



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cunninghame House,
Irvine.

18 September 2014

Cabinet

You are requested to attend a Meeting of the Cabinet of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **TUESDAY 23 SEPTEMBER 2014** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

1. Declarations of Interest

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

2. Minutes (Page 7)

The accuracy of the Minutes of the meeting held on 16 July 2014 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

GENERAL BUSINESS FOR DECISION

Reports by the Executive Director (Finance and Corporate Support)

3. Revenue Budget 2014/15 : Budgetary Control Statement to 31 July 2014 (Page 19)

Submit report by the Executive Director (Finance and Corporate Support) on the revenue budgetary control position for the Council at 31 July 2014 (copy enclosed).

4. Capital Monitoring to 31 July 2014 (Page 53)

Submit report by the Executive Director (Finance and Corporate Support) on progress in delivering the Capital Investment Programme as at 31 July 2014 (copy enclosed).

Reports by the Executive Director (Place)

5. Council House Building Protocol (Page 77)

Submit report by the Executive Director (Place) on a new protocol to be used in Council Housing Building projects where the project is classed as permitted development (copy enclosed).

6. Hunterston B Power Station - Response to consultation by SEPA on EDF Energy's application under the Radioactive Substances Act 1993 (Page 103)

Submit report by the Executive Director (Place) on the proposed response to the consultation, as summarised in the report. (copy enclosed).

Reports by the Executive Director (Education & Youth Employment)

7. Statutory Public Consultation on Proposed Development of Education and Sports Provision in Largs (Page 111)

Submit report by the Executive Director (Education and Youth Employment) on the proposed development of an Education and Sports provision in Largs (copy enclosed).

Reports by the Executive Director (Economy & Communities)

8. Gaelic Medium Education Bill Consultation (Page 159)

Submit report by the Executive Director (Economy and Communities) on the response to the Scottish Government's Consultation on the proposed Gaelic Medium Education Bill (copy enclosed).

GENERAL BUSINESS FOR INFORMATION

9. Maximising Attendance Performance - June 2014 (Quarter 1 Summary) (Page 169)

Submit report by the Executive Director (Finance and Corporate Support) on the analysis of sickness absence in Quarter 1 and the quarterly trend from April 2013 (copy enclosed).

10. Audit Scotland Report : Scotland's Public Finances : Progress in Meeting the Challenges (follow up audit) (Page 185)

Submit report by the Executive Director (Finance and Corporate Support) on the findings of the recent Audit Scotland report (copy enclosed).

11. North Ayrshire Shadow Integration Board (Page 223)

Submit report by the Director (North Ayrshire Health and Social Care Partnership) on business dealt with by the North Ayrshire Shadow Integration Board during the period April 2014 to July 2014 (copy enclosed).

MINUTES

12. Minutes of Physical Environment Advisory Panel of 30 June and 21 July 2014 (Page 239)

Submit report by the Executive Director (Place) on the minutes of the Physical Environment Advisory Panel held on 30 June and 21 July 2014 (copies enclosed).

EXEMPT INFORMATION

13. Exclusion of the Public and Press

Resolve, in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the meeting, the press and the public for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 7A of the Act.

In terms of Standing Order 17 (Disclosure of Information) the information contained within the following reports is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

13.1 Social Work Complaints Review Committee: Complaint by Mr C. (Page 247)

Submit report by the Chief Executive on the findings and recommendations arising from the Social Work Complaints Review Committee meeting of 15 August 2014 (copy enclosed).

13.2 Social Work Complaint Review Committee: Complaint by Mr C. (Page 255)

Submit report by the Chief Executive on the findings and recommendations arising from the Social Work Complaints Review Committee meeting of 4 September 2014 (copy enclosed).

14. Urgent Items

Any other item which the Chair considers to be urgent.

Cabinet

Sederunt: **Elected Members**

Willie Gibson (Chair)
Alan Hill (Vice-Chair)
Marie Burns
John Bruce
Anthea Dickson
Tony Gurney
Ruth Maguire

Chair:

Attending:

Apologies:

Meeting Ended:

Cabinet
16 July 2014

Irvine, 16 July 2014 - At a Meeting of Cabinet of North Ayrshire Council at 2.00 p.m.

Present

Willie Gibson, Marie Burns, Anthea Dickson, Tony Gurney, Alan Hill and Ruth Maguire, Very Reverend M. Canon McManus, Elizabeth H. Highton and Mark Fraser (Church Representatives), Nairn McDonald, Joshua McCormick and S. Hughes (Youth Representatives).

Also Present

Tom Marshall and Donald Reid.

In Attendance

E. Murray, Chief Executive; L. Friel, Corporate Director, T. Reaney, Procurement Manager A. Ross, Asset Manager, A. Blakely, IT Manager, A. Munn, Community Benefits Officer and A. Young, HR Operations Manager (Finance and Corporate Support); A. Sutton, Head of Community and Culture and S. Quinn, Head of Service (Development) (Education and Skills); C. Hatton, Corporate Director, R. McCutcheon, Head of Service (Environment and Related Services), K. Yeomans, Head of Service (Development Planning), A. Laurenson, Team Manager Regeneration, D. Hammond, Senior Manager (Strategic Planning and Infrastructure) and A. Adrain, Interim Head of Housing (Development and Environment); I. Colvin, Director (North Ayrshire Health and Social Care Partnership), S. Gault, Head of Service (Children, Families and Criminal Justice); A. Fraser, Head of Service (Democratic and Administration), B. Tudhope, Corporate Business Manager, A. Woodison, Communications Officer and A. Little, Committee Services Officer (Chief Executive's).

Also In Attendance

Mr Milligan.

Chair

Councillor Gibson in the Chair.

Apologies for Absence

John Bruce.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 16 and Section 5 of the Code of Conduct for Councillors.

2. Minutes

The Minutes of the meeting held on 1 July 2014 were confirmed and signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Chair's Remarks

The Chair, in terms of Standing Order 9.1, agreed to vary the order of business to allow earlier consideration of Agenda Item 20 (Town Centre Parking Strategy) and Agenda Item 17 (A Vision for Irvine).

4. Proposed Development of Education and Sports Provision in Largs

Submitted report by the Head of Service (Development) (Education and Skills) which outlined (a) proposals to replace the existing Largs Academy with a joint education and sport campus on the site of sportscotland's National Centre Inverclyde, which would include a modern, fit for purpose secondary school with access to world class sporting facilities and the redevelopment of sportscotland's National Centre Inverclyde; (b) early engagement with a range of stakeholders to inform the consultation process; and (c) an application to the Scottish Futures Trust in relation to accessing funding.

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

- discussions that will take place regarding the inclusion of St. Mary's Primary School in the options for the future delivery of early years and primary school provision in Largs;
- the use of the land on the site of the sportscotland National Centre Inverclyde that will enable the project to be completed within the required timescale;
- the involvement of young people in the consultation process to ensure their views are captured; and
- the opportunity to access world class sporting facilities but not to the exclusion of other activities for young people.

The Cabinet agreed to (a) authorise officers to develop proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school co-located on the site of the sportscotland National Centre Inverclyde, in partnership with sportscotland subject to confirmation by sportscotland of external funding; (b) authorise officers to explore and bring forward proposals on the future provision of early years and primary education in Largs, informed by an early engagement process with a range of stakeholders and appropriate partners, including sportscotland and South West HubCo; (c) instruct officers to submit proposals, informed by the early engagement process, outlining the preferred options for education provision and related funding in Largs, to Cabinet on 23rd September 2014; (d) note proposals to develop a robust consultation process to commence in October 2014, which meets statutory requirements; (e) submit a proposal to Scottish Futures Trust (SFT) in relation to accessing funding for arrangements for the future delivery of education and sports provision in Largs, subject to an acceptable rationale being developed; and (f) note that the outcome of the strategic review of education and the future of educational provision throughout North Ayrshire's neighbourhoods, including that of the Three Towns, will be presented to Cabinet for its consideration in early 2015. Further consultation with stakeholders will inform this process.

5. Strategic Review of Educational Services

Submitted report by the Head of Service (Development) (Education and Skills) that provided information on (a) the work of the Robert Owen Centre in supporting Government, local authorities and schools on collaborative enquiry, systems change and improvement; (b) the identification of three key areas of challenge to be tackled in North Ayrshire's schools to raise attainment; (c) funding previously agreed by Cabinet for the Strategic Review of Educational Service; and (d) the use of the negotiated procedures to procure the services of the Robert Owen Centre.

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

- the use of data to analyse previous performance, identify where improvements have been achieved and positively impact learning outcomes;
- a Members' briefing that will be provided to examine the financial aspects of the strategic review of educational services; and
- critical analysis of data that will be undertaken by the Robert Owen Centre.

The Cabinet agreed to (a) note the continued work with the Robert Owen Centre for Educational Change to carry out context specific research within, between and beyond our schools to support the improvement programme that will raise attainment and promote more equitable outcomes for our young people; (b) procure in principle the services of the Robert Owen Centre using the negotiated tendering procedure; and (c) approve expenditure of up to £150,000: £90,000 in year one; £40,000 in year two; and £20,000 in year three, to procure the services of the Robert Owen Centre.

6. Service Plan 2013/14 Year - end Performance Reports

Submitted report by the Chief Executive which provided an update on the performance of all Council Services as at 31 March 2014, with Appendices 1-6 of the report setting out six Service Plans, based on the Council's organisational structures for 2013/14.

Members asked questions and were provided with information in relation to the quality descriptors and capacity for improvement in relation to all services and in particular Finance and Corporate Support and Housing.

The Cabinet agreed to (a) note the performance of all Services as at 31 March 2014 against the objectives, key performance indicators and actions in the 2013/14 Service Plans; (b) to amend (i) the overall performance of Finance and Corporate Support to 'good'; and (ii) the capacity for improvement of Housing to 'very good'; and (b) refer the amended Service Plan 2013/14 Progress Reports to the Scrutiny and Petitions Committee for its consideration.

7. Council Plan, Performance Management Strategy and Single Outcome Agreement (SOA): 13/14 Q4 Progress Report

Submitted report by the Chief Executive on progress in terms of the three Action Plans, namely (1) the Council Plan; (2) the Performance Management Strategy; and (3) the Single Outcome Agreement (SOA).

The Cabinet agreed to (a) note the progress made in implementing the three Action Plans for the Council Plan, Performance Management Strategy and SOA; (b) note that detailed progress on the Council Plan indicators will be incorporated into the Public Performance Reporting report to Cabinet on 7 October 2014 and (c) refer the report to the Scrutiny and Petitions Committee for its consideration.

8. Provost's Civic Events Budget and Fundraising Activity

Submitted report by the Chief Executive which (a) provided information on the Provost's committed hospitality expenditure and forecasted expenditure for period 2014/15; and (b) gave details of the Provost's fundraising activity from December 2013.

The Cabinet agreed to (a) approve the requests for funding to date; (b) receive an update in six months; and (c) to otherwise note the report.

9. Scotland's Digital Participation Charter

Submitted report by the Chief Executive which outlined (a) the four inter-related strands of the Scottish Government's digital strategy "Scotland's Digital Future: A Strategy for Scotland"; (b) the launch of the second strategy document "Digital Participation: A National Framework for Local Action"; (c) the Digital Participation Charter which sets out how organisations can contribute to increase digital participation (Appendix 1); and (d) a dedicated team within the Scottish Council for Voluntary Organisations that will support Charter signatories deliver their commitments.

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

- information that will be prepared to direct the public to the location of IT equipment and digital support services available in North Ayrshire.

The Cabinet agreed to remit to the Chief Executive to sign Scotland's Digital Participation Charter on behalf of the Council.

10. Community Benefits from Wind Turbines and other Renewable Developments

Submitted report by the Chief Executive which highlighted (a) the present position regarding Community Benefits from Wind Turbines and other Renewable Developments in North Ayrshire and the disadvantages of the current arrangements; (b) the position of other local authorities and examples of their Community Benefit Schemes; (c) the principles outlined in the Scottish Government's 'Practice Principles for Community Benefits from Onshore Renewable Development'; (d) the proposal to develop a policy on Community Benefits setting out the level of community benefits expected from wind turbine and other developments; and (e) a review of Policy P19 of the Local Development Plan in respect of the criteria for wind turbines.

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

- the preparation of a policy on Community Benefits by the end of 2014;
- the provision of information to Members on the whether the community benefit rate paid by the wind turbine development at Busbie Muir, Ardrossan is index linked

That Cabinet agreed (a) that the Directorate of Economy and Communities should prepare a policy on Community Benefits from Wind Turbines and other renewable developments which would seek a level of Community Benefit commensurate with the Practice Principles; and (b) to note that a review of the criteria for wind turbines in terms of Policy P19 of the Local Development Plan is currently being progressed.

11. Consultation on Regulations Relating to the Public Bodies (Joint Working) (Scotland) Act 2014

Submitted report by the Chief Executive which (a) outlined the Scottish Government's consultation on draft regulations relating to the Public Bodies (Joint Working) (Scotland) Act 2014 (Appendix 3), accompanied by a summary statement (Appendix 2); and (b) set out the Council proposed response to the consultation (Appendix 1).

The Cabinet was advised of two further areas for inclusion in the response to the consultation, namely:-

- that where a Councillor ceases to hold office, they are required to resign, before the expiry of the term of office; and
- the term of office should be same as the local authority term of 5 years.

The Cabinet agreed to approve the response to the consultation as set out in Appendix 1, with the inclusion of the additional areas detailed above.

12. Implementation of a Community Benefits in Procurement Policy

Submitted report by the Corporate Director (Finance and Corporate Support) on (a) the development of a Community Benefits in Procurement Policy (Appendix 1) to ensure that community benefits are considered for all types of contract and will introduce a formal consistent process which will maximise the delivery of community benefits across Council contracts; (b) the contract value threshold for the categories of 'supplies and services' and 'works'; and (c) information on where community benefits are directly linked to the core purposes of the contract, where benefits do not directly link to the contract and where it is appropriate to give suppliers the opportunity to offer relevant community benefits on a voluntary basis.

The Cabinet agreed to (a) support the introduction of Community Benefit clauses in contracts across all supplies, services and works; and (b) the Community Benefits in Procurement Policy as attached at Appendix 1.

13. ICT Strategy Review 2014

Submitted report by the Corporate Director (Finance and Corporate Support) on (a) progress to date in relation to the ICT Strategy (Appendix 1); and (b) details of the strategic priorities for the next 2 years.

The Cabinet agreed (a) to note progress in implementation of the Council's ICT Strategy; (b) the priorities for the next 2 years, as detailed in the report; and (c) to receive reports on progress every 6 months.

14. Former Library Headquarters, Ardrossan

Submitted report by the Corporate Director (Finance and Corporate Support) which outlined (a) the proposed disposal of the former library headquarters (north wing and outbuilding), Princes Street, Ardrossan; and (b) the acquisition by Sense Scotland of the surplus accommodation to develop a facility to deliver services to children, young people and adults who have communication support needs.

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

- work that will be done to highlight that the library is open and will remain open during the works and to keep the public advised of the works that will be undertaken by Sense Scotland; and
- a number of areas that will be included in the lease, including access issues and disruption to the library and its users.

Having considered the disposal of land by Local Authorities (Scotland) Regulations 2010, the Cabinet agreed to approve the disposal of the north wing and outbuildings of the property at Nil consideration to Sense Scotland.

15. Chief Social Work Officer Annual Report

Submitted report by the Director (North Ayrshire Health and Social Care Partnership) on the annual report of the Chief Social Work Officer to the local authority on the statutory, governance and leadership functions of the role. The annual report covering the period April 2013 to March 2014 was attached as Appendix 1 to the report.

Members asked questions and were provided with information in relation to a review of the future involvement of Members in the Corporate Parenting Sub Group.

The Cabinet agreed to endorse the Chief Social Work Officer's Annual Report.

16. Arran Outdoor Education Centre

Submitted report by the Head of Service (Community and Culture) (Education and Skills) which (a) provided background information on Arran Outdoor Education Centre; (b) outlined the findings of the review of the Centre's business plan and future opportunities for growth that included proposals to (i) revise the staffing structure; (ii) cease operation of the mainland outreach service; (iii) reshape staff working patterns, including the use of seasons posts; (iv) develop additional, new and accessible opportunities; (v) increase booking charges by a modest amount; (vi) continue to work with partners to share staffing and resources; and (vii) offset the current shortfall in income with the financial efficiencies realised.

Members asked questions and were provided with information in relation to work that will be done to promote the Centre and a budget allocation for this work.

The Cabinet agreed to approve the proposals for the future sustainability of Arran Outdoor Education Centre, while maintaining a high quality service for young people in North Ayrshire.

17. Town Centre Parking Strategy

Submitted report by the Corporate Director (Development and Environment) which outlined (a) the public consultation process undertaken; (b) the comments and suggestions received from the consultation and considered by the Physical Environment Advisory Panel; and (b) proposed amendments to the strategy as a result of the consultation exercise.

The Cabinet heard the views of a local Irvine resident, Mr Milligan, on the car parking strategy for Irvine Town Centre, which included:-

- the consultation process undertaken had been poor and the feedback form had contained statements rather than questions;
- the strategy includes private car parks that have waiting restrictions in place, such as Asda and Aldi car parks;

- only 4 available parking spaces could be identified during a site visit with a local Member;
- insufficient parking spaces will be available for those workers moving to Cunninghame House from Perceton;
- and that there was no further public consultation undertaken following the survey.

The Cabinet agreed to (a) note (i) the consultation responses to the draft Town Centre Parking Strategy; and (ii) the views expressed by Mr Milligan; and (b) approve the strategy with the addition of (i) that a study be undertaken, in respect of potential on-street controls (including residents parking) at Kirkgate, Seagate, Parterre and West Road, Irvine; and (ii) that 12 months after the implementation of the strategy capacity studies be undertaken within Largs and Irvine to assess the impact of the actions to alleviate pressures on town centre parking spaces.

18. A Vision for Irvine

Submitted report by the Corporate Director (Development and Environment) on (a) progress in the development of a long term vision for the regeneration of Irvine (Appendix 1); (b) consultation undertaken and further planned consultation (Appendix 2); (c) the identification of seven key challenges across five geographic areas; (d) engagement and implementation to enable a closer working relationship between the Council and partners, including the formation of an Irvine Partnership to oversee the vision.

The Cabinet agreed to (a) approve the Vision for consultation; (b) the progression of actions identified within the Vision including the formation of (i) an Irvine Partnership to oversee the delivery of the Vision; and (ii) internal sub groups to advance the development of projects within key geographies.

19. Millport Field Centre - Land Transfer and Lease Agreement

Submitted report by the Corporate Director (Development and Environment) which provided information on (a) the procurement of facilities to support the operation of the Millport Field Centre (MFC); (b) Phase 1 of the operation that will include the construction of new accommodation, teaching facilities, parking, services and sewerage; (c) the capital contributions from the Council (up to £1.5m), Highlands and Islands Enterprise (£1m) and the Scottish Government (£500,000); and (d) the land to be transferred from the Field Studies Council (FSC) to the Council to enable the commencement of Phase 1 (Appendix 1); and (e) the proposed terms for the lease to FSC of the teaching and accommodation facilities.

The Cabinet agreed to (a) the transfer of land at the Millport Field Centre to the Council; and (b) the subsequent lease of newly developed teaching and accommodation facilities to the Field Studies Council.

Councillor Hill left the meeting.

20. International Strategy

Submitted report by the Corporate Director (Development and Environment) which provided (a) an update of the work done to identify an International Strategy for North Ayrshire (Appendix 1); and (b) details of the recommendations to develop high quality real estate and develop both an Inward Investment Service and an Export Support Service.

The Cabinet agreed to the development of the recommendations made by Ernst & Young to (a) develop a high quality real estate capable of attracting new business with particular focus on i3; and (b) develop an inward investment export support service.

21. Empty Homes Strategy

Submitted report by the Corporate Director (Development and Environment) on (a) the definition of an empty home; (b) the various reasons for homes becoming empty and information from a survey of all empty home owners indicating the main reasons why properties are empty; (c) a number of key interventions to encourage and support owners bring empty properties back into use; (d) legislative powers which the Council can invoke to address problems associated with empty homes; and (e) the proposed Empty Homes Strategy (Appendix 1).

Members asked questions and were provided with information on a variety of methods used and partnership working to identify empty homes.

The Cabinet agreed (a) to approve the Empty Homes Strategy; (b) that the Corporate Director (Development and Environment) provide information on the breakdown of 1 and 2 bedrooms homes within the 64% of all empty stock; and (c) receive a report back on implementation of the Empty Homes Strategy in June 2015.

22. Review of Street Lighting

Submitted report by the Corporate Director (Development and Environment) on (a) the proposal to install low energy units within the Council's Street Lighting infrastructure; (b) the findings of the detailed review undertaken to identify energy saving opportunities; (c) the development of an 'invest to save' programme; and (d) capital financing that will be required in order to replace 13,500 units and purchase replacement infrastructure.

Members asked questions and were provided with information on the development of a programme that will identify the location and timescale for the replacement of 13,500 lamp units with LED over a two year period.

The Cabinet agreed to approve (i) a programme to retro-fit 13,500 lamp units with LED, including the provision of a Central Monitoring System, over a 2 year period; (ii) that the material costs of £3.8 million for the programme be added to the Councils Capital Plan on an 'invest to save' basis; (iii) that the Councils' change fund be utilised for the design and installation of LED units; (iv) that the current infrastructure renewal programme funded through the Capital Plan be amended to incorporate LED and a Central Monitoring System; and, (v) that the retro-fit programme be undertaken by Building Services.

23. Grants Under the Community Outdoor Access Grant Scheme 2014/15

Submitted report by the Corporate Director (Development and Environment) that provided details of (a) five applications to the Community Outdoor Access Grant Scheme; and (b) the assessment of the applications, in partnership with the North Ayrshire Outdoor Access Forum, and the recommendations for funding (Appendix 1).

The Cabinet agreed to approve the awards as detailed in Appendix 1 to the report.

24. Award of Contract - Replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine

Submitted report by the Corporate Director (Finance and Corporate Support) on the result of the tender exercise for the works to provide a replacement Sheltered Housing Unit, Kiln Court, East Road, Irvine.

The Cabinet agreed to approve the award of the contract to Ashleigh (Scotland) Ltd., at a contract value of £2,623,018.

25. Award of Contract for Shewalton No. 2 Landfill Site, Capping of Cell 4 and Construction of Cell 5

Submitted report by the Corporate Director (Finance and Corporate Support) on the results of the tender exercise for the Capping of Cell 4 and the Construction of Cell 5 at the Shewalton Landfill site.

Members asked questions and were provided with information in relation to the pricing variations between the 8 contractors that reflected the experience and knowledge of the contractors in this specialised area of work.

The Cabinet agreed to approve the award of the contract to Priority Construction Limited, at a contract value of £1,346,000.

26. Award of Contract - General Building Framework

Submitted report by the Corporate Director (Finance and Corporate Support) on the results of the tender exercise for the Framework Agreement for the provision of General Building works.

The Cabinet agreed to approve the award of the framework agreement to the contractors detailed in the Tender Outcome Report (Appendix 1).

27. Change Programme: Progress as at 30 June 2014

Submitted report by the Chief Executive which highlighted (a) the transformational change activity within each Council service; and (b) efficiencies generated from the various activities within the Change Programme

The Cabinet agreed to (a) note (i) the progress of the Council-wide Change Programme as at June 2014; and (ii) that the projects being delivered by the Change Team are currently being reviewed in terms of their alignment to the Council's strategic objectives; and (b) receive a further update in six months' time.

28. School Meals

Submitted report by the Corporate Director (Development and Environment) which provided information on (a) arrangements being made to provide free school meals to Primary 1 - 3 pupils from January 2015; (b) the action plan detailing progress made to (i) increase the uptake of school meals; (ii) increase the number of Hub kitchens from 25 to 30; and (iii) works required to upgrade a number of school kitchens.

The Cabinet agreed to note (a) that an officer working group has continued to meet to identify and develop proposals to increase the uptake of school meals; (b) that the working group has further developed its action plan which outlines a number of measures being implemented; and (c) the arrangements being made to provide free school meals to Primary 1 - Primary 3 pupils from January 2015.

29. Scotland's Future: Empowering Scotland's Island Communities

Submitted report by the Corporate Director (Development and Environment) which outlined (a) North Ayrshire's inclusion within the recent prospectus issued by the Scottish Government entitled "Empowering Scotland's Island Communities"; (b) the three underpinning objectives of the prospectus; and (c) the proposed package of measures based on the transfer of all powers to the Scottish Parliament associated with independence.

The Cabinet agreed to note (i) the inclusion of North Ayrshire within the Scottish Government prospectus "Empowering Scotland's Island Communities"; and (ii) the series of measures that the Scottish Government proposes to transfer to all island authorities subject to the outcome of the independence referendum.

30. Housing Revenue Account Business Plan Implementation Group: 12 May 2014

Submitted report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Housing Revenue Account Business Plan Implementation Group held on 12 May 2014.

Noted.

31. Brodick Harbour Redevelopment Group :4 June 2014

Submitted report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Brodick Harbour Redevelopment Group held on 4 June 2014.

Noted.

32. Physical Environment Advisory Panel held on 09 June 2014

Submitted report by the Corporate Director (Development and Environment) on the minutes of the meeting of the Physical Environment Panel held on 09 June 2014.

Noted.

33. Exclusion of the Public

The Cabinet resolved in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following items of business on the grounds indicated in terms of Paragraphs 6 & 9 (item 32.1) and Paragraph 11 (item 32.2) of Part 1 of Schedule 7A of the Act.

33.1 Irvine Bay Regeneration Company - Future Developments

Submitted report by the Chief Executive on future developments in terms of the Irvine Bay Regeneration Company.

The Cabinet agreed to (a) note the content of the report; and (b) to receive further updates in due course.

33.2 Holiday Pay Entitlement

Submitted report by the Chief Executive on holiday pay entitlement.

The Cabinet agreed to (a) note (i) the employment law issues as outlined within the report; and (ii) the financial implications of this decision; and (b) to homologate the decision of the Chief Executive to apply a revised calculation for holiday pay in order to potentially reduce further significant legal and financial risks to the Council.

The meeting ended at 5.55 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

23 September 2014

Cabinet

Subject: **Revenue Budget 2014/15 : Budgetary Control Statement to 31 July 2014**

Purpose: To advise the Cabinet of the revenue budgetary control position for the Council at 31 July 2014.

Recommendation: That the Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) note the action being taken by the Health and Social Care Partnership to reduce the current projected overspend; and (c) approve the virements detailed in Appendix 9.

1. Introduction

- 1.1 The Council's General Fund and Housing Revenue budgets for 2014/15 were approved at a special meeting of the Council held on 11 December 2013.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, budgetary control reports are presented on a regular basis. This is the first report for 2014/15 and covers the period to the end of July 2014 (Period 4). Projections of the year-end position have been made. As the year progresses these projections will become more robust.

2. Current Position

General Fund

- 2.1 The unaudited annual accounts for 2013/14 currently reflect a General Fund uncommitted balance of £6.029m at 31 March 2014, equivalent to 1.9% of the net revenue budget.
- 2.2 The Council has set a break-even budget for 2014/15. In addition to the budget approved on 11 December 2013 ear-marked funds of £3.497m have been carried forward from 2013/14 for service expenditure in 2014/15 which will be reflected in the figures within the 2014/15 budgetary control reports.

- 2.3 Current financial projections indicate that a net in-year surplus of £1.394m is anticipated for the year to 31 March 2015.

Commentary on Significant General Services Variances

- 2.4 A number of over and underspends across Council services contributes to the overall projected financial position. There is a theme in relation to underspends through vacancy management and this will be considered as part of the budget discussions for 2015/16 which will take place later this year.
- 2.5 A brief explanation of Services' major variances are outlined below, with further details in the attached appendices.
- 2.6 In the Chief Executive's Service (Appendix 1), an underspend of £0.201m is anticipated, which is largely due to projected savings in employee costs as a result of vacancies and a secondment to another service from the Change Programme Team.
- 2.7 Within Finance and Corporate Support (Appendix 2), there is a net projected underspend of £0.272m. This is largely due to projected savings of £0.277m in employee costs as a result of vacant posts within Financial Management (£0.034m), Revenues and Benefits (£0.103m), Business Support (£0.040m), Central Procurement (£0.100m).
- 2.8 The Council is making Discretionary Housing Payments to meet the loss of housing benefit resulting from under occupancy pending the release of funding from the Scottish Government. The Scottish Government have provided assurances that this will be matched fully by additional funding. Based on current expenditure the Scottish Welfare Fund is projecting an overspend of £0.124m by the year end, this will be monitored closely to ensure expenditure is contained within budget.
- 2.9 Within Education & Skills (Appendix 3), an underspend of £0.400m is anticipated. This is primarily due to a PPP Insurance Rebate (£0.500m), an underspend in Additional Support Needs (£0.413m) due to a reduction in the number of placements including a reduction in the children placed in schools outwith North Ayrshire. These underspends are partially off-set by overspends in the following key areas. The cost of retirals will be £0.300m and is a one-off this year as part of delivering the Teachers Refresh programme. Replacement teacher costs are expected to overspend by £0.150m for the holidays teachers accrue whilst on maternity and long term sickness. The cost of delivering the IT computer replacement programme in Primary Schools has increased by £0.100m.

- 2.10 For the Health and Social Care Partnership, current projections indicate an overspend of £2.232m at 31 March 2015. There are a number of over and underspends which contribute to this net overspend. A detailed commentary on this can be found in Appendix 4. There is a service commitment to deliver a position as close to break even as possible by the end of the financial year as a result of reablement and the care package review work which is underway.
- 2.10.1 The most significant projected overspend is within Older People's services (£2.572m). Care homes are projected to overspend by £1.260m based on current occupancy levels. Care at Home staff costs are projected to overspend by £0.734m and is mainly due to overtime projected to cover sickness and staff training absence. A care at home review is being undertaken to address the areas of overspend. Purchased care at home services are also projecting an overspend of £0.522m. Work is ongoing to increase framework provider compliance levels and this should help to reduce the overspend. The service has a targeted reduction in expenditure of £1.5m as a result of reablement and service user reviews.
- 2.10.2 Further overspends of £0.952m are anticipated within Children and Families (£0.288m) for children with disability care packages, Independent Services (£0.239m) for residential care packages and community care packages. Further targeted savings of £0.500m are due to be delivered as a result of service user reviews.
- 2.10.3 The above overspends have been partially offset by underspends. In Management & Support, an underspend of £0.058m is anticipated mainly in employee costs. Children & Families is projecting an underspend of £0.337m in employee costs. Learning Disabilities is projecting an underspend of £0.190m which is mainly within residential care packages. Mental Health is projecting an underspend of £0.251m mainly in care packages.
- 2.10.4 Social Services will continue to take actions to bring expenditure within budget by the year end. Regular meetings have been scheduled with the Chief Executive to monitor progress in reducing the projected overspend.

- 2.11 Within Place (Appendix 5) an underspend of £0.010m is anticipated. Transport is anticipating an underspend of £0.123m due to better utilisation of transport contracts and Other Housing are also forecasting a net underspend of £0.081m delivered through a review of budgets. Property Management are forecasting an underspend of £0.086m due to vacancy management. Waste Services are forecasting an underspend of £0.100m on employee costs following a recent logistics review and an over recovery of income in the blue bin contract of £0.060m. This is partially off-set by an overspend in Roads (£0.043m) as a result of the need to undertake essential survey work on Millport Pier. Waste Services (£0.052m) and Facilities Management (£0.057m) are forecasting an increase to costs due to additional costs in respect of holiday pay. Property Costs are forecasting an overspend due to an under recovery in rental income (£0.141m) as a result of current void levels. Within Waste there is a projected shortfall in Waste Collection income and a review is being carried out to identify options for potential recovery. This is not included within the current forecasts.
- 2.12 Within Economy and Communities (Appendix 6) an underspend of £0.323m is anticipated. Cultural and Community are forecasting an underspend of £0.193m as a result of changes in work patterns, reductions in overtime and vacancies. Planning and Protective Services are forecasting an underspend of £0.130m due to vacancies.
- 2.13 The projected underspend for Building Services (Appendix 7) of £0.036m is primarily due to an increase in income of £1.011m mainly in voids (£0.630m) and non housing (£0.318m). This has resulted in an increase in the costs associated with delivering this additional workload and mix of work including employee costs (£0.298m), other agencies and bodies (£0.233m) through increased use of sub contractors, supplies and services (£0.360m) and transport (£0.196m) including scaffolding costs linked to the window replacement programme and increased volume of waste due to increased volume of voids.
- 2.14 Corporate Items (Appendix 8) relates to Joint Board requisitions, pension costs and other corporate items. An underspend of £0.335m is forecast and is mainly due to savings on inflationary assumptions made on the national care home contract.

- 2.15 Savings of £1.589m are anticipated in Loan Charges as a result of slippage in the capital programme in recent years, combined with external borrowing falling below anticipated levels due to the short-term use of cash balances currently held by the Council. There has been no long term borrowing undertaken so far in 2014/15 due to PWLB interest rates currently sitting at high levels compared with the low rates of return available on investments. If the policy of no borrowing was to continue further into the financial year then the savings in loan charges would increase.
- 2.16 The Council has budgeted for income from Council Tax of £57.999m in 2014/15, based on an estimated overall 96.5% collection level, and income from Non-Domestic Rates (NDR) of £40.417m. Collection levels for Council Tax show in-year collection of 37.8% to the end of July, which is 0.1% lower than the 2013/14 level. Recovery action is taken at the earliest opportunity and sheriff officers performance is monitored against performance targets to achieve the Council's collection target. In respect of NDR, the collection level is 31.3% which is 0.9% above the 2013/14 level. Recovery action is taken at the earliest opportunity and the service is on track to achieve the annual collection rate of 96.13% which contributes to the national NDR pool.
- 2.17 Income from Council Tax and Former Community Charge is forecasting to over recover by £0.461m. This is mainly due to cash collected for older debt which had previously been written off and a reduction in the amount of council tax reductions being awarded.
- 2.18 Requests for budget transfers, or virements, have been identified since the start of the financial year. As per the Council's Codes of Financial Practice, all such transfers require to be authorised by the appropriate Executive Director and the Executive Director (Finance and Corporate Support). Where the amount transferred from a budget is over £50,000 (either as a single transfer or the sum of transfers within a financial year) or where the transfer of any amount would affect existing Council policy the approval of the Cabinet is required. A schedule of the virements requested by Services above the £50,000 threshold is attached at Appendix 10 for Members' consideration and approval. This schedule also includes details of increases to budgets following the receipt of additional funding totalling £0.569m.

2.19 An analysis of the year end General Services revenue projections as at the end of July 2014 is shown in the undernoted table:

	<u>Annual Budget</u> <u>£000</u>	<u>Projection to 31</u> <u>March 2015</u> <u>£000</u>	<u>Projected</u> <u>Variance for year</u> <u>£000</u>
<u>Service Expenditure</u>			<u>(Fav)/Adv</u>
Chief Executive	4,451	4,250	(201)
Finance & Corporate Support	23,460	23,188	(272)
Education and Youth Employment	101,861	101,461	(400)
Health and Social Care Partnership	81,193	83,425	2,232
Place	59,756	59,746	(10)
Economy and Communities	22,025	21,702	(323)
Building Services	(149)	(184)	(35)
Other Corporate Services	11,340	11,005	(335)
Balance for Services	303,937	304,593	656
Loan Charges etc	20,386	18,797	(1,589)
Contribution to Capital Fund	1,086	1,086	-
Total Planned Expenditure	325,409	324,476	(933)
<u>Planned Income</u>			
AEF	(265,203)	(265,203)	-
Council Tax and former Community Charge	(58,019)	(58,480)	(461)
Use of Change Fund	(453)	(453)	-
Use of Earmarked Funds	(1,734)	(1,734)	-
Total Planned Income	(325,409)	(325,870)	(461)
Net Expenditure/(Income)	-	(1,394)	(1,394)

Housing Revenue Account

- 2.20 The position on the Housing Revenue Account at the end of July 2014 is outlined in the table below, with further details provided in Appendix 9:

	<u>Annual Budget £000</u>	<u>Projection to 31 March 2015 £000</u>	<u>Projected Variance for Year £000</u>
			<u>(Fav)/Adv</u>
Supervision and Management	7,796	7,477	(319)
Repairs and Maintenance	26,915	26,204	(711)
Short Stay Hostel	(67)	(92)	(25)
Homelessness	(56)	(178)	(122)
Loan Charges	9,452	8,775	(677)
Rental Income	(44,040)	(43,985)	55
Balance on Year's Activities	-	(1,799)	(1,799)

- 2.21 The Housing Revenue Account budgeted for a break-even position in 2014/15 with an underspend of £1.799m currently projected. The underspend is primarily due to a) anticipated savings of £0.284m in employee costs due to staff vacancies, b) an underspend of £1.375m in rent arrears write off due to increased funding for Discretionary Housing Payments preventing arrears build up as a result of under occupation and c) savings in loan charges £0.677m as a result of external borrowing falling below anticipated levels due to the short-term use of cash balances currently held by the Council. This is partially off-set by an increase in anticipated spend in voids of £0.630m. Senior officers will explore available options to reduce the cost of voids.

3. Proposals

- 3.1 The Cabinet is invited to (a) note the information and financial projections outlined in the report; (b) note the action being taken by Health and Social Care Partnership to reduce the current projected overspend and (c) approve the virements detailed in Appendix 9.

4. Implications

Financial Implications

- 4.1 The net projection for the year as at 31 July 2014 for General Services is a surplus for the year of £1.394m.
- 4.2 The net projection for the year on the Housing Revenue Account is a surplus for the year of £1.799m.
- 4.3 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 Resource Implications

- 4.4 There are no human resource implications.

Legal Implications

- 4.5 There are no legal implications.

Equality Implications

- 4.6 There are no equality implications.

Environmental Implications

- 4.7 There are no environmental implications.

Implications for Key Priorities

- 4.8 This budget monitoring report directly supports local outcome 15b - "Public Services are more efficient and effective" within the Single Outcome Agreement 2009/12.

5. Consultations

- 5.1 All budget holders have been consulted as part of the budgetary control process and have approved the projected variances contained in this report.

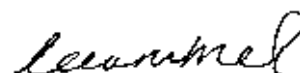
6. Conclusion

General Services

- 6.1 Current financial projections indicate that a net in-year surplus of £1.394m is anticipated for the year to 31 March 2015.

Housing Revenue Account

- 6.2 Current financial projections indicate that a net in-year surplus of £1.799m is anticipated for the year to 31 March 2015.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

For further information please contact Margaret Hogg on 01294 324551

Background Papers

0

CHIEF EXECUTIVE
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Legal	391	379	(12)	1
Policy, Performance & Community Planning	1,360	1,250	(110)	
Communications	438	438	-	
Committee & Member Services	1,458	1,449	(9)	2
Change Programme	700	630	(70)	
Civil Contingencies	104	104	-	
Total	4,451	4,250	(201)	

Subjective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	3,776	3,562	(214)
Property Costs	7	7	-
Supplies and Services	117	117	-
Transport and Plant Costs	15	15	-
Administration Costs	932	947	15
Other Agencies & Bodies	535	533	(2)
Other Expenditure	13	13	-
Capital Financing	-	-	-
Gross Expenditure	5,395	5,194	(201)
Income	(944)	(944)	-
Net Expenditure	4,451	4,250	(201)

EXPLANATION OF MAJOR VARIANCES

1 Policy, Performance & Community Planning - £0.110m underspend

This underspend relates to Employee Costs due to vacancies within Information Compliance (£0.065m) and Policy & Performance (£0.052m).

2 Change Programme - £0.070m underspend

Underspend is due to one vacancy and one member of the team seconded to another team.

FINANCE & CORPORATE SUPPORT
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Directorate	134	119	(15)	
Finance				
Head of Service	(329)	(318)	11	
Financial Management	1,917	1,883	(34)	1
Revenues & Benefits	13,779	13,676	(103)	2
Audit & Risk	412	402	(10)	
Corporate Procurement	747	655	(92)	3
HR & Organisational Development				
Head of Service	(52)	(47)	5	
Human Resources	1,756	1,753	(3)	
ICT	1,755	1,755	-	
Customer Services & Registration	1,581	1,590	9	
Business Support	1,760	1,720	(40)	4
Total	23,460	23,188	(272)	

Subjective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	13,171	12,844	(327)
Property Costs	1	1	-
Supplies and Services	890	893	3
Transport and Plant Costs	51	49	(2)
Administration Costs	900	913	13
Other Agencies & Bodies	1,805	1,789	(16)
Transfer Payments	61,974	61,974	-
Other Expenditure	24	72	48
Capital Financing	-	-	-
Gross Expenditure	78,816	78,535	(281)
Income	(55,356)	(55,347)	9
Net Expenditure	23,460	23,188	(272)

FINANCE & CORPORATE SUPPORT
BUDGETARY CONTROL 2014/15

EXPLANATION OF MAJOR VARIANCES

1 Financial Management - £0.034m underspend

This projected underspend relates to employee costs as a result of vacancies.

2 Revenues & Benefits - £0.103m underspend

This projected underspend relates to employee costs as a result of vacancies, maternity leave and long-term sickness absences.

The Council is making Discretionary Housing Payments to meet the loss of housing benefit resulting from under occupancy pending the release of funding from the Scottish Government. The Scottish Government have provided assurances that this will be matched fully by additional funding.

Based on current expenditure and the medium payment priority to community care grant the Scottish Welfare Fund will fully spend by January 2015. This will be the subject of a separate cabinet paper which will recommend changing the priority from medium to high to enable expenditure to be contained within budget.

3 Corporate Procurement - £0.092m underspend

The projected underspend in staffing due to vacant posts and maternity leave amounts to £0.100m. Recharges to capital are expected to under-recover by £0.055m, due to a lower volume of capital contract work than anticipated. This is offset by an over-recovery in revenue contract savings amounting to £0.047m.

4 Business Support - £0.040m underspend

This projected underspend relates to employee costs as a result of vacancies.

EDUCATION & YOUTH EMPLOYMENT
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS TO JULY 2014

Objective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Early Years Education	7,828	7,828	-	
Primary Education	34,450	34,387	(63)	1
Secondary Education	46,848	46,636	(212)	2
Additional Support Needs	6,402	5,989	(413)	3
Education - Other	6,333	6,621	288	4
	101,861	101,461	(400)	
Total	101,861	101,461	(400)	

EXPLANATION OF MAJOR VARIANCES

1. PRIMARY EDUCATION - £0.063m underspend

PPP Insurance rebate of £0.055m and PPP Unitary Charge underspend of £0.008m expected.

2. SECONDARY EDUCATION - £0.212m underspend

PPP Insurance rebate of £0.445m and PPP Unitary Charge underspend of £0.067m expected. One off costs for Teachers early retirements is expected to cost £0.300m as part of the Teacher Refresh programme.

3. ADDITIONAL SUPPORT NEEDS (ASN) - £0.413m underspend

ASN Residential and Day placement fees are underspent by £0.412m and £0.038m respectively due to a reduction in the number of placements. The income recovered from other Local Authorities who have children placed in North Ayrshire Schools is £0.112m less than budget. The expenditure incurred for children placed in schools outwith North Ayrshire is £0.075m underspent.

4. EDUCATION - OTHER - £0.288m overspend

Replacement Teacher costs are expected to overspend by £0.150m for the holidays which Teachers accrue while on maternity and long term sickness. PVG (Protection of Vulnerable Groups) checks across the whole of Education and Skills are expected to be overspent by £0.025m due to retrospective checks for all staff. Monthly salaries are underspent by £0.020m as a result of the Director and Head of Service vacancies which has been partially off-set by additional responsibility allowances and resources required to cover vacant posts.

As reported in the 2013/14 period 10 budgetary control report for Education and Skills the IT Computer Replacement programme for Primary Schools was currently being scoped. At that time a carry forward of £0.400m was approved to assist in the cost of this plan. Initial draft costings are indicating that this carry forward together with the annual ICT budget will be insufficient to pay for the total cost of the new equipment. At this stage it is expected that a further £0.100m will be required to pay for the overall plan.

