



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cabinet

A Meeting of the **Cabinet** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Tuesday, 23 January 2018** at **14:30** to consider the undernoted business.

1 Declarations of Interest

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

2 Minutes

The accuracy of the Minutes of the meeting of the Cabinet held on 12 December 2017 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)

EDUCATION ITEMS FOR DECISION

3 Consultation on Excellence and Equality for All: Guidance on the Presumption of Mainstreaming

Submit report by the Executive Director (Education and Youth Employment) on the response to the Scottish Government Consultation on guidance related to the Presumption of Mainstreaming (copy enclosed).

4 Education Bill Consultation

Submit report by the Executive Director (Education and Youth Employment) on the response to the Scottish Government Consultation document on the proposed Education Bill (copy enclosed).

5 South West Educational Improvement Collaborative (SWEIC)

Submit report by the Executive Director (Education and Youth Employment) on the priorities and content of the SWEIC Annual Plan (copy enclosed).

- 6 Annick Primary School – Modular Accommodation**
Submit report by the Executive Director (Education and Youth Employment) on funding for temporary accommodation to be installed at Annick Primary School by August 2018 (copy enclosed).

GENERAL BUSINESS FOR DECISION

PRESENTATION

- 7 North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget**
Submit report by the Executive Director (Economy and Communities) on the North Ayrshire Leisure Limited (NALL) Performance and Impact Report (copy enclosed).

Reports by the Chief Executive

- 8 School Transport for Cumbrae Pupils – Largs Ferry Terminal to Largs Campus**
Submit report by the Chief Executive on the recommendations of the Audit and Scrutiny Committee following a call-in request (copy enclosed).

Reports by the Executive Director (Finance and Corporate Support)

- 9 Revenue Budget 2017/18 : Financial Performance to 30 November 2017**
Submit report by the Executive Director (Finance and Corporate Support) on the financial performance for the Council as at 30 November 2017 (copy enclosed).
- 10 Capital Programme Performance to 30 November 2017**
Submit report by the Executive Director (Finance and Corporate Support) on the Capital Programme Performance as at 30 November 2017 (copy enclosed).

Reports by the Executive Director (Economy and Communities)

- 11 Planning (Scotland) Bill**
Submit report by the Executive Director (Economy and Communities) on the response to the Scottish Government's Local Government and Communities Committee Call for Evidence on the Planning (Scotland) (copy enclosed).
- 12 Planning Performance Framework**
Submit report by the Executive Director (Economy and Communities) on the feedback from the Scottish Government on the Planning Performance Framework 6 (Scotland) (copy enclosed).

Reports by the Executive Director (Place)

- 13 Scottish Government Consultation Response: Local Heat & Energy Efficiency Strategies and Regulation of District and Communal Heating**
Submit report by the Executive Director (Place) on a proposed Scottish Government consultation response (copy enclosed).

CONTRACTS

- 14 Award of Contract - Independent Advocacy Services**
Submit report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for a provision of an independent advocacy service (copy enclosed).
- 15 Award of a Framework contract for the provision of Care at Home Services**
Submit report by the Executive Director (Finance and Corporate Support) on the outcome of the procurement exercise for the delivery of Care at Home Services (copy enclosed).
- 16 Award of Contract - Public Realm Improvements, High Street and Bank Street, Irvine**
Submit report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for the Public Realm Improvements, High Street and Bank Street, Irvine (copy enclosed).
- 17 Urgent Items**
Any other item which the Chair considers to be urgent.

Cabinet Sederunt

Elected Members

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

Church Representatives

Very Reverend Canon Matthew McManus
Ms Elizabeth H. Higon
Mr Ian Haining

Teaching Representative

Mr Gordon Smith

Youth Council Representatives

Chair:

Apologies:

Attending:

Cabinet
12 December 2017

IRVINE, 12 December 2017 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Joe Cullinane, John Bell, Robert Foster, Alex Gallagher, Louise McPhater, Very Reverend Canon Matthew McManus (Agenda Items 1-4) and Elizabeth Higon (Agenda Items 1-5) (Church Representatives).

Also Present

Shaun Macaulay, Jean McClung and Davina McTiernan (Agenda Items 1-4) and Donald L. Reid (Agenda Items 1-6).

In Attendance

C. Hatton, Executive Director, Y. Baulk, Head of Service (Physical Environment), R. McCutcheon, Head of Service (Commercial Services), T. Reaney, Senior Manager (Streetscene), D. Hammond, Senior Manager (Housing Strategy and Corporate Sustainability), A. Cowley, Team Manager (Structures, Flooding and Design) and Louise Beattie, Business Manager (Place); K. Yeomans, Executive Director, A. Sutton, Head of Service (Connected Communities) and George Hunter, Senior Manager (Tourism and Coastal Economy) (Economy and Communities); C. Amos, Head of Service (Inclusion); A. McClelland, Head of Service, (Learning, Teaching and Curriculum) and P. Gosnay, Senior Manager (Education and Youth Employment); E. Gunn-Stewart, Head of Service (Customer and Digital), S. Hanif, Interim Head of Service (Finance HSCP), P. Tovey, Interim Head of Service (Finance) and Anne Lyndon, Team Manager (Corporate Procurement) (Finance and Corporate Support); D. Rowland, Head of Service (Health and Community Care) (North Ayrshire Health and Social Care Partnership); A. Fraser, Head of Democratic Services; M. Davison, Senior Manager (Democratic Services), A. Todd, Senior Policy and Performance Officer, J. Hutcheson, Communications Officer and D. McCaw, Committee Services Officer (Chief Executive's Service).

Also In Attendance

Carol Nisbet (Ayrshire College) and Esther McGrath (Outreach Service).

Chair

Joe Cullinane in the Chair.

Apologies for Absence

Ian Haining (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 of the Cabinet held on 14 November 2017 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Education and Youth Employment: Outreach and Ayrshire College Collaboration

Submitted report and received presentation by the Executive Director (Education and Youth Employment) on the reforms to education provision for young people in our Outreach Service. The presentation provided information on:-

- the support by the Outreach Service to young people who have disengaged from education within Secondary Schools and have complex social needs;
- the proposed collaboration model with Ayrshire College to ensure learning is relevant and provides employability skills; and
- the longer term development of the programme to allow access to learning while in a meaningful work placement.

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

- the sustainability of the project in years to come;
- methods for ensuring young people engage with the project;
- key links with outreach staff and the importance of a nurturing approach; and
- the process for young people to get involved in the programme.

The Cabinet agreed to (a) endorse the two outreach proposals outlined within the report; and (b) receive a progress report by the Executive Director to Cabinet in September 2018.

4. 'Getting it Right for You' North Ayrshire Children's Services Plan – First Annual Report 2016-2017

Submitted report and received presentation by the Executive Director (Education and Youth Employment) on the 'Getting It Right For You', North Ayrshire Children's Services Plan first Annual Report 2016-2017. The presentation provided information on:-

- the development of "Getting It Right For You";
- the key achievements in relation to early years, primary and secondary education; and
- the next steps.

The Cabinet noted the contents of the 'Getting It Right For You', North Ayrshire Council's Children's Services Plan Annual Report 2016-2017.

Please note - this item was heard by the Audit & Scrutiny Committee on on 9 January 2018, please refer to the minute for the decision.

5. Reinstatement of School Transport for Cumbrae Pupils – Largs Ferry Terminal to new Largs Academy

Submitted report by the Executive Director (Education and Youth Employment) on the transport arrangements of Cumbrae pupils travelling to Largs Academy. Currently pupils in Cumbrae are transported from Millport to Cumbrae ferry slipway, but make their own way from the Largs ferry slipway to Largs Academy. The distance from the Largs ferry slipway to the new Largs Campus is one mile and a safe walking distance exists.

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

- the discussions which had been carried out with parents regarding reinstating the transport arrangements for Cumbrae pupils from the Largs ferry slipway to the new Largs Academy;
- the potential inequity within the transport policy if the service was to be reinstated; and
- the clear case for equity given that the policy is applied across other Council areas.

Councillor Gallagher expressed his disappointment with regard to the recommendation not to reinstate the transport arrangements for Cumbrae pupils as a promise had been made to the parents and this may have potentially affected the consultation regarding the Largs Campus.

The Cabinet agreed (a) to make no change to the current arrangements from Millport to Cumbrae Ferry slipway, but not to provide the transport arrangements for Cumbrae pupils from the Largs ferry slipway to the new Largs Academy; and (b) otherwise to note the terms of the report.

6. Becoming a Child-centred Council

Submitted report by the Chief Executive on the work of a High Impact Leadership (HIL) Project Team and subsequent Short Life Working Group on Becoming a Child-centred Council and on future developments. The Working Group's Summary Action Plan was set out at Appendix 1 to the report.

The Cabinet agreed (a) the proposals contained in the report to put children and young people at the heart of everything the Council does; and (b) otherwise to note the work of the HIL Project Team/Short Life Working Group.

7. Quarter Two 2017/18 Progress Report - Directorate Plan performance

Submitted report by the Chief Executive on the performance of all Directorates as at 30 September 2017 against the priorities in the 2015/18 Directorate Plans as detailed at Appendices 1-6 to the report.

The Cabinet agreed to (a) approve the performance of all Directorates as at 30 September 2017 against the priorities in the 2015/18 Directorate Plans; and (b) refer the Directorate Plan Performance Reports for the consideration of the Audit and Scrutiny Committee on the 30 January 2018.

8. Tourism and Coastal Economy in North Ayrshire

Submitted report by the Executive Director (Economy and Communities) on the development of a five year (2018 - 2022) approach to Tourism and the Coastal Economy in North Ayrshire. The Tourism Action Plan 2018-2022 was set out at Appendix 1 to the report.

The Cabinet agreed the proposals contained within the report and appended Action Plan.

9. Fly Posting Policy

Submitted report by the Executive Director (Place) on the proposed North Ayrshire Council "Fly Posting Policy". The Fly Posting Policy was set out at Appendix 1 to the report.

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

- methods for advertising the Fly Posting Policy to community groups through corporate communications; and
- the identification of suitable locations in relation to the affixing of banners and posters for event highlighting.

The Cabinet agreed to approve the Fly Posting Policy detailed at Appendix 1 to the report.

10. Transfer of Land at Dickson Drive, Irvine

Submitted report by the Executive Director (Place) on the transfer of land at Dickson Drive, Irvine from the Common Good to the Housing Revenue Account. The second phase site plan was set out at Appendix 1 to the report.

The Cabinet agreed to transfer the land at Dickson Drive, Irvine from the Common Good to the Housing Revenue Account for the sum of £66,000, subject to deduction of abnormal costs.

11. Upper Garnock Valley Flood Protection Scheme

Submitted report by the Executive Director (Place) on progress with the proposed Upper Garnock Valley Flood Protection Scheme and seeking approval to make arrangements to hold a Public Hearing to consider outstanding objections as appropriate.

The Cabinet agreed (a) to note the extensive work carried out to date in developing an appropriate Upper Garnock Flood Protection Scheme; (b) that Officers should continue to try and resolve the objections to the scheme; (c) that officers will commence making arrangements for a Public Hearing to take place in early 2018 to consider outstanding objections in the potential event that it is not possible to resolve all objections; and (d) to note the indicative timescale for potential progress with final approval, design and construction of the Flood Protection Scheme.

12. Zero Waste Strategy 2018-2022

Submitted report by the Executive Director (Place) on the draft Zero Waste Strategy and implementation plan for the period 2018-2022. The draft Zero Waste Strategy was set out at Appendix 1 to the report.

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

- the percentage of waste currently within grey bins which is recyclable;
- behavioural change which is required in terms of household recycling;
- advertising of a hygiene collection for nappies which would be available on a 2-weekly basis if required by parents;
- provision of a heavy plastic sack or bag for storage/collection of nappies;
- the introduction of communal bins as a pilot for common areas and flatted accommodation;
- potential concerns in relation to storage of an extra 2 section bin;
- clear guidance for households in terms of a single specified bin collection day;
- work with the Digital Team on the development of an app which will provide an alert indicating when and what bins will be collected; and
- the potential for underground waste storage and piloting this within future Council properties to be constructed.

The Cabinet agreed to approve the draft Zero Waste Strategy and implementation plan.

13. North Ayrshire Council Biodiversity Duty Report 2015-17

Submitted report by the Executive Director (Place) on the publication of North Ayrshire Council's Biodiversity Duty Report 2015-17, as detailed at Appendix 1 to the report.

The Cabinet agreed to approve the draft North Ayrshire Council Biodiversity Duty Report 2015-17, as detailed at Appendix 1 to the report, for publication.

14. North Ayrshire Local Housing Strategy 2018-2022

Submitted report by the Executive Director (Place) on the draft North Ayrshire Local Housing Strategy 2018-2022 for publication, as detailed at Appendix 1 to the report. Appendix 2 set out the associated Outcome Plan for publication and submission to the Scottish Government.

The Cabinet agreed to approve the draft Local Housing Strategy 2018-2022 and associated Outcome Plan, as detailed at Appendices 1 and 2 to the report, for publication and submission to the Scottish Government.

15. Local Bus Services in Scotland

Submitted report by the Executive Director (Place) on the Local Bus Services in Scotland. The draft response to Transport Scotland was set out at Appendix 1 to the report. This has been submitted to Scottish Government and the Council is awaiting their response.

The Cabinet agreed to homologate the submission of the draft response provided at Appendix 1 to the report to Transport Scotland.

16. Award of Contract - Internal and External Alterations to the PE Block at Auchenharvie Academy, Stevenston

Submitted report by the Executive Director (Finance and Corporate Support) on the tender exercise for the Internal and External Alterations to the PE Block at Auchenharvie Academy, Stevenston.

The Cabinet agreed to approve the award of contract to Ashleigh Scott Ltd.

The Meeting ended at 4.30 p.m.

NORTH AYRSHIRE COUNCIL
23 January 2018**Cabinet**

Title:	Consultation on Excellence and Equity for All: Guidance on the Presumption of Mainstreaming
Purpose:	Seek Cabinet approval for North Ayrshire Council's response to the Scottish Governments Consultation on guidance related to the Presumption of Mainstreaming.
Recommendation:	Agree the Consultation response and ask the Executive Director to submit the agreed report to the Scottish Government.

1. Executive Summary

- 1.1 The guidance aims to present a vision for mainstreaming and is informed by best practice evidence related to inclusive education. The paper sets out the Scottish Government's vision for inclusion: "Inclusion is the cornerstone to help us achieve equity and excellence in education for all of our children and young people".
- 1.2 The vision is congruent with North Ayrshire policy and practice. The vision is underpinned by four key principles, all of which align with the Authority's inclusive approaches to education and service delivery.
- 1.3 Generally the guidance is clear and will only serve to strengthen existing Authority approaches. The guidance, however, does introduce new language and should better recognise the impact other agencies have on meeting children's needs, staff and parental expectations. In general, the guidance needs to reflect more on how high quality learning and teaching impacts on inclusion and outcomes.

2. Background

- 2.1 The Scottish Government published a consultation document in November 2017 seeking views from all interested parties by February 2018 on its proposed Guidance on the 'Presumption of Mainstreaming'.
- 2.2 The consultation document reflects a range of Policy Ambitions from the Scottish Government which it hopes will improve equity and excellence in Scottish education.

3. Proposals

- 3.1 It is proposed that North Ayrshire Council submit a response to the consultation as outlined in Appendix 1.

4. Implications

- 4.1 Any finalised guidance should have limited impact on existing good practice in North Ayrshire.

Financial:	N/A
Human Resources:	N/A
Legal:	N/A
Equality:	Supports current Council priorities.
Children and Young People:	N/A
Environmental & Sustainability:	N/A
Key Priorities:	Council Priorities: <ul style="list-style-type: none">• Working together to develop stronger communities.• Ensuring people have the right skills for learning, life and work. Supporting all of our people to stay safe, healthy and active.
Community Benefits:	N/A

5. Consultation

- 5.1 This response was constructed following consultation with key partners and a staff focus group.



John Butcher
Executive Director

For further information please contact John Butcher, Executive Director on 01294 324411.

Background Papers

None

Consultation on Excellence and Equity for All: Guidance on the Presumption of Mainstreaming

Response: North Ayrshire Council – January 2018

The guidance aims to present a vision for mainstreaming and is informed by best evidence of inclusive practice. It is out for consultation until 9 February 2018, and is **non-statutory**.

- 1) The introduction sets out the key purpose of the document:
 - Vision for inclusive education in Scotland.
 - Key principles underpinning inclusive guidance.
 - Summary of key legislative and policy milestones.

The paper sets out a vision for inclusion, this states that “Inclusion is the cornerstone to help us achieve equity and excellence in education for all of our children and young people”.

Comment:

The vision is congruent with North Ayrshire policy and practice, as set out in the Education and Youth Employment Inclusion Strategy, and underpinned by the Children Service’s Plan and Fair for All Strategy. North Ayrshire Council will take cognisance of the final guidance, but it is not envisaged that it will change current practice substantially.

- 2) The following key principles are set out by the document. It must help to:
 - improve outcomes and support the delivery of excellence and equity for all children and young people
 - meet the needs of all children and young people
 - support and empower children and young people, parents and carers, teachers, practitioners and communities
 - outline an inclusive approach which identifies and addresses barriers to learning for all children

Comment:

North Ayrshire’s current approach to inclusion is closely aligned to these principles, for instance we have a strong emphasis on partnership working including listening and responding to the views of children and young people when assessing and planning to meet needs. Our capital plan is firmly focused on reducing barriers to learning caused by the physical environment. We have a range of supports to develop teacher confidence and capacity to meet need.

- 3) The document sets out 4 key features of inclusion used to set expectations and evaluate children and young people’s inclusion in their learning environment.

These are:

- Present
- Participating
- Achieving
- Supported

Comment:

We will be making a case through the consultation process that these features need a clearer link back to the language of Curriculum for Excellence and Wellbeing Indicators. In its current format, the introduction of new language will lead to potential confusion for multi-agency partners.

PRESENT

Key expectations:

- **All** children and young people will be entitled to receive a full time education in a school which best suits their needs.
- **All** children and young people should be fully engaged in the life of their school, through the inclusive ethos, culture and values of the school.

North Ayrshire Council are already supporting these aspirations in a range of ways:

- Training and development work being done to ensure our establishments are nurturing and promote positive relationships
- Providing support and guidance to children and families to maintain excellent attendance (new policy approach- “Every School Day Counts” due for publication Feb 2018)
- Our quality improvement framework has clear focus on QI 3.1, Equity, wellbeing and Inclusion
- A range of work to support an Inclusive ethos, for example, Respect Me Anti-Bullying, Dyslexia training

North Ayrshire Council has no objection to supporting the expectations outlined under the heading – **Present**.

PARTICIPATING

Key expectations:

- **All** children and young people should have their voices heard in decisions about their education. This includes decisions on where they are placed
- **All** children and young people should have access to an excellent education
- **All** children and young people will have the opportunity to participate and engage as fully as possible in all aspects of school life, including school trips and extracurricular activity

In North Ayrshire, we are supporting these via:

- Focus in our Quality Improvement Framework on children’s views
- Focus in individualised planning on the views of the child
- Ensuring that children and young people’s views are at the centre of decision making

North Ayrshire Council has no objection to supporting the aspirations outlined under the heading – **Participation**.

ACHIEVING

Key expectations:

- **All** children and young people should be achieving to their full potential
- **All** children and young people should have access to a varied curriculum tailored to meet their needs

Comment:

In North Ayrshire, we are addressing this through our delivery of our children's services plan and through delivery of the curriculum. North Ayrshire Council believes that final guidance must be broadened to include more focus on quality learning and teaching for children and young people. In North Ayrshire, our ASN campus will have a role in supporting high quality learning and teaching for all and developing further our inclusive approaches.

SUPPORTED

Key expectations:

- **All** children and young people should be supported to overcome barriers to learning and achieve their full potential
- **All** children and young people should be given the right help, at the right time, from the right people, to support their wellbeing in the right place

In North Ayrshire these are being addressed by:

- Having a clear assessment and planning framework based on North Ayrshire's staged intervention approach
- Working with partner agencies as part of a team around the child approach
- Using alternative curriculum approaches for identified children and young people,
- Robust consideration of personalised learning pathways through our inclusion group

North Ayrshire Council is fully supportive of the key aspirations in the section headed – **Supported**.

Deciding on the Right Provision for a Child or Young Person

This section outlines 3 options for provision for children and young people. Mainstream, Special and Flexible Provision.

Comment:

North Ayrshire Council already make appropriate use of all 3 pathways, and have augmented our range of support in the last 2 years, with the addition of the Astra Base, which caters for young people with communication disorders. We are currently reviewing our Education Support Bases (ESB) to ensure the provision is as flexible and inclusive as it can be whilst supporting the best outcomes for children and young people.

EXEMPTIONS

The guidance outlines criteria which can be used to justify specialist provision. The 3 exemptions for the presumption of mainstreaming are as follows:

- a) would not be suited to the **ability or aptitude** of the child;
- (b) would be incompatible with the provision of **efficient education** for the children with whom the child would be educated; or
- (c) would result in **unreasonable public expenditure** being incurred which would not ordinarily be incurred and it shall be presumed that those circumstances arise only exceptionally.

These 3 exemptions and a set of questions have been proposed, as part of the guidance.

In North Ayrshire, our current inclusion policy includes consideration of these 3 questions. The authority provides some standardised guidance to ensure unity of approach. North Ayrshire Council therefore supports this position in any finalised guidance.

A Delivering Inclusion Section sets out 8 key areas:

- Inclusive school values and ethos
- Leadership
- Constructive challenge to attitudes
- Evaluation of planning process
- Capacity to deliver inclusion
- Parental and carer engagement
- Early intervention, prevention and strong relationships
- Removal of barriers to learning

Comment:

While all of these are valid, this section needs substantially added to and should be given greater emphasis in the guidance, through moving it to earlier in the paper. Key aspects of Scottish Education are not given enough emphasis. North Ayrshire Council would therefore suggest that the following points are given consideration before any final guidance is constructed.

Overall

- Education cannot in itself address exclusion, and it needs to have the support of partner agencies and continue to have a shared vision- the current guidance does not give due emphasis to this.
- Overall the guidance does not significantly, as currently outlined, provide or support a clear vision of inclusion.
- The exemptions section requires revision to take account of the significant positive benefits for all children on Inclusion.
- The questions regarding ability/aptitude and efficient education need to promote reflection beyond the individual level of need, and recognise that schools and local authorities aim to achieve a balance in school placement for children and young

people which prioritises need; recognises the duty of fairness in local government; and that must make decisions which take account of 'collective' needs as well as those of individuals

- Overall, the greatest focus in the paper is on the exemptions, and there is a greater focus now on the impact on other children. There is a very mixed evidence on this and most of the research evidence suggests that inclusion impacts positively on attainment, and has positive benefits overall
- There should be more focus on providing high quality learning and teaching, and personalising and adjusting this.
- The eight key areas for delivering inclusion need to be more aligned with other government approaches, CfE, HGIOS 4, GIRFEC, and the NIF.
- More emphasis needs to be placed on inclusive pedagogy and self-evaluation.

In conclusion, North Ayrshire Council generally welcomes this guidance, however, asks that points made in this response are fully considered before any final guidance is issued.

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title: **Education Bill Consultation**

Purpose: Seek Cabinet approval for North Ayrshire Council's response to the Scottish Government's Consultation document on the proposed Education Bill. The Consultation response highlights potential implications for Local Authorities.

Recommendation: Agree the Consultation response and ask the Executive Director to submit the agreed report to the Scottish Government.

1. Executive Summary

- 1.1 Currently, in their role as Education Authorities, Scottish Councils hold the statutory responsibility for the provision and delivery of education. This includes, in particular, the performance and improvement of individual schools as well as the cumulative authority as the employer of all staff within a school or education setting.
- 1.2 The Consultation document suggests a series of changes to this authority and suggests responses should be made to a series of, what can be considered to be, leading questions that assume change is necessary, positive, inevitable and in the best interest of children and families.
- 1.3 North Ayrshire Council's response does not follow the prescribed response framework but covers all of the key issues.
- 1.4 The proposed Bill introduces the concept of a Head Teacher's Charter. The Charter is divided into four sections – curriculum, improvement, staffing and finance. North Ayrshire Council believes that these areas are not distinct but interrelated. The Consultation document is framed in such a way as to suggest that Local Authorities negatively impact on these areas and/ or act as a barrier to flexible, innovative local practice. North Ayrshire Council does not believe that this is the case. This Council provides excellent support, guidance and strategic direction that still allows local flexibility and innovation.
- 1.5 The role and function of Regional Collaboratives is further explored in the Consultation document. This provides a different narrative than currently agreed by COSLA and the Scottish Government. It is clear that Local Authorities could potentially be only responsible for providing Human Resource and Finance support for Education. Responsibility for all other education functions would transfer to either Head Teachers or Regional Collaboratives. This would include planning for improvement as there would no longer be

a requirement to develop Local Education Plans. The Education and Youth Employment Directorate believes that this is a retrograde step that will negatively impact on local planning and development.

- 1.6 The Consultation introduces the potential for enhancing the role of parents in the delivery of education, particularly learning. It aspires to make Parent Councils more representative of the school community. North Ayrshire Council generally welcomes this policy direction as it fits with our desire to empower our communities. It is, however, unclear how Improvement Collaboratives, although asked to consider parental engagement and collaboration, will improve current arrangements. The Consultation does not mention the future role of Local Authorities in relation to parental engagement and this requires clarification.
- 1.7 The Consultation suggests a future focus on pupil engagement but adds little to this key agenda for North Ayrshire Council. North Ayrshire Council through its Youth Cabinet, Pupil Councils and a range of representative bodies, already demonstrates significant good practice. North Ayrshire Council, however, welcomes any opportunity to further engage young people and allow them the ability to shape service provision.
- 1.8 The Consultation suggests a move to a single workforce standards body which would be called the Education Workforce Council. North Ayrshire Council notes a lack of detail in the consultation document about this proposal and recognises that current arrangements are effective.

2. Background

- 2.1 On 7 November 2017 the Scottish Government issued a consultation document “Empowering Schools: A Consultation on the Provisions of the Education (Scotland) Bill”. It seeks responses from all interested parties by 30 January 2018.
- 2.2 The consultation document reflects a range of Policy Ambitions from the Scottish Government which it hopes will bring about improvements in Scottish education.

3. Proposals

- 3.1 It is proposed that North Ayrshire Council submit a Consultation response as outlined at Appendix 1.

4. Implications

- 4.1 The Council continues to work with COSLA to influence any future provisions contained within the proposed Education Bill.

Financial:	N/A
Human Resources:	N/A

Legal:	N/A
Equality:	N/A
Children and Young People:	N/A
Environmental & Sustainability:	N/A
Key Priorities:	Council Priorities: <ul style="list-style-type: none"> • Working together to develop stronger communities. • Ensuring people have the right skills for learning, life and work. • Supporting all of our people to stay safe, healthy and active. •
Community Benefits:	N/A

5. Consultation

5.1 Consultation has taken place with Head Teachers and the Chairs of Parent Councils.



John Butcher
Executive Director

For further information please contact **John Butcher, Executive Director** on **01294 324411**.

Background Papers

None

Empowering Schools

Response to consultation on the provision of the Education (Scotland) Bill by North Ayrshire Council – January 2018

Introduction

North Ayrshire Council agrees with the premise that high quality educational provision which meets the needs of all children and young people is essential to ensure their wellbeing and future life chances. However, the Council is also of the opinion that for some young people, ensuring that all universal services are providing appropriate support at the right time and in the right way is crucial to them achieving successful outcomes.

North Ayrshire Council believes that Scotland already has a strong and improving system of educational provision. The strategic support, guidance and challenge provided by this local authority to its schools, education partners and its teachers has been welcomed and appreciated. It is bringing about improvement and evidence exists that the attainment gap is closing. North Ayrshire Council Education and Youth Employment Directorate already provides 'consistent, high quality support and improvement services' and these are 'centred on the child'.

The role for the local authority, the manager of the school estate and the employer of its teachers, in relation to its school leaders remains unclear in this document. Whilst 'a school and teacher led system' is advocated and promoted in this document, there is no evidence provided of its efficacy and/or likely success. Schools are led by Head Teachers and staff, parents and children and young people are consulted about improvement and change. Schools and teachers are not systems, they are individual and sometimes quite diverse entities. The system that leads them currently is the local authority which coordinates improvement. In North Ayrshire this is bringing improvement, delivering high quality education as well as effective governance.

We have decided not to respond to the individual questions in the consultation but rather to respond to the ideas and notions presented in the paper and frame the response as set out below.

Head Teachers' Charter

In the school and teacher led system advocated, the interface between elected members and Head Teachers needs to be further explored if they are to be directly accountable to these local, democratically elected members. North Ayrshire Council believes that local accountability to Elected Members should not be removed in any future Bill.

In North Ayrshire, Head Teachers already have the opportunity to lead learning and teaching in their schools and the education and youth employment directorate support them in this endeavour. They are supported to ensure their curriculum matches local needs and they are encouraged to be collaborative and outward looking. Further

autonomy for Head Teachers requires sufficient resource and adequate, efficient and effective planning.

It is helpful and important that a Head Teacher gets the opportunity to appoint staff for their own school. However, if seen in the context of the local authority as the employer, longer term workforce planning will be extremely complex to develop if schools set and develop their own priorities.

There is also an assumption in the consultation that janitorial and cleaning provision, HR etc. are all current educational functions. This is not the case across Scotland where there is no consistent model. It is unclear how arrangements will be made to support Head Teachers in PPP schools. There are contractual legal arrangements with private companies for facilities management and financial arrangements that require further explanation.

Initially and, for some, significant time will pass before Head Teachers will be able to establish new staffing and promotion structures. The costs are too great for them to undertake quick change and it is not clear how these changes will be managed within the Local Authority through its HR function. It is also unclear as to the future of the LNCT and its existing agreements. Furthermore the role Head Teachers have in relation to allocation of probationer teachers and student teachers, surplus and compulsory transfer staff is unclear. A framework will be required to consider surplus staff and HR requirements.

Indeed, schools are not only staffed by teachers and therefore this requires further consideration.

Allowing Head Teachers to determine staffing structures will mean that the local authority could no longer be held responsible for teacher/pupil ratios.

In relation to the curriculum, sufficient resource is needed or a school's curriculum could narrow if there is less or limited resource. The school's budget dictates the curriculum and each school is constrained to deliver a curriculum within the framework of its staffing model. Information about the Fair Funding model is crucial to ensure appropriate curriculum delivery and staffing levels.

There needs to be an understanding that to meet needs of all, especially those with ASN, there must be sufficient flexibility to allow staff to support to meet local need. It cannot be assumed this would be teaching staff only. Funding and staff models would have to take account of needs led demand.

Long standing agreements exist within local authorities to ensure schools have a focus on children with ASN and that staff are given appropriate levels of training both from an educational and support perspective. It is unclear how this would be taken forward by individual HTs with any great effect.

With greater autonomy comes greater accountability and Head Teachers must have absolute accountability for all their decisions. It remains unclear what form of redress parents and the children and young people will have should they not agree with the

decisions made by Head Teachers. It is unclear who will hold ineffective Head Teachers to account.

In North Ayrshire it is the Authority's expectation that schools already engage with parents and their young people in relation to school improvement planning and there is therefore no need to legislate. School improvement plans will remain dictated by Curriculum for Excellence, GIRFEC, ensuring high quality Learning and Teaching, Developing Scotland's Young Workforce, Early Learning and Childcare Expansion, How Good is Our School, the National Improvement Framework and the Attainment Challenge. Local Improvement Plans that dovetail with Council and partners plans should remain as they drive co-ordinated local improvement.

Funding

There is no evidence that Head Teachers have the skills or desire to take on the management of additional funding as this would take them away from their core business. They will require to consider school business managers appointments as part of their financial and staffing framework in order to manage what is already an enormous workload. Additional responsibilities in relation to financial and staff management would mean they are not focusing on what they should be, which is learning and teaching.

HTs already decide how a great deal of their financial allocation is spent. Consideration will have to be given to the consistency of approaches to funding allocations across Scotland.

North Ayrshire Council already has transparent funding and staff allocation models in place. These are accepted as fair, equitable and responsive to local needs and priorities.

The support Head Teachers receive from North Ayrshire is significant around HR, procurement, financial management, school improvement, learning and teaching, curriculum and Health and Wellbeing. This support, in the Council's view, could actually be diluted resulting in a reduction in local support and challenge in education replaced by less effective provision.

With the responsibility for staffing comes the responsibility for the health and wellbeing of those staff employed including all aspects of current employment law. Our Head Teachers are not equipped currently to provide sound decision making and governance in HR practice.

If a Head Teacher is in dispute with a member of staff which cannot be resolved, there requires to be clarity around the way disputes will be resolved.

Parental and Community Engagement

This consultation document changes the term from consult to collaborate. It is essential that collaboration focus on role of parent in learning.

It is aspirational to want a parent council to be more representative of the school parent body but schools cannot compel parents to be involved. We welcome any opportunity to empower our communities however we are also realistic in how difficult that is for some schools and some communities.

North Ayrshire Council, however, does not believe we need a legal definition of 'parental engagement'.

There is no mention of parental involvement in ASN schools within the consultation document. Any expanded remit should include all education provision.

Pupil Participation

In North Ayrshire we have evidence of significant pupil involvement in every school across a range of aspects of the life and work of schools. There is a particular focus in relation to meeting needs and ASN planning.

North Ayrshire Council recognises the importance of pupil involvement, not just engagement. However, North Ayrshire Council believes that we do not require as a nation to legislate. The aspiration should be to ensure that good practice is effective across Scotland and this can be achieved via practice guidelines.

Regional Improvement Collaboratives

North Ayrshire Council believes that Local Authority plans should continue to provide the focus for educational improvement. These plans reflect Council and partner priorities for improvement across all functional areas. They link to local improvement in its broadest sense and recognise the importance of education to local economies and communities. North Ayrshire Council is successful in improvement planning linked to Scottish Attainment Challenge (SAC) and Pupil Equity Funding (PEF), both of which, dovetail with other Council priorities. North Ayrshire Council therefore supports the retention of local education planning.

If the vision set out in this section becomes reality the influence on school improvement by local authorities would be negligible as would the influence of locally elected members.

The Consultation document has no clarity about how South West Education Improvement Collaborative (SWEIC) will actually operate and exist and what the interface, if any, would exist between LAs and schools.

The North Ayrshire Council educational improvement plan is a key component of the corporate improvement agenda and the performance of which is reported and monitored regularly by local democratically elected members. It is unclear how progress with school or SWEIC plans be reported and monitored.

Education Workforce Council for SCOTLAND

North Ayrshire Council believes that current workforce governance arrangements are effective. Changing these could potentially become over complex and bureaucratic.

The GTCS has a very positive reputation throughout the world and has made huge strides in the registration and support of the professional development of the teaching workforce over the last 5 years. North Ayrshire Council can see no reason to make any change to the current arrangements.

North Ayrshire Council believe that the requirement for registration of staff other than teachers within a new professional body would require significant system change, additional costs and could increase bureaucracy. Expanded responsibilities may hinder workforce planning and supporting staff development more complex and could lead potentially to a lowering of standards. It is unclear whether or not the regulation of unqualified staff by any new body would lead to their becoming an 'unqualified' teacher.

Currently the registration bodies are independent from political influence, any change must ensure that position.

In conclusion, North Ayrshire Council has significant concerns surrounding many of the proposed changes outlined in the Consultation document. The Council will continue to work through COSLA to ensure that its voice is heard and Local Authorities retain control over the delivery and standards of education.

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title: South West Educational Improvement Collaborative (SWEIC)

Purpose: Seek approval from Cabinet to support the priorities and content of the SWEIC Annual Plan.

Recommendation: Agree the SWEIC Annual Plan 2018

1. 1. Executive Summary

1.1 The SWEIC Annual Plan 2018 is predicated on building capacity to lead learning at all levels and investing trust in the professional autonomy of Head Teachers and teachers. The plan is a summary of ambitions and actions for the regional collaborative. The plan aligns with the ambitions of the National Improvement Framework priorities and will focus work in four areas:

- Early Years (collaborative scale)
- Broad General Education (teacher professionalism)
- Closing the Attainment Gap (teacher professionalism)
- Building Leadership Capacity in Secondary Education (leadership).

1.2 The plan does not simply replicate existing individual Local Authority plans. These areas of collaborative focus will enhance existing work.

2. Background

2.1 Proposals were set out in the 'Next Steps' document and agreed, following local and national negotiations, that requires Local Authorities to engage in regional collaboration to support educational improvement. A subsequent report published on 21 September 2017 set out a requirement for each Regional Improvement Collaborative to have a Lead Officer in post by 31 October 2017. Douglas Hutchison, Head of Service, South Ayrshire Council, was appointed with the agreement of Chief Executives and the Scottish Government to this post. The agreement requires the Lead Officer to submit a draft improvement plan for the SWEIC to the Scottish Government by 31 January 2018.

3. Proposals

3.1 Cabinet support the aspirations of the SWEIC Annual Plan 2018.

4. Implications

Financial:	Contribution from Education and Youth Employment budget to Lead Officers salary. Potential costs re staff mileage.
Human Resources:	N/A
Legal:	N/A
Equality:	N/A
Children and Young People:	N/A
Environmental & Sustainability:	N/A
Key Priorities:	Council Priorities: <ul style="list-style-type: none">• Working together to develop stronger communities.• Ensuring people have the right skills for learning, life and work. Supporting all of our people to stay safe, healthy and active.
Community Benefits:	N/A

5. Consultation

5.1 As outlined in Appendix 1.



John Butcher
Executive Director

For further information please contact John Butcher, Executive Director on 01294 324411.

Background Papers

None

SOUTH WEST
EDUCATIONAL
IMPROVEMENT
COLLABORATIVE
ANNUAL PLAN 2018

SWEIC Plan 2018

CONTENTS

1. Introduction and rationale
 2. Strategic approach and priorities
 3. High level action plans, lead responsibility and indicators of progress
 4. Governance arrangements
 5. Profile of the South West and performance information
 6. Summary of current Local Authority improvement planning
- Appendix 1: Summary of consultation responses

1. INTRODUCTION AND RATIONALE

The South West Educational Improvement Collaborative philosophy is predicated on building capacity to lead learning at all levels and investing trust in the professional autonomy of headteachers and teachers. Our four local authorities have high expectations and high aspirations for pupils and staff and we aim to give all our children and young people an equal chance to make the most of their potential. This plan is a summary of ambitions and actions for the regional collaborative, where we aim to add value by working together over the next year.

We believe in the benefits of working in partnerships within a culture of collaboration. We believe that the most important decisions are made in the classroom and we expect professional excellence in our staff. We support this by building confidence and capacity in school leadership at all levels, by listening to parents and pupils, by empowering headteachers to make local decisions and by trusting professional judgements. This has been the basis for our approach to delivering Curriculum for Excellence, GIRFEC and Developing the Young Workforce (DYW) and will continue. By working together, challenging each other and sharing what works, we will strengthen the ‘middle’ of our system. The interventions at regional level will be to accelerate this agenda and therefore support the best chance of success in terms of outcomes for young people with a focus on closing the poverty related attainment gap and help to achieve excellence and equity for all children.

We recognise that the accountability for improvement remains with the local authorities and with the regional collaborative and our duties to secure better outcomes for our poorest and most vulnerable children remain our focus. To add value best to what we do, we will use our collected and extended evidence to challenge ourselves and each other while maintaining local flexibility on planning and quality assurance.

In 2015 the OECD published a review of schools in Scotland¹ with one of the conclusions being that in order to take Curriculum for Excellence forward and build on what has already been accomplished, there was a need to strengthen professional leadership of Curriculum for Excellence and the “middle”:

“Having implemented CfE at the system level, the centre of gravity needs to shift towards schools, communities, networks of schools, and local authorities in a framework of professional leadership and collective responsibility. . . . We believe in reinforcing the “middle” through fostering the mutual support and learning across local authorities, together with schools and networks of schools.” (OECD, 2015, p.21).

The Scottish Government’s response to the OECD review included a review of governance and the proposal to create regional improvement collaboratives. The proposals were set out in the *Next Steps*² document and following negotiation between local and national government,

¹ OECD (2015) *Improving Schools in Scotland: An OECD Perspective*

² <http://www.gov.scot/Resource/0052/00521038.pdf>

agreement was reached which was set out in the *Report of the Joint Steering Group*³ published on 21st September 2017. The agreement required a lead for each collaborative to be in post by 31st October 2017 and an action plan in place for the end of January 2018. The report of the Joint Steering Group set out guiding principles for all improvement collaboratives which the South West Educational Improvement Collaborative (SWEIC) endorses and is committed to achieving. The current plan sets out what we intend to achieve but recognises the full ambition of the collaborative will only be achieved over time. SWEIC take the view that the intention is to adopt a way of working that is based upon the OECD call for “a curriculum that is to be built by teachers, schools and communities, alongside a strengthened “middle” and clear system leadership” (OECD, p.16). By definition, collaboration cannot be imposed from above but needs to be nurtured and developed.

