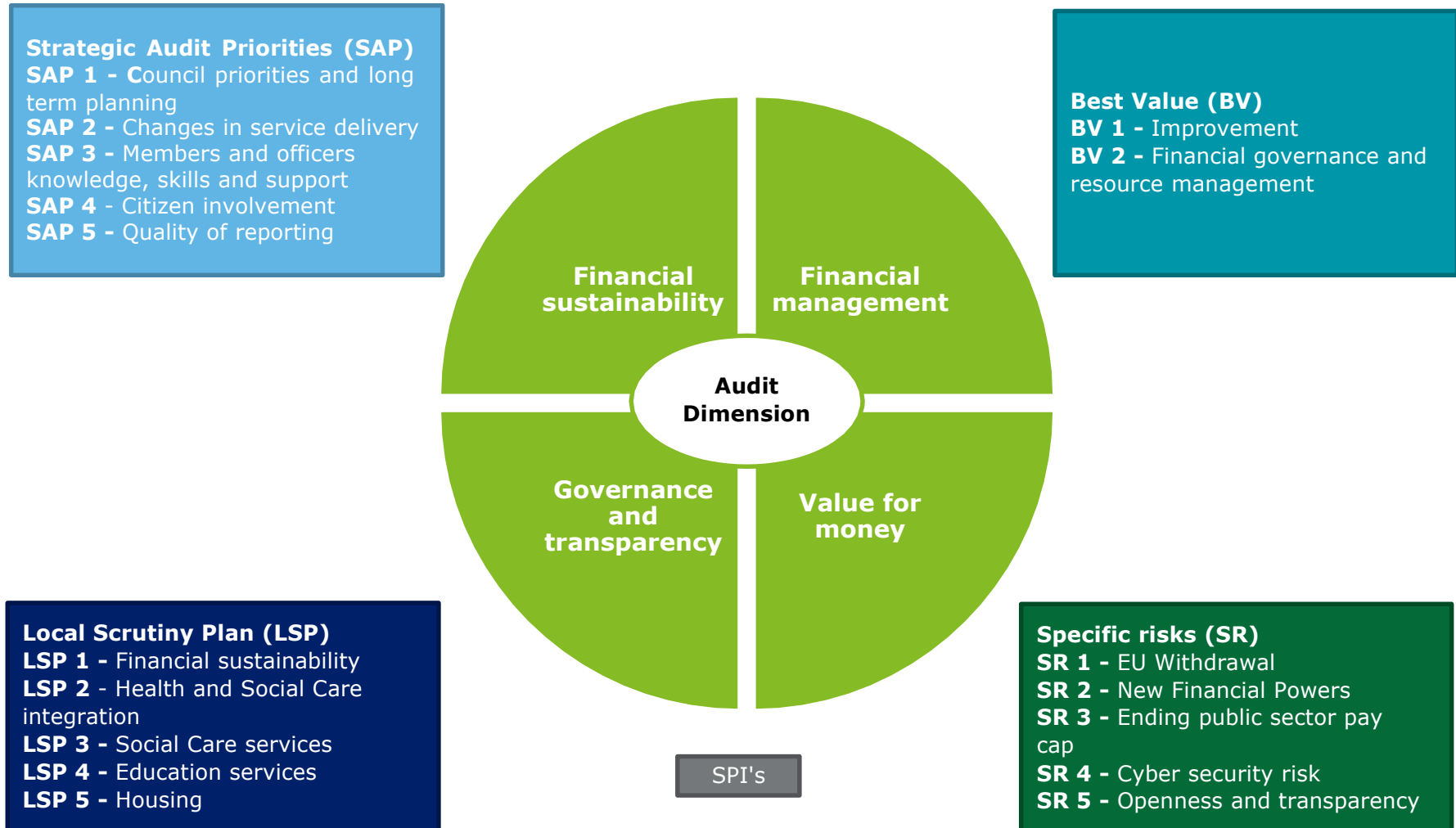
- As set out in our Annual Audit Plan, Audit Scotland had identified a number of significant risks (SRs) faced by the public sector which we have considered as part of our work on the four audit dimensions.

Audit dimensions (continued)

Overview (continued)

This section of our report is structured in accordance with the four audit dimensions, requirements on SAPs, BV, SR, LSP and SPI's, as summarised below.

but also covers our specific audit



Audit dimensions (continued)

Financial sustainability

Audit dimension

As part of the annual audit of the financial statements, we have considered the appropriateness of the use of the going concern basis of accounting. Going concern is a relatively short-term concept looking forward 12 to 18 months from the end of the financial year. Financial sustainability interprets the requirements and looks forward to the medium (two to five years) and longer term (longer than five years) to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.

Areas considered



- The financial planning systems in place across the shorter and longer terms.
- The arrangements to address any identified funding gaps.
- The affordability and effectiveness of funding and investment decisions made.
- Workforce planning.

Deloitte response



From our work in 2016/17 we found that whilst the Council's unearmarked reserves were within best practice threshold, it was at the lower end of the threshold. We recommended that the Council review its plans to fund future investment from reserves in order to ensure that it could maintain reserve levels in line with best practice. We have assessed reserves position as at the end of 2017/18.

We have assessed whether the Council continues to have effective short, medium and long term financial planning systems in place so it can achieve financial sustainability over the next 5-10 years.

We have also assessed the effectiveness of the Council's efforts to achieve further sustainable efficiencies, in particular through the T2 transformation strategy.

Deloitte view

The Council underspent against its General Fund revenue budget by £13,022k in the year. This underspend has been carried forward and earmarked for use in future periods. Unearmarked General Fund reserves at year end (£6,624k) remains approximately 2% of budgeted net expenditure in line with the previous year and with Council policy. Whilst this remains at the lower end of recommended best practice, this is in line with the policy approved by the Council when setting its budget for 2017/18.

The Council produced spending estimates for the three year period 2018/19 to 2020/21 showing an estimated cumulative funding gap of £25,551k over the period. The Long Term Financial Outlook (LTFO) was also updated in the year to assess the financial challenges and potential funding gap faced over the next ten years (2018-2028), and identified a potential funding shortfall of £156 million over the ten year period. In order to address these challenges, the Council plans to conduct a fundamental review of the services provided and the partnerships the Council has with communities and other stakeholders.

The Council is currently refreshing its Council and Transformation Plans. It is essential that the transformation activity delivers financial benefits to address the anticipated significant funding gap over the medium to long terms. We therefore recommend that this is developed at pace.

Audit dimensions (continued)

Financial sustainability (continued)

Short term financial position

For **2017/18**, the Council approved a balanced budget of £331,158k (2016/17: £315,362k). A breakeven General Fund position was achieved for 2017/18 (as in 2016/17).

The **2018/19** budget was approved by the Council in February 2018. The budgeted total expenditure of £331,213k

In setting its budget the Council has recognised that a number of risks exist, such as demand and demographic changes. The full introduction of Universal Credit to claimants residing in North Ayrshire and the potential changes that may take place as a result of the further devolution of powers including welfare will all require to be assessed and factored into future budget assumptions.

The budget includes pay awards which have been aligned to the thresholds set out by the Cabinet Secretary in the Stage 1 debate on 31 January 2018. It is noted that the local government pay is outwith the remit of the Scottish Government and negotiations for 2018/19 remain live. A pay award in excess of the level provided for would require further savings to be made.

The Council has adopted a **Reserve Strategy** that is in line with the current economic climate. Good practice recommends that local authorities should retain uncommitted reserves of between 2% and 4% of their annual running costs, which is equivalent to between £6,624k and £13,248k for the Council.

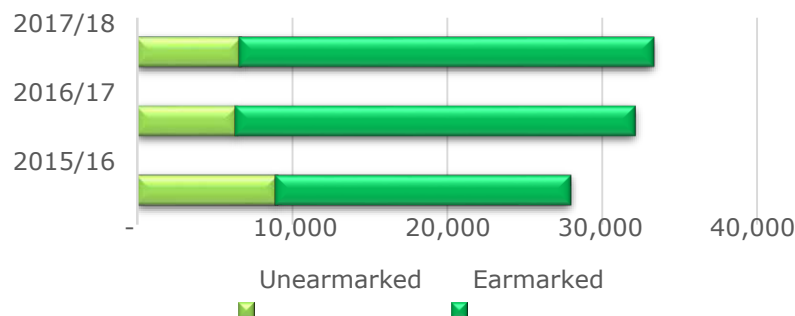
The General Fund unearmarked balance at the 31 March 2018 was £6,624k, representing 2% of net revenue expenditure.

The General Fund earmarked balance at 31 March 2018 was £26,611k. This includes the following:

- £14,056k - general Earmarked Funds to fund specific projects planned for 2018/19 and beyond.
- £4,391k - Affordable Housing fund equal to 40% of Council tax income generated on properties which are not sole/main residencies to be used to build affordable housing.
- £3,915k - Change & Service Redesign fund to be used to deliver the Council's change programmes.

The movement in unearmarked and earmarked reserves over the last three years is illustrated below:

General Fund balances (Ek)



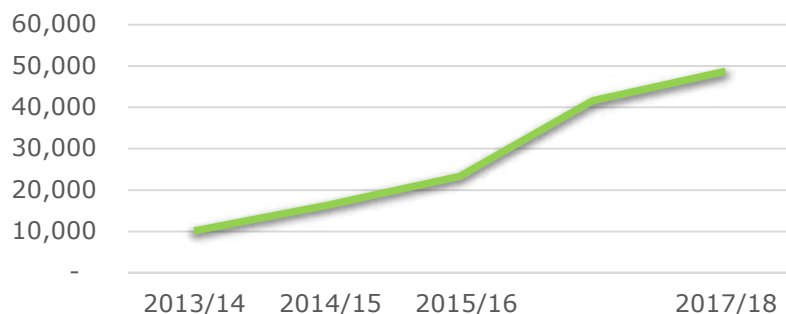
Audit dimensions (continued)

Financial sustainability (continued)

Medium to long term financial sustainability

The Council has achieved significant savings over the last five years, as illustrated below, however due to increasing demand for services and the continuing restraint in relation to Council funding settlements it will have to consider how it can fundamentally transform service delivery in order to continue to meet the needs of residents with reducing budgets.

Cumulative savings 2013/14 - 2017/18 (Ek)



The Council recognises that if it continues with current service levels and delivery models there will be a significant funding gap in the medium to long term. Based on a number of assumptions, including grant funding, council tax, pay inflation, demand pressures and known policy positions, it is estimated that the cumulative funding gap could reach £16,180k by 2019/20 and £25,551k by 2020/21.

Transformation programme

As part of the Council's efforts to address its medium to long term financial challenges, the 'T2' transformation programme was implemented in 2015/16. T2 has been used by the Council thus far as an umbrella term which captures all transformation efforts.

The Council has a designated transformational leadership team in place where the ELT meet as a Transformational Board every 4-6 weeks. Service specific projects are reported to individual boards and cross cutting projects are reported to the Transformational Board. A benefit realisation model has been developed and implemented within the Transformation Team. This has been recognised as best practice by the Scottish Digital Office and shared with other Local Authorities. As part of the ongoing transformation journey, the Council plan to share this across the organisation and embedded for all change projects.

Significant progress has been achieved in the year in areas of service redesign around child placement and family support, implementation of sustainable energy schemes, and a review of community services provided.

Whilst the Council is refreshing its Council and Transformation Plans, it acknowledges that at present it currently doesn't have a clear plan to demonstrate how its transformational activity across the Council will achieve the required financial benefits to address the significant funding gap over the medium to longer term. We recommend that this is progressed to ensure that the Council can clearly demonstrate how services plan to change to meet the challenging financial position. It is important that there is clear member input into the process, with effective collaboration between members in order for the transformation of service delivery to be successful.

Audit dimensions (continued)

Financial sustainability (continued)

Best practice

English councils that have delivered and sustained transformational change on the scale required by North Ayrshire Council have tended to focus on the following six key requirements:

- A Strategic driven response
- Being a 'place' leader
- Digital data analytics and insights
- Efficiency, productivity and income generation
- Outcome-focused partnership working
- Reframing the relationship between the citizen and the state

We recognise that North Ayrshire are considering a number of these within its transformational themes. See 'Sharing best practice' at pages 39-41.

Workforce strategy and plan

To achieve the Council's long term vision, managing the workforce is vital. Workforce planning in terms of analysing the current workforce, determining future workforce needs, identifying the gaps and implementation of strategies to address this remains a high priority. The Council has introduced its approach to workforce planning in through the "Workforce for the future" strategy. This outlines a six step approach to workforce planning to ensure that the shape of the workforce is fit for the future.

The Council continues to analyse its current workforce at a future workforce requirements. Succession planning and identification of potential skills gaps are key areas of focus, and various other external factors including political and economic changes are considered as the workforce plans are reviewed on a quarterly basis.

The Council's workforce strategy will be a crucial element of a successful transformation programme. The Council should ensure that its workforce strategy and T2 programme are fully integrated to allow the Council's ultimate objectives to be achieved effectively and efficiently.

Treasury management & capital investment

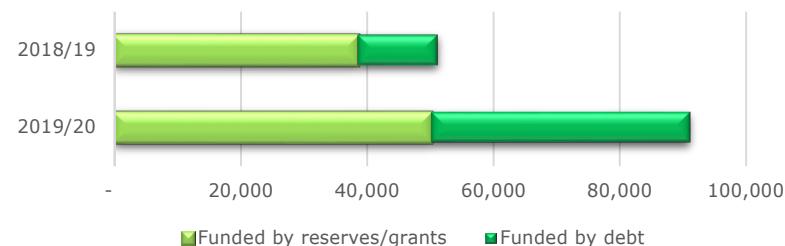
The Council updates its Treasury Management and Investment Strategy (TMIS), Capital Investment Programme and Capital Investment Strategy on an annual basis. The TMIS strategy provides a detailed assessment of treasury demands for the period up until 2020/21 with high level estimates up to 2026/27. This includes assessments of treasury management and investment strategy demands as well as capital and prudential indicators in line with CIPFA's Prudential Code.

The TMIS considers the Council's future capital funding arrangements. The Council forecasts £140,246k in total capital expenditure over the next two years - see the graph to the right for anticipated funding methods of forecasted investment. The Capital Investment Programme shows the following key areas of capital spend in the next two years:

- New build Additional Needs School (2018/19: £1,720k, 2019/20: £10,000k)
- Upper Garnock Flood Prevention Scheme (2018/19: £700k, 2019/20: £8,600k)
- Millport Coastal Flood Prevention Scheme (2018/19: £200k, 2019/20: £3,070)

Total borrowings held as at the end of 2017/18 was £246,470k (2016/17: £258,367k). Of this, £154,379k (2016/17: £154,380k) was debt held by the Public Works Loan Board (PWLb). The Council has also received working capital loans of £38,243k (2016/17: £50,503k) from other council and public sector bodies throughout the UK.

Capital expenditure funding (£k)



Audit dimensions (continued)

Financial management

Audit dimension

Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

Areas considered



- Budgetary control system.
- Systems of internal control.
- Financial capacity and skills.
- Arrangements for the prevention and detection of fraud.

Deloitte response



We have reviewed the budget and monitoring reporting to the Council during the year and the year-end position to assess whether financial management and budget setting is effective.

We have evaluated the key financial systems and internal control as part of our financial statements audit work and considered the work of internal audit.

We have considered the capacity and skills within the senior management of the finance team.

We have reviewed the Council's arrangements for the prevention and detection of fraud and irregularities, including their participation in the NFI exercise.

Deloitte view

The Council has effective financial planning and management arrangements in place. It prepares medium and long-term financial plans and the Executive Leadership Team (ELT) and Councillors regularly review progress. Financial plans are linked to priorities and other strategic developments. Councillors challenge management where performance departs from plans. Progress is discussed at Cabinet and at the Audit and Scrutiny Committee. The Council's spending is clearly linked to its priorities, however it could improve how it shows that the spending makes a difference to these areas. Whilst the management commentary has provided a link to the Annual Performance Report, providing clear examples of where outcomes can be linked to expenditure would improve this transparency.

From our review of internal audit reports issued in the year and following our testing performed throughout the audit we are satisfied that the Council has adequate financial capacity and systems of internal control in place. Following the introduction of a new Head of Finance during the year, and the introduction of a designated s95 officer for the Integration Joint Board for the first time, we are satisfied with the capacity and capability of the finance team in place.

The Council has a Corporate Fraud Team which reports directly to the Audit and Scrutiny Committee, and the Council participates in the National Fraud Initiative (NFI). We are therefore satisfied that the Council has appropriate arrangements in place for the prevention and detection of fraud and corruption.

Audit dimensions (continued)

Financial management (continued)

Budgetary control systems

The Council has effective financial planning and management arrangements in place. ELT and councillors regularly review revenue and capital monitoring reports throughout the year. The Cabinet reviews financial performance every two months.

We have seen evidence of good practice within the Council's budgetary system, particularly in relation to the use of priority based budgeting. In the year the Council has been able to use priority based budgets effectively to shift focus and investment away from areas of relatively strong performance and into areas requiring improvement.

The finance team is led by the Executive Director of Finance & Corporate Support and the Head of Finance, both of whom are experienced in local government finance roles. The Head of Finance joined the finance team as of the beginning of 2018/19, following the departure of their predecessor during 2017/18.

Finance Business Partnering service was introduced from 1 April 2017 to create a resource to support the strategic change and transformation of the Council. This is recognised as good practice.

We have not identified any issues with the financial skills, capacity and capability of the finance team. This is an area that the Council should monitor closely in view of the transformation programme and the key role that finance play.

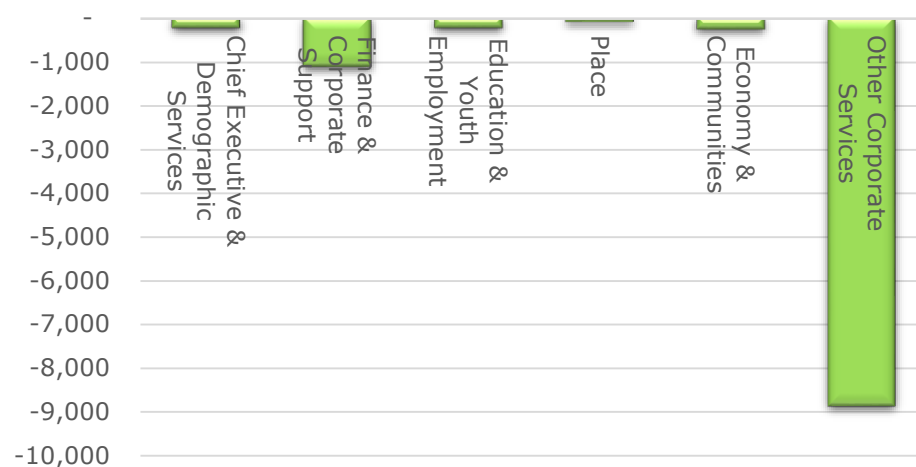
General Fund performance

The Movement In Reserves Statement (MIRS) reported a £1,186k surplus through the General Fund for 2017/18. Adjusting this balance to remove the accounting entries required by the Code of Practice for Local Authority Accounting, the Council's usable reserves reported a breakeven position for 2017/18. This compared to budget as summarised in the table below:

	Budget (Ek)	Actual (Ek)	Variance (Ek)
Expenditure	335,662	335,178	484
Income	(335,662)	(335,178)	(484)

The variances to budget reported for the year are summarised below by Directorate:

Directorate underspend against budget 2017/18 (Ek)



Audit dimensions (continued)

Financial management (continued)

Key reasons for the significant underspends per the illustration on the previous page are as follows:

- **Other Corporate Services** - £5,745k underspend was the result of delays in the drawdown from the Community Investment and Poverty Challenge Fund. This expenditure has been carried forward to 2018/19. £1,443k underspend was funding held for pensions and energy inflation, and £925k additional grant funding was received from Scottish Government as part of the 2018/19 finance settlement, which has been carried forward.
- **Finance & Corporate Support** - £594k underspend due to effective vacancy management as part of the workforce planning for the Service.

Whilst the illustration appears to show significant total underspend, a net breakeven position is reached when carry forwards are accounted for. Based on our assessment of actual vs budgeted spend throughout the year, actual does not vary from budgets by a material amount for any of the directorates, indicating effective budget management.

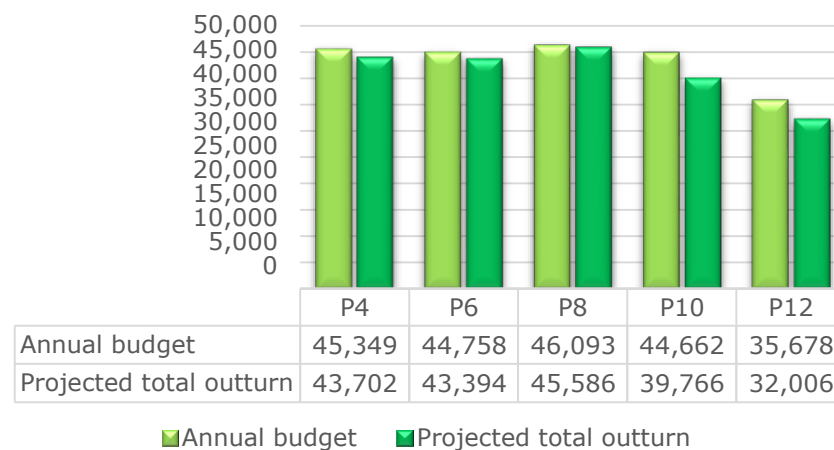
Capital expenditure

Capital expenditure of £57,516k was incurred in 2017/18 (2016/17: £48,700k). £25,510k of this was incurred through the HRA capital programme - £805k less than the £26,315k budgeted. The remaining £32,006k was incurred as part of the Council's main capital programme. Key areas of investment in the year were as follows:

- £6,056k - Irvine Enterprise Area regeneration project
- £3,271k - road improvement/reconstruction
- £2,112k - Quarry Road regeneration project

The graph below illustrates the Council's performance against its main capital budget throughout the year, showing an underspend of £3,672 against budget for the year:

Capital expenditure budget vs outturn 2017/18 (Ek)



Audit dimensions (continued)

Financial management (continued)

Systems of internal financial control

We have evaluated the Council's key financial systems and internal control to determine whether they are adequate to prevent misstatements in the annual accounts. The audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

No material weaknesses have been identified from our audit work performed. Insights have been reported (see page 16) where we have identified areas for improvement.

Internal Audit

The Council's Internal Audit function has independent responsibility for examining, evaluating and reporting on the adequacy of internal controls. During the year, we have reviewed all internal audits presented to the Audit and Scrutiny Committee and the conclusions have helped inform our audit work, although no specific reliance has been placed on the work of internal audit.

From our review of the internal audit reports issued during 2017/18, we have noted a number of "High Risk" graded recommendations, including issues identified from internal audit around lack of internal controls. We note that no frauds have been identified as a result of these issues, and management has either addressed or made plans to address the risks highlighted.

Fraud and irregularity

We have reviewed the Council's arrangements for the prevention and detection of fraud and irregularities. Overall we found the Council's arrangements to be operating effectively.

In accordance with Audit Scotland planning guidance, we are required to monitor the Council's participation and progress in the National Fraud Initiative (NFI) during 2016/17 and 2017/18. An NFI audit questionnaire was completed and submitted to Audit Scotland on 20 February 2018, which concluded that the Council was fully engaged in the exercise.

Statutory objection to the accounts

Deloitte received an objection to the Council's accounts covering issues relating to the Common Good and Trusts funds. We have arranged to meet with the objector in September to consider the issues and evidence provided. Any significant matters will be reported to the Audit and Scrutiny Committee on 25 September prior to the approval of the accounts

Audit dimensions (continued)

Governance and transparency

Audit dimension

Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision-making, and transparent reporting of financial and performance information.

Areas considered



- Governance arrangements.
- Scrutiny, challenge and transparency on decision making and financial and performance reports.
- Quality and timeliness of financial and performance reporting.

Deloitte response



We have reviewed the financial and performance reporting to the Council during the year as well as minutes of Committee meetings to assess the effectiveness of the governance arrangements. Our attendance at Audit and Scrutiny Committees has also informed our work in this area.

We have also reviewed the governance arrangements in relation to the IJB.

Deloitte view

The relationship between executive leadership and Councillors is open and effective. There has been strong leadership from the ELT and Members throughout the year. Focus needs to be placed on the leadership from Members in the short to medium term future given the significance and importance of transformational change required for the Council to achieve long term financial sustainability. Effective collaboration between Members will be crucial in order for the transformation of service delivery to be successful.

The Council and its partners have a clear and shared vision which is set out in the Local Outcomes Improvement Plan (LOIP). The Council has a good understanding of the challenges facing North Ayrshire and is effectively supported by elected members and Council partners.

The Council is open and transparent in its decision making with all minutes available through the Council's website. Council meetings are also streamed on its website and available to the public to view. The Council encourages residents to get involved and take responsibility in decisions regarding Council services and spending public money. The Council's effective participatory budgeting programmes are a good example of best practice for other local authorities to follow.

The Council has a well established partnership with NHS Ayrshire & Arran through the North Ayrshire Integration Joint Board (IJB). However, it is critical that the IJB plans to achieve long term financial sustainability by commissioning services within the available budget.

The Council's contribution towards the IJB's transformation efforts is crucial for the financial sustainability of the IJB. Whilst it is the responsibility of the IJB to commission services within its own budget, collaboration with the Council and the Health Board will be required for transformation efforts to be successful. The IJB as at the end of 2017/18 carried forward a deficit of £5,807k payable to the Council as a result of cumulative overspend in the last two years, presenting a recoverability risk to the Council.

Audit dimensions (continued)

Governance and transparency (continued)

Leadership and vision

This Council is made up of 33 elected Members and following the local election in May 2017 there is now a minority Labour administration. Leadership from Members has been effective, however significant focus will be placed on leadership going forward given the degree of transformational change required from the Council to achieve long term financial sustainability. Effective collaboration between Members will be crucial in order to achieve successful transformation.