HEALTH AND SOCIAL CARE PARTNERSHIP
BUDGETARY CONTROL 2014/15

REPORT FOR THE PERIOD ENDED 31st July 2014

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Management & Support	6,240	6,182	(58)	1
Children and Families	23,814	23,734	(80)	2
Older People's Services	32,751	35,323	2,572	3
Independent Services	3,851	4,090	239	4
Learning Disabilities	11,489	11,299	(190)	5
Mental Health Needs	1,973	1,722	(251)	6
Criminal Justice	(25)	(25)	-	
Addiction Services	599	615	16	
Change	14	6	(8)	
Changing Children's Services Fund	487	479	(8)	
	81,193	83,425	2,232	
Totals	81,193	83,425	2,232	

Subjective Summary	Annual Budget	Year End Outturn	Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	40,809	41,037	228
Property Costs	502	448	(54)
Supplies and Services	1,981	2,191	210
Transport and Plant Costs	510	558	48
Administration Costs	1,225	1,309	84
Other Agencies & Bodies	51,944	53,564	1,620
Transfer Payments	1,673	2,075	402
Other Expenditure	300	99	(201)
Capital Financing	-	-	-
Gross Expenditure	98,944	101,281	2,337
Income	(17,751)	(17,856)	(105)
Net Expenditure	81,193	83,425	2,232

1.MANAGEMENT AND SUPPORT & SERVICE STRATEGY - £0.058m Underspend

- a) Employee costs are showing a £40k underspend due to vacancies.
- b) Additional income of £25k to be received from Glasgow Caledonian University for services provided by Practice and Performance Team which was not budgeted for.

2. CHILDREN AND FAMILIES £0.080m Underspend

- a) Employee costs are projecting a projected underspend of £337k due to delays in recruiting staff for Early Intervention and Prevention initiatives. This is partially offset by agency costs of £63k projected to be incurred to cover the vacancies within Assessment and Care Management Team
- b) Throughcare costs for 27 care leavers rents are projected to underspend by £96k due to lower than anticipated levels of demand. Care leavers weekly allowances are projecting an overspend of £50k based on the current profile of support packages forecast to the yearend.
- c) Residential schools are projecting an overspend of £34k, based on the current 19 places in residential schools. There are no places in remand at present which is projected to underspend by £98k. It should be noted that residential and remand projections are based on current known placements with indicative end dates where appropriate, should these end dates not materialise or new placements be made, the expected overspend would increase.
- d) Foster carer placements are projecting an overspend of £67k for North Ayrshire foster carers and £134k for Private carers, due to demand being higher than budgeted.
- e) Adoption costs are expected to be £23k underspent, due to demand being lower than anticipated.
- f) Kinship carers are projecting an underspend of £111k, there are presently only 250 placements against a budget of 310.
- g) Supported carers are projecting an underspend of £42k due to difficulties in recruiting carers. There are 7 carers budgeted for, to date only two carers are in place.
- h) Legal fees are expected to overspend by £54k due to fees in relation to a contested residence order.
- i) Children with disabilities care packages are projecting an overspend of £288k, mainly due to:-
 - Community packages are projecting an overspend of £117k, based on the current cost of packages to profiled to the end of the financial year.
 - Direct Payments are projecting an overspend of £149k, based on the current cost of packages profiled to the end of the financial year.

Discussions are taking place with the service to improve management information, assist decision making and assist with more effective budget management.
- j) IMPACCT carers are expected to underspend by £65k due to difficulties in recruiting, currently there are only 4 impacct carers, budget was based on six carers.
- k) The family support network service forecasts an underspend of £61k due to the award of a lower priced tender.
- l) The Standby Service is expecting an overspend of £63k, same as prior year. Discussions are ongoing to determine if management fees currently charged remain viable in the long term.

3. OLDER PEOPLE'S SERVICES - £2.572m overspend

- a) Care at home employee costs are projected to overspend by £734k, this is mainly due to £483k overtime projected to cover sickness and staff training absences. A care at home review is being undertaken to address long current issues and reduce the projected overspend. Included in the projection is a £206k overspend in casual staff costs and £46k overspend in relation to overtime holiday pay arrears.
- b) Purchased care at home services are projecting an overspend of £522k. Work is ongoing to increase framework providers compliance levels on CM2000 and bring some non framework providers on to the system. This should have a positive effect in reducing the overspend.
- c) Care homes are expected to overspend by £1.260m, the projected overspend is based on current occupancy of 903 against a budgeted occupancy of 848. In order to meet the 4 week delayed discharge target, the care home occupancy will remain at approximately 900 for the remainder of the year.
- d) An over recovery of income of £71k is expected from charges to users within Montrose House and Anam Cara.

4. INDEPENDENT SERVICES - £0.239m overspend

- a) Residential care packages are projecting an overspend of £137k, this is based on the cost of current service users care package costs profiled to the yearend.
- b) Community care packages are projecting an overspend of £82k, this is based on the current level of care packages profiled to the yearend. The projection has been adjusted in line with prior year trends.
- c) Direct Payments are projecting an overspend of £58k, this is based on the cost of current packages profiled to the yearend.

This service has been targeted with reducing packages by £230k - £50k has been delivered to date.

5. LEARNING DISABILITIES - £0.190m underspend

- a) Residential care packages are projecting an underspend of £668k, this is based on the current service users care
- b) Community care packages are projecting an overspend of £459k, this is based on the cost of current care packages profiled to the yearend and adjusted for prior year trends.
- c) Direct Payments are projecting an overspend of £104k, this is based on the current care package costs profiled to the yearend.
- d) Early achievement of future year efficiency savings of £139k.

This service has been targeted with reducing packages by £360k - £256k has been delivered to date.

6. MENTAL HEALTH - £0.251m underspend

- a) Employee costs are projecting an underspend of £88k, due to vacancies at start of the year.
- b) Residential care packages are projecting an underspend of £103k, this is based on the current care package costs profiled to the yearend.
- c) Community care packages are projecting an underspend of £97k, this is based on the cost of current care packages profiled to the end of the year and adjusted for prior year trends.
- d) Direct Payments are projecting an overspend of £53k, this is based on the current care packages profiled to the yearend.

This service has been targeted with reducing packages by £240k - £51k has been delivered to date.

PLACE
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Directorate	194	194	-	
Physical Environment				
Management and Admin	-	-	-	
Property Management & Investment	2,107	2,021	(86)	1
Housing Assets & Investment	(63)	(63)	-	1
Property Costs	7,733	7,886	153	1
Property Maintenance	4,733	4,733	-	1
Roads	6,929	6,972	43	1
Streetscene	5,290	5,314	24	1
Commercial Services				
Management and Admin	817	817	-	
Internal Transport	8,369	8,246	(123)	2
Waste Services	6,820	6,823	3	2
Facilities Management	9,841	9,898	57	2
Other Housing	6,986	6,905	(81)	3
	59,756	59,746	(10)	

PLACE
BUDGETARY CONTROL 2014/15

EXPLANATION OF MAJOR VARIANCES

1 Physical Environment

Property Management & Investment - £0.086m underspend

The majority of this projected underspend relates to employee costs as a result of vacancies.

Property Costs - £0.153m overspend

There is an under-recovery in rental income due to void properties of £0.141m.

Roads- £0.043m overspend

The Service is projecting an overspend as a result of essential survey work commissioned on Millport Pier (£0.064m) to detect voids within the structure. This interim study has been carried out due to concerns regarding the structural integrity of the Pier. However current staff vacancies will partially offset the overspend.

Streetscene - £0.024m overspend

There is a projected overspend in employee costs due to redundancy payments of £0.024m.

2 Commercial Services

Transport - £0.123m underspend

There is a projected underspend in the cost of taxis of £0.169m which comprises of an underspend in the SPT School Transport Contract of £0.299m offset by an overspend in other taxi costs of £0.130m. Further work is being carried out to identify the future costs in relation to pupil transport however the initial review indicates a projected underspend through better utilisation of transport contracts.

Waste Management - £0.003m overspend

There is an anticipated underspend of £0.100m in employee costs as a result of the recent logistics review. However, this is offset by unbudgeted costs of £0.052m as a additional holiday pay costs and there is a projected shortfall in commercial waste collection income of £0.107m and the service is carrying out a review of charges for waste streams to identify potential options for recovery.

The income from the blue bin contract is expected to exceed budget by 60k, this is included within the above projections. However there is an on-going dispute with regards to the blue bin contract and an independent review of the contract has been sought. Depending on the outcome of the review there may be additional costs to the service. The current projections do not include any estimates in relation to this potential cost.

Facilities Management - £0.057m overspend

There is a projected overspend of £0.057m within facilities management mainly attributed to projected costs for additional holiday pay. The service will work towards reducing the cost of overtime to offset these costs.

PLACE**BUDGETARY CONTROL 2014/15****3 Other Housing - £0.081m underspend**

The projected underspend of £0.081m is largely attributable to efficiency savings identified through a review of the budget (£0.108m). This is partially offset by £0.017m redundancy costs in relation to the reconfiguration of the Mediation Service and £0.016m cost for a temporary Travellers Encampment Officer post.

ECONOMY AND COMMUNITIES
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Year End Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Economic Growth				
Management and Admin	199	199	-	
Planning & Protective Services	2,127	1,997	(130)	1
Economic Development	8,242	8,242	-	
Connected Communities	8,090	7,897	(193)	2
Leisure	3,367	3,367	-	
	22,025	21,702	(323)	

EXPLANATION OF MAJOR VARIANCES

1 Economic Growth (£130K underspend)

Planning and Protective Services

The projected underspend of £0.130m is largely attributable to an underspend within employee costs of £0.142m as a result of effective vacancy management.

2 Connected Communities (£193K underspend)

The underspend is entirely related to employee costs.

A saving of £0.094m is expected from amended work patterns and reduced overtime in Community Facilities. Vacancies account for £0.047m within Community Development and £0.028m in Childrens Services and £0.020m in Country Parks.

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Variance Adverse or (Favourable)	
	£000	£000	£000	
Employee Costs	8,684	8,982	298	1
Property Costs	458	416	(42)	
Supplies and Services	4,572	4,933	360	2
Transport and Plant Costs	1,349	1,545	196	3
Administration Costs	786	758	(28)	
Other Agencies & Bodies	1,389	1,622	233	4
Other Expenditure	43	-	(43)	
Capital Financing	292	292	(0)	
Gross Expenditure	17,573	18,548	975	
Income from :-				
Response	(4,255)	(4,335)	(80)	
Voids	(2,810)	(3,440)	(630)	
Planned	(1,710)	(1,785)	(75)	
Non-Housing	(1,269)	(1,587)	(318)	
Projects	(5,844)	(5,844)	(0)	
Aids & Adaptations	(1,300)	(1,300)	-	
Other	(537)	(442)	94	
Gross Income	(17,724)	(18,733)	(1,009)	5
Net Expenditure	(150)	(184)	(34)	

EXPLANATION OF MAJOR PROJECTED VARIANCES

1 There is a projected overspend of £0.298m in Employee Costs due an increase in the income secured, the additional holiday pay costs and a change to the mix of work with some being more labour intensive than was budgeted at the beginning of the year.

2 The projected material overspend is based on the work anticipated however this will change should the level or type of work change significantly.

3 The projected overspend in transport of £0.196m is mainly due to the recharge for additional hire of scaffolding within the windows programme and also increased volume of waste due to increase in voids.

4 There is a projected overspend of £0.233m within Other Agencies & Bodies primarily as a result of increased use of sub-contractors. The overspend in sub contractors is based on the work anticipated however this will change should the level or type of work change significantly.

5 The service has various income streams with the following significant budget variances anticipated:-

		£m Adv/(Fav)
Response Repairs:		
Emergency and Urgent Repairs	(0.186)	
Routine Repairs	0.155	
Timber Treatment	(0.085)	
Right to Repair	0.036	
	<hr/>	(0.080)
Voids		(0.630)
Planned:		
Catchup	(0.025)	
Estate Based Projects	(0.050)	
	<hr/>	(0.075)
Non Housing		
Recharge to Property Management	(0.318)	
	<hr/>	(0.318)
Other		0.094
		<hr/>
		(1.009)
		<hr/>

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Projected Outturn	Projected Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Strathclyde Passenger Transport	2,417	2,417	-	
SPT - Concessionary Fares	283	283	-	
Ayrshire Joint Valuation Board	808	808	-	
Other Corporate Costs		-		
Pension Costs	1,786	1,786	-	
Central Telephones	80	80	-	
Other Corporate Items (incl Cash in Transit & External Audit Fees)	355	355	-	
Insurance Account			-	
Children and Young People Bill	1,262	1,262	-	
Capital Fund	600	600	-	
Dartington	400	400	-	
Funds to be Allocated (incl Termination Costs)	3,349	3,014	(335)	1
Totals	11,340	11,005	(335)	

EXPLANATION OF MAJOR VARIANCES

1. Funds to be Allocated

This underspend is mainly due to savings in inflationary assumptions made on the national care home contract.

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2014/15

REPORT FOR THE FOUR MONTHS ENDED 31 JULY 2014

Objective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)	Note No
	£000	£000	£000	
Supervision and Management	7,796	7,477	(319)	1
Repairs and Maintenance	26,915	26,204	(711)	2
Short Stay Hostel	(67)	(92)	(25)	
Homelessness	(56)	(178)	(122)	3
Loan Charges	9,452	8,775	(677)	4
Rental Income	(44,040)	(43,985)	55	5
Totals	0	(1,799)	(1,799)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Projected Annual Variance Adverse or (Favourable)
	£000	£000	£000
Employee Costs	6663	6,211	(452)
Property Costs	18,952	19,609	657
Supplies and Services	297	290	(7)
Transport and Plant Costs	91	91	0
Administration Costs	1,571	1,588	17
Other Agencies & Bodies	1,674	1,716	42
Transfer Payments	100	100	0
Other Expenditure	2,128	703	(1,425)
Capital Financing	17,704	17,027	(677)
Gross Expenditure	49,180	47,335	(1,845)
Income	(49,180)	(49,134)	46
Net Expenditure for year	0	(1,799)	(1,799)

EXPLANATION OF MAJOR PROJECTED VARIANCES

1. SUPERVISION AND MANAGEMENT - £0.319m underspent

The main factors contributing to the projected underspend are as follows:

	£000
Staff vacancies	(284)
Software & Computer Equipment	(24)
Property Rents	(35)
Office Accommodation	27
	<u>(316)</u>

2. REPAIRS AND MAINTENANCE - £0.711m underspent

The projection for this section is mainly the result of a £1.375m underspend in rent arrear write off, offset partly by an overspend on Council House repairs, as outlined below. The rent arrears saving is mainly due to the fact that Under Occupation rent arrears will be fully mitigated by increased funding for Discretionary Housing Payments, therefore no arrears will build during 2014/15 in relation to this.

The repairs projections below are an extrapolation, based on current levels of jobs raised and current average job costs. This projection will continue to be updated throughout the year to match the demand profile.

Senior officers will also explore available options to reduce the cost of Void repairs.

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2014/15

Response Repairs	68
Void Repairs	630
Planned Repairs	(68)
	630

3. HOMELESSNESS - £0.122m underspent

The projected underspend against this service consists of savings from staff vacancies (£0.141m) offset to a degree by a increased level of void rent loss (£0.035m)

5. LOAN CHARGES - £0.677m underspent

There is a projected saving in loan charges for 2014/15 as a result external borrowing falling below anticipated levels due to the short-term use of cash balances currently held by the Council.

5. RENTAL INCOME - £0.055m under-recovered

There is a projected shortfall in mainstream house rental income (£0.097m) based on current fortnightly rent charges, which is mainly due to higher than anticipated RTB sales in 2013/14. This shortfall is partially offset by a projected increase in rent from housing shops of £0.046m

6. HRA BALANCES

	B/fwd from 2013/14	Period 4 Revenue	Use of Earmarked sums	Funding of Capital Projects	Estimated Bal at 31/03/15
	£m	£m	£m	£m	£m
Council House Building Fund	4.270	-	0.000	(1.952)	2.318
Welfare Reform	3.000	-	0.000	0.000	3.000
Contingency Balance	0.400	-	0.000	0.000	0.400
Furnished Tenancies service	0.121	-	0.000	0.000	0.121
Estate Based Projects	0.356		(0.356)	0.000	0.000
Non Adopted Roads & Lighting	0.182		(0.182)	0.000	0.000
Uncommitted Balance	0.394	1.799	0.000	0.000	2.193
	8.723	1.799	(0.538)	(1.952)	8.032

Budget Management - 31 July 2014
Virement/Budget Adjustment Requests

		2014/15	
	Perm (P) / Temp(T)	Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Transfer of taxi budget from SPT Contract to ASN Contracts	P	-0.061	
Transfer of taxi budget from SPT Contract to ASN Contracts	P	0.061	
			0.000
Social Services and Health			
The Mental Health Officer service is a statutory role within the Council. In order to meet levels of demand social services require to recruit and retain Mental Health Officers in order to meet statutory requirements. Budget is required to backfill 1.2 WTE Trainee Mental Health Officers for 9 months each year and 1 WTE Trainee Practice Assessor	P	0.071	
Transfer of budget for short breaks, this service is no longer utilised	P	-0.049	
Transfer of 0.3 WTE Social Worker post this has been identified as the Older Peoples contribution to the Mental Health Officers service	P	-0.014	
Transfer of residential respite budget from children and families this has been identified as their contribution to the Mental Health Officers service	P	-0.008	0.000
2) Budgets to be increased as a result of external grant income			
Education and Skills			
A £0.135m grant received from Scottish Govt towards the implementation of the 1+2 languages policy in schools.	T	0.135	
A £0.048m grant received from Sport Scotland late March 14 which was carried forward into 14/15 along with a further allocation of £0.047m for 14/15 totalling £0.095m for development of the PE Support Programme initiative in schools.	T	0.095	
A total of £0.127m grant from Scottish Govt towards activity agreements and enhancing 16+ opportunities for all in schools.	T	0.127	
A grant of £0.212m from Creative Scotland to run the Youth Music Initiative within schools.	T	0.212	
			0.569

NORTH AYRSHIRE COUNCIL

Agenda Item 4

23 September 2014

Cabinet

Subject: Capital Monitoring to 31 July 2014

Purpose: To advise the Cabinet of progress in delivering the Capital Investment Programme as at 31 July 2014.

Recommendation: That the Cabinet agrees to (a) approve the revisions to budgets outlined at Sections 2.1 and 2.6 of the report; and (b) note (i) the actual General Services and HRA expenditure to 31 July 2014 and (ii) the forecast of expenditure to 31 March 2015.

1. Introduction

- 1.1 The General Services and Housing Revenue Account (HRA) capital budgets were approved at a special meeting of the Council on 11 December 2013. The General Services capital programme approval covered a firm plan for period from 1 April 2014 to 31 March 2018 and an indicative plan for the years from 2018/19 to 2022/23. The HRA capital budget was approved for 2014/15 only.
- 1.2 This report identifies the current programme for 2014/15, taking account of adjustments made to budgets since the meeting outlined at 1.1. The report advises of actual expenditure to 31 July 2014 and forecast expenditure to 31 March 2015.

2. Current Position

- 2.1 The table below outlines the movements in the 2014/15 General Services budget since the meeting on 11 December 2013 :-

	2014/15
	£m
Budget approved on 11 December 2013	52.292
a) Alterations to phasing of projects:-	
2013/14 to 2014/15	5.654
2014/15 to 2015/16 and beyond	(23.511)
b) Additional Projects funded by grants & contributions	1.654
Budget as at 31 July 2014	36.089

2.1.1 The major movements in the programme are as follows:-

- (i) within Finance and Corporate Support £1.233m has been reprofiled to future years to reflect the current phasing of the refurbishment at Cunninghame House. In addition £0.791m has been reprofiled for various projects linked to the delivery of the Council's IT Strategy. The start of this project was delayed due to procurement negotiations, however it is now well underway and this profiling reflects the latest programme.
- (ii) within Education & Skills the major slippage is in respect of Irvine Leisure Centre (£12.732m). This project will commence on site this financial year assuming the Reporter's decision is received by November and the reprofiling reflects the anticipated programme of works. The Schools Estate programme (£4.594m) has been reprofiled to future years to enable firmer plans to be developed and an element of this deceleration has been allocated to the Irvine Royal Ayrshire College Adaptations (£1.000m). This has been off-set by £1.095m which has been accelerated into 2014-15 to reflect the land acquisition and associated costs in respect of the Garnock Campus.
- (iii) within Development and Environment £4.037m has been slipped for the upgrade to the B714 to enable design assessments to be completed to inform improvement packages which will be carried out in 2015/16. Garnock Valley Flood Prevention (1.349m) is also slipping whilst the options are refined prior to consultation and a submission to the Scottish Government and Brodick Harbour (£1.200m) has slipped to reflect the latest programme of works.
- (iv) since the budget was approved on 11 December 2013 additional funding of £1.654m has been identified, the most significant sums being (a) £0.900m from Strathclyde Partnership for Transport to support development of the roads network (b) £0.625m from various agencies to assist in improving the Access Paths Network (c) £0.240m from the Forestry Commission to support the Timber Transport project.

2.2 Capital Expenditure to 31 July 2014

Actual expenditure to 31 July 2014 (Period 4) amounted to £6.445m or 17.9% (compared to anticipated expenditure of £7.674m or 21.3%) of the revised annual budget for 2014/15 of £36.089m. Details of actual spend by project against the revised budget for 2014/15 can be found in Appendix 1, alongside anticipated spend to 31 March 2015.

The projections are summarised by service in the table below:

Service	Revised Budget 2014/15	Projected Expenditure / Income to 31 March 2015	Projected Variance Over / (Under) Spend	True Over / (Under) Spend	Net Carry Forward to 2015/16
	£m	£m	£m	£m	£m
Expenditure					
Economy and Communities	6.146	6.201	0.055	-	0.055
Education and Youth Employment	6.220	6.193	(0.027)	0.038	(0.065)
Finance and Corporate Support	2.036	2.005	(0.031)	-	(0.031)
Place	15.874	16.671	0.797	0.246	0.551
Health and Social Care Partnership	5.369	5.370	0.001	0.001	-
Other including Flexibility	0.444	0.050	(0.394)	(0.394)	-
Total Expenditure	36.089	36.490	0.401	(0.109)	0.510
Income					
General Capital Grant	(13.464)	(13.464)			
Specific Capital Grant	(0.212)	(0.212)			
Use of Reserve Funds	(9.846)	(9.846)			
Capital Funded from Current Revenue	(2.169)	(2.169)			
Capital Receipts	(0.615)	(0.615)			
Other Grants & Contributions	(3.343)	(3.343)			
Prudential Borrowing	(6.440)	(6.841)	(0.401)	0.109	(0.510)
Total Income	(36.089)	(36.490)	(0.401)	0.109	(0.510)

2.3 Bridgegate House is forecasting an overspend due to a potential contractual claim and James McFarlane School of £0.032m due to additional works which are required. The overspend within James McFarlane will be funded from underspends projected in other projects within Education and Skills. It is recommended that the overspend at Bridgegate House is funded from the Flexibility Budget of £0.394m which is available within this years programme.

2.4 Information on the progress of all projects and explanations for the carry forwards can be found in Appendix 1.

Housing Revenue Account

- 2.5 The table below outlines the movements in the 2014/15 HRA Capital budget since the meeting on 11 December:-

	2014/15
	£m
Budget approved on 11 December 2013	33.482
a) Carry forward from 2013/14	0.862
b) Additional projects funded by grants & contributions	1.398
Budget as at 31 July 2014	35.742

- 2.6 Since the budget was approved on 11 December 2013 the house building projects at Fencedyke and the acquisition of houses on the open market have been added to the 2014/15 programme. These projects were approved by Cabinet on 11 February 2014 and 30 April 2013 respectively and are funded from Scottish Government Grant, Second Homes Council Tax and Prudential Borrowing. Additional funding of £1.000m has also been secured from energy companies for the Insulation Programme. In addition, some minor adjustments have been made to the budgets to bring them into line with the proposed programme of works for the year as agreed between Housing Services, Building Services and Housing Assets and Investment. These changes are reflected in the detailed programme which can be found in Appendix 2. This has resulted in a revised budget at 31 July of £35.742m.

Capital Expenditure

- 2.7 Actual expenditure to 31 July 2014 (Period 4) amounted to £6.510m or 18.2% (compared to anticipated expenditure of £7.336m or 20.5 %) of the revised annual budget of £35.742m. Current projections suggest that there will be a underspend of £6.454m at 31 March 2015 of which £5.597m requires to be carried forward to 2015-16 including the new build projects, the regeneration of Montgomery Court and further works on the Insulation Programme. There is a true underspend of £0.857m as a result of anticipated savings in the new build programme including John Galt and the Stevenson Institute and an underspend in the budget provision for general house building. This underspend will result in a reduced contribution from the House Build Fund and a reduced requirement for borrowing.

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 and Appendix 1; and (b) note (i) the actual expenditure to 31 July 2014 and (ii) the forecast of expenditure to 31 March 2015; and

In the H.R.A. -

The Cabinet is invited to (a) approve the further revisions to the budget outlined at Section 2.6; (b) note the actual expenditure to 31 July 2014 and (ii) the forecast of expenditure to 31 March 2015.

4. Implications

Financial Implications

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

Human Resource Implications

- 4.2 There are no human resource Implications.

Legal Implications

- 4.3 There are no legal Implications.

Equality Implications

- 4.4 There are no equality Implications.

Environmental Implications

- 4.5 There are no environmental Implications.

Implications for Key Priorities

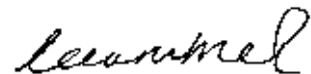
- 4.6 A delay in completion of projects could affect the delivery of services and have implications for revenue budgets and service planning.

5. Consultations

- 5.1 Consultations have taken place with all services in respect of their projects.

6. Conclusion

- 6.1 The report invites the Cabinet to approve the revisions to budgets for General Services and the Housing Revenue Account, and note the level of capital expenditure to 31 July 2014 and projections to 31 March 2015.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

For further information please contact Margaret Hogg on 01294 324551

Background Papers

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North Ayrshire Council Capital Statement Year Ended 31st March 2015													
Project Description	Approved Budget	Carry Forward from 2013/14	Additional Funds Awarded 2014/15	Approved Revisions to Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31st March 2015	Projected Over/ (Under) Spend for 2014/15	True Over/ (Under) Spend	Carry Forward to 2015/16	COMMENTS
	£	£	£	£	£	£	£	£	£	£	£	£	
EXPENDITURE													
Economy & Communities													
Regeneration	2,930,000	23,069	(400,000)	(311,196)	2,241,873	207,825	59,692	(148,133)	2,243,740	1,867	0	1,867	
Strategic Planning & Infrastructure	262,000	0	700,934	0	962,934	10,000	(5,759)	(15,759)	962,934	0	0	0	
Sport & Activity	14,626,641	547,389	0	(12,787,712)	2,386,318	37,171	162,017	124,846	2,436,619	50,301	0	50,301	
Information & Culture	925,397	(128,745)	0	(241,725)	554,927	23,940	2,743	(21,197)	557,874	2,947	0	2,947	
Education & Youth Employment													
Nursery Education	852,000	(54,516)	20,000	0	817,484	17,516	(929)	(19,012)	817,484	0	0	0	
Primary Schools	8,498,552	260,576	24,500	(5,592,536)	3,191,092	644,204	590,730	(53,474)	3,135,105	(55,987)	5,037	(61,024)	Various small over and underspends
Secondary Schools	0	3,117	0	2,095,372	2,098,489	937,067	940,571	3,504	2,098,489	0	0	0	
Special Education	298,318	(480)	0	(184,595)	113,243	14,001	19,719	5,718	141,832	28,589	32,547	(3,958)	Additional costs James MacFarlane PS
Finance & Corporate Support													
Financial Services	62,760	0	169,000	(62,760)	169,000	0	251	251	169,000	0	0	0	
Information Technology	588,000	(204,293)	0	30,000	413,707	293,874	264,432	(29,442)	383,707	(30,000)	0	(30,000)	
Council IT Strategy	1,669,580	573,991	0	(791,308)	1,452,263	538,972	542,569	3,597	1,452,263	0	0	0	
Place													
Roads	8,547,000	284,097	1,140,000	(5,240,440)	4,730,657	1,877,547	1,015,393	(862,154)	4,730,657	0	0	0	
Office Accommodation	3,401,620	626,233	0	(1,233,241)	2,794,612	464,657	465,990	1,333	3,064,355	269,743	254,207	15,536	Bridgegate - Contractor's claim being negotiated
Property	125,000	28,316	0	733,726	887,042	40,096	32,859	(7,237)	1,422,187	535,145	0	535,145	
Housing Non HRA	700,000	(38,159)	0	0	661,841	160,558	167,211	6,653	661,841	0	0	0	
Transport	2,000,000	(1,342)	0	0	1,998,658	382,881	236,179	(146,702)	1,998,658	0	0	0	
Waste Services	1,378,000	219,404	0	0	1,597,404	53,606	71,714	18,108	1,589,367	(8,037)	(8,037)	0	
Facilities Management	718,467	69,578	0	(84,382)	703,663	10,202	(4,749)	(14,951)	703,663	0	0	0	
Renewable Energy	2,460,000	(8,315)	0	48,315	2,500,000	5,942	15,602	9,660	2,500,000	0	0	0	
Health & Social Care													
Management & Support	158,000	24,258	0	0	182,258	42,508	44,316	1,808	182,258	0	0	0	
Older People	3,683,857	(123,024)	0	0	3,560,833	1,630,242	1,543,689	(86,553)	3,560,833	0	0	0	
Physical or Sensory Disabled	1,648,270	(21,867)	0	0	1,626,403	280,835	280,835	0	1,627,347	944	944	0	Dirrans Res Centre
Other													
Other	140,667	192,640		110,754	444,061	0	0	0	50,000	(394,061)	(394,061)		
Total Project Expenditure	55,674,129	2,271,927	1,654,434	(23,511,728)	36,088,762	7,673,644	6,445,076	(1,229,135)	36,490,213	401,451	(109,363)	510,814	
Income	(55,674,129)	(2,271,927)	(1,654,434)	23,511,728	(36,088,762)	(5,544,831)	(5,544,831)	0	(36,490,213)	(401,451)	109,363	(510,814)	
Total Project Income	(55,674,129)	(2,271,927)	(1,654,434)	23,511,728	(36,088,762)	(5,544,831)	(5,544,831)	0	(36,490,213)	(401,451)	109,363	(510,814)	
Total Net Expenditure	0	0	0	0	0	2,128,813	900,245	(1,229,135)	(0)	0	0	0	

North Ayrshire Council
Capital Programme Funding

Funding Description	Approved Budget	Carry Forward from 2013/14	Additional Funds Awarded 2014/15	Approved Revisions to Programme	Total Revised Budget 2014/15	Actual as at 31 July 2014	Projected Income to 31st March 2015
	£	£		£	£	£	£
CAPITAL BORROWING							
Prudential Borrowing	28,583,375	538,007		(22,681,474)	6,439,908		6,841,359
SUB TOTAL	28,583,375	538,007	0	(22,681,474)	6,439,908	0	6,841,359
SCOTTISH GOVERNMENT FUNDING							
Specific Capital Grants							
Cycling / Walking /Safer Streets	212,000				212,000		212,000
Capital Grants							
General Capital Grant	13,864,000		-400,000		13,464,000	4,488,000	13,464,000
SUB TOTAL	14,076,000	0	-400,000	0	13,676,000	4,488,000	13,676,000
OTHER INCOME TO PROGRAMME							
Use of Funds							
Capital Fund							
General	5,536,636				5,536,636		5,536,636
Saltcoats Town Hall					0		0
Stanley PS Modular Accommodation	86,500				86,500		86,500
B714 Upgrade	1,137,000				1,137,000		1,137,000
Brodick Harbour Development					0		0
Montrose House	237,000				237,000		237,000
Dirrans Resource Centre	473,000				473,000		473,000
Garnock Academy							
Change & Service Redesign Fund							
E-Form System			12,000		12,000		12,000
Windows Server Migration		4,142			4,142		4,142
Wireless Access in Schools	190,400	176,700		-220,214	146,886		146,886
Managed WAN Services	571,183	179,191		-302,501	447,873		447,873
IPT Telephony	203,468	200,487		-80,955	323,000		323,000
Local Area Network	310,824	300,150		-176,584	434,390		434,390
Streetscene Scheduling		7,161			7,161		7,161
Repairs & Renewals Fund	1,000,000				1,000,000		1,000,000
CFCR							
General	1,868,000				1,868,000		1,868,000
St Bridget's PS Nurey Adapts			20,000		20,000		20,000
Stanley PS Accommodation			24,500		24,500		24,500
Dirrans	100,000				100,000		100,000
Defibrillators			157,000		157,000		157,000
Grants & Contributions							
Historic Scotland - Saltcoats Town Hall		162,000			162,000		162,000
SFT Enabling Funds (Garnock Campus)	635,534	704,089			1,339,623	900,270	1,339,623
SFT Funding Garnock Campus & 3 Towns					0		0
Cultural Centre, Gaelic Provision	50,000			-50,000	0		0
SPT Funding - Roads			900,000		900,000		900,000
Forestry Commission - Timber Transport			240,000		240,000		240,000
SPT Funding - Planning			70,000		70,000		70,000
Access Paths - CSGN			55,200		55,200		55,200
Access Paths - SPT			200,000		200,000		200,000
Access Paths - SUSTRANS			350,000		350,000		350,000
Access Paths - URC			20,000		20,000		20,000
Access Paths			5,734		5,734		5,734
Saltcoats Town Hall - Regeneration Grant					0		0
Capital Receipts							
Sale of Land	525,209				525,209	156,561	0
Sale of Vehicles	40,000				40,000	14,000	525,209
Insurance Recovery					0	6,218	40,000
Montgomerie Park Masterplan	50,000				50,000	15,583	0
SUB TOTAL	13,014,754	1,733,920	2,054,434	(830,254)	15,972,854	1,056,831	15,972,854
TOTAL CAPITAL PROGRAMME FUNDING	55,674,129	2,271,927	1,654,434	(23,511,728)	36,088,762	5,544,831	36,490,213

CAPITAL MONITORING 2014/15																					
Year Ended 31st March 2015																					
ECONOMY & COMMUNITIES																					
Project Description	Lead Officer	Project Stage	Main Contractor	COMPLETION DATE			CURRENT YEAR 2014/15 EXPENDITURE														Comments
				Original Target	Revised Forecast	Difference (SPI)	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2013/14	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Projected Over/ (Under) Spend for 14/15	True Over/(Under) Spend	Carry Forward to 2015/16	% Expenditure for 2014/15	% Expenditure Projected for year 14/15 (CPI)	
ECONOMIC GROWTH																					
Regeneration																					
TOURISM INFRASTRUCTURE	K Don		John Thompson Construction and Fusion Marine Ltd			0	0	22,447		(22,074)	373	373	2,240	1,867	2,240	1,867		1,867	500.51%	600.54%	
IRVINE ENTERPRISE AREA						0	800,000			(460,000)	340,000	150,000	0	(150,000)	340,000	0			-44.12%	100.00%	
TOWN CENTRE REGENERATION	G Hunter	Commenced	Various	31-Mar-15	31-Mar-15	0	1,680,000	622		(1,329,122)	351,500	57,452	57,452	0	351,500	0			0.00%	100.00%	Underspend due to removal of Millport Marine Station from line. Prior to this overspend projected.
NEXT GENERATION BROADBAND						0	400,000		(400,000)		0	0	0	0	0	0			No budget	No budget	
MILLPORT MARINE BIO STN PHSE	A Laurenson	Preferred Contractor	Portakabin	31-Mar-15	31-Mar-15	0	0			1,500,000	1,500,000	0	0	0	1,500,000	0			0.00%	100.00%	Formal award of contract to Portakabin August 2014 following completion of legal agreement with Field Studies Council. Site start Sept/Oct 14
BRODICK HARBOUR DEVELOPMENT	A Laurenson	In Development	tbc	31-Mar-16	31-Mar-16	0	0				0	0	0	0		0			No budget	No budget	Contractor to be appointed by CMAL early 2015 for site start spring 2015.
MONTGOMERIE PARK SUDS POND	S Taylor	Practical Completion	Luddon	31-Mar-13	30-Sep-13	26	0				0	0	0	0	0	0			No budget	No budget	
MONTGOMERIE PARK MASTERPLAN	J Miller	Commenced	GD Lodge	31-Mar-14	31-Mar-14	0	50,000				50,000	0	0	0	50,000	0			0.00%	100.00%	
Total Regeneration							2,930,000	23,069	(400,000)	(311,196)	2,241,873	207,825	59,692	(148,133)	2,243,740	1,867	0	1,867	-6.61%	100.08%	
Strategic Planning & Infrastructure																					
CYCLING/WALKING/SAFER STS						0	212,000			(212,000)	0	0	0	0	0	0			No budget	No budget	Budget transferred to Access Paths Network
SPT FUNDED PROJECTS - SP & I	D Lodge	Commenced	Various	31-Mar-15	31-Mar-15				70,000		70,000	0	0	0	70,000	0			0.00%	100.00%	Various projects underway
ACCESS PATH NETWORK PROGRAMME	L Kirk	Various	Various	31-Mar-15	31-Mar-15	0	50,000		630,934	212,000	892,934	10,000	(5,759)	(15,759)	892,934	0			-1.76%	100.00%	All projects are currently being tendered through the Ayrshire Wide Framework Agreements or have commenced. All projects are progressing on target.
Total Strategic Planning & Infrastructure							262,000	0	700,934	0	962,934	10,000	(5,759)	(15,759)	962,934	0	0	0	-1.64%	100.00%	
CONNECTED COMMUNITIES																					
Sports & Activity																					
ARRAN OUTDOOR CENTRE SLIPWAY	K Gacura	Complete	Northwest Marine	Complete	Complete		0	8,337			8,337	0	0	0	8,337	0			0.00%	100.00%	
LARGS SPORTS DEVELOPMENT	L Taylor			31/03/2015	31/03/2015	0	63,383	8,866		(55,676)	16,573	6,573	0	(6,573)	16,573	0			0.00%	100.00%	
IRVINE LEISURE CENTRE	A Martin	Tender Stage	-	15/08/2014	26/08/2016	106	14,563,258	530,186		(12,732,036)	2,361,408	30,598	167,973	137,375	2,411,709	50,301		50,301	7.11%	102.13%	
MONTGOMERIE PARK MUGAS	B Ingram	DLP	Greenfields	Complete	Complete		0				0	0	(5,956)	(5,956)	0	0			No budget	No budget	
Total Sports & Activity							14,626,641	547,389	0	(12,787,712)	2,386,318	37,171	162,017	124,846	2,436,619	50,301	0	50,301	6.79%	102.11%	
Information & Culture																					
WEST KILBRIDE CC GYMNASIUM	D Lochrie	DLP	McLaughlin	Complete	Complete		88,646	13,345		(101,991)	0	0	(14,645)	(14,645)	0	0			No budget	No budget	
ARDROSSAN CASTLE	D Mackay	Construction	Fleming Masonry	31/03/2014	12/12/2014	37	112,979	(7,579)		(29,851)	75,549	12,452	5,900	(6,552)	61,269	(14,280)		(14,280)	7.81%	81.10%	£7,344 budget to be transferred to Kerelaw Castle - no budget required in 15/16 for Ardrossan Castle
COMMUNITY DEVELOPMENT FUND	A Sutton	-	-			0	560,000	(127,945)			432,055	0	0	0	432,055	0			0.00%	100.00%	
KERELAW CASTLE	D Mackay	Construction	Fleming Masonry	31/03/2014	03/10/2014	27	63,772	(6,566)		(9,883)	47,323	11,488	11,488	(0)	64,550	17,227	0	17,227	24.28%	136.40%	£9,883 to be transferred from 15/16 to 14/15.
CASTLES & HISTORIC MONUMENTS							100,000			(100,000)	0	0	0	0		0			No budget	No budget	
Total Information & Cultural							925,397	(128,745)	0	(241,725)	554,927	23,940	2,743	(21,197)	557,874	2,947	0	2,947	0.49%	100.53%	
Total Economy & Communities							18,744,038	441,713	300,934	(13,340,633)	6,146,052	278,936	218,693	(60,243)	6,201,167	55,115	0	55,115	-0.98%	100.90%	

CAPITAL MONITORING 2014/15																					
Year Ended 31st March 2015																					
EDUCATION & SKILLS																					
Project Description	Lead Officer	Project Stage	Main Contractor	COMPLETION DATE			CURRENT YEAR 2014/15 EXPENDITURE														Comments
				Original Target	Revised Forecast	Difference (SPI)	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2014/15	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Projected Over/ (Under) Spend for 14/15	True Over/(Under) Spend	Carry Forward to 2015/16	% Expenditure for 2014/15	% Expenditure Projected for year 2014/15 (CPI)	
Nursery Education																					
EARLY YEARS CHILDRENS BILL	F Rodman						122,000	(54,516)		(67,484)	0	0	29	29	0	0			No budget	No budget	
CHILDREN & YOUNG PEOPLE'S BIL	F Rodman						730,000			(153,737)	576,263	0	0	0	543,687	(32,576)			0.00%	94.35%	
ARDEER PS NURSERY ADAPTS	J Brydon	DLP	James Whyte	15-Aug-14	15-Aug-14		0			12,154	12,154	265	265	0	15,487	3,333			2.18%	127.42%	
BEITH PS NURSERY ADAPTS	J Brydon	Construction	Westgale	15-Aug-14	15-Aug-14		0			60,929	60,929	3,010	520	(2,490)	70,705	9,776			0.85%	116.04%	
CALEDONIA PS NURSERY ADAPTS	J Brydon	Construction	James Whyte	15-Aug-14	15-Aug-14		0			16,581	16,581	2,695	295	(2,400)	16,823	242			1.78%	101.46%	
ST BRIDGETS PS NURSERY ADAPTS	J Brydon	Construction	Westgale	15-Aug-14	15-Aug-14		0		20,000	29,587	49,587	3,010	580	(2,430)	60,887	11,300			1.17%	122.79%	
ST MARYS PS NURSERY ADAPTS	J Brydon	Construction	Westgale	15-Aug-14	15-Aug-14		0			27,736	27,736	2,890	325	(2,565)	33,996	6,260			1.17%	122.57%	
WINTON PS NURSERY ADAPTS	D Lauder	DLP	Wm Murchland	15-Aug-14	15-Aug-14		0			73,668	73,668	5,080	1,080	(4,000)	75,333	1,665			1.47%	102.26%	
HAYOCKS PS NURSERY ADAPTS	D Lauder	Design					0			283	283	283	580	297	283	0			204.92%	100.00%	
GLENCAIRN PS NURSERY ADAPTS	R Muir	Design					0			283	283	283	580	297	283	0			204.92%	100.00%	
CUMBRAE PS NURSERY ADAPTS							0				0	0	(5,750)	(5,750)	0	0			No budget	No budget	
Total Nursery Education							852,000	(54,516)	20,000	0	817,484	17,516	(929)	(19,012)	817,484	0	0	0	0.00%	94.35%	
Primary Schools																					
WOODLANDS PS EXTENSION	A Martin	Complete	Morgan Sindall	30/04/2013	06/05/2013	1					0	0	4,142	4,142	4,142	4,142	4,142		No budget	No budget	
STANLEY PS MODULAR ACCOM	R Knox						86,500		24,500		111,000	0	0	0	111,000	0			0.00%	100.00%	
PENNYBURN PS ROOF REPLACE	M McIntosh	Complete	Faskin Contracts	31/03/2014	31/07/2014	17	15,000	(300)		0	14,700	10,322	10,322	(0)	10,766	(3,934)	(3,934)		70.22%	73.24%	
CORRIE PS ANNEXE - STRUCTURAL	D Watts	Construction	J Thomson	17/10/2014	17/10/2014	0	175,000	(1,247)		0	173,753	7,209	7,210	1	177,758	4,005	4,005		4.15%	102.30%	
SCHOOL ESTATE	A Martin/L Taylor	Feasibility	-	01/08/2017	01/08/2017	0	5,607,100	(12,912)		(5,594,188)	0	0	0	0	0	0	0		No budget	No budget	
ST LUKES PS-EXTENSION PHASE 2	R Connell	Construction	Ashleigh	24/04/2015	24/04/2015	0	765,500	2,254		1,652	769,406	6,684	6,684	(0)	708,382	(61,024)		(61,024)	0.87%	92.07%	
CUMBRAE PS ROOF	R Connell	Construction	B Services	07/02/2014	12/09/2014	31	321,224	(354)		0	320,870	0	0	0	320,870	0			0.00%	100.00%	
ELDERBANK PS	A Martin	DLP	Morgan Sindall	07/04/2014	30/06/2014	12	1,528,228	273,135		0	1,801,363	619,989	619,989	0	1,801,137	(226)	(226)		34.42%	99.99%	External works due for completion 17/11/14
ST LUKES PS-EXTENSION PHASE 1	A Martin	Complete	Clark Contracts	Complete	Complete		0				0	0	548	548	548	548	548		No budget	No budget	
DREGHORN PS UPGRADE REPLC	A Martin	Complete	Miller Construction	Complete	Complete		0				0	0	0	0	0	0	0		No budget	No budget	
CASTLEPARK PS	A Martin	DLP	Morgan Sindall	Complete	Complete		0				0	0	(58,165)	(58,165)	501	501	501		No budget	No budget	
Total Primary Education							8,498,552	260,576	24,500	(5,592,536)	3,191,092	644,204	590,730	(53,474)	3,135,105	(55,987)	5,037	(61,024)	18.51%	98.25%	
Secondary Schools																					
GARNOCK ACADEMY REPLACEMENT	L Cree	Design	Hub	30/08/2015	23/12/2016	69	0	3,117		1,095,372	1,098,489	937,067	937,068	1	1,098,489	0			85.31%	100.00%	
3 TOWNS CAMPUS	L Cree	Cancelled	-			0	0				0	0	0	0	0	0			No budget	No budget	
IRVINE ROYAL/COLLEGE ADAPTS	C Dunn	Construction	B Services	31/03/2015	31/03/2015	0	0			1,000,000	1,000,000	0	3,503	3,503	1,000,000	0			0.35%	100.00%	
Total Secondary Education							0	3,117	0	2,095,372	2,098,489	937,067	940,571	3,504	2,098,489	0	0	0	0.17%	100.00%	
Special Education																					
STANECASTLE SCH REMEDIAL WORKS	M McIntosh	Rolling	Various	31/03/2015	31/03/2015	0	159,418	(80)		(155,582)	3,756	3,756	9,473	5,717	9,473	5,717		5,717	252.21%	252.21%	
HAYSHOLM SCHOOL ADAPTATIONS	B Ingram	DLP	J Walker & Son	15/08/2014	15/08/2014	0	81,000			(29,013)	51,987	1,901	1,902	1	42,312	(9,675)		(9,675)	3.66%	81.39%	Transfer £32,547 of budget to James McFarlane School - no budget needed in 15/16 for Haysholm School
JAMES MCFARLANE SCHOOL ADAPTS	R Muir	DLP	Brick & Steel Construction	15/08/2014	15/08/2014	0	57,900	(400)			57,500	8,344	8,344	0	90,047	32,547	32,547		14.51%	156.60%	Increase in costs due to additional works required - to be funded from budgets no longer required at Haysholm
Total Special Education							298,318	(480)	0	(184,595)	113,243	14,001	19,719	5,718	141,832	28,589	32,547	(3,958)	270.38%	490.20%	
Total Education & Skills							9,648,870	208,697	44,500	(3,681,759)	6,220,308	1,612,788	1,550,091	(63,264)	6,192,910	(27,398)	37,584	(64,982)	24.92%	99.56%	

