

Cunninghame House, Irvine.

12 January 2017

Cabinet

You are requested to attend a Meeting of the Cabinet of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **TUESDAY 17 JANUARY 2017** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

1. Declarations of Interest

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

2. Minutes (Page 5)

The accuracy of the Minutes of the meeting of the Cabinet held on 20 December 2016 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

GENERAL BUSINESS FOR DECISION

Reports by the Executive Director (Place)

3. Social Housing Solar Photovoltaic (PV) Retrofit Programme (Page 9)
Submit report by the Executive Director (Place) on the proposals to deliver 500 rooftop solar photovoltaic (pv) systems across the North Ayrshire Council social housing stock (copy enclosed).

4. North Ayrshire Environmental Sustainability and Climate Change Strategy 2017-20 (Page 23)

Submit report by the Executive Director (Place) on the draft North Ayrshire Environmental Sustainability and Climate Change Strategy 2017-20 (copy enclosed).

5. Asset Management Plans (Page 63)

Submit report by the Executive Director (Place) on the updated Fleet Asset Management Plan and the Roads Asset Management Plan (copy enclosed).

Reports by the Executive Director (Finance and Corporate Support)

6. Revenue Budget 2016/17 : Financial Performance to 30 November 2016 (Page 149)

Submit report by the Executive Director (Finance and Corporate Support) on the financial performance for the Council at 30 November 2016 (copy enclosed).

7. Capital Programme Performance to 30 November 2016 (Page 183)

Submit report by the Executive Director (Finance and Corporate Support) on the progress in delivering the Capital Investment Programme as at 30 November 2016 (copy enclosed).

8. Urgent Items

Any other items which the Chair considers to be urgent.

Cabinet

Sederunt:	Elected Members	Chair:
	Joe Cullinane (Chair) John Bell (Vice-Chair) Alex Gallagher Peter McNamara Louise McPhater Jim Montgomerie	Attending:
		Apologies:
		Meeting Ended:

Cabinet 20 December 2016

IRVINE, 20 December 2016 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Joe Cullinane, John Bell, Alex Gallagher, Louise McPhater and Jim Montgomerie, Very Reverend Matthew Canon McManus and Elizabeth Higton (Church Representatives) and Gordon Smith (Teaching Representative).

In Attendance

E. Murray, Chief Executive; J. Butcher, Executive Director (Education and Youth Employment); C. Hatton, Executive Director and C. Nelson, Divisional Manager (Place); C. McAuley, Head of Service (Economic Growth) (Economy and Communities) and E. Troup, Regeneration Manager; L. Friel, Executive Director and A. Lyndon, Team Manager (Corporate Procurement) (Finance and Corporate Support); J. Hutcheson, Communications Officer and A. Little, Committee Services Officer (Chief Executive's).

Also In Attendance

D. McLean, Land Use Consulting

Chair

Councillor Cullinane in the Chair.

Apologies for Absence

Peter McNamara and Mark Fraser (Church representative).

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 accuracy of the Minutes of the meeting held on 6 December 2016 was confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. School Estate - Secondary School Improvements

Submitted report by the Executive Director (Education and Youth Employment) on the proposals to upgrade and refurbish Irvine Royal Academy, Kilwinning Academy and Auchenharvie Academy. Appendix 1 to the report provided details of the main components of the design schemes and high level costs estimates for each of the schools.

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

- a letter from Kilwinning Academy Parent Council expressing their views on the request from Ayrshire College to rent space at the school for the College's trades provision; and
- the terms of an email from the Principal, Ayrshire College on the implications for the future plans for the College' trades provision as a result of priority being given to the construction of an all weather pitch.

The Cabinet agreed to (a) approve the high level design proposals for each school; and (b) to fund the projects from within existing capital allocations.

4. Education Governance

Submitted report by the Executive Director (Education and Youth Employment) on the Scottish Government's review: Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in Education, which highlighted key components of good governance of education systems and themes vital for effective governance and successful reform. The governance review set out 15 questions with responses required by 6 January 2017. Appendix 1 to the report set out the Council's response to the National Governance Consultation.

The Cabinet agreed to approve the response, as set out in Appendix 1 to the report, to the Scottish Government's National Governance Consultation.

5. Irvine High Street Public Realm

Submitted report by the Executive Director (Place) on the design principles and proposed consultation strategy in relation to the public realm improvements at Irvine High Street and Bank Street, Irvine. A plan of the study area was provided at Appendix 1 to the report and the Engagement and Communication Strategy was attached at Appendix 2 to the report.

The Regeneration Manager provided a presentation on the following:-

- the key project issues;
- project progress;
- stakeholder consultation;
- site boundary;
- the preferred options; and
- the next steps.

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

the high level work undertaken by LA Architects that informed the design brief;

- further development of the design solution by the new design team, Land Use Consulting (LUC) who will lead a multi disciplinary design team for the further development of the project; and
- a questionnaire that has been hand delivered to businesses in Irvine town centre.

The Cabinet agreed (a) to approve (i) the design principles to be presented to Cabinet ahead of wider community consultation in early 2017; (ii) the content of the proposed Engagement and Communication Strategy; and (iii) the intention to minimise disruption to retailers associated with the construction phase by commencing work on-site in early 2018; and (b) that the Executive Director (Place) provide the questionnaire that has been delivered to businesses in Irvine town centre to Members for their information.

6. Energy Efficiency within the Council's Non-Domestic Estate

Submitted report by the Executive Director (Place) on the proposal to invest in energy efficiency within the Council's non-domestic built estate on an 'invest to save' basis. The report provided information on the new Scottish Government Non Domestic energy Efficiency Framework (NDEEF) which is a newly established route to deliver energy efficiency interventions at scale within the Council estate. Details of the short-list of buildings for the project were outlined at Section 2.9 of the report.

The Cabinet agreed to undertake energy efficiency improvements to a number of buildings within the Council's non-domestic build estate on an 'invest to save' basis as part of the first phase of a Non-Domestic Energy Efficiency Programme.

7. Refugees, Asylum Seekers and Unaccompanied Asylum Seeking Children

Submitted report by the Executive Director (Place) on the humanitarian commitments and support provided to vulnerable groups resettled in North Ayrshire. The report provided information on the Syrian resettlement programmes, widening dispersal - asylum seekers, and unaccompanied asylum seeking children (UASC), unaccompanied asylum seeking children from Calais and the Vulnerable Children Resettlement Scheme.

Members asked questions and were provided with further information in relation to the support offered to asylum seekers through the Home Office contract that does not meet the standard provided to refugees in North Ayrshire and would result in vulnerable people receiving differing levels of support around their well-being and integration.

The Cabinet agreed to (a) note the work to date in meeting the Council's commitment to support the resettlement of refugees and UASC from Calais; (b) await the development of legislation to enable the transfer of UASC from within England and Wales to Scotland; and (c) to pause progress on the widening of asylum dispersal beyond Glasgow to North Ayrshire while officers explore how appropriate support can be developed.

8. Award of Contract - New Build Office Accommodation, Quarry Road, Irvine

Submitted report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for the Design and Build Contract for New Build Office Accommodation, Quarry Road, Irvine.

The Cabinet agreed to approve the award of the contract to Clark Contracts Limited at a cost of £2,591,122.32.

The meeting ended at 3.25 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

17 January 2017

Cabinet

Title: Social Housing Solar Photovoltaic (PV) Retrofit

Programme

Purpose:

To inform Cabinet of the proposals to deliver 500 rooftop solar photovoltaic (pv) systems across the North Ayrshire Council social housing stock, as part of continued implementation of the Council's Renewable Energy Strategy.

Recommendation:

That Cabinet agree:

- (i) To proceed with tenant engagement to obtain feedback on the proposed scheme;
- (ii) That following tenant engagement, a procurement exercise is initiated to appoint an installation contractor; and
- (iii) That the Housing Revenue Account (HRA) is used to fund the capital and operational costs of the scheme, on the basis of a business model which aims to repay the HRA in full over a 20 year period.
- iv) That a contribution through an increased rent is made by tenants who agree to the installation of pv panels on their homes.

1. Executive Summary

- 1.1 This report summarises the business case and proposed approach to install 500 rooftop solar photovoltaic (pv) systems on Council owned homes to deliver financial savings and alleviate fuel poverty for tenants, reduce carbon emissions, increase energy security and create local jobs. An innovative business model has been developed in response to marked reductions in the available UK Government subsidy support mechanism for renewable energy projects.
- 1.2 Participation in the scheme will be on a voluntary basis and requires a financial contribution from tenants so that the scheme can be cost neutral to the Housing Revenue Account over 20 years. In return, the tenant is provided with an opportunity to make a saving on their domestic electricity spend. Over the 20 year period, it is projected that the tenant benefit per household will average £96 per annum.

In addition, the feed-in-tariff (FiT) UK Government subsidy revenue leveraged in to benefit tenants, despite recent reductions, is expected to total £1.6m over the life of the project.

- 1.3 Development of the business case and associated modelling is complete; further progress requires formal engagement with tenants and tenant groups. Sufficient interest in the scheme will then lead to a procurement exercise in order to appoint a suitable installation partner.
- 1.4 The business case is based on repayment of the HRA capital in full over a 20 year period, including borrowing costs and operation and maintenance requirements. This modelling timescale has been selected as it matches the duration of the subsidy.
- 1.5 We expect the scheme to be operational, subject to approval, in late 2017.

2. Background

- 2.1 The North Ayrshire Renewable Energy Strategy (RES) was approved by Cabinet in September 2015 and included a strategic business case to install rooftop solar pv systems on Council owned domestic properties. Project objectives included a reduction in tenant electricity spend to provide financial savings and alleviate fuel poverty, greater protection against future energy price increases, improved security of energy supply, reduced carbon emissions and job creation potential.
- 2.2 Significant and unexpected reductions to the UK Government Feed-in Tariff (FIT) subsidy in late 2015 undermined the original business case. The FIT was the principal revenue stream for capital repayment, allowing scope for tenants to be offered free electricity under the scheme. In addition, anticipated reductions in the capital cost of solar pv hardware (as a result of tariff cuts) have yet to be observed.
- 2.3 Officers have worked with technical advisors to develop an alternative and innovative delivery model for solar pv systems on an initial phase of 500 social housing properties, while meeting the original project objectives. Crucially, partial recovery of the project capital through FIT subsidy revenue is still possible. The business model is predicated on funding through Housing Revenue Account (HRA) capital, with full repayment of the capital over a 20 year period, from a blend of FIT subsidy and a tenant contribution. Taking into account the tenant contribution, delivery of the scheme is still expected to provide the 500 initial households with an overall combined savings potential of £1m over 20 years.

- 2.4 Tenants will be included in the scheme on a voluntary basis, given that they must agree to making a contribution to achieve the saving. The solar pv system will complement the existing electricity supply to the property, and by drawing electricity from the pv system the tenant can reduce the amount of energy purchased from the grid.
- 2.5 The FIT scheme rules allow domestic pv systems to 'deem' 50% of generated power as being exported to the grid, regardless of the actual level. Modelling work undertaken by officers confirms that for a typical property c.50% consumption of the energy generated in a year would be consumed within the property. This will result in a potential net saving of £37 in the first year for a typical tenant. The business case therefore uses 50% consumption as the basis for the savings potential. It follows that a higher consumption of energy from the system will result in a greater savings potential for the tenant. This can be achieved by encouraging behavioural changes within the property, for example running appliances during daylight hours where possible.
- 2.6 A full summary of the financial case for the project is provided in Appendix 1, and Appendix 2 provides a worked example for an individual tenant.
- 2.7 To identify which properties may be suitable for an installation, a number of factors have been applied, including:
 - Property type (flatted properties have been excluded at this time as this complicates the delivery model as more than one property is under the roof)
 - A solar yield assessment of the full North Ayrshire social housing stock has been carried out (yield is the amount of energy a solar pv system is expected to generate in a year)
 - Energy Savings Trust property renewable energy suitability data
 - Property Energy Performance Certificate ratings
 - Levels of deprivation in terms of the Scottish Index of Multiple Deprivation, in order that we target areas likely to be in the greatest need.

On this basis officers have identified approximately 1,100 Council owned properties to be targeted. The distribution of these properties is as follows:

- Ardrossan 198
- Beith 46
- Dalry 49
- Irvine 144
- Kilbirnie 113
- Kilwinning 166
- Saltcoats 103
- Stevenston 265
- West Kilbride 18
- 2.8 Tenants who sign up to the scheme will have their contribution collected through an addition to their regular rent payment to the Council. In order to recover this contribution, consultation with all tenants is necessary; this will form part of the project programme.
- 2.9 Inclusion in the scheme is contingent on property suitability and occupancy profile (solar pv generates electricity during daylight hours only). Individual property surveys will be undertaken prior to installation to assess suitability for solar pv, including an assessment of the roof suitability. The business case is based on a 20 year life; properties scheduled for roof replacements will not be fitted with a solar pv system during this period.
- 2.10 Potential tenant savings are based on a number of assumptions, including a baseline unit comparison price of 13.8p/kWh (the figure used by the Energy Savings Trust). The savings potential is relative to the unit price that individual tenants are currently paying, and current tenant tariffs will be confirmed prior to installation.
- 2.11 Over the 20 year life of the project a total of £1.6m of FIT revenue income is projected, which will repay a significant proportion of the £2.3m capital outlay for the benefit of Council tenants. The project is modelled over 20 years, as this is the duration of the subsidy. After this period, the panels would be expected to continue to generate electricity, and the tenant contribution can be reduced to a lower level to cover operation and maintenance only, as the capital will be repaid. Once the panels have reached the end of their serviceable life, which could be anywhere between 25-40 years, there are likely to exist options to 'recommission' the panels, depending on technology and the energy market at the time.

- 2.12 A suitable grid connection is required for each installation to facilitate the export of electricity to the grid. This will be assessed by the grid operator, Scottish Power Energy Networks (SPEN), prior to installation for each property. There are significant grid constraints across the electricity grid network, and availability of connection is a significant risk to the project. Officers are already engaged with SPEN in anticipation of the deployment of 500 new systems, but is not possible to know grid availability implications until installation locations are confirmed.
- 2.13 An overview of the project next steps and timescales is presented in Appendix 3.

3. Proposals

Tenant Engagement

- 3.1 It is proposed that Cabinet agree to formal tenant engagement on the proposed offer, with an expectation to have 500+ tenants volunteering to participate in the scheme. The scheme will be promoted broadly through existing communication and tenant engagement channels. In addition, a specific letter campaign will be deployed to tenants from the 1,102 properties identified as providing a suitable yield. This engagement will determine the appetite for the offer.
- 3.2 The business model assumes a yearly increase of 2% applied to the contribution made by tenants. In order to apply this annual increase to the energy element of the rent, all tenants are to be consulted. Updated tenancy agreements will be prepared for those who sign up to the scheme.

Procurement

- 3.3 If a sufficient number of tenants commit to the scheme a procurement exercise will be undertaken to appoint an installation contractor. The contractor will perform pre-installation suitability surveys and undertake the installation of solar pv systems. Utilisation of an existing procurement framework is expected to simplify this process, and eligible framework agreements have already been identified.
- 3.4 Officers expect to provide the installer with a shortlist of committed tenants as a result of the engagement exercise, but the tender specification will explicitly state that installation numbers cannot be guaranteed by the Council.

Use of HRA Capital

3.5 The HRA is expected to be the source of funding for the project capital and operation and maintenance costs. The business model is structured to repay these funds over 20 years, including borrowing costs at an interest rate of 3.4%. Annual repayments are projected equally over the 20 year project life. It is proposed that Cabinet approve access to this funding.

4. Implications

Financial: Human Resources:	The £2.3m capital cost of the project is expected to be met by the Housing Revenue Account (HRA). The financial model in Appendix 1 provides details of the capital costs, income and annual operation and maintenance costs, including borrowing costs, over a 20 year period. There is an opportunity for Building Services in the
numan Kesources.	operation and maintenance of the systems, which will be the subject of further discussion as the project develops. Additionally, the tender specification will seek to include training opportunities for upskilling in the installation of solar pv systems for Building Services personnel. An initial operation and maintenance obligation for the contractor (3 years minimum) is expected to be part of the tender specification.
Legal:	Subject to approval to proceed and sufficient tenant interest, updated tenancy agreements must be prepared, issued, and agreed for those tenants participating in the scheme. This is required to apply the necessary rent increase, and inflationary
Equality	uplift, to the tenant contribution.
Equality: Environmental &	None. The project aims to deliver a positive impact to the
Sustainability:	environment and sustainability through decarbonisation of the electricity supply to 500 properties, providing an anticipated saving of over 5,000 tonnes of carbon over 20 years.
Key Priorities:	The project contributes to the Council Plan strategic priority of protecting and enhancing our environment for future generations.
	The project will provide tenants with an opportunity to make savings on their electricity bills, helping to tackle fuel poverty in North Ayrshire. It is also expected to deliver over 5,000 tonnes of carbon savings over 20 years.
	The project contributes to delivery of the North Ayrshire Environmental Sustainability & Climate Change Strategy (ESCCS) by reducing carbon emissions, increasing energy security and increasing renewable electricity generation.
Community Benefits:	The scope for community benefit clauses will be considered as part of the tender specification.

5. Consultation

- 5.1 Officers from Finance and Corporate Support (Finance, Procurement), Democratic & Administration Services (Legal) and across the Place Directorate (Housing, Property Management & Investment, Building Services) have all been consulted on the proposed project and delivery model. The output of these discussions has been included in a revised business model and an update of the business case report.
- 5.2 The proposals were presented to the Business Planning Implementation Group (BPIG) on 24 October 2016 for information.

CRAIG HATTON Executive Director (Place)

Reference: AB/HW

For further information please contact David Hammond, Senior Manager (Sustainability & Directorate Performance) on 01294 324764.

Background Papers

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APPENDICES

Appendix 1 – Financial Model Overview: 20 Year Period

Costs				
Capital and Contingency	£1,625,000			
Interest on Capital	£641,093			
TOTAL CAPITAL	£2,266,093			
Maintenance Costs	£607,434			
Income Collection Costs	£364,461			
TOTAL EXPENDITURE	£3,237,988			
Revenue				
Feed-in-tariff Generation Income	£980,741			
Feed-in-tariff Export Income	£661,462			
Tenant Contributions	£1,596,155			
TOTAL REVENUE	£3,238,358			
Benefits				
Tenant potential net saving, year 1 (50% consumption)	£37			
Tenant potential net saving, yearly average (over 20 years)	£96			
Tenant potential net saving (individual total over 20 years)	£1,922			
Tenant potential net saving (for 500 properties over 20 years)	£961,210			
CO ₂ Savings per annum (for 500 properties)	267 tonnes			
CO ₂ savings over 20 years (for 500 properties)	5,340 tonnes			

Figure 1: Summary of costs, revenue and savings

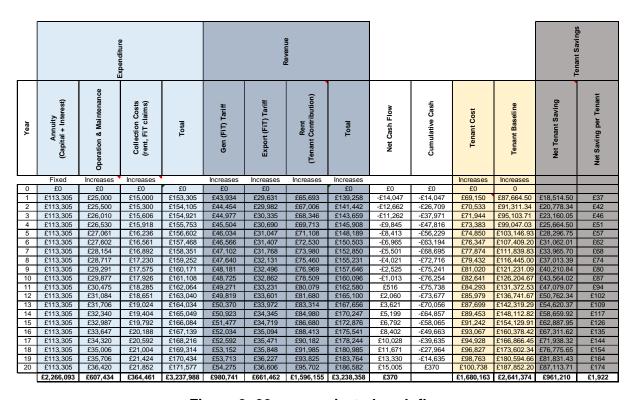


Figure 2: 20 year projected cash flow

APPENDICES

Appendix 2 - Potential Tenant Savings

The level of tenant contribution has been set such that HRA capital is repaid while still offering a potential saving to the tenant.

Worked example:

For a typical installation, the tenant would make a contribution of £138. A typical solar pv installation might be expected to generate c.£350 of electricity in a year (based on 2450kWh at a unit comparison price of 13.8p/kWh¹). Of this, 50% is realistically believed to be consumed by appliances within the property. As the value of this consumed electricity is equivalent to £175 the tenant therefore achieves a saving of £37 (£175 less the £138 contribution). This potential saving will be higher for tenants currently paying a unit price greater than 13.8p/kWh, and/or those who can exceed the 50% planned consumption. In the model, future energy prices are inflated year-on-year so the potential tenant saving increases.

The potential savings available to the tenant varies with consumption. For this reason there exists a risk that savings will not be achieved, particularly if the occupancy profile is unsuitable. Tenants will be provided with supporting information on how to maximise consumption from the solar pv system. The following table projects the estimated savings (or losses), presented for 20, 30, 40, 50 and 60% consumption.

	T1	Saving	Saving	Saving	Saving	Saving
Year	Tenant	against	against	against	against	against
	Payment				Baseline (50%	
		usage)	usage)	usage)	usage)	usage)
1	£138.30	-£68.17	-£33.10	£1.96	£37.03	£72.09
2	£141.07	-£68.02	-£31.49	£5.03	£41.56	£78.08
3	£143.89	-£67.80	-£29.76	£8.28	£46.32	£84.36
4	£146.77	-£67.53	-£27.91	£11.71	£51.33	£90.95
5	£149.70	-£67.18	-£25.92	£15.33	£56.59	£97.85
6	£152.69	-£66.77	-£23.80	£19.16	£62.12	£105.09
7	£155.75	-£66.28	-£21.54	£23.20	£67.93	£112.67
8	£158.86	-£65.71	-£19.13	£27.45	£74.03	£120.60
9	£162.04	-£65.06	-£16.56	£31.93	£80.42	£128.91
10	£165.28	-£64.32	-£13.84	£36.65	£87.13	£137.61
11	£168.59	-£63.49	-£10.94	£41.61	£94.16	£146.71
12	£171.96	-£62.57	-£7.87	£46.83	£101.52	£156.22
13	£175.40	-£61.54	-£4.61	£52.31	£109.24	£166.17
14	£178.91	-£60.42	-£1.17	£58.07	£117.32	£176.56
15	£182.48	-£59.18	£2.47	£64.12	£125.78	£187.43
16	£186.13	-£57.83	£6.32	£70.47	£134.62	£198.77
17	£189.86	-£56.36	£10.38	£77.13	£143.88	£210.62
18	£193.65	-£54.77	£14.67	£84.11	£153.55	£222.99
19	£197.53	-£53.05	£19.19	£91.43	£163.66	£235.90
20	£201.48	-£51.20	£23.95	£99.09	£174.23	£249.37
Average	£168.02	-£62.36	-£9.53	£43.29	£96.12	£148.95
Total	£3,360.33	-£1,309.59	-£200.21	£909.17	£2,018.54	£3,127.92

Consumption

A modelling exercise was undertaken to compare a typical hourly domestic consumption profile with a solar pv generation profile over the course of one year. The results indicate that

¹ Energy Saving Trust uses a figure of 13.86p/kWh as a baseline unit price.

between 48-51% of the generated solar power is consumed (based on a total consumption value of 3,800kWh). This result supports the business case assumption that 50% of power is consumed by a typical household. It should be noted that this is theoretical as daily, seasonal and yearly variations in both generation and consumption are expected (refer to figures 4 and 5). It is anticipated that the consumption figure can be increased through pro-active behavioural changes, for example operating certain appliances during hours of daylight. The profile also closely aligns with the findings of a DECC/DEFRA/EST study (figure 3) concerning household electricity consumption²:

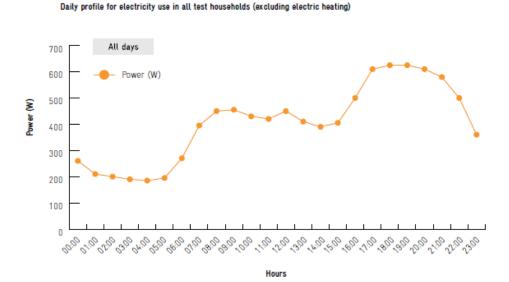


Figure 3: Daily consumption profile from 'Powering the Nation' report (DECC/DEFRA/EST)

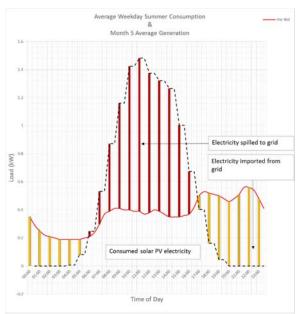


Figure 4: Consumption vs generation on a high generation day (Summer)

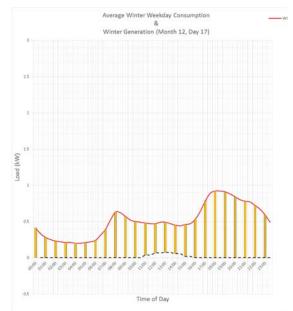


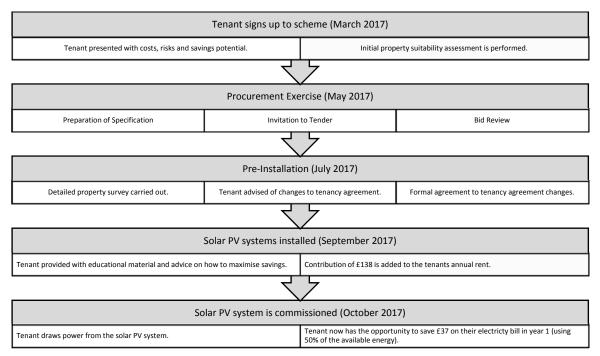
Figure 5: Consumption vs generation on a low generation day (Winter)

² "Powering the Nation. Household electricity-using habits revealed." DECC/DEFRA/EST. June 2012.

APPENDICES

Appendix 3 - Next Steps

All timescales are indicative at this stage.



NORTH AYRSHIRE COUNCIL

Agenda Item 4

17 January 2017

Cabinet

Title:

North Ayrshire Environmental Sustainability and Climate Change Strategy 2017-20

Purpose:

To seek approval of the draft North Ayrshire Environmental Sustainability and Climate Change Strategy 2017-20.

Recommendation:

That Cabinet agrees the North Ayrshire Environmental Sustainability and Climate Change Strategy 2017-20 at Appendix 1 for publication.

1. Executive Summary

- 1.1 In 2014 members approved the first North Ayrshire Environmental Sustainability and Climate Change Strategy (ESCCS1) which set an ambitious vision for sustainability within the authority, across five workstreams of affordable warmth, a green economy, transport & travel, natural & built environment, and sustainable operations. The strategy set out some 30 actions to implement member aspirations. As the strategy timeframe nears completion, it is apparent that ESCCS1 has contributed to many successes including new renewable energy generation, increased energy efficiency, household waste recycling levels, and improvements to public transport. The highlights are summarised within the body of this report.
- 1.2 The second ESCCS (ESCCS 2) at Appendix 1 has been developed to take forward our transformational and sustainability programme. The ESCCS2 sets a target of 40%* reduction in carbon emissions by 2030, based on a 2005 baseline figure, which will be achieved in part through the actions within the strategy. The ESCCS2 will also deliver on the sustainability agenda through priority actions the document which provide economic. environmental benefits. The ESCCS2 also streamlines several strategies into one document, incorporating the Covenant of Mayors' Sustainable Energy and Climate Action Plan (SECAP), our Carbon Management Plan, and Scottish Government Climate Change Reporting Duties. The preparation of ESCCS2 has been accelerated in response to the actions within ESCCS1 being delivered ahead of schedule.

*The 40% figure is not directly comparable to the current Scottish Government figure of 42% reduction by 2020 and 80% reduction by 2050, as these targets relate to a much earlier baseline year (1990).

2. Background

- 2.1 There is a varied policy context which drives the Council's sustainability programme. A key piece of legislation is the Climate Change (Scotland) Act 2009, which:
 - states that 'a public body must, in exercising its functions, act in a way that it considers is most sustainable'
 - sets out legislation to achieve 80% reduction in carbon emissions by 2050
 - places a duty on all public bodies to report on their approach to governance and action on climate change. Compliance with this Climate Change Report Duty (CCRD) requires annual reporting on action across the Council
- 2.2 The EU Covenant of Mayors for Climate and Energy is a collection of local and regional authorities across Europe who voluntarily pledge to reduce carbon emissions by at least 40% by 2030. They also commit to adopt an integrated approach to tackling mitigation and adaptation to climate change, and to detail their proposed actions for carbon reduction in a Sustainable Energy and Climate Action Plan (SECAP).
- 2.3 North Ayrshire Council became a signatory of the Covenant of Mayors in 2014, but with recent changes to the criteria (an increase in carbon reduction from 20% by 2020 to 40% by 2030, and increasing resilience to climate change), the ESCCS2 represents our commitment to achieving the new objectives. The strategy fulfils the requirements of the SECAP by considering the main sectors where local authorities can influence energy consumption, and consequently reduce carbon emissions. These sectors include energy, buildings and transport.
- 2.4 The Carbon Reduction Commitment Energy Efficiency Scheme (CRC-EES) is a UK Government initiative which requires large energy consuming organisations to pay a tax on each tonne of carbon they emit. The Council has substantially reduced its carbon bill in recent years, but emissions from our estate mean that we still pay over £300,000 each year to comply with the scheme. The ESCCS2 has been developed to embed a robust carbon management strategy, and realise the financial, environmental, and social benefits of reducing carbon further.

- 2.5 In 2014 the Council published the first North Ayrshire Environmental Sustainability and Climate Change Strategy 2014-17 (ESCCS1). The ESCCS1 set an ambitious vision for sustainability within the authority, across five workstreams of affordable warmth, a green economy, transport & travel, natural & built environment, and sustainable operations. The strategy set out some 30 actions to implement the vision across the workstreams, with following highlights achieved to date:
 - Approval of the Council's first Renewable Energy Strategy, and delivery of 25 renewable energy installations across our schools and public buildings with more in the development pipeline. To date, projects have generated almost 5MW of renewable energy, and saved over £400,000 per annum and some 5,000 tonnes of CO2
 - Continued implementation of our LED street lighting retrofit programme which is delivering thousands of new energy efficient lamps across North Ayrshire and providing significant financial savings through reduced energy consumption
 - High levels of household waste recycling our performance has exceeded Scottish Government targets and is amongst the best in class in Scotland
 - We have supported energy efficiency improvement works to over 800 privately owned homes, 400 socially rented homes and 13,000 council homes. In addition, all of the new homes built under our Council Housebuilding programme during the strategy have been to Eco-homes 'very good' standard or equivalent
 - Achieving 90% compliance to date with the 2020 Energy Efficiency Standard for Social Housing across our 13,000 Council owned homes
 - A total of 45 schools with eco-schools 'green flag' status
 - Securing 'Fairtrade Zone' status for North Ayrshire through the community based Fairtrade Steering Group, and improved Fairtrade engagement amongst our schools
 - A ground-breaking partnership between the Council and 200 University of Glasgow engineering students who are bringing their collective expertise and innovation to identify solutions to sustainability challenges for our communities and businesses
 - A new pilot car pool scheme, which has led to 100,000 business miles travelled since October 2015 in low or zero carbon emitting vehicles
 - Four 'sow to grow' schemes where schools are growing their own organic produce to use in school meals

- Officer representation on the 'Arran Community Energy' community energy organisation board of trustees
- Appointment of a 'Sustainability Board' comprising Senior Managers across the Council, who identify projects, monitor progress and provide constructive challenge in relation to the sustainability programme, placing sustainability at the heart of policy development and project implementation
- 2.6 The North Ayrshire Environmental Sustainability & Climate Change Strategy 2017-20 (ESCCS2) has been developed to refresh and take forward our transformational sustainability programme. It builds on the successful actions implemented and the momentum gained from the first strategy, as summarised above. The nature of action on sustainability means that a consistent and longer term view is required. The ESCCS2 therefore maintains the vision and workstreams set out in ESCCS1, as these remain fit for purpose in the effort to improve sustainability and take action on climate change. In between the two strategies, the Council Plan 2015-20 was published, and the new ESCCS2 aligns directly with the strategic priority of 'protecting and enhancing our environment for future generations'.
- 2.7 The ESCCS2 acts as a streamlined document to reflect a range of responsibilities and aspirations, including the Climate Change (Scotland) Act 2009, Covenant of Mayors commitment, carbon management and reporting duties, and general public leadership on climate change. Some of the more ambitious actions outlined within the ESCCS2 are:
 - Delivering our first ever district heating scheme
 - Installing solar panels on Council housing
 - Building a 'Sustainable House' to showcase our aspirations for sustainable living for our tenants
 - Provision of a new 'white label' municipal energy company within North Ayrshire
 - A programme of engagement with schools to reduce energy consumption, with tangible targets
 - A behaviour change programme to drive carbon reduction within the Council estate
- 2.8 The proposed new ESCCS2 is set out in full at Appendix 1.

Please note that the document will be graphically designed following approval and before publication.

3. Proposals

- 3.1 The approval and implementation of ESCCS2 represents the continued delivery of an ambitious sustainability transformation programme.
- 3.2 The vision and workstreams of ESCCS1 have been maintained in the refresh in order to provide a consistent direction of travel. A key area of focus in ESCCS2 will be continuing to build on the increased capacity internally and with communities and businesses in terms of engagement with sustainability. Working together in partnership will help deliver the outcomes articulated within the ESCCS2 vision.
- 3.3 It is proposed that ESCCS2 is also used as our main submission to the EU Covenant of Mayors, and forms the basis for our Climate Change Reporting Duties.
- 3.4 Members are invited to agree the draft ESCCS2 at Appendix 1.

4. Implications

Financial:	A number of the actions reflect projects which will provide carbon savings which in turn will contribute to reducing the Council's tax burden arising from the UK Government's Carbon Reduction Commitment.
Human Resources:	None.
Legal:	None.
Equality:	None.
Environmental & Sustainability:	The principle of sustainability is that environmental assets are protected and enhanced, in balance with economic and social priorities. The strategy is therefore expected to have wide ranging positive implications for the environment, including through carbon emission reduction.
Key Priorities:	The ESCCS2 contains actions with links to all five Council Plan priorities, with the most relevant being 'protecting and enhancing the environment for future generations' through direct benefits to the environment from carbon reduction. The strategy sets out a programme of activity which contributes to wider key priorities, for example by reducing fuel poverty, improving public transport links, encouraging people to be more active, engaging with young people, and increasing recycling.
Community Benefits:	None.

5. Consultation

5.1 Extensive cross-service consultation took place during the development of the strategy and action plan. Feedback received has help to inform the strategy, particularly with achievements made since the first ESCCS and developing the action programme for ESCCS2. This collaborative approach will continue through the Sustainability Board.

5.2 The strategy has also been considered by the Physical Environment Advisory Panel.

CRAIG HATTON Executive Director (Place)

Reference: Appendix 1: North Ayrshire Environmental Sustainability & Climate Change Strategy 2017 – 2020
For further information please contact David Hammond, Senior Manager (Sustainability & Directorate Performance) on 01294 324764.

Background Papers

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DRAFT
North Ayrshire
Environmental
Sustainability & Climate
Change
Strategy
2017-2020

Introduction

The Council Plan 2015-2020 sets out North Ayrshire Council's mission to 'improve the lives of North Ayrshire people and develop stronger communities' and aims to achieve this through five key strategic priorities, one of which is —

'Protecting and enhancing the environment for future generations'

This key priority is linked to the Brundtland Report definition of sustainable development - "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

North Ayrshire's vision of sustainability joins together environmental protection and enhancement, social development, and economic growth to build a sustainable future and create a triple bottom line of benefit across these three agendas.



In 2014 we set out an ambitious vision for sustainability across the authority, through the first Environmental Sustainability and Climate Change Strategy (ESCCS) 2014-17. The message was clear: sustainability must be an integral part of our business operations.

Our Vision

Our vision, established through the first ESCCS, remains robust and fit for purpose:

- We inspire positive low carbon behaviour across North Ayrshire, by improving the awareness and understanding of the sustainability agenda and its importance
- We maximise the access to clean, affordable renewable energy for everyone in North Ayrshire
- Our business base has a well-developed local supply chain, a low carbon footprint, and contains more companies operating within the green industry.
- We shift more and more journeys from the private car to sustainable forms of travel such
 as walking and cycling, and that we make electric vehicles a more attractive option where
 car journeys are essential
- We use our natural and built assets sustainably, for example through increased local food production, encouraging biodiversity and balanced land use policy
- We, as a Council, lead the way in making our operations more sustainable by reducing the carbon emissions of our operations and ensuring sustainable thinking is part of our decision-making

This document establishes a new target to complement the above vision- to reduce carbon emissions by 40%* by 2030, based on a 2005 baseline (the earliest available data). This target applies to both North Ayrshire as a whole, and the Council estate.

*This target is not directly comparable to the Scottish Government CO₂ reduction targets of 42% by 2020 and 80% by 2050, as these are based on a much earlier baseline (1990 levels).

Environmental Sustainability & Climate Change Strategy 2 (2017-2020)

This is our second ESCCS, and acts as single source for a number of different responsibilities and commitments in relation to sustainability, both within the Council's estate, and for wider North Ayrshire:

- Sustainability aspirations: by embedding sustainability in our decision making processes we
 aim to achieve the sustainable development 'triple bottom line' where economic growth,
 environmental protection and enhancement, and social equity are not mutually exclusive
 aims but instead act as integrated objectives.
- Carbon Management responsibilities: the Council has a need to monitor carbon emissions due
 to our mandatory participation within the UK Government's Carbon Reduction Commitment
 Energy Efficiency Scheme (CRC-EES). Carbon emitted from specific buildings within the
 Council's estate must be reported annually and a tax paid on every tonne.
- Sustainable Energy and Climate Action Plan (SECAP): as proposed signatories of the EU Covenant of Mayors, we have pledged to meet or exceed a carbon reduction target by improving energy efficiency, increasing the use of renewable energy and taking action on climate change adaptation. Signatories are expected to publish a Sustainable Energy and Climate Action Plan setting out the roadmap for achieving this. The ESCCS 2 broadly meets the requirements of the SECAP, and will be submitted as such.
- Climate Change Reporting Duties (CCRD): the Climate Change Reporting Duties are a
 mandatory reporting mechanism for the Scottish Government to monitor public body
 performance and inform future policy. The reporting template captures how public bodies
 manage climate change in terms of our organisational profile, governance, corporate
 emissions, adaptation and procurement. This strategy addresses these themes, and brings a
 further coherency to the work carried out across the organisation.