The Council's Executive Leadership Team (ELT) has six members, including the Director of the Health & Social Care Partnership. The ELT is responsible for reporting to the Cabinet and Council. We have found reporting in the year to be effective and robust. However, we have also found that reporting could be more timely, as monitoring reports are typically presented to Cabinet and Council two months after the period end, albeit have been reported to management much earlier. The current process has been recognised by management as being inefficient and efforts are being made to improve its efficiency.

We note that the Chief Executive has recently announced her plans to retire, which comes in parallel with a new slimline leadership structure designed to provide fresh thinking and focus for the challenges ahead. The Staffing and Recruitment Committee recently agreed to a new structure which will see a new Chief Executive supported by two Assistant Chief Executive Officers. We will monitor this during our 2018/19 audit.

Governance arrangements

The Cabinet is the main decision making body within the Council and consists of six elected Labour members including the Leader of the Council. Financial monitoring reports are reviewed by ELT and the Cabinet on a two monthly cycle and directorates have access to monthly financial reports. Cabinet and Council meeting minutes and agenda items are publicly available. We have found that the Council is open and transparent regarding its conduct and decision making.

The Audit and Scrutiny Committee consists of seven elected members across Labour, Conservative and SNP, and the chairperson is a member of the opposition in line with best practice. The full Audit and Scrutiny Committee was replaced in May 2017, and from our observation at meetings and following review of meeting minutes and agenda items since then we found that Committee meetings are generally well attended and effective levels of scrutiny and challenge are provided.

Following the public pound

The statutory requirements to comply with the Following the Public Pound Code, in conjunction with the wider statutory duty to ensure Best Value, means that councils should have appropriate arrangements to approve, monitor and hold third parties accountable for public funding provided to them.

We have found arrangements within the Internal Audit plan to address 'Following the public pound' during the year as part of the work performed. We also know that the Council has produced a contracts register which provides transparency to the public and suppliers of the value of contracts in place and with which suppliers. It can also be used to support contract monitoring, contract and supplier analysis and help businesses identify future opportunities.

Audit dimensions (continued)

Governance and transparency (continued)

Health & Social Care Partnership

The Council and NHS Ayrshire and Arran have a well established partnership, strengthened by the North Ayrshire IJB which was established in April 2015, ahead of most other areas in Scotland. The IJB worked quickly to agree upon its integration scheme as well as plans which reflect both national and local commitments.

For **2017/18**, the IJB approved a balanced budget of £227,581k (2016/17: £233,300k), which included cash releasing savings targets of £9,800k. The final position for 2017/18 was overspend against budget of £2,562k on Council commissioned services and £971k on NHS commissioned services. The NHS funded the overspend on their services, resulting in a final deficit of £2,562k for the IJB in the year.

An indicative balanced budget for **2018/19** of £228,739k (excluding set aside budget) was reported to the IJB in April 2018. NHS Ayrshire and Arran has yet to confirm its delegated budget for 2018/19 hence an indicative budget has been submitted. The budget will be finalised when the NHS delegated budget has been confirmed.

The IJB recognises that the delivery of services in the same way is not financially sustainable. The IJB's updated strategic plan, approved for 2018-2021, is underpinned by the need to transform care models to find new solutions as the partnership might not always be the first source of support.

The Medium Term Financial Plan 2017/18-2019/20 estimates that by 2019/20 the indicative funding gap could reach £39,200k. This combined with the carried forward deficit position of £5,807k presents an extreme challenge, and as such it is critical that the IJB considers how services are going to look in the future. It is the responsibility of the IJB to ensure that services can be provided within its budget, and to offset the deficit carried forward with surpluses on Council commissioned services in future.

	2017/18 budget (Ek)	2017/18 actual (Ek)	2018/19 draft budget (Ek)
Total expenditure	227,581	232,657	228,739
Total income	(227,581)	(230,095)	(228,739)
Set Aside Budget		28,055	27,765
Set Aside Funding		(28,055)	(27,765)
Total Expenditure		260,712	256,504
Total Income		(258,150)	(256,504)

Audit dimensions (continued)

Governance and transparency (continued)

The **Community Empowerment (Scotland) Act 2015** gives people more influence over how their council and its partners plan services. It provides more formal ways for people to get involved. For example, people can ask to take part in decisions about council services, which is called a Participation Request. The Act also makes it easier for communities to take ownership of land and buildings in a process known as asset transfers. This allows them to have a say in how the council should spend money locally.

Community engagement

North Ayrshire Council fully supports community empowerment and recognises the importance of building community capacity. Implementing a culture of relational rather than systems approaches, the Council has made good progress in aligning community and spatial planning. The Council has won a number of awards in the year for its work with the community, including COSLA gold and bronze awards for its 'Youth Empowerment' and 'Locality Partnerships' programmes respectively.

The 'Locality Partnerships' programme is conducted through the CPP. The CPP is made up of the Council, NHS, Scottish Government, Police Scotland, Scottish Fire and Rescue Service, Skills Development Scotland and various other prominent organisations in the community. As an example of their involvement, Police Scotland has six dedicated locality partnership teams for each of the partnerships.

The Council has used the locality partnerships effectively to roll out participatory budgeting (PB) programmes. The Council had the highest rate of youth involvement in PB in Scotland in 2017 and its strategic approach to 'Youth Empowerment' was recognised in its COSLA gold award. Additionally, the Council is making good progress towards meeting COSLA's target of spending 1% of government budgets through PB programmes by 2020. North Ayrshire Council is a good example for other local authorities of the application of best practice in relation to PB.

As per the summary box on the right, the CPP's key pledge per the LOIP is to address child poverty and create a better life for local people. This is in line with the effective 'child centred' approach the Council has taken to its community engagement and its PB programmes.

The Council has partnered with the Consultation Institute to develop effective consultation programmes. These programmes allow members of the community to feedback what they think should be amongst the Council's key issues.

The Council's engagement with communities will be critical in the short to medium term future as the transformation programme progresses, in order to co-produce and co-deliver local services. Effective engagement and the 'buy-in' of residents is vital for the success of the Council's transformation efforts.

The Community Planning Partnership's (CPP) **key pledge** is:

"To tackle the root causes of child poverty and mitigate its impact to create a better life for local people."

The CPP focuses on the following **four priority areas** in order to achieve this key pledge:

- A **Working** North Ayrshire
 - A **Healthier** North Ayrshire
- A **Safer** North Ayrshire
- A **Thriving** North Ayrshire - Children and Young People

Audit dimensions (continued)

Value for money

Audit dimension

Value for money is concerned with using resources effectively and continually improving services.

Areas considered



- Value for money in the use of resources.
- Link between money spent and outputs and the outcomes delivered.
- Improvement of outcomes.
- Focus on and pace of improvement.

Deloitte response



From our 2016/17 audit work we concluded that the Council had a well established performance management framework in place. During 2017/18 we have reviewed how the Council is addressing areas where its targets are not being met.

Deloitte view

The Council has a well-established Performance Management Strategy. The Community Planning Partners (CPP) have recently produced the LOIP, which replaced the Single Outcome Agreement. The LOIP provides the strategic direction for the CPP partners and aims to 'Create a Better Life' for North Ayrshire residents. The LOIP priorities are reflected in the plans of the individual organisations.

Over the past few years the Council has done considerable work in identifying priority indicators within the Local Government Benchmarking Framework (LGBF) indicator set. During 2016 the Council identified a sub-set of core LGBF indicators which it believes that maintaining or improving performance in these areas will have greatest impact for North Ayrshire and its residents. The results of this work is evident in the sharp improvement in the number of indicators in quartile one and a decrease in the number of indicators in quartile four from the 2016/17 LGBF data.

Audit dimensions (continued)

Value for money (continued)

Performance Management

North Ayrshire Council was named "Council of the Year" at the annual Association of Public Sector Excellence (APSE) awards 2017.

The Council has a well-established Performance Management Strategy. The Community Planning Partners (CPP) have recently produced the LOIP, which replaced the Single Outcome Agreement. The LOIP provides the strategic direction for the CPP partners and aims to 'Create a Better Life' for North Ayrshire residents. The LOIP priorities are reflected in the plans of the individual organisations.

The Council gathers performance information throughout the year to monitor, track and improve service delivery to the community. Performance tracking is primarily carried out through the Council's 'North Ayrshire Performs' tool, which tracks performance against key indicators and allows for comparison with other local authorities.

The Council presents bi-annual performance reports to Cabinet and Audit and Scrutiny Committee, comparing its actual performance against the performance objectives included within the Council Plan 2015-20. Detailed reports are produced at directorate level showing how each directorate has performed against the Council's key priorities per the council plan, and performance against relevant performance indicators is reviewed as appropriate for each directorate.

Statutory performance indicators

The Accounts Commission places great emphasis on Councils' responsibility for public performance reporting. The Commission does not prescribe how Councils should report this information but expects them to provide the public with fair, balanced and engaging performance information.

For 2017/18, two SPIs were prescribed:

- SPI 1: covering a range of information relating to service performance and local outcomes; and
- SPI 2: relates to reporting of performance information as required by the Local Government Benchmarking Framework.

Overall, we concluded that the Council's arrangement for publication are satisfactory, noting that it has refreshed the format of its Public Performance Reporting (PPR), with the 2017/18 report due to be presented to Cabinet in September 2018.

Through its PPR the Council has reported on 66 indicators during 2017/18, which include 31 LGBF indicators.

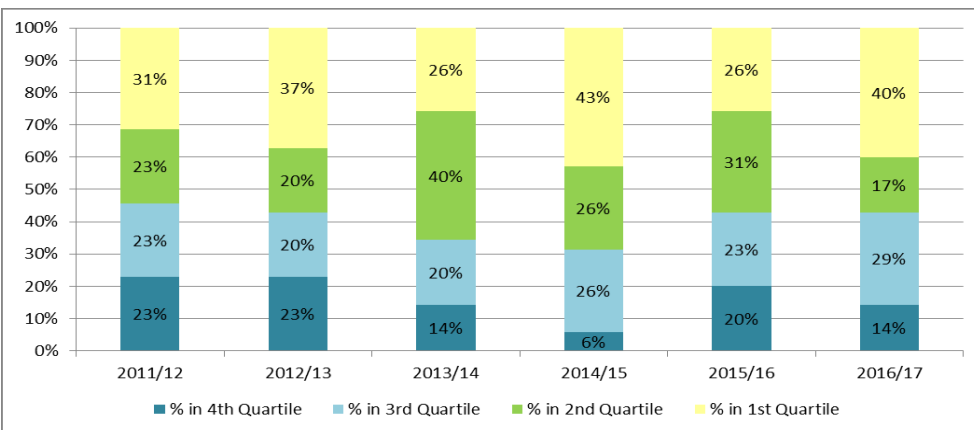
Performance Data

We have drawn on the Local Government Benchmarking Framework (LGBF) to make a high level assessment of the Council's performance, relative to all Scottish Councils, in 2016/17 (the latest data available). The LGBF includes a number of indicators organised under common service areas. Performance is summarised in the table on the following page.

Audit dimensions (continued)

Value for money (continued)

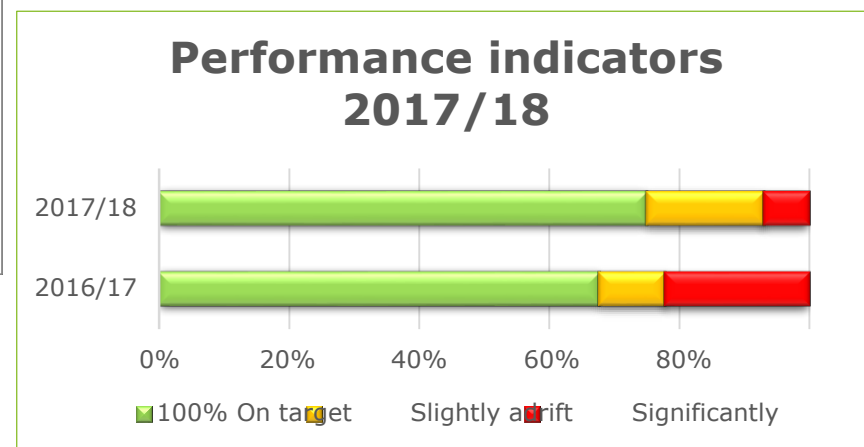
North Ayrshire Council LGBF Indicators in each quarter, 2011/12 - 2016/17



Note: This analysis is based upon 35 single year, mainly outcomes based, indicators which were reported on as part of the Local Government Benchmarking Framework every year within the 6 year period. Where a council failed to supply data for one of the 35 indicators we have excluded this from our analysis and so reported totals may not equal 100%.

During 2016 the Council identified a sub-set of core LGBF indicators. The Council believe that maintaining or improving performance in these areas will have greatest impact for North Ayrshire and its residents. Since then, services have used the LGBF to benchmark their performance in these key areas, and have developed plans to maintain or improve performance. The 2016/17 LGBF data showed a sharp improvement in the number of indicators in quartile one and a decrease in the number of indicators in quartile 4.

The graph below shows a comparison between achievement of the 31 council plan indicators in 2016/17 and 2017/18. This shows a decrease in the number of indicators significantly adrift of target, and an increase in those slightly adrift. It should be noted that as this is based on a sample size of 31, a change in the performance of two or three indicators will show up as a larger percentage change.



We have noted examples of the Council applying a priority-based budgeting approach during the year. Management presents a range of defined options for investment in specific areas to Council Members, outlining the achievable outcomes based on each level of investment. Members can then balance those options against the performance area to determine if significant investment / improvement is required and if it is an area of priority for the Council. This allows for improvement in linkage between performance, outcomes and approach. Instances of this noted were good examples of best practice in the use of priority-based budgets, and we would encourage the Council to utilise this approach on a regular basis.

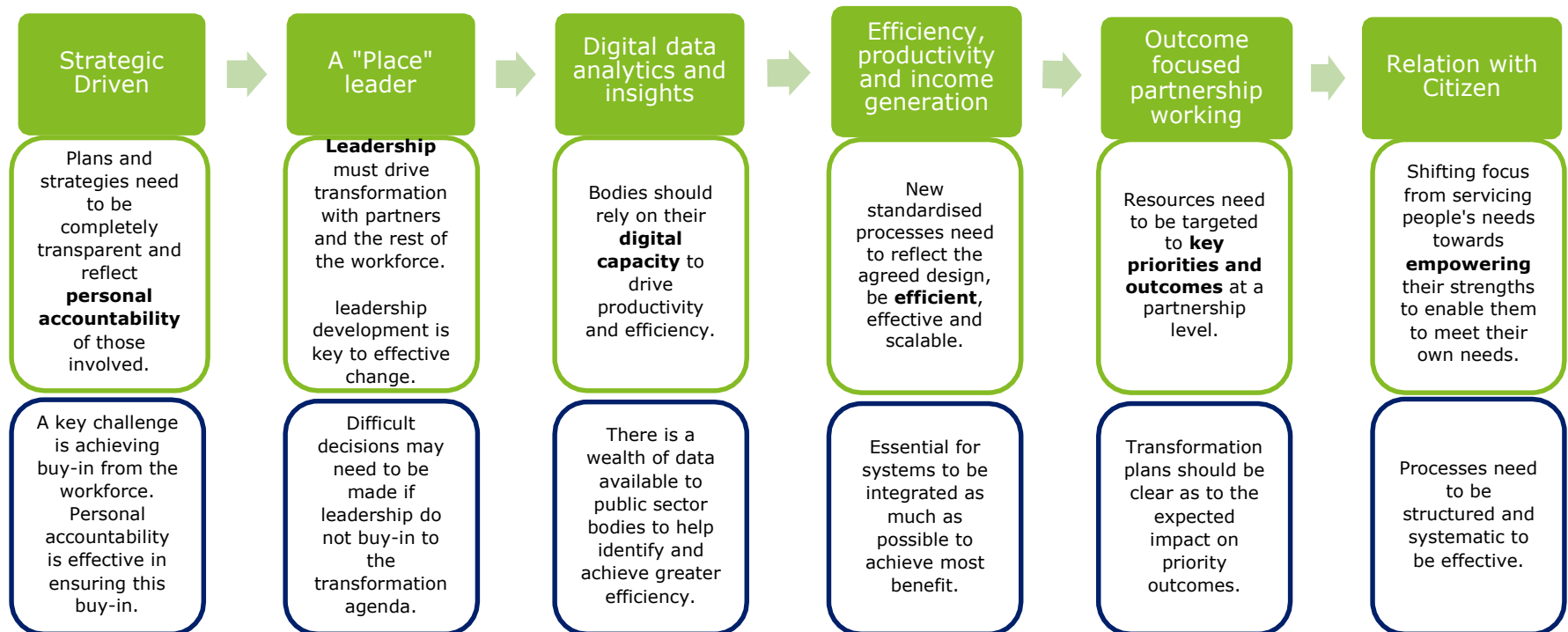
Audit dimensions (continued)

Sharing best practice

In our 2016/17 annual report, we provided the Council with some case study data where Deloitte has been involved in cost reduction work with a number of public sector bodies in England. We recommended that the Council reviews these case studies and considers them as opportunities for improvement going forward as potential areas for cost reduction.

During 2017/18, we have had some further discussion with the North Ayrshire Council Executive Director (Finance and Corporate Support) and the Interim Head of Finance for the North Ayrshire Health and Social Care Partnership, to share areas of best practice around transformation and integration from our work in England.

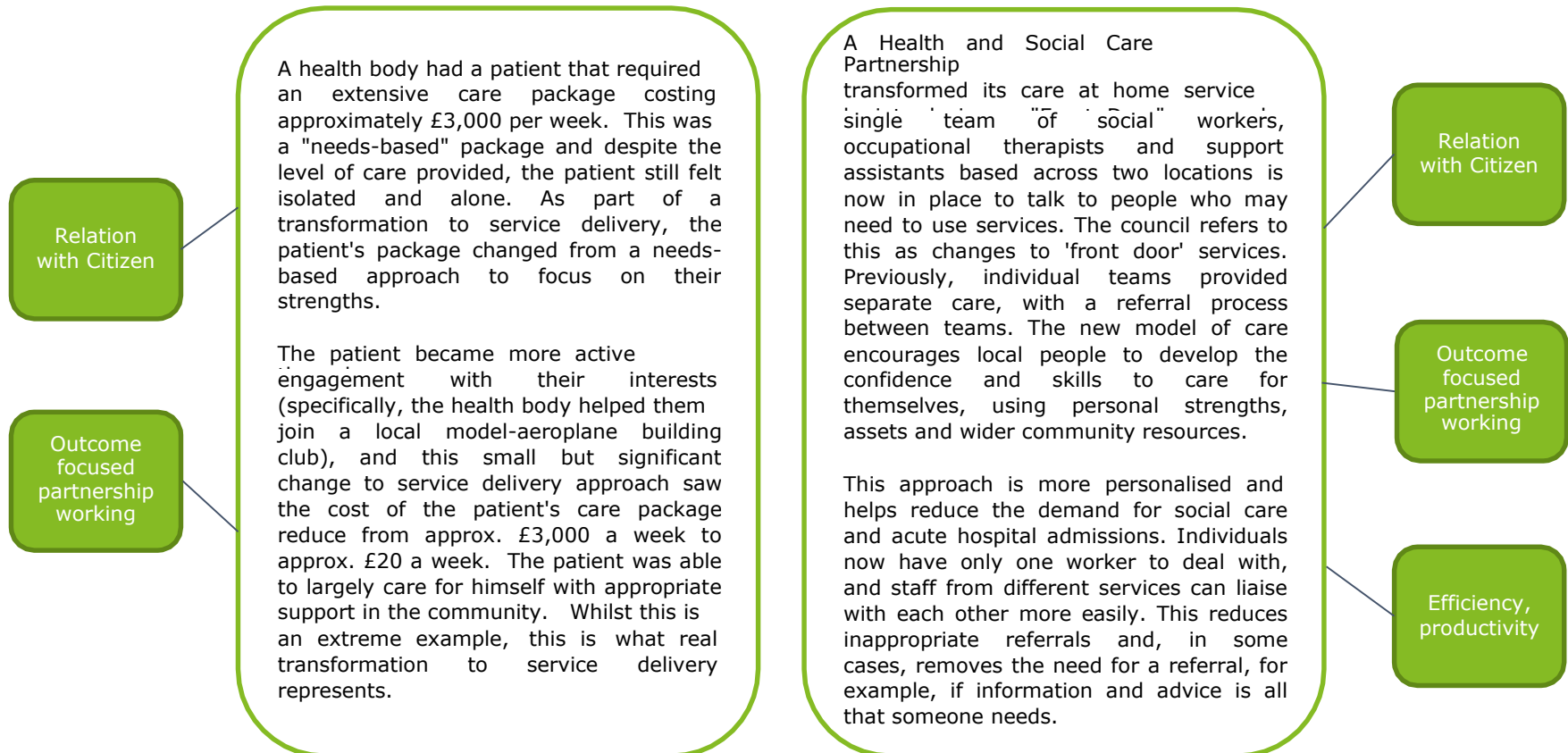
From our experience, public sector bodies that have successfully delivered and sustained transformational change have tended to focus on the following six key requirements. The overarching aspect throughout a transformation programme is having strong leadership that believes in and can drive transformational change.



Audit dimensions (continued)

Sharing best practice (continued)

Below are some real life examples of work done in other health bodies to demonstrate how some of these six key requirements can be applied in practice.



Audit dimensions (continued)

Sharing best practice (continued)

Relationship with Citizen

A Council in England committed to a series of pledges and in return need residents and businesses to play their part too (The Deal).

So far through working together, the Council has saved £115m, with evidence based outcome improvements.

The Deals are wide ranging, offering partnership work and support in a number of areas. As an example, the **Deal for Health and Wellness**, includes the following:

Our Part

- Ensure there are a wide range of facilities within local communities including parks, open spaces, leisure, safe cycling routes, good quality housing.
- Ensure easy, timely access to good quality GP services, seven days a week, to screen, diagnose and treat and prevent disease as early as possible.
- Support families to ensure their children have the best start in life.

Your Part

- Keep active at whatever stage of life.
- Register with a GP and go for regular check-ups - taking charge of your own health and wellbeing.
- Quit smoking. Drink and eat sensibly and encourage your children to do the same.

A Health and Social Care Partnership invested in its digital capacity to collect and process data so it can better predict chronic health issues occurring amongst patients. This investment has allowed the partnership to reduce its acute care costs as less expensive and more effective health care can be provided upfront to address potential chronic health risks predicted by the data.

Digital data analytics and insights

A police force, in partnership with its health body, used data to reduce acquisitive crime rates. Data identified a pattern of acquisitive crime peaking on the weekends, and the police force determined that this was largely driven by the fact that methadone prescriptions in the area were issued every Friday. therefore led a programme to stagger the prescriptions throughout the week, leading the acquisitive crime rates levelling out and becoming more manageable.

Audit dimensions (continued)

Specific risks

In accordance with our Audit Plan, we have considered the specific risks identified by Audit Scotland as part of our audit as follows:

Risk identified	Response
EU Withdrawal	<p>The UK is expected to leave the European Union (EU) on 29 March 2019, followed by a transition period to the end of 2020. There are still a lot of uncertainties surrounding the terms of the withdrawal agreement but the outcome will inevitably have significant implications for devolved governments in Scotland and for Scottish public sector bodies.</p> <p>Given the scale of the potential implications and possible timescales for implementing changes, it is critical that public sector bodies are working to understand, assess and prepare for the impact on their organisation. This is likely to include consideration of three areas:</p> <p>Workforce: the extent to which potential changes to migration and trade policies are likely to affect the availability of skilled and unskilled labour.</p> <p>Funding: the extent to which potential changes to funding flows including amounts anticipated under existing EU funding programmes, are likely to affect the finances of the organisation and the activity that such funding supports.</p> <p>Regulation: the extent to which potential changes to regulation across a broad range of areas currently overseen at an EU level are likely to affect the activity of the organisation.</p> <p>North Ayrshire Council has formed a Brexit working group which involves officers from each directorate in order to facilitate effective sharing of relevant information. Otherwise, the Council's preparations are in the early stages, as is the case with most local authorities.</p> <p>The Council is contributing to action being taken at a national level. COSLA is leading the local authority Heads of Personnel group to address the potential impact on workforce. However, based on preliminary assessments performed by the Council, there are very few EU nationals employed and therefore very few employees likely to be directly impacted.</p> <p>The Council is awaiting further guidance from the Scottish Government with regards to the impact on funding and regulation.</p>

Audit dimensions (continued)

Specific risks (continued)

Risk identified	Response
New financial powers	<p>The Scottish Parliament's new financial and social security powers and responsibilities from the 2012 and 2016 Scotland Acts are fundamentally changing the Scottish public financials. The Scottish Government will publish its medium-term financial strategy in 2018 in response to recommendations in the Budget Process Review Group final report, and has made a number of other commitments to improve financial management and help Parliamentary scrutiny of decisions.</p> <p>As a result of this, there is an expectation that public bodies will be seen before subject committees of the Parliament more often. Local authorities, including North Ayrshire Council, should therefore use this as an opportunity to make comment within their annual reports beyond the compliance requirements to clearly articulate their achievements against outcomes and future plans.</p>
Ending public sector pay cap	<p>As discussed on page 25, the 2018/19 budget includes pay awards which have been aligned to the thresholds set out by the Cabinet Secretary in the Stage 1 debate on 31 January 2018. It is noted that local government pay is outwith the remit of the Scottish Government and negotiations for 2018/19 remain live. A pay award in excess of the level provided for would require further savings to be made.</p>
Cyber security risk	<p>The Council has a structured approach to cyber security in place. The Council is PSN accredited and Cyber Essentials certified.</p> <p>The Council currently has one dedicated cyber security employee, who reports directly into the Senior Manager of IT, and efforts are being made to recruit a second dedicated employee. All employees regularly receive cyber security training, and there are a range of cyber security policies and procedures in place which apply to staff, suppliers and procurement, and are updated regularly.</p> <p>Cyber security falls under the remit of the Corporate Risk Group (CRG) which meets on a quarterly basis. Any issues to be considered or addressed can be escalated by the CRG to the Executive Leadership Team (ELT) as appropriate.</p>
Openness and transparency	<p>The Council aims for compliance with CIPFA's 'Delivering Good Governance in Local Government' framework. This framework is intended to enable local government to take responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards. NAC are open in their decision making and make their reports and committee minutes available on their website. We are satisfied that the Council is open and transparent with its relevant stakeholders.</p>

Technical update



Technical Update

New standards for 2018/19 accounting code

IFRS 9, Financial instruments and IFRS 15, Revenue from contracts with customers, have been adopted for the 2018/19 accounting code. Transitional reporting requirements have been adopted such that the preceding year is not restated. In order to support local authorities, CIPFA, under the guidance of LAAP, has issued separate guidance for local authority practitioners. We would encourage the Council to consider these to ensure that it is fully prepared for implementation in 2018/19. We have summarised the key implications of the new standards below.

