North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cunninghame House,
Irvine.

9 March 2017

Cabinet

You are requested to attend a Meeting of the Cabinet of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **TUESDAY 14 MARCH 2017** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

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

2. **Minutes (Page 7)**
   The accuracy of the Minutes of (i) the ordinary meeting held on 28 February 2017 and (ii) the special meeting of the Cabinet held on 1 March 2017 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copies enclosed).

GENERAL BUSINESS FOR DECISION

Reports by the Chief Executive

3. **Equality Mainstreaming and Equality Outcomes Report (Page 15)**
   Submit report by the Chief Executive on the Equality Mainstreaming Report for 2015/2016 and The Equality Outcomes Report and Action Plan 2017 - 2021 (copy enclosed).

Reports by the Executive Director (Finance and Corporate Support)

4. **Procurement EU Tender Plan - 2017/18 and 2018/19 (Page 87)**
    Submit report by the Executive Director (Finance and Corporate Support) on the EU procurement tender plan Financial Year 2017/18 and 2018/19 (copy enclosed).

5. **Strategic Risk Register 2017/18 and Risk Management Framework (Page 91)**
    Submit report by the Executive Director (Finance and Corporate Support) on the Strategic Risk Register for 2017/18 and the updated Risk Management Framework (copy enclosed).

6. **Revenue Budget 2016/17 : Financial Performance to 31 January 2017 (Page 129)**
    Submit report by the Executive Director (Finance and Corporate Support) on the financial performance for the Council at 31 January 2017 (copy enclosed).

7. **Capital Programme Performance to 31 January 2017 (Page 161)**
    Submit report by the Executive Director (Finance and Corporate Support) on the progress in delivering the Capital Investment Programme as at 31 January 2017 (copy enclosed).

Reports by the Executive Director (Place)

8. **Local Authority Energy White Label (Page 181)**
    Submit report by the Executive Director (Place) on the progress proposals to establish a local authority led 'Energy White Label' (copy enclosed).

9. **Asset Management Plans (Page)**
    Submit report by the Executive Director (Place) on the new Estate Strategy, updated Property Asset Management Plan, updated Housing Asset Management Plan for the period 2017-2020 and updated Open Space Asset Management Plan (copy to follow).

10. **Update on closure of public toilets (Page 189)**
    Submit report by the Executive Director (Place) on the planned Council closure of public toilets in Arran, Cumbrae, Irvine and West Kilbride from 1st April 2017 (copy enclosed).

11. **Road Maintenance Programme 2017/18 (Page 195)**
    Submit report by the Executive Director (Place) on the proposed Roads and Street Lighting Maintenance Programme for 2017/18 (copy enclosed).

12. **Utilisation of Surplus Affordable Housing Grant 2016/17 (Page 213)**
Submit report by the Executive Director (Place) on the receipt and expenditure of surplus Scottish Government affordable housing grant to expedite the acquisition of development land associated with sites noted in the Strategic Housing Investment Plan (2017/18-2021/22) (copy enclosed).

Reports by the Director (Health and Social Care Partnership)

13. **Health and Care Governance Arrangements (Page 233)**
Submit report by the Director (Health and Social Care Partnership) on the proposed Health and Care Governance Framework for Integrated Health and Social Care (copy enclosed).

14. **Care at Home Outsourced Service Provision (Page 281)**
Submit report by the Director (Health and Social Care Partnership) on the current care at home in-house and outsourced service provision (copy enclosed).

Reports by the Executive Director (Economy and Communities)

15. **Vacant and Derelict Land Funding (Page 291)**
Submit report by the Executive Director (Economy and Communities) on the expenditure of funds allocated by the Scottish Government through the Vacant and Derelict Land Fund in 2017/18 (copy enclosed).

16. **Consultation of the Future of the Scottish Planning System (Page 305)**
Submit report by the Executive Director (Economy and Communities) on the Scottish Government's Consultation "Places, People and Planning - 18 January, 2017" (copy enclosed).

17. Exclusion of the Public

Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following items of business on the grounds indicated in terms of Paragraphs 8 and 10 of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

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.

17.1 Wind Down of Irvine Bay Regeneration Company and Transition Arrangements (Page 323)

Submit report by the Executive Director (Economy and Communities) on the wind down of the Irvine Bay Regeneration Company (copy enclosed.

19. Urgent Items

Any other items which the Chair considers to be urgent.

Sederunt: **<u>Elected Members</u>**

Joe Cullinane (Chair)
John Bell (Vice-Chair)
Alex Gallagher
Peter McNamara
Louise McPhater
Jim Montgomerie

Chair:

Attending:

Apologies:

Meeting Ended:

Cabinet
28 February 2017

IRVINE, 28 February 2017 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Joe Cullinane, John Bell, Alex Gallagher and Peter McNamara; and Elizabeth Higton (Church Representatives).

In Attendance

E. Murray, Chief Executive; C. Hatton, Executive Director, Y. Baulk, Head of Service, L. Mitchell, (Commerical Support Manager) (Place); K.Yeomans, Executive Director (Economy and Communities); L. Friel, Executive Director, A. Lyndon, Team Manager (Corporate Procurement) (Finance and Corporate Support); I.Colvin, Director, T. Bowers, Head of Service (Mental Health) E. Currie, Principal Manager, N. Bell, Manager (Health & Social Care Partnership); A. McClelland, Interim Head of Service (Schools), F. Hopkins, Senior Manager (Education and Youth Employment); M. Davison, Senior Manager, (Democratic Services), J. Hutcheson, Communications Officer, M. Anderson, Committee Services Team Leader and H. Clancy, Committee Services Support Officer (Chief Executive's).

Chair

Councillor Cullinane in the Chair.

Apologies for Absence

Louise McPhater and Jim Montgomerie; and Mark Fraser (Church Representatives).

1.   Declarations of Interest

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

2.   Minutes

The accuracy of the Minutes of the meeting held on 14 February 2017 was confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3.   Curriculum for Excellence Levels 2016

Submitted report and received presentation by the Interim Head of Service (Education and Youth Employment) on the performance of North Ayrshire schools in the Achievement of Curriculum for Excellence (CfE) Levels Return 2015/16.

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

● the process for assessing and using the data, including the management of additional workload for teachers, the creation of a working group and the work with the Tapestry Partnership on a programme called 'Improving Teacher Professional Judgement';
● the differences in attainment by gender and the additional more focused work that is required in this area;
● the identified "dip" in the performance of pupils at the end of P4 and P7 stages and lessons which must be learnt in the reading of these cohorts; and
● whether there was a correlation between the attainment data at S3 and exam performance at S4.

The Cabinet agreed to recognise the content of the report and the achievements of pupils as illustrated in Appendix 1 to the report

4.   Tarryholme Drive Project - Refurbishment of former Red Cross House (RCH), Irvine

Submitted report and received presentation by the Director (Health and Social Care Partnership) on the refurbishment programme, in partnership with the NHS Ayrshire and Arran Health Board, to develop the Tarryholme Drive site as a Learning Disability Day Centre, residential and supported accommodation for the resettlement of learning disability and rehabilitation of mental health clients.

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

● scope to extend the site further in the future; and
● the current proposal in comparison with the original plan.

The Cabinet agreed to (a) approve the refurbishment of Tarryholme Drive at a total cost of £6.6m, funded jointly by £4.939m from the Council (£3.408m General Fund, £1.531m Housing Revenue Account) and £1.661m from NHS Ayrshire and Arran Health Board; (b) approve the transfer of 20 units to Council housing stock at a total cost to the Housing Revenue Account (HRA) of £2.131m for the acquisition and refurbishment works met from the HRA and Scottish Government Grant as detailed at 4.1(a); and (c) note the associated revenue savings of £1.231M (North Ayrshire Council £0.312m and NHS Ayrshire and Arran Health Board £0.919m).

5. Cunninghame Housing Association Tender Opportunity

Submitted report by the Executive Director (Place) on the tender for the supply and installation of Cunninghame Housing Association's kitchen and bathroom programmes.

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

- whether the proposals could have any adverse impact on local businesses; and
- whether the proposals could impact negatively on Building Services' ability to deliver its core business in terms of the maintenance of housing stock and buildings.

The Cabinet agreed to (a) note the tender is a dual stage process and that Building Services has submitted the first stage procurement documents for the initial selection process; (b) agree that, if Building Services are invited to tender, they can submit a tender to Cunninghame Housing Association for the supply and installation of kitchens and bathrooms; and (c) agree, if this is successful, to grant the Executive Director (Place) delegated authority to enter into the necessary contracts.

6. Ayrshire Regional Pathfinder

Submitted report by the Executive Director (Economy and Communities) on the three Ayrshire Councils that have been invited to work with the Scottish Government to develop a regional Pathfinder exploring how regional partnerships can stimulate local economies and to update Members on the progress to explore options for a single Ayrshire Economic Development Agency.

The Cabinet agreed to (a) note that Ayrshire has been identified as a Regional Partnership Pathfinder as part of Phase 2 of the Scottish Government Enterprise and Skills Review; (b) endorse the participation of officers in work to explore options for a Regional Partnership which may include the development of a single Ayrshire Economic Development Agency; (c) note the roll out across Ayrshire of the Inclusive Growth Diagnostic that has been piloted in North Ayrshire and will provide an evidence base to inform the Regional Partnership discussions; and (d) note the Scottish Government position to create a Scotland wide statutory board to co-ordinate the activities of the national agencies and create a new vehicle to meet the enterprise and skills need of South of Scotland.

7.   **Award of Contract - Demolition of Magnum Leisure Centre, Irvine**

Submitted report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for the Demolition of Magnum Leisure Centre, Irvine.

The Cabinet agreed to approve the award of the contract to Central Demolition Limited.

8.   **Award of Contract - Term Service Contract for Road Maintenance Works 2017-18**

Submitted report by the Executive Director (Finance and Corporate Support) on the result of the tender exercise for the Term Service Contracts for Road Maintenance Works 2017-18.

Members asked a question and received claraficiation, on the rationale for differences between the cost/quality ratio applied to different types of tender.

The Cabinet agreed to approve the award of the contract to Finco Contracts Ltd.

9.   **Award of the Framework - Provision of Person Centred Community Support for Children/Young People with a range of disabilities and needs**

Submitted report by the Director (Health and Social Care Partnership) on the outcome of the tender exercise for the Framework for the Provision of a Person Centred Community Support for Children/Young People with a Range of Disabilities and Needs.

The Cabinet agreed to approve the award of the Framework to the Richmond Fellowship Scotland, the Mungo Foundation, Sense Scotland and Ayrshire Childrens Services for a period of 3 years with the option to extend for up to a further one year.

The meeting ended at 3.30 p.m.

Cabinet
1 March 2017

Cabinet, 1 March 2017 - At a Special Meeting of the Cabinet of North Ayrshire Council at 10.00 a.m.

Present
Joe Cullinane, John Bell, Alex Gallagher, Peter McNamara and Jim Montgomerie.

Also Present
Marie Burns, Ian Clarkson, John Easdale, John Ferguson, Willie Gibson, Tony Gurney, Alan Hill, John Hunter, Tom Marshall, Catherine McMillan, Ronnie McNicol, Donald Reid and Joan Sturgeon.

In Attendance
E. Murray, Chief Executive; C. Hatton, Executive Director, R. McCutcheon, Head of Service (Commercial) (Place); K. Yeomans, Executive Director, C. McAuley, Head of Service (Economic Growth) and A. Sutton, Head of Service (Connected Communities) (Economy and Communities); L. Friel, Executive Director, M. Hogg, Head of Service (Finance), D. Forbes, Senior Manager (Financial Management) and F. Walker, Interim Head of Service (People and Transformation) (Finance and Corporate Support); I. Colvin, Executive Director, S. Brown, Head of Service (Children, Families and Criminal Justice) (Health and Social Care Partnership); J. Butcher, Executive Director (Education and Youth Employment); A. Fraser, Head of Service (Democratic Services), L. McEwan, Corporate Communications Manager, J. Hutcheson, Communications Officer, M. Anderson, Committee Services Team Leader and A. Little, Committee Services Officer (Chief Executive's).

Chair
Councillor Cullinane in the Chair.

Apologies for Absence
Louise McPhater.

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

2.   General Services Review Estimates 2017/18 to 2019/20

Submitted report by the Executive Director (Finance and Corporate Support) on (a) the Council's revenue spending requirements and anticipated funding for the years 2017/18 to 2019/20; (b) the level of reserves and fund balances held by the Council; (c) options to address the funding gap; and (d) the draft Capital Investment Programme to 2025/26.

The revised expenditure requirements for 2017/18 of £328.803m were summarised in Appendix 1, with further details provided in Appendix 4. Appendix 2 to the report detailed base budget adjustments. As part of the 2016/17 revenue budget, savings were approved for 2017/18, these were detailed at Appendix 3. Information on IJB service pressures, exclusive of the living wage and revised charging proposals, and proposed new savings options was provided at Appendix 5. Proposed efficiencies and savings, excluding the HSCP, were summarised at Appendix 6. Appendix 7 contained a list of the charges which were proposed to be increased on 1 April 2017 in line with inflation. The budget matrix for 2017/18 was detailed at Appendix 8. Appendix 9 outlined the Capital Investment Programme 2017/18 to 2025/26. A full analysis of the changes to the programme was detailed at Appendix 10. Appendix 11 outlined the projects which had been included within the aspirational list, as important to support delivery of the Council's key outcomes. The capital investment programme, including proposed funding, was attached at Appendix 12 to the report.

Amendments to the report and appendices were circulated and set out proposals in respect of:-

- The removal of savings;
- Addressing food, income and vulnerability;
- Community Capacity Building;
- Food Security;
- Modern Apprenticeships;
- Health and Social Care Partnership Challenge Fund;
- Local Rates Relief;
- Ardrossan Harbour Car Park;
- Revenue funding streams; and
- Capital investment.

The Cabinet agreed to recommend to Council that it (a) supports officer proposals as outlined in the report and within Appendices 1 - 12, subject to (i) the amendments set out in Appendix NAC 1 to the Minute; and (ii) a further amendment which would be subject of consideration by the Council at its Special Meeting.

3.   Housing Revenue Account (HRA) Capital Investment Programme, Revenue Budget and Rent Levels for 2017/18

Submitted report by the Executive Director (Finance and Corporate Support) on the HRA capital investment programme and revenue budget for 2017/18 and the consequential rent levels.

The proposed 2017/18 HRA Capital Programme of £53.105m was detailed at Appendix 1 to the report. Appendix 2 outlined the proposed 2017/18 HRA revenue budget, with planned expenditure of £48.257m mainly funded by rental income and charges for services. The report proposed to (a) increase housing rents of 2.79% in 2017/18 for council houses (including sheltered housing); (b) garage site increase of £0.09 per week and a lock-up increase of £0.14 per week to £2.77 and £5.53 per week respectively, equivalent to 2.79%; (c) an increase of 7.9% in sheltered housing utility charges, as part of equalisation of the cost of service charges, for existing tenants; and (d) note the indicative rent increases of 2.79% for 2018/19 and 2.93% for 2019/20. Appendix 3 and 4 to the report outlined the consultation undertaken with tenants on the proposed rent increase and the feedback received.

The Cabinet agreed to (a) recommend to Council that it support the proposals outlined in the report; and (b) refer the report to Council for approval.

The meeting ended at 10.35 a.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

14 March 2017

Cabinet

Title:	**Equality Mainstreaming and Equality Outcomes Report**
Purpose:	To submit the Equality Mainstreaming Report for 2015/2016 and The Equality Outcomes Report and Action Plan 2017 - 2021 for review by the Cabinet
Recommendation:	The Cabinet agree to the content of the attached reports.

1. Executive Summary

1.1 From April 2013 equality legislation required public bodies to produce an 'Equality Mainstreaming' report once every two years. The report attached at Appendix 1 is the Mainstreaming Report covering the calendar years 2015 and 2016 which is due to be published by the end of April 2017. An equal pay statement is required to be published once every four years and is included in the attached report.

1.2 Every four years public bodies are required to review and consult on Equality Outcomes. A number of public bodies across Ayrshire, including North Ayrshire Council agreed to develop shared equality outcomes for 2017 - 2021 and to jointly engage around the setting of these outcomes (Appendix 2). This was in recognition that we are all seeking to serve the same communities and there would be benefits in approaching this together.

2. Background

Equality Mainstreaming Report

2.1 As well as including information on 'mainstreaming equalities' within the report, there are a number of other key factors and areas that must be reported on, these include statistical information on employees in relation to the protected characteristics, a licensing statement, pay gap information and a specific report or section on Education (and Youth Employment). An equality outcomes section and the activities carried out to support these are also included in the report.

2.2   In a change to the previous equality reports a small section has been included outlining some of the key highlights within the report and areas for improvement. It is obvious from the information that there is a lot of work going on across the Council in promoting and supporting a range of equality and diversity issues. Services are continually being engaged to consider how the Council can show improvements in its equality and diversity work.

Equality Outcomes

2.3   Following a joint meeting in June 2016, nine public sector partners across Ayrshire agreed to consult on and develop new Equality Outcomes for 2017 - 2021. The nine organisations included the three Ayrshire Local Authorities and Health and Social Care Partnerships, NHS Ayrshire and Arran, Ayrshire College, Ayrshire Joint Valuation Board and South West Scotland Community Justice Authority.

2.4   Consultation events on five suggested broad Equality Outcomes were held across Ayrshire from September - November 2016 and following feedback from these events and the results of an Equality Outcomes survey, the number of outcomes was reduced to four, these are -

- Equality Outcome 1 : In Ayrshire people experience safe and inclusive communities.
- Equality Outcome 2 : In Ayrshire people have equal opportunity to access and shape our public services.
- Equality Outcome 3 : In Ayrshire people have opportunities to fulfil their potential throughout life
- Equality Outcome 4 : In Ayrshire public bodies will be inclusive and diverse employers

2.5   Following the amendment to the outcomes, a further survey was distributed in North Ayrshire during January 2017 asking for comment on the proposed actions supporting the outcomes, these actions are included in the equality action plan contained in the report in Appendix 2. The equality actions are separated into the agreed actions that will be taken forward jointly by the 'partners' and 'North Ayrshire Council' specific actions delivered by Council Services.

2.6   North Ayrshire Council specific actions will be monitored internally by the Council's Corporate Equality Group; the Joint partnership actions will be monitored by the Ayrshire Equality Partnership.

Equality and Human Rights Commission

2.7   The Equality and Human Rights Commission (EHRC) have asked local authorities to publish before the 30 April deadline, however have also allowed some room for manoeuvre, with the reporting process around outcomes, actions and mainstreaming reports to be considered as 'interim', until the results of the local elections in May. A final version must be published no later than 6 weeks post election period or 15 June 2017.

3.   Proposals

3.1   That Cabinet notes the report, provides comment and supports the publication of these reports on the Council's external website.

3.2   The Equality Mainstreaming Report and Equality Outcomes Report and Action Plan are published by the 30 April deadline, with a final version of the report agreed pending any potential changes following the Local Government Elections in May.

4.   Implications

Financial:	none
Human Resources:	The annual report highlights the composition of the Council's workforce in terms or race, disability, age and gender.
Legal:	There are no direct legal implications, although the Council has statutory obligations to meet the publishing deadlines for the Equality reports
Equality:	The report has implications in setting out the Council's progress in promoting equality and developing equality outcomes.
Environmental & Sustainability:	None
Key Priorities:	Delivery of Equality and Diversity issues support all the Council's priorities
Community Benefits:	None

5.   Consultation

5.1   A wide consultation took place on the development of the Equality
        Outcomes and Actions contained in report attached at Appendix 2.

Elma Murray

ELMA MURRAY
Chief Executive

Reference : ED/AH
For further information please contact Andrew Hale, Equality and Health
Officer on 01294 324148

Background Papers

North Ayrshire Council Equality Mainstreaming Report and Equality Outcomes Report

2015 – 2016

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Contents

Summary and Key Highlights

1. Overview

This equality report provides an overview of work going on across the Council to meet the requirements of the Equality Act 2010 and subsequent amendments to this legislation. All public bodies are required to produce a report every 2 years, starting from April 2013. The time period for this report runs from January 2015 to December 2016; this is to allow adequate time for gathering and publishing employee information before the end of April deadline.

The public sector 'specific duties' stipulate the requirements of reporting and are covered in section 1.2 of this report. The key elements are, mainstreaming the equality duty, publishing and reporting on equality outcomes and gathering employee statistics.

2. Key Highlights

Below is a summary of some of the key highlights contained in the report –

- Services are indicating greater awareness of their responsibilities around the Equality Impact Assessment process.
- There was an increase (3.4%) in the number of buildings meeting the Grade 'A' status for Accessibility relating to disability.
- There was an increase in the number of staff completing the online Equality and Diversity training during 2016.
- The Council's internal Domestic Abuse Policy was reviewed and updated to align with the Violence Against Women Strategy.
- Improved internet access at Redburn Travellers site, allowing better access to services and Educational resources for the children onsite.
- Community Development staff continue to support groups and activities that impact on a range of protected characteristic, including age, gender, race and sexual orientation. The LGBT youth group continues to go from strength to strength, as one participant quotes –

   "The group is a safe place. You can be yourself without being scared of what people think. It's like having a family that you can tell anything to and can give you support and help"

- Between 2011/12 and 2015/16, rates of domestic abuse recorded by Police Scotland show that North Ayrshire has decreased at a faster rate than the rest of Scotland, (9.3% fall against 3.3% nationally).
- A survey on Trans people's experience of addictions services, carried out in conjunction with the Scottish Transgender Alliance, has provided recommendations to improve services for this group.
- Clear upward trends in levels of attainment and in positive destinations for school pupils in North Ayrshire

3. Areas for Improvement

Considering the nature of the Equality and Diversity agenda, there is always scope for continuous improvement and the following are underway –
- A review of Equality Impact Assessment training, and consideration of the development of an online impact assessment process as part of this.
- Further work with Services to explore positive outcomes and case studies around equality work.
- Continuing to develop relevant performance indicators that show the difference being made to people's lives.

1. Introduction

This interim mainstreaming report sets out how North Ayrshire Council is meeting its requirements under the Equality Act 2010 and the (Specific Duties) (Scotland) Regulations 2012. From April 2013 the regulations required public bodies to produce and publish a mainstreaming report once every 2 years. In addition the Council has opted to produce an interim report in the intervening years to highlight progress around the Equality Outcomes. Each report covers the previous two year period.

The information contained in this interim report now cover a calendar year, rather than a financial year. This is to provide adequate timescales to collate and interpret the statistical information required by the Equality and Human Rights Commission before the biennial publishing date of the end of April. This means the information in this report runs to the end of December 2016.

Under the Equality Act 2010, the Public Sector Equality duty, or 'general equality duty', requires public authorities in the exercise of their functions to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010
- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not.

These elements of the Act are also referred to as the three key needs of the Act.

1.1 Protected Characteristics

The general equality duty makes it unlawful to discriminate against people around the following protected characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation (table 1). In addition it also places a duty on Public Authorities to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not. The public sector equality duty also covers marriage and civil partnerships, with regard to eliminating unlawful discrimination in employment.

Table 1 – Protected characteristic overview

Characteristic	Overview
Age	Refers to a person belonging to a particular age group, or a range of ages, e.g. 18 – 25 year olds, over 65's. A lot focus in relation to Equality and ages tends to fall on either young or elderly age groups
Disability	A person has a disability if they have a physical or mental impairment which has a substantial and long-term effect on that person's ability to carry out normal day to day activities
Gender	Regarding a woman or a man. Gender related pay issues fall in this category
Gender Reassignment	The process of transitioning from one Gender to another, there are a number of terms relating to this, including • Transexual (gender identity is different to biological sex); • Transman, (female at birth but gender identity is male); • Transwoman, (male at birth but gender identity is female); • Non-Binary Gender, (Not exclusively male or female) • Cross-Dressing, (Wearing clothing of opposite sex) More information can be found at www.scottishtrans.org or www.lgbtyouth.org.uk
Race	Refers to a group of people defined by their race, colour and nationality (including citizenship), ethic or national origins.

Characteristic	Overview
Pregnancy and Maternity	Pregnancy is the condition of being pregnant or expecting a baby. Maternity is the period after the birth linked to employment and also covers treating a woman unfavourably because she is breastfeeding.
Religion or Belief	As well as the standard meaning for religion also includes religious and philosophical beliefs, including lack of belief (such as Atheism).
Sexual Orientation	Whether a persons' sexual attraction is towards their own sex, the opposite sex or to both sexes
Marriage and Civil Partnership	Marriage between same sex couples included; Same sex couples can also have their relationships legally recognised as civil partnerships and must not be treated less favourably than married couples.

1.2 'The Specific Duties'

North Ayrshire Council is committed to fulfilling its equality duties as a public authority under the Act. As a listed authority under the Act the Council is required to meet 'Specific Duties', which are:

- report on mainstreaming the equality duty, (once every two years)
- publish equality outcomes and report progress
- assess and review policies and practices
- gather and use employee information
- publish gender pay gap information
- publish statements on equal pay
- consider award criteria and conditions in relation to public procurement
- publish in a manner that is accessible.

These specific duties are within the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. This report outlines work in North Ayrshire to mainstream the equality duty. It also contains an annual breakdown (covering the previous 2 years) of the information gathered under the duty to gather and use employee information, publish gender pay gap information and publish statements on equal pay.

Additional information in relation to equalities issues in North Ayrshire is available on the North Ayrshire Council website: http://www.northayrshire.gov.uk/council/strategies-plans-and-policies/equality-policy-andperformance.aspx. This includes Equality Impact Assessments and the Equality Outcomes agreed in 2013. These Outcomes will be reviewed during 2016 and re-published during April 2017.

2. Mainstreaming the Equality Duty <u>within</u> North Ayrshire Council

2.1 The Importance of Mainstreaming

Mainstreaming equality means a move away from seeing equality issues as an additional part of Council business, to being an integral part of the way the Council thinks and functions. This is a progressive journey for the Council building on previous work in changing attitudes, language and behaviours. It involves not just an understanding of equality policies and procedures but also effective implementation throughout North Ayrshire.

The Equality and Human Rights Commission Scotland outlines the benefits of "mainstreaming the equality duty" as follows:
- Equality becomes part of the structures, behaviours and culture of an authority
- An authority knows and can demonstrate how, in carrying out its functions, it is promoting equality
- Mainstreaming equality contributes to continuous improvement and better performance.

North Ayrshire Council has made progress in integrating equality into the day-to-day working of the Council. This can mainly been seen through the implementation of two key areas - Equality Impact Assessments (especially on budget proposals), and ensuring that these are included with committee

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reports. This section focuses on mainstreaming across the Council as a whole. It covers work the from January 2015 to December 2016.

2.2 Equality Impact Assessments

Equality has been integrated into the business of the Council through Equality Impact Assessments (EIAs). These are completed when introducing a new policy or function or when reviewing an existing policy or function. In addition EIAs on budget efficiency proposals are carried out, with an initial 'screening' required to determine if a full assessment is required.

In essence the EIA process is a way for the Council to analyse policies, practices and procedures and highlight areas of concern where protected characteristic groups may be discriminated against. The EIA process should also help to highlight where changes to procedures may have a positive effect on protected characteristic groups and how Council services are delivered.

An EIA Screening tool and full EIA tool, along with a [Guidance Toolkit](#) are in place to support Services to assess the impact of their functions against the Protected Characteristics. The starting point for assessment is to consider the impact of applying the policy against the needs of the general equality duty. Services must therefore:

- ensure that it does not discriminate unlawfully
- consider how the policy might better advance equality of opportunity, and whether the policy will affect good relations between different groups.

2.3 Cumulative Effects

When a number of proposals are inter-linked the cumulative effect of all of the decisions need to be considered both within and across Council Services. Assessments must include consideration of relevant evidence, and evidence from equality groups e.g. monitoring data, external research and national data.

Services are required to produce EIAs on budget savings and this has been incorporated into the Service Planning and Budgeting Guidance. A section is included in the template submitted to Finance by each service on proposed budget efficiencies so that the EIA findings are highlighted. These are also made available to Elected Members to support them in the decision making process. These [Equality Impact Assessments](#) and screening forms have also been made publically available via with North Ayrshire Council website.

Areas for Improvement

Services are much more aware of their responsibilities regarding carrying out EIA's, however quality of EIA's produced varies from Service to Service. Online EIA training is available and this will be reviewed and re-promoted to Services. Some local authority and NHS Health boards have adopted electronic methods of recording the EIA process and this will be investigated with a view to adopting within North Ayrshire Council

2.4 Committee Reports

When services are submitting reports to North Ayrshire Council Committees equality issues must be taken into account. There is a standard sub-heading within the committee report template on equalities implications along with financial, legal, environmental and human resource implications. The corporate guidance on completing committee reports highlights the statutory duty of North Ayrshire Council in relation to equality considerations and of the role of EIAs. Where EIAs are undertaken these are added as an appendix to the committee report.

Areas for Improvement

There is currently no process in place to indicate when EIA's have been submitted along with committee papers. An audit of committee papers should be carried out to determine the number of EIA's submitted with policy proposals over the course of the year.

2.4 General Equalities Considerations Within Service Planning

Guidance was provided to all North Ayrshire Council services when undertaking their service planning. This highlighted the requirement to undertake EIAs. It also advised services that they should provide an overview within their directorate and service plans with a clear commitment to promoting equality and outline what is being done to achieve equality in planning and delivering services.

2.5 The Corporate Equality Group - Indicators and Action Planning

The Corporate Equality Group has membership from across Council services along with Elected Members, they champion equalities and ensures consistency across the Council. The Equality Action Plan sets out how the Council will deliver on the agreed Equality Outcomes for North Ayrshire. The plan is monitored by the group to ensure progress is being made in achieving our outcomes. The Council uses the 'Covalent' performance management system and updates on the Equality Action Plan are uploaded to this system on a quarterly basis.

The performance indicators with the Equality Action Plan are:

- Percentage of black and ethnic minority NAC employees. Current Figure **- 0.8 percent** (slight increase from previous year of 0.1 percent)
- Percentage of Council Buildings in which all public areas are suitable for and accessible to disabled people – *currently **65.4** percent (3.4 percent increase from previous year)*
- Percentage of council employees in top 5% of earners that are women – currently **56 percent** (same as previous year)
- Percentage of NAC employees who have recorded as having a disability. Currently **2.0 percent** (slight decrease from previous year of 0.3 percent)

Areas for Improvement

Performance indicators to be reviewed moving forward into 2016-17. The layout of the Equality Action Plan on Covalent to be adjusted to better reflect each Council Directorate input against each Equality Outcome. This will provide a better overview of who is contributing to what. Some services by their nature have a bigger involvement in Equality related actions and by flagging this up other services may have a clearer idea of where they can contribute.

2.6 Training on Equalities Issues

North Ayrshire Council uses an e-learning course. There is also a half day face to face training course predominantly aimed at manual staff. The e-learning and face to face courses are designed to raise awareness of equalities issues to all employees and to ensure that staff are knowledgeable about their responsibilities. An input on equality and diversity is also included in the Corporate Induction training day. In addition to these generic courses specific awareness and training is provided by Connected Communities on Cultural Awareness and the Health and Social Care Partnership on Sensory Impairment. Figures for training for 2015 to December 2016 are included in the tables below.

Table 1 _- Equality Based training 2016 and 2015

Courses for 2016 (until Q3)	Numbers Attending/completing	Courses for 2015 (until Q3)	Numbers Attending/completing
Equalities E-Learning	103	Equalities E-Learning	77
Equalities – Half day training*	0	Equalities – Half day training*	0
Cultural Awareness	16	Cultural Awareness	26
Sensory Impairment	10	Sensory Impairment	26

*On demand course

The totals for 2015/2016 are 258 staff attending an Equality based course, with 180 staff completing the generic online equality training.

Since basic equality training commenced 2,102 or 31 percent of staff have had an awareness session relating to Equality and Diversity issues.

A review of the online training is required and re-issued to staff. Training programmes will be considered as part of a public sector partnership approach across Ayrshire.

2.7 Procurement

Procurement legislation ensures all procurement activity should be carried out in a transparent non-discriminatory manner. At North Ayrshire Council, we ensure that we comply with the Equality Act 2010 in all our procurement activities and the Council is committed to the development of positive action to promote equal opportunities for all. We also encourage our suppliers to do the same; use of the European Single Procurement Document ensures standardisation in pre-qualification for all bidders. Fair working practices are addressed and included as minimum conditions or scored within tenders, where all bidders are asked to sign an Equality Certificate. The Equality Certificate asks bidders around the considerations of 'users' needs and whether diversity issues need to be considered, e.g. accessibility, religious requirements. One of the key questions asks –

'Is it your policy as an employer and as a Service Provider to comply with your statutory obligations under the Equality Act 2010 and, accordingly your practice not to treat any person or any group of people with protected characteristics less favourably than others?'

Failure to complete and sign the Equality Certificate may lead to exclusion from the tender process.

2.8 Accessibility Audit

The Council aims to provide convenient access to all buildings offering open public access to members of the public. The current portfolio has been audited and any issues identified have been reported with necessary corrective actions noted.

As part of our ongoing Estate re-modelling strategy, it is proposed to improve our 'Public Accessible' buildings during any refurbishment or new build programmed works. The re-modelling of the Estate has also allowed us to identify surplus buildings that are considered no longer fit for purpose. This has led to the disposal of certain surplus buildings, which has had an impact on previous grade C and D assessed buildings.

In general and where practical, any minor re-decoration works will take into consideration the recommendations outlined in the Audits previously commissioned. The works will be carried out with reference to and guidance from British Standard 8300, which deals specifically with Equality requirements.

The replacement/installation of appropriate signage and acoustic equipment, such as induction loop systems will also be taken into consideration and addressed accordingly.

The 2016 figures were reported as follows –

A Grade properties = 3.96%
B Grade properties = 61.39%
C Grade properties = 34.65%
D Grade properties = 0%

The above indicates a 0.26% increase in properties meeting the Grade A standard and a 3.09% increase in properties meeting the Grade B standard since 2015

The 2015 figures were reported as follows –

Grade A properties = 3.7%
Grade B properties = 58.3%
Grade C properties = 38%
Grade D properties = no more Council properties of this grading.

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Grade A -   properties are considered to be fully compliant.

Grade B -   properties are considered to be reasonably compliant and currently provide ease of access to all users in terms of the services offered.

Grade C -   Are non-compliant with a degree of working required to meet the standard; properties have been analysed and all faults found have been extracted from the main report and categorised, with high priority issues noted and will be actioned as soon as possible.

Grade D -   Non-compliant with a high level of work requiring to be carried out; properties require substantial works to be carried out in order to make them partially compliant.

Overall properties considered accessible = 65.35% in comparison to 2015 figures, which was 62%.

Additional Information

An increase in the current accessible properties % shown reflects exiting leased buildings at 1 Glebe Street, Stevenston and Rivergate House, Irvine, which were classed as C Grade buildings and completion of refurbishment works, including to Bridgegate House, automated door system installed to Harbour Arts Centre and Refurbishment works to West Kilbride Community Centre. New build Dirrans Day Centre replaces previous and the opening of the refurbished Stevenston Institute.

All Services have been requested to complete online training relating to 'Equality Awareness', those considered 'Public Facing' will assist with improving awarded access grades given to each relevant building. (Note: From 101. properties, 91 are now considered operational, 4 previously B Graded properties are now surplus; 37 are graded C, (5 C Graded and 1 D Graded property are now surplus).

Protected Characteristic Supported: Disability

2.9 Human Resources

The Council's Human Resource and Organisational Development teams continue to support and promote the Equality Agenda, through the development of Policies and Procedures and through support for training. Key areas of work carried out include –

Agile Working

The Council continues to cascade information on agile working to all staff. Agile working procedures were reviewed in September 2014 and support employees to maintain or achieve better worklife balance. During 2016 changes to Flexitime and Special Leave policies are were introduced to further promote agile and flexible working for all employees (including for the first time Chief Officials), promoting our family friendly policies, and include completely flexible working hours (no core hours), increases in flexi leave entitlement and flexi hours carry forward, and new on-line booking system.

Revised and re-launched Domestic Abuse Policy and Guidelines

With support from Elected Members, we reviewed and updated our Domestic Abuse Policy, to align it with the Council's Violence Against Women Strategy 2015-18 and reinforce the Council's view that domestic abuse is unacceptable and inexcusable, bringing together, in a single document, our policy statement, taking into account recent best practice advice and template policy guidance from COSLA, as well as strengthening and incorporating our existing guidance for Managers and Employees to support any employee, male or female, who may be experiencing domestic abuse and encourage them to come forward and seek support. We have also updated contact details for sources of support, both within and outwith the Council through the HR Operations and Health & Safety teams and external support organisations.

Employee Stress Survey

A Survey of all employees (including Ayrshire & Arran Health Board employees as part of the Health & Social Care Partnership) was undertaken during 2016, using email and paper questionnaires and externally procured software to produce report statistics and action plans. Over 3100 employees (40%) responded, and Team Managers are being encouraged to discuss results with colleagues and produce action plans to address potential workplace stressors identified. It is proposed to repeat the Survey every 2 years.

Dignity and Respect at Work
Council policy and procedures, applicable to all employees, were reviewed and updated during 2016, to further reinforce routes to investigate and resolve complaints of harassment, bullying and victimisation, in particular improving guidance on mediation to resolve disputes.

Shared Parental Leave
A policy and Human Resource guide on Shared Parental leave has been developed in line with legislation. This allows employees to share their maternity leave with their partner.

Equality Impact Assessment (EIA) Guidance
New Guidance for HR team members was issued on completing EIA's effectively, to augment and complement our existing on-line EIA toolkit.

3. Mainstreaming the Equality Duty <u>Across</u> North Ayrshire
The Council carries out a wide range of activities that supports equality work both across its communities and within Council Services. This section highlights examples of work carried out that helps to advance equality of opportunity or foster good relations between those who share a protected characteristic and those who do not.

Redburn Gypsy Travellers Partnership 2015 - 2016
The Gypsy Travellers partnership provides a range of activities for residents who live on the Redburn Travellers site. The partners include various Council services as well as Police Scotland, NHS Ayrshire and Arran, Parenting and Early Years.

Activities over the year have included:
- A Consultation on potential learning opportunities
- NHS nurse practitioners run health checks and various health initiatives are in place including Childsmile, opticians, and GP surgery on Friday mornings
- Following on from a successful funding bid with the Scottish Government (as part of the Public Building Wi-Fi Access Program), the Wi-Fi in the site Community Room was upgraded in Sept 2016 and is now being used with the existing Ipads. All children residing on site were given cash for kids vouchers in December 2015
- Education Tutors (Primary and Secondary) are on site for three sessions per week during term time (Tuesday, Thursday and Friday), one session specifically for literacy and numeracy
- Barnados have been Assisting with Benefit and Money Advice
- NAC Parenting and Early Years (Play team) provided play sessions. The team attended the site for a total of 27 play sessions, covering 32.5 hrs of play. During these sessions, the team interacted with 203 children.
- Welfare Reform Team have been onsite offering benefit maximisation sessions.

<u>*Areas for Development*</u>

- Youth group multimedia project
- Provide learners with up to date Driving theory and mock tests

Protected Characteristics Supported – Race, Pregnancy and Maternity, Age, Sex

Ayrshire Minority Ethnic Communities Association (AMECA)
AMECA is a local organisation that represents various cultural groups across North Ayrshire. The Association organises multicultural activities and provides guidance, support and advocacy to members of Minority Ethnic communities.

The association has been supported by the Council since its inception. We currently provide a sessional worker to support its work. International Women's Day was promoted on 7 March 2015,

with a local event that was attended by over 100 people. The Association also has its own Sessional worker who links with the Council to support the delivery of Cultural Awareness training to staff.

The AMECA centre, which is based in Irvine, has been supporting new families from Afghanistan on day to day living issues. Key areas of work supported by the Council include:

- Training and support for the AMECA management committee, which consists of (Black and Minority Ethnic) membership, in managing the centre, and providing support to the Support Worker from the BME community.
- In order to encourage more BME membership, AMECA have been working with CEMVO to provide support. CEMVO facilitated three consultation events (one in North Ayrshire, one in East Ayrshire, and one in South Ayrshire) to discuss the future role of AMECA. The Three events scheduled were held: Tues 25th Sept 2016 – Ayrshire College Kilwinning, Thurs 27th Sept 2016 – Ayrshire College Ayr Campus, and Tuesday 1st Nov 2016– EAC HQ, Kilmarnock

Chinese Community
In July 2015, and September 2016 the Chinese Community were given assistance to apply for funding for the Kat O Lok Fu Chinese Elderly Lunch Group, which meets every two weeks in the Volunteer Rooms, Irvine. The community were also supported in applying for Community Development Grant Scheme funding for the Chinese Information and Advice centre based at Parterre Halls in Irvine.

As Parterre Hall has been requested for an asset transfer, the Chinese Information and Advice Centre were assisted in relocating their equipment to the Volunteer Rooms.

Support for Syrian and Afghan Families
Information sheets for new Syrian families – 'Welcome to North Ayrshire- (Ardrossan, Stevenston and Saltcoats)' were created. The sheets were translated into Arabic, and issued to each family prior to arriving in area.

Through the Ayrshire Equality Partnership, ongoing discussions have taken place about the feasibility of collectively working across all three councils in providing additional support in overcoming potential isolation for Afghan and Syrian Families within Ayrshire.

Protected Characteristics Supported – **Race, Age, Gender**

Youth Services Work
- Lesbian Gay Bi-sexual and Transgender (LGBT) History Month – 'Leap out the Closet' Twitter campaign - young people sharing a message a day to empower LGBT people and educate people on language and pronouns, during 2016 a 29 day social media campaign was carried out, with over 5000 hits during the month.
- Twenty-young people carried out a 24 hour fitness fund-raiser, running nearly 700 miles and using a cross-trainer, raising over £1200. The distance represented the distance between their local group in Kilwinning to Cologne in Germany - where the first LGBT memorial statue was resurrected in memory of LGBT people persecuted in WW1
- LGBT youth groups continue to run on a weekly basis in Kilwinning and two new groups were piloted during 2016 in Saltcoats and Kilbirnie. In partnership with Arran Youth Foundation a new group has been developed on Arran.
- All youth work staff trained in LGBT awareness and trans awareness training and LGBT+ training took place for 12 teachers.
- Three young people from North Ayrshire sit on the National Youth Council LGBT forum.