What have we achieved so far?

The first ESCCS was an ambitious strategy with some 30 wide ranging actions across five thematic workstreams to achieve greater sustainability within North Ayrshire. Some of the highlights are:

Renewable Energy Strategy

- Solar panel and biomass installations in 29 properties, providing carbon reductions of almost 5,000 tonnes.
- Publication of our first ever Renewable Energy Strategy to build on this success in a challenging subsidy environment.

Carbon Management

• Reduction in CO2 emissions from 57,142 tonnes to 50,709 tonnes over the life of the strategy.

Housing

- 161 new Council homes built to Eco Homes 'Very Good' or equivalent standard
- 89% of the 13,000 Council owned homes comply with the Energy Efficiency Standard for Social Housing 2020.

Business Travel

 Over 100,000 miles driven in Council pool cars instead of private cars, thanks to the new Carshare initiative, reducing carbon and saving money.

Street Lighting

7,000 street lights replaced with LEDs, saving 11,000 tonnes CO₂

Recycling

• Household recycling of waste rates reaching 56%, exceeding Scottish Government targets of 50%, and amongst the best in class in Scotland.

Partnerships

• Entering into a ground-breaking partnership with University of Glasgow, where 200 students are looking at engineering solutions for sustainability challenges in North Ayrshire.

Fuel Poverty

• Delivering insulation measures to over 1,000 homes in North Ayrshire to alleviate fuel poverty.

Education

- Solar panel installations on 20 of our schools, including the forthcoming Garnock and Largs education campuses.
- 45 schools with Eco-Schools 'Green Flag' status.
- More schools than ever engaged with the Fairtrade movement

Travel

- The 'Travel Smart' campaign has been launched to offer information on how to make smarter and more active travel choices.
- A variety of path network improvements have taken place, creating opportunities for increased active travel across North Ayrshire

What is the context?

With a population of 138,146, North Ayrshire covers an area of around 886 sq.km and has a coastline of 225km.

North Ayrshire Council employs over 6,500 staff, delivering services throughout the region. There are over 700 buildings in the Council's estate, together with a social housing stock of 13,108. The Council also has an extensive fleet of 530 vehicles, and spends approximately £150 million each year on the procurement of works, goods and services. We are therefore well placed to work in a sustainable manner and lead by example, to encourage, support and assist residents and businesses within North Ayrshire and reduce our overall emissions from industry, domestic and transport sectors.

There is also a wide ranging policy context to sustainability, which is summarised as follows.

Policy Context

The Intergovernmental Panel on Climate Change (IPCC) assesses the science of climate change, and has recently reported the requirement to maintain global temperature increases to below 2°C. This globally recognised target has influenced various domestic and international policies, with a common theme of reducing carbon emissions, to bring a halt to global temperatures rises. The relevant international and domestic context includes:

- Climate Change (Scotland) Act 2009: public bodies must act in the way best calculated to
 contribute to delivery of the Act's greenhouse gas emissions reduction targets, to deliver a
 statutory adaptation programme, and to act in a way considered most sustainable.
- Public Bodies Climate Change Reporting Duties: the Scottish Government introduced an Order in 2015 which requires public bodies to submit an annual report detailing our compliance with the climate change duties.
- Low Carbon Scotland: meeting the emission reduction targets 2013-2027 (the second report
 on proposals and policies) setting out specific measures for reducing greenhouse gas
 emissions to meet Scotland's ambitious statutory targets.
- Scottish Planning Policy was published on June 2014, with key planning outcomes for a successful sustainable place – supporting economic growth, regeneration, a low carbon place – reducing our carbon emissions and adapting to climate change, a natural resilient place – helping to protect and enhance our natural cultural assets and facilitating their sustainable use, and a connected place – supporting better transport and digital connectivity.
- UK Government's CRC-Energy Efficiency Scheme a UK government scheme designed to improve energy efficiency and reduce carbon emissions in high energy consuming organisations, in both the public and private sector.
- The EU Covenant of Mayors for Climate and Energy: whose vision is to reduce carbon emissions, to strengthen adaptation and to increase energy efficiency and the use of renewable energy.

Local Context

We translate these international, EU and UK drivers into North Ayrshire through a variety of strategies. At the heart of all is the priority to protect and enhance the environment for future generations, as detailed in the North Ayrshire Council Plan 2015-2020. Other complementary strategies include:

Local Development Plan: the current plan sets out a long term vision for growth, identifying land and infrastructure to deliver new homes and for businesses to locate and expand. It covers a 10 year period up to 2025 and is replaced every 5 years. North Ayrshire Council is working on a new Local Development Plan (LDP2) to be adopted in 2019.

Local Biodiversity Action Plan 2015-18: this is a multi-use plan to aid the local authority in delivering its 'Biodiversity Duty', for developers as a source of technical information, by local people who want to know more about the habitats and species in their area or how they can contribute to their conservation, and as a guide and educational resource setting out what we can all contribute towards enhancing our local wildlife.

Local Transport Strategy: includes a vision to provide an integrated transport network for North Ayrshire that supports long term, sustainable, economic growth in the area, and reduces inequality through improving the accessibility and connectivity of communities to employment opportunities and local amenities.

Waste Strategy 2012-2016: this has delivered great results in improving recycling rates, reducing waste to landfill and increasing sustainable practices throughout domestic and business premises. A new waste strategy is being prepared to detail the Council's plan to achieve targets such as 70% of household waste to be recycled by 2025, and zero biodegradable municipal waste sent to landfill by 2020.

Sustainable Procurement Policy: this supports the Scottish Government's Procurement Action Plan for Scotland, which contains 10 steps for public bodies to embed sustainability in the buying of goods and services.

Low Carbon Behaviour Strategy: a new strategy to embed sustainable, low carbon behaviours amongst Council employees, pupils and the public as part of our everyday lives.

Where are we now?

In order to achieve our ambitious target of more than 40% reduction by 2030, we need to know how far along that journey we have come.

North Ayrshire Council has pro-actively been reducing carbon for many years. The original Carbon Management Plan (2005 – 2015) provided a target reduction of 14.5% from the baseline year 2005/06. By focusing on emissions from sources such as energy, transport, waste, leisure, street lighting and business travel, a 25% reduction was achieved. The ESCCS2 is designed to replace the original Carbon Management Plan and build on the robust work to date.

The Climate Change Reporting Duties require us to look more broadly across the Council, identifying an emissions boundary, and reporting on current and future actions. This, along with the organisation's reporting obligation through the CRC Energy Efficiency Scheme , means that there is already a well established process for measuring and monitoring carbon emissions in the Council's estate.

North Ayrshire Wide Emissions: Baseline Emissions Inventory

As a signatory of the Covenant of Mayors (CoM), North Ayrshire Council are required to submit a Baseline Emissions Inventory (BEI), quantifying the amount of carbon emitted within the geographic boundaries of the Council. The guidelines for the CoM recommends that the baseline data should start from 1990. In the UK, consistent and local energy data is not available until 2005, and so the

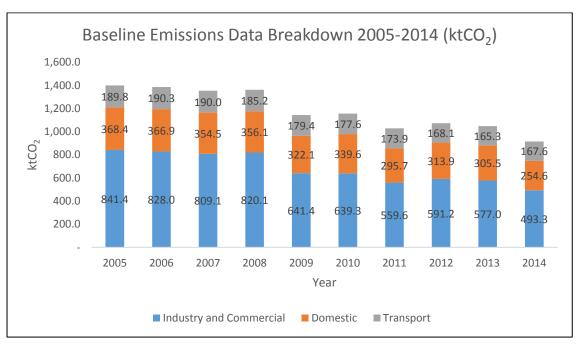
North Ayrshire baseline year is stated as 2005. Using data from the Department of Business, Energy and Industrial Strategy (BEIS) who provide a comprehensive set of carbon emissions data, a full breakdown of the emissions across industry, domestic and transport sectors has been collated. Table 1 shows the volume of emissions each year since 2005, in kilo tonnes of CO_2 , together with tonnes of CO_2 per capita.

Table 1. Total Output of CO₂ emissions for North Ayrshire 2005 - 2014

Year	Grand Total	Population	North Ayrshire
	(ktCO ₂)	('000s, mid-year estimate)	Per Capita Emissions (t)
2005	1,452.4	136.7	10.6
2006	1,433.9	136.8	10.5
2007	1,401.7	137.4	10.2
2008	1,406.8	137.9	10.2
2009	1,187.0	137.8	8.6
2010	1,198.3	137.8	8.7
2011	1,067.0	138.1	7.7
2012	1,110.4	137.6	8.1
2013	1,083.7	136.9	7.9
2014	950.6	136.5	7.0

Figure 1 below shows the breakdown of emissions each year, by the sector they were produced from.

Figure 1. Baseline emissions data breakdown 2005-2014



According to the Baseline Emissions Inventory, we achieved a 34.5% reduction across North Ayrshire to 2014. Data is provided by BEIS in a retrospective basis, and subject to change. Several variations of annual reduction have been modelled, and from this investigation we are confident of achieving at least 40% reduction by 2030.

North Ayrshire Council Estate Emissions

In addition to considering North Ayrshire wide emissions through the BEI above, we also need to focus on the Council's own estate to understand our individual responsibilities for carbon reduction. The following diagram outlines the key sources of carbon within the Council estate. The action plan later in this document outlines our specific proposals for reducing this further.

Figure 2. Carbon emission sources for NAC estate

North Ayrshire Council

Electricity

Emissions from electricity for lighting, heating and appliances are reported annually. Our average spend on electricity in buildings is over £2million per year. We have a programme of energy efficiency works to reduce emissions from buildings and street lighting.





Gas

Gas is the main source of heat in our buildings, with on average 1,000tonnes of carbon emitted each year. The Council's biomass retrofit scheme aims to reduce carbon emissions associated with heating.

Water

The indirect emissions associated with water are calculated and reported. Water management solutions eg push taps, point of use water heaters and high consumption alerts, are part of our programme to reduce consumption.





Waste

The Council's recycling rates are the 2nd highest in Scotland, achieving on average 56% of total household waste being recycled each year. Emission from waste sent to landfill are reported annually.

Transport

Emissions associated with diesel and petrol consumption for the Council's fleet and business travel are recorded. Staff commuting to work is not included. The inclusion of hybrid vans and electric vehicles to the fleet and new pool car scheme aim to reduce our impact.



North Ayrshire Council's carbon footprint for the baseline year of 2005 was 67,719 tonnes CO2.

Where do we want to be?

We aim to achieve a 40% reduction in carbon emissions North Ayrshire wide by 2030, based on a 2005 baseline year. This would equate to a reduction of 581,000 tonnes CO2 across North Ayrshire in total since 2005, and 27,088 tonnes within the Council estate. This reduction target is inspired by the EU Covenant of Mayors for Climate and Energy.

The Covenant of Mayors is a collection of local and regional authorities across Europe who voluntarily pledge to reduce CO₂ emissions (by at least 40% by 2030) and to adopt an integrated approach to tackling mitigation and adaptation to climate change.

The reduction in carbon emissions, improvement in energy efficiency, and increased use of renewable energy resources has to happen now. Great progress has already been achieved as reported through the Council's original Carbon Management Plan, and we will build on that momentum in order to carry out a wider scope of works to achieve the 40% reduction target by 2030.

North Ayrshire Council became a signatory of the Covenant of Mayors in 2014, but with recent changes to the criteria (an increase in carbon reduction from 20% by 2020 to 40% by 2030, and increasing resilience to climate change), the ESCCS 2 represents our commitment to achieving the new objectives.

How do we get there?

The biggest challenge is setting out the roadmap for how we get from where we are to where we want to be. We believe that there are three basic components to building that roadmap:

- 1. **Governance**: this means our approach to setting the strategy for sustainability, setting organisational roles and responsibilities, taking collective responsibility, and the approach to data collection and management.
- 2. **Workstreams:** there are five workstreams, with actions for each collected into the Action Plan at Appendix 1. The workstreams are as follows:
 - 1. Affordable Warmth
 - 2. A Green Economy
 - 3. Transport and Travel
 - 4. Natural and Built Environment
 - 5. Sustainable Operations
- 3. Performance Management: performance indicators, internal and external reporting

This section sets out our approach to each of these three components in turn.

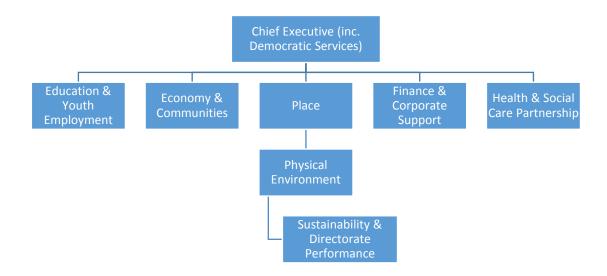
Governance

North Ayrshire Council takes action on climate change very seriously.

Internally the Council has 5 Directorates (Education & Youth Employment, Economy & Communities, Place, Finance & Corporate Support, and Health & Social Care Partnership). The Place Directorate within the Council is the corporate 'lead' for sustainability. There is an elected member portfolio holder for Place, and aligned to this is the Physical Environment Advisory Panel which has wider democratic representation. There is also an elected member representative on the COSLA

Regeneration & Sustainable Development Executive Group, which has climate change as a core remit. Figure 4 below is a representation of North Ayrshire Council's organisational structure.

Figure 4. Organisational Structure



Under the Place Directorate, the sustainability remit is assigned to the Sustainability and Directorate Performance Service. The service leads on driving forward the sustainability agenda, identification and implementation of renewable energy and energy efficiency projects, management of the Council's energy and water consumption and billing, and the co-ordination of action on biodiversity. The Sustainability and Directorate Performance Service works closely with a variety of services across the Council, but in particular with Housing Services and Property Management & Investment Services. This work is in relation to fuel poverty strategy, renewable energy and energy efficiency in capital projects, and compliance with the Energy Efficiency Standard for Social Housing.

The sustainability agenda touches all directorates, be that in engaging with young people in schools, the community and local businesses, the financial impact sustainability has on the Council and the services it provides, and the impact on social health and wellbeing through reducing fuel poverty and enhancing our environment.

In order to ensure that there is effective and ongoing ownership of the sustainability programme, the Council established a Sustainability Board in 2015. The board comprises senior managers across the organisation whose remit is to identify, implement and monitor the programme.

Workstreams

The first ESCCS identified a number of priorities for action across five separate work streams: (1) Affordable Warmth; (2) A Green Economy; (3) Transport & Travel; (4) Natural and Built Environment; and (5) Sustainable Operations. An Action Plan for delivery formed part of the strategy which required leadership from different Services from across the Council. The Environmental Sustainability and Climate Change Strategy 2017-20 is designed to continue that work, and drive forward progress towards a more sustainable North Ayrshire.

Each workstream lists context, achievements since the first ESCCS and actions to be taken. These actions are summarised within the Action Plan in Appendix 1.

Workstream 1: Affordable Warmth

A household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income on all household fuel use. The most recent Scottish House Condition Survey states that for 2012-14, 40% of households in North Ayrshire are suffering from fuel poverty. In addition, 9% of households are categorised as being in extreme fuel poverty (where a household would have to spend more than 20% of its income to maintain a satisfactory heating regime).

Fuel poverty occurs through a combination of:

- Poor energy efficiency of homes and heating systems
- High fuel costs
- Low household income

North Ayrshire Council continues to work towards alleviating these burdens, through providing energy efficient housing, access to affordable energy and awareness of energy efficient practices, and income maximisation.

Achievements through ESCCS1 2014-17

The Council has successfully attracted over £5.9 million in external grant funding for insulation over the life of ESCCS1. This funding is used to deliver External Wall Insulation (EWI), which has been installed in over 1,100 of our most fuel poor households in North Ayrshire to provide increased thermal comfort and reduced fuel bills, saving over 3,000 tonnes of carbon.

A detailed feasibility study has been completed for the first ever district heating scheme in North Ayrshire. This is now progressing to design stage, and is scheduled for delivery as part of ESCCS2.

The 161 new Council homes built during the strategy have all been constructed to Eco Homes 'Very Good' or equivalent, including two sheltered housing developments.

In 2014, the new Energy Efficiency Standard for Social Housing was introduced to secure minimum standards for all social housing by 2020. Compliance with the EESSH has been achieved on over 89% of Council housing stock meeting, the third highest performance from a local authority in Scotland. An improvement plan is in place to ensure all properties, where practicable, are compliant with EESSH by 2020.

- 1. Ensure that affordable homes built under the Council house building programme are constructed to the new BRE Home Quality Mark four star minimum or equivalent.
- 2. Construct a new 'Sustainable House' demonstrator home to showcase our aspirations for sustainable living within our communities.
- 3. Continue to provide advice on energy efficiency to the public, and install energy efficiency measure to households using external grant wherever possible.
- 4. Through the implementation of the EESSH delivery plan, ensure all properties, where practicable, are compliant with EESSH by 2020.
- 5. Deliver our first ever district heating scheme.
- 6. Implement a programme of retrofit of solar panels on social housing.
- 7. Investigate the feasibility of North Ayrshire Council becoming an energy supplier through a 'white label' tariff provider for domestic, and/or commercial and/or corporate energy.

8.	Identify, and implement where possible, fuel poverty alleviation projects identified through the University of Glasgow Partnership.

Workstream 2: A Green Economy

A Green Economy is defined as "one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. It is low carbon, resource efficient, and socially inclusive" (UNEP, 2011).

We are looking to generate growth and development within North Ayrshire in ways consistent with a green economy. However, we are also investigating a new economic model: 'The Circular Economy'. The current Scottish economy is largely based on the standard linear model of: take, make, consume/dispose.

A circular economy replaces this with: re-use, repair, recycle, recover.

The aim of a circular economy is therefore to reduce pressure on our natural resources, increase the value of existing resources, encourage job opportunities and financial growth, and reduce negative impacts on the environment.

We need to understand the opportunities to promote a more circular North Ayrshire economy.

The Scottish Government are developing proposals for a new Scottish Energy Efficiency Programme (SEEP) which is designed to provide new funding programmes to tackle both domestic and non-domestic energy efficiency. This is likely to provide new opportunities for local businesses to access support and leverage other forms of investment to deliver improved energy efficiency.

Achievements through ESCCS1 2014-17

The Team North Ayrshire approach to account managing our local businesses helps to attract and develop companies in the area. A framework of consultant support for businesses is now in place with a specific focus on energy and sustainability, and engagement with providers such as Crichton Carbon Institutes forms part of this. We wish to promote take up amongst local businesses further to improve their economic competitiveness, by helping them to help them reduce their utility bills and identify ways to generate their own power.

In 2016 the Council secured a ground-breaking partnership with the University of Glasgow, to allow energy engineering students to complete their penultimate year assignment within North Ayrshire. The assignment focuses on engineering solutions to sustainable development challenges in the area. This will provide valuable access to research and development, identify new opportunities and projects, and allow links to be made between the University, North Ayrshire education institutions and local businesses.

Closer links have been been developed between the Council's Procurement Unit and local businesses to help them bid more competitively for local contracts.

- 1. Use the partnership with University of Glasgow to engage with local businesses on the project themes of: Sustainable Commercial Energy, Promoting Circular Economies and/or Sustainable Infrastructure.
- 2. Engage with local businesses to increase uptake on consultant support for reducing their carbon footprint, and/or accessing new renewable technology.
- 3. Use the forthcoming Scottish Energy Efficiency Programme (SEEP) to identify new projects to reduce energy consumption in homes and businesses.
- 4. Promote the provision of travel planning for local businesses to help employees identify more sustainable modes of transport.

- 5. Provide bicycle repair boxes to local businesses to encourage cycling to work.
- 6. Investigate ways in which our physical assets can be utilised for clean energy businesses, e.g. Ardeer Peninsula, Hunterston

Workstream 3: Transport and Travel

The Scottish Government is aiming for almost total decarbonisation of the transport sector by 2050.

Scottish Planning Policy promotes sustainable transport and active travel by encouraging the optimised use of existing infrastructure, reducing the need to travel and providing safe and convenient opportunities for walking and cycling, and facilitate travel by public transport.

Throughout North Ayrshire, transport and travel emissions accounted for 18% of our overall emissions in 2014.

Achievements through ESCC1 2014-17

We have made fantastic headway in this work stream. North Ayrshire Council's pool car scheme was successfully piloted in 2015/16 to reduce carbon emissions and expenditure associate with staff travel. Over 400 members of staff have signed up to the scheme, with 100,000 miles driven in the low emissions pool cars, rather than in private vehicles, saving approximately 9 tonnes of CO_2 in the pilot year. The majority of the Council's wider fleet have had speed limiters set to 56 miles per hour, increasing fuel efficiency.

The Council has been instrumental in growing the area's electric vehicle charging point infrastructure (now with 8 stations) and have acquired 7 electric vehicles to the fleet to complement the hybrid vans purchased in 2014. Three new electric cars are based at Cunninghame House for the use within the car pool scheme, with the remainder being allocated to specific services.

The 'Travel Smart' campaign has been launched. The campaign offers information on how to make smart travel choices to save money, improve health and reduce the effects of climate change, e.g. through walking and cycling.

A fleet of 12 new low floor buses have now been introduced onto Arran routes.

Implementation of the Irvine Cycle Friendly Town (ICFT) initiative is well underway, through the delivery of an action plan to support active travel across Irvine. This includes upgrading paths, contrasting new links and improving infrastructure.

- 1. Design and implement a corporate travel hierarchy to encourage modal shift amongst staff, including consideration of audio or video conferencing to avoid the need to travel altogether.
- 2. Investigate the feasibility of a Car Club scheme throughout North Ayrshire to incorporate our current pool fleet use as well as providing the local community access to pay-as-you-drive, low emission vehicles.
- 3. Work in partnership with government agencies to explore the potential for further electric charging points throughout North Ayrshire.
- 4. Deliver the Travel Smart Campaign.
- 5. Implement the Walking and Cycling Action Plan, including the continued implementation of ICFT.
- 6. Provide personalised travel plans to staff and local businesses.
- 7. Investigate the feasibility of an Active Travel Hub for Irvine to act as a focal point for activity such as bike repair facilities, secure parking, travel information, and active travel training.

Workstream 4: Natural and Built Environment

All life on earth is linked to ecosystem services in numerous ways, and the North Ayrshire Local Biodiversity Action Plan (LBAP) highlights concerns with the loss of local species and habitats. The LBAP focuses action on Coordination & Monitoring, Coastal Habitats, River Corridors, Farmland, Forests & Woodlands, and Central Scotland Green Network.

Action on climate change adaptation within North Ayrshire Council is taken into account within our strategic service plans, and we are engaged in Adaptation Scotland's 'Five Steps to Managing Your Climate Risks' process to embed adaptation within the organisation.

The Flood Risk Management (Scotland) Act 2009 compels local authorities to work in partnership with Scottish Water, SEPA and SNH to create the National Flood Risk Management Strategy. From this, the Ayrshire Flood Risk Management Strategy recommended areas for further study. The Council is the lead authority for the Local Plan District for Ayrshire, publishing the Ayrshire Flood Risk Management Plan for Ayrshire, a delivery plan identifying specific flood protection schemes and required studies. The Plan details actions to be delivered during 2016-2022 and includes 3 prioritised flood protection schemes and works, 15 flood protection studies, flood warning schemes, surface water management plans and natural flood management studies and works.

Achievements through ESCCS1 2014-17

The LBAP 2015-18 was prepared and published, identifying priority projects to further conservation and enhancement of our important species and habitats.

Climate change and adverse weather is the one of the Council's priority risks and is now outlined in our Corporate Risk Register.

All of North Ayrshire's primary schools have consistently achieved the standards required to maintain the gold accreditation under the Soil Association's Food for Life Catering Mark. This demonstrates our commitment to source sustainable produce and provide freshly made, seasonal meals whilst supporting the local economy.

The provision of new allotments (including community gardens and community orchards) has helped increase food production within North Ayrshire.

The Council agreed its Vacant & Derelict Land Strategy in June 2014- an action within ESCCS1- and have been successful in securing £1.7 million in funding to implement actions identified.

The Council remains committed to the Fairtrade movement, with North Ayrshire being identified as a 'Fairtrade Zone', and more schools than ever engaging with the Fairtrade agenda.

- 1. Implement the actions within the new Local Biodiversity Action Plan.
- 2. Develop and implement the Garnock Connections Landscape Partnership Project with partners
- 3. Carry out the Ardeer Peninsula, Lochshore, Ardrossan North Shore and Biomass Supply Chain feasibility studies, as identified through the Vacant and Derelict Land Funding works.
- 4. Design and implement projects identified through the Vacant and Derelict Land Funding
- 5. Continue to increase local food production by establishing new allotments (including community gardens and community orchards).

- 6. Enshrine the principles of sustainability within the Local Development Plan review, to place greater emphasis on sustainability.
- 7. Deliver the Ayrshire Flood Risk Management Plan, to manage flood risk in our communities.
- 8. Design and implement schemes identified through flood risk management studies.
- 9. Develop the Millport Coastal Flood Protection Scheme, to protect the community from risk of flooding during times when adverse weather combines with high tide.
- 10. Develop the Surface Water Management Plan to reduce the risk of localised flooding.
- 11. Implement the actions from the Open Space Strategy in relation to Woodland Management.
- 12. Encourage further uptake in our schools and communities in relation to Fairtrade engagement.

Workstream 5: Sustainable Operations

The Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change. These duties require that a public body must, in exercising its functions, act:

- in the way best calculated to contribute to delivery of the Act's emissions reduction targets
- in the way best calculated to deliver any statutory adaptation programme, and
- in a way that it considers most sustainable.

North Ayrshire Council employs over 6,500 staff, delivering services throughout the region. There are over 700 buildings in the Council's estate, together with a social housing stock of 13,108. The Council also has an extensive fleet of 530 vehicles, and spends approximately £150 million each year on the procurement of works, goods and services. We are therefore well placed to work in a sustainable manner and lead by example, to encourage, support and assist residents and businesses within North Ayrshire and reduce our overall emissions from industry, domestic and transport sectors.

Clearly then, it is for the Council demonstrate public leadership on the sustainability agenda. There are a wide range of opportunities to achieve this, given the diversity of the Council's operations and the extent of its built estate.

One of the opportunities identified since ESCCS1 is the scope to increase engagement with the sustainability agenda. A Low Carbon Behaviour Strategy has since been commissioned, which will incorporate a Scottish Government recognised model of behaviour change delivery and focus on communication messages to drive change.

Achievements through the ESCCS1 2014-17

Over the life of ESCCS1, we have reduced our carbon emissions by almost 15% (7,000 tonnes) through the actions within the strategy.

The Council held a 'Straight Talking' event in October 2015 to discuss sustainability in North Ayrshire. The event, hosted by our Chief Executive, was well attended by a variety of stakeholders, such as community representatives, local businesses, Council Members and Officers, school pupils and representatives from the Sustainable Scotland Network. Through enthusiastic participation from delegates, we were able to capture fresh perspective and provide information on sustainable activity throughout the area.

Recognising the need for a collaborative corporate approach to sustainability, we established the Sustainability Board in early 2016. The Board comprises of representation from all Council Directorates at senior management level. The remit is to identify, encourage and support sustainable behaviours and practices throughout North Ayrshire. Another outcome from the creation of the board is for a project register to be created. The register allows for all sustainability related projects to be listed in one database, and maintained by the relevant services represented on the board.

In addition, the installation of Solar PV arrays and biomass boilers in schools is a significant move away from the use of fossil fuels in some of highest energy consuming properties. Solar PV arrays have been installed in 16 properties, with a total installed capacity of over 1.5MWp. Biomass Boilers have been installed in 13 educational properties (namely primary schools, secondary school, and an outdoor education centre), with a total installed capacity of over 4MWp.

The Council's Waste Strategy 2012-2016 has been successfully implemented, with North Ayrshire currently recognised as amongst the best in class in Scotland for the highest percentage of household waste being recycled. A new waste management strategy for North Ayrshire is scheduled.

Implementation of the 'Sow to Grow' initiative at four schools, so to allow pupils to grow their own organic produce for use in school meals.

The North Ayrshire Renewable Energy Strategy (RS) was approved by Cabinet in September 2015. The development of various new renewable energy generation projects is well underway, despite significant cuts to the subsidies designed to gap fund schemes.

Our Corporate Procurement service has created some fantastic opportunities for medium and long term unemployed people in North Ayrshire. Between 2014 and 2016, 93 new recruits and apprentices have been taken on through contract clauses, as designed through the Corporate Procurement Strategy.

We are working in partnership with the Energy Savings Trust to deliver bespoke energy lessons to primary schools, to support the curriculum for excellence and incorporate the sustainability message into everyday life.

The Eco Schools Programme encourages pupils to learn about waste minimisation, energy, biodiversity and sustaining our world. All of our primary schools have registered with the eco-schools programme.

- 1. Continue implementation of the Renewable Energy Strategy.
- 2. Implement the extension to the Solar PV and Biomass programme.
- 3. Approval and implementation of the Council's Waste Management Strategy.
- 4. Complete Phase 2 of the energy efficient street lighting across North Ayrshire.
- 5. Raise energy efficiency ratings of the Council's properties to a maximum standard, for example through the implementation of the Non Domestic Energy Efficiency (NDEE) programme.
- 6. Continue to develop and implement the Council's property rationalisation programme.
- 7. Continued administration of the Sustainability Board to identify, implement and monitor sustainability activity within the Council.
- 8. Develop the North Ayrshire Smart brand to drive sustainability activity, including through implementation of the new Low Carbon Behaviour Strategy.
- 9. Encourage more eco-schools accreditations within our schools.
- 10. Continue a programme of energy lessons within our schools to reduce energy consumption in the school estate, and provide children with learning opportunities in relation to the 'Learning for Sustainability' agenda.

Performance Management

Progress towards the actions set out within ESCCS2 will be measured and reported to senior management through a corporate performance management system. Performance data is collated and presented through this system to Elected Members every six months. We intend to develop a portfolio of 3-5 indicators to measure success of ESCCS2, for example carbon emissions, level of recycling and energy efficiency measures implemented.

Annual submissions on sustainability performance are required for the CRC-Energy Efficiency Scheme and the Public Sector Climate Change Reporting Duties.

NAC has taken part in Climate Change Assessment Tool (CCAT) training and in recognising the strengths and benefits of it, has delivered a workshop to the Sustainability Board. The tool is used to facilitate discussion on corporate climate change performance. The Council's current position is assessed, with an action plan produced to drive continuous improvement. Through participation in the workshop based meeting, the Sustainability Board were able to identify areas of strength surrounding governance and emission reduction. Furthermore, Adaptation Scotland's 'Five Steps to Managing Your Climate Risks' has been adopted as the basis to drive forward our adaptation performance, and features within the project register. It is the intention of the ESCCS 2 to improve our climate change performance, which can be monitored through this annual CCAT exercise.

The EU Covenant of Mayors for Climate and Energy require a monitoring report to be submitted every two years, detailing progress on performance also.

The Sustainability and Directorate Performance Service have identified Resource Efficient Scotland's Carbon Footprint & Project Register, as a robust tool to manage progress towards carbon reduction and renewable energy usage. The Project Register is viewed as a 'live' document which will change on an annual basis, also ensuring that the project register remains 'fit for purpose. Any changes to our estate or progress on project status will be recorded here. This process will be overseen by the Sustainability Board.

This strategy will be updated in 2020 to continue the three year strategy cycle, to 2030 and beyond.

Appendix 1

Workstream Affordable Warmth	How will we measure success?	What will we do?	How will we do it?	When will we do it by?	Who will do it?
We maximise the access to clean, affordable renewable energy for everyone in North Ayrshire	Percentage of affordable homes completed to BRE Home Quality Mark four star, or equivalent	Ensure that affordable homes built under the Council house building programme are constructed to the new BRE Home Quality Mark four star minimum or equivalent.	Ensuring that the construction specifications reflect BRE's requirements and is enforced as housing development programmes are brought forward.	Ongoing	Head of Physical Environment
	Number of homes with additional energy efficiency	Construct a new 'Sustainable House' demonstrator home to showcase our aspirations for sustainable living within our communities.	Working in partnership with BRE to specify and construct the unit(s)	2019	Head of Physical Environment
	measures as a result of national/local schemes	Continue to provide advice on energy efficiency to the public, and install energy efficiency measure to households using external grant wherever possible.	Partnership working through the Local Energy Advice Forum (LEAF), and design and implement insulation programmes.	Ongoing	Head of Physical Environment
		Through the implementation of the EESSH delivery plan, ensure all properties, where practicable, are compliant with EESSH by 2020.	Through implementation of the EESSH delivery plan.	2020	Head of Physical Environment
		Deliver our first ever district heating scheme.	Implementation of project identified as part of Council's Renewable Energy Strategy.	2020	Head of Physical Environment
		Implement a programme of retrofit of solar panels on social housing, subject to financial viability.	Implementation of project identified as part of Council's Renewable Energy Strategy.	2018	Head of Physical Environment
	_	Investigate the feasibility of North Ayrshire Council becoming an energy supplier through	Procurement of a white label partner.	2017	Head of Physical Environment

a 'white label' tariff provider for domestic,				
and/or commercial and/or corporate energy.				
Identify, and implement where possible, fuel	Identify suitable	project	2017	Head pf Physical
poverty alleviation projects through the	concepts and develop pro	posals.		Environment
University of Glasgow Partnership.				

Workstream A Green Economy	How will we measure success?	What will we do?	How will we do it?	When will we do it by?	Who will do it?
Our business base has a well-developed local supply chain, a low carbon	Percentage reduction of carbon emissions within North Ayrshire	Use the partnership with University of Glasgow to engage with local businesses on the project themes of: Sustainable Commercial Energy, Promoting Circular Economies or Sustainable Infrastructure.	Collaboration between Economic Growth Services, Sustainability and Directorate Performance, and the University of Glasgow.	2018	Head of Physical Environment/Head of Economic Growth
footprint and contains more companies operating within the green		Engage with local businesses to increase uptake on consultant support for reducing their carbon footprint, and/or accessing new renewable technology.	Use the 'Team North Ayrshire' account managed approach to encourage uptake and enable growth of existing renewable energy businesses.	Ongoing	Head of Economic Growth
industry			Continue roll out of Crichton Carbon Centre projects to help upskill individuals in renewable technology, and help businesses reduce their environmental impacts.	Ongoing	
		Use the forthcoming Scottish Energy Efficiency Programme (SEEP) to identify projects to support energy efficiency in domestic and non domestic buildings.	Awaiting publication of details on SEEP.	2020	Head of Physical Environment
		Promote the provision of travel planning for local businesses to help employees identify more sustainable modes of transport.	Engaging with local businesses.	2018	Head of Economic Growth
		Provide bicycle repair boxes to local businesses to encourage cycling to work.	Engaging with local businesses.	2018	Head of Economic Growth
		Investigate ways in which our physical assets can be utilised for clean energy businesses, e.g. Ardeer Peninsula,	Engaging with partners to identify opportunities.	Ongoing	Head of Economic Growth

Hunterston		

Workstream	How will we	What will we do?	How will we do it?	When	Who will do it?
Transport & Travel	measure success?			will we do it by?	
We shift more and more journeys from the private car to sustainable forms	Percentage reduction in the number of business miles travelled	Design and implement a corporate travel hierarchy to encourage modal shift amongst staff, including consideration of audio or video conferencing to avoid the need to travel altogether.	By implementation of a new corporate travel policy.	2018	Head of Commercial Services
of travel, such as walking and cycling. We make electric vehicles a more	Number of electric vehicle charging points within North Ayrshire	Investigate the feasibility of a Car Club scheme throughout North Ayrshire to incorporate our current pool fleet use as well as providing the local community access to pay-as-you-drive, low emission vehicles.	Secure granted funded support to investigate feasibility.	2017	Head of Commercial Services
attractive option where car journeys are essential.		Work in partnership with government agencies to explore the potential for further electric charging points throughout North Ayrshire.	Prepare and submit funding bids for further grant funding for electric vehicle infrastructure.	Ongoing	Head of Economic Growth/Head of Physical Environment
		Deliver the Travel Smart Campaign.	Raising awareness of alternative modes of travel throughout North Ayrshire.	Ongoing	Head of Economic Growth
		Implement the Walking and Cycling Action Plan, including the continued implementation of ICFT.	Implement actions within the plan.	2018	Head of Economic Growth
		Provide personalised travel plans to staff and local businesses.	Engage with staff and local businesses.	2020	Head of Economic Growth
		Investigate the feasibility of an Active Travel Hub for Irvine to act as a focal point for activity such as bike repair facilities, secure	Carry out a feasibility study to identify opportunities.	2020	Head of Economic Growth

	parking, travel information, and active travel		
	training.		