CAPITAL MONITORING 2014/15																					
Year Ended 31st March 2015																					
FINANCE & CORPORATE SUPPORT																					
Project Description	Lead Officer	Project Stage	Main Contractor	COMPLETION DATE			CURRENT YEAR 2014/15 EXPENDITURE														Comments
				Original Target	Revised Forecast	Difference (SPI)	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2014/15	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Projected Over/ (Under) Spend for 14/15	True Over/(Under) Spend	Carry Forward to 2015/16	% Expenditure for 2014/15	% Expenditure Projected for year 2014/15 (CPI)	
Financial Services																					
FINANCIAL SYSTEMS	Y.Baulk					0	62,760			(62,760)	0	0	0	0		0			No budget	No budget	
E-FORM SYSTEM	Change Team						0		12,000		12,000	0	251	251	12,000	0	0		2.09%	100.00%	
DEFIBRILLATORS									157,000		157,000	0	0	0	157,000	0			0.00%	100.00%	
Total Financial Services							62,760	0	169,000	(62,760)	169,000	0	251	251	169,000	0	0	0	0.15%	100.00%	
Information Technology																					
PC REPLACEMENT	L Morley			31-Mar-16	31-Mar-16	0	75,000	(36,096)			38,904	8,956	4,653	(4,303)	8,904	(30,000)		(30,000)	11.96%	22.89%	
MICROSOFT OFFICE UPGRADE	I Chisholm			31-Mar-16	31-Mar-16	0	263,000	2,118			265,118	265,118	260,832	(4,286)	265,118	0			98.38%	100.00%	
SUN SERVER REPLACE PROG	B Quigley			31-Mar-16	31-Mar-16	0	200,000	(172,472)			27,528	4,800	(15,943)	(20,743)	27,528	0			-57.91%	100.00%	
WINDOWS SERVER MIGRATION	I Chisholm			31-Mar-16	31-Mar-16	0	0	40,774			40,774	15,000	14,890	(110)	40,774	0			36.52%	100.00%	
NEW COUNCIL ICT STRATEGY	A. Blakely			31-Mar-16	31-Mar-16	0	50,000	(38,617)			11,383	0	0	0	11,383	0			0.00%	100.00%	
ICT CAPACITY PLANNING(STORAGE	A. Blakely						0			30,000	30,000	0	0	0	30,000	0			0.00%	100.00%	
Total Information Technology							588,000	(204,293)	0	30,000	413,707	293,874	264,432	(29,442)	383,707	(30,000)	0	(30,000)	63.92%	92.75%	
Council IT Strategy																					
WIRELESS ACCESS IN SCHOOLS	A Blakely			31-Mar-16	31-Mar-16	0	380,400	86,814		(220,214)	247,000	52,125	52,125	0	247,000	0			21.10%	100.00%	
MANAGED WAN SERVICES	A Blakely			31-Mar-16	31-Mar-16	0	524,888	229,104		(306,119)	447,873	212,609	213,359	750	447,873	0		0	47.64%	100.00%	
IP TELEPHONY (IPT)	A Blakely			31-Mar-16	31-Mar-16	0	353,468	53,468		(83,936)	323,000	0	0	0	323,000	0		0	0.00%	100.00%	
LOCAL AREA NETWORK (LAN)	A Blakely			31-Mar-16	31-Mar-16	0	410,824	204,605		(181,039)	434,390	274,238	277,085	2,847	434,390	0		0	63.79%	100.00%	
Total IT Strategy							1,669,580	573,991	0	(791,308)	1,452,263	538,972	542,569	3,597	1,452,263	0	0	0	21.10%	100.00%	
Total Finance & Corporate Support							2,320,340	369,698	169,000	(824,068)	2,034,970	832,846	807,252	(25,594)	2,004,970	(30,000)	0	(30,000)	63.79%	100.00%	

CAPITAL MONITORING 2014/15																						
Year Ended 31st March 2015																						
PLACE																						
Project Description	Lead Officer	Project Stage	Main Contractor	COMPLETION DATE			CURRENT YEAR 2014/15 EXPENDITURE															Comments
				Original Target	Revised Forecast	Difference (SPI)	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2014/15	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Projected Over/ (Under) Spend for 14/15	True Over/(Under) Spend	Carry Forward to 2015/16	% Expenditure for 2014/15	% Expenditure Projected for year 14/15 (CPI)		
PHYSICAL ENVIRONMENT																						
Roads																						
ROADS IMPROVE/RECONSTRUCTION	C Dempster	Multiple Projects	Internal & External	31-Mar-15	31-Mar-15	0	1,650,000	(149,127)		(170,000)	1,330,873	694,507	395,785	(298,722)	1,330,873	0			-22.45%	100.00%	Works programme fully underway and on target to fully spend. Variance year to date due to a delay with Contractors programme of work. Pre-profiled in period 5.	
PENNYBURN ROUNDABOUT B714 UPGRADE	C Forsyth	Design	External	31-Mar-15	31-Mar-15	0	4,037,000	65,092		(4,037,301)	64,791	17,791	14,416	(3,375)	64,791	0			No budget	No budget	A Strategic Routing assessment of the traffic commuting to and from North Ayrshire via the A737, A78, B714, B780, B781 and the B777, which completes phase one of the Scottish Transportation Assessment Guidance (STAG) has been completed.	
LIGHTING	G.Wilson	Multiple Projects	Internal &	31-Mar-15	31-Mar-15	0	1,000,000	32,597			1,032,597	46,451	50,821	4,370	1,032,597	0			0.42%	100.00%		
IRVINE TOWN CENTRE CAR PARK	C Forsyth	Near completion	Internal	31-Mar-14	31-Jul-14	17	0	193,309		360,000	553,309	896,711	457,823	(438,888)	553,309	0			-79.32%	100.00%	Work due complete by end of July 2014. Car Park due to open 7/8/14. Account still to be finalised. Variance year to date due to error with budget phasing which will be corrected in period 5.	
CAR PARK STRATEGY						0	360,000			(360,000)	0	0	0	0	0	0			No budget	No budget	2014/15 budget transferred to Irvine Town Centre Car Park	
GARNOCK VALLEY FLOOD PREVENTION	C Forsyth	Outline Design	AECOM	31-Mar-15	31-Mar-15	0	1,500,000	92,261		(1,348,960)	243,301	76,301	50,763	(25,538)	243,301	0			-10.50%	100.00%	Proposal is being refined prior to public consultation during Autumn 2014 and subsequent submission to Scottish Government for funding.	
COASTAL PROT-BALLOCHMARTIN BA	K Gacura	Completed	Douglas Gilbert	31-Dec-13	31-Jul-14	30	0	42,804			42,804	42,804	42,804	0	42,804	0			0.00%	100.00%	Final account received in Period 4. All work now complete.	
SPT FUNDED PROJECTS - ROADS	C Dempster	Design	Internal	31-Mar-15	31-Mar-15	0	0		900,000		900,000	100,000	0	(100,000)	900,000	0			-11.11%	100.00%	Agreement with Network Rail has now been reached to allow design to progress. This will be progressed over the next few months. Work due to commence early 2015. Budget re-profiled in period 5. This is for the construction of phase 2 of the Park and Ride at Irvine Railway Station.	
TIMBER TRANSPORT FUNDING	C Dempster	Near completion	Internal	31-Mar-14	31-Aug-14	22	0		240,000	320,000	560,000	0	0	0	560,000	0			0.00%	100.00%	Work now complete all charges will be through by period 5	
BRIDGES INFRASTRUCTURE PROG						0	0				0	0	0	0	0	0			No budget	No budget		
STREETSCENE SCHEDULING SYSTEM	W. Turpie	Implementation	Whitespace	31-Mar-13	30-Nov-13	35	0	7,161		(4,179)	2,982	2,982	2,982	(0)	2,982	0			-0.01%	100.00%		
Total Roads							8,547,000	284,097	1,140,000	(5,240,440)	4,730,657	1,877,547	1,015,393	(862,154)	4,730,657	0	0	0	-18.22%	100.00%		
Office Accommodation																						
CCTV GENERAL							0	20,382		(20,382)	0	0	0	0		0			No budget	No budget		
BRIDGEGATE HOUSE REFURB	L Cree	Complete	raham Constructio	23-Sep-13	18-Mar-14	25	0	379,965		0	379,965	(48,330)	(48,330)	(0)	634,172	254,207	254,207		-12.72%	166.90%	Overspend currently projected based on contractor's claim	
CUNN HOUSE 3RD FLOOR WEST	D Watts	Complete	InSite	31-Aug-12	31-Aug-12	0	0				0	0	0	0		0			No budget	No budget		
TRINITY CHURCH REFURBISHMENT	L Cree	Complete	Fleming Masonry	24-Jun-13	29-Nov-13	23	0	117,586		(100,601)	16,985	16,985	18,318	1,333	18,318	1,333		1,333	107.85%	107.85%		
BRIDGEGATE PUBLIC REALM	L Cree	Complete	Land	08-Jul-13	29-Nov-13	21	0	122,999		(122,999)	0	(22,530)	(22,530)	0	0	0			No budget	No budget		
CUNNINGHAME HOUSE PHASE 1	D Watts	Construction	James Frew	28-Mar-14	26-Sep-14	26	1,416,411	(14,699)		70,853	1,472,565	518,532	518,532	0	1,486,768	14,203		14,203	35.21%	100.96%		
CUNNINGHAME HOUSE PHASE 2	D Watts	Design	-	19-Sep-14	27-Feb-15	23	1,063,831			(168,734)	895,097	0	0	0	895,097	0			0.00%	100.00%		
CUNNINGHAME HOUSE PHASES 3 TO 6	D Watts						921,378			(891,378)	30,000	0	0	0	30,000	0			0.00%	100.00%		
Total Office Accommodation							3,401,620	626,233	0	(1,233,241)	2,794,612	464,657	465,990	1,333	3,064,355	269,743	254,207	15,536	16.67%	109.65%		
Property																						
CORP ASSET MANAGEMENT SYSTEM	A Ross					0	60,000	(1,158)		(58,842)	0		(6,800)	(6,800)		0			No budget	No budget		
SALTCOATS TOWN HALL	A Martin	Construction	Taylor & Fraser	01-Nov-14	30-Nov-15	56	65,000	29,474		792,568	887,042	40,096	39,659	(437)	1,422,187	535,145		535,145	4.47%	160.33%		
Total Property							125,000	28,316	0	733,726	887,042	40,096	32,859	(7,237)	1,422,187	535,145	0	535,145	0.00%	0.00%		

Housing Non HRA																				
IMPROVEMENT GRANTS	A Adrain	n/a	n/a	31-Mar-15	31-Mar-15	0	700,000	(38,159)			661,841	160,558	110,545	(50,013)	661,841	0	0	16.70%	100.00%	Anticipate full budget spend
REPAIRS GRANTS	A Adrain	n/a	n/a			0	0			0	0	0	0					No budget	No budget	
CARE & REPAIR	A Adrain	n/a	n/a			0	0			0	0	56,666	56,666					No budget	No budget	
Total Housing Non HRA							700,000	(38,159)	0	0	661,841	160,558	167,211	6,653	661,841	0	0	0	25.26%	100.00%
COMMERCIAL SERVICES																				
Transport																				
VEHICLES	G.Mitchell	On-going	Various	31-Mar-15	31-Mar-15	0	2,000,000	(1,342)			1,998,658	382,881	236,179	(146,702)	1,998,658	0		-7.34%	100.00%	
Total Transport							2,000,000	(1,342)	0	0	1,998,658	382,881	236,179	(146,702)	1,998,658	0	0	0	11.82%	100.00%
Waste Services																				
CLEANSING-SHEWALTON LANDFILL	D.Mackay	Ongoing	Various	31-Mar-15	31-Mar-15	0	1,378,000	134,562			1,512,562	2,354	20,462	18,108	1,512,562	0		1.20%	100.00%	Depot improvement works are continuing through PMI and construction of the new cells in the landfill site are scheduled to commence in August.
ICT WASTE MANAGEMENT SYS	D.Mackay	Commissioning	Whitespace	31-Mar-13	30-Sep-14	78	0	17,486			17,486	5,700	5,700	0	17,486	0		0.00%	100.00%	The Powersuite system is currently going through User Acceptance Testing and is expected to be fully complete and implemented by October 2014. The remaining expenditure should be invoiced by November 2014.
PADDOCKHOLM DEPOT	B Ingram	DLP	Jas Anderson	31-Mar-14	06-May-14	5	0	67,356		0	67,356	45,552	45,552	(1)	59,319	(8,037)	(8,037)		0.00%	88.07%
Total Waste Services							1,378,000	219,404	0	0	1,597,404	53,606	71,714	18,108	1,589,367	(8,037)	(8,037)	0	4.49%	99.50%
Facilities Management																				
WEST KILBRIDE CEMETERY EXTEN	A Martin	Complete	Stewart Landscapes	29-Aug-13	20-Sep-13	3	(67,607)	33,377		39,401	5,171	1,721	1,721	0	5,171	0		0.00%	100.00%	Works complete 20/09/13. Budget for retention payment only
NEW STEVENSTON CEMETERY	A Martin	Complete	R J McLeod	31-Mar-13	01-Aug-13	18	0			0	0	(15,400)	(15,400)	0	0			No budget	No budget	Works complete 1/08/13. Budget for retention payment only
SKELMORLIE CEMETERY WALL	A Martin	TBC		31-Mar-16	31-Mar-16	0	148,225			(145,962)	2,263	2,263	2,263	0	2,263	0		0.01%	100.00%	15/16 project as agreed with Grounds Maintenance. Estates currently working with Legal regarding land ownership issues.
CEMETERY WALLS &INFRASTRUCTURE	A Martin	Programme	Various	31-Mar-15	31-Mar-15	0	201,849	18,087		(180,663)	39,273	(284)	6,035	6,319	9,513	(29,760)		16.09%	24.22%	£29,760 budget to be transferred to Old Barony Cemetery works
CEMETERIES - EXTENSIONS	A Martin	Programme	Various			0	436,000	18,114		(67,607)	386,507	0	0	0	386,507	0		0.00%	100.00%	Awaiting information from Streetscene regarding sites to progress. Brodick proposal to be submitted to Planning.
ARDROSSAN CEMETERY WORKS	D Lochrie	Programme	Various	31-Mar-15	31-Mar-15	0	0			109,580	109,580	330	0	(330)	109,580	0		-0.30%	100.00%	Preparing information to go out to tender. On programme
BRODICK OLD CEMETERY WORKS	D Lauder	Programme	Various	31-Oct-14	31-Oct-14	0	0			13,732	13,732	0	0	0	13,732	0		0.00%	100.00%	On site, works progressing to programme
KILMORY CEMETERY WORKS	D Lauder	Programme	Various	31-Oct-14	31-Oct-14	0	0			13,732	13,732	0	0	0	13,732	0		0.00%	100.00%	On site, works progressing to programme
KILBRIDE CEMETERY WORKS	D Lauder	Programme	Various	31-Oct-14	31-Oct-14	0	0			13,732	13,732	0	0	0	13,732	0		0.00%	100.00%	On site, works progressing to programme
ST BRIDE'S CEMETERY WORKS	D Lauder	Programme	Various	31-Oct-14	31-Oct-14	0	0			13,735	13,735	0	0	0	13,735	0		0.00%	100.00%	On site, works progressing to programme
DREGHORN CEMETERY WORKS	N/A	Complete	Various	N/A	N/A		0			2,450	2,450	2,450	0	(2,450)	2,450	0		-100.00%	100.00%	Works complete in 13/14. Budget for retention payment only.
MILLPORT CEMETERY WORKS	N/A	Complete	Various	N/A	N/A		0			3,090	3,090	3,090	0	(3,090)	3,090	0		-100.00%	100.00%	Works complete in 13/14. Budget for retention payment only.
OLD BARONY CEMETERY WORKS	D Lauder	Programme	Various	27-Feb-15	27-Feb-15	0	0			19,251	19,251	0	0	0	49,011	29,760		0.00%	254.59%	Budget to be transferred from main pot Cemetery Walls & Infrastructure. The extent of works increased following enabling works.
ST MARGARET'S CEMETERY WORKS	D Lochrie	Programme	Various	31-Oct-14	31-Oct-14	0	0			17,265	17,265	0	0	0	17,265	0		0.00%	100.00%	Site start delayed until early October due to roofing works at church
HIGH KIRK CEMETERY WORKS	A Martin	Programme	Various	31-Oct-14	31-Oct-14	0	0			63,534	63,534	284	284	(1)	63,534	0		0.00%	100.00%	Contractor appointed, pre-start to be arranged.
LARGS CEMETERY WORKS	N/A	Complete	Various	N/A	N/A		0			348	348	348	348	0	348	0		0.11%	100.00%	Works complete 13/14. Budget for late payment for drainage works only
Total Facilities Management							718,467	69,578	0	(84,382)	703,663	10,202	(4,749)	(14,951)	703,663	0	0	0	-2.12%	100.00%
Renewable Energy																				
RENEWABLE ENERGY PROGRAMME	S Taylor	Contracts Awarded	Emtec Energy Ltd; HWE Ltd	30-Sep-16	30-Sep-16	0	2,460,000	(8,315)		48,315	2,500,000	5,942	15,602	9,660	2,500,000	0		0.39%	100.00%	Solar PV Contract on site 1 September 2014. Scheduled for early completion April 2015. Biomass Contract due on site mid October 2014.
Total Renewable Energy							2,460,000	(8,315)	0	48,315	2,500,000	5,942	15,602	9,660	2,500,000	0	0	0	0.39%	100.00%
Total Place							19,330,087	1,179,812	1,140,000	(5,776,022)	15,873,877	2,995,489	2,000,199	(995,290)	16,670,728	796,851	246,170	550,681	12.60%	105.02%

CAPITAL MONITORING 2014/15																					
Year Ended 31st March 2015																					
HEALTH & SOCIAL CARE																					
Project Description	Lead Officer	Project Stage	Main Contractor	COMPLETION DATE			CURRENT YEAR 2014/15 EXPENDITURE														Comments
				Original Target	Revised Forecast	Difference (SPI)	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2014/15	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Actual Expenditure to 31 July 2014	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Projected Over/ (Under) Spend for 14/15	True Over/(Under) Spend	Carry Forward to 2015/16	% Expenditure for 2014/15	% Expenditure Projected for year 14/15 (CPI)	
Management & Support																					
HOME CARE SYSTEM	L Raeside			31-Mar-11	31-Mar-14	157	158,000	24,258			182,258	42,508	44,316	1,808	182,258	0		0	24.31%	100.00%	
Total Management & Support							158,000	24,258	0	0	182,258	42,508	44,316	1,808	182,258	0	0	0	24.31%	100.00%	
Older People																					
MONTROSE HSE REDESIGN FACILIT	D Watts	Construction	Kier Construction	18-Oct-14	19-Sep-14	14	2,696,857	(123,024)			2,573,833	1,630,242	1,630,242	0	2,573,833	0			63.34%	100.00%	
LARGS OLDER PEOPLE RES CTRE	L Ryan	Awarded	Ashleigh	25-Mar-15	31-Mar-15	1	987,000				987,000	0	0	0	987,000	0	0		0.00%	100.00%	
CURRIE COURT CONVERSION	D Tate	DLP	Frank Haslam	18-Oct-13	10-Jan-14	12	0				0	0	(86,553)	(86,553)		0	0		No budget	No budget	
LD DAY CENTRES	A Martin	Feasibility	-	-	-		0				0	0	0	0		0			No budget	No budget	
Total Older People							3,683,857	(123,024)	0	0	3,560,833	1,630,242	1,543,689	(86,553)	3,560,833	0	0	0	43.35%	100.00%	
Physical or Sensory																					
DIRRANS REHABILITATION CENTR	D Lochrie	Construction	Ashleigh	18-Jul-14	05-Dec-14	20	1,648,270	(21,867)		0	1,626,403	280,835	280,835	0	1,627,347	944	944		17.27%	100.06%	
Total Physical or Sensory							1,648,270	(21,867)	0	0	1,626,403	280,835	280,835	0	1,627,347	944	944	0	17.27%	100.06%	
Total Health & Social Care							5,490,127	(120,633)	0	0	5,369,494	1,953,585	1,868,840	(84,745)	5,370,438	944	944	0	34.80%	100.02%	

CAPITAL MONITORING 2014/15											
Year Ended 31st March 2015											
Other Budgets											
Project Description	CURRENT YEAR 2014/15 EXPENDITURE										Comments
	Approved Budget	Carry Forward From 2013/14	Additional Funds Awarded 2014/15	Approved Revisions To Programme	Total Revised Budget 2014/15	Year to Date Budget 2014/15	Carry Forward to 2015/16	Year to Date Variance 2014/15	Projected Expenditure to 31 March 2015	Over/ (Under) Spend for 14/15	
FLEXIBILITY BUDGET	140,667	189,497		63,897	394,061	0		0	0	(394,061)	
PROCUREMENT TEAM	0	3,143		46,857	50,000	0			50,000	0	
	140,667	192,640	0	110,754	444,061	0	0	0	50,000	(394,061)	

North Ayrshire Council
HRA Capital Statement
For Year Ended 31 March 2015

	Budget Approved 11 December 2013	Budget B/Fwd/ (C/Fwd)	Approved Revisions to programme	Revised budget 2014/15	Year to Date Budget 2014/15	Actual expenditure to 31 July 2014	Year to Date Variance	Projected Expenditure to 31 March 2015	Projected over/(under) Spend for 14/15	Carry Forward to 2015/16	True (Under)/Over spend	Comments
Description	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
HOUSING REVENUE ACCOUNT												
MORTGAGE TO RENT	565	167	0	732	244	139	(105)	732	0	0	0	
COUNCIL HOUSE BUILDING GENERAL	0	360	0	360	120	0	(120)	0	(360)	0	(360)	This budget will be used to contribute towards specific House Building projects reducing the requirement to draw on the HRA Council House building fund monies in 2014/15, see income section below.
NEW BUILD REDSTONE AVE	482	294	0	776	259	612	353	719	(57)	0	(57)	True underspend on completion of this house building project
NEW BUILD COPELAND CRESCENT	0	0	0	0	0	(35)	(35)	0	0	0	0	Final invoice awaited to offset current credit re. accrued retentions.
ACQUISITION OF HOUSES ON OPEN MARKET	16	2	236	254	85	204	119	254	0	0	0	
NEW BUILD JOHN GALT	7,296	(271)	0	7,025	2,342	1,859	(483)	6,825	(200)	0	(200)	There is a projected underspend of £200,000 as a result of procurement savings. These savings will reduce the requirement to draw on the HRA Council House Building fund. Project due to be completed by March 2015.
NEW BUILD STEVENSON INSTITUTE	1,346	49	0	1,395	0	3	3	1,155	(240)	0	(240)	There is a projected underspend of £240,000 due to procurement savings. Project due to be completed by March 2015.
NEW BUILD DICKSON DRIVE	1,048	59	0	1,107	0	21	21	880	(227)	(227)	0	The completion date has slipped from March to June 2015, as a result of legal issues which delayed the the project commencement.
NEW BUILD MONTGOMERY COURT	1,931	40	0	1,971	0	27	27	240	(1,731)	(1,731)	0	There has been slippage on this project due to revisions to the project design. The estimated completion date has moved from July 2015 to September 2016.
NEW BUILD KILN COURT	1,910	46	0	1,956	0	54	54	1,050	(906)	(906)	0	There has been slippage on this project due to revisions to the project design. The estimated completion date has moved from June to August 2015.
NEW BUILD FENCEDYKE	0	0	162	162	0	34	34	162	0	0	0	
CENTRAL HEATING	1,300	1	0	1,301	130	132	2	1,301	0	0	0	
INSULATED RE-RENDERING	2,284	(196)	1,000	3,088	950	1,188	238	2,088	(1,000)	(1,000)	0	Projected underspend results from the availability of energy grant funding, estimated at £1m, which has added to this budget. This funding was not expected at the start of the year. This underspend will be carried forward to fund additional works in 2015/16.
WINDOW REPLACEMENT	1,400	151	0	1,551	635	468	(167)	1,551	0	0	0	
BATHROOM PROGRAMME	2,000	(81)	0	1,919	875	517	(358)	1,919	0	0	0	
KITCHEN PROGRAMME	2,500	(56)	0	2,444	925	548	(377)	2,444	0	0	0	
ELECTRICAL REWIRING	1,200	(4)	0	1,196	60	98	38	1,196	0	0	0	
REGENERATION - MONTGOMERY COURT	1,500	0	0	1,500	0	5	5	340	(1,160)	(1,160)	0	There has been slippage on this project due to revisions to the project design. The estimated completion date has moved from July 2015 to September 2016.
REGENERATION - DICKSON DRIVE	1,332	0	0	1,332	0	1	1	1,059	(273)	(273)	0	The completion date has slipped from March to June 2015, as a result of legal issues which delayed the the project commencement.
REGENERATION/REFURBISHMENT GENERAL	0	17	0	17	0	10	10	17	0	0	0	
ROOFING & RENDERING	2,800	(38)	0	2,762	400	363	(37)	2,762	0	0	0	
DOOR ENTRY SYSTEMS	100	19	0	119	20	7	(13)	119	0	0	0	
SHELTERED HOUSING UNITS	0	96	0	96	0	(28)	(28)	96	0	0	0	
OTHER CAPITAL WORKS	400	207	0	607	0	(8)	(8)	607	0	0	0	
ENERGY EFFICIENCY STANDARD	500	0	0	500	0	0	0	200	(300)	(300)	0	New budget line for 2014/15 in relation to the new Energy Efficiency (EESHH) standard. An exercise is being undertaken by Officers to identify appropriate works to contribute towards achievement of the standard. The projected underspend will require to be carried forward to 2015/16 to complete these works.
PROFESSIONAL MANAGEMENT CHARGES	1,572	0	0	1,572	291	291	0	1,572	0	0	0	
			0									
TOTAL EXPENDITURE	33,482	862	1,398	35,742	7,336	6,510	(826)	29,288	(6,454)	(5,597)	(857)	

NORTH AYRSHIRE COUNCIL

Agenda Item 5

23 September 2014

Cabinet

Subject: **Council House Building Protocol**

Purpose: To seek Cabinet approval for a new protocol to be used in Council Housing Building projects where the project is classed as permitted development.

Recommendation: It is recommended that the Cabinet approve the use of the protocol outlined in this report.

1. Introduction

- 1.1 North Ayrshire Council's Housing Service 30 year business plan commits to the development of 50 residential units per year, over a 10 year period. Such development is considered as permitted development under the Town & Country Planning (General Permitted Development) (Scotland) Order 1992 as amended. There is no statutory requirement to submit a formal application for planning permission when the proposal is for the erection of dwelling houses by the Council on a site allocated for residential purposes within the Local Development Plan. Accordingly any formal planning application for schemes of this nature would not have a legally grounded enforcement or appeal mechanism.
- 1.2 Scottish Government grant is usually sought to assist the Council in funding its house building programme. When these applications are successful, the grant funding conditions dictate project completion dates, and meeting these dates is often onerous as deadlines tend to be very tight. 'Permitted development' rights assist the Council in overcoming these challenges by avoiding the period of time that would otherwise be required to obtain planning permission.
- 1.3 In February 2014, a petition was received from a group of residents who resided in properties adjacent to a Council development project. The petition outlined a range of different issues, in terms of how residents felt the development would impact their homes.

- 1.4 The petition was subsequently heard by the Scrutiny & Petitions Committee. After considering the information provided by council officers on the process followed in connection with the development and the concerns put forward by the representatives of the petitioners, the Committee concluded that it was satisfied that the new housing development should be progressed as proposed.
- 1.5 A further petition was received by the Council on 18 August 2014 in relation to the Council's planned re-development of Montgomery Court in Kilbirnie, which aims to create a modern amenity and sheltered housing complex. The petition - which has been signed by 355 people, although not all of the signatories live within the Kilbirnie area - asks the Council 'to reconsider their decision to cut down the cherry trees' and for 'the plans to be redrawn to allow the trees to remain and the new houses to be built in line with the other houses in Stoneyholm Road'. The petition will be considered by the Scrutiny and Petitions Committee at its next meeting on 8 October 2014.
- 1.6 Notwithstanding the issues outlined above and in order to ensure that the Council continues to exercise its permitted development rights in a transparent way, Housing Services have prepared a proposal, as detailed in Section 2 below, for the Cabinet's consideration; adoption of this proposal will formalise and regulate the governance of all future new build projects.

2. Current Position

Site Selection

- 2.1 All potential projects will already have been identified and detailed within the Strategic Housing Investment Plan (SHIP). The SHIP is developed following consultation with local Registered Social Landlords and will also have been subject to Cabinet approval before submission to the Scottish Government.
- 2.2 The SHIP considers the availability of land, need and demand within each Sub Market Housing Area, indicative site capacity and development viability in terms of funding requirements. Timescales for start and completion dates are also given and, to date, these have become a requirement of all Scottish Government funding awards.

Corporate Housing Project Group

- 2.3 In developing each site and prior to the commencement of the detailed design work, a 'Corporate Housing Project Group' will be established.

- 2.4 The group will comprise representatives from Housing Services, Planning, Roads, PMI's Major Projects team, Estates and Finance, with other council services included where appropriate; working collaboratively is key to the proposed approach. The group will identify aspirations for the project and create a 'Project Mandate'.
- 2.5 An project inception meeting will then be held. This meeting will begin the design stage of the development process, and will be attended by appropriate members of the Corporate Housing Project Group, with wider representation from other internal stakeholders (eg. Streetscene) and external advisors if required.

Consultation

- 2.6 While there is no legislative requirement to undertake formal consultation for permitted development, 'consultation' is an integral part of this proposed protocol.
- 2.7 Housing Services are committed to ensuring the needs and concerns of the local community are considered. A minimum of two public consultation events will therefore be carried out during the design stage of the project. The events will be held at a location close to the development site and will be staffed by Housing Services and members of the Project Team.
- 2.8 The initial consultation event will be carried out very early in the design process. This will allow local people to influence the site design. A second event will be held towards the end of the design stage and will present final plans to the community, and allow for final feedback to be heard.
- 2.9 To ensure all those who wish to be consulted are aware of the events, individual invitations will be sent to all residents who neighbour or live in the vicinity of the development site. Letters will also be sent to waiting list applicants who have expressed interest in housing consultation, in order to ensure that representation from the future client group is incorporated into the design of the project.
- 2.10 Posters advertising the events will be displayed in local shops, the library and Housing Offices, as well as the local community centre (where the consultation event will be held). Local members will also be made aware of the events.
- 2.11 Consultation events will be held from late afternoon until early evening.

- 2.12 All comments received at the consultation will be recorded, acknowledged and responded to, either in person at the event, or by correspondence thereafter.

Site Layout

- 2.13 In order to establish the final site layout, ongoing design team meetings will continue on a regular basis throughout the design stage of the project. Consultation feedback will also be considered at these meetings. The site layouts which are ultimately agreed will comply not only with Housing Services requirements, but with statutory planning and transportation policies and consideration of the input of local people.
- 2.14 The final design and site layout will along with a summary of consultation responses will, prior to the issue of tenders for construction, will be considered by the Physical Environment Advisory Panel with information also provided to the Housing Business Plan Implementation Group.
- 2.15 Whilst this protocol exceeds our legislative requirements, and ensures that the Council operates in a transparent way, Housing Services are nonetheless always seeking to improve the effectiveness of project delivery.
- 2.16 Continual review of emerging good practice will help ensure that procedures are constantly improving. For example, Housing Services have recently identified a benefit from posting our consultation plans on the Council's website, and giving interested parties a deadline by which to submit comments. It is anticipated that this measure will be introduced in tandem with the next public consultation event held.
- 2.17 This proposed protocol is based on an existing procedure which has been recognised for Planning excellence, not only winning the Scottish Awards for Quality in Planning in the category 'Quality of Service', but by also being recognised in the UK wide Royal Town Planning Institute awards in the 'Exemplary Planning to Deliver Housing' category.

3. Proposals

- 3.1 It is proposed that the Cabinet approves the proposed protocol, and agrees that it be used in all future Housing Services development projects which are classed as permitted development.

4. Implications

Financial Implications

- 4.1 There are no financial implications arising from this report. Dealing with housing new build projects under the permitted development process avoids the costs normally associated with preparation and consideration of a detailed planning application.

Human Resource Implications

- 4.2 There are no HR implications arising from this report.

Legal Implications

- 4.3 Developments to which this protocol applies are carried out under the Housing (Scotland) Act 1987 and comply with the Local Development Plan. In such instances Para 33, Part 12, Schedule 1 of the Town & Country Planning (General Permitted Development)(Scotland) Order 1992 as amended by the Planning etc. (Scotland) Act 2006 (Development Planning) (Saving Transitional & Consequential Provisions) Order 2008 establish projects as 'permitted development'.
- 4.4 The protocol described in this report ensures that the Council's processes remain transparent, whilst complying with legislation.

Equality Implications

- 4.5 The protocol is designed to ensure equity between Council and private developers in terms of adherence to planning requirements. The level of public engagement proposed is greater than that required in a formal planning process.

Environmental and Sustainability Implications

- 4.6 The protocol allows consideration of environmental and sustainability implications, in line with those applicable to wider development in the area.

Implications for Key Priorities

- 4.7 The proposed protocol supports the Single Outcome Agreement between North Ayrshire Council and the Scottish Government, specifically:
- National Outcome 10 – “We live in well-defined, sustainable places where we are able to access the amenities and services we need”.
 - Local Outcome 10b – “Availability of affordable housing has improved”.

5. Consultations

- 5.1 The protocol described in this report is based on an existing Council process which has been recognised for excellence, at both a Scottish and UK level.
- 5.2 For all future development projects, the proposed process will ensure ongoing dialogue between local people, future residents and corporate stakeholders.
- 5.3 The process described in this protocol has been discussed with, and agreed by, a range of key corporate personnel.

6. Conclusion

- 6.1 This report describes a new protocol based on a inclusive and consultative approach to Housing Services' development programme.
- 6.2 The protocol is based on the input and agreement of key corporate stakeholders, and on a similar process already recognised for excellence in terms of Local Authority planning.

- 6.3 The Cabinet is asked to consider the report and approve the use of the described process.

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

CRAIG HATTON
Executive Director (Place)

Reference :

For further information please contact Alex Adrain, Divisional Manager (Headquarters) on (01294) 324641, or David Hammond, Senior Manager Strategic Planning & Infrastructure on (01294) 324764

Background Papers

None



Project Mandate

Fencedyke, Irvine

Foreword

The overarching goal for this North Ayrshire Council new supply affordable housing development is to create:

“Homes you want to live in, located in a place you want to be”

The finished development will be both familiar and distinctive. The architecture will draw upon the finest precedents of urban design from North Ayrshire and the West of Scotland. Project distinction will arise from the level of care and attention taken in the design of buildings and public spaces. The project will be exemplary in terms of design quality and sustainable development at both a local and national level, as well as in terms of urban extensions and new neighbourhoods.



Trudi Fitzsimmons
Principal Officer, Strategy
Housing Services, North Ayrshire Council

Introduction

This document is split into two sections that outline the Project Ambitions for the site and the Non-negotiable Elements, both of which are critical to quality and success.

‘Non-negotiable Elements’

This section has been developed by North Ayrshire Council and establishes key project requirements which are essential to the project's success.

Project Ambitions

These ambitions were identified through discussions with internal and external stakeholders and experience gained from other housing projects. In essence, North Ayrshire Housing Services wish to create an **award winning project; in terms of design, innovation, community engagement and sustainability**. We are keen to support imaginative, innovative techniques and solutions which should serve as a design exemplar for future developments by North Ayrshire Council and other organisations.

Non-negotiable Elements

A series of non-negotiable, necessary actions, have been identified for this project.

Housing Mix & Size

The project will deliver a minimum of 35 houses and bungalows (this number can be increased to ensure the site is not under-developed). Flatted dwellings will not be considered suitable. The housing mix will depend on the number of units being included, but comprise the following ratio:

- **5 x 1 bedroom** (2 person) general needs bungalows
- **13 x 2 bedroom** (4 person) general needs houses
- **10 x 2 bedroom** (3 person) amenity bungalows - at least two of which should be located in the same block to allow 'knock through' for a single family who may require a 5 bedroom amenity bungalow.
- **3 x 2 bedroom** (3 person) wheelchair bungalows
- **3 x 3 bedroom** (6 person) houses - each with a double room downstairs, and all downstairs areas to be fully wheelchair accessible/compliant (liveable)
- **1 x 4 bedroom** (7 person) house - with a double room downstairs, and all downstairs areas to be fully wheelchair accessible/compliant (liveable)

Any **additional** units which may be achieved should be added as follows:

- **1 x 2 bedroom** (3 person) amenity bungalow, then
- **1 x 2 bedroom** (3 person) wheelchair bungalow, then
- **2 x 2 bedroom** (4 person) general needs house (and repeat)

Any **reduction** to the units indicated should be deleted as follows:

- **1 x 2 bedroom** (3 person) amenity bungalow, then
- **1 x 2 bedroom** (4 person) general needs house (and repeat)

Programme & Finance

The development must be delivered on time and within budget. A funding condition applies to the project, which means that practical completion must be attained by 31 March 2016. For this reason the project construction period must commence no later than 1 April 2015, though it is desirable that construction commences earlier than this date. Any failure by the Design Team, which means that practical completion cannot be achieved by the necessary date, will result in liquidated damages being claimed.

Statutory Regulations & Local Policy

All statutory requirements must be met. Local policy requirements, including adherence to Neighbourhood Design Guidance and Designing Streets principles are also non-negotiable elements of the project.

Road layouts must be designed to cater for the anticipated volume of traffic whilst also ensuring that speeds are kept to less than 20mph with the completed development. This will be achieved through design, rather than through the utilisation of street furniture and traffic calming mechanisms (such as signs, rumble strips or speed bumps). The Design Team will be required to produce a parking strategy which will consider a range of parking issues before arriving at the appropriate solution for the overall site.

Project Objectives

Project objectives, which clarify what must be achieved through this development, have therefore been set.

It is essential that residents feel **safe and secure**, both in their homes and the local neighbourhood.

It is imperative that the completed housing has **permanence** and endures, remaining a **sustainable** housing option for now and in future. Sustainability is meant in its widest sense, from sustainable and settled communities to fuel efficient, low cost homes with a reduced on-going maintenance burden.

The development will be integrated into the local vicinity and will include the best design principles from the surrounding area and the wider Irvine context.

Design Drivers

In order to provide some additional guidance to the Design Team, a number of design drivers are provided, which the Council require to be further developed before being incorporated in the site plans.

The site and the homes built upon it must be attractive. Strategic planting will be agreed and integrated into the landscape. The final design will incorporate design elements including 'stepped rooflines' and complimentary materials and colour palette.

Surveillance will be considered and integrated into final proposals.

Thought will be given to ensuring play and interaction is inherent within the design, ultimately developing a place which feels like home for all residents, regardless of age or mobility.

Homes are anticipated as having public frontages and private back areas. The front of the properties will be tidy, with fixtures kept to a minimum (ie. no satellite dishes, alarms, wires etc). Front gardens will be small and be designed in a manner which ensures they contribute to the overall visual amenity of the area. It is anticipated that front gardens will have a low maintenance requirement.

A bin strategy will be prepared.

Governance

North Ayrshire Council Housing Services is the client in the project, however, the Council adopts a corporate collaborative approach in the development of new homes, and representation from Planning, Roads Services and other internal stakeholders, will be a vital part of the design process.

The Design Team will update the client with all relevant information, as well as producing an updated monthly delivery timetable. Where a decision or 'sign off' is required, information will be made available to the client two weeks before the Design Team meeting.

Public Engagement/Consultation

The Design Team will be required to participate in up to three public consultation events which will be carried out during the design process. The first event(s) will be to engage with local people in order to influence the final design. The last event will present final drawings to the public.

Site & Surroundings



Project Ambitions

Our Challenges

“How can we connect people?”

The development will be located in a residential area on the site of an existing primary school, due to close in June 2014. The surrounding housing is of varied age, tenure and design.

There are good public amenities within a short walk including a bus route, two churches, and community centre, bowling club, library, school and local shops. The bus route to the north of the site provides access to Irvine town centre. The remainder of the site is bounded by established housing and sheltered housing.

Consider:

- Crime profile
- Are existing community facilities fit for purpose?
- Integrating links from the new development to the existing community
- The walking distance to amenities matter for those who don't have a car, as does the proximity of bus routes and links with cycling proposals

Design Influences



Consider:

Spatial Permeability

Access for all: an inclusive environment, which is well connected to the surrounding area

Street Hierarchy

A hierarchy of roads, streets, and lanes will help define the public realm sequence of spaces, with homes, walls, and fences combining to create a clear spatial hierarchy

Place Markers

Built-in features help guide people through a development and deliver a visually diverse streetscape. Marker homes which utilise architectural devices such as gables and articulated window surrounds can provide termination to street and lane vistas and emphasise a spatial hierarchy

Our Aspirations

“Home is about identity, confidence and ownership”

We want to create homes that remove barriers and are places where people want to live; homes which foster engagement, ownership and stewardship.

The place will have friendly streets where children play, generations meet and people can imagine a future. The place will remain relevant in 2015, 2025, 2050 and beyond. It will encourage people to stay in Irvine and facilitate desired behaviours. Civic spaces will balance utility functions and desirable activities.