Support offered to Older People

Luminate (2015), Scotland's Creative Ageing Festival, '*celebrating our creative lives as we age'*. This annual national event show cases some of the many creative talents of older people from across Scotland.

As part of this event North Ayrshire Council partners supported the following events:

Celebration of the Achievements of Older Peoples Arts Exhibition, 14-21 October 2015
- Celebration showcased a range of Art, photography, intergenerational projects and craft work older people were involved in **34** people exhibited, **42** people attended the launch.

Access all Areas 'Come and Try' event 26-30th October 2015
- A Local Art group (all over 65) planned and delivered an exhibition and free come and try art sessions with **20** participants.

Talent on Tour 27.10.15
- 28 members of a community singing group (oldest member 94) entertained residents from residential units in an afternoon of song. A combined total of **78** participants on the day.

Living Voices, March-October 2015
- (Partnership between Community Development Team and Scottish Poetry library).
- Pilot project which used storytelling to explore common themes, **8** older women took part in the programme. This culminated in a 'Sharing Event' (21.10.15) which was attended by **35** people.

Protected Characteristics Supported – Age

Intergenerational Work
A wide range of intergenerational work is facilitated by the Council's Community Development team. A sample of activities are outlined below –

- West Kilbride World War 2 Project.
- Intergenerational Quizzes
- Facilitating connections between Age Concern and Secondary Schools
- Celebration of the achievements of older people's Art Exhibition.
- Access All areas 'Come and Try' art event
- 'Talent on Tour' singing group (oldest member 94 years), entertained residents in residential units
- Lifting Voices storytelling programme

In total approximately 400 people from older groups and children from primary schools have been involved in events over the year.

Art Exhibition October-December 2016
Eighteen artists from Castlepark Community Art Club exhibited a small selection of their paintings at Irvine Library.

Support to Elderly Forums
The Participation and Empowerment Team provide Capacity Building support to Elderly Forums in Irvine, Kilwinning, Ardrossan, Stevenston, Saltcoats and the Islands of Arran and Cumbrae. Support is offered to the Three Towns disability forum and North Ayrshire Access Panel.

Protected Characteristic Supported: Age, Gender.

English for Speakers of Other Languages (ESOL)
North Ayrshire Council has committed to supporting the increased demand for lower level ESOL (English for Speakers of other Languages) including pre-literacies level support. In the last year, ESOL provision has been offered over 3 localities and is now available 5 days per week.   Learning activities have included participating in local community events.

ESOL support has been introduced to Ayrshire College Kilwinning Campus for students attending mainstream classes, for whom English is not their first language. An Esol evening class has also been introduced in response to increasing demand.

Due to a successful funding bid, in 2016, ESOL became integral to an Employability project targeted primarily at Syrian Refugees, delivered by The Workers Education Association (WEA).

3.2 Health and Social Care Partnership
The Health & Social Care Partnership came into existence on 2nd April 2015 and was the first integrated partnership in Scotland. By working in partnership, Primary Health and Social Care Services provide a seamless care service to local people in North Ayrshire and ensure their health and care needs are met.
The partnership is committed to ensuring all people in North Ayrshire are able live a safe, health and active life regardless of a person's background or unique characteristics. The partnership's vision is underpinned by its 7 values; for each person we support, we will be: Person Centred, Respectful, Efficient, Caring, Inclusive, Honest, and Innovative.

In our first year we have supported the equality agenda by:

Getting it right for you: North Ayrshire Children's Services Plan 2016-2020
Contributing to the development of the North Ayrshire Children's Services Plan 2016-2020. The plan aims to address the key needs identified by the young people of North Ayrshire. The plan outlines key promises, that services will deliver to children and young people to support them have the best start in life. Children services with the HSCP will be restructured in order to meet the requirements of the plan.

Scottish Transgender Alliance
Initiating a national survey carried out by the Scottish Transgender Alliance. This research gathered the views of Trans people's experience of engaging with addiction support services. This research has produced a series of recommendations to improve services for this service user group.

Locality Planning
The HSCP has initiated Locality Planning forums who will undertake a key role in future strategic planning of services. The development of these forums will allow for the unique needs of each locality to be identified and addressed. The forums will engage with local people and afford them an opportunity to shape health and care services in their local communities.

Carers
In preparation for the implementation of the Carers (Scotland) Act 2016, service are moving towards making North Ayrshire a 'Caring Community'. This involves engaging local businesses and services to support them fully understand the needs of unpaid carers. Many local business have signed up to a Carers Appreciation card that will afford unpaid carers various discounts and promotions with local businesses.

4. Employee Information

As part of this mainstreaming equalities report a breakdown of North Ayrshire Council and "Education Authority" employee information is required. This is detailed below for North Ayrshire Council staff as a whole and for "Education Authority" staff (i.e. teaching staff) separately in relation to the themes of race, disability, gender and equal pay.

4.1 Race

The race employment monitoring statistics for 2015/16 (all employees) in Table 1 (2016) and 2 (2015) are presented in detail. These figures indicate that the percentage number of staff in each year has remained relatively stable. Employees classed as 'white', have seen a drop from 80.6% to 80.3% or a 0.3% decrease from 2015 – 2016. The 'Other ethnicity' category has remained the same at 0.8%.

Data from the 2011 Census indicates that approximately 1.1% of the population of North Ayrshire were from an ethnic background other than white. This is more than the current ethnic workforce of 0.8% or 51 employees. To place this in context, due to the small numbers involved an additional 18 staff from the 'Other Ethnicity' category would bring the Council in line with the population statistics for North Ayrshire.

The majority of minority ethnic staff, 24 employees or 0.7% of the total workforce are employed in grades 4 – 7. The highest percentage of minority ethnic staff as a total percentage of any particular grade sit within Grades 8 -10 (7 staff or 0.8%) and 11 – 17 (2 staff, 0.8%), This is a change from the previous year, where Grades 1 – 3 and 11 – 17 had the highest Percentages. This indicates a balanced spread of staff by 'other ethnicity' across the Council by grade.

Education Staff

The percentage of 'Other Ethnicity' in the general teaching grade is 1.0% (12 employees), this is a reduction of 0.5% from the previous year or a difference in 4 staff members. This is slightly lower than the population average (1.1%), to place this in context an additional member of staff would raise this percentage to the North Ayrshire average. The promoted teacher posts have reduced from 2 to 1 or 0.6% to 0.3%.

Table 1 – Race Employment Monitoring Statistics 2016

2016	White		Other Ethnicity		Not Disclosed		Total
	Number	%	Number	%	Number	%	
Chief Officer	11	68.8%	0	0.0%	5	31.3%	16
Grades 1 - 3	793	84.0%	5	0.5%	146	15.5%	944
Grades 4 - 7	2,603	85.0%	24	0.7%	459	14.3%	3,086
Grades 8 - 10	753	84.3%	7	0.8%	151	14.9%	911
Grades 11 - 17	249	82.7%	2	0.8%	42	16.6%	293
Other	14	77.8%	0	0.0%	4	22.2%	18
Promoted teacher	296	82.5%	1	0.3%	62	17.3%	359
Teacher	740	63.4%	12	1.0%	416	35.6%	1,168
Total Workforce	**5,459**	**80.3%**	**51**	**0.8%**	**1,285**	**18.9%**	**6,795**

Table 2 - Race Employment Monitoring Statistics 2015

2015	White		Other Ethnicity		Not Disclosed		Total
	Number	%	Number	%	Number	%	
Grades 1 - 3	793	84.0%	5	0.5%	146	15.5%	944
Grades 4 - 7	2,603	85.0%	24	0.7%	459	14.3%	3,086
Grades 8 - 10	753	84.3%	7	0.8%	151	14.9%	911
Grades 11 - 17	249	82.7%	2	0.8%	42	16.6%	293
Other	14	77.8%	0	0.0%	4	22.2%	18
Chief Officer	11	68.8%	0	0.0%	5	31.3%	16
Promoted teacher	296	82.5%	1	0.3%	62	17.3%	359
Teacher	740	63.4%	12	1.0%	416	35.6%	1,168
Total Workforce	**5,459**	**80.3%**	**51**	**0.8%**	**1,285**	**18.9%**	**6,795**

Training Figures by Ethnicity

Table 3 and 4 highlight training by ethnicity, indicating that relative to the other categories the percentage of 'Other Ethnicity' staff (89.3%) attending some form of training during 2016 is higher than 'white' staff (71.7%) and non-disclosed. This is much higher than the 2015 figure of 51.2%, although overall staff numbers are lower, a reduction from 43 - 28.

With temporary staff the number trained as a percentaqe is similar to the 'White' category, although actual numbers are similar as there were 4 less staff in 2016, overall 2 more staff from the 'Other ethnicity' category were trained in 2016.

Table 3 – Training figures by Ethnicity 2016

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
White	3,840	2,752	71.7%	**White**	583	332	56.9%
Other Ethnicity	28	25	89.3%	**Other Ethnicity**	10	6	60.0%
Not Disclosed	577	445	77.1%	**Not Disclosed**	230	123	53.5%

Table 4 – Training figures by Ethnicity 2015

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
White	5,011	2,795	55.8%	White	672	337	50.1%
Other Ethnicity	43	22	51.2%	Other Ethnicity	14	4	28.6%
Not Disclosed	887	417	47.0%	Not Disclosed	221	82	37.1%

Retention figures by Ethnicity

Table 5 and 6 highlight retention by ethnicity by year, with 2016 figures showing a higher percentage turnover for 'other ethnicity' for permanent (14.3% vs 8.3% for white) and temporary (30% vs 18.9% for white) staff. Due to lower numbers of 'Other Ethnic' staff slight changes to this number will affect the percentages in a larger direction. Although the percentage of leavers during 2016 is double that of 2015, the numbers are very similar, 4 and 3 respectively and is due to overall lower number of staff in these categories in 2016.

Table 5 – Retention figures by Ethnicity 2016

Permanent	Headcount	Leavers	% turnover	Temporary	Headcount	Leavers	% turnover
White	3,840	318	8.3%	White	583	110	18.9%
Other Ethnicity	28	4	14.3%	Other Ethnicity	10	3	30.0%
Not Disclosed	577	37	6.4%	Not Disclosed	230	37	16.1%

Table 6 – Retention figures by Ethnicity 2015

Permanent	Headcount	Leavers	% turnover	Temporary	Headcount	Leavers	% Turnover
White	5,011	286	5.7%	White	672	177	26.3%
Other Ethnicity	43	3	7.0%	Other Ethnicity	14	4	28.6%
Not Disclosed	887	48	5.4%	Not Disclosed	221	59	26.7%

Application figures by Ethnicity

Applicants/Employees as they move from application to leaving the Council.
The percentage of Applicants from the 'other ethnic' category during 2016 was 2.98%, an increase from 2015 of 0.1% (or 1.3% from 2014). This is an additional 32 applicants and the low percentage increase is reflected in the larger overall number of applicants from the 'White' category which jumped 804 from 2015 – 16. The number of new starts from the 'Other Ethnicity' fell from 8 – 3 between 2015 -16 and as a percentage of new starts decreased overall by 0.5%. Of note is the increase in the numbers interviewed from the previous year, both in number (an additional 5) and percentage (additional 0.4%).

Table 7 - Application figures by Ethnicity 2016

2016	White			Other Ethnicity		Not disclosed		Total
	Number	%		Number	%	Number	%	
Applicant	4608	94.76%		145	2.98%	110	2.26%	4,863
Interviewed	2038	94.53%		26	1.21%	92	4.27%	2,156
New start	290	48.41%		3	0.50%	306	51.09%	599
Leavers	92	69.17%		1	0.75%	40	30.08%	133

Table 8 - Application figures by Ethnicity 2015

2015	White		Other		Not disclosed		Total
	Number	%	Number	%	Number	%	
Applicant	3,804	95.2%	113	2.8%	77	1.9%	3,994
Interviewed	1,519	95.1%	29	1.8%	50	3.1%	1,598
New Start	470	64.5%	8	1.1%	251	34.4%	729
Leavers	463	80.2%	7	1.2%	107	18.5%	577

4.2 Disability

The disability employment monitoring statistics (all employees) are provided at Tables 9 (2016) and Table 10 (2015). The percentage of employees recorded as having a disability reduced slightly by 0.1% from 147 to 136, the not-disabled reduced by 2.4%. The Not Disclosed increased by 2.8%, although there is no information available as to this change.

The highest number of staff registered as having a disability are within grades 4 – 7, (58 people), the highest percentage categories fall within Other (5.6% or 5 staff) and grades 11 – 17 (2.4% or 7 staff), these figures are similar to 2015.

Table 9 -Disability Employment Monitoring (2016)

2016	Disabled		Not Disabled		Not Disclosed		Total
	Number	%	Number	%	Number	%	
Grades 1 - 3	22	2.3%	746	79.0%	176	18.6%	944
Grades 4 - 7	58	1.9%	2,456	79.6%	572	18.5%	3,086
Grades 8 - 10	19	2.1%	717	78.7%	175	19.2%	911
Grades 11 - 17	7	2.4%	238	81.2%	48	16.4%	293
Chief Officer	0	0.0%	11	68.8%	5	31.3%	16
Other	1	5.6%	13	72.2%	4	22.2%	18
Promoted teacher	5	1.4%	283	78.8%	71	19.8%	359
Teacher	24	2.1%	699	59.8%	445	38.1%	1,168
Total Workforce	**136**	**2.0%**	**5,163**	**76.0%**	**1,496**	**22.0%**	**6,795**

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Table 10– Disability Employment Monitoring (2015)

2015	Disabled		Not Disabled		Not Disclosed		Total
	Number	%	Number	%	Number	%	
Grades 1 - 3	22	2.4%	776	84.2%	124	13.4%	922
Grades 4 - 7	60	1.9%	2,496	81.1%	523	17.0%	3,079
Grades 8 - 10	21	2.3%	743	81.2%	151	16.5%	915
Grades 11 - 17	9	3.2%	231	81.1%	45	15.8%	285
Other	5	5.0%	84	83.2%	12	11.9%	101
Chief Officer	0	0.0%	11	61.1%	7	38.9%	18
Promoted teacher	4	1.2%	268	79.3%	66	19.5%	338
Teacher	26	2.2%	762	64.0%	402	33.8%	1,190
Total	**147**	**2.1%**	**5,371**	**78.4%**	**1,330**	**19.4%**	**6,848**

Education Staff

The levels of staff with a disability has remained relatively static between 2015 – 2016 at 3.4% (30 people) and 3.5% (29 people) respectively. The actual number of staff employed with a disability during 2015 was 26 teaching staff and 4 staff in a promoted post to 24 teaching staff and 5 promoted posts in 2016.

There are no recent comparable census figures are available for disability. The 2011 census did not ask a specific question on disability.

Training Monitoring Statistics for Disabled Employees

Tables 11 and 12 provide information highlighting the percentage of disabled staff receiving training and shows a slightly higher number of non-disabled staff (72.4% vs 70.5%) receiving training during 2016. This figure was much closer than in 2015 (55.8% vs 51.3%). Interestingly all categories show an increase in staff participating in training from 2014 to 2015.

Training for temporary staff indicates a higher percentage of disabled staff receiving training than non-disabled staff during 2016 and 2015.

Table 11 – Staff Development/Training for Permanent and Temporary Disabled Employees 2016

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
Disabled	78	55	70.5%	**Disabled**	29	18	62.1%
Not Disabled	3,631	2,629	72.4%	**Not Disabled**	550	316	57.5%
Not Disclosed	736	538	73.1%	**Not Disclosed**	244	127	52.0%

Table 12 – Staff Development/Training for Permanent and Temporary Disabled Employees 2015

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
Disabled	115	59	51.3%	**Disabled**	32	17	53.1%
Not Disabled	4,728	2,639	55.8%	**Not Disabled**	643	324	50.4%
Not Disclosed	1,098	536	48.8%	**Not Disclosed**	232	82	35.3%

Retention figures for Disabled Employees
Tables 13 and 14 provide retention figures for all disabled and non-disabled employees. The percentage turnover for disabled staff is slightly higher in 2015 and 2016 (7.8% vs 5.7%) and 9.0% vs 6.8% respectively, although the actual number of leavers is higher in 2015.. The figures do not indicate an issue in relation to retention of disabled employees however with any change these will be monitored over subsequent years to identify any emerging patterns.

Table 13 – Retention figures 2016

Permanent	Headcount	Leavers	% turnover	Temporary	Headcount	Leavers	% turnover
Disabled	78	7	9.0%	Disabled	29		0.0%
Not Disabled	3,631	247	6.8%	Not Disabled	550	3	0.5%
Not Disclosed	736	105	14.3%	Not Disclosed	244	147	60.2%

Table 14 – Retention figures 2015

Permanent	Headcount	Leavers	% Turnover	Temporary	Headcount	Leavers	% Turnover
Disabled	115	9	7.8%	Disabled	32	7	21.9%
Not Disabled	4,728	269	5.7%	Not Disabled	643	167	26.0%
Not Disclosed	1,098	59	5.4%	Not Disclosed	232	66	28.4%

Application Figures for Disabled Employees
The number of applicants has increased slightly from 3.7% (2015) of all applicants to 3.87% (2016) of all applicants, with only a slight reduction in the percentage of new starts during 2016 (down 0.56%). There were 7 less new starts during 2016, however the number of leavers was drastically down from 16 in 2015 to 2 in 2016.   However the number interviewed as a percentage of applicants has remained fairly high at 4.4% and 4.31% each year respectively. Discrepancies between some of the figures relate to applicants during one year and interviews taking place in the next year.

Table 15 – Application Figures 2016

	Not Disabled		Disabled		Not disclosed		Total
	Number	%	Number	%	Number	%	
Applicant	4567	93.91%	188	3.87%	108	2.22%	4863
Interviewed	1978	91.74%	93	4.31%	85	3.94%	2156
New start	259	43.24%	14	2.34%	326	54.42%	599
Leavers	70	52.63%	2	1.50%	61	45.86%	133

Table 16 – Application Figures 2015

	Not-Disabled		Disabled		Not Disclosed		Total
	Number	%	Number	%	Number	%	
Applicant	3,756	94.0%	149	3.7%	89	2.2%	3,994
Interviewed	1,478	92.5%	70	4.4%	50	3.1%	1,598
New Start	471	64.6%	21	2.9%	237	32.5%	729
Leavers	463	80.2%	16	2.8%	125	21.7%	577

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4.3 Gender

The gender employment monitoring statistics are provided at Table 17 (2016) and Table 18 (2016). During 2016, 73.5% of staff were female and 26.5% were male, these figures are virtually the same as 2015. The proportion of males to females employed by North Ayrshire Council has remained fairly static over the last 2 years.

As we move through the grades to more senior roles, in general the number of female to male staff decreases. These figures are similar for 2015.

Table 17 – Gender Employment Monitoring 2016

2016	Females		Males		Total
	Number	%	Number	%	
Grades 1 - 3	700	74.2%	244	25.8%	944
Grades 4 - 7	2,282	73.9%	804	26.1%	3,086
Grades 8 - 10	603	66.2%	308	33.8%	911
Grades 11 - 17	175	59.7%	118	40.3%	293
Other	3	16.7%	15	83.3%	18
Chief Officer	9	56.3%	7	43.8%	16
Promoted teacher	274	76.3%	85	23.7%	359
Teacher	951	81.4%	217	18.6%	1,168
Total Workforce	**4,997**	**73.5%**	**1,798**	**26.5%**	**6,795**

Table 18 – Gender Employment Monitoring 2015

2015	Females		Males		Total
	Number	%	Number	%	
Grades 1 - 3	666	72.2%	256	27.8%	922
Grades 4 - 7	2,292	74.4%	787	25.6%	3,079
Grades 8 - 10	606	66.2%	309	33.8%	915
Grades 11 - 17	164	57.5%	121	42.5%	285
Other	57	56.4%	44	43.6%	101
Principal Officer	11	61.1%	7	38.9%	18
Promoted teacher	255	75.4%	83	24.6%	338
Teacher	974	81.8%	216	18.2%	1,190
Total	**5,025**	**73.4%**	**1,823**	**26.6%**	**6,848**

Applicants by Gender

Table 19 and 20 show applicants, interviews, new starts and leavers by gender for 2016 and 2015. This shows that there were a higher percentage of female applicants in 2016 than in 2015 (61.5% vs 60%), conversely there were slightly less male applicants as a percentage of total applicants in 2016 (37.06% vs 38.8%) These figures fluctuate slightly year on year but no overall trend has been identified. In proportion to the number of applicants and new starts, a higher percentage of female staff were interviewed and employed compared to male staff. The number of female staff leaving the Council during 2016 was much higher than in 2015.

Table 19 –Applicants by Gender 2016

	Female		Male		Not disclosed		Total
	Number	%	Number	%	Number	%	
Applicant	2994	61.57%	1802	37.06%	67	1.38%	4863
Interviewed	1437	66.65%	650	30.15%	69	3.20%	2156
New start	427	71.29%	172	28.71%	0	0.00%	599
Leavers	97	72.93%	36	27.07%	0	0.00%	133

Table 20 – Applicants by Gender 2015

	Female		Male		Not Disclosed		
	Number	%	Number	%	Number	%	Total
Applicant	2,395	60.0%	1,549	38.8%	50	1.3%	3,994
Interviewed	1,031	64.5%	532	33.3%	35	2.2%	1,598
New Start	528	72.4%	201	27.6%	0	0.0%	729
Leavers	341	59.1%	236	40.9%	0	0.0%	577

Charts 1 and 2 show the percentage of male/female staff by grade.
As you go up the Grades from 1 to 17 the prevalence of female staff declines as a percentage whereas it increases for male staff. Similarly this same pattern is visible in the move from Teacher to Promoted Teacher. Although North Ayrshire has a higher percentage of female staff in the top 5% paid employees, the trend seen in chart 1 (2016) was similar to that seen in 2015 (and 2014) and is generally a reflection of current practices in the workplace.
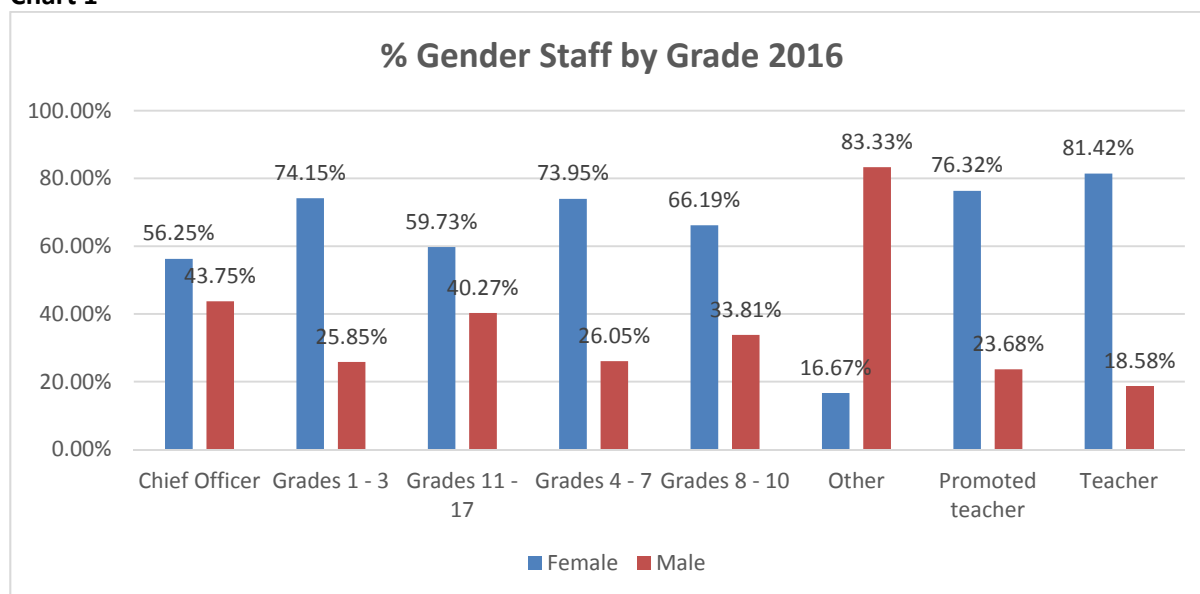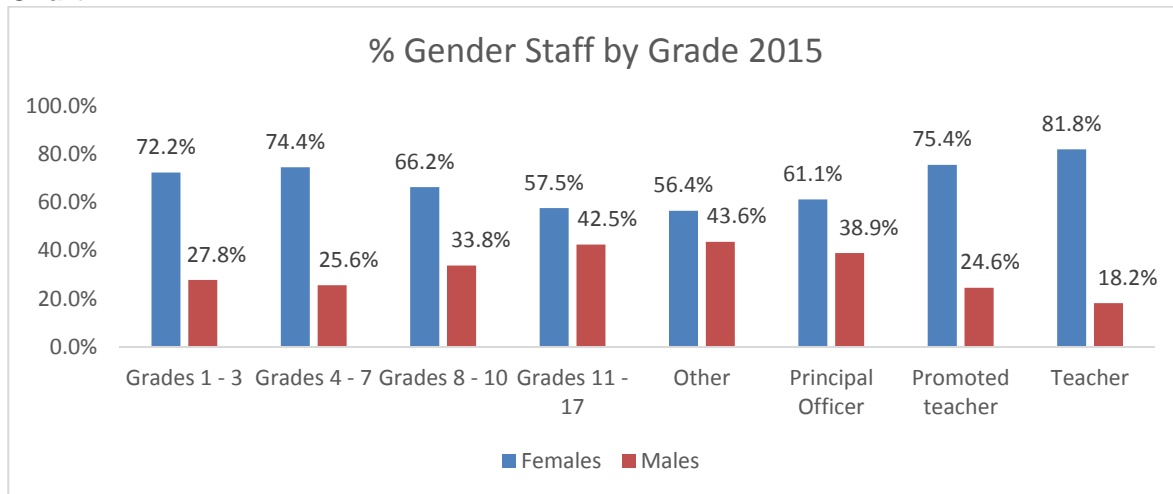The other category comprises both Modern Apprentices and Craft apprentices.

Chart 1

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Chart 2

Training and development by Gender
Table 21 indicates that during 2016 and 2015 a slightly higher percentage of male permanent staff participated in training than female staff. Occupational segregation is often used to explain the differences in the types of training available that will be relevant to staff depending on their role, with a higher percentage of male staff tending to work in traditional manual based jobs. Although still requiring training to support them to perform their duties, many occupations will not have as wide a training requirement as others, which in turn may impact on training figures.

Table 21 - Staff Development/Training for Permanent and Temporary staff by Gender 2016

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
Female	3,137	2,265	72.2%	**Female**	635	352	55.4%
Male	1,308	957	73.2%	**Male**	188	109	58.0%

Table 22- Staff Development/Training for Permanent and Temporary staff by Gender 2015

Permanent	Headcount	Received Training	%	Temporary	Headcount	Received Training	%
Female	4,370	2,291	52.4%	**Female**	655	315	48.1%
Male	1,571	943	60.0%	**Male**	252	108	42.9%

Staff Retention Figures by Gender
During 2015, there was a slightly higher percentage of male leavers to female leavers in permanent staff across the Council. The percentage turnover figures were reversed in 2016 with more female staff leaving. This figure is not significant and again could be due to changes in certain occupations and will be monitored over time to identify potential trends.

Table 23–Staff Retention figures Permanent and Temporary staff by Gender 2016

Permanent	Headcount	Leavers	% turnover	Temporary	Headcount	Leavers	% turnover
Female	3,137	276	8.8%	**Female**	635	100	15.7%
Male	1,308	83	6.3%	**Male**	188	50	26.6%

Table 24 –Staff Retention figures Permanent and Temporary staff by Gender 2015

Gender	Headcount	Leavers	Turnover	Gender	Headcount	Leavers	% turnover
Females	4,370	229	5.2%	Females	655	112	17.1%
Males	1,571	108	6.9%	Males	252	128	50.8%

4.4 Employee Monitoring Statistics - Age

The council has a predominantly ageing workforce. Table 25 provides a breakdown of applicants, interviews and appointments per age grouping for 2016, indicating a larger proportion of applicants in the 20 – 29 and 55 - 59 age ranges, which is similar for 2016. In 2016, the highest percentage of interviewed staff took place in the not disclosed category (40.7%) and the 35 – 39 (36%) and 40 – 44 (36.8%) age groups. North Ayrshire has a relatively high percentage of unemployed young people and has been implementing a range of measures to try and support young people into work. These include the modern apprentice programme and the Graduate Trainee programme.

Table 25 - Employment Monitoring Statistics 2016

	Applicant		Interviewed		
Group	Number	%	Number	%	Total
Under 20	329	69.9%	142	30.1%	471
20-24	861	78.4%	237	21.6%	1098
25-29	791	71.3%	319	28.7%	1110
30-34	550	68.6%	252	31.4%	802
35-39	472	64.0%	265	36.0%	737
40-44	435	63.2%	253	36.8%	688
45-49	469	65.6%	246	34.4%	715
50-54	426	69.4%	188	30.6%	614
55-59	292	71.2%	118	28.8%	410
60-64	112	67.1%	55	32.9%	167
65-69	14	77.8%	4	22.2%	18
Not Disclosed	112	59.3%	77	40.7%	189

Table 25 - Employment Monitoring Statistics 2015

	Applicant		Interviewed		Total
Group	Number	%	Number	%	
Under 20	237	61.2%	150	38.8%	387
20-24	646	79.3%	169	20.7%	815
25-29	642	77.0%	192	23.0%	834
30-34	458	73.0%	169	27.0%	627
35-39	416	70.0%	178	30.0%	594
40-44	419	68.2%	195	31.8%	614
45-49	412	66.6%	207	33.4%	619
50-54	351	68.2%	164	31.8%	515
55-59	255	72.4%	97	27.6%	352
60-64	71	74.0%	25	26.0%	96
65-69	7	70.0%	3	30.0%	10
70 and Over	3	75.0%	1	25.0%	4
Not Disclosed	77	61.6%	48	38.4%	125

5. **North Ayrshire Council Equal Pay Statement**

Statement of Commitment

North Ayrshire Council is committed to the principal of equality of opportunity in employment for all our employees and aims to determine pay and conditions of employment that do not discriminate unlawfully and are free from bias by ensuring that equal pay is in place for like work, work rated as equivalent and work of equal value. This includes equality on the basis of gender, race, age, pregnancy and maternity, gender reassignment, sexual orientation, religion or belief, marital/civil partnership status, and disability.

North Ayrshire Council understands that the right to equal pay between women and men is a legal right under both domestic and European Law.

In addition, the Equality Act 2010 (Specific Duties) (Scotland) Regulations require North Ayrshire Council to:

- Publish gender pay gap information.

- Publish a statement on equal pay and information on occupational segregation between women and men, people who are disabled and those who are not, and people who fall into a minority racial group and those who do not.

Objectives

In line with the General Duty of the Equality Act 2010, our equal pay objectives are to:

- Eliminate unfair, unjust or unlawful practices and other discrimination that impact on pay equality
- Promote equality of opportunity and the principles of equal pay throughout the workforce

Actions

North Ayrshire Council will:

- Examine existing and future pay practices for all employees to ensure that they comply with best equal pay practice and current legislation

- Take appropriate action to eliminate pay gaps/differences that cannot satisfactorily be explained on grounds other than a protected characteristic

- Set aside appropriate resources to achieve equal pay.

- Use an analytical job evaluation system, jointly agreed with the relevant trades unions, to assess the relative value of local government employee jobs within the Council that determines the allocation of jobs within the relevant pay and grading structure

- Monitor and analyse areas of occupational segregation and identify appropriate equalities action and outcomes

- Provide training and guidance on equal pay for those involved in determining pay and grading matters in terms of job evaluation and appointments.,

- Enable employees to understand how their pay is determined through effective communication and administration of fair and transparent pay systems

- Respond to equal pay complaints timeously in accordance with our agreed procedure

- Discuss the equal pay policy with trades unions and professional associations as appropriate

Monitoring

Equal Pay Audits will be carried out every three years Actions arising from the Equal Pay Audit will be planned and implemented having consulted with the relevant trades unions.

Equality monitoring statistics will be included in the Council's annual equality report.

Policy Review

This policy will be reviewed every 3 years in consultation with all relevant stakeholders.

Responsible Person

Through delegated authority, and on behalf of the Executive Leadership Team, the Head of People and Transformation is responsible for the design and review of all policy related to pay and benefits.

6. Pay Gap Figures for Gender, Race and Disability

Table 26 Gender Pay Gap (2016)

	Mean Pay Difference (basic hourly rate)	
	2016	2012
Female	£14.41	£13.57
Male	£14.59	£13.98
Difference (%)	1.22%	2.97%

The basic gender pay gap in table 26 has been showing downward trends over the last few years, from 2.97% in 2012 to 1.22% in 2016. Further work is required to consider any differences by occupation and grade across Council Services.

Table 27 Disability Pay Gap (2016)

Status	Mean Pay Difference (basic hourly rate)
Disabled	£14.25
Not Disabled	£14.26
Difference (%)	0.08%

The Disability Gap figures for 2016 (table 27), indicate a minimal difference between disabled and not disabled staff of 0.08%. As this is the first time reporting these statistics, the figures in table 27 will be used as a baseline moving forward.

Table 28 Race Pay Gap (2016)

Status	Mean Pay Difference (basic hourly rate)
Other Ethnicity	£14.81
White	£14.25
Difference (%)	- 3.95 %

The Race Gap figures for 2016 (table 28), indicate 3.95% variance in favour of staff from the 'Other Ethnicity' Category. As this is the first time reporting these statistics, the figures in table 28 will be used as a baseline moving forward.

The paygap information contained in the tables above, indicates an overall positive trend, for gender, race and disability. Some work is still required to narrow the gender paygap. The paygap information for Race and Disability show positive figures and will be monitored annually to identify any trends.

Tables 29 and 30 on page 27 show the difference in average hourly pay by gender for 2016 and 2015 across staff grades, including teaching and promoted teaching posts, which is sitting at 2.0% in favour of male staff. The total figures show a slight increase in the gap between female and male average pay of 0.2% or £0.03 per hour in favour of male staff. There are variances between grades, with grades 1-3 showing a 1.7% swing in male to female pay, meaning female staff in these grades are earning on average 0.5% more pay than male staff in 2016 compared to 2015.

Female staff are earning more than male staff in Grades 1 – 3 (0.5%), 8 – 10 (2.0%), Chief Officer (7.9%) and Teacher (1.5%). Grades indicating a higher percentage pay for male staff are in 4 – 7 (5.6%, which is a 0.2% decrease since 2015) and promoted teaching staff where this has increased by 0.3% in 2016 to 4.9%. Issues such as occupational segregation require further exploration.

Table 29 – Average Hourly Pay by Gender 2016

Average Hourly Rate			
2016	**Female**	**Male**	**% Variance**
Grades 1 - 3	£7.71	£7.67	-0.5%
Grades 4 - 7	£10.53	£11.15	5.6%
Grades 8 - 10	£17.58	£17.24	-2.0%
Grades 11 - 17	£23.52	£23.98	1.9%
Chief Officer	£51.90	£48.10	-7.9%
Teacher	£20.75	£20.45	-1.5%
Promoted teacher	£27.70	£29.12	4.9%
Total Workforce	**£14.41**	**£14.71**	**2.0%**

Table 30 - Average Hourly Pay by Gender 2015

Average Hourly Rate			
2015	**Female**	**Male**	**% Variance**
Grades 1 - 3	£7.73	£7.82	1.2%
Grades 4 - 7	£10.58	£11.23	5.8%
Grades 8 - 10	£17.64	£17.32	-1.8%
Grades 11 - 17	£23.52	£24.03	2.1%
Chief Officer	£50.46	£48.10	-4.9%
Teacher	£20.81	£20.70	-0.5%
Promoted teacher	£27.76	£29.09	4.6%
Total Workforce	**£14.43**	**£14.70**	**1.8%**

7. Specific Report on Education and Youth Employment

Education and Youth employment in North Ayrshire recognises and celebrates its role in the delivery of positive outcomes for all children and young people. We undertake a number of positive interventions to support equalities education for the benefit of both children and young people and for NAC staff across our educational establishments. Education and Youth employment recognises the main duties for local authorities in relation to equality and diversity.

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010,
- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and
- Foster good relations between people who share a protected characteristic and those who do not.

The public sector equality duty covers the following protected characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. The public sector equality duty also covers marriage and civil partnerships, with regard to eliminating unlawful discrimination in employment. Education and Youth employment are able to evidence a range of interventions to support all people, including those in minority groups, who face inequality.

The directorate priorities clearly show the direction of travel for Education and Youth Employment across our educational establishments and how equality and diversity sit at the very heart of our work, embedded in educational provision, training and relationship development. These priorities are

1. Reducing inequalities and delivering improved outcomes for children and young people
2. High quality learning and teaching taking place in all our establishments
3. Self-evaluation and performance improvement are embedded in our schools and central support teams
4. Levels of attainment and achievement are improving for all learners
5. High numbers of our young people are entering positive and sustained post school destinations.

North Ayrshire Education and Youth Employment

North Ayrshire Council schools are implementing Curriculum for Excellence. This aims to achieve a transformation in education by providing a coherent, flexible and enriched curriculum for all children and young people from 3-18.

In conjunction with this, the Council is continuing to develop staff understanding of **Getting It Right for Every Child (GIRFEC)**, the principles of which are now embedded in many of the processes within the council.

Furthermore, the implementation of the Children and Young People (Scotland) Act 2014, which brings the GIRFEC approach into legislation, is a further focus for our work across the council and especially within Education and Youth Employment. Through GIRFEC, staff will be able to determine proportionate, timely and appropriate help for young people improving each child's situation and reducing risk. The approach supports the achievement of good outcomes for all children, demonstrated through Children's Plan targets. All children have the entitlement to support which is appropriately developed and monitored using the GIRFEC practice model.

Nurture/Health and wellbeing

Nurture/Health and wellbeing contributes to North Ayrshire's vision of being a nurturing authority. We aim to build emotional resilience in children and train teachers to foster stronger relationships with Children and young people through a nurturing approach. Evidence shows that this can reduce instances of non-engagement with children and young people and raise attainment

The **Rights Respecting Schools programme** is being promoted and introduced into many schools in North Ayrshire. The Rights Respecting Schools Award (RRSA) recognises achievement in putting the United Nations Convention on the Rights of the Child (UNCRC) at the heart of a school's planning, policies, practice and ethos.

A Rights-Respecting School Programme teaches about children's rights, but also models rights and respect in all relationships, whether they be between teachers or other adults and pupils, between adults and between pupils. The UNCRC provides a clear link for pupils between building up their rights-respecting school, understanding their rights and for children's rights to be realised everywhere. Children and young people in rights-respecting schools develop a stronger sense of the need to act for global justice. (UNICEF/RRSA).

A revised anti-bullying policy is being developed along with enhanced and more accurate reporting and recording of prejudiced based bullying. Training is being developed for delivery in session 2016/17 in partnership with "Respect Me".
This will lead to better responses by professionals and better outcomes for young people. A more accurate data collection system, using SEEMIS is currently being developed by Educational Services to improve understanding and target priority needs in all areas.

LGBT education forms part of the learning (primarily in the secondary schools) focussing not only on the sexual health aspects for children and young people, but also on the social and emotional side, including supporting mental health in relation to relationships, sexuality and sexual behaviour.

A number of programmes are used in schools including

- SHARE (Sexual health and relationships education) - NHS resource
- Fit (Stonewall resource)
- See Me! resources
- Stonewall information/ resource
- LGBT Scotland
- Bespoke programmes of study which include discussions on sexuality and sexual behaviour
- Risky behaviours

In some of our secondaries, there are groups for Lesbian Gay Bisexual Transgender (LGBT) children where they can meet up for mutual support.

In primary schools, while the focus is not so much on specific LGBT education, schools would, as a matter of course, cover relationships, the importance of recognizing difference and take a nurturing approach to support positive mental health and emotional wellbeing.

In North Ayrshire, education and youth employment, we strive to support and encourage independence in our children and young people. With this in mind, we have recently set up a 'Glow' tile on our local intranet, where children and young people can access information and support on a range of issues which may be relevant to them. These include organizations which help to support children's mental health and LGBTI (and intersex) pupils, for example stonewall and LGBT Scotland. Our health and social care partnership also offer support to LGBT young people, including support groups which meet locally in a range of locations.

Training and development for pastoral care staff in secondaries takes place via network meetings and a range of other courses and programmers designed to extend their skill base. Most recently this includes work on restorative practice and nurture. Our Health and Wellbeing network leads across early years, primary and secondary also benefit from training opportunities on a range of issues including LGBTi education.

Reducing inequality and delivering improved outcomes for all children and young people

A key feature of our work is the delivery of a fully inclusive approach which is suited to the needs of all children and young people and their families. This work intends to extend nurturing approaches, develop restorative practice across our schools and early year's establishments, and develop our Rights Respecting School work and to develop a culture of inclusiveness within schools.

We consistently review our Anti bullying, child protection, ASN support and Outreach programmers to support children and young people with particular vulnerabilities.

High quality learning and teaching provision for all

To achieve the vision of providing a high quality service for all children and young people across the authority, a number of supports are in place to ensure delivery. Through our quality improvement framework, the curriculum is regularly reviewed, both in the Broad General Education (BGE) and the senior phase. We support and strengthen the capacity of staff through training (CLPL), and to support and challenge all staff to increase their capacity to deliver effectively .We continue to modernize and develop the school estate to improve the educational environment for all. This work underpins our commitment to equality for all, parity of provision and our commitment to offering the highest possible quality education across the authority.