Workstream Natural & Built Environment	How will we measure success?	What will we do?	How will we do it?	When will we do it by?	Who will do it?
We use our natural and built assets sustainably, for example through	Performance indicators associated with strategies developed under	Implement the actions within the new Local Biodiversity Action Plan.	A dedicated Biodiversity Officer will facilitate action on the new LBAP through the North Ayrshire Biodiversity Partnership.	Ongoing	Head of Physical Environment
encouraging and protecting biodiversity, increasing local food production and maintaining a	this workstream	Develop and implement the Garnock Connections Landscape Partnership Project with partners	Work with partners to progress the project during the 'development year' from December 2016-17, and thereafter implement the project programme.	Ongoing	Head of Physical Environment/Head of Economic Growth
balanced land use policy		Carry out the Ardeer Peninsula, Lochshore, Ardrossan North Shore and Biomass Supply Chain feasibility studies, as identified through the Vacant and Derelict Land Funding works.	Procurement of specialist support.	2017	Head of Economic Growth
		Design and implement projects identified through the Vacant and Derelict Land Funding works.	Implement a new cycle path route connecting to Auchenharvie Park. Implement site remediation at Kyle Road. Implement site assembly of Quarry Road and East Road. Implement the expansion of steel fabrication facility in Glengarnock. Develop land at Greenwood Interchange	2017	Head of Economic Growth

 T	T	ı	
Continue to increase local food production by establishing new allotments (including community gardens and community orchards).	Provide guidance to community groups to facilitate development of allotments and community gardens.	Ongoing	Head of Physical Environment/ Head of Connected Communities
Enshrine the principles of sustainability within the Local Development Plan review, to place greater emphasis on sustainability.	Implementation of the LDP review.	2019	Head of Economic Growth
Deliver the Ayrshire Flood Risk Management Plan, to manage flood risk in our communities.	Develop the Millport Coastal Flood Protection Scheme (100 year management strategy for the coastline).	2020	Head of Commercial Services
Design and implement schemes identified through flood risk management studies.	Develop schemes, secure funding and implement projects.	2020	Head of Commercial Services
Develop the Millport Coastal Flood Protection Scheme, to protect the community from risk of flooding during times when adverse weather combines with high tide.	Implement the scheme.	2020	Head of Commercial Services
Develop the Surface Water Management Plan to reduce the risk of localised flooding.	Develop schemes, secure funding and implement projects.	2020	Head of Commercial Services
Implement the actions from the Open Space Strategy in relation to Woodland Management.	Implementation of the actions within the strategy.	2020	Head of Commercial Services
Encourage further uptake in our schools and communities in relation to Fairtrade engagement.	Work with the North Ayrshire Fairtrade group to continue to identify opportunities.	Ongoing	Head of Inclusion/Head of Physical Environment

Workstream	How will we	What will we do?	How will we do it?	When	Who will do it?
Sustainable	measure success?			will we	
Operations				do it by?	
We, as a Council, lead the way in making our	Number of installations of renewable	Continue implementation of the Renewable Energy Strategy.	Implementation of relevant projects.	Ongoing	Head of Physical Environment
operations more sustainable by reducing the	technologies within the Council estate	Implement the extension to the Solar PV and Biomass programme.	Procurement of specialist support.	Ongoing	Head of Physical Environment
carbon emissions of our operations, and ensuring	Percentage recycling rate for	Approval and implementation of the Council's Waste Management Strategy.	Implementation of the strategy.	Ongoing	Head of Commercial Services
sustainable thinking is part of our decision	household and municipal waste	Complete Phase 2 of the energy efficient street lighting across North Ayrshire.	Convert previously identified street lights to LED.	2018	Head of Physical Environment
making	Number of street lights converted to LED Climate Change	Raise energy efficiency ratings of the Council's properties to a maximum standard, for example through the implementation of the Non Domestic Energy Efficiency (NDEE) programme.	Implementation of the annual energy efficiency programme, procurement of an Energy Performance contract.	Ongoing	Head of Physical Environment
	Assessment Tool (CCAT) score	Continue to develop and implement the property rationalisation programme.	Reduce the number of Council properties.	Ongoing	Head of Physical Environment
		Continued administration of the Sustainability Board to identify, implement and monitor sustainability activity within the Council.	Facilitate action on improving climate change performance using the CCAT tool.	2020	Head of Physical Environment

Develop the North Ayrshire Smart brand to drive sustainability activity, including through implementation of the new Low Carbon Behaviour Strategy.	Investigating the communication benefits of linking sustainable action under one model.	2018	Head of Physical Environment
Encourage more eco-schools accreditations within our schools.	Engagement with teachers to publicise the benefits, and provision of support to schools to address gaps in the ecoschools criteria.	Ongoing	Head of Inclusion/Head of Physical Environment
Continue a programme of energy lessons within our schools to reduce energy consumption in the school estate, and provide children with learning opportunities in relation to the 'Learning for Sustainability' agenda.	Implementation of the programme.	Ongoing	Head of Physical Environment.

NORTH AYRSHIRE COUNCIL

Agenda Item 5

17 January 2017

Cabinet

Title:	Asset Management Plans
Purpose:	To advise Cabinet of the updated Fleet Asset Management Plan and the Roads Asset Management Plan.
Recommendation:	That Cabinet:
	 approves the attached Fleet Asset Management Plan and Roads Asset Management Plan; notes that the existing Asset Management Plans for Open Space, Housing and Property are currently being refreshed and will be submitted to a future Cabinet for consideration.

1. Executive Summary

- 1.1 North Ayrshire Council's approach to Asset Management Planning is based on the guidance given by CIPFA in its document "A Guide to Asset Management Planning and Capital Planning in Scottish Local Authorities".
- 1.2 The Place Directorate, is responsible for developing, refreshing and implementing the Asset Management Plans for the Council's Fleet, Roads, Housing, Property and Open Space assets. The Information Technology Asset Management Plan is the responsibility of the Finance and Corporate Support Directorate.
- 1.3 The Asset Management Plans for Fleet and for Roads have been refreshed and updated and together with their specific action plans are attached for consideration as appendices to this report. The action plans facilitate the regular monitoring and review of performance against the key actions being taken forward in each plan.
- 1.4 An Open Space Strategy 2016-2026 was recently finalised and approved by Cabinet on 22 November 2016. The agreed key objectives detailed within the Open Space Strategy will now be incorporated into a refreshed Open Space Asset Management Plan which will be submitted for Cabinet consideration of approval in early 2017.

1.5 The existing Housing Asset Management Plan and existing Property Asset Management Plan are also being refreshed and will be submitted to Cabinet for consideration of approval in early 2017.

2. Background

- 2.1 The Local Government (Scotland) Act 2003 places a duty on Local Authorities to demonstrate Best Value in delivering their services and in managing any assets they hold. Typically, individual Councils hold assets worth many millions of pounds and it is in the interest of Councils and their communities that the most effective use of these assets is being made.
- 2.2 Asset Management Plans are essentially a decision making framework used to identify the assets, their value, their use and how they support the Council's overall aims and objectives. Asset Management Plans are therefore valuable tools to assist in the planning of capital and revenue expenditure.

Fleet Asset Management Plan

2.3 The Council, as a Fleet Operator, manages and maintains a wide range of vehicles and operational plant to enable a number of services to operate efficiently. The fleet operation has a legislative basis and must meet the requirements of the Traffic Commissioner. Life cycle planning is adopted to minimise whole life costs to ensure the efficient and effective use of resources. Customer expectations are also taken into consideration when developing and agreeing appropriate levels of service.

2.4 The estimated total replacement value of the Councils Fleet Assets is £21.06m, and is detailed below:

Asset	Quantity	Replacement Value (£)
Passenger Vehicles	43	0.40m
Buses and Mini-buses	48	2.01m
4x4 vehicles	15	0.33m
Large Goods Vehicles over 3500Kg	83	9.20m
Heavy Plant including Tractors	30	1.70m
Sweepers, pavement sweeper	22	1.23m
Vans and Tippers up to 3500Kg	376	5.63m
Road Registered Plant	45	0.75m
Total	662	21.06m

- 2.5 The current budget allocated for operating the fleet including maintenance and fuel is £4.7m per annum and a capital budget for fleet replacement of £2m per annum is provided.
- 2.6 Since its introduction, the Transport Hub has contributed significantly to the management and effectiveness of the vehicle fleet and asset management planning, including:
 - a reduction of some 50% reliance on long term externally hired vehicles
 - the supply of available fleet or pool vehicles as an alternative in some instances where short term hire requests were received from Services
 - a reduction of 56 long term hired vehicles in 2014/15 required from previous years thereby ensuring more effective use of the Councils own fleet. As a result, the revised annual expenditure has reduced by £200,000 over the past 3 years
 - installation of the Corporate Telematics system into 580 fleet vehicles to provide management information and inform improved utilisation and vehicle availability
 - the incorporation of low emission and alternatively fuelled vehicles into the vehicle fleet to reduce carbon emissions
 - the provision of a one stop shop facility for Fleet Management and journey provision, including the provision of sustainable business travel arrangements for employees
 - achieving budget revenue efficiencies of £718k over the past 3 years

- 2.7 The Transport Hub leads on the review of grey fleet mileage within the Council with a view to providing more sustainable alternatives for employees currently travelling in their private vehicle to carry out their business duties. Grey fleet mileage contributes an estimated 780 tonnes of CO2 emissions into the atmosphere per annum. The Transport Hub has successfully engaged with the Switch on Fleet initiative, facilitated by the Energy Saving Trust during 2015/16 and secured the provision of grant funding which enabled the Council to lease 7 electric vehicles for a 3 year period. Further funding has been secured which will facilitate further electric vehicles being incorporated into the fleet.
- 2.8 With diminishing resources and a desire to optimise vehicle utilisation, there is now an increased focus on making vehicles work longer, harder and smarter. However simply extending the mileage or length of time for which a vehicle operates is not necessarily the best way to run an efficient fleet. The Corporate Telematics solution has been installed into some 580 fleet assets which provides management information which assists with the improving utilisation and vehicle availability.
- 2.9 The key actions and performance measures to support the effective management of the fleet assets over the forthcoming three years are summarised below:-
 - Further develop and review the Transport Hub initiative;
 - Improve vehicle availability and increase utilisation;
 - Reduce emissions associated with operations through better route planning and use of low emission and alternative powered vehicles:
 - Purchase and supply vehicles and plant in consultation with users to meet customer needs and support service reviews
 - Review method of financing the provision of fleet assets on a regular basis;
 - Ensure vehicles are roadworthy and available for use by services in a timely manner;
 - Minimise whole of life cost of ownership of assets:
 - Evaluate and implement the actions following the review of the grey fleet and business mileage;

Roads Asset Management Plan

2.10 North Ayrshire Council has a statutory obligation, under the Roads (Scotland) Act 1984, to manage and maintain the adopted public road network.

- 2.11 The Audit Report "Maintaining Scotland's Roads" recommended that Councils adopt asset management practices in maintaining their road networks. The National Road Maintenance Review (NRMR) published in July 2012 recommended Councils' develop clear Roads Asset Management Plans (RAMP) for maintaining their road networks.
- 2.12 The Council's adopted road asset is made up of:-

Asset	Quantity	Unit
Carriageway - Mainland	870	km
Carriageway - Arran	164	km
Footways/footpaths	1007	km
Bridges & Culverts	396	no.
Car Parks	66	no.
Retaining Walls	34	no.
Street Lighting Columns	22,978	no.
Traffic Signals	72	no. of sets
Vehicle Activated Signs	37	no.
Real Time Passenger Information	21	no
Non-illuminated Signs	11,937	no.
Illuminated Signs/Bollards	1,234	no.
Pedestrian Barrier	10,647	m.
Grit Bins	441	no.
Safety Fences	40,557	m
Street Name Plates	3,523	no.
Bus Shelters	387	no.
Cattle Grids	11	no.
Verge Marker Posts	4,351	no.
Weather Stations	2	no.

2.13 The roads asset continues to grow due to the adoption of new development sites. Length of carriageways has increased by 6.8km in the last 5 years. Traffic volumes are also anticipated to grow locally in the next few years due future development projects that will increase shoppers and visitors to the area.

- 2.14 The estimated total value of the Roads asset is £1.443 billion. The latest estimated carriageway maintenance backlog figure for North Ayrshire is £30.9m.
- 2.15 Through a well planned and managed approach to the Council's roads asset, North Ayrshire's Road Condition Index (RCI) for 2104/15, which outlines the percentage of roads that should be considered for maintenance treatment, was 39.1%. This was an improvement from 43.8% in 2011/12. Since 2011/12 to 2014/15 North Ayrshire has improved its RCI performance by reducing the percentage of roads requiring maintenance treatment by 4.7% and are the 4th most improved local authority.
- 2.16 A visualised asset management system, Horizons, is currently being used to determine a long term investment programme for carriageway maintenance. This takes account of road condition, deterioration rates based on historical data for the road network and prioritisation criteria established to meet Council priorities. It uses life cycle planning to allocate treatments most efficiently thereby making optimum use of the available budget. The budget currently allocated for asset improvement and maintenance is £2.1 million Capital and £1.1 million revenue per annum.
- 2.17 The key actions and performance measures to support the effective management of the roads assets over the forthcoming three years are summarised below:-
 - Develop and implement the Horizons Visualised Asset Management System to develop an annual programme and long term future strategies for carriageways
 - Develop a planned approach for reduction of lighting of signs and bollards
 - Develop a planned renewal programme for all road signage
 - Undertake a comprehensive review of structures inspection procedures and introduce an improved management process
 - Develop and implement a strategy for inspection and maintenance of additional assets
 - Improve Roads Service customer information available on the website
 - Combine various layers of electronic information held regarding carriageways so that adoption and construction information is stored with inventory data
 - Collate list of additional lighting assets

Open Space Asset Management Plan

- 2.18 An Open Space Strategy 2016-2026 was recently finalised and approved by Cabinet on 22 November 2016. The Strategy has an ambitious action plan focusing on six Key Strategic Objectives. These are:
 - Open Space will be promoted as a resource for tourism and recreation, economic development & biodiversity.
 - Help reduce local inequalities by ensuring that all communities have access to high quality, well equipped clean and safe open s pace.
 - Promote better health by providing diverse opportunities in open spaces, the natural environment and countryside for physical exercise, sport and recreation
 - Protect and enhance all areas of nature conservation value, in particular historic features, sensitive habitats and special landscapes.
 - Improve the perception, quality and range of recreational and tourism facilities in the area's open spaces.
 - Respond to climate change through the delivery of a connected and integrated network, incorporating water management, woodland areas and biodiversity benefits.
- 2.19 The existing Open Space Asset Management Plan will now be refreshed to reflect these key objectives and will be submitted to Cabinet for consideration in early 2017.

Housing Asset Management Plan

2.20 The existing Housing Asset Management Plan is currently being refreshed and will be submitted to Cabinet for consideration in early 2017.

Property Asset Management Plan

2.21 The existing Property Asset Management Plan is currently being refreshed and will be submitted to Cabinet for consideration in early 2017.

ICT Asset Management Plan

2.22 The actions within the existing ICT Asset Management Plan, which is the responsibility of the the Finance and Corporate Support Directorate, were updated and reported in the November edition of North Ayrshire News. A refresh is not required at this time.

3. Proposals

3.1 It is proposed that Cabinet:

- 1. considers and approves the attached Fleet Asset Management Plan and Roads Asset Management Plan;
- 2. notes that the existing Asset Management Plans for Open Space, Housing and Property are currently being refreshed and will be submitted to a future Cabinet for consideration.

4. Implications

Financial:	There are no direct financial implications from this report, however robust asset management planning allows the Council to maximise benefit from its investment.
Human Resources:	There are no human resource implications.
Legal:	The asset management planning arrangements are carried out within required legal frameworks and allow the Council to comply with a number of legislative provisions.
Equality:	There are no equality implications.
Environmental & Sustainability:	The Council's asset management plans take cognisance of the need to ensure environmental sustainability.
Key Priorities:	 The asset management plans support a range of strategic priorities: Protecting and enhancing the environment for future generations Supporting all of our people to stay safe, healthy and active.
Community Benefits:	No direct community benefit implications.

5. Consultation

5.1 The Roads Asset Management Plan and Fleet Asset Management Plan were considered by the Physical Environment Advisory Panel on 5 December 2016. The refreshed Housing, Property and Open Space Asset Management Plans will also be submitted to the Physical Environment Advisory Panel for consideration prior to being submitted to Cabinet in early 2017.

CRAIG HATTON Executive Director (Place)

Reference: GM/CD/RM

For further information please contact Russell McCutcheon, Head of

Commercial Services on 01294 324570

Background Papers

0



ASSET MANAGEMENT PLAN

FLEET

Version	Owner	Date
1.7	Head of Commercial	01/11/16
	Services	

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1. EXECUTIVE SUMMARY

The Council operates 662 vehicle and road registered items of plant with a replacement value of £21.06 million along with a large number of other plant and machinery to support the delivery of services. Assets are primarily maintained in the Council's workshops at Kilwinning and Arran supported by specialist external contractors where required. The cost of operating and maintaining the assets including fuel use is £4.7 million per year. These assets are supplemented by both externally hired assets to meet long-term specialist needs or short-term business needs accounting for approximately £355k annual expenditure.

The table below summarises the profile of vehicles and plant registered for the road by type and replacement value. An exercise was carried out in 2012/13 to formally record and inspect all items of non-road registered plant operated by the Council which enabled an appropriate management regime of these assets to be implemented.

Asset Type	Number	Replacement Value (£)
Passenger Vehicles	43	0.40m
Buses and Mini-buses	48	2.01m
4x4 vehicles	15	0.33m
Large Goods Vehicles over 3500Kg	83	9.02m
Heavy Plant including Tractors	30	1.70m
Sweepers, pavement sweeper	22	1.23m
Vans and Tippers up to 3500Kg	376	5.63m
Road Registered Plant	45	0.75m
Total	662	21.06m

There has been an increase in the fleet size (detailed within this Plan) from the previous Plan due to service transformational projects which have included:

- Hub and Spoke catering units
- Increase in service demand within Social Services
- Introduction of pool cars to develop sustainable business travel arrangements
- Provision of street lighting operational vehicles
- Introduction of fleet vehicles to high users
- Retention of older fleet vehicles which reduce the need to rely on short term or spot hires being sourced externally

The effective use of transport and the operation of well maintained, fuel efficient assets contribute to the fulfilment of the Councils vision; 'To be a leading organisation defined by excellent and innovative services' by supporting the delivery of the following strategic priorities:

- Protecting and enhancing the environment for future generations
- Supporting all of our people to stay safe, healthy and active

There is an extensive regulatory regime in place regarding the provision and operation of the assets which in the case of Large Goods Vehicles is enforced by the Traffic Commissioner. A planned preventative maintenance and inspection schedule is in place at periods ranging from eight weekly to annually, depending on the type and use of each vehicle. This is supported by a daily reporting system to identify any defects before vehicles are used to ensure roadworthiness. All repairs are documented to ensure that works carried out on Council vehicle assets are recorded to enable

effective asset management. Throughout the vehicle's life it is maintained in a safe, legal and roadworthy condition.

The Corporate Transport Hub function was created through the integration of a number of internal transport functions in April 2013. The centralised operation facilitates the enhanced planning, managing, budgeting, scheduling, procuring, regulation compliance, health and safety and aspects of training and development resulting in a more robust, resilient and effective service for the Council.

Since its introduction, the Transport Hub has contributed significantly to the management and effectiveness of the Vehicle Fleet and Asset Management Planning, including:

- a reduction of some 50% reliance on long term externally hired vehicles
- the supply of available fleet or pool vehicles as an alternative in some instances where short term hire requests were received from Services
- a reduction of 56 long term hired vehicles in 2014/15 required from previous years thereby ensuring more effective use of the Councils own fleet. As a result, the revised annual expenditure has reduced by £200,000 over the past 3 years.
- Installation of the Corporate Telematics system into 580 fleet vehicles to provide management information and inform improved utilisation and vehicle availability.
- the provision of a one stop shop facility for Fleet Management and journey provision, including the provision of Grey Fleet mileage alternatives
- achieving budget revenue efficiencies of £718k over the past 3 years

The Transport Hub leads on the review of grey fleet mileage within the Council with a view to providing suitable more sustainable alternatives to incurring a direct expenditure of 0.45p per mile claimed by employees traveling in their private vehicle to carry out their business duties. This grey fleet mileage contributed an estimated 780 tonnes of CO2 emissions into the atmosphere. The table below shows the reduction in claims to date:

Period	Staff Numbers	Miles Travelled	Cost
2014/15	1698	2569213	£1,155,034
2015/16	1670	2252760	£1,013,742
Reduction	28	316453	£141,292

There are a number of influences that will impact upon the future requirements and use of the fleet assets that need to be considered including:-

- The Council's change programme seeks to review the current methods of delivering services to ensure that the Council can still deliver high quality customer focused services within reduced financial resources. Many of the Council's services utilise fleet assets to support their delivery.
- The need to reduce the environmental impact of transport operations whilst maintaining service delivery and managing the risk associated with new technologies.

The Place Directorate plan details an intended area of focus of 'Doing things differently and better'.

Assets are currently purchased outright through the Council's capital programme. Whilst capital financing can be secured this is the preferred method of purchase as it provides maximum flexibility and control in the use and lifecycle of the assets. However, the decision to finance assets will be reviewed on a regular basis to ensure that the most appropriate method is utilised in response to developments within financial markets.

The estimated asset replacement costs together with allocated Capital funding are set out in the table below for each of the next 8 years. The value of the capital programme during this period is less than the replacement value to reflect the move to condition based replacement along with the development of the transport hub initiative and the Council's change programme that are expected to impact upon the number of vehicles and plant provided.

Year	Number of Vehicles Scheduled for Replacement	Estimated Replacement Costs (£)	Capital Programme (£)
2016/17	119	3.20m	2.00m
2017/18	87	3.13m	2.00m
2018/19	75	2.80m	2.00m
2019/20	76	2.54m	2.00m
2020/21	81	2.57m	2.00m
2021/22	70	2.04m	2.00m
2022/23	96	2.70m	2.00m
2024/25	58	2.08m	2.00m
Total	662	21.06m	16.00m

The key actions and performance measures to support the effective management of the fleet assets over the forthcoming three years are summarised below:-

- Further develop and review the transport hub initiative;
- Improve vehicle availability and increase utilisation:
- Reduce emissions associated with operations through better route planning, use of low emission and alternative powered vehicles;
- Purchase and supply vehicles and plant in consultation with users to meet customer needs and support service reviews
- Review method of financing assets on a regular basis;
- Ensure vehicles are roadworthy and available for use by services in a timely manner:
- Minimise whole of life cost of ownership of assets;
- Evaluate and implement the actions following the review of the grey fleet and business mileage;

There are a number of key risks to the effective management and use of the fleet assets:-

 Extension of assets life beyond economically viable life thereby affecting the delivery of services;

- Failure to maintain roadworthy and legally compliant assets;
- Increased environmental controls in respect of operations;
- Impact of failure to secure supply of fuel or factors leading to significant price increase;
- Technology failure of alternative powered or low emission vehicles;
- Assets becoming surplus or not fully utilised arising from the Council's change programme;

Effective management and the implementation of actions set out within this plan will enable these risks to be mitigated and an early warning should further interventions be required.

2. BACKGROUND

The Local Government (Scotland) Act 2003 places a duty on Local Authorities to demonstrate Best Value in delivering their services and in managing any assets they hold. Typically, individual Councils hold assets worth many millions of pounds and it is in the interest of Councils and their citizens that the most effective use of these assets is being made. Asset Management Plans assist in achieving this.

The Asset Management Plan is essentially a decision making framework that identifies assets, their value, their use and how they support the Council's overall aims and objectives. This Asset Management Plan is a valuable tool to assist in the planning of capital and revenue expenditure.

North Ayrshire Council's approach to Asset Management Planning is based on the guidance given by CIPFA in its document "A Guide to Asset Management Planning and Capital Planning in Scottish Local Authorities" which has been endorsed by the Scottish Government. North Ayrshire Council's governance of Asset Management Planning was approved on 29th March 2011.

For the production of Asset Management Plans, the Council's assets are considered as being one of the following:-

- Property
- Open space
- Housing
- Roads
- Fleet
- Information and Communications Technology

This Asset Management Plan reports on Fleet.

The Council, as a Fleet Operator, manages and maintains a wide range of vehicles and plant to enable a number of services to operate efficiently. The operation has a legislative basis and failure to meet the requirements of the Traffic Commissioner could lead to a suspension of the licence and added costs for the Council to deliver services.

The Council operates a wide range of Vehicles and Plant, with a replacement value of £21.06 million, to support the delivery of services. Assets are procured, maintained

and managed by the Transport Hub in consultation with the appropriate operating service. Assets are maintained in the Council's workshops at Kilwinning and Arran.

The Kilwinning workshop is a VOSA approved MOT testing station for classes 4 (cars, light vans and passenger vehicles of up to 12 seats), 5 (passenger vehicles with more than 13 seats) and 7 (goods vehicles up to 3500Kg Designed Gross Weight) and operates a Tachograph calibration and repair facility.

A two shift working arrangement is in place to enable operational availability of the workshop from 0630hrs to 1800hrs; this pattern maintains the capacity of the service during the core day whilst supporting the daily requirements of fleet users. These arrangements are also complemented by mobile mechanic arrangements as appropriate.

The Arran workshop was upgraded in 2012 at a cost of £219k, this upgrade increased its capacity to accommodate large vehicles reducing the need of transporting them to the mainland for repair.

Operation of Large Goods Vehicles is controlled through a regulatory regime enforced by the Traffic Commissioner through an 'Operators Licence'. The Transport Manager is the qualified holder of the 'Operators Licence' for the Council and has responsibility to ensure that all vehicles and drivers operate within the legislative and safety requirements of the conditions and undertakings imposed by the Traffic Commissioner.

When planning for fleet provision, cognisance of the following legislative requirements is required:

- Construction and Use Regulations 1986
- Vehicle Lighting Regulations 1986
- Driving Licences Regulations 1999
- The Road Traffic Act 1991
- Registration and Licensing Regulations 1971
- The Health and Safety at Work Act
- Provision and Use of Work Equipment Regulations 1998

The strategic aims when managing the fleet are:

- To provide vehicles which are fit for purpose and provide both an efficient and safe working environment by meeting all of the requirements of our Operator's Licence and satisfies all Health & Safety, Legislative and Statutory requirements;
- To maintain cost-effective and timely processes for repair and maintenance, commissioning, decommissioning and disposal of the vehicle fleet;
- To maintain a corporate approach to vehicle allocation and utilisation which reflects the requirements of each service area and the council as a whole;
- To ensure all fleet assets are operated, maintained and comply with all relevant legislation;
- To provide vehicles which are a cost-effective solution to operational requirements;
- To maximise levels of vehicle availability and utilisation within resources available.
- Ensuring Fleet Asset Management information and data is collected, stored and used effectively.

In meeting these aims the Transport Hub commits to:-

- Collaboration with stakeholders to identify additional value from the standardisation of vehicles and equipment across North Ayrshire Council;
- Provision and maintenance of a modern vehicle fleet that is fit for purpose and fully supports the delivery of front line services;
- Ensuring Council Services have the appropriate vehicles to carry out their responsibilities and duties
- Demonstrating Best Value
- · Considering the needs of Stakeholders
- Ensuring Fleet Asset Management information and data is collected and stored effectively within its Fleet Management System (Fleetwave).
- Ensuring vehicles are maintained to VOSA (Vehicle Operator Services Agency) standard.
- Undertaking safety inspections (currently annual for vehicles under 3500kg and every eight weeks for vehicles over 3500kg as defined by the terms and conditions applicable to our Operators Licence) to ensure vehicles are fit for purpose, kept roadworthy and comply with Construction & Use Regulations.
- Providing in-house Class IV, V & VII MOT facility by VOSA trained mechanics.
- Using approved and calibrated inspection equipment.
- · Ensuring vehicles are environmentally sustainable by:-
 - Using the latest engine technology available in our procurement of replacement vehicles and plant.
 - Specifying as standard that all new Light Commercial vehicles are electronically limited to 56 mph, this will help to reduce both emissions and fuel consumption.
 - Facilitate the recommendations following the Green Fleet review with assistance from the Energy Savings Trust
 - Evaluating and making recommendations on replacement vehicles and alternative fuel types and build on progress to equip vehicles with state of the art technology as required, allowing users to do their job more effectively;

3. MANAGEMENT AND CONTROL OF THE PLAN

3.1 Plan Management

The Head of Commercial Services is responsible for management and control of the plan, and the Transport Manager is responsible for it's implementation

3.2 Users Input

The assets are provided to enable or facilitate the delivery of a range of Council services. The requirements of services in the utilisation of these assets, particularly in respect of demand profiles, vehicle specification and future service development, is collated and agreed and in turn forms an integral part of the asset management plan and its continued development.

3.3 Elected Members

This Fleet Asset Management Plan will be presented to Members as a component of the overall Corporate Asset Management Plan.

3.4 Plan Review

The plan will be reviewed annually as part of the Council's service planning and budget setting exercise and in response to planned changes within the delivery of Council services.

4. DESCRIPTION OF ASSETS

4.1 General Description

The Council operates a fleet of 662 vehicles and plant registered for the road along with a large number of other plant and machinery to support the delivery of services.

The above table summarises the profile of vehicles and plant registered for the road by type and replacement value.

The permanent vehicle fleet is now supplemented by 33 long-term and a variable number of short-term hired assets to meet fluctuations in business activities, such as seasonal work within the Streetscene Service or short- term contracts within Building Services. A key action detailed within previous Fleet Asset Management Plans was to reduce the number of hired assets to provide best value. This has been achieved with a reduction of 56 long hired vehicles required from previous years and a reduced need for externally sourced short term hires thereby ensuring more effective use of the Councils own fleet. As a result, the Councils revised annual expenditure has reduced by £200,000.

4.2 Asset Values

The total replacement value of the vehicle and other road registered and heavy plant assets is £21.06m. Individual values range from £10,000 for a small van, through to £145,000 for a Refuse Collection Vehicle.

Asset Type	Number	Replacement Value (£)
Passenger Vehicles	43	0.40m
Buses and Mini-buses	48	2.01m
4x4 vehicles	15	0.33m
Large Goods Vehicles over 3500Kg	83	9.02m
Heavy Plant including Tractors	30	1.70m
Sweepers, pavement sweeper	22	1.23m
Vans and Tippers up to 3500Kg	376	5.63m
Road Registered Plant	45	0.75m
Total	662	21.06m

4.3 Use of Assets

The fleet assets are primarily utilised to support service delivery. Vehicle drivers, passengers and other users are consulted to ensure we are well informed and that we capture the key requirements needed for securing a fleet that is fit for purpose. These groups are users of the fleet assets and their operational knowledge and experience is important in ensuring the procurement of replacement assets focuses on the right requirements. This also empowers users in determining better options.

If users are not consulted there may be opposition to using the vehicles which are procured. Similarly, if the asset management plan is developed without user input, the fleet may not meet the needs of users in terms of fleet size, vehicle type, legislative changes and training requirements. Driver behaviour is an important factor in prolonging vehicle life and reducing required maintenance therefore user buy in is fundamental.

5. CUSTOMERS AND STAKEHOLDERS

5.1. Service Delivery

The Transport Hub provides and maintains vehicles for a range of Council services as set out in the table below:

Service Area	Owned Vehicles	Long-Term Hired Vehicles	Owned Road Registered/Heavy Plant
Building Services	127	15	0
Roads and Transportation	36	4	3
Streetscene	95	1	69
Waste Management	62	0	8
Facilities Management	31	4	6
Educational Resources	33	1	0
Technical Services	2	0	0
Social Services	128	8	0
Corporate Services	4	0	0
Transport	58	0	0
Total	576	33	86

5.2 Citizens

Transport assets are utilised by the Council to assist or facilitate the delivery of services to the whole or part of the community, businesses and visitors. Examples include:-

- Collection of Waste and Recycling from households and businesses;
- Cleaning of Streets and maintenance of public land and open spaces;
- Maintenance and repair of homes for Council tenants;
- Winter maintenance and repair of roads;
- Transportation of school children;
- Care at home and welfare services for elderly and vulnerable members of the community:
- Provision of hub and spoke catering facilities for school meals:

5.3 Council Plan

This Fleet Asset Management Plan identifies how it will contribute to achieving the Council's mission 'To improve the lives of North Ayrshire people and develop stronger communities' and vision statement "To be a leading organisation defined by excellent and innovative services".

This plan outlines our key priorities for the next three years and details how the Fleet asset will support our people to deliver these. This plan also gives an overview of our

key actions and the performance indicators that we will use to measure how well we are meeting the needs of the communities we serve.

The effective allocation, utilisation and operation of a well maintained, fuel efficient vehicle asset fleet, contribute towards many of the deliverables across all Council services which include:

- Protecting and enhancing the environment for future generations
- Supporting all of our people to stay safe, healthy and active

6. FUTURE DEMANDS

6.1 Journey Provision and Contract Management

The establishment of the centralised transport hub and vehicle maintenance service has invoked a more corporate and strategic approach to the management of the supply and demand for transport across services. It has enabled the aggregation of external transport contracts for more effective procurement through the centralisation of the renegotiation and tender processes.

Being able to measure performance is critical to the success of the Transport Hub and indicators have been developed to allow for the reporting and measuring of:

- vehicle availability
- the number of external hires
- fleet produced emissions
- fuel usage
- contract compliance for the provision of Mainstream and ASN school transport

The team are continually working with and reviewing service requests and ensuring best value is demonstrated through procurement and by offering alternative options that may be available including utilising pool vehicles or own buses and drivers. The Hub will work towards achieving future efficiencies and have already identified savings for 2016/17 and 2017/18 (Action Reference A01).

6.2 Legislative Compliance

An operator's licence (or O licence) is the legal authority needed to operate goods vehicles in Great Britain. The licence is issued by the Traffic Commissioner – the independent regulator of the commercial road transport industry; a Traffic Commissioner also has powers to take regulatory action against a licence holder where they fail to meet the expected standards of operation. The Transport Hub acting as the Councils,fleet operator must ensure compliance and relevant process are in place. (Action Reference A02).

6.3 Business Development / Commercialisation

Commercialising opportunities now forms part of all future business developments of the Transport Hub, this will include promoting the use of the pool of fleet vehicles and drivers, maximising the potential use of the Councils MOT test centre and maintenance facility and review opportunities for shared services with other public sector bodies. (Action Reference A03).

6. 4 Increasing Fleet Utilisation and Transport demand management

Though the introduction of telematics it is now possible to access and manage real time information on the utilisation and efficient use of the vehicle fleet. This ensures that vehicles are being used and driven as efficiently as possible. The information enables the Transport Hub to engage with services and jointly manage demand for vehicles, with the aim to reduce the miles driven, look at whether trips are necessary, and consider if they can be combined or whether the optimum routes are being used.

The Transport Hub can now make informed decisions that will increase utilisation, increase vehicle availability, reduce demand for external hires, and benefit from a reduction of running costs. (Action Reference A04).

6. 5 Service Reviews

In order to meet the financial challenges facing the Council, services are subject to fundamental review. Where services utilise transport within their delivery it is expected that reviews will seek to utilise this more efficiently. This may impact upon areas including number or type of vehicles, the need for transport and hours of operation. The Transport Hub will also continue to support service reviews that utilise transport which will include:

- Community Transport projects: A joint service fesibility study has been carried out and a funding application has been submitted to the North Ayrshire Venture Trust to meet the cost of a coordinator and some volunteer expenses, to let us move the project forward as advised by the feasibility report. West of Scotland Transport Hub Working with Strathclyde Partnership for Transport (SPT), who are strategically well placed to take the lead on the development of the Hub through the work in relation to its Access to Healthcare Strategy and being a key partner in the Community Planning Partnerships for each of its constituent councils. It also has the infrastructure and scheduling expertise through its Contact Centre and Scheduling Software that can be an immediate cost effective and expansive solution for a single point integrated booking and scheduling system.
- Drivers: The Council is currently carrying out an internal review of its employment processes with a view to ascertaining potential areas for improvement in relation to checking medical and sickness absence information provided by applicants, for example by having focussed health questions within reference requests for drivers and obtaining medical reports in relation to health related driving issues from applicants' GPs. (Action Reference A05).

6.6 Vehicle Advertising

All commercial and light commercial vehicle fleets carry the Council's corporate branding/colours and the Council logo. The Council's distinctive fleet are highly visible throughout North Ayrshire and is a very effective channel for outdoor advertising. It is now standard practice to use these vehicles to promote Council events, services and campaigns, reducing the need for other forms of outdoor advertising. In addition the Council's staff values are now displayed on the vehicle fleet to raise the profile of our Focus, Passion and Inspiration. (Action Reference A06).

6. 7 Sustainability

The Transport Hub faces a tough challenge as it depends essentially on oil as a single energy source. Vehicles emit significant quantities of CO₂ plus other pollutants harmful to the environment and human health. Fuel efficiency is therefore a key environmental consideration along with alternative fuels and technologies in reducing carbon and air quality emissions from road transport. To reduce the impact of existing fleet and to determine if a particular fuel or technology could be suitable for the Councils fleet operation. Key actions include;

- The use of biodiesel which can be used at 5% in existing diesel engines with no need for modification. Higher blends may also be able to be used in some vehicles, possibly with limited modifications, but could affect the vehicle's warranty. A review of this per vehicle will be undertaken
- All replacement vehicles are now procured with the latest European emission standard engines – Euro 6, which came into production in October 2014
- The use of appropriately certified agents for the disposal of workshop waste oil, filters and batteries.