Consider:

- We want to apply learning we already have. We think design flexibility and clarity at all scales are important: different users can adapt the place over time working with similar principles.
- We want a sustainable place that works, with high performance in all spaces and clear rules for change. What should we do to get what we want?
- Early and ongoing engagement is key and will enable tensions to be managed.

Our Communities

“Different needs of the same place”

The area is home to different types of households: those who go to work, stay at home, have children. Evenings are about home life, affordability, quality time with the family. Weekends are traditionally about leisure.

Young people are more visible in the summer, but certainly don't spend every day in the area. Instead they hang out in groups, walk for miles or stay in their room on a PlayStation or study, some join clubs.

Consider:

- How typical is it for families and older people to be near each other? Sheltered housing is located to the immediate south east of the development site
- Is existing access from the site to the local amenities convenient? There are access paths through existing housing, but are they fit for purpose? Do they feel safe? Do they create short cuts which could lead to anti-social behaviour?
- How are the rear gardens of houses accessed? Long bin lanes should be avoided

Our Ambition

“Civic, not sub-urban”

Home is more than a house; it is also a garden, a street and the wider area. We need to think about the evolution of the estate. People need space to grow and change.

We believe that social connections are greater if there is less traffic. For this reason Designing Streets principles should be adopted. Traffic management in parallel to housing investment should help mitigate local impacts.

Homes for life are fit for purpose; they are private, light, airy and finished to a high standard. Ideally, buildings should achieve silver building standard for sustainability, maximise site orientation for solar gain, and create spaces that are easy to heat.

We want good, tidy and tended open space and landscaping, in the right place, and with natural surveillance. We need attractive and safe places for pedestrians and to encourage walking. Family routes are important (to walk with toddlers and for the school run).

Consider:

- What is quality housing? Who has defined it? What are the advantages of “traditional” social housing typologies? Should there be a mix of gardens: low maintenance front gardens, rear gardens oriented to the evening sun for others?
- Think about the relationships of how spaces work, inside and outside, and consider the proximity of homes to the pavement (with or without adjoining garden areas).
- Should/could there be space for natural play?
- Can we think about a radically different approach to refuse collection, to reduce the number of bins in the vicinity?
- The established woodland to the east of the site already provides natural screening to the existing houses.
- The layout of the surrounding housing is varied, what positive and negative lessons can be learned from these?
- Creative parking solutions: conspicuous on street parking which dominates the streetscape should be avoided. A hierarchy of materials will assist in shaping the parking areas and soft landscape areas.

Neighbourhood

The plans for the development of Fencedyke should demonstrate an integrated approach to urban planning; linking architecture, infrastructure and green space.

Designing for outcomes

Consider key neighbourhood issues including:

- Leverage: maximise strategic local investment opportunities
- Ownership: this place will be home to a mixed community and part of the network of amenities for other local communities
- Behaviour changes: can the development provide a catalyst to change behaviours in local servicing?

Designing for public space

The development offers the following opportunities:

- To contribute towards a better hierarchy of public spaces, a benchmark for quality;
- A local example of how best to trade off necessary utility functions (parking spaces, waste management) with desirable functions through design innovation;
- An example of a good place delivered to 'Designing Streets' principles.

Street

The street design should demonstrate and respond to an understanding of the different users that are likely to use the site, and their needs. The design must shape a set of specific principles for stewardship of the street as a public space and focus for community engagement over time, and; develop a hierarchy of streets which are both fit for purpose but can be retrofitted incrementally if needs be towards an improved pedestrian oriented public realm.

We have identified a range of conditions that might inform the development of the street hierarchy, responding to the varying site contexts. These might include:

- Civic streets, for example how to respond to the residential Cheviot Head (west) and more public Campsie Walk (North)
- Neighbourhood streets, the 'workhorse' streets of the urban plan?
- Amenity streets, how might a street link to open space?
- Public connections to Campsie Walk – should a new link to this route be created?
- Pedestrian links to the local amenities

Home

Reflect on both the difference between 'home' and the 'house', and ambition for quality and innovative housing.

The ambition is to build housing which balances flexibility; in spatial form and change across time, and performance: with regards to sustainability and amenity. We also want to consider a site based rules framework - which would allow a clear route from principles of best practice; to site development to housing design and change over time to be agreed and used by all.

NORTH AYRSHIRE COUNCIL

Agenda Item 6

23 September 2014

Cabinet

Subject: **Response to consultation by SEPA on EDF Energy's application under the Radioactive Substances Act 1993 to vary the certificate of authorisation for the disposal of radioactive waste at Hunterston B Power Station.**

Purpose: To inform Cabinet of the above proposals and to agree the response to the consultation.

Recommendation: That Cabinet approves the views on the above consultation summarised at paragraphs 3.1 and 3.2 of this report as the basis of a response to the consultation.

1. Introduction

- 1.1 North Ayrshire Council has been consulted by SEPA on an application from EDF Energy to SEPA to vary the terms of their Certificate of Authorisation for the disposal of radioactive waste.
- 1.2 Hunterston B operates an advanced gas cooled reactor for the generation of electricity and has operated as an electricity generation plant from 1976 until present. The present operator is EDF Energy, who have applied to SEPA to vary the current terms of their licence to dispose of radioactive waste.
- 1.3 EDF Energy owns and operates eight nuclear power stations in the UK. In addition they operate 19 nuclear sites in other locations including France, China and the USA.
- 1.4 Radioactive waste arising from the day-to-day running of the Hunterston B plant is made up of Low level Waste (LLW) and Intermediate level Waste (ILW). LLW is defined as waste below 12 GBq/tonne beta and/or gamma activity and/or below 4GBq/tonne alpha activity. ILW is waste with an activity over 12 Bq/tonne beta and/or gamma activity or over 4GBq/tonne alpha activity with no significant decay heat generation that would require cooling.

- 1.5 The types of waste covered by the consultation are LLW and ILW. Solid LLW currently goes to the Low Level Waste Repository at Drigg in Cumbria. The ILW is kept at Hunterston B in tanks and vaults on the site. SEPA has advised that EDF Energy wish to have a container in the site for ILW to supplement the existing capacity. There is no long term ILW store at Hunterston B. (The ILW store at Hunterston A was specially constructed for the decommissioning process).
- 1.6 Spent nuclear fuel is outwith the scope of the application. This is sent to Sellafield by rail in specialised flasks for reprocessing.

2. Current Position

- 2.1 The site is currently authorised under section 13 of the Radioactive Substances Act 1993 to dispose of radioactive waste. The licensing and regulating authority for this purpose is the Scottish Environment Protection Agency (SEPA). The safety regulator for the site and for the safe transport of radioactive waste is the Office for Nuclear Regulation (ONR).
- 2.2 Currently only LLW radioactive waste can be transferred off-site to specified locations. Radioactive wastes that can be transferred off-site comprise solid waste and organic liquids that are subject to annual activity limits set for individual radionuclides and groups of radionuclides. The existing authorisation does not allow ILW to be transferred off-site, and does not provide for Hunterston B Power Station to receive transfers of radioactive waste on site from elsewhere.

Disposable Waste

- 2.3 The LLW consists of solid LLW and oils and solvents. Examples of solid LLW include a wide range of contaminated material, including paper and plastic, swabs and wipes used for decontamination and metallic items. Some LLW is suitable for incineration (paper, wood and some plastics) provided the radionuclide content of the material is within authorised limits. Solid LLW arises mainly as a result of refuelling, irradiated fuel storage, maintenance activities and vessel entry activities.
- 2.4 LLW oils and solvents are produced from the operation and maintenance of the gas circulators and from the oil separators used in liquid waste processing. In addition, there are miscellaneous arisings of waste oil from controlled areas.
- 2.5 Most LLW is accumulated and processed on site over a short timescale. It is dispatched for off-site treatment and disposal as soon as sufficient volume has been accumulated to make a consignment economically viable.

Waste that cannot be disposed of at all or within reasonable timescales

- 2.6 Examples of these waste streams are ILW oils, catalysts and desiccants, resins, ILW ion-exchange resin and sand and ILW sludges. These are produced in a number of areas, for instance plant lubricants, oil separators, AGR reactor gas bypass plant and pond water treatment plant.

Background to Proposed Changes to Authorisation

- 2.7 EDF Energy wish to vary the current terms of the licence to dispose of radioactive waste and apply changes which will help them reduce stored waste and make effective use of the waste management hierarchy. The 'Waste Hierarchy' is a process used to conserve resources by reducing and managing waste. It is based on a policy of prevention, failing which minimisation, reuse, recycling, energy recovery and, finally, disposal of the residual waste.
- 2.8 The changes will also implement the changes described in the SEPA Policy on the Regulation of Disposal of Radioactive Low Level Waste from Nuclear Sites, which allows for the transfer of LLW to any third party authorised to receive it.

Proposed Changes to Authorisation

- 2.9 There are four main changes proposed under the variation to the authorisation. The first is to allow LLW to be transferred off-site to any site authorised to receive it for treatment and disposal. The second variation is to allow radioactive waste regardless of composition or radionuclide activity to be transferred off-site to any appropriate site. There are no concerns regarding these elements of the proposals which are in line with SEPA policy regarding nuclear waste disposal.
- 2.10 However, the remaining two parts to the proposal raise concerns. The proposals include a request for a variation to the licence to enable ILW to be transferred off-site to specified destinations where it can be treated to produce a final waste that is LLW and suitable for disposal in accordance with the waste hierarchy.
- 2.11 The most significant change proposed for North Ayrshire is that EDF Energy want SEPA to vary their licence to allow Hunterston B Power Station to receive radioactive waste from other EDF Energy power stations for interim storage, loading of containers and onward transfer.

- 2.12 The benefits claimed as a result of the variations include a reduction in the volume of waste stored on-site, access to novel radioactive waste treatment services higher up the waste hierarchy than current routes (for example metal decontamination and recycling), the reduction of 'waste miles' as a consequence of allowing a lower number of larger-sized waste consignments, the avoidance of the need to vary the authorisation each time a new route becomes available, and allowing EDF Energy to combine similar waste arisings from other EDF Energy stations to form a joint consignment.

Scottish Government Policy on the Disposal of Radioactive Waste

- 2.13 The Scottish Government Policy (2011) on Scotland's Higher Activity radioactive Waste defines the term higher activity radioactive waste as ILW which does not generate enough heat for it to be a factor in the design of treatment, storage or disposal facilities. It also applies to certain wastes categorised as LLW which by their nature are not currently suitable for disposal in existing LLW facilities as, for example, they may be longer-lived waste.
- 2.14 Spent nuclear fuel, plutonium, uranium or other such radioactive fuels and materials are not covered by the policy.
- 2.15 The Scottish Government policy is that long term management of higher activity radioactive waste should be in near-surface facilities, located as near as possible to the site where the waste is produced. Developers need to demonstrate how the facilities will be monitored and how the waste could be retrieved. Two fundamental principles underpinning the policy are the Waste Hierarchy and the Proximity Principle. The Proximity Principle (a key element of EU environmental and municipal waste management policy) advocates that waste should be disposed of or managed close to the point at which it is generated, thus aiming to achieve responsible self-sufficiency at a local level.
- 2.16 The Scottish Government recognises there will be technological developments that enable treatment of some radioactive waste, primarily to reduce volumes and the policy enables such options to be considered. The policy allows consideration to be given to the transport of the waste from where it arises for treatment elsewhere in the UK to minimise the volume of waste and to recover material. The policy also recognises that it may be possible to dispose of relatively small volumes of the waste in Scotland and that it may arise at different sites around Scotland. There is therefore no prescriptive definition of what is near to the site for disposal facilities. The presumption, however, will be that long term disposal facilities will be as near as practicable to the site where the waste is produced.

3. Proposals

3.1 The proposals to allow receipt of waste for temporary storage and onward disposal on the Hunterston site are not supported. It is considered that these proposals are contrary to the Scottish Government's policy on disposal of radioactive waste, which should be 'near site, near surface' unless the material is being transported off site for treatment, which does not appear to be the case within the variation application. The Council should therefore object to the proposals on this basis.

3.2 The following areas of concern should also be raised as reasons for objection within the consultation response due to the lack of information provided. These concerns apply to the proposals for receipt of ILW waste material on site at Hunterston, and the transfer of material off site to other locations.

- Safe Transport: No details have been provided regarding the likely transport movements of the waste material (mode, frequency) and the associated safety measures in place to ensure safe passage of that material. The proposals may lead to increased road vehicle movements to and from the Hunterston B site, to the potential detriment of the local road network. The Council would also like to confirm whether any consideration has been given to transportation of waste consignments by rail;
- Safe Storage: No details have been provided of the likely volumes of waste material that will be transferred onto the site or transferred from the site, or the duration of any storage, or the safety measures governing such storage; and
- Source of Waste: No details have been provided on the sources of waste material proposed for transfer onto the Hunterston site and whether these include sources from locations abroad. No information has been submitted regarding any safety cases or risk assessments prepared in association with the proposals or any alternative options considered;

The Council has sought further details from the ONR in relation to the above concerns, but no response has been received to date. The Council should advise SEPA as part of the consultation response that the right is reserved to make further comments regarding the proposals subject to any further information received.

3.3 Members are invited to approve a consultation response to SEPA reflecting the terms set out at paragraphs 3.1 and 3.2.

4. Implications

Financial Implications

- 4.1 There are no financial implications.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 There are no legal implications.

Equality Implications

- 4.4 There are no equality implications.

Environmental and Sustainability Implications

- 4.5 It will be a matter for the waste producers and owners to ensure that the duty of care in the transfer of waste is met with regard to environment, health, safety and security. This would be a matter for the regulation of the Officer or Nuclear regulation and SEPA.

Implications for Key Priorities

- 4.6 None

Community Benefit Implications

- 4.7 None.

5. Consultations

- 5.1 No consultations have been undertaken in relation to this report.

6. Conclusion

- 6.1 The proposed changes to the licence conditions, if approved by SEPA, will allow the transfer of radioactive waste to Hunterston B from outside Ayrshire. The licence variations will also allow radioactive waste produced at Hunterston B to be transported off-site to facilities outside North Ayrshire. This conflicts with the Proximity Principle, one of the principles of the Scottish Government Policy on the long term storage and management of Scotland's Higher Activity Radioactive Waste, which advocates that disposal facilities for Scotland's Higher Activity Radioactive Waste should be as near to the site where the ILW waste is produced as is practicable.

- 6.2 The application to vary the licence does not involve any significant change of use or the construction of any purpose-made buildings and as such it is not anticipated that there is any requirement for planning permission associated with the proposals. While recognising the benefits the proposals will have in reducing waste at the site and the total amount of waste to be disposed of in terms of the Waste Hierarchy, the proposals to allow radioactive waste to be brought to Hunterston B for temporary storage and onward transfer conflict with the deeper established principles that have been promoted by the Scottish Government within their policy on the disposal of radioactive waste. The proposals also raise concerns regarding perceptions of public safety and potentially an undesirable increase in frequency of HGV movements on the road network. Further information has been sought on these matters from the ONR, and it is proposed that the right is reserved to make further comment on the consultation in light of any information received.

References:

1. SEPA Policy on the Regulation of Disposal of Radioactive Low Level waste From Nuclear Sites
http://www.sepa.org.uk/radioactive_substances/radioactive_waste/low_level_waste_guidance.aspx
2. The Scottish Government: Scotland's Higher Activity Radioactive Waste Policy 2011.
<http://www.scotland.gov.uk/Resource/Doc/338695/0111419.pdf>



CRAIG HATTON
Executive Director (Place)

Reference : CH/DH/LB

For further information please contact David Hammond, Senior Manager
(Strategic Planning & Infrastructure) on 01294 324764

Background Papers

Consultation Document

NORTH AYRSHIRE COUNCIL

Agenda Item 7

23 September 2014

Cabinet

Subject: Statutory Public Consultation on Proposed Development of Education and Sports Provision in Largs

Purpose: To seek Cabinet approval to commence Statutory Public Consultation on a proposal to develop Education and Sports provision in Largs by approving the Proposal Document at Appendix 3.

Recommendation: That Cabinet agrees to (a) note the outcome of the pre-consultation stakeholder engagement exercise; (b) the commencement of a Statutory Public Consultation, on 1 October 2014, on the proposal to create a new 2-18 years campus, located on the Inverclyde Sports Centre site comprising of:

- the relocation of Largs Academy
- a new primary school, arising from the proposed amalgamation of Brisbane Primary School and Kelburn Primary School
- the relocation of St Mary's Primary School
- a new Early Years' Centre

(c) issuing the Proposal Document attached at Appendix 3; (d) invite all interested parties to make written representation on the proposal to the Executive Director (Education and Youth Employment) no later than 21 November 2014; (e) receive a report on the responses to the consultative process at a future meeting; (f) note the options for meeting the estimated capital and revenue funding gaps as outlined at 4.1 and seek Council approval for the preferred option when setting the budget in December 2014; and (g) note the continued discussions with **sportscotland** to identify and confirm opportunities through partnership working and to secure appropriate land for development.

1. Introduction

- 1.1 On 16 July 2014, the Cabinet agreed that officers (a) develop proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school co-located on the site of the sportscotland National Centre, Inverclyde, in partnership with sportscotland; (b) explore and bring forward proposals on the future provision of early years and primary education in Largs, informed by an early engagement process with a range of stakeholders; and (c) submit proposals, informed by the early engagement process, outlining the preferred options for education provision and related funding in Largs, to Cabinet on 23rd September 2014.

2. Current Position

- 2.1 Following Cabinet approval, an early pre-consultation engagement plan was developed and an exercise undertaken with a wide range of interested parties to help inform and influence this proposal. A copy of this plan is attached at Appendix 1.
- 2.2 A series of information sessions took place with Parent Council representatives, Headteachers, staff and pupils to outline the early engagement process and to highlight the importance of their contribution and of their role in encouraging others to participate.
- 2.3 The local Community Councils worked with the Council to engage with the wider community on an informal basis as part of the early engagement process to seek the views and opinions of community members as a precursor to the development of a formal proposal.
- 2.4 This early engagement process has helped to shape the best way forward for this ambitious opportunity and ensures that the proposed development meets the needs and wishes of the community.
- 2.5 Two key questions were asked of stakeholders;

Question 1

Do you think the Council should develop proposals to replace the existing Largs Academy with a new school located on the grounds of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs KA30 8RW?

Question 2

Do you think the Council should explore the option of including the early years and primary education provision in the Largs area as part of this new development, to create a campus design which includes education and sports facilities to provide for pupils from early years through to sixth year?

- 2.6 In addition, respondents were given the opportunity to give further comments, opinions and suggestions related to each of the questions.
- 2.7 A summary of responses is attached at Appendix 2.
- 2.8 As part of this exercise, Headteachers from the affected schools summarised the views of their communities. These can be viewed at section five of the proposal document. In addition, local community councils worked with the Council to ascertain the views of the wider community within the available timescale. Largs Community Council provided a response.
- 2.9 Of the responses across the range of stakeholders invited to take part, there was a large majority in support of a new Largs Academy to be built on the Inverclyde Sports Centre site. Respondents detailed a number of benefits this would bring. These are summarised by the headteachers in section five of the proposal document.
- 2.10 There was a narrow majority in favour of the inclusion of early years and primary education being part of the new development with the following comments being made:
- pupils could benefit from improved transition arrangements
 - opportunity to have best modern technology to support learning
 - positive impact on children's health and academic development from an early age
 - more facilities available to children of all ages
 - improved sporting facilities including positive links to the Inverclyde Sports Centre

Respondents, both who agreed and disagreed with the proposal, also asked for clarity and further information on a number of issues. These include:

- travel arrangements for pupils who would have a greater distance to get to school
- how age and stage integration will be managed
- retention of identity for primary and secondary schools
- distance from town centre
- management of possible traffic congestion

Many of these issues raised have been addressed in the consultation document with reassurance also given that other areas will be given full consideration during the consultation process.

- 2.11 In addition to seeking clarity on travel arrangements to school, the parents of Cumbræ Primary School were concerned about the further distance their child(ren) would have to walk from the Largs Slip and asked for consideration to be given to the reinstatement of free school transport for this journey at the beginning and end of the school day.

- 2.12 Initial consultation and engagement has also taken place with a Diocesan representative and a senior member of the Scottish Catholic Education Service in relation to the relocation of St Mary's Primary School. As a result, there is support for this proposal to be taken forward with consideration being given to all of the factors which contribute to the outcomes of providing Catholic education in the 21st century.
- 2.13 Discussions are also continuing with **sportscotland** to identify and confirm opportunities for partnership efficiencies during the development phase and upon commencement of the operation of any new facilities and secure appropriate land for development.
- 2.14 The views of all involved stakeholders have been carefully considered and the Proposal Document attached at Appendix 3 has been developed taking this valuable information into account.

3. Proposals

- 3.1 North Ayrshire Council now want to undertake Statutory Public Consultation on the following proposal:

The creation of a new 2-18 years campus, situated on the Inverclyde Sports Centre site, comprising of:

- the relocation of Largs Academy,
- a new primary school, arising from the proposed amalgamation of Brisbane Primary School and Kelburn Primary School,
- the relocation of St Mary's Primary School, and
- a new Early Years' Centre

- 3.2 The proposal is for one campus building, housing separate establishments with certain shared facilities. The shared facilities, which will be agreed and developed throughout the design phase, may include reception, dining, sporting and specialist areas. Careful consideration will be given to how this might look and therefore be managed.

The three schools would be led by their own headteacher and appropriate management team. Within this arrangement, each establishment will operate as a school in their own right, although there will be benefits of closer working relationships as outlined in the Educational Benefits Statement at section nine of the Proposal Document. Consideration will be given to how they would work together to ensure the overall smooth running of the campus and how the shared facilities are managed. In addition, the Early Years' provision would also have a centre manager.

- 3.3 Written representations on the proposals are requested between 1 October 2014 and 21 November 2014. All comments received during the consultation period will be submitted to Education Scotland for a three week period. Thereafter, publication of the report on the outcome of the consultation will be made available to all interested parties. Any feedback will then be incorporated into a report which will be presented to Cabinet in January 2015.
- 3.4 It is proposed that a series of formal public meetings, detailed below, will be held to discuss these proposals. These will be advertised in local newspapers. The meetings will provide an opportunity to hear more about the proposal, ask questions and have all views recorded so that they can be taken into account as part of the consultation process.

Venue	Date	Time
Largs Academy	Tuesday 4 November 2014	1pm-3pm
Largs Academy	Tuesday 4 November 2014	6pm-8pm
Cumbræ Primary School	Wednesday 5 November 2014	5pm-7pm
St Mary's Primary School	Thursday 6 November 2014	6pm-8pm

- 3.5 It is proposed that Cabinet agrees to:
- (a) note the outcome of the pre-consultation stakeholder engagement exercise;
 - (b) the commencement of a Statutory Public Consultation, on 1 October 2014, on the proposal to create a new 2-18 years campus, situated on the Inverclyde Sports Centre site comprising of:
 - the relocation of Largs Academy
 - a new primary school, arising from the proposed amalgamation of Brisbane Primary School and Kelburn Primary School
 - the relocation of St Mary's Primary School
 - a new Early Years' Centre
 - (c) issuing the Proposal Document attached at Appendix 3;
 - (d) invite all interested parties to make written representation on the proposal to the Executive Director (Education and Youth Employment) no later than 21 November 2014; and receive a report on the responses to the consultative process at a future meeting;
 - (e) receive a report on the responses to the consultative process at a future meeting;

- (f) note the options for meeting the estimated capital and revenue funding gaps as outlined at 4.1 and seek Council approval for the preferred option when setting the budget in December 2014; and
- (g) note the continued discussions with **sportscotland** to identify and confirm opportunities through partnership working and to secure appropriate land for development.

4. Implications

Financial Implications

4.1 The following financial implications arise out of this report:

Capital Costs

The initial high level estimated capital cost of delivering the new 2-18 years campus is £44m. Scottish Schools for the Future funding of an estimated £16m has been agreed in principle for the new campus, with £28m to be financed by North Ayrshire Council. There are various funding streams which can contribute to the £28m balance of the capital costs:

- Capital receipts from the sale of existing school sites.
- Uncommitted funds from Education and Youth Employment's School Estate Fund within the current capital programme.
- Phase 3 commitment within the Capital Fund.
- Unallocated Capital Fund.

This would leave a funding gap of about £14.8m which could be met from the reprioritisation of the current capital programme. If members choose not to reprioritise within the current capital programme, an additional £14.8m of capital investment would result in additional loan charges of about £0.747m via prudential borrowing.

The Council is seeking additional Scottish Futures Trust support in respect of the primary school component of the project of up to £8m. This would reduce the amount required to be funded by North Ayrshire Council.

Revenue Costs

The estimated revenue costs of the new campus are £0.214m per annum higher than the costs of the current schools. This is mainly as a result of the anticipated increase in non-domestic rates charges due to the new campus having a higher rateable value than the current schools. Any additional revenue funding, including loan charges, will require to be approved as the Council sets its Budget for future years.

Both the revenue and capital costs of the project will be firmed up as the project develops. This will be reported to a future meeting of the Cabinet.

Human Resource Implications

- 4.2 There are no human resource implications arising directly from this report.

Legal Implications

- 4.3 North Ayrshire Council are consulting in line with the requirements of the Schools (Consultation) (Scotland) Act 2010 (as amended).

Equality Implications

- 4.4 A full equality impact assessment will be carried out on the approved project, once the outcome of the Public Consultation is known.

Environmental Implications

- 4.5 There are no environmental implications arising directly from this report.

Implications for Key Priorities

- 4.6 The key priorities which will be addressed by this report are:

SOA outcomes:

- 3a "opportunities for lifelong learning have increased."
- 4a "levels of educational attainment and achievement have improved."
- 6b "health inequalities have reduced."
- 6e "people are more active more often"; and
- 11b "partnership working between the public, community and voluntary sector has improved."

Community Benefit Implications

- 4.7 The proposed campus is intended to be procured through the South West Scotland HubCo arrangements. Community benefits are a key element to this delivery model.

5. Consultations

5.1 The following stakeholders have been consulted throughout this process:

- Pupils
- Headteachers
- Community Groups
- Local Elected Members
- Corporate Management Team
- Sportscotland

6. Conclusion

6.1 It is recommended that Cabinet considers the contents of this report and agrees the commencement of the Statutory Public Consultation process by issuing the Proposal Document at Appendix 3.



JOHN BUTCHER
Executive Director (Education and Youth Employment)

Reference : JB/SQ/LT/GD

For further information please contact Steven Quinn, Head of Service (Development) on 01294 324413

Background Papers

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North Ayrshire Council
Education and Skills: Largs Proposal
Pre-Consultation Stakeholder Engagement Plan

Stakeholder	Method	Description/Notes	Date Time Venue
Parent Councils	Meeting with Largs Cluster Parent Council chairs and one representative from each Parent Council	Briefing on proposal and provide tools to undertake parent/carer consultation	18 August 2014 6.30pm Largs Academy
	Letter to all parents informing of forthcoming pre-consultation process	Issued via school bag drop	18 August 2014
	Survey of all Largs Cluster parents/carers, led by Parent Councils	Survey issued to Largs Academy and Cluster Primary School parents/carers	19 August 2014
		Collated by Parent Council, returned to Education and Skills	27 August 2014
	Meeting	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy
All Staff	Briefing session for all staff	Information sessions at Largs Academy, Brisbane Primary School, Kelburn Primary School, St Mary's Primary School, Fairlie Primary School, Skelmorlie Primary School and Cumbrae Primary School	15 August 2014
	Survey of all staff	Survey issued to all school staff in Largs Academy, Brisbane Primary School, Kelburn Primary School, St Mary's Primary School, Cumbrae Primary School, Fairlie Primary School and Skelmorlie Primary School	15 August 2014
		Collated by Headteacher, returned to Education and Skills	27 August 2014
	Meeting with key representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy

North Ayrshire Council
Education and Skills: Largs Proposal
Pre-Consultation Stakeholder Engagement Plan

Stakeholder	Method	Description/Notes	Date Time Venue
Primary School Pupils	Headteacher meeting with Pupil Councils	Briefing on proposal and provide tools to undertake pupil consultation	20 August 2014
	Survey of all Largs Cluster primary school pupils by Pupil Council	Survey issued by Pupil Council	21 August 2014
		Collated by Pupil Council and returned to Education and Skills	27 August 2014
	Meeting with Pupil Council representatives	Discuss a summary of the proposal document and take feedback	19 September 2014 2.00pm Largs Academy
Secondary School Pupils	Headteacher meeting with Pupil Council	Briefing on proposal and provide tools to undertake pupil consultation	20 August 2014
	Survey of all Largs Academy pupils by Pupil Council	Survey issued by Pupil Council	21 August 2014
		Co-ordinated by Pupil Council and returned to Education and Skills	27 August 2014
	Meeting with Pupil Council representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy
Local Community Council	Meeting with Chairs of Local Community Councils	Briefing on proposal and provide tools to undertake consultation	18 August 2014
		Survey responses returned to Education and Skills	27 August 2014
	Meeting with key representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy

Largs Proposal Pre Stakeholder Engagement Responses

School	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
Largs Academy Parents	1104	92	8%	75	12	60	28
Largs Academy Pupils	1104	588	53%	479	113	263	333
Largs Academy Staff	120	80	67%	78	2	64	15
TOTAL				632	127	387	376
Brisbane Primary Parents	191	79	41%	70	9	52	25
Brisbane Primary Pupils	226	226	100%	157	69	120	106
Brisbane Primary Staff	20	17	85%	17	0	17	0
TOTAL				244	78	189	131
Kelburn Primary Parents	284	102	40%	86	15	61	40
Kelburn Primary Pupils	269	269	100%	162	107	128	141
Kelburn Primary Staff	33	33	100%	31	2	15	18
TOTAL				279	124	204	199
St Mary's Primary Parents	179	60	34%	55	4	31	27
St Mary's Primary Pupils	161	161	100%	129	35	75	86
St Mary's Primary Staff	18	7	39%	7	0	1	6
TOTAL				191	39	107	119
Largs/Brisbane/Kelburn/ St Mary's	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
TOTAL	3709	1714	47%	1346	368	887	825

School	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
Cumrae Primary Parents	56	19	34%	17	1	10	9
Cumrae Primary Pupils	79	79	100%	70	9	55	24
Cumrae Primary Staff	14	11	79%	11	0	6	5
TOTAL				98	10	71	38
Fairlie Primary Parents	89	19	21%	19	0	13	6
Fairlie Primary Pupils	80	79	99%	59	20	39	40
Fairlie Primary Staff	16	11	69%	11	0	6	2
TOTAL				89	20	58	48
Skelmorlie Primary Parents	79	39	49%	39	0	16	21
Skelmorlie Primary Pupils	97	96	99%	88	8	36	59
Skelmorlie Primary Staff	20	17	85%	16	1	6	11
TOTAL				143	9	58	91
Cumrae/Fairlie/Skelmorlie	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
TOTAL	530	370	70%	330	39	187	177

All Schools	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
TOTAL	4239	2084	49%	1676	407	1074	1002

Largs Community Council	Surveys Issued	Responses Received	% Response	Q1 New Largs at Inverclyde?		Q2 Early and Primary included?	
				Yes	No	Yes	No
Largs Community Council	9	9	100%	8	1	6	3



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

PROPOSAL ON THE FUTURE OF EARLY YEARS, PRIMARY AND SECONDARY EDUCATION PROVISION IN LARGS

REPORT BY EXECUTIVE DIRECTOR (EDUCATION AND YOUTH EMPLOYMENT)

This document has been issued by North Ayrshire Council for consultation in terms of the
Schools (Consultation) (Scotland) Act 2010 (as amended)

**North Ayrshire Council
Education and Youth Employment**

**Proposal on the future of early years, primary and
secondary education provision in Largs**

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NORTH AYRSHIRE COUNCIL
EDUCATION AND YOUTH EMPLOYMENT
PROPOSAL DOCUMENT

1. OUTLINE PROPOSAL

- 1.1 As a result of early stakeholder engagement with a wide range of interested parties, subject to the outcome of this consultation exercise, North Ayrshire Council proposes that:

The preferred option of North Ayrshire Council is the creation of a new 2-18 years campus, situated on the Inverclyde Sports Centre site, subject to the approval of the **sportscotland** Board and Trust Board, comprising of:

- the relocation of Largs Academy;
- a new primary school, arising from the proposed amalgamation of Brisbane Primary School and Kelburn Primary School;
- the relocation of St Mary's Primary School; and
- a new early years' centre with provision for children aged 2 to 5 years.

- 1.2 The proposal is for one campus building, housing separate establishments with certain shared facilities. The shared facilities, which will be agreed and developed throughout the design phase, may include reception, dining, sporting and specialist areas. Careful consideration will be given to how this might look and therefore be managed.
- 1.3 Importantly, the three schools would be led by their own headteacher and appropriate management team. Within this arrangement, each establishment will operate as a school in their own right, although there will be benefits of a closer working relationship as detailed below. Consideration will be given as to how they would work together to ensure the overall smooth running of the campus and how the shared facilities are managed. In addition, the early years' provision would also have a centre manager.
- 1.4 This document outlines the background and factors taken into account in developing this proposal for a 2-18 years campus in Largs.
- 1.5 The Council want to hear views on this ambitious initiative. This document informs interested parties on the various methods available to make a response to this Statutory Public Consultation.

2. STRATEGIC CONTEXT

2.1 Council Vision

The current North Ayrshire Council Plan outlines the key aims and ambitions of the Council over the five year period 2012-2017 and sets out a vision for North Ayrshire, entitled "*North Ayrshire - the place to be*".

This vision sets out the Council's commitment: 'To improving the lives of North Ayrshire people and developing stronger communities' and our core objectives detail how we will go about achieving this vision.

The Council's current core objectives are outlined below.

- Regenerating our communities and increasing employment;
- Protecting vulnerable people;
- Improving educational achievement; and
- Operating more efficiently and effectively

The Council also produces an updated annual action plan each year to reflect new initiatives and developments. The Council Action Plan 2014-2015 describes in detail the work that will be undertaken to achieve our strategic objectives.

These documents can be found on the Council's website at www.north-ayrshire.gov.uk.

2.2 Education and Youth Employment Vision

The current Education and Youth Employment Service Plan 2014-2015 provides a solid foundation for achievement. It forms a vital part of the strategic thread which allows the service to identify its key priorities; as well as recording the ways in which these priorities are contributing to the Council's wider objectives.

In 2014-2015, the objectives for Education and Youth Employment are as follows:

- Learners are developing effective skills for learning, life and work and progressing into positive and sustained destinations.
- Key outcomes are being delivered to improve the life chances of children, young people and families in North Ayrshire.
- Individuals and communities are being supported to reach their potential and secure a successful future.
- Our services are high quality, continually improving, efficient and responsive to local need.

North Ayrshire Council is currently undertaking a Review of Educational Services with the stated aim of reducing inequality in Educational Outcomes whilst continuing to improve Educational Outcomes for all learners.

The overarching goals of the review are twofold. Firstly, to develop a vision and strategy for the delivery of Education in North Ayrshire which will ensure that:

- The inequality that exists, across different groups of learners, is reduced;
- Educational Outcomes improve for all learners; and
- The community of North Ayrshire maximises value from available resources

Secondly, to set out how the Council will engage with our communities and build confidence in the Council's vision and strategy, so that this vision can be realised.

2.3 Asset Management Strategy

The Local Government (Scotland) Act 2003 places a duty on Local Authorities to demonstrate best value in delivering their services and managing any assets they

hold. Typically, individual Councils hold assets worth many millions of pounds and it is in the interest of Councils and their residents that the most effective use of these assets is being made. This is achieved through the delivery of a Property Asset Management Plan.

North Ayrshire's Property Asset Management Plan clearly outlines the priorities for the physical care and improvement of the Council's property portfolio and is intended to assist the Council in contributing to the three key priorities of the Single Outcome Agreement:

- A Working North Ayrshire;
- A Healthy and Active North Ayrshire; and
- A Safe and Secure North Ayrshire

The overarching objective of the Property Asset Management Plan is to align the Council's land and property assets with the organisation's corporate objectives. By taking a strategic view in relation to the management of the Council's property assets, it is envisaged that the following key benefits will be accrued:

- reduced property operational costs;
- release of capital via disposal of surplus assets;
- best value in capital investment;
- best value in maintenance of property;
- improved public service delivery: achieved through having the right properties and services in the right locations;
- improved staff productivity; and
- improved asset utilisation.

2.4 **Sportscotland Partnership**

sportscotland have announced plans to provide:

- a unique range of facilities, on a single site for disability sports, including residential accommodation which can meet their particular needs and broaden their opportunities
- facilities for a number of small and medium-sized governing bodies of sport who do not have their own national centre
- a range of facilities which will help continue to attract major sports events and competitions to Inverclyde and to the west of Scotland, in the case of sailing and water based events centred on Largs.

The Centre will also meet the needs of other key established target customer groups, including:

- Scottish Governing Boards that already have their own national centres but require access to facilities to accommodate regional activities
- Schools from across Scotland which use Inverclyde to provide an all-inclusive sports experience
- Sport and physical activity facilities for the local community.

sportscotland and North Ayrshire Council have committed to working jointly around the siting of the Largs School Campus on Inverclyde land and the potential to ensure

the facilities are complementary. Discussions are continuing to develop the detail required to ensure the success of both the National Centre and the school campus project. In addition, opportunities within the partnership for the development of sporting pathways and specialist support will be explored.

3. HOW DID WE GET HERE?

- 3.1 North Ayrshire is currently engaged in a strategic review of education. This aims to raise educational attainment and achievement, review educational assets and provide an estate which is fit for the 21st century. This review demonstrates the Council's ambitions in relation to education in North Ayrshire. The Review Team will present their proposals in early 2015.

Separately, yet complementing the review, a unique and time-limited opportunity has emerged for North Ayrshire Council to improve the delivery of education in Largs.

This opportunity arose through two separate developments:

- The first was an invitation to submit a proposal to Phase Three of the Scottish Schools for the Future Programme via the Scottish Futures Trust (SFT), which had to satisfy the programme requirements and timescale, i.e. the project must be completed by 31 March 2018.
- The second was the possibility for a strategic partnership to be established with **sportscotland** in the development of their facilities at the National Centre Inverclyde.

sportscotland's ambition is to develop a fully inclusive national residential sports centre. It has already committed £9.3m to the redevelopment of the accommodation with the assistance of an additional £6m capital contribution from the Scottish Government. This development is likely to be the first of its kind in the UK and plans are being made to ensure that the sports facilities meet **sportscotland's** ambitions.

- 3.2 On 16th July 2014, North Ayrshire Council's Cabinet was presented with the background to this exciting development opportunity and agreed that officers would:

- develop proposals to replace the existing Largs Academy with a modern, fit-for-purpose secondary school, co-located on the site of the **Sportscotland** National Centre Inverclyde, in partnership with **sportscotland**;
- explore and bring forward proposals on the future provision of early years and primary education in Largs, informed by an early engagement process with a range of stakeholders;
- submit proposals, informed by the early engagement process, outlining the preferred options for education provision and related funding in Largs, to Cabinet on 23rd September 2014; and
- develop a robust consultation process to commence in October 2014 which meets statutory requirements.

- 3.3 Following Cabinet approval, an early pre-consultation engagement exercise was undertaken with a wide range of interested parties to help inform and influence this proposal. A pre-consultation engagement plan was developed to ensure that at this formative stage, the consultation was as wide ranging as possible. A copy of this plan is attached in Appendix 1.

4. PRE-CONSULTATION STAKEHOLDER ENGAGEMENT

- 4.1 The Council recognises both the importance of seeking the views of communities and the valuable contribution that this collaborative approach has in establishing a comprehensive proposal. Working together from this early stage builds the foundation for positive joint-working throughout the life of this ambitious education initiative for the Largs area.
- 4.2 A working group was established to consider and develop a robust plan to ensure that as many views as possible were heard prior to formulating the more detailed proposal. This resulted in a pre-consultation stakeholder engagement plan being produced along with survey questionnaires that were designed to gather responses.
- 4.3 Whilst this stage in the process is not legally required, and the timescale was necessarily restricted, the Council wanted to engage with all interested parties at this early, formative stage of the process and hear as many views as possible prior to formulating more detailed proposals.
- 4.4 The first step in this joint approach was to issue an information letter on 7 July 2014 to key stakeholders ahead of Cabinet on 23 July 2014. This letter provided early information on the proposal.
- 4.5 A further letter, outlining the pre-consultation stakeholder engagement process, was issued on 18 August 2014, enclosing a copy of the stakeholder engagement plan and information on how to participate in the survey.
- 4.6 A series of information sessions took place with parent council representatives, Headteachers, staff and pupils to outline the early engagement process; highlight the importance of their contribution; and to explain the significance of their role in encouraging others to participate.
- 4.7 The local community councils worked with the Council to engage with the wider community on an informal basis as part of the early engagement process to seek the views and opinions of community members as a precursor to the development of a formal proposal.
- 4.8 Importantly, initial consultation and engagement has taken place with a Diocesan representative and a senior member of the Scottish Catholic Education Service in relation to the relocation of St Mary's Primary School. As a result, there is support for this proposal to be taken forward with consideration being given to all of the factors which contribute to the outcomes of providing Catholic education in the 21st century.
- 4.9 This early engagement process has helped to shape the best way forward for this unique concept and ensure that the proposed development meets the needs and desires of the community.

5. OUTCOME OF PRE-CONSULTATION STAKEHOLDER ENGAGEMENT

- 5.1 The representative groups detailed in the Stakeholder Engagement Plan were invited to lead the distribution, collation and summary of a survey which asked the following questions:

Question 1

Do you think the Council should develop proposals to replace the existing Largs Academy with a new school located on the grounds of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs, KA30 8RW?

Do you have any further comments/opinions/suggestions on the question above?

Question 2

Do you think the Council should explore the option of including the early years and primary education provision in the Largs area as part of this new development, to create a campus design which includes education and sports facilities to provide for pupils from early years through to sixth year?

Do you have any further comments/opinions/suggestions on the question above?

The survey also included space for respondents to share suggestions on additional/alternative methods they would like access to for sharing their views during the process. Space was also provided for sharing any additional comments/thoughts or suggestions on the future of education and sports provision in Largs.

- 5.2 Headteachers from the affected schools and local Community Councils provided summaries as detailed below.

5.2.1 Largs Academy School Community

“Overall, pupils, parents and staff are overwhelmingly in favour of a new Largs Academy on the Inverclyde site because of the potential this offers for future development and the opportunity to work with **sportscotland**. The potential improvement in sporting opportunities in the new campus is hugely popular.

The current school was described as no longer fit for purpose and a desire was expressed to provide more for pupils and for the local community. Many saw the proposals offering increased opportunities for primary and secondary collaboration, allowing for better and more effective transition arrangements.

However, there was recognition of the potential challenges of bringing together pupils from aged 2-18 years. In addition, a minority of parents and pupils were concerned about the Inverclyde site because of the increased travelling time to school for some pupils. Furthermore, some local residents showed concern for a new school being built near their home.

A number of pupils raised the question regarding lunch, suggesting the provision of alternative style cafes and other food outlets to be provided on the new site.”

5.2.2 Kelburn Primary School Community

“The school community are very much in favour of a new Largs Academy to replace the existing school, seeing the many benefits that this would bring. In addition, a number of constructive comments have been made which would hopefully support the design of a new building.

However, the views for a 2-18 years shared campus are more mixed with the school community asking for clarification on a number of issues. The responses from parents indicate an overall majority support a 2-18 years provision but with this comes a number of questions that all parents are keen to get answers from. Responses from

staff and pupils are slightly less positive regarding a new campus provision with just over half wishing to remain with the status quo. They also ask a number of questions.

Questions posed centre around areas such as, travel arrangements, including suitable routes to school and possible congestion at the start and end of the school day; the size of the new campus; the loss of the school identity; the potential loss of the before and after school service currently run in the adjacent community centre; and the sports facilities that would be available to children.

There were also a number of opinions accentuating the positive benefits of the proposal for a new campus arrangement. These included the resources that would be available, the provision of the best modern technology to support learning and the opportunity for enhanced sporting and positive outdoor learning experiences.

Some of the community have also asked for fuller information before they can form a final opinion.”