Self-evaluation and performance improvement

Extending self-evaluation processes are key to improving the service. In order to promote equality; education and youth employment have extended the processes to broaden and extend self-evaluation to further include pupil and parent voice. How Good Is Our School (HGISO) 4 asks schools to consider the quality indicator "inclusion, equality and wellbeing" as part of self-evaluation. Schools use this document to review processes, policies and practice as part of their evaluative work. Parent and pupil questionnaires are used to seek their views and these are reflected in school improvement planning. Vision, values and aims as well as curriculum rationales are also shared with, and consulted upon by schools, including consultation with key stakeholders, partners and the wider community.
Our Quality Improvement Visit 3 has a particular focus on Health and Wellbeing- capturing good practice evidence on the schools ability to support the emotional wellbeing and development of our young people

Levels of attainment and achievement are improving for all learners

We are working closely with all educational establishments to develop and accredit innovative approaches to teaching and learning through the BGE and into senior phase. We work with schools at all levels to develop alternative curricular pathways for our most vulnerable pupils in order to appropriately meet needs. Integrating a range of wider achievement options into programmes enhance learner skills and qualifications is a focus for schools**.**

The Senior Phase is intended to build on the experiences, skills, knowledge and understanding developed by each learner in the Broad General Education (BGE) and offer them the opportunity to extend and deepen their learning as they build a portfolio of qualifications which recognises their learning and offers pathways to positive destinations when they leave school.

The recent Organisation for Economic Cooperation and Development (OECD) report "Improving Schools in Scotland" was broadly positive about the impact of Curriculum for Excellence (CfE) on our learners so far. It found that our schools are inclusive environments, where significant efforts are being made to meet the needs of all learners. The OECD report describes CfE as being at a "watershed" moment, where we have an excellent opportunity to evaluate our implementation to date and make further enhancements. It calls for a strengthening of the professional leadership of CfE through further mutual support and learning across partnerships, networks, schools and local authorities. Our plans for the future development of both the Senior Phase and BGE are consistent with this recommendation.

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There are clear upward trends in levels of attainment and in positive destinations in North Ayrshire (as indicated in other reports to Cabinet: SQA Examination Results 2015 (October 2015) and School Leaver Destinations 2014-15 (February 2016).

One of the key drivers for change in the Senior Phase is the publication of Scotland's Youth Employment Strategy 2014, which focuses on implementing the recommendations of the Commission for Developing Scotland's Young Workforce. This strategy sets out the key expectations in terms of deliverables with milestones of a range of partners including schools, colleges and employers. It gives us a clear focus on ensuring we work with others so that our young people experience a high quality work-relevant education which equips the future workface with the relevant skills, attitude and motivation to lead them to success.

More of our young people are choosing to remain at school for longer. The three-year average rate for pupils staying on into S5 in North Ayrshire is now 84% compared to 72% five years ago. Furthermore, 64% of our S4 pupils are now staying on until the end of S6, compared to 52% five years ago. With this increased stay-on rate comes a need to examine our curriculum to ensure that the full range of educational pathways is being catered for.

There is an increased use of data to analyse what is going well in our schools and to identify areas for further development. The introduction of the national benchmarking tool *Insight* has provided schools with a broader range of national measures against which to benchmark their own performance.

There is an increasing focus not only on breadth of learning but also on depth of learning and *Insight* is increasingly recognising achievements of our young people what has been regarded as traditional school subjects. We are using this data from the Senior Phase, alongside data from the Broad General Education to contribute towards setting our priorities for improvement. Indeed, the increased use of progress data in our schools contributes directly to the principles and priorities of the new National Improvement Framework, published in January 2016.

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

North Ayrshire schools have performed particularly well at supporting all of their school leavers into a positive destination – at the last count, the 3rd highest % in Scotland. Prior to 2008, North Ayrshire's % was always below the national average. Since 2008 there has been year-on-year improvement. One key strategy adopted in this improvement has been the focus on vulnerable young people – those who have historically been least likely to make a positive post-school transition. Key named teachers in schools have responsibility for ensuring that any young person leaving school has a secured positive destination. Any youngster who does not have a confirmed offer of a place in education, employment or training is signposted to the post-school agency best suited to support them.

Almost all leavers from our ASN establishments, secure an initial positive destination and for these youngsters, we work with specialist agencies such as Enable Scotland who provide post-school support. Our local college has a good range of provision for post-school learners with ASN. We recognize that longer-term outcomes for this group are not as good as the mainstream cohort and we work in partnership with a range of post-school partners to improve this.

The national "Developing Young Workforce" (DYW) strategy has equalities as a key theme and in turn this has been incorporated into our local authority operational plan. Similarly the regional employer led DYW group has equalities as a key theme and they are working to challenge stereotypes in employer recruitment policies etc. Further, Ayrshire College is working collaboratively with our schools and local employers to promote positive opportunities for all their learners.

DYW has a focus on the promotion of STEM (Science, Technology, Engineering and Maths). We know that in North Ayrshire, proportionally very few of our girls select to move in some sectors such as engineering. The reasons for this are complex but we have worked with employers to run a very successful annual "Girls into STEM careers" event and this model is now also being replicated in individual schools.

8. Licensing

There are two licensing bodies in North Ayrshire:

(a) Licensing Board (alcohol and gambling): this is legally separate from NAC, although its Members are all NAC Councillors.

(b) Licensing Committee (taxis, landlords etc.): this is a Committee of NAC, like Committees dealing with Planning and Education.

Support for the Licensing Board and Committee is provided by North Ayrshire Council staff and the Board employs no staff. Accordingly, equalities reporting in relation to staffing matters forms part of the North Ayrshire Council reporting

All forms (other than those whose content is set by legislation) contain explanatory guidance notes, and the Council's website contains extensive information on the Licensing process. Staff can always be contacted by Licensees and the public for advice on the Licensing system.

(a) Licensing Board

Board policy is primarily contained in its Licensing Policy Statement which includes an overprovision assessment. This policy and all Board policies are subject to equalities impact assessment. However the prohibition in section 27(6) (c) of the Licensing (Scotland) Act 2005, which prohibits the Board from imposing licence conditions which deal with matters dealt with under other legislation, means that conditions can only be used to promote equalities in individual premises if these are relevant to the sale of alcohol in those premises, or directly relevant to the licensing objective of 'improving and protecting public health". Under section 27(6)(c) the Board are expressly prohibited by legislation from having Licence conditions which deal with matters already dealt with by other legislation.

Section 179 of the Criminal Justice and Licensing (Scotland) Act 2010 has not yet been commenced but when it is we will draw the attention of Applicants for the Grant of a Premises Licence to provide the Board with a 'Disabled Access and Facilities Statement'.

North Ayrshire Licensing Board has adopted and published a Licensing Policy Statement, setting out their policy for the exercise of their functions under the Licensing (Scotland) Act 2005. This strategy contains provisions relevant to some 'protected characteristics' and their implementation will support the mainstreaming of equalities.

The Board regards under-age drinking as a problem which the whole licensed trade should address. A person who appears to be under the age of 25 who tries to buy alcohol should be asked to provide Proof of Age (due to a statutory licence condition). The Board expects Premises to be vigilant to the widespread problem of 'agency' sales, where an adult buys alcohol on behalf of under-18s.

The Licensing Board is aware of wide public concern within its area and elsewhere in Scotland surrounding sectarian conduct which focuses on the religious divide between Christian denominations. Accordingly any Premises Licence will have this condition:

'(1) The Licensee shall not engage in, or permit, conduct or activities on the Premises:

(a) which cause offence, or

(b) which are likely to cause offence to a reasonable person, or

(c) which constitute a threat to public order or safety, or

(d) which are likely to discourage a particular part of the community from using the Premises, on racial, religious, sectarian or other discriminatory grounds.

(2) The Licensee shall take reasonable steps to prevent any other person from engaging in such conduct or activities.

(3) The association of any Licensed Premises with a particular football club or the display of football programmes or football memorabilia within the Licensed Premises shall not of itself breach this condition: provided that any such material displayed does not contain any design, insignia, word or groups of words which discriminate on the basis of race, religion or are sectarian or which could reasonably be construed as being discriminatory or inciting racial, religious or sectarian hatred or violence.' (Standard Condition A.15)

If a Licensee behaves in such a fashion, or condones such behaviour by others, he may cause offence. Members of the public may consider themselves excluded from the Premises by reason of their religious beliefs or affiliations. Such conduct can also be intimidating, incite religious or sectarian hatred, and constitute a threat to public order or safety. Several Licensing Objectives are engaged:

'Preventing Crime and Disorder'

'Securing Public Safety'

'Preventing Public Nuisance'

In addition to Condition A.15 ("Prevention of racial or sectarian conduct"), the local conditions applying to on-sales Premises include:

C.11   Disabled Facilities

C.11.1 Staff shall when requested use all reasonable endeavours to assist Disabled People to enter, leave, and use all the facilities (other than toilets) of the Premises;

C.11.2 At all times when the Premises are open to the public there should be a member of staff on duty who can assist Disabled People in the event of an emergency evacuation of the Premises."

The Board's Licensing Policy Statement states that it will deal with all of its business in an open and transparent way. Information and assistance will be made available to those who wish to apply for a Licence, to make representations or to object to an Application. The Board is also aware of the need to ensure that the Licensing process is accessible to all.

The Gambling Act 2005 is like the alcohol-licensing legislation in that it also has Licensing Objectives (such as "protecting children and other vulnerable persons from being harmed or exploited by gambling") and it also creates offences to protect children. The legislation also requires each Board to publish a "Statement of Principles", and since North Ayrshire Licensing Board considers that all under-18s need to be protected from Gambling, the Statement for North Ayrshire states that "Young Persons" (aged 16-17) are treated as "vulnerable".

9. North Ayrshire Council Equality Outcomes

Progress Report 2015 – to end 2016

During 2012, the Council developed nine Equality Outcomes, these were developed by utilising the Equality and Human Rights Commission Outcome Framework and carrying out focus sessions with groups representing the protected characteristics. These Outcomes will be reviewed during 2016 and new or adjusted outcomes published in April 2017.

The Outcomes, highlighted below were supported by a range of actions, representing Services across the Council. These actions are reported on through the Council's Covalent Performance Management System.

North Ayrshire Outcomes
1. More disabled people are in work or training.
2. The incidence of violence against women is reduced
3. The incidence of hate crime is reduced
4. Older people are more active and independent in their communities
5. Vulnerable people have improved access to financial advice, services and products
6. More young people are leaving schools for positive, sustained destinations
7. Pupils feel safer in schools
8. More Council employees are working flexibly
9. Employees feel they have increased capacity to respond more confidently and appropriately to the needs of colleagues and customers

North Ayrshire Council Equality Actions

1. Outcome- More Disabled People in Work and Training

Actions
- Learning Disability Services continue to deliver Employment Support activities to service users. As at December 2016, 25.39% of Learning Disability (LD) service users were accessing Employment Support, short of the target of 30%. The LD Service is reviewing the referral and assessment processes for the Job Support service and will hopefully improve access. An Employability group has been established and will look at developing further opportunities for people with learning disabilities. We have also contributed to the new Social Enterprise Strategy.
- Through its Mental Health services, the Health and Social Care Partnership (HSCP) is working with the Scottish Association for Mental Health (SAMH) to deliver the Positive Steps programme, which will support service users to access a range of employability options.

2. Outcome – Violence Against Women is Reduced

Actions
- The Violence Against Women Strategy has been reviewed and updated and was launched during 2015.
- North Ayrshire Violence Against Women Partnership branding developed and launched during a very successful 16 Days of Action campaign in November 16, when the number of White Ribbon pledges signed increased by 35% on 2015 and attendees at our Reclaim the Night event doubled. This event attracts hundreds of people who march from Irvine town centre to Irvine harbour.
- Two "VAW: A Workplace Issue" workshops delivered during the 16 days campaign at North Ayrshire Council and Ayrshire College, are anticipated to lead to follow up actions during 2017-18.
- The Multi Agency Domestic Abuse Response Team (MADAR) continues to increase its effectiveness on reducing reported domestic abuse across North Ayrshire. Rates of

domestic abuse in North Ayrshire are decreasing, where they are generally increasing across Scotland. In the year January to December 2015, MADART had a total of 599 incidents referred throughout the year. This represents a reduction on the 691, reported the previous year. This trend continues quarter on quarter.

- The Council's website highlighted a 'Claim back the Night' walk, supported by hundreds of participants, which made its way from Irvine town centre to Irvine harbour, which happens on an annual basis.

3. Outcome – The Incidence of Hate Crime is reduced

Actions
- The Council's Youth Services team have the LGBT Chartermark and are working towards the Gold Chartermark. To support this 80% of staff in the team have been trained in LGBT issues, Transgender awareness and Third Party Hate Crime reporting.
- Youth Services continue to support the North Ayrshire LGBT Youth Group, providing guidance and support to help them to arrange a variety of activities to raise awareness of LGBT issues. The group provides a safe space for young people to meet and interact with like-minded people, which can be seen from the following quotes:

"To me the group is a place to meet new people and make new friends, a place where we needn't feel scared to be who we are or have to hide who we are, a place where we needn't have to worry about anything, a place where can have a good laugh with each other and support each other"

"The group is a safe place. You can be yourself without being scared of what people think. It's like having a family that you can tell anything to and can give you support and help"

"The group for me was somewhere I felt comfortable. I was attending before I came out and it made the whole process easier. I've met some of my best friends attending the group. It's like a family to me".

4. Outcome - Older People are more active and independent in their communities

Actions
- Since integration, much development work has been carried out to improve services to Older People. This has included increasing capacity of Care at Home service to better support service users to remain at home for longer. In December 2016, 37.05% of over 65s assessed as having intensive care needs are being supported by Care at Home.
- We continue to expand the use of Telecare to help people stay safe and independent at home. In December 2016, 763 people had some form of Telecare installed in their home.
- Our Intermediate Care and Enablement Service (ICES) has helped 932 people in their own homes in 2016 by supporting them at times of need. In addition, as a result of new multi-disciplinary teams we also facilitated 321 discharges from acute wards into the Ward 1 Woodland View. This meant that people were being better supported to be home ready as soon as they were medically fit.
- 14 GP practices in North Ayrshire have been allocated a 'Community Connector', whose role it is to provide advice and signposting to redirect people away from GP Practices on to more suitable community based services.

5. **Outcome – Vulnerable People have improved access to financial advice**

   <u>Actions</u>
   - A key priority of the HSCP is to tackle inequalities North Ayrshire, as such we work with people to deal with their financial difficulties. The Money Matters Team have advised and supported the most vulnerable people in our communities to access more of the benefits available to them. Roughly 1200 people have been referred to the Money Matters Service in calendar year 2016 and for these, the Money Matters team generated an additional £7,783,876 for service users.

6. **Outcome – More Young People are leaving schools for positive, sustained destinations**

   <u>Actions</u>
   Through our Accessibility Strategy, ensure that all young people have equality of access to the curriculum

   - There are clear upward trends in levels of attainment and in positive destinations in North Ayrshire (as indicated in other reports to NAC Cabinet: SQA Examination Results 2015 (October 2015) and School Leaver Destinations 2014-15 (February 2016).

   - For the school session 2014/2015, 96.1% of North Ayrshire school leavers progressed to a first positive destination. This is North Ayrshire's best ever performance and is the 3rd best percentage rate in Scotland. Within this statistic, there are improving outcomes for disadvantaged groups - the gap is being reduced year on year

   - The NAC Accessibility Strategy outlines the key actions that will be undertaken to support and sustain young people with ASN in mainstream school placements has been reviewed by E&YE ELT and presented to NAC Cabinet.

   - As part of the Accessibility Strategy staff have been trained to support the effective provision of an accessible curriculum for all children and young people.

   - The Education and Youth Skills Directorate has developed proposals to ensure high quality inclusive education can continue to be delivered to children and young people with ASN in North Ayrshire. A capital bid has been submitted for a new ASN school, which will replace current provision and have continued to consult with Parent Councils during this period.

   - The three-year average rate for pupils staying on into S5 in North Ayrshire is now 84% compared to 72% five years ago. Furthermore, 64% of our S4 pupils are now staying on until the end of S6, compared to 52% five years ago

   Provide high quality education and support to narrow the outcomes gap for children from disadvantaged groups
   - The Psychological Service has been working closely with senior managers and has established a 'writing group' for the Communication and Language Strategy. A menu of training has been devised for levels 1-3 of staged intervention.
   - Significant progress has been made in our aim to deliver high quality training with a focus on numeracy and literacy. Learning Academy staff team have been in post since October 2015.

Develop and implement a strategy to reduce the extent to which inequality and deprivation constrains educational outcomes and life chances

- Good progress is being made in implementing the Nurture Strategy to support children and young people in meeting their learning needs and improving their attainment.
- The Development of a 'restorative' practice approach has involved training for headteachers by psychological services.
- A Pan-Ayrshire network has been set up to enhance quality of comparative data across our primary and secondary schools

Continue to support young people with additional support needs (ASN) to secure a sustainable destination that meets their needs

- Our aim of encouraging employers, (in partnership with Economy & Communities) to create opportunities for young people with ASN has continued to present us with a number of challenges. As such, we have not been able to progress this action as we would have wished. However, through the Chamber of Commerce we are increasing our database of employers offering placements to young people with ASN.

Health and Social Care Partnership

- 'Child's Plan' training for staff using the new SEEMIS model. This will ensure appropriate plans are in place for children exhibiting ASN at 2nd and 3rd level of staged intervention and those who are vulnerable inc. LAAC/ LAC.
- The development of 'Activity Agreements' in partnership with the 3rd Sector is currently ongoing with the aim of providing increased opportunities for young people with significant barriers to employment.
- Both the Throughcare and Rosemount Service continue to support vulnerable young people to access employment support opportunities. This includes access to activities such as, Duke of Edinburgh Awards, John Muir Awards and Activity Agreements.
- At December 2016, 33.8% of young people accessing Throughcare where accessing some form of Employment, Education or Training. Further, 21 young people supported by the HSCP were accessing an Activity Agreement

7. **Outcome - Pupils Feel Safer in School**

   <u>Actions</u>

   Continue to develop nurturing approaches to promote inclusion across all education establishments

   - The nurture programme is almost 60% complete and a training programme has been established, with Headteachers from all of the 15 Primary schools identified to have nurture bases having e attended Co-ordinator Nurture Training.
   - We have established a number of additional nurture classes in mainstream primary school settings within identified areas of deprivation
   - School self-evaluations indicate almost all (90%+) children feel safe in school.

   Develop approaches across our schools to support the well-being of our children, teachers, parents and carers in partnership with North Ayrshire Health and Social Care Partnership

   - In partnership with NHS Partners we have established a Health and Well Being (H&WB) Strategy Group to promote health and well-being across the BGE and the Senior Phase. A sub-group, which includes Penumbra and CAHMS Practitioners, has also been established to further develop the capacity of the H&WB Strategy Group

8. **Outcome - More Council Employees are working flexibly**

   <u>**Action**</u>
   - Support Agile Working for North Ayrshire Council employees.
     As part of the Council's current office refurbishment programme, Services are supported via a 'Cultural Exemplar Approach', as part of this Cultural workshops are available as required.

9. **Outcome - Employees feel they have increased capacity to respond more confidently and appropriately to the needs of colleagues and customers**

   <u>**Actions**</u>
   - During 2016, the Council achieved Level 2 of the Disability Confident Scheme.
   - Employee engagement Surveys carried out in 2015, identified that HSCP Staff (from both NAC and NHS) are clear and fully understand what is expected of them in their daily role, and a high volume reported that they will 'go the extra mile' or 'strive' to find better ways to deliver services.
   - Over 70% of HSCP partnership staff agreed that they have had opportunities to continue their personal and professional development.

Learning and future Developments

The North Ayrshire Equality Outcomes and supporting actions highlight the range of work going on across the Council that supports the Equality Agenda and helps the Council meet its duties against the Equality Act. Going forward the Senior Management team are keen to develop the Council's approach to Equality and Diversity and take a much more proactive approach in supporting and promoting this agenda. Key areas for consideration are highlighted below –

- Develop more Equalities Champions across North Ayrshire Council Services
- Focus on wider general issues relevant to the area, e.g. sectarianism
- Develop systems that make it easier for Services and staff to report on Equality work.
- Enhance and promote the training and awareness of Equality issues to Council staff

These areas for consideration will be developed into a Corporate Equality Plan that will support the wider actions that Services already carry out and report on through the Council's Performance reporting system.

The Council continues to make progress in carrying out its duties under the Equality Act, and is keen to do more to drive this work forward.

Please direct any queries relating to this report to Andrew Hale, Equality and Health Officer, North Ayrshire Council. Telephone: 01294 324148 Email: ahale@north-ayrshire.gov.uk

Appendix 2

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Joint Ayrshire and North Ayrshire Council Equality Outcomes and Actions 2017 – 2021

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1. Introduction

This report presents the Equality Outcomes and actions (Appendix 1) being taken forward by North Ayrshire Council and a number of public sector partners across Ayrshire.

All public authorities in Scotland must comply with the public sector equality duty set out in the Equality Act 2010. This means that all public authorities, as part of their day to day business, must show how they will:

- Eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited under this Act

- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not share it;

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics referred to, as listed in the Equality Act are age, marriage and civil partnership, disability, religion and belief, gender reassignment, pregnancy and maternity, race, sex and sexual orientation. We are all likely to have more than one protected characteristic which make up our individual identities.

All public sector organisations are required to set Equality Outcomes every four years, and this is our second set of outcomes building on those set previously during 2012/13.

By reviewing, revising and publishing equality outcomes on a regular basis, we aim to make better, fairer decisions and be able to show that they are bringing tangible benefits for our communities and our staff.

2. What are Equality Outcomes?

National guidance on setting equality outcomes notes that these should be proportionate and relevant to the functions and strategic priorities of the organisations setting them, and that they may include both short and long term benefits for people with protected characteristics.

From the outset of the development process, the following definition was applied to ensure consistency and rigour.

> Outcomes are not what we do, but the beneficial change or effect which results from what we do. These changes may be for individuals, groups, families, organisations or communities.

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Equality Outcomes have been developed on the basis that they are short to medium term (1 – 4 years) and link with longer term and national outcomes.

It should be noted that a number of these equality outcomes link with already existing policies and strategies, in order that the Outcomes become integral to the work of the various partners to drive a more focused effort on areas for improvement specifically to improve equality and reduce inequalities.

3. About Us

Ayrshire
Ayrshire is a county in South-West Scotland, located on the shores of the Firth of Clyde. Ayrshire is home to three local authority areas – North, East and South Ayrshire - as well as the Isles of Arran and Cumbrae.

National Records for Scotland (NRS) estimated the 2015 mid-year population of Ayrshire to be 370,590. Of the three local authority areas in Ayrshire, East Ayrshire accounts for 33 per cent (122,060) of the total population, **North Ayrshire 37 per cent (136,130)** and South Ayrshire 30 per cent (112,400).

North Ayrshire

North Ayrshire has a diverse range of local communities ranging from some of the most deprived in Scotland to affluent coastal retirement towns as well as the Isles of Arran and Cumbrae.

Population projections in North Ayrshire for 2015 to 2025 shows that males aged 80 years and over are projected to increase by 51 per cent and females aged 80 years and over by 28 per cent. The largest projected decrease is for both males and females of working age and this has potential implications for the number of formal and informal carers available in the future.

Overall life expectancy in North Ayrshire for both men and women has continued to increase and is similar to the Scottish average. In the last decade average male life expectancy in North Ayrshire increased from 73.8 years to 76.1 years. For females during the same decade, average life expectancy increased from 78.9 years to 80.3 years.

Meeting the needs of our communities is an integral part of our comprehensive partnership working arrangements. In addition, we also carry out specific targeted work and campaigns to benefit specific communities. The organisations that contributed to the development of the Joint Equality Outcomes are –

- North Ayrshire Council
- East Ayrshire Council
- South Ayrshire Council

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- NHS Ayrshire and Arran
- Ayrshire College
- North, South and East Ayrshire Health and Social Care Partnerships
- The Ayrshire Joint Valuation Board
- The South West Community Justice Authority

4. Rationale for Joint Equality Outcomes

A number of organisations across Ayrshire deliver public services to local communities. In delivering services, these organisations must ensure that no person or group are discriminated against on the basis of any protected characteristics they may possess.

In Ayrshire, each public sector organisation, referred to above, has a requirement to develop and publish a set of equality outcomes. Considering the often close working links between many of the public sector organisations, it was proposed that closer working around the development of equality outcomes should be undertaken. More importantly, as all organisations are delivering, or supporting the delivery of, services to the same communities, their experience could be improved if approaches were consistent and this could be driven through the development of joint equality outcomes. Therefore, a decision was taken that public sector organisations across Ayrshire could develop a shared set of equality outcomes whilst still maintaining individual accountability for their part.

This overarching equality outcomes document builds on already established partnership working relationships and outlines the actions and actives to be undertaken to provide a range of quality services for local people.

5. Ayrshire Equality Outcome Working Group

On 13 June 2016, an event was held in St Kentigern's Church in Kilmarnock to consider the possibility of developing a set of shared equality outcomes. Delegates attended from all of the aforementioned organisations.

The event sought to elicit the benefits and risks of taking a joint approach to setting equality outcomes as well as the broad themes emerging for each of the organisations. Overall it was clear that there were more benefits than there were risks, coupled with the fact that a previous mapping exercise highlighted strong similarities in priorities and themes.

In a changed landscape, having so many different sets of equality outcomes represents a challenge in mainstreaming equalities. A shared set of equality outcomes between the Ayrshire public sector organisations would help facilitate the cultural shift required to mainstream equalities.

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The outcome from the discussions and workshops was clear consensus for progressing the development and delivery of equality outcomes for April 2017 on a partnership basis. With regards to the need to show clear lines of accountability, it was agreed that this would be shown through the specific actions to be taken forward by each partner that would ultimately result in the overarching delivery of the outcomes.

To this end, a core group of partnership employees established a working group to drive this forward.

6. Evidence Review

As public bodies, the foundation of existing good practice on equalities, established and committed to through our previous equality outcomes, allowed us to build upon and reinforce taking this agenda forward. Given this, it makes sense to ensure that equality outcomes are aligned explicitly with existing Scottish Government policy priorities, as well as evidence from local engagement, and integrated into current performance management systems.

This approach to implementation aims to provide coherence, minimise duplication and support the ongoing mainstreaming of equality into business across Ayrshire**.**

We took a joint approach to the development of our equality outcomes including:

- A desk-based research and evidence review, across our Community Planning partners,that presented a baseline selection of the key facts and figures we know about groups that meet one or more of the protected characteristics. The review drew on the evidence collected from previous engagement and consultation exercises as well as the wider national policy context.

- An online survey monkey questionnaire seeking views from our communities to build upon previous discussion and consultation with equality groups. As well as the online survey, we mirrored this through the use of paper based survey forms which were available at various locations across Ayrshire. This form of consultation elicited over 250 responses.

- A further desk-based exercise in collaboration with Community Planning partners to review and consider local comment, intelligence and evidence gathered from the consultation and engagement work was carried out to help shape the final outcomes and actions to deliver on these.

- Face to face discussion with equalities groups and individuals with protected characteristics. Some groups were not able or did not wish to

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be directly involved asked that the notes of previous discussions be used to inform our work.

In this way our first set of equality outcomes were identified and agreed, and represent outcomes that can be achieved in the short to medium term and that, between the whole set, cover all of the protected characteristics.

The agreed equality outcomes for the period 2017-2021 are set out in Appendix 1 of this document. These outcomes will be reviewed during the four year period 2017-2021 and a progress report published in 2019.

7. Engagement and Consultation

The law requires us to involve and consult with people in developing our equality outcomes. These people should have a wide range of backgrounds and characteristics and should be drawn from our services users, staff and from communities across Ayrshire and Arran. Following the desktop research work to identify our thematic areas, engagement and consultation in the development of our specific Equality outcomes took place over a number of months. Appendix 2 outlines our involvement and consultation with people in developing these outcomes. As well as the specific face-to-face engagement events, we involved communities and staff using a variety of methods including online surveys, engagement through our local Public Partnership Forums, and engagement at community and staff events.

Within North Ayrshire an additional survey was distributed during January 2017 highlighting the key actions that Services will be carrying that support the new Equality Outcomes. This survey elicited 207 responses, 187 from individuals, 13 people responding from an organisation and 12 from a group. Staff within the Community Development team conducted a workshop with Youth LGBT group around the actions supporting the outcomes.

8. National Policy Context

The challenge for public bodies is to translate the legislative requirements of the Equality Act into an approach that mainstreams equality into policy and practice, which aims in turn to tackle inequalities and improve outcomes for all our communities.

Actions to deliver on equality and address inequalities are not mutually exclusive but intrinsically linked i.e. health inequalities reflects the systematic differences in health (health gaps) which are associated with people's unequal positions in society. Given this, health inequalities relate to and interact with other structures of inequality, for example, socio-economic, gender, ethnicity and disability etc.

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Therefore, in order to address health inequalities effectively, consideration has to be given to the associated implications for people with equality characteristics and the complex intersections between these.

In order to provide coherence, minimise duplication and support the ongoing mainstreaming of equality into policy and practice across Ayrshire, it is important to ensure that equality outcomes are aligned explicitly with existing organisational and governmental policy priorities.

The Christie Commission Report on the Future Delivery of Public Services published in June 2011 also called for radical reform of Scotland's public services in terms of delivery of services and also signalled a need for cultural change. The report detailed four objectives of a reform programme centred around people and communities and building up their autonomy and resilience; greater emphasis on public sector organisations working together; prioritising prevention, reducing inequalities and promoting equality and continued emphasis on improving performance whilst at the same time reducing costs.

We have taken all of the above national policy context into consideration in the development of our joint equality outcomes to ensure robust and effective outcomes are set for the next four years.

9. Finalising Our Equality Outcomes

As well as the face-to-face engagement events to establish potential equality outcomes, and actions and activities to deliver on these outcomes, the partners consulted on their final proposed outcomes and actions to deliver our equality outcomes for a four week period.

In the development of our equality outcomes many people gave us their experiences, views and not least their time freely and willingly to make sure that the information contained not only met our legal requirements but also the specific needs of the people we serve. For this and all the other people who have supported the development of this publication and its ongoing work to ensure successful outcomes, we thank them all for their contribution.

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Appendix 1

	Equality Outcome 1 : In Ayrshire people experience safe and inclusive communities					
Links to National Outcomes	We have tackled the significant inequalities in Scottish Society We have improved the life chances for children, young people and families at risk We live our lives safe from crime, disorder and danger We have strong, resilient and supportive communities where people take responsibility of their own actions and how they affect others					
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead Officer/Service**
Increased awareness of hate crime	Raise staff awareness to better identify hate crime	Number of staff trained	Disability, Sex Gender Reassignment, Race Religion and Belief, and Sexual Orientation	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer
	Work with partners to raise awareness of hate crime	Number of crimes reported and detected	Disability, Gender Reassignment, Race Religion and Belief, and Sexual Orientation	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
Increased use of third party reporting	Increase the awareness of third party reporting	Increased third party reporting using a variety of media tools and promotion materials	Disability, Gender Reassignment, Race Religion and Belief, and Sexual Orientation	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer
Implementation of the 'Keep Safe' initiative across partner agencies in Ayrshire	Deliver partner training as appropriate	Number of training courses/briefing sessions delivered Number of staff trained	Disability	Eliminate Discrimination Advance Equality of Opportunity	March 2021	Equality Officer
	Conduct a baseline of 'Keep Safe' places	Audit of existing 'Keep Safe' places	Disability	Eliminate Discrimination Advance Equality of Opportunity	March 2018	Equality Officer
	Support the development of the 'Keep Safe' initiative in Ayrshire	Increase in the number of establishments registered for 'Keep Safe'	Disability	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer

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Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
People are aware of prevent	Raise staff awareness to better identify radicalisation	Number of staff trained	All	Eliminate Discrimination Foster Good Relations	March 2019	Civil Protection Manager
Established reporting protocols in place	Increase awareness of reporting procedures	Published briefings and leaflets in all key areas	All	Eliminate Discrimination Foster Good Relations	March 2019	Civil Protection Manager
North Ayrshire Service Actions						
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead Officer/Service**
Provision of a range of early and effective interventions that support preventing violence and promoting women's safety and wellbeing.	Implement the Violence Against Women Strategy	tba	Gender, Age	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2018	VAW lead (PLACE)

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Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
Provision of a range of interventions that support reductions in levels of crime, anti-social behaviour, re-offending, fear of crime; and increases in crimes being detected.	Implement the Anti-Social Behaviour Strategy	Levels of crime and antisocial behaviour have reduced and crimes being detected have increased Reoffending has reduced; Fear of crime and antisocial behaviour has reduced;	Race, Disability, Sexual orientation, Gender reassignment, Religion and Belief.	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2018	(PLACE)
Strategic Vision for education for all	Evaluate and enhance the curriculum in the Broad General Education (BGE) and senior phase Support and strengthen the professional capacity of staff. Modernise the school estate to improve educational environment	Performance review information Attainment Challenge data Professional Review & Development (PRD) information and feedback evaluation HGIOS4 Q1 2.3/2.4	Age, Race, Disability, Sexual orientation, Gender reassignment, Religion and Belief.	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 2

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Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
Developing fully inclusive approaches suited to the needs of all our young people and their families	Extend nurturing, restorative and RRS approaches extending the culture of inclusiveness within all schools. Updating anti bullying, Child Protection , Additional Support Needs support and extended outreach support for all of our pupils and those with particular vulnerabilities Modernise the school estate to meet the needs of the curriculum and children and Young People.	Collaborative based evidence from the Professional Learning Academy Workstream. Data for the Integrated services plan Family resilience reports Boxall profile reports. How Good Is Our School 4 (HGIOS4) QI 2.1 3.1 challenge questions	Age, Race, Disability, Sexual orientation, Gender reassignment, Religion and Belief.		March 2021	Education Priority 1

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
We Promise to make sure your rights are protected	Ensure 90% have achieved Rights Respecting Schools status	Integrated Children's Services Plan (ICSP) Getting It Right For You (GIRFY) data. Reports on Corporate parenting plan promise	ALL	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 1
We Promise to Work closely with each other and your family so that you are safe and protected	Share Child Protection information within 1 day of reporting to ensure each Young Person is safe.	ICSP GIRFY data and reporting on stage promises Reports on Corporate parenting plan promises	Age, Race, Disability, Sexual orientation, Gender reassignment, Religion and Belief.	Foster Good Relations	March 2021	Education Priority 1
We Promise to Care for your health and disability needs	A robust child's plan will guide Additional Support for Young People.	ICSP GIRFY data and reporting on stage promises Reports on Corporate parenting plan promises HGIOS4 QI 2.1, 2.4	Age, Race, Disability, Sexual orientation, Gender reassignment, Religion and Belief.	Foster Good Relations	March 2021	Education Priority 1

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	Equality Outcome 2 : In Ayrshire people have equal opportunity to access and shape our public services						
Links to National Outcomes	We have tackled the significant inequalities in Scottish society We live in well-designed, sustainable places where we are able to access the amenities and services we need Our public services are high quality, continually improving, efficient and responsive to local people's needs						
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead Officer/Service**	
The experiences of marginalised or under-represented groups continue to inform decision-making	Through the partnership undertake a mapping exercise to identify marginalised and under-represented groups in Ayrshire.	A list of marginalised and under-represented groups to be developed and maintained	Disability, Gender Re-assignment, Race and Sexual Orientation	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2018	Equality Officer	
	Ensure processes are in place which welcome, encourage and support marginalised and under-represented groups to inform decision-making	Evidence inclusion of marginalised and under-represented groups in decision-making	Disability, Gender Re-assignment, Race and Sexual Orientation	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2019	Equality Officer	

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
	Explore joint approach for the commissioning of translation, interpretation and communication support (TICS) services	TICS usage reports

Increased customer satisfaction | Disability and Race | Eliminate Discrimination

Advance Equality of Opportunity | Dec 2018 | Equality Officer |
| As part of the Sheltered Housing re-provisioning programme we are incorporating community hubs within the complexes | Provide physical activity and other services to ameliorate social isolation and promote well-being. | No. of residents participating in activities | Age | Foster Good Relations | March 2021 | Place – Housing |
| Extend the Self-evaluation processes | Broaden and extend self-evaluation to further include pupil/parent voice | Parent /pupil questionnaires – outcomes to be reflected in school improvement plans

Bespoke vision values aims Curriculum rationales ratified by staff | Disability
Age
Sex | Foster Good Relations | March 2021 | Education Priority 3 |

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Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
		pupils and parents and community partners.				
Extend use of data and research	Data packs to include information on Protected Characteristics (PC)	Analysis of data in relation to PC	ALL	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Education
Reporting and practice to reflect the requirements of the National Improvement Framework (NIF)	Evaluative Reporting in terms of the NIF drivers	Self-Evaluation around NIF drivers Parental engagement , School improvement Performance review information Attainment Challenge data HGIOS4 QI 2.5, 2.4, 1.		Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 3

Equality Outcome 3	In Ayrshire people have opportunities to fulfil their potential throughout life						
Links to National Outcomes	We realise our full economic potential Equality Outcome 3 : In Ayrshire people have opportunities to fulfil their potential throughout life with more and better employment opportunities for our people We are better educated, more skilled and more successful, renowned for our research and innovation Our young people are successful learners, confident individuals, effective contributors and responsible citizens Our children have the best start in life and are ready to succeed We live longer, healthier lives						
Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service	
Increase the number of modern apprentices who are BME	Conduct audit of existing modern apprenticeships by protected characteristics	Baseline of number of Black and Minority Ethnic (BME) modern apprentices in Ayrshire	Age, Race	Eliminate Discrimination Advance Equality of Opportunity	Dec 2018	Equality Officer/MA Team	
	Work with internal and external stakeholders to promote uptake across protected characteristic groups	Increase in BME modern apprentices		Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer/MA Team	

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Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
Increase the number of modern apprentices who have a disability	Conduct audit of existing modern apprenticeships by protected characteristics	Baseline of number of disabled modern apprentices in Ayrshire	Age, Disability	Eliminate Discrimination Advance Equality of Opportunity	December 2018	Equality Officer/MA Lead
	Work with internal and external stakeholders to promote uptake across protected characteristic groups	Increase in modern apprentices who have a disability	Age, Disability	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer/MA Lead
Increased no of people in non-traditional gender roles including modern apprenticeships	Conduct an audit of existing modern apprenticeships roles by gender	Baseline of number of modern apprenticeship roles by sex in Ayrshire	Age, Gender	Eliminate Discrimination Advance Equality of Opportunity	December 2018	Equality Officer/MA Lead
	Work with internal and external stakeholders to promote uptake across protected characteristic groups	Increase in non- traditional roles by both sexes	Age, Sex	Eliminate Discrimination/ Advance Equality of Opportunity Foster Good Relations	March 2021	Equality Officer/MA Lead

North Ayrshire Council Service Actions						
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead**
By March 2019 NAC and partners would like to achieve the following in North Ayrshire: • 110 operating social enterprises • £6.9m annual income for SEs • 1,000 full time equivalent employees in the local SE sector • 1,050 volunteers active in the sector • Sustainable NASEN established, led by the sector with at least 55 SE members	Implement Social Enterprise Strategy including developing social impact framework	TBC	Age, Disability, Race	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 19	Economy and Communities – Economic Growth Service (Business Development)

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
Strengthen partnership links with Further Education and employers	Set up / Evaluate activity agreements with partners.	Analysis of the activity agreement evaluations	Age, Sex, Disability	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 5
Support Any Young Person with ASN into sustained destinations meeting their needs	Evaluate the numbers and quality of sustained destinations	Data analysis Performance review information				
Develop employability skills in Young People	Key skills analysis of Young People and build a portfolio of their skills	Attainment Challenge data	Age, Sex, Disability			
Introduce National Carer and Work experience Standards		Self-Evaluation of PS wider achievement through School Quality improvement arrangements.				
Introduce modern apprenticeship programmes.	Moderate provision of Work Experience with young people			Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations		
	Moderate provision and quality of Modern Apprentice programmes					
Developing Young Workforce Plan (DYW) : More young people will be participating	Working with guidance and the	Quality Improvement Framework	Age, Sex, Disability		March 2021	Education Priority 5.

in work experience placements at an appropriate time and more closely linked to their career aspirations.	work experience contractor, pupils and employees will be consulted to ensure a better match	wider achievement. DYW : Data and progress reports (LC) HGIOS4 QI 3.3, 2.2, 2.7 challenge questions				
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead**
Raise attainment and achievement throughout the BGE	Develop and accredit innovative approaches to learning and teaching in the BGE and Senior Phase. Devise a range of alternative curricular pathways leading to achievements of qualifications and awards at all levels	BGE visits and evaluations of all schools Standardised assess data	Age, Race, Disability, Sexual orientation, Gender, Gender reassignment, Religion and Belief.	Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 4.

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
We will challenge gender stereotyping of career choices from early years classrooms to secondary schools. DYW Plan	Integrate a range of wider achievement options into programmes to enhance skills and qualifications of learners. Through activities such as our "Girls into Stem Careers" event, we will promote opportunities to both sexes in industry sectors where labour market information reveals gender split.	Map and analyse the quality of alternative provision and planning in schools and the outreach service. Measure the extent of personalisation and choice within the curriculum. HGIOS4 QI 2.1, 3.3, 2.2, 2.7 challenge questions	Gender, Age, Gender, Age,	Eliminate Discrimination Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 4. Education Priority 4.

Outputs	Actions	Performance indicators	Protected Characteristics	General Duty	Timescale	Lead Officer/Service
We will ensure that young disabled people have access to work experience placements and vocational education opportunities	By encouraging systemic change in how we work with disabled young people to create equity of opportunity	HGIOS4 QI 2.1, 3.3, 2.2, 2.7 challenge questions	Age, Disability	Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 4.
Monitor the outcomes for black and minority ethnic pupils to ensure that they are not disadvantaged	Through analysis of data available on attainment and school leaver progressions.	HGIOS4 QI 2.1, 3.3, 2.2, 2.7 challenge questions	Race, Age	Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 4.
We will continue to close the gap on educational and post school progressions for care leavers.	Targeted interventions and guidance for those most at risk	HGIOS4 QI 2.1, 3.3, 2.2, 2.7 challenge questions	Age, Race, Disability, Gender, Religion and Belief.	Advance Equality of Opportunity Foster Good Relations	March 2021	Education Priority 4.
Youth Services will achieve the LGBT Youth Chartermark	Develop peer-led programmes for LGBT in each locality across North Ayrshire	Programmes developed in each locality	Age, Sexual Orientation.	Foster Good Relations	Dec 2017	Economy and Communities, Connected Communities, Community Development, Participation and Empowerment,

A range of ESOL (English for Speakers of other languages) opportunities are delivered which respond to changing demographics	Provide English as a Second Language (ESOL) learning opportunity across North Ayrshire	Number of volunteers trained/number of training courses	Race,	Advance Equality of Opportunity Foster Good Relations	March 2021	Economy and Communities, Connected Communities, Community Development, Participation and Empowerment, Cat Hester

Equality Outcome 4	**: In Ayrshire public bodies will be inclusive and diverse employers**
National Outcomes	**We realise our full economic potential with more and better employment opportunities for our people** **We are better educated, more skilled and more successful, renowned for our research and innovation**

Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead Officer/Service**
Recruitment Practices	Public bodies have a diverse workforce reflective of the local population	Use alternative opportunities for advertising posts	More diverse applications for posts within the public sector	All	December 2018	HR & OD
	Achieve and maintain Level 2 of the Disability Confident Scheme	Level 2 award achieved and maintained	Disability	All	March 2019	HR & OD
	Progress work to achieve level 3 of the Disability Confident Scheme	Level 3 award achieved	Disability	All	March 2021	HR & OD

North Ayrshire Council Service Actions						
Outputs	**Actions**	**Performance indicators**	**Protected Characteristics**	**General Duty**	**Timescale**	**Lead Officer/Service**
There will be an increase in the uptake of industry recognised vocational qualifications available to pupils in the Senior Phase.