The Transport Hub had successfully engaged with the Switched on Fleet initiative, facilitated by the Energy Savings Trust during 2015/16 and have secured the provision of grant funding of £72,000 this enabled the Council to lease 7 electric vehicles for a 3 year period. Two electric vans and two cars will be incorporated into the Council's vehicle fleet and allocated to Streetscene and the Countryside Rangers Service. A further three electric Nissan Leaf cars were incorporated into the pool car share scheme and fitted with the Enterprise booking software as a further development of the current Car share pilot. The hub also assisted in the securing of funding which has allowed for extending the network of publicly available electric vehicle charging points across North Ayrshire, this will ensure adequate charging facilities are available for electric vehicles. The Transport Hub continued to engage with Transport Scotland and the Energy Saving Trust during 2016/17 and gained additional grant funding of £34,695, this will be used to increase our electric vehicle capacity and improve the growing network of public charge points across North Ayrshire. **Action Reference A07**

6.8 Business Travel

In 2014/15, a total of 2.57million grey fleet miles were travelled by some 1698 employees in their private vehicle in carrying out their business duties which incurred a direct expenditure to the Council of £1.15m (0.45p/mile) A Business Travel Working Group, together with Trade Union representation, has been set up and now meets on a monthly basis and consists of representation across all Directorates. The following proposed suite of improved business travel facilities including;

- the creation of a pool of low emission vehicles available for employees to utilise for their business travel needs:
- the provision of low emission fleet vehicles to high business mileage users;
- the use of short term hires for journeys over 50 miles;
- the potential provision of electric vehicles to complement the proposed pool vehicles;
- It was further advised that these proposals would be developed with an employee and Trade Union working group to inform the creation of a Sustainable Business Travel Policy which would realise both financial savings and carbon emission reductions, (Action Reference AO8).

7. LEVELS OF SERVICE

7.1 Service Users

The assets enable the Council to deliver an extensive range of services to the community and visitors and support the achievement of corporate aims and objectives.

7.2 Service Level

As part of the implementation of the Transport Hub all of the Councils transport related budgets were consolidated. The cost of transport provision is allocated to services annually based on their specific requirements. Management information regarding vehicle costs and usage is also available to users in a form and timescale that enables appropriate management interventions in respect of use and deployment. The mechanism aims to provide greater transparency and control in the allocation of costs to services in operating vehicles by allocating costs in the following ways:-

- An annual fixed fleet management charge per vehicle in respect of the fixed costs and overheads of service provision;
- A fleet hire charge for each vehicle based on planned maintenance and operating cost along with reasonable levels of wear and tear;
- Re-charge of actual costs incurred for repairs undertaken arising from unreasonable or inappropriate use of a vehicle thereby enabling appropriate management intervention;
- Fuel recharges are based on actual consumption by each asset;
- Re-charge of actual contract costs for taxi and plant hire provision;

8. LIFECYCLE PLANNING AND ASSET PERFORMANCE

8.1 Lifetime Performance

Pressure on the Councils fleet budgets and a desire to optimise vehicle utilisation has led to an increasing focus on making vehicles work longer, harder and smarter. However, simply extending the mileage or length of time for which a vehicle operates is not necessarily the best way to run an efficient fleet.

A well maintained vehicle fleet provides a positive image of the Council to the public and minimises service disruption attributable to breakdowns and associated re-active maintenance and ensures compliance with the appropriate regulatory frameworks.

Getting the most out of vehicles over a longer period of time and the key aim to maximise the use of each vehicle, maintain regulatory compliance and wherever possible extend its useful life beyond initial planned parameters.

Rather than implementing a fixed vehicle replacement cycle across the fleet, the Transport Hub look at a wide number of parameters such as operational measurements, by interrogating an individual vehicle's data, the team may find that some vehicles are best replaced after a different period. This type of enhanced vehicle replacement forecasting involves the Transport Hub assessing data about specific vehicles, in order to identify inefficient and costly vehicles for disposal or to retain vehicles that are performing more efficiently.

Planned Maintenance

A planned preventative maintenance and inspection schedule is in place at periods ranging from eight weekly to annually depending on the type and use of each vehicle. In addition, having an effective way to report defects is a key part of the Councils vehicle maintenance regime. A 'nil defect' reporting system is in place whereby drivers must undertake a range of vehicle safety checks and complete a pro-forma to confirm roadworthiness before use.

Vehicle Checks

A 'nil defect' reporting system is in place whereby drivers must undertake a range of vehicle safety checks and complete a pro-forma to confirm roadworthiness before use. Where defects are identified a replacement vehicle must be used until the transport service has completed the appropriate repair. Where safety critical defects are identified a replacement vehicle must be used until the transport service has completed the appropriate repair.

Technology

All Large Goods Vehicle are now specified to have lane assist and AEBS (advanced emergency braking system) fitted as standard. All vehicle technological advancements are being reviewed as they become available on the market place for the possible inclusion in our future vehicle purchasing specifications.

All vehicle inspections, repairs, servicing works and fuel use are recorded using the proprietary ICT fleet management system (Fleetwave) to establish the whole life costs of each asset. The Fleetwave system ensures that information can be accurately recorded and utilised to inform future asset management and purchasing decisions.

Telematics has been installed into the majority of fleet vehicles which reports on vehicle usage and driver behaviours this technology allows the Transport Hub to easily capture the necessary data to establish exactly how a fleet is being utilised and where improvements can be made.

Driver Training

All employees who operate Council owned vehicles are required to complete a driver assessment. This includes a road test to assess, and where necessary, recommend appropriate instruction in respect of road awareness, economical driving and legislative compliance. For further information on completion the drivers are issued with a copy of the Councils drivers' handbook.

References are sought and received prior to the commencement of employment for all drivers.

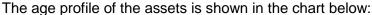
Professional drivers of Large Goods Vehicles are required by law to undertake 35 hours of periodic Certificate of Professional Competence training over a rolling 5 year period.

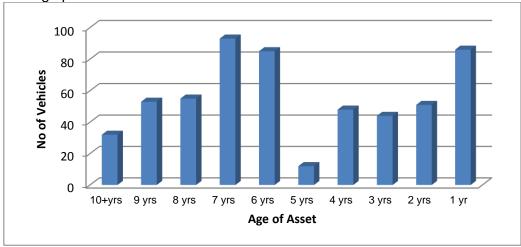
Driver licence checks are carried out every six months for all fleet asset drivers to ensure the staff members continue to hold the required category for the type of vehicles they drive.

Upon receipt of a new vehicle a formal handover process is provided to drivers and client service, including a Health and Safety risk assessment, guidance on

technical specifications and instructions and any additional training required e.g. operation of bin lifts.

8.2 Age of Assets





8.3 Expiry

The vehicle replacement plan identifies the anticipated lifespan to enable accurate financial planning. However in order to maximise the value of each asset replacement is made on a condition basis or a significant change in user requirement. To extend their life vehicles may be transferred to other services, utilised within the central transport pool to reduce the need for hire vehicles or used to replace a vehicle that is no longer economically viable.

Services complete a business case to justify continued operational need and support replacement. This information is further utilised to determine the appropriate vehicle and specification to enable service delivery.

9. PERFORMANCE

9.1 Performance Indicators

The service has a number of performance indicators in place to measure the availability and cost of maintaining assets, these are benchmarked through the APSE performance networks.

Indicator	2012/13	2013/14	2014/15	2015/16	2016/17 (target)
Fuel Use (litres)	1,957,169	2,017,122	1,903,969	1,946,049	1,841,853
CO2 Emissions (tonnes)	5,092	5,248	5,010	4,859	4792
% of vehicles serviced within 7 days of schedule	100	100	98.94	94.05	100
% of vehicles passing DOE test first time	97.26	98.57	100	97.44	98.5

The following is a list of additional Key Performance Indicators (KPIs) which the Transport Hub are regularly reporting. The list is not exhaustive and is for the purpose of demonstrating the types of information that is collected.

- Vehicle downtime the number of days' service lost due to maintenance and repairs. This allows the Hub to focus on the reasons for an increased figure such as an increase in vehicle damage or the workshop being under resourced.
- Vehicle availability the number of days the fleet was available for use. This
 is used to provide information on availability for service demand.
- Vehicle utilisation this helps identify whether the fleet is too large or too small. It can also be used to help with decision making on fleet size and also to highlight issues with staff absence.
- Number of accidents this highlights staff training requirements.
- Number of vehicle defects this highlights maintenance issues or how an ageing fleet is adding to the Councils cost. It can also be used as information for selecting new vehicles.
- Number of MOT failures or first time MOT passes this is used to measure the performance of the workshop.
- Grey Fleet Mileage Number of miles undertaken by employees in their own vehicles

10. FINANCIAL SUMMARY

10.1 Annual Revenue Costs

The annual revenue cost of maintaining and operating the vehicle and road going plant items is £4.91 million of which £2.9 million is attributable to fleet management and maintenance and £2.04 million to fuel. These costs are allocated annually to service users through the process set out at 7.2.

The continued development of the Transport Hub will assist all Council services to make more efficient use of the existing fleet and enhanced co-ordination of journeys that will look to avoid unnecessary or duplicate journeys and look to achieve economies of scale that will achieve future budget savings.

10.2 Capital Investment

The Council has replaced 524 vehicles at a capital cost of £16.25 million over the past eight years as set out in the table below.

Year	Number of Vehicles Replaced	Replacement Cost (£)
2008/09	99	2.68m
2009/10	98	3.02m
2010/11	19	0.56m
2011/12	47	2.18m
2012/13	27	1.41m
2013/14	63	2.40m
2014/15	79	2.01m
2015/16	92	1.99m
Total	524	16.25m

The estimated asset replacement costs together with allocated Capital funding are set out in the table below for each of the next 8years. The value of the capital programme during this period is less than the replacement value to reflect the move to condition based replacement along with the development of the transport hub initiative and the Council's change programme that are expected to impact upon the number of vehicles provided. (**Action Reference FAMP A09**).

Year	Number of Vehicles Scheduled for Replacement	Estimated Replacement Costs (£)	Capital Programme (£)
2016/17	119	3.20m	2.00m
2017/18	87	3.13m	2.00m
2018/19	75	2.80m	2.00m
2019/20	76	2.54m	2.00m
2020/21	81	2.57m	2.00m
2021/22	70	2.04m	2.00m
2022/23	96	2.70m	2.00m
2023/24	58	2.08m	2.00m
Total	662	21.06	16.00m

The assets are currently financed through capital purchase. There are a number of ways in which replacement vehicles can be financed. The three principal methods for vehicles and plant are:-

- Capital Purchase vehicles are purchased outright and owned by the Council.
 This enables total flexibility in the use, length of ownership, mileage etc.
 Purchases are made utilising the capital budget.
- Leasing vehicles are owned by a leasing company, the Council makes annual payments, from revenue budgets, to the leasing company in return for use of the vehicle. Terms of use are agreed such as length of lease (5 years), return condition, annual mileage, residual value etc. Upon expiry of the lease it can be extended or returned to the leasing company. Financial penalties are applied where use has not been in accordance with the lease agreement.
- Contract Hire A form of leasing where the vehicle provider (leasing company) also undertakes some responsibility for the management and maintenance of the vehicle. As with leasing payments are made from revenue budgets.

An exercise in March 2015 compared the methods of leasing and capital purchase for ten Transit type derivatives. At that time there was no clear differential between the financial benefit of each model. However where capital finance is available to support outright purchase there are a number of inherent benefits within capital purchase:-

- Avoidance of end of lease costs, particularly in respect of annual mileage and return condition:
- Flexibility in respect of use and length of ownership
- Avoidance of early termination penalties should service reviews identify the requirement for a different type of vehicle.
- Negates premium lease payments to compensate for low residual values associated with specialist vehicles with limited second-hand opportunities.

However it is proposed that this exercise be carried out on a regular basis, particularly when purchasing large numbers of vehicles, to ensure the most efficient method of finance is used and to support the Council's budget setting process. Specific vehicles will also be assessed to inform best practice within current market / industry availability. (Action Reference FAMP A09).

In order to maximise purchasing power and on-going manufacturer support vehicles are replaced in groups by type and are procured, where possible, through Scotland Excel.

10.3 Disposal

At the end of their useful life vehicles are disposed of through an auction house or directly to specialist dealers ensuring that the best price is attained. Such receipts are not expected to exceed £40,000 annually and are returned to the Council's capital fund.

11. RISK MANAGEMENT

11.1 Risk Matrix

There are a number of inherent risks in the operation of the assets and their provision to service users. These risks are assessed utilising an impact and likelihood matrix to establish the extent of the risk and to inform the actions required to mitigate the risk to a level such that operations can be maintained to an acceptable level.

11.2 Key Risks

Risk	Likelihood and Consequent Impact	Consequence	Mitigation
Extension of asset beyond economically viable life	Possible x Minor 3 x 2 = 6	 Service disruption due to increased breakdowns Increased maintenance costs Loss of 'Operators' Licence 	 Planned Maintenance programme Timely replacement programme
Loss of 'Operators' Licence	Possible x Major 3 x 4 = 12	 Cannot utilise transport to deliver services 	 'Nil' defect daily checklist to be completed prior to vehicle use Planned maintenance and inspection cycle Driver training programme
Increased environment al controls in respect of vehicle emissions	Possible x Minor 3 x 2 = 6	 Fleet does not meet legislative standards Cannot utilise transport to deliver services Increased costs to hire in appropriately compliant vehicles. 	 Timely replacement programme Evaluation of alternatively powered vehicles Planned maintenance programmes to ensure optimum efficiency in vehicle operation.
Significant increase in Price of Fuel	Possible x Minor $3 \times 2 = 6$	Increase in budget requirement	 Evaluation and implementation of alternatively powered vehicles. Securing of bulk supply contracts
Securing of Fuel Supply	Possible x Major 3 x 3 = 9	 Essential Services cannot be delivered 	 Bulk supply maintained. Work with ACCT to maintain fuel contingency plan.

			Evaluation of alternatively powered vehicles to reduce demand
Service Change programme and Transport Hub result in surplus vehicles.	Possible x Minor 3 x 2 = 6	 Unnecessary expenditure incurred in retaining vehicles with limited use. 	Early engagement within service reviews impacting on transport. Replacement plan rephased to significantly reduce number of vehicles being replaced during 2016/17/18 Use of Capital Financing to purchase vehicles

12. ACTION PLAN

Action Plan Reference	Action	Responsible Person	Timescale
FAMP A01	Continue to develop and review the Corporate Transport Hub.	Transport Manager	Ongoing
FAMP A02	Continue to maintain compliance of the Councils Operators Licence	Transport Manager	Ongoing
FAMP A03	Continue to review commercialisation and further business development opportunities.	Transport Manager	Ongoing
FAMP A04	Increase Fleet Utilisation and improve on availability	Transport Manager	Ongoing
FAMP A05	Support service reviews that relate to transport and journey provision.	Transport Manager	Ongoing
FAMP A06	Engage with services and communications in regards to Vehicle Advertising	Transport Manager	Ongoing
FAMP A07	Continue to improve fleet sustainability	Transport Manager	Ongoing
FAMP A08	Evaluate the pilot of the review of the Councils 'Grey Fleet' and business mileage process	Transport Manager	December 2016
FAMP A09	Review method of purchasing and financing vehicles	Transport and Financial Support Managers	Annual Exercise
FAMP10	Develop programme of driver training	Transport Manager	Ongoing



ASSET MANAGEMENT PLAN

ROADS

November 2016



Road Asset Management Plan

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1 Introduction

This Road Asset Management Plan (RAMP) sets out the Council's approach for the management and maintenance of its road assets.

1.1 Road Asset Management

Road Asset Management is defined in the County Surveyors Framework for Highway Asset Management as:

'a strategic approach that identifies the optimal allocation of resources for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers'

This definition brings together themes that define an asset management approach:-

Strategic Approach – adopting a strategic approach to maintain and renew the asset and make best use of available resources for the long-term benefit of the asset.

Optimal Allocation of Resources – investment is allocated to prioritise the delivery of corporate objectives and to provide best value to our customers. Asset management provides a framework for this process by identifying and prioritising needs across the network as a whole. Lifecycle planning is used to minimise whole life costs to ensure efficient and effective use of resources.

Customer Focus – taking into account the needs and expectations of customers is addressed by developing appropriate levels of service for each asset.

Through prudent asset management, North Ayrshire Council will make best use of available resources in maintaining its road network and associated infrastructure.

1.2 Corporate Asset Management

The Road Asset Management Plan links to the Council's Corporate Asset Management Strategy and assists the Council in its' drive to use our resources more efficiently and effectively.



1.3 Strategic Document Framework

The Road Asset Management Plan sits within a strategic document framework shown in the diagram below:

Single Outcome Agreement



Council Plan



Directorate Plans



Service Plans



Team Plans

Road Asset Management Plan

Flood Risk Management Plan Road Safety Plan Winter and Weather Emergencies Plan



1.4 Asset Management Planning Documentation

The following documents are produced to support the asset management process and are reviewed and updated annually:

Road Asset Management Plan – records the service standards for each asset group, identifies risks, reflects local traffic levels, customer preferences and current investment strategies

Data Management Plan – records methods for collection, validating and updating of asset data and an action plan for improvements regarding estimated or missing data

Road Asset Valuation Report – provides information on data used in the valuation, methods of calculation and interpretation of results

Performance Report – APSE/SCOTS results

Improvement Action Plan – to support the asset management planning process

Customer Information Report – provides current customer information

Road Maintenance Manual – defines how and when each asset group is inspected, categorisation of repairs, condition assessment, prioritisation methods and procurement and management of works

Annual Status and Options Report – provides a summary of the status of each asset group in meeting service standards and a prediction of condition based on varying investment levels

Road Risk Register – details of risks to implementation of the plan

Works Programme – a Strategic List of Priorities is provided from which the annual programme is determined



2 Road Asset

2.1 The Road Asset

The Council's adopted road asset is currently made up of:-

Asset	Quantity	Unit
Carriageway – Mainland	870	km
Carriageway – Arran	164	km
Footways/footpaths	1007	km
Bridges & Culverts	396	no.
Car Parks	66	No.
Retaining Walls	34	No.
Street Lighting Columns	22,978	No.
Traffic Signals	72	No. of sets
Vehicle Activated Signs	37	No.
Real Time Passenger Information	21	No.
Non-illuminated Signs	11,937	No.
Illuminated Signs/Bollards	1,234	No.
Pedestrian Barrier	10,647	m
Grit Bins	441	No.
Safety Fences	40,557	m
Street Name Plates	3,523	No.
Bus Shelters	387	No.
Cattle Grids	11	No.
Verge Marker Posts	4,351	No.
Weather Stations	2	No.

A Data Management Plan has been created to record inventory data, storage, updating and validation processes.



2.2 Other Road Assets

There are a number of road infrastructure assets currently not covered within the RAMP that require data to be collected to ensure a complete overview of the Councils' responsibilities.

- Drainage systems are not covered by this plan. There is limited recorded information on drainage. New drainage installed or existing drainage that is being worked on, is included in the recording procedures for asset changes. Historic plans of drainage will ultimately be fully recorded on GIS. This element will form part of the new asset management project due to commence in 2017.
- Road & Lighting Infrastructure that is not part of the adopted road network is not currently included within this RAMP. Work has commenced to collect lighting, carriageway and footway condition data for Housing areas, and limited information regarding additional road infrastructure outwith the adopted road network has been recorded. A methodology for the prioritisation of maintenance on these assets has been developed. Further work is required to ascertain how the financial valuation of these non-adopted assets should be reported. There is a list of additional assets and further assets will continue to be added to the list as they are identified.
- Private Roads and Footways those not on the list of public roads
- Urban road verges within 30mph zones
- Cycle paths not forming part of existing carriageways or footways/footpaths
- Private Bridges (including Network Rail and Sustrans structures)
- ♦ Trees



3 Customer Consultation

3.1 Customer Consultation

A Roads Service customer survey was undertaken in 2005 and repeated again in 2009 and 2013. The survey covered customer contact and levels of satisfaction with various areas of the service – winter service, road maintenance, street lighting. The surveys identified that although we were delivering a high quality service in the works being carried out, the condition of the roads and footways is perceived to be in decline.

North Ayrshire took part in the National Highways and Transport (NHT) Networks survey in 2015. This survey measures public satisfaction with highways and transport services across the UK with results shared on the NHT website to encourage benchmarking and drive improvement.

To ascertain customer satisfaction regularly, roads specific questions have now been included in the customer surveys that are carried out by our Customer Services. The first survey that includes roads questions commenced in August 2016 and the awaited results will be reviewed upon receipt.

A winter service customer questionnaire was issued in 2013 to ascertain customer satisfaction levels with our winter service provision. This aspect is now included in the Customer Services survey.

Contract specific questionnaires are distributed after completion of contracts to properties in the vicinity of works. These results are recorded on a customer survey database to provide information for future improvements to be incorporated into Service Delivery.

North Ayrshire Council has a procedure in place for recording and dealing with complaints. Details of general enquiries are recorded in the Lagan System and all reported defects are recorded in WDM Road Management System (RMS). This information highlights numbers of specific types of fault or faults occurring in a geographical area.

The Local Transport Strategy 2015-2020 was developed in consultation with a wide range of representatives including public transport operators, economic groups, environmental groups, community groups and health organisations. Following publication of the draft documents, a six-week public consultation process was undertaken. The public consultation was carried out by e-mails sent out to all previous consultees, information and a link to a small questionnaire were provided on the Council's website and draft documents and questionnaires were placed in local libraries and Cunninghame House reception. In addition an advert was published in the Ardrossan & Saltcoats Herald, Arran Banner, Irvine Herald, Largs and Millport Weekly News and the Herald informing of the consultation.

North Ayrshire Council also has representatives who attend various meetings to ascertain views and/or requirements – e.g. North Ayrshire Access Panel, Community Groups and Estate Based Inspections. Responses are also sought via the North Ayrshire Community Planning Partnership People's Panel that is comprised of 2000 representatives of the population of North Ayrshire.



Consultation is undertaken through the new Locality Partnerships for local people within communities; set in North Coast and Cumbrae, Three Towns, Garnock Valley, Arran, Kilwinning and Irvine. This will identify and address local issues, set out priorities for each locality and how they will be addressed within a developed Locality Plan.

We work closely with Arran Community Council, Visit Arran and other key stakeholders to consult on works programmed to be undertaken on the Island of Arran to ensure that disruption is minimised and that any concerns are addressed.

Public consultation exercises are undertaken prior to final design decisions being made about major projects – for example, consultation has been carried out across West Kilbride to consider improvements to traffic management in the town. Consultation is also undertaken through local press releases for traffic orders and proposed road closures.

3.2 Consultation Results

The results of the roads service surveys of 2005, 2009 and 2013 show a decrease in satisfaction particularly in the condition of road and footway surfaces, but an increase in satisfaction in the provision of street lighting. The 2016 National Highways and Transport (NHT) survey shows similar results for satisfaction with road condition but indicates a lower level of satisfaction with street lighting with 70.7% satisfied with street lighting in comparison to 82% through the service survey in 2013. This may be due to the introduction of LED lighting in certain areas which reduce the light spread by concentrating lighting onto the road network.

The winter maintenance policy is reviewed annually to ensure that an effective winter weather service is provided and disruption due to severe winter weather is minimised. 70% of residents surveyed in 2013 indicated that they were satisfied with the winter service provided.

The Roads Service customer survey carried out in 2013 asked respondents to give a priority rating to each of the services that the Roads Service carries out to indicate how important the public perceives each service to be. Maintenance of Roads and Bridges was rated as the most important area for investment by 46% of respondents and 45% of enquiries made were concerning Road and Path maintenance. The results of this survey are included in the April 2014 Customer Information Report.

The results of our Contract specific customer questionnaires are reported to the Senior Manager on an annual basis in order that areas of concern can be monitored and addressed in pursuit of continuous improvement in the service delivered. 89.6% of customers are satisfied with the overall result, with 71% of customers stating that the service is good or excellent. Issues raised through this process are discussed at the Network weekly progress meetings and with appropriate site personnel. The results of this survey are included in the April 2016 Customer Information Report.

The results of the National Highways and Transport (NHT) Public Satisfaction Survey can be found on the NHT website. A comparison with the roads service surveys is included in the April 2016 Customer Information Report and confirms the results of previous surveys carried out by the roads service.



4 Future Demands

4.1 Asset Growth

Asset growth is generally due to the adoption of new development sites.

The carriageway asset has increased by 0.7% over the last 5 years, which has resulted in an additional 6.8 km of carriageway to be inspected and maintained. Due to the downturn in new housing developments, it is expected that carriageway asset growth will decrease to approximately 0.15% per year. Growth of our footways over the same period was not recorded but is estimated (based on carriageway growth and the assumption that there is a footway on either side) to be approximately 14 km representing a 1.4% increase over the same 5-year period, this is expected to decrease to 0.3% per year.

The number of lighting columns has increased by approximately 2.2% over the last 3 years. This rate of growth is expected to continue.

The number of traffic signals remains relatively static with any increases due to a requirement to regulate traffic flow on busy routes and to provide safe crossing points for the public. A number of driver feedback signs are provided, all of which have been installed in the last 7 years.

4.2 Traffic Growth

Traffic volumes are recorded at various permanent and temporary traffic counter sites across North Ayrshire. Although there are variations in volumes on some routes, these are mainly as a result of long-term closures due to major works and the resulting changes in traffic patterns. It is anticipated that there will be an increase in traffic locally in the next few years as a result of future development projects that will bring increasing numbers of shoppers and visitors to the area.

Traffic patterns altered with the opening of the 3 Towns by-pass in 2005 and it is anticipated that there will be another shift in traffic patterns in future years. The construction phase of the proposed Dalry by-pass will result in diversions having to be put in place to allow the work to be carried out. This will lead to increased traffic volumes travelling on the surrounding local road network. Since the opening of the 3 Towns bypass the B714 has deteriorated significantly as a result of increased traffic. This was exacerbated further when traffic management was put in place in Kilwinning and heavy traffic used the B714 as an alternative route and would be repeated as a result of any work carried out to realign the A737. Improvement works to realign and widen the B714 are scheduled to commence in 2017.

There are currently no figures available for traffic volumes on the Island of Arran; however, there is an expectation of increasing volumes of traffic due to the influx of tourists, in private cars and bus tours throughout the summer months further contributing to the deterioration of Arran's roads. Traffic counters have been installed on the Island to assess traffic volumes; these will provide figures for analysis of seasonal fluctuations and heavily trafficked routes. There are projected figures for increases in timber transport calculated from predicted volumes of timber to be felled



in future years. It is predicted that haulage traffic will increase by 39% between 2012-2016 and 2017-2021.

Road Equivalent Tariff (RET) has now been introduced on ferry routes to Arran with a reduction in fares for the travelling public. There is currently no information available on any increase in vehicular traffic as a result of this as analysis of traffic counter information recorded on the Island has not yet been completed. However, anecdotal information suggests a significant increase.

4.3 Traffic Composition

There are no changes expected in traffic composition on the Mainland in the foreseeable future.

However, there are a number of rural routes where constant maintenance is required due to heavy traffic causing damage to roads of sub-standard construction. A survey undertaken on a number of our C class routes established actual volumes of heavy traffic. It was determined that the C80 (Whiskey Bond Road) experienced the highest volume at 27% HGV traffic, compared to the other surveyed routes that had an average of 2%. High volumes of buses and lorries (Class OGV1) were also noted on the C118 Routenburn Road (27%) and C41 Brisbane Glen Road (20%) compared to an average of 16% over the 8 surveyed routes. Cars and light goods vehicles account for only 55% of the vehicular traffic using the C80. This study has highlighted the need to determine appropriate treatment options for these routes to take into account the type and volume of traffic using them; or to look at alternative routes, if possible, for this traffic.

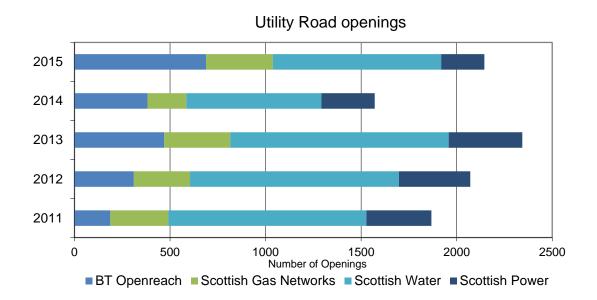
4.4 Utilities

Utility activity can have a major effect on the maintenance and management of the road assets. There are currently no recorded figures to quantify the effect that utility openings have on the road structure but it is widely believed that these lead to an increase in defects and earlier deterioration of the road surface than would otherwise be expected. All statutory undertakers are responsible for carrying out their own reinstatements and the Council enforces a 2-year guarantee on these works.

The Office of the Scottish Road Works Commissioner is currently undertaking a review of the long term damage that can result from utility activity. This includes a review of the current 2-year guarantee period.



Statutory Undertakers Road Openings



North Ayrshire Council work closely with Utility companies to try to minimise the effects of utility works on the travelling public and to ensure that, as far as is possible, newly surfaced roads are not disturbed for a minimum period of 3 years. However, in the event of emergency works being required or new service connections, the utility companies must be allowed to carry out their works.

4.5 Environmental Conditions

Environmental factors contribute to the demands placed on the road asset.

- Climate change changeable weather conditions with severe weather extremes becoming more common result in rapid deterioration of the road network
- Winter weather harsh winter weather has caused significant damage to road surfaces
- Flooding flooding is becoming more common due to prolonged periods of intense rainfall with road drainage unable to cope. This further leads to rapid deterioration on rural roads where there is little or no formal drainage in place.

4.6 Changes in Legislation

Legislation can lead to increased demand on Local Authorities' resources in managing their road assets.

- New Roads and Street Works Act 1991 and associated Codes of Practice, Transport Scotland Act 2005 and subsequent amendments.
- Flood Risk Management (Scotland) Act 2009
- Disabled Persons Parking Places (Scotland) 2009
- Designing Streets Manual for Scotland
- Potential for Section 7 agreements may create further maintenance responsibilities in relation to sustainable drainage systems. Section 7 agreements state that the Roads Authority and Scottish Water may agree to the provision, management and



maintenance or use of their sewers or road drains for the conveyance of water bringing shared responsibilities for systems

- Traffic Signs Regulations and General Directions 2016

4.7 Local Transport Strategy

The Local Transport Strategy may result in additional public transport and walking/cycling routes that will result in increasing future maintenance costs. North Ayrshire Council is committed to implementing low maintenance solutions, where possible, for example widening existing footways to create shared footway/cycleways rather than constructing separate new cycleways that would incur additional inspections costs.



5 Levels of Service

5.1 Service Standards

The following service standards apply to the road asset and define the level of service that customers can expect. The standards allow the appropriate prioritisation of resources within available funding. Details of how the specific measures are calculated are included in the road maintenance manual.

Service	Measure	Target Standard	
	Carriageways		
	Response times to Category 1 defects	4 hours	
	Response times to Category 2 defects	7 days	
	Response times to Category 3 defects	30 days	
	Routine safety inspection frequency –	12 times per year	
	Strategic routes		
	Routine safety inspection frequency – Main	12 times per year	
	Distributor routes		
	Routine safety inspection frequency -	12 times per year	
0.6.4	Secondary Distributor routes	' '	
Safety	Routine safety inspection frequency – Link	4 times per year	
	roads	' '	
	Routine safety inspection frequency – all	once per year	
	other routes and car parks	. ,	
	Utility Inspections		
	% of Sample A Inspections completed	50%	
	against number of potential inspections		
	% of Sample B Inspections completed	60%	
	against number of potential inspections		
	% of Sample C Inspections completed	85%	
	against number of potential inspections		
	Maintain RCI at current level	37.8%	
	Maintain condition of A Class Roads at	35.6%	
	current levels		
	Maintain condition of B Class Roads at	33.6%	
Condition	current levels		
	Maintain condition of C Class Roads at	48.7%	
	current levels		
	Maintain condition of U Class Roads at	35.4%	
	current levels		
	Footways	4 5 5	
	Response times to Category 1 defects	4 hours	
	Response times to Category 2 defects	7 days	
Cofoty	Response times to Category 3 defects	30 days	
Safety	Routine safety inspection frequency –		
	footways associated with strategic, main and	12 times per year	
	secondary routes	4 times naryoar	
	Routine safety inspection frequency –	4 times per year	
	footways associated with link roads	Twice per year	
	Routine safety inspection frequency –	Twice per year	
_	Castlepark and Lower Vennel		



	Routine safety inspection frequency – all	Once per year
	other footways and footpaths	Office per year
Condition	Maintain % of footways requiring	11.4%
Condition	maintenance at current levels	11.4/0
	maintenance at current levels	
Comileo	Magazira	Tanget Standard
Service	Measure	Target Standard
	Street Lighting	
Safety	% of street lanterns with a valid Electrical	94%
	Test Certificate	
	% of lamps restored to working condition	92%
	within 7 days	
Condition	% of lanterns dark on any one evening	1.5%
	% of columns that exceed their Expected	15%
	Service Life should be no more than	1070
	Corrido Eno cricara so no mero aran	
	Structures	
Safety	Carry out General Inspections	2 yearly
_	Carry out Principal Inspections	6 yearly
	Response time to emergency calls	4 hours
	Target figure for Average Bridge Stock	85
Condition	Condition Indicator	
	Target figure for Critical Bridge Stock	80
	Indicator	
	Traffic Signals	
	Response time to attend urgent faults	2 hours
	Repair/make safe time for urgent faults	4 hours
Safety	Response and repair time for non-urgent	12 working hours
	faults	Ĭ
l	I.	1

Details of our Road Hierarchy are shown in Appendix B

5.2 Road Condition

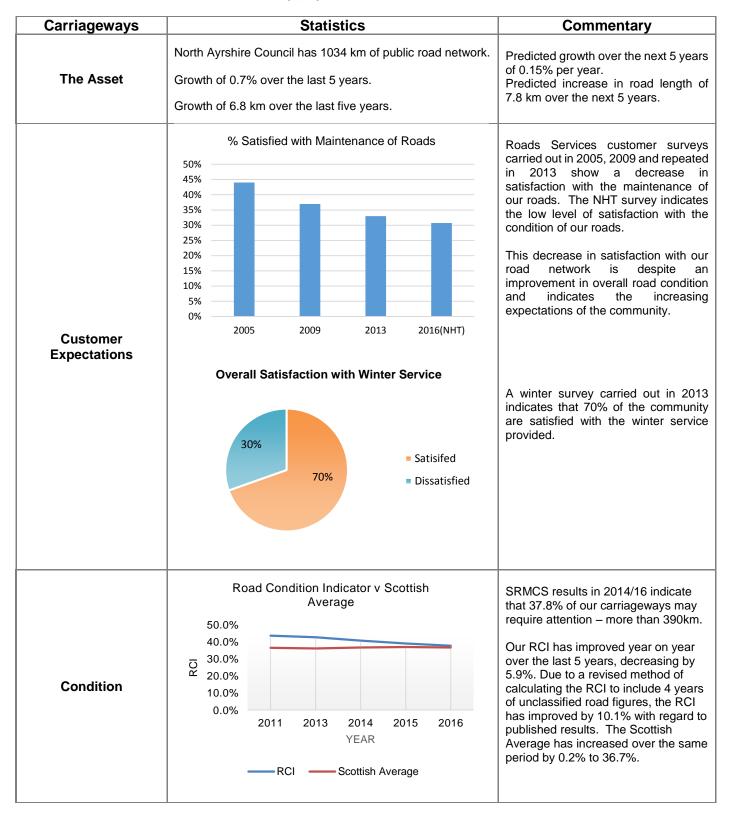
The table below shows the Road Condition Indicators for North Ayrshire Council reported as Statutory Performance Indicators for 2009-2011 to 2014-2016 and the comparison with the Scottish average. The methodology was revised in 2012 to include a 4-year unclassified average. Previous years RCIs were re-calculated to provide trend data.

RCI Comparison to Scottish average									
2009-11									
North Ayrshire	47.9	43.7	46.4	43.8	42.7	40.8	39.1	37.8	
Scottish average	37.9	36.5	36.1	36.4	36.2	36.7	37.0	36.7	
Comparison to Scottish average	+10%	+7.2%	+10.3%	+7.4%	+6.5%	+4.1%	+2.1%	+1.1%	
Overall Ranking	27 th	23 rd	26 th	26 th	25 th	21 st	20 th	20 th	



5.3 Asset Group Status Reports

The status of the major asset groups that make up the road asset as at April 2016 are summarised in the following pages:-





Investment Historical	Historical Investment £4,500,000 £4,000,000 £3,500,000 £3,000,000 £2,500,000 £1,500,000 £1,000,000 £1,000,000 £00 2011/12 2012/13 2013/14 2014/15 2015/16 Financial Year	These figures include capital and revenue investment in planned maintenance works. These works include carriageway resurfacing and realignments, planned carriageway patching, surface dressing and micro surfacing works. Investment in 2015/16 includes £924,870 SPT funding.	
	Gross Replacement Cost (GRC) £906 million.	Cost to replace the carriageway asset with an equivalent new asset.	
Valuation	Annualised Depreciation Cost (ADC) is currently estimated to be £9.7 million.	Estimated annual depreciation in the carriageway asset if no maintenance is carried out.	
	Steady State figure £3.3million	Cost per year to maintain the current Road Condition Indicator (RCI). (1)	
	Headline backlog figure is £30.9million.	Budget required to remove all defects in one year.	
Planned Future Investment	It is calculated that £9.7million per year is required to prevent further deterioration across the network. This figure does not include for increasing materials and construction costs.	This figure does not take into consideration the additional costs associated with surfacing works on Arran. Increased costs are estimated to be 36% for materials and transport. No distinction is made between capital or major revenue funding.	
Forward Works Programme	The 2016/17 roads programme for Arran was identified using Horizons which uses condition information and our identified community priorities to optimise investment available. The programme of works on the Mainland was identified using our prioritisation matrix which produces a strategic list of priorities for investment.	Locations identified are subject to continual re-assessment. For the 2017-18 programme, Horizons will be utilised to identify the optimum strategy for long term planning for road maintenance which maximises budget efficiency for both Arran and the Mainland.	