IFRS 9, Financial Instruments

- It is likely that many collective investment vehicles would be classified to fair value through profit or loss (FVPL) from 1 April 2018, so that the fair value gains and losses will be chargeable to the Surplus or Deficit on the Provision of Services as they arise.
- There has been some debate around whether collective investment vehicles qualify for the presentation election under IFRS 9 to be reclassified to fair value through other comprehensive income (FVOCI). In order to qualify for this presentation the investment would need to meet the definition of an equity instrument. This would not be the case if instrument is 'puttable' (i.e. the holder has the right to demand repurchase or repayment of the principal).
- One of the other main features of IFRS 9 is the change in the impairment loss model for financial assets from one based on incurred losses to one based on expected (credit) losses. The new forward looking approach is likely to result in an increase in the allowances required as at 1 April 2018. As allowances are based on the risk of default and the approach to investments in local authorities is to opt for security and high quality financial instruments, CIPFA has indicated that for many financial assets the impact should be modest. Particular attention will need to be paid to material balances or loans to third parties against which there has been no default but there are significant possibilities that there may be in the future.

IFRS 15, Revenue from Contracts with Customers

- IFRS 15 will require local authorities to recognise revenue in such a way that it represents the transfer of promised goods or services to the service recipient (customer) in an amount that reflects the consideration to which the authority expects to be entitled in exchange for those goods or services. CIPFA is of the view that generally this should not have a substantial effect for local authorities with relatively predictable income streams but it may have an impact on authorities where the consideration is variable and/or when income is recognised over time.
- CIPFA would also note that the disclosure framework under IFRS 15 is substantially increased. It is intended to allow an understanding of the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers and includes the disaggregation of revenue, information on performance objectives, the significant judgements made and contract balances. CIPFA would encourage local authority accounts preparers to focus on the materiality of the income that is recognised to ensure that the key messages in local authority financial statements are not obscured.

Potential impact on the Council

IFRS 9 is expected to have relatively limited impact on most councils, but will at least affect the process of assessing impairment of debtors and other financial assets. As part of the process of adoption, North Ayrshire Council will need to consider the impact on policies, processes, systems and people.

IFRS 15 is not expected to impact the accounts of local authorities, as per guidance issued by the Local Authority (Scotland) Accounts Advisory Commission (LASAAC).

Technical Update

IFRS 16 Leases

The effective date of IFRS 16 Leases is 1 January 2019. Therefore (subject to CIPFA/LASAAC decision) the standard is anticipated to be adopted in the 2019/20 Code.

IFRS 16 removes the existing classifications of operating and finance leases under IAS 17 *Leases* for lessees.

It requires that a lessee recognises assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee will recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing the lessee's obligation to make lease payments for the asset.

The consultation papers and the Exposure Draft have been drafted by CIPFA/LASAAC with the assistance of its sub group. However, both CIPFA and CIPFA/LASAAC are considering new ways of assessing how the standard will impact on local authorities.

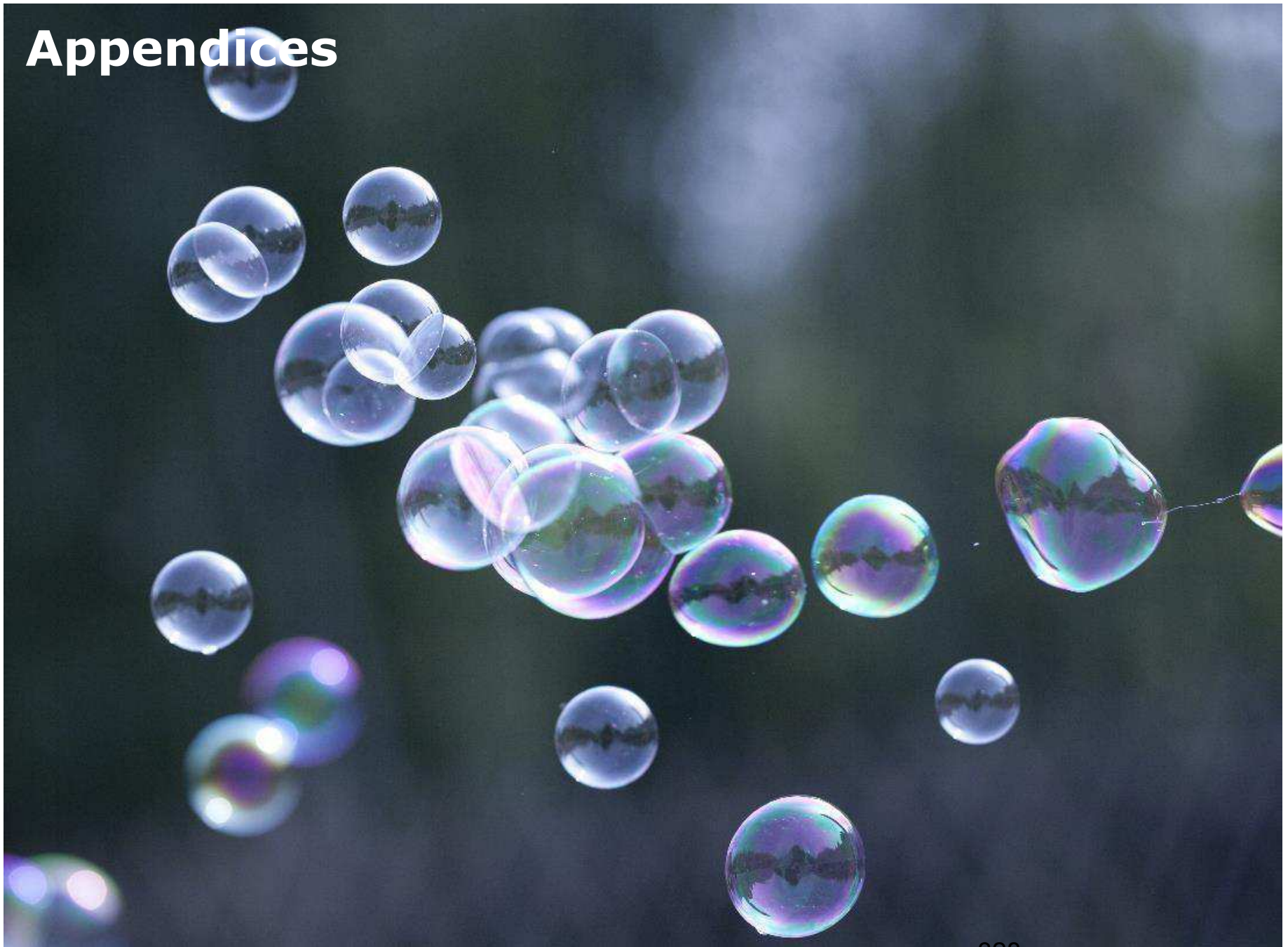
CIPFA/LASAAC will issue the consultation as soon as possible and notification of the issue of the consultation will be via Treasurers Societies, the Networks and CIPFA social media or via the CIPFA/LASAAC pages of the CIPFA website. This consideration will also include the assessment of the practical effects of implementation. The consultation papers, for example, include a readiness assessment questionnaire to assist CIPFA/LASAAC with an understanding of the impact (and could also be usefully used by local authorities to assess the issues that need to be considered).

Potential impact on the Council

The Council continues to engage with CIPFA's consultation. Management is also making preparations by working with all service departments to ensure its lease register is complete, before determining the impact of any new guidance/standard issued.

£212k in operating lease payments over the next five years have been shown in the 2017/18 annual accounts. On this basis, any adjustment required as a result of this new standard is likely to be immaterial.

Appendices



Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Audit and Scrutiny Committee and the Council discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA 260 (UK and Ireland) to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work on key audit judgements and our observations on the quality of your Annual Report.
- Our internal control observations.
- Other insights we have identified from our audit.

What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to the Council.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

We welcome the opportunity to discuss our report with you and receive your feedback.

The scope of our work

Our observations are developed in the context of our audit of the financial statements.

We described the scope of our work in our audit plan and the supplementary "Briefing on audit matters" circulated separately.

This report has been prepared for the Audit and Scrutiny Committee and the Council, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose.



Pat Kenny

for and on behalf of Deloitte LLP
Glasgow

10 September 2018

Audit adjustments

Misstatements and disclosures

Corrected misstatements

The following corrected misstatements have been identified up to the date of this report:

		Debit / (credit) CIES fk	Debit / (credit) in net assets fm	Debit / (credit) prior year Reserves fm	If applicable, control deficiency identified
Misstatements identified in current year					
Other Long Term Liabilities - Fair value of plan assets	[1]	-	16,085	-	n/a
Actuarial gains/(losses) on pension assets and liabilities	[1]	(16,085)	-	-	n/a
Short term borrowings (Group balance)	[2]	-	7,190	-	n/a
Cash and Cash Equivalents (Group balance)	[2]	-	(7,190)	-	n/a
Creditors - Other entities and individuals	[3]	-	5,414	-	n/a
Creditors - Central government bodies	[3]	-	(5,414)	-	n/a
Cash and Cash Equivalents	[4]	-	180	-	n/a
Short term debtors - Central government bodies	[4]	-	(180)	-	n/a
Total		(16,085)	16,085	-	

[1] Information on pension assets held by the Council is provided by the pension fund's actuary. The initial schedule of results provided to the Council by the actuary had to be adjusted following an error in the total pension fund assets used to determine assets held by the Council.

[2] Council held £7,190k in cash on behalf of North Ayrshire Venture Trust (NAVT) and recognised a corresponding borrowings amount. On consolidation of Council and NAVT figures the cash balance was double counted, hence the adjustment to reverse the error and back out the intergroup borrowings for Group purposes.

[3] Deferred grant funding received from central government bodies was initially recognised as being received from other entities and individuals. This is a reclassification within the Creditors note in the accounts - total creditors and total liabilities unaffected.

[4] Debtor amounts recognised for grant funding due to the Council was received prior to year end however the receipt was not recognised until after year end, hence an incorrect debtor balance. This adjustment reverses the debtor amount and recognises the cash received.

Audit adjustments (continued)

Misstatements and disclosures (continued)

Uncorrected misstatements

No uncorrected misstatements have been identified up to the date of this report.

Disclosure misstatements

No disclosure misstatements have been identified up to the date of this report.

Action plan

Recommendations for improvement

Area	Recommendation	Management response	Responsible person	Target date	Priority
Transformation programme	The Council acknowledge that at present it currently doesn't have a clear plan to demonstrate how its transformational activity across the Council will achieve the required financial benefits to address the significant funding gap over the medium to longer term. We recommend that this is progressed to ensure that the Council can clearly demonstrate how services plan to change to meet the challenging financial position. It is important that there is clear member input into the process, with effective collaboration between members in order for the transformation of service delivery to be successful.	A refreshed transformation plan will go to the Transformation Board and to Cabinet later in 2018/19 and will incorporate progress against the T2 programme, including savings delivered to date, key transformation themes and projects, engagement and governance arrangements.	Chief Executive	31 March 2019	High
Cash reconciliations	In the absence of a functioning automatic cash reconciliation process within the new ledger system, the Council should implement a manual reconciliation process to allow period end cash balances to be fully reconciled in a timely manner (see page 16).	A manual reconciliation process has been implemented for all cash balances and the Council continues to work with the software provider to develop the functionality of the automated process.	Head of Finance	31 March 2019	High

Action plan (continued)

Recommendations for improvement (continued)

Area	Recommendation	Management response	Responsible person	Target date	Priority
Reporting to Members	The process involved in reporting to Cabinet should be reviewed to determine if reporting can be performed in a more timely manner. Currently, reporting to Cabinet on each period typically takes place two months after period end (see page 33).	Outwith Cabinet reporting regular engagement takes place with Services. An immediate review of the Cabinet reporting timetable for 18-19 indicates a 6 week timeframe from period end until Cabinet reporting, with the exception of the first report due to summer recess. Financial reporting to Cabinet includes a detailed forecast position to the financial year end as opposed to variance analysis up to the reporting period. Arrangements will be kept under review to try and secure earlier reporting.	Executive Director of Finance and Corporate Support	31 March 2019	Medium
Non Domestic Rates grant	Management should ensure that all required reports and information be pulled from the NDR system as at year end for the purpose of the external audit (see page 16).	The Non Domestic Rates year end procedures will be revised to ensure that all required information is available.	Head of Finance	31 March 2019	Low

Action plan (continued)

Follow up of 2016/17 recommendations

Area	Recommendation	Management response	Responsible person	Target date	Priority	2017/18 update
Property Valuations	From our property specialists' review of the valuations performed in the year, a number of recommendations have been made in relation to the valuation process. These should be taken forward as part of the 2017/18 implemented.	The Council is making a number of changes to how it manages its estate. The issues identified by Deloitte will be addressed as part of this.	Executive Director of Place	31 March 2018	High	Our property specialists noted a marked improvement in the property valuation process performed in 2017/18 and are satisfied that recommendations have been <i>Fully implemented.</i>
Financial Sustainability / Transformation	Due to increasing demand for services and the continuing restraint in relation to Council funding settlements, the Council will have to consider how it can transform service delivery through its T2 Programme in order to minimise the impact on citizens with reducing budgets.	The Council recognises the challenges it faces. An updated Long Term Financial Strategy will be considered by Council in October 2017. This will identify the need for further significant transformation to ensure financial sustainability of services.	Chief Executive	31 March 2018	High	We have seen evidence of effective long term planning and transformation planning in the year. We have raised an additional high priority recommendation in relation to the documentation and communication of the T2 programme - see page 51. <i>Partially implemented.</i>

Action plan (continued)

Follow up of 2016/17 recommendations (continued)

Area	Recommendation	Management response	Responsible person	Target date	Priority	2017/18 update
Health and Social Care	The IJB, working closely with both North Ayrshire Council and NHS Ayrshire and Arran, needs to agree mitigating actions to ensure that budgets are delivered in line with the resources available.	Regular financial reports are submitted to the IJB, these include options to reduce expenditure in line with delegated resources. The reports note the responsibility of the IJB to ensure that services are contained within available resources.	Chief Officer of North Ayrshire HSCP	31 March 2018	High	We have noted that reporting from the Council to the IJB, including areas for consideration in order to reduce expenditure, is effective. The ultimate responsibility for IJB budgets being met lies with the IJB. This has been raised further in our communications with the IJB as part of the IJB audit. <i>Not implemented.</i>
Charitable Trusts	We note that there has been very little movement in these trusts over the last 12 months, with the movements largely relating to interest from investments held. We would encourage the Council to ensure that appropriate plans are in place to ensure these funds are used in accordance with the donors' wishes.	The Council is taking a proactive approach with its communities to identify opportunities to apply trust funds in accordance with the donor's wishes.	Executive Director of Economy and Communities	Ongoing	Medium	We have noted through review of trustee and locality partnership meeting minutes that the Council continues to make proactive efforts to utilise available funds. <i>Fully implemented.</i>

Fraud responsibilities and representations

Responsibilities explained



Responsibilities:

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.



Required representations:

We have asked the Council to confirm in writing that you have disclosed to us the results of your own assessment of the risk that the financial statements may be materially misstated as a result of fraud and that you are not aware of any fraud or suspected fraud that affects the entity or group.

We have also asked the Council to confirm in writing their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.



Audit work performed:

In our planning we identified the risk of fraud in complying with recognition of grant income and management override of controls as a key audit risk for your organisation.

During course of our audit, we have had discussions with management, internal audit and those charged with governance.

In addition, we have reviewed management's own documented procedures regarding fraud and error in the financial statements.

We have reviewed the paper prepared by management for the Audit and Scrutiny Committee on the process for identifying, evaluating and managing the system of internal financial control.

Concerns:

No concerns have been identified regarding fraud.



Independence and fees

As part of our obligations under International Standards on Auditing (UK), we are required to report to you on the matters listed below:

Independence confirmation	We confirm that we comply with APB Ethical Standards for Auditors and that, in our professional judgement, we and, where applicable, all Deloitte network firms are independent and our objectivity is not compromised.
Fees	<p>The audit fee for 2017/18 for the North Ayrshire Council group is £295,060 as detailed in our Audit Plan. The separate fee for the charitable trusts is £3,600.</p> <p>No non-audit fees have been charged by Deloitte in the period.</p>
Non-audit services	In our opinion there are no inconsistencies between APB Ethical Standards for Auditors and the company's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.
Relationships	<p>We are required to provide written details of all relationships (including the provision of non-audit services) between us and the organisation, its Members and senior management and its affiliates, including all services provided by us and the DTTL network to the audited entity, its Members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence.</p> <p>We are not aware of any relationships which are required to be disclosed.</p>



Events and publications

Our publications and insights to support the Council

Publications

The State of the State 2017-18

Citizens, government and business

This year's report finds the UK government amid the complex challenge of leaving the EU. Inevitably, this early phase of EU exit is taking place under intense media scrutiny and passionate political debate. But while EU exit issues may dominate headlines, the public services face more local challenges as they address rising demand, budget restraint and renewed levels of concern about social inequality.

The State of the State 2017-18 explores government through three lenses - the citizen lens, the public sector lens and the business lens.

Download a copy of our publication here:

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/state-of-the-state.html>



Sharing our informed perspective

We believe we have a duty to share our perspectives and insights with our stakeholders and other interested parties including policymakers, business leaders, regulators and investors. These are informed through our daily engagement with companies large and small, across all industries and in the private and public sectors.

Recent publications relevant to the local authorities are shared opposite:

Perspectives: Do you have a digital mindset?

Accelerating health and care integration

Digital technology is helping to transform the way citizens interact with service providers across all other service industries. The time is now ripe for changing the relationship between health and social care commissioners and providers and service users.

Read the full blog here:

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/do-you-have-a-digital-mindset.html>

Article: Public sector transformation **Five lessons from the private sector**

An analysis of private sector global companies, including high-tech start-ups, manufacturers, banks, retailers and insurance firms, reveal five valuable lessons for the public sector.

Read the full article here:

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/public-sector-transformation.html>

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NORTH AYRSHIRE COUNCIL
25 September 2018**Audit and Scrutiny Committee**

Title: Early Learning and Childcare Expansion

Purpose: a) To provide an update to the Committee following consideration by Cabinet of the Early learning and Childcare Expansion programme on 01 May 2018

Recommendation: That the Committee notes the progress that North Ayrshire Council is making on the Early Learning and Childcare Expansion

1. Executive Summary

This report provides an update to the Audit and Scrutiny Committee submitted on 27 March 2018. The report relates to the 6 recommendations contained in the Audit Commission's report to Scottish Government in February 2018 on the expansion of early learning and childcare in Scotland.

1.2

- Scottish Government capital funding allocation
- The evaluation of the Councils 2 pilot sites at Loudon Montgomery Primary School and Glencairn Primary School Early Years Classes.
- Work to consider the impact of 1140 hours on partner providers

2. Background

- 2.1 On 27 March 2018, the Audit and Scrutiny Committee received a report from the Executive Director of Education and Youth Employment on an Audit Commission Report which highlighted "significant risks" surrounding the Scottish Government's ambition to increase ELC from 600 hours to 1140 hours by 2020.
- 2.2 Since then, a report has been approved by Cabinet on [01 May 2018](#) which provided an update on the progress of the early learning and childcare expansion plans in North
- 2.3 This report has been prepared to provide an update to the Audit and Scrutiny Committee in relation to the 6 recommendations contained in the Audit Commission Report.

- 2.5 **Recommendation:** Scottish Government and councils should develop links between the increase in funded hours and programmes to support parents, at a local and national level, into work, training or study.

North Ayrshire Council's position on this is as advised in previous report.

- 2.6 **Recommendation:** Scottish Government and councils should provide clearer information for parents to help them understand how funded ELC is provided locally.

North Ayrshire Council's position on this is as advised in previous report.

- 2.7 **Recommendation:** Councils should develop commissioning strategies for funded ELC that

North Ayrshire Council's position on this is as advised in previous report.

- 2.8 **Recommendation:** Scottish Government and councils should urgently finalise and implement plans for changes to the workforce and infrastructure to address the significant risks of not being able to deliver on time.

Update: As previously advised, North Ayrshire Council has established the Early Learning and Childcare Expansion Programme (ELCEP) board to oversee the delivery programme. There are 2 workstreams, dedicated to infrastructure and workforce planning, that report to this Board. The Board has developed its expanded delivery model, and a programme of workforce planning and infrastructure works is already underway.

As noted in the Cabinet paper, a capital works programme has been developed with estimated costs totalling £12,975,161. Since then North Ayrshire Council has received confirmation from Scottish Government of capital funding for the expansion programme totalling £11,440,000. As a result, an extensive value engineering exercise is underway. The current costs status for the projects that make up the ELC capital programme

- 2.9 **Recommendation:** Scottish Government and Councils should collect better information on the cost of different models of ELC and their impact on children's outcomes to allow them

Update: The impact of the Council's delivery model on children's outcomes in the two pilot sites where 1140 hours are currently being delivered: Loudon Montgomery and Glencairn early years classes, has been evaluated using a 3 stage evaluation plan between January 2018 and June 2018. The outcomes of this 3 stage evaluation programme are reported at Appendix 3.

- 2.10 **Recommendation:** Scottish Government and councils should work with partner providers of both funded and non-funded ELC to understand the impact of decisions on the wider system of ELC and reduce the impact of unanticipated consequences for these providers.

Update: In June 2018 Cabinet approved an increase the hourly rate paid to the Council's partner Early Learning and Childcare providers to £4.00 from August 2018. As part of the

financial planning for the ELC expansion programme, the Council has provided for phased

- 2018-19 £4.00 per hour
- 2019-20 £4.50 per hour
- 2020-21 £5.31 per hour

Thus, annual payments will increase as follows:

- 2018-19 - 600 hours: £2400/ 1140 hours: £4560
- 2019-20 - 600 hours: £2700/ 1140 hours: £5130
- 2020-21 - 1140 hours: £6053

These payments form part of a package of additional supports provided by the Council to the sector that include: teacher access; funded staff CPD training; a senior staff network for Council and private/third sector staff to share best practice; child protection support and training for staff and managers; additional staff to support children with ASN in private and voluntary provider settings and a specialist resource to support planning for children with ASN.

3. Proposals

- 3.1 The Audit and Scrutiny Committee is asked to note the content of this The Directorate of Education and Youth Employment will provide updates to this committee in line with significant Scottish Government ELC policy changes or announcements or termly, whichever is soonest.

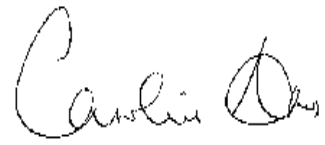
4. Implications

There are no implications relating directly to this report

Financial:	
Human Resources:	
Legal:	
Equality:	
Children and Young People:	
Environmental & Sustainability:	
Key Priorities:	
Community Benefits:	

5. Consultation

- 5.1 No consultation was required for this report.

A handwritten signature in black ink, appearing to read 'Caroline Amos'.

Caroline Amos
Head of Service (Inclusion)

For further information please contact **Doreen Walkinshaw** on **01294 324175**.

Background Papers

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NORTH AYRSHIRE COUNCIL

25 September 2018

Audit & Scrutiny Committee

Title:	Audit Scotland: Councils' Use of Arm's-length Organisations
Purpose:	To inform Audit and Scrutiny of Audit Scotland's report on councils' use of arm's-length organisations (ALEO), published on 17 May 2018.
Recommendation:	<p>It is recommended that the Audit and Scrutiny Committee:</p> <ul style="list-style-type: none"> a) Notes the findings of the Audit Scotland report on Councils' Use of Arm's-length Organisations; and b) Notes that North Ayrshire Council is well placed in terms of meeting the findings and recommendations of the report in relation to good governance and managing risk in its relationship with its

1. Executive Summary

- 1.1 Audit Scotland's report on councils' use of arm's-length organisations (ALEO) was published on 17 May 2018. The report provides an overview of local authority use of ALEOs including the rationale for their use, their governance and achievements.
- 1.2 The report looked at four elements:
 - How councils use ALEOs;
 - How councils oversee and govern ALEOs;
 - What ALEOs have achieved; and
 - The future direction of ALEOs.
- 1.3 Recommendations include:
 - The need for options appraisals to ensure value for money, the contribution of ALEOs to achieving councils' objectives and priorities, as well as risk; and
 - Performance management.