Young people will be supported when transitioning from college to post college destinations and post-college destinations | Schools will build capacity in-house to broaden their curricular offer to pupils.

To ensure equity of opportunity We will work with the college to address other priorities in Developing Young Workforce i.e. STEM, inequalities | DYW Data and update reports

HGIOS4 QI 3.1 3.3,3.2, 2.2, 2.7 challenge questions | Age, Disability, Gende | Eliminate Discrimination

Advance Equality of Opportunity

Foster Good Relations | March 2021

March 2021 | Education Priority 5.

Education Priority 5 |
| Strategic Vision for education for all | Support and strengthen The professional capacity of staff to support Equality work | PRD information and feedback evaluation | | | | Education Priority 2 |

Engagement Schedule

Date	Venue	Protected Characteristics
21 September 2016	Saltcoats Town Hall Countess St Saltcoats KA21 5HP	All
27 September 2016	County Hall County Buildings Wellington Square Ayr KA7 1DR	All
29 September 2016	East Ayrshire Council Headquarters 91A London Road Kilmarnock KA3 7BU	All
5 October 2016	Stewarton Academy Cairnduff Place Stewarton KA3 5QF	Age (young people), Disability, Race, Religion and Belief, and Sex
5 October 2016	St Kentigern's Church Hall Dunbar Drive Kilmarnock KA3 7PP	All
6 October 2016	Cumnock Academy Ayr Road Cumnock KA18 1EH	Age (young people), Disability, Race, Religion and Belief, and Sex

6 October 2016	Doon Academy Ayr Road Dalmellington KA6 7SJ	Age (young people), Disability, Race, Religion and Belief, and Sex
7 October 2016	Kilmarnock Academy 15 Elmbank Drive Kilmarnock KA1 3BS	Age (young people), Disability, Race, Religion and Belief, and Sex
25 October 2016	Ayrshire Minority Ethnic Communities Association (AMECA) Kilwinning Campus Ayrshire College Kilwinning	Age, Race, Religion and Belief and Sex
27 October 2016	Ayrshire Minority Ethnic Communities Association (AMECA) Ayr Campus Ayrshire College Dam Park Ayr	Age, Race, Religion and Belief and Sex
1 November 2016	Ayrshire Minority Ethnic Communities Association (AMECA) East Ayrshire Council Headquarters 91A London Road Kilmarnock KA3 7BU	Age, Race, Religion and Belief and Sex
15 November 2016	Let's Talk About Trans Transgender Conversation Café	Gender Reassignment, Sexual Orientation and Sex

	Kilmarnock Campus Ayrshire College Hill Street Kilmarnock	
17 November 2016	Let's Talk About Trans Transgender Conversation Café Kilwinning Campus Ayrshire College Kilwinning	Gender Reassignment, Sexual Orientation and Sex
22 November 2016	Let's Talk About Trans Transgender Conversation Café Ayr Campus Ayrshire College Dam Park Ayr	Gender Reassignment, Sexual Orientation and Sex

NORTH AYRSHIRE COUNCIL

Agenda Item 4

14 March 2017

Cabinet

Title:	**Procurement EU Tender Plan - 2017/18 and 2018/19**
Purpose:	To advise Cabinet of the EU procurement tender plan Financial Year 2017/18 and 2018/19.
Recommendation:	That the Cabinet agrees to invite tenders for the supplies, services and works listed in the plan at Appendix 1.

1.   Executive Summary

1.1   It is a requirement of the Standing Orders Relating to Contracts that all tender requirements over the EU procurement threshold receive approval from Cabinet prior to being advertised.

2.   Background

2.1   This report covers the known tenders required for financial year 2017/18 and requirements identified for the start of financial year 2018/19 where approval has not already been given.

2.2   Approval is required for the tenders listed in the Appendix to the report. The total value of these contracts is estimated at £12.02M.

3.   Proposals
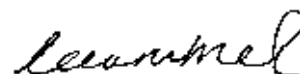
3.1   The Cabinet is requested to approve inviting tenders for the works, supplies and services listed in the Appendix to the report.

4.   Implications

Financial:	All future requirements will be budgeted for through General Services Revenue, Capital and the Housing Revenue Account. This is annotated on the appendix. Budgets will be verified prior to the commencement of the tendering activity.
Human Resources:	None
Legal:	Legal implications
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	Effective procurement practices support the Council Plan.
Community Benefits:	Community Benefits will be sought during the tender process in accordance with the Council's Community Benefits in Procurement Policy.

5.   Consultation

5.1   All Services have been consulted on their future requirements.

Laura Friel

LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference : CPU/AML
For further information please contact Anne Lyndon, Corporate Procurement Manager on 01294 324097

Background Papers
Appendix 1 - Corporate Procurement EU tender plan - Mar 17

CORPORATE PROCUREMENT EU TENDER PROGRAMME TO SEPTEMBER 2017 and 2017-18

Contract	Service	Type of Contract	Type of Expenditure	Estimated Value over Maximum Term	Current Contract Expiry Date	New Contract Start Date	Contract Expiry Date (incl Maximum extensions)	Comments
Sustainable Business Travel	Transport	Services	Revenue	£ 600,000.00	N/A	TBA	N/A	New Requirement
Internal Alterations & Extension - Tarryholme Drive	PMI	Works	Capital	£ 5,000,000.00	N/A	TBA	N/A	New Requirement
MTC Heating, Mechanical & Ventilation: Responsive repairs & planned maintenance	PMI	Services	Revenue	£ 532,500.00	02/12/2017	03/12/2017	02/12/2017	
Supply of uPVC Materials	Building Services	Supply	Revenue	£ 250,000.00	21/07/2017	21/07/2017	21/07/2017	
Measured Term Contract 2014/2017 Maintenance, Monitoring and Repairs of Fire & Intruder Alarm Systems and Fire Fighting Equipment (Non Domestic Properties) NA/199	PMI	Service	Revenue	£ 1,295,000.00	27/04/2017	See Comments	27/04/2019	There is an option to extend for 2 x 1 year up to 27/04/2019
Provision of Tenants Home Contents Insurance (Concession Contract)	Housing	Services	HRA	£ 391,867.00	30/09/2017	01/10/2017	30/09/2017	Renewal (all options to extend now used) consideration of a services concession.
Removals and Furniture Disposal Service	PMI	Services	Revenue	£ 320,000.00	04/01/2018	See Comments	04/01/2019	There is an option to extend for 1 year up to 04/01/2019
Advice and Information (Advocacy Services)	HSC	Services	Revenue	£ 190,000.00	30/09/2017	01/10/2017	30/09/2017	
Business Gateway Services (Arran and Cumbrae)	Economy and Communities	Services	Revenue	£ 170,000.00	30/09/2017	01/10/2017	30/09/2017	
Roads and Transportation Professional Consultancy Services (Single Partner)	Roads	Services	Capital	£ 2,000,000.00	N/A	TBA	N/A	New Requirement
Specialist Ironmongery	Building Services	Supply	Revenue	£ 225,000.00	N/A	TBA	N/A	New Requirement
Vehicle and Plant Maintenance	Transport	Services	Revenue	£ 650,000.00	N/A	TBA	N/A	New Requirement
Expansion to Modern Apprenticeship Programme (Various)	Economy and Communities	Services	Revenue	£ 184,000.00	See Comments	See Comments	See Comments	This is a mixture of new (additional) requirements and retender of a number of existing contracts
Provision of Landscape Management Services - Montgomerie Park, Irvine	Planning	Services	Revenue	£ 211,000.00	27/10/2018	28/10/2018	27/10/2018	NAC/3001
			Total	£ 12,019,367.00				

NORTH AYRSHIRE COUNCIL

Agenda Item 5

14 March 2017

Cabinet

Title:	**Strategic Risk Register 2017/18 and Risk Management Framework**
Purpose:	To seek Cabinet approval of the Strategic Risk Register for 2017/18 and the updated Risk Management Framework.
Recommendation:	That Cabinet approves the Strategic Risk Register and the Risk Management Framework.

1. Executive Summary

1.1 The Strategic Risk Register has been reviewed and updated for 2017/18.

1.2 It is recommended that the existing 6 strategic risks remain on the register and that 3 new strategic risks are included: Health and Safety, Information and Brexit.

1.3 The Council's Risk Management Framework has also been revised. In particular, the updated framework enhances the role of the Corporate Risk Management Group in co-ordinating risk management activity and implementing a risk management action plan, including enhancing reporting and training across the Council.

2. Background

Strategic Risk Register

2.1 North Ayrshire Council is committed to ensuring that it is proactive in identifying, responding to and managing the risks impacting on the authority. The Council recognises that a certain amount of risk is inevitable if the organisation is to achieve its objectives.

2.2 The aim of risk management is to reduce the likelihood and/or impact of risk by identifying and controlling risks to the Council. If risk is to be managed appropriately, and Services are aware of these risks, risk management can contribute positively towards decision making processes, making the Council more innovative and effective in its approach to service delivery.

2.3 The most significant risks are identified through the Council's Strategic Risk Register (SRR), recognising the challenges facing the Council and demonstrating the arrangements in place to manage these risks. The register forms part of a larger governance process with additional risks and issues identified through Directorate Plans, Audit Reports and Project Plans.

2.4 The Strategic Risk Register has been reviewed for 2017/18 and is attached at Appendix 1. For each of the risks detailed within the register a number of components are identified:

- current status (very high/high) and the risk score;
- senior officer(s) with lead responsibility for the risk;
- potential effect on the Council's priorities; and
- internal controls currently in place.

2.5 To assist in the assessment of each risk, a risk matrix was used to ensure consistency across the Council. Only those risks rated as high or very high (10 or above) will feature on the SRR. A copy of the matrix is included within the appendices.

2.6 The following is recommended in relation to each of the existing Strategic Risks:

- **Financial Environment** - this risk reflects the ongoing financial challenge faced by the Council and it is recommended that this remains as a very high risk at 20.
- **Inequalities** - this highlights the economic and health inequalities faced in North Ayrshire and it is also recommended that this remains as a very high risk at 20.
- **Health and Social Care Partnership** - this risk reflects the need for effective partnership working to ensure financial control and sustainability. Given the current financial challenges faced by the Partnership it is recommended that the risk rating is increased from 12 to 20.
- **People and Transformation** - this risk reflects the wider risks associated with delivering the Transformation programme (T2) as well as any potential impact on the workforce arising from the programme. This has also been scored as a high risk at 12.
- **Community Capacity Building and Empowerment** - this highlights the challenges associated with community empowerment and it is also recommended that this remains on the SRR at the current risk level of 12.
- **Climate Change** - this reflects the growing challenge presented to infrastructure and service delivery by the impacts of climate change and this continues to be scored as a high risk at 12.

2.7　Three new strategic risks have been identified for inclusion within the Strategic Risk Register for 2017/18. These relate to:

- **Health and Safety** - this reflects the increasing incidence of health and safety incidents faced by the Council and it is proposed this is included on the strategic risk register with a score of 12.
- **Information** - this risk reflects the challenges associated with the loss of personal or sensitive data and the failure to appropriately manage and use the Council's information assets; it has been scored as 12.
- **Brexit** - this risk reflects the current uncertainty around Brexit and the potential impact it may have on North Ayrshire. This risk has also been scored as 12.

2.8　Services will identify actions within their draft directorate plans to help the Council mitigate against its strategic risks. Once the directorate plans have been approved by Cabinet, these actions will be linked to the strategic risks to assist with performance monitoring and reporting.

2.9　The Council's Internal Audit Plan 2017/18, which was approved by the Audit and Scrutiny Committee on 13th February 2017, is risk-based and clear links are in place between the audit plan and the key risks the Council faces.

Risk Management Framework

2.10　The current Risk Management Policy and Strategy has been in place since 2013/14 and was established to provide a consistent approach to support Services in managing their risks, helping to ensure that they are 'risk aware' rather than 'risk averse', and enabling them to identify opportunities that can enhance Service provision.

2.11　The Policy and Strategy has been fully revised and refreshed. It is shorter and more concise than before and is supported by 2 further documents as part of an overall risk management framework: a Risk Management Matrix and Guide, and a Leadership and Accountability Guide, which outlines key responsibilities for risk management activity across the organisation. These documents are attached as Appendix 2 to this report.

2.12　In particular, the updated framework enhances the role of the Corporate Risk Management Group in co-ordinating risk management activity and implementing a risk management action plan, including enhancing reporting and training across the Council.

3.   Proposals
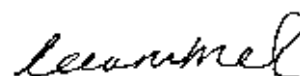
3.1   Cabinet is requested to approve the Strategic Risk Register for 2017/18 and the updated Risk Management Framework.

4.   Implications

Financial:	None.
Human Resources:	None.
Legal:	None.
Equality:	None.
Environmental & Sustainability:	None.
Key Priorities:	A successful risk management framework helps to underpin the delivery of the Council's strategic priorities in the Council Plan 2015-2020.
Community Benefits:	None.

5.   Consultation

5.1   The Strategic Risk Register and Risk Management Framework have been updated in consultation with the Executive Leadership Team and the Corporate Risk Management Group.

LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :
For further information please contact Paul Doak, Senior Manager (Internal Audit, Risk and Fraud) on 01294-324561.

Background Papers
None.

Title	SRR01 - Financial Environment	Current Risk Matrix
Risk Background	The risk is that due to the anticipated continuation of austerity the Council will be required to take increasingly difficult and challenging decisions, potentially operating with increasing levels of risk and having insufficient resources to invest in core assets. Government funding has been reducing since 2010/11. This, together with the demographic pressures, in particular that of an ageing population, impacts on the ability of services to meet need with resources. The 2017/18 local government settlement represents a further reduction in funding. Planning for future years reflects further anticipated reductions in 2018/19 and 2019/20. The major external influence for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.	L5 I4

Risk Status	Very High			Current Risk Score	20	Assigned To
Potential Effect	Less funding means that there will be a reduction in delivery of some service areas potentially resulting in higher risks for service users.					Laura Friel

Internal Controls	The Council continues to be proactive in responding to the financial challenge and seeks to ensure that budget decisions are taken in line with key priorities. Robust monitoring of the Council's revenue and capital budgets is in place as well as regular reporting of financial performance within the HSCP to Cabinet. The Council has a long-term capital investment programme to 2025/26. The current long-term financial strategy to 2022/23 will be extended to 2025/26 during 2017/18. The Council will agree a balanced budget for 2017/18 and work has already begun to identify the remaining savings for 2018/19 and 2019/20. This forward looking process supports greater financial security and stability and provides an opportunity for longer term service redesign plans to be implemented.	Risk Next Review Date	30/09/17

Title	SRR02 - Inequalities				Current Risk Matrix
Risk	The risk to the Council is that North Ayrshire residents will experience increasing levels of poverty and its effects. In addition, the area would experience widening gaps between the less well-off and better-off and increasing levels of inequality.				
Background	North Ayrshire residents have persistently poorer health compared to Scotland as a whole and the gap is increasing. Inequality in the local area may continue to increase unless the Council takes action, however this must be managed effectively due to the increase in demand for Council Services which may occur. Ongoing welfare reforms will exacerbate local needs placing greater demands upon Council Services at a time when budgets are under significant pressure. A focus on economic regeneration and effective targeting of resources is essential to maximise opportunity and minimise the impact of the current economic climate on our communities. There are also significant differences in the health of people living in the wealthier parts of North Ayrshire compared to its more deprived areas. Life expectancy in the most deprived areas is 15 years less than the more affluent communities. Health inequality is closely linked to poverty, employment and people's earliest experiences as children. Drug and alcohol misuse is also a major factor.				L5 I4
Risk Status	Very High			**Current Risk Score**	20	**Assigned To**
Potential Effect	Failure to address the current challenges will result in increased levels of deprivation, reduced health and wellbeing of our communities and higher demand for Council Services. Inequalities at an early age will impact adversely on children's social and emotional development, affecting their overall life chances. Children living in poverty and with poor health are more likely to require crisis interventions and have lower levels of educational attainment and achievement. Adults affected by drug and alcohol misuse and by chronic health problems are less likely to sustain employment and it is more likely that they will require support to ensure their own and their children's safety and wellbeing. Older people affected by long term health conditions are more likely to require service provision earlier, have a greater incidence of hospital admission and require long term care at a younger age.				Karen Yeomans; John Butcher; Iona Colvin
Internal Controls	The Council will be launching a new Economic Strategy in April 2017 and this will include a focus on inclusive growth. The Council will lead partners in building community resilience, providing support to remove barriers to opportunity for unemployed people (e.g. childcare, transport and health), upskilling of people in disadvantaged communities including providing 250 MA opportunities within the Council and providing employability services through our network of hubs.			**Risk Next Review Date**	30/09/17

The Council has been successful in securing Lottery and ESF funds to deliver a new Financial Inclusion programme. This will be a £3m programme of activity that is delivered in partnership with the Third Sector. This strategy will focus on a number of new areas of support such as provision of low cost credit, access to white goods/furniture, food and fuel as well as supporting improved linkages between existing services.

Tackling inequalities is a strategic priority of the Community Planning Partnership (CPP) and the Council. A new Fair For All strategy is in place and this will inform the work of the partners to reduce inequality. With a clear focus on reducing the effect and causes of child poverty the CPP is being guided by a peer group of national experts in tackling inequalities. The new Fair For All Board has met once and although at an early stage in its form there is an impressive commitment from those round the table to make sure that NAC and CPP is being supported in its work to reduce inequalities.

The HSCP has contributed to the development of the Community Planning Partnership's 'Social Enterprise Strategy'. Successful Social Enterprises can help fill many gaps in an economy, including, improving job density and growing the number of local businesses.

Work is ongoing between the HSCP, Council and other public bodies in Ayrshire to produce a set of Joint Equality Outcomes to cover the period from 2017 to 2021. Sharing equality outcomes across public sector organisations will bring additional benefit to those facing social and economic barriers due to their specific characteristics. Presently the four proposed Outcomes are as follows:

- Outcome 1 - In Ayrshire people experience safe and inclusive communities
- Outcome 2 - In Ayrshire people have equal opportunities to access and shape our public services
- Outcome 3 - In Ayrshire people have opportunities to fulfil their potential throughout life.
- Outcome 4 - In Ayrshire public bodies will be inclusive and diverse employers

The Council's Attainment Challenge sets out to reduce the impact of deprivation on the educational outcomes of our children and young people. A multifaceted approach has been developed to address inequality in terms of health and well-being and progress in learning. This includes:
- a professional learning academy for teachers to focus on improving progress in learning for our most deprived young people
- the development of approaches for nurture and mental health designed to improve aspects of child development, engagement and promote positive relationships
- working on family learning to improve the support and engagement of continued learning in the home environment
- a focus on data analysis to target improvements and measure impacts.

Title	**SRR03 - Effective Interaction with the Integrated Health and Social Care Partnership to ensure financial control and sustainability**	Current Risk Matrix
Risk **Background**	The operation of pooled budgets with Health presents a risk to the Council in terms of the burden of additional demographic/demand related costs and a decrease in direct financial control. The Integration Joint Board has the responsibility for the distribution of resources to partner bodies to achieve the delivery of its strategic plan. Effective integration will deliver joined up services, focused on delivery at home or in a homely setting. Effective integration is made more difficult in a time of financial austerity when demand is rising and resources are diminishing. Differences in culture, historic structures, priorities and systems are being addressed in order for the Health and Social Care Partnership to achieve significant improvements for service users and patients.	L4 I5

Risk Status	High Risk			**Current Risk Score**	20	**Assigned To**
Potential Effect	Growing demand for services across Health and Social Care at a time of decreasing resources creates a financial pressure for Partnerships. In order to address this, Partnerships need to focus on delivering transformational change which will deliver services in a more sustainable way and secure a shift in the balance of care from acute to the community. There is a risk that decisions made by the new Partnership and Integration Joint Board (IJB) could result in negative publicity and adverse scrutiny of the authority and its partners. Aligned to this there is a risk that if the Partnership fails to manage its budgets effectively that the Council and Health Board may be required to provide additional funding support which could significantly impact on Partner resources.					Iona Colvin; Margaret Hogg

Internal Controls	The IJB meets monthly and monitors progress against the Strategic Plan and the Partnership financial position on a regular basis. Finance reports include projected outturns and are reviewed by Partnership Management and the IJB on a regular basis. These monitoring reports are also shared with the Directors of Finance of the Council and Health Board to ensure full transparency. These identify emerging financial issues as early as possible to enable corrective recovery actions to be put in place to address these. A Medium Term Financial Plan is currently being developed. This plan outlines pressures for services linked to demographic and cost increases, assumptions about future funding and the transformation programme in place to assist with service redesign. The purpose of the plan is to outline the cost implications of these for the partnership, as well as identify the opportunities to address these challenges including a shift in the balance of care from Acute to Community.	**Risk Next Review Date**	30/09/17

Title	SRR04 - People and Transformation					Current Risk Matrix
Risk Background	There is an overarching corporate risk that transformation and change management activities which are core to the Council's future delivery models and long-term financial sustainability, fail to deliver and potentially disengage employees. The workforce context of significant organisational change, pay restraint and budget efficiencies may impact on employee engagement and the stability of employee relations which further impacts on the Council's capacity to meet service requirements and deliver key objectives.					L3 I4
Risk Status	High Risk			Current Risk Score	12	Assigned To
Potential Effect	Any gaps in workforce planning and organisational development arrangements may lead to difficulties in having a workforce with the appropriate knowledge, engagement levels and skills to meet service demand and achieve desired outcomes. It will further impact on the Council's ability to continue to deliver change, meet Strategic Priorities and achieve the required efficiencies. Failure to deliver transformational change will impact on the Council's financial sustainability and its effectiveness of service delivery.					Laura Friel; Fiona Walker
Internal Controls	Continuing focus on implementing Organisational Development interventions through the People Strategy which supports the Council's transformation, improves effectiveness and capability as well as develops an organisational culture which fosters involvement, engagement and high performance. Employee Engagement Surveys monitor employee engagement levels and identify any issues or areas for improvement required. Following the 2015 survey, Directorates identified improvement actions. The next survey is due to take place in 2017 and this and future surveys will continue to monitor progress. The LiveWell group work to encourage staff to consider their own health and wellbeing through providing opportunities to engage in wellbeing activities. A range of programmes, events and activities are promoted to staff. Participation in wellbeing activities can have positive impacts on personal resilience, stress reduction, presenteeism and absenteeism. Development of a corporate, co-ordinated approach to transformational change through an agreed Transformation 2 (T2) approach. Mechanisms for consultation and engagement with Trades Unions enable open dialogue with unions and elected members on key strategic workforce issues. Key strategic organisational change issues are developed through regular leadership team conferences.			Risk Next Review Date		30/09/17

	Inclusion of workforce planning information within Directorate Plans. Ensuring that the Redeployment and VER programmes support service redesign and help manage workforce change. Clearly defined workstreams with People and Transformation and Customer and Digital Services to drive forward corporate transformation.	100

Title	**SRR05 - Community Capacity Building and Empowerment**	Current Risk Matrix
Risk	The risk facing the authority is that community capacity and community resilience in North Ayrshire will not develop sufficiently quickly to meet the economic and social challenges which are emerging in the current economic climate.	
Background	The additional demands placed on the public sector by the Community Empowerment Act (Scotland) 2015 is an emerging risk, with timescales for implementation of and reaction to certain strands of legislation, e.g. community asset transfer and participation requests, now being set by the Scottish Government. The development of community capacity and appropriate support mechanisms to allow local communities to determine their own objectives and have their voices heard in the planning and delivery of services is a key priority of North Ayrshire Council. The ability of communities and organisations to do this varies and the Council is committed to providing the appropriate support, according to local need, to ensure that communities are able to achieve their potential in this challenging economic climate. Involvement in this ranges from volunteering in local and civic events through to delivering services for communities.	L3 I4

Risk Status	High Risk			**Current Risk Score**	12	**Assigned To**
Potential Effect	Where the risk is not managed effectively the potential benefits of community capacity building and empowerment may be lost. There remains a potential disconnect between those communities where levels of capacity and engagement with the empowerment agenda are high and those with less social capital where interest remains low. This could widen the inequality gap between communities with the ability to influence the planning and delivery of more responsive services and those communities who do not. The potential also exists for a disconnect between what the Council wishes to see in terms of communities embracing the opportunities for increasing ownership of assets and what communities themselves feel able and prepared to commit to. In terms of the asset transfer agenda the potential remains for community assets to revert back to Council ownership due to ineffective community engagement/participation and a lack of effective business planning for sustainable use of community assets.						Karen Yeomans; Audrey Sutton

Title	SRR06 - Climate Change				Current Risk Matrix
Risk Background	Severe weather is already affecting public services across Scotland, with operational, reputational, financial and legal consequences. The risk is that the Council is increasingly affected as this trend continues into the future, with potentially more serious consequences that compound some of the other long-term challenges faced, such as resource scarcity and social and economic inequalities. Climate change is expected to continue and worsen in the future, with changes to mean temperatures, the increasing frequency and severity of storms and higher rainfall levels potentially causing rising water levels and resulting in more flooding and coastal erosion. There is also an ongoing impact of severe winter weather including snowfall and freezing temperatures which impact service delivery and the integrity of our roads open space and buildings infrastructure. The Council is required to comply with the 'Public Bodies Climate Change Duties', required under the Climate Change (Scotland) Act 2009. These duties require the Council to assess the risks, threats and opportunities associated with climate change and identify actions to increase resilience to climate change.				L3 I4
Risk Status	High Risk			**Current Risk Score**	12	Assigned To
Potential Effect	An increased frequency of severe weather conditions may lead to more instances of damage to Council infrastructure and property, interruptions to service delivery and increased demands on services, often with little notice. This could also cause risk to life, transport disruption and pollution to the local environment, as well as impact adversely on the local economy if businesses are unable to operate.				Craig Hatton
Internal Controls	A strategic approach to climate change adaptation will help manage this risk. The Council has been proactive and has a number of strategies and plans in place to help reduce vulnerability. These include: • Environmental Sustainability and Climate Change Strategy • Flood Risk Management Strategy • Local Development Plan • Core Paths Plan • Outdoor Access Strategy • Weather and Winter Emergencies Plan Asset management plans are in place which are regularly reviewed for our Roads, Fleet, Housing, Property and Open Spaces which take cognisance of the impact of severe weather and climate change and allow the prioritisation of investment as appropriate. The Council has business continuity arrangements in place and, through the Ayrshire Civil Contingencies Team, there are also emergency planning arrangements in place. Mutual aid arrangements are in place with other Councils.		**Risk Next Review Date**		30/09/17

Title	**SRR07 - Health and Safety Environment**				Current Risk Matrix
Risk	Statistics show that the number of incidents within Council operations are increasing. This is also reflected in the number of Statutory reportable incidents under the Reporting of Incidents Diseases and Dangerous Occurrences Regulations (RIDDOR).				L3
Background	The Council is committed to the provision of a safe work environment for its employees and service users. As an employer the Council has a moral obligation to show a duty of care to employees and 'as far as reasonably practicable' reduce the risk to employees and others.				I4
Risk Status	High Risk			Current Risk Score	12	Assigned To
Potential Effect	The related effects may include: • Personal injury/loss of capacity; • Legal and regulatory censure; • Criminal proceedings against senior management • Financial fines and fees for intervention from the Health and Safety Executive (new fine guidelines of up to £10m for organisations with turnover over £50m); • Sustained media attention and reputational damage; • Increased corporate risk profile including insurance costs; • Loss of confidence by workforce re-the operating environment • Loss of public confidence.				Chief Executive; Executive Directors
Internal Controls	The Council has a number of existing controls in place to help reduce the likelihood of a serious Health and Safety incident. These include: • Health and Safety Strategy, Policies and Procedures; • A risk assessment framework; • Corporate Health and Safety Team; • Corporate programme of 'Safety in Mind'; • IOSH Managing Safely Course; • Internal briefing sessions; • Corporate Health and Safety group; • Six monthly premises specific Health and Safety inspection programme; • Annual health and safety audit programme; • Heads of Service chairing directorate planning group meetings; • Ongoing stakeholder engagement and support from Corporate Health and Safety.		Risk Next Review Date		30/09/17

Title	SRR08 - Information					Current Risk Matrix
Risk	The key risk to the authority relates to the reduction of public confidence associated with the loss of personal or sensitive data. Significant financial penalties may also be experienced by the authority through fines and remedial work to resolve issues, negatively impacting service delivery.					
Background	The Council recognises the need to both maximise the benefit of our information to deliver effective and efficient services, and the need to appropriately protect our information and comply with information legislation information security requirements and standards. Furthermore the Council requires to meet its obligations in relation to the implementation of the EU General Data Protection Regulations (GDPR) by May 2018.					L3 I4
Risk Status	High Risk			**Current Risk Score**	12	**Assigned To**
Potential Effect	Failure by Services to adopt and comply with strategies, policies and procedures may result in a failure to adequately maintain and protect information the Council is responsible for. There may be a significant impact on the authority through the release of personal and/or sensitive information resulting in a loss of public confidence and significant financial loss incurred through fines and Service disruption. Failure by Services to appropriately manage and use the information they hold may result in lost opportunities to transform services to the community.					Andrew Fraser
Internal Controls	An Information Governance Team was established 2014-16 and provides advice and support to all Directorates and Services. Senior Information Risk Owners (SIRO) are in place for each Directorate. A Data Protection Advisory Group (DPAG) and networks of Freedom of Information (FOI) and Data Protection (DP) co-ordinators have been established. The Information Management Governance Group (IMGG) will be re-constituted in 2017. Appropriate policies, processes and training are available to staff. These will be revised in line with GDPR requirements during 2017/18. Access to information systems is controlled and secure, laptops have data encryption installed along with anti-virus software. The Council adheres to government security standards and guidelines to access and share information securely with central and local government and other partners, all of which are subjected to internal and external audit and compliance processes. The Council also mitigates the risk of information loss from information residing on servers through Disaster Recovery contracts and annual business continuity testing as well as standard back-up and off-site storage facilities.			**Risk Next Review Date**		30/09/17

Risk Code & Title	SRR09 - Brexit					Current Risk Matrix
Description	Following the 2016 referendum to leave the EU, the UK government has indicated its intent to trigger Article 50 during March 2017. This will be followed by two years of negotiation to agree the financial settlement between the UK and EU. Whatever the scope and outcome of the Article 50 negotiations, we are at the start of a period of long-term uncertainty economically and politically. There is also the potential for another referendum on Scottish independence.					L3 I4
Risk Status	High			Current Risk Score	12	Assigned To
Potential Effect	North Ayrshire already has a fragile economy, high deprivation, and high levels of child poverty. In addition we have an ageing population, with declining numbers of young people. Any slow-down in the national economy is likely to be magnified locally. Furthermore, reduced tax receipts nationally will impact on the Council's financial settlement. This may lead to further reductions in the funding available impacting on service provision at a time of increasing demand. There is also uncertainty around future grant funding streams which are currently received from the EU. Businesses are experiencing uncertainty and some may reassess whether North Ayrshire / Scotland / UK remains a sustainable business location post-Brexit. The EU foreign nationals employed by the Council and NHS are facing an uncertain future. Changes to UK Government immigration policy as a result of Brexit may result in less EU nationals living locally with consequential impacts on service demand, local business and population levels. As powers are repatriated from EU, new arrangements at UK, Scotland and local level will have an effect and potentially result in new powers being devolved. Over 5,000 EU regulations are estimated to exist. A programme of review and adoption by governments is likely to result in changes to these standards according to the new trading agreements reached.					Karen Yeomans
Internal Controls	The big issue caused by Brexit is the uncertainty surrounding it, and hence the inability to accurately predict future outcomes accurately. There are a number of areas where the Council needs to prepare however there are some current controls in place: • Measures to support and strengthen the local economy – including new businesses, micro- businesses, SMEs and social enterprises, buying more locally, business retention. • Long-term capital investment programme and financial strategy. • A new Economic Strategy for North Ayrshire, led by the Council, which has been prepared for launch in April 2017. • The new 'Fair for All' strategy which is directed at reducing inequalities and increasing equity. • Three year rolling medium term financial plan • Environmental strategies • Inputting to a review of the current EU funding programme to maximise spend ahead of Brexit. • Developing an Ayrshire Growth Deal that will support the development and investment in our infrastructure to support inclusive growth. • Participation in a national BREXIT Strategic Stakeholder Group at COSLA to develop an understanding of the issues and how the public sector and our communities can best prepare.				Risk Next Review Date	30/09/17

'Risk Focus'

North Ayrshire Council
Risk Management Policy and Strategy

'The key to successful risk management is leadership from the top. With the increasing complexity of risks facing public service organisations, senior leaders need to recognise and actively support the continuing importance of risk management…'

Association of Local Authority Risk Managers.

Version:	Final
Date:	March 2017
Review Date:	March 2019
Author:	Alex Fitzharris
Classification:	Public

Contents

Accompanying Guides:

Risk Management Matrix and Guide
Risk Management Leadership and Accountability Guide

Risk Management Policy

1.1 North Ayrshire Council is committed to a culture where employees are encouraged to develop new initiatives, improve performance and achieve goals safely, effectively and efficiently. This is supported by the appropriate application of good risk management practice.

1.2 The Council aims to support service users, residents and customers, achieve high standards of performance, maximise opportunity, and provide a safe environment for those it employs, contracts or partners with in providing a wide range of services.

1.3 The Council will promote an environment that is risk 'aware' rather than risk 'averse' and will strive to place risk management information at the heart of key policy decisions.

1.4 The Council is committed to testing its capacity and tolerance for risk (referred to as 'risk appetite') in order to ensure that it is clear in its understanding of the total level of risk it is able or willing to accept. It is generally understood by all services that in normal circumstances:

- any **low risk is acceptable** without any further action to prevent or mitigate the risk;
- any **moderate risk is tolerable** providing that control measures implemented/introduced are cost effective;
- any **high risk may be tolerable** providing the Council is assured regarding the adequacy and effectiveness of the control measures in place. Any further control measures implemented or introduced must be cost effective in relation to the high risk;
- any **very high risk is deemed to be unacceptable**. Measures should generally be taken to terminate, transfer or treat a very high risk to a more tolerable position, although it recognised that some very high risks may be outwith the control of the Council.

1.5 The Council also actively pursues and engages in risk management activities with community planning partners.

1.6 The Council has established its Risk Management Framework to support effective risk management activity.

Key benefits of effective risk management

- appropriate, defensible, timeous and best value decisions are made;
- risk 'aware' not risk 'averse' decisions are based on a balanced appraisal of upside and downside risk and enable acceptance of certain risks in order to achieve a particular goal or reward;
- high achievement of objectives and targets;
- higher levels of morale and productivity;
- better use and prioritisation of Council resources;
- high levels of user experience/ satisfaction with a consequent reduction in adverse incidents, claims and/ or litigation; and
- further enhancement of the Council's good reputation both as an employer and as a public

a

Risk Management Strategy

1.0 Introduction

1.1 The primary objectives of this strategy will be to:

- establish standards and principles for the efficient management of risk, including regular monitoring, reporting and review;

- establish communication and sharing of risk information through all areas of the Council;

- initiate measures to reduce the Council's exposure to risk and potential loss.

1.2 This strategy takes a positive and holistic approach to risk management. The scope applies to all risks whether relating to customers, employee safety and wellbeing, business risk, opportunities or threats.

1.3 **Strategic/Corporate risks** represent opportunities or threats in relation to the Council's desired outcomes and objectives as set out within its Strategic Plans. Typically these risks require strategic leadership in the application of controls to manage the risk.

1.4 **Operational risks** represent the potential for impact (opportunity or threat) within the activities of an individual service area or team. Heads of Service have a leadership role for managing operational risks. These will be more 'front-line' in nature and the development of activities and controls to respond to these risks can be led by local managers and team leaders. Where an operational risk impacts across multiple service areas or, because of interdependencies, requires more strategic leadership, then these can be proposed for escalation to 'strategic/corporate risk' status for the Council.

1.5 **Project risks** represent events or circumstances which may impact on a specific project - usually as a threat to the schedule and/or cost of a project or the benefits the project will deliver. Project risks will be managed by the project team and any residual risks remaining at the end of a project are handed over to the relevant service to manage as business as usual.

1.6 All risks will be analysed consistently with an evaluation of risk as being **very high/high/moderate/low and red/amber/yellow/green**

2.0 Risk Management Process

2.1 Risk Management is about the culture, processes and structures that are directed towards realising potential opportunities whilst managing adverse effects[1]. The Risk Management process is pro-active in understanding risk and uncertainty; it learns and builds upon existing good practice and is continually evolving. It also has an important role to play in ensuring that defensible and beneficial 'risk-aware' not 'risk-averse' decisions are made, that the Council provides high quality services and employees are assured that every effort has been made to maximise their opportunities to succeed.

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[1] Australia/ New Zealand Risk Management Standard, AS/NZS 4360: 2004

1

2.2 North Ayrshire Council embeds risk management throughout the Council by consistent application of the risk management process shown in Figure 2.1[2] across all services and core business activities.
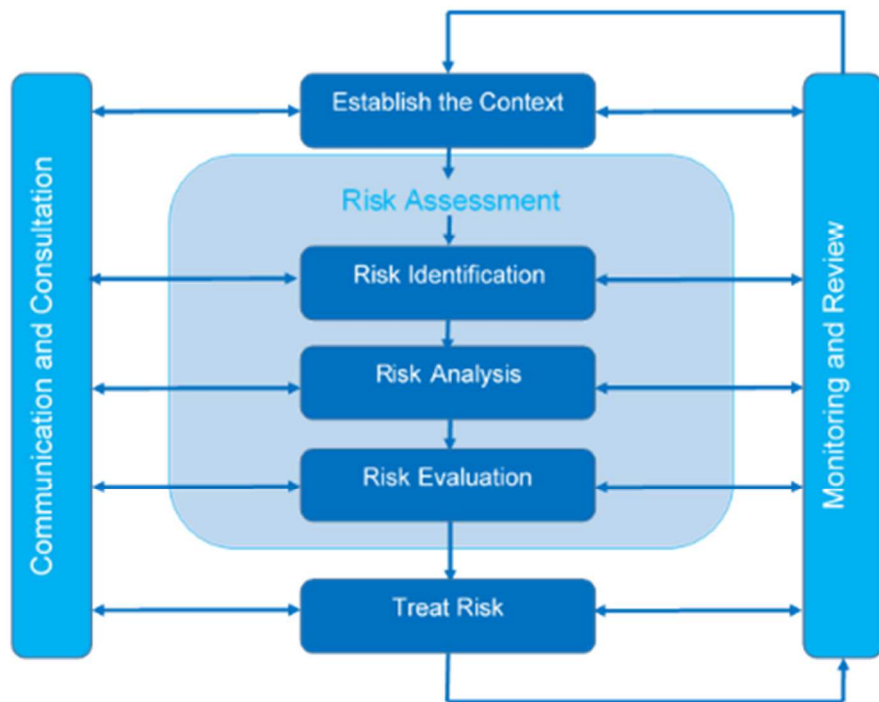

Figure 2.1: Risk Process

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[2] AS/NZS 4360: 2004 and ISO 31000 (2009)

3.0 Application of Good Risk Management Across all Council Activities

3.1 The following standard procedures will be implemented across all areas of Council activity in order to achieve consistent and effective implementation of the Risk Management Strategy.

3.2 Implementation of the risk management process: this means that risk management information should (wherever possible) be used to guide major decisions in the same way that cost and benefit analysis is used.

3.3 Identification of risk using standard methodologies: involving subject experts who have knowledge and experience of the activity or process under consideration.

3.4 Categorisation of risk under the headings below:

- Strategic / Corporate Risks: such as risks that may arise from Political, Economic, Social, Technological, Legislative and Environmental factors that impact on the delivery of the Strategic Plan outcomes.

- Operational Risks: such as risks that may arise from or impact on Customer Service, Employee Health, Safety and Well-being, Business Continuity/Supply Chain, Information Security and Asset Management

3.5 Appropriate ownership of risk: specific risks will be owned by and assigned to whoever is best placed to manage the risk and oversee the development of any new risk controls required.

3.6 Consistent application of the agreed risk matrix: necessary to analyse risk in terms of consequences and likelihood of occurrence, taking into account the effectiveness of risk control measures in place.

3.7 Consistent response to risk that is proportionate to the level of risk: this means that risk may be terminated; transferred elsewhere (ie to another partner or third party); tolerated as it is; or, treated with measures to bring it to a level where it is tolerable for the Council in keeping with its appetite/tolerance for risk. In the case of opportunities, the Council may 'take' an informed risk in terms of tolerating it if the opportunity is judged to be (1) worthwhile pursuing and (2) the Council is confident in its ability to achieve the benefits and manage/contain the associated risk. Further information can be found in the Risk Management Framework.

3.8 Implementation and maintenance of risk registers: used as a means of collating risk information in a consistent format allowing comparison of risk evaluations, informed decision-making in relation to prioritising resources and ease of access to information for risk reporting.

3.9 Reporting of strategic/corporate risks and key operational risks to the Cabinet on an annual basis: operation of a procedure for movement of risks between strategic and operational risk registers that will be facilitated by the Corporate Risk Management Group.

3.10 Routine reporting of risk information: required within and across teams and a commitment to a 'lessons learned' culture that seeks to learn from both good and poor experience in order to replicate good practice and reduce adverse events and associated complaints and claims.