5.2.3 **Brisbane Primary School Community**

“The majority of parents, staff and pupils are in favour of developing the proposals to replace the existing Largs Academy. It was widely recognised that a new school is needed to ensure the children and young people have access to a modern, fit for purpose environment. Comments were also made about the benefits around the integration of all children in Largs and the potential advantages that could be had with links to the Inverclyde Sports Centre.

Similarly, the majority of stakeholders are in favour of exploring the option of primary and early years’ education provision as part of the new development. It was felt by some that this was a great opportunity for our younger children and that it would allow for smooth transitions.

However, several stakeholders expressed concern about the size of the primary school and how this would affect the ethos and relationships within the school. Traffic and parking were other challenges raised. A few school staff showed concern about staffing levels and uncertainty about job security.”

5.2.4 **St Mary’s Primary School Community**

“The vast majority of parents and pupils are in favour of developing the proposals to replace the existing Largs Academy on the grounds of **Sportscotland’s** Inverclyde National Centre. The general consensus was that the opportunity of a new school building was too good to miss.

With regards to exploring the option of primary and early years’ provision, the responses from stakeholders were fairly evenly split. Many parents are happy to support a 2-18 years campus, stating that it would be a better future for generations to come. Some parents are concerned about the future of Catholic education and would wish to see a separate primary school on the same campus retaining a Catholic identity. A few parents and pupils expressed concern about traffic issues.

Less than half the staff offered a response. Of those who responded, all were in favour of a new Largs Academy and the integration of the other primary schools but were not in favour of St. Mary’s being part of the campus.”

5.2.5 Cumbrae Primary School Community

“The collated responses from the staff, parents and pupils at Cumbrae Primary show there is clear support for a new Largs Academy, with the acknowledgment of the potential range and quality of facilities and experiences.

Many pupils commented on the opportunities the new school would bring. Most are concerned about the distance to be travelled on foot between the Largs Slip and the new campus should transport not be provided. They are worried about being late for school or that lessons may have to begin later for them.

Positively, it was commented that the small schools should be part of a planned and progressive programme that exposes children to their peers in the new school, the facilities and the expertise of staff in Largs Academy.

In terms of creating a campus, there is a very strong message that the pupils of Cumbrae Primary should not be disadvantaged by their location and that planned programmes for transition would ensure equality for all primary pupils.”

5.2.6 Fairlie Primary School Community

“The majority of parents, staff and pupils responded positively to replacing the existing Largs Academy with a new school. There is recognition of the need to upgrade the current provision as well as the potential of sport facilities that would benefit the pupils, local area and wider community. Concerns and queries include the potential disruption to exams and the increased time to walk to Largs town during lunch break.

The responses to the creation of a campus were more evenly split. Those supporting a 2-18 years campus highlight the seamless transition for those pupils attending the campus and the potential for all age groups to access the new facilities.

Concerns and queries include how the various needs of children in a 2-18 years' campus will be met. Some responses indicated their preference for early years and primary pupils to remain separate as the campus would be too large and crowded. Suggestions include the need for suitable access and parking to ensure the safety of users. Stakeholders have queries in relation to the remaining cluster schools i.e. will they be allocated use of the facilities on a regular basis and what are the implications for timetables and transport costs? Similarly, stakeholders highlight the need to give consideration to the transition arrangements for Fairlie, Skelmorlie and Cumbrae pupils.”

5.2.7 Skelmorlie Primary School Community

“The community of Skelmorlie Primary School enthusiastically support the development of a new Largs Academy. Most of the respondents agree that sharing facilities with **sportscotland** would be a wonderful opportunity and of great benefit for all age groups of children. Comments like the building will be safer, more spacious and better equipped are very positive.

While the majority of the community support the idea of a 2-18 years facility, there were a number of constructive comments such as the need for a robust transition programme to ensure that pupils of the outlying communities also benefit from the new facilities. One suggestion offered was the issue of Young Scots Cards to allow all children to access transport to allow them to attend after school clubs.”

5.2.8 Community Councils

The period of time available to Community Councils for the pre-consultation phase dictated that there was limited opportunity for them to consult within the cycle of Community Council meetings.

Largs Community Council's response is supportive of the joint campus with Largs Academy and **sportscotland**, but expressed the view that the age range of the pupils to be included within the campus is potentially too great, and that para-sports facilities including swimming facilities should be included in the project.

Cumbrae Community Council responded verbally that responses would come through the school and parental consultation.

Fairlie and Skelmorlie Community Councils did not submit a response.

6. CURRENT SCHOOLS INFORMATION

- 6.1 Largs Academy provides non-denominational education for young people who live in Largs, Fairlie, Cumbrae and Skelmorlie. The catchment area for this school is shown in Appendix 2. The current roll of the school is 1100 and is projected to increase to 1200 in the future.
- 6.2 Brisbane Primary School and Kelburn Primary School provide non-denominational education for young people who live in Largs. The current catchment areas are shown in Appendices 3 and 4. The current roll of Brisbane Primary School is 230 and Kelburn Primary School is 312. The future combined roll of these schools is projected to increase to around 600.
- 6.3 St Mary's Primary School provides denominational education provision for young people who live in Largs, Fairlie, Cumbrae and Skelmorlie. The catchment area for this school is shown in Appendix 5. The current roll of the school is 161 and the future roll is projected to increase to around 175.
- 6.4 In line with the Council's Asset Management Strategy, all schools are assessed on their physical condition and suitability for delivering a modern curriculum. The condition and suitability ratings are based on those devised by the Scottish Government using the following criteria:

Condition

A: Good (condition weighting above 85%)	Performing well and operating efficiently
B: Satisfactory (condition weighting 60%-84.99%)	Performing adequately but showing minor deterioration
C: Poor (condition weighting 40%-59.99%)	Showing major defects and/or not operating adequately
D: Bad (condition weighting less than 40%)	Economic life expired and/or risk of failure

Suitability

A: Good	Performing well and operating efficiently (the school buildings support the delivery of services to children and communities)
B: Satisfactory	Performing well but with minor problems (the school buildings generally support the delivery of services to children and communities)
C: Poor	Showing major problems and/or not operating optimally (the school buildings impede the delivery of activities that are needed for children and communities in the school)
D: Bad	Does not support the delivery of services to children and communities (the school buildings seriously impede the delivery of activities that are needed for children and communities in the school)

- 6.5 Energy performance rating provides an illustration of the energy efficiency of a building as A-G, with A being the most efficient. Detailed below is the asset information for all schools directly affected by this proposal:

School Name	Year Built	Condition Rating	Suitability Rating	Energy Rating	Capacity
Largs Academy	1968	B	C	E+	1157
Brisbane Primary School	1977	B	B	E+	265
Kelburn Primary School	1993	B	B	D+	367
St Mary's Primary School	1962	B	B	E+	273

- 6.6 The Council recognise the importance of providing a school estate that is maintained in a satisfactory and acceptable condition. To ensure this position is maintained and to fully understand the maintenance challenges facing the school estate, the Council have implemented and will continue to implement a number of 'best practice' processes.
- 6.7 Routine maintenance, repair and statutory compliance obligations are undertaken across the school estate. An annual budget is allocated for planned revenue projects, all of which are identified and prioritised in accordance with the results of the building condition information.
- 6.8 In addition to the above, the Council is also committed to delivering a number of capital projects across the school estate; including refurbishments, extensions and roof replacements.
- 6.9 The Council has set property inspections and a repairs reporting regime in place. These processes ensure that any unsatisfactory property maintenance issues are highlighted and addressed at the earliest opportunity.
- 6.10 The table below denotes the condition weighting for each of the four schools, along with the projected investment requirements for each school over a ten-year period:

Condition Weighting(%) / Ten-Year Investment Summary (£)

School	Condition Weighting	Priority 1 (year 1)	Priority 2 (year 2)	Priority 3 (years 3-5)	Priority 4 (years 6-10)	Total
Largs Academy	B (67.96%)	983,542	1,195,560	1,069,776	1,734,379	4,983,257
Brisbane PS	B (70.51%)	165,854	236,127	254,362	560,447	1,216,790
Kelburn PS	B (72.29%)	13,239	156,905	105,129	378,060	653,333
St Mary's PS	B (72.78%)	77,231	157,741	246,705	302,938	784,615

- 6.11 The above noted information illustrates that over the forthcoming ten-year period, significant and sustained investment is required in the four schools concerned in order to maintain them in a satisfactory condition.

7. FINANCIAL INFORMATION

7.1 Capital Costs

The estimated capital cost of delivering the new campus is £44m. Scottish Schools for the Future funding of an estimated £16m has been agreed in principle for the new campus, leaving £28m to be financed by North Ayrshire Council. There are various options for funding the £28m balance of the capital costs. These include:

- Income from capital receipts from the sale of existing school sites.
- Allocating money from Education and Youth Employment's school estate funding of the current capital programme.
- Allocating money from the Phase 3 schools commitment within the Capital Fund.
- Allocating money from the unallocated element of the Capital Fund.
- Reprioritisation of the current capital programme.
- Prudential borrowing.

In addition, the Council is seeking additional Scottish Futures Trust support in respect of the primary school component of project of up to £8m. This would reduce the amount required to be funded by North Ayrshire Council.

7.2 Revenue Costs

The estimated revenue costs of the new campus are £0.214m higher than the costs of the current schools. This is mainly as a result of to the anticipated increase in non-domestic rates due to of the new campus having a higher rateable value than the current schools. Appendix 6 provides a breakdown of the current and projected costs of the proposed campus.

8. PROPOSAL

- 8.1 The following schools are directly affected by this proposal:

- Largs Academy,
- Brisbane Primary School and Early Years Class,
- Kelburn Primary School and Early Years Class, and
- St Mary's Primary School and Early Years Class.

- 8.2 Pupils in the following primary schools, who transfer to Largs Academy for their secondary education, are also affected by this proposal:
- Cumbrae Primary School,
 - Fairlie Primary School, and
 - Skelmorlie Primary School.
- 8.3 As a result of early stakeholder engagement with a wide range of interested parties, subject to the outcome of this consultation exercise, it is proposed that:
- a) Education provision at the current Largs Academy will be discontinued with effect from June 2018 and the young people will relocate to a modern, fit-for-purpose secondary provision, managed by a secondary headteacher, within a new build 2-18 years education campus on the site of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs, KA30 8RW from August 2018, as shown in Appendix 7.
 - b) Education provision at Brisbane Primary School and Early Years Class and Kelburn Primary School and Early Years Class will be discontinued with effect from June 2018. These schools will amalgamate and the young people will transfer to a modern, fit-for-purpose non-denominational education provision, managed by a primary headteacher, within an integrated 2-18 years education campus on the site of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs, KA30 8RW from August 2018.
 - c) The catchment area of this non-denominational education provision will be created with effect from August 2018 from the amalgamation of the catchment areas of the former Brisbane and Kelburn Primary Schools, as shown in Appendix 8.
 - d) Education provision at St Mary's Primary School and Early Years Class will be discontinued with effect from June 2018. The young people attending this establishment will relocate to a modern, fit-for-purpose denominational education provision, managed by a denominational headteacher, within an integrated 2-18 years education campus on the site of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs, KA30 8RW from August 2018.
 - e) All children eligible for early learning and childcare provision will relocate to a modern, fit-for-purpose early years' centre, managed by a head of centre, within an integrated 2-18 years education campus on the site of **sportscotland's** Inverclyde National Centre, at Burnside Road, Largs, KA30 8RW from August 2018.

9. EDUCATIONAL BENEFITS STATEMENT

- 9.1 The preferred option of North Ayrshire Council is the creation of a new 2-18 years campus, situated on the Inverclyde Sports Centre site, comprising of:
- the relocation of Largs Academy;
 - a new primary school, arising from the proposed amalgamation of Brisbane Primary School and Kelburn Primary School;
 - the relocation of St Mary's Primary School; and
 - a new early years' centre with provision for children aged 2 to 5 years.

- 9.2 The proposal is for one campus building, housing separate establishments with certain shared facilities. The shared facilities, which will be agreed and developed throughout the design phase, may include reception, dining, sporting and specialist areas. Careful consideration will be given to how this might look and therefore be managed.
- 9.3 Importantly, the three schools would be led by their own headteacher and appropriate management team. Within this arrangement, each establishment will operate as a school in their own right, although there will be benefits of a closer working relationship as detailed below. Consideration will be given as to how they would work together to ensure the overall smooth running of the campus and how the shared facilities are managed. In addition, the early years' provision would also have a centre manager.
- 9.4 The vision for the new campus is that it will become a centre of learning for the whole community, both during and after the school day. The location of the new campus and the relationship being developed with **sportscotland** will enable a strong partnership to be formed with lasting benefits for all people within the community. This proposal provides an exciting opportunity to improve outcomes for everyone: through early intervention and prevention as well as improved transitions as children move through their school career and beyond.
- 9.5 **What will be the impact on children and young people from any affected schools?**

The children and young people will be at the centre of the new learning campus with the buildings designed to deliver the vision of integrated learning and teaching. The flexible use of space and creative use of new technologies will ensure a learning experience that is relevant, meaningful and challenging for children and young people.

9.5.1 **Specific Benefits for the Young People of Largs Academy**

- a) The new facilities will bring with them an opportunity to design greater partnership working within and between faculties and departments. There will be a greater potential for interdisciplinary learning within and across faculties due to the geography and layout of a new building. In addition, teaching and learning areas from each faculty will be grouped together allowing greater staff working relationships and therefore a sharing of knowledge, skills and experiences on a daily basis.
- b) Subject areas, such as the Technologies, Music and Physical Education, will be enhanced; ensuring improved personalisation and choice as well as greater breadth of the curriculum than can currently be offered. By doing so, young people will be exposed to a fuller curriculum in the Broad General Education (S1-S3) and will be given greater choice in the Senior Phase. This has the potential to lead to further improvements in attainment and wider achievements for the young people. Furthermore, there will be the opportunity to create facilities as an explicit part of the design for the improved delivery of the STEM subjects (Science, Technology, Engineering and Mathematics).
- c) The development of skills for life, learning and work will be increased with a focus on vocational and technological pathways while still maintaining the high academic achievements that the school enjoys. These elements will deliver a

more relevant, challenging and enjoyable learning experience which is much more clearly focused on positive destinations for all young people. This can be achieved through consultation with the school community when designing the new campus.

- d) Improved ICT infrastructure will provide a platform for new and emerging technologies to be used to support learning and enable the full potential of Glow (an online education community for all Scottish schools) to be realised for the benefit of children and staff.
- e) The new campus will offer an enhanced sporting experience for young people and the wider community which will meet the requirements and aspirations of the Council and the Scottish Government. The facilities at Inverclyde National Sports Centre will remain in the remit of **sportscotland** but opportunities for their use will form part of the partnership agreement being developed between **sportscotland** and North Ayrshire Council, particularly in relation to para-sports. Furthermore, the relationship with the Inverclyde Centre has the potential to provide young people with inspirational role models and therefore further enhance the uptake of physical activity, especially amongst secondary-aged young people.
- f) The new campus will be fully accessible to people with mobility difficulties and additional support needs. This will help support the Council's aim to develop a fully integrated education service which meets the needs of all learners. The limitations of the current building mean that some children and young people are not able to access parts of the curriculum. All areas of the curriculum will be accessible and take account of a broad range of needs. In addition, young people with social and emotional difficulties will benefit from a learning experience that is more engaging and personalised. Better vocational provision with clear learning pathways leading to further education, for example, will better meet the needs of young people who may not have their needs met through a more traditional learning experience within the limited confines of the current building.
- g) Dining and social areas will be improved immeasurably from current arrangements. This, along with developing external areas to create flexible spaces, will encourage young people to socialise and therefore improve their health and wellbeing. In addition, the design of the new campus will allow a greater flow of traffic as pupils move around the school throughout the day and therefore further enhance the ethos of the school.

9.5.2 Specific Benefits for Children of Kelburn and Brisbane Primary Schools

The amalgamation of Kelburn Primary School and Brisbane Primary School would bring similar benefits to those described at section 9.5.1 d), e), f) and g). In addition to these, the following benefits would also be realised:

- a) The opportunity to build on the existing strengths of the two primary schools with particular emphasis on the attainment and achievement that they currently enjoy.
- b) Creation of a modern learning environment which fully supports the principles of Curriculum for Excellence including access to specialised equipment and resource for the STEM subjects (Science, Technology, Engineering and Mathematics).

- c) A larger complement of teaching staff will allow a wider range of staff skills and interests with the opportunity to share practice and to develop valuable and sustainable CPD opportunities. Staff will be able to use existing models, such as teacher learning communities and learning rounds, to provide an enhanced model for continuing professional development. Sharing the standard, benchmarking and moderation are areas that are improved when a significant number of professionals work collaboratively and, as a result, pupil performance is increased.
- d) Enhanced performance facilities will allow the talents of the children to be showcased (e.g. shows and assemblies) to larger groups of parents and the wider community throughout the year. The confidence that children can develop from performing in front of an audience can contribute significantly to their overall development.
- e) Increased and improved outdoor areas will allow for all weather participation in activities not currently possible due to lack of facilities. The superior outdoor areas will further promote opportunities for outdoor learning to meet the needs as set out by the Scottish Government in '*Curriculum for Excellence Through Outdoor Learning*'.

9.5.3 Specific Benefits for Children of St Mary's Primary School

The relocation of St Mary's Primary School in the proposed campus would offer many of the benefits already described. In particular, the benefits at section 9.5.1 d), e), f) and g) for Largs Academy would be fully applicable; as well as section 9.5.2 b), d) and e) for Kelburn and Brisbane Primary Schools.

A shared campus would also offer the potential for much closer working relationships and therefore the sharing of expertise and knowledge on a regular basis. This would include benchmarking and moderation and therefore the expectation is that pupil performance can be further improved.

Currently, almost all St Mary's Primary School pupils continue their secondary education at Largs Academy. However, the school is and will remain within the St Matthew's Academy cluster.

9.5.4 Additional Benefits for all Children and Young People

In addition to all of the benefits already highlighted, the creation of a 2-18 years campus would also offer all children and young people the following educational advantages:

- Transition arrangements will be enhanced between the three stages of education-early years, primary and secondary - with better outcomes for children at transition points.
- Increased and easier possibilities for cross-sector work with staff, where appropriate, moving between stages of education: facilitating continuous learning experiences for children and young people.
- Shared learning resources between establishments.
- The capacity to improve through self-evaluation and cross-sector links will be enhanced. Teachers will gain professionally by having a wider range of expertise in working parties, being able to engage in co-operative teaching, peer

assessment, sharing responsibility for curriculum development and the potential for TLCs (Teacher Learning Communities) to be cross-sector.

- A bigger pool of staff expertise, interests and skills in one location; paving the way for an improved range of learning experiences, including extra-curricular activity, for children and young people.
- Easier integrated working involving support services, such as educational psychology, learning support, health and social services; with these specialist services being better able to plan across sectors.
- An integrated approach to support for learning will help ensure early intervention, continuity of support and better and more focused utilisation of resources. As a result, better personalised planning and improved transition processes for children with additional support needs will take place.

9.5.5 Specific Benefits for Children aged 2-5 years

The creation of an early years' management team and the amalgamation of the early years' staff from Brisbane Primary School, Kelburn Primary School and St Mary's Primary School would provide the opportunity to build on the existing strengths of the current staff.

Further benefits are:

- a) The creation of a modern learning environment which fully supports the guidelines in Pre-Birth to Three, the Curriculum for Excellence and Building the Ambition will be highly advantageous to all young children and families.
- b) A larger complement of early years' practitioners, providing a wider range of staff skills and interests with the opportunity to share practice and develop training opportunities.
- c) The inclusion of an early years' centre within the campus, providing opportunities for senior pupils to access training in early learning and childcare, leading to a variety of qualifications.
- d) The purpose built early years' centre will enable families to come together to access training and appropriate parenting opportunities and develop community spirit.
- e) Amalgamating the groups of children aged 2-5 years, allowing the flexible use of playroom space and resources, including access to a purpose built outdoor learning area.
- f) This model will also support effective transition into primary school and enable staff to share information to ensure progression in children's learning.

9.6 How will the proposal impact on future learners?

The new campus will provide an improved learning environment with a level of resource and facilities which are suited to delivering a curriculum to meet the needs of current and future children and young people. In addition, the proposal would benefit current and future children and young people through better providing for young people's personal, social, and emotional health and wellbeing through improved social areas, sporting facilities and opportunities to learn in a variety of settings. Young people with disabilities would have improved access to the curriculum.

9.7 What is the community impact of the school?

The new campus will provide a high quality learning environment which young people and their communities can enjoy and be proud of, that encourages continuous

engagement with learning and provides an accessible range of services and opportunities which enrich the local community and the lives of learners and their families.

Enhanced sporting facilities in the educational campus will be available for the whole community and will enable the further development of a community sport hub approach as well as providing facilities where local club and school links can be developed. More flexible space for letting will also support the wide range of leisure and recreational groups that currently exist in Largs, where community space is currently at a premium. The accessible nature of the new building will make it available to a wider range of community users.

The project, if approved, will be procured through South West HubCo. Community benefits are a key element to this delivery model which could, in turn, result in local employment opportunities.

In addition, sustainability will be a key objective in the construction of the new campus thereby contributing to the Council's target of reducing our carbon footprint.

9.8 What is the impact on other children and young people in the Council area?

Transition arrangements between the new campus and Cumbrae Primary School, Fairlie Primary School and Skelmorlie Primary School will need to be given careful consideration. All schools within the current cluster arrangement will continue to work together to plan transition arrangements. Curriculum planning and curricular links will be maintained at the present high level and the specialist expertise of secondary staff will continue to enhance the curriculum in these schools. In addition, it will be important that children from these schools gain meaningful and extended opportunities to become familiar and comfortable in the new campus before beginning their secondary schooling.

9.9 Are there any other likely effects of the proposal?

There is the potential to enhance the leadership capacity of children, young people and staff within the campus. Greater opportunity will exist for young people to work and learn throughout a campus setting. This can lead to greater certification and accreditation in areas such as Personal Development, Early Education in Childcare, Sports Leader and a range of leadership awards. Teachers will have enhanced opportunities for distributed leadership in areas such as: leading learning, influencing styles of learning and teaching and developing 1+2 language strategy.

The leadership and administrative accommodation would be greatly enhanced. This will allow for a coherent support team that work together to support learning and teaching. Within the three schools and early years centre, the leadership teams would have a design that allowed proximity to the teaching areas but also gave them access to adequate space to meet with parents and support agencies. Parental engagement is a key driver to the success of any school and therefore the design would ensure that parents are comfortable and at ease when visiting the school.

9.10 How does the authority intend to minimise or avoid adverse effects that may arise from the proposal?

It will be essential to fully support the transition arrangements to a new campus for all of the school communities involved. Should the proposal go ahead, during the

transition phase to the new campus, a commitment will be undertaken to ensure that the full range of pupils' needs are addressed and that any disruption to their education and wellbeing is minimised. Care will be taken to ensure that all children, young people and staff are familiar with their new environment.

The service recognises that the proposed amalgamation of Kelburn and Brisbane Primary Schools needs careful consideration to ensure the full range of pupils' needs are addressed; thus guaranteeing continuity of their education and support for their well-being. The two schools already work closely together in many aspects of planning and this would be further strengthened through the improvement planning cycle leading to a consistent approach to all aspects of teaching and learning. In addition, a number of other measures would be put in place to support the proposed merger. These include:

- opportunities for pupils, staff and parents to come together prior to any move;
- joint planning between teachers on matters such as curriculum, assessment and reporting;
- joint work between parent councils;
- joint events such as school shows and performances;
- team events; and
- full involvement in design and creation, if appropriate, of a new school name, uniform and logo.

Parents may have concerns about the impact that a larger school could have on issues such as the care and welfare of their children and the ethos created within the school. The expectation is that, through high quality leadership and direction, there would be no detriment to children in these areas. In supporting the move to a larger school, headteachers and leadership teams would also be involved in visits to other similar sized establishments to see good and best practice. Parent representatives would also be welcome to take part in these visits.

The council would also draw on its very recent and successful experience in amalgamating three primary schools into one new modern learning environment in Irvine. The experiences of all staff involved in this would be utilised to further support the smooth transition.

The Council will work with the communities affected to identify and overcome issues relating to transport and the relocation of the schools. It is recognised that a number of children and young people will have a greater distance to travel to school. As such, work will take place to identify suitable routes to school. This will take account of statutory requirements. In addition, it is recognised that further consideration will need to be given to young people travelling from Cumbrae and how they would be able to get to school at the required time in the morning.

Furthermore, the council will need to address issues related to potential travel congestion arising from children and staff arriving at the start and finish of the school day. Detailed work around this issue will take place with planning and roads departments.

9.11 A summary of the benefits which the authority believes will result from implementation of the proposal are:

- children and young people will benefit from a significantly better quality learning and teaching environment that meets the needs of learners in the 21st century,

through purpose built learning spaces that take account of Curriculum for Excellence and transitions to employment, education or further training;

- children and young people will benefit from an innovative and creative curriculum which will have seamless transitions and clear pathways from Early Level to Highers;
- the community will benefit from a range of sport and learning facilities which will enrich their lives;
- enhanced early years' provision;
- best value will be achieved by sharing resources and expertise of staff; and
- children, young people and the community will benefit from increased confidence and a sense of being valued enough to merit significant investment in their learning and in the community's facilities for learning and leisure.

10. THE PROPOSED NEW EDUCATION CAMPUS

10.1 The new education campus will accommodate:

- Secondary provision for up to 1200 pupils;
- Denominational provision for up to 175 pupils;
- Non-denominational provision for up to 600 pupils;
- Early years' provision for 140 children.

10.2 It is likely that the school will initially be designed to allow for expansion in a planned way, as and when there are additional pupils from any new housing developments.

Its design will signal to all users (pupils, other learners and staff) that learning is a valued activity, and that the learning environment is a priority. It will be inspiring and invite exploration of the use of the environment and space in different and imaginative ways.

10.3 The three schools and the early years' centre within the campus will be staffed according to local and national policies and agreements in place at the time, which are designed to ensure that all the duties and responsibilities of the school's provision are carried out.

The staffing levels in schools are principally determined by pupil numbers.

Transfer of teaching and non-teaching staff would be managed in accordance with existing agreed Council policies and procedures.

10.4 The new campus will be appropriately equipped with facilities to allow for the delivery of a curriculum for the 21st century.

Stakeholders will have an opportunity to be involved in the design of the new education campus. It will be important that all users of the proposed facility have the opportunity to contribute their views.

10.5 A Transport Assessment will require to be carried out as part of the planning process for the new campus. Within this assessment predicted traffic flows to, from and around the school are assessed, and where necessary mitigation measures are proposed to deal with any identified problems including congestion. Part of the focus of any campus is to encourage walking / cycling and sustainable modes of travel and these will be encouraged as part of the project to reduce the number of children being dropped off and picked up by private car.

- 10.6 In line with North Ayrshire Council's policy, school transport will be provided to pupils who live more than 2 miles from their catchment primary school and 3 miles from their catchment secondary school.
- 10.7 The use of the existing school sites, once vacated has still to be determined. It is likely that they will be used, either by the Council or a third party for future development, for a purpose that complies with or is capable of complying with the requirements of the Local Development Plan.

11. STATUTORY PUBLIC CONSULTATION PROCESS

- 11.1 This document has been issued by North Ayrshire Council for consultation in terms of the Schools (Consultation) (Scotland) Act 2010 (as amended).

11.2 What is a Statutory Public Consultation?

In Scotland, local authorities have a statutory duty to ensure the adequate and efficient provision of school education in their area. If a local authority proposes to change any part of the existing education provision in its area then it must engage in a formal consultation process under the Schools (Consultation) (Scotland) Act 2010 (as amended). The act aims to ensure that all major changes which affect schools are subject to clear consultation with parents, pupils and communities. This consultation should be robust, coherent, open and transparent, and command the trust and confidence of the public.

11.3 When does the statutory public consultation start?

The consultation will start on 1 October 2014 and run until 12 noon on 21 November 2014, which includes a period of 30 school days.

11.4 Who will have access to the proposal document?

A summary of the proposal document has been made available to interested parties, including Parent Councils, Education Scotland, Parents and Carers of children attending the establishments affected, Pupil Councils, Staff, Trade Unions, Community Planning Partners and any other users of the schools as detailed in the distribution list.

The proposal document will be published on the Council website at www.north-ayrshire.gov.uk. Copies will also be available at schools affected by the proposal, Education and Youth Employment HQ, local libraries, local community centres and health centres. If requested, copies will also be made available in alternative formats or in translated form for readers whose first language is not English.

11.5 What if I notice an error in the document?

If any inaccuracy or omission is discovered in this proposal document either by the Council or any person, the Council will determine if relevant information has been omitted or there has been an inaccuracy. The Council may then take appropriate action which may include the issue of a correction notice, the reissuing of the Proposal Document or the revision of the timescale for the consultation period, if appropriate. In that event, relevant consultees and Education Scotland will be advised.

11.6 How will I get a chance to give my opinion?

You will be able to share your opinion on the proposal by:

- Completing an online response form at www.north-ayrshire.gov.uk;
- Submitting a paper copy of the response form at Appendix 9;
- Writing to the Executive Director (Education and Youth Employment), North Ayrshire Council, Cunninghame House, Irvine, KA12 8EE; or
- E-mailing educ_consultation@north-ayrshire.gov.uk.

All responses must be submitted by **no later than 12 noon on Friday 21 November 2014**.

11.7 Will there be any information sessions for the public?

A series of formal public meetings will be held to discuss these proposals and will be advertised in local newspapers. Anyone wishing to attend the public meetings is invited to do so. The meetings will be convened by North Ayrshire Council and will provide an opportunity to hear more about the proposal, ask questions and have your views recorded so that they can be taken into account as part of the consultation process.

Public meetings will be held as follows:

Venue	Date	Time
Largs Academy	Tuesday 4 November 2014	1.00pm-3.00pm
Largs Academy	Tuesday 4 November 2014	6.00pm-8.00pm
Cumbræ Primary School	Wednesday 5 November 2014	5.00pm-7.00pm
St Mary's Primary School	Thursday 6 November 2014	6.00pm-8.00pm

A note will be taken at all meetings of comments, questions and officer responses. The notes will be published on the Council website and a copy will be made available on request. These notes will also be forwarded to Education Scotland along with all other submissions and comments that are received by the Council during the consultation process.

11.8 Will any other agencies be involved in the process?

The Schools (Consultation) (Scotland) Act 2010 (as amended) requires that a report on the proposal is prepared by Education Scotland. In becoming familiar with the proposal, Education Scotland may attend the public meetings.

Once the statutory public consultation period comes to an end, HM Inspectors have three weeks to consider the educational aspects of the proposal and submit a report to the council.

Education Scotland receives copies of relevant papers from the council, including:

- a copy of the proposal paper;
- copies of the written representations, or, if HM Inspectors agree, a summary of them;
- a summary of oral representations made at the public meeting; and
- any other related documentation.

HM Inspectors visit schools as part of their consideration of the proposal and meet with children, young people, staff and parents who may be affected by the proposal.

Upon receipt of the proposal paper and other relevant documentation, HM Inspectors will consider the educational aspects of the proposal. HM Inspectors will ensure that their report has regard to:

- the educational benefits statement;
- the representations received by the council; and
- any further written representations made directly to Education Scotland on any educational aspect of the proposal which is considered relevant.

The consultation report that the Council publish following the statutory public consultation must include the report from HM Inspectors in full.

11.9 Will the outcome of the consultation be made public?

The Executive Director (Education and Youth Employment) will prepare a report on the results of the consultative process for consideration at a future meeting of the Cabinet (Education). The report will take account of all Education Scotland recommendations. This report will be published in electronic and printed formats and will be advertised in local newspapers. It will be available on the Council website and from Council headquarters, affected schools, local libraries, local community centres and health centres. The report will include a record of the total number of written representations made during the consultation period, a summary of the written and oral representations, and the Council's response to recommendations made by Education Scotland. A copy of the Education Scotland report will be an appendix to the consultation report which will be published and available for further consideration for a period of 3 weeks.

11.10 When will the Council make a decision on the outcome of the consultation?

The consultation report, together with any other relevant documentation, will be considered by Cabinet (Education) who will make a decision on the proposal in January 2015.

11.11 What happens next?

If the proposal is approved, the Council is required, in terms of the Schools (Consultation) (Scotland Act) 2010 (as amended), to notify Scottish Ministers within 6 days of making that decision. The Council is also required to place a notice on its website of the decision and of the opportunity to make representations to Scottish Ministers.

Scottish Ministers then have a period of eight weeks following an authority's decision in which to decide to call-in the decision or not. The first three weeks of this period is to allow stakeholders to make representations either against or in support of the decision. Scottish Ministers then have a further five weeks to consider all documents and representations.

Until the outcome of the call-in has been notified to the Council, the proposal cannot be implemented.

DISTRIBUTION

A copy of this document is available on the North Ayrshire Council website: www.north-ayrshire.gov.uk

A summary of this document will be provided to:

- Stakeholders associated with the schools affected by the proposal, including:
 - Parents/Carers
 - Pupils
 - Parent Councils
 - Headteachers
 - Teaching and Non-Teaching Staff, including Catering, Cleaning and Janitorial
- Local Elected Members
- Member of Parliament
- Member of Scottish Parliament
- Education Scotland
- Chief Executive
- Executive Director (Finance and Corporate Support)
- Executive Director (Place)
- Executive Director (Economy and Communities)
- Director, Health and Social Care Partnership
- Head of Democratic Services
- Community Planning Partnership Board
- Sub Division Commander, Police Scotland
- Area Commander, Scottish Fire and Rescue Service
- Chief Executive, NHS Ayrshire and Arran
- Principal of Ayrshire College
- Community Councils
- Strathclyde Partnership for Transport
- East Ayrshire Council
- South Ayrshire Council
- Inverclyde Council
- **Sportscotland**
- Clyde Muirshiel

Trade Unions

- Unison
- EIS, Education Institute of Scotland
- NAS/UWT, National Union of Schoolmasters/Union of Women Teachers
- T&GWU, Transport & General Workers' Union
- GMB
- UNITE
- VOICE
- AHDS, Association of Headteachers and Depute Headteachers Scotland

Copies of the Proposal Document will be made available to view at:

- All schools affected by the proposal
- Education and Youth Employment, Cunninghame House, Irvine
- Local Public Libraries, Community Centres and Health Centres

Adverts will be placed in local newspapers.

This document can also be made available in alternative formats or in translated form for readers whose first language is not English.

本文件也可應要求，製作成其他語文或特大字體版本，也可製作成錄音帶。
ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਾਰਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।
درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Na życzenie klienta, informacje te mogą być udostępnione w innych językach oraz formatach.

Please apply in writing to North Ayrshire Council, Education and Skills, Cunninghame House, Friars Croft, Irvine, KA12 8EE; by telephone on 01294 344429; or by e-mail at educ_consultation@north-ayrshire.gov.uk.

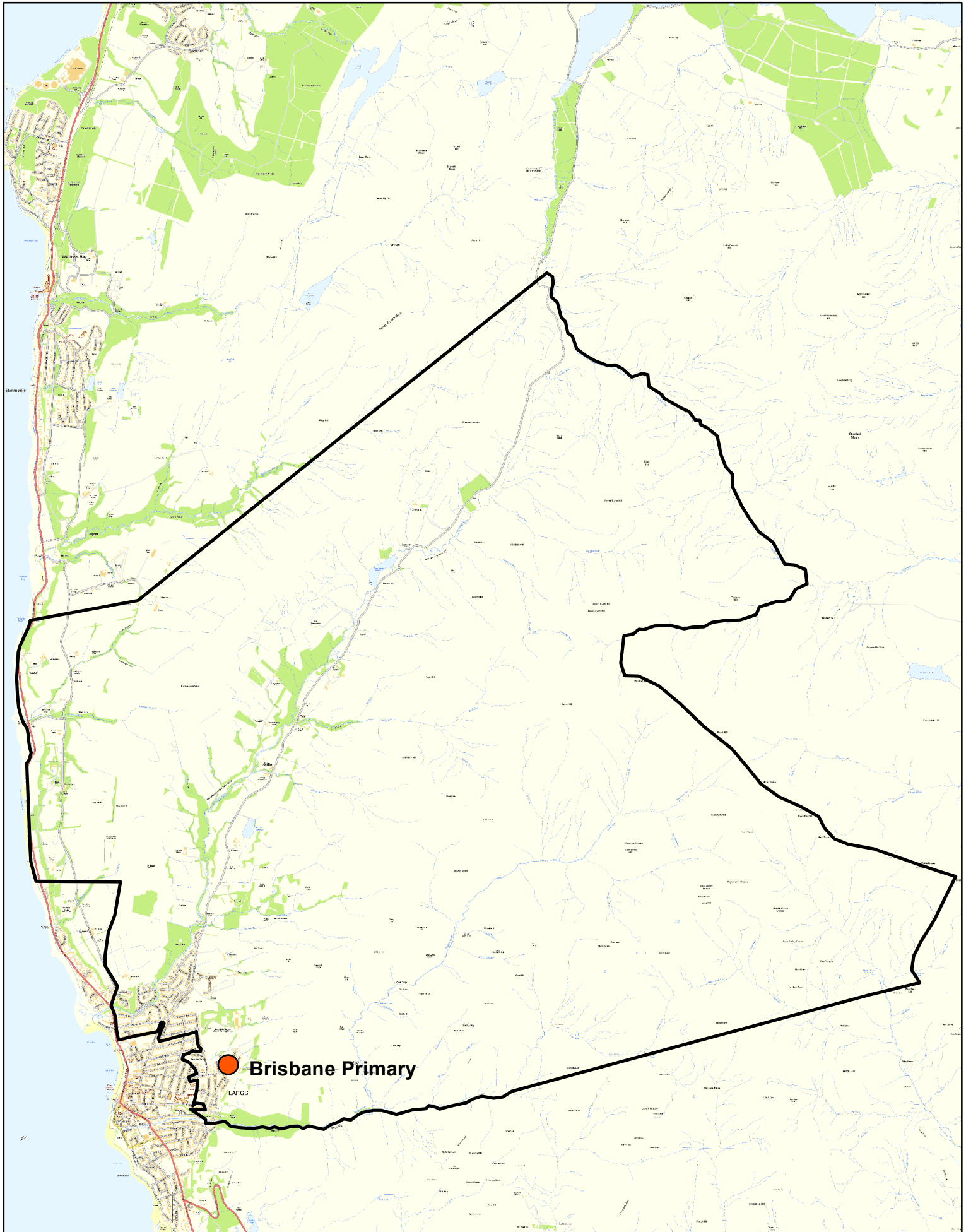
North Ayrshire Council
Education and Skills: Largs Proposal
Pre-Consultation Stakeholder Engagement Plan

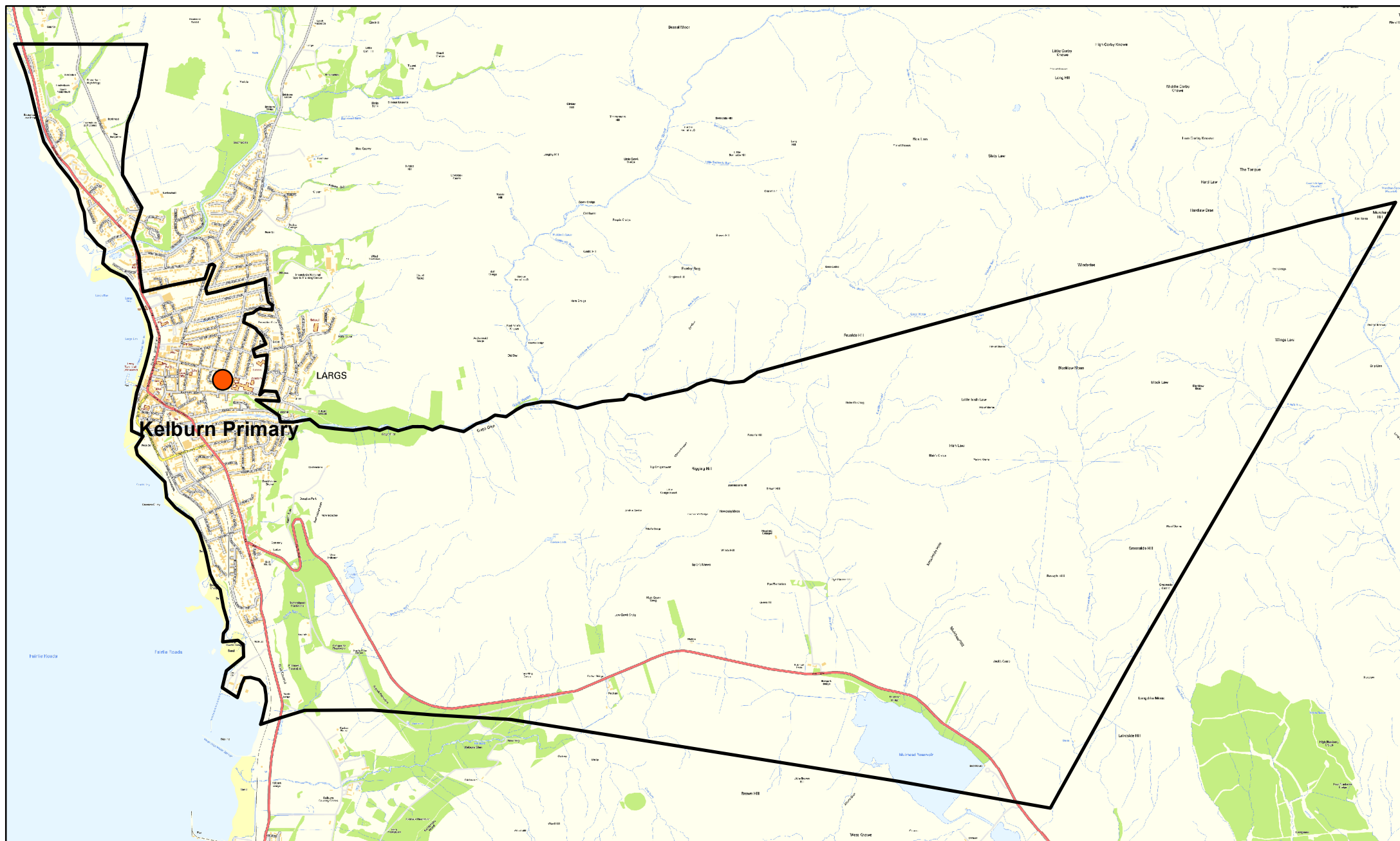
Stakeholder	Method	Description/Notes	Date Time Venue
Parent Councils	Meeting with Largs Cluster Parent Council chairs and one representative from each Parent Council	Briefing on proposal and provide tools to undertake parent/carer consultation	18 August 2014 6.30pm Largs Academy
	Letter to all parents informing of forthcoming pre-consultation process	Issued via school bag drop	18 August 2014
	Survey of all Largs Cluster parents/carers, led by Parent Councils	Survey issued to Largs Academy and Cluster Primary School parents/carers	19 August 2014
		Collated by Parent Council, returned to Education and Skills	27 August 2014
	Meeting	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy
All Staff	Briefing session for all staff	Information sessions at Largs Academy, Brisbane Primary School, Kelburn Primary School, St Mary's Primary School, Fairlie Primary School, Skelmorlie Primary School and Cumbræ Primary School	15 August 2014
	Survey of all staff	Survey issued to all school staff in Largs Academy, Brisbane Primary School, Kelburn Primary School, St Mary's Primary School, Cumbræ Primary School, Fairlie Primary School and Skelmorlie Primary School	15 August 2014
		Collated by Headteacher, returned to Education and Skills	27 August 2014
	Meeting with key representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy

North Ayrshire Council
Education and Skills: Largs Proposal
Pre-Consultation Stakeholder Engagement Plan