The Steady State calculation is based on investment required to ensure carriageways currently in amber condition do not deteriorate to red condition, and carriageways currently in good condition do not deteriorate to requiring maintenance treatment. This figure does not include treating all carriageways currently requiring major maintenance works as those in red condition will not deteriorate further.



Footways	Statistics	Commentary		
The Asset	North Ayrshire Council has 1007 km of footway/footpath network. Estimated growth of 1.4% over the last 5 years. Estimated an extra 14 km of footway to be maintained.	Predicted growth over the next 5 years of 0.3% per year. Predicted increase in footway length of 15 km over the next 5 years.		
Customer Expectations	% Satisfied with Footway/Footpath Surfaces 70% 60% 50% 40% 30% 20% 10% 0% 2005 2009 2013 2016(NHT) Roads & Bridges Maintenance Pavement & Footpath Maintenance Winter Gritting Maintenance	Roads Services customer surveys carried out in 2005, 2009 and repeated in 2013 show a decrease in satisfaction with the maintenance of footways and footpaths. The NHT survey indicates that this increased to 54% of respondents satisfied with the condition of footways. Footways are second only to roads and bridges maintenance as customer investment priorities, with 17% indicating that this should be a priority for service investment. Customer Priorities Roads & Bridges Maintenance 46% Pavement & Footpath Maintenance 17% Winter Gritting 2% Street Lighting Maintenance 2% Reduction of Congestion/Traffic Management 13% Safety Measures/Traffic Calming 9% Flood Prevention 7% Maintenance of Public Car Parks 2% Road Safety Training 2%		
Condition	% footway requiring treatment 12% 10% 8% 6% 2% 0% 2012/13 2013/14 2014/15 2015/16 Year	A condition survey of the whole footway is completed annually. Assessments are undertaken by the Road Inspectors as part of their inspection programme. Condition assessments carried out on the footway network indicate that footway condition is deteriorating with 11.3% of our footway/footpath network is currently in need of maintenance treatment – approximately 114km.		

North Ayrshire Council Road Asset Management Plan

Investment Historical	Historical Investment £600,000 £500,000 £400,000 £300,000 £100,000 £0 2011/12 2012/13 2013/14 2014/15 2015/16 Financial Year	Planned footway maintenance includes footway resurfacing, slurry seal, planned footway patching and micro surfacing.
Valuation	Gross Replacement Cost (GRC) is £137million Annualised Depreciation Cost (ADC) is currently estimated to be £1.9million	Cost to replace the footway asset with an equivalent new asset. Estimated annual depreciation in the footway asset if no maintenance is carried out.
Planned Future Investment	It is calculated that £1.9 million per year is required to prevent further deterioration in the footway network. This figure does not include for increasing materials and construction costs.	This figure does not take into consideration the additional costs associated with surfacing works on Arran. Increased costs are estimated to be 36% for materials and transport. No distinction is made between capital or major revenue funding.
Forward Works Programme	All footways requiring maintenance treatment are assessed according to our priority assessment matrix. This lists all footways requiring maintenance works in order of priority.	Locations identified are subject to continual re-assessment.



North Ayrshire Council Road Asset Management Plan

Structures	Statistics	Commentary
The Asset	The Structures asset consists of: 254 Road Bridges 34 Footbridges 34 Retaining Walls 101 Culverts 7 Subways	The figure for the length of retaining walls is estimated. There are two flood protection schemes currently being developed for Upper Garnock Valley and Millport which will involve the creation of a dam and rock armour sea defences.
Customer Expectations	100% of requests relating to abnormal loads are responded to within service response times.	There have been no adverse comments in respect of Structures. To determine customer satisfaction regularly, roads specific questions have now been included in the customer surveys that are carried out by our Customer Services. The first survey that includes roads questions commenced in August 2016 and the awaited results will be reviewed upon receipt.
Condition	Bridge Condition Indicators 100 95 90 85 80 75 2011/12 2012/13 2013/14 2014/15 2015/16 Year BSCIcrit BSCIav	The Bridge Condition Indicators require that Principal Inspections (PIs) are undertaken over a 6 year cycle. 64% of PIs had been completed as at 31st March 2016. Additional temporary resource has been provided to ensure PIs will be up-to-date by 31st March 2017. A cycle of PIs enabling completion over 6 years will then commence and will be facilitated by the planned strengthening of the existing Structures Team. General Inspections (GIs) are undertaken 2 yearly. These are slightly behind schedule with 80% completion as at 31st March 2016.



Investment Historical	## ## ## ## ## ## ## ## ## ## ## ## ##	These figures include revenue expenditure only. There was no capital investment in Structures for the period shown. The revenue budget for 2015/16 was £135,000. However, due to costs of procuring external support to undertake Principal Inspections, the maintenance expenditure during 2015/16 was reduced to £81,320.
Valuation	Gross Replacement Cost (GRC) is £114,707,520 Annualised Depreciation Cost (ADC) is currently estimated to be £869,825	Cost to replace the structures asset with an equivalent new asset. Cost per year to maintain the structures asset in its current condition.
Planned Future Investment	Estimated Outstanding Maintenance Work Required Parapet Upgrades £745,000 Culvert Replacement/ Strengthening £331,000 Road Bridge Replacement/ Strengthening £551,000 Road Bridge Replacement/ Strengthening £551,000	Value of outstanding maintenance work for the Structures asset is estimated to be £7.3million. This estimate is based on the inspections that have been carried out to date and may rise as inspection of all structures is completed. A formalised process for establishing the ongoing, long-term budgetary requirements for the maintenance of the Structures Asset, is being developed to build upon existing Capital Programme Asset Group (CPAG) work. The Revenue budget is approx. £135,000 per year. Capital investment of £560,000/year has been agreed from 2016/17 to 2022/23.
Forward Works Programme	The capital programme is identified based on the structures prioritisation methodology which ranks assets based on a number of factors including condition, safety, and usage. A Capital programme has been identified for 2016/17 and 2017/18.	The revenue programme is based on priorities from identified maintenance work, but is adapted throughout the year due to defects of a higher priority being identified through the annual inspection process. All works are subject to continual reassessment. The capital programme may be revised as a result of higher priorities being identified through results of inspections.



Lighting	Statistics	Commentary
The Asset	No. of luminaires 23,339 No. of columns 22,978 Over the last 3 years the no. of luminaires has increased by 887 reflecting a rise of 3.9% per annum and the no. of lighting columns has increased by 497; a rise of 2.2%.	The growth pattern is expected to remain constant due to additional infrastructure as part of new developments. In addition, infrastructure replacement works will continue to increase the number of lighting points.
Customer Expectations	% Satisfied with Street Lighting Provision 90% 80% 70% 60% 50% 40% 30% 2005 2009 2013 2016(NHT) Customer Enquiries and Service Requests	Roads Services customer surveys carried out in 2005, 2009 and repeated in 2013 indicated an increase in satisfaction with the provision of street lighting. The NHT survey shows a decrease in the level of satisfaction with street lighting. The lower level of satisfaction may be due to the introduction of LED lighting which is being installed across North Ayrshire as part of an energy efficiency programme. These ensure that the lighting is concentrated onto the road network thereby reducing light spread onto surrounding private areas, gardens and pathways. In 2015/16, 41% of enquiries and service requests recorded for the Service were regarding Street Lighting. This is a decrease of 10% over the last 3 years. This may be as a result of reduced numbers of failures due to longer life expectancy from LED.
Condition	Columns and Lanterns exceeding Expected Service Lives 7000 6000 5000 4000 2000 1000 2011/12 2012/13 2013/14 2014/15 2015/16 Year Columns Lanterns	The number of lanterns exceeding expected service life was not recorded for 2011/12. The number exceeding expected service life has decreased by 26% since 2012/13. The increase in the number of columns exceeding service life may be affected by estimated historic installation date records during IDC Irvine new town development leading to a higher exceeded life group than normal moving into affected date ranges. The value remains under the expected performance target. A SCOTS exercise to further refine the life expectancy of L.A. cable network is underway



Investment Historical	£2,500,000 £1,500,000 £1,000,000 £500,000 £0 2011/12 2012/13 2013/14 2014/15 2015/16 Financial Year	Level of historic investment reflects the ongoing £1m approx. required annually to maintain our lighting infrastructure at status quo across the network. This figure does not take into account increasing material and construction costs. An increase in investment over 2014/15 & 15/16 is due to a major spend to save energy initiative to introduce LED lanterns into approx. 60% of the network which is supportable. This will result in an energy efficiency saving of an estimated £570k per year.
Valuation	Gross Replacement Cost (GRC) is £37.8million	Cost to replace the lighting asset with an equivalent new asset.
valuation	Annualised Depreciation Cost (ADC) is currently estimated to be £0.95million	Cost per year to maintain the lighting asset in its current condition.
Planned Future Investment	Capital Investment 2015/16 - £2,654,000 2016/17 - £2,222,000 2017/18 - £1,000,000 2018/19 onwards - £1,000,000	The additional spend to save investment is due to be completed in 2016/17 reducing investment thereafter to the ongoing £1M approx. annual investment to maintain the lighting infrastructure at status quo.
Forward Works Programme	Structural inspection programme of risk certification is ongoing. Priority major infrastructure replacement programme is drawn from inspection, age profile and asset profile information.	Continued structural inspection manages risk between priority replacement and interim inspection certification.



6 Financial Summary

6.1 Historical Expenditure

Historical expenditure on the Road Asset over the last 5 years is shown in the table below:

Asset	Works	11/12 £	12/13 £	13/14 £	14/15 £	15/16 £
	Reactive	1,405,094	1,111,992	1,550,054	1,533,551	1,157,468
Carriageways	Routine	298,486	461,141	465,303	433,372	443,273
	Planned	3,614,988	¹ 3,429,444	3,595,400	2,835,678	² 4,082,053
Footways	Planned	523,401	372,348	433,766	350,787	427,042
Winter Maintenance		769,629	1,272,039	679,285	955,332	860,897
Structures		184,182	157,251	324,252	163,586	³ 81,320
Lighting	Cyclic	89,900	118,678	279,531	66,522	194,814
(excluding energy costs)	Reactive	308,352	446,028	451,273	286,186	325,334
	Planned	1,198,046	1,308,036	915,348	1,548,886	42,078,355

¹Planned expenditure figure includes investment in planned carriageway drainage works.

Investment in the above asset groups in 2015/16 reflects approximately 49.7% of estimated annualised depreciation. Expenditure on street furniture and traffic management systems have been excluded from these figures as maintenance is based upon ongoing inspection regimes which determine repairs/replacements to be carried out on a needs basis.

The severe winter weather experienced in Arran and the North Coast in March 2013 impacted significantly on winter maintenance costs for 2012/13. Severe weather conditions further result in the road surfaces deteriorating more rapidly than would normally be expected due to the freeze-thaw process.

²Planned expenditure figure includes SPT funding of £925k for improvement works on the Island of Arran. There is also an increase in patching works carried out internally using the Multihog, approximately £280k.

³Reduced spend on structures maintenance is as a result of one off expenditure required to undertake Principal Inspections.

⁴ Increased spend includes planned programmed invest to save bulk lantern replacements which will continue across 2016/17 before levelling back out at pre 2014/15 levels.



6.2 Asset Valuation

As at April 2016, the Roads asset is valued as follows:

Asset Type	Gross	Depreciated	Annualised
	Replacement Cost	Replacement Cost	Depreciation Cost
	(£'000)	(£'000)	(£'000)
Carriageways	£906,049	£794,482	£9,751
Footways	£136,889	£101,410	£1,909
Structures	£114,708	£106,958	£870
Lighting	£37,817	£22,186	£949
Street Furniture	£17,867	£8,922	£878
Traffic			
Management	£3,215	£2,258	£132
Systems			
Land	£226,635		
TOTAL	£1,443,178	£1,036,216	£14,489

The roads infrastructure is currently estimated to have a value of approximately £1,443 million. Information regarding the valuation is discussed in the Roads Asset Valuation Report.

6.3 SCOTS BACKLOG MODEL

A study was completed in 2010 using the 2007 and 2008 SRMCS data to determine the effect of applying different maintenance budgets to the Scottish local public road network. This concluded that the budget required to return to the position where the carriageway is in a good state of repair (the Headline Backlog figure) was £1.539bn. The model was re-run using 2009 and 2010 SRMCS data in order to determine the effect of the February 2010 winter weather resulting in a new figure of £1.729bn, an increase of 12.33%. Analysis of information in 2013 identified that the budget required to remove all carriageway defects in 1 year in North Ayrshire was £34.7million. The backlog figure was re-calculated again in 2015.

Backlog figures for North Ayrshire Council

	Network		Headline Backlog				
Authority	Length (km)	2011	2011 Revised	2013	2015	% Change 2011 - 2015	
North Ayrshire Council	1,018¹	£49,703,894	£40,115,791	£34,660,574	£30,944,000	-23%	
Scotland	52,272	£1,729,129,158	£2,257,845,935	£2,076,432,440	£2,106,000,000	-7%	

¹Backlog figures have been calculated on a network length of 1018 km as this was the recorded length in 2009 when the first headline backlog figures were calculated.

To give a comparison between 2011 and 2013 backlog figures, the 2011 figure was re-calculated using the updated network dimensions and rate data as for 2013. The reduction in RCI from 47.9% to 40.8% in 2015 is reflected in a reduced backlog figure.



There has been a further improvement in our RCI for 2016 to 37.8% which may result in a further reduction in future backlog calculations.

6.4 Planned Investment

Service standard targets and investment strategies are based on available budgets detailed in the table below. Any changes to these predicted budget levels will require changes to both service standard targets and investment programmes.

Asset	Works		£'000	Long Term Funding £'000	
		2016/17	2017/18	2018/19	Y3-Y10 pa
Carriageways	Reactive	£1,300	£1,300	£1,300	£1,300
	Planned	£3,200	£3,200	£3,200	£3,200
Footways	Reactive	£90	£90	£90	£90
	Planned	£400	£400	£400	£400
Structures	Reactive	£135	£135	£135	£135
	Planned	£560	£560	£560	£560
Street Lighting	Energy Costs	£571	£532	£554	Based on current
					energy supplier
					prices. Long term
					market prices are
					unpredictable
					See attached note
	Cyclic	£120	£108	£105	£105
	Reactive	£239	£200	£200	£200
	Planned	£3,057	£1,000	£1,000	£1,000
Totals:		£9,672	£7,525	£7,544	£6,990 + Energy costs

Current energy prices are 10.44p per kwh and 11.41p per kwh on the Islands. Energy markets are unpredictable but estimates based on advice from Procurement Scotland indicate 4% increase in 2017/18 and further estimates extrapolated from this of 6% (2018/19) and 7% (2019/20).

With the impact of LED replacements the energy cost in the same period in business as usual would have required £832,870 budget.



7 Investment Strategies

The strategies in this section have been determined using predictions of future condition over a 10 year period. The predictions enable strategies to be created to look at the whole life cost of maintaining the asset. Using long term predictions means that decisions about funding levels can be taken with due consideration of the future maintenance funding liabilities that are being created. Investment strategies for the major asset types are summarised below. These strategies are designed to enable the service standards in section 5 to be delivered.

Detailed information on anticipated outcomes of alternative strategies can be found in the Annual Status and Options Report.

Investment between Asset Types

In comparison to historical investment future investment is planned to be:

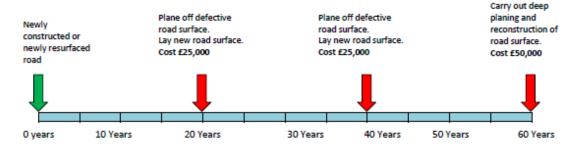
- Carriageways: level of investment maintained at similar levels
- Footways: level of investment maintained at similar levels
- Structures: level of investment increased from 2016/17 to enable a programme of improvements. This is expected to remain steady until 2022/23
- Street lighting; level of investment increased as part of a 'spend to save' initiative to introduce modern efficient LED lighting

Carriageways

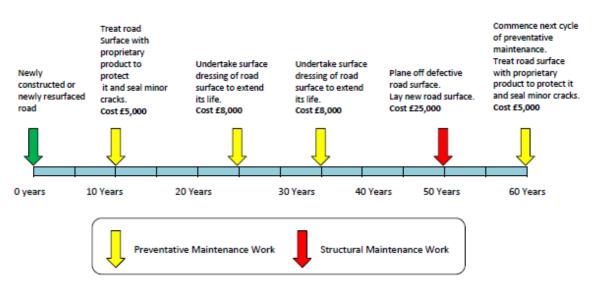
The investment strategy for carriageways is to optimise investment by using life cycle planning to undertake targeted improvements to ensure that efficiency of spend is maximised. This will increase investment in lower cost treatments, although investment will also require to continue in higher cost resurfacing where carriageways are in poor condition. The budget available is insufficient to undertake a full preventative programme as there are areas of major deterioration that must be addressed for public safety. The funding available currently will not be sufficient to improve overall road condition, however, the strategy is to minimise deterioration by optimising available investment in order to maintain current condition.



Traditional Road Maintenance Approach



New Approach Using RAMP Principles



Total cost of maintaining the road using traditional methods £100,000

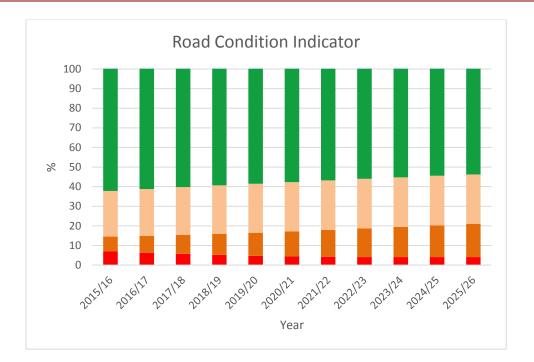
Total cost of maintaining the road using RAMP methodology £51,000

The above illustration shows that by applying road asset management principles the whole life cost of maintaining the asset is greatly reduced. The use of preventative maintenance treatments at the optimum intervention timings extends the life of the asset leading to less need for reactive and planned maintenance.

The budget currently allocated for planned maintenance is projected to result in deterioration over the next 10 years resulting in the percentage of roads in need of maintenance treatment increasing to 46.2%. However actions being taken to prevent this are in place utilising the Horizons long term planning resource which looks at whole life costs. Further actions are also detailed within the Roads Improvement Plan. An annual programme of planned permanent patching will be undertaken to minimise deterioration in overall road condition.

Horizons utilises prioritisation data in addition to Scottish Road Maintenance Condition survey data to target investment for long term planning. Carriageway prioritisation data is included at Appendix C.





Horizons, a visualised asset management system, is currently being used to determine a long term investment programme. This takes account of road condition, deterioration rates based on historical data for our road network and prioritisation criteria established to meet Council priorities. It uses life cycle planning to allocate treatments efficiently making optimum use of the available budget.

Expenditure on routine repairs is expected to stay the same. The investment on a Multihog machine which enables first time permanent patching repairs to be carried out by general patching squads is expected to reduce expenditure on reactive repairs as repeated return visits are reduced.

Footways

The strategy for planned improvement works to footways is to continue to use our prioritisation matrix (Appendix D) to develop a long term programme for footway improvements.

Preventative treatments have been used in previous years in residential streets but had poor feedback from the public. As a result of this, all town centre footways are resurfaced in asphalt with white limestone chips or to meet public realm requirements, but all other footways are now resurfaced with a 6mm dense finish as this is a more efficient use of limited funding for footway improvements. Although initial feedback has been varied on this matter, it is more acceptable to our residents than the extended use of thin surfacing treatments.

To move to programming investment in our footway network using lifecycle planning, there is a requirement to use a range of treatments. As thin surfacing treatments are further developed they will be trialled and the results analysed to enable lifecycle planning to be fully implemented and investment optimised across our footway network.



Routine and reactive repairs are expected to continue at current levels and will be undertaken within available budgets.

Structures

The structures maintenance strategy is to use available funding to ensure the safety of the travelling public by maintaining the structures in a serviceable condition.

The methodology used to allocate Revenue and Capital funding is outlined below.

Revenue

Works carried out under the revenue budget are generally reactive and routine works identified through the inspection regime and/or reported defects from the public.

Works identified, where there is insufficient budget to immediately carry out repairs and where they are not prioritised due to safety reasons, are recorded in the Work Bank which is a list of works to be completed as funding is available.

The maintenance strategy attempts to balance the need to complete essential reactive works, whilst allocating funds to routine preventative and corrective works identified through inspections. A reduction in routine maintenance will accelerate the rate of deterioration of the asset.

Capital

There has been no capital allocation for the structures asset for a number of years, with the exception of specific allocations for major repairs or new assets. A capital budget has now been allocated to the structures asset from 2016/17 and is expected to be in place until 2022/23. This will enable a programme of strengthening and replacement to be put in place.

The following table contains the current list of locations and estimates for strengthening and upgrade works required.

Strengthening '	Works - Road Bridges		
C57	Garnock Bridge	C57-40	256,000.00
C6	Millburn Bridge	C6-5	65,000.00
C79	St. Brides Bridge	C79-10	150,000.00
B714	Lynn Bridge	B714-20	1,080,000.00
U54	Seven Acres Mill Bridge	U54-30	270,000.00
C99	Threadmill Bridge	C99-05	85,000.00
U16	Dalgarven Mill Bridge	U16-10	80,000.00
C99	Dusk Water	C99-30	175,000.00
UNC	Corriegils Bridge	UNC.AA -	130,000.00
		410	
UNC	Halketburn Road	UNC TS-210	165,000.00
B779	Nethermains Bridge	B779-10	
B7081	Annick Water Bridge	B7081-10	80,000.00



Strengthening	Works - Road Bridges		
B779	Nethermains Bridge	B779-10	160,000.00
A760	· · ·	A760-50	•
	Maybole Bridge		50,000
B769	Annick Water Bridge	B769-21	20,000.00
A736	Bungle Burn Bridge	A736-60	230,000.00
C99	Blair Bridge	C99-40	40,000.00
B777	Kirkland Bridge,	B777-40	2,400,000.00
	de Work - Road Bridges	1	
C56	Culvert West of Flashwood	C56-65	10,000.00
U32	Highfield - Longbar	U32-10	10,000.00
B706	Burnhouse Bridge	B706-070	15,000.00
A71	Dreghorn Footbridge	A71-60	135,000.00
C67	Tandlehill Bridge	C67-30	10,000.00
UNC	Milton, over Garnock	UNC NM-20	150,000.00
UNC	Milton, Millside Bridge	UNC NM-30	18,000.00
UNC	Garnock View	UNC TG-230	90,000.00
U2	Armsheugh No. 1	U2-10	7,000.00
UNC	Newton, Lochranza	UNC.AA-610	20,000.00
UNC	U/Pass, Glenbervie	UNC.TK-460	85,000.00
Scour Protection	on Works - Road Bridges		
B730	Holmsford Bridge	B730-70	20,000.00
	Estimated - various		200,000.00
Strengthening '	Works - Footbridges		
UNC XA	Barrie Terrace, Ardrossan	UNC XA-110	121,000.00
UNC	Kerelaw Castle	UNC.XS-320	100,000.00
UNC	FB Multi Storey Irvine	UNC.XI-110	75,000.00
UNC	Low Green, Irvine	UNC.XI-060	60,000.00
UNC	Low Green, Irvine	UNC.AI-000	60,000.00
UNC	Merryvale, Irvine	UNC.XI-050	60,000.00
			,
Support Upgra	de Works - Footbridges		
A71	Dreghorn Footbridge	A71-60	135,000.00
B7080	Crammond Way	B7080-120	50,000.00
B7080	Fencedyke	B7080-130	50,000.00
		<u> </u>	
Parapet Upgrad	de Works		
UNC TK	Glenbervie Drive Underpass	UNC TK-460	112,000.00
UNC	Low Green Retaining Wall		75,000.00
	3		,



Strengthening '	Works - Culverts		
B777	Gillies Hill Culvert	B777-13	145,000.00
B777	Lochend Bridge	B777-05	71,000.00
B784	Hardcroft Bridge	B784-010	115,000.00
Parapet Upgrad	de Works - Culverts		
C131	Bannoch Bridge	C131-10	10,000.00
C87	Highgate Bridge	C87-30	7,000.00

These works will be prioritised using the structures prioritisation methodology and a programme of works established. The Structures Prioritisation Matrix is contained in Appendix E.

The annual capital budget allocated is £560,000. This means that the current list of works required would take 14 years to compete.

Street Lighting

The investment strategy for lighting is to continue to use lifecycle planning to undertake targeted improvements of the overall asset infrastructure by using the prioritisation matrix to profile deteriorated, age expired and energy improvement opportunities. The short term increased Capital investment in energy efficient lantern replacements will reduce the impact of energy increases, carbon tariffs and unplanned reactive repairs on future revenue budgets, while allowing capital investment to be prioritised in those locations and infrastructure which cannot support in situ lantern replacements without compromising the lighting design standards.

The funding available currently for infrastructure replacement will not be sufficient to improve the age/condition profiles, however the strategy is to minimise further deterioration of the asset profile by keeping pace with annualised depreciation.

The Capital funding will continue to be required to support replacement of deteriorated infrastructure on those locations which have currently been identified for energy savings conversions, as those supporting networks themselves become deteriorated and age expired.



8 Risk Management

This section summarises how the council's risk management strategy is applied to the management of the road asset. It identifies where risks associated with the road asset are recorded, identifies the major risks associated with the asset and outlines how they are currently being controlled.

8.1 Corporate Risk Management Strategy

The Corporate Risk Management Strategy provides a framework through which risk can be identified and managed, thereby reducing the Council's exposure to loss.

8.2 Risk Identification

The Roads management team identifies significant strategic risks impacting upon the priorities outlined in the Roads Operational Plan.

8.3 Risk Categorisation

A risk assessment matrix is used to identify the level of risk associated with carriageway and footway defects and to categorise and prioritise repairs accordingly. Assessment matrices for street lighting for lighting have also been developed to categorise lighting defects. There is a long established process in place to risk assess and prioritise

8.4 Risk Control

Risks within the Roads Service are controlled by carrying out inspections in accordance with Codes of Practice, adherence to the winter policy and compliance with the Flood Risk Strategy.

8.5 Monitoring and Reporting

Risk is continually monitored by the Roads management team and reported to the Corporate Management Team through quarterly performance reports and annually through the Roads Operational Plan.

8.6 Risk Register

Top level risks for Place Directorate are contained within the Directorate Plan. The top level risk associated with roads is outlined below.

Issue	Current Controls	Directorate Plan
		Action
Failure to maintain assets to an acceptable standard	Asset management plans and supporting investment programmes are established and in place.	C07 Continue to develop and implement actions arising from the Roads Asset Management Plan



A specific risk register for road assets has been produced. However, the major risks associated with Roads are recorded in the following table:

Risk	Controls	Monitoring Process
Less resources leading to a	Inspection frequency	Regular monitoring of performance
reduction in levels of service and an increase in	Categorisation of defects using risk assessment process	achievable with allocated resources
complaints and legal claims	Prioritisation scheme for works	Number of 3 rd party liability claims Number of defects
		reported
Failure of street lighting electrical networks leading to dark area or electrical accidents or injury	Statutory Inspection Regime	Number of units with valid electrical inspection
Failure of street lights leading to accidents	Regular inspection programme in place and investment in replacement programme	Number of reported dark lamps
Failure of street lighting structures leading to damage or injury	Regular inspection programme in place and investment in replacement programme.	Number of age expired units with valid structural inspection certification
Flooding leading to service and local transport disruption and associated financial cost	Emergency plans for flooding Flood Risk Strategy	Ensure control procedures are kept upto-date Regular inspection of trash screens and culverts
Severe winter weather or failure of proactive winter procedures leading to traffic disruption and impact on the local economy	Ensure winter maintenance policy has been reviewed. Ensure operatives are fully trained in winter procedures.	Monitor and review winter maintenance policy annually. Constant review of measures in place throughout the winter period.



9 Action Plan

An action plan has been created to support this plan and is included at Appendix A. Road asset management actions are also recorded in Covalent.

10 Management & Control of the Plan

10.1 Introduction

Throughout this RAMP, issues and corresponding improvement actions have been established. These actions will need to be prioritised, programmed, resourced and implemented in order for an asset management approach to be fully introduced. This section states who will be responsible for the management of the Road Asset Management Plan.

10.2 Responsibility

The following officers are responsible for the delivery of the Road Asset Management Plan.

Post	Name	Role
Cabinet		Approval of RAMP
Executive Director	C Hatton	Approval of RAMP
Head of Commercial Services	R McCutcheon	Approval of RAMP (annually)
Team Manager – Traffic & Transportation	C Forsyth	Implementation of the RAM Action Plan
Team Manager - Network	C Dempster	Implementation of the RAM Action Plan
Team Manager - Lighting	G Wilson	Implementation of the RAM Action Plan - Lighting Updating the RAMP - Lighting Reporting on Progress - Lighting
Asset Management Officer	S Macfadyen	Implementation of the RAM Action Plan Updating the RAMP Reporting on Progress
Asset Owner-Carriageways	S Macfadyen	
Asset Owner-	S Macfadyen	Updating Financial
Footways/Cycleways		Information, Ensuring
Asset Owner-Structures	A Cowley	Implementation of
Asset Owner-Lighting	G Wilson	Improvement Actions
Asset Owner-Traffic	A Crawford	



GLOSSARY

ABBREVIATIONS

The following abbreviations are used in this plan:

Abb. Definition

ACoP Approved Code of Practice

ADC Annualised Depreciated Cost

AMP Asset Management Plan

BCI Bridge Condition Indicator

BSClav Average Bridge Stock Condition Indicator

BSCIcrit Critical Bridge Stock Condition Indicator

CSS County Surveyors Society

DRC Depreciated Replacement Cost

GRC Gross Replacement Cost

HGV Heavy Goods Vehicle

IA Improvement Action

LCP Lifecycle Plan

LTS Local Transport Strategy

NRSWA New Roads and Street Works Act

RAMP Road Asset Management Plan

RAUC(S) Roads Authorities and Utilities Committee (Scotland)

RCI Road Condition Indicator

RMS Roads Management System

SCOTS Society of Chief Officers of Transportation in Scotland



Abb. **Definition**

SRMCS **Scottish Road Maintenance Condition Survey**

SRWR **Scottish Road Works Register**

SPI **Statutory Performance Indicator**

Traffic Regulation Order TRO

WDM Williams Detail Management Limited

WGA Whole of Government Accounts

Main Definitions The following terms are used in this plan:

Term Definition

Annualised Depreciation The cost of annual deterioration of the road network if no

maintenance works are carried out.

Asset Management A strategic approach that identifies the optimal allocation of resources for the management, operation, preservation and enhancement of the Road infrastructure to meet the needs of

current and future customers.

Asset Valuation The calculation of the current monetary value of an authority's

assets.

Depreciation The systematic allocation of the depreciable amount of an

asset over its useful life arising from use, ageing, deterioration

or obsolescence.

Depreciated Replacement

Cost

Method of valuation which provides the current cost of replacing as asset with its modern equivalent asset less deductions for all physical deterioration and all relevant forms

of obsolescence and optimisation.

Gross Replacement

Cost

The monetary cost of replacing the existing asset with a modern equivalent asset.

Levels of Service

A statement of the performance of the asset in terms that the

customer can understand.

Lifecycle Plan Document defining the standards applied to an asset and

detailing the management processes used to deliver those

standards.



Public Realm

Publicly owned streets, pathways, right of ways, parks, publicly available open spaces; all areas to which the public has open access

Road Infrastructure Assets

An authority's portfolio of road assets including roads, segregated footpaths and cycle routes, structures, lighting, traffic management systems, etc. Together they function as a system or network which as a whole is intended to be maintained at a specified Level of Service (assessed through performance measures) by the continuing replacement and refurbishment of its assets and elements.

Section 7 Agreement

A Roads Authority and Scottish Water may agree to the provision, management, maintenance or use of their sewers or road drains for the conveyance of water from the surface of a road or surface water from premises and that neither party shall unreasonably refuse to enter into such an agreement or insist on terms or conditions unacceptable to the other party.

Statutory Undertakers

Various companies and agencies with legal rights to carry out works on the road.

APPENDIX A



ACTION PLAN

ROADS

November 2016

The following actions have been identified as the Road Asset Management improvement actions for 2016/17 and are recorded on Covalent.

RAMP ACTION	DESCRIPTION	DUE DATE	EXPECTED OUTCOME	COMMENT
16/17 A1	Develop and implement the Horizons Visualised Asset Management System to develop annual programme.	March 2017	•	Long term investment plans currently being prepared
	Develop 5 year long term future strategies for carriageways.	September 2017	•	
16/17 A2	Develop a planned approach for reduction of lighting of signs and bollards	December 2017	•	Resource to undertake risk review being facilitated as part of refreshed employee structure
16/17 A3	Develop a planned renewal programme for all road signage	December 2017	•	Collection of condition information to inform renewal programme will be based on revised inspection routes implemented as part of the refreshed employee structure
16/17 A4	Undertake a comprehensive review of structures inspection procedures and introduce an improved management process	March 2017	•	A documented procedure is being prepared for carrying out inspections
16/17 A5	Develop and implement a strategy for inspection and maintenance of additional assets	December 2017	•	Implementation will be based on revised inspection routes implemented as part of the refreshed employee structure
16/17 A6	Develop a procedure for the maintenance and repair of electronic signage	March 2017	•	Requirements to be recorded and the most cost effective method for maintenance to be determined
16/17 A7	Develop a strategy for protective painting of structural steelwork	March 2017	•	Identification of structures requiring painting will inform a strategy for planned works
16/17 A8	Improve Roads Service customer information available on the website	December 2017	•	To be facilitated through creation of Publicity and Communications Officer

RAMP ACTION	DESCRIPTION	DUE DATE	EXPECTED OUTCOME	COMMENT
16/17 A9	Develop a strategy for identifying structures at risk of scour	December 2017	•	Initial investigations will be undertaken to inform the strategy

The following actions have been identified as those required to improve the extent and management of inventory data. Accurate data is essential to inform maintenance requirements and undertake lifecycle planning in order to maximise efficiency and effectiveness of investment. These are contained within the Data Management Plan.

ACTION	DESCRIPTION	DUE DATE	EXPECTED OUTCOME	COMMENT
DMC 1	Transfer surface material information into the carriageway layer in ArcGIS	Sept 2017	•	
DMC 2	Combine various layers of carriageways so that adoption and construction information is stored with inventory data	Sept 2017	•	
DMC 3	Incorporate annual visual surveys into an ArcGIS layer	March 2017	•	Condition survey data is visually represented within Horizons
DMF 1	Collect remote footpath inventory	March 2018	•	Methodology will be introduced with new inspection routes
DML 1	Transfer lighting records to WDM	March 2017	•	Ongoing
DMS 1	Record maintenance works information in BMX	March 2017	•	Ongoing
DMS 2	Retaining walls to be inspected	Ongoing	•	Initial assessment to identify poor/fair/good condition completed
DMT 1	Provide each controller with a unique identifier other than serial number	March 2017	•	This will assist with lifecycle planning
DMT 2	Measure actual power usage of individual traffic signal units	Ongoing	•	To identify where efficiencies can be made
DMT 3	Compile site plans and timings for all sites	Ongoing	•	
DMT 4	Record detailed attributes for signals	March 2018	•	

ACTION	DESCRIPTION	DUE DATE	EXPECTED OUTCOME	COMMENT
DMSF 1	Record asset changes in ArcGIS	Ongoing	•	Asset change forms are currently completed and collated in Excel
DMA 1	Collate list of additional assets	Ongoing	•	An initial list has been compiled, further assets will be added as they are identified

APPENDIX B

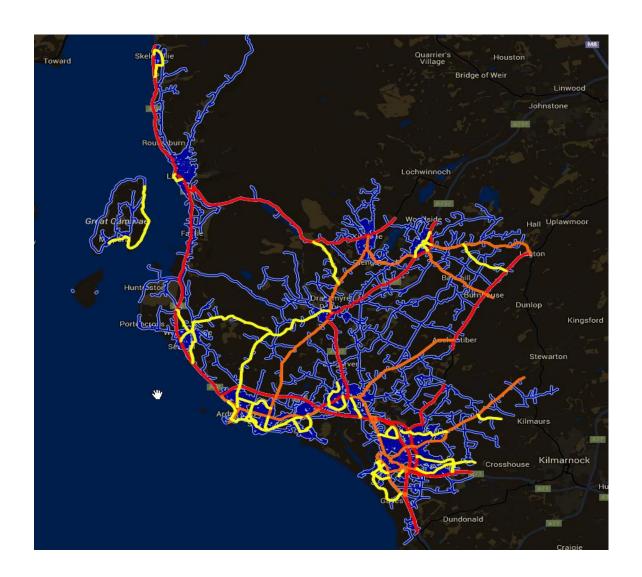
Maintenance Hierarchy - Mainland & Island of Cumbrae

Strategic

Main Distributor

Secondary Distributor

Link and Access Roads



Maintenance Hierarchy – Arran

Strategic

Main Distributor

Secondary Distributor

Link and Access Roads



APPENDIX C

Carriageway Prioritisation Criteria

Condition

Taken from the initial condition assessment score generated during inspection.