4.0 Governance, Risk leadership, Accountability

4.1 People, not processes manage risk: Creating a culture where people have the capability and confidence to manage risk well is fundamental to good risk management. Therefore it is essential for the Council's leadership teams and individuals to know what their reponsibilities are.

4.2 Roles and Responsibilities for Formal groups: The Corporate Risk Management Group exists to proactively promote risk management within the Council. Further information can be found within the Risk Management: Leadership And Accountability Guide.

4.3 Roles and Responsibilities for Individuals: It is critical that risk management reponsibilities are clearly set out and further information can be found within the Risk Management: Leadership and Accountability Guide.

5.0 Resourcing Risk Management

5.1 The work on developing and leading the ongoing implementation of the Risk Management Framework will be resourced through the Risk and Insurance Team Manager and the Corporate Risk Management Group. This will involve strategy and high level training requirements.

5.2 Whilst every employee has a responsibility for risk management, senior managers have a responsibility to ensure that their area of responsibility is considered. The success of the risk management programme relies on the proactive cooperation of management teams.

6.0 Training, learning and development

6.1 To implement this strategy effectively, it is essential for staff to have the competence and capacity for managing risk and handling risk judgements with confidence and to focus on learning from events and past experience in relation to what has worked well or could have been managed better.

6.2 Training is important and is essential in embedding a positive risk management culture across all activities under the direction of the Council and in developing risk management maturity. The Corporate Risk Management Group will regularly review risk management training and development needs and source the relevant training and development opportunities required.

7.0 Monitoring Risk Management Activity And Performance

7.1 A suitable system is required to ensure risk management activity and performance is monitored. Monitoring will include review of the Council's risk profile by Executive Leadership Team through the Corporate Risk Management Group.

7.2 The Executive Director (Finance and Corporate Support) is responsible for providing assurance to the Cabinet and the Audit and Scrutiny Committee that the risk management framework is being applied across the Council.

7.3 Perfomance Indicators (PIs) will be linked, where appropriate, to the overall status of risk management or to specific risks to provide assurance on the performance of certain control measures. For example, the percentage of managers who have undergone risk management training can provide assurance that risk management is considered appropriately across the organisation. Budget monitoring reports can provide assurance that key financial risks are under control.

7.4 Performance management information may also inform the identification of new risks or highlight where existing risks require more attention.

7.5 Reviewing the Council's risk management arrangements on a regular basis will also constitute a 'Plan / Do / Study / Act' review cycle that will shape future risk management priorities and activities of the Council, inform subsequent revisions of the risk management framework and drive continuous improvement in risk management across the Council.

5

8.0 Communicating, Consulting on and Reviewing the Risk Management Framework

8.1 Effective communication of key risk management information across the Council is essential to develop a consistent and effective approach to risk management.

8.2 The risk management framework will be circulated as appropriate and will form the basis of any risk management training arranged.

8.3 The framework will be reviewed every two years or earlier if required, to ensure that it fully reflects current standards and best practice in risk management and the Council's business environment.

5

Risk Management Matrix and Guide

Guide Purpose: The purpose of this document is to outline the risk management process and provide a guide for scoring and capture of risks. It consists of two parts:

- Overview of risk management process
- Risk Matrix and Consequence Impact Guide

1.0 Overview of the Risk Management Process in Practice

The purpose of the risk management process is to provide a systematic and effective method by which risks can be consistently addressed throughout the council, irrespective of the service being provided or the environment.
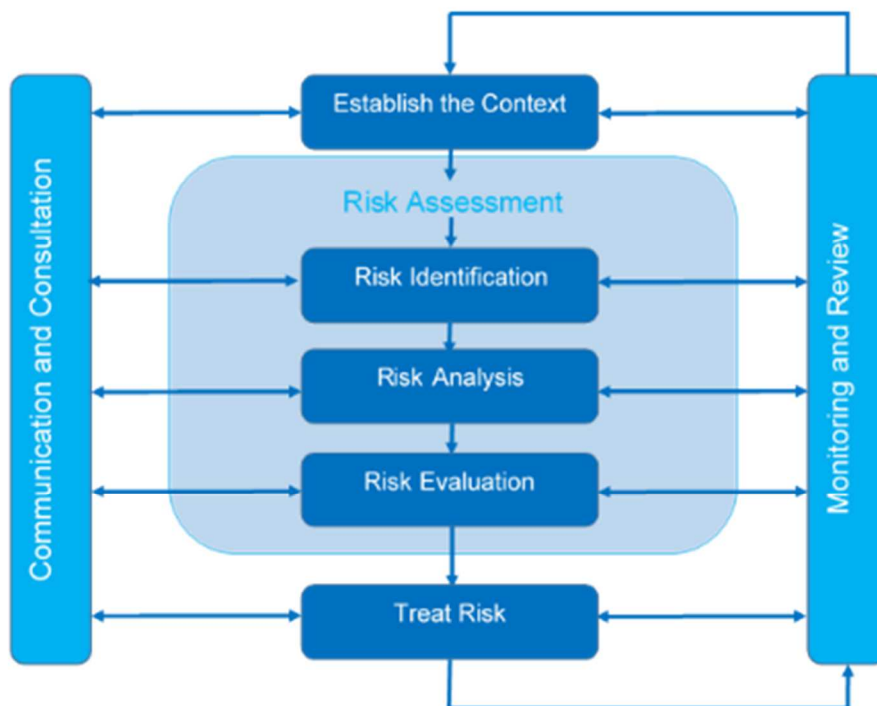
It is a cyclical process which should be undertaken by each Directorate and involves communicating and consulting with internal and external stakeholders at each stage of the process, establishing the context in which the process takes place and the key elements of risk assessment: risk identification, analysis and evaluation.

1.1 Establish Context

The first step in the process is around achieving clarity on the context of risk and we can consider, for example:

- What is the nature of the context, i.e. service change, potential opportunity, new partnership?
- Who or what could be exposed?
- Who has responsibility for the situation?
- Will the risk relate to any objectives or performance indicators?
- Could the risk be a corporate or a strategic one and if so is it likely to be a short or longer term issue?
- Who needs to be aware of the risk and how will we report on it?

Risk Management Matrix and Guide

1.2 Identify Risk

There are two main approaches to identifying risk, and to help us in either approach a range of tools and techniques can be used[1].

(1) Proactive approach:

This approach includes for example: analysis of objectives (Strategic or Directorate) and Directorate priorities, and identifying opportunities that may enhance, or issues that may threaten achievement; actively looking at internal systems and processes to identify the potential for error and make improvements to these processes; conducting routine physical inspections/ hazard spotting; undertaking regular audits; and implementing routine maintenance programmes for equipment, etc.

(2) Reactive/ Responsive approach:

This approach emphasises the importance of learning from experience (good and bad) and putting what we learn into practice. For example, where an adverse situation has occurred, as individuals and as an organisation, we must learn lessons and make sure that we take the steps necessary to reduce the likelihood of such an adverse event occurring again. Complaints, claims, audit and customer survey data all provides rich sources of learning that help to identify areas for improvement. Learning should not be limited to events only occurring within the council but also other local government organisations' experiences as well as other industries.

In identifying risk it is essential to form a clearly defined risk 'statement' describing the situation/ circumstance (challenge, opportunity, hazard etc) and the potential consequences that may flow from it. This facilitates a more effective analysis of the risk during the next step of the process.

1.3 Analyse Risk

Once a risk is clearly defined, it can be analysed in terms of its likelihood of occurrence and the plausible impact that its potential consequences might have, taking into account the effectiveness of any measures in place to control the risk[2]. The 'Risk Matrix' is the tool to use for this purpose (See point 4 & page 5).

If re-assessing a risk with information available in relation to measures already in place to control the risk, it is important to ask:

- Are these controls still relevant and cost effective?
- Are they still operating effectively? (Some procedures may 'fall by the wayside' after their initial introduction and care must be taken not to make assumptions about their ongoing effectiveness);
- Have any new measures been developed since the previous assessment that can now be included as control measures?

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[1] For example, Scenario Planning, PESTLE/ SWOT analysis, Failure Modes Effects Analysis, Root Cause Analysis, Fault Tree Analysis, Incident Decision Tree. The Risk & Insurance Team Manager (x4515) can support you in applying these tools.

[2] If this is a 'gross' or initial risk assessment, there may be no risk control measures in place at this stage.

Risk Management Matrix and Guide

On reviewing the effectiveness of the risk control measures and when coming to a decision regarding the likelihood of the risk arising and its potential impact, it is essential to record a rationale for these decisions. Decisions, wherever possible, should be based on historical data, experience, subject knowledge, expert judgment and future projections. Care should be taken to ensure, as far as practicable, that risk analysis is not subject to bias. Having more than one person undertaking the analysis (with the second person perhaps undertaking a 'challenging' role) can be helpful in reducing subjectivity and bias in risk analysis.

1.4 Evaluate Risk

The outcome of the risk analysis (multiplying potential likelihood by potential impact) will produce a score that translates into an evaluation of the risk as being low, moderate, high or very high. The risk evaluation then needs to be compared with the council's overall capacity and tolerance for risk.

- any **low risk is acceptable** without any further action to prevent or mitigate the risk
- any **moderate risk is tolerable** - any control measures implemented or introduced must be cost effective;
- any **high risk may be tolerable** - providing the council is assured regarding the adequacy and effectiveness of the control measures in place. Any further control measures implemented or introduced must be cost effective in relation to the high risk;
- any **very high risk is deemed to be unacceptable**. Measures should generally be taken to terminate, transfer or treat a very high risk to a more tolerable position, although it recognised that some very high risks may be outwith the control of the Council.

It is always important to consider how proportionate your response to risk is, ensuring that the risk is continually evaluated to the lowest level that is reasonably practical whilst considering the net benefits, (i.e. to a level where it is believed the cost of action will give the desired benefit without becoming risk averse). If the risk is evaluated as 'high' and therefore significant, diligent checking, audit and monitoring of the effectiveness of control measures is essential.

It is also very important to keep in context the potential rewards and benefits to the council of specific projects or initiatives and not become risk averse in relation to realising these benefits. The council's risk matrix provides a framework for decision-making and provides managers with guidance on the normal acceptability of risk and subsequently a clearer understanding of risks that would be considered exceptional and require a closer level of scrutiny.

Risk Management Matrix and Guide

1.5   Treat/ Respond to Risk

Risk evaluation guides you towards an appropriate level of response. The main ways to respond are:

Take: an informed risk may be taken if an opportunity is judged to be (1) worthwhile pursuing and (2) the council is confident in its ability to achieve the benefits and justify the risk exposure.

Terminate: choose an alternative solution or not to be involved in, or to withdraw from, an activity or opportunity because of the risk involved

Transfer: move the responsibility for risk or a specific component of risk to another party. This might be achieved through legislation, contract, insurance or other means.

Treat: implement cost effective measures to reduce or further control a risk. Treatment might focus on addressing the likelihood of occurrence, the consequences which might result, or both.

Tolerate: agree that any further action to treat a risk is not cost effective or proportionate in relation to the current risk and decide to tolerate it as it is.

When developing new solutions to specific problems some important factors should be borne in mind:

- Some control measures by their very nature are more effective than others;
- Extreme care must be taken to ensure that in developing one solution to address a specific risk, you do not inadvertently create others, perhaps even more significant than the original one.

Risk Management Matrix and Guide

Risk Matrix and Consequence Impact Guide

Introduction

Risk should be analysed consistently across the council in terms of the significance of its impact and the likelihood of occurrence. The Risk Matrix is therefore the tool that is to be used for this purpose. The impact element of the same matrix may be used for the grading of adverse events, complaints or claims.

Impact
When considering the consequences of a potential risk, all scenarios must be considered with scoring based on the most likely outcome. It may be appropriate to consider the worst case scenario, however, those undertaking the risk analysis must be able to provide a robust rationale and have evidence to support their selection. For example, if 'death' could be the ultimate potential impact in relation to a specific problem, the risk assessors must have knowledge that this outcome has occurred in the past either internal or external to North Ayrshire Council. (A full list of descriptions to assist in analysing consequence is contained on the following two pages of this document);

Likelihood
Similarly when considering the likelihood of occurrence, the risk assessor's judgement must be based on the prevalence of the event/ circumstance and outcome, backed up by experience and data such as relevant incidents/ events, complaints and/ or claims.

Evaluation
As shown in the matrix below, Impact x Likelihood produces an evaluation of the significance of risk, described as 'Low', 'Moderate', 'High' or 'Very High'.

How a risk is evaluated will determine how the risk is then treated:

Likelihood	Consequence Impact				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
5 Almost Certain	5	10	15	20	25
4 Likely	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Remote	1	2	3	4	5

Low (1-3), Moderate (4-9), High (10-16), or Very High (17-25)

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Risk Management Matrix and Guide

Consequence Impact Guide

"Domains"	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
Objectives and Projects	▪ Barely noticeable reduction in scope / quality / schedule	▪ Minor reduction in scope / quality / schedule	▪ Reduction in scope or quality, project objectives or schedule.	▪ Significant reduction in ability to meet project objectives or schedule.	▪ Inability to meet project objectives, reputation of the organisation seriously damaged and failure to appropriately manage finances.
Injury (physical and psychological) to clients/staff.	▪ Adverse event leading to minor injury not requiring first aid.	▪ Minor injury or illness, first-aid treatment needed. No staff absence required.	▪ Significant injury requiring medical treatment and/or counselling.	▪ Major injuries or long term incapacity/ disability (loss of limb), requiring medical treatment and/or counselling.	▪ Incident leading to death or major permanent incapacity.
Client experience / outcome	▪ Reduced quality of client experience / outcome not directly related to service delivery.	▪ Unsatisfactory client experience / outcome directly related to service provision – readily resolvable	▪ Unsatisfactory client experience / outcome, short term effects – expect recovery < 1Wk	▪ Unsatisfactory client experience / outcome, long term effects - expect recovery > 1Wk	▪ Unsatisfactory client experience / outcome, continued ongoing long term effects.
Complaints / claims	▪ Locally resolved complaint	▪ Justified complaint peripheral to direct service provision	▪ Below excess claim. ▪ Justified complaint involving inappropriate service.	▪ Claim above excess level. ▪ Multiple justified complaints.	▪ Multiple claims or single major claim.
Staffing and competence	▪ Short term low staffing level (< 1 day), where there is no disruption to service.	▪ Ongoing low staffing level results in minor reduction in quality of client care ▪ Minor error due to ineffective training / implementation of training.	▪ Late delivery of key objective / service due to lack of staff. ▪ Moderate error due to ineffective training / implementation of training. ▪ Ongoing problems with staffing levels	▪ Uncertain delivery of key objective / service due to lack of staff. ▪ Major error due to ineffective training / implementation of training.	▪ Non delivery of key objective/ service due to lack of staff. ▪ Loss of key staff. ▪ Critical error due to insufficient training/ implementation of training.

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Risk Management Matrix and Guide

"Domains"	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
Service / business interruption	• Interruption in a service which does not impact on the delivery of client care or the ability to continue to provide service	• Short term disruption to service with minor impact on client care.	• Some disruption in service with unacceptable impact on client care. • Temporary loss of ability to provide service.	• Sustained loss of service which has serious impact on delivery of client care resulting in major contingency plans being invoked.	• Permanent loss of core service or facility. • Disruption to facility leading to significant "knock on" effect.
Financial	• Negligible organisational financial loss (£< 1k).	• Minor organisational financial loss (£1-10k).	• Significant organisational financial loss (£10-100k).	• Major organisational financial loss (£100k-1m).	• Severe organisational financial loss (£>1m).
Inspection / assessment / audit	• Small number of recommend-ations which focus on minor quality improvement issues.	• Minor recommend-ations made which can be addressed by low level of management action.	• Challenging recommend-ations but can be addressed with appropriate action plan.	• Enforcement Action. • Low rating. • Critical report.	• Prosecution. • Zero Rating. • Severely critical report.
Adverse publicity / reputation	• No media coverage, little effect on staff morale.	• Local Media – short term. • Minor effect on staff morale / public attitudes.	• Local Media – long term. • Impact on staff morale and public perception of the organisation.	• National Media (< 3 days). • Public confidence in the organisation undermined. • Usage of services affected.	• National Media (> 3 days). • MP / MSP Concern (Questions in Parliament).
Council / Personal Security, and Equipment	• Damage, loss, theft (£< 1k).	• Damage, loss, theft (£1-10k).	• Damage, loss, theft (£10-100k).	• Damage, loss, theft (£100k-1m).	• Damage, loss, theft (£>1m).

Likelihood

	1 Remote	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
Probability	• Will only occur in exceptional circumstances	• Unlikely to occur but definite potential exists	• Reasonable chance of occurring – has happened before on occasions	• Likely to occur – strong possibility	• The event will occur in most circumstances

7

Risk Management: Leadership and Accountability Guide

Guide Purpose: The purpose of this document is to outline Risk Management roles and responsibilities for groups and individuals across North Ayrshire Council.
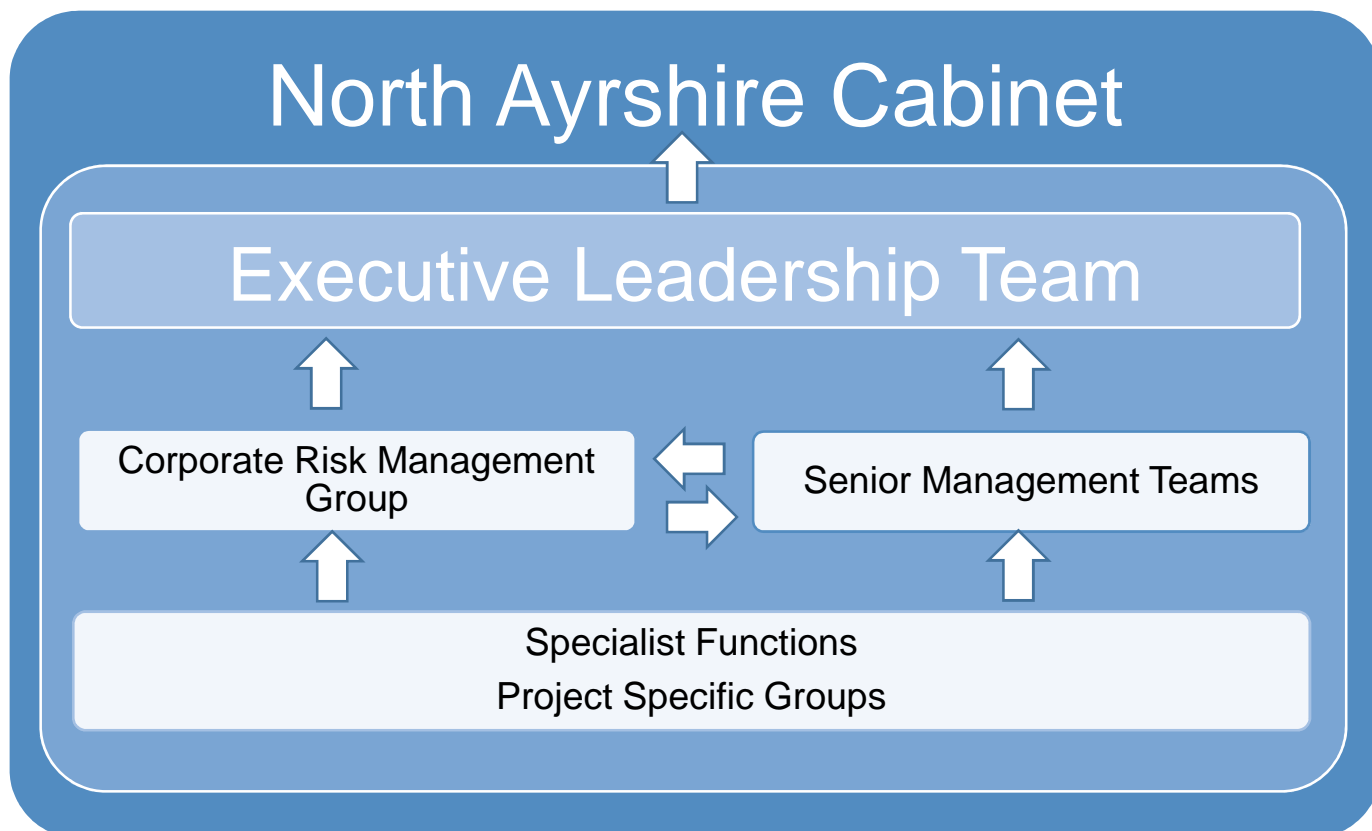
Figure1: Reporting hierarchy for groups involved in risk management

1.0 Governance, Roles and Responsibilities – Formal groups

1.1 Cabinet

In line with good governance, Cabinet is responsible for ensuring that the Council has a suitable Risk Management Framework in place to ensure that significant risks are adequately identified and controlled.

The Cabinet approves the risk management framework and the Strategic/Corporate risk register and considers the effectiveness of the risk management arrangements.

1.2 Executive Leadership Team

In respect of the Risk Management Framework, the Executive Leadership Team (ELT):
- provides a high profile commitment to enhancing risk management performance and embedding a risk aware culture, proactively promoting, supporting and encouraging good risk management practice across all services and activities;
- ensures appropriate risk information is utilised to guide major decisions in areas such as policy/strategy development, service planning, performance monitoring, budget planning, investment programmes, change programmes, projects and partnerships;
- ensures that a member of the Executive Leadership Team (the Executive Director (Finance and Corporate Support) is responsible on behalf of the Chief Executive for overseeing the

risk management framework and that the remit of the risk management function/ risk manager been determined;

- ensures appropriate reporting arrangements for risk management are implemented across all levels of the Council, including that risk management matters are actively reported to the Corporate Risk Management Group;
- ensures there are mechanisms in place to check that risk management is being implemented in a manner consistent with the Council's risk management framework; and
- ensures the risk management framework is reviewed at a minimum of every two years so it remains fit for purpose and reflects best practice.

In respect of managing risk, the Executive Leadership Team:
- annually reviews the proposed Strategic/Corporate risk register and agrees the corporate risks for the Council in achieving its key corporate objectives, prior to submission to Cabinet for approval;
- ensures on an ongoing basis that significant risks that could impact on key objectives or service delivery responsibilities are identified, analysed, evaluated and responded to appropriately across the Council;
- ensures appropriate senior managers are clearly assigned responsibilities for assessing, reporting and managing identified key risks;
- monitors the effective management of the Strategic/Corporate risks by reviewing action taken and progress reports provided by the Corporate Risk Management Group;
- maintains a clear understanding of the Council's risk profile and its relation to the Council's capacity and tolerance for risk;
- actively 'horizon scans' to enable timely identification of potential risks (opportunities or threats) emerging from the Council's external environment; and
- encourages innovation through appropriate and informed risk management.

1.3 Corporate Risk Management Group (CRMG)

In respect of the Risk Management Framework, the Corporate Risk Management Group:
- oversees the ongoing revision, implementation and monitoring of activities which support implementation of the Council's risk management framework;
- oversees the ongoing revision, implementation and monitoring of key risk management related performance;
- provides assurance to ELT on the efficacy of the Council's risk management framework;
- ensures that group members take forward agreed risk management initiatives within their respective services, thereby achieving a consistent approach to risk management across all services. CRMG members will feedback risk management information to their local risk audience;
- facilitates the sharing of learning across the Council, from good practice or any events or near misses that identify trends of potential risk.

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In respect of managing risk, the Corporate Risk Management Group:

- Oversees the annual revision of the corporate risk register in consultation with Executive Directors and Heads of Service. The CRMG will present the Strategic/Corporate risk register to ELT for agreement and submission to the Cabinet for approval;
- monitors (on a 6 monthly basis) the progress of action plans designed to manage corporate risks;
- develops and implements an annual risk action management plan;
- ensures that processes are in place for escalating risks at various levels as appropriate;
- provides routine and exception reports to the ELT.

1.4 Local Risk Groups (services/ specialised sections/ project-specific groups)

For local risk groups within services, these will either be specific to risk management or pre-existing groups/ meetings which regularly include risk management as an agenda item.

Local risk groups:

- Organise specialist training and raise awareness in their area of responsibility to ensure practical measures are put in place to respond to risk;
- contribute to the service risk management plan and regularly review its content to ensure it continually reflects the key risks of the service and highlights the service's top risks;
- report progress to their Senior Management Team on a regular basis.

1.5 Risk Management Specialist Functions

These will comprise of a number of employees (from audit, risk management and insurance, health and safety, civil contingencies and information security and ICT), who work in risk-related roles and will add further value in their roles by working closely together as subject experts.

The remit will include:

- Providing a central resource of expertise to the wider Council; and,
- Developing and jointly working on corporate risk management initiatives, either directly or through other Council services.

The Council will further access, where relevant, external sources of expertise such as the Police or the Council's Insurers.

2   Governance, roles and responsibilities – Individuals

2.1 The following sets out the roles and responsibilities for specific individuals or groups of individuals.

2.2 Elected Members

A significant aspect of an Elected Member's role is in making decisions for the Council and the people of North Ayrshire. The CIPFA / SOLACE 'Good Governance Guide for Scottish Local Authorities' – and in particular Principle 4, makes explicit the Elected Member's decision-making role and the need to ensure that risk management information contributes to the decision-making process. In considering any recommendations from Council officers in relation to new policies/ proposals, Members will ensure they are aware of the risks and benefits involved prior to making their decisions. A (risk) 'implications' section on Cabinet papers will enable risk information to be provided.

2.3 Chief Executive

The Chief Executive has overall accountability for the Council's risk management framework, ensuring that there are suitable and effective arrangements in place to manage the Council's risks. The Chief Executive is supported in this role by the Executive Director (Finance and Corporate Support).

2.4 Executive Director (Finance and Corporate Support)

The Executive Director is directly accountable to the Chief Executive and is the ELT member responsible for overseeing the risk management framework and remit of the Council's risk management function.

The Executive Director is responsible for overall leadership and co-ordination of the risk management agenda and for bringing to the Executive Leadership Team any risk issues requiring to be addressed. The Executive Director is supported in this role by a dedicated risk management resource in the Senior Manager (Internal Audit, Risk and Fraud) and the Risk and Insurance Team Manager.

2.5 Senior Information Risk Owners

Senior Information Risk Owners (SIRO) are the Senior Managers familiar with the information risk and the Council response, would provide advice to the accounting officer for internal control.

These are Executive Directors or Heads of Service.

2.6 Senior Manager (Internal Audit, Risk and Fraud)

The Senior Manager (Internal Audit, Risk and Fraud) is responsible for the corporate provision of risk management guidance, training and risk software for recording of risks/ risk management actions. Specifically, in relation to Internal Audit, the Senior Manager:
- ensures that the development of the strategic audit plan considers the Council's Strategic/Corporate risks and the services' significant risks, as well as key areas of organisational change for which risk is inherent; and,
- ensures that the results of Internal Audit work will inform the Strategic register and risk management actions.

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2.7 <u>Risk and Insurance Team Manager</u>

The Risk and Insurance Team Manager:

- provides advice and support to service risk management representatives and service managers and other groups in the management of Strategic/Corporate, service and/ or project risks;
- provides a range of training and education opportunities in risk management for Members and employees, in line with Elected Member training and development programmes, management development programmes, key organisational projects and bespoke training needs;
- oversees the use and development and maintenance of the risk module within Covalent, ensuring timeous risk management reports are available for stakeholders;
- supports the process of reviewing the Strategic/Corporate risk register;
- develops an annual risk action management plan with the CRMG;
- manages the Council's risk financing / insurance arrangements.

2.8 <u>Executive Directors and Director of Health and Social Care</u>

It is the responsibility of each Executive Director and their senior management teams to implement local arrangements which accord with the risk management framework, and the related procedures.

All Executive Directors are accountable to the Chief Executive, the Executive Leadership Team and Cabinet for the management of risk within their areas of responsibility.

While Executive Directors have overall accountability for the management of a risk within their services, they may not 'own' the risk control measures being implemented to manage the risks (e.g. implementation of policies developed by other services). In this case, the role of the Executive Director is to oversee that the controls are fit for purpose and operating effectively within their area of responsibility and liaise with Executive Directors who 'own' the controls should they have any concerns.

Executive Directors and their Senior Management Teams will be supported in their risk management responsibilities by their nominated service risk management represenative who will also represent the service on the Corporate Risk Management Group.

2.9 <u>Chief Social Work Officer</u>

The requirement for every local authority to appoint a professionally qualified Chief Social Work Officer (CSWO) is contained within Section 3 of the Social Work (Scotland) Act 1968. The CSWO is the 'proper officer' in relation to the social work function: an officer given particular responsibility on behalf of a local authority, where the law requires the function to be discharged by a specified post holder. The Head of Service for Children, Families and Criminal Justice, is the Council's specified CSWO.

The Chief Social Work Officer ensures the provision of effective and professional advice relating to the provision of social work services and assists understanding of the complexities of social work service delivery, particularly in relation to issues such as corporate parenting, child protection, adult protection and the management of high risk offenders. The CSWO has a role to play in overall performance improvement and significantly in the identification and management of corporate risk insofar as they relate to social work services.

2.10   Heads of Service

It is the responsibility of all Heads of Service to ensure their employees are familiar with the risk management framework and relevant controls. Heads of Service are accountable to their Executive Director for the management of risk within their areas of responsibility

Specifically, Heads of Service:
- ensure employees are informed of the risk context in which they undertake specific duties;
- ensure employees are encouraged to promptly report any matters of concern;
- ensure that employees' risk management skills and training needs are assessed and addressed.

2.11   Service Risk Management Representatives

All service risk management representatives have a responsibility (1) corporately, to support corporate risk management development activities, representing their service on the Corporate Risk Management Group and (2) locally, to support their Executive Directors, senior management teams and local risk fora/ groups in implementing appropriate risk management arrangements.

Specifically, service risk management representatives:
- attend all Corporate Risk Management Group meetings (or arrange a deputy if unable to attend), and raise any significant service risks that require to be considered for escalation to corporate level;
- actively promote corporate risk management initiatives and training opportunities throughout their service;
- support the development of their service risk management, and
- support managers in the identification of risks, actions and mitigating controls.

2.12   All employees

Risk management should be integrated into the daily activities of every employee. By ensuring that decisions on risk management are taken locally rather than centrally, the Council will encourage local ownership of the process. All employees are therefore encouraged to be involved in identifying current and potential risks where they work.

Employees should make every effort to be aware of situations which place themselves or others at risk, report identified hazards and implement measures to reduce risk as developed by their service.

This approach will require employees to:
- understand the risks that relate to their roles and their activities;
- understand how the management of risk relates to their own and their client's/ the public's safety;
- understand their accountability for particular risks and how they can manage them;
- understand how they can contribute to continuous improvement of risk management;
- understand that risk management is a key part of North Ayrshire Council's culture; and,
- report systematically and promptly to senior management any perceived new risks or failures of existing control measures.

NORTH AYRSHIRE COUNCIL

Agenda Item 6

14 March 2017

Cabinet

Title:	**Revenue Budget 2016/17 : Financial Performance to 31 January 2017**
Purpose:	To advise Cabinet of the financial performance for the Council at 31 January 2017
Recommendation:	That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) note the utilisation of the 2016/17 General Fund surplus agreed by Council; (c) approve the carry forward of £0.218m identified at 2.5 (vi), (d) note the current financial projection for the Health and Social Care Partnership; (e) approve the virements detailed in Appendix 11 and (f) note the proposed allocation of HRA balances identified at 2.9.

1. **Executive Summary**

1.1 The Council's General Fund and Housing Revenue budgets for 2016/17 were approved at a special meeting of the Council held on 17 February 2016.

1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the fourth report for 2016/17 and covers the period to the end of January 2017 (Period 10). Projections of the year-end position have been made.

1.3 At Period 10 the General Fund is forecasting a net in-year surplus of £2.745m (0.9%) after transferring resources to other funds, a reduction of £0.026m from that reported at Period 8.

1.4 At a special meeting on 1 March 2017, Council approved the utilisation of the final 2016/17 General Fund surplus to support the 2017/18 General Services Budget.

1.5   The Housing Revenue Account is forecasting an in-year surplus of £2.002m which is an increase of £1.396m from Period 8.

2.   Background

General Fund

2.1   The Council has set a break-even budget for 2016/17. In addition to the budget approved on 17 February 2016 earmarked funds of £8.299m have been carried forward from 2015/16 for service expenditure in 2016/17 and are reflected in the figures within the 2016/17 financial performance reports as they are drawn down.

2.2   Current financial projections indicate that a net in-year surplus of £2.745m, net of transfers to reserves, is anticipated for the year to 31 March 2017. This represents 0.9% of the Council's total budget.

2.3   At a special meeting on 1 March 2017, Council approved the utilisation of the final 2016/17 General Fund surplus to support the 2017/18 General Services Budget.

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

Service Expenditure	Appendix No	Annual Budget £000's	Projection to 31 March 2017 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
Chief Executive and Democratic Services	1	3,897	3,910	13	19	(6)	
Finance & Corporate Support	2	15,878	15,422	(456)	(327)	(129)	(i)
Education and Youth Employment	3	107,540	107,140	(400)	(217)	(183)	(ii)
Place	4	59,246	59,241	(5)	(79)	74	(iii)
Economy and Communities	5	23,843	23,497	(346)	(148)	(198)	(iv)
Other Corporate Services	6	9,611	6,926	(2,685)	(2,639)	(46)	
Sub Total		220,015	216,136	(3,879)	(3,391)	(488)	
Health and Social Care Partnership	7,8,9	82,411	82,411	-	-	-	2.6
Balance for Services		302,426	298,547	(3,879)	(3,391)	(488)	
Financing Charges	10	15,019	14,947	(72)	-	(72)	(v)
Transfer to Earmarked Reserves		816	816	-	-		
Total Planned Expenditure		318,261	314,310	(3,951)	(3,391)	(560)	
Planned Income							
Aggregate External Finance	10	(268,192)	(268,192)	-	-	-	
Council Tax	10	(48,050)	(48,050)	-	(8)	8	
Use of Change Fund	10	(882)	(882)	-	-	-	
Use of Earmarked Funds	10	(1,137)	(1,137)	-	-	-	
Total Planned Income		(318,261)	(318,261)	-	(8)	8	
Net Expenditure/ (Income)		-	(3,951)	(3,951)	(3,399)	(552)	
Carried Forward Funds*		-	1,206	1,206	628	578	(vi)
Revised Net Expenditure/(Income)		-	(2,745)	(2,745)	(2,771)	26	

* Note Cabinet on 14 February 2017 approved the carry forward of £0.360m for additional procurement staffing.

2.5 **Commentary on Significant Movements from the Forecast at Period 8**

The Council's overall financial forecast against the previous underspend is a reduction of £0.026m. A brief explanation of the significant movements from period 8 is outlined below.

(i) **Finance and Corporate Support - underspend of £0.456m, an increase in underspend of £0.129m**
There has been an increase in underspends across services related to the early realisation of employee cost savings.

(ii) **Education and Youth Employment - underspend of £0.400m, a increase in underspend of £0.183m**
Within Secondary Education an increased underspend of £0.100m is related to lower than anticipated utility costs within PPP schools. Within Primary Schools there is a £0.192m reduction in the previously reported overspend in relation to ASN response hours. This has been partly offset by increased expenditure on Childminders within Early Years, £0.082m

(iii) **Place - underspend of £0.005m, a reduction in underspend of £0.074m**
Within Building Services the lower underspend is primarily related to a reduction in income from capital projects of £0.315m due to access issues in relation the kitchen and window replacement programmes. This is partly offset by additional income from non-housing projects, £0.135m, and an increased underspend on Employee Costs of £0.104m resulting from effective vacancy management. Within Facilities Management, the reduced underspend of £0.177m relates to a lower than previously forecast increase in school meals and commercial income and the proposed virement of £0.100m in relation to the costs of deferred property maintenance projects which has been included in Appendix 11. Proposed virements in relation to the realignment of Facilities Management income budgets and the realignment of Buildings Services budgets to reflect the revised repairs policy have also been included at Appendix 11.

(iv) **Economy and Communities - underspend of £0.346m, an increase in underspend of £0.198m**
Within Economic Development, an increase in the projected underspend is primarily related to underspends within Employability of £0.347m resulting from the projected roll out of services. This is primarily related to match funding for an ESF project and is reflected in the proposal to carry forward £0.173m as noted at 2.5 (vi). Within Connected Communities an additional underspend of £0.005m is projected in relation to Big Lottery funding in respect of participatory budgeting and a proposal to carry this forward is noted at 2.5 (vi).

(v) **Financing Charges - underspend of £0.072m, an increase in underspend of £0.072m**
The increased underspend relates to the latest cash flow and interest rate projections and reflects the balance of actual borrowing costs between the General Fund and the HRA.

(vi) **Requests to Carry Forward**
It is proposed to carry forward underspends within Economy and Communities to 2017/18 in relation to two items. £0.173m of an underspend within Economic Development's Employability projects to provide future match funding for ESF projects and £0.005m within Connected Communities arising from an underspend of Big Lottery funding to provide funding for the next round of participatory budgeting events. It is also proposed to carry forward £0.040m of underspends within Other Corporate Services to 2017/18 to support IT provision to new elected members.

Health and Social Care Partnership

2.6 The Health and Social Care Partnership is forecasting an overspend of £3.945m as at the end of January 2017. The Council services element of the projected overspend is £2.545m, which is an improvement of £0.461m since period 8. The main areas of overspend are:-

- **Community Care and Health - £1.406m overspent**
  The majority of this overspend is linked to increased demand for services within Care at Home (£0.341m), Care Home (£0.691m) and Community Alarms (£0.160m) including unbudgeted additional costs arising from taking services in-house. High levels of demands are currently being experienced which cannot be managed through normal operational channels. Within Care at Home there has been an increase in referrals which are eligible for service and whose needs have been assessed as substantial or critical. Care Homes are also experiencing an increase in demand and the need for longer stays in respite some of which is as a consequence of the demand within Care at Home. To minimise the overspend requests for service are being waitlisted and are only released when capacity becomes available within the service and for Care Homes can be delivered within the budget available. There are currently 104 people being waitlisted for services.

- **Children's Services and Criminal Justice - £0.913m overspent**
  Children's Services are experiencing exceptional demand linked to Looked After and Accommodated Children with a 56% increase in demand for residential and secure placement (£0.934m). These placements are only considered when every other option for care provision has been exhausted. This has resulted in the Looked After and Accommodated Children budget overspending by 8% in total.

- **Mental Health Services - £0.339m overspent**
    Learning Disability is projecting to overspend by £0.443m which is mainly linked the non delivery of savings in 2016/17 (£0.252m) and under recovery of charging income of (£0.170m).

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

Housing Revenue Account

2.7   The Housing Revenue Account budgeted for a break-even position in 2016/17 with an underspend of £2.002m currently projected which is an increase of £1.396m on that reported at period 8. This is summarised in the table below with further details provided in Appendix 12:

	Annual Budget £000's	Projection to 31 March 2017 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
Employee Costs	4,657	4,420	(237)	(187)	(50)	(i)
Property Costs	16,688	16,856	168	373	(205)	(ii)
Supplies and Services	261	263	2	30	(28)	
Transport and Plant Costs	42	39	(3)	-	(3)	
Administration Costs	1,340	1,321	(19)	(14)	(5)	
Other Agencies and Bodies	1,786	1,693	(93)	(38)	(55)	(iii)
Transfer Payments	151	164	13	10	3	
Other Expenditure	742	474	(268)	(188)	(80)	(iv)
Capital Financing	21,778	19,834	(1,944)	(1,019)	(925)	(v)
Gross Expenditure	47,445	45,064	(2,381)	(1,033)	(1,348)	
Income	(47,445)	(47,066)	379	427	(48)	(vi)
Net Expenditure	-	(2,002)	(2,002)	(606)	(1,396)	

2.8 **Commentary on Significant Movements from the Forecast at Period 8**

A brief explanation of the significant movements from period 8 is outlined below.

(i) **Employee Costs - underspend of £0.237m, an increase in underspend of £0.050m**
The increased underspend has resulted from effective vacancy management across the service.

(ii) **Property Costs - overspend of £0.168m, a reduction in overspend of £0.205m**
This movement is mainly as a result of increased underspends on central heating maintenance and storm damage, partly offset by a reduction in the projected underspend on void property repairs. A proposed virement in relation to the realignment of repairs and maintenance budgets to reflect the revised repairs policy has been included at Appendix 11.

(iii) **Other Agencies and Bodies - underspend of £0.093m, an increase in underspend of £0.055m**
The movement relates to a reduced requirement for consultants.

(iv) **Other Expenditure - underspend of £0.268m, an increase in underspend of £0.080m**
The movement is mainly attributable to efficiency savings identified during the year.

(v) **Capital Financing - underspend of £1.944m, an increase in underspend of £0.925m**
The increased underspend is primarily related to the carry forward of house building expenditure to future years resulting in a lower requirement for Capital Funded from Current Revenue. This is partly offset by increased financing charges related to the latest cash flow and interest rate projections and reflects the balance of actual borrowing costs between the General Fund and the HRA.

(vi) **Income - under recovery of £0.379m, a reduction in under recovery of £0.048m**
The movement is mainly due to additional income received in relation to home energy efficiency programmes.

2.9 **HRA Balances**

It is proposed that the projected underspend is allocated to support specific projects in relation to Major Refurbishment Works and Tarryholme Drive, as noted in Appendix 12a. It is the intention that the balance of the actual underspend at 31 March 2017 will be allocated to the Council House Building Fund to support new house building.

3. **Proposals**
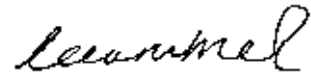
3.1 That Cabinet agrees to (a) note the information and financial projections outlined in the report; (b) note the utilisation of the 2016/17 General Fund surplus agreed by Council; (c) approve the carry forward of £0.218m identified at 2.5 (vi), (d) note the current financial projection for the Health and Social Care Partnership; (e) approve the virements detailed in Appendix 11 and (f) note the proposed allocation of HRA balances identified at 2.9.