Our collaborative will focus on the culture of learning, evidence from enquiry embedded into practice and the benefits of a common language. These are factors recognised as necessary to generate whole system change (Quinn and Fullan, 2017)⁴. We also recognise that for this to be successful, teachers and leaders must be ready for change and be working within a culture of confidence and freedom to innovate.

The aim of our collaboration in the South West remains to deliver on the purpose of Curriculum for Excellence which is to ensure young people leave school education as successful learners, confident individuals, responsible citizens and effective contributors. At present however, the educational system is not consistently strong enough to mitigate the impact of deprivation and ensure that all young people achieve what they are capable of regardless of their background or circumstances. As a result, a consistent focus of the SWEIC will be to raise the attainment of children and young people living in the most deprived circumstances.

We must monitor the progress we make on our priorities and commitments to make sure we are meeting what we set out to do; our authorities have all published Standards and Quality reports which set out what we know about education in the South West and the context in which our children and young people learn. Our evidence reports told us what we are doing well individually, and where we should look to improve collectively. This plan now sets out the actions we will take during 2018 and the performance measures which tell us how we know we are making a difference as an improvement collaborative.

Collaboration and advantages in scale

One major advantage of our regional collaborative arrangement relates to scale and the opportunities afforded through the significant breadth of our learning environments including rural schools. We intend to capitalise fully on the scale of the collaborative through working across local authority boundaries to facilitate:

³ Link to Report of Joint Steering Group

⁴ Fullan, M. and Quinn, J. (2018) Coherence Making: Whole System Change Strategy in H.J. Malone, S. Rincon-Gallardo, & K. Kew, (eds) *Future Directions in Educational Change. Social Justice, Professional Capital and Systems Change*, London, Routledge.

- peer to peer collaboration
- school to school collaboration
- region wide events
- region wide sharing of information and best practice
- developing region wide quality assurance activities
- exploring experiential leadership development opportunities including region wide advertising of temporary positions and potential 'job swaps' for school leadership posts

Workforce Planning

At present, workforce planning within the collaborative is limited to those directly involved at a senior level; lead officers for each work stream and involvement in the task groups associated with the plan. Over the coming year however, it is intended that the SWEIC will take advantage of the scale associated with four local authorities working together to work collaboratively to address workforce issues such as teacher shortages in specific subject areas. It is our intention that, by June 2018 we will have identified areas in workforce planning where we believe we can add value by collaborating across the four local authorities in the SWEIC.

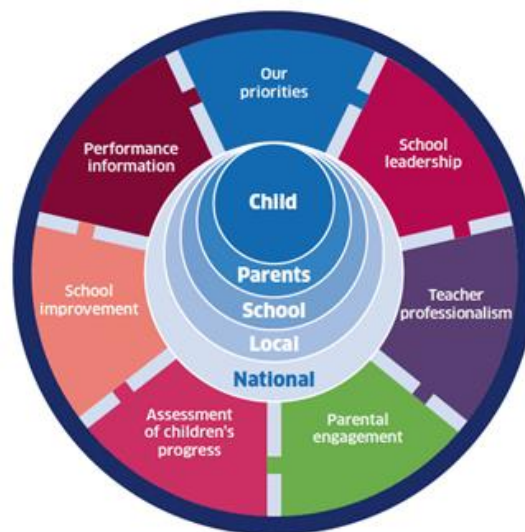
We aim to deliver improvement through collaboration in line with the National Improvement Framework priorities of:

- 1. Raising attainment, especially in literacy and numeracy.**
- 2. Closing the poverty related attainment gap**
- 3. Improving children's and young people's health and wellbeing**
- 4. Improving post-school destinations.**

2. STRATEGIC APPROACH AND PRIORITIES

As stated in the introduction, it is our aim to empower schools to lead improvement through investing in school leadership and through collaboration within and across local authority boundaries. This plan sets out our priorities as an improvement collaborative – the challenge will be both in practice and approach – challenge from evidence to shape practice and a challenge to let go and allow headteachers and practitioners to take forward improvements as they meet local needs.

The National Improvement Framework 2018 sets out **six key drivers** for improvement which provide a focus and structure when we plan for improvement. School improvement; school leadership; teacher professionalism; assessing children's progress; parental engagement and performance information; are all factors that contribute to the quality of our education system. The links across these key areas are essential to enable continuous improvement.



It is our belief that headteachers and teachers are best placed to lead on school improvement, pupil progress and parental engagement.

The initial major focus of our improvement collaborative will therefore be based on two priorities:

- 1. School leadership**
- 2. Teacher professionalism.**

In addition, we will adopt the benefits of shared expertise and of scale in data to maximize the impact of effective use of performance information. Our judgement in focusing initially on these key drivers is supported by this recent Scottish Government publication.



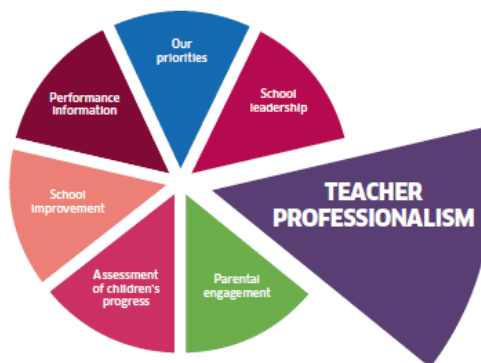
The quality and impact of leadership within schools - at all levels and roles.

Leadership is recognised as one of the most important aspects of success in any school. Leaders at all levels who are empowered, and who empower others to take ownership of their own learning, have a strong track record of ensuring the highest quality of learning and teaching. In turn, this helps to ensure that all children achieve the best possible outcomes. Gathering evidence on the quality of school leadership will help us to identify and share what works and provide support and intervention where leadership needs to improve.

How will this help to achieve excellence and equity for all children?

Highly effective leadership is key to ensuring the highest possible standards and expectations are shared across a school to achieve excellence and equity for all. Through evaluating leadership and, crucially, leadership of change, we will be able to focus on where leadership action is delivering excellent outcomes for all children and closing the attainment gap through targeted interventions. We will also have evidence on the extent to which professional skills and competences of headteachers are being maintained and developed.

Teacher Professionalism



Teacher professionalism demonstrates the overall quality of the teaching workforce in Scotland and the impact of their professional learning on children's progress and achievement.

The quality of teaching is a key factor in improving children's learning and the outcomes they achieve. In Scotland we have a highly professional, graduate teaching workforce with high professional standards, which are set by the General Teaching Council for Scotland (GTCS). We want to continue improving the professionalism of our teachers and the quality and impact of their professional learning. The focus is on teacher professionalism, but we recognise that many other people contribute to children's and young people's learning and development.

How will this help to achieve excellence and equity for all children?

A strong link exists between teachers' professional skills and competences and the quality of children's learning experiences. Ensuring the highest professional standards for all teachers in Scotland will help to ensure the highest standards and expectations for all children. Consistent, well-moderated teachers' professional judgement data on achievement of Curriculum for Excellence levels in literacy and numeracy will help us to focus accurately on the difference in attainment between the most and least disadvantaged children and take further action as a result. We want all teachers to develop as enquiring professionals who are highly confident in teaching literacy and numeracy, supporting health and wellbeing, using technology and data effectively to enhance learning and teaching, and ensuring equality. This is critical to ensuring the strongest possible progression in learning for all children and young people.

Associated Collaborative activities/work streams

To support these two priorities and the advantage of collaborative scale we have agreed four collaborative activities / work streams in year 1 of the SWEIC.

The areas of focused joint work are consistent with the National Improvement Framework priorities. It is our view that we should not simply replicate what each local authority is already doing. As previously indicated we are also of the view that, while these are the areas of focus, there will be additional areas where collaboration can take place. The four main activities of initial focus are as follows:

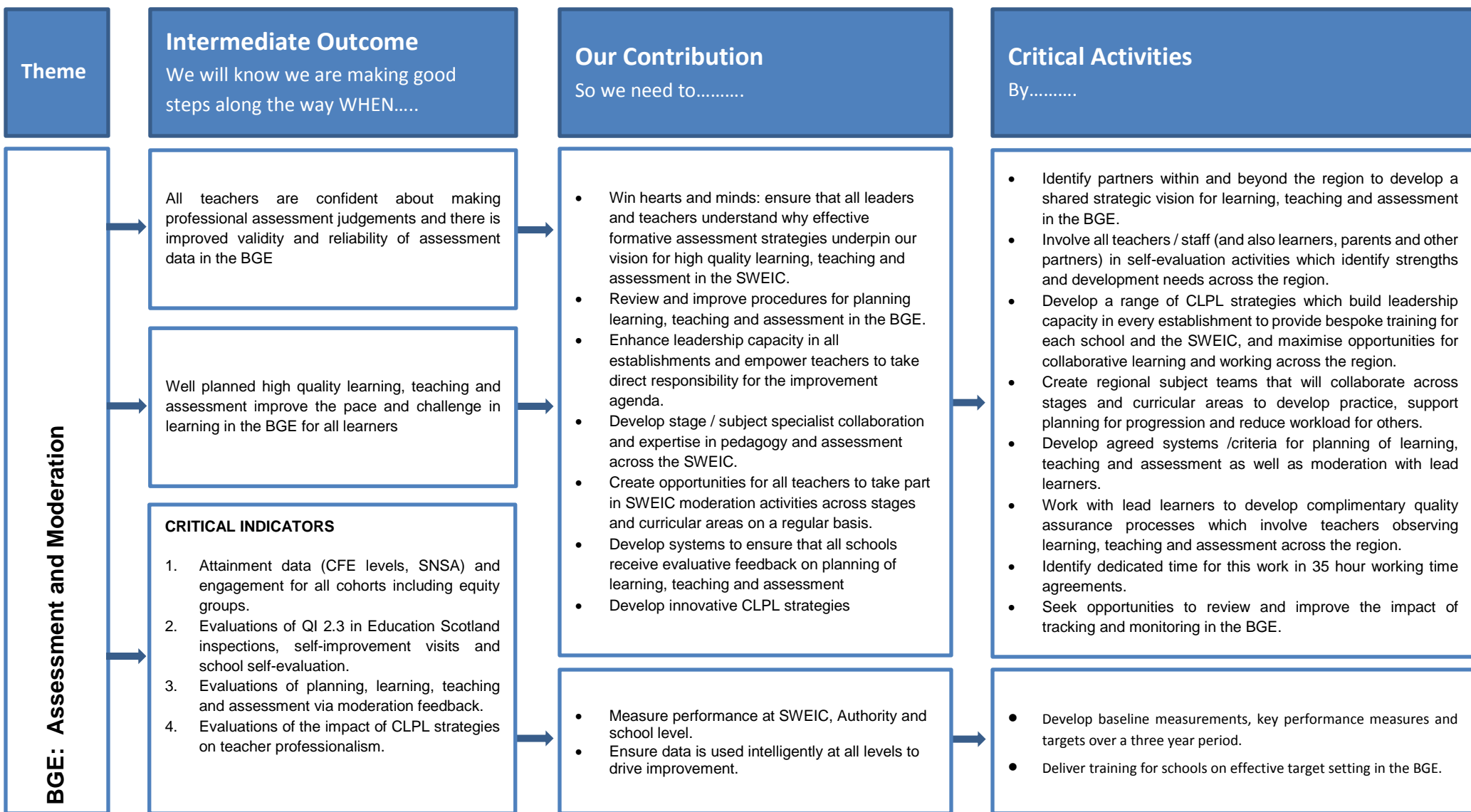
SWEIC Priority focus	Priority work streams	Work stream lead
Collaborative scale	1. Early years: maintaining high quality experiences for children while delivering 1140 hours provision.	John Butcher
Teacher professionalism	2. Broad general education: improving pace and challenge for learners through consistency in teacher professional judgements (moderation of assessment).	Eileen Brown
Teacher professionalism	3. Closing the gap: sharing effective practice on the use of Pupil Equity Fund.	Frank Cardle
Leadership	4. Building leadership capacity to improve the learner journey.	Linda McCaulay-Griffiths Gillian Brydson

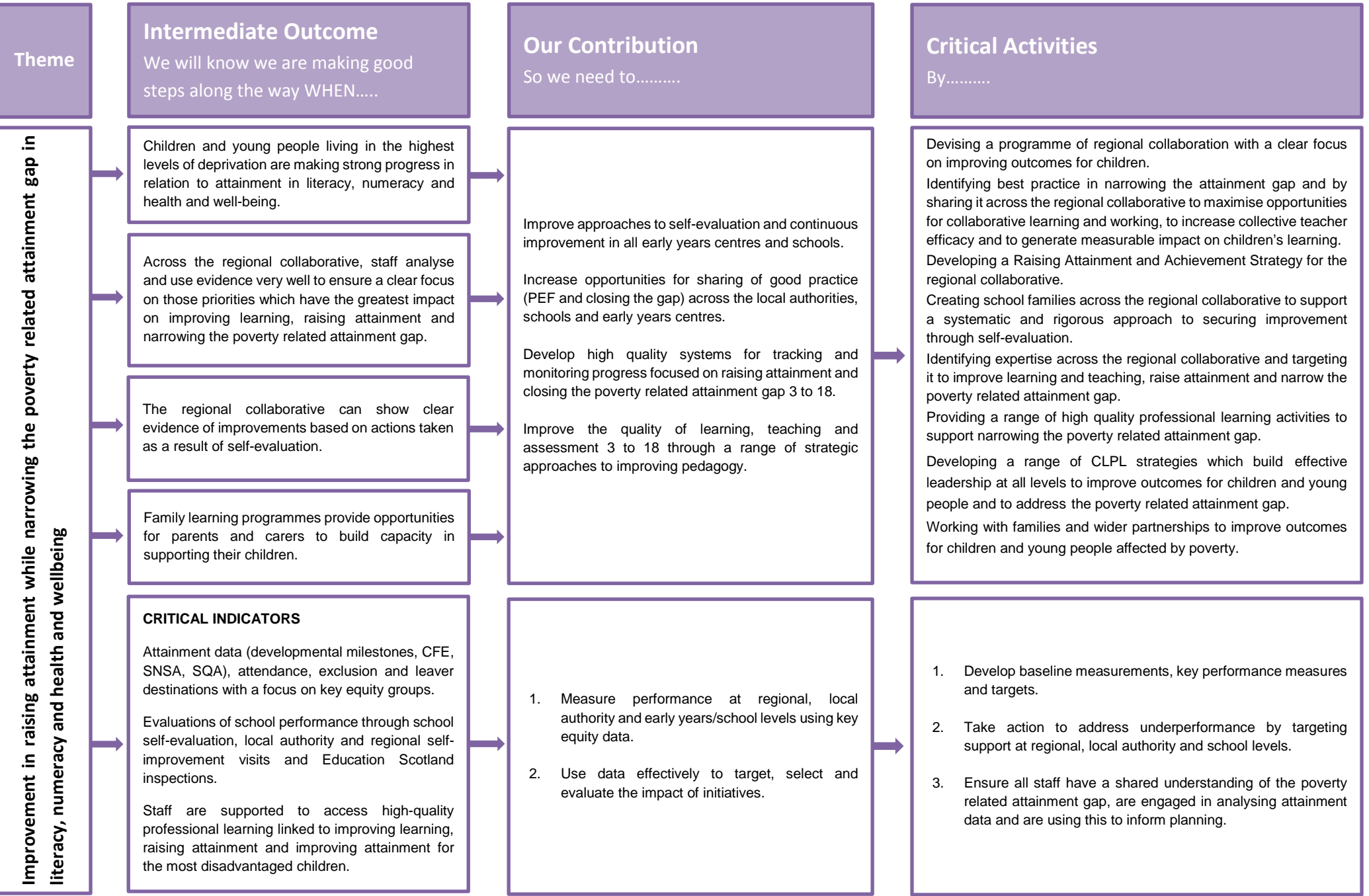
The senior officers leading each area are establishing task groups with representation from each of the local authorities in the SWEIC. The teams will also involve strategic partners as appropriate. The teams will progress the SMART, detailed planning and report to the Strategic Officers Group on a regular basis.

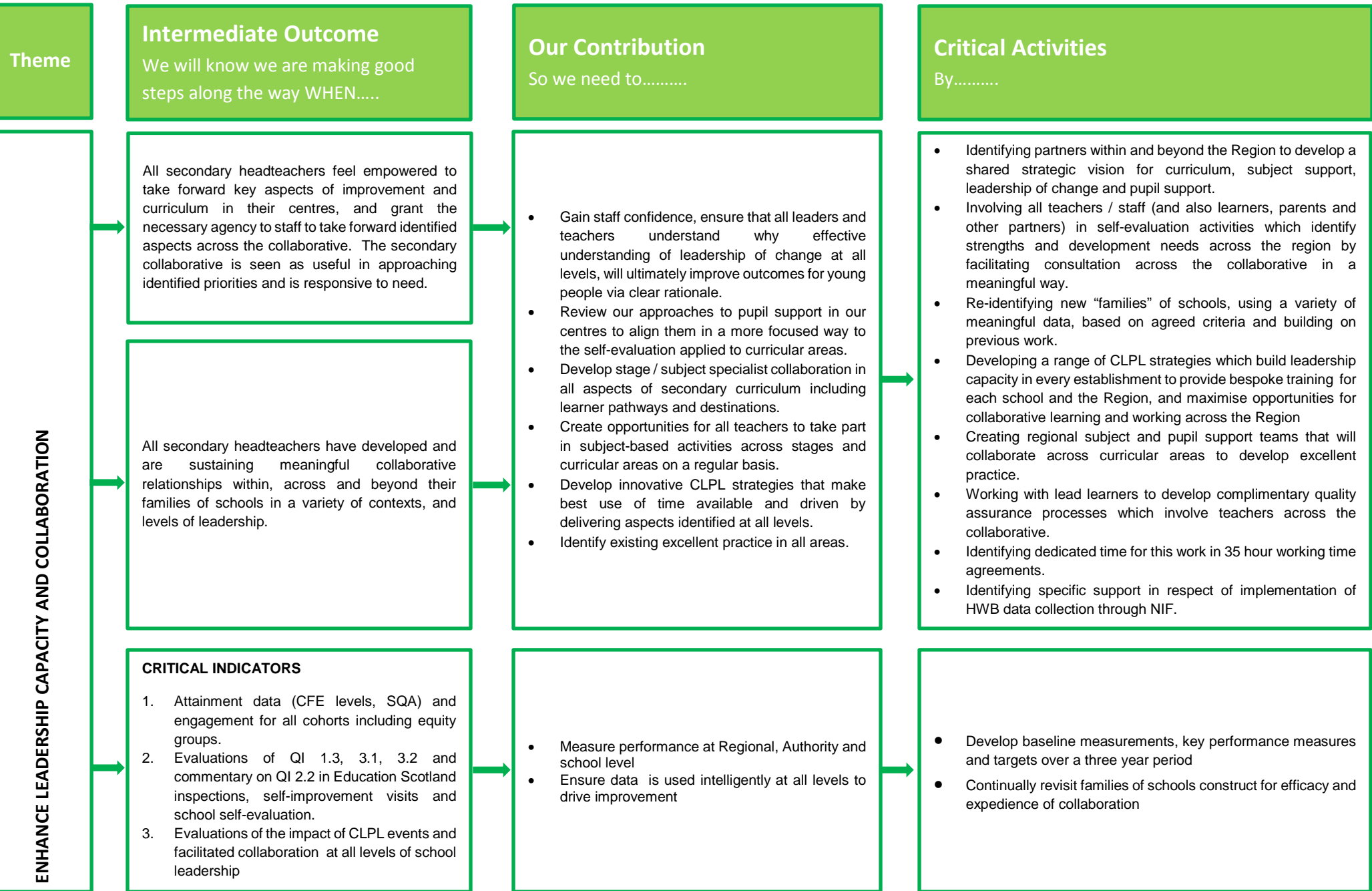
The high level action plans for these four collaborative activities/work streams are set out in Section 3.

3. HIGH LEVEL ACTION PLANS, LEAD RESPONSIBILITY & INDICATORS OF PROGRESS

Theme	Intermediate Outcome We will know we are making good steps along the way WHEN.....	Our Contribution So we need to.....	Critical Activities By.....
Early Learning and Childcare	All Early Learning and Childcare providers are preparing to deliver 1140 hours of flexible quality learning and care by 2020.	<ul style="list-style-type: none">• Work effectively with partners to ensure their current and future viability to deliver quality learning and childcare.• Develop, with partners, an effective sector specific leadership development programme.• Set up in partnership with the Improvement Service, Education Scotland and Care Inspectorate a Regional Early Learning and Childcare Development Board. This Board will be the hub for sharing excellent practice, learning from capital and revenue development plans, as well as the hub for improvement monitoring.• Meet regularly with training providers from FE Sector re initial staff training requirements and CPD programmes.• Develop a Parent Reference Group.• Learning Lead Officers will work together to improve approaches to teaching across all curricular areas. Focus on Literacy, Numeracy and H&WB will be the core function of this group	<ul style="list-style-type: none">• Identifying 'families' of Early Years establishments using existing data.• Develop a CPD strategy, intervention and delivery model.• Develop moderation standards and training programme.• Constitute Early Learning and Childcare Regional Board with clear terms of reference.• Develop partnership frameworks and terms of reference for:<ol style="list-style-type: none">1. FE Providers2. Partner Providers3. Parental Engagement• Initiate a Quality Improvement Lead Officers Group with terms of reference.• Develop a joint data set.
	SWEIC, with its partners, will have in place high quality Leaders of Early Learning and Childcare. SWEIC will be working to ensure a high quality workforce is in place by 2020 to deliver the enhanced policy requirements.		
	SWEIC will work together to share learning re capital and revenue implications to deliver best value during the service expansion and delivery phases.		
	SWEIC, with its partners, will work together to enhance the quality of learning, teaching and care; working across the system to build strong practice foundations that will contribute to closing the attainment gap.		
	CRITICAL INDICATORS <ol style="list-style-type: none">1. All staff will understand and interpret data for improvement from 27-30 month screening.2. Teachers/ Early Years Practitioner judgement on progress across all early level curricular areas.3. Quality Assurance and Improvement visits will focus, across all Authorities, on QIs from 'How Good is our Early Learning and Childcare?'4. The collaborative will monitor and interpret data from Care Inspectorate and Education Scotland inspections for improvement.5. Lead Officers will work with Education Scotland and the Care Inspectorate to develop specific qualitative and quantitative local improvement outcome measures.	<ol style="list-style-type: none">1. Measure performance at Regional, Local Authority and establishment levels.2. Provide ongoing support and training to establishments and partners to ensure data and intelligence is used effectively to drive improvement.3. Provide ongoing training and support to staff to moderate improvement across the collaborative area.	<ol style="list-style-type: none">1. Develop historical baseline measures, key data sets and targets.2. Monitor progress across 'families' of establishments.3. Report to Local Authorities on improvement and progress in a consistent way across the collaborative.







4. GOVERNANCE ARRANGEMENTS

Chief Executive Officers: The regional lead officer (RLO) will report monthly to the Chief Executives at their monthly meeting. Chief Executives will take responsibility for political reporting arrangements and sign off of the plan in their own local authorities. The regional lead officer is line managed by the Chief Executive in whose authority the RLO works. The Chief Executive and Chief Inspector of Education Scotland will be involved in signing off the annual plan and be updated on progress through the Education Scotland Regional Adviser who is part of the Strategic Officers group. The Chief Executive of Education Scotland may also, on occasion, participate by invitation in the monthly Chief Executive's meeting

The SWEIC plan focuses on educational provision. Local authorities and the Chief Executives will continue their oversight of the wider services for children and young people planning and delivery.

Annual accountability review: In addition to routine and regular oversight by the Chief Executives, an annual accountability review will take place involving relevant elected members from the constituent local authorities. The review will normally take place at the point where the plan is being evaluated and a revised plan is being prepared for the SWEIC.

Regional Lead Officer & Strategic Lead Officers Group: The regional lead officer will convene and chair a monthly meeting of the Strategic Lead Officers. The Strategic Lead Officers are ex officio the senior officer with responsibility for education in each of the four local authorities and the Education Scotland SWEIC Advisor. Other senior officers will be invited or nominated to attend by the relevant Strategic Lead Officer in the local authority.

Task Groups: Officers with lead responsibility for specific aspects of the SWEIC plan will form task groups with appropriate membership from all four local authorities as well as relevant staff from Education Scotland and other strategic partners.

Involvement by other bodies and individuals: The ex officio members of the Strategic Officers Group will ensure appropriate consultation within their local authority on the content of the SWEIC Plan. The relevant senior officer from each local authority will take responsibility for consultation, as appropriate, with the Local Negotiating Committee for Teachers and the Joint Consultative Committee. Where the SWEIC is approached on matters not contained in the plan or outwith the stated priorities, these will be referred back to the constituent local authorities for action and will not be the responsibility of the SWEIC as a collaborative.

5. PROFILE OF THE SOUTH WEST AND PERFORMANCE INFORMATION

The SWEIC is made of four local authority areas, North, South and East Ayrshire and Dumfries and Galloway. Between them they cover an area of around 3,603 square miles in the South West of Scotland. The four authorities between them have a total population of around 520,000 representing approximately 10% of the population of Scotland. In addition to the main towns in each authority, there is a considerable rural area comprising smaller towns and villages which are served by a large number of smaller schools. The pupil population is just under 67,000 across 281 schools with a further 9,000 children in early learning centres. The pupil teacher ratio across the South West is 13:1 with 5,112 teachers in schools and a further 82 in early learning centres.

The distribution of relative deprivation varies widely between the four authorities as indicated by the Scottish Index of Multiple Deprivation. North Ayrshire has around 43% of secondary pupils in decile 1 and 2 of the SIMD while Dumfries and Galloway has around 10% in deciles 1 and 2. While East, North and South Ayrshire have a majority of secondary pupils in Deciles 1-5 (68%, 70% & 60% respectively), Dumfries and Galloway has 36% and therefore has a majority of pupils in secondary schools in Deciles 6-10. The following table shows the percentage of secondary pupils distributed by SIMD decile in each of the SWEIC authorities.

Table 1: Distribution of secondary age pupils by SIMD Decile (2016-17)

	1	2	3	4	5	6	7	8	9	10
D&G	5.3	4.2	8.7	17.7	14.4	24.1	9.7	6.3	4.1	5.3
EA	12.1	21.4	11.1	13.5	10	5.3	5.9	7.7	8.5	4
NA	16.4	26.3	12.2	9.7	5.5	6.7	7.2	6.1	8.2	1.8
SA	8.6	10.3	9.6	16.5	14.5	9.1	3.1	9.4	9.9	8.9

Table 2: 27-30 Month Checks (2015-16) - % children reviewed; no concerns; any concerns.

	D&G	East	North	South
% reviewed	94.4	92.5	94.7	93.2
% No concerns	76.4	66.9	73.4	75.2
% any concerns	21.7	24.3	24.1	22.7

Table 3: Attainment across the BGE (December 2017)

	P1	P4	P7	S3 (L3+)	S3 (L4+)
D&G					
Reading	80	76	73	87	46
Writing	77	68	66	86	46
Listening and talking	83	82	80	89	48
Numeracy	82	71	69	86	52
East					
Reading	80	67	64	86	50
Writing	76	62	59	85	47
L&T	85	78	70	88	49
Numeracy	81	63	57	85	48
North					
Reading	81	75	76	89	50
Writing	78	69	69	88	49
L&T	88	82	83	88	51
Numeracy	83	75	73	81	55
South					
Reading	85	83	80	92	58
Writing	82	78	74	91	57
L&T	89	87	86	93	57
Numeracy	92	85	80	90	50
Scotland					
Reading	80	77	76	90	51
Writing	77	71	69	89	48
L&T	85	83	81	91	51
Numeracy	83	75	70	88	56

Table 4: Quantifying the gap – Percentage difference between Quintile 1 and Quintile 5 achieving expected CfE levels

		Reading	Writing	Listening & Talking	Numeracy
D&G	P1	16%	23%	25%	14%
	P4	16%	15%	6%	4%
	P7	31%	32%	24%	25%
	S3 (L3+)	45%	50%	35%	29%
	S4 (L4)	113%	97%	85%	148%
East	P1	25%	30%	23%	23%
	P4	45%	44%	25%	26%
	P7	56%	52%	41%	86%
	S3 (L3+)	26%	26%	21%	25%
	S3 (L4)	105%	97%	102%	76%
North	P1	13%	42%	15%	25%
	P4	27%	42%	17%	25%
	P7	21%	30%	16%	21%
	S3 (L3+)	15%	15%	13%	25%
	S3 (L4)	88%	92%	69%	59%
South	P1	15%	23%	8%	8%
	P4	27%	44%	20%	18%
	P7	36%	36%	38%	29%
	S3 (L3+)	14%	15%	12%	13%
	S4 (L4)	88%	105%	108%	152%

The percentages in the table above represent the difference between the percentage of children at quintile 1 and quintile 5 achieving expected levels calculated as a percentage of the quintile 1 figure. For example, in D&G, the percentage of children at quintile 5 achieving the expected CfE reading level at P1 is 16% greater than the same figure for children at quintile 1. The greatest gaps appear to be for those young people achieving 4th level by S3.

Table 5: % achieving Literacy and Numeracy at Level 4 & 5 for all leavers (2016)

	Lit L4	Lit L5	Num L4	Num L5	L&N L4	L&N L5
D&G	94	78	89	68	87	64
East	91	75	88	68	85	64
North	96	79	89	68	87	65
South	96	84	93	73	92	71

Table 6: Average tariff points for all leavers by quintile (2016)

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Gap*
D&G	568	718	958	1007	1135	+100%
East	568	760	873	1092	1133	+99%
North	631	784	1005	1165	1162	+84%
South	645	845	951	1227	1203	+86%

*The gap is calculated here by subtracting Q1 from Q5 and calculating the difference as a percentage of the total for Q1. Therefore, for example, young people in Quintile 5 in D&G, on average, achieved 100% greater tariff points than those at Quintile 1.

Education Scotland Inspections 2016-2017

Over the past two school sessions 35 primary, secondary and special schools have been inspected in the SWEIC. Nine of the school inspections were negative and required a follow through. Analysis shows that using HGIOS3 the highest evaluated quality indicator was 2.1, Learners Experiences while in HGIOS4 the lowest evaluated QI was 2.3 Learning, teaching and assessment. The main difference between QI 2.1 in HGIOS3 and QI2.3 in HGIOS4 is the focus on assessment and moderation. Based on this comparison and the change between HGIOS3 and HGIOS4 evaluations the SWEIC would benefit from a focus on assessment and moderation through the broad general education.

6. SUMMARY OF CURRENT LOCAL AUTHORITY PLANNING

Table 7: Current Priorities Identified in Local Authority Improvement Planning

	Raising attainment	Closing the gap	Health and wellbeing	Positive destinations (curriculum)	Leadership	Improvement
D&G	<ul style="list-style-type: none"> Teacher professional judgement / assessment Numeracy interventions Early years pedagogy ASPIRE – raising aspiration in science education 	<ul style="list-style-type: none"> Target interventions: LAC/ASN/FME/Q1&2/Males 	<ul style="list-style-type: none"> Training on mental health Reduce sugar consumption Digital health intervention 	<ul style="list-style-type: none"> Increase vocational qualifications Build capacity employability skills and career education standard Pathways for post 16 with employers, FE, HE DYW 	<ul style="list-style-type: none"> Leadership development pathway Use of standard for headship 	<ul style="list-style-type: none"> Use of data Use of improvement methodology BGE tracking Evaluate impact of teacher professional learning Establish coaching and mentoring approach Align SCQF 11 learning with LA & teacher needs
East	<ul style="list-style-type: none"> Closing the gap in early years: communication champions trained in each ECC Improve attainment in literacy and numeracy in P1, P4, P7 & S3 Increase % of leavers attaining SCQF levels in literacy and numeracy Increase average total tariff points for lowest attaining 20%, middle 60% and highest 20% for leavers Implement the NIF 2017 	<ul style="list-style-type: none"> Improve outcomes for looked after children and young people Implement Scottish Attainment Challenge improvement plan 80% of looked after young people to achieve one or more SCQF 4 qualification Implementation of Education, Equity and Attainment Board 	<ul style="list-style-type: none"> Improve partnerships with parents Develop family learning programme Develop family nurturing approaches Implement the Relationships Framework Implement the HWB Policy 	<ul style="list-style-type: none"> 100% of school leavers have offer of training, learning or employment 		<ul style="list-style-type: none"> Improve use of data Improve self-evaluation

	Raising attainment	Closing the gap	Health and wellbeing	Positive destinations (curriculum)	Leadership	Improvement
North	<ul style="list-style-type: none"> • Effective early years • Strategic vision for learning and teaching • Raise attainment through innovative approaches to learning and teaching 	<ul style="list-style-type: none"> • Maintain a specific focus on reducing poverty related attainment gap (including specific groups – LAC) 	<ul style="list-style-type: none"> • Embed and extend nurturing approaches • Collaboration with parents and family learning • Strategies to support mental wellbeing for CYP 	<ul style="list-style-type: none"> • Evaluate and enhance curriculum from early level to senior phase • Further develop senior phase pathways leading to qualifications and awards at all levels • Integrate a range of personal and wider achievement awards to learning programmes • Strengthen links with FE, HE, employers • Support up with ASN to positive destination • Embed career standard and work placement standard • Partnerships to enable apprenticeships 	<ul style="list-style-type: none"> • Framework to ensure development of high quality leaders 	<ul style="list-style-type: none"> • Support and strengthen the professional capacity of staff • Consolidate self-evaluation • Refine approaches to use of data • Management information to inform policy and practice in line with NIF
South	<ul style="list-style-type: none"> • Improvement methodologies and better tracking to ensure children achieve developmental milestones • Improve attainment in literacy and numeracy in line with targets • Improve progression, pace and challenge by embedding 	<ul style="list-style-type: none"> • Increase % of children from low income households that achieve expected CfE levels • Increase average tariff points for targeted groups 	<ul style="list-style-type: none"> • Implement mental health and wellbeing strategy • Develop nurture strategy across EYC, school, carers and children's houses • Develop strategic approach to monitoring and improving HWB 	<ul style="list-style-type: none"> • Improve employability skills and sustained school leaver destinations for all young people • Increase % of looked after young people staying on at school & achieving positive destination • Review senior phase 		<ul style="list-style-type: none"> • Implement a revised model for self-evaluation for schools • Develop a strategy for assessment and moderation to improve teacher professional judgement across Curriculum for Excellence from 3-18

	curricular frameworks and aligning frameworks to benchmarks					
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APPENDIX 1: SUMMARY OF CONSULTATION RESPONSES

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title:	Annick Primary School – Modular Accommodation
Purpose:	To seek funding for modular accommodation to be installed at Annick Primary School by August 2018.
Recommendation:	That funding is approved in advance of the setting of the capital plan to ensure delivery and installation of accommodation.

1. Executive Summary

- 1.1 A funding bid has been submitted for consideration in the review of the Capital Plan to address accommodation issues at Annick Primary School.
- 1.2 There are 3 elements to the funding bid:
 - to install modular accommodation by August 2018 to address an increasing catchment pupil roll
 - to enhance PE facilities to address the delivery of 2 hours PE provision to an increasing catchment pupil roll
- 1.3 In order to procure, deliver and install the modular accommodation by August 2018, a decision about funding needs to be made in advance of the timescale for the setting of the Capital Plan.
- 1.4 Annick Primary School operated with 15 classes and one general purpose room this session and has exhausted its available classroom accommodation.

2. Background

- 2.1 Annick Primary School is designed to operate with 14 classrooms and 2 General Purpose (GP) spaces. However, last session one of the GP spaces was used to create an additional classroom due to a continuing increase in the pupil roll. This means that the school accommodation has been exhausted. The current pupil roll projections for the next 5 years show that the following number of classrooms will be required:
 - August 2018 – 16
 - August 2019 – 16
 - August 2020 – 17

- August 2021 – 18
- August 2022 – 18

2.2 A funding bid has been submitted to address this issue, through the installation of modular accommodation by August 2018.

2.3 No funds are currently allocated for this essential accommodation and, by waiting until the refresh of the Capital Plan, the risk is that this will not be operational in time for new pupils starting school in August.

It is proposed that a 3 classroom modular unit is installed at a cost of £548,000, which includes purchase of the unit, set up and furniture and fixtures. It is recommended that the 3 classroom module is installed in year 1 to minimise costs as the installation entails crane and transport costs. This approach also avoids major disruption to the school and grounds each year.

2.5 Further elements of the funding bid for the school is an extension to the current PE. This bid will be considered in the review of the Capital Plan.

3. Proposals

3.1 It is proposed that £548,000 is approved by Cabinet to proceed with the installation of modular accommodation in order to guarantee that this is operational by August 2018.

3.2 This accommodation will require to be retained until a permanent solution to the increasing catchment pupil roll is determined. A funding bid has been submitted for the development of a new primary school for the Montgomerie Park area, which would result in a rezoning to reduce the current catchment area of Annick Primary School.

4. Implications


Financial:	Capital Costs: £548,000 (purchase of the unit, set up and furniture and fixtures). £402,000 of this can be met from uncommitted resources within the current capital plan and £146,000 from the current in year revenue underspend.
Human Resources:	There are no implications relating to this paper.

Legal:	The provision of education as set out in the Education Act (Scotland) Act 1980 states that it is the duty of every education authority to secure that adequate and efficient provision of school education is made for their area.
Equality:	If a decision was taken not to approve the funding of temporary accommodation from August 2018, the implication would be that there would not be enough places available for all primary 1 children in the catchment area for Annick Primary School. This would lead to potential reputational damage to the council.
Children and Young People:	Children would require to be re-directed to other schools, which may result in siblings being split and transport costs being incurred.
Environmental & Sustainability:	There are no implications relating to this paper.
Key Priorities:	To comply with statutory requirements and provide a high quality learning and teaching environment for all pupils.
Community Benefits:	There are no implications relating to this paper.

5. Consultation

5.1 Consultation has taken place with:

- CPAG
- Education Service Project Board
- Head Teacher
- Parents Council
- PMI



John Butcher
Executive Director, Education and Youth Employment

For further information please contact Lynn Taylor, Senior Manager on 01294 324437.

Background Papers

N/A

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title:	North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget.
Purpose:	To seek Cabinet's approval for the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget.
Recommendation:	That Cabinet approves the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget.

1. Executive Summary

- 1.1 2017 has been a successful year for KA Leisure. Overall customer visit numbers are increasing, programme development is expanding and projects and initiatives, in collaboration with external partners, are inspiring and supporting more people in our localities to engage in a healthy, active lifestyle across North Ayrshire. Due to investment, competitive pricing, effective engagement, targeting and marketing the reported overall activity levels have significantly risen and tackling inequalities has been at the heart of the work being done.
- 1.2 KA Leisure's facility portfolio has improved during the year, with the new state of the art facilities at Garnock Community Campus, and the Portal. These fantastic new facilities have provided opportunities to expand fitness and aquatic programming.
- 1.3 In the current financial year KA Leisure is projecting a small surplus, although investment funding from North Ayrshire Council and the company's investment reserves are both reducing.

2. Background

- 2.1 Over the past six years, KA Leisure membership levels have risen from 1,546 in 2011/12 to 9,208 in 2016/17 - an increase of 496%.
- 2.2 2017 has been a year of transition – closure of, and transfer to, new facilities and maintenance closures in others. However, visits to leisure centres have increased by 18% over the year, illustrating the success of the new leisure centre provision. There has been a 25% increase in attendances since the move to the Portal from the Magnum; and a 98%

increase in Garnock Campus attendances. 2018-19 will see the opening of the Largs Community Campus and the transfer of KA Leisure administration to the new office facilities in Irvine.

2.3 There has been an overall increase in activity and participation by 7% since 2016.

2.4 Activity levels have improved as follows since 2012-13:

Fig. 1

Area	2012-13	2016-17
Total Customer Activity	2,372,124	1,879,262
KA Campuses	306,832	383,941
Golf & Outdoor Sports	128,876	94,297
Physical Activity	181,774	230,793

2.5 As well as the introduction of new facilities described at 2.2 above, much of the success of the activity over the past year has been in relation to the determination of KA Leisure to improve personal, social and community health outcomes across North Ayrshire and to evidence the impact of effective local delivery and the difference it is making to our communities.

2.6 The North Ayrshire CPP Active Communities Strategy was launched in 2016 and provides strategic direction and leadership across a broad range of partners to realise the vision over the next ten years.

A mass engagement initiative (DREAM: Drop Everything and Move) was created which aims to inspire, enthuse and support everyone across North Ayrshire to become active and bring the vision to life! Focused on 3 key strands: Active, Involved and Inspired which promotes and provides fun social activities thus encouraging workplaces, schools, community groups and individuals to get more active and stay active.

2.7 Active North Ayrshire (ANA), the Exercise on Referral Programme provides supported physical activity opportunities to individuals at risk of or recovering from health conditions or disabilities and those who are not currently engaged in physical activity to help support them towards a healthy active lifestyle. An opportunity to undertake an impact evaluation of ANA provided valuable evidence to demonstrate the contribution this makes to the national physical activity and health agenda and better demonstrate the impact on individuals and local community priorities. An estimated £1 investment to a £5.45 social return on investment resulted, with 41,500 annual attendances, 16 referring partners and more than half of the participants from the most deprived postcodes in North Ayrshire..