- 1.4 The report concludes that councils must keep ALEOs under review and continue to
- 1.5 Placing this in a North Ayrshire perspective, the current report concludes that North Ayrshire is well placed in meeting the findings and recommendations of the report in relation to its single ALEO, North Ayrshire Leisure Limited (KA Leisure).
- 2.
- 2.1 An Audit Scotland report on Councils' use of arm's-length organisations (ALEO) was published on 17 May 2018. The report provides an overview of local authority use of ALEOs including their governance and achievements. Audit Scotland examined practice across a sample of councils and drew on the finding of relevant audit activity in order to highlight key messages in relation to ALEOs for all councils. North Ayrshire has one ALEO, KA Leisure.
- The full report can be found at <http://www.audit-scotland.gov.uk/report/councils-use-of-arms-length-organisations>.
- 2.2
- 2.3 How councils use
- 2.3.1 The report finds that ALEOs take many forms. These include:
- Companies
 - Community enterprises; and
 - Trusts
- About half have been set up as registered charities. Services they deliver include leisure, culture, transportation, property development and care services.
- 2.3.2 KA Leisure is a non-profit making organisation recognised as a Scottish Charity and has been established to deliver a sport and leisure service to the community residing in North Ayrshire and visitors to the area.
- 2.3.3 Almost all Scottish councils use ALEOs but they vary in size, function and structure and the report concludes that there are inconsistencies in how councils identify them and make information about them available. Well over half of Scottish councils use ALEOs to deliver sports and leisure and cultural services, around twenty use them for economic development and regeneration, but only three (Glasgow, Aberdeen and the Scottish Borders) use them for social care services.
- 2.3.4 Audit Scotland estimate that in 2015 spending through ALEOs totalled over £1.3 billion, and for the largest user, Glasgow City Council, ALEOs accounted for around a quarter of all spending.

2.3.5 The statutory duty of Best Value introduced by the Local Government in Scotland Act 2003,

which requires councils to demonstrate continuous improvement in service delivery, has been a major driver for the development of ALEOs. In general, councils see ALEOs as a good compromise between providing services themselves and outsourcing to the private

2.3.6 The report identifies the potential benefits as:

- Tax reductions for charitable organisations including relief on non-domestic rates (reducing councils' bills by around £45 million a year, although there is no overall saving to the public purse);
- The ability to generate income from additional services and attract new income from external funding, donations, sponsorship or loans;
- Strong service or commercial focus as a smaller organisation under the direction of a dedicated board, which may include community and industrial representatives bringing wider experience and new perspectives; and
- The ability to foster positive working relationships with a "trusted partner" and, where a charity is formed, to safeguard against an overly commercial approach.

2.3.7 Audit Scotland recommends that in deciding whether an ALEO is the best way to provide services over the longer term, while providing value for money, councils should:

- Examine wider options that can bring similar benefits such as reorganising an existing service, sharing services or involving the local community;
- Demonstrate how ALEOs help the council meet its objectives and improve outcomes for their communities;
- Set clear criteria for reviewing an ALEO, considering risks, performance and how it fits with council priorities; and
- The need to continue to apply Following the Public Pound principles in relation to ALEO oversight, board appointments, managing conflicts of interest, having an active role in contract or service level agreement compliance and ensuring that information on ALEO funding and performance is publicly available.

2.3.8 At its budget of 17th February 2016, North Ayrshire Council agreed to explore transferring the delivery of a range of services and leasing properties to an arms-length external organisation (ALEO), thus saving in non-domestic rates (NDR) and reducing the impact of required efficiencies on Connected Communities services.

2.3.9 The critical objectives of the Council within the project were to retain influence over the strategic direction of the new entity, while at the same time delivering the required financial advantages required of such a reorganisation.

2.3.10 An options appraisal (using the Audit Scotland options appraisal methodology)

considered a range of scenarios associated with transferring services to an arms-length external organisation.

2.3.11 The Options Appraisal methodology consisted of two stages:

- Option 1: To create a separate cultural ALEO to sit alongside the existing NALL leisure ALEO.
- Option 2: To expand the existing leisure ALEO (NALL) to include Connected Communities services and create a multi-service ALEO
- Option 3: To dissolve the current leisure ALEO (NALL) and design a completely new multi- service ALEO incorporating leisure and cultural services.

Stage 2 considered the options for ALEO membership and the most appropriate and financially advantageous legal structure.

No clear recommendation emerged which allowed the Council to meet both of its critical objectives: to retain influence over the strategic direction of the new entity, while at the same time delivering the required financial advantages required of such a reorganisation.

2.4

2.4.1 The report emphasises the need for clear oversight and close monitoring of ALEOs and, regardless of any representation on boards, regular reporting mechanisms need to be established and maintained. The report finds that all the sample councils had appropriate governance arrangements in place and the most effective practice included scrutiny proportionate to the risks involved and clear roles and responsibilities for councillor and officer oversight.

2.4.2 There can be risks of conflicts of interest where councillors and officers become ALEO board members, and those conflicts can become more evident if an ALEO encounters difficulties. Legislation requires board members or trustees to act in the best interests of the company or trust they serve which may not coincide with their duties to the council. Whilst across most council officers and councillors can still take board positions, it is becoming less common to involve officers and practices differ. The report suggests that, where required, conflicts of interest may be reduced by secondments to ALEOs with council representatives taking monitoring or liaison roles as an alternative to board positions.

2.4.3 A Board of Directors, who are all active supporters of local leisure facilities, manage KA Leisure. Directors are drawn from the local community, local business, sport, North Ayrshire Council and employees of KA Leisure. Members of the Board contribute knowledge and expertise to the operation of the services, which will allow for future development. Day to day management experience is devolved to an experienced senior management team.

- 2.4.4 KA Leisure works in close partnership with North Ayrshire Council, NHS and other relevant public and private sector organisations to develop the highest possible level of service to
- 2.4.5 KA Leisure reports annually to North Ayrshire Council in relation to business planning, impact and outcomes and finance.
- 2.4.6 An Audit Scotland review of KA Leisure three years ago established the appropriateness and effectiveness on the overall approach in North Ayrshire, including rationale, governance and outcomes. This is continually reviewed through regular planning and monitoring meetings and annual reports and presentations to Cabinet.

2.5 What ALEOs are

- 2.5.1 The report finds that the diversity of services provided and the range of vehicles used makes comparisons between ALEOs difficult, but the report concludes that benchmarking, financial returns and case studies have highlighted some definite trends. Over three-quarters of Scottish councils provide sports and leisure services through ALEOs, with expenditure totalling £430 million in 2016/17. Analysis shows that overall net costs per visit reduced by 15% between 2010/11 and 2016/17, visits per year went up by 20% and satisfaction with sports facilities went down only marginally from 82% to 79%. The trends in the seven councils that do not use ALEOs to deliver sports and leisure services are less marked. Costs for these have reduced by 9%, uptake has increased by only 10% and satisfaction rates are lower at 66%.
- 2.5.2 Over the past six years, KA Leisure membership levels have risen from 1,546 in 2011/12 to 9,208 in 2016/17 - an increase of 496%. 2017 saw the transfer to new facilities and visits to leisure centres increased by 18% over the year, illustrating the success of the new leisure centre provision. There has been a 25% increase in attendances since the move to the Portal from the Magnum; and a 98% increase in Garnock Campus attendances. 2018-19 has seen the opening of Largs Community Campus and the transfer of KA Leisure administration to the new office facilities in Irvine. In North Ayrshire, there has been an
- 2.5.3 The North Ayrshire CPP Active Communities Strategy was launched in 2016 and provides strategic direction and leadership across a broad range of partners to realise the vision
- 2.5.4 A population engagement initiative (DREAM: Drop Everything and Move) was created which aims to inspire, enthuse and support everyone across North Ayrshire to become active and bring the vision to life. It is focused on 3 key strands: *Active, Involved and Inspired*, which promotes and provides fun social activities thus encouraging

- 2.5.5 Active North Ayrshire (ANA), the Exercise on Referral Programme provides supported physical activity opportunities to individuals at risk of or recovering from health conditions or disabilities and those who are not currently engaged in physical activity to help support them towards a healthy active lifestyle. An opportunity to undertake an impact evaluation of ANA provided valuable evidence to demonstrate the contribution this makes to the national physical activity and health agenda and better demonstrate the impact on individuals and local community priorities. An estimated £1 investment to a £5.45 social return on investment resulted, with 41,500 annual attendances, 16 referring partners and more than half of the participants from the most deprived postcodes in North Ayrshire.
- 2.5.6 KA Leisure is passionate about using fun social physical activity opportunities as a mechanism to engage and empower communities across North Ayrshire to achieve physical and mental wellbeing and is dedicated to promoting the benefits and positive effect physical activity has on mental health. As a Legacy 2014 Physical Activity fund partner KA developed Mind and Be Active (MBA), a community project which aims to improve mental health and wellbeing through supported physical activity opportunities. A Legacy 2014 Physical Activity fund partner, the programme has 5,000 annual attendances, 94% of participants are of working age, 64% are women and there have been 285 referrals
- 2.5.7 Further areas of particular success have included early years work, including Balanceability, Splash 'n' Story and Baby Ballet; new fitness offers, including workplace support; new aquatics programmes including lessons and swimming clubs; employability programmes, including with Ayrshire College; and accreditation programmes with
- 2.5.8 Outdoor activities continue to flourish, although weather conditions continue to affect overall numbers. Cross country, KA Walk, Junior Parkrun and the golf offer have been introduced and in the case of golf, rebranded, to stimulate interest. Junior golf programmes, activities and offers have been introduced in conjunction with the recent international golf events in North Ayrshire to ensure a legacy from this.
- 2.5.9 Sector leading activities over the reporting period include an invitation to act as an ambassador for the national Legacy 2014 Physical Activity Fund and to support the development of a digital toolkit entitled Thrive. Thrive is a digital toolkit for practitioners that's brings together the learning experience in relation to what works when encouraging inactive people to become active. Following a successful funding application KA received notification in September that they have been awarded £25,000 by the Sporting Equality Fund managed by Spirit of 2012 to deliver a project in 2018 aimed at engaging girls and young women in physical activity to improve physical and mental wellbeing.
- 2.5.10 The three social care ALEOs (in Glasgow, Aberdeen and Scottish Borders) have all improved the quality of the services they provide, but user satisfaction is no better than in other areas. However, the report has identified a number of innovative and responsive
- Cordia working in partnership with Glasgow's education service to develop a new food policy to encourage pupils to avoid fast food outlets

- In Aberdeen, a 35% reduction in the use of agency staff and training 187 care staff to encourage greater independence among older people and reduce demand for planned care.
- 2.5.11 The report finds that the effectiveness of more commercial ALEO activities is difficult to assess with both successes and failures being experienced, with some failures of property management ALEOs directly attributable to the 2012 downturn in the commercial property market.

2.6 The future direction of

- 2.6.1 The report finds that ALEOs remain an important option for Scottish councils to help to sustain services and encourage innovation at a time when financial and demand pressures remain challenging. Decisions on continuing or closing ALEOs need to be objective and consistent with the requirements of Best Value and the focus must remain on outcomes rather than the method of delivering the service. As always, good management remains the key to success.
- 2.6.2 The report highlights that the context in which ALEOs operate is changing. The implementation of one of the recommendations of the Barclay Review means that relief from non-domestic rates will not be available for new or expanded ALEOs and councils will need to look to closer involvement with businesses and communities, perhaps through creating separate business units or social enterprises. The Community Empowerment (Scotland) Act 2015 brings a stronger impetus for communities to have a greater role in delivering services and some recent options that appraisals have considered using are community enterprises rather than ALEOs to deliver services.
- 2.6.3 The report finds few examples of councils using ALEOs to provide services jointly across local authorities. Lothian Buses, which operates across Edinburgh, East Lothian, Mid
- 2.6.4 Finally, the report concludes that financial constraints may limit council's ability to fund ALEOs that, in turn, may limit their ability to invest and achieve the income and benefits anticipated when they were set up. Financial constraints are already leading to mergers between leisure and culture ALEOs to cut costs. As ALEOs evolve and adapt, councils will need to constantly monitor their viability and carefully consider alternatives where they no longer meet their original objectives.

3. Proposals

- 3.1 It is proposed that the Audit and Scrutiny Committee notes the findings of the Audit Scotland report on Councils' Use of Arm's-length Organisations.
- 3.2 It is proposed that the Audit and Scrutiny Committee notes that, overall, North Ayrshire Council is well placed in terms of meeting the findings and recommendations of the report in relation to good governance and managing risk in its relationship with KA Leisure, and in its recent approach to options appraisal as highlighted above.

4. Implications

Financial:	There are no financial implications contained within the present report.
Human Resources:	There are no human resources implications contained within the present report.
Legal:	There are no legal implications contained within the present report. However, the report does highlight the risks which continually be under review where councils use ALEOs to deliver services.
Equality:	There is no suggestion that the use of ALEOs is a risk to equalities groups. In North Ayrshire, KA Leisure has a strong positive focus on reducing inequalities.
Children and Young People:	Children and young people are a key priority of KA Leisure, who are a partner in all of the CPP and Council's children's work.
Environmental & Sustainability:	There are no environmental and sustainability implications contained within the present report.
Key Priorities:	The proposals contained within the report support the North Ayrshire Council Plan 2015-2020 priorities: <ul style="list-style-type: none">• Priority 1 Growing our economy, increasing employment and regenerating towns;• Priority 2 Working together to build stronger communities;• Priority 3: Ensuring people have the right skills for learning, life and work;• Priority 4: Supporting people to stay safe, healthy and active.
Community Benefits:	There are no community benefit implications in this report, however, there may be opportunities during future procurement.

5. Consultation

- 5.1 Audit Scotland consulted with selected local authorities and ALEOs in the preparation of the report.



Karen Yeomans
Executive Director (Economy & Communities)

For further information please contact **Audrey Sutton, Head of Service (Connected Communities)** on **(01294) 324414**.

Background Papers

http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180518_councils_aleos.pdf

NORTH AYRSHIRE COUNCIL

25th September 2018

Audit and Scrutiny Committee

Title: **Gypsy I Traveller Site Standards Report**

Purpose: To update members regarding the Council's response to the Scottish Government's Report of Minimum Recommended Standards for the Provision of Gypsy Traveller Sites.

Recommendation: It is recommended that members note the content of the report.

1. Executive Summary

- 1.1 North Ayrshire Council operates a Gypsy I Traveller site at Redburn, Kilwinning Road,
- 1.2 Following publication of Scottish Government guidance regarding minimum standards for the provision of Gypsy I Traveller sites, a programme of works in relation to the quality of the site was identified and subsequently carried out by the Council.
- 1.3 These works were progressed in advance of the Government's June 2018 deadline for implementation of the new standard and the site now meets the minimum recommended standards.
- 1.4 Details of the works required and confirmation of their completion are attached for information.
- 1.5 Housing Services and Property Management and Investment are currently developing

2. Background

- 2.1 North Ayrshire Council owns and operates a Gypsy I Traveller site at Redburn, Kilwinning Road, Irvine. The site contains 16 individual pitches, each of which has an accommodation block which provides kitchen, bathroom and storage facilities.

- 2.2 In 2013 the Scottish Parliament's Equal Opportunities Committee (EOC) published a report, *Where Gypsy/Travellers Live*, which examined issues around the quality and quantity of Gypsy/Traveller sites provided by local authorities and registered social landlords (RSLs). The report made a number of recommendations to improve Gypsy/Traveller site provision in Scotland, including establishing minimum standards for Gypsy/Traveller site provision.
- 2.3 The standards were published in May 2015 and set out in detail the expected quality of Gypsy/Traveller site provision.
- 2.4 The minimum standards cover two broad areas:
- physical facilities and fabric, including the quality of fixtures and fittings, lighting, heating, and a hot and cold water supply; and
- Within the two broad areas outlined above, the standards have seven parts:
- Essential fabric standards
 - Energy efficiency
 - Facilities and amenities
 - Safety and security
 - Maintenance and repairs
 - Fair treatment
 - Consultation
- 2.5 The document also includes indicators to help determine whether a standard is being met, with notes on any additional issues that a site provider should consider and take into account.
- 2.6 A review of progress toward achieving the standard was carried out in October 2017 by the Scottish Government. At that time a number of items requiring attention in advance of the June 2018 deadline were identified
- 2.7 The works identified in the action plan were subsequently progressed by Property Management and Investment and the action plan updated accordingly. The revised action plan, confirming the completion of the necessary works, is attached as appendix 1.
- 2.8 All works required to ensure compliance with the Scottish Government's minimum standards were completed prior to June 2018 and the Housing Regulator has been advised this is the case.
- 2.9 In addition to meeting the recommended minimum standards Housing Services and Property Management and Investment are currently developing proposals for

2.10 Any further improvements will be carried out following consultation with the Gypsy

3. Proposals

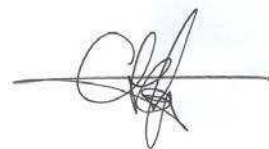
- 3.1 It is proposed that the committee note that works have been carried out at the Redburn Gypsy I Traveller site in order to meet the Scottish Government's minimum recommended standard.
- 3.2 It is also proposed that the committee note that Housing Services and Property Management and Investment are currently developing proposals for further improvements to the site.

4. Implications

Financial:	There are no financial implications as a result of this report.
Human Resources:	There are no human resources implications as a result of this report.
Legal:	There are no legal implications as a result of this report. The Council is compliant with the Scottish Government's recommended guidance for the minimum standard for provision of Gypsy I Traveller sites.
Equality:	North Ayrshire Council considers GypsyI Travellers to be a minority ethnic community. The Council recognises GypsyI Travellers' right to a nomadic life and respects that GypsyI Travellers may wish to maintain a travelling way of life as part of their cultural identity. Ensuring Redburn site meets the new guidance for Gypsy I Traveller site standards further demonstrates this.
Children and Young People:	There are no implications for children and young people as a result of this report.
Environmental & Sustainability:	There are no environmental or sustainability implications as a result of this report.
Key Priorities:	The work at the Gypsy I Traveller site aligns with the Council's key priorities of protecting and enhancing the environment for future generations.
Community Benefits:	There are no community benefit implications as a result of this report.

5. Consultation

- 5.1 Consultation has taken place with Housing Services regarding the implementation of the programme of works to meet the Scottish Government recommended minimum standard.
- 5.2 Consultation has also taken place with Housing Services regarding development of a
- 5.3 Future plans for the site will be progressed in consultation with the relevant stakeholders including the Gypsy I Traveller community and the Scottish Government.



CRAIG HATTON
Executive Director (Place)

For further information please contact Laurence Cree, Senior Manager (Property Management & Investment) on 01294 324463.

Background Papers

Appendix 1, Gypsy I Traveller Site Standards Action Plan

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
Essential Fabric Standards	Amenity blocks are structurally sound, with good quality foundations, floors, and walls	Problems with the wall structure can be detected by: vertical or diagonal cracking, inadequate expansion joints or inadequate fixings between components, wall tie corrosion, twisted, cracked, overloading or slipped lintels due to settlement, bowing of walls and over sailing of walls at Damp Proof Course level. Problems with floors include possible rotting of an underlying wooden floor structure or sloping floors. Concrete floor structure problems would include serious cracking. Problems with the foundations can be detected by vertical or diagonal cracking of the wall structure.	Yes	<p>Twice yearly joint inspections of the amenity blocks, attended by PMI and Housing are due to commence. The first inspection has been arranged for 25 October 2017.</p> <p>A pro forma for a condition survey report is currently being prepared to allow us to prepare reports on all elements under the essential fabric standards.</p> <p>Site inspection confirmed no action required.</p>	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Walls are generally sound, small roughcast patches identified that may require future repair. This is to be monitored and repair carried out when required.</p> <p>Floors are sound.</p> <p>Walls require general upkeep, areas identified that may shortly require attention. This is to be monitored and works carried out when required.</p> <p>Next inspection to be carried out September 20</p>
	Pitches have an area of hardstanding, of suitable size and quality to tolerate weight of	Each pitch should have an area of hardstanding of suitable construction and quality that it is able to tolerate the weight of at	Yes	Each pitch has a hard standing area of concrete construction of 12m x 17.5m.	Unit inspected 18 April 2018. Standards met.

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
	caravans (with contents), and cars or vans / light commercial vehicles. Suitable anchor points are provided, if necessary.	<p>least one caravan with occupants.</p> <p>Pitches should be of a size that enables at least one caravan and car or vans/light commercial vehicle to fit on the pitch, with sufficient room left to allow site tenants and vehicles to move around, and on and off, the pitch as necessary.</p>			<p>Pitches have a black rubber matting areas, occurrences of these lifting identified. This will be monitored to determine if further action is required.</p> <p>Next inspection to be carried out September 2018.</p>
	Amenity block roofs are structurally sound, in good repair, and keep out water.	<p>Problems with a roof can be detected by: sagging of roof structure by ponding; humping of the roof over internal load bearing walls and/or party walls; spreading outwards of the roof structure at the eaves. Problems with the principal roof covering and roof edges could include missing, broken or slipped slates or tiles; also including broken or slipped ridge tiles and hips; torn or cracked flat roof coverings.</p>	Yes	Site inspection confirmed no action required.	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Pitches roofs are generally in good condition. Some moss establishment identified. This will be monitored and cleaned if required in future.</p> <p>Next inspection to be carried out September 2018.</p>

Gypsy I Traveller Site Standards Report.

Appendix 1.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		Rising damp and penetrating damp are not present in amenity blocks.	Rising damp is caused by defects in the Damp Proof Course, or in older homes the lack of a damp proof course. Penetrating damp is caused by defects in the roof, the exterior walls, rainwater gutters and downpipes, or missing flashings. Mould can also be evidence of condensation, which can be avoided by adequate ventilation (eg windows that open or extractor fans).	Yes	Site inspection confirmed no action required.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.
		Appropriate arrangements have been made for foul and surface water drainage, including gutters and downpipes for amenity block roofs.	Problems include cracked or corroded gutters or downpipes; loose or defective brackets; and missing fittings.	Yes	Site inspection confirmed no action required.	Unit inspected 18 April 2018 gutter and downpipe cleaning required. Works completed March 2018. Next inspection to be carried out September 2018.

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
	Windows and doors of amenity blocks are of a good quality.	Problems could include distorted or unseated window / door frames; rotted sills or sub sills; broken panes of glass; corroded, rusting or rotten ironmongery; defective, damaged or missing seals or putty, and disrepair to screens, windows and roof lights.	Yes	Site inspection confirmed no action required.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.
	Access roads, and roads and paths on the site, are of good quality.	Access roads and paths should be well maintained and safe, taking into consideration road surface, lighting, verge/grass cutting, and tree pruning. This is especially important where site tenants do not have easy access to public transport, and children need to travel to school. Arrangements should be made to enable gritting of roads and paths in freezing conditions.	Yes	Site inspection confirmed, no action required. Service standard to inspect grounds weekly is in-place and identifies any remedial action required.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
2	Energy Efficiency	Amenity blocks should meet an energy efficiency rating of band E or better.	<p>Measures that would enhance energy efficiency might include more loft insulation, a highly efficient heating system, introducing low energy lighting, double or triple glazing.</p> <p>Energy efficiency bands are defined in the Standard Assessment Procedure (SAP) for assessing the energy performance of dwellings and are recorded in Energy Performance Certificates (EPCs). Band E is defined as a SAP rating of 39 to 54 in SAP 2005-2012.</p>	Yes - SAP rating has been estimated at 60.	All pitches have double glazing and low energy lighting (Compact Fluorescent Low Energy Lamp 2-Pin 1050Lm 16W) in the kitchen, bathroom and exterior lights. Insulated render and loft insulation also fitted to blocks in 2007.	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Next inspection to be carried out September 2018.</p> <p>Energy efficiency measures to be considered as part of future investment proposals.</p>
3	Facilities and Amenities	The amenity block has a wholesome water supply, with adequate water pressure.	The Water Supply (Water Quality) (Scotland) Regulations 2001 and the Private Water Supplies (Scotland) Regulations 2006 set the standard for 'wholesome' water supplies, and reflect a European Drinking Water Directive.	Yes	Mains water is provided to the site by Scottish Water. The water quality is monitored on a quarterly basis by a specialist contractor.	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Next inspection to be carried out September 2018.</p>

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		There should be sufficient water pressure to allow appliances in amenity blocks (such as washing machines) to be used normally.		Water pressure and fire hydrants are checked on an annual basis by a specialist contractor. Last check completed July 2017	
	The amenity block has a toilet available for the exclusive use of the occupants of the pitch.	The bathroom's main toilet and related fittings must be in a good and usable condition.	No	Previous site inspection noted that some drain covers were missing and flooring needed to be replaced. Some work has been carried out, with outstanding works to be completed by December 2017.	Unit inspected 18 April 2018. Standards met. Works completed December 2017. Next inspection to be carried out September 2018.
	Amenity block fittings (including toilet, and any shower or bath) should be of a good quality.	The bathroom hand basin and related fittings must be in good and usable condition.	No	Site inspection noted that some kitchen carcasses require decoration.	Unit inspected 18 April 2018. Standards met. Works completed March 2018. Next inspection to be carried out September 2018.