4. **Implications**

Financial:	**General Services** The net projection for the year as at 31 January 2017 is a surplus for the year of £2.745m. **Housing Revenue Account** The net projection for the year as at 31 January 2017 is a surplus for the year of £2.002m. The position for both the General Fund and Housing Revenue Account revenue budgets will continue to be monitored closely for the remainder of the financial year
Human Resources:	None
Legal:	None
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	This budget monitoring report directly supports the Council Plan 2015 to 2020 by "making the best use of all resources" and ensuring a "sound financial position".
Community Benefits:	None

5.   Consultation

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

[signature]

LAURA FRIEL
Executive Director (Finance and Corporate Support)

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

Background Papers
Revenue Budget 2016/17 : Financial Performance to 30 November 2016 - Cabinet - 17 January 2017

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	631	666	35	6%	1
Policy, Performance & Community Planning	1025	1003	(22)	(2%)	2
Communications	485	487	2	0%	
Civil Contingencies	70	70	-	-	
Committee Services	677	682	5	1%	
Members Services	1009	1002	(7)	(1%)	3
Totals	3,897	3,910	13	0%	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	3,113	3,106	(7)	(0%)
Property Costs	7	7	-	-
Supplies and Services	120	130	10	8%
Transport and Plant Costs	14	15	1	7%
Administration Costs	872	860	(12)	(1%)
Other Agencies & Bodies	392	394	2	1%
Transfer Payments	-	-	-	-
Other Expenditure	2	2	-	-
Gross Expenditure	4,520	4,514	(6)	(0%)
Income	(623)	(604)	19	(3%)
Net Expenditure	3,897	3,910	13	0%

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
	Note 1		**Legal**
			Movement - The overspend has decreased by £0.009m since Period 8 due to a reduction in projected income
1,031	16	2%	Employee costs - There is a projected overspend of £0.016m mainly due to turnover target not being achieved
(490)	19	(4%)	Income - There is a projected under-recovery of income of £0.019m due to a reduced demand for service and anticipated debtor account write offs
	35		
	Note 2		**Policy, Performance & Community Planning**
			Movement - The underspend has increased by £0.004m since Period 8 due to changes within admin costs
944	(22)	(2%)	Employee Costs - There is a projected underspend of £0.022m mainly due to an employee secondment to Corporate Procurement
	(22)		
	Note 3		**Members Services**
			Movement - There is no movement from Period 8
755	(10)	(1%)	Members Allowances - There is a projected underspend of £0.010m due to By Election and reduction in number of Committee Chairs
257	3	1%	Other minor variances
	(7)		

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate	142	147	5	4%	
Audit & Risk	476	451	(25)	(5%)	
Finance					
Head of Service	117	124	7	6%	
FMS Project	193	193	-	-	
Financial Services	1,673	1,616	(57)	(3%)	1
Corporate Procurement	676	621	(55)	(8%)	2
People & Transformation					
Head of Service	109	109	-	-	
Change Programme	833	788	(45)	(5%)	3
Human Resources	1,828	1,813	(15)	(1%)	4
Customer & Digital Services					
Head of Service	106	77	(29)	(27%)	
ICT	2,841	2,841	-	-	
Customer Services & Registration	2,002	1,940	(62)	(3%)	5
Business Support	2,110	2,022	(88)	(4%)	6
Revenues & Benefits	2,772	2,680	(92)	(3%)	7
Totals	15,878	15,422	(456)	(3%)	
Less Carry Forward	-	160	160		
Net Total	15,878	15,582	(296)	(4%)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	14,095	13,560	(535)	(4%)
Property Costs	1	11	10	1,000%
Supplies and Services	1,555	1,619	64	4%
Transport and Plant Costs	41	40	(1)	(2%)
Administration Costs	745	793	48	6%
Other Agencies & Bodies	1,841	1,856	15	1%
Transfer Payments	55,102	55,102	-	-
Other Expenditure	1	1	-	-
Gross Expenditure	73,381	72,982	(399)	(1%)
Income	(57,503)	(57,560)	(57)	0%
Net Expenditure	15,878	15,422	(456)	(3%)

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
	Note 1		**Financial Services**
			Movement - There is a movement of (£0.006m) from Period 8 due to changes within employee costs
1,670	(57)	(3%)	Employee Costs - There is a projected net underspend of £0.057m due to early realisation of savings
	(57)		
	Note 2		**Corporate Procurement**
			Movement - There is a movement of (£0.005m) from Period 8 mainly due to changes within employee costs
596	(39)	(7%)	Employee Costs - There is a projected net underspend of £0.039m due to vacancies, long term absence and maternity leave
(20)	(14)	70%	Income - There is a projected over recovery of £0.014m due to supplier rebates received exceeding target
119	(2)	(2%)	Other Minor Movements
	(55)		
	Note 3		**Change Programme**
			Movement - There has been no movement from Period 6
808	(45)	(6%)	Employee Costs - There is a projected underspend of £0.045m due to early realisation of savings
	(45)		
	Note 4		**HR**
			Movement - There is a movement of (£0.044m) from Period 8 due to changes in employee costs & supplies and services
1,589	(19)	(1%)	Employee costs - There is a projected underspend of £0.019m mainly due to vacancies
104	13	13%	Supplies and Services - There is a projected overspend of £0.013m mainly due to the anticipated cost of procuring one interface Pension Administration (Strathclyde Pension Fund - CHRIS HR Payroll) at £0.015m. This interface will streamline processes, improve accuracy and enable better forecasting of termination costs. Partly offset by small underspend
164	(5)	(3%)	Admin Costs - There is a projected underspend anticipated due to cancellation of the E Learning materials
(29)	(4)	14%	Other Minor Movements
	(15)		
	Note 5		**Customer Services And Registration**
			Movement - There is a movement of (£0.001m) from Period 8 due to change in employee costs
1,732	(67)	(4%)	Employee Costs - There is a projected underspend of £0.067m due to early realisation of savings.
136	5	4%	Supplies and Services - There is a projected overspend of £0.005m due to software licences and support.
	(62)		
	Note 6		**Business Support**
			Movement - There is a movement of (£0.019m) from Period 8 due to changes within employee costs and admin costs.
2,003	(114)	(6%)	Employee Costs - There is a projected underspend of £0.114m due to early realisation of savings
96	26	27%	Admin Costs - There is a projected overspend of £0.026m due to postages £0.012m, agreed staff training £0.009m and £0.005m photocopying. Work is ongoing to maximise the delivery of the approved postage saving.
	(88)		
	Note 7		**Revenues and Benefits**
			Movement - There is a movement of (£0.025m) from Period 8 mainly due to changes within employees costs
2,042	(69)	(3%)	Employee Costs - There is a projected underspend of (£0.069m) due to vacancy management
126	(3)	(2%)	Supplies & Services - There is a projected underspend of (£0.003m) within Software Licences due to early realisation of savings
400	19	5%	Admin Costs - There is an expected overspend of £0.035m within postages offset with an underspend of £0.010m within Bank Charges and £0.006m NDR Sheriff Officer Commission
55,747	(39)	(0%)	Income - Welfare Reform projected underspend of (£0.039m)
	(92)		

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Early Years Education	11,055	10,761	(294)	(3%)	1
Primary Education	36,434	36,793	359	1%	2
Secondary Education	48,568	48,359	(209)	(0%)	3
Additional Support Needs	6,658	6,717	59	1%	4
Education - Other	4,825	4,510	(315)	(7%)	5
Totals	107,540	107,140	(400)	(0%)	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	87,366	87,336	(30)	(0%)
Property Costs	203	201	(2)	(1%)
Supplies and Services	15,313	15,086	(227)	(1%)
Transport and Plant Costs	228	227	(1)	(0%)
Administration Costs	964	969	5	1%
Other Agencies & Bodies	8,027	7,865	(162)	(2%)
Transfer Payments	580	580	-	-
Other Expenditure	-	-	-	-
Capital Financing	62	62	-	-
Gross Expenditure	112,743	112,326	(417)	(0%)
Income	(5,203)	(5,186)	17	(0%)
Net Expenditure	107,540	107,140	(400)	(0%)

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
	Note 1		**Early Years Education**
			Movement - Underspend has decreased by £0.100m since P8 mostly due to employee costs.
8,556	(221)	(3%)	Employee Costs - Underspends in Early Years Practitioners (£0.021m) and non Early Years Centre based staff (£0.190m) due to vacancies and delays in filling posts.
1,533	(178)	(12%)	Payments made to Private Partner Providers currently projected to be underspent due to lower than anticipated uptake of services.
332	82	25%	Payments made to Childminders currently projected to be overspent due to higher than anticipated uptake of services.
	23		Other minor variances
			Early Years services are currently subject to review. An Early Years Programme Board has been set up that will oversee current and future provision.
	(294)		
	Note 2		**Primary Education**
			Movement - Overspend has decreased by £0.192m since P8 mostly due to reallocation of employee costs.
33,751	366	1%	Employee Costs - Overspend of £0.351m from a budget of £1.586m is due to the increased number of pupils with additional support needs, to allow these pupils to remain within mainstream schools they require classroom assistant support. Additional expenditure at this stage can avoid incurring much larger amounts by the time the pupil is in receipt of specialist services. Action is planned to streamline the workforce with a view to bringing the budget back on target for 2017/18.
	(7)		Other minor variances
	359		
	Note 3		**Secondary Education**
			Movement - Underspend has increased by £0.116m since P8 mainly due to anticipated savings in PPP utility costs .
11,294	(63)	(1%)	PPP unitary charge underspend mainly as a result of lower than expected RPI.
453	(100)	(22%)	PPP utility charges underspend as a result of lower than expected consumption.
(60)	(41)	68%	PPP contract deductions due to penalties. The service is now in formal discussions with the contractor to ensure that the level of service delivered matches the contract specifications.
	(5)		Other minor variances
	(209)		
	Note 4		**ASN**
			Movement - The P8 underspend has decreased by £0.067m to an overspend of £0.059m, mainly due to an under recovery of charges from other local authorities.
1,342	50	4%	Employee Costs - Overspend due additional classroom assistants in ASN schools.
1,147	(76)	(7%)	Underspend on external specialist residential placements.
1,049	(65)	(6%)	Underspend on external day placements
(554)	121	(22%)	Income - Projected under recovery of income due to other authorities placing less pupils in our ASN schools. The charges made to other authorities have been increased to realise additional savings, however a reduced number of children has generated an overspend.
	29		Other minor variances
	59		
	Note 5		**Education Other**
			Movement - Underspend has increased by £0.042m since P8 due to employee costs movements.
1,692	(151)	(9%)	Employee Costs - Underspend is due to vacancies and changes to work patterns.
0	(134)		For the Teacher Refresh Scheme in 2015/16 it was expected that there would be a one off payment required to release the employees. A year end accrual of £0.134m to cover this expenditure was made. This amount is now no longer required.
	(30)		Other minor variances
	(315)		

PLACE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Directorate and Support	96	96	-	-	
Physical Environment					
Building Services	(2,369)	(2,370)	(1)	0%	1
Property Management & Investment	2,633	2,587	(46)	(2%)	
Housing Assets & Investment	(780)	(780)	-	-	
Property Running Costs	8,359	8,510	151	2%	2
Property Maintenance	4,422	4,422	-	-	
Facilities Management	11,906	11,810	(96)	(1%)	3
Other Housing	5,085	4,857	(228)	(4%)	4
Commercial Services					
Management and Admin	14	14	-	-	
Roads	6,639	6,639	-	-	
Streetscene	5,253	5,260	7	0%	
Internal Transport	9,949	9,789	(160)	(2%)	5
Waste Services	8,039	8,407	368	5%	6
Total	59,246	59,241	(5)	(0%)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	41,249	41,176	(73)	(0%)
Property Costs	17,177	17,353	176	1%
Supplies and Services	10,880	10,714	(166)	(2%)
Transport and Plant Costs	10,456	10,375	(81)	(1%)
Administration Costs	1,771	1,723	(48)	(3%)
Other Agencies & Bodies	14,860	15,701	841	6%
Transfer Payments	1,738	1,718	(20)	(1%)
Other Expenditure	153	153	-	-
Gross Expenditure	98,284	98,913	629	1%
Income	(39,038)	(39,672)	(634)	2%
Net Expenditure	59,246	59,241	(5)	(0%)

PLACE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			**Building Services**
			Movement - The projected underspend has reduced by £0.075m since period 8 primarily due to a reduction in income from capital projects.
8,620	(199)	(1%)	Employee Costs - There is an underspend of £0.199m due to vacancies arising throughout the year.
4,098	(277)	(8%)	Supplies and Services - There is a projected underspend of £0.277m mainly relating to a reduction in materials costs as a result of the types of work undertaken during the year.
266	26	12%	Transport and Plant costs - there is an overspend of £0.026m projected for External Hires and Plant costs.
1,801	906	46%	Other Agencies - There is a projected overspend of £0.906m mainly relating to payment to contractors cost as a result of the types of work undertaken during the year. This includes additional asbestos removal works of £0.588m.
(3,192)	439	(16%)	Void Income - There is a projected under-recovery in income of £0.439m due to a reduction in the number of void properties.
(1,542)	(160)	58%	Planned Income - As previously reported, the change in repairs policy resulted in has resulted in a change in the income projections. A virement is proposed in appendix 11 to re-align the response and planned repairs budgets which results in a projected net over-recovery in planned repairs of £0.160m. The full impact of the change in policy continues to be closely monitored.
(1,284)	(166)	9%	Aids and Adaptions - The current programme of works is expected to result in an over-recovery of £0.166m to reduce waiting times.
(4,427)	315		Projects - there is a projected shortfall of £0.315m within Projects due to access issues at some addresses in the year in relation to replacement windows and kitchens.
(495)	(588)	102%	Other income - Projected £0.588m over-recovery anticipated largely due to additional work for Asbestos removal £0.626m and Tenant Recharges £0.031m less a reduction in Insurance related repairs of £0.070m.
(2,696)	(259)	5%	Non Housing - There is a projected over-recovery of income from additional works for non-housing projects.
	(38)		Other minor movements
	(1)		
Note 2			**Property Costs**
			Movement - There have been minor movements which have reduced the overspend by £0.033m since period 8.
5,369	180		Rates - There is a projected £0.180m overspend in rates due to alterations to empty property relief, rates incurred in relation to Red Cross House and delays in property rationalisation
	(29)		Other minor movements
	151		
Note 3			**Facilities Management**
			Movement - There is a £0.177m decrease in the projected underspend from period 8. This is largely attributable to the £0.100m budget virement proposed to meet additional property maintenance costs. In addition the current projected levels of income are lower than projected at period 8.
(2,379)	(101)		Income - A virement is proposed in appendix 11 to realign budgets within Supplies and Services and Income based on current levels of income. This results in a net projected over-recovery of income of £0.101m due to the increase uptake in school meals and improved commercial income.
	5		Other minor movements
	(96)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 4			**General Housing**
			Movement - There have been minor movements which have increased the underpend by £0.027m since period 8.
2,179	(190)		There is an underspend projected in the budget for Roughsleepers due to the cessation of the Pan-Ayrshire agreement in reflection of levels of Government Grant. This has been reflected as a base budget adjustment for 2017/18.
	(38)		Other Minor movements
	(228)		
Note 5			**Internal Transport**
			Movement - The projected underspend has reduced by £0.041m since period 8. Transport Provision Costs' underspend has decreased by £0.075m due to updated projections from SPT since period 8. This is partially offset by a £0.034m increase in the fuel underspend.
1,903	(98)		Fuel Costs - there is a projected year end underspend on fuel as a result of the current lower cost of fuel. It is noted that volatility of fuel prices may impact on future projections.
4,392	(84)		Transport Provision Costs - there is a projected underspend as a result of improved utilisation of internal resources and the application of a contract deflation adjustment together with early realisation of savings.
	22		Other minor movements
	(160)		
Note 6			**Waste Services**
			Movement - There have been minor movements which have reduced the overspend by £0.013m since period 8.
4,602	207		Employee Costs - there is a projected overspend of £0.207m due to a requirement to temporarily supplement current resources to reflect seasonal and operational requirements.
849	(56)		Supplies and Services - There is a predicted underspend of £0.056m largely due to a current lower demand for refuse containers (£0.082m). In additon it should be noted that the service is currently disputing a charge in relation to trade effluent following a change in the national contract supplier. No provision has been made for these costs currently.
5,437	215		Payments to Other Bodies - There is a projected £0.215m overspend largely relating to £0.324m Landfill tax based on current waste arisings projection. There are projected increased payment to contractor costs, primarily due to payments for the disposal of waste when the Landfill site was closed for essential maintenance (£0.081m). There are also additional Special uplift processing costs of £0.034m and diverted waste costs of £0.029m. These overspends are partially offset by a projected underspend on the Blue Bin contract of £0.288m as a direct result of an increase in the market values for recyclates.
	2		Other Minor Movements
	368		

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Management	671	717	46	7%	
Economic Growth					
Planning & Protective Services	1,569	1,613	44	3%	1
Economic Development	6,419	6,099	(320)	(5%)	2
Connected Communities	15,184	15,068	(116)	(1%)	3
	23,843	23,497	(346)	(1%)	
Less Carry Forward	-	346	346		
Net Total	23,843	23,843	-	-	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	12,260	12,160	(100)	(1%)
Property Costs	330	336	6	2%
Supplies and Services	1,288	1,328	40	3%
Transport and Plant Costs	157	154	(3)	(2%)
Administration Costs	302	291	(11)	(4%)
Other Agencies & Bodies	14,059	13,285	(774)	(6%)
Transfer Payments	-	-	-	-
Other Expenditure	21	26	5	24%
Gross Expenditure	28,417	27,580	(837)	(3%)
Income	(4,574)	(4,083)	491	(11%)
Net Expenditure	23,843	23,497	(346)	(1%)

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			**Planning & Protective Services**
			Movement - Minor movements have increased the overspend by £0.008m from Period 8.
(544)	50	(9%)	Income - Planning Application Fees - there is a projected shortfall based on the numbers of applications from individual households being comparable with previous years, however the number of large scale applications have reduced.
	(6)		Other minor variances
	44		
Note 2			**Economic Development**
			Movement - The projected underspend has increased by £0.174m from Period 8 Cabinet report mainly due to further underspends within Employability projects.
1,926	(277)	(14%)	Employee Costs - The projected underspend is due to vacancies following a restructure.
2,818	(810)	(29%)	Employability - Other Agencies and Bodies: The £0.810m underspend relates to various projects. The underspend is matched to a 3/4year ESF project with spend increasing as more services are rolled out and more people take up the support that is available. Full spend is planned over the project period . It is requested that a £0.173m is carried forward to 2017/18 and earmarked for this purpose.
(1,672)	463	(28%)	Employability - Income - this under recovery includes Government Grant £0.290m and Income from Other Agencies £0.173m and is offset against the underspend in Other Agencies and Bodies.
778	293	38%	Modern Apprentices - estimated costs are showing an overspend of £0.293m. This is in the main due to higher than anticipated costs associated with the wage cost of older apprentices (18+) and level qualifications. The plan is a 3 year target to deliver 250 MA's whilst continuing to monitor overall programme costs and affordability within the agreed the budgets. Maximising external funding from Skills Development Scotland and any new external funding which becomes available will be part of this approach.
	11		Other minor variances
	(320)		
Note 3			**Connected Communities**
			Movement - The projected underspend has increased by £0.032m from Period 8 Cabinet report mainly as a result of employee cost underspends.
6,779	(128)	(2%)	Employee Costs - underspends in weekly/casual/sessional costs in Community Facilities of £0.013m, Community Development of £0.068m and Outdoor Education of £0.035m.
1,039	35	3%	Supplies & Services - various small overspends across services mainly Community Development and Outdoor Education.
8,152	20	0%	Payment to other Bodies - Participatory budgeting £0.025m underspend from Big Lottery & Scottish Govt funding. It is requested that £0.005m is carried forward to 2017/18 for this purpose. Allocation of additional funding of £0.060m to NALL resulting from delay in opening of Garnock Pool & The Portal.
(1,360)	(46)	3%	Income - Arran Outdoor Centre is anticipated to exceed income targets by £0.020m. Further external income recovery in Youth Services of £0.011m.
574	3	1%	Other minor variances
	(116)		

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OTHER CORPORATE ITEMS
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Final Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,409	2,411	2	0%	
SPT Concessionary Fares	283	283	-	-	
Ayrshire Joint Valuation Board	780	780	-	-	
Other Corporate Costs					
Pension Costs	1,853	1,808	(45)	(2%)	
Central Telephones	86	86	-	-	
Other Corporate Items	4,200	1,558	(2,642)	(63%)	1
	9,611	6,926	(2,685)	(28%)	
Less Carry Forward		700	700		
Net Total	9,611	7,626	(1,985)	(4%)	

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OTHER CORPORATE ITEMS
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
	Note 1		**Other Corporate Items**
			Movement - The projected underspend has increased by £0.046m since period 8 primarily due to lower than anticipated drawdowns of centrally held funds.
3,850	(2,640)	(69%)	Within Other Corporate Items, additional funding received as part of the 2016/17 Finance Settlement in respect of Additional Early Learning and Childcare for 2 year olds is not anticipated to be drawn down during 2016/17 resulting in an underspend of £1.271m. In addition, centrally held funds in respect of previously identified pressures related to pension autoenrolment, the living wage, fuel costs, free school meals uptake and the recyclate blue bins contract are now not anticipated to be fully drawndown. It is requested £0.040m of this underspend is earmarked for use in 2017/18 to support IT provision to new elected members.
5,761	(45)	(1%)	Other minor variances
	(2,685)		

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2016/17 Budget Monitoring Report – Period 10 Objective Summary

Partnership Budget - Objective Summary	2016/17 Budget									2016/17	
	Council			Health			TOTAL				
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Over/ (Under) Spend Variance at P8	Movement in projected budget variance from P8
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	**48,939**	**50,345**	**1,406**	**10,422**	**10,788**	**366**	**59,361**	**61,133**	**1,772**	**2,076**	**(304)**
: Locality Services	24,190	24,841	651	3,415	3,551	136	27,605	28,392	787	851	(64)
: Community Care Service Delivery	22,480	23,149	669	0	0	0	22,480	23,149	669	866	(197)
: Rehabilitation and Reablement	696	786	90	1,801	2,085	284	2,497	2,871	374	353	21
: Long Term Conditions	1,148	1,171	23	2,937	2,866	(71)	4,085	4,037	(48)	(7)	(41)
: Integrated Island Services	425	398	(27)	2,269	2,286	17	2,694	2,684	(10)	13	(23)
MENTAL HEALTH SERVICES	**20,954**	**21,293**	**339**	**48,085**	**49,463**	**1,378**	**69,039**	**70,756**	**1,717**	**2,328**	**(611)**
: Learning Disabilities	15,961	16,404	443	482	466	(16)	16,443	16,870	427	322	105
: Commmunity Mental Health	3,662	3,631	(31)	1,789	1,748	(41)	5,451	5,379	(72)	(11)	(61)
: Addictions	1,331	1,258	(73)	979	968	(11)	2,310	2,226	(84)	(53)	(31)
: Lead Partnership Mental Health NHS Area Wide			0	44,835	46,281	1,446	44,835	46,281	1,446	2,070	(624)
CHIDREN'S SERVICES AND CRIMINAL JUSTICE	**26,815**	**27,728**	**913**	**3,597**	**3,901**	**304**	**30,412**	**31,629**	**1,217**	**1,479**	**(262)**
: Intervention Services	3,814	3,588	(226)	292	311	19	4,106	3,899	(207)	(132)	(75)
: Looked After & Accomodated Children	15,111	16,163	1,052	0	0	0	15,111	16,163	1,052	1,014	38
: Fieldwork	6,264	6,455	191	0	0	0	6,264	6,455	191	276	(85)
: CCSF	469	443	(26)	0	0	0	469	443	(26)	(9)	(17)
: Criminal Justice	(13)	(13)	0	0	0	0	(13)	(13)	0	0	0
: Early Years	313	263	(50)	1,594	1,557	(37)	1,907	1,820	(87)	(66)	(21)
: Policy & Practice	857	829	(28)	0	0	0	857	829	(28)	(33)	5
: Lead Partnership NHS Children's Services Area Wide	0	0	0	1,711	2,033	322	1,711	2,033	322	429	(107)
PRIMARY CARE	0	0	0	48,012	47,814	(198)	48,012	47,814	(198)	(94)	(104)
MANAGEMENT AND SUPPORT COSTS	3,856	3,946	90	1,091	1,127	36	4,947	5,073	126	183	(57)
CHANGE PROGRAMME	1,193	990	(203)	2,292	1,806	(486)	3,485	2,796	(689)	(591)	(98)
LEAD PARTNERSHIP AND SET ASIDE	0	0	0	200	200	0	200	200	0	(30)	30
TOTAL	**101,757**	**104,302**	**2,545**	**113,699**	**115,099**	**1,400**	**215,456**	**219,401**	**3,945**	**5,351**	**(1,406)**

2016/17 Budget Monitoring Report

Period 10 Subjective Summary

Partnership Budget Subjective Summary	2016/17 Budget								
	Council			Health			TOTAL		
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employee Costs	45,435	46,105	670	52,395	54,207	1,812	97,830	100,312	2,482
Property Costs	434	409	(25)	16	25	9	450	434	(16)
Supplies and Services	2,048	2,231	183	5,956	6,004	48	8,004	8,235	231
Prescribing Costs	0	0	0	30,809	30,809	0	30,809	30,809	0
Primary Medical Services	0	0	0	17,204	17,005	(199)	17,204	17,005	(199)
Transport and Plant	550	685	135	0	0	0	550	685	135
Admin Costs	1,128	1,208	80	1,921	1,819	(102)	3,049	3,027	(22)
Other Agencies & Bodies	75,047	77,329	2,282	6,378	6,178	(200)	81,425	83,507	2,082
Transfer Payments	2,452	2,237	(215)	0	0	0	2,452	2,237	(215)
Other Expenditure	88	108	20	0	0	0	88	108	20
Capital Expenditure	0	0	0	0	0	0	0	0	0
Income	(25,425)	(26,010)	(585)	(980)	(948)	32	(26,405)	(26,958)	(553)
TOTAL	**101,757**	**104,302**	**2,545**	**113,699**	**115,099**	**1,400**	**215,456**	**219,401**	**3,945**

Mitigating action required to bring the budget on-line

Objective Heading	Service Area	Mitigation Delivered to date and included in the projection £000's	Mitigation still to be delivered at period 8	Action and Update
Community Care and Health	: Community Alarms	17	0	New eligibility has been agreed for community alarms and the updated figure at period 10 reflects the impact of this. Call volumes will be reviewed for potential areas of reduction. Delivered
	: Montrose House	22	0	Accelerate management action in relation to the suspended posts. This action has been taken and is reflected in the period 8 projection. Delivered
	: Equipment	200	0	The approved criteria for equipment to be provided is: 1 provide support required for end of life packages 2 complete adaptations that had started or had been committed to in writing prior to the tightened control on expenditure being put in place 3 maintain equipment and adaptations in situ and on which service users depend and 4 provide equipment deemed essential to support individuals and avoid hospital admissions. At period 10 this action has reduced the projection from £0.200m overspend to on-line
TOTAL – Community Care and Health		**239**	**0**	
Mental Health	: LD – Charging Income	100	0	All LD care package cases are being reviewed by the Money Matters team which has the potential to generate additional income. This is now reflected in the period 10 projections.
TOTAL – Mental Health		**100**	**0**	
Children's Services and Criminal Justice	: Residential / Secure Placements	188	0	The additional Home Office funding has been received and is included in the period 10 projection.
TOTAL – Children's Services and Criminal Justice		**188**	**0**	
GRAND TOTAL		**527**	**0**	
PROJECTED OVERSPEND			**2,545**	
SHORTFALL			**2,545**	

MISCELLANEOUS ITEMS
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	155 Note No
	£000	£000	£000		
Financing Charges	15,019	14,947	(72)	(0%)	1
Transfer to Earmarked Reserves	816	816	-	-	
Aggregate External Finance	(268,192)	(268,192)	-	-	
Council Tax	(48,050)	(48,050)	-	-	
Use of Change Fund	(882)	(882)	-	-	
Use of Earmarked Funds	(1,137)	(1,137)	-	-	
Totals	(302,426)	(302,498)	(72)	0%	

Note 1 Financing Charges
Financing Charges are forecasting an underspend of £0.072m. The underspend reflects a revised strategy of taking temporary borrowing rather than permanent borrowing to maximise the financial savings as a result of current market conditions.

Carried Forward Funds to 2017-18	
	£000
Match Funding for ESF Projects	321
Business Improvement Team	105
Participatory Budgeting - Big Lottery Funding	25
Financial Services Training	55
Public Space CCTV	300
Corporate Procurement Staffing	360
Elected Members ICT	40
Totals	1,206

Budget Management - 31 January 2017

Virement/Budget Adjustment Requests

		2016/17	
	Perm (P) / Temp(T)	Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Increase HRA Planned Repairs budget based on current projections following introduction of the new repairs policy.	P	0.680	
Decrease HRA Response Repairs budget based on current projections following introduction of the new repairs policy.	P	-0.680	
Increase Building Services Planned Repairs income budget based on current projections following introduction of the new repairs policy.	P	-0.788	
Decrease Building Services Response Repairs income budget based on current projections following introduction of the new repairs policy.	P	0.788	
Increase property maintenance budget to meet additional costs in relation to deferred maintenance projects.	T	0.100	
Increase Facilities Management Income budget based on current service levels	T	-0.100	
Increase Facilities Management Supplies and Services budget to reflect current projections	P	0.174	
Increase Facilities Management Income budget based on current projections	P	-0.174	
			0.000

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Employee Costs	4,657	4,420	(237)	(5%)	1
Property Costs					
Responsive Repairs	3,133	3,133	-	-	2
Void Repairs	3,165	2,735	(430)	(14%)	
Planned & Cyclical maintenance	6,654	7,165	511	8%	
Estate Based Projects	412	412	-	-	
Roads & Lighting Maintenance	182	182	-	-	
Aids & adaptations	1,624	1,789	165	10%	
Other property costs	1,518	1,440	(78)	(5%)	
Supplies and Services	261	263	2	1%	
Transport and Plant Costs	42	39	(3)	(7%)	
Administration Costs	1,340	1,321	(19)	(1%)	
Other Agencies & Bodies	1,786	1,693	(93)	(5%)	3
Transfer Payments	151	164	13	9%	
Other Expenditure	742	474	(268)	(36%)	4
Capital Financing	21,778	19,834	(1,944)	(9%)	5
Gross Expenditure	47,445	45,064	(2,381)	(5%)	
Income					
Council House Rents	(45,507)	(45,042)	465	(1%)	6
Other Rents	(362)	(374)	(12)	3%	
Recharges	(1,576)	(1,650)	(74)	5%	
Net Expenditure	0	(2,002)	(2,002)		

HRA
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE TEN MONTHS TO 31 JANUARY 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
	Note 1		**Employee Costs**
			Movement - The projected underspend has increased by £0.050m as a result of effective vacancy management.
4,657	(237)	(5%)	There is an underspend on employee costs of £0.236m due to effective vacancy management.
	(237)		
	Note 2		**Property Costs**
			Movement - The projected overspend has reduced by £0.205m from Period 8 largely as a result of decreased spend on Heating Maintenance.
3,165	(430)	(14%)	Void repairs - there is a underspend of £0.430m projected due to a reduced number of Void Properties for the year to date.
6,654	511	8%	Planned Maintenance - there is an overspend projected of £0.511m This comprises of £0.160m of Planned Maintenance repairs which were previously held against Responsive Repairs, £0.703m of Additional Asbestos works and an overspend on landscaping of £0.110m. These costs are partially offset by projected underspends in Central Heating Maintenance of £0.470m and Storm Damage of £0.085m
1,624	165	10%	Aids and Adaptions - there is a projected overspend of £0.165m which reflects the target of reducing waiting times.
1,518	(78)	(5%)	Other Property costs - there is an underspend of £0.078m projected primarily as a result of an underspend in sheltered housing gas charges. This is due to the redevelopment programmes which have resulted in individual billing being introduced as well decants of sheltered housing undergoing refurbishment works.
	168		
	Note 3		**Other Agencies and Bodies**
			Movement - The underspend has increased by £0.055m since period 8 largerly as a result of a reduced requirement for consultants.
1,786	(93)	(5%)	There is a projected underspend of £0.093m largely attributable to reduced requirement for consultants (£0.065m)
	(93)		
	Note 3		**Other Expenditure**
			Movement - The underspend has increased by £0.080m largely attributable to efficiency savings identified during the year.
742	(268)	(36%)	There is a projected underspend of £0.268m largely attributable to lower rent arrears write off of £0.194m. Collection levels are currently higher than anticipated and based on this there is less requirement for write-offs. A further write off will be carried out in March 2017. In addition, efficiency savings of £0.080m have been identified during the year.
	(268)		
	Note 4		**Capital Financing**
			Movement - The projected underspend has increased by £0.925m since period 8 largely as a result of House Building expenditure carried forward to future years resulting in lower requirement for Capital Funded from Current Revenue.
21,778	(1,944)	(9%)	Capital Financing charges are forecasting an underspend of £0.920m based on the latest cash flow and interest rate projections. This reflects a revised strategy of taking temporary borrowing rather than permanent borrowing to maximise the financial savings as a result of current market conditions. In addition, Capital Funded from Current Revenue (CFCR) is anticipated to underspend by £1.024m due to House Building programme expenditure carried forward to future years
	(1,944)		

Budget £000	Outturn Variance £000	Variance as % of budget	Section
	Note 4		**Income**
			Movement - The projected under-recovery of income has reduced by £0.048m from Period 8 largely due to additional funding for home energy efficiency programmes.
(47,445)	379	(1%)	There is an under-recovery of income of £0.379m mainly due to increased council house sales and slippage and amendments to New Build properties available to rent. There is also a projected shortfall in tenant charges of £0.220m which is offset by increased insurance and arrears recoveries of £0.230m. Additional HEEPS funding of £0.063m has also been recognised in P10.
	379		

HRA projected reserves and balances	B/fwd from 2015/16	Period 10 Revenue	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Estimated Bal at 31/03/17
	£m	£m	£m	£m	£m	£m
Council House Building Fund	5.774	-	-	-	-	5.774
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Sheltered Housing Unit Works	0.439	-	(0.283)	-	-	0.156
Infrastructure Improvements	0.653	-	-	-	-	0.653
Major Refurbishment Works	1.300	-	(0.750)	0.212	-	0.762
Tarryholme	0.000	-	-	1.091	-	1.091
Uncommitted Balance	0.057	2.002	-	(1.303)	-	0.756
	12.223	**2.002**	**(1.033)**	**-**	**-**	**13.192**

NORTH AYRSHIRE COUNCIL

Agenda Item 7

14 March 2017

Cabinet

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

1. Executive Summary

1.1 The General Services and Housing Revenue Account (HRA) capital budgets were approved at a special meeting of the Council on 17 February 2016. The General Services capital programme approval covered a revised capital investment programme to 31 March 2021 and an indicative plan for the years from 2021/22 to 2025/26. The HRA approved capital budget for 2016/17 sits within the 30 years Housing Business Plan.

1.2 This report identifies the current programme for 2016/17, taking account of adjustments made to the initial budgets. The report advises of actual expenditure to 31 January 2017 and forecast expenditure to 31 March 2017. Delivery of the capital programmes in line with original approvals is a key focus of Audit Scotland, as outlined in the Audit Scotland's External Audit of the Council's Accounts.

1.3 At Period 10 the General Fund is forecasting a projected outturn of £57.018m against a budget of £58.199m, a reduction of £0.480m from that reported at Period 8. HRA is forecasting a projected outturn of £21.574m against a budget of £23.838m, a reduction of £2.018m from that reported at Period 8. The movements relate to the latest programme information from services and are reflected in proposed revisions to the budgets for increased carry forwards.
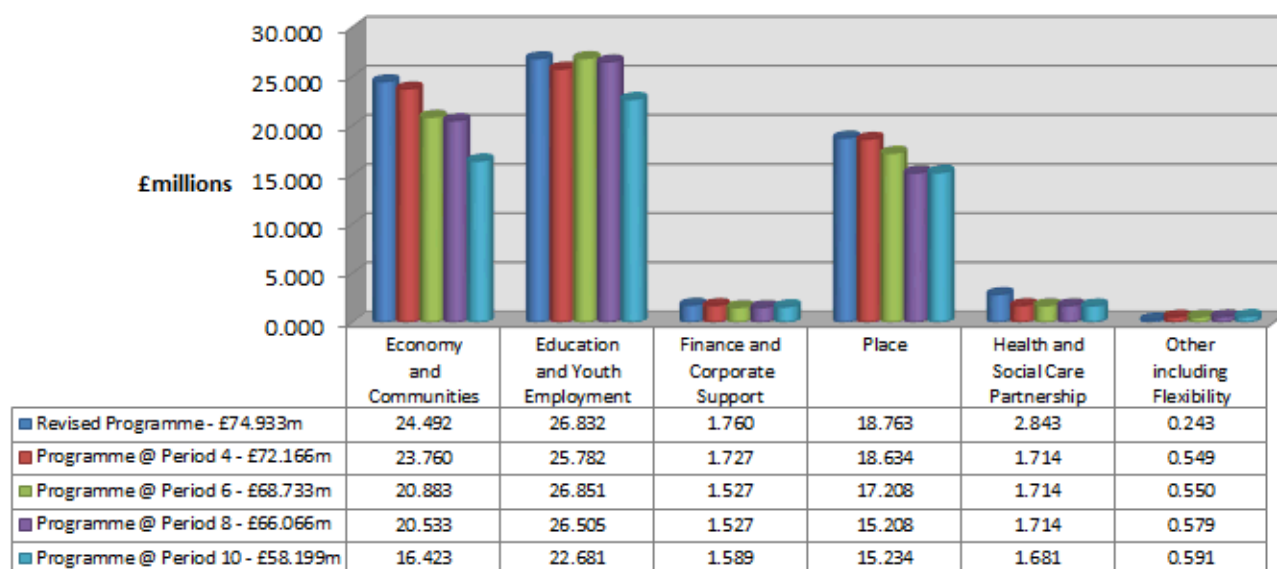
2. Background

General Services

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

	2016/17 £m
Revised budget as at 30 November 2016	57.739
Additional Funding	0.460
Revised Programme Budget	58.199

2.2 **Additional Funding**
The capital programme has been updated to reflect £0.190m of additional funding received from Sustrans in relation to active travel projects and increased contributions from the Change Fund, including £0.203m in respect of Street Lighting projects.

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

	Economy and Communities	Education and Youth Employment	Finance and Corporate Support	Place	Health and Social Care Partnership	Other including Flexibility
Revised Programme - £74.933m	24.492	26.832	1.760	18.763	2.843	0.243
Programme @ Period 4 - £72.166m	23.760	25.782	1.727	18.634	1.714	0.549
Programme @ Period 6 - £68.733m	20.883	26.851	1.527	17.208	1.714	0.550
Programme @ Period 8 - £66.066m	20.533	26.505	1.527	15.208	1.714	0.579
Programme @ Period 10 - £58.199m	16.423	22.681	1.589	15.234	1.681	0.591

Net adjustments of £16.734m have been made to the revised Capital Investment Programme, including net carry forwards to 2017/18 of £8.069m within Economy and Communities, £4.151m within Education and Youth Employment, £3.529m within Place and £1.162m within HSCP.

2.4 Capital Expenditure to 31 January 2017

Actual expenditure to 31 January 2017 (Period 10) amounted to £37.563m or 64.5% (compared to anticipated expenditure of £40.879m or 70.2%) of the revised annual budget for 2016/17 of £58.199m. Details of projected expenditure by project against the revised budget for 2016/17 can be found in Appendix 1.

The projections are summarised by service in the table below:

	Revised Budget 2016/17	Projected Expenditure / Income to 31 March 2017	Projected Variance Over / (Under)	True Over / (Under) Spend	Net Carry Forward to 2017/18
Service	£000's	£000's	£000's	£000's	£000's
Expenditure					
Economy and Communities	16,423	16,411	(12)	(2)	(10)
Education and Youth Employment	23,181	22,969	(212)	(1)	(211)
Finance and Corporate Support	1,014	901	(113)	-	(113)
Place	15,234	14,610	(624)	-	(624)
Health and Social Care Partnership	1,756	1,756	-	-	-
Other including Flexibility	591	371	(220)	(220)	-
Total Expenditure	58,199	57,018	(1,181)	(223)	(958)
Income					
General Capital Grant	(12,550)	(12,550)	-	-	-
Specific Capital Grant	(2,614)	(2,614)	-	-	-
Use of Reserve Funds	(6,075)	(6,075)	-	-	-
Capital Funded from Current Revenue	(2,431)	(2,431)	-	-	-
Capital Receipts	(5,327)	(4,169)	1,158	-	1,158
Other Grants & Contributions	(4,835)	(4,835)	-	-	-
Prudential Borrowing	(24,367)	(24,344)	23	223	(200)
Total Income	(58,199)	(57,018)	1,181	223	958

2.5 An underspend of £1.181m is projected within the programme of which £0.958m is required to be carried forward to 2017/18. The approved budget will be updated to reflect these changes. The underspends are primarily related to:

Education and Youth Employment
● Scheduled drainage works at Loudoun Montgomery Primary School;
● Supplementary car parking at Elderbank Primary School.

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Place
- Street Lighting projects which have been programmed for completion in June 2017.

This reflects the latest programme information from services. A true underspend of £0.223m is currently forecast within the programme. These movements result in a revised capital programme at 31 January 2017 of £57.241m for 2016/17.

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

2.7 The current projections on funding, elements of which are related to the profile of expenditure reported above, includes the reprofiling of £1.158m of capital receipts beyond 2016/17 as a result of developer delays.

Housing Revenue Account

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

	2016/17 £m
Revised budget as at 30 November 2016	23.558
Additional Funding	0.280
Revised Programme Budget	23.838

2.9 The budget has been adjusted to reflect additional capital grants in relation to house building.

Capital Expenditure

2.10 Actual expenditure to 31 January 2017 (Period 10) amounted to £15.072m or 63.2% (compared to anticipated expenditure of £13.570m or 56.9%) of the revised annual budget of £23.838m. Current projections are forecasting a reduction to expenditure of £2.264m at 31 March 2017 of which £1.448m is required to be carried forward to 2017/18 and is linked to slippage in relation to the new builds at Fencedyke and Canal Court and the refurbishment of Robert Service Court and Dickson Court sheltered housing units. A true underspend of £0.816m is currently forecast within the programme and is primarily as a result of access issues to properties to enable work to be progressed. This underspend is available to support other projects within the HRA Capital Investment Programme. These movements result in a revised capital programme at 31 January 2017 of £22.390m for 2016/17.