Stakeholder	Method	Description/Notes	Date Time Venue
Primary School Pupils	Headteacher meeting with Pupil Councils	Briefing on proposal and provide tools to undertake pupil consultation	20 August 2014
	Survey of all Largs Cluster primary school pupils by Pupil Council	Survey issued by Pupil Council	21 August 2014
		Collated by Pupil Council and returned to Education and Skills	27 August 2014
	Meeting with Pupil Council representatives	Discuss a summary of the proposal document and take feedback	19 September 2014 2.00pm Largs Academy
Secondary School Pupils	Headteacher meeting with Pupil Council	Briefing on proposal and provide tools to undertake pupil consultation	20 August 2014
	Survey of all Largs Academy pupils by Pupil Council	Survey issued by Pupil Council	21 August 2014
		Co-ordinated by Pupil Council and returned to Education and Skills	27 August 2014
	Meeting with Pupil Council representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy
Local Community Council	Meeting with Chairs of Local Community Councils	Briefing on proposal and provide tools to undertake consultation	18 August 2014
		Survey responses returned to Education and Skills	27 August 2014
	Meeting with key representatives	Discuss a summary of the proposal document and take feedback	17 September 2014 6.30pm Largs Academy









Largs Schools (based on existing school rolls)

Column 1	Column 2	Column 2	Column 2	Column 2	Column 2	Column 3	Column 4
	Budget 2014/15 Largs Academy	Budget 2014/15 Brisbane Primary	Budget 2014/15 Kelburn Primary	Budget 2014/15 St Mary's Primary	Existing Budget Total Costs	Projected Cost of new Largs Campus	Estimated Annual recurring increase/ (decrease)
<i>School costs</i>	£000	£000	£000	£000	£000	£000	£000
<i>Employee costs</i>							
teaching staff	3,738	524	705	398	5,364	5,251	(113)
New early years Centre manager	0	0	0	0	0	45	45
support staff	333	63	89	50	536	471	(65)
teaching staff training (CPD etc)	12	2	3	1	18	17	(1)
support staff training	0	0	0	0	0	0	0
Supply costs	27	6	8	5	45	44	(1)
<i>Building costs:</i>							
property insurance	4	0	0	0	5	5	1
non domestic rates	114	29	43	34	220	500	280
water & sewerage charges	24	7	6	4	41	48	6
energy costs	94	13	20	12	138	160	22
cleaning (contract or inhouse)	116	23	22	21	181	229	48
building repair & maintenance					0	0	0
grounds maintenance					0	0	0
facilities management costs	69	25	23	24	141	141	0
revenue costs arising from capital					0	0	0
other	1	0	0	0	2	2	0
<i>School operational costs:</i>							
learning materials	81	7	10	6	104	102	(2)
catering (contract or inhouse)	178	33	76	27	314	313	(1)
SQA costs	101	0	0	0	101	101	0
other school operational costs	55	9	8	7	79	76	(2)
<i>Transport costs</i>							
home to school	155	0	0	5	160	160	0
other pupil transport costs					0	0	0
staff travel	2	0	0	0	2	2	(0)
SCHOOL COSTS SUB-TOTAL	5,103	742	1,012	594	7,451	7,666	216
Income: (enter as negatives)							
Sale of meals	(73)	(28)	(19)	(9)	(129)	(129)	0
Lets	(11)	0	(0)	(2)	(13)	(14)	(1)
External care provider					0	0	0
Other					0	0	0
SCHOOL INCOME SUB-TOTAL	(84)	(28)	(19)	(11)	(142)	(142)	(1)
TOTAL COSTS MINUS INCOME FOR SCHOOL	5,019	715	993	583	7,309	7,524	216
UNIT COST PER PUPIL PER YEAR	£4,592	£3,081	£3,183	£3,601	£4,063	£4,182	

Current No of pupils

1093

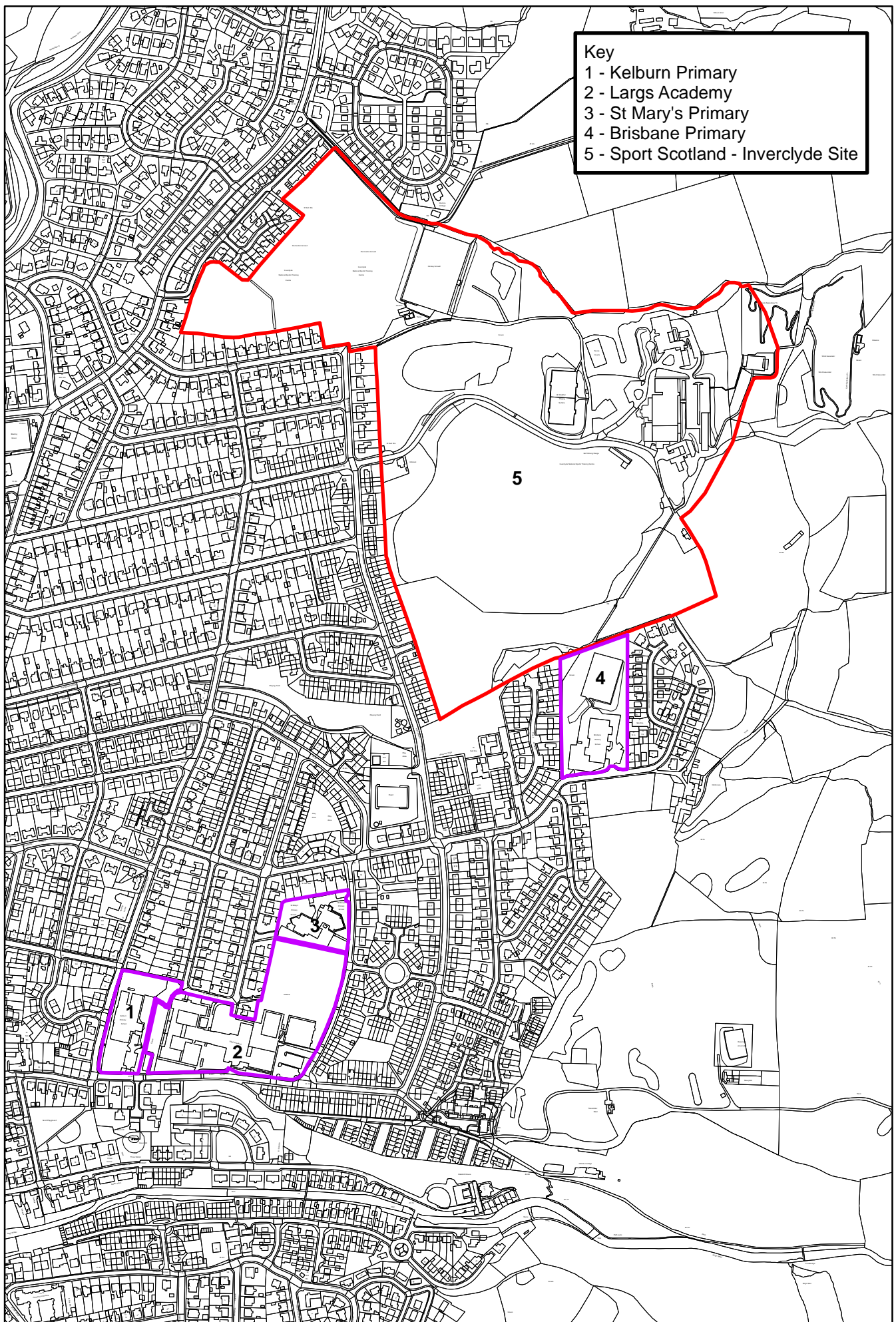
232

312

162

1799

1799



Sports Scotland - Inverclyde Indicative Site Boundary





Education and Youth Employment
4th Floor, Cunninghame House
IRVINE KA12 8EE

PROPOSAL CONSULTATION

Largs Academy
St Mary's Primary School
Brisbane and Kelburn Primary Schools

RESPONSE FORM

For convenience this form can be completed online at: www.north-ayrshire.gov.uk

MUST BE COMPLETED FOR A VALID RESPONSE

Name (PRINTED)	Address
--------------------------	----------------

Please confirm that you have read the full report by ticking this box

☐

Largs Academy	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
St Mary's Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
Brisbane Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
Kelburn Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
Cumbrae Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
Fairlie Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>
Skelmorlie Primary School	Parent/Carer	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Pupil	<input type="checkbox"/>	Other	<input type="checkbox"/>

Other (please state) _____

SUMMARY OF REPORT – Please refer to the proposal document for the full details.

It is proposed to relocate Largs Academy to a modern, fit for purpose, 2-18 years education campus along with a relocated St Mary's Primary School and amalgamated Brisbane and Kelburn Primary School, on the grounds of sportscotland's Inverclyde National Centre, at Burnside Road, Largs KA30 8RW.

Do you agree with the proposal to relocate Largs Academy to the new education campus?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	No Preference		<input type="checkbox"/>	

Do you agree with the proposal to relocate St Mary's Primary School to the new education campus?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	No Preference		<input type="checkbox"/>	

Do you agree with the proposal to amalgamate Brisbane and Kelburn Primary Schools to create one, new non-denominational primary school within the new education campus?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	No Preference		<input type="checkbox"/>	

Do you agree with the proposal to relocate early learning and childcare provision to the new education campus?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	No Preference		<input type="checkbox"/>	

Please use this space for any additional comments

North Ayrshire Council is registered under the Data Protection Act 1988. The response submitted by you may form part of the response paper that will be submitted to the Council for consideration in the near future and will therefore be made available for public inspection. If you DO NOT wish any of your personal details (eg name, address, phone number, etc), which you have included in your response, to be made available please tick the box ☐

NORTH AYRSHIRE COUNCIL

Agenda Item 8

23 September 2014

Cabinet

Subject: Gaelic Medium Education Bill Consultation

Purpose: To seek approval from the Cabinet for the Council's response to the Scottish Government's Consultation on the proposed Gaelic Medium Education Bill.

Recommendation: That Cabinet agrees to (a) note the key proposals from the Scottish Government's consultation; (b) note the current position in North Ayrshire; and c) approve the proposed response from the Council to the questions posed in the paper as detailed in Appendix 1.

1. Introduction

- 1.1 On 2 July the Scottish Government launched a consultation paper on Gaelic medium education (GME). Views are invited on Gaelic medium education in general and specifically on the proposal to introduce legislation to the Scottish Parliament aimed at expanding and improving access to Gaelic medium education in Scotland.
- 1.2 The principle proposal in this paper is that a clear, transparent and consistent process should be put in place whereby authorities can assess parental requests for Gaelic medium education. There are also proposals about the promotion of Gaelic medium education and the preparation of guidance on these matters.
- 1.3 This consultation paper does not invite views on a previously presented piece of draft legislation and the views received will be important in shaping new legislation that Scottish government is preparing for Parliament.
- 1.4 North Ayrshire Council's first Gaelic Language Plan (GLP) was approved on 11 June 2014. During the development widespread consultation as carried out and Gaelic language provision in adult learners and early years was audited, along with staff skills.
- 1.5 North Ayrshire Council understands that the position of Gaelic is extremely fragile and this is reflected in fewer than the national average number 0.51% as against 1.1% of Gaelic speakers in our area. North Ayrshire's approach to Gaelic has been one of proportionate and sustainable development.

2. Current Position

- 2.1 The paper sets out the progress made and recognises that the growth of GME has been impressive in some places, yet in other areas it has remained slow. It notes that there is an urgent need to recruit and educate more teachers of Gaelic and this, along with other factors, may have contributed to some delay in setting up GME. It sets out the case for GME in securing the fragile position of Gaelic and that this will only be achieved by an increase in the numbers of those learning, speaking and using the language.
- 2.2 The Scottish Government is committed to the growth of GME and other Gaelic policy priorities. The demand for a statutory right to GME featured prominently in consultation on the Gaelic Bill in 2003-04. In the analysis that followed consultation on the Gaelic Bill in 2004, the research team concluded that one of the most prominent messages was that a Gaelic Bill should make available provision of Gaelic medium education where reasonable demand exists.
- 2.3 The principle Scottish Government proposal is that there should be a statutory process in place to enable authorities to assess and respond to parental requests for Gaelic medium education within a reasonable timescale.
- 2.4 This would involve an additional duty being placed on authorities. This new duty on authorities may involve the right of parents to make representation to local authorities and for this to initiate a process where the local authority would be obliged to give detailed consideration to the request for Gaelic medium education. Alternatively, this could be addressed by placing a new duty on local authorities to consult with parents on the provision of Gaelic medium education and having consulted, to consider whether such provision should be made available.
- 2.5 The Council's response states that North Ayrshire Council welcomes the GME Bill's recognition that a focus on Gaelic language development in the early years will provide a secure foundation. The Gaelic Language Plan makes a commitment to carry out a new consultation about GME in North Ayrshire.
- 2.6 North Ayrshire Council is improving its active promotion Gaelic Medium Education to parents through the GLP. North Ayrshire Council continued its dialogue with communities about Gaelic Medium Education with an invitation to the Parent Councils to attend the draft Gaelic Language Plan consultation. Some attended the meetings to demonstrate their interest in GME, but demand is low.

- 2.7 In the response the Council stresses that much can be achieved through close partnership working between SOLACE, COSLA and Bòrd na Gàidhlig without the necessity of legislation. Concerns are raised in the Council's response about teacher supply, despite the initiatives in Gaelic Medium teacher recruitment and the development of the existing teaching workforce in Gaelic distance learning and immersion/transfer courses.
- 2.8 The Council suggests that guidance would be helpful on the following: Gaelic teacher supply and demand; Gaelic teacher training and transfer opportunities; requirements to promote and consult on local/new GME provision; partnership working to develop GME between neighbouring authorities; and parental rights to GME.
- 2.9 There is no GME or GLPS provision in North Ayrshire at present. The families of 5 North Ayrshire primary school pupils have expressed a desire for Gaelic Medium Education and they are being educated with other GME pupils, 3 in Inverclyde and 2 in Glasgow. Currently our corporate policy is to educate our pupils expressing an interest in GME, in partnership with Glasgow City Council, Inverclyde Council or East Ayrshire Council. East Ayrshire Council is keen to work in partnership with North Ayrshire as they are developing a Gaelic hub.

3. Proposals

- 3.1 That Cabinet agrees to (a) note the key proposals from the Scottish government's consultation; (b) note the current position in North Ayrshire; and 9c) approve the proposed response from the Council to the questions posed in the paper as detailed in Appendix 1. It is recommended that the Council supports the Scottish Government's aspirations, which are designed to strengthen the position of the Gaelic language.

4. Implications

Financial Implications

- 4.1 There are no financial implications at this stage.

Human Resource Implications

- 4.2 There are no human resource implications at this stage.

Legal Implications

- 4.3 There are no legal implications at this stage.

Equality Implications

- 4.4 There are no equality implications at this stage.

Environmental and Sustainability Implications

- 4.5 There are no environment implications at this stage.

Implications for Key Priorities

- 4.6
- "opportunities for lifelong learning have increased;"
 - "levels of educational attainment and achievement have improved."

5. Consultations

- 5.1 A new GME consultation will be part of the GLP process.

6. Conclusion

- 6.1 North Ayrshire Council welcomes the aspirations contained within the Scottish Government's consultation on the Gaelic Medium Education Bill. These proposals have the potential to strengthen Gaelic medium education and the consultation has given the opportunity for North Ayrshire Council to review its approach to GME.
- 6.2 North Ayrshire Council welcomes the Scottish Government's continued consultation with local authorities in relation to strengthening the position of the Gaelic language and would be pleased to be involved in further discussions.



KAREN YEOMANS
Executive Director (Economy and Communities)

Reference : AS/RA/JN

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

Background Papers

-

CONSULTATION PAPER ON A GAELIC MEDIUM EDUCATION BILL

RESPONDENT INFORMATION FORM

Please Note this form **must** be returned with your response to ensure that we handle your response appropriately

1. Name/Organisation

Organisation Name

North Ayrshire Council/Comhairle Siorrachd Àir a Tuath

Title Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr ☐ **Please tick as appropriate**

Surname

Forename

2. Postal Address

Cunninghame House/ Taigh Choineagain

Irvine/Irbhinn

Postcode KA12 8EE

Phone

Email

3. Permissions - I am responding as...

Individual

/

Group/Organisation

☐

Please tick as appropriate

☒

- (a)** Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate

☒ **Yes** ☐ **No**

- (b)** Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick ONE of the following boxes

Yes, make my response,

☒

- (c)** The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate

☒ **Yes** ☐ **No**

name and address all available		or	
Yes, make my response available, but not my name and address			
		or	
Yes, make my response and name available, but not my address			

(d) 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?

Please tick as appropriate ☒ Yes

CONSULTATION PAPER ON A GAELIC MEDIUM EDUCATION BILL

Consultation Questions

What are your views on Gaelic medium education?

North Ayrshire Council has been actively involved in supporting the Gaelic language and culture for over 20 years. As a local authority which serves a diverse range of cultures, we are committed to developing our Gaelic provision and North Ayrshire Council's first Gaelic Language Plan (GLP) was approved on 11th June 2014.

In preparation for the GLP we have recently audited our provision for Early Years, Gaelic Cultural provision and Adult Learning and held discussions with communities about our approach of basic language acquisition through awareness-raising of Scottish culture and history, information and awareness sessions for parents, musical tuition and Scottish dance instruction. In addition the Gaelic language skills of our workforce have also been audited.

North Ayrshire Council understands that the position of Gaelic is extremely fragile and this is reflected in fewer than the national average number¹ of Gaelic speakers in our area.

There is no GME or GLPS provision in North Ayrshire at present. The families of 5 North Ayrshire primary school pupils have expressed a desire for Gaelic Medium Education and they are being educated with other GME pupils, 3 in Inverclyde and 2 in Glasgow. Currently our corporate policy is to educate our pupils expressing an interest in GME, in partnership with Glasgow City Council, Inverclyde Council or East Ayrshire Council.

North Ayrshire Council is improving its active promotion Gaelic Medium Education to parents through the GLP. North Ayrshire Council continued its dialogue with communities about Gaelic Medium Education with an invitation to the Parent Councils to attend the draft Gaelic Language Plan consultation. Some attended the meetings to demonstrate their interest in GME. During the lifetime of the Gaelic Language Plan a new consultation about the provision of Gaelic Medium Education will be held. Head Teachers, Parent Councils and parents will be asked for their views about Gaelic Medium Education and the potential for development, for example through the 1+2 initiative. It is important to develop progression routes from the work in early years and make these clear for parents who wish to have their children educated through the medium of Gaelic. As a result, there may be a need to review the partnership provision of GME with neighbouring councils. Depending on the outcome it may be useful to develop service level agreements to formalise and publicise the GME pathways. The discussions may evidence a significant increase in interest in GME and the Council would then explore how funding and staff recruitment issues could be resolved to offer GME more locally.

The supply of suitably skilled and qualified staff for early years' establishments and schools continues to be a major concern. We have few volunteers amongst our

¹ 0.51% as against 1.1%

teaching staff for selection to Gaelic immersion courses and retaining them in North Ayrshire after development is challenging with neighbouring authorities recruiting for their GME schools. Parental demand for GME in North Ayrshire is low and was recently explored in the 6 Gaelic Language Plan consultation meetings which took place across the authority, but we are happy to further explore parental views in a future GME consultation.

Gaelic awareness is already included in cultural and educational provision and there will be further exploration to establish how learning opportunities can be offered in primary and secondary schools through Curriculum for Excellence and in Community and Culture-led activities. We have a good basis for growth as there is considerable enthusiasm for participation in Gaelic cultural events such as the annual fèis, clàrsach, accordion and fiddle playing, poetry, art and song.

North Ayrshire also continues to be supported by the Scottish Government capital funding to develop opportunities to nurture Gaelic provision in early years and adult learning.

We welcome the recognition that a focus on Gaelic language development in the early years will provide a secure foundation. The Gaelic Speaking Early Years Practitioner continues to work on Arran supporting language acquisition, Gaelic Bookbug and information sessions for parents. We believe that this is where to further strengthen our provision; in the successful early intervention work with schools and nurseries.

Do you agree that a legislative process should be in place for local authorities on how they respond to parental requests for provision or expansion of Gaelic medium education?

Yes ☐ No ☒ Don't know ☐

What steps do you think should be taken when a local authority receives a request from parents for Gaelic medium education ?

We believe that the aims of the consultation paper can be achieved without the necessity of legislation with the assistance of SOLACE, COSLA and Bòrd na Gàidhlig. Although the paper refers to the successful initiatives in Gaelic Medium teacher recruitment and the development of the existing teaching workforce in Gaelic distance learning and immersion/transfer courses, the numbers for this are unclear. Legislation would raise a burden of expectation, where this is parental demand, and inability to recruit appropriately skilled and trained staff would be detrimental to both local authorities and the progress with Gaelic language development.

The development of Gaelic Language Plans puts Bòrd na Gàidhlig officers in close contact with local authorities and in a good position to encourage the establishment of a clear and transparent process for promoting and responding to requests from parents for provision or expansion of GME.

As part of our GLP commitment we will be reviewing not just the parent interest in GME locally but the way in which we explain the options for parents and put a process into place.

What are your views on Gaelic medium schools?

Our concerns remain the same about Gaelic medium schools – we have low demand, low Gaelic language skills amongst our existing workforce and have concerns about recruitment, especially as neighbouring authorities have well developed GME provision.

What are the necessary considerations for a local authority when the transition from Gaelic medium in a two stream primary to a stand-alone Gaelic medium school has been requested by parents?

We do not currently have a two stream primary, a stand-alone Gaelic medium school or reasonable parental demand but our concerns would be Gaelic teacher supply, identifying a suitable location, building skills amongst our early years' staff to feed into the provision and sustaining skills with progression into our secondary schools.

Do you believe guidance from central government is necessary in order to create a common understanding and expectation of the arrangements under which Gaelic medium education should operate?

Yes ☒ No ☐ Don't know ☐

What issues should be included in such guidance?

Scottish Government guidance clarification for local authorities and the public is always useful to manage expectations and clarify requirements. We believe that partnership working between Scottish Government, SOLACE, COSLA, Bòrd na Gàidhlig, parent-interest groups, Education Scotland, the GTC, the Scottish Funding Council, Teacher Education Institutions and Scottish local authorities would be able to agree guidance on the following issues:

- Gaelic teacher supply and demand;
- Gaelic teacher training and transfer opportunities;
- Requirements to promote and consult on local/new GME provision;
- Partnership working to develop GME between neighbouring authorities;
- Parental rights to GME.

What are your views on the role that Gaelic medium education has to play in the future of Gaelic?

North Ayrshire Council understands that GME has a fundamental role in securing the future of Gaelic. We are conscious of the fragile position of Gaelic in our area and welcome initiatives to improve language skills and the increased use and visibility of Gaelic. The successful development of GME will be secured through building the necessary skills to support the delivery of GME, establishing reasonable parental demand and progression routes for families so that there is a continuum of learning. It is important that local authorities have the flexibility to work in local partnerships to create GME hubs where demand is low or scattered. We believe that partnership working between Scottish Government, SOLACE, COSLA, Bòrd na Gàidhlig, parent-interest groups, Education Scotland, the GTC, the Scottish Funding Council, Teacher Education Institutions and Scottish local authorities will find sustainable solutions which offer more choices for parents and increases GME.

What other steps could be taken to encourage and promote the growth of Gaelic medium education in Scotland?

The establishment of GME where there is low demand, scattered across the local authority area is challenging. Our approach has been to work with neighbouring local authorities where this is already established GME provision. The first NAC Gaelic Language Plan commits us to carrying out a new GME consultation, which will help us to establish if there is further demand for local provision.

We have used Scottish Government capital funding to develop opportunities to nurture Gaelic provision in early years to stimulate interest in Gaelic.

Other measures which could encourage the successful development of GME

Initiatives to support and improve Gaelic teacher supply and demand, including improving access routes to teacher training and transfer opportunities;
Coordination of consultations on on local/new GME provision;
Information sharing about partnership working;
Support to strengthen GME through regional hubs where skills and demand can be clustered;
Information for parents.

Do you have any further comments to add?

No

Thank you.

NORTH AYRSHIRE COUNCIL

Agenda Item 9

23 September 2014

Cabinet

Subject: Maximising Attendance Performance - June 2014
(Quarter 1 Summary)

Purpose: This report provides an analysis of sickness absence in Quarter 1 and the quarterly trend from April 2013.

Recommendation: That the Cabinet notes the information contained in the report.

1. Introduction

- 1.1 This report is for Q1 and is based on a snapshot of both sickness absence and staffing FTE data. As such any omissions or alterations in either the sickness absence or the staffing FTE dataset, including changes in service structure will alter the reported metrics. This can in particular impact upon the consistency of the reported aggregate figures, specifically this can mean that the quarterly reported data may not match the monthly cumulative position.

2. Current Position

- 2.1 The whole Council target for maximising attendance performance has been set at 7.9 average days lost per employee for 2014/15.
- 2.2 The table below shows the days lost per FTE by Directorate against the quarterly target (Appendix 1 details the complete service breakdown):

Days Lost per FTE Q1/Apr - Jun 2014			
	Quarter 1	Quarterly Target	Variance
Democratic & Admin Services	1.6	1.5	0.1
Development & Environment	2.6	2.4	0.2
Education & Skills	1.2	1.7	-0.5
Finance & Corporate Support	1.8	1.8	0
Social Services & Health	3.2	2.3	0.9
North Ayrshire Total	2.0	2.0	0

Democratic & Admin Services, Development & Environment and Social Services & Health exceeded their respective targets whereas Education & Skills were below target. Finance & Corporate Support reached their target in line with the overall council position.

- 2.3 The performance indicator detailed below is a positive measure showing the percentage of staff by Directorate who were not off sick during Q1.

Staff with no sickness absence Q1/Apr - Jun 2014	
	% of staff
Democratic & Admin Services	90%
Development & Environment	81%
Education & Skills	85%
Finance & Corporate Support	83%
Social Services & Health	77%
North Ayrshire Total	82%

2.4 Cost of Sickness Absence - by Service

The following table shows the pay costs (Excluding employers' on-costs).

Cost of Sickness Absence Q1/Apr - Jun 2014	
	Quarter 1
Democratic & Admin Services	£16,985
Development & Environment	£404,987
Education & Skills	£299,110
Finance & Corporate Support	£108,577
Social Services & Health	£405,154
North Ayrshire Total	£1,234,812

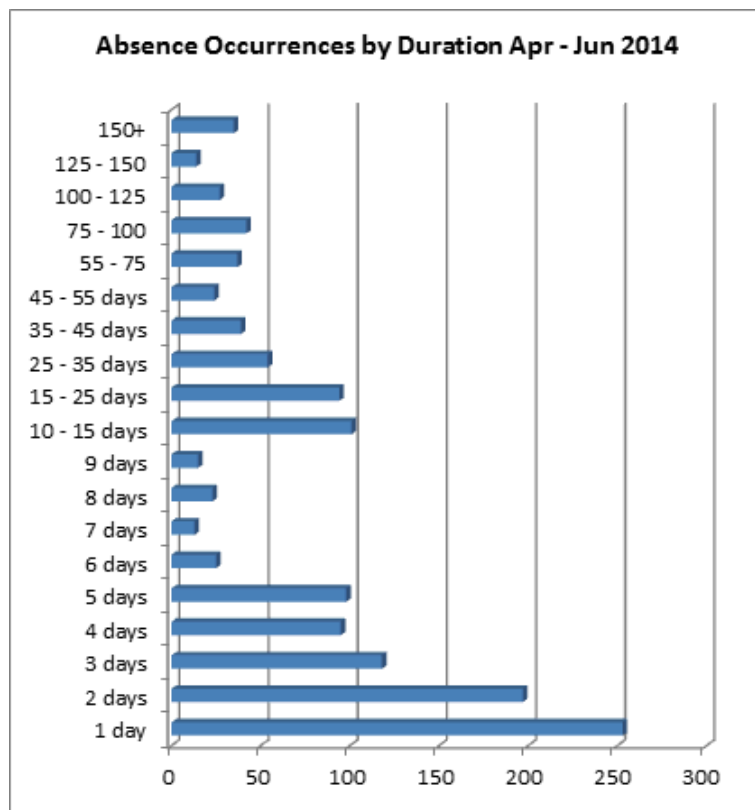
2.5 Duration Profile and Absence Trend

The table below shows the duration and scope of absence during Quarter 1:

Absence Profile by Directorate Quarter 1 Apr - Jun 2014					
Directorate	Staff FTE	Occurrences	Average duration of Occurrence	Days taken in period	Median days
Democratic & Admin Services	9.0	9	15.7	121	20
Development & Environment	359.0	427	25.9	4,504	5
Education & Skills	355.3	427	20.4	3,163	3
Finance & Corporate Support	96.2	104	17.4	910	3
Social Services & Health	281.8	337	23.1	3,840	5
	1,101.3	1,304	22.7	12,538	4

The relatively high median value for Democratic & Admin Services was due to 5 staff members having relatively long spells of absence.

- 2.6 The chart below profiles the duration of absence between April and June 2014 - it shows the number of occurrences in terms of the days taken:



- 2.7 The table below plots the FTE days taken within the Quarter by duration as a cumulative total:

Duration	FTE days taken	Cumulative %
1 day	238	2%
2 days	428	5%
3 days	295	8%
4 days	452	11%
5 days	385	14%
6 days	127	15%
7 days	94	16%
8 days	187	18%
9 days	245	20%
10 - 15 days	1,270	30%
15 - 25 days	1,655	43%
25 - 35 days	2,036	59%
35 - 45 days	1,398	70%
45 - 55 days	1,386	81%
55 - 75	2,340	100%
Total	12,538	

This demonstrates that in frequency terms short term absence is higher, however in actual days taken, it is not as significant - 1 to 5 day absences only accounting for 14% of FTE absence days (previously 18%).

2.8 Workforce Absence Profile

The table below shows sickness absence for the period by Employee Type:

Absence Duration by Employee Type Q 1/Apr - Jun 2014					
Employee Type	Staff FTE	Occurrences	Average duration of Occurrence	Days taken in period	Median days
APT&C General	587.1	669	21.2	6,377	4
Manual Worker	311.4	409	28.8	4,553	8
Teachers	202.8	226	15.9	1,608	2
	1,101.3	1,304	22.7	12,538	4

This shows that manual workers have a longer duration of absence both in Average days taken (28.8) and expressed as a Median value (8).

2.9 The table below details sickness absence by Gender for the period;

Absence duration by Gender Q 1/Apr - Jun 2014						
	Occurrences	Staff FTE	Average duration of Occurrence	Days taken in period	Ratio of Occurrences to FTE	Ratio of Days taken to FTE
Female	932	747.9	22.0	8,277	1.2	11.1
Male	372	353.4	24.2	4,261	1.1	12.1
	1,304	1,101.3	22.7	12,538	1.2	11.4

When an FTE ratio is applied this demonstrates that female employees have more absence occurrences (1.2 vs 1.1) with shorter absence duration (11.1 vs 12.1).

The following table details sickness absence by Age for the period:

Absence duration by Age Q 1/Apr - Jun 2014						
	Occurrences	Staff FTE	Average duration of Occurrence	Days taken in period	Ratio of Occurrences to FTE	Ratio of Days taken to FTE
Under 20	65	63.8	1.8	114	1.0	1.8
20 - 24	65	61.1	10.5	338	1.1	5.5
25 - 29	77	67.5	8.7	431	1.1	6.4
30 - 34	118	102.8	11.7	777	1.1	7.6
35 - 39	126	106.0	15.6	1,023	1.2	9.7
40 - 44	156	131.7	18.4	1,463	1.2	11.1
45 - 49	188	152.4	21.8	1,944	1.2	12.8
50 - 54	221	182.1	25.4	2,413	1.2	13.3
55 - 59	188	154.0	37.3	2,316	1.2	15.0
60 - 64	83	65.7	52.3	1,417	1.3	21.6
65 - 69	14	11.9	50.3	241	1.2	20.3
70 and over	3	2.2	29.3	60	1.4	27.2
	1,304	1,101.3	22.7	12,538	1.2	11.4

This highlights that whereas the Ratio of Occurrences to FTE remains relatively static through the age brackets, the Ratio of Days taken to FTE increases. This suggests that older staff tend to have longer spells of absence.































2.10 Reasons for Absence

The table below shows sickness absence for the period by absence reason:

Reason for Sickness Absence Quarter 1 Apr - Jun 2014				
Category	Staff FTE	Occurrences	Average duration of Occurrence	Days taken in period
Musculo/Skeletal	147.1	179	36.4	2,085
Stress/Anxiety	82.9	103	38.7	1,752
Surgical Procedure	62.9	74	42.3	1,426
Gastro Intestinal	244.4	289	5.8	879
Cardio Vascular	29.1	34	53.4	762
Depression	19.5	22	73.0	707
Work Related Stress	13.8	16	97.1	628
Neurological	58.2	69	13.3	469
Chest/Lung	58.3	68	10.6	403
ENT/Eyes	96.4	112	4.5	363
Viral	60.0	66	5.2	298
Cancer/Cancer Related	7.4	9	131.8	282
Infections	34.1	39	11.9	281
Gynaecological	10.9	14	52.1	242
Bereavement	17.9	24	13.5	223
Medical Treatment	14.7	16	21.6	190
Miscellaneous	17.1	20	17.8	189
Blood Conditions	6.4	8	25.9	164
Urinary Tract	18.9	22	15.9	146
Pregnancy Related	13.0	14	15.8	140
R.T.I	12.0	13	7.5	84
Glandular Disorders	6.5	7	15.6	84
Psychiatric/Emotional D.	7.1	9	15.1	74
Psychological	1.0	1	120.0	59
Injury/Accidents	9.4	12	10.6	59
Dental	12.3	14	3.6	44
Work Related Injury/Ill	2.7	3	17.7	44
Skin Conditions	5.2	7	8.6	42
Inflammatory Conditions	2.1	4	56.8	37
Await info/unclassified	30.0	44	16.1	382
	1,101.3	1,312	21.8	12,538





















This is consistent with previous reports where the principal causes of sickness absence were Musculo/Skeletal and Stress/Anxiety. Note that the higher number of occurrences and associated lower Average Days taken is where single spells of absence are attributable to more than a single cause.

- 2.11 The table below provides a further breakdown by staff type of the ratio of days taken to staff type FTE within the Quarter 1 period for the principal causes of absence:

Category	APT&C General	Manual Worker	Teachers
Musculo/Skeletal	 0.23	 0.91	 0.13
Stress/Anxiety	 0.35	 0.41	 0.13
Surgical Procedure	 0.24	 0.43	 0.12
Gastro Intestinal	 0.16	 0.18	 0.11
Cardio Vascular	 0.10	 0.33	 0.03
Depression	 0.09	 0.25	 0.08
Work Related Stress	 0.14	 0.10	 0.06
Neurological	 0.09	 0.06	 0.10
Chest/Lung	 0.06	 0.13	 0.05
ENT/Eyes	 0.07	 0.12	 0.01

This shows Manual workers having a significantly higher level of absence due to Musculo/Skeletal causes. Similarly they have a higher incidence of Stress/Anxiety, Surgical Procedures and Cardio Vascular causes. Teaching staff show the lowest ratios in almost all the categories.

- 2.12 The following provides a breakdown by gender of the ratio of days taken to staff gender FTE within the Quarter 1 period for the principal causes of absence:

Category	Female	Male
Musculo/Skeletal	 0.32	 0.49
Stress/Anxiety	 0.37	 0.18
Surgical Procedure	 0.22	 0.34
Gastro Intestinal	 0.17	 0.12
Cardio Vascular	 0.06	 0.29
Depression	 0.10	 0.18
Work Related Stress	 0.10	 0.14
Neurological	 0.10	 0.04
Chest/Lung	 0.07	 0.07
ENT/Eyes	 0.07	 0.05

This demonstrates that female staff have a significantly higher level of absence due to Stress/Anxiety than their male colleagues whereas male staff have a more absence due to Cardio Vascular, Musculo/Skeletal, Surgical Procedures and Depression

- 2.13 The following plots the trend of FTE Days taken by those causes that account for most absence days by Quarter from April 2013:

Category	Q1 Apr-Jun 13	Q2 Jul-Sep 13	Q3 Oct-Dec 13	Q4 Jan-Mar 14	Q1 Apr-Jun 14
Musculo/Skeletal	● 2,767	● 2,686	● 2,869	● 2,560	● 2,085
Stress/Anxiety	● 2,265	● 2,807	● 2,024	● 1,771	● 1,752
Surgical Procedure	● 1,722	● 1,394	● 1,279	● 1,358	● 1,426
Gastro Intestinal	● 830	● 676	● 1,088	● 1,133	● 879
Depression	● 791	● 704	● 825	● 622	● 707
Cardio Vascular	● 626	● 659	● 789	● 707	● 762
Chest/Lung	● 742	● 568	● 703	● 545	● 403
ENT/Eyes	● 592	● 492	● 673	● 643	● 363
Work Related Stress	● 360	● 426	● 495	● 523	● 628
Neurological	● 531	● 313	● 474	● 467	● 469
Viral	● 528	● 261	● 441	● 613	● 298
Cancer/Cancer Related	● 296	● 221	● 372	● 424	● 282

This table shows:

- a decline in Musculo/Skeletal causes
- a decline in reported Stress/Anxiety
- work Related Stress has increased

When Stress/Anxiety, Depression and Work Related Stress are taken together combined as Psychological and Emotional causes they account for 25% of all sickness days lost in the period.

2.14 Discretion

The following details the number of discretion requests that were granted by type as well as the rate per 1000 FTE for the quarter:

	Not known / no action	Full discretion	Part discretion	Total	Rate per 1000 FTE
Democratic & Admin Services				0	0
Development & Environment	5	23	1	29	18.1
Education & Skills		16		16	7.2
Finance & Corp Support	2	4		6	12
Social Services & Health	12	2		14	11.6
	19	45	1	65	11.6

This shows Development & Environment as having the highest rate with Education and Skills having the lowest.

Finally, the following details the reasons for employees being granted discretion:

Reason	Occurrences
Musculo/Skeletal	14
Stress/Anxiety	12
Surgical Procedure	9
Cardio Vascular	6
Cancer/Cancer Related	5
Gynaecological	4
Gastro Intestinal	3
Neurological	2
Bereavement	1
Chest/Lung	1
Depression	1
ENT/Eyes	1
Glandular Disorders	1
Inflammatory Conditions	1
Injury/Accidents	1
Medical Treatment	1
Urinary Tract	1
Infections	1
	65

This mirrors the overall picture of sickness with Musculo/Skeletal, Stress/Anxiety and Surgical Procedures being the principal causes.

2.15 Occupational Health

The table below shows the number of referrals by Directorate for the Q1/Apr - June Period:

	Management Referrals	Management Review	Self-referral	Total
Democratic & Admin Services	1	0	1	2
Development & Environment	67	86	6	159
Education & Skills	29	20	4	53
Finance & Corporate Support	13	3	4	20
Social Services & Health	70	33	8	111
	180	142	23	345

This represents an increase from the previous quarter figure of 333.

In terms of the rate of referral the analysis below shows the ratio of referrals per 1000 FTE employees:

	Referrals	Referral rate per 1000 FTE
Democratic & Admin Services	2	25.6
Develop & Environment	159	99.1
Education & Skills	53	23.9
Finance & Corp Support	20	40
Social Services & Health	111	92.2
	345	61.6

This highlights Social Services & Health/Development & Environment as having the highest rates of referral to Occupational Health with Education & Skills having the lowest rate.

2.16 Key Points

- The council achieved its Quarter 1 target of 2 days lost per FTE;
- A higher frequency of short term absences though long term absence accounts for the majority of days taken;
- Manual workers have the longest average absence duration;
- Teachers have both the shortest average absence length and take the least absence days;
- Female employees have more absence occurrences with a shorter absence duration (currently there are 2.5 females to every male in the workforce headcount - in FTE terms there are 2.1 females to every male);
- Older employees have longer spells of absence;
- Musculo/skeletal causes and stress and anxiety are the principal categories of staff absence;
- Musculo/skeletal causes particularly associated with Manual workers;
- Stress/Anxiety particularly associated with female staff;
- Male staff have a higher incidence of both surgical procedures and cardio vascular causes;
- Days lost due to Musculo/skeletal and stress and anxiety show some decline since April 2013;
- Days lost due to Work related stress has increased consistently since April 2013;
- Occupational health referrals have increased from the previous quarter with Development & Environment having the highest number of referrals.

3. Proposals

- 3.1 Services should continue to utilise occupational health services, where required seek advice from HR Advisers and ensure that an approach of early intervention is taken where employees are on long term sickness absence.

4. Implications

Financial Implications

- 4.1 Sickness absence presents a cost to the Council, both in terms of the direct costs of providing for those absent and in lost work days resulting in reduced or delayed service delivery.

Human Resource Implications

- 4.2 None

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental and Sustainability Implications

- 4.5 None

Implications for Key Priorities

- 4.6 None

Community Benefit Implications

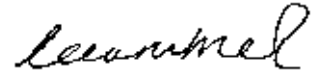
- 4.7 None

5. Consultations

- 5.1 There is no requirement for consultation in respect of the content of this report.

6. Conclusion

6.1 Overall the Council has achieved its target for Quarter 1.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

For further information please contact Jackie Hamilton, Employment
Services Manager on 01294 324694

Background Papers

0

Days Lost per FTE	FTE *	Apr	May	Jun	YTD	YTD target	Variance
Democratic & Admin Serv	80.0	0.5	0.6	0.5	1.6	1.5	0.1
Building Services	281.7	1.5	1	1.3	3.8	2.4	1.5
CGMT	12.0	1.3	3.5	3.5	8.3	2.4	5.9
Economic Development	128.1	0.5	0.5	0.3	1.2	2.4	-1.2
Facilities Management	369.7	0.6	1	1	2.5	2.4	0.1
Housing	229.8	0.7	0.5	0.3	1.5	2.4	-0.9
Planning & Regulatory	59.8	0.3	0.1	0.2	0.5	2.4	-1.9
Roads	88.8	1.2	1.2	0.9	3.3	2.4	0.9
Streetscene	238.9	0.6	0.5	0.6	1.7	2.4	-0.7
Transport	34.2	0.3	0.7	1.1	2.1	2.4	-0.3
Waste	161.3	1.3	1.8	1.6	4.6	2.4	2.2
Development & Environment Total	1604.2	0.8	0.9	0.9	2.6	2.4	0.2
Add Support for Learning	149.3	0.1	1.1	1.1	2.3	1.7	0.6
Childcare Information	2.0	0	0	0	0	1.7	-1.7
Comm Ser -Comm Develop	54.0	0	0.2	0.1	0.3	1.7	-1.4
Comm Ser -Info & Culture	95.9	0.5	0.7	0.6	1.8	1.7	0.1
Community Facilities	45.2	0.8	0.6	0.7	2.1	1.7	0.4
Country Parks	9.0	0	0	0	0	1.7	-1.7
Education - Early Years	184.7	0.2	0.7	0.4	1.4	1.7	-0.3
Education - Primary	814.7	0.2	0.4	0.4	1	1.7	-0.7
Education - Resources	56.2	0.1	0	0	0.1	1.7	-1.6
Education - Secondary	768.0	0.2	0.4	0.4	0.9	1.7	-0.8
Education - Support Serv	33.0	0.2	0	0.2	0.4	1.7	-1.3
Education & Skills Total	2212.2	0.2	0.5	0.5	1.2	1.7	-0.5
Audit, Risk & Performance	10.9	1.2	0	0.6	1.8	1.8	0
Financial Management	61.7	0	0.1	0.2	0.3	1.8	-1.5
Management	3.0	0	0	0	0	1.8	-1.8
Procurement & Creditors	15.4	0.1	0	0.3	0.4	1.8	-1.4
Revenues & Benefits	74.0	0.9	0.9	0.8	2.6	1.8	0.8
Property	92.5	0.7	0.5	0.4	1.6	1.8	-0.2
Business Support	78.0	1.4	0.8	0.9	3.1	1.8	1.3
HR & OD	40.2	0	0	0.1	0.1	1.8	-1.7
ICT	59.5	0.8	0.6	0.3	1.7	1.8	-0.1
Customer Services & Registration	66.6	0.7	0.9	0.8	2.4	1.8	0.6
Finance & Corporate Support Total	501.8	0.7	0.6	0.5	1.8	1.8	0
C&F - Fam PI/Disab	28.9	0	0.1	0	0.1	2.3	-2.2
C&F - Fieldwork	90.3	0.9	0.6	1	2.5	2.3	0.2
C&F - Policy & Practice	10.0	0.3	0	0.6	0.9	2.3	-1.5
C&F - Residential/Thcare	98.4	1.1	1.1	1	3.3	2.3	1
C&F - Specialist Support	84.5	0.9	0.9	0.7	2.5	2.3	0.2
CC - Assess & Enablement	36.8	1.4	0.8	1.4	3.5	2.3	1.2
CC - Fieldwork	6.0	0.3	0	0	0.3	2.3	-2
CC - MH/LD	69.5	1.2	0.9	1.1	3.3	2.3	1
CC - Personalisation	3.9	0.9	0	0	0.9	2.3	-1.4
CC - Service Delivery	421.8	1.3	1.4	1.4	4.1	2.3	1.8
CC - Care Manage & Review	52.5	1.2	0.1	1	2.4	2.3	0.1
Criminal Justice	60.3	1	1.1	1.2	3.3	2.3	1
Res - Business Support	190.9	0.8	0.6	0.8	2.2	2.3	-0.1
Res - Money Matters	20.5	0.5	0.8	0.8	2	2.3	-0.3
Res - Planning & Perform	6.0	4	3.5	3.5	11	2.3	8.7
Res - Service Develop	23.1	1	0	0.2	1.2	2.3	-1.1
Social Services & Health Total	1203.4	1.1	1.0	1.1	3.2	2.3	0.9
Whole Council	5601.5	0.6	0.7	0.7	2	2	0

* FTEs as at month end June 14

NB This dataset represents a snapshot of staff sickness absence. Any omissions or alterations to absences or FTE changes or movements will necessarily impact upon the content of this report making it difficult to replicate as it currently stands in the future.