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
	Amenity block kitchen fittings (such as storage cabinets and worktops) should be of a good quality.	The condition of the kitchen sink and kitchen storage cupboards (primarily doors, carcasses and worktops), and related fittings, should be in good and usable condition.	Yes	Ambition for site-wide investment plan identified to improve condition and suitability of facilities.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018. Housing Services and PMI have commence discussions regarding overall strategy for investment in site, including stakeholder engagement.
	There should be a hot and cold water supply to amenity block sinks.	The bathroom and kitchen should have a hot and cold water supply to hand basins and the bath/shower which is in good and usable condition.	Yes	Site inspection confirmed no action required.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.
	There should be adequate electrical sockets in the amenity block.	The kitchen must have at least 6 x 13 amp electrical power sockets securely mounted on the wall.	No.	Site inspection noted that there were insufficient sockets in the kitchens.	Unit inspected 18 April 2018. Standards met.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
					<p>1no additional socket to be fitted in the kitchens of pitches 1-14.</p> <p>2no additional sockets to be fitted in the kitchens of pitches 15 & 16.</p> <p>Outstanding work has been instructed and will be completed December 2017.</p>	<p>Works completed March 2018.</p> <p>Next inspection to be carried out September 2018.</p>
4	Safety and Security	There should be adequate food storage space in the amenity block.	The kitchen must have at least 1m ³ of food storage space either in the kitchen itself or immediately adjacent to the kitchen.	Yes	Site inspection confirms no action required.	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Next inspection to be carried out September 2018.</p>
		There are adequate and appropriately located carbon monoxide detectors and alarms.	There should be a carbon monoxide detector in every room in an amenity block that contains a carbon-fuelled fixed combustion appliance, other than an appliance used solely for cooking, and in any room which is frequently used by	N/A	No requirement as there is no gas provision on site.	No requirement as there is no gas provision on site.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		the site tenant(s) for general daytime living purposes.			
	There are adequate and appropriately located smoke alarms/detectors. Site providers should also meet their duties under the Fire (Scotland) Act 2005.	<p>In relation to an amenity block there must be at least:</p> <p>One functioning smoke alarm in any room which is frequently used by the site tenant(s) for cooking and/or general daytime living purposes; and one heat alarm in every kitchen.</p> <p>Site providers should also meet their duties under the Fire (Scotland) Act 2005 in relation to fire safety assessments.</p>	No (Partial Compliance).	<p>Each unit has a working smoke alarm in the Kitchen. Instruction issued for additional heat detectors to be fitted in the kitchen areas. Work to be complete by December 2017.</p> <p>A FRA has been instructed and will be completed 4 Oct 2017. An action plan will be developed on receipt of the report.</p>	<p>Unit inspected 18 April 2018. Standards met.</p> <p>All units have working smoke and heat detectors.</p> <p>Priority items arising from Fire Risk Assessments completed December 2017.</p> <p>Next inspection to be carried out September</p>
	There is a safe electrical system, inspected once every 5 years.	The electrical system in the amenity block and elsewhere on the pitch must not be dangerous to the inhabitant as indicated by: broken casings; damaged power socket boxes; exposed wiring; other obvious signs of damage, disrepair or unauthorised alterations,	Yes	<p>Full check of Electrical system - 23 October 2014. Test Certificates in-place.</p> <p>There is a 5 year planned maintenance cycle for the electrical systems within each block. The blocks are scheduled to be checked again in 2019.</p>	<p>Unit inspected 18 April 2018. Standards met.</p> <p>Priority items arising from Fire Risk Assessments completed March 2018.</p> <p>Next periodic electrical inspection to be carried</p>

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		especially to the consumer/meter units.			out prior to end October 2019.
	There is a safe gas/oil system (if used) and appliances. There is a gas inspection (if applicable) once a year.	The gas or oil system in the amenity block and elsewhere on the pitch must not be dangerous to the inhabitants as indicated by problems such as: wall mounted boilers in danger of detaching; rusted boilers or tanks; leaking oil tanks or pipes; holes in gas flues; balanced gas flues with unsafe guards; balanced gas flues with incorrectly positioned guards; smell of gas/oil around boiler.	N/A	There is no gas or oil provision on-site.	There is no gas or oil provision on-site.
	There is good quality lighting of common parts of the site.	There must be adequate common or public lighting on the site.	Yes	There are 5 streetlights on site and 3 outside lights on the office building. Each pitch has their own exterior light.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.

Gypsy I Traveller Site Standards Report.

Appendix 1.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		There are appropriate road safety measures in place for roads on the site.	Appropriate measures should be in place to ensure road safety, such as speed limits and speedbumps, and appropriate signage (such as indicating to drivers that children may be playing, and to drive slowly).	Yes	Speed limit 10mph sign at site entrance and there are speedbumps at site entrance and site office An additional Children at Play sign is to be fitted at site entrance. Completion by December 2017	Unit inspected 18 April 2018. Standards met. Signage installed March 2018. Next inspection to be carried out September 2018.
5	Maintenance and Repairs	Repairs are carried out in line with timescales set locally for repairs for social housing tenants.	Site tenants should be given information on how to report a repair, and the timescales within which a repair should be carried out. Site tenants, along with other service users, should be consulted about the timescales for repairs.	Yes	New North Ayrshire Council Repairs Policy launched October 2016. Tenants informed in the site newsletter Nov 2016 and displayed in site office 100% of tenants responded to the site survey in Jan 2017. All tenants indicated that they knew how to report a repair.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.
		There are adequate and good quality drainage arrangements to allow rainwater to	This includes appropriate arrangements (e.g. storm drains) to deal with heavy rainfall. There should be regular maintenance of drainage systems to ensure they are working properly.	Yes		Unit inspected 18 April 2018. Standards met.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
		safely drain off the site.				Next inspection to be carried out September 2018.
		Common parts of the site are kept in good condition, including any common areas, paths, roads, and children's play parks.	A twice yearly informal inspection should be held of the site, to identify necessary maintenance and repairs.	Yes	Service standard to inspect grounds weekly identifies any remedial action required In addition, the site is litter picked by the Site Manager when required.	Unit inspected 18 April 2018. Standards met. Next inspection to be carried out September 2018.
6	Fair Treatment	Tenants are treated fairly and with dignity by the site provider. Each tenant's individual needs are recognised, they are treated fairly and with respect, and receive fair access to accommodation.	Site tenants must be treated with respect and fairness by the site provider. There should be a clear, objective, and transparent process for the allocation of pitches, and for any procedures to ask a court to terminate a person's tenancy on a pitch. Individual needs in relation to the case for adaptations to an amenity block, or the external area of a pitch, should be considered.	Yes	A copy of our Allocation Policy is issued to each applicant. Applications are listed in date order. To date, we have not taken any court action to terminate tenancies and if we did this would be processed by Legal Services to ensure statutory compliance. If a tenant requests assistance with an accessible housing need, the site manager liaises with colleagues in the Health and Social Care Partnership to ensure	Standard Met No change, applicants are given a copy of the Allocation Policy. We have still not taken any court action to terminate a tenancy No change

Gypsy I Traveller Site Standards Report.

Appendix 1.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
			Rents paid for pitches should provide value for money for site tenants.		that an appropriate assessment of their needs is carried out. We believe rents reflect value for money. For example we provided a full-time manger on site, 24/7 access to repairs, site standards are continually met, tenants have access to free public Wi-Fi, we provide onsite access to healthcare and education.	No change
7	Consultation	Gypsy/Travellers site tenants find it easy to communicate with the site provider, and get the information they need.	<p>Site tenants are consulted about:</p> <ul style="list-style-type: none"> • rent levels, and any plans to increase them. • any proposed significant changes to the site (e.g. more pitches). • - other changes in the local area that will have an impact on the site, e.g. planning applications on adjacent land. 	Yes	<p>The Council are currently reviewing our rent structure and all tenants were encouraged to respond to the rent review survey. In our first rent review 10 of our 16 Redburn site tenants completed the survey.</p> <p>Site tenants satisfaction surveys were completed in Oct 2015 and Jan 2017. There was a 100% return rate for both surveys. Information gathered from these surveys helps shape and improve our services and will influence our investment plan currently being developed.</p>	<p>Standard met</p> <p>We are currently preparing a survey for tenants aimed at finding out what their preferences are in relation to future accommodation needs.</p> <p>The next Redburn Tenants Satisfaction Survey is scheduled to take place in October 2018.</p> <p>We have supported Redburn residents to start a new Tenants Group. The group meet to discuss</p>

Gypsy I Traveller Site Standards Report.

Appendix 1.

STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
				<p>All North Ayrshire Council residents are invited to take part in the tri-annual Tenant Satisfaction Survey. The next survey is scheduled for 2019. Survey results are published in our quarterly tenant's newsletter 'Tenancy Matters'.</p> <p>North Ayrshire Council's Tenant Participation Strategy 2017-22 is currently subject to consultation. It acknowledges that Gypsy/Travellers are often underrepresented in community involvement. We have established the Redburn Site Tenants Forum and first meeting took place in August 2017. The forum allows tenants the opportunity to raise any issues or concerns they have.</p> <p>The Redburn Site allocation policy review will begin in November 2017. Tenants, applicants and other interested stakeholders will be consulted.</p>	<p>issues that are important to them and the information helps us develop services.</p> <p>Eight tenants recently participated in the 2018 North Ayrshire Council Tenants Satisfaction Survey.</p> <p>The Allocation policy is still under review. The tenant's group have given the Redburn Site Manager their views on the allocation policy.</p>

Gypsy I Traveller Site Standards Report.

Appendix 1.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update
					The tenancy agreement for Redburn Site residents is currently under review. Tenants will be consulted about the agreement at our next Tenants forum in November 2017	The updated Tenancy Agreement came into force on 2 nd April 2018. All tenants have signed the new tenancy agreement.

	STANDARDS	INDICATORS	NOTES	October 2017 assessment (is standard met)	October 2017comment	August 2018 update

NORTH AYRSHIRE COUNCIL

25 September 2018

Audit and Scrutiny Committee

Title: HSCP Financial Performance

Purpose: To provide an update on the financial performance of the HSCP for 2018-19 and to provide a partnership response to the points raised at Cabinet on 4 September 2018

Recommendation: To note the financial position of the HSCP and the actions being taken by the Partnership to secure financial balance.

1. Executive Summary

- 1.1 The budget monitoring report as at July 2018 notes a forecast year-end overspend of £1.770m for the North Ayrshire HSCP, of this £0.306m relates to Health Services and £1.464m relates to Social Care Services. The Integration Scheme requires the IJB to approve and implement a financial recovery plan to address any forecast overspend. The report approved by the IJB on 13 September includes the required plan to address the projected overspend.
- 1.2 The Council's Executive Director of Finance & Corporate Support reported the financial position of the partnership to Cabinet on 4 September, this outlined the position for the first quarter and highlighted to Cabinet a number of areas where assurance should be sought from the partnership to minimise or mitigate the financial risk exposure to the Council.

2. Background

- 2.1 This report follows on from the report to Cabinet in relation to the HSCP financial position for 2018-19 (Cabinet 4 September) and the further update on the financial position provided to the IJB on 13 September. The report includes an overview of the financial position and a partnership response to the points raised to Cabinet.
- 2.2 Included in Appendix 1 is the HSCP Budget Monitoring report at July 2018-19, the report includes detail of variances, progress with savings and plans to mitigate the projected overspend. The most notable points are:
 - A forecast year-end overspend of £1.770m for the North Ayrshire HSCP, of this £0.306m relates to Health Services and £1.464m relates to Social Care Services;
 - An estimated shortfall of £2.678m of savings delivered compared to the requirement, £1.632m of which relates to legacy NHS CRES targets;
 - The Integration Scheme requirement for the IJB to implement a financial recovery plan to address any forecast overspend, the report includes this plan as required;

- Further work required on a pan-Ayrshire basis to develop a framework to report the financial position and risk sharing arrangements in relation to hosted Health services;
- The plan agreed by Cabinet to address the deficit from previous years of £5.807m over the next four years.

2.3 The IJB will receive monthly financial monitoring reports and the impact of the financial recovery plan will be monitored as part of this to identify if there is a requirement for further action to be taken to address any projected overspend and ultimately to mitigate against the risk of overspend on the IJB funding partners.

2.4 The report to Cabinet on 4 September submitted by the Executive Director (Finance and Corporate Support) titled Revenue Budget 2018-19, Financial Performance to 30 June 2018 included the IJB financial monitoring report as at June 2018 as an appendix. Cabinet approved a number of actions in relation to the HSCP, these are noted below:

1. Seek assurance that the issues identified in the budget management audit have been addressed fully and that budget holders are clear about their responsibility to deliver services within their delegated budget.
2. Request that the IJB reaffirms its ability to secure financial balance in 2018/19 by delivering committed savings and through the mitigating action outlined in the report or through an alternative plan if the former is not achieved.
3. Request the IJB to submit its medium term financial plan and if required recovery plan.
4. Approve application of the £1.497m recurring element of 2017/18 challenge fund monies to support the financial sustainability of the HSCP by repaying its debt to the Council.

2.5 These actions were agreed by Cabinet, the partnership response to each point is noted below:

1. A progress update in relation to the review of operational budget management within the HSCP was provided to the Audit and Scrutiny Committee on 29 May 2018. This report outlined that all actions were complete with the exception of the action in relation to the further development of the Challenge Fund investment. This included completed actions in relation to training for budget holders, approval restrictions, guidance for budget holders and communication in relation to budget decisions. A plan for investment of the remaining challenge fund resource is under development and is expected to be finalised in the coming months.
2. The financial monitoring report outlines the financial position and the financial recovery plan actions required to bring this position back into balance.
3. The IJB approved the financial recovery plan on 13 September, progress against the plan will be monitored as part of the ongoing financial monitoring and further actions will be identified where necessary. A budget outlook report will be presented to the IJB to outline the estimated budget gap from 2019-20 to 2021-22, thereafter the updated Medium Term Financial Plan will be presented to the IJB for approval, this updated plan will include the service change required to plan for a balanced budget.

4. The impact of the £1.497m is noted in the IJB report and will allow the IJB to repay the historic debt to the Council over a four year period.

3. Proposals

- 3.1 That the Committee notes the financial position of the partnership, the plans in place to address the projected overspend and notes the responses to the points raised at Cabinet.

4. Implications

Financial:	The HSCP are currently forecasting a projected overspend for 2018-19, the IJB approved a financial recovery plan to address this position and this will be kept under review. There is a financial risk for funding partners (Council and Health Board) if the partnership are not able to deliver financial balance and the partnership will continue to work towards mitigating this risk.
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	
Environmental & Sustainability:	None
Key Priorities:	Effective financial management and governance arrangements by the HSCP will mitigate the financial risk to funding partners and support the delivery of services from within the available resources.
Community Benefits:	None

5. Consultation

- 5.1 This report has been discussed with the Executive Director of Finance and Corporate Support for North Ayrshire Council.



Stephen Brown
Executive Director (HSCP)

For further information please contact Caroline Whyte on 01294 324954.

Background Papers

Revenue Budget 2018/19: Financial Performance to 30 June 2018 (Cabinet, 4 September 2018)

Operational Budget Management in the Health and Social Care Partnership (Audit and Scrutiny Committee, 29 May 2018)

Integration Joint Board 13 September 2018

Subject: **Budget Monitoring – Month 4 (July 2018)**

Purpose: To provide an update on the projected financial outturn for the financial year as at July 2018.

Recommendation: It is recommended that the IJB:

- a) Notes the projected year-end overspend of £1.770m;
- b) Notes the remaining unidentified savings balance;
- c) Approves the mainstreaming of services funded from the Integrated Care Fund;
- d) Approves the financial recovery plan; and
- e) Notes the financial position will continue to be closely monitored with a further update to the IJB in October.

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
ARG	Allocation of Resources Group
CRES	Cash Releasing Efficiency Savings

1.	EXECUTIVE SUMMARY
1.1	This report reflects the position as at 31 July 2018. The report provides an overview of the financial position 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 by the IJB 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 £1.770m for 2018-19, taking account a number of mitigating actions outlined in the report. It remains to be relatively early in the financial year therefore 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 as at June was a projected overspend of £1.4m and it was noted at that time if there was no improvement that a financial recovery plan would be developed and presented to the IJB for approval. This is required by the Integration Scheme and a financial recovery plan is included in this report.

1.3	<p>The main areas of pressure continue to be care homes including respite placements, looked after children, Learning Disability care packages, elderly and adult in-patients within the lead partnership and the unallocated NHS CRES savings.</p> <p>The main adverse movements from period 3 are in relation to care homes (respite), care at home and physical disability care packages. The main favourable movements are in relation to care homes (permanent placements), LD care packages and income from charging orders.</p>
1.4	<p>The projected financial position assumes that the remaining balance of unallocated CRES for 2018-19 (£1.632m) will not be met in 2018-19. Work is ongoing with NHS AA to identify appropriate savings against this target. The Health Board indicated that this will be taken forward on a corporate basis, however the budget has been delegated to the IJB and on that basis this is being taken forward by the HSCP and will be co-ordinated by the Transformation Board with any decisions being referred to the IJB.</p>
1.5	<p>It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on this basis. Financial balance has not been delivered in previous years and in the new financial year there is a projected overspend position. More needs to be done to ensure the financial sustainability of the partnership and to deliver financial balance for the current year. The service transformation programme and the delivery of the those service changes will require to 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</p> <p>The current arrangements are in the process of being reviewed to ensure that the HSCP can operate effectively in a way to positively support delivery and the IJB will be kept up to date on progress with this work.</p>
2.	BACKGROUND
2.1	<p>The report follows on from the approval of the budget to monitoring the delivery against those plans. 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, actions required to work towards financial balance and a recovery plan.</p>
3.	FINANCIAL PERFORMANCE
3.1	<p>Against the full-year budget of £230.917m there is a projected overspend of £1.770m (0.8%).</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>

3.2	Health and Community Care Services
	<p>Against the full-year budget of £65.427m there is a projected overspend of £1.042m (1.6%). 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 £1.693m. This is an adverse movement of £0.097m from period 3 due to increased use of respite placement (£0.326m adverse movement) offset by a reduction in the projected spend for permanent placements (favourable movement £0.229m). b) Independent Living Services are projected to overspend by £0.305m. c) Over-recovery of Charging Order income of £0.290m. d) Packages of care are projected to overspend by £0.236m due to the high use of supplementary staffing. e) Care at home (purchased and in house) projected underspend of £0.513m. The underspend has reduced due to recruitment of staff, which will provide capacity in community services. The projection currently assumes that £0.228m of Challenge Fund savings will not be made but work is ongoing to achieve this saving. f) Long Term Conditions – projected overspend of £0.132m which is mainly due to an overspend in employee costs of £0.345m in Ward 1 to ensure staffing levels are at a safe level. This is a recurring pressure for which funding requires to be identified.
3.3	Mental Health Services
	<p>Against the full-year budget of £72.290m there is a projected overspend of £0.173m (0.2%). The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> a) Learning Disabilities – projected overspend £0.501m which is mainly due to care packages. b) Community Mental Health – is projected to underspend by £0.316m mainly due to vacancy savings an underspend in care packages. c) Lead Partnership – projected overspend of £0.148m which consists of: <ul style="list-style-type: none"> i. Adult inpatients – projected overspend of £0.312m which is mainly due to the delay in generating income from other areas in respect of forensic beds. All of the beds are expected to be sold and in use by the end of 2018. ii. UNPACS – is projected to underspend by £0.230m on the assumption that there will be two new care packages in year and the charge for the three year service level agreement for Rowanbank. The underspend is partially attributable to the availability and use of beds in ward 6 which have prevented more costly external placements.

	<div>iii. Elderly Inpatients – is projected overspend by £0.200m, accounting for an anticipated reduction in the use of supplementary staffing.</div> <div>iv. Learning Disabilities – is projected to underspend by £0.231m due to a delay in the transfer of an UnPACs patient.</div> <div>v. Psychiatry – is projected to overspend by £0.207m primarily due to locum costs and an unfunded EMH liaison post. There is an increased use of locum staff in the absence of being able to recruit permanent posts.</div>																					
3.4	Children’s Services and Criminal Justice																					
	<p>Against the full-year budget of £35.191m there is a projected underspend of £0.217m (0.6%). The main reasons for the projected underspend are:</p> <div><div>a) Residential Schools and Community Placements – projected overspend of £0.345m. The projection is based on the current number of placements and estimated discharge dates for each placement based on targeting the support from the Challenge Fund investment. There is a risk that the overspend will increase if the discharge dates are delayed.</div><div>b) Looked After Children Placements – projected underspend of £0.280m due to the current demand for fostering, adoption and kinship payments.</div><div>c) Early Years – are projected to underspend by £0.142m mainly due to the level of vacancies with health visiting and the assumed level of recruitment.</div></div>																					
3.5	<p>There are a number of areas across all services which have been reported as variances for a period of time. A review of the budget allocations across services is being progressed to ensure budgets are aligned to current and future spending plans and to ensure that the financial reporting is enabling those operationally managing budgets, Heads of Service and ultimately the IJB are focussed on the main issues.</p>																					
3.6	Primary Care - Prescribing <p>Against a full year budget of £49.875m primary care prescribing and general medical services are projected to be on-line. The GP prescribing uplift is an interim figure based on NRAC and will change once the detailed practice level budgets have been calculated.</p>																					
3.7	CRES update <table><tr><td></td><td>Permanent or Temporary</td><td>£ 000’s</td></tr><tr><td>CRES Saving brought forward</td><td></td><td>2.557</td></tr><tr><td>Arrol Park employee costs</td><td>T</td><td>(0.250)</td></tr><tr><td>Payroll turnover target increase</td><td>T</td><td>(0.215)</td></tr><tr><td>Addictions</td><td>P</td><td>(0.400)</td></tr><tr><td>Children’s services employee costs</td><td>P</td><td>(0.060)</td></tr><tr><td>Balance still to be achieved in 2018-19</td><td></td><td>1.632</td></tr></table>		Permanent or Temporary	£ 000’s	CRES Saving brought forward		2.557	Arrol Park employee costs	T	(0.250)	Payroll turnover target increase	T	(0.215)	Addictions	P	(0.400)	Children’s services employee costs	P	(0.060)	Balance still to be achieved in 2018-19		1.632
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Balance still to be achieved in 2018-19		1.632																				

	<p>Of the £1.632m still to be achieved £0.986m is allocated to the Lead Partnership for Mental Health and the balance of £0.646m is aligned across all other services and is reported against Management and Support costs.</p> <p>The financial projections currently assume that these savings will not be identified, however work is underway to identify opportunities for both recurring and non-recurring savings to offset the remaining target. Any further savings identified would reduce the overall partnership projected overspend.</p> <p>Delivery of the recovery plan outlined in appendix E will partly offset the balance still to be achieved, where there are opportunities to convert financial recovery actions to recurring savings.</p>
3.8	Integrated Care Fund
	<p>The Integrated Care Fund was additional funding allocated to IJBs through Health Boards from 2015-16 onwards, this funding was to be directed to projects and initiatives to support the delivery of the service change required to achieve the Strategic Plan priorities and outcomes. The funding was intended to be non-recurring investment and therefore was directed at a number of initiatives and tests of change and the financial allocations were tracked and managed separately to mainstream budgets.</p>
	<p>A process has been in place to assess the priority of projects and the impact to ensure the best use of the resource, a number of projects have been delivered over an extended period of time and are delivering good outcomes. The Scottish Government previously baselined the funding through the NHS budget, and therefore to IJBs. A report was presented to the IJB in December 2017 which outlined the outcome of a review of a number of projects where recommendations were made on the continuation of funding and a number of initiatives were baselined at that time.</p>
	<p>A summary of the services being supported by the funding is provided in Appendix D. It has become apparent that many of the services are no longer initiatives or projects and are now part of business as usual for the partnership. Services have a number of similar service delivery arrangements in place as part of core business which are not subject to the same separate reporting arrangements.</p>
	<p>It is recommended that the IJB approve that as the ICF funding is no longer ring fenced that it is treated as part of the mainstream budget and the reporting and monitoring of expenditure and outcomes will be monitored as part of the normal course of business. The services will be monitored and managed in the same way as other services, i.e. through the commissioning process or as part of overall service re-design and change programme. Affording services the flexibility to manage as part of mainstream service delivery will allow services to give partner organisations clarity in relation to future funding allocations and will provide assurance to a number of staff employed on fixed term contracts.</p>
3.9	Lead Partnerships
	<p>North Ayrshire HSCP</p> <p>Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to be £0.051m underspent, this includes the allocation of the unachieved CRES target carried forward.</p>

	<p>South Ayrshire HSCP</p> <p>Services managed under Lead Partnership arrangements by South Ayrshire Health and Social Care Partnership are projected to be on-line. The Allied Health Professions budget will be managed differently from 2018-19 with the budget delegated back to the three Partnerships. The split of the AHP budget (approximately £20.0m) has still to be finalised and a report on this will be presented to all three IJBs in due course.</p>
	<p>East Ayrshire HSCP</p> <p>Services managed under Lead Partnership arrangements by East Ayrshire Health and Social Care Partnership are projected to overspend by £1.108m.</p> <p>The overall Primary Care Lead Partnership projected overspend is £1.211m and this mainly relates to additional payments within Primary Medical Services to GP practices currently experiencing difficulty. This pressure was offset in the previous financial year by non-recurring savings.</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>
3.10	<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.</p> <p>The 2018-19 set aside budget for North HSCP is £28.055m, based on expenditure in 2017-18. The acute directorate, which includes the areas covered by the set aside budget, is overspent by £4.7m after 4 months. The projected year-end position information has not been made available.</p> <p>129 additional and unfunded beds were open at the 31st March 2018. This had reduced to 35 by the 31st July 2018. There are clear plans in place to reduce these in a phased manner ensuring continuation of service and patient safety.</p> <p>During 2017-18 the North Partnerships use of the set aside resources was £28.055m against the NRAC 'fair share' of £26.563m which is £1.492m above the 'fair share'. There is an expectation that the North Partnership will move towards its 'fair share'. Further work is required to ensure that the Set Aside budget is operating in line with Scottish Government expectations and is operating in the way required to ensure the IJB can have the desired impact on the whole pathway of care.</p>

3.11

Savings Progress

a) The 2018-19 budget included £4.003m of savings plus £2.557m of carried forward NHS CRES savings.

BRAG Status	Position at Budget Approval £m	Position at Period 4 £m
Red	3.148	2.928
Amber	0.519	0.419
Green	2.893	1.097
Blue	0.000	2.116
TOTAL	6.560	6.560

b) The projected year-end outturn position assumes that the following savings will not be delivered as planned and this is reflected in the overall projected outturn position.

i. Reduction in care home places £0.391m

ii. Challenge Fund – physical disability care packages £0.200m

iii. Challenge Fund – reablement £0.181m

iv. Business Support Review, seconded posts and planning and development team £0.144m

v. Capping of respite £0.070m

vi. NHS CRES savings carried forward £1.692m

TOTAL £2.678m

If progress is made to deliver the savings this would improve the overall outturn position.

A Transformation Board has been established to provide oversight and governance to the programme of service change. A focus of the Board will be to ensure services and plans in place to deliver savings and service change, with a solutions focussed approach to bringing programmes back on track.