Condition ——→	1 – Acceptable	2 – Safe but poor appearance	3 – Minor deterioration	4 – Major Deterioration
1 – Up to 25%		5	9	13
2 – 25% - 50%		6	10	14
3 – 50% - 75%		7	11	15
4 – 75% - 100%	4	8	12	16

<u>Maintenance Category – Local Transport Strategy (LTS)</u>

- 22 Strategic Routes (A760 / A736 / A71)
- 16 Main Distributor Routes
- 11 Secondary Distributor Routes / Bus Routes

Assistance to Other Priorities

Use your own knowledge of the surround area to rate the location in relation to:

- 2 Adjacent to Local Shops
- 4 Adjacent to Amenity Housing, Residential Care Homes and Medical centres
- 6 Adjacent to Schools, Leisure Facilities and Tourist Attractions
- 8 Business Parks and Industrial Estates
- 10 Access to Train Stations and Park & Ride facilities
- 14 Town Centre

APPENDIX D

North Ayrshire Council - Roads Footway & Footpath Resurfacing Scheme Priority System

<u>General</u>

The weighting system devised enables the programme of footway & footpath resurfacing schemes to be objective, rated against a number of important criteria.

Scoring System					
Criteria	Maximum Score	Weighting	Score		
1. Condition	16	4	64		
2. Importance / Accessibility	5	2	10		
3. Public Liability Claims / RMS Faults / Complaints	6	1	6		
4. Assistance to Other Priorities	10	2	20		
		Maximum Total:	100		

1. Condition

Taken from initial Condition Assessment Score generated during inspection

Condition → Extent ↓	1 – Acceptable	2 – Safe but poor appearance	3 – Minor deterioration	4 – Major Deterioration
1 – Up to 25%		5	9	13
2 - 25% - 50%		6	10	14
3 - 50% - 75%		7	11	15
4 - 75% - 100%	4	8	12	16

2. Importance / Accessibility

	Score
Footway / Footpath Priority 1 Gritting Route	5
Footway / Footpath Priority 2 Gritting Route	3
Footway / Footpath Priority 3 Gritting Route	2
Other Footway / Footpath	1

3. Public Liability Claims / Fault Reports / Complaints

Score according to the type / source of complaint / fault report / request for service received for the location

- 1 Public Complaint or Fault Report resulting in a confirmed defect
- 2 Multiple Requests for service or Fault Reports resulting in confirmed defects
- 4 Elected Member Complaint or Request for Service
- 6 Public Liability Claim

4. Assistance to Other Priorities

Use your own knowledge of the surrounding area to rate the location in relation to:

- 1 Shared Cycle / Footways
- 2 Adjacent to Local Shops
- 4 Adjacent to Schools, Leisure Facilities and Tourist Attractions
- 6 Adjacent to Amenity Housing, Residential Care Homes and Medical Centres
- 8 Local Bus Route, access to Train Stations and Park & Ride facilities
- 10 Town Centre

APPENDIX E

	are Name: hen the scoring is ca	rried out:			Structure N	lame:				
					Structure	Net score	% of			
		Maximum			Score		total Score			
No.	Factors	Score			Input			Additional	comments	
	Type of Bridge	1	Score 1 if road bridge and 0	Culverts, Subways which carry road shall be						
			if foot bridge	considered as road bridge as per this scoring						
1				system. Structures which carry only pedestrians,	1					
				cyclists and equestrians shall be considered as						
			5 1 1 110	footbridge.		NA				
2	Route Factor	40	Score based on NAC route	Route hierachy	0	0	0%			
			hierachy	0.10.00=/1110.1.1.1.1.1.10						
				Cat 2 - SPT/ NAC strategic routes - 40						
				Cat 3a - Main distributor routes - 30						
				Cat 3b - secondary distributor routes - 20						
				Any other category - 10						
				Routes serving fewer than 5 properties - 5						
3	HGV Restriction	20	Score based on weight capacity	Weight restriction	0	0	0%			
	factor			3 tonnes - 20						
				7.5 to 13 tonnes tonnes - 15						
				18 tonnes - 10						
				26 to 38 tonnes - 5						
				No weight restriction - 0						
	Condition factor	10	Score based on the condition of	Sliding score based on 0 for very good condition						
4			the bridge	to 10 for poor condition. (10 - (BCI crit/10))	0	0	0%			
						<u> </u>				
	Deterioration	10	Score based on the rate of	Sliding score based on 0 for very slow						
5	factor		deterioration of the structure	deterioration to 10 for rapid deterioration	0	0	0%			
	Pedestrian	30		Structures with footways in heavily used urban		-	-			
		30								
6	factor		Bridges with footways of heavy pedestrian usage shall score a	areas score 30. Score 30 if route is access to a	0	0	00/			
ь			maximum of 30 .	school or railway station. Apply a sliding scale	0	U	0%			
			maximum or 30 .	going down to 0 for rural structures without footways.						
	Elooding factor	40	Score based on the potential for	A structure that makes no contribution to						
	Flooding factor	40	,							
_			the existing structure to	flooding risk will score 0. Structures that are	_	_				
7			contrubute to flooding	know to increase the risk of flooding due to	0	0	0%			
				restrictions in width or soffit height will score 30.						
	Scour factor	60	Score based on risk of collapse	Risk of collapse of structure due to scouring.						
			due to expose to scour in heavy	Structures which have been deterioted severely						
8			flow conditions	because of inadequate scour protection and on	0	0	0%			
0				verge of collapse score maximum. Scour risk	U	U	078			
				based on a sliding scale.						
	Parapet Condition	15	Score based on the condition of	Structures with substandard Parapets with poor						
	Factor		the parapets	conditon will score 15 . Structures with						
_				substandard parapets with a 'monitor only'	_	_				
9				recommendation will score 10. Structures which	0	0	0%			
				have parapets to current standards will score 0.						
	Parapet Risk	10	Score based on risk in the event	What is the likelihood of someone getting high						
	Factor	10	of a parapet collapse leading to	risk injury or even death while the parapet is						
	. 2000		high risk injuries and human	open to use considering the condition of the						
10			casualties.	structure. Risk based on a sliding scale.	0	-5	100%			
10				and the state of t	3		100/0			
	Delay factor	20	Score based on whether existing	Structures where delays are caused by width,						
	Delay ractor	20	_	weight, height or other restrictions such as						
			cause delays at the structure	traffic lights will be given a score higher than						
11			cause delays at the structure	zero. Delays less then 2 minutes at peak times	0	0	0%			
11				will score 10 and longer than 2 minutes will score		U	U/0			
				20. Score maximum if fire station, railway station						
				or hospital affected by delay.						
	Structure Risk	10	Score based on risk in the event	What is the likelihood of someone getting a high		1				
	factor	10		risk injury or even death while the structure is						
12	. 3000		high risk injuries and human	open to use considering the condition of the	0	0	0%			
			casualties.	structure. Risk based on a sliding scale.						
	Maintenance	20	Score based on maintenance	Score based on known maintenance history and			-			
	factor	30		T T						
13	ractor		required to keep the existing	requirement. No maintenance requirement will	0	0	0%			
			structure open.	score 0. Listed structures score 15.						
	Divorcion factor	30	Score based on the length of the	Score based on diversion length. Any diversity						
	Diversion factor	20		Score based on diversion length. Any diversion						
				equal to or more than 20 miles scores 20. Score 1						
14			closed in an unplanned manner	for each mile of diversion up to 20. Score 20 if a	0	0	0%			
			with no finite time limit.	road closure adversly affects a fire or railway						
				station or hospital. Score 20 if there is no						
			1	alternative diversion.				1		
						-5	1			

		Note maxir	num score t	hat can be ac	hieved for	road bridge=	= 500		
Priority level Chart	Structure	Name:							
	Date of S	coring:	00-Jan-00						
Priority Level Indicator		Overall wo	rks (500)	Structure w	orks (100)	Parapet wo	orks (70)	Scour Prote	ection (60)
		Level	Score	Level	Score	Level	Score	Level	Score
No Action Rquired									
Low Priority									
Medium Priority									
High Priority									
Immediate action required									
	Note · W	orks are divid	ded above in	nto three sub	categories	as each wor	k can he in	dependent a	nd
	INOTE . W			cance in terr				асрениент а	i i i

NORTH AYRSHIRE COUNCIL

Agenda Item 6

17 January 2017

Cabinet

Title: Revenue Budget 2016/17 : Financial Performance

to 30 November 2016

Purpose: To advise Cabinet of the financial performance for the

Council at 30 November 2016

Recommendation: That Cabinet agrees to (a) note the information and

financial projections outlined in the report; (b) approve the acceptance of the additional grant funding as summarised at 2.3; (c) approve the carry forward of £0.055m identified at 2.4 (vi), (d) note the current financial projection for the Health and Social Care Partnership and (e) approve the virements detailed in

Appendix 11.

1. Executive Summary

- 1.1 The Council's General Fund and Housing Revenue budgets for 2016/17 were approved at a special meeting of the Council held on 17 February 2016.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the third report for 2016/17 and covers the period to the end of November 2016 (Period 8). Projections of the year-end position have been made. As the year progresses these projections will become more robust.
- 1.3 At Period 8 the General Fund is forecasting a net in-year surplus of £2.771m (0.9%) after transferring resources to other funds, a increase of £0.023m from that reported at Period 6.
- 1.4 The Housing Revenue Account is forecasting an in-year surplus of £0.606m which is a decrease of £0.403m from Period 6.

2. Background

General Fund

- 2.1 The Council has set a break-even budget for 2016/17. In addition to the budget approved on 17 February 2016 earmarked funds of £8.299m have been carried forward from 2015/16 for service expenditure in 2016/17 and are reflected in the figures within the 2016/17 financial performance reports as they are drawn down.
- 2.2 Current financial projections indicate that a net in-year surplus of £2.771m, net of transfers to reserves, is anticipated for the year to 31 March 2017. This represents 0.9% of the Council's total budget. This is summarised in the table below.

Service Expenditure Chief Executive and Democratic Services	Appendix No	Annual Budget £000's 3,897	Projection to 31 March 2017 £000's 3,916	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 6 (Fav)/Adv £000's	Movement £000's (19)	Note
Finance & Corporate	2	15,790	15,463	(327)	(215)	(112)	(i)
Support Education and Youth	3	•		, ,	, ,	90	
Employment		107,648	107,431	(217)	(307)	90	(ii)
Place	4	59,210	59,131	(79)	66	(145)	(iii)
Economy and Communities	5	23,824	23,676	(148)	(305)	157	(iv)
Other Corporate Services	6	9,452	6,813	(2,639)	(2,180)	(459)	(v)
Sub Total	-	219,821	216,430	(3,391)	(2,903)	(488)	. ,
Health and Social Care Partnership	7,8,9	82,411	82,411	-	-	-	2.6
Balance for Services	_	302,232	298,841	(3,391)	(2,903)	(488)	
Financing Charges	10	14,934	14,934	-	(94)	94	(vi)
Transfer to Earmarked Reserves		816	816	-	-		
Total Planned Expenditure	- -	317,982	314,591	(3,391)	(2,997)	(394)	
Planned Income							
Aggregate External Finance	10	(268,015)	(268,015)	-	-	-	
Council Tax	10	(48,050)	(48,058)	(8)	(24)	16	
Use of Change Fund	10	(802)	(802)	-	· -	-	
Use of Earmarked Funds	10 _	(1,115)	(1,115)	-	-		
Total Planned Income	_	(317,982)	(317,990)	(8)	(24)	16	
Net Expenditure/ (Income)	_	-	(3,399)	(3,399)	(3,021)	(378)	
Carried Forward Funds	•	-	628	628	273	355	(vii)
Revised Net Expenditure/(Income)	_	-	(2,771)	(2,771)	(2,748)	(23)	
	_						

2.3 In addition to the annual budget noted at 2.2, Economy and Communities has been awarded grant funding of £0.180m by the Ayrshire LEADER Programme in respect of the MakerSpace in Rural Communities programme. The grant offer requires match funding of £0.020m to be provided by North Ayrshire Council. This funding has been identified from within existing resources and Cabinet is requested to approve the acceptance of the grant funding to enable works to progress this financial year.

2.4 Commentary on Significant Movements from the Forecast at Period 6

The Council's overall financial forecast against the original budget is an improvement of £0.023m. A brief explanation of the significant movements from period 6 is outlined below.

(i) Finance and Corporate Support - underspend of £0.327m, an increase in underspend of £0.112m

There has been an increase in underspends across services related to the early realisation of employee cost savings. Within Financial Services a requirement for additional training resources has been identified to support and enhance the professional capacity of the service. A proposal to carry forward £0.055m of the underspend is noted at 2.4(vii).

(ii) Education and Youth Employment - underspend of £0.217m, a decrease in underspend of £0.090m

Within ASN a decrease in the projected underspend is primarily related to the under recovery of income from other local authorities resulting from a reduction in the number of pupils placed in North Ayrshire ASN schools. Within Early Years a reduced underspend on employee costs is related to the filling of vacancies.

(iii) Place - underspend of £0.079m, a movement of £0.145m from the previously reported overspend

Three services are reporting improvements in their forecast outturn positions. Within Building Services an underspend of £0.076m is related to increased workload combined with effective vacancy management. Within General Housing, an increase in underspend of £0.197m is projected due to the cessation of the Pan-Ayrshire agreement for Roughsleepers. An increased underspend of £0.077m within Internal Transport is related to the early realisation of savings. These have been partially offset by an increase in the forecast overspend within Waste Services of £0.130m, resulting from a reduction in projected income from commercial waste and the sale of recyclates combined with increased payments to contractors due to temporary closures of the landfill site, and an overspend of £0.100m within Property Maintenance related to deferred maintenance projects. A proposed budget virement in relation to the under recovery of commercial waste income has been included in Appendix 11.

(iv) Economy and Communities - underspend of £0.148m, a decrease in underspend of £0.157m

Within Economic Development, a decrease in the projected underspend is primarily related to an increase to the overspend on Modern Apprentices of £0.139m resulting from a higher than anticipated costs associated with older apprentices. This has been partly offset by an increased underspend on employee costs, £0.094m, due to vacancy management related to the restructuring of the service. The reduction in the projected underspend of £0.041m within Connected Communities is related to a projected overspend on employee costs within Community Facilities to respond to an increase in letting and is partly offset by increased income.

(v) Other Corporate Items - underspend of £2.639m, an increase in underspend of £0.459m

The increase in the projected underspend mainly results from a reduction in the forecast drawdown of centrally held funds in respect of pension auto-enrolment and the living wage.

(vi) Financing Charges - breakeven, a reduction in underspend of £0.094m

The reduced underspend relates to the latest cash flow and interest rate projections and reflects the balance of actual borrowing costs between the General Fund and the HRA.

(vii) Requests to Carry Forward

It is proposed to carry forward £0.055m of underspends within Finance and Corporate Support to future years to support staff training and development within Financial Services.

Welfare Reform

2.5 A revised Benefit Cap has been introduced by the DWP from 7 November 2016. The DWP has notified North Ayrshire Council that up to 206 households with 642 children may have their benefit capped and their housing benefit reduced by an estimated £11,151 per week. At Period 8, 156 households have been capped and 26 have applied for DHP with £0.011m awarded. 50 households have still to be capped and the DWP is expected to notify the Council of these shortly. All households are being contacted and actively encouraged to apply for DHP. For 2016/17, if all 206 households applied for DHP for a 13 week period it is estimated that DHP funding of £0.225m would be required, compared to existing resources of £0.163m, resulting in a potential overspend of £0.062m.

For 2017/18 it is currently forecast that the amount of DHP funding required to fully mitigate the Benefit Cap would be £0.580m, resulting in a potential pressure of £0.497m based on the current weekly reduction in Housing Benefit.

Health and Social Care Partnership

2.6 The Health and Social Care Partnership is forecasting an overspend of £5.351m as at the end of November 2016. The Council services element of the projected overspend is £3.006m, which is an adverse movement of £0.433m since period 6. The main areas of overspend are:-

• Community Care and Health - £1.617m overspent

The majority of this overspend is linked to increased demand for services within Care at Home, Care Home and Community Alarms as well as unbudgeted additional costs arising from taking services in-house. High levels of demands are currently being experienced which cannot be managed through normal operational channels. Within Care at Home there has been a 30% increase in referrals which are eligible for service and whose needs have been assessed as substantial or critical. Care Homes are also experiencing an increase in demand and the need for longer stays in respite some of which is as a consequence of the demand within Care at Home. To minimise the overspend requests for service are being waitlisted and are only released when capacity becomes available within the service and for Care Homes can be delivered within the budget available. There are currently 219 people being waitlisted for services.

Children's Services and Criminal Justice - £1.042m overspent

Children's Services are experiencing exceptional demand linked to Looked After and Accommodated Children with a 56% increase in demand for residential and secure placement. These placements are only considered when every other option for care provision has been exhausted. This has resulted in the Looked After and Accommodated Children budget overspending by 7%.

Mental Health Services - £0.351m overspent

Learning Disability is projecting to overspend by £0.327m which is linked to demand for care packages and the non delivery of savings in 2016/17.

A summary of projections is included within Appendices 7 and 8 and members can be provided with copies of the full Integration Joint Board report if required. To date mitigating actions of £0.527m have been delivered and are reflected in the projections above. Further mitigations of £0.100m have been identified and will be progressed for delivery this year and full details are contained within Appendix 9. This leaves a balance of £2.906m. The Health and Social Care Partnership will continue to explore options to mitigate this overspend, however given the demand pressures, it is unlikely that full mitigation will be put in place. This will result in the Partnership closing with a deficit position linked to Council services in 2016/17 which will require to be recovered in future years.

The Integration Scheme states that in the case of demographic shifts and volume changes each partner will have a shared responsibility for funding, if partners agreed of offer funding. The Health and Social Care Partnership are currently engaging with all partner bodies.

Budget Transfers/Virements

2.7 Requests for budget transfers, or virements, have been identified since the start of the financial year. As per the Council's Codes of Financial Practice, where the amount transferred from a budget is over £100,000 (either as a single transfer or the sum of transfers within a financial year) or where the transfer of any amount would affect existing Council policy, the approval of the Cabinet is required. A schedule of the virements requested by Services above the £100,000 threshold is attached at Appendix 11 for Members' consideration and approval.

Housing Revenue Account

2.8 The Housing Revenue Account budgeted for a break-even position in 2016/17 with an underspend of £0.606m currently projected which is a decrease on that reported at period 6. This is summarised in the table below with further details provided in Appendix 12:

	Annual Budget £000's	Projection to 31 March 2017 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 6 (Fav)/Adv £000's	Movement £000's	Note
Employee Costs	4,657	4,470	(187)	(189)	2	
Property Costs	16,643	17,016	373	(211)	584	(i)
Supplies and Services	228	258	30	45	(15)	
Transport and Plant Costs	42	42	-	-	-	
Administration Costs	1,340	1,326	(14)	7	(24)	
	•	•		(00)	(21)	
Other Agencies and Bodies	1,303	1,265	(38)	(33)	(5)	
Transfer Payments	151	161	10	-	10	
Other Expenditure	787	599	(188)	5	(193)	(ii)
Capital Financing	22,294	21,275	(1,019)	(948)	(71)	(iii)
,	-	-	· · · · · · ·	(1,324)	291	(111)
Gross Expenditure	47,445 (47,445)	46,412	(1,033)	, ,		(is a)
Income	(47,445)		427	315	112	(iv)
Net Expenditure	-	(606)	(606)	(1,009)	403	

2.9 Commentary on Significant Movements from the Forecast at Period 6

The HRA's overall financial forecast against the forecast at period 6 is a reduction to the projected underspend of £0.403m. A brief explanation of the significant movements from period 6 is outlined below.

(i) Property Costs - overspend of £0.373m, a movement of £0.584m from the previously reported underspend

This movement is mainly as a result of increased expenditure of £0.116m on Aids and Adaptations to reduce waiting times combined with £0.617m of additional asbestos works. This is partly offset by a projected underspend on central heating maintenance of £0.219m.

(ii) Other Expenditure - underspend of £0.188m, a movement of £0.193m from the previously reported overspend

The movement is mainly attributable to a lower than anticipated rent arrears write off due to higher than anticipated collection levels.

(iii) Capital Financing - underspend of £1.019m, an increase in underspend of £0.071m

The reduced underspend relates to the latest cash flow and interest rate projections and reflects the balance of actual borrowing costs between the General Fund and the HRA.

(iv) Income - under recovery of £0.427m, an increase in under recovery of £0.112m

The movement is mainly due to revised rent projections, related to increased Council House Sales and slippage and amendments to the new build properties available to rent.

3. Proposals

3.1 That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) approve the acceptance of the additional grant funding as summarised at 2.3; (c) approve the carry forward of £0.055m identified at 2.4 (vi), (d) note the current financial projection for the Health and Social Care Partnership and (e) approve the virements detailed in Appendix 11.

4. Implications

Eineneiel.	Canaral Sarviana
Financial:	General Services
	The net projection for the year as at 30 November
	2016 is a surplus for the year of £2.771m.
	Housing Revenue Account
	The net projection for the year as at 30 November
	2016 is a surplus for the year of £0.606m.
	The position for both the General Fund and
	·
	Housing Revenue Account revenue budgets will
	continue to be monitored closely for the remainder
	of the financial year
Human Resources:	None
Legal:	None
Equality:	None
Environmental &	None
Sustainability:	
Key Priorities:	This budget monitoring report directly supports the
	Council Plan 2015 to 2020 by "making the best use
	of all resources" and ensuring a "sound financial"
	position".
Community Benefits:	None

5. Consultation

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

LAURA FRIEL

leanmel

Executive Director (Finance and Corporate Support)

Reference:

For further information please contact David Forbes, Senior Manager (Financial Management) on 01294 324551

Background Papers

Revenue Budget 2016/17 : Financial Performance to 30 September 2016 - Cabinet - 22 November 2016

CHIEF EXECUTIVE SERVICE FINANCIAL PERFORMANCE 2016/17

			Annual		
			Variance		
	Annual	Projected	Adverse or		
Objective Summary	Budget		(Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	632	676		7%	1
Policy, Performance & Community Planning	1033	1015	(18)	-2%	2
Communications	485	485	-	0%	
Civil Contingencies	70	70	-	0%	
Committee Services	665	665	-	0%	
Members Services	1012	1005	(7)	-1%	3
Totals	3,897	3,916	19	0%	

			Annual	
			Variance	
	Annual	Projected	Adverse or	
Subjective Summary	Budget	Outturn	(Favourable)	% Variance
	£000	£000	£000	
Employee Costs	3,113	3,101	(12)	0%
Property Costs	7	7	-	0%
Supplies and Services	121	129	8	7%
Transport and Plant Costs	14	15	1	7%
Administration Costs	866	860	(6)	-1%
Other Agencies & Bodies	396	396	-	0%
Transfer Payments	-	-	-	-
Other Expenditure	2	2	-	0%
·				
Gross Expenditure	4,519	4,510	(9)	0%
Income	(622)	(594)	28	-5%
Net Expenditure	3,897	3,916	19	0%

CHIEF EXECUTIVE SERVICE FINANCIAL PERFORMANCE 2016/17

Du	Outtu dget Varian		
	_	00 % of budget	Section
	Note		Legal
			Movement - The overspend has decreased by £0.003m since Period 6 due to a reduction in projected income
1,	031 1	6 2%	Employee costs - There is a projected overspend of £0.016m mainly due to turnover target not being achieved
((490) 2	8 -6%	Income - There is a projected under-recovery of income of £0.028m due to a reduced demand for service and anticipated debtor account write offs
		4	
	Note		Policy, Performance & Community Planning
			Movement - The underspend has decreased by £0.001m since Period 6 due to changes in employee costs
	944 (2	3) -2%	Employee Costs - There is a projected underspend of £0.023m mainly due to an employee secondment to Corporate Procurement
	89	5 6%	Other minor variances
		0,70	Street Hillion Variations
	(1		
	Note	3	Members Services
			Movement - There has been an increased underspend of £0.010m since Period 6 due to members allowances
			Mambara Allauranaa. There is a preiested undergrand of CO 040m due to delay in fillion
	755 (1	0) -1%	Members Allowances - There is a projected underspend of £0.010m due to delay in fillling vacancy and reduction in number of Committee Chairs
	257	3 1%	Other minor variances
		7)	
L		• /1	

FINANCE & CORPORATE SUPPORT FINANCIAL PERFORMANCE 2016/17

		Projected	Annual Variance		
	Annual	Year End			
Objective Summary	Budget	Outturn	(Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate	143	148	5	3%	
Audit & Risk	476	457	(19)	-4%	
Finance					
Head of Service	117	124	7	6%	
FMS Project	153	153	-	0%	
Financial Services	1,674	1,611	(63)	-4%	1
Corporate Procurement	696	636	(60)	-9%	2
People & Transformation					
Head of Service	109	110	1	1%	
Change Programme	819	774	(45)	-5%	3
Human Resources	1,821	1,850	29	2%	4
Customer & Digital Services					
Head of Service	106	82	(24)	-23%	
ICT	2,841	2,841	-	0%	
Customer Services & Registration	1,949	1,888	(61)	-3%	5
Business Support	2,112	2,043	(69)	-3%	6
Revenues & Benefits	2,774	2,746	(28)	-1%	
Totals	15,790	15,463	(327)	-2%	
Less Carry Forward	-	160	160		
Net Total	15,790	15,623	(167)	-4%	

			Annual	
		Projected	Variance	
	Annual	Year End	Adverse or	
Subjective Summary	Budget	Outturn	(Favourable)	% Variance
	£000	£000	£000	
Employee Costs	14,044	13,576	(468)	-3%
Property Costs	1	11	10	1000%
Supplies and Services	1,554	1,629	75	5%
Transport and Plant Costs	41	41	-	0%
Administration Costs	743	797	54	7%
Other Agencies & Bodies	1,769	1,785	16	1%
Transfer Payments	55,102	55,102	-	0%
Other Expenditure	1	1	-	0%
Gross Expenditure	73,255	72,942	(313)	0%
Income	(57,465)	(57,479)	(14)	0%
Net Expenditure	15,790	15,463	(327)	-2%

FINANCE & CORPORATE SUPPORT FINANCIAL PERFORMANCE 2016/17

Budget	Projected Variance	Variance as %	
£000	£000	of budget	Section
	Note 1		Financial Services
			Movement - There has been a movement of (£0.026m) from Period 6 due to changes in employee costs
1,670	(63)	-4%	Employee Costs - There is a projected net underspend of £0.063m due to early realisation of savings
			As part of the structure review within Financial Services, a requirement for additional training resources has been identified to
			support and enhance the professional capacity of the section. It is requested that £0.055m of the current underspend is earmarked to deliver staff training and development.
	(63)		
	Note 2		Corporate Procurement
			Movement - There has been a movement of (£0.018m) from Period 6 mainly due to changes within employee costs
596	(46)	-8%	Employee Costs - There is a projected net underspend of £0.046m due to vacancies, long term absence and maternity leave.
	(10)		Employee costs There is a projected net anderspend of 25.040m and to vacanises, rong term absence and materine, reave.
(20)	(14)	70%	Income - There is a projected over recovery of £0.014m due to supplier rebates received exceeding targets
/	(- ')		,
	(60)		
	Note 3		Change Programme
			Movement - There has been no movement from Period 6
808	(45)	-6%	Employee Costs. There is a president of understand of CO OAEm due to apply realization of acrises
000	(43)	-076	Employee Costs - There is a projected underspend of £0.045m due to early realisation of savings
	(45)		
	Note 4		HR
			Movement - There has been a movement of (£0.011m) from Period 6 due to changes in employee costs and the anticipated
			costs of systems interfaces
1,589	6	0%	Employee costs - There is a projected overspend of £0.006m due to turnover target not being achieved
103	21	20%	Supplies - There is a projected overspend of £0.020m due to the anticipated cost of procuring two interfaces Pension Administration (Strathclyde Pension Fund - CHRIS HR Payroll) and Recruitment (Talentlink to CHRIS HR Payroll). These interfaces will streamline processes, improve accuracy and enable better forecasting of termination costs
129	2	2%	Other Minor Movements
	29		
	Note 5		Customer Services And Registration
	110000		Movement - There has been a movement of (£0.017m) from Period 6 due to changes in employee costs (£0.022m) and a
			projected over spend of £0.005m in software licences and support
1,695	(66)	-4%	Employee Costs - There is a projected underspend of £0.066m due to early realisation of savings. Within Customer & Digital Support, a Business Improvement team has been set up for a fixed period of two years. The purpose is to drive and deliver projects that will secure future year savings. Approval was given at Period 4 to earmark £0.105m to fund the team for 2017/18 from the overall underspend across Finance & Corporate Support.
136	5	4%	Supplies and Services - There is a projected overspend of £0.005m due to software licences and support.
	(61)		
	Note 6		Business Support
	.1010 0		Movement - There has been a movement of (£0.027m) from Period 6 due to changes in employee costs
			, ,
2,003	(90)	-4%	Employee Costs - There is a projected underspend of £0.090m due to early realisation of savings
98	21	21%	Admin Costs - There is a projected overspend of £0.021m due to postages £0.012m and agreed staff training £0.009m. Work is ongoing to maximise the delivery of the approved postage saving.
	(69)		

EDUCATION AND YOUTH EMPLOYMENT FINANCIAL PERFORMANCE 2016/17

			Annual		
			Variance		
	Annual	Final Year	Adverse or		
Objective Summary	Budget	End Outturn	(Favourable)	% variance	Note No
	£000	£000	£000		
Early Years Education	11,042	10,648	(394)	-4%	1
Primary Education	36,432	36,983	551	2%	2
Secondary Education	48,646	48,553	(93)	0%	3
Additional Support Needs	6,656	6,648	(8)	0%	4
Education - Other	4,872	4,599	(273)	-6%	5
Totals	107,648	107.431	(217)	0%	

			Annual	
			Variance	
	Annual	Final Year	Adverse or	
Subjective Summary	Budget	End Outturn	(Favourable)	% variance
	£000	£000	£000	
Employee Costs	87,569	87,733	164	0%
Property Costs	314	314	-	0%
Supplies and Services	15,126	15,012	(114)	-1%
Transport and Plant Costs	224	224	-	0%
Administration Costs	971	981	10	1%
Other Agencies & Bodies	7,997	7,663	(334)	-4%
Transfer Payments	580	580	-	0%
Other Expenditure	-	-	-	-
Capital Financing	61	61	-	0%
Gross Expenditure	112,842	112,568	(274)	0%
Income	(5,194)	(5,137)	57	-1%
Net Expenditure	107,648	107,431	(217)	0%

EDUCATION AND YOUTH EMPLOYMENT FINANCIAL PERFORMANCE 2016/17

Budget	Projected	Variance as	
Budget £000		% of budget	Section
	Note 1		Early Years Education
			Movement - There has been a movement of £0.044m since P6 mostly due to employee costs.
8,534	(210)	-2%	Employee Costs - Underspend due to delays in appointing non Teaching staff and problems recruiting teachers.
1,533	(165)	-11%	Payments made to Private Partner Providers currently projected to be underspent due to lower than anticipated uptake of services.
	(19)		Other minor variances
			Early Years services are currently subject to review. An Early Years Programme Board has been set up that will oversee current and future provision.
	(394)		
	Note 2		Primary Education
			Movement - There has been a movement of (£0.018m) since P6 mostly due to an decrease in cost of ASN response hours.
33,891	559	2%	Employee Costs - Overspend of £0.559m from a budget of £1.586m is due to the increased number of pupils with additional support needs, to allow these pupils to remain within mainstream schools they require classroom assistant support. Additional expenditure at this stage can avoid incurring much larger amounts by the time the pupil is in receipt of specialist services. Action has now been taken to streamline the workforce with a view to bringing the budget back on target for 2017/18.
	(8)		Other minor variances
	551		
	Note 3		Secondary Education
			Movement - There has been a movement of (£0.010m) since P6 mainly due to PPP contract deductions.
11,294	(63)	-1%	PPP unitary charge underspend mainly as a result of lower than expected RPI.
(60)	(41)	68%	PPP contract deductions due to penalties. The service is now in formal discussions with the contractor to ensure that the level of service delivered matches the contract specifications.
	11		Other minor variances
	(93)		
	Note 4		ASN
			Movement - There has been a movement of £0.074m since P6 mainly due to an under recovery of charges from Other Local Authorities.
1,342	50	4%	Employee Costs - Overspend due additional classroom assistants in ASN schools.
1,147	(131)	-11%	Underspend on external specialist residential placements.
1,049	(65)	-6%	Underspend on external day placements
(554)	110	-20%	Income - Projected under recovery of income due to other authorities placing less pupils in our ASN schools. The charges made to other authorities have been increased to realise additional savings, however a reduced number of children has generated a overspend.
	28		Other minor variances
	(8)		
	Note 5		Education Other
			There has been no movement in the underspend since P6.
888	(131)	-15%	Employee Costs - Underspend is due to vacancies and changes to work patterns.
0	(134)		For the Teacher Refresh Scheme in 2015/16 it was expected that there would be a one off payment required to release the employees. A year end accrual of £0.134m to cover this expenditure was made. This amount is now no longer required.
	(8)		Other minor variances
0	(0)		

PLACE FINANCIAL PERFORMANCE 2016/17

			Annual		
		Projected			
	Annual	Year End			
Objective Summary	Budget			% variance	Note No
Collective Cultimary	£000	£000	£000	70 Variario	11010110
Directorate and Support	96	96	_	0%	
Physical Environment					
Building Services	(2,369)	(2,445)	(76)	3%	1
Property Management & Investment	2,633	2,633	` -	0%	
Housing Assets & Investment	(780)	(780)	-	0%	
Property Running Costs	8,272	8,456	184	2%	2
Property Maintenance	4,329	4,429	100	2%	3
Facilities Management	11,807	11,534	(273)	-2%	4
Other Housing	5,255	5,054	(201)	-4%	5
 Commercial Services					
Management and Admin	19	19	-	0%	
Roads	6,698	6,698	-	0%	
Streetscene	5,254	5,261	7	0%	
Internal Transport	9,883	9,682	(201)	-2%	6
Waste Services	8,113	8,494	`381 [°]	5%	7
Total	59,210	59,131	(79)	0%	

			Annual	
			Annual	
		Projected	Variance	
	Annual	Year End	Adverse or	
Subjective Summary	Budget	Outturn	(Favourable)	% variance
	£000	£000	£000	
Employee Costs	41,050	41,099	49	0%
Property Costs	17,115	17,419	304	2%
Supplies and Services	10,734	10,554	(180)	-2%
Transport and Plant Costs	10,173	10,259	86	1%
Administration Costs	1,759	1,728	(31)	-2%
Other Agencies & Bodies	14,907	15,388	481	3%
Transfer Payments	1,738	1,740	2	0%
Other Expenditure	270	270	-	0%
Gross Expenditure	97,746	98,457	711	1%
Income	(38,536)	(39,326)	(790)	2%
Net Expenditure	59,210	59,131	(79)	0%

PLACE FINANCIAL PERFORMANCE 2016/17

Budget	Projected Variance	Variance as	
£000	£000	% of budget	
	Note 1		Building Services Movement - There has been an increase in the projected surplus for Building Services by £0.0.76m since P6 due
			increased workload and effective vacancy management.
8,548	(95)	-1%	Employment Costs - There is an underspend of £0.095m due to vacancies arising throughout the year.
4,098	(228)	-8%	Supplies and Services - There is a projected underspend of £0.228m mainly relating to a reduction in materials costs as a result of the types of work undertaken during the year. This is an increase of £0.091m since P6 due a higher proportion of subcontractor-only work, including Asbestos Removal works, which will reduce internal material purchases.
266	33	12%	Transport and Plant costs - there is a projected overspend of £0.033m projected for external hires and plant cost
1,801	813	46%	Other Agencies - There is a projected overspend of £0.813m mainly relating to payment to contractors cost as a result of the types of work undertaken during the year. This includes additional asbestos removal works of £0.52 instructed since period 6.
(3,822)	525	-14%	Response Repairs Income - There is a projected under recovery of income of £0.525m. This is a movement of £1.032m from P6 and reflects the change in the Repairs Policy which had transferred a large proportion of work Planned. This is reflected in an over-recovery of planned income. The new repairs policy was implemented in September 2016 and the position will be monitored closely to determine the impact this has on response and planned jobs.
(3,193)	513	-16%	Void Income - There is a projected under-recovery in income of £0.513m due to a reduction in the number of vo properties for the year to date.
(1,542)	(899)	58%	Planned Income - as stated above, the change in repairs policy has resulted in a change in the income projectio As such, an increase in planned repairs of £0.899m is anticipated. The new repairs policy was implemented in September 2016 and the position will be monitored closely to determine the impact this has on response and planned jobs.
(1,284)	(116)	9%	Aids and Adaptions - The current programme of works is expected to result in an over-recovery of £0.116m to reduce waiting times.
(492)	(505)	102%	Other income - Projected £0.505m over-recovery anticipated largely due to additional work for Asbestos remova £0.553m less a reduction in Insurance related repairs of £0.050m.
(2,696)	(124)	5%	Non Housing - There is a projected over-recovery of income from additional works for Non- housing projects.
	7		Other minor movements
	(76)		
	Note 2		Property Costs
	Note 2		Movement - There has been a reduction in the projected overspend since P6 of £0.014m which is largely due to rates refund being received for Montgomerie House.
5,369	182		Rates - There is a projected £0.182m overspend in rates due to alterations to empty property relief, rates incurr in relation to Red Cross House and delays in property rationalisation
	2		Other minor movements
	184		
	Note 3		Property Maintenance
			Movement - There has been an increase in the projected overspend since P6 of £0.100m which is related to deferred maintenance projects.
4,329	100		There is a projected £0.100m overspend in Property Maintenance due to additional costs in relation to deferred maintenance projects.
	100		
	Note 4		Facilities Management
			Movement - Therehas been an £0.011m increase in the projected underspend at period 6. This is due to incom relation to external catering functions.
3,148	164		Supplies and Services - there is a projected overspend of £0.164m which is due to an increase in school meals served and offset by additional income below
(2,379)	(447)		Income - there is a projected over-recovery of income of £0.447m due to the increase uptake in school meals at additional income as a result of improved commercial income
	10		Other minor movements
	(273)		