NORTH AYRSHIRE COUNCIL

Agenda Item 10

23 September 2014

Cabinet

Subject: **Audit Scotland Report : Scotland's Public Finances : Progress in Meeting the Challenges (follow up audit)**

Purpose: To inform the Cabinet of the findings of the recent Audit Scotland report, the good progress made by North Ayrshire Council and the issues still to be addressed.

Recommendation: That the Cabinet notes the findings of the recent Audit Scotland report, the current position in North Ayrshire and further actions being taken to address the issues within the report.

1. Introduction

- 1.1 In August 2011, Audit Scotland published a report entitled 'Scotland's Public Finances : Addressing the Challenges'. The report provided an overview of the scale of the budget cuts expected to be faced by the Scottish public sector in the period 2010/11 to 2014/15 and how public bodies were beginning to respond to the challenges of reducing expenditure. This report was followed up by Audit Scotland in July 2013 and the findings were reported to Cabinet on 13 August 2013.
- 1.2 Further audit work has taken place by Audit Scotland and the results were published in a further update report in June 2014. The report to Cabinet highlights the main issues from the Audit Scotland report which is attached in full at Appendix 1.

2. Current Position

- 2.1 The Audit Scotland report provides:-
 - an outline of the current financial position and indicative spending levels in 15/16
 - a report on financial scrutiny and the progress public bodies are making in getting the most from budgets
- 2.2 The Cabinet report will highlight the main issues from each of these sections. Appendix 2 to this report details the action points and the relevant work that has been undertaken or is planned to be undertaken by North Ayrshire Council.

Current Financial Position and Indicative Spending Levels in 15/16

- 2.3 The report offers a high level update on the financial position facing public bodies reporting that:-
- revenue budgets have fallen by 6 % in real terms between 2009/10 and 2014/15.
 - capital budgets have fallen by 29 % in real terms between 2009/10 and 2014/15, although the overall trend shows a decline, capital budgets have increased by 15 % since 2012/13.
- 2.4 The Scottish Government has estimated that for 2015/16 total revenue budgets will reduce further by 2% and capital budgets will increase by 10 %. Within this it is anticipated that local government budgets will reduce by 3 %.
- 2.5 The report confirms that further funding reductions are forecast beyond 2015/16. At this stage the impact on individual departments including Scotland are unknown however the Office of Budget Responsibility is suggesting that in total UK budgets could reduce by 4.2% in 2016/17, 5.1 % in 2017/18 and 2.2 % in 2018/19.
- 2.6 There is recognition of how well public sector bodies have coped with reducing budgets up till now. However as in previous reports it highlights that much of this has been done by reducing staff costs. Public sector bodies continue to face significant challenges from rising demands and increasing cost pressures. These increased pressures will present even greater challenges as budgets continue to fall. Exhibit 2 on page 13 of the Audit Scotland report provides a diagrammatical representation of the ongoing pressures facing the public sector including;
- demographic pressures, in particular those relating to the aging population and changes to the welfare system
 - pay pressures and the cost of reshaping the workforce
 - challenges around investment in and maintenance of the public sector estate
 - environmental challenges including; energy and fuel costs, zero waste targets and reducing emissions.

The above pressures have been identified in the Council's Long Term Financial Strategy.

Getting the Most from Budgets

- 2.7 If public bodies are to meet the financial challenges they face there must be greater focus on budget setting and long term financial planning to secure financial stability. The Audit Scotland report highlights the importance of effective budgeting as a core component of good financial management. They recommend the use of budgeting which links planned spending more closely to the outcomes they want to achieve to ensure that resources are prioritised to the delivery of the organisations main objectives, maximising the use of the limited resources at their disposal.
- 2.8 Audit work has found few authorities which have adopted this priority based approach to budgeting. This approach is consistent with the Outcome Based Budgeting Model which is being developed by North Ayrshire to help the Council set its budgets in line with key priorities.
- 2.9 The need to engage with communities and service users is an important part of priority based budgeting and is recognised as something which takes place already within local government. This is important so that the implications of savings on end users are clearly understood but it also helps to manage public expectations about what can be achieved within available budgets.
- 2.10 The need to work closely with partners as part of this work is also highlighted, including the sharing of budget, investment and resource planning information to ensure that total resources are deployed in the most effective way and aligned between partners to achieve outcomes. This is being captured through the resource mapping work which is currently underway with our community planning partners.
- 2.11 Audit Scotland highlight the benefit of long term financial strategies as they help to clarify financial sustainability and can help to identify problems with affordability at an early stage. Longer term planning should also avoid public bodies from taking short term approaches to cost reduction at the expense of better alternatives over the longer term.
- 2.12 North Ayrshire has a 10 year financial strategy approved for revenue and capital which contains many of the features identified by Audit Scotland. Audit Scotland recommends that longer term strategies include details of savings proposals and strategies for securing these savings. North Ayrshires financial strategy outlines the wider strategic framework with specific savings proposals being considered on a rolling 3 year basis.

- 2.13 Bench marking is a useful tool which can also be used to gain a better understanding of costs and performance and identify potential areas for review for efficiencies. Within local government SOLACE, CIPFA, the Directors of Finance and the Improvement Service are developing the bench marking framework in local government which provides comparative benchmarking across all major services areas, covering costs, performance and customer satisfaction. The Council is involved in several bench marking groups and is also makes use of the Local Government Benchmarking Framework Indicators.
- 2.14 The report recognises the importance of scrutiny in ensuring public bodies' budgets, financial plans and strategies are credible and transparent and based on clearly understood information. Effective scrutiny should be independent, balanced and hold people to account for their spending plans and the roles which councillors play in this is crucial. There is also a responsibility on officers to provide enough information to enable councillors to scrutinise effectively and approve spending decisions.
- 2.15 The financial context in which local government operates is continually changing and as result it is more important than ever that councillors are supported in their role. The financing options available to local authorities are gaining in complexity and support may be required ensure that councillors are fully aware of the key issues, risks and impact of these options on public finances. North Ayrshire has a programme of events which ensures elected members are supported in their role.
- 2.16 To supplement the report, Audit Scotland has developed a checklist to support councillors' scrutiny of public finances. This is attached at Appendix 3. The questions should help councillors seek evidence and subsequently gain assurance on their Council's approach to dealing with ongoing financial pressures.

3. Proposals

- 3.1 It is proposed that the Cabinet notes the findings of the Audit Scotland report which are summarised above with a copy of the full report attached at Appendix 1 and a copy of the checklist attached at Appendix 3. It is further proposed that Cabinet notes the work which has already been undertaken by North Ayrshire Council, detailed at Appendix 2, in tackling the actions points highlighted by Audit Scotland.

4. Implications

Financial Implications

- 4.1 There are no direct financial implications arising from the report.

Human Resource Implications

- 4.2 None

Legal Implications

- 4.3 None

Equality Implications

- 4.4 None

Environmental and Sustainability Implications

- 4.5 None

Implications for Key Priorities

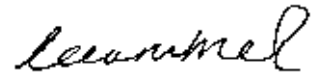
- 4.6 Reviewing practices within North Ayrshire ensures that the Council continues to operate efficiently and effectively.

5. Consultations

- 5.1 No consultations have been necessary in the preparation of this covering report.

6. Conclusion

- 6.1 North Ayrshire Council measures well in relation to the various issues in the national Audit report.
- 6.2 There are opportunities for further improvement and these are detailed in Appendix 2 to this report.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

For further information please contact Laura Friel, Executive Director (Finance and Corporate Support) on 01294-324554.

Background Papers

None

Scotland's public finances

A follow-up audit: Progress in meeting the challenges



Prepared by Audit Scotland
June 2014

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

You can find out more about the work of the Accounts Commission on our website: www.audit-scotland.gov.uk/about/ac 

Auditor General for Scotland

The Auditor General's role is to:

- appoint auditors to Scotland's central government and NHS bodies
- examine how public bodies spend public money
- help them to manage their finances to the highest standards
- check whether they achieve value for money.

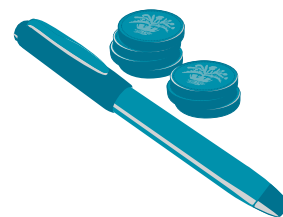
The Auditor General is independent and reports to the Scottish Parliament on the performance of:

- directorates of the Scottish Government
- government agencies, eg the Scottish Prison Service, Historic Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, eg Scottish Police Authority, Scottish Fire and Rescue Service.

You can find out more about the work of the Auditor General on our website: www.audit-scotland.gov.uk/about/ags 

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

Contents

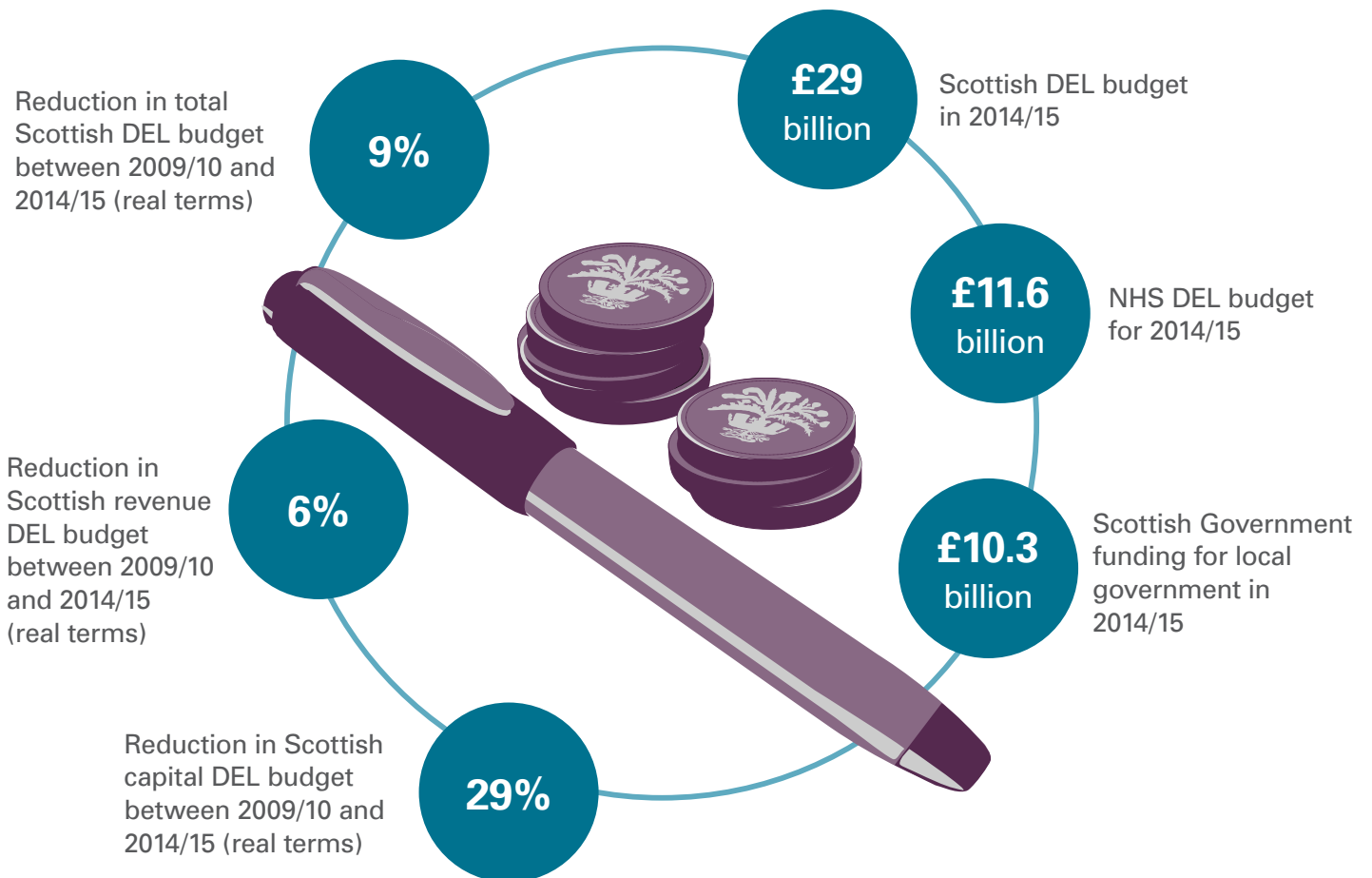


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Summary



Key facts




Introduction


1. Since 2009/10, public sector budgets have fallen each year with the Scottish budget decreasing by nine per cent in real terms to 2014/15.¹ Public bodies have coped well, so far, with budget reductions and have maintained services during this challenging period. Looking ahead, finances remain tight and most public bodies anticipate further reductions. Just a few examples of the significant ongoing issues facing public sector bodies are:

- increasing numbers of older people, who typically need more services in the form of health and social care
- the need to provide and maintain public assets (eg, schools, hospitals, prisons and roads) that are required to deliver services
- paying for public sector pensions.

These pressures have been evident for some time and will continue for the foreseeable future.

2. We highlighted the challenges facing the public sector in our 2011 report [*Scotland's public finances: Addressing the challenges \(PDF\)*](#) . This provided an overview of the scale of budget reductions expected in the Scottish public sector in the five years to 2014/15, and how public bodies were beginning to respond. The report highlighted that pay restraint and reducing staff numbers were the most common ways of balancing budgets but that these alone were not sustainable in the longer term.

3. Since then, we have published other reports that have looked in more detail at aspects of public sector spending.²

- The NHS financial performance reports concluded that the NHS managed its overall finances well in the short term but needed to increase its focus on longer-term financial planning. With demand for healthcare rising and the introduction of treatment time targets, there were signs of pressure within the system. Vacancy rates for NHS staff were increasing and boards were spending more on agency staff and on private sector providers.
- The annual overview of local government in Scotland reports found that demand on local services such as housing, advice services and school places continued to increase. In response, councils needed to review how services are currently delivered and to consider options for delivering services in the future. In addition, more work was needed to develop longer-term resource plans to show how to get the most from finances, staff and assets such as land and buildings. The most recent [*overview report*](#), in March 2014, highlighted the need for councils to make better use of options appraisal, based on sound information, to help make clear why decisions are made.
- [*Scotland's public sector workforce \(PDF\)*](#)  found that in the four years to March 2013, the Scottish public sector workforce reduced by 26,600 whole-time equivalents (WTE) (seven per cent) to 373,400. This included transferring almost 10,000 WTE staff to arm's-length external organisations (ALEOs) and organisations outside the public sector although some of

these staff will still be providing public services. Given the continuing challenges, public bodies were likely to need to make further workforce changes and think differently about how they delivered services. Examples of the latter included prioritising and redesigning services and increasing joint working and collaboration.

- Reports on Scotland's colleges highlighted that the further education sector was facing significant funding reductions. Colleges faced an 11 per cent reduction in revenue grant allocation from the Scottish Government between 2011/12 and 2014/15. They aimed to reduce staff numbers as the main way of making savings. In doing so, they would need to ensure they retained the skills and experience required to maintain the quality of learning they were providing.

4. These reports show that the challenges facing leaders and managers across the public service vary from sector to sector. Yet there is a great deal of common ground: all must produce balanced budgets and hold people in their organisations to account for how the money is used and what is achieved. Regardless of sectors or structures, councillors and non-executive directors have an important role in making sure the budgets they approve are used to best effect. To do this they need good-quality and timely financial information. They need to take a longer-term view on:

- the options available for services and how these will deliver outcomes
- the standards of services that are affordable
- the sustainability of financial plans.

5. The Scottish public sector has undergone significant changes in recent years. The Scottish Government's public service reforms aim to provide more effective and efficient public services that make best use of public finances. The reforms centre on four key components; prevention, performance, people and partnerships. Since 2007, these reforms have resulted in the number of public bodies reducing from 199 to 113. In addition, there have been significant reforms in the police, fire and further education sectors and more recently in the approach to health and social care services.

6. The Scottish Government sets the national policy context for public services in Scotland. In 2007, it established an outcome-focused performance framework to provide a common purpose and direction for all public service activity. The National Performance Framework (NPF) sets out targets and outcomes for public bodies to work towards to deliver the Government's overall objectives. For example, in the health sector all NHS bodies are required to develop local delivery plans in line with outcomes established in the NPF. Similarly, the Scottish Government and Community Planning Partnerships (CPPs) agreed Single Outcome Agreements based on local priorities and the Scottish Government's national outcomes. The agreements set out how each CPP will work towards local outcomes within the context of the Scottish Government's overall objectives.

7. The voluntary sector continues to have an important role in delivering public services. Spending by charities is at its highest level; in 2012/13, charities in Scotland spent £4.7 billion, over half of which was spent on providing social care

and housing services.³ Despite this, the voluntary sector has raised concerns about financial pressures as 60 per cent of organisations expect their costs will increase during 2014 due to rising demand but many do not expect their income to increase.

8. Alongside the current and future pressures, other factors will affect public finances in Scotland. The Scotland Act 2012 introduces tax-raising powers, through the land and buildings transactions tax and landfill tax from 2015 and the new Scottish rate of income tax from 2016. The Act also provides limited borrowing powers. These new measures provide more flexibility but also introduce greater variability if, for example, the amounts raised through taxes are more or less than expected.


9. Irrespective of the outcome of the 2014 Referendum on Scottish independence, pressures on finances will remain. Those leading and managing public services will face increasingly difficult choices about how to spend the money that is available; making best use of that money is paramount.

Who is this report for?

10. The report is aimed at public bodies including councils, NHS boards and central government bodies such as executive agencies and non-departmental public bodies. The report does not cover the Scottish Parliamentary process for approving the Scottish Government's overall budget although the messages should be considered by all organisations that are responsible for spending public money. The report raises a range of important issues for those involved in scrutinising public finances including councillors, non-executive directors, chief executives and other board members. For simplicity, we refer only to 'non-executive directors and councillors', however, the findings and issues raised apply to all those who have a role in financial scrutiny.

11. Alongside this follow-up report, we have published three sector-specific checklists designed to help public sector organisations to improve. These are aimed at councillors and non-executive directors and are intended to help promote good practice, scrutiny and challenge in setting 2015/16 budgets and beyond.

About this audit report

12. The challenges of increasing demand and cost pressures and the need to focus on long-term financial sustainability were among the key issues raised in our 2011 report [Scotland's public finances: Addressing the challenges \(PDF\)](#) . This report provides a high-level update on the financial position and on how public bodies are meeting the challenges of reduced public spending. It considers the importance of long-term financial planning and the key role of councillors and non-executive directors in ensuring bodies are well positioned to deliver quality services for less money.

13. During 2013, the auditors of 67 public bodies examined and reported on how the bodies are meeting the challenges of budget constraints. This report provides a high-level summary of the main themes arising from the local audit work and identifies what more needs to be done. The [Appendix](#) provides a list of the public bodies where local audit work was carried out.

14. The auditors assessed whether public bodies had sustainable financial plans that reflected a strategic approach to their finances. They also considered the role of councillors and non-executive directors in approving budgets and in holding staff to account for delivering budgets.

15. The report is organised in two parts:

- In [Part 1](#), we consider the current financial position and outline indicative future spending levels across each sector in 2015/16.
- In [Part 2](#), we report on financial scrutiny and the progress public bodies are making in getting the most from budgets and developing approaches that are sustainable.

16. Our findings are based on evidence from a number of sources, including:

- local audit reports from 67 individual public bodies
- a review of published documents on Scotland's public finances
- analysis of financial information on the Scottish budget
- published good practice on governance and budgeting mechanisms.

17. All budget figures in the report are quoted in real terms at 2013/14 price levels using the latest GDP deflators (March 2014) unless otherwise stated.⁴

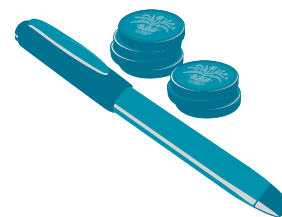
Key messages



- 1** Scotland's public sector continues to face significant financial challenges. The Scottish budget has fallen nine per cent, in real terms, from £31.9 billion in 2009/10 to £28.9 billion in 2014/15 and is expected to reduce further. Public bodies have coped well so far but face increasingly difficult choices in reducing spending while maintaining service standards and meeting rising demand.
- 2** In setting budgets, public bodies need to focus more on their priorities, making clearer connections between planned spending and the delivery of outcomes. Rigorous use of options appraisal based on sound information is required for good budget-related decisions and making those decisions clear and understood.
- 3** There is limited evidence of longer-term financial planning. Plans generally focus on the short to medium term up to five years. More work is needed to develop and regularly review long-term financial strategies, that reflect priorities, risks and liabilities and the implications for affordability.
- 4** Non-executive directors and councillors have a crucial role. This involves approving budgets and holding people within their organisations to account for how the money is spent and the outcomes achieved. Public bodies need to improve the quality of information provided to non-executive directors and councillors to support them in their role.

Part 1

The financial position



18. This part of the report sets out the current position of public finances in Scotland. It considers how levels of funding for public bodies have changed in recent years and indicates how much money will be available in the future.

Scottish public spending reduced significantly after 2009/10

19. In 2014/15, the total Scottish budget is £34.6 billion. This provides funding for central government, the NHS and local government. The Scottish Government's annual spending plans are set out in the budget approved by the Scottish Parliament. The Scottish Government has discretion on how the £28.9 billion set aside for day-to-day spending is used. This is known as the Departmental Expenditure Limit (DEL) budget. The remaining £5.7 billion covers demand-led expenditure such as pensions for NHS staff and teachers. This is known as Annually Managed Expenditure (AME). The Scottish Government administers AME but has no discretion over how it is spent.

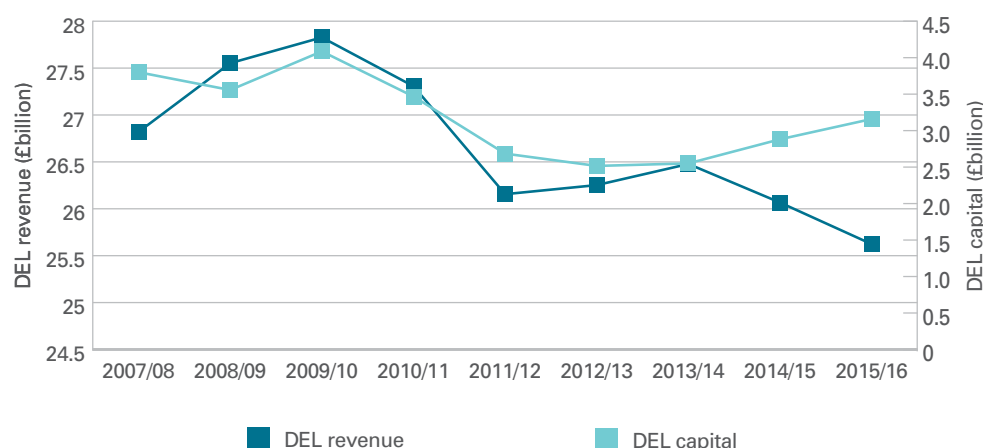
20. Following annual growth in budgets averaging five per cent from 2000/01, the total Scottish DEL budget has fallen nine per cent in real terms since 2009/10. It has fallen from a peak of £31.9 billion in 2009/10 to £28.9 billion in 2014/15. ([Exhibit 1, page 11](#)). The two main components of the DEL budget, revenue and capital, show different trends since 2009/10:

- The revenue DEL budget, for day-to-day expenditure such as staff salaries and supplies, has fallen by £1.8 billion (six per cent) to £26 billion in 2014/15. The revenue DEL budget reduced each year except between 2011/12 and 2013/14 when it increased by one per cent.
- The capital DEL budget, for maintaining and building property such as schools, hospitals and roads, has fallen by £1.2 billion (29 per cent) to £2.9 billion in 2014/15. Although the overall trend shows a decline, the budget has increased by 15 per cent since 2012/13 in line with the Scottish Government's policy to increase capital investment. The Scottish Government also plans to use several revenue-financed methods such as Non-Profit Distribution (NPD) to finance capital projects and increase capital investment activity.⁵ These methods can be used to support investment but their effect is to create longer-term financial commitments and to reduce flexibility in how future revenue budgets can be used. Since 2010, contracts for projects with a value of around £1.7 billion have been agreed using revenue-financed methods with a further £1.7 billion planned for future years.⁶ The Scottish Government has set a limit of five per cent of future total annual DEL budgets to be used on the total annual costs associated with these financing methods.

the total
Scottish DEL
budget has
fallen nine
per cent in
real terms
since 2009/10

Exhibit 1

The Scottish Government DEL budget 2007/08 to 2015/16 (real terms at 2013/14 prices)



Source: Scottish Government

Further budget reductions are planned for 2015/16 and beyond

21. Looking ahead, the Scottish Government has outlined spending levels for 2015/16 in its draft budget.⁷ The overall DEL budget will fall slightly, by £0.1 billion (0.4 per cent) to £28.8 billion. Within this, the revenue budget will reduce by £0.4 billion (two per cent) to £25.6 billion, whereas the capital budget will increase by ten per cent from £2.9 billion to £3.2 billion.⁸

Funding for health and local government sectors will reduce in 2015/16

22. The Scottish Government's health DEL budget will reduce by £73 million (one per cent) in 2015/16. Within this:

- funding for territorial NHS boards will increase by £85 million to £8.2 billion, an average increase of one per cent
- funding for NHS special boards (such as NHS 24 and Scottish Ambulance Service) will reduce by an average of one per cent, with total funding reducing from £1.03 billion in 2014/15 to £1.02 billion in 2015/16
- the amount spent by the Scottish Government directly, will decrease by £58 million (three per cent) to £2.1 billion in 2015/16.

23. The Scottish Government provides over 80 per cent of the funding for local government. The rest comes mainly from council tax. The Scottish Government's DEL budget for local government will decrease by £0.2 billion from £7.7 billion to £7.5 billion, a decrease of three per cent. The Scottish Government's total funding to local government, which includes redistributing money raised from non-domestic rates, will decrease by £88 million (one per cent) to £10.2 billion in 2015/16.⁹

Funding for central government bodies will increase in 2015/16


24. Central government funding includes budget allocations for the core Scottish Government, agencies, non-departmental public bodies and bodies directly funded from the Scottish budget such as the Scottish Parliamentary Corporate Body. The overall DEL budget for this group of public bodies will increase by £147 million (two per cent) to £9.7 billion in 2015/16 including increased funding for housing supply (£92 million) and police and firefighters' pensions (£16 million).

Further funding reductions are forecast beyond 2015/16

25. There may be further reductions in budgets beyond 2015/16. In March 2014, the UK government published total spending projections up to 2018/19 although allocations to individual departments, including Scotland's allocation, have yet to be decided.¹⁰ At the same time, the Office for Budget Responsibility suggests that the UK DEL budget could reduce by 4.2 per cent in 2016/17, 5.1 per cent in 2017/18 and 2.2 per cent in 2018/19.¹¹ If the Scottish Government's budget reduces in line with UK projections, the overall Scottish DEL budget could reduce by:

- £1.2 billion to £27.6 billion in 2016/17
- £1.4 billion to £26.2 billion in 2017/18
- £0.6 billion to £25.6 billion in 2018/19.

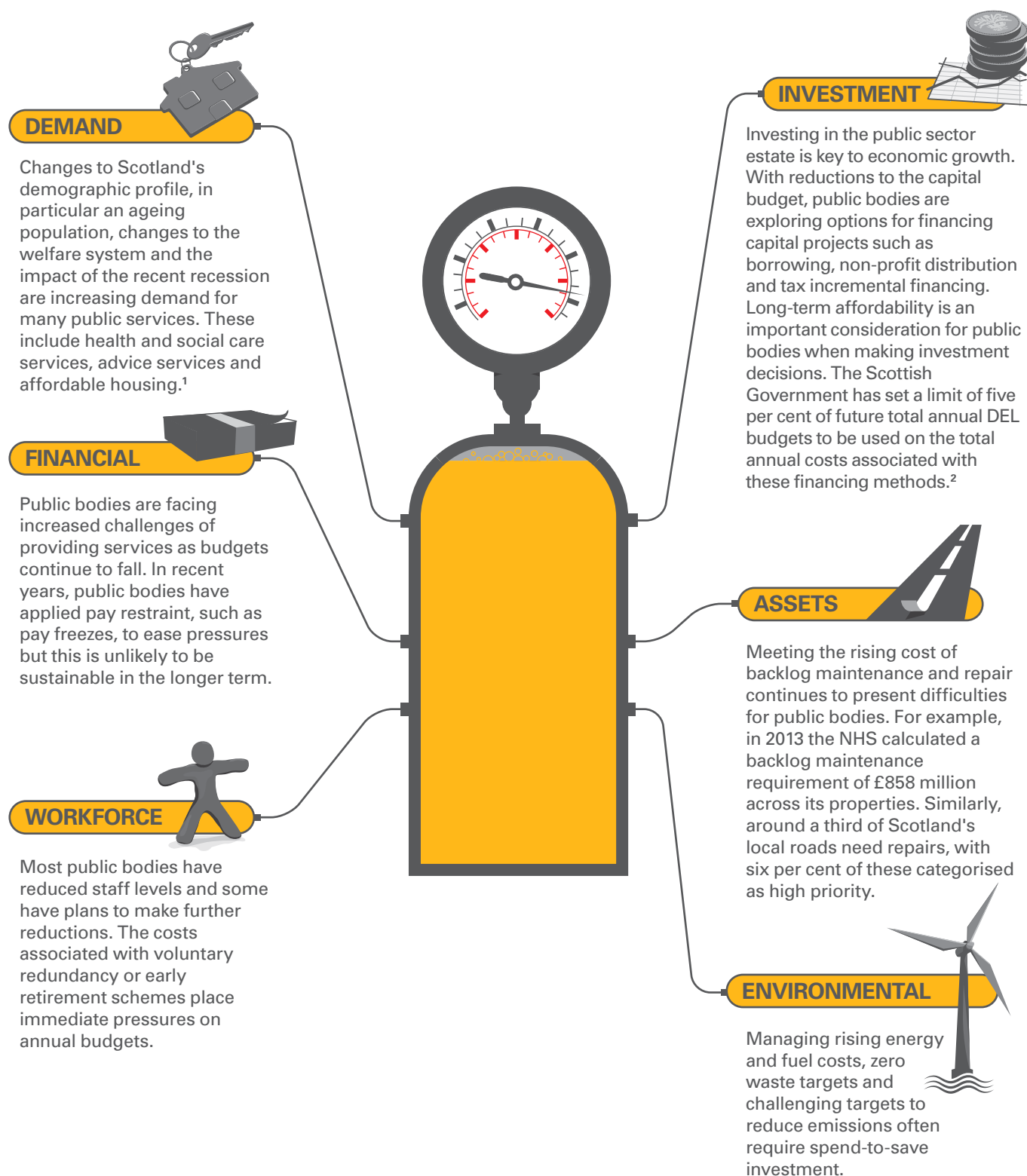
Public bodies have coped well so far, but service demands and pressures are increasing

26. Public bodies have coped well so far with reduced budgets. Reducing staff costs was one of the main methods used to achieve the required savings. In our report [Scotland's public sector workforce \(PDF\)](#)  we estimated that staff costs across councils, the NHS, and central government reduced by a total of £1 billion (eight per cent) to £12.7 billion between 2009/10 and 2011/12. This was achieved mainly by reducing staff numbers by 26,600 to 373,400 (whole-time equivalent) using voluntary early release schemes and transferring almost 10,000 WTE staff to ALEOs and organisations outside the public sector. Where staff transferred, some form of public funding is paid to the provider to deliver public services, a proportion of which will be used to pay staff. Other methods such as pay and recruitment freezes were also used to manage costs.

27. Public bodies continue to face significant challenges from rising demand, increasing energy prices and the need to provide and maintain 'fit-for-purpose' assets such as schools and hospitals ([Exhibit 2, page 13](#)). These pressures remain and present even greater challenges as budgets continue to fall.

Exhibit 2

Ongoing pressures in the public sector



Notes:

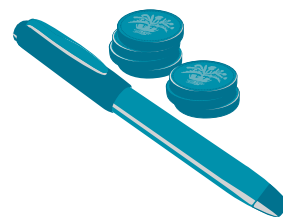
1. Scotland's population of people aged 75 and over is expected to increase by 86 per cent by 2037. *Projected Population of Scotland (2012-based)*, General Register Office for Scotland, January 2014.

2. *Infrastructure Investment Plan 2011*, Scottish Government, December 2011.

Source: Audit Scotland

Part 2

Getting the most from budgets



28. This part of the report provides an update on how public bodies are meeting the financial challenges outlined in [Part 1](#). It focuses on budget setting and how longer-term planning can help achieve financial sustainability. It also underlines the crucial role of non-executive directors and councillors in scrutinising their organisations' finances and the information they need to do this effectively.

Public bodies need to focus more on their priorities when setting budgets

29. Despite reducing budgets, the level of public spending in Scotland continues to be significant. Public bodies need to focus on making the most of the money available as well as identifying ways to reduce costs. Effective budgeting is an important component of good financial management and can help bodies understand where best to direct resources to achieve the greatest benefit. It sets out where and how much money will be allocated and provides the basis for monitoring the position throughout the year. As a result, the development and scrutiny of setting annual budgets is an important activity within public bodies, particularly during periods of financial constraint.

30. Public bodies have different approaches to budgeting. Most use an incremental approach where they allocate money based on the previous year's budget and adjust to reflect inflation, savings targets and other known factors. An incremental approach to budgeting works best when available funding is similar to previous years and change is gradual and planned. But it can limit the ability to prioritise spending or reduce costs when less money is available. Some bodies take a zero-based approach, where they decide budgets based on need through continually reassessing the base budget. Zero-based budgeting is a useful approach in specific circumstances as it helps public bodies provide a greater focus on value for money in their budget decisions.

31. In the current financial environment, public bodies need to implement an approach to budgeting that focuses more on their priorities and links planned spending more closely with the outcomes they want to achieve. The outcome-based performance framework (through the National Performance Framework and Single Outcome Agreements) provides a basis for public bodies to adopt a priority-based approach. The approach focuses on priorities and allocating money to the services or areas that contribute most to delivering these outcomes. This depends on a shared understanding of which services contribute most and least to the organisation's priorities. Services or activities that contribute least to outcomes may be reduced or withdrawn. A priority-based approach helps non-executive directors and councillors take decisions in the clear knowledge of the consequences. Local audit work found that only a few bodies have adopted a priority-based approach to budgeting.

**scrutiny
arrangements
are sound
but more
information
is needed
on progress
towards
delivering
outcomes**

32. Achieving outcomes often involves joint working with partners. Where this is the case, for example in Community Planning Partnerships (CPPs), public bodies need to work together to identify where they can direct money to make the greatest difference. This means ensuring that budget setting takes full account of shared priorities and commitments. In September 2013, the national Community Planning Group agreed that it should focus on getting partners to deploy their resources jointly towards partnership objectives.¹² This includes a requirement for relevant partners in CPPs to:

- share budget, investment and resource planning information
- agree how total resources can most effectively be deployed and aligned between partners to achieve outcomes.

33. Options appraisal and benchmarking are key components of financial management including priority-based budget setting. Rigorous options appraisal based on sound information, including information from service users, helps ensure good budget-related decisions and helps make clear why decisions are made. Using benchmarking information in budget setting can highlight potential opportunities associated with different options such as improved procurement practices or more efficient deployment of staff. There is evidence that some public bodies are considering proposals to reduce or stop services, for example some councils are considering removing subsidies for bus services, closing libraries or reducing support for arts development. As part of that process, public bodies need to identify the risks associated with budget options, including the potential implications for how services perform, the impact on service users and the effect on longer-term outcomes.¹³

There is limited evidence of longer-term financial planning

34. Long-term financial strategies covering a five to ten-year period help set the context for annual budgets. They also help clarify the financial sustainability of an organisation over an extended period and can help identify problems with affordability at an early stage. Although funding allocations from the Scottish Government typically cover one to three-year spending review periods, this should not prevent public bodies assessing their spending needs and options over a longer period.

35. It is important that public bodies develop and maintain long-term financial strategies to direct and control their finances. A strategy should outline spending levels over an extended period (five to ten years) and include projected levels of income, how spending will be funded and, where relevant, why reserves are held and how they will be used ([Exhibit 3, page 16](#)). To enable them to implement the strategy, public bodies should also develop detailed financial plans that outline spending commitments over the short (one year) and medium term (two to five years).

36. Most councils produce longer-term financial plans, but the timescales involved vary up to ten years. Where councils have longer-term plans, they generally contain less detailed financial information in later years but councils use indicative spending levels to estimate potential funding gaps. [Case study 1 \(page 17\)](#) provides an example of City of Edinburgh Council's financial planning to 2017/18. The council plans to address a potential budget shortfall of £95 million although it is too early to comment on whether this will be achieved.

Exhibit 3

Important features of a financial strategy

A financial strategy should cover five to ten years.



COSTS

A clear understanding of the business model and the cost of individual activities within it



SAVINGS OPTIONS

Evidence-based options for achieving savings



SAVINGS DETAILS

Details of one-off and recurring savings



SCENARIO PLANNING

Scenario planning to outline best, worst and most likely scenarios of the financial position and the assumptions used



ASSETS/LIABILITIES & RESERVES

Details of assets, liabilities and reserves and how these will change over time



CAPITAL INVESTMENT ACTIVITY

Details of investment needs and plans and how these will be paid for



DEMAND

An analysis of levels of service demand and projected income



FUNDING SHORTFALLS

Any income or funding shortfalls and how to deal with these



STRATEGY LINKS

Clear links to the corporate strategy, CPP objectives and other relevant strategies such as workforce and asset management



RISKS & TIMESCALES

The risks and timescales involved in achieving financial sustainability



The strategy should be underpinned by detailed financial plans in the short (one year) and medium (two to five years) term.

Source: Audit Scotland

Case study 1

Financial planning in the City of Edinburgh Council

In 2012/13, the council developed a budget covering years 2013/14 to 2017/18. This was designed to help deal with a potential budget shortfall of £95 million by 2017/18 that their financial plan identified.


Using the plan as a starting point, the council applied a planning framework to identify pressures and the options to achieve savings. It also considered structural and legislative changes, such as the integration of health and social care services and welfare reform. The 2013/14 budget was developed using the principles agreed as part of the framework.

The framework approach focused on identifying proposed savings across three main areas:

- transformation (such as recruiting more foster carers while reducing the use of foster agencies)
- efficiency and council-wide savings (such as improving procurement and increasing the use of e-advertising)
- additional income (reviewing existing charges and fees).

An important element of the process was preparing a service cost model to chart changes in projected service costs over the medium to long term. The outputs of this model were integrated as closely as possible to the financial plan.

Source: The City of Edinburgh Council

37. In the NHS, the timeframe for financial planning is generally three or five years.¹⁴ The report [NHS financial performance 2012/13 \(PDF\)](#)  highlighted that NHS boards' Local Delivery Plans provide financial projections covering expected funding, expenditure levels and savings required, but that detailed financial planning is restricted to the first year. Central government bodies generally do not produce long-term financial strategies. Financial information is reported within the corporate plan but, in many cases, the information is limited or does not extend beyond a three-year period.

38. With limited information on available funding beyond 2015/16, public bodies should undertake scenario planning as part of their long-term financial strategies. This involves making assumptions about different levels of future income, expenditure and activity and outlining options based on each scenario. This helps to identify potential solutions to difficulties arising from variations in levels of future funding. It also provides an opportunity to outline ways to maintain service levels. Without planning like this, there is a risk that public bodies continue taking a short-term approach to cost reduction at the expense of better alternatives over the longer term. Local audit work showed that few public bodies had undertaken scenario planning as part of their long-term financial planning.

Better information is needed to scrutinise spending plans

Scrutiny arrangements are sound but more information is needed on progress towards delivering outcomes

39. Scrutiny plays an essential role in ensuring public bodies' budgets, financial plans and strategies are credible and transparent: that is, based on clearly understood information. It also ensures they work towards achieving their overall aims and objectives. Effective scrutiny should be independent, balanced and hold people to account for their spending plans and use of public money for which they are responsible. It requires relevant, reliable and timely information.

40. Different scrutiny arrangements are in place across public bodies in Scotland. Overall, across local government, the NHS and central government, arrangements to enable scrutiny are generally sound.

- Within councils, relevant committees consider financial plans and budgets regularly (at least four times a year). Many councils have established committees or working groups to scrutinise and develop budget proposals before they are considered at council level.
- In the NHS, board members, including non-executive directors, are involved in preparing Local Delivery Plans, allowing them to challenge and scrutinise financial plans. Financial monitoring is generally reported at each board meeting, along with minutes from financial scrutiny committees. In 2012/13, NHS Fife established a Programme Management Office to challenge savings plans. Other health boards are considering a similar approach ([Case study 2, page 19](#)).
- In central government bodies, non-executive directors and individual committees generally scrutinise finances. Most have financial and performance monitoring reports at every board meeting. Local audit work found that, in general, the budget-setting process involves significant input from senior officials and board members.

41. Irrespective of the structures in place, councillors and non-executive directors have an important role in making sure public bodies plan to achieve the necessary outcomes from spending decisions. This requires the identification and definition of desired outcomes and the ability to monitor progress towards their achievement. Together, public sector leaders should be clear how each spending decision contributes to each outcome; how it will result in improvements; and what changes can be made to ensure it is successful. Scrutiny should include regular monitoring of progress towards outcomes and include feedback on where further improvements can be made.

Case study 2

Scrutiny of savings plans: NHS Fife

NHS Fife set up a Programme Management Office (PMO) in 2012/13 to help identify and deliver savings. The PMO supports the coordination and prioritisation of resources across different projects, helping to manage the links between projects, and identifying any impact on other services or patient care, as well as overseeing the delivery of efficiency savings.

Directorate service managers and their teams identify savings. These are overseen and challenged by directorate and divisional heads, with relevant input from finance staff. The risks associated with delivering individual savings schemes are identified as high, medium or low. This indicates the likelihood of not achieving individual savings so that NHS Fife can assess and manage the impact on the overall savings programme. The PMO uses a tracking database to monitor the progress of projects, with regular reports being provided to management. Using this approach NHS Fife achieved £17.5 million savings in 2012/13.

During 2012/13, the emphasis was on cash-releasing savings schemes. In 2013/14 the PMO considered cash-releasing and non-cash releasing savings and identified £16.3 million cash and non-cash savings.

The PMO approach provides a clear evidence base for identifying savings plans. Some other health boards have expressed an interest in developing a similar approach.

Source: NHS Fife

There is scope to improve financial information provided for scrutiny

42. All levels of the governance structure, from working groups to committees and boards, need reliable, accurate and timely information to scrutinise effectively. Public bodies need to improve the level and consistency of information provided for scrutiny. For example, auditors reported cases where:

- actions, responsibilities, measurable outcomes or timescales were unclear
- reporting of financial information was limited in frequency and content
- scrutiny of plans and savings took place in private with no reporting of decisions.

43. Budget scrutiny largely focuses on how budgets compare with the previous year. The actual spending outturn and savings achieved in the previous year receive limited attention. In addition, more work is needed to identify and consider different options available including new ways of delivering services that make better use of the money that is available.