The projected position at July 2018 assumes that all remaining savings on the plan will be delivered. The progress with savings 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 full detail on the savings.

3.12

Financial Recovery Plan

The projected outturn at June was an estimated year-end overspend of £1.4m, when reported to the IJB it was noted that a financial recovery plan would require to be implemented if there was no improvement to that position. Given that the forecast year-end overspend has increased a recovery plan has been prepared for approval by the IJB.

The Integration Scheme requires the preparation of a recovery plan if an overspend position is being projected to plan to bring overall service delivery back into line with the available resource.

	<p>The financial recovery plan is included in Appendix E. This includes specific targeted actions with a focus on addressing pressure areas, for these actions there is an estimated financial impact or benefit of £1.2m. The plan as it currently stands would not impact on front line service delivery in terms of any policy changes and can be implemented as part of day to day management of services. There are a number of additional actions noted on the plan for which the financial impact cannot be quantified at this stage but these actions are expected to contribute positively to the financial position.</p> <p>The plan will be an iterative document to remain under review. Progress with the financial recovery plan will be monitored against to ensure it has the required impact and this will feature in future reporting to the IJB. 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.</p>
3.13	<p>The IJB are aware of the deficit from previous years totalling £5.807m which has been carried forward into 2018-19. This amount represents cumulative overspends from previous years which have not been funded by North Ayrshire Council. This amount is effectively a debt to the Council which requires to be repaid. An approach to this repayment is essential to ensure the ongoing financial sustainability of the partnership.</p> <p>As part of the budget process for 2017-18 a challenge fund totalling £4m was created in partnership with the Council for investment to assist with delivery of service change. Of this £1.497m represented investment by the partnership on a recurring basis, funded through the delivery of savings.</p> <p>This resource remains available to the HSCP and will be applied to effectively repay the debt. Repayment will commence in 2018-19, and assuming financial balance is delivered by the partnership, this will mean the debt will be fully repaid over the next 4 years. This will remove the requirement to include additional savings in the budget outlook for future years to accommodate the repayment and provides some assurance re the financial sustainability of the partnership.</p>
3.14	<p>Partnership Wide Actions</p> <p>A number of immediate actions/priorities are being taken forward to manage the financial position, including:</p> <ul style="list-style-type: none"> • continuing to work with services in relation to unidentified funding; • the medium term financial strategy will be refreshed and presented to the IJB; • the action plan from the budget management audit is being rolled out to ensure operational budget management arrangements are tightened to improve financial performance; • scrutiny and assurance over the projected outturn position for 2018-19, ensuring the reliability of financial projections and that all management action is identified and implemented to improve the position where possible; • implement the financial recovery plan and monitor progress against this; • establishing the Transformation Board; • prioritise and align programme management support from the change team on areas with the greatest financial impact / benefit; • reviewing finance support to services;

	<ul style="list-style-type: none"> • develop effective reporting of progress with service change programmes, with clear timescales and targets; and • commencement of planning for the 2019-200 budget.
4.	<u>Anticipated Outcomes</u>
4.1	<p>Continuing to closely monitor the financial position will allow the IJB to take correction action where required to ensure the partnership can deliver services in 2018-19 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>
5.	<u>Measuring Impact</u>
5.1	Updates to the financial position will be reported to the IJB throughout 2018-19.
6.	IMPLICATIONS

Financial :	<p>The financial implications are as outlined in the report.</p> <p>Against the full-year budget of £230.917m there is a projected overspend of £1.770m (0.8%).</p> <p>The report outlines the action being taken and proposed action to reduce the projected overspend.</p> <p>The recovery plan totals £1.255m and a number of other actions are being progressed to reduce the overspend further.</p> <p>There is a financial risk to the IJB in relation to Lead Partnerships managed by East and South but this is unclear at this stage.</p>
Human Resources :	None
Legal :	None
Equality :	None
Environmental & Sustainability :	None
Key Priorities :	None
Risk Implications :	If the financial recovery plan does not deliver the required improvement 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	X

7.	CONSULTATION
7.1	<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>
8.	CONCLUSION
8.1	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> a) Notes the projected year-end overspend of £1.770m; b) Notes the remaining unidentified savings balance; c) Approves the mainstreaming of services funded from the Integrated Care Fund; d) Approves the financial recovery plan; and e) Notes the financial position will continue to be closely monitored with a further update to the IJB in October.

For more information please contact:

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2018-19 Budget Monitoring Report – Objective Summary as at 31 July

Appendix A

Partnership Budget - Objective Summary	2018/19 Budget									2018/19	
	Council			Health			TOTAL			Over/ (Under) Spend Variance at Period 3	Movement in projected budget variance from Period 3
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	53,740	54,560	820	11,687	11,909	222	65,427	66,469	1,042	245	797
: Locality Services	24,756	26,297	1,541	4,178	4,266	88	28,934	30,563	1,629	1,237	392
: Community Care Service Delivery	25,793	25,239	(554)	0	0	0	25,793	25,239	(554)	(989)	435
: Rehabilitation and Reablement	1,150	1,119	(31)	1,435	1,335	(100)	2,585	2,454	(131)	(140)	9
: Long Term Conditions	1,736	1,603	(133)	4,316	4,581	265	6,052	6,184	132	174	(42)
: Integrated Island Services	305	302	(3)	1,758	1,727	(31)	2,063	2,029	(34)	(37)	3
MENTAL HEALTH SERVICES	23,342	23,865	523	49,948	49,598	(350)	73,290	73,463	173	494	(321)
: Learning Disabilities	18,000	18,620	620	477	358	(119)	18,477	18,978	501	701	(200)
: Community Mental Health	4,057	3,995	(62)	1,925	1,671	(254)	5,982	5,666	(316)	(267)	(49)
: Addictions	1,285	1,250	(35)	1,226	1,173	(53)	2,511	2,423	(88)	(88)	0
: Lead Partnership Mental Health NHS Area Wide	0	0	0	46,320	46,396	76	46,320	46,396	76	148	(72)
CHIDREN'S AND JUSTICE SERVICES	31,677	31,609	(68)	3,514	3,365	(149)	35,191	34,974	(217)	(103)	(114)
: Intervention Services	3,743	3,751	8	303	322	19	4,046	4,073	27	(145)	172
: Looked After & Accomodated Children	15,980	16,050	70	0	0	0	15,980	16,050	70	178	(108)
: Fieldwork	4,588	4,493	(95)	0	0	0	4,588	4,493	(95)	24	(119)
: CCSF	319	291	(28)	0	0	0	319	291	(28)	(18)	(10)
: Justice Services	2,898	2,898	0	0	0	0	2,898	2,898	0	0	0
: Early Years	321	306	(15)	2,838	2,711	(127)	3,159	3,017	(142)	(128)	(14)
: Policy & Practice	3,828	3,820	(8)	0	0	0	3,828	3,820	(8)	27	(35)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	373	332	(41)	373	332	(41)	(41)	0
PRIMARY CARE	0	0	0	49,875	49,875	0	49,875	49,875	0	0	0
MANAGEMENT AND SUPPORT COSTS	5,057	5,243	186	145	654	509	5,202	5,897	695	689	6
CHANGE PROGRAMME	658	661	3	1,274	1,348	74	1,932	2,009	77	75	2
TOTAL	114,474	115,938	1,464	116,443	116,749	306	230,917	232,687	1,770	1,400	370

2018-19 Budget Monitoring Report – Detailed Variance Analysis per service

Appendix B

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
COMMUNITY CARE AND HEALTH	65,427	66,469	1,042	
Locality Services	28,934	30,563	1,629	<p>Older People permanent care homes - permanent placements are projected overspend of £1.181m based on 849 placements (587 Nursing and 262 Residential) and an assumption that placements are on a one in one basis to the end of the year. Favourable movement of £0.229m, reduction of 15 places from prior month. Respite care projected overspend of £0.512m, adverse movement of £0.326m based on the spend to date and £0.130m expected reduction from reducing days.</p> <p>Independent Living Services :</p> <ul style="list-style-type: none"> * Direct Payment packages projected underspend of £0.074m on 63 current packages. * Indirect Payment packages no charges to date, projected underspend £0.045m based on prior year spend. * Adult respite care projected overspend £0.067m based on current spend to date. * Residential Packages projected underspend of £0.093m based on 32 current packages and an expected net decrease in packages of 1. * Community Packages (physical disability) overspend of £0.450m based on 64 current packages, and an increase of £0.022m expected in year from new packages. <p>Equipment Budget - £0.318m for equipment- projected online.</p> <p>Employee costs - projected £0.199m underspend: Money Matters structure approved resulting in part year vacancies.</p> <p>NHS Packages of Care - projected overspend of £0.236m due to high use of supplementary staffing.</p> <p>District Nursing - projected underspend of £0.112m assuming Band 6 vacancies are filled.</p> <p>Income from Charging Orders - over recovery of £0.290m expected as per previous 3 years trends.</p>
Community Care Service Delivery	25,793	25,239	(554)	<p>Care at home</p> <ul style="list-style-type: none"> - in house service - projected underspend of £0.329m based on current average costs continuing to the end of the year due to £0.227m of reablement savings removed and an increase in weekly hours of 534 from June. The prior projection assumed no increase in staff levels as per service . - Purchased Care at home - projected underspend of £0.184m based on current level of spend continuing to end of year. <p>Direct Payments - projected underspend of £0.050m based on 31 current packages plus a projected increase of placements in year of £0.008m less 10% expected recovery from underspent balances.</p> <p>Transport costs - projected overspend of £0.040m due to increase in staff mileage within care at home and ferry charges.</p> <p>Supplies & Services - projected overspend of £0.044m mainly due to CM2000 charges</p> <p>Admin costs - projected overspend of £0.070m mainly due to mobile phone equipment.</p> <p>Voluntary Organisations - projected overspend £0.064m (CLASP HOPE project £0.020m overspend and Alzheimer costs £0.044m overspend).</p> <p>Income - projected over recovery £0.135m based on current receipts increase in Community Alarm income.</p> <p>Other Employees - projected underspend of £0.046m</p>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Rehabilitation and Reablement	2,585	2,454	(131)	Employee costs - projected underspend £0.106m due to vacancies
Long Term Conditions	6,052	6,184	132	Carers Centres - projected £0.107m underspend based on additional funding of £0.532m for Carers Strategy and no spend to date resulting in a projected underspend of 0.100m. Ward 1 - projected overspend of £0.345m assuming slight reduction in staffing levels continue. Ward 2 - projected underspend of £0.020m, assuming funding from East HSCP for Kirklandside Ward. Elderly CMHT - projected underspend of £0.058m assuming £0.020m of recruitment.
Integrated Island Services	2,063	2,029	(34)	Various minor over and underspends
MENTAL HEALTH SERVICES	73,290	73,463	173	
Learning Disabilities	18,477	18,978	501	Residential Packages - projected underspend of £0.126m based on current 37 packages £2.348m less 2% invoice variances. Community Packages - projected overspend of £0.526m based on current 336 packages less 9.75% invoice variances and a net movement in year of 10 new packages. Savings of £0.256m expected to be achieved. Direct Payments - projected overspend of £0.215m based on 41 current packages less 10% underspent balances and an expected increase of 7 packages in year. Employee costs - projected underspend £0.193m mainly due to vacant posts Income - projected under recovery of £0.100m based on current receipts and no income from Other LA's for use of Taigh Mor respite service.
Community Mental Health	5,982	5,666	(316)	Community Packages - projected underspend of £0.108m based on 100 packages less invoice differences plus a net increased of 1 package. Employee costs - projected underspend £0.254m mainly due to vacant posts Income - projected over recovery of £0.090m of charges to users, based on current YTD charges.

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Addictions	2,511	2,423	(88)	Addictions Team - projected underspend of £0.088m due to in year vacancies
Lead Partnership (MHS)	46,320	46,396	76	<p>Adult Community - projected underspend of £0.078m due to vacancies in the crisis team.</p> <p>Adult Inpatients- projected overspend of £0.312m assumes one bed sale from September, two from October and a further bed from January.</p> <p>UNPACs - projected to underspend by £0.230m. Assumption that there will be no change to NHS GG&C charge and there will be 2 new care packages in-year.</p> <p>LDS - projected to underspend by £0.231m due to delay in UNPACs transfer.</p> <p>Elderly Inpatients - projected to overspend by £0.200m. Projection assumes improvement from current position of £0.213m due to bed closures resulting in decrease in supplementary staffing spend.</p> <p>CAMHS - projected underspend is £0.209m, and assumes £0.050m of recruitment in-year.</p> <p>MH Admin - projected underspend of £0.94m. This figure may decrease with transfer of services to East and South.</p> <p>Psychiatry - projected to overspend by £0.207m, primarily due to locums. EMH Liaison post remains unfunded.</p> <p>MH Pharmacy - projected to underspend by £0.098m mainly within substitute prescribing due to the benefit on over-accrual in 2017-18.</p> <p>Psychology- projected to underspend by £0.380m, assuming £0.100m recruitment in-year.</p> <p>CRES target - projected overspend of £0.986m in relation to savings still to be identified.</p> <p>Projected underspends in other areas - include Associate Nurse Director budgets £0.042m, slippage on mental health allocations of £0.070m and resource transfer reserve £0.098m.</p>
CHIDREN'S SERVICES AND CRIMINAL JUSTICE	35,191	34,974	(217)	
Intervention Services	4,046	4,073	27	<p>Employee costs - projected underspend of £0.100m due part year vacancies,</p> <p>Careleavers - projected overspend of £0.048mbased on supporting 9 leavers for rent payments and 25 for weekly payments..</p> <p>Supported Carers Scheme - projected overspend of £0.035m based on 5 carers supporting 6 children.</p> <p>Supplies and Services - £0.055m projected underspend based on prior year spend</p> <p>Third party payments - projected overspend £0.067m including Children 1st advocacy and Functional Family Therapy costs.</p>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Looked After & Accom Children	15,980	16,050	70	<p>Looked After Children placements - projected underspend of £0.280m based on the following:-</p> <p>Kinship - projected overspend of £0.166m. Budget for 302 placements, currently 310 placements and projecting 330 by the year end.</p> <p>Adoption - projected underspend of £0.047m. Budget for 75 placements, currently 69 placements and projecting 71 by the year end.</p> <p>Fostering - projected underspend of £0.111m. Budget for 140 placements, currently 128 placements and projecting 140 placements by the year end.</p> <p>Fostering Xtra - projected underspend of £0.153m. Budget for 32 placements, currently 29 placements and projecting 32 by the year end.</p> <p>Private fostering - projected underspend of £0.113m. Budget for 16 placements, currently 10 placements and projecting to remain at 10 for the year.</p> <p>Fostering respite - projected underspend of £0.011m due to lower than anticipated respite.</p> <p>IMPACCT carers - projected underspend of £0.007m based on 3 carers providing support for full year.</p> <p>Adoption Fees - projected overspend of £0.070m due to external agency fees and 2 placements from other Councils.</p> <p>Residential School placements including community packages - projecting an overspend of £0.0345m. Projection based 2 current secure placements, one projected to November, one projected to December. 23 residential and community placements projected to leave, 1 in August, 1 in September, 5 in October, 4 in December, 4 in January with 8 placements to March 19.</p> <p>Remand budget of £100k, at present projection assumes this will be spent</p> <p>Employee Costs - projected underspend of £0.076m due to vacancies.</p>
Fieldwork	4,588	4,493	(95)	<p>Employee costs - projected underspend of £0.038m due to vacancies.</p> <p>Staff training - projected £0.028m underspend based on prior year spend.</p> <p>Family Respite Services - projected underspend of £0.127m based on current usage.</p> <p>Standby Service - projecting a £60k overspend, as per prior year spend.</p>
CCSF	319	291	(28)	Various minor over and underspends
Criminal Justice	2,898	2,898	0	Expected to come in line with budget
Early Years	3,159	3,017	(142)	Employee costs - projected underspend of £0.143m due to vacancies.
Policy & Practice	3,828	3,820	(8)	<p>Children with Disabilities community packages - projecting an underspend of £0.100m pending a review of the projections.</p> <p>Private Foster placements - projected overspend of £0.056m.</p> <p>Direct Payment packages - projecting overspend of £0.020m based on 40 packages and a 10% recovery of underspent balances.</p>
Lead Partnership (CS & CJ)	373	332	(41)	Immunisation - projected underspend of £0.041m which assumes unavailability of staff to undertake the schools flu programme this winter.

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
PRIMARY CARE	49,875	49,875	0	No expenditure information available for 2018-19 so assumption is break-even until later in the year.
Management & Support Services	5,202	5,897	695	CRES savings - projected overspend of £0.646m relating to CRES savings still to be identified.
CHANGE PROGRAMME and challenge Fund	1,932	2,009	77	Projected overspend of £0.077m due to redeployed staff
TOTAL	230,917	232,687	1,770	

**North Ayrshire Health and Social Care Partnership
2018/19 Savings**

Appendix C

Council Commissioned Services

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 4 £000's	Projected Shortfall
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Investment in Universal Early Years	Green	Amber	100	47	47	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - School-based Approach to Reducing Looked After (LAC)/Looked After and Accommodated Numbers(LAAC)	Green	Green	200	106	106	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Reduction in Needs for Residential School placements enhancing our community supports with a new team.	Green	Green	536	340	340	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Expansion of the Multi Agency Assessment and Screening Hub (MAASH)	Green	Amber	37	26	26	-
Children & Criminal Justice	Reallocation of Partnership Forum budget with associated savings	Green	Green	40	40	40	-
Children & Criminal Justice	To reduce the Learning and Development team	Amber	Blue	75	75	75	-
Children & Criminal Justice	Reduction in Staffing	Green	Blue	25	25	25	-
Children & Criminal Justice	To discontinue the mentoring project for young people	Green	Green	25	25	25	-
Community Care & Health	Community Care & Health Challenge Fund Projects - Physical Disabilities	Green	Red	200	200	-	200
Community Care & Health	Community Care & Health Challenge Fund Projects - Reablement	Green	Red	228	181	-	181
Community Care & Health	Reduction in staff from the Arran social work team	Amber	Blue	13	13	13	-
Community Care & Health	Withdrawal of funding to Crossroads, Largs	Green	Blue	14	14	14	-
Community Care & Health	Additional projected income	Green	Green	155	155	155	-
Community Care & Health	Harbour Centre Day Service, Alzheimers - closure of weekend service	Green	Amber	8	8	8	-
Community Care & Health	Reduction in Care Home Placements - proposal to reduce 25 placements.	Red	Red	391	391	-	391
Community Care & Health	Reduction in Care at Home	Red	Blue	200	200	200	-
Mental Health	Mental Health - Challenge Fund Projects	Green	Green	226	226	226	-
Mental Health	Redesign and recommission a mental health support service at a reduced cost.	Amber	Blue	30	30	30	-
Mental Health	Reduction in Caley Court Learning Disability Team.	Amber	Green	48	48	48	-

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 4	Projected Shortfall
Mental Health	Reduction in staff at Hazeldene Day service	Amber	Green	35	35	35	-
Management & Support	Review all support secondments/posts which could be provided by parent organisations to the HSCP.	Amber	Red	50	50	-	50
Management & Support	Operational savings generated by the business support review.	Amber	Amber	150	150	93	57
Management & Support	Planning and Performance Team - reduction in staffing	Green	Red	37	37	-	37
Cross Service	Pilot Sickness Absence Taskforce within the HSCP	Green	Amber	100	75	75	-
Cross Service	Staff Mileage - 10% reduction across the partnership	Green	Amber	40	40	40	-
Cross Service	Bring forward phase 2 Challenge Fund savings from 2019/20 to 2018/19	Green	Red	250	250	250	-
Cross Service	Cap respite across all services to 35 days	Green	Amber	200	200	130	70
Change and Improvement	Change Team Restructure	Green	Blue	108	108	108	-
Change and Improvement	Integrated Care Fund - reduction in spend and discontinued projects	Green	Blue	218	218	218	-
TOTAL				3,739	3,313	2,327	986

NHS Commissioned Services

Appendix C

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 4 £000's	Projected Shortfall
Change and Improvement	Integrated Care Fund - reduction in spend and discontinued projects	Green	Blue	242	242	242	-
Planning and Performance	Change Team Restructure	Green	Blue	108	108	108	-
Mental Health	Review of Psychology Services - Phase 2	Green	Blue	47	47	47	-
Mental Health	Prescribing - Secondary 1%	Amber	Blue	7	7	7	-
Mental Health	Add UNPACS 1%	Amber	Blue	23	23	23	-
Mental Health	Psychiatry 1%	Amber	Blue	55	55	55	-
Mental Health	Addictions 1%	Amber	Blue	13	13	13	-
Community Care & Health	Arran	Amber	Blue	20	20	20	-
Community Care & Health	Delayed Discharge Funding	Green	Blue	53	53	53	-
Community Care & Health	District Nursing Supplies	Green	Green	7	7	7	-
Community Care & Health	Reduction in staffing - Arran	Green	Green	30	30	30	-
Cross Service	Supplies	Green	Green	80	80	80	-
Cross Service	Transport	Green	Green	5	5	5	-
Cross Service	Savings carried forward from 2017/18	Red	Red	2,557	2,557	865	1,692
TOTAL				3,247	3,247	1,555	1,692
GRAND TOTAL				6,986	6,560	3,882	2,678

**INTEGRATED CARE FUNDING
2018/19 ALLOCATION**

APPENDIX D

Service	Budget Allocation	Update
British Red Cross - Home from Hospital	93,848	Previously mainstreamed.
TSI Capacity	36,000	Proposed to mainstream.
Independent Sector Development	21,000	Proposed to mainstream.
TSI Community Development	60,000	Proposed to mainstream.
Recovery Café	7,500	This work has been incorporated into the ADP programme.
Community Connectors	189,000	Mainstream 6 NAC Community Connector.
Community Connectors	31,500	Mainstream TSI Community Connector.
Early Intervention from Custody	22,500	Provision of part time rather than full time post, mainstream funding.
Hepatitis C Support	41,000	Now incorporated into the Alcohol and Drug Partnership Programme using peer worker support, award winners at HSCP awards.
Medication for Carers	15,774	Previously mainstreamed.
Post Diagnostic Support - Dementia	61,532	Previously mainstreamed.
Rehab Health and Wellbeing (HARP)	151,000	Enhance range of preventative approaches, including HARP, GP exercise referral, Falls Prevention, Social Hub exercise and Mind and Be Active.
Mind and be Active (KA Leisure)	121,220	Amalgamate into a single Health and Wellbeing Programme. This will provide support to additional diabetes patients, multimorbidity referrals, HARP classes
Dementia Training	39,189	Mainstream post as high demand for training to meet Dementia Strategy. East and South also fund similar role.
Falls Co-ordinator	10,866	Mainstream NHS Pan Ayrshire post
Falls trainer	14,000	Previously mainstreamed.
Medication for ICES	20,076	Previously mainstreamed.