	Projected		
Budget £000	Variance £000		
2,000	Note 5	% or budget	Section General Housing
	Note 3		Movement - The projected underspend has increased by £0.197m since period 6 largely due to the cessation of the
			Pan-Ayrshire agreement for Roughsleepers.
2,229	(188)		There is an underspend projected in the budget for Roughsleepers due to the cessation of the Pan-Ayrshire agreement. The service is now under review for 2017/18.
	(13)		Other Minor movements
	(201)		
	Note 6		Internal Transport
			Movement - The projected underspend has increased by £77k since period 6 mainly as a result of early realisation of Transport Provision Cost savings.
1,903	(64)		Fuel Costs - there is a projected year end underspend on fuel as a result of the current lower cost of fuel. It is noted that the recent increases in fuel costs may impact on future projections.
4,392	(159)		Transport Provision Costs - there is a projected underspend as a result of improved utilisation of internal resources. This underspend has increased due to the application of a contract deflation adjustment together with early realisation of savings.
	22		Other minor movements
	(201)		
	Note 7		Waste Services
			Movement - The projected overspend has increased by £0.130m since period 6. This is partly due to lower than previously projected income of £0.072m together with projected increased payment to contractor costs (£0.060m).
4,394	177		Employee Costs - there is a projected overspend of £0.177m due to a requirement to temporarily supplement current resources to reflect seasonal and operational requirements.
780	(113)		Supplies and Services - there is a projected underspend of £0.113m largely due to a current lower demand for refuse containers.
5,437	169		Payments to Other Bodies - There is a projected £0.169m overspend largely relating to £0.350m Landfill tax based on current waste arisings projection, a projected increased payment to contractor costs (primarily due to payments for the disposal of waste when the Landfill site was temporarily closed (£0.066m) for essential maintenence) and additional Special uplift processing costs of £0.030m due to increased tonnages. These overspends are partially offset by a projected underspend of £0.280m in relation to the processing of kerbside collected recyclables due to improved blue bin contract performance.
(3,644)	170		Income - There is a projected shortfall of Commercial income of £0.153m and a virement is proposed in appendix 11 to address this shortfall. There is a projected under recovery of income from the Sale of Recyclates (£0.058m) due to a combination of fluctuating market values and reduced tonnages. This is slightly offset by an expected over-recovery of income for Waste Gas extraction of £0.027m.
	(22)		Other Minor Movements

ECONOMY AND COMMUNITIES FINANCIAL PERFORMANCE 2016/17

			Annual		
			Variance		
	Annual	Final Year	Adverse or		
Objective Summary	Budget	End Outturn	(Favourable)	% variance	Note No
	£000	£000	£000		
Management	671	717	46	7%	
Economic Growth					
Planning & Protective Services	1,547	1,583	36	2%	1
Economic Development	6,419	6,273	(146)	-2%	2
Connected Communities	15,187	15,103	(84)	-1%	3
	23,824	23,676	(148)	-1%	
Less Carry Forward	-	168	168		
Net Total	23,824	23,844	20	0%	

			Annual	
			Variance	
	Annual	Final Year	Adverse or	
Subjective Summary	Budget	End Outturn	(Favourable)	% variance
	£000	£000	£000	
Employee Costs	12,224	12,163	(61)	0%
Property Costs	330	333	3	1%
Supplies and Services	1,249	1,200	(49)	-4%
Transport and Plant Costs	157	156	(1)	-1%
Administration Costs	305	178	(127)	-42%
Other Agencies & Bodies	13,972	13,984	12	0%
Transfer Payments	-	-	-	-
Other Expenditure	21	30	9	43%
Gross Expenditure	28,258	28,044	(214)	-1%
Income	(4,434)	(4,368)	66	-1%
Net Expenditure	23,824	23,676	(148)	-1%

ECONOMY AND COMMUNITIES FINANCIAL PERFORMANCE 2016/17

	Projected		
Budget £000	Variance £000		Section
2000	Note 1	70 OI buuget	Planning & Protective Services
	710101		Movement - There is no movement from Period 6 Cabinet report.
67	(23)	-34%	Planning - Other Supplies and Services: The projected underspend is partly due to a delay in the recruitment of a Strategic Planning Manager following a recent scheme of delegation report. Additional underspends are due to the cyclical nature of the Local Development Plan.
(544)	50	-9%	Planning - Planning Application Fees income - there is a projected shortfall based on the fact that applications from individual households are comparable to previous years however the number of large scale applications are down.
	9		Other minor variances
	36 Note 2		Economic Davidonment
	Note 2		Economic Development Movement - There is a movement of £0.076m from Period 6 Cabinet report mainly due to a change in the
			projected overspend in Modern Apprentices.
1,926	(268)	-14%	Employee Costs - The projected underspend is due to vacancies following a restructure.
1,122	(182)	-16%	Employability - Other Agencies and Bodies: The £0.182m underspend relates to various projects. The underspend includes £0.148m which is matched to a 3/4year ESF project with spend increasing as more services are rolled out and more people take up the support that is available. Full spend is planned over the project period and £0.148m is earmarked for future years ESF match.
778	289	37%	Modern Apprentices - Estimated costs are showing an overspend of £0.289m. This is in the main due to higher than anticipated costs associated with the wage cost of older apprentices (18+) and level qualifications. It is anticipated that over the 3 years programme to deliver 250 apprentices, the overall budget is sufficient subject to various factors. An annual update on the programme will be provided to the March Cabinet.
	15		Other minor variances
	(146)		
	Note 3		Connected Communities
			Movement - There is a movement of £0.041m from Period 6 Cabinet report as a result of employee costs.
6,743	(72)	-1%	Employee Costs - The underspend relates variances across a range of services including the early realisation of savings in Children's Services (£0.226m) and Arts and Heritage (£0.041m) which have been partly offset by a projected overspend in Libraries of £0.188m, which includes redundancy costs of £0.137m.
1,022	30	3%	Supplies & Services -various overspends across services mainly Community Development and Outdoor Education.
8,173	(60)	-1%	Payment to other Bodies - Participatory budgeting £0.020m underspend from Big Lottery funding - these funds are earmarked for 17/18 to be used for the next round of events.
(1,327)	(16)	1%	Income from the Arran Outdoor Centre and external income recovery in Youth Services are forecast to over recover against budgets.
575	34	6%	Other minor variances
	(84)		
	(04)		l

OTHER CORPORATE ITEMS FINANCIAL PERFORMANCE 2016/17

			Annual		
			Variance		
	Annual		Adverse or		
Objective Summary	Budget	Final Outturn		% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,409	2,411	2	0%	
SPT Concessionary Fares	283	283	-	0%	
Ayrshire Joint Valuation Board	780	780	-	0%	
Other Corporate Costs					
Pension Costs	1,852	1,807	(45)	-2%	
Central Telephones	86	86	-	0%	
Other Corporate Items	4,042	1,446	(2,596)	-64%	1
	9,452	6,813	(2,639)	-28%	
Less Carry Forward		300	300		
2000 Gairy Forward		200	500		
Net Total	9,452	7,113	(2,339)	-4%	

OTHER CORPORATE ITEMS FINANCIAL PERFORMANCE 2016/17

	Outturn		
Budget		Variance as	
£000	£000	% of budget	Section
	Note 1		Other Corporate Items
			Movement - There is a movement of (£0.521m) from period 6 primarily due to a reduction in the forecast drawdown of centrally held funding pension autoenrolment and the impact of the living wage.
3,704	(2,590)	-70%	Within Other Corporate Items, additional funding received as part of the 2016/17 Finance Settlement in respect of Additional Early Learning and Childcare for 2 year olds is not anticipated to be drawn down during 2016/17 resulting in an underspend of £1.271m. In addition, centrally held funds in respect of previously identified pressures related to pension autoenrolment, the living wage, fuel costs, free school meals uptake and the recyclate blue bins contract are now not anticipated to be drawndown.
5,748	(49)	-1%	Other minor variances
	(2,639)		

2016/17 Budget Monitoring Report - Period 6 Objective Summary

	2016/17 Budget								
		Council			Health		TOTAL		
Partnership Budget - Objective Summary	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
COMMUNITY CARE AND HEALTH	48,939	50,556	1,617	10,438	10,897	459	59,377	61,453	2,076
: Locality Services	24,190	24,863	673	3,415	3,593	178	27,605	28,456	851
: Community Care Service Delivery	22,480	23,346	866	0	0	0	22,480	23,346	866
: Rehabilitation and Reablement	696	776	80	1,809	2,082	273	2,505	2,858	353
: Long Term Conditions	1,148	1,172	24	2,945	2,914	(31)	4,093	4,086	(7)
: Integrated Island Services	425	399	(26)	2,269	2,308	39	2,694	2,707	13
MENTAL HEALTH SERVICES	20,954	21,305	351	47,714	49,691	1,977	68,668	70,996	2,328
: Learning Disabilities	15,961	16,288	327	482	477	(5)	16,443	16,765	322
: Commmunity Mental Health	3,662	3,720	58	1,789	1,720	(69)	5,451	5,440	(11)
: Addictions	1,331	1,297	(34)	962	943	(19)	2,293	2,240	(53)
: Lead Partnership Mental Health NHS Area Wide			0	44,481	46,551	2,070	44,481	46,551	2,070
CHIDREN'S SERVICES AND	20.045	27.057	4 040	2 505	4.000	437	20.200	24.050	4 470
CRIMINAL JUSTICE	26,815	27,857	1,042	3,565	4,002	437	30,380	31,859	1,479
: Intervention Services	3,814	3,663	(151)	292	311	19	4,106	3,974	(132)
: Looked After & Accomodated Children	15,111	16,125	1,014	0	0	0	15,111	16,125	1,014
: Fieldwork	6,264	6,540	276	0	0	0	6,264	6,540	276
: CCSF	469	460	(9)	0	0		469	460	(9)
: Criminal Justice	(13)	(13)	0	0	0	v	(13)	(13)	0
: Early Years	313	258	(55)	1,594	1,583	(11)	1,907	1,841	(66)
: Policy & Practice	857	824	(33)	0	0	0	857	824	(33)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	1,679	2,108	429	1,679	2,108	429
PRIMARY CARE	0	0	0	48,012	47,918	(94)	48,012	47,918	(94)
MANAGEMENT AND SUPPORT COSTS	3,856	3,999	143	1,093	1,133	40	4,949	5,132	183
CHANGE PROGRAMME	1,242	1,095	(147)	2,279	1,835	(444)	3,521	2,930	(591)
LEAD PARTNERSHIP AND SET ASIDE	0	0	0	200	170	(30)	200	170	(30)
TOTAL	101,806	104,812	3,006	113,301	115,646	2,345	215,107	220,458	5,351

2010	6/17
Over/ (Under) Spend Variance at P4	Movement in projected budget variance from P4
£'000	£'000
1,895	181
541 1,057	310 (191
257 (25)	96
65	(52)
1,830	498
(88)	410
(31)	20
(58)	
2,007	63
1,752	(273
(124)	(8
1,363	(349
229	38
(47) 0	36
(64)	(2
(37)	4
432	(3
(94)	(
117	66
(476)	(115
30	(60
5,054	297

2016/17 Budget Monitoring Report

Period 6 Subjective Summary

	2016/17 Budget										
		Council			Health			TOTAL			
Partnership Budget Subjective Summary	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		
Employee Costs	45,484	46,614	1,130	51,974	54,305	2,331	97,458	100,919	3,461		
Property Costs	434	418	(16)	16	16	0	450	434	(16)		
Supplies and Services	2,048	2,184	136	5,956	6,024	68	8,004	8,208	204		
Prescribing Costs	0	0	0	30,809	30,809	0	30,809	30,809	0		
Primary Medical Services	0	0	0	17,204	17,110	(94)	17,204	17,110	(94)		
Transport and Plant	550	667	117	0	0	0	550	667	117		
Admin Costs	1,128	1,207	79	1,894	1,868	(26)	3,022	3,075	53		
Other Agencies & Bodies	75,047	77,294	2,247	6,378	6,378	0	81,425	83,672	2,247		
Transfer Payments	2,452	2,238	(214)	0	0	0	2,452	2,238	(214)		
Other Expenditure	88	101	13	0	0	0	88	101	13		
Capital Expenditure	0	0	0	0	0	0	0	0	0		
Income	(25,425)	(25,911)	(486)	(930)	(864)	66	(26,355)	(26,775)	(420)		
TOTAL	101,806	104,812	3,006	113,301	115,646	2,345	215,107	220,458	5,351		

Mitigating action required to bring the budget on-line

Objective Heading	Service Area	Mitigation Delivered to date and included in the projection £000's	Mitigation still to be delivered at period 8	Action and Update	Council	Health	Lead Partnership
Community Care and Health	: Community Alarms	17	0	New eligibility has been agreed for community alarms and the updated figure at period 8 reflects the impact of this. Call volumes will be reviewed for potential areas of reduction. Delivered		0	0
	: Inpatient wards	0	0	Management of sickness absence and vacancies to reduce use of bank and agency nursing. This is no longer deliverable.		0	0
	: Care Packages	0	0	Management of sickness absence and vacancies to reduce use of bank and agency nursing. The projection at period 8 has been reduced to reflect the current sickness absence. Delivered	0	0	0
	: Montrose House	22	0	Accelerate management action in relation to the suspended posts. This action has been taken and is reflected in the period 8 projection. Delivered	0	0	0
	: Equipment	200	0	The approved criteria for equipment to be provided is: 1. provide support required for end of life packages 2. complete adaptations that had started or had been committed to in writing prior to the tightened control on expenditure being put in place 3. maintain equipment and adaptations in situ and on which service users depend and 4. provide equipment deemed essential to support individuals and avoid hospital admissions At period 8 this action has reduced the projection from £0.200m overspend to on-line.	0	0	0
TOTAL – Community Care and F	lealth	239	0		0	0	0

Objective Heading	Service Area	Mitigation Delivered to date and included in the projection	Mitigation still to be delivered at period 8	Action and Update	Council	Health	Lead Partnership
Mental Health	: Lead partnership - adult Inpatients	0	571	The mitigating action has been reviewed and updated at period 8 and the latest position is reflected below. • 1% reduction in total sickness absence levels across unit. Sickness absence rose in month 7 but reduced in month 8 but not by enough to achieve further savings. • 20 % reduction in staff hours associated with enhanced observations. The average enhanced observations reduced in period 7 but has increased again in period 8 to a similar level as period 6. • An initial review of IPCU model has been carried out but requires further work to be undertaken. • Recruitment of additional mental nurses to the existing bank staff to support short notice needs in mental health inpatient services reducing spend on expensive agency nursing. At period 8 this is operational and reducing the need to use agency staff. • Reducing requirement for whole shift cover to meet short notice & term needs through allocation/movement of staff across Woodland View site and as per discussion at Daily Huddle • The nursing workforce tool has been undertaken to determine the appropriate workforce model for delivery of wider mental health services within Woodland view. This concluded that an additional 15.45 WTE posts are required to maintain core service delivery at a cost of £0.471m. Plans will be developed to reduce the WTE to a maximum of 15.45 WTE over the current funded establishment. The revised business case will be submitted to the NHS for consideration in due course.	0	0	571

Objective Heading	Service Area	Mitigation Delivered to date and included in the projection	Mitigation still to be delivered at period 8	Action and Update	Council	Health	Lead Partnership
	: Lead Partnership - elderly inpatients	0	0	The mitigating action has been reviewed and updated at period 8 and the latest position is reflected below. • 1% reduction in total sickness absence levels across unit. Sickness absence rose in month 7 but reduced in month but not by enough to achieve further savings. • Recruitment of additional mental nurses to the existing bank staff to support short notice needs in mental health inpatient services reducing spend on expensive agency nursing. At period 8 this is operational and reducing the need to use agency staff. • Reducing requirement for whole shift cover to meet short notice & term needs through allocation/movement of staff across Ailsa site and as per discussion at Daily Huddle • Continuing reduction in Band 2/3 posts as per agreed adjustment to skill mix/numbers as existing surplus staff leave	0	0	0
	: Lead Partnership – adult community	0	81	Continue to pursue additional funding from the NHS for out of hours liaison cover at Crosshouse	0	0	81
	: Lead Partnership – addictions ward	0	0	The funding for the detox ward has been transferred from adult inpatients and this is no longer an issue.	0	0	0
	: LD – Charging Income	100	0	All LD care package cases are being reviewed by the Money Matters team which has the potential to generate additional income. This is now reflected in the period 8 projections.	0	0	0
	: MH Funding Allocations	0	380	There is slippage in the additional funding allocations due to delays in the recruitment process. Psychology and CAMHS £127K NES Mental Health £40K Mental Health Innovation Fund £213K	0	0	380
TOTAL – Mental Health		100	1032		0	0	1032

Objective Heading	Service Area	Mitigation Delivered to date and included in the projection	Mitigation still to be delivered at period 8	Action and Update	Council	Health	Lead Partnership
Children's Services and Criminal Justice	I: Adoption		0	0	0		
	: Residential Units	0	0	This is achieved and included in the projections	0	0	0
	: Care Packages	0	0	Expand the pilot project on Self Directed Support across all service users where appropriate. This assumes a 2.5% saving over and above savings already approved.	0	0	0
	: Residential / Secure Placements	188	0	The additional Home Office Funding has been received and is included in the period 8 projection.	0	0	0
	: Health Visitors	0	349	Continue to pursue the NHS for adequate funding to support this initiative. This is the amount being requested in the report being considered by the NHS (£0.349m).	0	0	349
	: Immunisation	0	81	Continue to pursue the NHS for adequate funding to support this initiative.	0	0	81
TOTAL – Children's Services and	d Criminal Justice	188	430		0	0	430
Management and Support Costs	: Unfunded post	0	0	Review existing vacant posts with a view to deleting them and funding this post on a recurring basis.	0	0	0
	: Increased payroll turnover	0	100	This is additional to the £1.1m target already included in the Council element of the budget.	100	0	0
TOTAL – Management and Supp	ort Costs	0	100		100	0	0
GRAND TOTAL		527	1,562		100	0	1,462
PROJECTED OVERSPEND			5,351		3,006	(157)	2,502
SHORTFALL			3,789		2,906	(157)	1,040

MISCELLANEOUS ITEMS FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2016

			Annual		
			Variance		
	Annual	Final Year	Adverse or		
Objective Summary	Budget	End Outturn	(Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	14,934	14,934	-	-	
Transfer to Earmarked Reserves	816	816	-	-	
Aggregate External Finance	(268,015)	(268,015)	-	-	
Council Tax	(48,050)	(48,058)	(8)	0%	1
Use of Change Fund	(700)	(700)	-	-	
Use of Earmarked Funds	(1,062)	(1,062)	-	-	
Totals	(302,077)	(302,085)	(8)	0%	

Note 1 Council Tax

Income from Council Tax is forecasting to over recover by £0.008m. This is mainly due to the value of council tax reductions being £0.367m less than the budget provided which is is partially offset by additional net discounts and reliefs for current and prior years. The Scottish Government has indicated that a review of the current distribution of Council Tax Reduction funding will be carried out as part of the 2017/18 Finance Settlement.

Carried Forward Funds to 2017-18	
	£000
Match Funding for ESF Projects	148
Business Improvement Team	105
Participatory Budgeting - Big Lottery Funding	20
Financial Services Training	55
Public Space CCTV	300
Totals	628

Budget Management - 30 November 2016 Virement/Budget Adjustment Requests

		201	6/17
	Perm (P) / Temp(T)	Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Increase Payment to Contractors in Roads as work being carried out by contractors on Arran instead of in house	Т	0.050	
Decrease Coated Roadstone in Roads as work being carried out by contractors on Arran instead of in house	Т	-0.050	
Decrease Commercial Waste income budget based on current levels of service	Р	0.152	
Decrease Refuse Containers budget based on current levels of service	Р	-0.100	
Decrease Organic Waste budget based on current levels of service	Р	-0.022	
Increase Gas Extraction income budget based on currrent levels of service	Р	-0.020	
Increase Special Uplifts income budget based on current levels of service	Р	-0.010	
	-	0.010	0.000

HOUSING REVENUE ACCOUNT FINANCIAL PERFORMANCE 2016/17

			Annual		
			Variance		
	Annual	Final Year	Adverse or		
Objective Summary	Budget			% variance	Note No
	£000	£000	£000		
Employee Costs	4,657	4,470	(187)	-4%	1
Property Costs					
Responsive Repairs	3,813	3,288	(525)	-14%	2
Void Repairs	3,165	2,669	(496)	-16%	
Planned & Cyclical maintenance	5,929	7,331	1,402	24%	
Estate Based Projects	412	412	-	0%	
Roads & Lighting Maintenance	182	182	-	0%	
Aids & adaptations	1,624	1,740	116	7%	
Other property costs	1,518	1,394	(124)	-8%	
Supplies and Services	228	258	30	13%	
Transport and Plant Costs	42	42	-	0%	
Administration Costs	1,340	1,326	(14)	-1%	
Other Agencies & Bodies	1,303	1,265	(38)	-3%	
Transfer Payments	151	161	10	7%	
Other Expenditure	787	599	(188)	-24%	3
Capital Financing	22,294	21,275	(1,019)	-5%	4
Gross Expenditure	47,445	46,412	(1,033)	-2%	
Income					
Council House Rents	(45,507)	(45,049)	458	-1%	5
Other Rents	(362)	(395)	(33)	9%	
Recharges	(1,576)	(1,574)	2	0%	
Net Expenditure	0	(606)	(606)		

HRA FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2016

	Outturn		
Budget	Variance		
£000		% of budget	
	Note 1		Employee Costs
			Movement - There are no significant movements from Period 6.
4,624	(185)	-4%	There is an underspend on employee costs of £0.185m due to effective vacancy management.
4,024	(100)	-4 /0	There is an underspend on employee costs of 20. footh due to enective vacancy management.
	(185)		
	Note 2		Property Costs
			Movement - There is a movement of £0.584 from Period 6 reflecting increased spend on Aids and Adaptions £0.116m, and asbestos £0.617m
16,643	(525)	-3%	Responsive Repairs - There is an underspend of £0.525m reflecting the change in repairs Policy which has moved non-urgent Jobs to Planned Maintenance. The new policy was introduced on 1 September and this is being monitoried closely to determine the impact on projected expenditure
3,165	(496)	-16%	Void repairs - there is a underspend of £0.496m projected primarily due to a reduced number of Void Properties for the year to date.
5,929	1,402	24%	Planned Maintenance - there is an overspend projected of £1.402m This comprises of £0.865m of Planned Maintenance repairs which were previously held against Responsive Repairs, £0.617m of additional Asbestos works and additional expenditure on landscaping of £0.110m. These costs are partially offset by a projected underspend in Central Heating Maintenance of £0.219m
1,624	116	7%	Aids and Adaptions - there is a projected overspend of £0.116m which reflects the requirement to reduce waiting times.
1,518	(124)	-8%	Other Property costs - there is an underspend of £0.124m projected as a result of an underspend in sheltered housing gas charges. This is due to lower unit costs and decants of sheltered housing undergoing refurbishment works.
	070		
	373 Note 3		Other Expenditure
	NOTE		Movement - The underspend has increased by £0.193m largely attributable to a projected lower rent arrears write-
			off.
15,146	(188)	-1%	There is a projected underspend of £0.188m largely attributable to lower rent arrears write off of £0.194m. Collection levels are currently higher than anticipated and based on this there is less requirement for write-offs. A further write off will be carried out in March 2017.
	(4.00)		
	(188) Note 4		Capital Financing
	Note 4		Movement - There is a movement of ££0.071m from P6 due to revised cash flow and interest rate projections.
			procession. There is a movement of 220.07 fill from 1 o due to revised cash now and interest rate projections.
21,544	(1,019)	-5%	Capital Financing charges are forecasting an underspend of £1.091m based on the latest cash flow and interest rate projections. This reflects a revised strategy of taking temporary borrowing rather than permanent borrowing to maximise the financial savings as a result of current market conditions.
	(1,019)		
	Note 4		Council House Rents
	14010 4		Movement - There is a movement of £0.131m from Period 6 due to a revised rent projection.
(45,507)	458	-1%	There is an under recovery of income of £0.458m mainly due to increased Council House Sales and slippage and amendments to New Build properties available to rent. There is also a projected shortfall in tenant charges of £0.220m which is offset by increased insurance and arrears recoveries of £0.230m.
	458		
	.50		

HRA projected reserves and balances	B/fwd from 2015/16	Period 8 Revenue	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Estimated Bal at 31/03/17
	£m	£m	£m		£m	£m
Council House Building Fund	5.774	-	-	-	-	5.774
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Sheltered Housing Unit Works	0.439	-	(0.283)	-	-	0.156
Infrastructure Improvements	0.653	-	-	-	-	0.653
Major Refurbishment Works	1.300	-	(0.750)	-	-	0.550
Uncommitted Balance	0.057	0.606	-	-		0.663
	12.223	0.606	(1.033)	-	-	11.796

NORTH AYRSHIRE COUNCIL

Agenda Item 7

17 January 2017

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Title: Capital Programme Performance to 30 November

2016

Purpose: To advise Cabinet of progress in delivering the Capital

Investment Programme as at 30 November 2016.

Recommendation: Agree to (a) approve the revisions to budgets outlined

in the report; (b) approve the acceptance of the additional grant funding outlined at Section 2.3; and (c) note (i) the General Services and HRA expenditure and revised budgets to 30 November 2016; and (ii)

the forecast of expenditure to 31 March 2017.

1. Executive Summary

- 1.1 The General Services and Housing Revenue Account (HRA) capital budgets were approved at a special meeting of the Council on 17 February 2016. The General Services capital programme approval covered a revised capital investment programme to 31 March 2021 and an indicative plan for the years from 2021/22 to 2025/26. The HRA approved capital budget for 2016/17 sits within the 30 years Housing Business Plan.
- 1.2 The appendices to the performance report have been improved to give a clearer picture of the financial progress of each project.
- 1.3 This report identifies the current programme for 2016/17, taking account of adjustments made to the initial budgets. The report advises of actual expenditure to 30 November 2016 and forecast expenditure to 31 March 2017. Delivery of the capital programmes in line with original approvals is a key focus of Audit Scotland, as outlined in the Audit Scotland's External Audit of the Council's Accounts.
- 1.4 At Period 8 the General Fund is forecasting a projected outturn of £57.498m against a budget of £66.066m, a reduction of £8.418m from that reported at Period 6. HRA is forecasting a projected outturn of £23.592m against a budget of £26.143m, a reduction of £1.260m from that reported at Period 6. The movements relate to the latest programme information from services and are reflected in proposed revisions to the budgets for increased carry forwards.

2. Background

General Services

2.1 The table below outlines the movements in the 2016/17 General Services budget:-

	2016/17
	£m
Revised budget as at 30 September 2016	66.123
a) Additional Funding	0.600
b) Movement in Funding	(0.013)
Revised Programme Budget	66.710
c) Alterations to phasing of projects:-	
2016/17 to 2017/18	(0.644)
2017/18 to 2016/17	
Revised budget as at 30 November	
2016	66.066

2.2 (a) Additional Funding

The capital programme has been updated to reflect additional funding of £0.600m in respect of Irvine Bay's contribution to Quarry Road.

(b) Movement in Funding

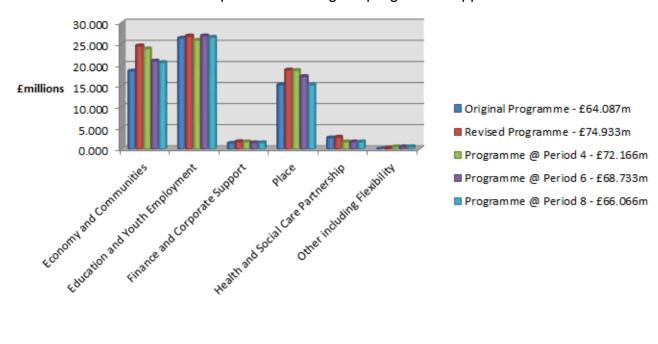
The capital programme has been updated to reflect minor adjustments to capital grants and planned capital funded from current revenue.

(c) Alterations to the Phasing of Projects

Projects have been reprofiled into future years to reflect the revisions to budgets approved by Cabinet on 22 November 2016. In addition, a number of projects have been reprofiled into future years to reflect current programme plans, including Quarry Road (£0.600m).

2.3 Notification has been received from Sustrans Scotland related to the awarding of an additional £0.190m in funding for active travel projects including the Fairlie Coastal Path and Cabinet is asked to approve the acceptance of this funding to enable works to progress this financial year.

2.4 The graph below illustrates the movement in each programme on a service basis compared to the original programme approved.



2.5 Capital Expenditure to 30 November 2016

Actual expenditure to 30 November 2016 (Period 8) amounted to £30.736m or 46.5% (compared to anticipated expenditure of £31.829m or 48.2%) of the revised annual budget for 2016/17 of £66.066m. Details of projected expenditure by project against the revised budget for 2016/17 can be found in Appendix 1.

The projections are summarised by service in the table below:

		Projected			
		Expenditure	Projected		Net Carry
	Revised	/ Income to	•		•
	Budget	31 March	Over /	/ (Under)	to
	2016/17	2017	(Under)	Spend	2017/18
<u>Service</u>	£000's	£000's	£000's	£000's	£000's
Expenditure					
Economy and Communities	20,533	16,251	(4,282)		(4,300)
Education and Youth Employment	26,505	22,690	(3,815)	2	(3,817)
Finance and Corporate Support	1,527	•	2	-	2
Place	15,208	•	(210)	2	(212)
Health and Social Care Partnership	1,714	1,714	-	-	-
Other including Flexibility	579	316	(263)	(263)	-
Total Expenditure	66,066	57,498	(8,568)	(241)	(8,327)
<u>Income</u>					
General Capital Grant	(12,550)	(12,550)	-	-	-
Specific Capital Grant	(2,614)	, ,		-	-
Use of Reserve Funds	(7,813)	(5,840)	1,973	-	1,973
Capital Funded from Current					
Revenue	(2,429)	, ,	•	-	1,755
Capital Receipts	(5,294)	, ,	•	-	1,165
Other Grants & Contributions	(4,645)	, ,		-	-
Prudential Borrowing	(30,721)	(27,046)	3,675	241	3,434
Total Income	(66,066)	(57,498)	8,568	241	8,327

- An underspend of £8.568m is projected within the programme of which £8.327m is required to be carried forward to 2017/18 and the approved budget will be updated to reflect these changes. The underspend within Economy and Communities is related to the Irvine Enterprise Area, £2.500m, and purchased Irvine Bay Regeneration Company assets, £1.800m, programmes. Within Education and Youth Employment, the underspend is primarily related to the Enhancing the School Environment programme, £3.758m. This reflects the latest programme information from services. A true underspend of £0.241m is currently forecast within the programme. These movements result in a revised capital programme at 30 November 2016 of £57.739m for 2016/17.
- 2.7 Information on the progress of all projects and explanations for the carry forwards can be found in Appendix 1. There are no significant variances to be reported at this time.

- 2.8 The current projections on funding, elements of which are related to the profile of expenditure reported above, is summarised below;
 - Reprofiling of £1.165m of capital receipts beyond 2016/17;
 - Reprofiling of CFCR, £1.973m and Reserve Funds, £1.756m, in relation to the Enhancing the School Environment Programme to future years; and
 - £3.414m of prudential borrowing being deferred to future years.

Housing Revenue Account

2.9 The table below outlines the movements in the 2016/17 HRA Capital budget:

	2016/17
	£m
Revised budget as at 30 September 2016	25.593
Additional Funding	0.750
Other Adjustments	(0.200)
Budget as at 30 November	
2016	26.143

2.10 The budget has been adjusted to reflect the use of reserves in relation to asbestos works at Parkhouse and Kirkhall and an adjustment to grant funding in respect of Empty Home Loans.

Capital Expenditure

2.11 Actual expenditure to 30 November 2016 (Period 8) amounted to £11.858m or 45.3% (compared to anticipated expenditure of £10.717m or 41.0%) of the revised annual budget of £26.143m. Current projections are forecasting a reduction to expenditure of £2.551m at 31 March 2017 of which £2.585m is required to be carried forward to 2017/18 and is linked to slippage in relation to the new builds at Fencedyke and Glencairn House, the refurbishment of Robert Service Court and asbestos works and access issues in relation to the central heating and electrical rewiring programmes. A true overspend of £0.034m is currently forecast within the programme and is primarily as a result of potential claims in relation to Montgomery Court, partly offset by access issues to properties to enable work to be progressed. These movements result in a revised capital programme at 30 November 2016 of £23.558m for 2016/17.

		Projected			
		Expenditure	Projected		
	Revised	/ Income to	Variance	True Over	Net Carry
	Budget	31 March	Over /	/ (Under)	Forward to
	2016/17	2017	(Under)	Spend	2017/18
<u>Service</u>	£000's	£000's	£000's	£000's	£000's
Expenditure					
Housing Revenue Account	26,143	23,592	(2,551)	34	(2,585)
Total Expenditure	26,143	23,592	(2,551)	34	(2,585)
<u>Income</u>					
Sale of Council Houses	(1,263)	(4,384)	(3,121)	(3,121)	-
Sale of Assets	(17)	` ,	(3)	(3)	-
CFCR	(13,731)	(13,731)	-	-	-
Capital Grants	-	(5)	(5)	(5)	-
Contribution from House Build Fund	(3,447)	(3,447)	-	-	-
Other Capital Income - House Building	-	(23)	(23)	(23)	-
Affordable Housing Contribution	(1,008)	(1,008)	-	-	-
Prudential Borrowing	(6,677)	(974)	5,703	3,118	2,585
Total Income	(26,143)	(23,592)	2,551	(34)	2,585

3. Proposals

3.1 It is proposed that:-

In General Services -

The Cabinet is invited to (a) approve the further revisions to budgets outlined at Section 2.1, 2.2 and 2.6 and Appendix 1; (b) approve the acceptance of the additional grant funding outlined at Section 2.3; and (c) note (i) the actual expenditure and revised budget to 30 November 2016 and (ii) the forecast of expenditure to 31 March 2017.

In the H.R.A. -

The Cabinet is invited to (a) approve the further revisions to the budget outlined at Section 2.9, 2.10 and 2.11; (b) note the actual expenditure and revised budget to 30 November 2016 and (ii) the forecast of expenditure to 31 March 2017.