2.8 KA Leisure is passionate about using fun social physical activity opportunities as a mechanism to engage and empower communities across North Ayrshire to achieve physical and mental wellbeing and is dedicated to promoting the benefits and positive effect physical activity has on mental health.

As a Legacy 2014 Physical Activity fund partner KA developed Mind and Be Active (MBA), a community project which aims to improve mental health and wellbeing through supported physical activity opportunities. A Legacy 2014 Physical Activity fund partner, the programme has 5,000 annual attendances, 94% of participants are of working age, 64% are women and there have been 285 referrals in a 12 month period.

- 2.9 Further areas of particular success have included early years work, including Balanceability, Splash 'n' Story and Baby Ballet; new fitness offers, including workplace support; new aquatics programmes including lessons and swimming clubs; employability programmes, including with Ayrshire College; and accreditation programmes with community sports clubs.
- 2.10 Outdoor activities continue to flourish, although weather conditions continue to affect overall numbers. Cross country, KA Walk, Junior Parkrun and the golf offer have been introduced and in the case of golf, rebranded, to stimulate interest. Junior golf programmes, activities and offers have been introduced in conjunction with the recent international golf events in North Ayrshire to ensure a legacy from this.
- 2.11 Sector leading activities over the reporting period include an invitation to act as an ambassador for the national Legacy 2014 Physical Activity Fund and to support the development of a digital toolkit entitled Thrive. Thrive is a digital toolkit for practitioners that's brings together the learning experience in relation to what works when encouraging inactive people to become active. Following a successful funding application KA received notification in September that they have been awarded £25,000 by the Sporting Equality Fund managed by Spirit of 2012 to deliver a project in 2018 aimed at engaging girls and young women in physical activity to improve physical and mental wellbeing.
- 2.12 There will be a reduction of £150,000 to the financial contribution from North Ayrshire Council for 2018/19. The budget also takes into consideration a pricing review of fitness products and activities. This review will ensure that all prices remain within the lower quartile of available Sportscotland data on leisure provision prices across Scotland. It is proposed that Cabinet notes the proposed budget for KA Leisure for 2018-19 as outlined below at Fig. 2:

Fig. 2

Expenditure	2017/18 Budget (£)	2018/19 Budget (£)
Employee Costs	4,995,922	5,188,161
Property Costs	1,300,787	1,316,848
Supplies & Services	385,879	393,524
Transport & Plant	39,287	47,182
Administration Costs	326,680	333,331
Payments to Other Bodies	164,090	161,882
Finance / Other Expenditure	516,173	521,553
Total Expenditure	7,728,818	7,962,481
Income		
North Ayrshire Council	3,036,624	2,886,624
Other Income	4,703,697	5,112,295
Total Income	7,740,321	7,998,919
Surplus	11,503	36,438

3. Proposals

- 3.1 That Cabinet approves the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget.

4. Implications

Financial:	There are no additional financial implications arising from this report other than those described at 2.12 above.
Human Resources:	There are no HR implications arising from this proposal.
Legal:	There are no legal implications arising from this proposal.
Equality:	An Equality Impact Assessment is not required for the proposal set out in this paper.
Children and Young People:	There are no implications for Children and Young People associated with this report.
Environmental & Sustainability:	There are no environmental & sustainability implications arising from this report.
Key Priorities:	This proposal supports the delivery of two of the Council's strategic priorities: <ul style="list-style-type: none">• Supporting people to stay safe, healthy and active and• Working together to develop stronger communities.
Community Benefits:	

5. Consultation

5.1 Consultations have taken place with KA Leisure.



Karen Yeomans
Executive Director (Economy & Communities)

For further information please contact **Audrey Sutton, Head of Service (Connected Communities)** on 01294 324414.

Background Papers

Appendix 1 Appendix 1 North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating 2018-19 Budget.



| leisure

PERFORMANCE AND IMPACT REPORT

Incorporating 2018/19 Budget

“IMPROVING
THE LIVES OF
INDIVIDUALS
WITHIN THE
COMMUNITIES
OF NORTH
AYRSHIRE.”



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#FITNESSTOME



INTRODUCTION

The purpose of this Performance and Impact Report is to highlight the impact that our range of activities, programmes and initiatives have across the localities of North Ayrshire. It also provides statistical and financial information relating to performance and includes a Budget for 2018/19.

2017 has been another successful year for KA Leisure, overall customer visit numbers are increasing, programme development is expanding and our projects and initiatives, in collaboration with external partners, are inspiring and supporting more people in our localities to engage in a healthy, active lifestyle across North Ayrshire.

Our service delivery covers the length and breadth of North Ayrshire. This includes our facilities, campuses, outreach venues and even a mobile unit making regular visits across the localities. Our facility portfolio has changed in this calendar year as we opened the new state of the art facilities at Garnock



Community Campus, and the Portal, replacing Garnock Swimming Pool and the Magnum Leisure Centre respectively. These fantastic new facilities have provided opportunities to expand fitness and aquatic programming. We are also looking forward to seeing another new addition to our portfolio in 2018/19 as the new leisure facilities at Largs Academy will open in late Spring and our registered head office will be relocating to Quarry Road in Irvine.

Financially we receive a contribution from North Ayrshire Council to assist with operational costs. In the current financial year we are projecting a small surplus. Any surpluses generated are reinvested into leisure services. However in recent years due to the economic climate and spiralling energy and maintenance costs we have seen our investment reserves diminish. In the coming year we have been advised that North Ayrshire Council will reduce their financial contribution to our

“Customer visits are increasing, programme development is expanding and our projects and initiatives, in collaboration with partners are inspiring and supporting more people in our localities to engage in a healthy, active lifestyle across North Ayrshire.”



operational costs. North Ayrshire Council will be making building fabric improvements at particular sites during the new financial year, thus safeguarding facility provision.

We also receive funding from other external partners including NHS Ayrshire and Arran, North Ayrshire Health and Social Care Partnership, Sportscotland, to name but a few. This external funding and partnership working enables specific projects and programmes to be delivered to targeted and hard to reach groups providing supported mechanisms to encourage physical activity, endorse healthy lifestyle choices and promote social interaction.



OUR VISION

more
people
more
active
more
often

Encouraging more people to be more active more often has been our core objective in recent years and, due to investment, competitive pricing, effective engagement and marketing our reported overall activity levels have significantly risen. This calendar year is no exception. However, in the last few years customer profiling information has enabled a more focused approach on encouraging the adoption of physically active lifestyles, particularly targeting hard to reach groups and taking steps to evaluate the difference our service delivery is actually making across the local communities of North Ayrshire.

We will, of course, continue to strive to better our overall activity targets year on year. As is demonstrated within this document we provide life changing services and are improving the lives of individuals within the communities of North



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PERFORMANCE

During the first 6 months of the current financial year we have recorded an increase of 94,035 customer visits. This represents a 8% increase in comparison to the first 6 months of the previous year. Growth is due to a combination of the introduction of the new Garnock Community Campus and Portal facilities, continued programme development and collaborative working.

230,79

physical activity
attendances2,372,124
customer visits

Membership Levels

2011/12 - 1,546
2016/17 - 9,208
an increase of

496%

The table below highlights customer visits, performance, and variations across the different delivery areas of KA Leisure during the first 6 months of the current financial year in comparison to the first 6 months

of the previous year. Fitness memberships continue to grow across venues, however KA Campus facilities and outdoor sports pitches have been impacted by unavailability due to maintenance closures.

A reduction in customer visits to Physical Activity is mainly due to a decrease in the number of events supported by the Active Lifestyles and Community Sports Teams.

KA LEISURE – PERFORMANCE BY FACILITY/SERVICE – NUMBER OF VISITS

Facility/Service	2016/17 Actual	2017/18 Target	2018/19 Target	2016/17 6 Month Actual	2017/18 6 Month Actual	2017/18 6 Month Variance (%)
Leisure Centres	1,663,093	1,721,450	2,022,884	863,532	1,020,789	18%
KA Campus	383,941	412,250	413,725	198,971	160,469	-19%
Golf & Outdoor Sports	94,297	93,000	80,500	59,608	52,977	-11%

Physical Activity	230,793	231,000	216,500	124,941	106,341	-15%
Total	2,372,124	2,457,700	2,733,609	1,247,052	1,340,576	7%

Over 200
classes per week

98%
increase in Garnock Pool to
Garnock Campus attendances

25%
increase in Magnum
to Portal attendances

18%
increase in
customer visits

KA LEISURE – LEISURE CENTRE – NUMBER OF VISITS

Facility/Service	2016/17 Actual	2017/18 Target	2018/19 Target	2016/17 6 Month Actual	2017/18 6 Month Actual	2017/18 6 Month Variance (%)
Auchenharvie LC	626,904	622,700	617,934	316,658	322,106	2%
Garnock Community Campus/Garnock Pool	87,750	157,050	195,250	45,247	89,537	98%
Portal/Magnum LC	634,493	626,100	878,000	344,841	431,934	25%
Vikingar!	313,946	315,600	331,700	156,786	177,212	13%
Total	1,663,093	1,721,450	2,022,884	863,532	1,020,789	18%

Overall activity levels across our Leisure Centres have continued to increase during the first 6 months of the financial year. During the period there has been an increase of 157,257 in customer visits representing an increase of 18% as illustrated in the table above.

The opening of the new Garnock Community Campus and Portal early in 2017 has delivered a unique opportunity to expand our activity programme within the Garnock Valley and Irvine communities.

Although recorded visits have varied across different activity areas, fitness activities have

continued to grow. The opening of new state of the art fitness facilities at Garnock Community Campus and Portal has offered increased opportunities to develop and grow fitness activities leading to an increase of over 3,000 members since January 2017. Of the North Ayrshire adult working population 1 in 13 individuals are now KA Leisure fitness members, in comparison to 1 in 19 individuals being members of a public gym nationally.

Although overall attendances within aquatic activity have reduced, participation in the

KALeisure Learn to Swim programme has continued to grow, with nearly 10,000 more customer visits recorded in the Learn to Swim programme during the first 6 months of the year in comparison to the previous year.

Ice rink customer visits have reduced during the year due to a 6 week planned maintenance closedown to complete routine maintenance to the ice pad and surrounding areas. Further works to the rink ventilation system are due to be completed by the end of the financial year, however the planned works will have little impact on availability.

KA LEISURE – KA CAMPUS – NUMBER OF VISITS

Facility/Service	2016/17 Actual	2017/18 Target	2018/19 Target	2016/17 6 Month Actual	2017/18 6 Month Actual	2017/18 6 Month Variance (%)
Dalry	54,611	56,500	52,500	27,065	24,051	-11%
Kilwinning	41,189	40,400	58,000	19,306	19,245	0%
Arran	26,974	27,050	26,600	13,320	11,088	-17%
Greenwood	86,901	98,100	83,000	43,984	32,848	-25%
St Matthew's	112,821	128,200	101,500	65,209	43,488	-33%
Stanley	14,426	15,800	15,500	5,886	7,140	21%
West Kilbride	47,019	46,200	45,750	24,201	22,609	7%
Largs	-	-	30,875	-	-	-
Total	383,941	412,250	413,725	198,971	160,469	-19%

The Campuses have recorded a reduction in customer visits during the first 6 months of the current financial year. Visits have been impacted by unavailability of facilities due to programmed and reactive maintenance within Campuses. In addition KA Campus Dalry has experienced reduced visits in a number of activities due to competition from the newly opened KA Leisure

facilities at Garnock Community Campus. Despite reductions the

Campus programmes continue to develop with the introduction of increased pre-school and family activities, providing a variety of physical activity opportunities across the communities of North Ayrshire.

The introduction of the new synthetic sports pitch at KA Campus Kilwinning has provided us with the opportunity to

introduce football, hockey and athletics to the Campus programme.

During 2018 we will be operating the new Largs Academy Campus. The new Campus will provide us with the opportunity to provide a broader activity programme within the North Coast area, with the addition of indoor sports facilities as well as a 7-a-side synthetic sports pitch to complement continuing activity at Vikingar!

KA LEISURE – PHYSICAL ACTIVITY – NUMBER OF VISITS

Facility/Service	2016/17 Actual	2017/18 Target	2018/19 Target	2016/17 6 Month Actual	2017/18 6 Month Actual	2017/18 6 Month Variance (%)
Active Lifestyles	101,939	98,000	100,000	68,743	51,029	-26%
Community Sport	128,854	133,000	116,500	56,198	55,312	-2%
Total	230,793	231,000	216,500	124,941	106,341	-15%

We continue to provide a diverse range of opportunities which positively impact the physical, mental and social wellbeing of individuals across North Ayrshire. Our Physical Activity section encompasses all initiatives and programmes delivered by the Community Sport Team and the Active Lifestyles Team. Supported by local and national partners who work together to support the communities of North Ayrshire to get more active, improve health and promote equity in opportunities to participate in physical activities.

During 2017 our event programme has been revised to include delivery of the new North Ayrshire Drop Everything and Move (DrEAM) initiative. This has replaced the North Ayrshire Community Games event series which has attributed to the reduction in attendances within the first 6 month period.

We have successfully secured a variety of funding opportunities to enhance current programme provision, expand service delivery and provide early intervention. This includes the introduction of

the Macmillan Cancer Support 'Move More' Programme and the Scottish Government's Sporting Equality Fund managed by Spirit of 2012. In addition further funding has been secured to develop the existing Weight Management Programme 'Weigh to Go' funded by NHS Ayrshire and Arran and the Mind and Be Active Programme with funding received from the North Ayrshire Health and Social Care Partnership. All of which is featured later in the document.

KALEISURE – GOLF AND OUTDOOR SPORTS – NUMBER OF VISITS

Facility/Service	2016/17 Actual	2017/18 Target	2018/19 Target	2016/17 6 Month Actual	2017/18 6 Month Actual	2017/18 6 Month Variance (%)
Golf	53,069	51,500	48,500	37,420	33,077	-12%
Outdoor Sports	41,228	41,500	32,000	22,188	19,900	-10%
Total	94,297	93,000	80,500	59,608	52,977	-11%

Although the overall customer visits to KA Golf courses has decreased during 2017 the 'Get into Golf' coaching programme has continued to grow. During 2018 the 'Get into Golf' coaching programme will continue to be

developed to attract individuals

new to golf as well as previous players back to golf. 2018 will also see the launch of 'Express Golf', a shortened game format, across the 3 golf courses, the introduction of all ability tees and the launch of footgolf as well as a number of night golf events.

Customer visits to sports pitches have decreased by just over 2,000 visits due to reduced playability because of poor weather and maintenance requirements.

We will continue to work in partnership with sports governing bodies and local community clubs to encourage the use of green space for people to get active.



MAKING A DIFFERENCE



We have a clear vision and are committed to delivering leisure, sport and physical activity opportunities to an outstanding level. We strive to improve what we do to benefit our partners, customers and participants.

BRINGING THE VISION TO LIFE

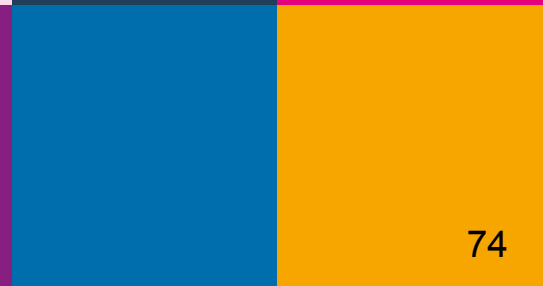
MORE
PEOPLE

MORE
ACTIVE

MORE
OFTEN

Our vision and direction underpins our commitment to improve personal, social and community health outcomes across North Ayrshire. Our innovative programmes interact with communities in compelling ways, build lasting relationships and motivate and support people to join in and act now.

The following section features some of our incredible participants whose determination and courage have inspired others on their active journey. This section evidences the impact of effective local delivery and the difference it is making to our communities.



NORTH AYRSHIRE ACTIVE COMMUNITIES

As a committed member of the North Ayrshire Community Planning Partnership (NACPP) we are passionate about working collaboratively with our partners and like minded organisations to increase activity levels and to improve the health and wellbeing of our communities across North Ayrshire.



The North Ayrshire Active Communities Strategy was launched in 2016 and provides strategic direction and leadership across a broad range of partners to realise our vision over the next ten years. A mass engagement initiative was created which aims to inspire, enthuse and support everyone across North Ayrshire to become active and bring the vision to life!

Focused on 3 key strands Active, Involved and Inspired which promotes and provides fun social activities thus encouraging workplaces, schools, community groups and individuals to get more active and stay active.



ACTIVE



INVOLVED



INSPIRED



We had a DrEAM!! That people in North Ayrshire Drop Everything and Move.

We wanted to bring the campaign to life by featuring people from across the community. To shout about the social benefits, improved mental wellbeing, quality of life and to emphasise that making a small change can make a big difference. We also wanted to make it FUN!! We asked people to capture and share their motivations and DrEAM activities! **DrEAM week took place 24th September to 1st October 2017.**



#MYJOURNEY #PASSION #LIVINGTHEDREAM #GOODTIMES



A HELPING HAND TO BETTER HEALTH

We are committed to improving the health and wellbeing of our local communities. We're also here to provide a helping hand for those who need a little extra support on their active journey.

Active North Ayrshire (ANA) our Exercise on Referral Programme provides supported physical activity opportunities to individuals at risk of or recovering from

health conditions or disabilities and those who are not currently engaged in physical activity to help support them towards a healthy active lifestyle.

In 2016 we had the opportunity to undertake an impact evaluation of ANA. This has provided us with valuable evidence to demonstrate our contribution to the national physical activity and health agenda and better demonstrate the impact on individuals and local community priorities.

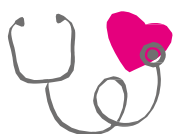


41,000
ANNUAL ATTENDANCES

75% Attend and engage with programme

ONE HUNDRED
NEW REFERRALS EACH MONTH

44%
Referred by a GP



66 WEEKLY CLASSES

Aqua • Circuits • Keep Fit • Gym • Walking • Pilates



16 REFERRING PARTNERS

54%

participants from most deprived areas postcodes



71%

REPORTED THE PROGRAMME MET THEIR NEEDS

66% OF PARTICIPANTS referred stated that they would not have exercised had they not been involved with the programme



47%

of participants are male

53%
are female

ONE IN THREE PEOPLE who have been referred reported improved mood



£1 INVESTED SROI* £5.45

*Social return on investment (SROI)

Key to Success!

We thrive on collaboration! Partners are vital in the referral process as they provide a seamless transition ensuring individuals are ready to embark on the programme and instilling confidence as they make that first step. Working together enables us to reach those most at need, to improve health and reduce inequalities.



Focus on HARP

The Healthy and Active Rehabilitation Programme (HARP) is a partnership in conjunction with NHS Ayrshire & Arran. The programme provides a structured pathway of physical activity from rehabilitation led by health professionals to longer term community based supported physical activity. It provides support for people who are affected by Stroke, Coronary Heart Disease, Cancer, Pulmonary conditions or are at risk of falling.



“It’s great to work in partnership with people who are well trained and we can trust.”

John Todd
Specialist Cardiac Nurse



Move More

Patients who have recently been diagnosed with Cancer or are within 3 years of a cancer diagnosis can be referred to the Macmillan Move More North Ayrshire programme. Move More supports participants to become more active during or after treatment. Activities offered within Move More include CanRehab Circuits, Gentle Movement, Gardening and Walking.



“My confidence has improved by attending the classes every week. I’m also now in employment as an Activity Co-ordinator in a local nursing home. I have improved my fitness which has helped me to keep going day to day.”

Anne Bailey



“It has improved my stamina and I have noticed a real difference and improvement in my breathing. If I miss a day I can really feel it, so coming twice a week is very important to maintaining my health.”

Michael McGrory Age – 93

Weight Management

Weigh to Go supports participants with a Body Mass Index (BMI) over 25 who would like to lose or manage their weight. Education sessions are delivered on a one-to-one basis with goal setting incorporated to make small lifestyle changes to support sustainable weight loss. In addition our SWAP programme (Supported Weight and Activity Programme) provides one to one support, personal training sessions and follow ups for participants with a BMI of 40 and above

CHANGING LIVES

We are passionate about using fun social physical activity opportunities as a mechanism to engage and empower communities across North Ayrshire to achieve physical and mental wellbeing. We are dedicated to promoting the benefits and positive effect physical activity has on mental health.



As a Legacy 2014 Physical Activity fund partner we developed Mind and Be Active (MBA), a community project which aims to improve mental health and wellbeing through supported physical activity opportunities.

Launched in 2015 our innovative programme promotes early intervention and addresses a number of challenges including the provision of effective support and timely access.

In 2016 we had the opportunity to undertake a process evaluation of MBA. We wanted to know if it was attracting the people it was designed for, what difference it has made, what lessons can be learned, what were the outcomes.

The findings tell a compelling story...

5000

ANNUAL CLASS ATTENDANCES

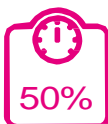
TWENTY FIVE

REFERRALS EACH MONTH

NEW

85%

reported increases in weekly activity levels



50%

of participants referred are currently obese

REDUCES STRESS



ONE IN FIVE PEOPLE self refer



SLOWS DEMENTIA AND COGNITIVE DECLINE

LIFTS SELF ESTEEM

FOUR IN FIVE participants referred attended

285

REFERRALS 12 month period



32%

of participants are male

68%

are female

94% OF PARTICIPANTS are working age

63%

participants from most deprived areas postcodes



7 IN 10 PREVIOUSLY INACTIVE

13

weekly activity classes



45%

have other health conditions

reduces social isolation

100%

experienced an improved mood



85% REPORTED IMPROVED QUALITY OF LIFE

Legacy

In 2016 we were delighted to be invited to act as an ambassador for the Legacy 2014 Physical Activity Fund and support the development of a digital toolkit titled Thrive. Following the success of the MBA project and the external evaluation undertaken this provided us with

valuable learning and evidence to contribute to the content of Thrive.

Thrive is a digital toolkit for practitioners that's brings together the learning experience in relation to what works when encouraging inactive people to become active.

THRIVE



www.thrive.org.uk

Sporting Equality Fund

Following a successful funding application we received notification in September that we have been awarded £25,000 by the Sporting Equality Fund managed by Spirit of 2012 to



deliver a project in 2018 aimed at engaging girls and young women in physical activity to improve physical and mental wellbeing.

Active Girls North Ayrshire

Step UP!

Will target girls and young women within two pilot secondary schools, Kilwinning and Auchenharvie Academy, who are inactive and experiencing mental health and isolation issues

Girls will lead the design delivery and direction of the project, utilising their skills to recruit further participants.



Girls: Make your Move!

Aims to reach over 3,000 girls and young women by a multi-platform social media communications campaign.

Social media campaigns will allow us to tell stories and lived experiences. Multi-platform channels will also allow us to interact and connect with partners, stakeholders, girls and young women, reaching some of the most vulnerable and excluded groups in North Ayrshire.

The 'Active Girls North Ayrshire' project will play a key role in raising the profile of the Sporting Equality Fund across North Ayrshire and bring it to life by spreading the word and getting involved in Year of Young People #YOYP2018



"From day one they make you feel so welcome. They help build your confidence physically and mentally and you know they are always there for you if you are struggling."

Paul Tumulty – Mind and be Active

"The programme supported me to tackle my mental health issues through exercise. Since starting the programme I have lost 7 ½ stone."

Shaun Wilson – Mind and be Active



POWER OF SPORT

We continue to harness the unique power of sport to ensure our activities are welcoming, positive and inclusive. It is vital that we understand and meet the needs of communities who may experience barriers to participation with a particular focus on age, disability, gender and social economic disadvantage. The following highlights just a few of the programmes and initiatives which support the development of sport and sporting opportunities throughout North Ayrshire.

Inspiring Communities to Shape the Future

In partnership with North Ayrshire Council we deliver the SportScotland National Community Sport Hub Programme (CSH). CSH's bring together sport clubs and key local partners who have a desire to improve the sporting landscape in North Ayrshire, to ensure opportunities are accessible and safe and build capacity among communities.

Dalry Community Sports Club and KA Employability Project

The project supported ten unemployed local people through a skills development

project focused on sport. Participants took part in a variety of sports workshops including formal accredited qualifications. They also received training and advice on seeking employment and developing their employability skills.

The candidates volunteered with local clubs to help develop their skills and increase their experience. Highlights included;

- Four participants enrolled with Ayrshire College in Sports related projects
- Two have taken up employment with KA Leisure in positions of lifeguard and sports coach



"I have really benefitted from the course and it encouraged me to pursue a career in sports coaching. Thanks to the training and skills I've learned I'm now working with KA as a lifeguard and sports coach".

Adam Munro

North Ayrshire
Community
Sports
Awards **2017**

Celebrating Achievement

The awards recognised, celebrated and honoured the extraordinary achievements of local people who use the power of sport to make a positive impact within their community.

"Winning this award is a huge achievement for me. It would not have been possible without the support of the Mind and Be Active Team. Taking part in the project has brought me back my self-worth. This award has really boosted my confidence and inspired me to continue to help others."

Debbie Sutherley



Aquatics

Our action packed aquatic programme provides opportunity to participate at whatever level people aspire to. Learning to swim is a key life skill and we pride ourselves on an exceptional quality Learn to Swim programme. From Pre-school to Masters and Beginners to Improvers our programme continues to develop, offering a structured, recreational, competitive pathway.

We support three local swim clubs and two additional need groups. This includes North Ayrshire Amateur

Swim Club whose inclusive approach drives participation across the development of junior and senior squads. The club has benefitted greatly from the new facilities at Garnock Community Campus and the Portal. This year they were finalists in Scottish Swimming's Club of the Year category.

1300
CHILDREN
ACROSS **247**
SWIMMING LESSONS
EACH WEEK



“We are very fortunate to have such a good and beneficial relationship with KA Leisure. Without the support we would not be enjoying the success we have”



Be The Best You Can Be!

Our new Quality Accreditation scheme for North Ayrshire will be launched in 2018. NA Approved will assist CSH's and local sports clubs to widen community access and increase participation. It will have a variety of features and benefits and will help identify opportunities for learning and improvement. It will enhance the skill base of

staff, volunteers and coaches and promote and raise awareness of safeguarding standards in sport.



KALEISURE 17

TOMORROW'S STARS

We continue to develop our pre-school offering supporting the stars of tomorrow to get active and develop habits for life. Examples of our current programme include;

Balanceability

Balanceability is the UK's first accredited 'learn to cycle' programme for children aged 2½ to 6 years old. Balanceability combines the use of balance bikes with fun activities which build confidence and balance skills.



Baby Ballet

By learning through play, our qualified and welcoming teachers give toddlers and pre-schoolers the chance to dance in their own unique way, have fun, build confidence and make new friends.



Splash 'N' Story

Splash 'N' Story is a new initiative introduced in 2017. It is an interactive story telling experience for babies and toddlers which takes place within swimming pools and introduces the children to the water in a fun environment.



OUTREACH

We are passionate about making a difference in the community and our outreach programme offers a diverse range of physical activity opportunities targeting specific groups who are most in need.



Activator

Our Activator is a versatile, mobile, physical activity and health unit, providing a valuable service of health checks and health and wellbeing advice within the heart of local communities.

The Activator provides easy access for people to get advice and is often the first point of contact for health issues to be identified with individuals who are then sign posted to a range of related services.

Arran

In July 2017 we expanded the Active North Ayrshire exercise referral programme and associated projects to include delivery on the Isle of Arran. We have also continued to work in partnership with Caledonian MacBrayne delivering monthly health checks and health and wellbeing advice on board the Arran ferry.



Workplace Wellbeing

We have been supporting local companies to develop health promotion and safety themes in the workplace. We offer the opportunity for employers to tailor health activities in order to encourage staff to improve their health and to create a healthier and happier working environment. By providing employees with the tools to improve good mental and physical health it may also alleviate staff sickness in the workplace. Companies can use this work as part of their portfolio to achieve the Healthy Working Lives Award.

“Exercise is valuable to me, KALeisure tailor the classes to our abilities.”

Gary Brown (Dirrans Head Injury Centre Participant)



Volunteers

We continue to provide a variety of opportunities for volunteering and are fortunate to have a committed network who assist in the delivery and development of a broad range of activities and events including walk leaders, officiating roles and event support. All volunteers from across North Ayrshire, registered with The Ayrshire Community Trust (TACT) also have access to discounted subscriptions.

Ardrossan

We deliver 2 weekly classes within the Harbour Centre in Ardrossan, a day centre that provides respite care and support for people living with Dementia. A functional chair exercise class is based on an evidence based functional strength and balance programme designed to help to reduce the risk of falls. The dance based chair exercise class ‘Chance to Dance’ utilises music and movement to stimulate cognitive activity and provide social interaction and fun.



Dirrans Centre

The Dirrans Centre provides a rehabilitation service for adults across North Ayrshire with a physical disability, brain injury, neurological and long-term conditions. We provide an exercise class which has been specifically designed to support the participants with conditions from cerebral palsy to head injuries.

A Novel Way to Improve Health

Libraries are within the heart of communities across North Ayrshire. We have utilised library space to deliver health checks and Boditrax body composition analysis and as a venue for consultations within the Active North Ayrshire exercise referral programme.

“North Ayrshire Libraries are delighted to be the host venue for the KA Leisure health checks and consultations. KA Leisure has supported a number of our community events giving our communities the chance to receive healthy living advice in a relaxed neutral setting.”

Alison McAllister, Systems and Support Officer North Ayrshire Council



NEW FOR 2018

MOT Events

The functional MOT is a motivational tool which measures both health parameters and functional capacity. It is aimed at older people and highlights the importance of strength, balance and sedentary behaviour as part of the aging process. We will implement a programme of functional MOT's which will be utilised as a tool to engage people in our physical activity programmes and opportunities.

Golden Games

Our Community Sport and Active Lifestyles Team are currently developing a programme of social sport and physical activity sessions for over 50s. These sessions will be delivered in centres and campuses across North Ayrshire and offer an informal opportunity for older adults to take part in sport.

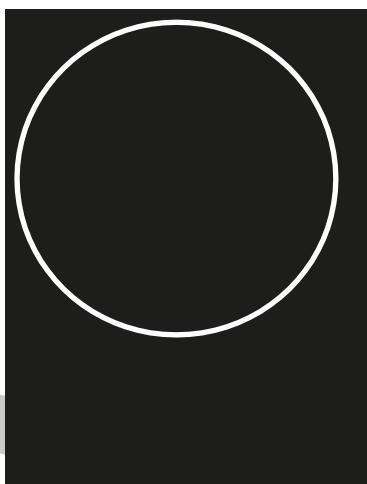
The programme will be based on our already popular Walking Football sessions which are social, low impact and tailored to the needs of the older generation. We are keen to adapt this model to other sports including racquet sports, netball, bowls, country dancing, basketball and hockey.

Taking part in sport has many benefits including the reduction of social isolation and improvements to both physical and mental wellbeing. The programme will include a series of festive events to integrate all our sessions and celebrate achievement.



KA IN NORTH AYRSHIRE

Our portfolio of venues situated across the 6 localities boast a range of social and recreational opportunities which currently attract in excess of 2 million attendances.

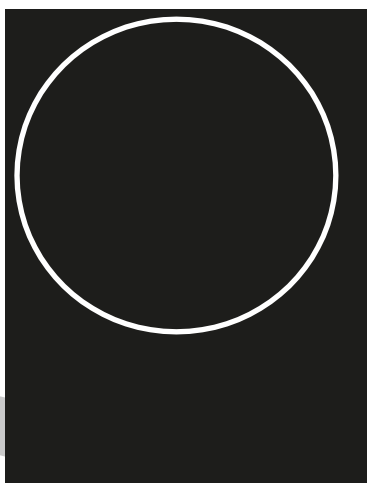


Vikingar!

Vikingar is situated adjacent to the promenade, boasting breathtaking views over the Firth of Clyde, it includes a 4 lane 25 metre swimming pool, teaching pool, Viking visitor attraction, softplay, aerobics programme and a great fitness suite.

Other facilities in the area:

Routenburn Golf course
KA Campus West Kilbride
KA Campus Largs **coming soon!**



KA Campus Arran

Situated in Lamlash, KA Campus Arran provides a number of sports halls, a theatre, a 7-a-side synthetic sports pitch, a fitness suite offering tremendous views of the rolling hills of Arran, for both residents and visitors to the island to enjoy.



North Coast, West Kilbride, and Cumbrae



Garnock Valley



Kilwinning



Three T

Garnock Community Campus

The new Garnock Community Campus offers a range of activity spaces including a 6 lane 25 metre swimming pool, teaching pool, a number of sports halls, fitness suite, meeting rooms, theatre, a community café, synthetic pitch and a grass pitch due to open in 2018

Other facilities in the area:

KA Campus Dalry

KA Campus Kilwinning

KA Campus Kilwinning provides a number of sports halls, and a fitness suite. The newly opened synthetic sports pitch can accommodate hockey as well as football. The pitch also includes an 80 metre running straight and jump pit.

Other facilities in the area:

Almswall Road

Auchenharvie Leisure Centre

Auchenharvie Leisure Centre includes a 6 lane 25 metre swimming pool, teaching pool, an aerobics studio and 56 x 30 metre ice rink. The rink is overlooked by a fantastic fitness suite containing a range of equipment to keep you motivated.

Other facilities in the area:

Auchenharvie Golf Course
KA Campus St Matthew's
KA Campus Stanley

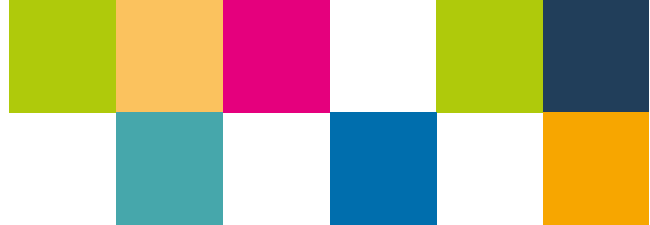
Portal

The newly opened flagship Portal provides a 6 lane 25 metre swimming pool, an adjustable depth teaching pool, a 6 court sports hall, 2 aerobics studios, bike studio, state of the art fitness suite and a café to relax and refuel in after taking part in activity.

Other facilities in the area:

KA Campus Greenwood
Ravenspark Golf Course





SHAPING THE FUTURE

Shaping the Future sets out our fitness aspirations to be the leading fitness provider in Ayrshire and to inspire more people to get active.

The introduction of two new leisure facilities in 2017 - Portal and Garnock Community Campus provided us with a

unique opportunity to develop and expand our current fitness provision and develop exciting spaces to be active.

The two new sites provided increased fitness suite capacity by over 98% in comparison to the two sites they replaced.



IN IT TOGETHER...

We recognise it's one thing to have a goal but it's not always easy knowing how to achieve it. And that's where our Member

Journey comes in! Developed to ensure the customer experience is exciting, challenging and rewarding. It's important for us to establish relationships with our customers which allows us to understand their experiences

and how we can meet or exceed their expectations to ensure our customers stay members for longer.

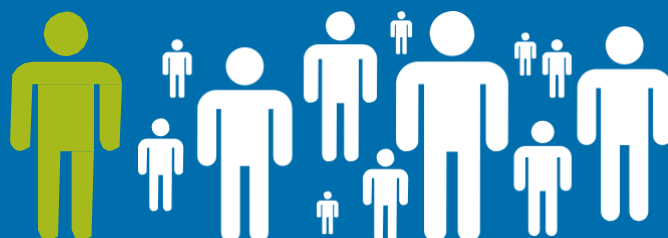
Our goal is to help our customers achieve theirs in 5 simple steps (shown below).



AHEAD OF THE CURVE

An increase of
OVER 3000
NEW MEMBERS
since January 2017

The "2016 State of the UK Fitness Industry Report" identifies that **over 5%** of the UK's 64 million population are members of a public gym, or the equivalent of **1 in every 19** people. This is in comparison to **1 in every 13** people being members of KA Fitness.



Improving Our Offer

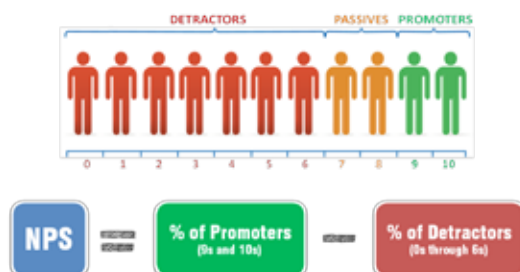
The Elevate and Evolve series enhances the current class programme which offers over 200

classes per week across North Ayrshire. Whether our customers are just starting their active journey or are

an aspiring athlete our timetable of classes supports everyone to achieve the results they want fast!

Understanding Our Customers

Net Promoter Score (NPS) Customer surveys have been introduced across venues to measure the willingness of customers to recommend our products and services to others and gauge overall customer satisfaction. NPS provides us with valuable insight into areas where improvement can be achieved.



Employability

We have established a partnership with Ayrshire College which directly places their students within our fitness teams. These placements help to provide the students with the understanding

they need for future employment. The students are paired with our experienced instructors who share their knowledge and experience of working within the fitness environment. Our fitness team will work to develop this partnership across all our centres in 2018.

Innovation To Support Our Members

Launched in 2016 BODITRAX provides a high tech digital resource to understand the body's composition. It's simple to use! Get on the machine, create a log in and get all manner of body metrics sent to your personal BODITRAX account. It assists in health, fitness and overall wellbeing where you can track progress, set goals and record your own personal information!



ELEVATE SERIES

LIFE GETS **BETTER** WITH MOVEMENT

We have developed a gym floor programme targeted at 5 key areas;

RENEW, CONDITION, CORE, STRENGTH, PERFORM.

EVOLVE cycling series

This is our own unique studio based group cycling experience. The classes are high intensity and fun.

Junior Elevate and Evolve launched in 2017



As part of our October holiday programme we successfully trialled junior versions of both our Elevate and Evolve classes. These classes proved hugely popular with young people from the ages of 12 – 16 and were very well attended. In 2018, we will introduce these targeted classes to our programme along with further introductions to fitness for teenagers.



“Coming to the gym and classes has become a home from home. So much energy and a fantastic environment to exercise in.”

Joanne Johnstone



ACTIVE OUTDOORS

We are fortunate in North Ayrshire to have some of the best outdoor spaces, beautiful beaches and countryside to be active in.

With these outdoor spaces we aim to provide opportunities and innovative ways to encourage the use of green space for people to get active. This includes

programmed activity sessions, community wellbeing initiatives and sport and recreational opportunities to make the best of the great outdoors.



“Junior Parkrun will be a fantastic opportunity for the young people of North Ayrshire to get active!”

North Ayrshire Athletics Club

Cross Country

The North Ayrshire Schools Cross Country Championships will take place across 4 dates in 2018 at KA Campus St Matthew's. The event has been a regular in our calendar for over 15 years and attracts over 200 participants competing for both individual and school prizes. The events are delivered in partnership with North Ayrshire Athletics Club and Ayrshire Harriers who provide opportunities for runners to develop from recreation to competition.

Positive Steps

Our 'KA Walk' programme continues to create a supportive environment for participants to enjoy the many benefits of being physically active. Walkers of all ages and abilities participate with family and friends, learn more about their local area and meet other people. There are seven organised walks per week many of which are delivered and supported by trained volunteers.



Junior Parkrun



The Community Sport Team are working in partnership with North Ayrshire Athletics Club to launch Junior Parkrun in North Ayrshire.

Junior Parkrun is a 2km run aimed at children and young people between the age of 4 and 14 years. The event will launch early in 2018 and will take place on a weekly basis at KA Campus St Matthew's.



“The group helps to keep me mobile and meet friends old and new.”

Margaret McIntyre Park Church Walking Group



“I love Sunday morning golf lessons with my coaches”

Alex Maclaren – Age 11

Swing into Action

We have three golf courses spread across North Ayrshire these are the 18 hole courses at both Ravenspark and Routenburn Golf Courses and the 9 hole Auchenharvie Golf Course with an 18 bay practice range.

These challenging courses, set amongst unspoiled countryside, provide spectacular viewing for some of the most striking features of North Ayrshire including coastlines and distant islands.

We continue to develop our golf programme by;

- Adapting our offering to the diverse needs of our customers
- Introducing initiatives to encourage junior and female golfers to participate.
- Offering seasonal promotions to attract new customers

Collaborating with partners both locally and nationally our aim is to create an environment which encourages golfers both old and new to pick up their clubs and play.



Auchenharvie



Ravenspark



Routenburn



Below highlights a couple of the main golf developments in 2017

Rebrand

An effective rebrand can help improve our impact in a crowded market. As the Company continues to grow and develop, customers hungry for change will keep coming back to see what's new. 2017 has seen the launch of a new brand for golf and a separate micro web site. The rebranding exercise helps the golf section to stand out from our other products and create a sense of belonging for our members.



Junior Season Ticket Offer

We've worked with Scottish Golf to develop a junior season ticket which supports kids in their introduction to the game. Unlike many other sports, golf can be a difficult hobby to start as a beginner. Our ticket offers a combination of lessons with a season ticket which supports players to take up the sport and grow confidence to participate.

FINANCIAL INFORMATION AND GOVERNANCE

Current Year Position April 2017 - September 2017

KALeisure is operating overall within its budgetary framework. The probable outturn exercise carried out at the end of September revealed a surplus of £63,478, which will be reinvested in maintaining the business. The table below shows the current overall financial position.