	Revised Budget 2016/17	Projected Expenditure / Income to 31 March 2017	Projected Variance Over / (Under)	True Over / (Under) Spend	Net Carry Forward to 2017/18
Service	£000's	£000's	£000's	£000's	£000's
Expenditure					
Housing Revenue Account	23,838	21,574	(2,264)	(816)	(1,448)
Total Expenditure	23,838	21,574	(2,264)	(816)	(1,448)
Income					
Sale of Council Houses	(1,263)	(4,712)	(3,449)	(3,449)	-
Sale of Assets	(17)	(53)	(36)	(36)	-
CFCR	(13,842)	(12,820)	1,022	1,022	-
Capital Grants	-	(668)	(668)	(668)	-
Contribution from House Build Fund	(3,727)	(2,985)	742	742	-
Other Capital Income - House Building	-	(28)	(28)	(28)	-
Affordable Housing Contribution	(1,008)	(308)	700	700	-
Prudential Borrowing	(3,981)	-	3,981	2,533	1,448
Total Income	(23,838)	(21,574)	2,264	816	1,448

3.   Proposals

3.1   It is proposed that:-

In General Services -

The Cabinet is invited to (a) approve the further revisions to budgets outlined at Section 2.1, 2.2 and 2.5 and Appendix 1; and (b) note (i) the actual expenditure and revised budget to 31 January 2017 and (ii) the forecast of expenditure to 31 March 2017.
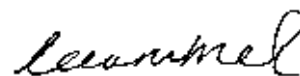
In the H.R.A. -

The Cabinet is invited to (a) approve the further revisions to the budget outlined at Section 2.8, 2.9 and 2.10; (b) note the actual expenditure and revised budget to 31 January 2017 and (ii) the forecast of expenditure to 31 March 2017.

4.   Implications

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

5.   Consultation

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

leamrel

LAURA FRIEL
Executive Director (Finance and Corporate Support)

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

Background Papers
Capital Programme Performance to 30 November 2016 -
Cabinet - 17 January 2017

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

Period 10

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17							
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Year to Date Budget 2016/17	Actual Expenditure to 31 January 2016	Year to Date Variance 2016/17	Projected Expenditure to 31st March 2017	Projected Over/ (Under) Spend for 2016/17	True Over/ (Under) Spend	Carry Forward to 2017/18
	£	£	£	£	£	£	£	£	£	£	£	£
EXPENDITURE												
Economy & Communities												
Regeneration	32,177,400	6,142,916	32,195,336	17,936	3,860,270	1,717,602	1,633,219	(84,383)	3,885,521	25,251	17,936	7,315
Strategic Planning & Infrastructure	9,071,335	4,263,809	9,071,335	0	3,759,250	1,135,904	628,204	(507,700)	3,759,250	0	0	0
Sport & Activity	22,071,207	20,823,466	22,071,207	0	8,326,451	7,150,832	7,078,710	(72,122)	8,326,451	0	0	0
Information & Culture	2,285,901	1,181,207	2,284,056	(1,845)	476,649	45,204	51,956	6,752	439,804	(36,845)	(1,845)	(35,000)
SUB TOTAL	**65,605,843**	**32,411,399**	**65,621,934**	**16,091**	**16,422,620**	**10,049,542**	**9,392,089**	**(657,453)**	**16,411,026**	**(11,594)**	**16,091**	**(27,685)**
Education & Youth Employment												
Nursery Education	6,422,904	981,156	6,423,010	106	2,064,502	165,277	163,958	(1,319)	1,966,608	(97,894)	106	(98,000)
Primary Schools	15,740,071	12,449,102	15,740,071	0	338,498	117,206	118,765	1,559	206,703	(131,795)	0	(131,795)
Secondary Schools	87,710,272	39,261,816	87,708,987	(1,285)	20,257,163	18,649,286	17,001,789	(1,647,497)	20,260,117	2,954	(1,285)	4,239
Special Education	25,166,058	147,553	25,166,058	0	20,430	5,318	27,924	22,606	35,342	14,912	0	14,912
SUB TOTAL	**135,039,305**	**52,839,627**	**135,038,126**	**(1,179)**	**22,680,593**	**18,937,087**	**17,312,436**	**(1,624,651)**	**22,468,770**	**(211,823)**	**(1,179)**	**(210,644)**
Finance & Corporate Support												
Financial Services	216,231	191,079	216,231	0	85,515	5,111	60,363	55,252	85,515	0	0	0
Information Technology	3,962,109	2,318,026	3,962,109	0	597,977	430,715	390,035	(40,680)	535,072	(62,905)	0	(62,905)
Council IT Strategy	3,789,625	1,955,311	3,789,625	0	905,185	651,319	580,871	(70,448)	855,185	(50,000)	0	(50,000)
SUB TOTAL	**7,967,964**	**4,464,416**	**7,967,964**	**0**	**1,588,677**	**1,087,145**	**1,031,269**	**(55,876)**	**1,475,772**	**(112,905)**	**0**	**(112,905)**
Health & Social Care												
Management & Support	554,596	403,718	554,596	0	136,524	0	15,646	15,646	136,524	0	0	0
Older People	12,885,878	8,307,364	12,885,878	0	1,544,812	1,535,936	1,542,036	6,100	1,544,812	0	0	0
SUB TOTAL	**13,440,474**	**8,711,082**	**13,440,474**	**0**	**1,681,336**	**1,535,936**	**1,557,682**	**21,746**	**1,681,336**	**0**	**0**	**0**
Place												
Roads	17,260,389	6,344,419	17,260,389	0	6,854,405	4,185,913	3,518,146	(667,767)	6,380,405	(474,000)	0	(474,000)
Office Accommodation	15,910,041	15,525,520	15,910,041	0	1,837,519	1,471,567	1,459,419	(12,148)	1,837,519	0	0	0
Other Property	5,056,540	3,485,942	5,056,540	0	1,457,259	(65,316)	(113,339)	(48,023)	1,457,259	0	0	0
Housing Non HRA	841,740	479,323	841,740	0	807,940	571,000	465,523	(105,477)	660,000	(147,940)	0	(147,940)
Streetscene	1,347,666	1,253,524	1,347,666	0	96,330	43,052	52,188	9,136	106,330	10,000	0	10,000
Transport	2,035,358	1,381,453	2,035,358	0	2,035,358	1,381,452	1,381,453	1	2,035,358	0	0	0
Waste Services	15,093,085	13,929,146	15,093,085	0	570,911	474,674	441,973	(32,701)	570,911	0	0	0
Building Services	111,092	110,712	111,092	0	380	0	0	0	380	0	0	0
Renewable Energy	5,741,302	5,291,027	5,741,302	0	1,405,982	1,102,320	955,707	(146,613)	1,393,685	(12,297)	0	(12,297)
Cleaning Client	300,000	241,083	300,000	0	167,792	104,475	108,876	4,401	167,792	0	0	0
SUB TOTAL	**63,697,212**	**48,042,150**	**63,697,212**	**0**	**15,233,876**	**9,269,137**	**8,269,946**	**(999,191)**	**14,609,639**	**(624,237)**	**0**	**(624,237)**
Other												
Other	591,653	0	0	(591,653)	591,653	0	0	0	371,333	(220,320)	(220,320)	
SUB TOTAL	**591,653**	**0**	**0**	**(591,653)**	**591,653**	**0**	**0**	**0**	**371,333**	**(220,320)**	**(220,320)**	**0**
Total Project Expenditure	**286,342,452**	**146,468,674**	**285,765,711**	**(576,741)**	**58,198,755**	**40,878,847**	**37,563,421**	**(3,315,426)**	**57,017,876**	**(1,180,879)**	**(205,408)**	**(975,471)**
Total Project Income					**(58,198,755)**	**(16,022,984)**	**(16,022,984)**	**0**	**(57,017,876)**	**1,180,879**	**205,408**	**975,471**
Total Net Expenditure					**0**	**24,855,864**	**21,540,438**	**(3,315,426)**	**0**	**0**	**0**	**0**

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

✔ On Target (+0.5% of budget)

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

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

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

✔ On Target (up to 5% delay of original timescales)

⚠ Slightly off target (+ 5% to 10% of original timescales)

🔴 Significantly off target (+10% or more of original timescales)

Capital Programme Funding 2016/17

Funding Description	Approved Budget	Carry Forward from 2015/16	Additional Funds Awarded 2016/17	Approved Revisions to Programme	Total Revised Budget 2016/17	Actual Income to 31 January 2017	Projected Income to 31st March 2017
	£	£		£	£	£	£
CAPITAL BORROWING							
Prudential Borrowing	37,703,251	-937,496	(53,314)	(12,345,337)	24,367,104	0	24,343,468
SUB TOTAL	**37,703,251**	**-937,496**	**(53,314)**	**(12,345,337)**	**24,367,104**	**0**	**24,343,468**
SCOTTISH GOVERNMENT FUNDING							
Specific Capital Grants							
Chargeplace Scotland Network			22,000		22,000	0	22,000
Non Domestic Energy Efficiency Programme			50,000		50,000	48,602	50,000
Cycling / Walking /Safer Streets	150,000				150,000	0	150,000
Vacant & Derelict Land Funding			1,426,981		1,426,981	1,426,981	1,426,981
Quarry Road			965,000		965,000	0	965,000
Capital Grants						0	
General Capital Grant	10,403,000		2,147,000	0	12,550,000	10,318,330	12,550,000
SUB TOTAL	**10,553,000**	**0**	**4,610,981**	**0**	**15,163,981**	**11,793,913**	**15,163,981**
OTHER INCOME TO PROGRAMME							
Use of Funds							
Capital Fund	10,804,597	(440,909)	0	(4,890,534)	5,473,154	0	5,473,154
Change & Service Redesign Fund	100,279	222,762	0	278,412	601,453	0	601,453
CFCR	529,187	71,306	0	1,830,508	2,431,001	0	2,429,716
Grants & Contributions	30,000	1,758,191	2,573,654	473,197	4,835,042	1,499,866	4,837,051
Capital Receipts	4,366,848	927,172	0	33,000	5,327,020	2,729,205	4,169,053
TOTAL CAPITAL PROGRAMME FUNDING	**64,087,162**	**1,601,026**	**7,131,321**	**-14,620,754**	**58,198,755**	**16,022,984**	**57,017,876**

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/(Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£			
ECONOMIC GROWTH												
Regeneration												
TOURISM INFRASTRUCTURE	305,263	299,768	305,263	0	5,495	5,495	0	0	0	✅	✅	
IRVINE ENTERPRISE AREA *	3,972,011	1,008	3,972,011	0	0	0	0		0	✅	tbc	
TOWN CENTRE REGENERATION	3,497,643	691,678	3,497,643	0	100,000	100,000	0		0	✅	⚠️	
IRVINE HIGH STREET	600,000	5,920	600,000	0	0	0	0		0	Future years	Future years	
LARGS MASTERPLAN	440,000	6,626	440,000	0	0	0	0		0	Future years	Future years	
KILBIRNIE CARS (KNOX INST)	200,000	0	200,000	0	0	0	0		0	Future years	Future years	
MILLPORT CARS	400,000	0	400,000	0	0	0	0		0	Future years	Future years	
MILLPORT FIELD CENTRE	3,000,823	3,068,787	3,018,759	17,936	93,340	111,276	17,936	17,936	0	Complete	Complete	Addititonal claim to be made to Highlands & Enterprise once a completion certificate is in place.
MONTGOMERIE PARK MASTERPLAN	1,769,680	1,497,852	1,769,680	0	1,024,454	900,454	(124,000)		(124,000)	✅	✅	£124k requested to be carried forward to 17-18
PENNYBURN ROUNDABOUT	2,000,000	0	2,000,000	0	0	0	0		0	Future Years	Future Years	
IRVINE BAY REGEN CO ASSETS	3,000,000	292,362	3,000,000	0	1,200,000	1,200,000	0		0	✅	✅	
Ayrshire Growth Deal	9,000,000	0	9,000,000	0	0	0	0		0	Future Years	Future Years	
Quarry Road	2,965,000	278,476	2,965,000	0	410,000	541,315	131,315		131,315	✅	✅	£131k request to be brought forward from 17-18 to 16-17 to complete current yr projects
Biomass Supply Chain	120,000	0	120,000	0	120,000	120,000	0		0	✅	✅	
Lochshore, Kilbirnie	30,000	0	30,000	0	30,000	30,000	0		0	✅	✅	
Ardeer, Stevenston Masterplan	30,000	0	30,000	0	30,000	30,000	0		0	✅	✅	
Ardrossan North Shire	30,000	0	30,000	0	30,000	30,000	0		0	✅	✅	
Irvine Kyle Road Site Prep	352,000	440	352,000	0	352,000	352,000	0		0	✅	✅	
Greenwood Interchange	65,000	0	65,000	0	65,000	65,000	0		0	✅	✅	
Moorpark Road West	399,981	0	399,981	0	399,981	399,981	0		0	✅	✅	
Total Regeneration	**32,177,400**	**6,142,916**	**32,195,336**	**17,936**	**3,860,270**	**3,885,521**	**25,251**	**17,936**	**7,315**			

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
Strategic Planning & Infrastructure												
CYCLING/WALKING/SAFER STREETS	1,399,796	83,796	1,399,796	0	150,000	150,000	0		0	✅	✅	
ACCESS PATH NETWORK PROGRAMME	6,864,285	4,070,659	6,864,285	0	2,950,111	2,950,111	0		0	✅	✅	
CAR PARK STRATEGY	327,253	59,073	327,253	0	179,139	179,139	0		0	✅	✅	
A841 BRODICK TO LOCHRANZA *	150,000	0	150,000	0	150,000	150,000	0		0	✅	✅	
HAWKHILL ROUNDABOUT *	255,000	0	255,000	0	255,000	255,000	0		0	✅	✅	
IRVINE TOWN CENTRE BUS *	5,000	0	5,000	0	5,000	5,000	0		0	✅	✅	
BUS CORRIDOR IMPROVEMENTS	70,000	50,281	70,000	0	70,000	70,000	0		0	✅	✅	
Total Strategic Planning & Infrasturture	**9,071,335**	**4,263,809**	**9,071,335**	**0**	**3,759,250**	**3,759,250**	**0**	**0**	**0**			

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
CONNECTED COMMUNITIES												
Sports & Activity												
LARGS SPORTS DEVELOPMENT	300,000	296,335	300,000	0	72,249	72,249	0		0	✅	✅	
IRVINE LEISURE CENTRE	21,771,207	20,527,130	21,771,207	0	8,254,202	8,254,202	0		0	✅	✅	
Total Sports & Activity	**22,071,207**	**20,823,466**	**22,071,207**	**0**	**8,326,451**	**8,326,451**	**0**	**0**	**0**			
Information & Culture												
COMMUNITY DEVELOPMENT FUND	251,223	0	251,223	0	251,223	251,223	0		0	Holding Code	Holding Code	
CASTLES & HISTORIC MONUMENTS	561,287	0	561,287	0	86,287	86,287	0		0	Holding Code	Holding Code	
WEST KILBRIDE CC GYMNASIUM	668,465	668,465	668,465	0	0	0	0		0	Complete	Complete	
ARDROSSAN CASTLE	161,649	159,804	159,804	(1,845)	3,045	1,200	(1,845)	(1,845)	0	Complete	Complete	
ABBEY TOWER	120,000	0	120,000	0	40,000	5,000	(35,000)		(35,000)	tbc	tbc	£35k requested to be carried forward to 17-18
KERELAW CASTLE	83,367	83,367	83,367	0	153	153	0		0	Complete	Complete	
EGLINTON PARK CAR PARK WORKS	220,000	218,701	220,000	0	1,299	1,299	0		0	Complete	Complete	
ST BRIDE'S CHAPEL, ARRAN	175,000	19,968	175,000	0	50,000	50,000	0		0	✅	tbc	
KILBIRNIE LIBRARY HUB	44,910	30,903	44,910	0	44,642	44,642	0	0	0	✅	✅	
Total Information & Cultural	**2,285,901**	**1,181,207**	**2,284,056**	**(1,845)**	**476,649**	**439,804**	**(36,845)**	**(1,845)**	**(35,000)**			
Total Economy & Communities	**65,605,843**	**32,411,399**	**65,621,934**	**16,091**	**16,422,620**	**16,411,026**	**(11,594)**	**16,091**	**(27,685)**			

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

EDUCATION & YOUTH EMPLOYMENT

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£			
Nursery Education												
HAYOCKS PRIMARY SCHOOL NURSERY ADAPTS	209,323	206,800	209,323	0	2,523	2,523	0		0	Complete	Complete	
GLENCAIRN PRIMARY SCHOOL NURSERY ADAPTS	103,472	102,647	103,472	0	2,199	2,199	0		0	Complete	Complete	
LOUDON MONT PRIMARY SCHOOL NURSERY ADAPTS	830,830	111,128	830,830	0	411,361	313,361	(98,000)		(98,000)	✅	⚠️	£98k requested to be carried forward to 17-18
ST JOHN OGILVIE PRIMARY SCHOOL NURSERY ADAPTS	249,507	249,360	249,507	0	5,589	5,589	0	0	0	Complete	Complete	
EARLY LEARNING & CHILDCARE	809,977	0	809,977	0	809,977	809,977	0		0	Holding Code	Holding Code	
DYKESMAINS PRIMARY SCHOOL NURSERY ADAPTS	1,239,707	71,690	1,239,707	0	48,067	48,067	0		0	✅	tbc	
WEST KILBRIDE PRIMARY SCHOOL NURSERY ADAPTS	29,011	28,295	29,011	0	0	0	0		0	Complete	Complete	
WHITLEES COMM CTR NURSERY ADAPTS	161,179	142,394	161,285	106	59,404	59,510	106	106	0	Complete	Complete	
ARRAN QUIET ROOM	4,230	4,226	4,230	0	4,230	4,230	0		0	✅	✅	
ANNICK PRIMARY EXT - EARLY YRS PROVISION	2,000,000	0	2,000,000	0	0	0	0		0	Future Years	Future Years	
WEST KILBRIDE COMMUNITY NURSERY	32,152	100	32,152	0	32,152	32,152	0		0	Complete	Complete	
CHILDREN & YOUNG PEOPLE ACT	689,000	0	689,000	0	689,000	689,000	0		0	Holding Code	Holding Code	
Total Nursery Education	**6,422,904**	**981,156**	**6,423,010**	**106**	**2,064,502**	**1,966,608**	**(97,894)**	**106**	**(98,000)**			
Primary Schools												
CORRIE PS ANNEXE - STRUCTURAL	184,761	184,761	184,761	0	3,063	3,063	0	0	0	Complete	Complete	
ST LUKES PS-EXTENSION PHASE 2	929,953	929,953	929,953	0	641	641	0	0	0	Complete	Complete	
FREE SCHOOL MEALS P1 - P3	55,001	0	55,001	0	55,001	55,001	0		0	Holding Code	Holding Code	
ELDERBANK PS	11,273,133	11,037,305	11,273,133	0	129,662	2,867	(126,795)	0	(126,795)	✅	✅	£127k requested to be carried forward to 17-18
Castlepark primary - remodelling	122,334	97,811	122,334	0	120,131	110,131	(10,000)	0	(10,000)	✅	✅	£10k requested to be carried forward to 17-18
MOORPARK PRIMARY EXTENSION	3,000,000	20,445	3,000,000	0	30,000	35,000	5,000		5,000	✅	✅	
Total Primary Education	**15,740,071**	**12,449,102**	**15,740,071**	**0**	**338,498**	**206,703**	**(131,795)**	**0**	**(131,795)**			

EDUCATION & YOUTH EMPLOYMENT

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
Secondary Schools												
KILWINNING SECONDARY ESTATE LEARNING ENVT	3,350,000	44,753	3,350,000	0	42,500	44,753	2,253		2,253	✅	✅	
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVT	3,509,822	44,213	3,509,822	0	59,000	59,000	0		0	✅	✅	
GARNOCK CAMPUS	41,830,547	36,338,951	41,830,547	0	18,378,724	18,378,724	0		0	✅	✅	
IRVINE ROYAL/COLLEGE ADAPTS	2,268,436	984,870	2,268,436	0	502,241	504,227	1,986		1,986	✅	✅	
LARGS ACADEMY	4,723,269	1,446,906	4,723,269	0	838,302	838,302	0		0	✅	✅	
LEARNING ACADEMY AUCHENHARVIE	438,198	400,164	436,913	(1,285)	436,396	435,111	(1,285)	(1,285)	0	✅	✅	
ARDROSSAN NEW BUILD	31,590,000	0	31,590,000	0						Future Years	Future Years	
Total Secondary Education	**87,710,272**	**39,261,816**	**87,708,987**	**(1,285)**	**20,257,163**	**20,260,117**	**2,954**	**(1,285)**	**4,239**			
Special Education												
STANECASTLE SCHOOL WORKS	119,652	119,652	119,652	0	24	24	0	0	0	Complete	Complete	
JAMES MCFARLANE	5,318	5,318	5,318	0	5,318	5,318	0	0	0	Complete	Complete	
NEW BUILD ASN SCHOOL	25,041,088	22,582	25,041,088	0	15,088	30,000	14,912		14,912	✅	✅	£15k request to be brought forward from 17-18 to 16-17 to complete current yr projects
Total Special Education	**25,166,058**	**147,553**	**25,166,058**	**0**	**20,430**	**35,342**	**14,912**	**0**	**14,912**			
Total Education & Skills	**135,039,305**	**52,839,627**	**135,038,126**	**(1,179)**	**22,680,593**	**22,468,770**	**(211,823)**	**(1,179)**	**(210,644)**			

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

FINANCE & CORPORATE SUPPORT

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£			
Financial Services												
DEFIBRILLATORS	157,231	135,874	157,231	0	26,515	26,515	0		0	✅	🔴	
SAFECOM	59,000	55,205	59,000	0	59,000	59,000			0			
Total Financial Services	**216,231**	**191,079**	**216,231**	**0**	**85,515**	**85,515**	**0**	**0**	**0**			
Information Technology												
PC REPLACEMENT/VIRTUAL DESKTOP *	195,836	162,647	195,836	0	195,836	195,836	0		0	✅	✅	
MICROSOFT OFFICE UPGRADE	1,579,912	838,772	1,579,912	0	41,860	41,860	0		0	✅	✅	
WINDOWS SERVER MIGRATION	885,059	791,947	885,059	0	114,570	69,570	(45,000)		(45,000)	✅	⚠️	£45k requested to be carried forward to 17-18 for PSN work
DATA RATIONALISATION & STORAGE	809,617	161,712	809,617	0	0	2,095	2,095		2,095	Future Years	Future Years	
PSN COMPLIANCE	384,000	339,897	384,000	0	138,025	138,025	0		0	✅	✅	
AGILE WORKING *	107,686	23,052	107,686	0	107,686	87,686	(20,000)		(20,000)	✅	🔴	£20k requested to be carried forward to 17-18 for implementation at Garnock Campus
Total Information Technology	**3,962,109**	**2,318,026**	**3,962,109**	**0**	**597,977**	**535,072**	**(62,905)**	**0**	**(62,905)**			
Council IT Strategy												
WIRELESS ACCESS IN SCHOOLS	480,984	465,135	480,984	0	32,765	32,765	0		0	✅	✅	
MANAGED WAN SERVICES	823,583	608,664	823,583	0	131,866	81,866	(50,000)		(50,000)	✅	🔴	£50k requested to be carried forward to 17-18
IP TELEPHONY (IPT)	410,058	409,303	410,058	0	65,554	65,554	0		0	✅	✅	
SCHOOLS ICT INVESTMENT *	500,000	377,707	500,000	0	500,000	500,000	0		0	✅	✅	
BUSINESS CONTINUITY	400,000	0	400,000	0	0	0	0		0	Future Years	Future Years	
INFRASTRUCTURE ENHANCEMENTS *	100,000	42,701	100,000	0	100,000	100,000	0		0	✅	✅	
Microsoft Enterprise Agreement	825,000	0	825,000	0	0	0	0		0	Future Years	Future Years	
HSCP ICT Investment to Support Integration	250,000	51,800	250,000	0	75,000	75,000	0		0	✅	✅	
Total IT Strategy	**3,789,625**	**1,955,311**	**3,789,625**	**0**	**905,185**	**855,185**	**(50,000)**	**0**	**(50,000)**			
Total Finance & Corporate Support	**7,967,964**	**4,464,416**	**7,967,964**	**0**	**1,588,677**	**1,475,772**	**(112,905)**	**0**	**(112,905)**			

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HEALTH & SOCIAL CARE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£			
Management & Support												
CAREFIRST IT DEVELOPMENT	120,678	72,120	120,678	0	34,204	34,204	0		0	✅	tbc	
HOME CARE SYSTEM	433,918	331,598	433,918	0	102,320	102,320	0		0	✅	tbc	
Total Management & Support	**554,596**	**403,718**	**554,596**	**0**	**136,524**	**136,524**	**0**	**0**	**0**			
Older People												
PURCHASE OF RED CROSS HOUSE	1,451,775	1,451,775	1,451,775	0	1,451,775	1,451,775	0		0	✅	✅	
MONTROSE HSE REDESIGN FACILIT	5,738,784	5,738,784	5,738,784	0	5,500	5,500	0	0	0	Complete	Complete	
LARGS OLDER PEOPLE RES CTRE	947,094	943,718	947,094	0	3,376	3,376	0		0	Complete	Complete	
LD DAY CENTRES	4,748,225	173,087	4,748,225	0	84,161	84,161	0		0	On Hold	On Hold	
Total Older People	**12,885,878**	**8,307,364**	**12,885,878**	**0**	**1,544,812**	**1,544,812**	**0**	**0**	**0**			
Total Health & Social Care	**13,440,474**	**8,711,082**	**13,440,474**	**0**	**1,681,336**	**1,681,336**	**0**	**0**	**0**			

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

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£			
PHYSICAL ENVIRONMENT												
Roads												
ROADS IMPROVE/RECONSTRUCTION *	1,911,549	1,319,983	1,911,549	0	1,911,549	1,957,549	46,000		46,000	✅	✅	£46k request to be brought forward from 17-18 to 16-17 to complete current yr projects
B714 UPGRADE	2,065,092	367,987	2,065,092	0	600,000	600,000	0		0	✅	✅	
LIGHTING *	1,072,747	522,547	1,072,747	0	1,072,747	1,212,747	140,000		140,000	✅	✅	£140k requested to be brought forward into 2016/17, £70k each from 2017/18 & 2018/19
STREET LIGHTING MAINLAND	3,728,000	2,561,346	3,728,000	0	2,202,817	1,602,817	(600,000)		(600,000)	✅	✅	£600k requested to be carried forward to 2017/18. Last few packages likely to to carry over to June 2017
GARNOCK VALLEY FLOOD PREV	6,400,001	1,076,403	6,400,001	0	100,000	100,000	0		0	✅	✅	
BANNOCH BURN KILW'G FLOOD WORK	225,000	136,631	225,000	0	159,292	159,292	0		0	✅	🔴	
FLOOD RISK MANAGEMENT PLAN	830,000	135,155	830,000	0	280,000	280,000	0		0	✅	✅	
LAMLASH GREEN COASTAL DEFENCE	95,000	0	95,000	0	95,000	95,000	0		0	✅	✅	
GLENCLOY BANK REPAIRS	33,000		33,000	0	33,000	33,000	0		0	✅	✅	
BRIDGES INFRASTRUCTURE PROG *	400,000	224,366	400,000	0	400,000	340,000	(60,000)		(60,000)	✅	✅	£60k requested to be carried forward to 17-18
MILLPORT PIER	500,000	0	500,000	0	0	0	0		0	Future Years	Future Years	
Total Roads	**17,260,389**	**6,344,419**	**17,260,389**	**0**	**6,854,405**	**6,380,405**	**(474,000)**	**0**	**(474,000)**			
									0			
Office Accommodation												
BRIDGEGATE HOUSE REFURB	9,614,276	9,590,060	9,614,276	0	56,254	56,254	0		0	Complete	Complete	
CUNNINGHAME HOUSE PHASE 1	1,531,013	1,531,013	1,531,013	0	0	0	0		0	Complete	Complete	
CUNNINGHAME HOUSE PHASE 2	1,177,374	1,176,181	1,177,374	0	1,096	1,096	0	0	0	Complete	Complete	
CUNNINGHAME HOUSE PHASE 3-4	2,138,040	2,042,895	2,138,040	0	353,835	353,835	0	0	0	✅	✅	
PROPERTY LIFECYCLE INVESTMENT *	533,000	284,532	533,000	0	533,000	533,000	0		0	✅	✅	
RECORDS UNIT REPLACEMENT	250,808	243,946	250,808	0	230,132	230,132	0	0	0	✅	✅	
Cunninghame Hse Phase 5	665,530	656,892	665,530	0	663,202	663,202	0	0	0	✅	✅	
Total Office Accommodation	**15,910,041**	**15,525,520**	**15,910,041**	**0**	**1,837,519**	**1,837,519**	**0**	**0**	**0**			

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
Other Property												
CORP ASSET MANAGEMENT SYSTEM	86,392	64,591	86,392	0	**35,421**	35,421	0		0	✓	✓	
SALTCOATS TOWN HALL	3,770,148	3,394,384	3,770,148	0	**221,838**	221,838	0		0	Complete	Complete	
INDUSTRIAL PORTFOLIO *	200,000	26,967	200,000	0	**200,000**	200,000	0		0	✓	✓	
SALTCOATS PUBLIC REALM	1,000,000	0	1,000,000	0	**1,000,000**	1,000,000	0		0	✓	🔴	
Total Property	**5,056,540**	**3,485,942**	**5,056,540**	**0**	**1,457,259**	**1,457,259**	**0**	**0**	**0**			
Housing Non HRA												
IMPROVEMENT GRANTS *	792,940	315,931	792,940	0	**792,940**	645,000	(147,940)		(147,940)	✓	✓	£148k requested to be carried forward into 17-18. Spend dependent on owners claiming grant in current financial year
CARE & REPAIR	15,000	149,592	15,000	0	**15,000**	15,000	0		0	✓	✓	
CCTV GENERAL	33,800	13,800	33,800	0	**0**	0	0		0	Future years	Future years	
Total Housing Non HRA	**841,740**	**479,323**	**841,740**	**0**	**807,940**	**660,000**	**(147,940)**	**0**	**(147,940)**			
Streetscene												
STREETSCENE SCHEDULING SYSTEM	119,221	115,221	119,221	0	**25,000**	25,000	0		0	✓	✓	
SKELMORLIE CEMETERY WALL	132,648	129,490	132,648	0	**3,158**	3,158	0		0	Complete	Complete	
CEMETERY WALLS &INFRASTRUCTURE	713,432	715,077	713,432	0	**0**	0	0		0	Holding Code	Holding Code	
CEMETERY EXTNS, WALLS & INFRA *	22,052	22,652	22,052	0	**22,052**	22,052	0		0	Holding Code	Holding Code	
LAMLASH CEMETERY EXTENSION	6,132	8,608	6,132	0	**80**	80	0	0	0	Complete	Complete	
KILWINNING CEMETERY	50,000	0	50,000	0	**0**	10,000	10,000		10,000			£10k request to be brought forward from 17-18 to 16-17 to complete current yr projects
ARDROSSAN CEMETERY WORKS	149,730	148,730	149,730	0	**4,264**	4,264	0	0	0	Complete	Complete	
OLD BARONY CEMETERY WORKS	66,541	60,836	66,541	0	**5,705**	5,705	0		0	✓	✓	
HIGH KIRK CEMETERY WORKS	52,911	52,911	52,911	0	**1,071**	1,071	0		0	Complete	Complete	
LYCH GATE, LOCHRANZA, ARRAN	35,000	0	35,000	0	**35,000**	35,000	0		0	✓	✓	
Total Streetscene	**1,347,666**	**1,253,524**	**1,347,666**	**0**	**96,330**	**106,330**	**10,000**	**0**	**10,000**			
COMMERCIAL SERVICES												
Cleaning Client												
CASHLESS CATERING SYSTEM	300,000	241,083	300,000	0	**167,792**	167,792	0		0	✓	🔴	
Total Cleaning Client	**299,999.50**	**241,083.45**	**299,999.50**	**0.00**	**167,792**	**167,792**	**0**	**0**	**0**			
Transport												
VEHICLES *	2,035,358	1,381,453	2,035,358	0	**2,035,358**	2,035,358	0		0	✓	✓	
Total Transport	**2,035,358**	**1,381,453**	**2,035,358**	**0**	**2,035,358**	**2,035,358**	**0**	**0**	**0**			

CAPITAL MONITORING 2016/17

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Projected Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Delivery Status Financial	Delivery Status Physical	
Waste Services												
SHEWALTON LANDFILL	14,828,497	13,678,584	14,828,497	0	560,365	560,365	0		0	✅	✅	
ICT WASTE MANAGEMENT SYS	195,000	184,454	195,000	0	10,546	10,546	0		0	✅	✅	
BARTONHOLM HWRC	69,587	66,108	69,587	0	0	0	0		0	Complete	Complete	
Total Waste Services	**15,093,085**	**13,929,146**	**15,093,085**	**0**	**570,911**	**570,911**	**0**	**0**	**0**			
Building Services												
BUILDING SERVICES IT SYSTEM	111,092	110,712	111,092	0	380	380	0		0	Complete	Complete	
Total Building Services	**111,092**	**110,712**	**111,092**	**0**	**380**	**380**	**0**	**0**	**0**			
Renewable Energy												
RENEWABLE ENERGY PROGRAMME	176,527	51,018	176,527	0	125,509	20,973	(104,536)		(104,536)	Holding code	Holding code	
BIOMASS RETROFIT PROGRAMME	3,391,839	3,200,888	3,391,839	0	883,390	901,659	18,269		18,269	✅	✅	
SOLAR PV RETROFIT PROGRAMME	1,787,936	1,810,915	1,787,936	0	154,090	240,357	86,267		86,267	✅	✅	
SOLAR ARRAYS	200,001	187,704	200,001	0	57,993	45,696	(12,297)		(12,297)	✅	✅	£12k requested to be carried forward to 17-18
IRVINE DISTRICT HEATING SYSTE	15,000	0	15,000	0	15,000	15,000	0		0	✅	✅	
SOLAR PV RETROFIT EXTENSION	120,000	0	120,000	0	120,000	120,000	0		0	✅	✅	
NON DOMESTIC ENERGY EFFICIENCY PROGRAMME	50,000	40,502	50,000	0	50,000	50,000	0		0	✅	✅	
Total Renewable Energy	**5,741,302**	**5,291,027**	**5,741,302**	**0**	**1,405,982**	**1,393,685**	**(12,297)**	**0**	**(12,297)**			
Total Place	**63,697,212.41**	**48,042,150.10**	**63,697,212.41**	**0**	**15,233,876**	**14,609,639**	**(624,237)**	**0**	**(624,237)**			

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

Other Budgets

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17		
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Projected Expenditure to 31 March 2017	Over/ (Under) Spend for 16/17
	£	£	£	£	£	£	£
FLEXIBILITY	591,653	0	0	(591,653)	591,653	371,333	(220,320)
Total Other Budgets	**591,653**	**0**	**0**	**(591,653)**	**591,653**	**371,333**	**(220,320)**

North Ayrshire Council
HRA Capital Statement
For Year Ended 31 March 2017

Description	Budget Approved 17 February 2016	Budget B/Fwd (C/Fwd)	Approved Revisions to programme	Revised budget 2016/17	Year to Date Budget	Actual expenditure to 31 January 2017	Year to Date Variance	Projected Expenditure to 31 March 2017	Over/(Under) Spend for 2016/17	Carry Forward to 2017/18	True (Under)/Over spend	Comments
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
MORTGAGE TO RENT					0	1,463	1,463	0	0		0	
COUNCIL HOUSE BUILDING GENERAL	1,110,707	0	(263,000)	847,707	236,751	0	(236,751)	0	(847,707)		(847,707)	Historical Balance to be added to Council House Build Fund
CASTLEPARJ	0	0	0	0	0	0	0	0	0		0	
NEW BUILD REDSTONE AVENUE	0	0	0	0	0	0	0	0	0		0	
ACQUISITION OF HOUSES ON OPEN MARKET	400,000	0	0	400,000	0	626,246	626,246	746,000	346,000		346,000	Additional Spend funded from SG Grant £0.400m
EMPTY HOMES Buy Backs		0	0	0	0	433	433	0	0		0	
NEW BUILD - JOHN GALT SITE	0	0	0	0	0	(127,236)	(127,236)	0	0		0	retention from 15/16
NEW BUILD FENCEDYKE	3,876,364	42,737	(620,611)	3,298,490	0	1,912,391	1,912,391	2,541,000	(757,490)	(757,490)	0	Slippage in Build Programme to be carried forward to 17/18
WINDOW REPLACEMENT	598,482	(22,879)	0	575,603	504,525	153,203	(351,322)	255,000	(320,603)		(320,603)	Shortfall in Viable adresses
BATHROOM PROGRAMME	1,787,109	(70,011)	0	1,717,098	1,278,202	1,020,956	(257,246)	1,983,098	266,000		266,000	
KITCHEN PROGRAMME	2,068,948	148,506	0	2,217,454	1,650,206	1,376,163	(274,043)	1,957,454	(260,000)		(260,000)	Shortfall in Viable addresses
OTHER CAPITAL WORKS	265,225	191,508	183,436	640,169	456,733	487,627	30,894	640,169	0		0	£750k added from reserves in for Parkhouse and Kirkhall -to be cfwd to 17/18
NEW BUILD STEVENSON INSTITUTE	0	0	0	0	0	(750)	(750)	(750)	(750)		(750)	Accrual from 15/16 not utilised
NEW BUILD DICKSON DRIVE	0	0	0	0	0	(28,934)	(28,934)	0	0		0	Retention
REGENERATION - DICKSON DRIVE	0	0	0	0	0	(164,435)	(164,435)	0	0		0	Retention
NEW BUILD MONTGOMERY COURT	390,000	448,240	0	838,240	814,496	732,509	(81,987)	773,939	(64,301)		(64,301)	In year underspend
REGENERATION - MONTGOMERY COURT	403,000	30,810	0	433,810	433,810	668,912	235,102	690,000	256,190		256,190	Additional cost met from current year underspends
NEW BUILD KILN COURT	0	9,000	0	9,000	9,000	(34,254)	(43,254)	9,000	0		0	
NEW BUILD GLENCAIRN HOUSE SHU	1,500,000	(57,608)	(811,088)	631,304	0	284,297	284,297	631,304	0		0	
NEW BUILD CANAL COURT SHU	150,000	(29,150)	453,150	574,000	45,000	204,831	159,831	287,000	(287,000)	(287,000)	0	Slippage in Hub process carried forward to 17/18
NEW BUILD WATT COURT	0	0	263,000	263,000	187,500	0	(187,500)	263,000	0		0	
CENTRAL HEATING	1,777,523	(26,764)	(300,000)	1,450,759	1,445,160	1,022,483	(422,677)	1,450,759	0		0	
INSULATED RE-RENDERING	1,416,505	208,302	0	1,624,807	1,624,807	1,621,935	(2,872)	1,624,807	0		0	
ELECTRICAL REWIRING	760,532	(129,338)	(106,194)	525,000	445,093	318,912	(126,181)	525,000	0		0	
REFURBISHMENT SCHEMES				0		2,443	2,443	2,443	2,443		2,443	
ROOFING & RENDERING	3,781,854	44,863	0	3,826,717	2,457,000	2,831,676	374,676	3,826,717	0		0	
DOOR ENTRY SYSTEMS				0	0	3,390	3,390	3,390	3,390		3,390	
SHELTERED HOUSING UNITS	1,200,100	24,789	(1,224,889)	0	0	0	0	0	0		0	
REFURB - ROBERT W SERVICE CT SH	1,800,000	(52,150)	(102,739)	1,645,111	1,141,666	721,435	(420,231)	1,345,435	(299,676)	(299,676)	0	Underspend due to slippage in Build Programme Carried Forward to 17/18
REFURB - DICKSON COURT		224,889		224,889		31,647	31,647	121,000	(103,889)	(103,889)	0	Underspend due to slippage in Build Programme Carried Forward to 17/18
RETENTION ON COMPLETED PROJEC					0	0	0	3,979	3,979		3,979	
ENERGY EFFICIENCY STANDARD	1,040,400	(40,178)	0	1,000,222	840,000	717,797	(122,203)	799,822	(200,400)		(200,400)	Part of budget allocated for heating - will not be spent due to no access
PROFESSIONAL MANAGEMENT CHARGES	1,611,536	(516,800)	0	1,094,736	0	687,825	687,825	1,094,736	0		0	
CEILINGS	21,848	0	(21,848)	0	0	0	0	0	0		0	Moved to revenue P5
COMMUNAL FLOORS	37,454	0	(37,454)	0	0	0	0	0	0		0	Moved to revenue P5
TOTAL EXPENDITURE	**25,997,587**	**203,877**	**(2,363,348)**	**23,838,116**	**13,569,949**	**15,072,968**	**1,503,019**	**21,574,302**	**(2,263,814)**	**(1,448,055)**	**(815,759)**	
SALE OF COUNCIL HOUSES	(1,263,462)	0	0	(1,263,462)	(526,443)	(3,374,074)	(2,847,631)	(4,711,566)	(3,448,104)		(3,448,104)	Additional RTB Sales Following Closure of scheme in July 2016. Projected 150 Properties to 31st March 2017. These additional capital receipts reduce the borrowing requirement for the current year
SALE OF ASSETS	0	(16,680)	0	(16,680)	(2,780)	(53,300)	(50,520)	(53,300)	(36,620)		(36,620)	Projection based on further property sales anticipated by Estates
CFCR	(13,668,194)	516,800	(690,698)	(13,842,092)	0	0	0	(12,820,334)	1,021,758		1,021,758	Reduction in CFCR required due to increased RTB receipts and underspends in the Build Programme
OTHER INCOME - HOUSE BUILDING	0	0	0	0	0	(28,187)	(28,187)	(28,187)	(28,187)		(28,187)	Fencedyke £44k Scottish Water funding less accruals for Redstone and John Galt
CAPITAL GRANTS - HOUSE BUILDING	(3,754,000)	306,768	(279,725)	(3,726,957)	0	(1,476,838)	(1,476,838)	(2,985,393)	741,564		741,564	Estimate £2.21m in grant from F/dyke, £0.400 for Acquisitions and £0.251 Robert Service
CAPITAL GRANTS - ENERGY FUNDING	0	0	0	0	0	(548,522)	(548,522)	(667,522)	(667,522)		(667,522)	Eco Funding From N Power and HEEPS
AFFORDABLE HOUSING CONTRIBUTION	(1,008,000)	0	0	(1,008,000)	0	0	0	(308,000)	700,000		700,000	£0.200m Fencedyke £0.108m Empty Homes
PRUDENTIAL BORROWING	(6,303,931)	(1,010,765)	3,333,771	(3,980,925)	0	0	0	0	3,980,925	1,448,055	2,532,870	Requirement to borrow will be reduced due to increased income from other sources
		0		0								
TOTAL INCOME	**(25,997,587)**	**(203,877)**	**2,363,348**	**(23,838,116)**	**(529,223)**	**(5,480,921)**	**(4,951,698)**	**(21,574,302)**	**2,263,814**	**1,448,055**	**815,759**	

NORTH AYRSHIRE COUNCIL

Agenda Item 8

14 March 2017

Cabinet

Title:	**Local Authority Energy White Label**

Purpose:	To seek the approval of Cabinet to progress proposals to establish a local authority led 'Energy White Label' in order to provide a locally branded, low tariff energy supply option to domestic customers and local businesses within North Ayrshire, as well as potentially to the corporate estate.