Service	Budget Allocation	Update
LOTS Resource Workers	104,000	Administrative support play a key role in both the Local Operational Teams at locality level and the new Multidisciplinary Team development, roles are to be mainstreamed.
Telecare Technician	26,000	Mainstream post as continued growth in number of users of telecare technology and a speedier response being provided which is reducing risk.
Heart Failure Nurse (One third)	17,814	Pan Ayrshire role continues to deliver telecare for people affected by heart failure as a preventative and early intervention approach, role to be mainstreamed.
Engagement (Primary Care) / GP	8,000	Previously mainstreamed.
Locality Forums	35,000	Previously mainstreamed.
Participatory Budgeting	30,000	Previously mainstreamed.
Design Costs	10,000	Previously mainstreamed.
Advanced Nurse Practitioners x 2	95,112	Mainstream Ward 1 ANP and Rehabilitation ANP to support new model of care.
Services to Redburn	12,000	Work exclusively with traveller women and children who find accessing mainstream services challenging, proposed to mainstream.
Pan Ayrshire Sensory Impairment Service	15,800	Work with people experiencing complex sensory issues in their local communities rather than a hospital site. East and South also support this approach. Proposed to mainstream.
Arran District Nurse	30,000	Previously mainstreamed.
Community Phlebotomy Service	68,432	Proposed to mainstream.
Buckreddan Care Centre - GP sessions	33,000	Evaluation report demonstrates significant impact, mainstream and continue to work with the Primary Care team in East Ayrshire to explore as a Pan Ayrshire approach.
Joint Store - Project Manager	2,000	Funding ceased June 2018.
Hearing Aid Service	8,400	Proposed to mainstream.
Chest, Heart and Stroke	17,000	Proposed to mainstream.
See and Treat service	82,838	Propose mainstream 2 Mental Health Practitioners (1 three towns and 1 Kilwinning). The role out of ANP capacity is now part of the implementation plan for new GP contract.
Townhead / Fullarton / Eglinton Patient Transfer Support	34,000	Previously mainstreamed.
Change Team	607,707	Previously reduced, proposed to mainstream.
PCMH MDT pilot	8,411	New for 18-19 - to fund a team test site which integrates allocation and referral processes.
TOTAL	2,181,519	

Financial Recovery Plan (IJB Sept 2018)

Appendix E

Ref	Service Area	Recovery Action Proposed	£ 000's	Responsible Officer
1	Care Homes	Phased reduction in care home numbers as more people will be supported at home. This would focus on a reduction in residential care placements by utilising the capacity in community services (eg care at home, district nursing) to support people to remain supported in their own homes.	200	Donna McKee (David Rowland)
2	Learning Disability	From September there will be a full time care manager seconded to a dedicated learning disability review team. This will assist in achieving the planned Challenge Fund savings and contribute to the financial recovery plan.	100	Thelma Bowers
3	Learning Disability	Sleepovers - the current sleepovers are being reviewed to assess which could be provided using the existing out of hours responder service. There is not currently a savings target aligned to sleepover services.	100	Thelma Bowers
4	Learning Disability	Review of all 2:1 supports for clients, from reviews already undertaken a reduction has been delivered, plan to review remaining supports.	75	Thelma Bowers
5	Cross Service	Review of all transition cases (e.g. LD adults aged 65+) to ensure the appropriate care is provided (saving is estimate net of alternative care provision).	150	Thelma Bowers
6	Cross Service	Audit of compliance with the charging policy to ensure consistency of application across services.	50	Caroline Whyte
7	Carers	Increased demand for Respite services, contributing to overall overspend, use element of Carers Act funding for support for respite. Non recurring basis for 2018-19, reviewed as part of 2019-20 budget in line with plan for Carer's Act funding and implementation.	300	Donna McKee (David Rowland)
8	Equipment	Temporary reduction (2018-19 only) in the equipment budget due to the Challenge Fund investment being used to clear the waiting list. This will be kept under review together with any waiting lists and impact on delivery of community based services.	100	Donna McKee (David Rowland)
9	Adaptations	Temporary reduction (2018-19 only) in the adaptations budget. This will be kept under review together with any waiting lists and impact on delivery of community based services.	100	Donna McKee (David Rowland)
10	MH Inpatients	Current plans assume 4 bed sales to support service costs, actively market a 5th bed.	40	Thelma Bowers
11	Learning Disability	Cease payment of Resource Transfer for a historic arrangement in relation to one patient moving outwith NHS A&A.	40	Thelma Bowers
TOTAL			1,255	

Other actions being taken:

Ref	Service Area	Action	Responsible Officer
1	Learning Disability	Extension of CM2000 to adult services which will enable payment to care providers based on actual service delivered. Greatest potential impact will be from 2019-20.	Thelma Bowers
2	Learning Disability	Developing alternative approaches to personal assistant provision to accompany service users to social events	Thelma Bowers
3	Learning Disability	Developing alternative approaches to transport for service users to social events.	Thelma Bowers
4	Cross Service	The partnership vacancy scrutiny group continues to review all vacant posts which leads to non-recurring savings. This has been added to by the NHS also undertaking a workforce management review group.	Stephen Brown
5	Cross Service	The absence pilot approved by the IJB in August may lead to reduced sickness rates and associated reduced absence related costs.	Julie Davis
6	Mental Health	A review and redesign of Elderly Mental Health wards is being undertaken. There will be no savings in 2018-19 but outcome may reduce the projected overspend.	Thelma Bowers
7	Commissioned services	Review all outstanding contractual uplifts	Caroline Whyte

2018/19 Budget Reconciliation

Appendix F

COUNCIL	Period	Permanent or Temporary	Budget £000's
Initial Approved Budget	2		92,353
Resource Transfer	2	P	22,219
ICF Procurement Posts - Transfer to Procurement	2	T	(89)
Additional Pension Costs	4	P	(9)
Period 4 reported budget			114,474

HEALTH	Period		Budget £000's
Initial Approved Budget (including estimated pay award funding)	2		138,638
Resource Transfer	2	P	(22,219)
GIRFEC – Health Visitors	3	P	47
Remove estimated pay award			(1,496)
Actual pay award			1,462
Specialist Pharmacist upgrade			11
Period 4 reported budget			116,443

GRAND TOTAL	230,917
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NORTH AYRSHIRE COUNCIL

25 September 2018

Audit and Scrutiny Committee

Title: **National Fraud Initiative (NFI) in Scotland 2016/17**

Purpose: To advise the Committee of the outcome of the NFI exercise

Recommendation: That the Committee notes the outcome.

1. Executive Summary

- 1.1. Audit Scotland has recently published its review of the latest biennial National Fraud Initiative (NFI). This is available at:

http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180705_national_fraud_initiative.pdf

- 1.2. Participation in the NFI by North Ayrshire Council is co-ordinated by the Corporate Fraud Team with matches investigated by the appropriate teams across the Council.
- 1.3. Investigation of the 2016/17 data match was concluded early in 2018.
Backdated
financial recoveries in relation to Council Tax Reduction (CTR) and Single

2. Background

Background to the NFI

- 2.1. The NFI is a major counter-fraud exercise carried out across the UK every 2 years. Participating bodies provide certain sets of data which are compared and anomalies highlighted for investigation. The exercise is co-ordinated across the UK by the Cabinet Office and in Scotland by Audit Scotland under powers in the Criminal Justice and Licensing (Scotland) Act 2010.

- 2.2. The NFI in Scotland is well-established with this being the sixth biennial exercise.
It remains the largest fraud detection and prevention scheme that can provide data matches within and between public bodies. The key features are that it:
- Acts as a deterrent to potential fraudsters
 - Identifies fraud and error enabling action to be taken
 - Can provide assurances that systems are operating well or identify where system improvements may be required
 - Operates across boundaries
- 2.3. Potential inconsistencies or 'data matches' are identified by comparing data sets. A data match does not automatically mean there is fraud or error but further investigation is required to enable the correct conclusion to be drawn. Participating bodies then record the outcomes on a secure web application.

Results of the 2016/17 NFI exercise

- 2.4. 113 Scottish public sector bodies participated in the 2016/17 NFI exercise with almost 657,000 recommended matches for further investigation. Matches are flagged with different priorities depending on the likelihood of fraud and error and it is up to individual bodies to decide which matches to investigate.
- 2.5. The value of fraud and error identified as a result of the 2016/17 NFI exercise in Scotland is £18.6million; the total since the NFI started is now £129.2million in Scotland and £1.69billion across the UK.
- 2.6. Eight areas generated about 95% of the NFI outcomes in Scotland:
- Occupational pensions
 - Blue Badges
 - Council Tax discounts
 - Benefit payments
 - Creditor payments
 - Private Care home residents' payments
 - Payroll outcomes
 - Student funding applications
- 2.7. The NFI also offers additional services to help identify and prevent fraud and error. This includes the NFI 'AppCheck' which helps public bodies to check applications and validate the information provided. This is one of the systems checked by the Corporate Fraud Team during the investigation of referrals and can be useful in tracing those who may have moved outwith North Ayrshire.

- 2.8. Participation in the NFI by North Ayrshire Council is co-ordinated by the Corporate Fraud Team with matches investigated by the appropriate teams across the Council. Investigation of the 2017 data match was concluded during 2017/18.
- 2.9. There were over 5,500 matches from the main matching exercise, with 1,203 recommended for investigation and just over 2,000 actually investigated. One fraud and two errors were identified.
- 2.10. In addition, the 'flexible matching service' provides additional matches relating to Council Tax. A further 677 matches were investigated, identifying 48 frauds and 15 errors.
- 2.11. In total, backdated financial recoveries of over £67,000 were achieved for the Council.

How Public Bodies work with the NFI

- 2.12. Audit Scotland has concluded that 83% of participating public bodies managed their roles in the 2016/17 exercise satisfactorily. This included North Ayrshire. All bodies have taken appropriate action where fraud was alleged.
- 2.13. The Scottish Parliament's Public Audit and Post-legislative Scrutiny Committee published a report on the NFI which concluded that it has been a success story in Scotland. The committee outlined several recommendations for ways in which the NFI could be strengthened including raising awareness and considering other public bodies which could be involved.

Future Developments

- 2.14. The 2018/19 NFI exercise will start in Autumn 2018 with the submission of data sets for matching. The 2018/19 exercise will continue with the batch data matches as well as the flexible matching service. The data sets included within the NFI are being reviewed with a view to adding more.
- 2.15. Audit Scotland's Code of Data Matching Practice has been reviewed and updated to ensure compliance with data protection changes introduced by the General Data Protection Regulation (GDPR) and the Data Protection Act 2018.

3. Proposals

- 3.1. It is proposed that the Audit and Scrutiny Committee notes the content of the Audit Scotland report on the 2016/17 NFI exercise.

4. Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	None
Environmental & Sustainability:	None
Key Priorities:	The work of the Corporate Fraud Team, including participating in the NFI, helps to support the efficient delivery of the strategic priorities within the Council Plan 2015-2020.
Community Benefits:	None

5. Consultation

- 5.1. No consultation has been required in the preparation of this report.



Laura Friel
Executive Director (Finance & Corporate Support)

For further information please contact **Paul Doak, Senior Manager (Internal Audit, Risk and Fraud)** on **01294-324561**.

Background Papers

None

NORTH AYRSHIRE COUNCIL

25 September 2018

Audit and Scrutiny Committee

Title: Internal Audit and Corporate Fraud action plans:
Quarter 1 update

Purpose: To advise the Audit and Scrutiny Committee on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 June 2018.

Recommendation: That the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those Services that have not implemented actions within the previously agreed timescales.

1. Executive Summary

- 1.1. The CIPFA document 'Audit Committee Principles in Local Authorities in Scotland' highlights that Audit Committees should monitor and review the progress made in implementing audit recommendations.
- 1.2. Service managers are responsible for ensuring that agreed actions arising from Internal Audit and Corporate Fraud reviews are implemented. This provides assurance that identified control weaknesses have been addressed and are being managed effectively.
- 1.3. All actions are monitored on the Pentana system and service managers are responsible for updating Pentana as they progress each action. This enables Internal Audit to monitor progress on a 'real-time' basis and address any delays in implementation.
- 1.4. This report details the position at 30 June 2018.

2. Background

- 2.1. The last report to the Audit and Scrutiny Committee on 29 May 2018 highlighted that there were 29 actions outstanding at the end of March 2018: 7 that had not been started or were only partially implemented and 22 where the due date had not yet passed.
- 2.2. In addition to these 29 'carried forward' actions, there have been 55 new actions agreed during quarter 1, giving a total of 84 action points for review.
- 2.3. Services have completed 63 actions since the last report. All services are required to retain evidence of work carried out in completing their actions and Internal Audit carries out 'spot-checks' on a sample of completed actions on an ongoing basis.
- 2.4. Of the remaining 21 actions, 5 were either not started or only partially complete at 30 June and the remaining 16 were not due for completion until after that date.
- 2.5. Appendix 1 to this report provides the Committee with full details of the 5 actions that were not complete within the agreed timescales.
- 2.6. One action relating to data protection awareness training in schools has been delayed until October 2019 and the Head of Service will provide an update to Committee.
- 2.7. Another action relating to password control for staff in schools who access the Education network has been outstanding since June 2016 and the Senior Manager (ICT) will provide an update to Committee.

3. Proposals

- 3.1. It is proposed that the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those services that have not implemented actions within the previously agreed timescales.

4. Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	None
Environmental & Sustainability:	None
Key Priorities:	The effective implementation of agreed Internal Audit and Corporate Fraud actions helps to support the efficient delivery of the strategic priorities within the Council Plan 2015-2020.
Community Benefits:	None

5. Consultation

- 5.1. Council Services are consulted during the completion of each Internal Audit and Corporate Fraud review and have also provided updates on progress made in implementing action points.



Laura Friel
Executive Director (Finance & Corporate Support)

For further information please contact **Paul Doak, Senior Manager (Internal Audit, Risk and Fraud)** on **01294-324561**.

Background Papers

None

Actions due by 30th June 2018 but not started or partially complete

Generated on: 21 August 2018

Code	IA2016PA024d	Description	Passwords controls for staff in the schools accessing the Education network should be tightened in line with best practice.		
Priority	2	Latest Note	<p>2018/19- Quarter One Update: Progress: The self-service password reset tool has been procured, installed and configured. Secondary School ICT Technicians should deploy to secondary school teaching devices. The process has commenced with 100 teaching staff in 2 secondary schools completing answers to security questions. This is around 7% of the entire customer base. In Primary, ASN and EYC user data cleansing is required to ensure this is made available only to current teaching staff. This cleansing is progressing. Next Steps: Teachers and teaching staff should set up their questions and answers as aids for resetting passwords. IT Services and Secondary School ICT Technicians will continue to push the product out to staff devices in more schools as soon as all predecessors are complete. IT Services will force the password change at a time agreed by Education HQ to avoid disruption in schools. Issues: To minimise disruption and reduce support, the user data cleansing and self-service password reset tool are predecessors to forcing a password reset. The timeline for completing the full process is dependent on a number of factors including teachers registering their answers with the self-service password product. The process will resume again once the schools return from summer break. Expected completion date 31st December 2018.</p>		
Progress Bar	<div><div>90%</div></div>	Original Due Date	30-Jun-2016	Due Date	30-Jun-2018
Parent Code & Title	IA2016PA024 Education Network Controls			Managed By	Esther Gunn-Stewart; Brendan Quigley
				Assigned To	Iain Chisholm; Lorna Morley; Brendan Quigley

Code	IA2017PA020b	Description	Data protection information awareness for schools training should be agreed and implemented as soon as possible.		
Priority	1	Latest Note	2018/19 - Quarter One Update: New Completion date - October 2019 The reasons for the long completion date are: <ul style="list-style-type: none"> • Number of staff involved - approx 2000 • Training has to be delivered by the Data Protection Officer and ICT Security • Length of sessions - only 2 can be completed each day by trainers • Limited number of school in-service days available each year • Working Time Agreement for teachers requires long term planning to ensure that additional tasks or training is included within allocated time 		
Progress Bar	<div><div>60%</div></div>	Original Due Date	01-Jun-2018	Due Date	01-Jun-2018
Parent Code & Title	IA2017PA020 Email Controls In Education			Managed By	Andrew McClelland
				Assigned To	Calum Maxwell

ode	IA2017PA022b	Description	The process for retrieving records should be reviewed, if possible including the use of the new database for recording retrievals.		
Priority	3	Latest Note	2018/19 - Quarter One Update: The project continues to progress well, with all elements of previously defined Phase 1 and Phase 2 complete, and delivery on track for end 2018/19 Q2. This includes processing new consignments, requests and retrievals, and the data migration from the old system. The remaining tasks are – <ol style="list-style-type: none"> 1. Create a training manual and a communications and delivery plan for roll out to all Services. Scoping exercise is to be carried out 2. Incorporate enhanced audit and controls to provide a higher level of management information and reporting. A scoping exercise is underway with IT. 		
Progress Bar	<div><div>75%</div></div>	Original Due Date	30-Sep-2017	Due Date	30-Jun-2018
Parent Code & Title	IA2017PA022 Information Governance			Managed By	Esther Gunn-Stewart; Elizabeth Quinn
				Assigned To	Lauren Lewis; Elizabeth Quinn

Code	IA2018PA015b	Description	A formal procurement exercise in accordance with the Standing Orders relating to Contracts should be undertaken to appoint a contractor to supply pre - prepared sandwiches		
Priority	2	Latest Note	2018/19- Quarter One Update: There is a delay due to the decision to consider delivering in-house sandwiches or to engage with a supply partner, final tasting session with young people will be continued after August when children return from holidays. Expected to be complete by the end of September 2018		
Progress Bar	<div><div>75%</div></div>	Original Due Date	15-Jun-2018	Due Date	15-Jun-2018
Parent Code & Title	IA2018PA015 Facilities Management Procurement			Managed By	Yvonne Baulk
				Assigned To	Ken Campbell

Code	IA2018PA034a	Description	The website is currently being reviewed. This review should take into consideration changing technologies, better customer information, more accessible booking forms and on-line payment processes. Regular seasonal updates will ensure that the information available to the public is up to date and links to online forms and documents work.		
Priority	2	Latest Note	2018/19- Quarter One Update: Discussions are still ongoing regarding the online payment options. This is expected to be completed in December 2018.		
Progress Bar	<div><div>90%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-May-2018
Parent Code & Title	IA2018PA034 Eglinton Country Park			Managed By	Audrey Sutton
				Assigned To	Lesley Forsyth

NORTH AYRSHIRE COUNCIL

25 September 2018

Audit and Scrutiny Committee

Title: Internal Audit Reports issued

Purpose: To inform the Committee of the findings of Internal Audit work completed between May and August 2018.

Recommendation: That the Committee (a) considers the outcomes from the Internal Audit work completed; and (b) challenges services where there are significant weaknesses in internal controls.

1. Executive Summary

- 1.1. The Council's local Code of Corporate Governance requires effective arrangements to be put in place for the objective review of risk management and internal control. Internal Audit is an important element in this framework as it reviews internal controls and offers Elected Members and officers an objective and independent appraisal of how effectively resources are being managed.
- 1.2. The remit of the Audit and Scrutiny Committee includes the monitoring of Internal Audit activity. The submission and consideration of regular reports assists the Committee in fulfilling this remit.

2. Background

- 2.1. This report provides information on Internal Audit work completed between May and August 2018. Internal control reviews have been completed in respect of the areas detailed in Appendix 1 to this report. The aim of these reviews is to provide assurance that the internal control framework within the areas examined is appropriate and operating effectively.
- 2.2. The findings from each audit assignment have been notified in writing to the Chief Executive, the Executive Director (Finance and Corporate Support) and the relevant Executive Director and service managers on the completion of each assignment. Where appropriate, this has included an action plan detailing recommendations for improving internal control. Appendix 1 includes the executive summary and action plan from each audit.

- 2.3. Full copies of all Internal Audit reports are provided to all Elected Members, in confidence, through the Council's intranet site. Reports are held within the dedicated 'Members' information' area at:

<http://naconnects.north-ayrshire.gov.uk/elected-members/audit-reports/audit-reports.aspx>

- 2.4. The findings from nine separate audit assignments are detailed at Appendix 1 to this report. The key findings are as follows:

- Limited assurance could be obtained in relation to the monitoring of the Pupil Equity Fund (PEF) budget during 2017/18 due to the level of miscoding.
- Reasonable assurance was obtained with regard to compliance with social media policies and procedures, controls around Council social media accounts and social media use by employees for work and personal purposes.
- Reasonable assurance was obtained with regard to compliance with the managed Wide Area Network service and IT access to Council systems due to the high volume of generic usernames in use by IT staff.

3. Proposals

- 3.1. It is proposed that the Committee (a) considers the outcomes from the Internal Audit work completed between May and August 2018; and (b) challenges services where there are significant weaknesses in internal controls.

4. Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People:	None
Environmental & Sustainability:	None
Key Priorities:	The work of Internal Audit helps to support the efficient delivery of the strategic priorities within the Council Plan 2015-2020.
Community Benefits:	None

5. Consultation

5.1. The relevant Services are consulted on Internal Audit findings during each audit assignment.



Laura Friel
Executive Director (Finance & Corporate Support)

For further information please contact **Paul Doak, Senior Manager (Internal Audit, Risk and Fraud)** on **01294-324561**.

Background Papers

None

EXECUTIVE SUMMARY

REVENUE BUDGET MONITORING – PUPIL EQUITY FUND

Background

This audit was conducted as part of the 2017/18 audit plan.

Key Objectives

The main objective of this audit was to review the revenue budget monitoring arrangements in place surrounding the Pupil Equity Fund (PEF) grant from the Scottish Government to ensure they are adequate.

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- Routine budget monitoring of the Pupil Equity Fund was not performed in 2017/18 due to high levels of miscodings in the ledger making reports from it inaccurate.
- In 2017/18, the miscoding of staff between mainstream school budgets and ring-fenced PEF budgets has generated significant additional work. Steps are required to ensure this issue does not continue into 2018/19. All new starts, or existing staff movements must be accurately and timeously reflected in the Council's payroll system, CHRIS.
- A break in the provision of financial support during the year exacerbated the cumulative value of the employee miscodings, as errors weren't identified, and corrected at source, until later in the financial year.

Audit Opinion

Overall, limited assurance was obtained with regard to the budget monitoring processes in 2017/18. This is because high levels of miscodings in the ledger made reports from it inaccurate, and therefore not suitable for routine budget monitoring.

ACTION PLAN
REVENUE BUDGET MONITORING – PUPIL EQUITY FUND

Action	a
Action Description	<p>Education and Youth Employment (E&YE) should review why so many PEF employees were miscoded in 2017/18. If necessary, an email or other instruction should be sent to all Headteachers to reiterate the need for, and process of, accurately coding staff costs. This should cover the process for both new starts, and current staff moving post.</p> <p>E&YE HQ should instruct Headteachers to inform them of all PEF staff appointments and changes. This will allow HQ to maintain an accurate overall staffing list covering PEF funded posts.</p>
Risk	A lack of an accurate central record of staff makes identifying miscodings or errors more difficult. Inaccurate management information that is not suitable for decision making. Inaccurate data used for government returns.
Priority (1, 2, 3)	1
Paragraph Reference	3.17, 3.32
Assigned to	Senior Manager (Resources and Infrastructure)
Due Date	31 st August 2018
Management Response	A review has taken place to investigate reasons for miscoding. The appointment of a temporary resources officer will support improved coding processes for all new starts. Monthly monitoring meetings will track any differences between planned and actual spend and will allow any outstanding miscodings to be rectified without delay. Headteachers will be reminded in writing of the correct processes to follow. They will be supported in this through their EBO and the PEF Co-ordinator.

Action	b
Action Description	Key members of the E&YE HQ team involved in supporting the PEF project should have access to Integra to allow them to access all financial information, including both orders and actual invoices.
Risk	A lack of timeous information may delay decision making, or result in decisions being based on inaccurate information.
Priority (1, 2, 3)	2
Paragraph Reference	3.27, 3.29
Assigned to	Senior Manager (Resources and Infrastructure)
Due Date	31 st July 2018
Management Response	Access to Integra will be arranged with Finance for key Education HQ staff involved in supporting PEF. This will include the PEF Business Manager and PEF Co-ordinator. This will allow ad hoc reporting to be carried out by Education HQ staff to supplement the monthly reports provided by the finance officer, as part of the overall budget monitoring process.

Action	c
Action Description	<p>PEF budgets should be split down in the ledger to reflect the intended spend profile. This would make the variance analysis information generated by the system more useful as a management tool.</p> <p>If the budget profiling is accurate, identifying miscodings would be much easier and this, combined with Financial Services budget monitoring template, should remove the need for Headteachers to keep their own spend records.</p>
Risk	Integra is not being fully used as a detailed budget monitoring tool. Unnecessary additional work for Headteachers.
Priority (1, 2, 3)	2
Paragraph Reference	3.33
Assigned to	Head of Finance
Due Date	20 th August 2018
Management Response	Financial Services has now issued E&YE with a detailed budget template to complete. On return this will be loaded into the financial ledger and provide the necessary ledger financial framework for which actual expenditure will be measured against. There should be no requirement for Headteachers to maintain their own spend records. Financial Services will continue to work with E&YE staff through monthly budget monitoring meetings and through issuing financial ledger reports. In terms of timescale, the detailed budget exercise across each school will be completed by the start of the new academic term in August 2018.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY SOCIAL MEDIA

Background

This audit was conducted as part of the approved 2017/18 Internal Audit Plan and reviewed the use of Social Media by the Council.

Key Objectives

The main objectives of this audit were to ensure that:

- Previous audit recommendations have been fully implemented.
- Social media sites are set up in line with corporate policies and procedures and adequate training has been provided.
- There are appropriate controls in place to manage the North Ayrshire Council Twitter Account and access is restricted.
- Adequate access controls are in place for other social media sites and relevant information is available on the site.
- Employees' access to social media is restricted, training has been given for investigation purposes and GDPR requirements regarding consent are being adhered to.
- Adequate advice has been issued to employees for personal use of social media particularly in relation to posting information about their work and work colleagues.

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- Testing across a sample of social media accounts identified that it is common for users to share logons and passwords to access these accounts. A generic logon for the North Ayrshire Council Twitter account is used by 17 employees in Communications and Customer Services. The key administrator in Customer Services was not aware that the password to this account must be changed immediately after a user leaves or moves job.
- The schools have set up 177 social media accounts, of which only 29 are recorded on the digital implementation register. However, a sample of primary schools contacted confirmed that they did complete the digital engagement request form so it is unclear how many have not followed the proper guidance.

Audit Opinion

Overall, reasonable assurance was obtained with regard to compliance with social media policies and procedures, controls around Council social media accounts and social media use by employees for work and personal purposes. However, the actions arising from this audit will help to tighten this process.

ACTION PLAN SOCIAL MEDIA

Action	a
Action Description	<p>HR Operations, Corporate Communications and Customer Services should set up a Short-Life Working Group to review the corporate approach to Social Media and produce appropriate guidance for employees. The guidance should include:</p> <ul style="list-style-type: none"> • Setting up of corporate social media sites or channels • Appropriate behaviour when using social media • Mandatory and supplementary training for employees • Consolidating the existing strategies and guidance and ensuring that they are fit-for-purpose, including the Digital Engagement Strategy, Employee Code of Conduct, Digital Strategy and GDPR <p>The new guidance should be approved by the Executive Leadership Team and should also be subject to a review after a year.</p>
Risk	Employees are not informed of their roles and responsibilities, reputational damage to the Council.
Priority (1, 2, 3)	2
Paragraph Reference	3.2, 3.10, 3.11, 3.12, 3.21, 3.22
Assigned to	Senior Manager (HR & OD)
Due Date	30/09/2018
Management Response	Short life working group to be set up and recommendations to be approved at ELT.

Action	b
Action Description	Corporate Communications should consult with Customer Services to review and update the social media guidelines made available to our customers ensuring they are version controlled. A link to the guidelines should also be readily available on the North Ayrshire Council website and should be available on each social media account.
Risk	Customers unable to find social media guidelines. Guidelines are possibly out of date.
Priority (1, 2, 3)	2
Paragraph Reference	3.3, 3.10
Assigned to	Senior Manager (Transformation)
Due Date	31/07/2018
Management Response	Guidelines will be updated and version control added.

Action	c
Action Description	Education and Youth Employment should carry out a review of school social media sites to identify those sites that did not follow the Digital Engagement Implementation guidance and ensure they retrospectively complete the paperwork and receive the training. For those that have been set up following the correct guidance, the Digital Engagement Register should be updated to reflect this.
Risk	Users have not received the appropriate training and therefore do not comply with the corporate guidelines.
Priority (1, 2, 3)	1
Paragraph Reference	3.5
Assigned to	IT Development Officer (EYE)
Due Date	30/09/2018
Management Response	The coordination of gathering this information is currently in progress. All schools are aware they require to return the relevant paperwork. Education have controls in place to ensure that there is compliance for every social media account in our schools, and will undertake to review this periodically.