ANNUAL BUDGET					
	Annual Budget (£)	Probable Outturn (£)	Budget to 30th Sept (£)	Actual to 30th Sept (£)	Variance on Budget to Date (£)
Expenditure	7,728,818	7,755,781	3,534,105	3,546,304	12,199
Income	7,740,321	7,819,259	3,806,451	3,863,257	56,806
Surplus	11,503	63,478	272,346	316,953	44,607

In the first six months of the year income recovery and expenditure are both higher than anticipated at this stage. This is predominantly due to increased income and expenditure relating to unbudgeted projects due to timing of securing funding.

There will be a reduction of £150,000 to the financial contribution from North Ayrshire Council for 2018/19. We received £3,036,624 in 2017/18 towards

leisure services operational costs. The budget also takes into consideration a pricing review of fitness products and activities. This review will ensure

that all prices remain within the lower quartile of available Sportscotland data on leisure provision prices across Scotland.

Budget 2018/19

The following table illustrates the 2018/19 budget in conjunction with the 2017/18 budget for comparative purposes.

	2017/18 Budget (£)	2018/19 Budget (£)
Expenditure		
Employee Costs	4,995,922	5,188,161
Property Costs	1,300,787	1,316,848
Supplies & Services	385,879	393,524
Transport & Plant	39,287	47,182
Administration Costs	326,680	333,331
Payments to Other Bodies	164,090	161,882
Finance/Other Expenditure	516,173	521,553
Total Expenditure	7,728,818	7,962,481
Income		
North Ayrshire Council	3,036,624	2,886,624
Other Income	4,703,697	5,112,295
Total Income	7,740,321	7,998,919
Surplus	11,503	36,438



The following narrative provides a detailed breakdown of the significant variances from the 2017/18 budget to the 2018/19 budget.

Employee Costs

Employee Costs are budgeted approximately £192,000 higher than 2017/18. This is mainly attributed to;

- **Pay Award**
The 2018/19 budget includes an anticipated pay award totalling approximately £126,000. This amount will be offset by additional income from North Ayrshire Council.
- **New Largs Academy Campus**
Staffing structures are currently being revised to accommodate the new site at Largs Academy. These posts will result in additional costs of £52,000 which will be offset by income generation.
- **Other Factors**
The 2018/19 budget also contains an additional £14,000 mainly due to incremental salary increases.

Property Costs

Property Costs are budgeted approximately £16,000 higher than 2017/18 due to an increase in the unit cost of electricity supplies across all facilities.

Supplies and Services

Supplies and Services Costs are budgeted approximately £8,000 higher than 2017/18 due to various items including; chemicals, small equipment purchases and external venue hires.

Transport and Plant

Transport and Plant Costs are budgeted approximately £8,000 higher than 2017/18 due to increased travelling costs within the Move More and Active North Ayrshire projects which is offset by income.

Administration Costs

Administration Costs are approximately £7,000 higher mainly due to increased employee training course fees in relation to the Move More project which is offset by income. There is also a small increase in postages and advertising costs.

Payments to Other Bodies

Payments to Other Bodies have reduced slightly due to the reduction in DJ fees for Ice Discos at Auchenharvie Leisure Centre.

Finance and Other Expenditure

Finance and Other Expenditure is approximately £5,000 higher than 2017/18 predominantly due to decreases in depreciation being offset by the introduction of a provision to transfer monies to investment reserves during the financial year.

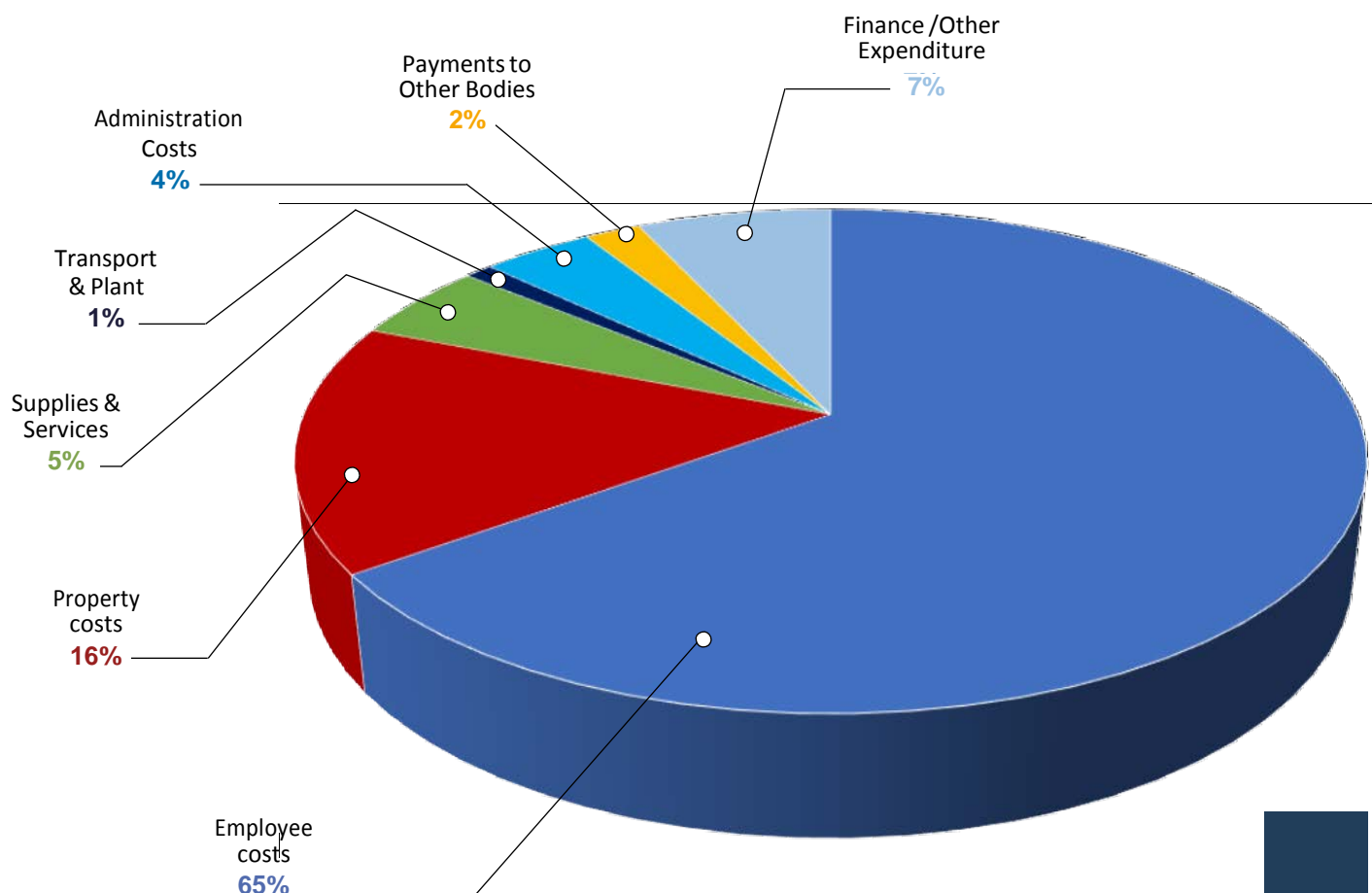
Capital Investment

The income and expenditure statement for 2018/19 reveals an anticipated surplus of £36,438. We retain a small amount of reserves and this amount is limited. The budget allows for transfers of monies totalling £50,000 of investment during the financial year.

The income projections are prudent, therefore if we are successful in generating additional income during the financial year this will be transferred to the Investment Reserve Fund for capital spend purposes.

The pie chart below reveals the percentage breakdown of expenditure across KA Leisure for 2018/19. The percentage breakdown of budgeted expenditure for 2018/19 is similar to the current year budgeted expenditure breakdown. Employee costs and property costs are 65% and 16% respectively.

2018/19 Budgeted Expenditure



2018/19 Budgeted Income

An analysis of income is illustrated in the table in conjunction with variance explanations below.

Area of Business	2017/18 Budget (£)	2018/19 Budget (£)	Variance (approximate)
Auchenharvie Leisure Centre	1,046,068	1,015,480	-3%
Garnock Community Campus	253,500	292,200	15%
Portal	1,046,335	1,210,300	16%
Vikingar	570,660	553,760	-3%
KA Campus (inc Largs Academy)	422,520	473,700	12%
Golf	304,174	284,429	-6%
Outdoor Sports	64,400	59,400	-8%
Physical Activity	243,215	278,420	14%
Projects	420,439	505,684	20%
Other	332,386	438,922	32%
North Ayrshire Council	3,036,624	2,886,624	-5%
Income Total	7,740,321	7,998,919	3%

Leisure Centres and KA Campuses

Overall income within our centres and campuses is projected to increase compared to the current financial year. The budgeted increases are mainly due to the introduction of the new Largs Academy Campus and continued development of fitness activity.

At Auchenharvie Leisure Centre overall income will reduce compared to last year's budgeted figures due to planned maintenance works and customer migration to other KA Leisure sites.

Garnock Community Campus is projected to increase income compared to the current financial year due to continual development of the fitness development programme at this site which only opened earlier this calendar year.

The Portal, which also opened earlier this year, has attracted a significant increase in new fitness members. It is projected that this trend is likely to continue due to the fitness development programme.

At Vikingar income projections are lower than compared to the current financial year this is predominantly due to internal customer migration and a planned maintenance programme during financial year 2018/19.

KA Campuses are projected to increase income in the new financial year due to customer migration from other sites and the opening of Largs Academy in early 2018.

Golf and Outdoor Sports

Golf income is projected to decrease in the next financial year due to lower participation levels. This is reflective of national trends. Golf development continues to be a priority and collaboration with external partners continues to encourage in particular juniors and females to the sport by developing specific programmes and initiatives.

Outdoor sports income is projected to be lower than the current financial year mainly due to customer migration to campus facilities.

Physical Activity

Physical activity income is expected to increase during 2018/19 due to anticipated increased sales of fitness subscriptions for registered Volunteers and Carers and the Healthy Working Lives initiative.

Projects

Income is budgeted to increase during 2018/19 due to additional income being received for the Move More and Active Girls North Ayrshire projects.

Other Income

Other income is budgeted higher than last year mainly due to the anticipated 2.6% budgeted pay award for 2018/19. The pay award will be funded by North Ayrshire Council.

North Ayrshire Council

It has been advised that the financial contribution from North Ayrshire Council towards leisure services operational costs will be £2,886,624. This represents a reduction in the contribution of £150,000 from 2017/18.

Governance

We, North Ayrshire Leisure Limited, trade as KA Leisure. We are a Company limited by guarantee and a registered Scottish Charity. We are also a not for profit organisation and any surpluses generated are re-invested within the leisure provision. We are governed by our Articles of Association which includes our charitable objects these are included within the appendices of this document.

We are managed by a Board of Directors that consists of 9 individuals. These individuals are derived from North Ayrshire Council, the Community and our Employees.

Directors receive training on an annual basis from our external legal advisors Shepherd and Wedderburn. This training provides information on charity and legislative requirements. Our Board of Directors meet at least 6 times per year to discuss operational and business matters pertaining to our service delivery. We are required by law to submit annual returns to Companies House and the Office of the Charity Regulator.

Directors also serve on our Audit and HR Committees. The HR Committee considers all employee related matters. The Audit Committee focuses on regulatory and auditing frameworks.

Directors also have an active involvement within internal forums. The Employee Forum and the Health and Wellbeing Forum are attended by specific Directors. This provides opportunities for effective communication between employees and representation from the Board of Directors.

Nurturing an effective health, safety and wellbeing culture has led to KA Leisure being successfully awarded with the Royal Society for the Prevention of Accidents (RoSPA) Gold Award for the third consecutive year.

Currently the registered Head Office for KA Leisure is Montgomerie House, Kilwinning. In the new financial year it is anticipated that Head Office will be relocated to Quarry Road in Irvine.

“We are committed to developing a positive health safety and wellbeing culture, where the inherent risks in our workplace are controlled, reduced and where possible eliminated through the involvement of all employees in delivering a quality service”

Alex Murray
Health and Safety
Co-ordinator

CONCLUSION

This Performance and Impact Report highlights the range of leisure activities and service delivery being provided across the localities of North Ayrshire. Working with partners and customers we strive to continually improve and expand the opportunities for everyone in our community to live a healthy and active lifestyle.

Our overall customer visits numbers reveal a 7% increase in the first six months of this financial year compared to the same period last year. We are predicting these overall figures will continue to increase during the remainder of this financial year and next year.

We have an extensive portfolio of venues within the 6 localities across North Ayrshire. Earlier this calendar year we were delighted to open the new state of the art facilities at Garnock Community Campus, Glengarnock and the Portal, Irvine. We also look forward to operating from the new Largs Academy, Largs in early 2018.



In financial terms we continue to operate within our budgetary framework and our Budget for 2018/19 is projecting a small surplus. As a not for profit organisation, any surplus generated is always reinvested into the leisure provision for North Ayrshire.

Determining the impact our projects and initiatives have on the lives of people in our community is extremely important. Not only does it enable effective programming of particular activities and services it also provides valuable information relating to the benefits of participation. The

statistics and personal accounts throughout this report provide a snapshot of the real difference engaging in a healthy, active lifestyle has on individuals across North Ayrshire.

Finally thanks to all our customers who have participated in our activities and events, especially to those customers who have allowed us to share their personal experiences within this document.

Thank you also to our staff, partners and Board of Directors. Our achievements to date would not be possible without their dedication, support and hard work.

“Volunteering is great. It has given me a focus after retirement, without it being a job. I enjoy giving something back to the community, and it’s good to be encouraging young people to take part in sport”

Athletics Volunteer, Track Starter & Official, Allan Robinson

Appendix A

Articles of Association - Objects

ARTICLES OF ASSOCIATION (Extract)
NORTH AYRSHIRE LEISURE LIMITED

Companies Acts 1985 to 2006 Private Company
Limited by Guarantee

Objects of the Company

The Company is established for Charitable Purposes only. This clause shall be interpreted as if it incorporated an overriding qualification limiting the powers of the Company such that any activity which would otherwise be permitted by the terms of this clause may be carried on only if that activity can be regarded as having a Charitable Purpose. Subject to the foregoing overriding qualification the Company's objects are:

- 1.1 **to advance public participation in sport;**
- 1.2 **to provide or assist in the provision of facilities for, or activities relating to, recreation or other leisure time occupation;**
- 1.3 **to advance the arts, heritage, culture or science; and**
- 1.4 **to enhance lifelong learning opportunities for individuals and community groups,**

In each case such services being provided in the interests of improving social welfare and community wellbeing for the benefit of, and in relation to the general public in the North Ayrshire area (including the communities of the North Ayrshire area and visitors to that area) save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances have need of special facilities, and in each case through any appropriate means, and to do all such other things as may seem incidental or conducive to the pursuit of the foregoing objects and the exercise of the powers of the Company (whether express or implied).

KA Leisure is a trading name of North Ayrshire Leisure Limited.

Reference and Administration

Charity Registration N0:
SC029780

Company Registration No:
SC202978

Registered Office:
Montgomerie House
Byrehill Drive
West Byrehill Industrial Estate
Kilwinning
KA13 6HN

Trustee Directors:
Gary Higgon (Chair)
Ashley Pringle (Vice Chair)
Timothy Billings
Joy Brahim
Helen Campbell
Shaun MacAulay
Roy Martin
John Sweeney
Vacancy

Chief Executive:
E Cairns

Solicitor:
Shepherd and Wedderburn
191 West George Street
Glasgow G2 2LB

Auditor:
Campbell Dallas LLP
Chartered Accountants
Registered Auditors
5 Whitefriars Crescent
Perth PH2 0PA

Banker:
Clydesdale Bank
151 High Street
Irvine KA12 8AD



Appendix B

Target and Projected Customer Activity Levels by Site

Auchenharvie Leisure Centre

	2016-17 Actual	2017-18 Target	2017-18 Projected	2018-19 Target
Swimming	78,351	81,000	74,867	62,389
Swim Lessons	33,183	35,500	35,454	29,545
Fitness - Gym	299,198	295,000	309,694	312,000
Health Suite	2,682	2,400	3,000	3,000
Ice Rink	75,018	72,800	63,000	66,000
Fitness - Studio Classes	111,213	110,000	120,478	120,000
Events/Admissions	27,259	26,000	25,000	25,000
Total	626,904	622,700	631,493	617,934

Garnock Swimming Pool/ Garnock Community Campus

Swimming	34,727	45,000	35,481	39,000
Swim Lessons	13,632	16,250	14,020	16,250
Fitness - Gym	25,622	30,000	60,000	65,000
Sports Hall Activities	865	27,000	14,000	20,000
Fitness - Studio Classes	2,230	2,500	22,000	23,000
Outdoor Sports	3,230	28,000	20,000	22,000
Events/Admissions	7,444	8,300	9,500	10,000
Total	87,750	157,050	175,001	195,250

Magnum Leisure Centre/Portal

Swimming	106,785	130,000	85,588	87,000
Swim Lessons	29,549	31,100	41,016	42,000
Fitness - Gym	293,702	280,000	500,000	510,000
Health Suite	4,420	-	-	-
Sports Hall Activities	26,130	50,000	17,000	19,000
Soft Play	7,394	-	-	-
Fitness - Studio Classes	113,434	105,000	185,000	185,000
Entertainments	4,416	-	-	-
Events/Admissions	48,663	30,000	35,000	35,000
Total	634,493	626,100	863,604	878,000

Vikingar

Swimming	44,990	45,000	48,877	50,500
Swim Lessons	11,987	12,700	19,038	20,000
Fitness - Gym	143,877	143,000	149,000	144,000
Health Suite	5,588	6,300	6,200	6,200
Soft Play	3,606	3,600	4,000	4,000
Fitness - Studio Classes	49,427	50,000	51,077	51,000
Entertainments	15,210	16,000	16,000	16,000
Events/Admissions	19,459	19,000	20,000	20,000
Visitor Attraction	19,802	20,000	20,000	20,000
Total	313,946	315,600	334,192	331,700

**KA Campus
Dalry**

	2016-17 Actual	2017-18 Target	2017-18 Projected	2018-19 Target
Fitness - Gym	13,099	14,000	12,067	11,000
Sports Hall Activities	22,670	23,200	18,805	22,000
Fitness - Studio Classes	5,517	5,800	6,086	6,000
Outdoor Sports	5,060	5,500	2,000	4,500
Events/Admissions	8,265	8,000	9,000	9,000
Total	54,611	56,500	47,958	52,500

KA Campus Kilwinning

Fitness - Gym	10,258	8,800	12,500	13,000
Sports Hall Activities	20,681	20,500	19,227	19,500
Fitness - Studio Classes	3,459	3,000	4,500	4,500
Outdoor Sports	-	-	6,000	15,000
Events/Admissions	6,791	8,100	5,000	6,000
Total	41,189	40,400	47,227	58,000

KA Campus Arran

Fitness - Gym	2,558	2,200	2,500	2,500
Sports Hall Activities	12,831	12,250	12,500	12,500
Fitness - Studio Classes	-	-	-	-
Outdoor Sports	3,575	2,600	2,600	2,600
Events/Admissions	8,010	10,000	9,000	9,000
Total	26,974	27,050	26,600	26,600

KA Campus Greenwood

Fitness - Gym	7,055	6,100	10,000	10,000
Sports Hall Activities	33,158	42,000	26,644	28,000
Fitness - Studio Classes	2,506	2,300	4,000	4,000
Outdoor Sports	40,500	41,000	35,898	40,000
Events/Admissions	3,682	6,700	1,000	1,000
Total	86,901	98,100	77,542	83,000

KA Campus St Matthew's

Fitness - Gym	22,650	24,000	23,500	24,000
Sports Hall Activities	39,945	48,300	32,305	40,000
Fitness - Studio Classes	9,015	9,000	9,000	9,000
Outdoor Sports	13,210	16,000	10,538	13,500
Athletics Track	9,329	6,250	10,200	10,500
Events/Admissions	18,672	24,650	4,500	4,500
Total	112,821	128,200	90,043	101,500

**Stanley
Primary School**

	2016-17 Actual	2017-18 Target	2017-18 Projected	2018-19 Target
Sports Hall Activities	5,530	5,250	5,500	5,500
Fitness - Studio Classes	-	-	-	-
Outdoor Sports	7,760	8,200	9,340	9,000
Events/Admissions	1,136	2,350	1,000	1,000
Total	14,426	15,800	15,840	15,500

West Kilbride Community Centre

Fitness - Gym	34,031	34,000	33,439	34,000
Fitness - Studio Classes	11,595	12,200	11,133	11,000
Events/Admissions	1,393	-	735	750
Total	47,019	46,200	45,307	45,750

KA Campus Largs

Fitness - Gym	-	-	-	9,375
Sports Hall Activities	-	-	-	12,500
Fitness - Studio Classes	-	-	-	-
Outdoor Sports	-	-	-	9,000
Events/Admissions	-	-	-	-
Total	-	-	-	30,875

Golf Courses

Auchenharvie	14,539	14,300	12,833	14,000
Ravenspark	28,149	27,200	24,000	24,000
Routenburn	10,381	10,000	10,419	10,500
Total	53,069	51,500	47,252	48,500

Outdoor Sports

Sports Pitches	39,310	36,000	30,370	30,000
Pavilion Halls	1,918	5,500	2,000	2,000
Total	41,228	41,500	32,370	32,000

Physical Activity

Community Sport	128,854	133,000	115,000	116,500
Active Lifestyles	101,939	98,000	97,000	100,000
Total	230,793	231,000	212,000	216,500

Total Customer Activity

Leisure Centres	1,663,093	1,721,450	2,004,290	2,022,884
KA Campuses	383,941	412,250	350,517	413,725
Golf & Outdoor Sports	94,297	93,000	79,622	80,500
Physical Activity	230,793	231,000	212,000	216,500
Total	2,372,124	2,457,700	2,646,429	2,733,609

Appendix C

Historical Customer Activity by Site

Auchenharvie Leisure Centre

	2012-13	2013-14	2014-15	2015-16	2016-17
Swimming	90,650	91,863	78,745	79,182	78,351
Swim Lessons	23,204	23,282	25,601	28,240	33,183
Fitness - Gym	186,126	242,806	272,720	286,552	299,198
Health Suite	6,491	5,114	3,689	2,601	2,682
Ice Rink	85,135	86,056	80,834	82,945	75,018
Fitness - Studio Classes	67,011	86,624	98,277	105,636	111,213
Events/Admissions	18,387	17,962	20,432	23,738	27,259
Total	477,004	553,707	580,298	608,894	626,904

Garnock Swimming Pool / Garnock Community Campus

Swimming	46,853	48,876	46,071	40,910	34,727
Swim Lessons	12,260	11,973	12,479	13,861	13,632
Fitness - Gym	13,908	21,334	26,252	24,753	25,622
Sports Hall Activities	-	-	-	-	865
Fitness - Studio Classes	-	-	-	-	2,230
Outdoor Sports	-	-	-	-	3,230
Events/Admissions	8,159	7,679	9,269	7,536	7,444
Total	81,180	89,862	94,071	87,060	87,750

Magnum Leisure Centre/Portal

Swimming	141,335	133,508	137,890	136,953	106,785
Swim Lessons	18,897	16,144	18,104	22,277	29,549
Fitness - Gym	140,589	179,515	219,939	245,216	293,702
Health Suite	7,261	5,244	5,192	7,209	4,420
Sports Hall Activities	46,467	45,821	50,158	53,272	26,130
Soft Play	12,084	10,655	9,479	8,446	7,394
Fitness - Studio Classes	56,839	72,014	87,452	96,702	113,434
Entertainments	21,778	19,818	15,884	15,946	4,416
Events/Admissions	51,887	48,134	51,802	54,712	48,663
Total	497,137	530,853	595,900	640,773	634,493

Vikings

Swimming	52,340	53,530	53,247	51,784	44,990
Swim Lessons	10,509	11,724	11,146	12,264	11,987
Fitness - Gym	61,767	75,480	99,477	128,239	143,877
Health Suite	2,865	2,641	3,387	6,331	5,588
Soft Play	3,832	3,958	3,626	3,908	3,606
Fitness - Studio Classes	24,684	30,069	38,015	46,504	49,427
Entertainments	13,198	13,050	16,025	15,898	15,210
Events/Admissions	19,067	21,265	27,770	18,294	19,459
Visitor Attraction	18,197	20,972	20,301	18,222	19,802
Total	206,459	232,689	272,994	301,444	313,946

KA Campus

Dalry	2012-13	2013-14	2014-15	2015-16	2016-17
Fitness - Gym	-	-	41	14,910	13,099
Sports Hall Activities	17,224	15,107	16,512	20,522	22,670
Fitness - Studio Classes	1,593	1,775	949	6,256	5,517
Outdoor Sports	7,940	8,720	6,770	5,790	5,060
Events/Admissions	7,062	6,051	10,225	8,783	8,265
Total	33,819	31,653	34,497	56,261	54,611

KA Campus Kilwinning

Fitness - Gym	5,732	7,795	8,701	8,004	10,258
Sports Hall Activities	14,320	14,782	19,429	18,920	20,681
Fitness - Studio Classes	1,815	1,034	-	1,198	3,459
Events/Admissions	2,818	3,727	3,648	7,937	6,791
Total	24,685	27,338	31,778	36,059	41,189

KA Campus Arran

Fitness - Gym	2,050	1,719	1,695	1,716	2,558
Sports Hall Activities	14,899	12,970	14,628	14,134	12,831
Fitness - Studio Classes	-	-	-	-	-
Outdoor Sports	2,315	2,445	2,640	2,227	3,575
Events/Admissions	9,044	9,049	9,563	9,872	8,010
Total	28,308	26,183	28,526	27,949	26,974

KA Campus Greenwood

Fitness - Gym	5,077	5,655	5,341	5,197	7,055
Sports Hall Activities	42,563	45,724	46,648	45,396	33,158
Fitness - Studio Classes	3,356	3,566	3,007	2,619	2,506
Outdoor Sports	40,824	40,301	35,098	41,607	40,500
Events/Admissions	5,558	6,116	7,049	6,386	3,682
Total	97,378	101,362	97,143	101,205	86,901

KA Campus St Matthew's

Fitness - Gym	24,544	27,349	28,866	26,050	22,650
Sports Hall Activities	37,505	35,919	42,463	49,546	39,945
Fitness - Studio Classes	12,030	12,471	11,983	10,295	9,015
Outdoor Sports	19,352	16,510	16,226	14,581	13,210
Athletics Track	2,530	2,373	5,327	2,692	9,329
Events/Admissions	14,925	17,395	27,001	21,599	18,672
Total	110,886	112,017	131,866	124,763	112,821

Stanley**Primary School**

	2012-13	2013-14	2014-15	2015-16	2016-17
Sports Hall Activities	2,798	4,024	5,150	5,870	5,530
Fitness - Studio Classes	500	-	-	-	-
Outdoor Sports	6,705	7,125	4,340	6,820	7,760
Events/Admissions	1,753	2,290	2,500	2,474	1,136
Total	11,756	13,439	11,990	15,164	14,426

West Kilbride Community Centre

Fitness - Gym	-	21,132	31,956	32,802	34,031
Fitness - Studio Classes	-	7,589	11,356	12,006	11,595
Events/Admissions	-	313	647	1,206	1,393
Total	0	29,034	43,959	46,014	47,019

Golf Courses

Auchenharvie	15,671	15,223	15,583	15,267	14,539
Ravenspark	29,268	29,994	31,012	30,835	28,149
Routenburn	13,293	11,518	11,928	10,584	10,381
Total	58,232	56,735	58,523	56,686	53,069

Outdoor Sports

Sports Pitches	56,580	46,080	38,620	39,080	39,310
Pavilion Halls	14,064	11,412	10,560	10,140	1,918
Total	70,644	57,492	49,180	49,220	41,228

Physical Activity

Sports Development	101,005	104,470	112,576	128,808	128,854
Health and Fitness	80,769	82,628	83,024	86,475	101,939
Total	181,774	187,098	195,600	215,283	230,793

Total Customer Activity

Leisure Centres	1,261,780	1,407,111	1,543,263	1,638,171	1,663,093
KA Campuses	306,832	341,026	379,759	407,415	383,941
Golf & Outdoor Sports	128,876	114,227	107,703	105,906	94,297
Physical Activity	181,774	187,098	195,600	215,283	230,793
Total	1,879,262	2,049,462	2,226,325	2,366,775	2,372,124

#FITNESS2ME



Each year we follow UK Active's National Fitness Day Campaign!



#Fitness2Me (launched 2017) centred round a social media campaign which aims to celebrate our customers motivations to be active!

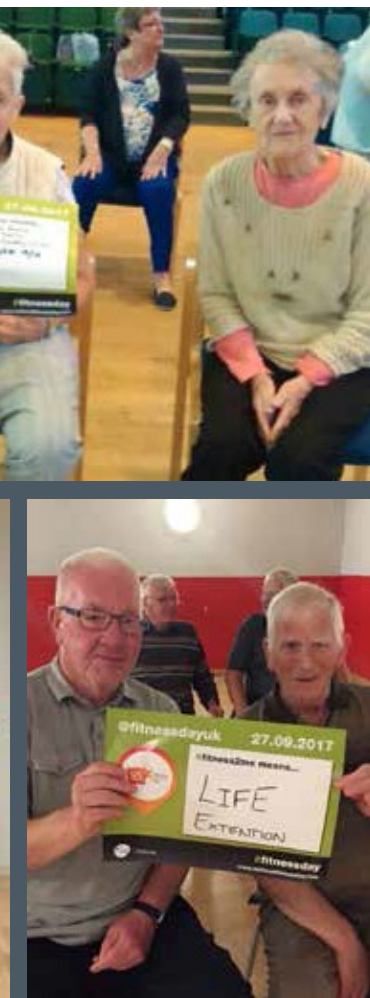
This provided us with a fantastic opportunity to interact and engage with our customers. In the weeks leading up to National Fitness Day on the 27th September we promoted the campaign and asked all our staff and customers to participate by capturing their motivation and inspiration for being active and share these with others across our social media wall and our fitness venues.

#Fitness2Me celebrated what fitness and being physically active means to individuals within our communities, promoting that being active means something different to us all.

We were overwhelmed with the response. We have received an abundance of heart-felt personal inspiring accounts which really do capture what it's all about!

"Fitness2me is happiness, being healthy and having fun."





Registered Office:

Montgomerie House,
Byrehill Drive, West Byrehill Industrial Estate,
Kilwinning KA13 6HN

01294558020

info@kaleisure.com

www.kaleisure.com



| leisure

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title: **School Transport for Cumbrae Pupils – Largs Ferry Terminal to Largs Campus**

Purpose: To allow Cabinet to reconsider its previous decision in light of recommendations of the Audit and Scrutiny Committee following a call-in request.

Recommendation: Cabinet is recommended to reconsider its previous decision in light of the recommendations of the Audit and Scrutiny Committee.

1. Executive Summary

- 1.1 At its meeting on 12 December 2017 Cabinet agreed to make no change to the current school transport arrangements from Millport to Cumbrae Ferry slipway and not to provide transport for Cumbrae pupils from the Largs Ferry Terminal to the new Largs Campus. Following a call-in, the Audit and Scrutiny Committee of 9 January 2018 recommended that transport for Cumbrae pupils from the Largs Ferry Terminal to the new Largs Campus is reinstated when the Campus opens. This purpose of this report is to enable Cabinet to reconsider its decision in light of this recommendation.

2. Background

- 2.1 The Council's current Policy on the Provision of School Transport is dated October 2015. Under this policy and in line with Section 42 and 51 of the Education (Scotland) Act, the primary responsibility for getting pupils to school lies with parents. However the local authority has a statutory obligation to provide transport for school pupils for the whole or part of a journey between the pupils' home and the school that they attend, if the walking distance is more than that specified under Section 42 (4) of this Act. For a secondary pupil this is a walking distance of 3 miles. If there is no safe walking route, school transport may also be provided, notwithstanding the walking distance is less than 3 miles.
- 2.2 Currently the total walking distance to Largs Academy for many, but not all Cumbrae pupils is over 3 miles. However there is no safe walking route on Cumbrae to reach Cumbrae Ferry Slip. Accordingly transport is currently provided for all Cumbrae pupils to Cumbrae Ferry Slip.

At one time, transport was also provided from Largs Ferry Terminal to Largs Academy. As part of the Council's budget process in 2010/11, it was agreed to terminate the Largs Ferry Terminal to Largs Academy free school transport contract, saving the Council approximately £40,000 per year. Accordingly this service ceased in August 2011, leaving pupils with a walking distance of 0.59 miles to Largs Academy. This compares favourably with walking distances experienced by many other pupils, including some in Largs who walk further.

- 2.3 Cabinet, at its meeting on 12 December 2017, considered a report on the transport arrangements of Cumbrae pupils travelling to the new Largs Campus. The safe walking distance from the Largs Ferry Terminal to the new Largs Campus is 0.9 miles, compared to 0.59 miles to the current Largs Academy. As a result, Cumbrae pupils would walk an extra 0.31 miles. The 0.9 mile walking distance to Largs Campus, looked at in isolation, is well within the walking distance of 3 miles for secondary pupils, as outlined in Sections 51 (a) and 42 (4) of the Education (Scotland) Act 1980.
- 2.4 As noted in the original report to Cabinet, the 10 March 2015 Cabinet paper on the outcome of the Statutory Public Consultation on the proposed new Largs Campus included a proposal to reinstate free school transport for Cumbrae pupils from the Largs Ferry Terminal to the new Campus from April 2018. This was approved by Cabinet. Thereafter in September 2017, following consultation with local Members, a communication was issued to the Cumbrae parents which advised that the mainland transport service would be reinstated from the point of occupying the new school in April 2018. The letter also noted that this arrangement would be reviewed within the first full academic year, at which point a decision would be taken about the feasibility of continuing with the service.
- 2.5 The Call In request, which was signed by Councillors Ferguson, Gallacher and Stephen, was in the following terms:-

Reason for Call In

There was a commitment made to ensure the safe transportation of Island children when the Junior Secondary School closed in the 70s', ever since Cumbrae pupils have been transported by bus from Largs Ferry Terminal to Largs Academy.

The children live more than 3 miles in total from Largs Academy. Island parents were promised this service would run when the new school opened.

Finally, Cabinet agreed on the same day to put children and young people at the heart of everything the Council does – I would argue that this is contradictory policy if there is no bus provision for the children and young people of Cumbrae.

Desired Outcome

I would like to see that the promises which have been made by the Council to the parents of Cumbrae are honoured and ensure that there is a bus provided from Largs ferry slip to the new Largs Academy when it is opened for the children and young people of Cumbrae.

- 2.6 The Audit and Scrutiny Committee heard from Councillor Ferguson, Councillor Murdoch, representatives of Cumbrae Community Council and from Councillor Bell as Portfolio Holder. The Committee was also advised that there was an on-going tender process for the school transport contract to Largs Academy, which has an option to include prices for an unbroken journey from Cumbrae to the new campus. The Portfolio Holder offered that Cabinet would reconsider its decision. On that basis, the Committee decided to (a) note the on-going tender process for the school transport contract to Largs Academy, including prices for an unbroken journey from Cumbrae to the new Largs campus; and (b) recommend to Cabinet that transport for Cumbrae pupils from the Largs Ferry Terminal to the new Largs Campus is reinstated. A copy of the Minute of the meeting is attached at Appendix 1.
- 2.7 The Cabinet decision of 12 December would result in Cumbrae children walking from Largs Ferry Terminal to Largs Campus, a distance of 0.9 miles. Looked at in isolation, this is only 0.31 miles more than they currently walk from Largs Ferry Terminal. Potential issues which could arise if the mainland transport was reinstated include:-
- Other young people within the Largs area walk greater distances and are not considered for and do not receive free school transport;
 - The financial implication going forward equates to up to an additional £40,000 per year. This will need to be found from Education savings elsewhere;
 - Other parents may attempt to use Cabinet's reconsideration of Cumbrae transport, to support claims for school transport to be provided elsewhere. Examples are pupils walking from Beith to the Garnock Campus or from the Lawthorn area of Irvine walking to Greenwood. However those cases are not comparable as pupils walk less than 3 miles from their catchment school, along a safe walking route. By way of contrast, almost all Cumbrae pupils are outwith the 3 mile threshold and do not have a safe walking route on the island. This is explored further in 2.9
- 2.8 The arguments in favour of providing transport from Largs Ferry Terminal to Largs Campus are as follows:-
- The increased walking distance to Largs Campus will result in all of Millport and almost all Cumbrae pupils now being outwith the walking

distance of 3 miles from home to school. This was not the case for Largs Academy.

- While the Council's Policy on the Provision of School Transport allows for transport for the whole or part of a journey between the pupils' home and the school, in every other case in North Ayrshire where pupils live more than 3 miles from a secondary school, transport is provided for the full distance. Cumbrae pupils are the only ones who do not receive transport all the way to the school.
- The forthcoming Islands Bill is expected to introduce a provision requiring public bodies to islands-proof policies. The rationale for not providing transport for Cumbrae is because the journey is split by the ferry. In other words, pupils in Cumbrae are arguably disadvantaged because they live on an island.
- As detailed by those supporting the call-in, the total journey time by Cumbrae pupils is longer than would be experienced in the mainland. It involves a walk, bus journey, ferry journey and a further walk to the school, all of which has to align with ferry and school timetables.
- The expectation of Cumbrae parents following the consultation on the new Largs campus, as confirmed in a letter from the Executive Director (Education and Youth Employment) in September 2017 is that school transport would be provided to Cumbrae pupils from the Largs Ferry Terminal to the new campus from April 2018.

2.9 Whichever option is chosen, to provide, or not to provide transport from Largs Ferry Terminal to Largs Campus, will comply with the Council's Policy on the Provision of School Transport. Almost all pupils in Cumbrae now live over 3 walking miles from the new school. The few who do not, have no safe walking route to Cumbrae Slip. There is no requirement to provide transport for the full distance to school. Accordingly the decision on whether to provide transport will not set any precedent for other areas.

2.10 It was anticipated that the impact of reinstating the transport for approximately 50 – 60 pupils would cost the Council up to £40,000 per year. The tender process for the school transport contract to Largs Academy is on-going, with an option to include prices for an unbroken journey from Cumbrae to the new campus. This is currently being assessed, but will incur an additional cost to the Council.

3. Proposals

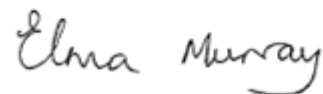
3.1 Cabinet is recommended to reconsider its previous decision in light of the recommendations of the Audit and Scrutiny Committee

4. Implications

Financial:	The financial implication going forward equates to up to an additional £40,000 per year. This will need to be found from within the Education budget.
Human Resources:	There are no Human Resources implications
Legal:	It is open to the Council to provide transport for part or all of the walking distance of pupils who live more than 3 miles from a secondary school. Almost all pupils within Cumbrae will fall within this category when the new Largs Campus is opened.
Equality:	There are no significant equalities impacts arising from this report.
Environmental & Sustainability:	There are no implications.
Key Priorities:	There are no significant implications.
Community Benefits:	There are no Community Benefits payable in relation to this report.

5. Consultation

- 5.1 Prior To Cabinet on 12 December 2017, consultation took place with the Transport Hub, Roads and PMI. The call-in has also afforded the opportunity for Cumbrae Community Council to make representations.



Elma Murray OBE
Chief Executive

Reference: AF/jm

For further information please contact Andrew Fraser, Head of Democratic Services on (01294) 324125

Background Papers
None

Audit and Scrutiny Committee
Tuesday, 09 January 2018

Present

Marie Burns, Joy Brahim, Alan Hill, Tom Marshall, Donald Reid and John Sweeney.

Also Present

John Bell, Robert Foster, Todd Ferguson, Alex Gallagher, Jean McClung, Davina McTiernan, Donald L Reid and Ian Murdoch.

In Attendance

E. Murray, Chief Executive, John Butcher, Executive Director (Education and Youth Employment); A. Fraser, Head of Democratic Services and A. Little Committee Services Officer (Chief Executive's).

Also In Attendance

Angela McCallum and Phil Lonsdale, Cumbrae Community Council.

Chair

Councillor Burns in the Chair.

Apologies for Absence

Margaret George.

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 Call In: Reinstatement of School Transport for Cumbrae Pupils – Largs Ferry

Submitted report by the Chief Executive on a Call In Request received in respect of the decision taken by Cabinet at its meeting on 12 December 2017 in relation to the report on the Reinstatement of School Transport for Cumbrae Pupils - Largs Ferry Terminal to the New Largs Academy. A copy of the Cabinet report was provided at Appendix 1 to the report.

The Cabinet, at its meeting on 12 December 2017, considered a report on the transport arrangements of Cumbrae pupils travelling to Largs Academy. Currently the Cumbrae pupils are transported from Millport to Cumbrae ferry slipway and make their own way from the Largs ferry slipway to Largs Academy. The distance from the Largs ferry slipway to the new Largs Campus is one mile and is well within

the walking distance of three miles for secondary pupils, as outlined in Sections 51 (a) and 42 (4) of the Education (Scotland) Act 1980.