4. Implications

Financial:	The financial implications are as outlined in the report. Expenditure will continue to be closely monitored to ensure early action is taken regarding any projected underspends or overspends.
Human Resources:	None
Legal:	None
Equality:	None
Environmental &	None
Sustainability:	
Key Priorities:	A delay in completion of projects could affect the delivery of services and have implications for
	revenue budgets and service planning.
Community Benefits:	None

5. Consultation

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

LAURA FRIEL

leconnel

Executive Director (Finance and Corporate Support)

Reference:

For further information please contact David Forbes, Senior Manager (Financial Management) on 01294 324551

Background Papers

Capital Programme Performance to 30 September 2016 - Cabinet - 22 November 2016

North Ayrshire Council
Capital Statement 2016/17
Year Ended 31st March 2017

Period 8

		TOTAL PROJECT			CURRENT YEAR 2016/17							
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Year to Date Budget 2016/17	Actual Expenditure to 30 November 2016	Year to Date Variance 2016/17	Projected Expenditure to 31st March 2017	Projected Over/ (Under) Spend for 2016/17	True Over/ (Under) Spend	Carry Forward to 2017/18
	£	£	£	£	£	£	£	£	£	£	£	£
EXPENDITURE												
Economy & Communities												
Regeneration	32,053,400	5,676,783	32,071,336	17,936	8,160,270	1,946,035	1,167,085	(778,950)	3,878,206	(4,282,064)	17,936	(4,300,000)
Strategic Planning & Infrastructure	8,881,335	3,953,568	8,881,335	0	3,569,250	558,000	317,964	(240,036)	3,569,250	0	0	1
Sport & Activity	22,071,207	20,260,935	22,071,207	0	8,326,451	6,522,043	6,516,179	(5,864)	8,326,451	0	0	1
Information & Culture	2,250,901	1,175,603	2,250,901	0	476,649	43,851	46,351	2,500	476,649	0	0	
SUB TOTAL	65,256,843	31,066,889	65,274,779	17,936	20,532,620	9,069,929	8,047,579	(1,022,350)	16,250,556	(4,282,064)	17,936	(4,300,000)
Education & Youth Employment												
Nursery Education	6,326,404	946,257	6,329,404	3,000		158,217		(29,158)	2,067,502	(51,255)	3,000	(54,255)
Primary Schools	15,650,312	12,418,418	15,648,990	(1,322)		95,834		(7,753)	346,450	(1,322)		1
Secondary Schools	87,711,249	36,289,251	87,711,249	0		14,047,535	14,029,223	(18,312)	20,255,878	(3,777,324)		(3,777,324)
Special Education	25,180,946	139,814	25,180,946	0	-7	5,318		14,868	20,406	15,088		15,088
SUB TOTAL	134,868,911	49,793,740	134,870,589	1,678	26,505,049	14,306,904	14,266,549	(40,355)	22,690,236	(3,814,813)	1,678	(3,816,491)
Finance & Corporate Support												
Financial Services	157,231	135,827	157,231	0	26,515	0	5,111	5,111	26,515	0	0	(
Information Technology	3,904,418	2,268,716	3,904,418	0	585,286	366,421	340,724	(25,697)	587,381	2,095	0	2,095
Council IT Strategy	3,739,625	1,810,612	3,739,625	0	915,185	251,435	436,172	184,737	915,185	0	0	(
SUB TOTAL	7,801,273	4,215,154	7,801,273	0	1,526,986	617,856	782,007	164,151	1,529,081	2,095	0	2,095
Health & Social Care												
Management & Support	554,596	388,303	554,596	0	166,524	0	231	231	166,524	0	0	1
Older People	12,888,948	8,306,764	12,888,948	0	1,547,882	1,535,936	1,541,436	5,500	1,547,882	0	0	1
SUB TOTAL	13,443,544	8,695,067	13,443,544	0	1,714,406	1,535,936	1,541,667	5,731	1,714,406	0	0	
Place												
Roads	17,217,389	5,632,642	17,217,389	0	6,811,405	3,133,425	2,806,370	(327,055)	6,651,405	(160,000)	0	(160,000)
Office Accommodation	15,908,008	15,219,560	15,910,041	2,033	1,835,349	949,120	1,153,459	204,339	1,837,382	2,033	2,033	1
Other Property	5,056,540	3,458,439	5,056,540	0	1,457,259	(166,057)	(140,842)	25,215	1,457,259	0	0	1
Housing Non HRA	841,740	428,081	841,740	0	827,940	439,000	414,281	(24,719)	807,940	(20,000)	0	(20,000)
Streetscene	1,329,356	1,250,448	1,329,356	0	128,020	0	49,112	49,112	96,330	(31,690)	0	(31,690)
Transport	2,002,358	626,852	2,002,358	0	2,002,358	661,712		(34,860)	2,002,358	C		
Waste Services	15,093,085	13,853,257	15,093,085	0	570,911	424,563		(58,479)	570,911	0	_	(
Building Services	111,092	110,712	111,092	0	380	0	0	0	380	0	0	(
Renewable Energy	5,741,302	5,050,889	5,741,302	0	1,405,982	752,329		(36,760)	1,405,982	0	0	(
Cleaning Client	300,000	239,533	300,000	0		104,475			167,792			(211 600)
SUB TOTAL	63,600,869	45,870,413	63,602,902	2,033	15,207,396	6,298,567	6,098,208	(200,359)	14,997,739	(209,657)	2,033	(211,690)
Other												
Other	579,333	0	0	(579,333)		0	0	0	315,885	(263,448)		
SUB TOTAL	579,333	0	0	(579,333)	579,333	0	0	0	315,885	(263,448)	(263,448)	
Total Project Expenditure	285,550,774	139,641,262	284,993,088	(557,686)	66,065,790	31,829,192	30,736,009	(1,093,183)	57,497,903	(8,567,887)	(241,801)	(8,326,086
Total Project Income					(66,065,790)	(13,977,009)	(13,977,009)	0	(57,497,903)	8,567,887	241,801	8,326,086
Total Net Expenditure					0	17,852,183	16,759,000	(1,093,183)	0	o	0	

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

On Target (+0.5% of budget)

On ranger (10.5% of badge

Sligthly off target (+ 0.5% to 2% of budget, or £0.125m, whichever is less)

Significantly off target (+2% or more of budget, or £0.500m, whichever is less)

Funding Description	Approved Budget	Carry Forward from 2015/16	Additional Funds Awarded 2016/17	Approved Revisions to Programme	Total Revised Budget 2016/17	Actual Income to 30 November 2016	Projected Income to 31st March 2017
	£	£		£	£	£	£
CAPITAL BORROWING							
Prudential Borrowing	37,703,251	(937,496)	(53,314)	(5,991,441)	30,721,000	0	27,046,284
SUB TOTAL	37,703,251	(937,496)	(53,314)	(5,991,441)	30,721,000	0	27,046,284
SCOTTISH GOVERNMENT FUNDING							
Specific Capital Grants							
Chargeplace Scotland Network			22,000		22,000	0	
Non Domestic Energy Efficiency Programme	450.000		50,000		50,000	0	
Cycling / Walking /Safer Streets	150,000		1 426 001		150,000	1.070.236	
Vacant & Derelict Land Funding Quarry Road			1,426,981 965,000		1,426,981 965,000	1,070,236 0	
Capital Grants			303,000		303,000	0	
General Capital Grant	10,403,000		2,147,000	0	12,550,000	8,086,664	
SUB TOTAL	10,553,000	0		0	15,163,981	9,156,900	
OTHER INCOME TO PROGRAMME							
Use of Funds							
Capital Fund							
General	3,680,000			(3,210,812)	469,188	0	469,188
Secondary Estate Learning Envt				1,973,000	1,973,000	0	
Largs Campus	5,829,181	(440,909)		(676,003)	4,712,269	0	, ,
Montgomerie Park Masterplan B714 Upgrade	158,416 1,137,000			(1,003,719)	158,416 133,281	0	,
B714 Opgrade	1,137,000			(1,003,719)	133,201	0	155,261
Change & Service Redesign Fund							
Managed WAN Services		91,866		0	91,866	0	31,000
IPT Telephony Streetscene Scheduling	1,279	63,372		0 23,721	63,372 25,000	0	
ICT Time & Recoerding Access Controls	1,273		0	20,000	20,000	0	
Care First Development / CM2000		64,204		0	64,204	0	64,204
Home Care System	99,000	3,320		0	102,320	0	102,320
CFCR							
Defibrillators		26,284		0	26,284	0	26,284
Irvine Royal Academy/College	400,000			(400,000)	0	0	
Building Services IT System Secondary Estate Learning Envt		380		(380)	1.756.000	0	
Learning Academy Auchenharvie				1,756,000 21,198	1,756,000 21,198	0	
Roads Improvement / reconstruction				157,091	157,091	0	
Biomass Retrofit Programme				7,700	7,700	0	
Records Unit Replacement	129,187			(121,283)	7,904	0	·
Shewalton Waste				426,012	426,012	0	
Access Paths Network Castles & Historic Monuments				10,000 (28,000)	10,000 -28,000	0	
Kilbirnie Library Employability Hub		44,642		(20,000)	44,642	0	
Grants & Contributions SFT Funding Learning Academy Auchenharvie		(1,802)	400,000	0	398,198	400,000	398,198
Comm Contribution to West Kilbride Community Nursery		(1,002)	400,000	10,000	10,000	10,000	·
Biomass Retrofit Programme				68,600	68,600	0	
Saltcoats Public Realm				1,000,000	1,000,000	0	1,000,000
Restoration Grant - Saltcoats Town Hall		37,412		(5.400)	37,412	0	37,412
Big Coastal Communities Grant - Tourism Infrastructure Town Centre Regeneration		10,893		(5,403)	5,490	5,495 (12,187)	5,490 0
Highlands & Islands - Millport Field Centre		68,464			68,464	(12,187)	68,464
Quarry Road - IRBC		,,,,,	600,000	(600,000)	0	600,000	0
SUSTRANS - Access Paths		1,673,224			2,576,878	1,096,064	
SPT Funding - A841 Brodick to Lochranza SPT Funding -Hawkhill Roundabout			150,000 255,000		150,000 255,000	0 (1,515)	150,000 255,000
SPT Funding - Hawkhill Roundabout SPT Funding - Irvine Town Centre Bus			5,000		5,000	(1,515)	
SPT Funding -Bus Corridor Improvements			70,000	0	70,000	0	
Capital Receipts	4,366,848	927,172	0	0	5,294,020	2,722,253	4,129,101
Sale of Land and Buildings	3,800,000	1,454,020			5,254,020	1,980,363	
Sale of Vehicles	40,000				40,000	74,046	
Insurance Recoveries (Vehicles)					0	33,849	
Montgomerie Park Masterplan	526,848	(526,848)		0	0	633,996	633,343
	15,830,911	2,539,821	2,383,654	(573,577)	20,180,809	4,820,109	15,287,638
SUB TOTAL	13,830,911	2,333,021	2,383,034	(373,377)	20,180,803	4,020,103	13,207,030

	TOTAL PROJECT CURRENT YEAR 2016/17									DELIVERY	
Project Description	Total Project Budget	Cumulative Expenditure to	Total Project Forecast	Projected Over/	Total Revised Budget 2016/17	Projected Expenditure to 31	(Under) Spend for	True Over/(Under) Spend	Carry Forward to 2017/18	STATUS Delivery Status Financial	Comments
	f	date	f	£	£	March 2017	16/17 f	£	£		
ECONOMIC GROWTH	_	_			_				_		
<u>Regeneration</u>											
TOURISM INFRASTRUCTURE	305,263	299,768	305,263	0	5,495	5,495	0	0	0	②	
IRVINE ENTERPRISE AREA *	3,972,011	1,008	3,972,011	0	2,500,000	0	(2,500,000)		(2,500,000)	②	£2.5M requested to be carried forward to 17-18. Spend this year prioritised for IBRC
TOWN CENTRE REGENERATION	3,497,643	691,678	3,497,643	0	100,000	100,000	0		0	②	
IRVINE HIGH STREET	600,000	0	600,000	0	0	0	0		0		
LARGS MASTERPLAN	440,000	6,626	440,000	0	0	0	0		0		
KILBIRNIE CARS (KNOX INST)	200,000	0	200,000	0	0	0	0		0		
MILLPORT CARS	400,000	0	400,000	0	0	0	0		0		
MILLPORT FIELD CENTRE	3,000,823	3,053,787	3,018,759	17,936	93,340	111,276	17,936	17,936	0	Complete	
MONTGOMERIE PARK MASTERPLAN	1,645,680	1,351,285	1,645,680	0	1,024,454	1,024,454	0		0	②	
PENNYBURN ROUNDABOUT	2,000,000	0	2,000,000	0	0	0	0		0	Future Years	
IRVINE BAY REGEN CO ASSETS	3,000,000	130,612	3,000,000	0	3,000,000	1,200,000	(1,800,000)		(1,800,000)	②	Spend this yr of £1.2m. Request to carry forward £1.8m
Ayrshire Growth Deal	9,000,000	0	9,000,000	0	0	0	0		0	Future Years	
Quarry Road	2,965,000	142,019	2,965,000	0	410,000	410,000	0		0	②	
Biomass Supply Chain	120,000	0	120,000	0	120,000	120,000	0		0	②	
Lochshore, Kilbirnie	30,000	0	30,000	0	30,000	30,000	0		0	②	
Ardeer, Stevenston Masterplan	30,000	0	30,000	0	30,000	30,000	0		0	②	
Ardrossan North Shire	30,000	0	30,000	0	30,000	30,000	0		0	0	
Irvine Kyle Road Site Prep	352,000	0	352,000	0	352,000	352,000	0		0	②	
Greenwood Interchange	65,000	0	65,000	0	65,000	65,000	0		0	②	
Moorpark Road West	399,981	0	399,981	0	399,981	399,981	0		0	②	
Total Regeneration	32,053,400	5,676,783	32,071,336	17,936	8,160,270	3,878,206	(4,282,064)	17,936	(4,300,000)		

ECONOMY & COMMUNITIES

		TOTAL PR	OJECT			CL	JRRENT YEAR 2016/	17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
Strategic Planning & Infrastructure											
CYCLING/WALKING/SAFER STREETS	1,399,796	83,796	1,399,796	0	150,000	150,000	0		0	②	
ACCESS PATH NETWORK PROGRAMME	6,674,285	3,773,734	6,674,285	0	2,760,111	2,760,111	0		0	②	
CAR PARK STRATEGY	327,253	45,757	327,253	0	179,139	179,139	0		0	②	
A841 BRODICK TO LOCHRANZA *	150,000	0	150,000	0	150,000	150,000	0		0	②	
HAWKHILL ROUNDABOUT *	255,000	0	255,000	0	255,000	255,000	0		0	⊘	
IRVINE TOWN CENTRE BUS *	5,000	0	5,000	0	5,000	5,000	0		0	②	
BUS CORRIDOR IMPROVEMENTS	70,000	50,281	70,000	0	70,000	70,000	0		0	②	
Total Strategic Planning & Infrasturture	8,881,335	3,953,568	8,881,335	0	3,569,250	3,569,250	0	0	0		
CONNECTED COMMUNITIES											
Sports & Activity											
LARGS SPORTS DEVELOPMENT	300,000	296,335	300,000	0	72,249	72,249	0		0	②	
IRVINE LEISURE CENTRE	21,771,207	19,964,599	21,771,207	0	8,254,202	8,254,202	0		0	②	
Total Sports & Activity	22,071,207	20,260,935	22,071,207	0	8,326,451	8,326,451	0	0	0		

		TOTAL PR	OJECT			CL	RRENT YEAR 2016/	17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
Information & Culture											
COMMUNITY DEVELOPMENT FUND	251,223	0	251,223	0	251,223	251,223	0		0	②	
CASTLES & HISTORIC MONUMENTS	561,287	0	561,287	0	86,287	86,287	0		0	②	
WEST KILBRIDE CC GYMNASIUM	668,465	668,465	668,465	0	0	0	0		0		
ARDROSSAN CASTLE	161,649	159,804	161,649	0	3,045	3,045	0		0	Complete	
ABBEY TOWER	85,000	0	85,000	0	40,000	40,000	0		0	tbc	
KERELAW CASTLE	83,367	83,367	83,367	0	153	153	0		0	Complete	
EGLINTON PARK CAR PARK WORKS	220,000	218,701	220,000	0	1,299	1,299	0		0	Complete	
ST BRIDE'S CHAPEL, ARRAN	175,000	14,363	175,000	0	50,000	50,000	0		0	②	
KILBIRNIE LIBRARY HUB	44,910	30,903	44,910	0	44,642	44,642	0	0	0	②	
Total Information & Cultural	2,250,901	1,175,603	2,250,901	0	476,649	476,649	0	0	0		
Total Economy & Communities	65,256,843	31,066,889	65,274,779	17,936	20,532,620	16,250,556	(4,282,064)	17,936	(4,300,000)		

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

EDUCATION & YOUTH EMPLOYMENT

		TOTAL PR	ROJECT			c	CURRENT YEAR 2016/17			DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
	£	£	£	£	£	£	£	£	£		
Nursery Education											
IAYOCKS PRIMARY SCHOOL NURSERY ADAPTS	209,323	206,800	209,323	0	2,523	2,523	0		0	Complete	
GLENCAIRN PRIMARY SCHOOL NURSERY ADAPTS	103,472	102,647	103,472	. 0	2,899	2,199	(700)		(700)	Complete	
LOUDON MONT PRIMARY SCHOOL NURSERY ADAPTS	734,330	78,397	734,330	0	468,366	5 411,361	(57,005)		(57,005)	②	
ST JOHN OGILVIE PRIMARY SCHOOL NURSERY ADAPTS	249,507	249,239	249,507	0	5,589	5,589	0	0	0	Complete	
EARLY LEARNING & CHILDCARE	812,977	0	812,977	0	812,977	7 812,977	0		0		
		71 (00							2.450	Ø	
PYKESMAINS PRIMARY SCHOOL NURSERY ADAPTS	1,239,707	71,690	1,239,707		44,617	48,067	3,450		3,450	•	
VEST KILBRIDE PRIMARY SCHOOL NURSERY ADAPTS	29,011	28,295	29,011	. 0	C	0	0		0	Complete	
VHITLEES COMM CTR NURSERY ADAPTS	158,179	140,347	161,179	3,000	56,404	59,404	3,000	3,000	0	Complete	
ARRAN QUIET ROOM	4,230	4,226	4,230	0	4,230	4,230	0		0	②	
ANNICK PRIMARY EARLY YEARS	2,000,000	0	2,000,000	0	O	0	0		0	Future Years	
VEST KILBRIDE COMMUNITY NURSERY	32,152	100	32,152	0	32,152	2 32,152	0		0	Complete	
CHILDREN & YOUNG PEOPLE ACT	689,000	0	689,000	0	689,000	689,000	0		0		
otal Nursery Education	6,326,404	946,257	6,329,404	3,000	2,118,757	2,067,502	(51,255)	3,000	(54,255)	•	
	7, 7,	, .	-,, -	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(5) 23)	7,111	(- //		
rimary Schools											
CORRIE PS ANNEXE - STRUCTURAL	192,679	183,576	192,679	0	10,981	10,981	0		0	Complete	
ST LUKES PS-EXTENSION PHASE 2	929,953	929,953	929,953	0	641	641	0	0	0	Complete	
FREE SCHOOL MEALS P1 - P3	55,001	0	55,001	. 0	55,001	55,001	0		0	②	
ELDERBANK PS	11,174,100	11,035,067	11,174,100	0	129,662	129,662	0	0	0		
										②	
astlepark primary - remodelling	123,690	93,733	122,368	(1,322)	121,487	7 120,165	(1,322)	(1,322)	0		
										②	

EDUCATION & YOUTH EMPLOYMENT

		TOTAL PR	ROJECT				CURRENT YEAR 2016/17			DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
Moorpark Pimary - extension	3,000,000	1,200	3,000,000	0	30,000	30,000	0		0	②	
Total Primary Education	15,650,312	12,418,418	15,648,990	(1,322)	347,772	346,450	(1,322)	(1,322)	0		
Secondary Stheets											
Secondary Schools Secondary Estate / Enhancing the school environment	6,859,822	1,500	6,859,822	0	3,859,822	101,500	(3,758,322)		(3,758,322)		£3.758m requested to be carried forward to future years as per projected spend, £3.258m to 18-19 and £0.500m to 19/20. Proposals approved by Cabinet 20th December 2016
GARNOCK CAMPUS	41,830,547	33,506,736	41,830,547	0	18,378,724	18,378,724	0		0	②	
IRVINE ROYAL/COLLEGE ADAPTS	2,269,413	973,939	2,269,413	0	519,958	502,241	(17,717)		(17,717)	②	
LARGS ACADEMY	4,723,269	1,409,214	4,723,269	0	838,302	838,302	0		0	②	
LEARNING ACADEMY AUCHENHARVIE	438,198	397,863	438,198	0	436,396	435,111	(1,285)	0	(1,285)	Ø	
Ardrossan New Build	31,590,000	0	31,590,000	0						Future Years	
Total Secondary Education	87,711,249	36,289,251	87,711,249	0	24,033,202	20,255,878	(3,777,324)	0	(3,777,324)		
Special Education											
STANECASTLE SCH REMEDIAL WORKS	119,628	119,409	119,628	0	0	0	0		0	Complete	
JAMES MCFARLANE SCHOOL	5,318	5,318	5,318	0	5,318	5,318	0	0		Complete	Spend relates to remedial work following completion of project.
New Build - ASN School	25,056,000	15,088	25,056,000	0	0	15,088	15,088		15,088	②	
Total Special Education	25,180,946	139,814	25,180,946	0	5,318	20,406	15,088	0	15,088		
Total Education & Skills	134,868,911	49,793,740	134,870,589	1,678	26,505,049	22,690,236	(3,814,813)	1,678	(3,816,491)		

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

		TOTAL PROJECT				c	URRENT YEAR 2016/	/17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	(Under) Spend	Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	2017/18	Delivery Status Financial	Comments
Financial Services	£	£	£	£	£	£	£	£	£		
DEFIBRILLATORS	157,231	135,827	157,231	0	26,515	26,515	0		0		
DET IBNIEEATONS			137,231	O					O	②	
Total Financial Services	157,231	135,827	157,231	0	26,515	26,515	0	0	0		
Information Technology											
PC REPLACEMENT/VIRTUAL DESKTOP *	195,836	158,867	195,836	0	195,836	195,836	0		0	②	
MICROSOFT OFFICE UPGRADE	1,579,912	838,772	1,579,912	0	41,860	41,860	0		0	②	
WINDOWS SERVER MIGRATION	827,368	785,248	827,368	0	101,879	101,879	0		0	②	
DATA RATIONALISATION & STORAGE	809,617	161,712	809,617	0	0	2,095	2,095		2,095	Future Years	
PSN COMPLIANCE	384,000	332,622	384,000	0	138,025	138,025	0		0	②	
AGILE WORKING *	107,686	(8,505)	107,686	0	107,686	107,686	0		0	②	
Total Information Technology	3,904,418	2,268,716	3,904,418	0	585,286	587,381	2,095	0	2,095		
Council IT Strategy											
WIRELESS ACCESS IN SCHOOLS	480,984	449,346	480,984	0	32,765	32,765	0		0	②	
MANAGED WAN SERVICES	773,583	608,376	773,583	0	141,866	141,866	0		0	②	
IP TELEPHONY (IPT)	410,058	409,303	410,058	0	65,554	65,554	0		0	②	
SCHOOLS ICT INVESTMENT *	500,000	291,662	500,000	0	500,000	500,000	0		0	②	
BUSINESS CONTINUITY	400,000	0	400,000	0	0	0	0		0	Future Years	
INFRASTRUCTURE ENHANCEMENTS *	100,000	8,924	100,000	0	100,000				0	②	
Microsoft Enterprise Agreement	825,000	0	825,000	0	0	0	0		0	Future Years	
HSCP ICT Investment to Support Integration	250,000	43,000	250,000	0	75,000	75,000	0		0	②	
Total IT Strategy	3,739,625	1,810,612	3,739,625	0	915,185	915,185	0	0	0		
Total Finance & Corporate Support	7,801,273	4,215,154	7,801,273	0	1,526,986	1,529,081	2,095	0	2,095		

		TOTAL PROJEC	т			(CURRENT YEAR 2016	/17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
	£	£	£	£	£	£	£	£	£		
Management & Support											
CAREFIRST IT DEVELOPMENT	120,678	56,705	120,678	0	64,204	64,204	0		0	②	
HOME CARE SYSTEM	433,918	331,598	433,918	0	102,320	102,320	0		0	②	
Total Management & Support	554,596	388,303	554,596	0	166,524	166,524	0	0	0		
Older People											
PURCHASE OF RED CROSS HOUSE	1,451,775	1,451,775	1,451,775	0	1,451,775	1,451,775	0		0	②	
MONTROSE HSE REDESIGN FACILIT	5,741,854	5,738,784	5,741,854	0	8,570	8,570	0		0	Complete	Remedial works still to be done
LARGS OLDER PEOPLE RES CTRE	947,094	943,718	947,094	0	3,376	3,376	0		0	Complete	Retention still to be paid
LD DAY CENTRES	4,748,225	172,487	4,748,225	0	84,161	84,161	0		0	On Hold	
Total Older People	12,888,948	8,306,764	12,888,948	0	1,547,882	1,547,882	. 0	0	0		
Total Health & Social Care	13,443,544	8,695,067	13,443,544	0	1,714,406	1,714,406	0	0	0		

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

		TOTAL PROJECT				cu	RRENT YEAR 2016,	/17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend		Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
DIVICION FAMILIDANIA FAIR	£	£	£	£	£	£	£	£	£		
PHYSICAL ENVIRONMENT Roads											
ROADS IMPROVE/RECONSTRUCTION *	1,911,549	1,123,864	1,911,549	0	1,911,549	1,911,549	0		0		
B714 UPGRADE	2,065,092	315,596	2,065,092	0	600,000	600,000	0		0		
LIGHTING *	1,072,747	519,820	1,072,747	0	1,072,747	1,072,747	0		0	2	
STREET LIGHTING MAINLAND	3,525,000	2,345,276	3,525,000	0	1,999,817	1,999,817	0		0	©	
GARNOCK VALLEY FLOOD PREV	6,400,001	1,076,403	6,400,001	0	100,000	100,000	0		0	②	
BANNOCH BURN KILW'G FLOOD WORK	225,000	136,631	225,000	0	159,292	159,292	0		0	O	
FLOOD RISK MANAGEMENT PLAN	830,000	95,896	830,000	0	280,000	280,000	0		0		
LAMLASH GREEN COASTAL DEFENCE	95,000	0	95,000	0	95,000	95,000	0		0	O	
GLENCLOY BANK REPAIRS	33,000		33,000	0	33,000	33,000	0		0	②	
BRIDGES INFRASTRUCTURE PROG *	560,000	19,156	560,000	0	560,000	400,000	(160,000)		(160,000)		£0.160m requested to be carried forward to 17/18 due to project implementation timings
MILLPORT PIER	500,000	0	500,000	0	0	0	0		0	Future Years	due to project implementation timings
<u>Total Roads</u>	17,217,389	5,632,642	17,217,389	0	6,811,405	6,651,405	(160,000)	0	(160,000)		
									0		
Office Accommodation											
BRIDGEGATE HOUSE REFURB	9,614,276	9,573,056	9,614,276		56,254	56,254	0		0	Complete	
CUNNINGHAME HOUSE PHASE 1	1,531,013	1,531,013	1,531,013	0	0	0	0		0	Complete	
CUNNINGHAME HOUSE PHASE 2	1,177,374	1,176,181	1,177,374	0	1,096	1,096	0	0	0	Complete	
CUNNINGHAME HOUSE PHASE 3-4	2,138,040	2,024,113	2,138,040	0	353,835	353,835	0	0	0	O	
PROPERTY LIFECYCLE INVESTMENT *	533,000	263,174	533,000	0	533,000	533,000	0		0	'	
RECORDS UNIT REPLACEMENT	248,775	240,202	250,808	2,033	227,962	229,995	2,033	2,033	0	O	Minor remedial works required following completion of contract
Cunninghame Hse Phase 5	665,530	411,820	665,530	0	663,202	663,202	0	0	0	9	
Total Office Accommodation	15,908,008	15,219,560	15,910,041	2,033	1,835,349	1,837,382	2,033	2,033	0		

		TOTAL PROJECT				CI	URRENT YEAR 2016	/17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
Other Property											
CORP ASSET MANAGEMENT SYSTEM	86,392	58,842	86,392	. 0	35,421	35,421	0		0	9	
SALTCOATS TOWN HALL	3,770,148	3,382,253	3,770,148	0	221,838	221,838	0		0	Complete	
INDUSTRIAL PORTFOLIO *	200,000	17,344	200,000	0	200,000	200,000	0		0		
SALTCOATS PUBLIC REALM	1,000,000	0	1,000,000	0	1,000,000	1,000,000	0		0		
<u>Total Property</u>	5,056,540		5,056,540		1,457,259	1,457,259		0	0		
Housing Non HRA											
IMPROVEMENT GRANTS *	792,940	283,448	792,940	0	792,940	792,940	0		0	O	
CARE & REPAIR	15,000	130,833	15,000	0	15,000	15,000	0		0		
CCTV GENERAL	33,800	13,800	33,800	0	20,000	0	(20,000)		(20,000)	_	£0.020m requested to be carried forward to 17-18
Total Housing Non HRA	841,740	428,081	841,740	0	827,940	807,940	(20,000)	0	(20,000)		
STREETSCENE SCHEDULING SYSTEM	119,221	115,221	119,221	0	25,000	25,000	0		0	Ø	
SKELMORLIE CEMETERY WALL	132,648	129,490	132,648	0	3,158	3,158	0		0	Complete	
CEMETERY WALLS &INFRASTRUCTURE	713,432	715,077	713,432	. 0	0	0	0		0	O	
CEMETERY EXTNS, WALLS & INFRA *	88,742	22,052	88,742	0	88,742	57,052	(31,690)		(31,690)	②	£0.032m requested to be carried forward to 17-18
LAMLASH CEMETERY EXTENSION	6,132	6,132	6,132	. 0	80	80	0	0	0	Complete	
ARDROSSAN CEMETERY WORKS	149,730	148,730	149,730	0	4,264	4,264	0	0	0	Complete	
OLD BARONY CEMETERY WORKS	66,541	60,836	66,541	0	5,705	5,705	0		0	②	
HIGH KIRK CEMETERY WORKS	52,911	52,911	52,911	0	1,071	1,071	0		0	Complete	
<u>Total Streetscene</u>	1,329,356	1,250,448	1,329,356	0	128,020	96,330	(31,690)	0	(31,690)		
COMMERCIAL SERVICES											
Cleaning Client											
CASHLESS CATERING SYSTEM	300,000	239,533	300,000	0	167,792	167,792	0		0	②	
Total Cleaning Client	299,999.50		299,999.50			167,792		0	0		
<u>Transport</u>											
VEHICLES *	2,002,358	626,852	2,002,358	0	2,002,358	2,002,358	0		0	②	
<u>Total Transport</u>	2,002,358	626,852	2,002,358	0	2,002,358	2,002,358	0	0	0		

		TOTAL PROJECT				Cl	URRENT YEAR 2016	5/17		DELIVERY STATUS	
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend		Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Comments
Waste Services											
SHEWALTON LANDFILL	14,828,497	13,594,021	14,828,497	0	560,365	560,365	C)	0	②	
ICT WASTE MANAGEMENT SYS	195,000	184,454	195,000	0	10,546	10,546	C)	0	②	
BARTONHOLM HWRC	69,587	74,782	69,587	0	0	0	C)	0	Complete	
<u>Total Waste Services</u>	15,093,085	13,853,257	15,093,085	0	570,911	570,911	C	0	0		
Building Services											
BUILDING SERVICES IT SYSTEM	111,092		111,092		380	380	C)	0	Complete	
<u>Total Building Services</u>	111,092	110,712	111,092	0	380	380	O	0	0		
Renewable Energy											
RENEWABLE ENERGY PROGRAMME	176,527	51,018	176,527	0	125,509	125,509	()	0	②	
BIOMASS RETROFIT PROGRAMME	3,391,839	3,035,674	3,391,839	0	883,390	883,390	C)	0	②	
SOLAR PV RETROFIT PROGRAMME	1,787,936	1,735,991	1,787,936	0	154,090	154,090	C)	0	②	
SOLAR ARRAYS	200,001	187,704	200,001	0	57,993	57,993	C		0	0	
IRVINE DISTRICT HEATING SYSTE	15,000	0	15,000	0	15,000	15,000	C		0	Ø	
SOLAR PV RETROFIT EXTENSION	120,000		120,000		120,000	120,000			0	②	
NON DOMESTIC ENERGY EFFICIENCY PROGRAMME	50,000	40,502	50,000	0	50,000	50,000	C)	0	②	
Total Renewable Energy	5,741,302	5,050,889	5,741,302	0	1,405,982	1,405,982	C	0	0		
Total Place	62 600 660 44	45 070 442 64	C2 C02 002 44	2.022	15 207 200	44 007 720	(200 057)	2 022	(244 500)		
Total Place	63,600,869.41	45,870,412.64	63,602,902.41	2,033	15,207,396	14,997,739	(209,657)	2,033	(211,690)		

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

Other	Budgets
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		TOTAL PROJECT			CUR	RENT YEAR 2016/	17
Project Description	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Over/ (Under) Spend for 16/17
	£	£	£	£	£	£	£
FLEXIBILITY	579,333	0	0	(579,333)	579,333	315,885	(263,448)
Total Other Budgets	579,333	0	0	(579,333)	579,333	315,885	(263,448)

Description	Budget Approved 17 February 2016	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised budget 2016/17	Year to Date Budget	Actual expenditure to 31 October 2017	Year to Date Variance	Projected Expenditure to 31 March 2017	Over/(Under) Spend for 2016/17	Carry Forward to 2017/18	True (Under)/Over spend	Comments
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
MORTGAGE TO RENT COUNCIL HOUSE BUILDING GENERAL	1,110,707	0	0	1,110,707	0 86,751	1,529 28,903	1,529 (57,848)	1,110,707	0		0	All expenditure Dickson Court
CASTLEPARJ NEW BUILD REDSTONE AVENUE ACQUISITION OF HOUSES ON OPEN MARKET	400,000	0	0	0 400,000	0	0 (70,468) 549,833	0 (70,468) 549,833	0 0 400,000	0		0	retention
EMPTY HOMES Buy Backs NEW BUILD - JOHN GALT SITE NEW BUILD FENCEDYKE	3,876,364	0 42,737	0 0 0	0 0 3,919,101	0	433 (127,236) 1,318,765	433 (127,236) 1,318,765	0 0 3,018,765	0 0 (900,336)	(900,336)	0	No longer required as all covered under EHBB retention Cfwd
WINDOW REPLACEMENT BATHROOM PROGRAMME KITCHEN PROGRAMME	598,482 1,787,109 2,068,948	(22,879) (70,011) 148,506	0 0 0	575,603 1,717,098 2,217,454	423,150 1,013,129 1,286,381	138,205 806,125 855,950	(284,945) (207,004) (430,431)	575,603 1,717,098 2,217,454	0 0 0	(500 50 4)	0	
OTHER CAPITAL WORKS NEW BUILD STEVENSON INSTITUTE	265,225	191,508	750,000	1,206,733	398,632	466,779 (750)	(750)	640,169 (750)	(566,564)	(566,564)	(750)	£750k added from reserves for Parkhouse and Kirkhall to be cfwd to 17/18 Accrual from 15/16 not utilised
NEW BUILD DICKSON DRIVE REGENERATION - DICKSON DRIVE NEW BUILD MONTGOMERY COURT REGENERATION - MONTGOMERY COURT	0 0 390,000 403,000	0 0 448,240 30,810	0 0 0 0	0 0 838,240 433,810	0 0 814,496 433,810	(29,659) (164,435) 567,339 525,028	(29,659) (164,435) (247,157) 91,218	0 0 773,939 723,328	0 0 <mark>(64,301)</mark> 289,518		0 (64,301)	Retention Retention FinancialClaim for expenses and Loss
NEW BUILD KILN COURT NEW BUILD GLENCAIRN HOUSE SHU NEW BUILD CANAL COURT SHU CENTRAL HEATING	1,500,000 150,000 1,777,523	9,000 (57,608) (29,150) (26,764)	(574,641) (62,850) 0	9,000 867,751 58,000 1,750,759	0 0 25,000 1,131,360	(34,254) 256,462 121,508 854,737	(34,254) 256,462 96,508 (276,623)	9,000 631,304 574,000 1,450,759	0 (236,447) 516,000 (300,000)	(236,447) 516,000 (300,000)	0 0 0	Underspend due to non-access issues
INSULATED RE-RENDERING ELECTRICAL REWIRING REFURBISHMENT SCHEMES	1,416,505 760,532	208,302 (129,338)	0	1,624,807 631,194	1,624,807 333,493 0	1,513,031 274,797 2,443	(111,776) (58,696) 2,443	1,624,807 525,000 2,443	0 (106,194) 2,443	(106,194)	0 0 2,443	Underspend due to non-access issues
ROOFING & RENDERING DOOR ENTRY SYSTEMS SHELTERED HOUSING UNITS	3,781,854 1,200,100	44,863 24,789	(724,889)	3,826,717 500,000	1,771,000 0 0	2,676,385 3,390 0	905,385 3,390 0	3,826,717 3,390 500,000	3,390 0	(004.044)	3,390 0	
REFURB - ROBERT W SERVICE CT SH REFURB - WATT COURT SH RETENTION ON COMPLETED PROJEC ENERGY EFFICIENCY STANDARD	1,800,000 1,040,400	(52,150) (40,178)	613,494	2,361,344 1,000,222	710,000 0 665,000	222,077 200 0 549,154	(487,923) 200 0 (115,846)	1,370,000 3,979 799,822	(991,344) 3,979 (200,400)	(991,344)	3,979	Survey Costs Part of budget allocated for heating - will not be spent due to no access
PROFESSIONAL MANAGEMENT CHARGES	1,611,536	(516,800)	0	1,000,222	0	552,053	552,053	1,094,736	(200,400)		0	
CEILINGS COMMUNAL FLOORS	21,848 37,454	0	(21,848) (37,454) 0	0	0	0	0		0			Moved to revenue P5 Moved to revenue P5
TOTAL EXPENDITURE	25,997,587	203,877	(58,188)	26,143,276	10,717,009	11,858,325	1,141,316	23,592,270	(2,551,006)	(2,584,885)	33,879	T
SALE OF COUNCIL HOUSES	(1,263,462)	0	0	(1,263,462)	(526,443)	(2,498,644)	(1,972,201)	(4,383,950)	(3,120,488)		(3,120,488)	Projected income from RTB sales, based on applications in progress. Right to apply to buy your own home ends 31 July 2016.
SALE OF ASSETS CFCR OTHER INCOME - HOUSE BUILDING	0 (13,668,194) 0	(16,680) 516,800 0	0 (579,303) 0	(16,680) (13,730,697) 0	(2,780) 0 0	(21,100) 0 16,754	(18,320) 0 16,754	(20,000) (13,730,697) (23,154)	(3,320) 0 (23,154)		0 (23,154)	Projection based on further property sales anticipated by Estates Additional £750k from reserves to fund Parkhouse and Kirkhall Fencedyke income £39k less accrual
CAPITAL GRANTS - HOUSE BUILDING CAPITAL GRANTS - ENERGY FUNDING AFFORDABLE HOUSING CONTRIBUTION	(3,754,000) 0 (1,008,000)	306,768 0 0	0 0 0	(3,447,232) 0 (1,008,000)	0 0 0	(777,022) 176,463 0	(777,022) 176,463 0	(3,447,232) (4,777) (1,008,000)	0 (4,777) 0		0 (4,777) 0	Estimate £2.21m in grant from F/dyke, Glencairn & Canal
SG Emptyy Homes Loan PRUDENTIAL BORROWING	(6,303,931)	(1,010,765)	0 637,491	0 (6,677,205)	0	0	0	0 (974,460)	0 5,702,745	2,584,885	3,117,860	SG Grant for Empty Homes Requirement to borrow will be reduced due to increased income from othe sources
TOTAL INCOME	(25,997,587)	(203.877)	58,188	(26.143.276)	(529,223)	(3,103,548)	(2,574,325)	(23.592.270)	2,551,006	2,584,885	(33.879)	