44. The opportunity to provide good scrutiny and challenge of financial plans and savings will be reduced if information is not provided, incorrect, out of date or incomplete ([Exhibit 4](#)). Senior managers and staff in public bodies are responsible for making sure enough information is available for public sector leaders to scrutinise effectively and approve spending decisions. They also need to ensure an appropriate balance is made between information used for internal purposes and information made publicly available as part of the scrutiny process. Likewise, it is the responsibility of non-executive directors and councillors to make sure they have the information they need.

45. The public sector workforce reduced by 26,600 WTE (seven per cent) to 373,400 between 2009 and 2013.¹⁵ In view of these significant staff reductions, public sector leaders should also consider the leadership, capacity and resilience of finance departments and their ability to supply information to scrutinise budgets. The chief financial officer has a crucial role in providing advice on all aspects of finance and is central to effective governance. For example, in local government, in assessing the capacity of finance departments, councillors should satisfy themselves that the officer has appropriate access and influence to perform the role.¹⁶

Exhibit 4

Important characteristics of financial information



RELIABLE

Information should be accurate, representative and verifiable. Where assumptions or estimates are used these should be clearly stated



TIMELY

Information should be up to date and provided on a regular basis



COMPLETE

Information should be comprehensive and cover the areas relevant to the needs of key decision-makers



TRANSPARENT

Information should be clear, understandable and easy to obtain



CONSISTENT

Information should be reported on the same basis across different periods to allow for comparisons to be made

Source: Audit Scotland

Most public bodies consulted stakeholders on savings plans

46. Engaging with communities and service users is an important component of priority-based budget setting. It can provide information on demand and help to ensure budgets are allocated where they are needed most. In most cases, auditors reported that public bodies consult people who use or are affected by services on financial and savings plans, and on how these are likely to affect the services delivered. Consultation activity was more common in local government and the NHS than in central government bodies. Most councils and NHS bodies had consulted on major decisions such as relocating services or decisions that had implications for staff. However, some public bodies had taken no action to consult the public.

47. Where public bodies decide to change how services are delivered, they need to ensure these decisions are based on the needs of the people who use that service. A decision to deliver a service in an alternative way can change long-standing arrangements and have far-reaching consequences for service users, systems and staff. By consulting with the public and staff, public bodies can manage expectations about what they can achieve within available budgets.

Public bodies need to use benchmarking data to gain a better understanding of their costs and performance

48. Benchmarking is measuring how an organisation is performing against one or more other organisations. It helps to identify areas for improvement, highlight opportunities and validate successful performance. Auditors reported that contributing to benchmarking exercises is common across the Scottish public sector. Auditors for both central government and NHS bodies reported there were few examples of measurable benefits derived from benchmarking activities. In local government, auditors reported that councils could benchmark more effectively and do more to demonstrate its benefits. SOLACE,¹⁷ COSLA¹⁸ and the Improvement Service have been leading on work to establish a new benchmarking framework in local government. The new framework provides comparative benchmarking across all major service areas, covering costs, performance and customer satisfaction.

49. Improving the use of benchmarking data across the public sector can help identify potential inefficiencies. Throughout the year, public bodies need to monitor their performance against benchmarking data to explore opportunities for improvements, reducing costs and changing the way services are delivered within the boundaries of the money available.

Non-executive directors and councillors need training to support them in budget-setting and scrutinising performance against budgets

50. In the quickly changing context set out in [Part 1](#) of this report, it is more important than ever that non-executive directors and councillors are supported in their role. The introduction of different methods of paying for major capital investment, such as tax incremental financing and NPD, is an example of a complex area where support may be required to ensure public sector leaders are fully aware of the key issues, risks and impact on public finances.

51. Effective budget-setting and budget scrutiny can only take place when these people have the right skills and support to carry out their roles. Our report [An overview of local government in Scotland 2014 \(PDF\)](#)  found that there is demand and more need in councils for training for councillors. All public bodies should assure themselves that they provide appropriate training and support for

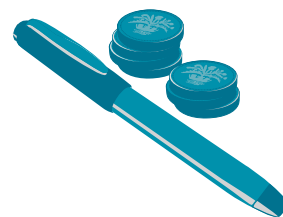
individuals in these roles. Awareness and understanding of how budget setting and scrutiny links with the overall organisation are other important aspects that public bodies can support through training and development for non-executive directors and councillors.

Recommendations

Public bodies should:

- implement an approach to budgeting that focuses more on priorities and links planned spending more closely with the outcomes they want to achieve
 - develop a longer-term approach to financial planning that takes account of priorities, risks and liabilities and provides assurances on long-term affordability
 - support effective scrutiny by ensuring that good-quality information is available and that councillors and non-executive directors have the right skills to carry out their scrutiny roles.
-

Endnotes



- ◀ 1 This is the Departmental Expenditure Limit budget.
- ◀ 2 *NHS financial performance 2011/12*, October 2012; *NHS financial performance 2012/13*, October 2013; *An overview of local government in Scotland*, March 2012, March 2013 and March 2014 *Scotland's public sector workforce*, November 2013; *Scotland's colleges: current finances, future challenges*, October 2012; *Scotland's colleges 2013*, August 2013. All Audit Scotland.
- ◀ 3 *SCVO State of the Sector report*, Scottish Council for Voluntary Organisations, April 2014.
- ◀ 4 The Scottish Government's draft budget for 2014/15 uses GDP deflators from June 2013, therefore there may be minor differences between figures quoted in this report and the draft budget document.
- ◀ 5 Non-Profit Distribution caps returns to the private sector, with surpluses reinvested in the public sector.
- ◀ 6 This is based on major capital projects valued at over £20 million and includes revenue finance methods such as Non-Profit Distribution, Hub and Regulated Asset Base (RAB).
- ◀ 7 *Scottish Budget: Draft Budget 2014/15*, Scottish Government, September 2013.
- ◀ 8 The capital DEL budget for 2015/16 includes £285 million in real terms of borrowing from the National Loans Fund introduced under the provisions of the Scotland Act 2012.
- ◀ 9 Funding from non-domestic rates is classified as Annually Managed Expenditure and is outwith the DEL budget.
- ◀ 10 *UK Budget 2014*, HM Treasury, March 2014.
- ◀ 11 *Economic and Fiscal Outlook*, Office for Budget Responsibility, March 2014.
- ◀ 12 *Agreement on Joint Working on Community Planning and Resourcing*, National Community Planning Group, September 2013.
- ◀ 13 In March 2014, the Accounts Commission published *Options appraisal: are you getting it right?* as part of their *How Councils Work* improvement series. The report is aimed at councillors, senior officials and managers in councils and is intended to stimulate change and improve performance through better options appraisal.
- ◀ 14 NHS financial plans are generally required for a three-year period. A five-year plan is required when there is a major capital project in development, brokerage arrangements are in place, an underlying deficit of over one per cent of baseline revenue funding, or major service redesign. A five-year capital plan is required by all boards.
- ◀ 15 *Scotland's public sector workforce*, Audit Scotland, November 2013.
- ◀ 16 Local authorities must appoint a statutory/proper officer for finance, under section 95 of the Local Government (Scotland) Act 1973.
- ◀ 17 The Society of Local Authority Chief Executives and senior managers.
- ◀ 18 The Convention of Scottish Local Authorities.

Appendix

List of public bodies where local audit work was carried out



Local government sector

- 29 councils
- Strathclyde Partnership for Transport

Health sector

- All 14 territorial health boards
- National Waiting Times Centre Board (Golden Jubilee National Hospital)
- NHS 24
- NHS Education for Scotland
- NHS National Services Scotland
- NHS Health Scotland
- Scottish Ambulance Service
- The State Hospital

Central government sector

- Care Inspectorate
- Creative Scotland
- Crown Office
- Forestry Commission and Forest Enterprise (Scotland)
- Highlands and Islands Enterprise
- Historic Scotland
- Scottish Court Service
- Scottish Enterprise
- Scottish Environment Protection Agency

- Scottish Funding Council
- Scottish Natural Heritage
- Scottish Prison Service
- Scottish Qualifications Authority
- Skills Development Scotland
- Sportscotland
- Transport Scotland

Scotland's public finances

A follow-up audit: Progress in meeting the challenges

This report is available in PDF and RTF formats, along with a podcast summary at:

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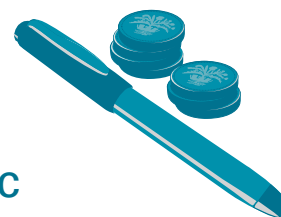
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APPENDIX 2

Key Actions Points	Lead Officer (s)	Current NAC Position	Planned NAC Actions
Implement an approach to budgeting that focuses more on priorities and links planned spending more closely with the outcomes they want to achieve.	Executive Director (Finance and Corporate Support)	In 2013/14 the Council introduced Outcome Based Budgeting as a modelling tool for considering options for the delivery of savings which clearly demonstrates the links between planned spending and the outcomes and priorities for the Council.	This work will be further developed in 2014/15 and will inform budget setting in 2015/16 and beyond.
Develop a longer term approach to financial planning that takes account of priorities, risks and liabilities and provides assurances on long term affordability.	Executive Director (Finance and Corporate Support)	The Council approved a long term financial strategy for revenue and capital which was approved by Council in May 2013 which takes accounts of priorities, risk and liabilities.	A refresh will be carried out in 2015.
Support effective scrutiny by ensuring that good-quality information is available which clearly defines actions, responsibilities, measurable outcomes, timescale and has sufficient financial information to support the scrutiny of plans and savings.	Executive Director (Finance and Corporate Support)	The Council has robust and transparent financial management arrangements in place with the financial implications of all decisions being clear.	As part of the its commitment to continuous improvement the Council continues to develop it financial information.

Scotland's public finances – a follow-up audit



Checklist to support councillors' scrutiny of public finances (Local Government)




Introduction

The following checklist is designed to help councillors with their important role in budget-setting and overseeing financial plans and financial performance. It also provides a basis for discussions in councils on the budget-setting process, long-term financial planning and the availability of good information to support effective scrutiny of public finances.

The questions should help councillors to seek evidence, and subsequently gain assurance, on their council's approach in dealing with ongoing financial pressures. The applicability of the checklist will vary according to the responsibilities of each councillor.

If the answer to any question is 'no', then we would encourage councillors to speak with the council's Director of Finance (section 95 officer), or, where appropriate, the Chief Executive, to discuss how improvements can be made.

The checklist is divided into three sections and should be read in conjunction with the report [*Scotland's public finances: a follow-up audit* \(PDF\)](#)  published in June 2014. This report provides a high-level update on the financial position and on how public bodies are meeting the challenges of reduced public spending. It considers the importance of budget-setting linked to outcomes, long-term financial planning and robust scrutiny of finances.

Section 1: Budget-setting – roles, responsibilities and approach

The following questions focus on the roles and responsibilities of those involved in the annual budget-setting process. Questions also cover the budgeting approach and how budget-setting links to the achievement of outcomes. [\(See main report paragraphs 29 to 33\)](#)

Budget-setting – roles, responsibilities and approach		Y/N
1.	<p>Do I have a good understanding of how the budget-setting process works within my council?</p> <ul style="list-style-type: none"> Do I have confidence that budget proposals are realistic? Are the roles and responsibilities of individuals and committees involved in budget-setting clearly documented and understood? Am I clear about my own specific responsibilities within the budget-setting process? 	
2.	<p>Has my council developed a priority-based approach to budget-setting which makes connections between planned spending and intended outcomes?</p> <ul style="list-style-type: none"> Are budgets clearly linked to the council's priorities and outcomes as set out in strategy documents? Does the council work well with community planning partners to ensure budget-setting takes full account of shared priorities, such as those included in the Single Outcome Agreement? Are different spending options made available to decision-makers, including new ways of delivering services, and have I seen them? Are the costs and benefits (financial and non-financial) of each option clearly documented including the impact on service users and related risks? Do spending options consider the unit costs of services and benchmarking data and how these will change over time? 	
3.	<p>Is there a clear mechanism for monitoring and reporting how, over time, spending decisions are contributing to outcomes?</p> <ul style="list-style-type: none"> Is sufficient time built into the budget-setting process to allow for effective scrutiny and challenge of spending plans? Is sufficient attention given to current year spending against the current year budget when setting budgets for future years? 	

Section 2: Long-term financial planning

The following questions consider councils' financial strategies and plans over the short (one year), medium (two to five years) and longer-term (five to ten years). [\(See main report paragraphs 34 to 38\)](#)

Long-term financial planning	Y/N
<p>4. Does my council have a long-term financial strategy (covering 5 to 10 years)?</p> <ul style="list-style-type: none"> Does the council also have detailed financial plans that outline spending commitments over the short (one year) and medium-term (two to five years)? Do the financial strategy and financial plans provide me with an overall understanding of the financial health of the council? Are the financial strategy and financial plans subject to scrutiny by the finance committee and full council on a regular basis? Where assumptions and forecasts are used are they clearly stated? Are they reasonable? 	
<p>5. Does the financial strategy consider:</p> <ul style="list-style-type: none"> the cost of providing individual services? the main cost drivers for each activity? evidence-based options for achieving savings? details of one-off and recurring savings? scenario planning to outline best, worst and most likely scenarios of the financial position? details of assets, liabilities and reserves and how these will change over time? an analysis of levels of service demand and projected income? any income or funding shortfalls and how to deal with these? clear links to other relevant strategies such as workforce and asset management? the risks and timescales involved in achieving financial sustainability? 	
<p>6. Do detailed short and medium-term financial plans clearly link and align to my council's longer-term financial strategy?</p> <ul style="list-style-type: none"> Do short and medium-term financial plans take account of the overall resources available in the community planning partnership area? 	
<p>7. Am I satisfied that appropriate action is being taken to address potential future funding gaps?</p> <ul style="list-style-type: none"> Am I aware of all significant financial risks facing the council and their implications? Am I satisfied with the council's approach to holding, moving and using reserves? Am I aware of all contracts which will have a significant long-term financial impact on the council? Am I aware of the long-term financial impact on future budgets of using revenue-finance methods (such as non-profit distribution and tax incremental financing) to pay for capital investment? 	

Section 3: Information to support effective scrutiny of public finances

The following questions consider the importance of good quality information for financial scrutiny. They also consider the training provided to councillors to support them in their role. [\(See main report paragraphs 39 to 51\)](#)

Information to support effective scrutiny of public finances	Y/N
<p>8. Am I provided with good financial and performance information which enables me to effectively challenge spending proposals and decisions?</p> <ul style="list-style-type: none"> • Do I know whom to ask for explanations or if the information is not what I require? • Am I able to gain assurance that any questions raised are addressed and resolved? 	
<p>9. Is there a culture of openness and transparency in providing information for scrutiny and in the scrutiny process itself?</p> <ul style="list-style-type: none"> • Is information provided: <ul style="list-style-type: none"> – reliable? – timely? – complete? – transparent? – consistent across time periods? 	
<p>10. Do I receive financial and non-financial information in a form that enables me to easily understand my council's financial position?</p> <ul style="list-style-type: none"> • Do I receive good information about the changing environment within which the council operates including: <ul style="list-style-type: none"> – financial and service pressures? – impact of public service reforms, such as welfare reform and health and social care integration? – the effect of policy decisions such as no compulsory redundancies and national pay policies? – the introduction of, and changes to, legislation? – actions by other councils, public bodies and private and third sector organisations? • Is benchmarking data made available about other councils on comparable services and is this used to inform decision-making? • Is trend information available to allow a clear understanding of the organisation's progress towards achieving financial sustainability? • Are satisfactory explanations provided for all significant changes in comparing budgets with actual spending? 	
<p>11. Am I confident my knowledge of public finances enables me to challenge and review financial and performance information?</p> <ul style="list-style-type: none"> • Am I provided with, and take up, sufficient training to support me in my scrutiny role? • If sufficient training is not provided, do I know who is responsible for resolving this? 	

NORTH AYRSHIRE COUNCIL

Agenda Item 11

23 September 2014

Cabinet

Subject: **North Ayrshire Shadow Integration Board**

Purpose: To advise members of the business dealt with by the North Ayrshire Shadow Integration Board during the period from April 2014 to July 2014 and to advise members of the progress towards formal integration of health and social care.

Recommendation: Members are asked to note the contents of this report.

1. Introduction

- 1.1 The North Ayrshire Shadow Integration Board (SIB) was formed in April 2014. The SIB was formed in preparation for formal integration of health and social care in accordance with the Public Bodies (Joint Working) (Scotland) Act 2014 (the Act). The SIB is a sub-committee of the Council and a committee of NHS Ayrshire & Arran but functions as if it were a single committee. As the committee of the Health Board, the SIB is also the Community Health Partnership (CHP). CHP's will cease to exist under the Act. The business of the SIB is the planning and delivery of community health and social care services and oversight of the work being undertaken to achieve full integration. Subject to approval by Scottish Parliament of an Integration Scheme agreed between North Ayrshire Council and NHS Ayrshire and Arran, the SIB will be superseded in April 2015 by an Integration Joint Board which will be a distinct body from the two statutory partners.
- 1.2 In April 2014 the Council and the Board delegated to the SIB responsibility for all services which were envisaged to be part of the formal partnership. The intention was that during this shadow period a joint management team could be appointed and begin to operate and that detailed preparation could be made for full integration. This would also be a time when some proposals could be tested and any necessary adjustments made before the IJB was formally constituted.
- 1.3 The purpose of this report is to advise members of the business dealt with by the SIB in the period from April to July.

2. Current Position

Membership of the SIB

- 2.1 The membership of the SIB has been established to include at least all individuals and groups set out in the Act. There are four voting members from each of North Ayrshire Council and NHS Ayrshire & Arran. As the Director of the Health & Social Care Partnership (HSCP) is an employee of the Council, the Chair of the SIB (Mr Stephen McKenzie) was drawn from the NHS non-executive members. Councillor Anthea Dickson was appointed to the role of vice-chair. These positions will rotate as will be agreed in the Integration Scheme. In addition to the voting membership other, non-voting members are drawn from those who are stakeholders in health and social care, such as people who use services, independent and third sector providers of services and staff. A number of members of staff, including the Partnership Director, are also members of the SIB by virtue of the post that they hold. The members of the SIB are listed in Appendix One.
- 2.2 Although initially the SIB planned to meet every six weeks the volume and pace of business necessitated a move to monthly meetings. This change will take effect from September.

Business conducted by the SIB

- 2.3 The business conducted by the SIB comprises:
- Items regarding the progress towards integration. This includes a regular overview report by the Partnership Director and items relating to the preparation of the Partnership's first strategic plan.
 - Items for approval or information concerning the services delegated to the SIB by the Council and NHS Board. These items would formerly have come either to the Cabinet or the NHS Board.
 - Items termed as CHP business. In practice there have been few such items as work on integration has gathered pace.
- 2.4 The SIB has also received presentations designed to inform members of the SIB about various services which fall within its remit. Copies of the SIB agendas are attached at Appendix Two. The SIB papers are published on the North Ayrshire Council public website. The main matters dealt with in the period from April to July are noted below.

Progress towards integration

2.5 Director's report:

The Director prepares a monthly update for the SIB on progress being made towards integration. This normally includes information on national developments, e.g., the consultation on the draft regulations; information on work undertaken on a pan-Ayrshire basis by the Strategic Alliance Integration Sub-Group and information that is particular to the North Ayrshire Partnership, e.g., recruitment of the Partnership's Senior Management Team.

2.6 Partnership budget:

At the June meeting of the SIB the Director of Finance and Corporate Services and the Director of Finance of NHS Ayrshire & Arran presented a report on the base budget for the Partnership for 2014/2015. The Partnership net budget is £195,652,000 comprising £81,279,000 from the Council and £114,373 from the NHS. The Social Work budget comprises all services managed by Social Services and Health. The NHS budget comprises community health services, non district general hospitals (Arran War Memorial, Lady Margaret and Ayrshire Central continuing care) together with the budgets for services for which the North Ayrshire partnership is lead partner for Ayrshire.

2.7 Preparation of strategic plan:

The preparation of the Partnership's Strategic Plan is one of the main responsibilities of the SIB. This will set out the Partnership's initial vision and priorities and is the document against which the Partnership will be judged. The legislation and draft regulations prescribe extensive consultation on the contents of the plan. This consultation extends not only to particular groups of stakeholders, such as professionals, people who use and those who provide services but also to communities, so that the services provided in a particular area address the needs and priorities identified by the people who live there. The SIB has received regular reports on the work being done to prepare the strategic plan, in particular the establishment of a Strategic Planning Group, which is based on and expands the membership of the former CHP Forum.

2.8 Other matters:

A number of matters relating to the development of the SIB itself in preparation for the formation of the IJB next year were also dealt with. These included organisational development support for the SIB, a policy for reimbursement of expenditure incurred on partnership business by SIB members who are not already reimbursed through the Council or the NHS and the requirement for SIB members to sign the Code of Conduct for Members of Devolved Public bodies, or its equivalent.

Items for approval or information concerning services delegated to the SIB

- 2.9 Payments to supported carers:
The SIB approved a proposal to increase the rates paid to supported carers from £171 to £250 per week. This proposal recognised the benefits of this type of support to young people who have been discharged from the care of the local authority and brought the payment offered to carers into line with that offered by neighbouring authorities.
- 2.10 Consultation on proposed carers' legislation:
The SIB approved a response to the consultation on proposed carers' legislation. The response broadly welcomed proposals including a duty on local authorities to establish a service for providing information and advice relating to support for carers, other support to carers, early planning for transitions, involving carers in the development of local strategies and the maintenance of a register of carers. The report noted that the proposed legislation included a number of new duties but no indication of a financial framework to support these duties.
- 2.11 Improving children's outcomes:
The SIB agreed to participate in the Scottish Government project to improve children's outcomes and to contribute £15,000 towards the cost of the project in North Ayrshire. The project will collect data about the needs and wellbeing of children in the areas participating in the project. It will provide area wellbeing profiles to inform the children's service plan so that services meet the needs of children more effectively in the future.
- 2.12 Legislative Developments:
The SIB received a report from the Chief Social Work Officer on the implications of the Children & Young People (Scotland) Act 2014. The SIB agreed to support the proposals in the report to plan for implementation of the requirements of the new legislation. The report drew the SIB's attention to the risk that Scottish Government funding may not cover the costs of implementing the Act.

The SIB approved a report on the implementation of the Social Care (Self-directed Support) (Scotland) Act 2013. The report outlined the new duties placed on local authorities by the Act including a requirement to ensure all service users are supported in making decisions and managing their support. Local authorities have enhanced duties to offer and explain four options for direct payments to all eligible individuals. Service users must be advised of the cost of each option for their support. Local authorities are placed under a duty to develop the social care market to enable service users to exercise real choice and there are measures to waive charges for services to unpaid service users.

- 2.13 Chief Social Work Officer Annual Report:
Members of the SIB received, for information, the Annual Report of the Chief Social Work Officer which had previously been considered at the meeting of the Cabinet on 16 July.
- 2.14 Contract Management Framework – Annual Performance Report:
The SIB received the annual report detailing how purchased care is monitored to ensure that it meets the required standards. The report noted how the contract management framework enables effort to be concentrated on those providers that are assessed as having the highest level of risk. The framework provides a method of identifying poor performance at an early stage so that Council staff and the provider can work together to make improvements.
- 2.15 Consultation on proposed regulations relating to the Public Bodies (Joint Working) (Scotland) Act 2014:
At its meeting in June the SIB agreed that it would not respond in its own name to the above consultation. As the regulations in their final form will prescribe many aspects of the of the operation of the Integration Joint Board, members of the SIB took part in a workshop on the draft regulations, facilitated by the Council's Head of Democratic and Administrative Services.
- 2.16 Consultation on the Future Model for Community Justice in Scotland: Arrest Referral Bail Supervision Service - The SIB agreed to extend the contract with SACRO for the arrest referral bail supervision service for a period of one year. The annual value of the contract is £225,000.
- 2.17 Contract Award - Response Monitoring Service:
The SIB homologated the decision to award the contract for the response monitoring service to Cordia Care Services. The contract award had been made by the Chief Executive using her emergency powers and this had previously been reported to Cabinet.

CHP Business

- 2.18 The main item of CHP business dealt with by the SIB has been to approve the annual submission for the Reshaping Care for Older People Change Fund, which is now in its fourth and final year. Progress against the Reshaping Care agenda in Scotland as a whole was also the subject of a report by Audit Scotland, which was reported to the Council's Audit Committee. The report to the SIB highlighted work being done to evaluate the projects funded by Reshaping Care to determine which should be taken forward and how they might be funded.

3. Proposals

- 3.1 The SIB will continue to work towards achieving full integration of health and social care and to fulfil its responsibilities for services delegated to it by North Ayrshire Council and NHS Ayrshire & Arran.

4. Implications

Financial Implications

- 4.1 There are no financial implications arising from this report.

Human Resource Implications

- 4.2 There are no human resource implications arising directly

Legal Implications

- 4.3 Work undertaken to prepare for integration will ensure that North Ayrshire Council and NHS Ayrshire & Arran are able to comply with the requirements of the legislation.

Equality Implications

- 4.4 There are no equality implications.

Environmental and Sustainability Implications

- 4.5 There are no environmental implications.

Implications for Key Priorities

- 4.6 The integration of health and social care will contribute to the delivery of the "Healthier North Ayrshire" priority in the 2013-2017 Single Outcome Agreement.

Community Benefit Implications

- 4.7 There are no community benefit implications.

5. Consultations

- 5.1 No specific consultation was required for this report. User and public involvement is a key workstream for the development of the partnership and all significant proposals will be subject to an appropriate level of consultation.

6. Conclusion

- 6.1 The SIB is making good progress in dealing with its wide and challenging remit, both as regards the services for which it now has operational responsibility and as regards preparations for full, formal integration of health and social care.

A handwritten signature in purple ink, reading 'Iona Colvin'.

IONA COLVIN

Director (North Ayrshire Health and Social Care Partnership)

Reference : LR/KS

For further information please contact Lisbeth Raeside, Head of Service Development on 01294 317705.

Background Papers

None

North Ayrshire Shadow Integration Board
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	Name	Representative
Voting Members		
1	Mr Stephen McKenzie (Chair)	NHS Ayrshire & Arran
2	Councillor Anthea Dickson (Vice-Chair)	North Ayrshire Council
3	Dr Janet McKay	NHS Ayrshire & Arran
4	Dr Carol Davidson	NHS Ayrshire & Arran
5	Mr Bob Martin	NHS Ayrshire & Arran
6	Councillor Peter McNamara	North Ayrshire Council
7	Councillor Ruth Maguire	North Ayrshire Council
8	Councillor Robert Steel	North Ayrshire Council
Professional Advisors		
9	Ms Iona Colvin	Director North Ayrshire Health & Social Care Partnership
10	Dr Ken Ferguson	Medical Director NHS Ayrshire & Arran
11	Ms Sheena Gault Mr Stephen Brown (from 1 st September 2014)	Chief Social Work Officer- North Ayrshire Council
12	Mr Derek Barron	Mental Health Advisor Nursing Advisor
13	Kerry Gilligan	Allied Health Professional Advisor
14	Ms Laura Friel	Finance Corporate Director - North Ayrshire Council
15	Mr Derek Lindsay	Director of Finance NHS Ayrshire and Arran
Stakeholder Representatives		
16	Mr Martin Hunter	Service User Representative
17	Ms Fiona Thomson	Service User Representative
18	Ms Marie McWaters	Carers Representative
19	Ms Sally Powell	Carers Representative
20	Dr Ken Ferguson	GP Representative
21	TBC	NHS Independent Contractor Representative
22	Mr David Donaghey	Staff Representative - NHS Ayrshire and Arran
23	Ms Louise McDaid	Staff Representative - North Ayrshire Council
24	Mr Jim Nichols	Third Sector Representative
25	Nigel Wanless	Independent Sector Representative



**Cunninghame House
Irvine**

25 April 2014

Shadow Integration Board

You are requested to attend a meeting of the Shadow Integration Board to be held on **Thursday 1 May 2014 at 10.00 a.m.** in the **Council Chambers, Cunninghame House, Irvine**, to consider the following business.

Business

1. Apologies

Invite intimation of apologies for absence.

2. Minutes

Submit the minutes of the meeting of the Transitional Integration Board held on 20 March 2014 (copy enclosed).

3. Matters Arising

4. Integration of Health and Social Care in North Ayrshire

Receive presentation from the Director, North Ayrshire Health and Social Care Partnership.

5. CHP Business

5.1 Reshaping Care – Self Assessment

Submit report by the Partnership Facilitator (North Ayrshire Council) on a self-assessment checklist prepared for the Auditor General for Scotland (copy enclosed).

5.2 Community Services Review Action Plan

Submit report by the Partnership Facilitator (North Ayrshire Council) on the initial actions from the first Community Services Review Event held with key stakeholders (copy enclosed).

5.3 Minutes of OLG Meeting held on 21st January 2014

Submit the minutes of the meeting of the Officers Locality Group (OLG) held on 21 January 2014 (copy enclosed).

6. Director's Report

Submit report by the Director, (North Ayrshire Health and Social Care Partnership) on developments in the North Ayrshire Health & Social Care Partnership (copy enclosed).

7. Financial Update

Submit report by the Corporate Director (Finance and Corporate Support) (North Ayrshire Council) on progress being made in developing financial matters in respect of the Health and Social Care Partnership (copy enclosed).

8. Strategic Planning – Joint Strategic Commissioning

Submit report by the Partnership Facilitator (North Ayrshire Council), on the development of the Health and Social Care Strategic Plan (copy enclosed).

9. Integration of Health and Social Care - Programme Risk Register

Submit report by the Programme Manager, Integration of Health & Social Care (North Ayrshire Council) on the strategic risk register (copy enclosed).

10. Management Proposals – North Ayrshire Health and Social Care Partnership

Submit report by the Director (North Ayrshire Health and Social Care Partnership) on the draft management proposals for the North Ayrshire Health and Social Care Partnership (copy enclosed).

11. Payment to Supported Carers

Submit report by the Chief Social Work Officer (North Ayrshire Council) on the proposed increase in weekly payments to supported carers (copy enclosed).

12. Carers Legislation – Consultation on Proposals

Submit report by the Head of Community Care (Social Services and Health) (North Ayrshire Council) on the consultation on proposed Carers Legislation (copy enclosed).

13. Improving Children's Outcomes

Submit report by the Chief Executive (North Ayrshire Council) on proposals to participate in a Scottish Government project to improve children's outcomes (copy enclosed).

14. Any Other Business

15. Date of Next Meeting

The next meeting will be held on Thursday 12th June 2014 at 2.00 p.m., Council Chambers, Cunninghame House, Irvine.

**Cunninghame House
Irvine**

5 June 2014

**Shadow Integration
Board**

You are requested to attend a meeting of the Shadow Integration Board to be held on **Wednesday 11 June 2014 at 10.00 a.m.** in the **Council Chambers, Cunninghame House, Irvine**, to consider the following business.

Business

1. Apologies

Invite intimation of apologies for absence.

2. Conflicts of Interest

3. Minutes / Action Note

Submit the minutes of the meeting of the Shadow Integration Board held on 1st May 2014 and action note (copy enclosed).

4. Matters Arising

5. Presentation: Family Nurse Partnership

Receive presentation by Donna McKee, FNP Lead (copy enclosed).

6. Base Budget for 2014/15

Submit report by the Corporate Director (Finance and Corporate Support) (North Ayrshire Council) on the management of aligned budgets (copy enclosed).

7. CHP business

7.1 Change Fund

Submit report by the Partnership Facilitator (North Ayrshire Council) on the annual Change Fund template submission to the Scottish Government (copy enclosed).

7.2 Minutes of OLG Meeting held on 18 March and 29 April 2014

Submit the minutes of the meetings of the Officers Locality Group (OLG) held 18th March and 29 April 2014 (copies enclosed).

7.3 Minutes from the CHP Forum held on 27 February and 15 May 2014

Submit the minutes of the meetings of the Community Health Partnership
Forum held on 27 February and 15 May 2014 (copies enclosed).

8. Director's Report

Submit report by the Director, (North Ayrshire Health and Social Care Partnership) on developments in the North Ayrshire Health & Social Care Partnership (copy enclosed).

9. Expense Policy

Submit report by the Head of Service (Development) (Social Services & Health) (North Ayrshire Council) (copy to follow).

10. Developing Health & Social Care Strategic Plan

Submit report by the Partnership Facilitator (North Ayrshire Council) the proposed timescale for the first Strategic Plan (copy enclosed).

11. Development of Health & Social Care Sub Structure

Submit report by the Partnership Facilitator (North Ayrshire Council) on the development of sub structures (copy enclosed).

12. Organisational Development Support

Submit report by the Head of Service (Development) (Social Services & Health) (North Ayrshire Council) on a programme of organisational development support (copy enclosed).

13. Implications of the Children and Young People (Scotland) Act 2014

Submit report by the Chief Social Work Officer (North Ayrshire Council) on the implementation of the Children and Young People (Scotland) Act 2014 (copy enclosed).

**14. Social Care (Self Directed Support) (Scotland) Act 2013
Statutory Regulations**

Submit report by the Senior Manager (Community Care) (North Ayrshire Council) on the implications of the Act (copy enclosed).

**15. Consultation on Regulations Relating to the Public Bodies
(Joint Working) (Scotland) Act 2014**

Submit report by the Head of Service (Development)(Social Services & Health) (North Ayrshire Council) (copy enclosed).

16. Consultation on the Future Model for Community Justice in Scotland

Submit report by Criminal Justice Manager (North Ayrshire Council) on the main points arising from the consultation (copy enclosed).

17. Draft Inequalities Strategy

Submit report by the Partnership Facilitator on the draft CPP Inequalities Strategy (copy enclosed).

18. Agenda / Dates of Meetings

Cunninghame House
Irvine

24th July 2014

Shadow Integration Board

You are requested to attend a meeting of the Shadow Integration Board to be held on **Thursday 24th July 2014 at 10.00 a.m.**, in the **Council Chambers, Cunninghame House, Irvine**, to consider the following business.

Business

1. **Presentation : Multi Agency Domestic Abuse Response Team (MADART).**
Receive presentation by Stephen Brown, Senior Manager (Service Access), North Ayrshire Council.
2. **Apologies**
Invite intimation of apologies for absence.
3. **Declaration of Interest**
4. **Minutes / Action Note**
Submit the minutes of the meeting of the Shadow Integration Board held on Thursday 11th June 2014 and action note (copy enclosed).
5. **Matters Arising**
6. **Code of Conduct**
Submit report by Andrew Fraser, Head of Service (Democratic and Administration) on requirements for members to sign code of conduct on public life.

Reports for Approval

7. **Consultation Response : Prevention & Management of Falls**
Submit report by Kerry Gilligan, Lead AHP and Mary Francey, Senior Manager (Assessment & Care Management) on the main points arising from the consultation (copy enclosed).
8. **Programme Risk Register**
Submit report by Eunice Johnstone, NHS Ayrshire & Arran on the Strategic Risk Register (copy enclosed).

9. **Shadow Integration Board – Revised Meeting Dates**
Submit report by Iona Colvin, Director, NHSCP on revised meeting dates for the Shadow Integration Board (copy enclosed).
10. **Director's Report**
Submit report by Iona Colvin, Director, NHSCP on developments in the NA Health and Social Care Partnership (copy enclosed).

Reports for Noting

11. **Consultation Response : Public Bodies (Scotland) Act 2014**
Submit report by Lisbeth Raeside, Head of Service Development, North Ayrshire Council on the Council's response to the consultation (copy enclosed).
12. **Chief Social Work Officer – Annual Report**
Submit report by Sheena Gault, Chief Social Worker, North Ayrshire Council on the CSWO Annual Report (copy enclosed).
13. **Contract Management Framework - Annual Performance Report**
Submit report by Isabel McKnight, Manager, Service Development on the Purchased Service Performance Report (copy enclosed).
14. **Minutes of OLG Meeting held on 10th June 2014.**
Submit minutes of the Officers Locality Group (OLG) held on 10th June 2014 (copy enclosed).
15. **Any Other Competent Business**
16. **Date of Next Meeting**
The next meeting will be held on Thursday 25th September 2014 at 10.00 a.m., in the Council Chambers, Cunninghame House, Irvine.

NORTH AYRSHIRE COUNCIL

Agenda Item 12

23 September 2014

Cabinet

Subject: **Physical Environment Advisory Panel held on 30 June & 21 July 2014**

Purpose: To submit the minutes of the Physical Environment Advisory Panel held on 30 June and 21 July 2014.

Recommendation: That the Cabinet notes the minutes attached at Appendix 1 & 2.

1. Introduction

- 1.1 The Physical Environment Advisory Panel is one of two advisory panels within the Council.

2. Current Position

- 2.1 A meeting of the Physical Environment Advisory was held on 30 June 2014. At it's meeting the panel considered reports in respect of the Town Centre Parking Strategy for North Ayrshire.
- 2.2 A further meeting of the Physical Environment Advisory Panel was held on 21 July 2014. At it's meeting the panel considered reports in respect of major projects being undertaken during 2014/15.

3. Proposals

- 3.1 The Cabinet is invited to note the minutes attached at Appendix 1 and 2.

4. Implications

Financial Implications

- 4.1 There are no financial implications.

Human Resource Implications

- 4.2 There are no human resource implications.

Legal Implications

- 4.3 There are no legal implications.

Equality Implications

- 4.4 There are no equality implications.

Environmental and Sustainability Implications

- 4.5 There are no environmental and sustainability implications.

Implications for Key Priorities

- 4.6 None.

Community Benefit Implications

- 4.7 There are no community benefit implications.

5. Consultations

- 5.1 There have been no consultations in the formation of this report.

6. Conclusion

- 6.1 The attached minutes are submitted for information.



CRAIG HATTON
Executive Director (Place)

Reference : CH/LB

For further information please contact Craig Hatton, Executive Director
(Place) on 01294 324312

Background Papers

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**Physical Environment Advisory Panel
30 June 2014**

At a meeting of the Physical Environment Advisory Panel of North Ayrshire Council held on Monday 30 June 2014 at 2.00pm in the Council Chambers, Cunninghame House, Irvine.

Members Present:

Councillors Ian Clarkson, John Easdale, John Hunter, Jim Montgomerie, Tom Marshall, Donald Reid

In Attendance:

Craig Hatton, Corporate Director (Development & Environment), Yvonne Baulk, Head of Finance & Property, David Lodge, Team Manager (Transportation), Jacqui Armstrong, Admin Assistant to Head of Environment & Related Service (Minutes)

Chair

Councillors Anthony Gurney

Apologies for Absence:

Councillors Robert Barr, Marie Burns, Anthea Dickson, John Ferguson, Elizabeth McLardy, Ruth Maguire, David O'Neill

1. Minute of Previous Meeting (09 June 2014)

The minute was agreed as a true and accurate record of the meeting.

2. Town Centre Parking Strategy for North Ayrshire

Presentation given by David Lodge, Team Manager Transportation (Development Planning Services) to update the Board on the process and responses received in respect of the draft parking strategy.

Members raised a number of issues including:

1. Availability of parking in the very centre of Irvine and the implications of additional parking requirements arising from the re-location of North Ayrshire Council employees and the construction of the Leisure Centre.

Officers advised that the studies identified that there are more cars than spaces in the very centre of the town however as you move further from the centre there are many vacant spaces. Overall Irvine has sufficient parking and that the draft strategy proposes a number of actions to reduce car travel and also re-distribute parking across the whole town. Furthermore two new car parks East Road (including coach

parking) and the Railway Station are being provided. It was also noted that East Road had a phase 2 if so required at a later stage.

2. Impact on local streets in Irvine following introduction of short stay controls.

Officers advised that the paper proposed studies of on-street parking (including residents parking) be undertaken in West Road, Parterre and Kirkgate.

Members requested that Seagate be added to this.

3. Availability of parking in Largs particularly during the summer season. It was also noted the Transport Scotland had removed a large number of parking spaces since the capacity studies had been undertaken.

Officers advised that the strategy contained a number of approaches to manage demand including the use of seasonal car parks and park and ride scheme.

Members requested that further capacity studies be undertaken in Largs. Following discussion this was also extended to Irvine.

4. Enforcement of on-street controls.

Officers advised that the responsibility lay with the Police and that the strategy contained an action to work in partnership with them to increase the level of enforcement. The business case for DPE identified that in order to be sustainable 9,000 parking fines would need to be issued by Council on an annual basis. Furthermore DPE required coverage of the whole area of the Council.

5. Enforcement of short stay restrictions

Officers advised that adherence to these restrictions would be monitored by Officers and that a proportionate approach would be adopted on the degree of non-compliance.

6. Provision of dedicated parking for the Leisure Centre.

Officers advised that there was no planning requirement to provide dedicated parking and that users could use all car parks within the town. Coach parking would be provided in the new East Road car park currently under construction.

7. Low number of responses from public bodies and other organisations to the consultation exercise.

Officers advised that the consultation exercise initialised the same approach as that for dealing with Planning Applications, which was tried and tested. The Council could not insist upon replies.

8. Improvements to Pedestrian Walkways

Officers advised this would include a range of measures including lighting to link car parks to the town centre. A project to improve the walkway from the Maritime Museum to the railway and wider town was currently being developed.

Following discussion the panel agreed to recommend the strategy to Cabinet with the following additions:

1. That a study be undertaken, in respect of potential on-street controls (including residents parking) at Kirkgate, Seagate, Parterre and West Road, Irvine.
2. That 12 months after the implementation of the strategy capacity studies be undertaken in Largs and Irvine to assess the impact of the actions to alleviate pressures on town centre parking spaces.

5. AOCB

No other concerning business.

6. Date of Next Meeting

The next meeting will take place on Monday 21 July 2014 at 2.00pm in the Committee Room 3, Cunninghame House, Irvine.

The meeting ended at 3.20pm.

**Physical Environment Advisory Panel
21 July 2014**

At a meeting of the Physical Environment Advisory Panel of North Ayrshire Council held on Monday 21 July at 2.00pm in the Council Chambers, Cunninghame House, Irvine.

Members Present:

Councillors Anthea Dickson, John Easdale, John Ferguson, Elizabeth McLardy

In Attendance:

Craig Hatton, Corporate Director (Development & Environment), Yvonne Baulk, Head of Finance & Property, David Tate, Senior Manager (Housing, Assets & Investment), Loraine Barr, PA to Corporate Director (Development & Environment)

Chair

Councillors Anthony Gurney, Ruth Maguire

Apologies for Absence:

Councillors Marie Burns, John Hunter, Jim Montgomerie, Tom Marshall, Donald Reid

1. Minute of Previous Meeting (30 June 2014)

The minute was agreed as a true and accurate record of the meeting.

2. Major Projects Update

Report submitted by David Tate, Senior Manager (Housing, Assets & Investment) to update the Panel in relation to major projects being undertaken during 2014/15.

Replacement Sheltered Housing Unit, Kiln Court

Members asked if there was a possibility of a permanent one-way system at Kiln Court. D Tate advised that whilst construction was on-site all traffic management issues will be addressed as required. D Tate further advised that a permanent one-way system was outwith the scope of the project although he will raise this at the next Project Meeting and provide an update thereafter.

Replacement Sheltered Housing Unit, Montgomery Court, Kilbirnie

Members asked if there is any way more trees/greenery could be included within the Montgomerie Court Project. D Tate advised that consideration will be made to

increases trees and aesthetics of the site and neighbouring properties and finalised drawings will reflect this.

Cunninghame House (Phase One)

In relation to Cunninghame House refurbishment, D Tate confirmed that Ground Floor (East) housing the new Council Chambers and Second Floor (East) Financial Management will be completed Phase One.

Y Baulk advised Members that a site visit can be arranged prior to completion for those interested.

Elderbank Primary School, Irvine

In relation to the temporary car parking facility at Elderbank PS, D Tate confirmed that the Council are aware of current issues and the Council are working closely with residents. Councillor Easdale noted that he was not aware of anyone being in touch with residents. D Tate confirmed that a discussion had taken place with residents at nos. 23 & 24 although he would clarify the position and update the Panel following today's meeting.

Leisure Centre & Townhouse, Irvine

Members asked if there had been any ongoing costs in relation to the delay with the Stopping Up Order. D Tate advised that the Reporter's decision was imminent and that he would look into the questions raised and provide an update to the Panel following today's meeting.

3. AOCB

No other concerning business.

4. Date of Next Meeting

The next meeting will take place on Monday 29 September 2014 at 2.00pm in Committee Room 3, Cunninghame House, Irvine.

The meeting ended at 2.25pm.