The Cabinet agreed (a) to make no change to the current arrangements from Millport to Cumbrae Ferry slipway, but not to provide the transport arrangements for Cumbrae pupils from the Largs ferry slipway to the new Largs Academy; and (b) otherwise to note the terms of the report.

A briefing paper by the Executive Director (Education and Youth Employment) was circulated and provided information on the Council's current policy on (i) the Provision of School Transport, which is in line with Section 51 (a) of the Education (Scotland) Act; (ii) the current transport arrangements for pupils from Cumbrae; and (iii) the decision of Cabinet on 12 December 2017 not to reinstate the transport arrangements for Cumbrae pupils from the Largs ferry slipway to the new Largs Academy. The paper also outlined the on-going tender process for the school transport contract to Largs Academy, which includes an option to include prices for an unbroken journey from Cumbrae to the new campus.

A request was received in terms of the Call In procedure set out in the Council's Scheme of Administration and Standing Orders, that the Audit and Scrutiny Committee examine the decision taken by Cabinet.

The Call In Request, which was signed by Councillors Ferguson, Gallacher and Stephen, was in the following terms:-

Reason for Call In

There was a commitment made to ensure the safe transportation of Island children when the Junior Secondary School closed in the 70's ever since Cumbrae pupils have been transported by bus from Largs Ferry Terminal to Largs Academy.

The children live more than 3 miles in total from Largs Academy.

Island parents were promised this service would run when the new school opened.

Finally, Cabinet agreed on the same day to put children and young people at the heart of everything the Council does – I would argue that this is contradictory policy if there is no bus provision for the children and young people of Cumbrae.

Desired Outcome

I would like to see that the promises which have been made by the Council to the parents of Cumbrae are honoured and ensure that there is a bus provided from Largs ferry slip to the new Largs Academy when it is opened for the children and young people of Cumbrae.

The Head of Democratic Services summarised the procedure for considering the Call In Request and set out the circumstances surrounding the Cabinet decision.

Thereafter the Members who had requested the Call In were invited to speak. Councillor Ferguson expressed the view that the Cabinet's decision on 12 December 2017 reneged on a promise given to parents that the transport from the Largs ferry slipway to the new Largs Campus would be reinstated from April 2018. He considered the Cumbrae pupils' journey to school was unique in North Ayrshire in that it involved a walk, bus journey, ferry journey and a further walk to the school. He stated that no pupil on Cumbrae lives less than 3 miles from Largs Campus and Scottish Government legislation states that secondary pupils do not have to walk more than 3 miles between the school and a pupil's normal residence.

Councillor Murdoch as a local Member, addressed the Committee in support of the Call In. He displayed a video he had taken whilst travelling the route from Cumbrae to the new Largs campus. His journey started at the helipad in Cumbrae to the bus stop and involved a bus journey to the pier, a ferry journey to Largs slipway and a walk from the slipway to the construction gate entrance to the new academy. He highlighted that the walk from the slipway to the academy was not the safe walking route, but the quickest route available and that he arrived at the school entrance at 8.57 a.m. During winter months and inclement weather, parents on the mainland have the option to drive their children to school. This option is not available to the parents on Cumbrae and not only will the Cumbrae pupils arrive at school late each day, on occasions they will be soaking wet.

Angela McCallum and Phil Lonsdale, Cumbrae Community Council addressed the Committee in support of the Call In. They referred to the outcome of the consultation on the new Largs campus that school transport would be provided to Cumbrae pupils from the Largs slipway to the new campus from April 2018 and that this had been confirmed in a letter from the Executive Director (Education and Youth Employment) in September 2017. Parents on Cumbrae are concerned that without this transport their children will not be given equal education opportunities, as they will be late for school each day and also for exams which start at 9.00 a.m. Reference was made to the average weight of a school bag, which at 8 - 9 kilos (minus PE kit) could cause issues for children with medical conditions such as diabetes and asthma if a bus is not provided and they had to carry this from the slipway to the new campus. They referred to the Islands Bill which will include the preparation of an Islands Community Impact Assessment and guidance from the Child Law Centre that young people should travel for no more than 75 minutes in reasonable comfort. Cumbrae secondary pupils leave home early in the morning and return home after 5.00 p.m. and some pupils will have a total journey of 135 minutes each school day.

The Chair then invited Councillor Bell, as the Education portfolio holder to address the meeting. Councillor Bell clarified the decision that Cumbrae pupils would not be transported from Largs Ferry Slip to school had been taken 5 years ago. Accordingly, Cabinet had considered the issue of whether the extra distance to the new school required transport. However he accepted that the Cumbrae secondary pupils' situation and journey is not the same as that of mainland secondary pupils. It is now proposed that the on-going tender process for the school transport contract to Largs Academy, include prices for an unbroken journey from Cumbrae to the new campus. This is currently being assessed and will incur an additional cost to the Council. On that basis he agreed that Cabinet could reconsider its decision.

Councillor Hill, seconded by Councillor Marshall moved to accept the terms of the Call In. There being no amendment, the motion was carried.

Accordingly, the Committee agreed to (a) note the on-going tender process for the school transport contract to Largs Academy, including prices for an unbroken journey from Cumbrae to the new Largs campus; and (b) recommend to Cabinet that transport for Cumbrae pupils from the Largs slipway to the new Largs campus is reinstated.

The meeting ended at 2.30 p.m.

NORTH AYRSHIRE COUNCIL
23 January 2018**Cabinet**

Title:	Revenue Budget 2017/18 : Financial Performance to 30 November 2017
Purpose:	To advise Cabinet of the financial performance for the Council at 30 November 2017.
Recommendation:	That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) approve the earmarking of £0.100m identified at 2.4 (iv) to meet future year commitments; (c) note the current financial projection for the Health and Social Care Partnership; (d) confirm that no further funding will be provided by the Council to the Health and Social Care Partnership; and (e) approve the virements detailed in Appendix 10.

1. Executive Summary

- 1.1 The Council's General Fund and Housing Revenue budgets for 2017/18 were approved at a special meeting of the Council held on 1 March 2017.
- 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 2017/18 and covers the period to the end of November 2017 (Period 8). Projections of the year-end position have been made.
- 1.3 At Period 8 the General Fund is forecasting a net in-year underspend of £2.332m (0.7%) after transferring resources to other funds, an increase of £0.836m from that reported at Period 6.
- 1.4 The Housing Revenue Account is forecasting a net in-year break even position which is consistent with that reported at Period 6.
- 1.5 The Health and Social Care Partnership is forecasting an overspend of £5.315m at the end of November 2017. The Council services element of the projected overspend is £2.242m and is after the application of £1.4m from the Challenge Fund to support service delivery. This represents a decrease of £0.670m from that reported at Period 6.

1.6 The General Fund forecast position includes the impact from delays in the realisation of savings previously approved by Council in relation to:

- Place, where slippage on savings is being met from within the core budget; and
- The Health and Social Care Partnership, where a number of savings on Council commissioned services require further action to secure delivery. The forecast position includes an assumption that £0.542m of savings, alongside £0.640m of Challenge Fund savings and £0.419m of other mitigating actions will not be delivered during 2017/18, contributing to the overspend within the Partnership.

2. Background

General Fund

- 2.1 The Council has set a break-even budget for 2017/18. In addition to the budget approved on 1 March 2017, earmarked funds of £14.742m have been carried forward from 2016/17 for service expenditure in 2017/18 and are reflected in the figures within the 2017/18 financial performance reports as they are drawn down.
- 2.2 Current financial projections indicate that a net in-year surplus of £2.332m, net of transfers to reserves, is anticipated for the year to 31 March 2018. This represents 0.7% of the Council's total budget.

2.3 Details of the current financial projections are summarised in the following table:

	Appendix No	Annual Budget £000's	Projection to 31 March 2018 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 6 (Fav)/Adv £000's	Movement £000's	Note
Service Expenditure							
Chief Executive and Democratic Services	1	3,594	3,547	(47)	(51)	4	
Finance & Corporate Support	2	16,347	15,876	(471)	(471)	-	
Education and Youth	3	110,897	110,296	(601)	(567)	(34)	
Employment	4	56,580	56,322	(258)	(194)	(64)	(i)
Place	5	19,351	19,208	(143)	(137)	(6)	
Economy and Communities	6	18,252	17,204	(1,048)	(496)	(552)	(ii)
Other Corporate Services							
Sub Total		225,021	222,453	(2,568)	(1,916)	(652)	
Health and Social Care Partnership	7,8	88,402	88,402	-	-	-	2.6
Balance for Services		313,423	310,855	(2,568)	(1,916)	(652)	
Financing Charges *	9	20,084	17,378	(2,706)	(2,716)	10	
Total Planned Expenditure		333,507	328,233	(5,274)	(4,632)	(642)	
Planned Income							
Aggregate External Finance	9	(271,063)	(271,063)	-	-	-	
Council Tax	9	(52,431)	(52,295)	136	420	(284)	(iii)
Use of Change Fund	9	(434)	(434)	-	-	-	
Use of Earmarked Funds	9	(9,579)	(9,579)	-	-	-	
Total Planned Income		(333,507)	(333,371)	136	420	(284)	
Net Expenditure/ (Income)		-	(5,138)	(5,138)	(4,212)	(926)	
Carried Forward Funds *		-	2,806	2,806	2,716	90	
Revised Net Expenditure/(Income)		-	(2,332)	(2,332)	(1,496)	(836)	

* Financing Charges underspend of £2.706m transferred to Loans Fund Reserve in accordance with agreed policy

2.4 Commentary on Significant Movements from the Forecast at Period 6

The Council's overall financial forecast against the previous underspend is an increase of £0.836m. A brief explanation of the significant movements from Period 6 is outlined below:

- (i) **Place - underspend of £0.258m, an increase in underspend of £0.064m**
The increased underspend is primarily related to reduced costs for transport provision partly offset by additional waste disposal site costs.

- (ii) **Other Corporate Services - underspend of £1.048m, an increase in underspend of £0.552m**
The increased underspend relates to funds in relation to pension auto enrolment and additional temporary accommodation funding which are not anticipated to be fully drawn down during the year.
- (iii) **Council Tax - under recovery of £0.136m, a decrease in under recovery of £0.284m**
The reduction in the projected under recovery relates to additional funding for the Council Tax Reduction scheme notified by the Scottish Government.
- (iv) **Request to Carry Forward**
It is proposed to carry forward £0.100m within Place to fund welfare facilities at the Transport garage.

Health and Social Care Partnership at Period 8

2.5 The Health and Social Care Partnership is forecasting an overspend of £5.315m at the end of November 2017. **The Council services element of the projected overspend is £2.242m.** This represents a decrease of £0.670m. The main areas of movement since Period 6 are:-

- **Community Care and Health – underspend of £0.833m, an increase in underspend of £0.379m**
Within Locality Services additional income has been secured from charges to users in line with the charging policy. Within Community Care Service Delivery funds to cover the costs of bringing homecare services in-house are not anticipated to be utilised during the year.
- **Mental Health Services – overspend of £0.950m, a decrease in overspend of £0.688m**
Within Learning Disability, previously agreed savings in relation to the costs of care packages are now anticipated to be realised in year and there is a projected decrease in Learning Disability Day Care employee costs. Within Community Mental Health packages are being reviewed in line with the approved mitigation plan and any new packages must have corresponding discharges. An underspend within Addiction Services is related to vacancy management.
- **Children's Services and Criminal Justice – overspend of £2.165m, an increase in overspend of £0.402m**
Residential Schools and community packages for children continue to experience an increase in demand for services, with a total of 14 new placements this year including 4 in secure residential accommodation.

£2.037m of mitigation plans are in place. £0.825m is projected to be delivered by the year end which will reduce the deficit to £4.490m. Added to the £3.245m deficit brought forward from 2016/17, this could result in a projected closing deficit of £7.735m. The main areas of pressure continue to be adult care packages and looked after and accommodated children.

It is essential that the partnership develops plans which are financially sustainable and the focus for the Management Team over the next three months will be to maximise the savings achievable from the Challenge Fund and refresh its medium term financial strategy which will secure this moving forward. The Health and Social Care Partnership was targeted with delivering £2.071m of savings on Council commissioned services in 2017/18. Latest projections show that £0.966m of these are at Amber or Red status and require action to secure delivery in 2017/18. Failure to deliver on savings will increase this overspend further. The projections at Period 8 assume that £0.542m of these savings will not be delivered this financial year. The latest report to the Integrated Joint Board also notes that £0.640m of Challenge Fund savings and £0.419m of other proposed mitigations will not be delivered. Failing to deliver these actions is having a significant impact on the financial position of the HSCP.

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.

Budget Transfers/Virements

- 2.6 A schedule of the budget transfers, or virements, requested by Services which require to be approved by Cabinet is attached at Appendix 10 for Members' consideration and approval.

Housing Revenue Account

- 2.7 The Housing Revenue Account budgeted for a break even position in 2017/18. A net in-year break even position is currently projected which is consistent with that reported at Period 6. This is summarised in the following table with further details provided in Appendix 11.

	Annual Budget £000's	Projection to 31 March 2018 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 6 (Fav)/Adv £000's	Movement £000's	Note
Employee Costs	4,628	4,522	(106)	(118)	12	
Property Costs	17,460	17,094	(366)	(520)	154	(i)
Supplies and Services	228	212	(16)	(30)	14	
Transport and Plant Costs	38	35	(3)	(2)	(1)	
Administration Costs	1,609	1,549	(60)	(23)	(37)	
Other Agencies and Bodies	1,386	1,381	(5)	5	(10)	
Transfer Payments	121	91	(30)	-	(30)	
Other Expenditure	403	419	16	16	-	
Capital Financing	22,920	22,290	(630)	(629)	(1)	
Gross Expenditure	48,793	47,593	(1,200)	(1,301)	101	
Income	(48,793)	(47,593)	1,200	1,301	(101)	(ii)
Net Expenditure	-	-	-	-	-	

2.8 Commentary on Significant Movements from the Forecast at Period 6

A brief explanation of the significant movements from period 6 is outlined below.

(i) **Property Costs - underspend of £0.366m, a decrease in underspend of £0.154m**

The decrease in underspend is primarily related to increased costs of Void Repairs and increased expenditure on infrastructure projects.

(ii) **Income - under recovery of £1.200m, a decrease in under recovery of £0.101m**

The projected decrease in the under recovery has resulted from increased council house rent and tenant charges income.

3. Proposals

- 3.1 That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) approve the earmarking of £0.100m identified at 2.4 (iv) to meet future year commitments; (c) note the current financial projection for the Health and Social Care Partnership; (d) confirm that no further funding will be provided by the Council to the Health and Social Care Partnership; and (e) approve the virements detailed in Appendix 10.

4. Implications

Financial:	General Services The net projection for the year as at 30 November 2017 is a surplus for the year of £2.332m. Housing Revenue Account The net projection for the year as at 30 November 2017 is an in-year break even position. 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
Children and Young People:	None
Environmental & Sustainability:	None
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:	

5. Consultation

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



LAURA FRIEL
Executive Director (Finance and Corporate Support)

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

Background Papers

Revenue Budget 2017/18 : Financial Performance to 30 September 2017 - Cabinet - 14 November 2017

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	459	478	19	4%	1
Policy, Performance & Community Planning	771	806	35	5%	2
Communications	484	427	(56)	(12%)	3
Civil Contingencies	69	69	-	-	
Committee Services	718	675	(43)	(6%)	4
Members Services	1,093	1,091	(2)	(0%)	
Totals	3,594	3,547	(47)	(1%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	2,925	2,816	(109)	(4%)
Property Costs	7	7	-	-
Supplies and Services	133	190	57	43%
Transport and Plant Costs	14	14	-	-
Administration Costs	961	954	(7)	(1%)
Other Agencies & Bodies	391	395	4	1%
Transfer Payments	-	-	-	-
Other Expenditure	-	-	-	-
Gross Expenditure	4,431	4,376	(55)	(1%)
Income	(837)	(829)	8	(1%)
Net Expenditure	3,594	3,547	(47)	(1%)

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
Note 1			Legal
			No significant movement
1,056	(10)	-1%	Employee costs - There is a projected underspend of (£0.010m) due to anticipated vacancies
38	21	55%	Supplies and Services - There is a projected overspend of £0.021m for replacement of IT equipment
(775)	8	-1%	Income - There is a projected under-recovery of income of £0.008m. This is due to anticipated deb write offs of £0.033m partly offset by anticipated over-recovery of licensing income streams
19			
Note 2			Policy, Performance & Community Planning
			No significant movement
696	17	2%	Employee costs - There is a projected overspend of £0.017m mainly due to turnover target not being achieved
20	17	85%	Supplies and Services - There is a projected overspend of £0.017m mainly for replacement of IT equipment
56	1	2%	Other minor variances
35			
Note 3			Communicatons
			No significant movement
455	(72)	-16%	Employee costs - There is a projected underspend of (£0.072m) due to two vacant posts which will be partly used to meet the costs of replacing IT Equipment across Democratic Services
12	16	133%	Supplies and Services - There is a projected overspend of £0.016m for the replacement of IT equipment
(56)			
Note 4			Committee Services
			No significant movement
587	(46)	-8%	Employee costs - There is a projected underspend of (£0.046m) due to vacant posts
114	3	3%	Other minor variances
(43)			

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate	167	168	1	1%	
Audit & Risk	397	423	26	7%	
Finance					
Head of Service	122	165	43	35%	
FMS Project	77	83	6	8%	
Financial Services	1,598	1,650	52	3%	1
Corporate Procurement	636	635	(1)	(0%)	
People & Transformation					
Head of Service	109	109	-	-	
Change Programme	333	306	(27)	(8%)	
Human Resources	1,760	1,699	(61)	(3%)	2
Customer & Digital Services					
Head of Service	107	107	-	-	
ICT	3,163	3,074	(89)	(3%)	3
Customer Services & Registration	2,299	2,205	(94)	(4%)	4
Business Support	1,714	1,570	(144)	(8%)	5
Revenues & Benefits	3,514	3,331	(183)	(5%)	6
Information Governance	351	351	-	-	
Totals	16,347	15,876	(471)	(3%)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	14,106	13,631	(475)	(3%)
Property Costs	-	3	3	-
Supplies and Services	45	45	-	-
Transport and Plant Costs	1,730	1,779	49	3%
Administration Costs	600	571	(29)	(5%)
Other Agencies & Bodies	1,729	1,733	4	0%
Transfer Payments	51,798	51,777	(21)	(0%)
Other Expenditure	-	-	-	-
Gross Expenditure	70,008	69,539	(469)	(1%)
Income	(53,661)	(53,663)	(2)	0%
Net Expenditure	16,347	15,876	(471)	(3%)

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Financial Services
			There is a movement of £0.025m from Period 6 due to reduced vacancies and software commitments
1,667	(17)	-1%	Employee Costs - There is an underspend of £0.017m due to vacancy management
89	47	53%	Supplies & Services - There is a projected overspend of £0.047m due to software commitments
-191	21	-11%	Income - There is a predicted income shortfall of £0.021m following the termination of recharges in relation to the former Criminal Justice Authority
51			
Note 2			Human Resources
			There is a movement of (£0.013m) from Period 6 due to vacancy management
1,591	(17)	-1%	Employee Costs - There is a projected underspend of £0.017m due to the management of vacancies
110	(14)	-13%	Supplies and Services - There is a projected underspend of £0.014m on software licences due to renegotiation of Frontier Contract
128	(19)	-15%	Administration Costs - Projected underspend of £0.019m within staff training courses
-348	(12)	3%	Income - There is a projected over recovery in Occupational Health recharges of £0.020m, offset by a projected income shortfall of £0.009m due to the cessation of both Irvine Bay income and CJA Admin Grant income
(62)			
Note 3			ICT
			There is a movement of (£0.059m) from Period 6 mainly due to vacancy management
2,181	(103)	-5%	Employee Costs - There is a projected underspend of £0.103m due to vacancy management
982	14	1%	Other minor variances
(89)			
Note 4			Customer Services
			There is a movement of (£0.012m) from Period 6 due to vacancy management
2,168	(96)	-4%	Employee Costs - There is a projected underspend of £0.096m due to vacancy management.
131	2	2%	Other minor variances
(94)			
Note 5			Business Support
			There is a movement of £0.035m from Period 6 due to vacancy management
1,843	(146)	-8%	Employee Costs - There is a projected underspend of £0.146m due to vacancy management
(129)	2	-2%	Other minor variances
(144)			
Note 6			Revenues & Benefits
			There is a movement of (£0.022m) from Period 6 mainly due to vacancy management
2,091	(162)	-8%	Employee Costs - There is a underspend of £0.162m due to vacancy management
1,423	(20)	-1%	Other minor variances
(182)			

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Early Years Education	11,503	11,121	(382)	(3%)	1
Primary Education	37,785	37,785	-	-	
Secondary Education	49,856	49,856	-	-	
Additional Support Needs	7,693	7,574	(119)	(2%)	2
Education - Other	4,060	3,960	(100)	(2%)	3
Totals	110,897	110,296	(601)	(1%)	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	85,893	85,554	(339)	(0%)
Property Costs	311	311	-	-
Supplies and Services	23,770	23,699	(71)	(0%)
Transport and Plant Costs	171	171	-	-
Administration Costs	992	992	-	-
Other Agencies & Bodies	5,692	5,606	(86)	(2%)
Transfer Payments	580	580	-	-
Other Expenditure	-	-	-	-
Capital Financing	65	65	-	-
Gross Expenditure	117,474	116,978	(496)	(0%)
Income	(6,577)	(6,682)	(105)	2%
Net Expenditure	110,897	110,296	(601)	(1%)

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Early Years Education
			Movement - the underspend has increased by £0.018m due to further underspends in employee costs.
1,776	(311)	-18%	Employee Costs - Underspends in Early Years Teachers of £0.200m. This is due to the difficulty in recruitment of teachers. Further underspends of £0.074m from delays in recruitment for the new early years centre in the new Largs campus.
1,209	(37)	-3%	Payments made to Private Partner Providers currently projected to be underspent due to lower than anticipated uptake of services.
0	(34)		Income from Wraparound Care charges
	(382)		
Note 2			ASN
			No significant movement
1,102	52	5%	Overspend on external specialist residential placements.
1,004	(81)	-8%	Underspend on external day placements
(264)	(70)	27%	Income - Projected over recovery of income due to increased number of pupils placed in North Ayrshire schools and units by other local authorities.
	(20)		Other minor variances
	(119)		
Note 3			Education Other
			No significant movement
629	(100)	-16%	Employee Costs - Underspend is due to Senior Managers vacancies and changes to work patterns.
	(100)		

PLACE
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Directorate and Support	(44)	(44)	-	-	
Physical Environment					
Building Services	(3,436)	(3,436)	-	-	1
Works Scoping and Quality Assurance	607	637	30	5%	
Property Governance	922	883	(39)	(4%)	
Property Management & Investment	1,258	1,217	(41)	(3%)	2
Housing Assets & Investment	(870)	(870)	-	-	
Property Running Costs	4,917	5,076	159	3%	3
Energy and Sustainability	3,722	3,722	-	-	
Property Maintenance	3,865	3,865	-	-	
Facilities Management	11,206	11,206	-	-	
Other Housing	4,539	4,421	(118)	(3%)	4
Commercial Services					
Head of Commercial Services	(2)	(2)	-	-	
Roads	6,740	6,740	-	-	
Streetscene	4,973	5,062	89	2%	5
Internal Transport	9,908	9,715	(193)	(2%)	6
Waste Services	8,275	8,130	(145)	(2%)	7
Total	56,580	56,322	(258)	(0%)	
Less Carry Forward		100	100		
Net Total	56,580	56,422	(158)	(0)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	41,350	41,195	(155)	(0%)
Property Costs	16,490	16,624	134	1%
Supplies and Services	10,235	10,573	338	3%
Transport and Plant Costs	10,050	10,004	(46)	(0%)
Administration Costs	2,656	2,668	12	0%
Other Agencies & Bodies	13,857	14,006	149	1%
Transfer Payments	1,737	1,737	-	-
Other Expenditure	341	341	-	-
Capital Financing	-	-	-	-
Gross Expenditure	96,716	97,148	432	0%
Income	(40,136)	(40,826)	(690)	2%
Net Expenditure	56,580	56,322	(258)	(0%)

PLACE
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Projected Variance £000 Note 1	Variance as % of budget	Section
Building Services			
			No significant movement
7,835	(137)	(2%)	Employee Costs - There is a projected underspend as a result of the management of vacancies .
1,926	795		Third Party Payments - There is a projected overspend of £0.795m due to additional asbestos works of £1.000m offset by an underspend in agency costs of £0.205m
(17,717)	(633)	4%	Income - There are over-recoveries of income. £1.100m due to asbestos works and £0.426m for Capital Works. This is offset by reduction on non-housing income of £0.367m, reduced void income of £0.384m and storm damage £0.059m.
	(25)		Other minor variances
	0		
Note 2			
Property Management & Investment			
			Movement - There is an additional underspend of £0.041m since P6 due to vacancy management
2,281	(111)	(5%)	Employee Costs - There is a projected underspend of £0.111m. This is linked to the under recovery of income noted below
(509)	70	(14%)	Income - There is a projected under recovery in fees recovered from capital of £0.070m.
	(41)		
Note 3			
Property Running Costs			
			No significant movement
162	159	98%	Other Property Costs - costs incurred due to slippage in the property rationalisation programme.
	159		
Note 4			
Facilities Management			
			No significant movement
9,920	(106)	(1%)	Employee Costs - There is a projected underspend of £0.106m which will be used to fund other planned expenditure.
144	25	17%	Cleaning materials - £0.025m expenditure is required for the purchase of cleaning equipment for the new Largs Academy.
113	81	72%	Kitchen Equipment - £0.081m is required for alterations to kitchens required to implement future years savings.
	0		
Note 5			
Other Housing			
			Movement -There has been an increase in the underspend of £0.055m since P6 primarily due to revised third party payments
1,581	(82)	(5%)	Third party payments - there is an underspend of £0.045m for grants paid to third parties in respect of services for Rough Sleepers. There is also a projected underspend in payments to service providers of £0.033m.
	(36)		Other minor variances
	(118)		
Note 6			
Streetscene			
			Movement - there has been an increase in the projected overspend since P6 of £0.080m, mainly due to an overspend in employee costs.
5,929	52	1%	Employee Costs - there is a projected overspend of £0.052m mainly due to unachieved turnover of £0.066m.
	37		Other minor variances
	89		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 7			Internal Transport
			Movement - there has been an increase in the underspend since P6 of £0.193m, mainly due to an underspend in transport provision costs and additional income.
1,413	20	1%	Employee Costs - there is a projected overspend of £0.020m mainly due to unachieved turnover.
2,235	(40)	(2%)	Transport Costs - External hires are predicted to be £0.010m overspent, however this is offset by a projected year end underspend of £0.022m on fuel as a result of the current lower cost of fuel (it is noted that volatility of fuel prices may impact on future projections) and a projected underspend in other transport costs of £0.030m.
4,192	(122)	(3%)	Transport Provision Costs - there is a projected underspend of £0.122m based on the Quarter 2 projection from SPT, however this is subject to change.
(58)	(54)	93%	Income - There is a predicted over-recovery of additional income of £0.054m in relation to external taxi recharges and social work transport income.
	3		Other minor variances
			It is requested that £0.100m of this underspend be earmarked for internal property improvements at the Transport garage to provide adequate welfare facilities.
(193)			
Note 8			Waste Services
			Movement - the underspend has decreased by £0.160m since P6 mainly due to an increase in Employee costs (£0.038m) and overspends in Disposal Sites (£0.135m)
4,340	273	6%	Employee Costs - there is a projected overspend of £0.273m mainly due to a requirement to supplement current resources to reflect seasonal and operational demands. Also there is a six month delay in the efficiency savings (£0.055m) and unachieved turnover (£0.050m). This overspend in total is being offset currently against the Blue Bin contract income.
846	(418)	(49%)	Payments to Contractors - there is an underspend on the Blue Bin contract of £0.418m as a result of an increase in the market values for recyclates.
2,932	(136)	(5%)	Landfill tax - there is a projected underspend of £0.136m due to tonnages going to the Landfill site less than previously estimated.
(1,646)	(39)	2%	Commercial Refuse Collection - there is additional income of £0.039m projected mainly due to a net increase in uptake of the service by external businesses
341	72	21%	Disposal Sites - Supplies and Services: Leachate (£0.040m) due to SEPA regulatory requirements and Trade effluent (£0.032m)
4,321	63	1%	Disposal sites - Third party payments: Special Uplifts (£0.030m) and Clyde Valley Partnership (£0.033m)
	40		Other minor variances
			The service will complete an in year virement exercise to realign variances as appropriate.
(145)			

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Management	554	554	-	-	
Economic Growth					
Planning & Protective Services	1,579	1,537	(42)	(3%)	1
Economic Development	5,459	5,311	(148)	(3%)	2
Connected Communities	11,759	11,806	47	0%	3
	19,351	19,208	(143)	(1%)	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	11,941	11,873	(68)	(1%)
Property Costs	301	294	(7)	(2%)
Supplies and Services	1,044	1,075	31	3%
Transport and Plant Costs	152	148	(4)	(3%)
Administration Costs	299	300	1	0%
Other Agencies & Bodies	9,344	8,905	(439)	(5%)
Transfer Payments	-	-	-	-
Other Expenditure	-	-	-	-
Gross Expenditure	23,081	22,595	(486)	(2%)
Income	(3,730)	(3,387)	343	(9%)
Net Expenditure	19,351	19,208	(143)	(1%)

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Planning & Protective Services
			No significant movement
1,639	(70)	-4%	Employee Costs - There are underspends in Planning Services (£0.050m) and Trading Standards (£0.023m) due to vacancy management.
544	50		Income - There is a projected under recovery in Planning Income of £0.050m
	(22)		Other minor variances
	(42)		
Note 2			Economic Development
			Movement - the underspend has increased by £0.028m due to vacancy management within Regeneration
1,631	(33)	-2%	Employee Costs - there is an underspend in Regeneration of £0.028m due to vacancy management
2,111	(127)	-6%	Payments to Other Bodies - Underspends appear in relation to our Employment and Recruitment Initiative's (ERI) due to the recovery of overheads from within the ESF Employability bids.
	12		Other minor variances
	(148)		
Note 3			Connected Communities
			Movement - the overspend has increased by £0.019m due to use of casual staff within Libraries and Community Facilities
6,049	50	1%	Employee Costs - there is an overspend in Community Facilities of £0.065m due to use of casual employees due to the increased use of Community Centres linked to Food Poverty. This is offset against an underspend in Libraries of £0.015m.
	(3)		Other minor variances
	47		

OTHER CORPORATE SERVICES
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Final Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,409	2,365	(44)	(2%)	1
SPT Concessionary Fares	283	277	(6)	(2%)	
Ayrshire Joint Valuation Board	780	760	(20)	(3%)	2
Other Corporate Costs					
Pension Costs	1,882	1,784	(98)	(5%)	3
Non-Distributed Costs	-	-	-	-	
Central Telephones	86	76	(10)	(12%)	
Other Corporate Items (incl Additional Resources from Council decisions on 1 March 2017)	12,815	11,860	(955)	(7%)	4
Insurance Account	(3)	82	85	(2833%)	5
	18,252	17,204	(1,048)	(6%)	

OTHER CORPORATE SERVICES
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
Note 1			Strathclyde Passenger Transport
			No significant movement
2,409	(44)	(2%)	The projected underspend of £0.044m is due to a reduction in the requisition charge
	(44)		
Note 2			Ayrshire Valuation Joint Board
			No significant movement
780	(20)	(3%)	The projected underspend of £0.020m is due to a reduction in the requisition charge
	(20)		
Note 3			Pension Costs
			No significant movement
1,882	(98)	(5%)	The projected underspend of £0.098m is due to reduced pension costs relating to the period before local government reorganisation
	(98)		
Note 4			Other Corporate Items
			Movement - the underspend has increased by £0.536m due to updated autoenrolment projections and additional funding for temporary accommodation which will not be anticipated to be drawn down in year
12,815	(955)	(7%)	Centrally held funds in respect of the revised Benefits Cap are not anticipated to be fully drawdown following additional provisions within the 2017/18 Local Government Finance Settlement combined with lower than anticipated take up rates. Additional Scottish Government funding in relation to temporary accommodation will not be drawn down in year. Other previously identified pressures related to fuel, utility and pension costs are now not anticipated to be fully drawdown.
	(955)		
Note 5			Insurance Account
			No significant movement
(3)	85		The increase in insurance costs has been greater than anticipated due to increased excesses.
	85		

2017/18 Budget Monitoring Report – Period 8 Objective Summary

Partnership Budget - Objective Summary	2017/18 Budget								
	Council			Health			TOTAL		
	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	54,071	53,238	(833)	10,524	10,683	159	64,595	63,921	(674)
: Locality Services	26,156	25,814	(342)	3,441	3,356	(85)	29,597	29,170	(427)
: Community Care Service Delivery	25,383	24,924	(459)	-	-	-	25,383	24,924	(459)
: Rehabilitation and Reablement	756	786	30	1,837	2,130	293	2,593	2,916	323
: Long Term Conditions	1,325	1,340	15	2,962	2,941	(21)	4,287	4,281	(6)
: Integrated Island Services	451	374	(77)	2,284	2,256	(28)	2,735	2,630	(105)
MENTAL HEALTH SERVICES	22,369	23,319	950	49,290	49,920	630	71,659	73,239	1,580
: Learning Disabilities	17,199	18,124	925	467	444	(23)	17,666	18,568	902
: Community Mental Health	3,824	3,922	98	1,844	1,808	(36)	5,668	5,730	62
: Addictions	1,346	1,273	(73)	1,171	1,172	1	2,517	2,445	(72)
: Lead Partnership Mental Health NHS Area Wide	-	-	-	45,808	46,496	688	45,808	46,496	688
CHILDREN'S SERVICES AND CRIMINAL JUSTICE	29,923	32,088	2,165	4,708	4,642	(66)	34,631	36,730	2,099
: Intervention Services	3,798	3,710	(88)	295	318	23	4,093	4,028	(65)
: Looked After & Accomodated Children	15,197	17,502	2,305	-	-	-	15,197	17,502	2,305
: Fieldwork	6,518	6,593	75	-	-	-	6,518	6,593	75
: CCSF	395	389	(6)	-	-	-	395	389	(6)
: Criminal Justice	2,902	2,902	-	-	-	-	2,902	2,902	-
: Early Years	311	247	(64)	1,738	1,643	(95)	2,049	1,890	(159)
: Policy & Practice	802	745	(57)	-	-	-	802	745	(57)
: Lead Partnership NHS Children's Services Area Wide	-	-	-	2,675	2,681	6	2,675	2,681	6
PRIMARY CARE	-	-	-	47,575	48,704	1,129	47,575	48,704	1,129
MANAGEMENT AND SUPPORT COSTS	4,517	4,635	118	(1)	1,157	1,158	4,516	5,792	1,276
CHANGE PROGRAMME		(158)	(158)	2,177	2,107	(70)	2,177	1,949	(228)
LEAD PARTNERSHIP AND SET ASIDE	-	-	-	-	133	133	-	133	133
TOTAL	110,880	113,122	2,242	114,273	117,346	3,073	225,153	230,468	5,315

2017/18 Budget Monitoring Report

Period 8 Subjective Summary

Partnership Budget Subjective Summary	2017/18 Budget								
	Council			Health			TOTAL		
	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	44,442	44,380	(62)	55,032	56,321	1,289	99,474	100,701	1,227
Property Costs	389	358	(31)	16	55	39	405	413	8
Supplies and Services	2,290	2,424	134	5,249	5,678	429	7,539	8,102	563
Prescribing Costs	-	-	-	30,129	31,359	1,230	30,129	31,359	1,230
Primary Medical Services	-	-	-	17,446	17,346	(100)	17,446	17,346	(100)
Transport and Plant	523	611	88	-	-	-	523	611	88
Admin Costs	639	762	123	1,897	1,774	(123)	2,536	2,536	-
Other Agencies & Bodies	84,046	86,747	2,701	6,165	6,235	70	90,211	92,982	2,771
Transfer Payments	2,665	2,627	(38)	-	-	-	2,665	2,627	(38)
Other Expenditure	-	6	6	-	-	-	-	6	6
Capital Expenditure	-	-	-	-	-	-	-	-	-
Income	(24,114)	(24,793)	(679)	(1,662)	(1,423)	239	(25,776)	(26,216)	(440)
TOTAL	110,880	113,122	2,242	114,272	117,345	3,073	225,152	230,467	5,315

MISCELLANEOUS ITEMS**FINANCIAL PERFORMANCE 2017/18****REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017**

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	20,084	17,378	(2,706)	(13%)	1
Aggregate External Finance	(271,063)	(271,063)	-		
Council Tax	(52,431)	(52,295)	136	(0%)	2
Use of Change Fund	(434)	(434)	-		
Use of Earmarked Funds	(9,579)	(9,579)	-		
Totals	(313,423)	(315,993)	(2,570)	1%	
Less Carry Forward to Loans Fund Reserve	-	2,706	2,706		
Net Total	(313,423)	(313,287)	136	(4%)	

Note 1 Financing Charges

Capital Financing charges are forecasting an underspend of £2.706m based on the latest cash flow and interest rate projections. This reflects the under borrowed position combined with a change in the share of interest from the HRA. The underspend has been earmarked and transferred to the Loans Fund Reserve to enable future costs linked to capital expenditure and borrowing to be managed through the reserve.

Note 2 Council Tax

Income from Council Tax is forecasting to under recover by £0.136m related to reduced recovery from prior years. This is a reduction of £0.284m from that reported at Period 6 following the allocation of additional Council Tax Reduction funding by the Scottish Government.

Budget Management - 30 November 2017

Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2017/18	
		Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Increase income recharge budget in Streetscene due to additional in year work from Housing/PMI and Golf Open	T	-0.175	
Increase expenditure budgets in Streetscene due to additional in year work from Housing/PMI and Golf Open	T	0.175	
PMI - Reduce Employee Costs Budget ,due to unfilled vacancies, and increase Payment to Contractors budget .Please note a transfer of £0.157m has already been approved by Cabinet on 14 November 2017.	T	-0.050	
PMI - Reduce Employee Costs Budget ,due to unfilled vacancies, and increase Payment to Contractors budget .Please note a transfer of £0.157m has already been approved by Cabinet on 14 November 2017.	T	0.050	
Building Services - Increase Asbestos works Income budget to reflect additional work released	T	-1.000	
Building Services - Increase Asbestos Payments to Subcontractors budget to reflect additional work released	T	1.000	
			0.000
HRA			
Decrease Employee Budget to reflect expected vacancies in the year	T	-0.106	
Decrease Property costs budget to reflect underspends in Void Repairs	T	-0.179	
Decrease Capital Financing Budget to reflect reduction in borrowing costs due to Council house Sales and slippage in new Build programme	T	-0.629	
Decrease Council House Rents Income Budget to reflect reduced stock numbers caused by Council house Sales, slippage in the New Build programme and Sheltered Housing Decants	T	0.914	
			0.000

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE 2017/18

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Employee Costs	4,628	4,522	(106)	(2%)	1
Property Costs					
Responsive Repairs	1,619	1,586	(33)	(2%)	2
Void Repairs	2,759	2,375	(384)	(14%)	
Planned & Cyclical maintenance	7,420	7,501	81	1%	
Estate Based Projects	210	210	-	-	
Roads & Lighting Maintenance	186	186	-	-	
Aids & adaptations	1,855	1,855	-	-	
Other property costs	3,411	3,381	(30)	(1%)	
Supplies and Services	228	212	(16)	(7%)	
Transport and Plant Costs	38	35	(3)	(8%)	
Administration Costs	1,609	1,549	(60)	(4%)	3
Other Agencies & Bodies	1,386	1,381	(5)	(0%)	
Transfer Payments	121	91	(30)	(25%)	
Other Expenditure	403	419	16	4%	
Capital Financing	22,920	22,290	(630)	(3%)	4
Gross Expenditure	48,793	47,593	(1,200)	(2%)	
Income					
Council House Rents	(47,185)	(45,977)	1,208	(3%)	5
Other Rents	(374)	(420)	(46)	12%	
Recharges	(595)	(566)	29	(5%)	
Other Income	(103)	(94)	9	(9%)	
Transfers from HRA Reserves	(536)	(536)	-	-	
Net Expenditure	-	-	-		

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE EIGHT MONTHS TO 30 NOVEMBER 2017

Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Employee Costs
			The projected underspend in employee costs has decreased by £0.012m since P6 due to the creation of 3 temporary posts, offset by further vacancies.
4,628	(106)	-2%	The underspend of £0.106m reflects expected vacancies for the year. A virement is requested to move this underspend to offset the shortfall in rental income.
(106)			
Note 2			Property Costs
			The projected underspend in property costs has decreased by £0.154m from P6 primarily due to increased voids costs of £0.089m, net of a budgetary adjustment for Aids and Adaptations, and increased expenditure on Infrastructure projects of £0.074m
16,923	(366)	-2%	The underspend of £0.366m reflects an underspend on Voids of £0.384m due to a lower volume and an average 13% price decrease. There are also underspends in Heating Maintenance of £0.361m, Planned Maintenance £0.063m and Sheltered Housing Works of £0.056m. These are offset by additional Asbestos works of £0.566m. A virement is requested to move £0.179m of this underspend to offset the shortfall in rental income.
(366)			
Note 3			Administration Costs
			The projected underspend has increased by £0.037m since P6 due to additional efficiency savings across budget lines
1,609	(60)	-4%	This is due to underspends on membership fees, postages and general efficiency savings across all budget lines
(60)			
Note 4			Capital Financing
			No significant movement
22,920	(630)	(3%)	Capital Financing charges are forecasting an underspend of £0.629m based on the latest cash flow and interest rate projections. This reflects the strategy of taking temporary borrowing rather than permanent borrowing to maximise the financial savings as a result of current market conditions and a reduction in the borrowing required for this year's capital programme.
(630)			
Note 5			Income
			The projected under-recovery has decreased primarily by £0.100m since P6 due to increased council house rents of £0.039m and increased tenant charges of £0.061m
(48,793)	1,200	(2%)	There is an under-recovery of Council house rent income of £1.207m mainly due to increased council house sales. There was also slippage and amendments to new build properties available to rent and 23 protracted voids from sheltered housing decants. This is offset by additional income and recharges of £0.007m. A virement of £0.914m is requested from underspends in expenditure budgets above to cover the shortfall in rental income.
1,200			

HRA reserves and balances	B/fwd from 2016/17	Period 8 Revenue	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Balance at 31/03/18
	£m	£m	£m	£m	£m	£m
Council House Building Fund	8.082	-	0.156	-	-	8.238
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Sheltered Housing Unit Works	0.156	-	(0.156)	-	-	0.000
Infrastructure Improvements	0.613	-	(0.236)	-	-	0.377
Major Refurbishment Works	0.762	-	(0.300)	-	-	0.462
Tarryholme	1.091	-	-	-	-	1.091
Uncommitted Balance	-	-	-	-	-	-
	14.704	-	(0.536)	-	-	14.168

NORTH AYRSHIRE COUNCIL
23 January 2018**Cabinet**

Title:	Capital Programme Performance to 30 November 2017
Purpose:	To advise Cabinet of progress in delivering the Capital Investment Programme as at 30 November 2017.
Recommendation:	Agree to (a) approve the revisions to budgets outlined in the report; and (b) note (i) the General Services and HRA expenditure and revised budgets to 30 November 2017; and (ii) the forecast of expenditure to 31 March 2018.