Action	d
Action Description	Corporate Communications and Customer Services should give consideration to jointly purchasing social media software that would allow individual usernames and passwords to be set up for the council's corporate social media accounts. Consideration should also be given to rolling this out to all Council social media accounts.
Risk	Posting of inappropriate, incorrect or personal sensitive data cannot be traced to a specific user.
Priority (1, 2, 3)	2
Paragraph Reference	3.7, 3.9
Assigned to	Senior Manager (Transformation)
Due Date	31/03/2019
Management Response	Software has been purchased with a different software provider and there is sufficient licences for Communications and Customer Services. The new product will be available next quarter and it will be implemented in Customer Service before rolling out to Corporate Communications. There would be a significant cost to rolling out to all Council accounts and this is not deemed necessary at this time.

Action	e
Action Description	Corporate Communications should ensure that key administrators of the North Ayrshire Council Twitter account are reminded to change the password for the shared logon as soon as a key user leaves or moves job.
Risk	Leavers could post defamatory comments on social media.
Priority (1, 2, 3)	1
Paragraph Reference	3.8
Assigned to	Senior Communications Officer (Media and Internal Communications)
Due Date	30/06/2018
Management Response	An annual reminder will be issued to all staff who access the corporate Twitter account in Communications and Customer Services. It will remind the team to advise fellow colleagues if a team member leaves. The password will then be changed by either the team leaders in Communications or Customer Services and cascaded to the remaining Twitter team.

Action	f
Action Description	IT Services should provide each service with a list of employees with read/write access to social media to allow services to complete a one-off review resulting in the removal of users with no requirement to update social media as part of their current job role.
Risk	Employees not requiring this access could set up council social media accounts without following proper processes.
Priority (1, 2, 3)	2
Paragraph Reference	3.11, 3.12
Assigned to	n/a
Due Date	n/a
Management Response	Access to social media will be reviewed as part of the working group with the recommendation from the Head of Customer & Digital Services that restrictions on social media be removed so all employees will have access to social media.

Action	g
Action Description	Legal Services should carry out a refresher program for RIPSA training to ensure employees have carried out this training with the last 3 years.
Risk	Non-compliance with RIPSA
Priority (1, 2, 3)	2
Paragraph Reference	3.16
Assigned to	Team Leader (Litigation)
Due Date	31/03/2019
Management Response	Agreed - Independently of this audit, this action was already identified and timetabled as necessary to comply with RIPSA

Action	h
Action Description	Legal Services should give consideration to producing an online course to provide training to employees using social media for investigation purposes.
Risk	Non-compliance with RIPSAs
Priority (1, 2, 3)	2
Paragraph Reference	3.17
Assigned to	Team Leader (Litigation)
Due Date	31/03/2019
Management Response	Agreed - Legal Services are currently considering this with Organisational Development.

Action	i
Action Description	Legal Services should provide advice on whether a personal social media account should be used for investigation purposes or whether a council account should be set up for this purpose. The relevant guidance should be updated to reflect the advice given, whether it be RIPSAs guidance or the social media policy.
Risk	Employees using social media for investigation purposes without following the correct process.
Priority (1, 2, 3)	2
Paragraph Reference	3.18
Assigned to	Team Leader (Litigation)
Due Date	31/03/2019
Management Response	Agreed - Legal Services will research this scenario, advise services accordingly and include this in the training in action g.

Action	j
Action Description	HR Operations should review and update Section 9 of the Employee Code of Conduct in line with the current appetite for social media, taking into account General Data Protection Regulations (GDPR) and hyperlinking to the GTC for Scotland Guidance contained in the Code of Professionalism and Conduct.
Risk	Guidance may be out of date and not in line with current regulations.
Priority (1, 2, 3)	2
Paragraph Reference	3.19, 3.20
Assigned to	Senior Manager (HR & OD)
Due Date	30/09/2018
Management Response	This links to Action A above. Actions arising from Action A will impact upon this.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY

CORPORATE NETWORK CONTROLS

Background

This audit was conducted as part of the approved 2017/18 Internal Audit Plan and reviewed a range of controls within the Corporate network.

Key Objectives

The main objectives of this audit were to ensure:

- Compliance with the managed Wide Area Network (WAN) Service contract and Service Level Agreement (SLA).
- That the number of generic logons used by IT staff to access council systems is limited, used on a restricted basis and passwords for these logins are held securely.

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- There are a number of generic logons used by IT staff to access Council systems for support and maintenance purposes resulting in passwords being recorded and shared with key staff. Individual logons and passwords have not been set up for this purpose but should be wherever possible.

Audit Opinion

Overall, reasonable assurance was obtained with regard to compliance with the managed WAN service and IT access to Council systems. Implementing the actions noted in the audit report will help improve the controls around the IT access to Council systems.

ACTION PLAN CORPORATE NETWORK CONTROLS

Action	a
Action Description	IT Services should carry out a periodic review of users with access to the communications rooms on each floor at Bridgegate House to ensure access is restricted to key staff only.
Risk	Unauthorised staff have access to a restricted area.
Priority (1, 2, 3)	2
Paragraph Reference	3.1
Assigned to	Team Manager (IT Infrastructure)
Due Date	15/08/2018
Management Response	On an annual basis, IT Services will obtain Kelio access reports listing staff access to the communications rooms in Bridgegate House and the Cunninghame House data centre. These will be reviewed and Kelio access will be updated as required.

Action	b
Action Description	Kelio system admin should be reminded that staff should only be added to the 'IT' profile and 'Master' profiles at Bridgegate House after authorisation has been granted by IT Services.
Risk	Unauthorised staff have access to a restricted area.
Priority (1, 2, 3)	2
Paragraph Reference	3.1
Assigned to	Team Manager (Customer Services & Business Support)
Due Date	Complete
Management Response	A process has been implemented to ensure that any requests for access are sent to Senior Manager, IT in the first instance for approval and access will only be given after approval has been granted.

Action	c
Action Description	The Corporate Server Password Spreadsheet should also be reviewed to remove old accounts, ensure a clear purpose is recorded against each entry and to classify who uses each generic username i.e. IT staff, software suppliers or Council Services.
Risk	Incomplete and out of date information and unclear who utilises the generic usernames.
Priority (1, 2, 3)	2
Paragraph Reference	3.5, 3.7, 3.9
Assigned to	Analyst Programmer
Due Date	31/08/2018
Management Response	<p>The spreadsheet will be reviewed and updated to:</p> <ul style="list-style-type: none"> • Remove old / historical accounts • Reflect the requirements of action "D" • Add and populate a purpose column for all remaining entries • Add and populate a classification column. Classifications will be "Internal / System Use"; "Administration by IT Services"; "Administration by Supplier" • The file will be reviewed on an ongoing basis by IT Services staff

Action	d
Action Description	IT Services should carry out a review of the generic usernames listed on the Corporate Server Password Spreadsheet and for those that are used by the key IT analysts on a regular basis they should investigate the possibility of changing to individual usernames and passwords. If possible, these passwords should then be changed on a regular basis in line with best practice.
Risk	Unable to trace any unauthorised or erroneous actions to a specific user.
Priority (1, 2, 3)	1
Paragraph Reference	3.6, 3.7, 3.9
Assigned to	Analyst Programmer
Due Date	31/08/2018
Management Response	<p>A review of all credential records on the file will be undertaken.</p> <ul style="list-style-type: none"> • Individual named users will be created / used instead of generic user names where possible. • Where generic users must be retained for administration purposes, IT Services will ensure there is an audit trail that identifies the individual, date, and times of each login access. • IT will investigate whether the password of each remaining generic user password can be changed without system impact. Where this is possible account passwords will be set to expire every 60 days.

Action	e
Action Description	IT Services should review the users with access to the disaster recovery network folder that holds the spreadsheets which record generic usernames and remove users that do not require access to this folder.
Risk	Unauthorised and unnecessary users have access to IT information that should be restricted to key staff.
Priority (1, 2, 3)	2
Paragraph Reference	3.10
Assigned to	Analyst Programmer
Due Date	15/08/2018
Management Response	Access to the disaster recovery network folder will be reviewed and restricted. Folder access will be reviewed on an on-going basis

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY

HR/PAYROLL TRANSACTION TESTING

Background

This audit was conducted as part of the approved 2017/18 Internal Audit Plan and used computer audit software to interrogate the HR/Payroll system and examined any anomalies which arose.

Key Objectives

The main objectives of this audit were to ensure:

- Overtime and salary changes are valid and properly authorised
- High mileage claims, travel and subsistence expenses and other allowances are valid and properly authorised
- Leavers last pay is correct and properly authorised
- Employee details are valid and complete

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- The Facilities Management Fortnightly Exceptions Form does not allow for the breakdown of the different types of overtime and the form triplicates the weekly contracted hours table, so any unused tables have not been scored out to ensure it cannot be retrospectively completed after being authorised.
- The Amendment e-form does not have a field for recording the end date.
- Two employees are receiving an allowance which has been automatically renewed each financial year with no end date recorded. The allowance was set up historically so the supporting paperwork is outwith the retention period. Although an annual data check is carried out which allows managers to confirm the accuracy of employees' salaries and allowances, HR Operations should consult with HSCP to determine if this allowance is still applicable.

Audit Opinion

Overall, reasonable assurance was obtained with regard to HR/Payroll transactions testing.

ACTION PLAN
HR/PAYROLL TRANSACTION TESTING

Action	a
Action Description	Payroll should amend timesheet forms to allow the person authorising to print and sign their name.
Risk	It is not possible to determine if approver is an authorised signatory.
Priority (1, 2, 3)	2
Paragraph Reference	3.2, 3.3, 3.17
Assigned to	Lead Adviser Payroll
Due Date	Action 1. 31 May 2018 Action 2. 30 June 2018
Management Response	<p>Action 1. All payroll forms will be updated to include a section for the authorised signatory to print their name. Data processors will be advised not to process any time sheets which do not have the signatory name printed.</p> <p>Action 2. The Payroll Team will support Services to update their time sheets to include a section for the authorised signatory to print and sign their name.</p>

Action	b
Action Description	Employees processing overtime forms should be reminded that forms should only be processed once the overtime form has been approved.
Risk	Overtime payments made for work not carried out.
Priority (1, 2, 3)	2
Paragraph Reference	3.3
Assigned to	Employee Services Manager
Due Date	Complete
Management Response	An email has been issued to all data processors to reinforce the requirement to ensure time sheets are accurately completed and approved.

Action	c
Action Description	Payroll should remind managers that contract amendments and terminations must be processed via the Employee Account.
Risk	More efficient process and ensures authorisation is granted
Priority (1, 2, 3)	2
Paragraph Reference	3.5, 3.7, 3.21, 3.22, 3.24
Assigned to	Senior Manager Employee Services & Lead Adviser Payroll
Due Date	Action 1. Complete Action 2. 31 May 2018
Management Response	<p>Action 1. An email was issued to Services advising that amendment and termination forms submitted via paper will no longer be accepted and all changes must be submitted via the online form facility.</p> <p>Action 2. Paper forms utilised by KA Leisure will be updated to include a section for the authorised signatory to print their name. KA Leisure will be advised of the change and requirement to ensure accurate completion of forms.</p>

Action	d
Action Description	Payroll should remind users to complete the latest version of the mileage and subsistence claim form to allow the approver to print and sign their name if the employee does not have access to HR21.
Risk	It is not possible to determine if approver is an authorised signatory.
Priority (1, 2, 3)	2
Paragraph Reference	3.9, 3.12
Assigned to	Senior Manager Employee Services
Due Date	Complete
Management Response	An email has been issued to all employees who submit mileage claims to advise them that failure to submit a claim on the appropriate form will result in their claim being returned unprocessed regardless if approved by their manager. Further emails have been issued to authorised signatories to reinforce it is their responsibility to ensure that the correct paperwork is completed before approving. Mileage data processors have also been advised they must reject any claims which have not been completed on the relevant form.

Action	e
Action Description	Approvers should be reminded to only approve Payroll paperwork in line with their authorised signatories' permissions.
Risk	Payments and/or amendments have not been properly authorised
Priority (1, 2, 3)	2
Paragraph Reference	3.10, 3.28
Assigned to	Senior Manager Employee Services
Due Date	Complete
Management Response	An email has been issued to Approvers to reinforce this requirement.

Action	f
Action Description	Employees should be reminded to submit mileage claim forms within the 3 month period as per the guidance.
Risk	Non-compliance with the guidance
Priority (1, 2, 3)	3
Paragraph Reference	3.11
Assigned to	Senior Manager Employee Services
Due Date	Complete
Management Response	An email has been issued to both mileage claimants and Approvers to reinforce this requirement.

Action	g
Action Description	Payroll should remind employees to complete the mileage claim form properly detailing each trip and to remind managers to ensure the form is properly completed before approving the claim.
Risk	Non-compliance with procedures
Priority (1, 2, 3)	2
Paragraph Reference	3.13
Assigned to	Senior Manager Employee Services
Due Date	Complete
Management Response	An email has been issued to both mileage claimants and Approvers to reinforce this requirement.

Action	h
Action Description	Facilities Management Fortnightly Exceptions Forms should be amended to break down the different types of overtime and approvers should be advised to score out unused tables on this form.
Risk	Additional overtime could be recorded on the form after it has been approved and errors may be made in paying the correct overtime rate.
Priority (1, 2, 3)	1
Paragraph Reference	3.18
Assigned to	Lead Adviser Payroll
Due Date	30 June 2018
Management Response	The Payroll Team will support Facilities Management to redesign the above exceptions form and standardise the completion to comply with this requirement.

Action	i
Action Description	The e-form should be amended to include a field for end date.
Risk	End date is not provided and allowance is set up without one.
Priority (1, 2, 3)	1
Paragraph Reference	3.25
Assigned to	Senior Manager Employee Services
Due Date	Complete
Management Response	No further development work is being undertaken in respect of online amendment forms, this is due to the on going procurement of a replacement HR Payroll system. This recommendation will be built into the new system, which will be live from April 2019.

Action	j
Action Description	HR Operations should consult with HSCP to determine if this allowance is still applicable.
Risk	Allowance is no long applicable but still being paid.
Priority (1, 2, 3)	1
Paragraph Reference	3.26
Assigned to	Senior Manager Employee Services & Senior Manager HR & OD
Due Date	Complete
Management Response	<p>Action 1. An automated report has been scheduled to provide details of all market forces payments being made and sent to both the Senior Manager HR & OD and HR Team on a 6 monthly basis.</p> <p>Action 2. The HR Team has engaged with the employing Service to verify the on going validity of this payment and will do so on a 6 monthly basis going forward.</p>

Action	k
Action Description	Discrepancies between the amendment paperwork and CHRIS system should be reviewed and appropriate action taken.
Risk	Incorrect allowance paid
Priority (1, 2, 3)	2
Paragraph Reference	3.28
Assigned to	Lead Adviser Payroll
Due Date	Complete
Management Response	A review of discrepancies has been undertaken and the importance of accurate data entry has been reinforced to the Payroll Team.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY

ACCOUNTS PAYABLE TRANSACTION TESTING

Background

This audit was conducted as part of the approved 2017/18 Internal Audit Plan and used computer audit software to interrogate the Accounts Payable system and examined any anomalies which arose.

Key Objectives

The main objectives of this audit were to ensure that:

- duplicate suppliers are identified and de-activated to minimise the risk of duplicate invoices being paid
- duplicate invoices have not gone undetected
- advance payments have been reported to Financial Services for the list of pre-payments
- high value invoices have been properly authorised
- invoices paid to employees are bona fide

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- Testing identified 70 duplicate supplier names only, 17 duplicate supplier names and addresses and 18 duplicate supplier names and bank account details. AP have reviewed the potential duplicate suppliers on Integra resulting in 44 suppliers being deactivated.
- In quarter 2 there were 11 duplicate invoices identified, totalling just under £14.5k, that had been picked up and rectified by AP. There were 10 duplicates totalling just under £34k that were identified by the audit which have since been reviewed by AP and action taken to recover the monies.
- In quarter 4 there were 39 duplicate invoices identified, totalling just over £95.5k, that had been picked up and rectified by AP. There were 37 duplicates, totalling just over £195k that were identified by the audit which have been reviewed by AP and action taken to recover the monies.
- There are 5 potential duplicate invoices still to be reviewed by AP, 4 of which are due to invoices not being attached to the transaction on Integra.

Audit Opinion

Overall, reasonable assurance was obtained with regard to duplicate invoices being paid. The number of duplicate invoices found has notably increased since the Integra financial management system went live. The 2018/19 Internal Audit Plan includes an Accounts Payable audit which will include a review of the controls surrounding the processing of invoices.

ACTION PLAN
ACCOUNTS PAYABLE TRANSACTION TESTING

Action	a
Action Description	Procurement should issue a reminder that invoice numbers should not be amended to allow invoices to be processed.
Risk	Duplicate invoices may be passed for payment.
Priority (1, 2, 3)	2
Paragraph Reference	3.4
Assigned to	Senior Manager (Corporate Procurement)
Due Date	Action Complete 16.05.18
Management Response	<p>A detailed discussion has already taken place with Business Support highlighting the importance of not amending invoice numbers. Discussion has also taken place with the Heads of Service Group to highlight the issue.</p> <p>A communication including key requirements and hints and tips has been sent to all invoice processors</p>

Action	b
Action Description	Procurement should investigate the missing batches.
Risk	Invoices cannot be traced, possible duplicate payments cannot be traced and breach of HMRC record retention requirements.
Priority (1, 2, 3)	2
Paragraph Reference	3.7, 3.9, 3.11
Assigned to	Senior Manager (Corporate Procurement)
Due Date	29.06.18
Management Response	<p>Accounts Payable will undertake the following:</p> <ul style="list-style-type: none"> Investigate who processed the invoices without attaching the copy invoice. Establish if a local copy of the invoice has been retained by making contact with the invoice processor. <p>The need to attach the invoice scan has been included in the communication document referred to in action a.</p>

Action	c
Action Description	Approvers should be reminded to approve within the approval limit for non-PO invoices.
Risk	Expenditure is not properly authorised.
Priority (1, 2, 3)	1
Paragraph Reference	3.9, 3.11, 3.24
Assigned to	Senior Manager (Corporate Procurement)
Due Date	Action Complete 16.05.18
Management Response	A reminder to approve within approval limits was included in the communication referred to in action a

Action	d
Action Description	AP should review the outstanding Q4 duplicates and arrange for recovery of monies paid twice.
Risk	Council has paid same invoices twice and the money has not been recovered.
Priority (1, 2, 3)	1
Paragraph Reference	3.16
Assigned to	Senior Manager (Corporate Procurement)
Due Date	Action Complete - 16.05.18
Management Response	A review has been completed and action taken to recover monies as appropriate.

Action	e
Action Description	eProcurement should remind users to attach invoices, use the new invoice stamp and to properly complete the invoice stamp.
Risk	Missing invoices and no evidence of approval for manual invoices
Priority (1, 2, 3)	2
Paragraph Reference	3.16, 3.19, 3.20, 3.22, 3.24
Assigned to	Senior Manager (Corporate Procurement)
Due Date	Action Complete 16.05.18
Management Response	The action was included in the communication referred to in action a.

Action	f
Action Description	eProcurement should remind users to carry out the appropriate checks on payments over £10,000 and ensure this report is attached to the transaction on Integra.
Risk	Errors made processing high value invoices are not picked up and no evidence to support checks are carried out.
Priority (1, 2, 3)	2
Paragraph Reference	3.9, 3.11, 3.22, 3.24
Assigned to	Senior Manager (Corporate Procurement)
Due Date	Action Complete 16.05.18
Management Response	A reminder to carry out the over £10K checks was included in the communication referred to in action a.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY SCHOOL MEAL INCOME

Background

North Ayrshire Council is in the process of introducing the Parentpay system which allows parents and carers to make internet payments or pay in retail outlets which are part of the Paypoint network. Those schools not yet using Parentpay currently accept payments for school meals via the Council's website or cash payments in school using Revaluation machines to top up the pupil's account or at a till in the canteen.

At the time of writing, Parentpay has been introduced in the vast majority of Primary Schools and also at Arran High School, which is currently running a hybrid system which still allows cash payments in school.

Key Objectives

The main objectives of this audit were to ensure that there are:

- Suitable procedures in place for collecting school meal income
- Adequate controls over internet and Paypoint payments
- Adequate controls to ensure that all income received is banked and accounted for correctly

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- There had not been sufficient monitoring within Facilities Management to ensure that school meal income is accounted for and reflects meals served. This issue was addressed during the course of the audit.
- Parentpay have not provided files in a suitable format to allow transactions to be automatically coded to the nominal ledger, although the income has been received and manual adjustments to the ledger made. Officers are in discussion with the supplier to ensure that this is resolved.
- Sample testing of transactions paid through Parentpay found that all pupil accounts had been updated correctly.

Audit Opinion

Overall, reasonable assurance was obtained with regard to school meal income. There had not been sufficient monitoring to ensure that all sources of income were being accounted for. This issue was addressed during the course of the audit. The issue with files from Parentpay loading into the ledger needs to be resolved. Sample testing of transactions found that all had been processed correctly, notwithstanding the issue with ledger postings from Parentpay.

ACTION PLAN SCHOOL MEAL INCOME

Action	a
Action Description	Facilities Management, in conjunction with Financial Services and IT, should work to ensure that Parentpay provide files in a suitable format to load into PARIS and thereafter the ledger.
Risk	Errors or misappropriation go undetected. Management information used for decision-making is not up-to-date.
Priority (1, 2, 3)	1
Paragraph Reference	3.7
Assigned to	Facilities Manager
Due Date	25/05/2018
Management Response	Financial Services, IT and Facilities Management are working with Parentpay to ensure that an interface IT link will automatically load data files provided by Parentpay directly to PARIS and thereafter the ledger.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY THROUGH-CARE PAYMENTS

Background

This audit was conducted as part of the 2018/19 audit plan.

Key Objectives

The main objectives of this audit were to ensure that:

- detailed procedures are available
- cash is being stored securely at all times
- the process for making care leaver payments to young people is robust
- there is a process for approving rent payments made on behalf of young people
- an audit trail exists for all purchases made under Section 29 (Children (Scotland) Act 1995)
- the process for requesting reimbursements of Section 29 spend is robust
- training incentive payments are only being made once eligibility has been confirmed

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- Financial Services have a back log of scanning and filing which meant it wasn't always possible to locate back up easily using their records
- The Throughcare Team has good systems in place to manage the various types of payments that they make.

Audit Opinion

Overall, reasonable assurance was obtained with regard to Financial Services role in the payment of Throughcare payments. Issues with back logs of scanning and filing made it difficult for Financial Services to locate all documentation requested by Audit.

Substantial assurance was obtained with regard to the Throughcare Team's management of the various payments they are responsible for. Minor errors were noted during audit testing, but this was reasonable based on the volume of transactions being dealt with.

ACTION PLAN THROUGH-CARE PAYMENTS

Action	a
Action Description	Financial Services should ensure that the back log of scanning and electronic filing of documentation relating to care leavers and their payments is cleared. Going forward, attempts should be made to scan and file timeously.
Risk	No evidence of the validity of payments
Priority (1, 2, 3)	2
Paragraph Reference	3.19
Assigned to	Head of Finance
Due Date	Completed
Management Response	Due to resource challenges the scanning and electronic filing of Throughcare payments was not fully up to date at the time of the audit. The backlog has now been fully cleared.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY IT PROCUREMENT

Background

The audit was included in the 2017/18 audit plan. IT Procurement was previously audited in 2012/13.

Key Objectives

The key objectives of the audit were to ensure that:

- IT contracts were in place and compliant with the Council's standing orders
- ICT purchases are approved and monitored.
- appropriate checks are in place for purchase and implementation of hardware and software
- delivery and receipt of goods are checked for accuracy prior to payment

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- IT contracts are in place and the procurement process is compliant with the Council's standing orders.
- Asset registers are being maintained.
- Expenditure analysis identified 134 suppliers; the majority were low spend totals however the top ten spends accounted for 70.6% of all spend.
- There are network and authorisation controls in place to prevent unauthorised IT procurement.
- A high volume of retrospective purchase orders has been raised.

Audit Opinion

Overall, substantial assurance was obtained with regard to IT Procurement and desktop support.

ACTION PLAN IT PROCUREMENT

Action	a
Action Description	Software licences should be centrally registered.
Risk	Retrospective spend may lead to unplanned budget overspend, unnecessary payment for licences not being used, and insufficient time to research a possible replacement.
Priority (1, 2, 3)	2
Paragraph Reference	3.14
Assigned to	Senior Manager (ICT)
Due Date	31/03/2019
Management Response	A recent software audit identified 150 different applications in place across the Council. A programme has been developed to reduce the number of applications in place through consolidation, retiring, move to the Cloud or O365. As part of the technology strategy a centralised system admin team and a contract manager will be in place within IT services. Part of the remit of this role will be to introduce and monitor a software contract register.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

EXECUTIVE SUMMARY

MEMBERS' ALLOWANCES AND BENEFITS

Background

This audit was conducted as part of the 2018/19 audit plan.

Key Objectives

The main objectives of this audit were to ensure that:

- Members' allowances are being paid in accordance with Scottish Government Regulations and Council procedures
- All expense reimbursements are being properly checked and authorised prior to payment

Key Findings and Actions

All the recommended actions arising from this audit are detailed in the action plan which follows this Executive Summary. The key findings are as follows:

- Member Services staff should be reminded that all expense forms must be signed by the Member prior to be approved as fit for payment
- All Members' expense claims covering a period of more than 3 months must be authorised by the Head of Democratic Services

Audit Opinion

Overall, substantial assurance was obtained with regard to the accuracy of the payment of Members' salaries and the procedures involved in processing expense reimbursements.

Only a few instances of the expenses procedure not being fully complied with were noted during detailed audit testing.