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 1 March 2017. The General Services capital programme approval covered a revised capital investment programme to 2025/26. The HRA approved capital budget for 2017/18 sits within the 30 years Housing Business Plan.
- 1.2 This report identifies the current programme for 2017/18, taking account of adjustments made to the initial budgets. The report advises of actual expenditure to 30 November 2017 and forecast expenditure to 31 March 2018.
- 1.3 At Period 8 the General Fund is forecasting a projected outturn of £45.586m against a budget of £46.093m, an increase of £2.192m from that reported at Period 6. HRA is forecasting a projected outturn of £27.246m against a budget of £29.408m, a reduction of £1.917m 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

2.1 The table below outlines the movements in the 2017/18 General Services budget:-

	2017/18 £m
Budget approved as at 30 September 2017	43.745
a) Additional Funding	3.115
Revised Programme Budget	46.860
a) Alterations to phasing of projects:- 2017/18 to 2018/19	(1.138)
2018/19 to 2017/18	0.535
c) Revisions to the Programme	(0.164)
Budget as at 30 November 2017	46.093

2.2 (a) **Additional Funding**

The capital programme has been updated to reflect a number of awards of external/additional funding, including NAVT funding of £3.160m in respect of the Irvine Enterprise Area. In addition, £0.750m of additional funding from Historic Environment Scotland in relation to the Millport CARS programme has been confirmed and has been profiled across future years in line with the current project plan.

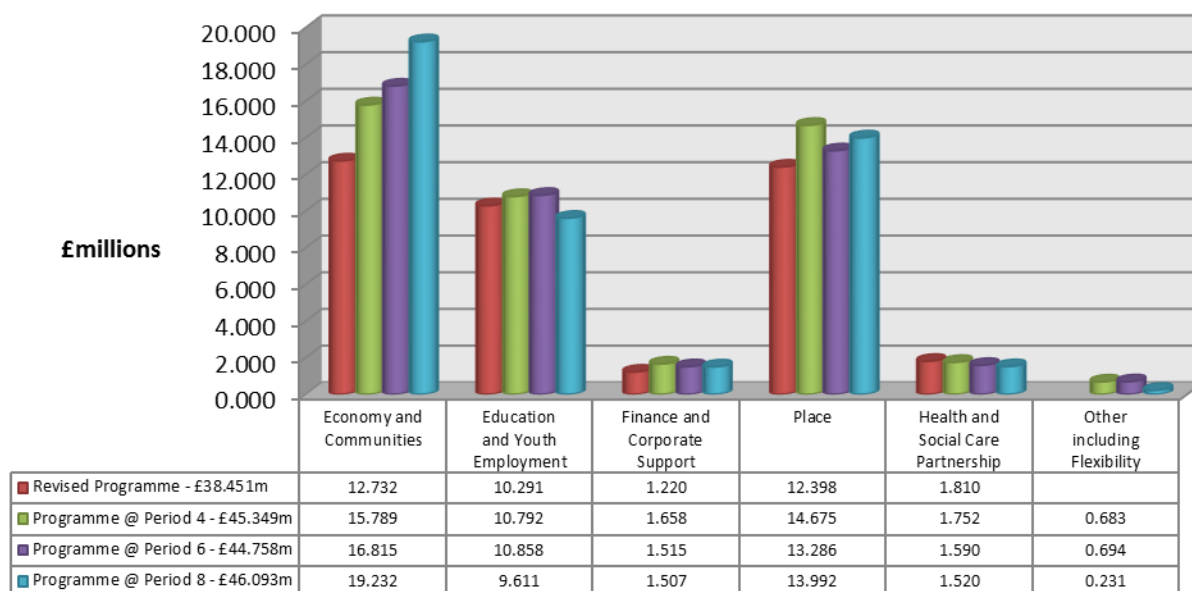
(b) **Alterations to the Phasing of Projects**

Projects have been reprofiled into future years to reflect the revisions to budgets approved by Cabinet on 14 November 2017. In addition, a number of projects have been reprofiled into future years to reflect current programme plans, including £0.617m related to the Irvine Enterprise Area and £0.265m in respect of the Auchenharvie Secondary Estate. These have been partly offset by £0.535m of accelerated expenditure which has been reprofiled from 2018/19 in relation to the Property Lifecycle Investment programme.

(c) **Revisions to the Programme**

The capital programme has been updated to reflect minor adjustments to planned capital funded from current revenue and expenditure reclassified as revenue, including £0.150m in respect of Ardrossan Harbour.

2.3 The graph below illustrates the movement in each programme on a service basis compared to the revised programme.



Net adjustments of £7.642m have been made to the revised Capital Investment Programme, including:-

- Additional Funding, £5.650m;
- Projects carried forward from 2016/17, £6.133m;
- Net reprofiling of projects to future years, (£4.647m); and
- Net revisions to the programme, £0.506m, including the purchase of Mackintosh Place Depot as a spend to save initiative.

2.4 Capital Expenditure to 30 November 2017

Actual expenditure to 30 November 2017 (Period 8) amounted to £19.625m or 42.6% (compared to anticipated expenditure of £17.758m or 38.5%) of the revised annual budget for 2017/18 of £46.093m.

The projections are summarised by service in the table below:

	Revised Budget 2017/18	Projected Expenditure / Income to 31 March 2018	Projected Variance Over / (Under)	True Over / (Under) Spend	Net Carry Forward to 2018/19
<u>Service</u>	£000's	£000's	£000's	£000's	£000's
<u>Expenditure</u>					
Economy and Communities	19,232	19,174	(58)	17	(75)
Education and Youth Employment	9,611	9,925	314	(51)	365
Finance and Corporate Support	1,507	1,510	3	-	3
Place	13,992	13,867	(125)	(5)	(120)
Health and Social Care Partnership	1,520	1,110	(410)	-	(410)
Other including Flexibility	231	-	(231)	(231)	-
Total Expenditure	46,093	45,586	(507)	(270)	(237)
<u>Income</u>					
General Capital Grant	(31,189)	(31,189)	-	-	-
Specific Capital Grant	(2,927)	(2,927)	-	-	-
Use of Reserve Funds	(1,946)	(1,716)	230	-	230
Capital Funded from Current Revenue	(808)	(808)	-	-	-
Capital Receipts	(1,892)	(1,984)	(92)	-	(92)
Other Grants & Contributions	(6,933)	(6,962)	(29)	-	(29)
Prudential Borrowing	(398)	-	398	270	128
Total Income	(46,093)	(45,586)	507	270	237

2.5 An underspend of £0.507m is projected within the programme of which £0.237m is required to be carried forward to 2018/19. This reflects the latest programme information from services. The approved budget will be updated to reflect these changes. The projected variances are mainly related to:-

- Economy and Communities – delay at the Abbey Tower (£0.075m) pending an application for additional funding from Historic Environment Scotland;
- Education and Youth Employment – reprofiling of work Auchenhavrie Secondary Estate (£0.410m) with funding brought from 2018/19, partly offset by minor reprofiling of works at the Irvine Royal (£0.073m).
- Place – an underspend on the Solar PV Retrofit programme (£0.120m) which will be carried forward to support future projects.
- Health and Social Care Partnership – reprofiling of Improvement Grants (£0.410) to support future grant claims.

A true underspend of £0.270m is currently forecast within the programme. These movements result in a revised capital programme at 30 November 2017 of £45.856m for 2017/18.

- 2.6 Information on the progress of all projects and explanations for the carry forwards can be found in Appendix 1.
- 2.7 The current projections on funding, elements of which are related to the profile of expenditure reported above, is summarised below;
- The utilisation of £0.230m of Capital Fund reserves being deferred to future years; and
 - Reduced Prudential Borrowing of £0.398m with £0.128m being deferred to future years.

Housing Revenue Account

- 2.8 There have been no movements in the 2017/18 HRA Capital budget of £29.408m since period 6.

Capital Expenditure

- 2.9 Actual expenditure to 30 November (Period 8) amounted to £13.961m or 47.5% (compared to anticipated expenditure of £19.606m or 66.7%) of the revised annual budget for 2017/18 of £29.408m.

	Revised Budget 2017/18	Projected Expenditure / Income to 31 March 2018	Projected Variance Over / (Under)	True Over / (Under) Spend	Net Carry Forward to 2018/19
	£000's	£000's	£000's	£000's	£000's
<u>Service</u>					
Expenditure					
Housing Revenue Account	29,408	27,246	(2,162)	(384)	(1,778)
Total Expenditure	29,408	27,246	(2,162)	(384)	(1,778)
<u>Income</u>					
Sale of Council Houses	-	(899)	(899)	(899)	-
Sale of Assets	-	(1)	(1)	(1)	-
CFCR	(15,080)	(15,080)	-	-	-
Capital Grants	(4,150)	(4,337)	(187)	(187)	-
Contribution from House Build Fund	(494)	(494)	-	-	-
Other Income - House Building	(212)	(160)	52	-	52
Affordable Housing Contribution	(838)	(952)	(114)	(114)	-
Prudential Borrowing	(8,634)	(5,323)	3,311	1,585	1,726
Total Income	(29,408)	(27,246)	2,162	384	1,778

2.10 Current projections are forecasting a reduction to expenditure of £2.162m at 31 March 2018 of which £1.778m is required to be carried forward to 2018/19. The projected variances are mainly related to:

- Underspends on the new build programme at Fencedyke and the refurbishment of Robert W Service Court;
- Slippage in the new build programmes at Canal Court and Dickson Drive;
- A review of suitable projects within the Window Replacement programme;
- Inability to access properties to enable work to be progressed within the Central Heating and Electrical Re-wiring programmes.

These are partly offset by a projected overspend on the kitchen programme following an increase in uptake by tenants.

A true underspend of £0.384m is currently forecast within the programme and is available to support other projects within the HRA Capital Investment Programme. These movements result in a revised capital programme at 30 November 2018 of £27.630m for 2017/18.

2.11 The current projections on funding, elements of which are related to the profile of expenditure reported above, is summarised below;

- Additional Capital Receipts from the sale of Council Houses, (£0.899m);
- Additional Scottish Government Grants in relation to House Building, (£0.187m); and
- Reduced Prudential Borrowing of £3.311m with £1.726m being deferred to future years.

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 2.5 and Appendix 1; and (b) note (i) the actual expenditure and revised budget to 30 November 2017 and (ii) the forecast of expenditure to 31 March 2018.

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 Appendix 2; and (b) note the actual expenditure and revised budget to 30 November 2017 and (ii) the forecast of expenditure to 31 March 2018.

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
Children and Young People:	None
Environmental & Sustainability:	None
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:	

5. Consultation

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



LAURA FRIEL
Executive Director (Finance and Corporate Support)

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




Background Papers

Capital Programme Performance to 30 September 2017 - Cabinet 14 November 2017

North Ayrshire Council
Capital Statement 2017/18
Year Ended 31st March 2018

Period 8											
Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18						
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31st March 2018	Actual Over/ (Under) Spend for 2017/18	True Over/ (Under) Spend	Carry Forward to 2018/19
	£	£	£	£	£	£	£	£	£	£	£
EXPENDITURE											
Economy & Communities											
Regeneration	36,897,402	10,329,743	36,905,918	8,516	14,759,276	5,853,847	7,337,419	14,767,792	8,516	8,516	0
Strategic Planning & Infrastructure	9,157,817	4,980,847	9,157,817	0	3,363,670	224,033	234,700	3,363,670	0	0	0
Sport & Activity	22,235,168	21,853,564	22,235,168	0	689,356	232,270	307,752	689,356	0	0	0
Information & Culture	648,132	5,089	648,132	0	172,844	4,578	4,802	97,646	(75,198)	0	(75,198)
Completed Projects	1,756,998	1,686,337	1,765,583	8,585	247,129	206,310	218,678	255,714	8,585	8,585	0
SUB TOTAL	70,695,516	38,855,581	70,712,617	17,101	19,232,275	6,521,038	8,103,350	19,174,178	(58,097)	17,101	(75,198)
Education & Youth Employment											
Nursery Education	5,490,021	95,710	5,490,021	0	752,448	1,005	4,855	756,298	3,850	0	3,850
Primary Schools	14,174,100	11,085,068	14,174,100	0	128,939	12,144	13,528	128,939	0	0	0
Secondary Schools	87,608,260	44,263,618	87,608,260	0	7,381,445	1,786,193	2,387,548	7,742,528	361,083	0	361,083
Special Education	25,056,000	61,855	25,056,000	0	233,125	2,587	14,980	233,125	0	0	0
Completed Projects	2,433,065	2,433,065	2,382,000	(51,065)	1,115,188	1,020,813	931,894	1,064,123	(51,065)	(51,065)	0
SUB TOTAL	134,761,446	57,756,023	134,710,381	(51,065)	9,611,145	2,822,742	3,352,806	9,925,013	313,868	(51,065)	364,933
Finance & Corporate Support											
Financial Services	277,909	229,875	277,909	0	19,491	7,516	7,515	19,491	0	0	0
Information Technology	1,553,840	770,865	1,553,840	0	543,720	167,580	260,745	546,974	3,254	0	3,254
Council IT Strategy	3,007,963	1,439,899	3,007,963	0	680,091	376,803	337,028	680,091	0	0	0
Completed Projects	1,209,749	1,174,401	1,209,749	0	263,736	227,765	228,388	263,736	0	0	0
SUB TOTAL	6,049,461	3,615,040	6,049,461	0	1,507,038	779,664	833,675	1,510,292	3,254	0	3,254
Health & Social Care											
Management & Support	683,919	436,417	683,919	0	220,945	50,000	43,443	220,945	0	0	0
Housing Non HRA	949,046	388,142	949,046	0	949,046	549,200	388,142	539,000	(410,046)	0	(410,046)
Older People	4,479,000	113,038	4,479,000	0	350,000	22,446	48,238	350,000	0	0	0
SUB TOTAL	6,111,965	937,597	6,111,965	0	1,519,991	621,646	479,824	1,109,945	(410,046)	0	(410,046)
Place											
Roads	34,937,835	7,576,576	34,937,835	0	6,048,712	2,789,269	2,593,838	6,048,712	0	0	0
Office Accommodation	2,138,306	1,399,806	2,138,306	0	2,138,306	1,366,848	1,399,806	2,138,306	0	0	0
Other Property	1,212,081	821,933	1,212,081	0	854,874	462,206	464,726	854,874	0	0	0
Housing Non HRA	33,800	27,891	33,800	0	20,000	0	14,091	20,000	0	0	0
Streetscene	703,481	24,812	703,481	0	703,481	0	24,812	703,481	0	0	0
Transport	2,076,045	1,428,836	2,076,045	0	2,076,045	1,441,000	1,428,836	2,076,045	0	0	0
Waste Services	14,402,485	13,433,848	14,402,485	0	617,943	161,307	161,306	617,943	0	0	0
Renewable Energy	76,581	51,018	76,581	0	25,563	0	0	25,563	0	0	0
Completed Projects	25,060,622	24,318,823	25,054,638	(5,984)	1,507,343	791,811	768,119	1,381,359	(125,984)	(5,984)	(120,000)
SUB TOTAL	80,641,237	49,083,543	80,635,253	(5,984)	13,992,267	7,012,441	6,855,534	13,866,283	(125,984)	(5,984)	(120,000)
Other											
Other	230,495	0	0	(230,495)	230,495	0	0	0	(230,495)	(230,495)	
SUB TOTAL	230,495	0	0	(230,495)	230,495	0	0	0	(230,495)	(230,495)	0
Total Project Expenditure	298,490,119	150,247,784	298,219,676	(270,443)	46,093,211	17,757,531	19,625,188	45,585,711	(507,500)	(270,443)	(237,057)
Total Project Income					(46,093,211)	(27,207,735)	(27,207,735)	(45,585,711)	507,500	270,443	237,057
Total Net Expenditure					0	(9,450,204)	(7,582,547)	0	0	0	0

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

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

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

- 
- 
- 

Capital Programme Funding 2017/18

Funding Description	Approved Budget	Carry Forward from 2016/17	Additional Funds Awarded 2017-18	Approved Revisions to Programme	Total Revised Budget 2017/18	Actual Income to 30 November 2017	Projected Income to 31st March 2018	Over/ (Under) Recovery for 2017/18
	£	£		£	£	£	£	£
CAPITAL BORROWING								
Prudential Borrowing	2,889,745	729,586	0	(3,221,583)	397,748	0	0	(397,748)
SUB TOTAL	2,889,745	729,586	0	(3,221,583)	397,748	0	0	-397,748
SCOTTISH GOVERNMENT FUNDING								
Specific Capital Grants								
Chargeplace Scotland Network			0		0	(15,520)	0	0
Cycling / Walking /Safer Streets	188,000	150,000		0	338,000	150,000	338,000	0
Vacant & Derelict Land Funding	1,750,000	839,065	0		2,589,065	2,153,065	2,589,065	0
Capital Grants						0		0
General Capital Grant	30,448,000	0	741,000	0	31,189,000	21,041,000	31,189,000	0
SUB TOTAL	32,386,000	989,065	741,000	0	34,116,065	23,328,545	34,116,065	0
OTHER INCOME TO PROGRAMME								
Use of Funds :-								
Capital Fund	450,000	1,617,309	0	-566,955	1,500,354	0	1,270,363	(229,991)
Change & Service Redesign Fund	142,320	31,904	0	271,432	445,656	0	445,656	0
CFCR	453,058	94,123	65,000	196,358	808,539		808,539	0
Grants & Contributions	1,290,000	1,642,793	6,964,822	(2,964,843)	6,932,772	2,066,146	6,961,776	29,004
Capital Receipts	840,000	1,043,077	0	9,000	1,892,077	1,813,044	1,983,312	91,235
SUB TOTAL	3,175,378	4,429,206	7,029,822	(3,055,008)	11,579,398	3,879,190	11,469,646	(109,752)
TOTAL CAPITAL PROGRAMME FUNDING	38,451,123	6,147,857	7,770,822	(6,276,591)	46,093,211	27,207,735	45,585,711	(507,500)

ECONOMY & COMMUNITIES

CAPITAL MONITORING 2017/18

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£			
ECONOMIC GROWTH														
Regeneration														
IRVINE ENTERPRISE AREA *	6,350,593	5,431,717	6,350,593	0	6,350,593	3,807,593	5,431,717	6,350,593	0		0			
TOWN CENTRE REGENERATION	1,936,017	704,922	1,936,017	0	0	0	9,706	0	0		0			
IRVINE HIGH STREET	2,780,000	82,661	2,780,000	0	350,000	82,661	82,661	350,000	0		0			Spend assumes NAVT approval and Contractor appointment in Jan 2018
LARGS MASTERPLAN	341,626	29,771	341,626	0	335,000	20,103	23,145	335,000	0		0			
KILBIRNIE CARS (KNOX INST)	240,000	0	240,000	0	240,000	0	0	240,000	0		0			
MILLPORT CARS	400,000	0	400,000	0	0	0	0	0	0		0			
MONTGOMERIE PARK MASTERPLAN	1,645,680	1,529,353	1,645,680	0	144,153	3,990	27,826	144,153	0		0		On Hold	Project on hold at present - part of Capital Plan Refresh
PENNYBURN ROUNDABOUT	2,000,000	0	2,000,000	0	0	0	0	0	0		0			
Ayrshire Growth Deal	9,000,000	0	9,000,000	0	0	0	0	0	0		0			
Quarry Road Phase 1	2,977,098	2,077,773	2,985,614	8,516	2,334,626	1,685,301	1,435,301	2,343,142	8,516	8,516	0			
Lochshore, Kilbirnie	298,000	47,550	298,000	0	268,000	42,550	42,550	268,000	0		0			
Irvine Kyle Road Site Prep	955,642	102,335	955,642	0	907,203	36,295	53,896	907,203	0		0			
Moorpark Road West	430,946	323,245	430,946	0	337,901	175,354	230,200	337,901	0		0			Final part of scheme is to incorporate fitness equipment - delays will result in project being completed Feb/ March 2018
COMMUNITY INVESTMENT FUNDS	2,162,000	0	2,162,000	0	2,162,000	0	0	2,162,000	0		0			
ARDROSSAN HARBOUR	650,000	0	650,000	0	50,000	0	0	50,000	0		0			
STONEYHOLM MILL	70,800	416	70,800	0	70,800	0	416	70,800	0		0			
Ardrossan North Shore	50,000	0	50,000	0	50,000	0	0	50,000	0		0			Spend estimated to be reduced to £10k - awaiting approval from SG to re-assign budget
Quarry Road Phase 2	4,440,000	0	4,440,000	0	990,000	0	0	990,000	0		0			
Gas Works (Dalry)	90,000	0	90,000	0	90,000	0	0	90,000	0		0			
McDowall Place, Ardrossan	79,000	0	79,000	0	79,000	0	0	79,000	0		0			
Total Regeneration	36,897,402	10,329,743	36,905,918	8,516	14,759,276	5,853,847	7,337,419	14,767,792	8,516	8,516	0			

ECONOMY & COMMUNITIES

CAPITAL MONITORING 2017/18

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
Strategic Planning & Infrastructure														
CYCLING/WALKING/SAFER STREETS	1,219,796	83,796	1,219,796	0	338,000	0	0	338,000	0		0			
ACCESS PATH NETWORK PROGRAMME	6,829,367	4,794,762	6,829,367	0	2,014,890	218,765	230,285	2,014,890	0		0			
CAR PARK STRATEGY	327,253	108,042	327,253	0	229,379	5,268	10,168	229,379	0		0			
IRVINE ACTIVE TRAVEL HUB	511,401	0	511,401	0	511,401	0	0	511,401	0		0			
BUS CORRIDOR IMPROVEMENTS	70,000	(5,753)	70,000	0	70,000	0	(5,753)	70,000	0		0			
BUS ROUTE CONGESTION	200,000	0	200,000	0	200,000	0	0	200,000	0		0			
Total Strategic Planning & Infrastructure	9,157,817	4,980,847	9,157,817	0	3,363,670	224,033	234,700	3,363,670	0	0	0			
CONNECTED COMMUNITIES														
Sports & Activity														
IRVINE LEISURE CENTRE	22,235,168	21,853,564	22,235,168	0	689,356	232,270	307,752	689,356	0		0			Additional costs of the Portal including settlement of the agreed final account.
Total Sports & Activity	22,235,168	21,853,564	22,235,168	0	689,356	232,270	307,752	689,356	0	0	0			
Information & Culture														
COMMUNITY DEVELOPMENT FUND	0	0	0	0	0	0	0	0	0	0	0	Holding Code	Holding Code	
CASTLES & HISTORIC MONUMENTS	563,132	0	563,132	0	88,132	0	0	88,132	0		0		On Hold	To be reviewed as part of capital refresh September 2017
ABBEY TOWER	85,000	5,089	85,000	0	84,712	4,578	4,802	9,514	(75,198)		(75,198)	On Hold	On Hold	Scope of works greater than budget available. E & C applying for additional funding to HES.
Total Information & Cultural	648,132	5,089	648,132	0	172,844	4,578	4,802	97,646	(75,198)	0	(75,198)			

ECONOMY & COMMUNITIES

CAPITAL MONITORING 2017/18

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
Completed Projects														
PURCHASE OF STRATEGIC ASSETS	1,113,417	1,071,207	1,113,417	0	1,280	1,270	1,280	1,280	0		0	Complete	Complete	
Biomass Supply Chain	28,000	30,440	28,000	0	27,960	21,848	30,400	27,960	0		0		Complete	
Greenwood Interchange	139,295	105,349	139,295	0	119,380	84,683	85,434	119,380	0		0		Complete	
HAWKHILL ROUNDABOUT *	0	(1,187)	0	0	0	0	(1,187)	0	0		0		Complete	
LARGS SPORTS DEVELOPMENT	299,276	299,276	299,276	0	2,941	2,941	2,941	2,941	0		0	Complete	Complete	
ST BRIDE'S CHAPEL, ARRAN	177,009	181,251	185,594	8,585	95,568	95,568	99,810	104,153	8,585	8,585	0		Complete	£3,658 also required in 18/19 for retention
Total Completed Projects	1,756,998	1,686,337	1,765,583	8,585	247,129	206,310	218,678	255,714	8,585	8,585	0			
Total Economy & Communities	70,695,516	38,855,581	70,712,617	17,101	19,232,275	6,521,038	8,103,350	19,174,178	(58,097)	17,101	(75,198)			

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

CAPITAL MONITORING 2017/18

EDUCATION & YOUTH EMPLOYMENT

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£			
Nursery Education														
EARLY LEARNING & CHILDCARE	2,250,314	0	2,250,314	0	751,443	0	0	751,443	0		0	Holding Code	Holding Code	
DYKESMAINS PRIMARY SCHOOL NURSERY ADAPTS	1,239,707	94,705	1,239,707	0	0	0	3,850	3,850	3,850		3,850	✔	On hold	Project on hold at present - part of Capital Plan Refresh
ANNICK PRIMARY EXT - EARLY YRS PROVISION	2,000,000	1,005	2,000,000	0	1,005	1,005	1,005	1,005	0		0	✔	✔	
Total Nursery Education	5,490,021	95,710	5,490,021	0	752,448	1,005	4,855	756,298	3,850	0	3,850			
Primary Schools														
ELDERBANK PS	11,174,100	11,058,688	11,174,100	0	126,795	10,000	11,384	126,795	0	0	0	✔	✔	
MOORPARK PRIMARY EXTENSION	3,000,000	26,380	3,000,000	0	2,144	2,144	2,144	2,144	0		0	✔	On Hold	Project on hold at present - part of Capital Plan Refresh
Total Primary Education	14,174,100	11,085,068	14,174,100	0	128,939	12,144	13,528	128,939	0	0	0			
Secondary Schools														
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVT	2,367,890	536,225	2,367,890	0	1,008,639	174,099	489,850	1,418,512	409,873		409,873	✔	✔	Programme of works amended following contract award
AUCHENHARVIE PE WORKS	2,173,932	19,772	2,173,932	0	305,922	0	19,772	305,922	0		0	✔	✔	
KILWINNING LEARNING ENVIRONMENT	2,670,609	0	2,670,609	0	10,750	0	0	34,500	23,750		23,750	✔	✔	
IRVINE ROYAL/COLLEGE ADAPTS	2,269,412	1,887,641	2,269,412	0	948,869	326,249	567,097	876,329	(72,540)		(72,540)	✔	✔	Additional works to the 4th floor corridor will now be undertaken in Summer 2018
GARNOCK CAMPUS	41,824,147	40,007,140	41,824,147	0	2,861,576	1,038,062	1,044,570	2,861,576	0		0	✔	Complete	
LARGS ACADEMY	4,712,270	1,812,840	4,712,270	0	2,245,689	247,783	266,260	2,245,689	0		0	✔	✔	
ARDROSSAN NEW BUILD	31,590,000	0	31,590,000	0	0	0	0	0	0			✔	✔	
Total Secondary Education	87,608,260	44,263,618	87,608,260	0	7,381,445	1,786,193	2,387,548	7,742,528	361,083	0	361,083			
Special Education														
NEW BUILD ASN SCHOOL	25,056,000	61,855	25,056,000	0	233,125	2,587	14,980	233,125	0		0	✔	✔	
Total Special Education	25,056,000	61,855	25,056,000	0	233,125	2,587	14,980	233,125	0	0	0			

CAPITAL MONITORING 2017/18

EDUCATION & YOUTH EMPLOYMENT

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
Completed Projects														
HAYOCKS PRIMARY SCHOOL NURSERY ADAPTS	208,862	207,138	208,862	0	2,062	0	338	2,062	0		0	✔	Complete	
GLENCAIRN PRIMARY SCHOOL NURSERY ADAPTS	101,273	100,573	101,273	0	700	0	0	700	0		0	✔	Complete	
LOUDON MONT PRIMARY SCHOOL NURSERY ADAPTS	734,330	586,659	691,236	(43,094)	449,416	393,170	301,745	406,322	(43,094)	(43,094)	0	✔	Complete	
WEST KILBRIDE PRIMARY SCHOOL NURSERY ADAPTS	29,011	28,295	29,011	0	716	0	0	716	0		0	✔	Complete	
WHITLEES COMM CTR NURSERY ADAPTS	151,820	147,736	151,820	0	4,194	0	110	4,194	0		0	✔	Complete	
CASTLEPARK PRIMARY - REMODELLING	122,334	114,363	114,363	(7,971)	23,462	7,552	15,491	15,491	(7,971)	(7,971)	0	✔	Complete	
KILWINNING ESTATE SECONDARY PITCH	679,391	664,843	679,391	0	634,638	620,091	620,090	634,638	0		0	✔	Complete	
LEARNING ACADEMY AUCHENHARVIE	406,045	400,164	406,045	0	0	0	(5,881)	0	0		0	✔	Complete	
Total Completed Projects	2,433,065	2,249,771	2,382,000	(51,065)	1,115,188	1,020,813	931,894	1,064,123	(51,065)	(51,065)	0			
Total Education & Skills	134,761,446	57,756,023	134,710,381	(51,065)	9,611,145	2,822,742	3,352,806	9,925,013	313,868	(51,065)	364,933			

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

CAPITAL MONITORING 2017/18

FINANCE & CORPORATE SUPPORT

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£			
Financial Services														
DEFIBRILLATORS	157,231	145,255	157,231	0	19,491	7,516	7,515	19,491	0		0			Original project complete. Additional new streams now coming online.
CAREFIRST IT SYSTEM	120,678	84,620	120,678	0	0	0	0	0	0		0			
Total Financial Services	277,909	229,875	277,909	0	19,491	7,516	7,515	19,491	0	0	0			
Information Technology														
PC REPLACEMENT/VIRTUAL DESKTOP *	182,235	9,127	182,235	0	182,235	50,000	9,127	182,235	0		0			
MICROSOFT OFFICE UPGRADE *	70,000	73,254	70,000	0	70,000	70,000	73,254	73,254	3,254		3,254	Complete	Complete	Project complete for current year
DATA RATIONALISATION & STORAGE	809,617	309,617	809,617	0	147,905	0	147,905	147,905	0		0			
PSN COMPLIANCE	384,000	355,647	384,000	0	35,591	9,591	7,238	35,591	0		0			
AGILE WORKING *	107,989	23,221	107,989	0	107,989	37,989	23,221	107,989	0		0			
Total Information Technology	1,553,840	770,865	1,553,840	0	543,720	167,580	260,745	546,974	3,254	0	3,254			
Council IT Strategy														
WIRELESS ACCESS IN SCHOOLS	480,984	472,313	480,984	0	15,849	7,178	7,178	15,849	0		0			
MANAGED WAN SERVICES	773,583	640,280	773,583	0	135,846	2,625	2,543	135,846	0		0			
SCHOOLS ICT INVESTMENT *	443,963	317,597	443,963	0	443,963	317,000	317,597	443,963	0		0			
BUSINESS CONTINUITY	400,000	0	400,000	0	0	0	0	0	0		0			
INFRASTRUCTURE ENHANCEMENTS *	84,433	9,710	84,433	0	84,433	50,000	9,710	84,433	0		0			
Microsoft Enterprise Agreement	825,000	0	825,000	0	0	0	0	0	0		0			Part of Capital Plan Refresh
Total IT Strategy	3,007,963	1,439,899	3,007,963	0	680,091	376,803	337,028	680,091	0	0	0			
Completed Projects														
FMS SYSTEM	369,690	340,870	369,690	0	224,490	195,670	195,670	224,490	0		0		Complete	
WINDOWS SERVER MIGRATION	840,059	833,531	840,059	0	39,246	32,095	32,718	39,246	0		0		Complete	
Total Completed Projects	1,209,749	1,174,401	1,209,749	0	263,736	227,765	228,388	263,736	0	0	0			
Total Finance & Corporate Support	6,049,461	3,615,040	6,049,461	0	1,507,038	779,664	833,675	1,510,292	3,254	0	3,254			

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

HEALTH & SOCIAL CARE

CAPITAL MONITORING 2017/18

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/(Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£			
Management & Support HOME CARE SYSTEM	433,918	331,598	433,918	0	102,320	0	0	102,320	0		0			
HSCP ICT Investment to Support Integration	250,000	104,818	250,000	0	118,625	50,000	43,443	118,625	0		0			
Total Management & Support	683,919	436,417	683,919	0	220,945	50,000	43,443	220,945	0	0	0			
Housing Non HRA														
IMPROVEMENT GRANTS *	934,046	266,836	934,046	0	934,046	539,000	266,836	524,000	(410,046)		(410,046)			Request for carry forward - claimants have up to a year to spend grant thus making projected costs complex to calculate
CARE & REPAIR	15,000	121,306	15,000	0	15,000	10,200	121,306	15,000	0		0			
Total Housing Non HRA	949,046	388,142	949,046	0	949,046	549,200	388,142	539,000	(410,046)	0	(410,046)			
Older People														
TARRYHOLME	3,608,000	113,038	3,608,000	0	200,000	22,446	48,238	200,000	0		0			
TARRYHOLME DRIVE - WARRIX AVENUE	871,000	0	871,000	0	150,000	0	0	150,000	0		0			
Total Older People	4,479,000	113,038	4,479,000	0	350,000	22,446	48,238	350,000	0	0	0			
Total Health & Social Care	6,111,965	937,597	6,111,965	0	1,519,991	621,646	479,824	1,109,945	(410,046)	0	(410,046)			

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

CAPITAL MONITORING 2017/18

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/ (Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£			
PHYSICAL ENVIRONMENT														
Roads														
ROADS IMPROVE/RECONSTRUCTION *	3,138,000	1,390,308	3,138,000	0	3,138,000	1,390,000	1,390,308	3,138,000	0		0			
B714 UPGRADE	2,065,092	444,789	2,065,092	0	167,129	17,129	17,129	167,129	0		0		On Hold	Project on hold - part of capital refresh
LIGHTING *	958,160	171,205	958,160	0	958,160	307,776	171,205	958,160	0		0			
STREET LIGHTING MAINLAND	3,810,999	3,747,439	3,810,999	0	642,210	515,000	578,650	642,210	0		0			Single additional package of infill unit installations currently ongoing. Will be completed by Feb/Mar 2018
UPPER GARNOCK FPS	17,400,001	1,162,847	17,400,001	0	368,177	33,424	77,106	368,177	0		0			
MILLPORT COASTAL FPS	6,970,000	332,506	6,970,000	0	179,453	104,000	31,959	179,453	0		0			
GARDEN WEIR FISH PATH	35,583	32,851	35,583		35,583	35,583	32,851	35,583	0		0			Structure now complete but delays in installation due to environmental controls placed by SEPA
BRIDGES INFRASTRUCTURE PROG *	560,000	294,629	560,000	0	560,000	386,357	294,629	560,000	0		0			
Total Roads	34,937,835	7,576,576	34,937,835	0	6,048,712	2,789,269	2,593,838	6,048,712	0	0	0			
Office Accommodation														
PROPERTY LIFECYCLE INVESTMENT *	2,138,306	1,399,806	2,138,306	0	2,138,306	1,366,848	1,399,806	2,138,306	0	0	0			
Total Office Accommodation	2,138,306	1,399,806	2,138,306	0	2,138,306	1,366,848	1,399,806	2,138,306	0	0	0			
Other Property														
INDUSTRIAL PORTFOLIO *	212,081	83,843	212,081	0	212,081	83,843	83,843	212,081	0		0			
SALTCOATS PUBLIC REALM	1,000,000	738,090	1,000,000	0	642,793	378,363	380,883	642,793	0	0	0			
Total Property	1,212,081	821,933	1,212,081	0	854,874	462,206	464,726	854,874	0	0	0			
Housing Non HRA														
CCTV GENERAL	33,800	27,891	33,800	0	20,000	0	14,091	20,000	0		0			
Total Housing Non HRA	33,800	27,891	33,800	0	20,000	0	14,091	20,000	0	0	0			
Streetscene														
CEMETERY EXTNS, WALLS & INFRA *	699,125	20,456	699,125	0	699,125	0	20,456	699,125	0		0	Holding Code	Holding Code	
KILBIRNIE CEMETERY	4,356	4,356	4,356	0	4,356	0	4,356	4,356	0		0			
Total Streetscene	703,481	24,812	703,481	0	703,481	0	24,812	703,481	0	0	0			

CAPITAL MONITORING 2017/18

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/ (Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
Transport														
VEHICLES *	2,076,045	1,428,836	2,076,045	0	2,076,045	1,441,000	1,428,836	2,076,045	0		0			
Total Transport	2,076,045	1,428,836	2,076,045	0	2,076,045	1,441,000	1,428,836	2,076,045	0	0	0			
Waste Services														
SHEWALTON LANDFILL	14,402,485	13,433,848	14,402,485	0	617,943	161,307	161,306	617,943	0		0			
Total Waste Services	14,402,485	13,433,848	14,402,485	0	617,943	161,307	161,306	617,943	0	0	0			
Renewable Energy														
RENEWABLE ENERGY PROGRAMME	76,581	51,018	76,581	0	25,563	0	0	25,563	0		0	Holding code	Holding code	
Total Renewable Energy	76,581	51,018	76,581	0	25,563	0	0	25,563	0	0	0			
Completed Projects														
LAMLASH GREEN COASTAL PROTECTION	95,000	53,227	95,000	0	94,929	94,929	53,156	94,929	0		0		Complete	
BANNOCH BURN KILW'G FLOOD WORK	225,000	227,252	227,252	2,252	88,369	88,369	90,621	90,621	2,252	2,252	0	Complete	Complete	
BRIDGEGATE HOUSE REFURB	9,614,276	9,604,920	9,605,344	(8,932)	10,627	1,270	1,270	1,695	-8,932	-8,932	0		Complete	
CUNNINGHAME HOUSE PHASE 2	1,177,471	1,176,278	1,177,471	0	1,193	0	0	1,193	0		0		Complete	
CUNNINGHAME HOUSE PHASE 3-4	2,138,040	2,059,635	2,138,040	0	54,045	308	-24,360	54,045	0		0		Complete	
RECORDS UNIT REPLACEMENT	252,919	252,918	253,228	309	4,058	0	4,058	4,367	309	309	0	Complete	Complete	
CUNNINGHAME HOUSE PHASE 5	665,530	658,530	665,530	0	7,067	0	67	7,067	0		0		Complete	
CORP ASSET MANAGEMENT SYSTEM	86,392	86,973	86,973	581	10,257	0	10,838	10,838	581	581	0	Complete	Complete	
SALTCOATS TOWN HALL	3,770,148	3,418,590	3,770,148	0	178,475	-173,966	-173,084	178,475	0		0		Complete	
MACKINTOSH PLACE	450,000	464,550	464,550	14,550	450,000	450,000	464,550	464,550	14,550	14,550	0	Complete	Complete	
SKELMORLIE CEMETERY WALL	132,648	131,940	132,648	0	3,158	3,158	2,449	3,158	0		0		Complete	
LAMLASH CEMETERY EXTENSION	23,138	23,138	23,138	0	7,307	4,077	7,307	7,307	0		0	Complete	Complete	
KILWINNING CEMETERY	50,169	47,385	50,645	476	46,319	43,535	43,535	46,795	476	476	0		Complete	
ARDROSSAN CEMETERY WORKS	146,461	145,466	146,461	0	995	0	0	995	0		0		Complete	
DREGHORN CEMETERY	2,145	2,145	2,145	0	2,145	2,145	2,145	2,145	0		0	Complete	Complete	
OLD BARONY CEMETERY WORKS	66,541	60,836	66,541	0	5,705	0	0	5,705	0		0		Complete	
LYCH GATE, LOCHRANZA, ARRAN	32,230	27,100	28,060	(4,170)	7,616	2,486	2,486	3,446	-4,170	-4,170	0		Complete	
KNADGERHILL CEMETERY	118,519	101,718	118,496	(23)	115,944	108,780	101,718	115,921	-23	-23	0		Complete	
BEITH AULD KIRK	261,153	207,931	262,423	1,270	261,153	175,307	207,931	262,423	1,270	1,270	0		Complete	
SOLAR PV RETROFIT PROGRAMME	1,864,516	1,855,328	1,864,516	0	11,376	2,188	2,188	11,376	0		0		Complete	
BIOMASS RETROFIT PROGRAMME	3,383,870	3,340,805	3,383,870	0	14,308	-10,775	-28,757	14,308	0	0	0		Complete	

PLACE

CAPITAL MONITORING 2017/18

Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18							DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Year to Date Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Actual Over/ (Under) Spend for 17/18	True Over/ (Under) Spend	Carry Forward to 2018/19	Delivery Status Financial	Delivery Status Physical	
SOLAR PV RETROFIT EXTENSION	120,000	0	120,000	0	120,000	0	0	0	-120,000		-120,000	Complete	Complete	Budget requested to be carried forward for future projects
SOLAR ARRAYS	200,001	187,704	187,704	(12,297)	12,297	0	0	0	-12,297	-12,297	0	Complete	Complete	
ICT WASTE MANAGEMENT SYS	184,454	184,454	184,454	0	0	0	0	0	0		0	Complete	Complete	
Total Completed Projects	25,060,622	24,318,823	25,054,638	(5,984)	1,507,343	791,811	768,119	1,381,359	(125,984)	(5,984)	(120,000)			
Total Place	80,641,237	49,083,543	80,635,253	-5,984	13,992,267	7,012,441	6,855,534	13,866,283	-125,984	-5,984	-120,000			

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

Other Budgets								
Project Description	TOTAL PROJECT				CURRENT YEAR 2017/18			
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2017/18	Actual Expenditure to 30 November 2017	Projected Expenditure to 31 March 2018	Over/ (Under) Spend for 17/18
	£	£	£	£	£	£	£	£
FLEXIBILITY	230,495	0	0	(230,495)	230,495	0	0	(230,495)
Total Other Budgets	230,495	0	0	(230,495)	230,495	0	0	(230,495)

**HRA Capital Statement
For Year Ended 31 March 2018**

Description	Budget Approved 01 March 2017	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised Budget 2017/18	Year to Date Budget	Actual expenditure/ income to 30 November 2017	Projected Spend to 31/03/2018	Projected Year End Variance	Carry forward to 18/19	True underspend	Comments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Council House Build Programme											
Council House Building General	8,832	(1,773)	(6,483)	576	384	3	576	-	-	-	
Acquisition Of Houses On Open Market	400	483	-	883	589	565	883	-	-	-	
New Build Fencedyke	-	1,703	-	1,703	1,135	1,329	1,490	(213)	-	(213)	Account now being finalised and projected underspend noted.
New Build Dickson Drive Phase 1	-	-	-	-	-	(199)	-	-	-	-	
New Build Montgomery Court	-	-	-	-	-	(23)	7	-	-	7	
New Build Glencairn House SHU	3,540	849	-	4,389	2,926	2,325	4,389	-	-	-	
New Build Canal Court SHU	6,330	(166)	(2,152)	4,012	2,675	918	3,090	(922)	(922)	-	Reflects revised project plan - anticipated completion October 2018
New Build Dickson Drive Phase 2	-	501	-	501	334	2	100	(401)	(401)	-	Only land purchase and initial fees anticipated for 17/18
New Build Watt Court	4,879	(2)	(4,741)	136	91	61	100	(36)	(36)	-	Completion revised to March 2019 due to change in development plan from Refurbishment to New Build
New Build Sheltered Housing	5,021	-	(5,021)	-	-	-	-	-	-	-	
Total For Council House Build Programme	29,002	1,597	(18,398)	12,201	8,134	4,981	10,636	(1,565)	(1,359)	(206)	
Improvement to Existing Homes - Building Services											
Window Replacement	159	364	-	523	348	100	268	(255)	(255)	-	Underspend arising after review of suitable projects, requested to be carried forward to 18/19
Bathroom Programme	1,944	-	1,426	3,370	2,247	1,685	3,370	-	-	-	
Kitchen Programme	2,200	-	(1,426)	774	516	569	1,052	278	-	278	Overspend reflects costs of take up following the letters to tenants at start of the year, The budget assumes a 55% take up but currently achieving 85%
Total For Improvements to Existing Homes - Building Services	4,303	364	-	4,667	3,111	2,355	4,689	23	(255)	278	
Improvement to Existing Homes - External Contractors											
Central Heating	1,081	407	-	1,488	992	498	1,298	(190)	-	(190)	No Access issues causing underspend in programme. TLO's are exploring initiatives to increase access levels.
Insulated Re-Rendering	1,064	(40)	-	1,023	682	1,120	1,023	-	-	-	
Electrical Rewiring	518	67	-	585	390	363	425	(160)	-	(160)	No Access issues causing underspend in programme. TLO's are exploring initiatives to increase access levels.
Total For Improvements to Existing Homes - External Contractors	2,663	434	-	3,097	2,064	1,980	2,747	(350)	-	(350)	
Refurbishment Schemes											
Refurbishment Schemes	3,526	(2,673)	(853)	-	-	-	120	120	120	-	Revised carry forward to reflect anticipated spend in 17/18 comprising £0.080m for lift refurbishment and £0.040m for an extension.
Refurb Montgomery Court	-	-	-	-	-	(33)	1	1	-	1	
Roofing & Rendering	3,681	(3)	-	3,679	2,453	2,583	3,679	-	-	-	
Infrastructure Improvements	265	(265)	-	-	-	-	-	-	-	-	
Refurb - Robert W Service Ct Sh	-	1,643	-	1,643	1,096	1,410	1,536	(107)	-	(107)	This is now complete. Underspend has been noted.
Refurb - Dickson Court	340	1,395	(933)	802	535	16	750	(52)	(52)	-	Reflects revised project plan - anticipated completion October 2018
Kilwinning Housing Office	212	-	-	212	141	4	160	(52)	(52)	-	Work will start in February 2017 with completion in 18/19.
Connell Court	-	1,366	(1,266)	100	67	-	20	(80)	(80)	-	Only initial fees anticipated in 17/18, revised start date June 2018.
Total For Refurbishment Schemes	8,025	1,464	(3,052)	6,436	4,291	3,980	6,266	(170)	(64)	(106)	
Other Capital Works											
Energy Efficiency Standard	1,061	-	-	1,061	707	448	1,061	-	-	-	
Other Capital Works	273	534	-	808	538	218	708	(100)	(100)	-	Carry Forward requested for Asbestos Works which will take place in 18/19
Cap Exp Bourtreehill Car Parking Pilot	-	-	-	-	-	-	-	-	-	-	
Professional Management Charges	1,139	-	-	1,139	759	-	1,139	-	-	-	This will be reviewed prior to P10 to ascertain the amount of professional fees that will be charged for the year.
Total For Other Capital Works	2,473	534	-	3,008	2,005	666	2,908	(100)	(100)	-	
TOTAL EXPENDITURE	46,466	4,393	(21,450)	29,408	19,606	13,961	27,246	(2,162)	(1,778)	(384)	The net underspend from True Variances will be carried forward to future years under house building general
Sale Of Council Houses	-	-	-	-	-	(899)	(899)	(899)	-	(899)	Capital receipts are still being received from the final council house sales in 16/17. This will reduce required borrowing in 17/18.
Sale Of Assets	-	-	-	-	-	(1)	(1)	(1)	-	(1)	
CFCR	(15,346)	265	-	(15,080)	(10,054)	-	(15,080)	-	-	-	
Capital Grants - House Building	(10,146)	(684)	6,680	(4,150)	(2,767)	(1,256)	(4,337)	(187)	-	(187)	Additional Scottish Government grant received
Affordable Housing Contribution	(838)	-	-	(838)	(559)	-	(952)	(114)	-	(114)	The additional income reflects the full allocation for Glencairn drawn in 17/18
Funding from Reserves	(212)	-	-	(212)	(141)	-	(160)	52	52	-	Funding will be required in 18/19
Council House Build Fund	-	(494)	-	(494)	(329)	-	(494)	-	-	-	
Prudential Borrowing	(19,924)	(3,480)	14,770	(8,634)	(5,756)	-	(5,323)	3,311	1,726	1,585	Decrease in borrowing requirement due to the net underspend identified above
TOTAL INCOME	(46,466)	(4,393)	21,450	(29,408)	(19,606)	(2,215)	(27,246)	2,162	1,778	384	
NET EXPENDITURE	-	-	-	-	-	11,746	0	0	-	0	

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title: Planning (Scotland) Bill

Purpose: To respond to the Scottish Government's Local Government and Communities Committee Call for Evidence on the Planning (Scotland) Bill as introduced to Parliament on 4 December 2017.

Recommendation: To consider the implications of the Planning (Scotland) Bill and agree that Appendix 1 be submitted to the Local Government and Communities Committee as the Council's response to the Call for Evidence.

1. Executive Summary

- 1.1 The Planning (Scotland) Bill was introduced on the 4th December 2017, following the Government's review of the Planning System. The Government is now asking for evidence as it considers the terms of the new Bill.
- 1.2 The Bill would make changes to Development Planning, Simplified Planning Zones, Development Management, Pre-application consultation, Schemes of Delegation, Fees and Charges, Enforcement, Training for Members, Performance of Planning Authorities, and introduce an Infrastructure Levy.
- 1.3 The changes introduced by the Bill are generally welcomed and seek to strengthen processes, engagement and participation in planning. However further details are required:
 - On transitional arrangements given the advanced stage of the Council's Local Development Plan, (due to be reported to Committee in April 2018);
 - Implications for the proposed regional partnership working arrangements; and
 - Implications for resources given the current constraints on Council budgets.
- 1.4 The feedback from the Scottish Government on the Council's Planning Performance Framework recognises that the Council already performs very well. The Council in its submission of evidence will want to ensure that any changes to the current system should not detract from the current high performing service standards achieved within the North Ayrshire Council Planning Service.

2. Background

- 2.1 In September 2015, the Scottish Government (SG) initiated a Review of the Planning System with the appointment of an independent panel. In May 2016, the panel published the report 'Empowering planning to deliver great places', which contained 48 recommendations for reform over six main themes:
- Strong and flexible development plans,
 - The delivery of more high quality homes,
 - An infrastructure first approach to planning and development,
 - Efficient and transparent development management,
 - Stronger leadership, smarter resourcing and sharing of skills,
 - Collaboration rather than conflict – inclusion and empowerment.
- 2.2 The SG response was published in a consultation paper in January 2017, 'Places, People and Planning' which set out a series of 20 proposals under four key areas of change:
- Making plans for the future: for Scotland's planning system to lead and inspire change by making clear plans for the future,
 - People make the system work: to empower people to decide the future of their places,
 - Building more homes and delivering infrastructure: to help deliver more high-quality homes and create better places where people can live healthy lives, and developers are inspired to invest,
 - Stronger leadership and smarter resourcing: to reduce bureaucracy and improve resources so Scotland's planning system can focus on creating great places.
- 2.3 The Council's response to the consultation was approved by the Cabinet in March 2017. The key points made by the Council were:
- Support proposed Regional Partnerships;
 - Opposed the need for statutory provisions to align community and spatial planning;
 - Support a regional focus within the National Planning Framework;
 - Support the need for developers to set out delivery programmes;
 - Disagree with the need for local communities to prepare Local Place Plans;
 - Support improvements to the Pre-application procedure; and
 - Support for specific measures to address the particular challenges of the island communities.
- 2.4 In June 2017 SG published both the analysis on the consultation paper and a Position Statement, which set out an integrated package of proposed improvements to the planning system.
- 2.5 The proposed improvements were further considered at stakeholder meetings and the Bill was published in December 2017. The proposed changes within the Bill are as follows: -

- NPF - Scottish Planning Policy (SPP) which is the SG's statement of how the Government's policies should be addressed, will be incorporated into the National Planning Framework (NPF), as a single document, which, with the Local Development Plan will now be the Development Plan.
- Regional Working - Planning Authorities will be required to assist in the preparation of the NPF, with 2 or more authorities co-operating on this matter through Regional Partnerships, where they exist.
- LDP - Local Development Plans would move to a 10 year cycle from the current 5 with a requirement to take into account the Local Outcome Improvement Plan (LOIP). The Main Issues Report stage of the preparation of the Plan would be removed to be replaced with a single Proposed Plan. A gate check procedure would be introduced to consider the Plan during its preparation rather than the examination solely at the end of the process. The preparation of the Plan would have to be justified with an Evidence Report.
- Delivery - Action Programmes to be replaced by delivery programmes which are agreed by the Council and signed off by the Chief Executive and the full Council, raising the corporate commitment to its content.
- Local Place Plan (LPP) - There is a new right for communities to produce LPPs to further empower communities to plan their areas, which would link with LOIP's. The LPP would be prepared by a community body, and the LDP would be expected to have regard to the LPP.
- Simplified Development Zones - SDZ will replace Simplified Planning Zones to broaden the uses and developments which could be removed from planning controls to improve certainty for developers.
- Development Management - Changes to Development Management include the removal of the payment of separate charges for advertising applications in the press; removing the need for certain types of applications to be determined by the full council, to enhance the Pre-application Consultation (PAC) requirements, enhanced Schemes of Delegation to permit wider local decision making on reviews, completion notices to ensure developments are completed within reasonable timescales, effective resourcing of the planning service by moving to full cost recovery by reviewing the current fees, and introducing higher fees for retrospective applications and discretionary charging for service provision in addition to the statutory fees; and improved enforcement powers
- Member training - Mandatory training for elected members requiring attendance and/or completion of an examination before being involved in planning decisions.
- PPF - The current Planning Performance Framework would become a statutory requirement. A national performance co-ordinator would be appointed with powers to conduct assessments of performance and pursue improvements.

- Infrastructure - The introduction of an assessment framework to support the collection of an infrastructure levy to support the delivery of necessary infrastructure across a wider area, than directly related to the development proposal at hand. It would capture a proportion of land value uplift to give some public benefit from the value created by planning decisions.

2.6 The Bill would make changes to Development Planning, with the removal of the strategic tier of plan, and a strengthened National Planning Framework; amend the process of the Local Development Plan (LDP), align the LDP with Locality Outcome Improvement Plans (LOIPs) and introduce Local Place Plans (LPP) to further empower communities.

2.7 The Scottish Government state that the Bill contains a range of provisions:

- Focus planning, and planners, on delivering the development that communities need,
- Empower people and communities to get more involved and to have a real influence over future development,
- Strengthen the strategic role of planning in co-ordinating and supporting the delivery of infrastructure needed to support development, including much-needed housing,
- Reduce complexity, whilst improving accountability and trust in planning processes and decision-making.

2.8 It is noted that much of the detail of the proposed changes would come later through secondary legislation and guidance.

3. Proposals

3.1 To agree that Appendix 1 be submitted to the Local Government and Communities Committee as the Council's response to the Call for Evidence.

4. Implications

Financial:	Further detail is required to fully assess the implications of the Bill and proposed changes on financial resources. The Council has input to a COSLA questionnaire on the terms of the financial memorandum contained in the Bill.
Human Resources:	Further detail is required to fully assess the implications for staff resources.
Legal:	The Bill will make statutory changes to the Council's role as Planning Authority.
Equality:	An Equality Impact Assessment has been undertaken by the Scottish Government
Children and Young People:	There are no implications for Children and Young People associated with this report.
Environmental & Sustainability:	A Strategic Environmental Assessment has been undertaken by the Scottish Government
Key Priorities:	The Bill supports in principle the key strategic aims of the Council in respect of growing the economy and regeneration of our town centres, and working together to develop stronger communities.
Community Benefits:	N/A

5. Consultation

5.1 NAC Democratic Services (Legal Services) were consulted on the evidence prepared.



Karen Yeomans
Executive Director, Economy and Communities

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

Background Papers

- [Planning \(Scotland\) Bill As Introduced \(592KB pdf posted 5 December 2017\)](#)
- [Planning \(Scotland\) Bill Policy Memorandum \(427KB pdf posted 5 December 2017\)](#)
- [Planning \(Scotland\) Bill Explanatory Notes \(461KB pdf posted 5 December 2017\)](#)
- [Planning \(Scotland\) Bill Financial Memorandum \(407KB pdf posted 5 December 2017\)](#)
- [Planning \(Scotland\) Bill Statements on Legislative Competence \(168KB pdf posted 5 December 2017\)](#)

Appendix 1

North Ayrshire Council Submission to the Scottish Government's Local Government and Communities Committee on the Provisions of the Planning (Scotland) Bill

The changes introduced by the Bill are generally welcomed and would seek to strengthen processes, engagement and participation in planning. However further details are required in particular on both the transitional arrangements, which is important given the advanced stage of the Council's Local Development Plan, which will be reported to Committee in April 2018; and furthermore on the proposed regional partnership working arrangements, and the implications for resources given the current constraints on Council budgets. The following comments are offered as evidence to be considered by the committee.

1.1 **NPF** - Further detail is required on:

- the transitional arrangements between the current system and the proposed changes taking effect and how they are applied. This is of particular relevance to North Ayrshire given the advanced stage of LDP preparation (Proposed Plan due to be considered in Spring 2018). A gradual approach to introducing the changes will encourage effective operational planning for services.
- the implications of integrating NPF into the Development Plan. For example how national policies which set housing targets will impact on the content of the LDP), and the resource implications of having to feed into the NPF development.
- how closely aligned, in terms of timescales, NPF and Local Development Plans are expected to be. This is particularly pressing given the progress of our current Local Development Plan and could have a resource implication at a time when there are current constraints on budgets and staff resources and workloads.

1.2 **Regional Working** - The regional pathfinder project and the Ayrshire Growth Deal are examples of close co-operation between the 3 Ayrshire Authorities which could be a model

for the future regional partnership to assist in the preparation of the NPF, and influence strategic policy development within the region. Further detail is required on the operational requirements of this regional working and its expected resource implications of partnerships feeding into the NPF (and how many regional partnerships the SG expect each LA to be a part of).

- 1.3 **LDP Timescales** - the move to a 10 year cycle would be out of sync with the timing of all other Council plans and strategies, which are generally on a 3 or 5 year cycle. Whilst we recognise that a wholesale move towards a more strategic and long-term framework for development of an area would be beneficial, and noting that provision is made in the new legislation for periodic updates or amendments to the Plan, concern is that beyond year 5 the Plan is likely to become less well aligned with the Council's other key strategies and programmes such as the LOIP, SHIP, and Local Housing Strategy where either local issues dominate or funding streams are not known until much closer to the base date. The 5 year timescale is also a key timeframe in SPP, with regards to the requirement to maintain a 5-year effective supply of development sites.
- 1.4 **LDP Process** - The Main Issues Report stage of the preparation of the Plan would be removed to be replaced by an independently determined gate check procedure that would consider whether a new Plan can be commenced, which may lead to added costs for the Council if multiple gate check submissions are required which is not a requirement of the current system. However it would deliver an earlier check on the direction of the Plan in respect of national policy and could lead to quicker examinations following the Proposed Plan stage. Further details on the expected costs of requesting gate checks and examinations is required to better understand the expected implications of this additional step.
- 1.5 **Delivery** – The sign off of the Delivery Programme stage of the Local Plan by the Chief Executive and the full Council is in accordance with this Council's current practice, as the Local Development Plan Committee has full Councillor Membership. The key change is that the programme would now align with all other relevant Council delivery programmes, e.g. Capital Plan, which would require more detailed commitment and programming which may have resource implications for the Council.
- 1.6 **LPP** – We support the further integration of community-led planning with the Development Plan process. We recognise the benefits of ensuring community buy-in to the planning process at the front-end rather than more adversarial interventions such as third party right of appeals. The introduction of Local Place Plans is a potential tool to do that but it is unclear how it would be resourced, managed and integrated. We have concerns that LPPs may undermine other community plans, such as the LOIP if their role is not clearly defined. We also have concerns that they may favour well-resourced communities already engaged in the planning process over other communities, and may have significant resource implications for the Local Authority, both in terms of managing the process of agreeing and publishing an LPP but also in then having to integrate that into a 10 year LDP. We propose that placing the LDP process within the Locality Planning process, with local elected members, community representatives (including community councils) and Community Planning Partners being involved in the co-production of the LDP, would be a more collaborative and effective approach than the separate development of Local Place Plans.

- 1.7 **SDZ** – The Council is one of 3 Authorities taking part in a pilot scheme funded by the Scottish Government on the Simplified Development Zones (SDZ). Evidence to date has indicated support for this approach from the development industry which may unlock current underperforming sites. There has been a significant resource implication for preparing the designation and the SDZ is aimed at front-loading the process placing the resource implications on the Local Authority. Further clarity on the Scottish Government’s funding mechanism, expectations for the scope, scale, and frequency of use is required.
- 1.8 **DM** – The changes to Development Management are generally welcomed, which would improve local accountability and efficiency of decision making. The timescale for the review of fees has not established and the Government should be encouraged to bring this forward, given the aim to fully fund the planning system, at times of decreasing Council finances.
- 1.9 **Enforcement** – We support the increases in the maximum fines that can be levied by the courts but would add our support for more immediate powers, not necessarily requiring court approval. We should make improvements to the fixed penalty notice to ensure that the enforcement issue is addressed as well as the fine paid.
- 1.10 **Member training** – The Council currently undertakes training on Planning for all members. A statutory requirement for such training, with penalties for any failures is wholly unnecessary. The current practices should continue to be supported
- 1.11 **PPF** - The Planning Performance Framework was introduced by the Heads of Planning Scotland as a means of demonstrating high levels of performance at a local level, rather than the purely statistical return on the time to decide an application. A statutory requirement, with a national performance co-ordinator with possible powers to penalise Authorities is unnecessary and unwelcome.
- 1.12 **Infrastructure** - The introduction of an infrastructure levy to support the delivery of necessary infrastructure across a wider area is welcome. The proposal to capture a proportion of land value uplift to give some public benefit may be seen as a barrier to the delivery of development by the landowners and industry but is recognition of the need to support infrastructure provision to facilitate development in these financially challenged times for all Authorities. The Council would support a national levy which would deliver added resources across the country. Allocation of national funds to support infrastructure development could support inclusive growth policy that would spread investment appropriately.
- 1.13 **Island Communities** – In our response to the consultation paper dated January 2017, the Council recommended:-
- Island proofing all local plan policies and guidance to reflect and support the Islands distinct development opportunities.
 - Simplifying planning policies for rural and edge of settlement housing on the island and
 - Enhancing greater collaborative working with stakeholders to deliver housing for key workers and employment land on the islands.

The Council is therefore concerned that the Bill does not contain any provisions to reflect the particular challenges and opportunities of island communities.

NORTH AYRSHIRE COUNCIL
23 January 2018**Cabinet**

Title: Planning Performance Framework

Purpose: To report on feedback from the Scottish Government on the Planning Performance Framework 6.

Recommendation: To consider and note the feedback from the Scottish Government on PPF 6 contained in Appendix 1.

1. Executive Summary

- 1.1 At the meeting on 20 June 2017, the Cabinet approved the publication of the Planning Performance Framework 6 (PPF6) and submission to the Scottish Government. PPF6 sets out the planning service performance for 2016-17.
- 1.2 Feedback on PPF6 from the Scottish Government was received on 21st December 2017. The feedback reflects the high level of performance and customer service which is delivered by the Planning Service for North Ayrshire, and approved an Action Programme. (see Appendix 1).
- 1.3 The Scottish Government feedback on PPF6 notes a generally successful performance from North Ayrshire Council Planning Service and includes feedback points which can be addressed through proposed actions in the next PPF.
- 1.4 The feedback report recognises that the Council's Local Development Plan remains up-to-date and notes a range of positive achievements in service delivery throughout 2016/17. It is recognised that timescales for the determination of Householder applications has continued to improve and remain quicker than the national average timescales.
- 1.5 It should be noted that the 'Overall Markings' table in Appendix 1 indicates 12 markers rated as green, and 3 as amber. This table is correct but the amber rating for the determination of Local Applications was given due to an increase from 5.8 to 5.9 weeks. The report notes that the performance is still significantly faster than the national average of 11.1 weeks.
- 1.6 In the category for determining all local applications, North Ayrshire Council performed better than all other planning authorities in Scotland during the year 2016/17 and demonstrated an ongoing improvement compared with previous years. North Ayrshire were

2 weeks faster than the next fastest planning authority and 4 weeks faster than the national average.

2. Background

- 2.1 The Planning Performance Framework (PPF) was developed in response to the Government's reform agenda and an annual return is required from each planning authority within Scotland. The PPF provides the planning system with a balanced score card approach to performance, which enables each planning authority to demonstrate its achievements, successes and individuality. The PPF was introduced to provide a broader picture of performance than that offered by the Statutory Performance Indicators (SPI) by Audit Scotland.
- 2.2 By letter dated 21 December 2017, the Minister for Local Government and Housing notes that the recently introduced Planning Bill aims to support effective performance management. The Bill includes specific provision to improve performance monitoring and appoint a National Performance coordinator with powers to conduct assessments and require improvements to be made. If approved, the Bill would make the PPF a statutory procedure.
- 2.3 The preparation of the next PPF (PPF7) is underway and will be submitted to the Cabinet for consideration in the summer of 2018.
- 2.4 Of the 15 'Performance Markers' the Service has been assessed to have 12 markers rated as green, and 3 as amber. This compares to the previous year's report which had 9 rated as green, 4 as amber, 2 as red.
- 2.5 The 3 ambers include the performance marker on Local Applications noted above at 1.5 which is still well ahead of Scottish average. The other 2 ambers have been given for performance markers 3 – Early Collaborative with applicants and consultees and 15, Developer Contributions. Both of these measures and the comments made will be specifically addressed within the next P.P.F.
- 2.6 The Report notes that all processing agreements met agreed timescales, and supports the Council's use of such agreements to reduce the need for legal agreements, which generally delay the determination timescales. In addition the report notes that the Council's LDP, Development Scheme and Enforcement Charter are up to date.
- 2.7 Our training for Elected Members on the LDP and Main Issues Report has allowed welcome participation and access to plan making. There is also strong evidence of cross-sector engagement during the MIR including for hard to reach groups. There is also good evidence of corporate working across services, including the working group set up by the ELT to improve policy advice on affordable housing.

3. Proposals

- 3.1 As noted above, the action points arising from the feedback report will be addressed within the next PPF.

3.2 The Cabinet is invited to note the feedback contained with Appendix 1.

4. Implications

Financial:	There are no financial implications arising from this report.
Human Resources:	There are no staffing implications arising from this report.
Legal:	There are no legal implications arising from this report.
Equality:	There are no equality implications arising from this report.
Children and Young People:	There are no implications for Children and Young People associated with this report.
Environmental & Sustainability:	There are no environmental implications arising from this report.
Key Priorities:	PPF contributes to the Council core objective for "operating more efficiently and effectively" by increasing the levels of accountability and transparency within Planning Services and by introducing annual service improvement commitments.
Community Benefits:	N/A

5. Consultation

5.1 None required



Karen Yeomans
Executive Director Economy & Communities

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

Background Papers

Insert titles of any background papers or N/A



T: 0300 244 4000
E: scottish.ministers@gov.scot

Ms Elma Murray
Chief Executive
North Ayrshire Council

21 December 2017

Dear Ms Murray

PLANNING PERFORMANCE FRAMEWORK FEEDBACK 2016/17

Please find attached feedback on your planning performance framework report for the period April 2016 to March 2017.

You will be aware that we recently introduced the Planning Bill to the Scottish Parliament. The Bill aims to support effective performance across a range of planning functions. It includes specific provisions to strengthen and improve performance monitoring; to appoint a national performance co-ordinator to provide advice and recommendations; and powers to conduct assessments and if necessary require improvements to be made. This structured approach is essential to improving the reputation of the system across the country. It aims to provide better support to authorities, whilst recognising that other factors and stakeholders, impact on your performance.

I appreciate that resourcing is a critical issue for you, and the Bill includes provisions for discretionary charging to allow greater local flexibility. Following the Bill, we will consult on revising the fee regime to better reflect the developments which are being brought forward.

We will continue to liaise with COSLA, SOLACE and Heads of Planning Scotland as the Bill progresses through the Parliamentary process. I would like to take this opportunity to encourage you all to actively engage - this is a fantastic opportunity to make our system work better to enable planners to deliver the high-quality development our communities need, and it is important that voices from all viewpoints are heard. You can monitor the progress of the Bill on the Parliament website at: www.parliament.scot/parliamentarybusiness/Bills/106768.aspx

Kind Regards

KEVIN STEWART

CC: James Miller, Senior Planning Manager



PERFORMANCE MARKERS REPORT 2016-17

Name of planning authority: **North Ayrshire Council**

The High Level Group on Performance agreed a set of performance markers. We have assessed your report against those markers to give an indication of priority areas for improvement action. The high level group will monitor and evaluate how the key markers have been reported and the value which they have added.

The Red, Amber, Green ratings are based on the evidence provided within the PPF reports. Where no information or insufficient evidence has been provided, a 'red' marking has been allocated.

No.	Performance Marker	RAG rating	Comments
1	Decision-making: continuous reduction of average timescales for all development categories [Q1 - Q4]	Amber	<p>Major Applications</p> <p>Not applicable.</p> <p>Local (Non-Householder) Applications</p> <p>Your timescales of 5.9 weeks are slightly slower than the previous year but are significantly faster than the Scottish average of 11.1 weeks. Whilst we have had to mark an amber to maintain consistency in marking, we do recognise that you are operating faster than other authorities who may have received a green due to their level of improvement since the previous year.</p> <p>RAG = Amber</p> <p>Householder Applications</p> <p>Your timescales of 4.6 weeks have improved since the previous year and are faster than the Scottish average of 7.3 weeks.</p> <p>RAG = Green</p> <p>Overall RAG = Amber</p>
2	<p>Processing agreements:</p> <ul style="list-style-type: none"> offer to all prospective applicants for major development planning applications; and availability publicised on website 	Green	<p>You used processing agreements for all 7 major developments and 1 local developments. All of these met the agreed timescale.</p> <p>RAG = Green</p> <p>Processing agreements are publicised on the web.</p> <p>RAG = Green</p> <p>Overall RAG = Green</p>

3	Early collaboration with applicants and consultees <ul style="list-style-type: none"> availability and promotion of pre-application discussions for all prospective applications; and clear and proportionate requests for supporting information 	Amber	<p>You continue to demonstrate a good record in delivering pre-application advice and the new system of recording shows a high number of these pre-application discussions taking place.</p> <p>RAG = Green</p> <p>Pre-application discussions and processing agreements are used to ensure that the required information is submitted. But there is no evidence of how these requests are proportionate.</p> <p>RAG = Amber</p> <p>Overall RAG = Amber</p>
4	Legal agreements: conclude (or reconsider) applications after resolving to grant permission <ul style="list-style-type: none"> reducing number of live applications more than 6 months after resolution to grant (from last reporting period) 	Green	<p>You have noted an established link between the use of legal agreements and lengthy cases and have sought to use processing agreements to manage these more successfully and focus on using conditions as an alternative.</p>
5	Enforcement charter updated / re-published within last 2 years	Green	<p>Your enforcement charter was 23 months old at the end of the reporting period.</p>
6	Continuous improvement: <ul style="list-style-type: none"> progress/improvement in relation to PPF National Headline Indicators; and progress ambitious and relevant service improvement commitments identified through PPF report 	Green	<p>Your timescales have improved and you have an up to date development plan.</p> <p>RAG = Green</p> <p>You have progressed a number of your 2016/17 service commitments, however a number of the commitments identified for the coming year are considered to be core business and are not necessarily service improvements.</p> <p>RAG = Green</p> <p>Overall RAG = Green</p>
7	Local development plan less than 5 years since adoption	Green	<p>Your local plan was 2 years and 10 months old at the end of the reporting period</p>
8	Development plan scheme – next LDP: <ul style="list-style-type: none"> on course for adoption within 5 years of current plan(s) adoption; and project planned and expected to be delivered to planned timescale 	Green	<p>Your Development plan scheme is up to date, project planned and expected to be adopted within the 5 year timescale.</p> <p>RAG = Green</p> <p>You have a project plan in place to ensure your replacement remains on track.</p> <p>RAG = Green</p>

			Overall RAG = Green
9	Elected members engaged early (pre-MIR) in development plan preparation – <i>if plan has been at pre-MIR stage during reporting year</i>	Green	You have provided training to elected members on the LDP process including pre-MIR engagement. This training has allowed greater participation and access to the plan-making process.
10	Cross sector stakeholders* engaged early (pre-MIR) in development plan preparation – <i>if plan has been at pre-MIR stage during reporting year</i> <i>*including industry, agencies and Scottish Government</i>	Green	Strong evidence of cross-sector engagement during the pre-MIR period including hard to reach groups.
11	Regular and proportionate policy advice produced on information required to support applications.	Green	The working group set up by the Extended Leadership Team is working on improving policy advice for affordable housing. Your case study provided a positive example of the impact a strong policy can have on an application.
12	Corporate working across services to improve outputs and services for customer benefit (for example: protocols; joined-up services; single contact arrangements; joint pre-application advice)	Green	The report contains good evidence of cross-authority working to help provide strong policy and joined-up working.
13	Sharing good practice, skills and knowledge between authorities	Green	You have undertaken a wide range of discussions across authorities, all of which show the importance of sharing knowledge and experience.
14	Stalled sites / legacy cases: conclusion or withdrawal of old planning applications and reducing number of live applications more than one year old	Green	You have continued to reduce the number of legacy cases, some of which are quite old.
15	Developer contributions: clear and proportionate expectations <ul style="list-style-type: none"> • set out in development plan (and/or emerging plan); and • in pre-application discussions 	Amber	<p>Your Executive Leadership Team has started to consider developer contributions including affordable housing.</p> <p>RAG = Amber</p> <p>The report is not clear on how developer contributions are set out at the pre-application stage.</p> <p>RAG = Red</p> <p>Overall RAG = Amber</p>

NORTH AYRSHIRE COUNCIL
Performance against Key Markers

Marker		2012-13	2013-14	2014-15	2015-16	2016-17
1	Decision making timescales					
2	Processing agreements					
3	Early collaboration					
4	Legal agreements					
5	Enforcement charter					
6	Continuous improvement					
7	Local development plan					
8	Development plan scheme					
9	Elected members engaged early (pre-MIR)	N/A	N/A	N/A		
10	Stakeholders engaged early (pre-MIR)	N/A	N/A	N/A		
11	Regular and proportionate advice to support applications					
12	Corporate working across services					
13	Sharing good practice, skills and knowledge					
14	Stalled sites/legacy cases					
15	Developer contributions					

Overall Markings (total numbers for red, amber and green)

2012-13	3	7	3
2013-14	2	5	6
2014-15	0	3	10
2015-16	2	5	8
2016-17	0	3	12

Decision Making Timescales (weeks)

	2012-13	2013-14	2014-15	2015-16	2016-17	2016-17 Scottish Average
Major Development	30.9	21.5	12.6	90.3	-	37.1
Local (Non-Householder) Development	8.7	6.8	6.2	5.8	5.9	11.1
Householder Development	6.6	5.7	5.1	4.7	4.6	7.3

NORTH AYRSHIRE COUNCIL
23 January 2018**Cabinet**

Title:	Scottish Government Consultation Response: Local Heat & Energy Efficiency Strategies and Regulation of District and Communal Heating
Purpose:	To seek Cabinet approval for the submission of a response to the above consultation to the Scottish Government.
Recommendation:	That Cabinet notes the content of the above consultation and approves the submission of the proposed consultation response at Appendix 1 to the Scottish Government.

1. Executive Summary

- 1.1 Scotland's Energy Efficiency Programme (SEEP) is a new programme being developed to drive a reduction in the energy demand of residential, service and industrial sectors. As part of the future roll out of SEEP, the Scottish Government has invited views on their proposals for preparation of Local Heat and Energy Efficiency Strategies (LHEES) and the regulation of district heating.
- 1.2 LHEES is anticipated to be the main vehicle for identifying area-based energy efficiency and low carbon heating schemes for delivery through SEEP. The consultation outlines the Scottish Government's proposed approach to LHEES and the regulation of district heating.
- 1.3 The draft consultation response at Appendix 1 broadly welcomes the LHEES proposals. The LHEES will provide additional strategic context to many of the initiatives already being undertaken by the Council in matters of energy efficiency, low carbon heat and the successful delivery of area-based schemes. LHEES would also complement the existing North Ayrshire Environmental Sustainability & Climate Change Strategy 2017-20.
- 1.4 The proposed response does, however, reflect concerns over the additional resource burden that will be placed on local authorities as a result of LHEES becoming a statutory requirement.
- 1.5 Members are invited to note the key implications of LHEES at paragraph 3.3, and approve the draft response at Appendix 1 for submission to the Scottish Government.

2. Background

- 2.1 Scottish Ministers have committed to long-term action to reduce the energy demand of residential, service and industrial sectors. Formal commitment to this agenda was made through the designation of energy efficiency as a National Infrastructure Priority in June 2015.
- 2.2 In response to this commitment, Scotland's Energy Efficiency Programme (SEEP) is being developed as a collective programme to assist local authorities with financial and technical assistance to pilot new and innovative approaches to energy efficiency with community groups and businesses, helping reduce energy costs and improving warmth in homes, schools, hospitals and businesses. SEEP is due for rollout during 2018. The Scottish Government is now seeking views on proposals for Local Heat and Energy Efficiency Strategies (LHEES). LHEES will be prepared and delivered by local authorities and will support a coordinated approach to the local planning and delivery of energy efficiency and heat decarbonisation programmes through SEEP.
- 2.3 A high level policy scoping consultation on LHEES was launched in January 2017, forming part of a suite of consultations on the draft Climate Change Plan and the draft Scottish Energy Strategy. A total of 87 responses were submitted for the first consultation on LHEES. There were 17 local authority responses, including one from North Ayrshire Council. Our response at that time was informed by the policy position set out by the North Ayrshire Environmental Sustainability & Climate Change Strategy 2017-20, which had been recently approved by Cabinet.
- 2.4 The results of the first consultation have been analysed and used to inform this second consultation which sets out more specific policy proposals for LHEES and regulation of district and communal heating. District heating is a central feature of LHEES but the industry is currently unregulated. The consultation therefore also invites feedback on the proposals for new regulation measures.
- 2.5 Officers are well engaged with the wider policy objectives of SEEP, Scotland's Energy Strategy, and the national Climate Change Plan. Through the North Ayrshire Environmental Sustainability & Climate Change Strategy 2017-20, we are continuing to deliver area-based energy efficiency schemes across North Ayrshire (for example via the Non Domestic Energy Efficiency project, which is installing energy conservation measures within 14 different Council buildings) and we are developing and implementing heat networks in specific locations (for example construction of new district heating schemes in Stevenston and Dalry as part of new Council house building developments).
- 2.6 Officers have prepared a draft response to this second LHEES consultation at Appendix 1 for Cabinet approval in view of the additional and significant statutory duties that LHEES would place on local authorities.

3. Proposals

- 3.1 The draft response broadly welcomes the proposals for LHEES as it will bring additional emphasis to the Council's existing sustainability ambitions. Our response also provides critical feedback; the most significant concern is the resource burden and possible skills gaps for local authorities resulting from these proposals becoming a regulatory requirement. This would arise from requirements to assess and zone the authority area to identify specific area-based schemes, which would be a significant undertaking. The LHEES will also act as an investment plan, and signal to investors areas and schemes for future development. The proposals include the establishment and management of a consent process to develop specific district heating projects, and encouraging buildings in the Council area to connect to heat networks.
- 3.2 LHEES will also provide new, formal means to engage local non-domestic sectors on matters of energy efficiency and heat decarbonisation.
- 3.3 The key components and implications of the LHEES proposals are summarised as follows:
- a) **Local authorities would have a statutory duty to develop a Local Heat & Energy Efficiency Strategy (LHEES) to cover a 15-20 year period, setting out the overall energy efficiency and heat decarbonisation strategy for SEEP, authority-wide.** Prior to commencement of this duty, local authorities would be offered as yet undefined capacity and support to develop LHEES. The LHEES would determine zones, which set out the most appropriate energy efficiency and heat decarbonisation options for those areas to meet the overall decarbonisation and fuel poverty objectives of the LHEES. This would include identifying areas that would be appropriate for district heating, and identification of area-based energy efficiency programmes.
 - b) **Developers would need to obtain a district heating consent to develop district heating.** The consent would have conditions associated with it, including the requirement to have a licence and meet licensing conditions. Options are also being explored for ensuring that district heating operators have similar or the same rights as other statutory undertakers for permitted development and wayleaves.
 - c) **Developers would need to obtain a licence to develop and/or operate in addition to holding a district heating consent.** The licence would ensure technical and operational quality standards, network compatibility, and would codify existing UK-wide consumer protection frameworks.
 - d) **The Scottish Ministers would require the public sector to assess potential connection to district heating in collaboration with local authorities preparing their LHEES.** Additionally the Scottish Ministers would encourage the public sector (within the confines of the public procurement regulations), when assessing the need for future low carbon heat supply and/or where they have surplus heat, to consider connection to district heating, where there was opportunity to do so, and it was cost effective.

- e) **Planning authorities would continue to have their existing discretionary planning powers, to encourage the infrastructure needed to make connections to district heating.** Future versions of Scottish Planning Policy will have regard to Scottish Government strategies and requirements on district heating in its preparation.
- f) **The Scottish Government intend to provide support for delivery of LHEES and strategic district heating projects,** considering in particular the needs of local authorities.

4. Implications

Financial:	It is expected that funding for delivery of specific projects emerging from the LHEES will be provided through a combination of grant funding allocated via the new SEEP, and public and private sector investment on an 'invest to save' basis. Clarity on implications will emerge through preparation of LHEES, and evaluation of specific projects would be undertaken on a case by case basis.
Human Resources:	None at present. However, the proposals place an additional requirement on local authorities to develop and maintain their strategies (LHEES). Authorities are to be offered capacity and support to develop LHEES but it is not specified what form this support will take. Local authorities would also have involvement in the consenting process.
Legal:	The implementation of these proposals will lead to the creation of a statutory framework for Local Heat and Energy Efficiency Strategies (LHEES). It is also expected to lead to a regulatory framework for district (and communal) heating which will have implications for the local authority.
Equality:	Not applicable.
Environmental & Sustainability:	LHEES specifically aims to improve energy efficiency and decarbonise heat across Scotland. This supports the Council's commitments set out within the North Ayrshire Environmental & Sustainability Strategy, including to reduce carbon emissions in North Ayrshire by 40% (based on a 2005 baseline) by 2030.
Key Priorities:	The introduction of LHEES would underpin the Council Plan strategic priority 'protecting and enhancing our environment for future generations' by providing a co-ordinated public/private sector strategic approach to energy efficiency.
Community Benefits:	Not applicable.

5. Consultation

- 5.1 Consultation with Economy & Communities was undertaken in the development of the response, given the potential implications for land use planning and for local businesses.

A handwritten signature in black ink, appearing to be 'CH', written over a horizontal line.

CRAIG HATTON
Executive Director (Place)

For further information please contact **David Hammond, Senior Manager (Housing Strategy & Corporate Sustainability)** on **01294 324764**.

Background Papers

n/a



Scotland's Energy Efficiency Programme: Second Consultation on Local Heat & Energy Efficiency Strategies, and Regulation of District and Communal Heating

RESPONDENT INFORMATION FORM

Please Note this form **must** be completed and returned with your response.

Are you responding as an individual or an organisation?

- ☐ Individual
☒ Organisation

Full name or organisation's name

North Ayrshire Council

Phone number

01294 324010

Address

Cunninghame House
Irvine

Postcode

KA12 8EE

Email

andrewbrockett@north-ayrshire.gov.uk

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- ☐ Publish response with name
☒ Publish response only (without name)
☐ Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

- ☒ Yes
☐ No

Question 1

Do you agree with our proposed overall approach to LHEES? Y/N

Please explain your answer in the text box provided, including any available evidence or examples.

Yes.

We welcome the opportunity to respond to these updated proposals and are encouraged to see that the latest version has been informed by responses to the first consultation. We are in general agreement with the principles behind LHEES and the proposed approach to delivery. A strategic approach is essential if Scotland is to further itself in the international community as a leading low carbon economy and local authorities can play a significant role in this through the delivery of LHEES.

North Ayrshire Council already has strategic targets to deliver affordable warmth and ambitious CO₂ reductions. Consequently we look forward to the additional statutory significance that LHEES will bring to these objectives. Recognition of energy efficiency as a means to tackle fuel poverty at a local level is also welcomed and will support the continued delivery of successful energy efficiency programmes.

We have questions over specific elements and details of the proposals and these are raised in detail throughout our response.

In summary:

Focused delivery of LHEES must be balanced with ongoing updates to ensure continued relevance in the face of the changing technical, political and social conditions that are to be expected over a 15-20 year period. We would also expect future policy developments to clarify how/if targets will be established through LHEES and whether progress reporting will align with (or supersede) existing obligations.

We would like to see more clarity on the powers that local authorities are expected to exercise in prioritising local needs in the creation of their LHEES, noting the commitment in the current Fuel Poverty Strategy consultation to a common standard of service across rural and urban areas. Authorities with rural and island communities can expect to face challenges in establishing economically attractive large heat networks. Conversely the need for material energy efficiency improvements can be substantial in such areas as a result of older or more exposed building stock - almost all authorities with rural or island communities have rates of fuel poverty markedly above the Scottish average and central belt regions (*SHCS 2013-15 results*). On this basis we would expect LHEES to be supportive of all feasible decarbonisation options and not only heat networks.

Waste heat recovery merits consideration but it is our view that energy efficiency should be given precedence, followed by strategic planning for heat networks with waste heat recovery forming a part of that planning process. Our concern is that the use of non-domestic waste heat for such purposes will be opportunistic due to

the many forms it may take. The principles may have been demonstrated in other nations but further evidence is required to ascertain the viability of this approach in the UK. A Scotland specific assessment may be beneficial as a first step in understanding the scale of the opportunity with a view to becoming a part of LHEES in due course.

Finally, we see LHEES as providing an opportunity to collectively engage heat users and local residents in matters of low carbon heat. LHEES presents an opportunity to create attractive environments for inward investment from developers and innovators that could support the wider Scottish Government ambition of further establishing a low carbon economy.

Question 2

What are your views on asking local authorities to report on tackling fuel poverty and climate change in the LHEES rather than the LHS?

North Ayrshire reports on climate change emissions on an annual basis through the Climate Change Reporting Duty (CCRD) mechanism. In addition North Ayrshire Council officers raise quarterly performance reports against our Environmental Sustainability and Climate Change Strategy targets. Reporting climate change progress through LHEES seems sensible provided that this does not lead to an unnecessary overlap with reporting through other schemes. We also recognise the benefits of the CCRD scheme for driving wider action on climate change and we would like to see such benefits retained, regardless of the reporting route.

The justification for reporting fuel poverty through LHEES is less clear. Energy efficiency is only one reason for a person to find themselves in fuel poverty; the underlying causes are far reaching and beyond the scope of LHEES. Further, we are not certain that the decarbonisation of heat will automatically lead to lower heating costs in the short to medium term. Due to this potential conflict we believe that the reporting of fuel poverty through LHEES would not be appropriate, but it should certainly be a fundamental consideration in any socio-economic assessment.

Establishing a robust and accurate means of assessing fuel poverty is, in our view, of greater concern than where the figures are reported. Current methods make assumptions based on data zones but fuel poverty affects individual people and families and is not identifiable through the use of proxy data. This seems unlikely to change unless additional data sets prompted by LHEES provide greater insight into fuel poverty at a local, individual level.

Question 3

Do you agree with our proposed overall approach to zoning? Y/N

Please explain your answer in the text box provided.

We agree broadly with the principles of zoning as a means to promote the strategic deployment of heat networks and energy efficiency schemes. However it seems that local authority boundaries form arbitrary constraints in the zoning process (if zones are to be based on heat demand and supply). This suggests that formal

cooperation between authorities will be necessary and highlights the importance of applying a consistent methodology.

NAC already delivers area-based schemes and projects, many of which require socioeconomic assessment. The zoning activity will require interaction between central government, local government and the public sector, communities, individuals and private enterprise.

Zoning activities must take a pragmatic and well-informed approach to ensure that networks are established with sufficient capacity for future expansion, and avoid being designed with arbitrary capacity 'just in case' which could lead to inefficiencies and excessive operating costs.

The resource burden that will be created through the zoning activity should not be underestimated, particularly if (as we expect) the outcomes are to be published and promoted. For example, what legal recognition will be afforded to the zoning activity or the zones that are established? Will there be a precedent for rezoning or periodic review to capitalise on developments in technology, local capacity or policy? Similarly, how will formal challenges to the allocation of zones be arbitrated?

The relative importance of the criteria used to define zones (e.g. fuel poverty, decarbonisation, local development) needs to be unambiguous as these factors will not necessarily align, particularly if commercial viability is a consideration in order to attract investment. It is our understanding that more than one 'set' of zones will be required; the criteria for identifying district heating will be distinct from (although not unrelated to) those for area-based energy efficiency programmes. Equally, energy efficiency is likely to involve retrospective consideration as well as implications for new build property.

There is no reference to zones that will be considered unsuitable for district heating – we would like to see LHEES and SEEP provide an alternative mandate for heat decarbonisation and energy efficiency in such areas.

Finally the efficacy of the zoning activity will be determined by the completeness and quality of data used to inform it. The current proposals suggest data for developing LHEES would be provided on a voluntary basis at a national level but it is unclear what this data will be, who will be responsible for its provision and completeness, and how it will be incentivised. Reliance on the voluntary submission of data to support LHEES appears incongruous with what is set to become a statutory requirement.

Question 4

What are your views on the proposed district heating consent process?

In particular, what are your views on:

a) the appropriateness of any potential options for a relevant body to act as 'the developer of last resort', to ensure completion of development?

b) options for ensuring that district heating operators have similar or the same rights as other statutory undertakers for permitted development and wayleaves

Please provide any appropriate evidence to explain your answer.

While the consenting process aims to de-risk projects for investors the possibility of a development being delegated to another body by the local authority or Scottish Ministers in the event of failing to meet the conditions of consent could act as a deterrent. If consent is granted for the build out of a particular area then the developer should have confidence that access will not be vulnerable to delays or unreasonable risks that are outside of their control.

A 'developer of last resort' would need to be poised to scale up capacity if the body exists as a contingency organisation. Linked to this is a requirement to ensure sufficient retention of core skills. Consideration should also be given to a potential requirement for a bond to be provided at the consenting stage, in order to address the financial implications of another party competing the development.

It is natural that some zones will be more appealing to developers than others. Even with a consent process this asks the market to determine which networks will be established first, in which case the most financially appealing or lowest risk projects are likely to be developed. This may be an acceptable outcome but could inhibit progress towards other objectives (such as fuel poverty reduction). This may support the need for a 'developer of last resort' that can justify lower return projects for the advancement of other causes.

The most suitable heating option should be a consideration in the consenting process to avoid a 'district heating at any cost' outcome.

The introduction and management of a consent system places an additional resource burden on the local authority, particularly if this is to be treated with the same significance as other utilities.

Proposals for operators to have the same rights as other statutory undertakers are considered reasonable.

Question 5

What are your views on the proposals for socioeconomic assessment?

The economic case for a project or scheme can be quantified and subsequently evaluated to establish the relative merit of particular projects or schemes over others. Objectively comparing the social benefits of a project is less straightforward and can become irrelevant if the financial viability of a project cannot be demonstrated. We would like to see further detail on the scope of the social element(s) of the proposed assessment.

A one-size-fits-all approach to assessment is unlikely but an agreed methodology would ensure that common themes and criteria are included in all assessments. Heat networks may be constructed for a number of reasons – heating bill reduction for the individual, the support of local communities, carbon reduction, job creation, revenue generation – and each authority is likely to place their own weightings on such criteria. An agreed means of determining the relative importance awarded to these themes would therefore be beneficial.

Our concern is with the availability of data at a resolution and completeness necessary to make informed project and building level decisions without reliance on proxy statistics, and who will be responsible for the compilation of this data. Access to detailed heat demand data for our own (and indeed other public sector) buildings is expected to be somewhat easier than obtaining this information for domestic and non-domestic customers. While this may be most pertinent to building level assessment such data would help inform strategy level decisions, avoiding the identification of areas that are subsequently shown to be unviable when assessed at a project level.

Improvements in energy efficiency should be prioritised to reduce heat demand in advance of definitive zones being established for heat network development. Heat networks may take longer to establish at scale and risk being over-specified if there are ongoing interventions to reduce heat demand at a building level.

Adopting a top down approach (such as using low resolution heat maps) does not necessarily reflect the situation in individual buildings or dwellings – some of the causes of fuel poverty are specific to the occupant. Assessment approaches therefore need to be sympathetic to smaller, locally-scaled networks or weighting energy efficiency in areas with low heat demand density.

Even with comprehensive datasets there will remain scope, and indeed a need, for, subjectivity to ensure that local strategies are well targeted and positioned to be effective.

The currently low price of gas (in comparison to other Northern European countries) should not be underestimated as a substantial barrier to change and must be recognised in any assessment.

Question 6

What are your views on the proposals for data for LHEES?

Please explain your answer, including any available evidence or examples.

Heat Demand

Reference is made to the voluntary submission of data in the proposed approach to LHEES. We would like to see greater certainty around what additional data will be available to authorities to support the creation of LHEES, particularly how heat map/EPC data will be supplemented with data on gas and electricity (para.83).

Surplus Heat

The opportunities for recovering surplus heat are expected to be diverse, and without an understanding of the potential opportunity the justification for including this requirement is unclear. The proposal to 'encourage' is also unclear; if there is no discernible incentive or penalty mechanism what would drive industry to allocate resource to this activity? Encouraging industry with surplus heat to provide data (para.84) presupposes sufficient evidence for the existence of surplus heat, and in a form that can be collected and conditioned for further use. It is our view that this needs to be established for specific circumstances if productive dialogue is to take place – this raises questions as to who would undertake this preliminary work.

Industry should be engaged over its willingness to collect and provide accurate data on surplus heat – are individual sites likely to invest in accurate metering arrangements on a speculative basis? Accurate quantification of heat may present practical challenges (although not insurmountable) as heat will be lost at numerous points in a process through design or otherwise. Sufficient incentives may help to establish this information but recognition needs to be given to the core business of individual organisations and how much added value, perceived or otherwise, would result from such exercises. Many process industries already have heat recovery mechanisms in place such as for preheating. Where surplus heat cannot be reduced further it would be prudent to use the heat as close to the site as possible.

Opportunities may exist through the use of backup or peaking plant which is typically reserved for emergency use and operates only intermittently. Through suitable agreement (and reasonably well matched temperature requirements) compatible heat or power sources could be used predominantly as a controllable heat source for district heating, but still available to the industry in the event of emergency. This could be a route to replacing high carbon generators with low carbon plant, with costs met through heat sales.

Question 7

What types of data information would industry be willing to provide a local authority or national delivery mechanism to develop LHEES, so that they can identify opportunities (potentially in aggregate) for heat demand reduction and heat recovery, both on and off site?

Please explain your answer, including any available evidence or examples.

As a local authority, we expect that useful information from relevant industry operators would include current heat outputs, anticipated future changes to that output (including growth, introduction of new business processes etc.), and any appetite for partnership in the development of a heat network.

Question 8

What data from industry would be most helpful in developing district heating projects?

Please explain your answer, including any available evidence or examples.

No response provided.

Question 9

What data could be provided without compromising competitiveness of these organisations.

Please explain your answer, including any available evidence or examples.

No response provided.

Question 10

What are your views on our proposed approach to district heating licensing?

Please explain your answer, including any available evidence or examples.

The proposals for a licensing regime are supported. If the overall arrangements are fit for purpose there should be limited instances in which it becomes necessary to revoke a license; equally, the threat of revocation should be real and credible if the licensing approach is to be of value. Where the conditions of a license are breached and it becomes necessary to take action there are questions over the fate of the physical network and associated assets if these are owned by the licensee and are subject to capital repayment. The 'developer of last resort' may have a role to play in such circumstances but consideration should be given to the consenting and zoning outcomes.

Any approach should recognise the consequences of an overly burdensome licensing system, which includes the potential for the establishment of a small pool of powerful market operators that could inhibit future competition from smaller providers.

The licensing approach should also consider the future ownership of networks and the conditions for the resale of assets. While this is not automatically an issue there should be suitable protection measures in place for consumers on the network and these could be afforded, in part, by specific conditions of the license.

Question 11

Taking into account the limitations of the Scottish Government's legislative competence in relation to consumer protection:

- a) what are your views on our proposals around consumer protection
- b) how do you think could we provide a robust complaint resolution process in relation to District Heating in Scotland?

Please explain your answers, including any available evidence or examples.

The need for protection of heat network customers is arguably greater than for current heat/gas supply as consumers will not be able to switch supplier and may, in certain cases, be obligated to connect.

We see consumer protection as having two distinct elements; the creation of suitable protection mechanisms and the accessibility of these mechanisms to consumers. Without clear assurances for customers (and the clear communication of these) there is a risk of low trust levels becoming embedded from the outset that will be difficult to redress.

Given the limitations of devolved powers the Scottish Government may seek to adopt an indirect, preventative approach as the basis for any consumer protection scheme. For example, robust design and construction standards will reduce the potential for latent errors that will manifest as increased prices or poor service for consumers. A duty to regularly report on network efficiency could reinforce these standards. In addition the aggregation and publication of network tariffs at a national level would allow customers to understand how competitive their own heat charges are and help identify underperforming networks; this information is available in other territories with developed heat network infrastructure and would provide a measure of confidence analogous to current gas/electricity supplier price comparison.

Current consumer protection schemes, such as the heat trust, operate on a voluntary basis. Very few networks in Scotland are registered with the scheme (1 at the time of writing) suggesting that a voluntary approach will not ensure coverage for customers of all networks and, by extension, consistency across networks. Driving participation as a condition of DHLF/LCITP funding only reaches those who choose to use this funding. An approach that pertains to all networks is needed – especially as the industry seeks to develop projects that sustain themselves without subsidy as is the case in other established DH markets.

The “*Turning up the heat: The experience of district heating consumers*” report by consumer body “Which?” identified mixed consumer attitudes to district heating, including the view of some that their bills were unclear or an underlying belief that charges were unfair. One of the report’s recommendations was that the (UK) government should look beyond voluntary consumer protection. If the industry is to become regulated in Scotland then it is fitting that an independent body is created to ensure formal escalation channels are available to consumers for issues that cannot be resolved satisfactorily by the network operator.

We expect the findings of the forthcoming CMA review (<https://www.gov.uk/government/news/cma-examines-heat-networks>) to inform arrangements for consumer protection in the area of heat networks.

Question 12

What are your views on how consumer advice should be provided for district heating customers in Scotland – what form should this take? Who should it be aimed at? What should be provided?

Please explain your answers, including any available evidence or examples.

The shift from established, decentralised heating arrangements will demand a concerted effort for advocacy and consumer education. Heat networks also remove the autonomy associated with individual heat generation leading to an implicit relationship between all users of the network that is not visible to consumers on existing gas networks. This should be recognised in the advice given to consumers with sufficient assurances provided, particularly as options to switch supplier will be limited. This should include specifics such as who will be responsible for equipment within the dwelling such as the HIU's, radiators, pipe work and controller.

Consumers should be clear on the type of advice available to them and where they can access it. Specific network arrangements/billing should be a matter for the heat supplier or network operator; general advice on heat networks could be offered by a number of organisations providing that the advice is consistent in its delivery (in much the same way that general consumer advice is available on switching or energy efficiency).

Evidence suggests that consumer engagement with existing domestic energy markets has typically been low. A localised approach through LHEES will provide a major opportunity to engage consumers in a way that has not been possible with existing utilities. The credibility of advice will lie in consistency between different networks and across different regions. This points to centralised or independent governance of the advice provided to consumers. Consideration needs to be given to those who do not have ready access to online advice or may be considered as vulnerable.

Unlike existing utility networks it is possible that the roles of infrastructure owner and heat retailer could be fulfilled by a single entity (depending on the model). This is likely to incentivise efficient operation of the network at the expense of a lack of competition for consumers. For this reason, and for ongoing public confidence in heat networks, there must be agreed, unambiguous service standards in place for consumers to rely on. Where these are not met, independent escalation channels should be established to rectify service failings. We do not believe it is appropriate for local authorities to have a role in resolving specific customer issues, unless the authority is supplying heat to consumers, but may be able to support the provision of general advice on heat networks.

Question 13

What are your views on the proposed approach to connecting heat users?

It is our view that the potential for connecting heat users should be considered as part of the zoning activity, and that those with potential surplus heat are engaged as early in the process as possible. The greater the pressure on individual users to connect, the greater the need for a corresponding incentive or support mechanism.

In the absence of any legal powers to compel connection to a heat network, particularly for private buildings, the proposals suggest a facilitation role for authorities through the consent process and socioeconomic assessment. In this case connections are likely to be easier if an economic advantage or service quality benefit is presented. Building owners may be encouraged to connect but

with no real power to influence the cost of heat is likely to determine the heating method selected. If authorities are only empowered to encourage connection through LHEES then the early establishment of mutually beneficial relationships will be essential.

There should be scope to allow buildings to proceed with other individual low carbon options if these are demonstrably more effective than connection to a network.

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Question 14

What are your views on the proposed phased approach to non-domestic sectors with potentially usable surplus heat?

Please explain your answers, including any available evidence or examples.

A reliance on surplus heat risks a contradictory position that diminishes any argument to improve efficiency or reduce the amount of heat generated in the first place. Heat networks are often financed on a long term (20+ years) business case, which would necessitate either a reliance on the continuing availability of the surplus heat or the inclusion of contingency heat sources and plant at additional capital cost.

Capturing surplus heat should be encouraged but without a sufficient evidence base to quantify the scale of the opportunity the inclusion of non-domestic surplus heat as a potential heat source under these proposals is not clear. A DECC report attempted to quantify waste industrial heat in the UK resulted in a diverse range of estimates. Further detail on the size of the opportunity in Scotland alone is required to understand how much capacity actually exists, in what form(s), and the cost/means of upgrading the heat to supply a network. This is only to establish the opportunity – the subsequent physical recovery/conditioning of surplus heat for network use will not be without challenge.

Discussions with non-domestic sectors must be predicated on an initial understanding of the opportunity and there are already positive examples of this being facilitated with support from Scottish Government agencies. Productive dialogue will also require absolute clarity on agreeable business models to cover the capital and ongoing burden of establishing suitable heat recovery and conditioning systems will be essential.

On this basis anything more than a voluntary approach seems inappropriate given the range of variables involved; understanding of individual circumstances, core business and local heat demand is essential to reduce risk. If mediation is necessary then questions should be raised over the stability of any ensuing agreement, with heightened risk of legal or contractual difficulties.

In any case our position is that it is more advantageous to focus on the use of surplus heat on site before considering its export to an external network.

Question 15

Requiring all regulated non-domestic sectors (see Box 1) with potentially usable surplus heat to carry out energy efficiency assessments, including heat (and its recovery, and onsite and offsite use), and implement recommendations where feasible.

Please explain your answer, including any available evidence or examples.

This requirement would be welcomed, in order to compel those with surplus heat to properly consider potential off-takers for that heat. This would ensure that

operators give much greater consideration to how their business processes can make a contribution to addressing the heat needs of communities.

Question 16

How should energy efficiency (including heat) be assessed across the regulated non-domestic sectors – including consideration for energy efficiency beyond the site boundary?

Please explain your answer, including any available evidence or examples.

No response provided

Question 17

Could a more consistent approach be achieved within the PPC regime, with the existing energy efficiency requirements for Part A sites being applied to Part B sites?

Please explain your answer, including any available evidence or examples.

No response provided

Question 18

Which benchmarks or criteria should be used / considered in assessing energy efficiency?

Please explain your answer, including any available evidence or examples.

See response to Q19.

Question 19

What range of industrial processes should be covered, including size and sector, and why?

Please explain your answer, including any available evidence or examples.

We do not intend to provide an exhaustive list of which processes should be included but we believe that the following should be considered:

- Availability of accurate and complete site energy data,
- Studies or evidence of similar opportunities,
- Suitability of surplus heat (the form in which heat is provided and the composition of the material or fluid carrying the heat) and the cost of upgrading it to meet the demands of the network,
- Understanding of the relationship between the heat supply and local heat demand,
- Availability of heat will be subject to process fluctuations or changes in production.

The above points to industrial processes that are stable, or at least predictable, and within a specified distance of a potential network to minimise transmission losses.

Recent studies have identified some of the most suitable industrial processes: "The potential for recovering and using surplus heat from industry" Final Report for DECC. 05/03/2014. Led by Element Energy Limited.

Question 20

What are your views on the establishment of a national delivery mechanism to support local authorities in delivering their proposed functions for LHEES and district heating, and which could support delivery and governance of SEEP more widely? What form should it take? What functions should it have?

Please explain your answer, including any available evidence or examples.

It is difficult to envisage district heating developing as a regulated industry in the absence of a national delivery mechanism to ensure ongoing consistency in matters of zoning, consent, licensing and consumer protection.

A national delivery mechanism would act as a focal point for authorities in the early years of LHEES to guarantee that strategies are written and delivered in line with the intent of these proposals. If the delivery mechanism also takes ownership of broad governance matters this could mitigate some of the capacity challenges that

authorities are likely to face in establishing LHEES.

The delivery mechanism may have a fixed 'core' but could include a consortium element to help facilitate the sharing of best practice and ensure that governance arrangements remain fit for purpose. This has particular implications for communications between authorities with similar challenges but who may find joint initiatives difficult due to being geographically or politically dispersed.

As LHEES develops the responsibilities of national delivery mechanism could include oversight and enforcement of technical standards and ensuring that licensees continue to meet their obligations.

The body could promote standardisation of technologies, interoperability of control systems, pragmatism in the procurement process, and consistency in the level of service offered to consumers. A centralised body could also have a role in arbitrating challenges over the zoning activity undertaken by authorities, based on clear guidance developed with local authorities over the zoning activity.

Question 21

Please let us know any views you have on the most cost effective way of supporting schemes that are socio-economically appropriate and in line with the local authority LHEES.

The costs of establishing networks could be minimised through a streamlined approach to procurement, especially for public sector developers. This is the aim of the proposed District Energy Procurement Agency (DEPA) that seeks to build on the experience of Värmek. Centralised expertise matched with local knowledge would allow specific schemes to be developed in an efficient and cost effective way.

Most heat network business cases are expected to demonstrate an attractive tariff over the counterfactual case which, in the case of gas, uses established infrastructure with less (or no) demand for capital repayment. Further, the UK currently has some of the lowest domestic gas prices in Europe, partly due to having one of the lowest tax components amongst IEA nations DBEIS, 28th September 2017, Domestic gas prices in the IEA. Rather than supporting schemes with an ongoing subsidy, support could be incentivised through favourable connection costs or taxation rules that offset this disadvantageous starting point.

Clarity over future business rates and rateable values would provide greater confidence to networks developers and owners; the ADE has previously suggested that heat networks are given the same status as gas and electricity networks in this regard.

Question 22

We would welcome stakeholders' views on our suggested approach to wider UK heat market reform, and in particular:

- a) any additional evidence that can be offered around the approach that should be taken to decisions on decarbonisation of the gas supply
- b) any views on the issues being considered within the remit of the ADE taskforce

Scotland has an opportunity to lead in the decarbonisation of heat, much as it has become a leader in low carbon electricity generation. However the challenge of heat decarbonisation is more localised and is considerable.

Seasonal challenges are pronounced in Scotland and there remains diversity between the most appropriate solutions for urban, rural and island communities. District heating provides an opportunity to establish low carbon heat sources but gas and fuel oils remain the most practical option for many households due to wide dispersal of households in rural areas. Heat market reform, and indeed the decarbonisation of heat, needs to recognise this and deliver solutions that meet the needs of all in a sustainable way. Many, if not all, are likely to require long-term infrastructure planning that will set a course for decades to come.

Question 23

Please tell us about any potential impacts, either positive or negative, you feel our proposed approach may have on particular groups of people, with reference to the "protected characteristics" listed above.

Please explain your answer, including any available evidence or examples.

We agree with the proposals attitude towards protecting groups who may be more vulnerable to the effects of fuel poverty or disruption. Consideration must be given to the means of communication used to engage groups who may not be familiar with online portals or even email, to ensure that their perspective is not overlooked.

More broadly these proposals are intended to lead to a significant, positive impact on local communities. It is essential that those organisations occupying leading roles in LHEES continue to engage with all groups who will be affected by SEEP and the rollout of LHEES.

Question 24

Are there any special provisions/ measures we should consider/ make/ include:

- a) to ensure protected characteristics are taken account of in the LHEES? In your opinion, should the LHEES process specifically include/ address the protected characteristics?
- b) to ensure protected characteristics are taken account of in the socioeconomic assessment? In your opinion, should that process specifically include/ address the protected characteristics?

- c) in terms of the installation of networks in order to minimise disruption to people with mobility problems or any other protected characteristic?
- d) in terms of consumer protection, that would better assist in ensuring that people with protected characteristics will be safeguarded (taking account of our limited legislative competence in this area)?
- e) in terms of communications, that would better assist in ensuring that people with protected characteristics will be kept informed and can fully participate?

Please explain your answers, including any available evidence or examples.

Our comments on these matters are provided throughout the response.

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Question 25

Please tell us about any potential costs or savings that may occur as a result of our proposed approach and any increase or reduction in the burden of regulation for any sector. Please be as specific as possible.

Please explain your answer, including any available evidence or examples.

It is our view that the additional burden arising from these proposals, while welcomed, will require dedicated resource and expertise to deliver. There is a degree of overlap with existing functions but we do not believe that sufficient capacity exists in all authorities to absorb the additional burden that will result from the proposals. In the context of recent pressures we would therefore welcome greater clarity on the support that will be available to authorities to successfully create and deliver LHEES over the next 15-20 year period.

Question 26

Please tell us about any impact on individual privacy/ data that may result from our proposals. If there is an impact on individual privacy, are there any special provision/ measures we should consider/ make/ include that would better assist in ensuring that this privacy impact is lessened/ negated?

Please explain your answer, including any available evidence or examples.

No response provided.

NORTH AYRSHIRE COUNCIL

Cabinet

23 January 2018

Title: **Award of Contract - Independent Advocacy Services**

Purpose: To advise Cabinet of the result of the tender exercise for a provision of an independent advocacy service.

Recommendation: Agree to approve the award of contract to AIMS Advocacy.

1. Executive Summary

- 1.1 North Ayrshire Council currently commissions an independent advocacy service for adults, aged 16 and over, who are a member of a recognised community care group or a carer/relative.
- 1.2 The current contract will expire on 31 March 2018. To comply with Council Standing Orders, EU Procurement Rules and Public Contracts (Scotland) Regulations 2015 (SSI 2015/446) (as amended) a formal procurement exercise has been undertaken.
- 1.3 The Contract term is to commence on 1 April 2018 for a period of three years with the option to extend for a further two 12 month periods.

2. Background

- 2.1 A formal contract notice was advertised on 20 July 2017 under the Open Procedure in the Official Journal of the European Union and Public Contracts Scotland Procurement Portal. The return date was 21 August 2017 at 12.00 noon.
- 2.2 The contract notice attracted 8 expressions of interest from a range of potential Service Providers. 1 bid was submitted for evaluation following Invitation to Tender.
- 2.3 The tender received was evaluated against the stated evaluation criteria of 30% price, 70% quality.

- 24 A comprehensive bench-marking exercise was carried out in regard to comparative pricing within North Ayrshire for advocacy services and other local authority pricing. The evaluation panel were satisfied that the price submitted demonstrates best value for money.

3. Proposals

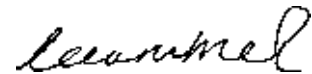
- 3.1 It is proposed to award the contract to AIMS Advocacy.

4. Implications

Financial:	The total value of the contract is £1,488,880. A budget of £1,500,000 is available for this contract.
Human Resources:	None.
Legal:	In order to comply with the Council's Standing Orders Relating to Contracts and Contract Procedure Rules, Public Contracts (Scotland) Regulations 2015 a formal tender exercise was advertised via the Public Contracts Scotland advertising portal.
Equality:	The ongoing provision of this service will ensure that individuals with protected characteristics have access to advocacy services and will be treated fairly in the delivery of the service. Barriers to access have been identified and steps have been taken to overcome these.
Children and Young People:	There are no implications for Children and Young People associated with this report.
Environmental & Sustainability:	None.
Key Priorities:	The procurement supports the following NAHSCP priorities; Priority 1 - Tackling inequalities; working to ensure services are responsive and sensitive to people who are covered by equalities legislation. Priority 5 - Improving mental health and wellbeing; support improved mental health and well-being for individuals.
Community Benefits:	The successful tenderer will deliver the following Community Benefits during the contract period; 15 days of education and skills initiatives.

5. Consultation

- 5.1 Formal consultation was not applicable in this procurement as there has been no change to the delivery of the service.



LAURA FRIEL

Executive Director (Finance and Corporate Support)

Reference : NAC/4164

For further information please contact Grainne Doyle (Category Manager) on (01294) 324799

Background Papers

Tender Outcome Report

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title:	Award of a Framework contract for the provision of Care at Home Services
Purpose:	To advise Cabinet of the outcome of the procurement exercise for the delivery of Care at Home Services.
Recommendation:	To approve the award of contracts to Ayrshire Quality Care & Support CIC, Mears Care, Rainbow Services (UK) Limited, Inverclyde & North Ayrshire Care Services t/a Carewatch and 1st Homecare.

1. Executive Summary

- 1.1 North Ayrshire Council is required to procure care at home services. In order to comply with the Council's Standing Orders relating to Contracts, EU Procurement Directives and Public Contracts (Scotland) Regulations 2015 a formal procurement exercise has been undertaken.
- 1.2 The Contract term is initially for a period of 2 years with an option to extend for a further 2, 12 month periods.

2. Background

- 2.1 Care at home services deliver a range of care and support services to North Ayrshire residents, living in their own home, who may have a variety of support and health needs. Care at Home Services are currently delivered through a mix of in-house provision across the six localities of North Ayrshire and partially purchased across five of those localities.
- 2.2 The procurement framework opportunity was advertised on 5 September 2017 under an open procedure in the Official Journal of the European Union and Public Contracts Scotland Procurement Portal. The return date was 05 October 2017 at 12.00 noon.
- 2.3 The contract notice attracted 32 expressions of interest from a range of potential bidders and 10 bids were submitted for evaluation.

- 2.4 Tender evaluation was undertaken using the most economically advantageous tender (MEAT) criteria with a ratio of 20% Price and 80% Quality. Only tenders that successfully passed both Stage 1- Minimum Requirements and Stage 2-Quality Evaluation were considered. The tender evaluation was carried out by a panel of appropriately experienced Council Officers against the published criteria.

3. Proposals

- 3.1 It is proposed that the contract is awarded to the following five (5) service providers who are listed in ranked order, based on their tender evaluation score.

	<u>LOT 1:</u> Irvine & Kilwinning areas	<u>LOT 2:</u> Three Towns: Ardrossan, Saltcoats & Stevenston	<u>LOT 3:</u> North Coast: Largs, Fairlie, West Kilbride, Skelmorlie & Cumbrae	<u>LOT 4:</u> Garnock Valley: Kilbirnie, Beith & Dalry
Preferred Provider no. 1	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch
Preferred Provider no. 2	Mears Care	Mears Care	1st Homecare	Ayrshire Quality Care & Support CIC
Preferred Provider no.3	Rainbow Services (UK) Limited	Rainbow Services (UK) Limited		1st Homecare
Preferred Provider no. 4	Ayrshire Quality Care and Support	Ayrshire Quality Care and Support		
Preferred Provider no.5	1st Homecare	1st Homecare		

4. Implications

Financial:	The value of the framework per annum is £4,823,697 per annum. The whole life budget available for the framework is £19,294,788.
Human Resources:	TUPE will apply within this procurement. The recommendation for contract award confirms that a transition period will be required, involving the transfer of service users and business. This will be carried out in the best interests of service users. There will be a robust transition plan in place to support the process, which will involve planned consultation and communication with service users and affected staff before new contracts commence.

Legal:	In order to comply with the Council's Standing Orders Relating to Contracts, EU Procurement Directives and Public Contracts (Scotland) Regulations 2015, a formal tender exercise was advertised via the Public Contracts Scotland advertising portal.
Equality:	The contract includes a requirement to comply with the equality act.
Children and Young People:	There are no implications for Children and Young People associated with this report.
Environmental & Sustainability:	Impact areas identified for these services are moving and handling, lone working and infection control. These areas are contractually required to be robustly risk assessed by providers throughout operational delivery.
Key Priorities:	The procurement supports the following NAHSCP priorities; Priority 4 – Prevention and Early Intervention Priority 5 – Improving Mental Health and Well-being.
Community Benefits:	The following Community Benefits offered are dependent on the volume of business awarded to providers through the framework; <ul style="list-style-type: none"> ▪ 68 new jobs being created ▪ Work experience placements for a minimum of 16 days for S4, S5 or S6 pupils from a North Ayrshire School ▪ 2 apprentice positions throughout the lifetime of the contract ▪ 1 graduate position throughout the lifetime of the contract ▪ Support towards 6 community projects agreed in conjunction with NAC Economies and Communities department involving local people and reflecting local priorities. Support towards 3 school projects agreed in conjunction with NAC Education & Skills department involving local school pupils.

5. Consultation

- 5.1 Formal consultation was not applicable in this procurement as there has been no change to the delivery of the service.



Laura Friel
Executive Director (Finance and Corporate Support)

For further information please contact **Grainne Doyle (Team Leader)** on **(01294) 324799**.

Background Papers

Tender Outcome Report

NORTH AYRSHIRE COUNCIL

23 January 2018

Cabinet

Title: Award of Contract - Public Realm Improvements, High Street and Bank Street, Irvine

Purpose: To advise Cabinet of the result of the tender exercise for the Public Realm Improvements, High Street and Bank Street, Irvine

Recommendation: Agree to approve the award of contract to MacLay Civil Engineering Ltd.

1. Executive Summary

- 1.1 North Ayrshire Council requires to establish a new works contract for the Public Realm Improvements, High Street and Bank Street, Irvine.
- 1.2 In order to comply with the Council's Standing Orders Relating to Contracts and Contract Procedure Rules and Public Contracts (Scotland) Regulations 2015 a formal tender exercise was advertised via the Public Contracts Scotland advertising portal.
- 1.3 The contract term is for a period of 83 weeks with the proposed award to MacLay Civil Engineering Ltd.

2. Background

- 2.1 A formal contract notice was advertised on 10th August 2017 under the Restricted Procedure in the Public Contracts Scotland Procurement Portal and the procurement exercise was carried out via the PCS-Tender E-Tendering System. The return date for the ESPD was 12 noon on 25th August 2017.
- 2.2 The contract notice attracted 32 expressions of interest from a range of potential suppliers of which 7 submitted ESPD Questionnaires. Following evaluation of the ESPD Questionnaires, the following 4 suppliers were short-listed to receive an Invitation to Tender: Crummock (Scotland) Ltd, ID Verde Ltd, MacLay Civil Engineering Ltd and Rainton Construction Ltd.
- 2.3 The return time and date for completed Invitations to Tender was 12 noon on 25th October 2017. Three submissions were received.
- 2.4 The 3 tenders received were evaluated against the stated evaluation

criteria of 70% Price and 30% Quality.

3. Proposals

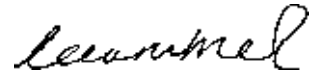
- 3.1 It is proposed that the contract is awarded to MacLay Civil Engineering Ltd.

4. Implications

Financial:	The total indicative value of the contract is £ 2,762,778.17. A total budget of £2,920,000 is available for this contract.
Human Resources:	None
Legal:	In order to comply with the Council's Standing Orders Relating to Contracts and Contract Procedure Rules, Public Contracts (Scotland) Regulations 2015 a formal tender exercise was advertised via the Public Contracts Scotland advertising portal.
Equality:	None
Environmental & Sustainability:	Various sustainability requirements are included within the contract: Site Waste Management plan to be adopted for minimisation / reuse / recycling of materials; Timber and Timber products are legally harvested from sustainable managed forests; and Waste and Resource Action Programme (WRAP) industry best practice and guidance to be followed.
Key Priorities:	This contributes to the Council Plan Priority 1: Growing our economy, increasing employment and regenerating towns and Priority 5: Protecting and enhancing the environment for future generations.
Community Benefits:	The successful tenderer will deliver a range of Community Benefits during the contract period including: 2x Apprenticeships for Road Workers; Engagement and development with SME's and TSO's providing one to one support or a workshop in their area of expertise relevant to their sector; Assistance in delivering the Councils aspiration of one or more Supported Businesses are awarded work through this contract; and Support for a school project and community project agreed in conjunction with NAC.

5. Consultation

- 5.1 There was consultation with Property Management & Investment and Economies & Communities throughout the tender process.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference: NAC/2118

For further information please contact Sharon Wallace (Category Manager)
on 01294 324024

Background Papers

Tender Outcome Report