Recommendation:	That Cabinet agree to: i) Testing potential supplier appetite through publication of an outline 'Prior Interest Notification', to understand the willingness and capacity of licensed suppliers to meet the objectives of the proposed energy white label. In parallel, officers will also undertake soft market testing through existing customer engagement channels. iii) Remit to the Executive Director (Place) preparation of formal tender documentation (invitation to tender, project specification and outline contract), and initiation of a competitive procurement exercise to procure a white label energy supply partner, subject to a positive response by the market to (i) above.

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1. Executive Summary

1.1 This report advises on investigatory work undertaken by officers into the creation of a North Ayrshire Council led 'energy white label' (herein 'white label'). The term 'white label' refers to a contractual arrangement between the Council and a licensed gas and electricity supplier. Under this arrangement the Council creates, markets and promotes a local energy brand and tariff structure. The supply, functions and regulatory burdens of which are then fulfilled by the licensed supplier partner. The exploration of the potential for a Council led white label was established through the Council's Environmental Sustainability & Climate Change Strategy 2017-20, which was approved by Cabinet in January 2017.

1.2 The benefit of a white label is that it provides the local authority with a means to influence local energy tariffs and engage typically 'hard to reach' customers with the specific aim of reducing fuel poverty in local communities. Furthermore, the creation of a white label brings opportunities to deliver related objectives such as deploying smart meters, proactively moving customers away from prepayment tariffs, and managing energy supplies to Council owned properties when void. A white label is believed to offer the Council a more attainable route to providing local residents and businesses with access to competitive, fair gas and electricity tariffs than adopting a fully licensed supply approach. Opportunities also exist to further reduce the Council's current annual revenue expenditure on electricity and gas, which totals c£2.8m.

1.3 In order to advance the project, officers propose to gauge the potential customer demand through existing tenant engagement channels, and the willingness and capability of the supply market through the publication of a Prior Interest Notification (a precursor to the formal procurement process) outlining our strategic objectives for the project.

1.4 Should democratic approval be forthcoming and market feedback prove to be positive, a competitive tender exercise will be undertaken to engage a white label partner.

2. Background

Context

2.1 The markets for domestic electricity and gas supply become increasingly dominated by a small number of large suppliers. In addition, ingrained pricing structures often lead to high tariffs for those least able to afford them. In recent years new, smaller suppliers have entered the market, some of whom retail energy from renewable sources (e.g. Ecotricity) or operate on a not-for-profit basis (e.g. Robin Hood Energy). In addition, local authorities are becoming more engaged with issues of affordable energy supply to local tenants and residents.

2.2　The Environmental Sustainability & Climate Change Strategy 2017-20 (ESCCS2), approved by Cabinet in January 2017, outlines affordable warmth as a thematic workstream. A specific action in the ESCCS2 is to investigate the feasibility of North Ayrshire Council becoming an energy supplier through a 'white label' tariff provider for domestic, and/or commercial and/or corporate energy. Officers have commenced this investigation with an intent to reduce the impact of one of the three causes of fuel poverty – the price (and price stability) of gas and electricity. This presupposes that local authorities are well positioned to prioritise social and public values in a manner that many traditional energy suppliers cannot. In addition, establishing a white label could assist the Council in securing competitive prices for its corporate energy supply and for local businesses.

2.3　Entrants to the domestic gas or electricity supply market are required to hold appropriate licences which place upon the supplier ongoing obligations to comply with rigorous industry rules and regulations. The inherent complexity of energy trading and the associated financial, legal and administrative burdens are considered to be prohibitive for most local authorities at this stage.

Analysis

2.4　Energy Service Companies (ESCOs) have been established by other local authorities, however the absence of an agreed definition for an ESCO has led to application of the term across a range of legal and ownership structures - from simple branding exercises through to fully licensed supply companies. There are examples of authorities creating fully licensed ESCOs (Nottingham City Council, Bristol City Council), 'single purpose' ESCOs to facilitate heat networks, and branded ESCOs that act as a marketing vehicle for licensed supplier tariffs.

2.5　Energy 'white labels' have received attention as a simpler route to establishing a local energy supply offering. Under a white label arrangement, the local authority enters into a contractual agreement with a licensed energy supplier. The resulting white label is typically branded so as to be distinct from the licensed supplier. This allows customers to engage with, and purchase gas and/or electricity from, a locally based ESCO that is supported by the local authority and driven by a licensed supplier.

2.6   While local authorities do not have exclusivity to create white labels - many large energy suppliers already trade in this way - they are ideally placed to promote fair energy tariffs and related initiatives that can help tackle fuel poverty in the local community. Similarly, any willing licensed supplier could, in principle, support a local authority white label. However, the ethos of this proposition is to work with a supplier who is sympathetic to the wider social objectives of North Ayrshire Council. Examples include suppliers who operate on a not-for-profit basis, and who proactively seek to move customers away from prepayment tariffs or who deliver exemplary customer service.

2.7   A major incentive for the authority is that an arrangement of this type can provide access to competitive energy tariffs, particularly for customers who may otherwise encounter difficulty in doing so, for example those on prepayment meters. A major incentive for the licensed supplier is that the local authority already has established communication channels and is more likely to engage 'hard to reach' customers.

2.8   In arriving at this position officers have engaged with other public sector bodies involved with establishing ESCOs. Common to each of these discussions is that no readily available 'one size fits all' approach exists. Local authority ESCOs have also been more prevalent in England to date, meaning there is less precedent for this type of undertaking in Scotland.

3.   Proposals

3.1   At this stage it is expected that a North Ayrshire Council ESCO would take the form of an energy white label, clearly branded as a Council led initiative and with the primary goal of reducing gas and electricity bills for local consumers. In addition, the white label could act as a branded vehicle for promoting and delivering future energy efficiency and generation initiatives within North Ayrshire.

3.2   The structure and scope of the white label will be driven by the outcomes it aims to deliver. At this stage the proposed strategic objectives of the white label are:

- Providing access to competitive and stable energy tariffs for local domestic customers;
- Deploying smart meters to council owned domestic properties (to facilitate moving customers away from prepayment tariffs);
- Management of energy supplies to council owned void properties (this includes logging the change of tenancy with the supplier, managing final and opening meter readings, resetting meters, settling outstanding debts, new meter installations and securing tariffs for the incumbent tenant);
- Providing access to competitive tariffs for the corporate estate;
- Providing access to competitive tariffs for local businesses; and
- Facilitating the sale of power from future NAC renewable generation assets.

3.3   Some of these objectives can be achieved in isolation through existing means (for example, switching services are available both locally (e.g. Citrus Energy) and online). There are, however, often barriers that prevent individuals from being pro-active in managing their utility spend such as their meter type, credit history, access to the internet, understanding of charging structures and awareness of the market for switching. A local authority branded white label would seek to address such barriers. Furthermore, management of the energy supply to void Council properties provides an opportunity to install modern meters and promote supplier switching to the new tenant.

3.4   An overarching, unified approach could be more effective than individual initiatives due to interdependencies between the objectives. For example, the procurement specification may require that all void domestic properties are processed by the white label supplier and automatically switched to the white label tariff to limit the likelihood of a customer 'defaulting' to a standard variable tariff at the end of a preferential rate.

3.5   It should be noted that a white label is unlikely to offer the absolute cheapest tariff at any given time, such is the competitive and changing nature of the market. However many of the lowest tariffs are time limited and require regular 'switching' or are only available to direct debit customers. The white label would seek to compete by offering competitive tariffs, but would prioritise predictable, fair tariffs that are not given to sudden increases (subject to wholesale prices) or exit fees.

3.6   North Ayrshire Council would assume responsibility for promotion of the white label and identifying sufficient customer numbers. In order to achieve this a name, brand and identity for the energy white label would be created.

3.7   The Sale of Electricity by Local Authorities (Scotland) Regulations 2010 make provision for local authorities to sell electricity generated from specific sources but it does not permit the resale of purchased electricity. It is understood that the Council has the ability to trade in this capacity in terms of the power to advance wellbeing under the Local Government (Scotland) Act 2003, providing that the activity is justified, represents best value, and that the impact of the undertaking on local businesses and the economy is assessed. This also assumes that issues of supply, metering, billing, customer management and compliance are borne by the licensed supplier, which they are in the case of a white label.

3.8   Care will be taken when preparing the procurement documentation that the Council is not burdened with responsibility for matters of compliance around market trading and sales. It is proposed that the Council will act as the 'face' of the white label, while formal tariff advice and account creation will be undertaken by the licensed supplier.

3.9   To understand the potential customer numbers (in addition to an estimated annual total of c.1000 domestic Council property voids), officers propose undertaking soft market testing within North Ayrshire using exiting tenant engagement channels. Furthermore, a successful venture may not necessarily be restricted by authority boundaries. A flexible approach may assist in attracting sufficient customer volume for the licensed supply partner and has precedent in other authorities; Leeds City Council established their 'White Rose Energy' white label in 2016 and now have a service level agreement to deliver their offering in Bradford.

3.10   To understand the appetite of potential licensed suppliers, officers propose the publication of a Prior Interest Notification which will outline the objectives for a North Ayrshire Council white label. This document will be used to gauge market interest and capability before committing to a full procurement exercise. This notification document will be structured to address the project scope and objectives, the key desired outcomes, performance indicator monitoring, the Council's expectations and role, and the essential/desirable criteria for a partnering supplier. The document will also articulate the benefits on offer to potential suppliers as a result of partnering with North Ayrshire Council. It is likely that a licensed supplier would seek assurances of minimum customer numbers within a set time period and it would be the local authorities' responsibility to secure customer interest.

3.11 Following positive market feedback, the intention would be to undertake a formal procurement exercise. This would involve the creation of a specification for the white label that will be used to support a competitive tender process to identify a white label partner. The specification would be shaped by the objectives at paragraph 3.2, and the market intelligence gained from customer and supplier engagement. The procurement process is expected to consist of a formal invitation to tender with detailed bidder instructions, supported by a project specification and an outline services contract. The assessment criteria for supplier bids will be weighted to reward supplier proposals to address prepayment meter customers.

4. Implications

Financial:	Initial set up costs will require to be funded for creation of a website, sales/enquiry line, branding and marketing. These costs will be clarified through the procurement process and would be expected to be met within existing budgets.
Human Resources:	Any staffing implications will be clarified through the procurement exercise.
Legal:	The principle of a white label energy supply is in accordance with the power to advance wellbeing under the Local Government (Scotland) Act 2003. The key legal consideration centres on compliance with the energy regulatory regime, this will be carefully considered as part of the procurement process.
Equality:	None.
Environmental & Sustainability:	The project directly relates to an action within the Council's Environmental Sustainability and Climate Change Strategy, to investigate the feasibility of North Ayrshire Council becoming an energy supplier through a 'white label' tariff provider for domestic, and/or commercial and/or corporate energy.
Key Priorities:	The project would contribute to the following Council Plan Strategic Priorities: - 'Growing our economy, increasing employment and regenerating towns', through the potential to deliver low cost energy tariffs to local businesses to reduce their business overheads and increase their competitiveness - 'Working together to develop stronger communities', through the potential to deliver low cost energy tariffs to households, to reduce their

	energy bills and alleviate fuel poverty
Community Benefits:	The potential for community benefits will be investigated as part of any future formal procurement process.

5. Consultation

5.1 Consultation was undertaken with officers in Housing Services and Democratic & Administration Services, in relation to fuel poverty information, tenant engagement, and legal considerations as referred to in the report.

CRAIG HATTON
Executive Director (Place)

Reference : AB/HW
For further information please contact David Hammond, Senior Manager (Sustainability & Directorate Peformance)/Interim Senior Manager (Housing HQ) on 01294 324764.

Background Papers
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NORTH AYRSHIRE COUNCIL

Agenda Item 10

14 March 2017

Cabinet

Title:	**Update on closure of public toilets**

Purpose:	To provide Cabinet with an update on progress regarding the planned Council closure of public toilets in Arran, Cumbrae, Irvine and West Kilbride from 1st April 2017.

Recommendation:	That Cabinet:

i. notes the good progress made to date in securing arrangements for the community asset transfer of facilities;

ii. supports the continued dialogue with community groups in Arran and West Kilbride, which seek to finalise community asset transfer arrangements for the public conveniences in these locations;

iii. notes that the toilets at East Road, Irvine will close on 31 March 2017 following the opening of the new Portal Leisure Centre to the general public;

iv. notes that the public conveniences subject to Community Asset Transfer (CAT) will operate under a licence agreement from 1 April 2017 until the formal CAT process is completed later this year; and

v. notes that, should a community delivery model not be identified for West Kilbride and four of the facilities in Arran, public toilets in these areas will close on 31 March 2017.

1. Executive Summary

1.1 At its annual budget meeting of 17th February 2016, the Council agreed to close the public toilets in Arran, Cumbrae, Irvine and West Kilbride with effect from 1st April 2017.

1.2 Although the Council will cease operation of these public toilets, every effort is being made to agree alternative operating models with local community groups.

1.3 Following a period of constructive dialogue, Coastwatch Scotland Irvine have requested asset transfer of the public toilets at Irvine beach park. Similarly, Cumbrae Community Development Company have agreed to the asset transfer of all five public toilet facilities on the island.

1.4 Officers have had several very constructive meetings with community groups on Arran and are currently finalising arrangements which would enable community groups to take over at least four of the nine public toilet facilities on the island (Kilmory; Whiting Bay; Sandbraes; Glen Sannox) through asset transfer agreements. It is currently anticipated that the public conveniences at Brodick Green will close, with members of the public able to access the nearby facilities in Brodick Hall during its public opening hours. The remaining four facilities (Blackwaterfoot; Lochranza; North Sannox; Lamlash) will close on 31 March 2017.

1.5 Council officers have had several discussions with West Kilbride Initiative and the Community Council to ascertain their interest in assuming responsibility for the public toilets in the town centre. Following a recent confirmation of interest from the Community Council, officers are working with the group to progress the Community Asset Transfer of these facilities.

1.6 The public toilets at East Road, Irvine are in close proximity to the new Portal Leisure Centre. It is planned to close the East Road toilets on 31 March 2017, as the leisure centre is now fully operational and has public toilets available within the main entrance.

1.7 Communication on the planned closures will include appropriate signposting to alternative facilities in other public buildings and work with local groups to improve awareness of the alternative facilities available in the area.

2. Background

2.1 At its annual budget meeting in February 2016, the Council agreed to close the public toilets in Arran, Cumbrae, Irvine and West Kilbride from 1 April 2017. This decision recognised the severe financial challenges being faced by the Council and the need to protect statutory and essential services, including education and health and social care. There is no legal requirement for local authorities to provide public conveniences.

2.2 Officers are currently working with local community groups to identify options that would enable them to take responsibility for the toilets, through Community Asset Transfer agreements.

2.3 **Arran**: There are currently nine public conveniences on Arran. Discussions are ongoing with representatives of the Community Council and local community associations, with support and advice being provided by council officers to assist them in creating a community business model which, following asset transfer, would enable them to assume operational responsibility for at least four of the nine public toilets. The latest proposals are as follows:

- Kilmory, Whiting Bay, Sandbraes and Glen Sannox will be subject to Community Asset Transfer to local community associations, with either improvements made to the current facilities before transfer to ensure they are handed over in a working condition, or through grant funding;
- The toilets at North Sannox are beyond their useful economic life and will be decommissioned and closed on 31 March 2017. Demolition will be arranged thereafter;
- There have been no expressions of interest in Community Asset Transfer of the public conveniences at Blackwaterfoot, Lochranza or Lamlash. The premises will therefore be decommissioned and closed on 31 March 2017 and marketed for sale. Dependant on the outcome from marketing, demolition may be required thereafter:
- Due to their condition and lack of local volunteers to provide ongoing maintenance, it is currently planned that the public conveniences at Brodick Green will close, with members of the public able to access the nearby facilities in Brodick Hall during opening hours. Brodick Improvements Group have concerns regarding the limited opening hours and are continuing to seek volunteers to enable the Community Asset Transfer of the facilities on the Green.

Discussions have taken place with CMAL, requesting that they take responsibility for the operation of the Lochranza toilets. CMAL have confirmed that they do no wish to take on this responsibility.

2.4 **Cumbrae**: Extensive discussions have taken place with Cumbrae Community Development Company (CCDC) and other community groups on the island with a view to reaching an agreement on the community asset transfer of the five public toilets on the Island. The Council has appointed a financial advisor to support CCDC in the preparation of a business plan. CCDC confirmed in late November 2016 that they are willing to take on this responsibility, subject to the following terms:

● All toilets are handed over in working condition;
● The Council will also transfer ownership of the six portaloos provided on the island to support major events;
● A grant of £65k is provided to support essential improvement and accessibility works, also recognising the impact of the closure of Millport Town Hall in 2016; and
● A joint meeting takes place with Scottish Water to discuss long standing underground drainage works and issues in Millport.

2.5 **East Road, Irvine**: It is proposed to close the East Road toilets on 31 March 2017, as the Portal Leisure Centre is fully operational and has public toilets for use within the main entrance.

2.6 **Irvine Beach Park** : Coastwatch have agreed the terms of an asset transfer of the toilet pavilion at Irvine beach, with the intention of them remaining operational and available to the general public. The Council has agreed to carry out internal and external maintenance works prior to handover. Coastwatch are considering extending the use of the toilet block to incorporate a kiosk and office for their own operation.

2.7 **West Kilbride**: Following discussions with West Kilbride Initiative and the Community Council, the Community Council have recently confirmed their interest in taking on responsibility for the toilet block in the Glen Road car park. Officers are now working with the Association to progress a Community Asset Transfer.

2.8 Officers are currently providing support and advice to the community groups concerned in order to facilitate Community Asset Transfer where this has been agreed in principle. The public conveniences subject to Community Asset Transfer (CAT) will operate under a licence agreement from 1 April 2017 until the formal CAT process is completed later this year.

3.   Proposals

3.1   It is proposed that Cabinet:

i.   notes the good progress made to date in securing arrangements for the Community Asset Transfer of facilities;
ii. supports the continued dialogue with community groups in Arran and West Kilbride, which seek to secure community asset transfer arrangements for the public conveniences in these locations;
iii. notes that the toilets at East Road, Irvine will close on 31 March 2017 following the opening of the new Portal Leisure Centre to the general public;
iv. notes that the public conveniences subject to Community Asset Transfer (CAT) will operate under a licence agreement from 1 April 2017 until the formal CAT process is completed later this year; and
v.   notes that, should a community delivery model not be identified for West Kilbride and four of the facilities in Arran, public toilets in these areas will close on 31 March 2017.

4.   Implications

Financial:	The proposals outlined in this report will ensure the delivery of the approved revenue savings of £125,000 for 17/18 onwards. The improvement works to the public toilets at Irvine beach park and Arran and the grants in relation to facilities on Cumbrae and Arran will be met from the 2016/17 Property Maintenance Budget.
Human Resources:	All staff affected by the proposals will be redeployed within the Council.
Legal:	There are no legal requirement for the Council to provide public conveniences. Asset transfer arrangements require to be finalised.
Equality:	An Equality Impact Assessment was undertaken as part of the February 2016 budget decision.
Environmental & Sustainability:	None
Key Priorities:	The proposals set out in the report support the Council's key priority of 'working together to develop stronger communities'.
Community Benefits:	None

5.   Consultation

5.1   Consultation has been ongoing with local community groups regarding the impact of the planned Council closure of public conveniences since the decision was taken at the Council meeting on 17 February 2016. Officers will continue to provide support and advice to community groups to facilitate Community Asset Transfer where appropriate.

CRAIG HATTON
Executive Director (Place)

Reference : CH/YB
For further information please contact Yvonne Baulk, Head of Service (Physical Environment) on 01294 324542

Background Papers
Cabinet/ North Ayrshire Council 17 February 2016 - General Services
        Revenue Estimates 2016/17 to 2017/18

NORTH AYRSHIRE COUNCIL

Agenda Item 11

14 March 2017

Cabinet

Title:	**Road Maintenance Programme 2017/18**
Purpose:	To seek Cabinet approval of the proposed Roads and Street Lighting Maintenance Programme for 2017/18.
Recommendation:	That Cabinet (a) notes the approach taken to determining the asset maintenance programme for Roads and Street Lighting; (b) approves the Roads and Street Lighting Maintenance Programme for 2017/18, as shown at Appendix 1a and 1b; and (c) notes that the programme will be issued to the Locality Planning Partnerships for information.

1. Executive Summary

1.1 North Ayrshire Council has a statutory obligation under the Roads (Scotland) Act 1984 to manage and maintain its public road network. The adopted road network within North Ayrshire currently totals 1034km in length. The core roads assets are presently estimated at a value of approximately £1.7billion.

1.2 The Council's Roads and Transportation Service has adopted an asset management approach to road maintenance to allocate available road maintenance funds to locations that will offer the most beneficial return on the investment.

1.3 The Roads Asset Management Plan (RAMP) and the roads assets maintenance strategy follows the recommendations contained within the "Well Maintained Highways" Code of Practice, thereby ensuring that the Council's statutory obligations as delegated Roads Authority are met.

1.4 In complying with the Code of Practice, an effective regime of inspection, assessment and condition recording is well established which assists in not only providing a road network for the future but one that promotes social inclusion and contributes to economic growth within the area. This approach also ensures the Council is providing value for money on any investment attributed to road maintenance.

1.5   The proposed Roads and Street Lighting Maintenance Programme 2017/18 is attached in Appendix 1a and 1b and is based on the financial resources agreed at the Council's budget setting meeting held on 1 March 2017.

2.   **Background**

2.1   North Ayrshire Council is responsible for the maintenance of the adopted local road network as well as its other non-adopted road assets. However, the Council is not responsible for the maintenance of the Trunk Road Network which falls to Transport Scotland and their current management contractor, Scotland Transerve. The Trunk Road network includes the A78, the A737 from Kilwinning to the Renfrewshire Boundary and A738 from the Pennyburn Roundabout to the A737 Dalry Road Kilwinning.

2.2   North Ayrshire Council's roads are the Council's largest community asset and play a vital role in supporting the local and wider economy by facilitating the movement of people, goods and services and connecting people with economic opportunities.

2.3   The proposed Roads and Street Lighting Maintenance Programme for 2017/18 has been produced using the associated lifecycle plans which have been developed in accordance with the strategy contained within the Roads Asset Management Plan (RAMP). The lifecycle plans inform decisions on the location and type of maintenance treatments that will deliver the maximum return on investment and ensures the provision of an effectively maintained road network throughout North Ayrshire.

2.4   Road Condition is measured nationally through the Scottish Road Maintenance Condition Survey (SRMCS). The measure in place, the Road Condition Index (RCI), records the percentage of the Council's roads which should be considered for maintenance. The recent Audit Scotland report "Maintaining Scotland's Roads" confirmed that in 2014/15 North Ayrshire's RCI was 39.1%. This was an improvement from 43.8% in 2011/12. Since 2011/12 to 2014/15 North Ayrshire improved our RCI by 4.7% and are the 4th most improved local authority in Scotland. Our RCI improved again in 2015/16 to 37.8%.

2.5   Details of how condition assessments are carried out and how roads, footways and lighting locations are prioritised for inclusion in the Roads and Street Lighting Maintenance Programme are provided in Appendices 2 and 3.

2.6 The proposed Roads and Street Lighting Maintenance Programme for 2017/18 will be delivered within allocated capital and revenue resources agreed by North Ayrshire Council at its budget setting meeting held on 1 March 2017.

3. Proposals

3.1 That Cabinet notes the approach taken to determining the asset maintenance programme for Roads and Street Lighting.

3.2 That Cabinet approves the Roads and Street Lighting Maintenance Programme for 2017/18, as shown at Appendix 1a and b.

3.3 That Cabinet notes that the programme will be issued to Locality Planning Partnerships for information.

4. Implications

Financial:	The Roads and Street Lighting Maintenance Programme will be delivered from allocated Capital and Revenue budgets.
Human Resources:	There are no human resource implications.
Legal:	North Ayrshire Council has a statutory obligation to manage and maintain its public road network under the terms of the Roads (Scotland) Act 1984.
Equality:	There are no equality implications.
Environmental & Sustainability:	Effective maintenance programming and management of these assets assists in reduced carbon emissions associated with mobilisation of unplanned reactive maintenance resources and extends the use of assets in a cost effective and sustainable manner.
Key Priorities:	Effective management of these assets contributes to a number of key objectives including effective and efficient services, protecting vulnerable people and regenerating our communities and increasing employment.
Community Benefits:	There are no direct Community Benefit implications, although maintenance of the road network will enable better access to services for everyone. The approved Roads and Street Lighting Maintenance Programme for 2017/18 will be provided to Locality Planning Partnerships for information.

5.   Consultation

5.1   A proposed Roads and Street Lighting Maintenance Programme for 2017/18 was developed based on anticipated budgets and considered by the Physical Environment Advisory Panel on 28 February 2017 prior to the Council's budget setting meeting held on 1 March 2017. The proposed Roads and Street Lighting Maintenance Programme for 2017/18 attached to this report has been updated to reflect the actual agreed capital and revenue funding approved at Council on 1 March 2017.

CRAIG HATTON
Executive Director (Place)

Reference : CD/RM
For further information please contact Campbell Dempster, Team Manager (Network Management) on 01294 324845

Background Papers
0

Mainland Roads Programme 2017/18

Carriageway Resurfacing (Inlay / Moderate Overlay)			
Street	Town	Location	Estimate Cost
A737 Kilwinning Road	Irvine	Fleming Terrace to James Crescent	£90,000
B7047 Meadowfoot Road	West Kilbride	Stairlie Crescent to Cubrieshaw Street	£35,000
Redstone Avenue	Kilwinning	Full Length	£58,000
Vennel Street	Dalry	Full Length	£42,000
B728 South Beach Road	Ardrossan	Railway Station to Sorbie Road	£38,000
A736	Irvine	Jct B785 to beyond Armsheugh Bridge	£92,000
A760	Largs	Part Length	£187,000
A71	Irvine	Between Milgarholm & Warrix	£44,000
B706	Beith	From Jct A736 to Greenhills Junction	£142,000
B707	Dalry	Part Length	£53,000
B7080	Irvine	Shewalton RAB to Oldhall RAB	£52,000
B7081	Dreghorn	Part Length (2 Sections)	£140,000
B714	Dalry	Meiklelaught to Muirlaught	£87,000
B777	Glengarnock	Part Length at Garnock Campus	£36,000
B777	Lugton	From Jct A736	£52,000
B777	Gateside	Cuff Farm east beyond Overton Bridge	£40,000
B896	Cumbrae	Nr The Kamelet and Sheriffs Port	£44,000
C67	Beith	Part Length Beith-A736	£150,000
C18	Ardrossan	Part Length	£32,000
C26	West Kilbride	Part Length	£32,000
Annetyard Drive	Skelmorlie	From side road to end	£35,000
Adams Avenue	Saltcoats	Crescent at Jct Sannox Drive	£15,000
Ailsa Gardens	Ardrossan	From side road to Park View	£11,000
Ailsa Road	Saltcoats	Full Length	£31,000
George Street	Stevenston	Full Length	£28,000
Flatt Road	Largs	Linn Ave to Moorburn Road	£47,000
Drummilling Drive	West Kilbride	Full Length	£11,000
Elder Avenue	Beith	Full Length	£12,000
Fergushill Road	Kilwinning	Service Road Love St to Moncur	£24,000
Howard Street	Millport	Church Hill St and Reid St	£18,000
Marine Parade	Millport	Ninian St to Ferry Road	£21,000
Misk Knowes	Stevenston	Full Length	£51,000
School Road	Kilbirnie	Part Length	£12,000
Hillpark Rise	Kilwinning	From Edzell Row to end	£25,000
Glenapp Place	Kilwinning	Part Length	£13,000
Parkhouse Drive	Kilbirnie	Langside Place to Bankfaulds Avenue	£25,000
Bathville Road	Kilbirnie	Ladysmith Road to Park View	£25,000
			£1,850,000

Mainland Roads Programme 2017/18

Screeding			
Street	*Town*	*Location*	*Estimate Cost*
C109	Beith	Jct B707 northwards approx. 1000m, Jct C57 Northwards approx. 390m	£64,500
C118	Largs	Part Length	£163,000
C126	Kilwinning	From Jct U52 to Lugton Water	£27,500
C129		Part Length	£7,000
C20		Part Length	£7,000
C40		Part Length	£6,000
C41	Largs	Part Length	£82,500
C43	Kilwinning	Betw jct C42 and jct U55 Part Length	£13,000
C5	Beith	Jct B706 to Jct C109	£46,000
C56	Fairlie	Part Length	£70,000
C54	Stevenston	Part Length	£7,000
C68	Beith	From Jct C5 approx 400m, From Jct U42 Lugtonridge northwards approx. 600m	£48,000
C99	Dalry	Part Length	£7,000
C24	Springside	240m north of Overton Farm Cottage	£18,000
C40		150m at Warwickdale Farm	£12,000
C6	Irvine	Part Length	£58,000
B785	Kilwinning	Part Length	£30,000
B780	Kilbirnie	Jct U8 towards Kilbirnie	£22,000
U13 Brownmuir	Beith	From jct U7 Part Length	£17,000
U20	Dalry	Part Length	£6,000
U28 Greenhills	Beith	Part Length	£50,000
U46 Moncur	Kilwinning	Approx 300m from jct B785	£13,000
U49 Dykehead	Dalry	Part Length	£32,000
U52 Redwells	Kilwinning	Approx 400m nr Clonbeith Farm	£21,000
U63 Whitehouse	Beith	Part Length	£7,000
Dipple Road	Kilbirnie	Part Length	£8,000
			£842,500

Mainland Roads Programme 2017/18

Footway Resurfacing			
Street	*Town*	*Location*	*Estimate Cost*
Almswall Road	Kilwinning	From Surgery to Kyleswell St	£9,000
New Street	Dalry	At Co-op	£9,000
Castlepark Circle	Irvine	Community Centre to Shiel Pl	£16,000
Avils Place	Kilbirnie	Nos. 20 - 24	£4,200
North Street	Dalry	From Jct B780	£4,000
Blair Road	Dalry	At Railway Station	£10,000
Bridgend	Dalry	From A737 to Station	£10,000
Holmhead	Kilbirnie	At Memorial Gates	£4,500
Arthur St	West Kilbride	Full Length	£16,200
Eglinton Street	Saltcoats	Full Length	£33,750
Afton Road	Stevenston	Post Office to New Street	£19,100
Kirkland Road	Kilbirnie	At cemetery	£20,700
Corsehill Drive	West Kilbride	From Well St to Col R13	£21,600
Danefield Avenue	Largs	Full Length	£22,200
Kelvin Street	Largs	Full Length	£74,000
Dalry Road	West Kilbride	From farm to bridge	£16,800
Whitlees Court	Ardrossan	Part Length	£57,000
			£348,050

Mainland Roads Programme 2017/18

Lighting Deteriorated Lighting Infrastructure Replacements			
Area	Town	Location	Estimate Cost
Keppenburn Avenue Area Montgomerie Avenue Area	Fairlie	LC/01/17	£142,000
Fencedyke Way Area Greenside Area	Irvine	LC/02/17	£192,000
Bathville Road Area Garnockside Area	Kilbirnie / Glengarnock	LC/05/17	£115,000
Benslie Village	Kilwinning	LC/06/17	£43,200
Skelmorlie Castle Road Area Long Hill Area	Skelmorlie	LC/07/17	£96,000
Hawthorn Court Area	Kilwinning	LC/08/17	£74,000
			£662,200

Lighting Deteriorated Column Replacements			
Area	Town	Location	Estimate Cost
Various Unplanned Locations		LC/03/17	£110,000

Lighting Deteriorated Column Inspections			
Area	Town	Location	Estimate Cost
Various Locations		LC/04/17	£32,000

Carriageway Resurfacing: £1,850,000

Carriageway Screed: £842,500

Footway Resurfacing: £348,050

Patching Contract: £100,000

Lighting Infrastructure Replacements: £662,200

Deteriorated Column Replacements: £110,000

Deteriorated Column Inspections: £32,000

Overall Mainland Total: **£3,944,750**

Legend

Mainland_2017 treatment
- ▬ Mainland Inlay
- ▬ Mainland Overlay Moderate
- ▬ Mainland Overlay Thin
- ▬ Mainland Footway

N

Title:	Mainland Roads Programme 2017 / 18		Section:	Asset Management
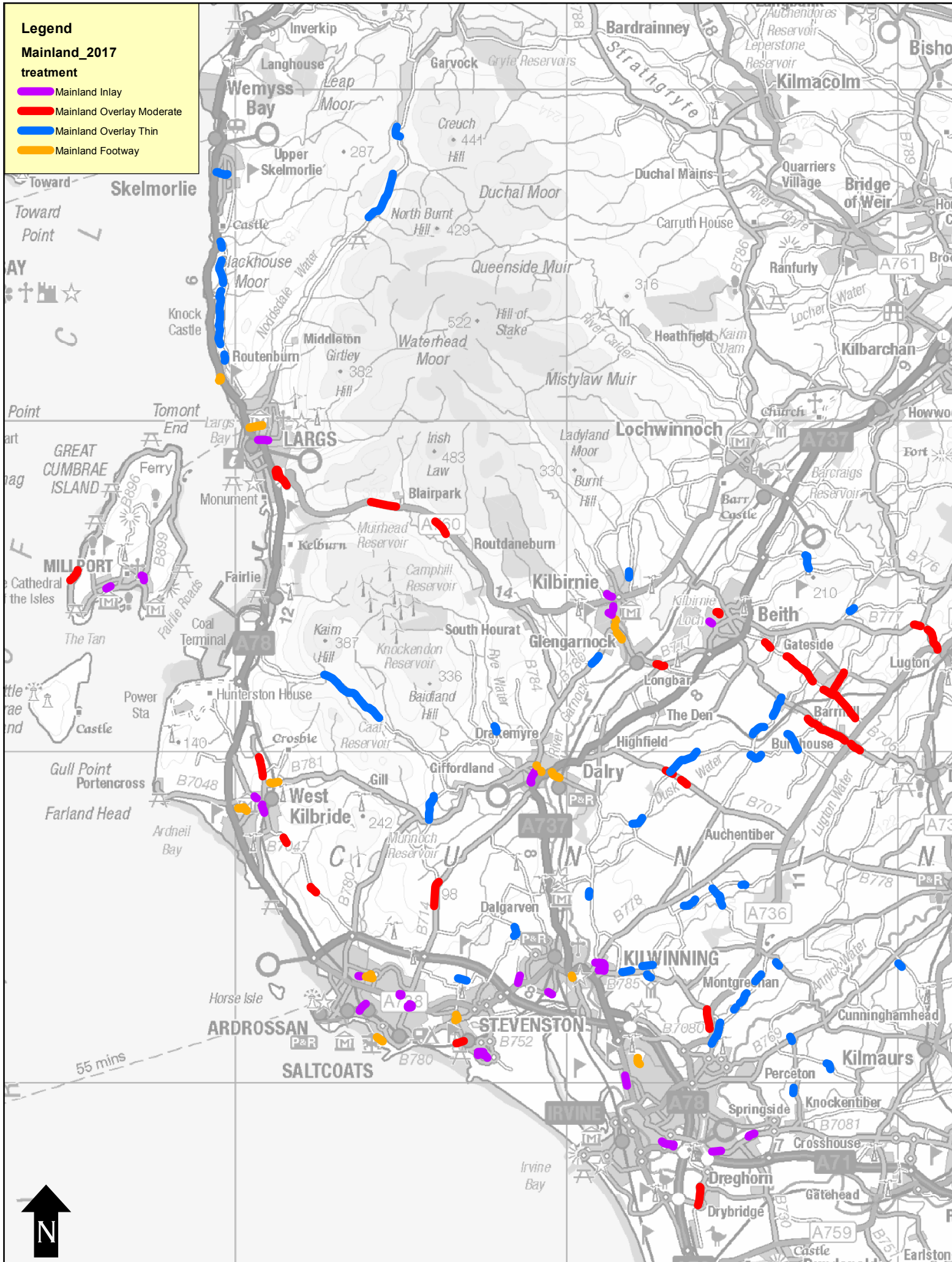
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NORTH AYRSHIRE
COUNCIL
Commercial Services
Roads

Section:	Asset Management
Date:	03 - Mar - 2017
Scale:	**203** 1:40,000
Drawing No:	

Arran Roads Programme 2017/18

Carriageway Resurfacing (Inlay / Overlay / Retread)

Street	Town	Location	Estimate Cost
A841	Lochranza	Bogullie down towards Lochranza	£225,000
C147	Lochranza	Between Lochranza & Catacol	£27,500
C147	Catacol	Between Catacol to Craw	£19,000
C147	Pirnmill	Lenniemore of North Thundergay	£26,000
C147	Pirnmill	Between Pirnmill & Imachar	£114,000
C147	Machrie	Between Dougarie & Auchencar	£97,000
C147	Sliddery	Between Sliddery and Sliddery Bridge	£60,000
			£568,500

Carriageway Screeding

Street	Town	Location	Estimate Cost
A841	Brodick	Merkland Point	£10,000
A841	Brodick	Between Merkland point & Pirates Cove	£11,000
C147	Catacol	Craw	£45,000
C147	Pirnmill	Lenniemore of North Thundergay	£42,000
C147	Blackwaterfoot	Brown Head	£29,000
C147	Corriecravie	Between Brown head & Corriecravie	£8,000
C147	Corriecravie	Corriecravie	£8,000
			£153,000

Footway Resurfacing

Street	Town	Location	Estimate Cost
Murray Crescent	Lamlash	Part Length	£43,000

Carriageway Resurfacing: £568,500

Carriageway Screed: £153,000

Footway Resurfacing: £43,000

Overall Arran Total: **£764,500**

Legend

Arran_2017 treatment

- ▬ Arran Overlay moderate
- ▬ Arran Overlay Thin
- ▬ Arran Footway

Lochranza
Catacol
Catacol Bay
Airigh Bheirg
Thundergay
Pirnmill
Whitefarland Point
Imachar
Balliekine
Dougarie Point
High Dougarie
Lochain
Machrie Bay
Auchagallon
Tormore
Stone Circles
Torbeg
Drumadoon Point
Blackwaterfoot
Kilpatrick
Kilpatrick Dun
The Torr
Brown Head
Corriecravie
Port na Feannaiche
Slidderywater Foot
Sliddery
Torrylinnwater Foot
Balmichael
Shiskine
Bennecarrigan
Lagg
Kilmory
Shannochie
West Bennan
East Bennan
Bennan
Kildonan
Pladda
Sound of Pladda

Newton
Castle
Torr Meadhonach
Millstone Point
Distillery
Torr Head an Eoin
Glen Sannox
North Glen Sannox
A841
Sannox
Sannox Bay
Corrie
GOATFELL
Caisteal Abhail
Cir Mhòr
Beinn Tarsuinn
ISLE OF ARRAN
Glen Rosa
Brodick Castle
Merkland Point
Brodick Bay
Brodick
Strathwhillan
South Corriegills
Clauchlands Point
Margnaheglish
Lamlash
Lamlash Bay
Kingscross
Kingscross Point
Knockenkelly
Whiting Bay
Whiting Bay
Largymore Cairn
Largybeg Dippen
Largybeg Point
Dippen
Castle

Doire Bhuidhe
Meall nan Damh
570
Beinn Bharrain
721
Loch Tanna
Sail Chalmadale
Glen Iorsa
Garbh Thorr
Machrie Water
An Tunna
361
A' Chruach
512
512
Beinn Breac
503
Cnoc a' Chapuill
417
Tighvein
458
Cairn
Cnoc Reamhar
225
Slidddery Water
Kilmory Water

N

Title: **Arran Roads Programme 2017 / 18**

NORTH AYRSHIRE COUNCIL
Commercial Services Roads

Section:	Asset Management
Date:	03 - Mar - 2017
Scale:	1:20,000
Drawing No:	

Condition Assessment and Prioritisation Process

1.1 The Audit Scotland Follow-up report, Maintaining Scotlands Roads published in August 2016 stated that Councils should use their RAMPs to establish long term investment plans for maintaining the road network taking into acount whole-life costing and treatment options.

1.2 As part of the Roads Asset Management process, annual condition assessments are carried out on the public road network as part of the inspection regime. All locations are assessed using a risk based approach.

1.3 Condition assessments are carried out simultaneously with the Safety Inspections in accordance with the pre-determined timescales contained within our Safety Inspection Manual. All faults noted during these inspections are logged within our electronic Routine Maintenance System (RMS).

1.4 For carriageways, to take account of whole-life and different treatment options the carriageway maintenance programme has been developed using a road asset management system called Horizons. Horizons uses lifecycle planning and provides a visual asset management planning tool to inform strategies for long term carriageway maintenance. Lifecycle planning is at the core of this approach to road asset management and takes into account hierarchies, condition and local community priorities. This system provides detailed information for future planning based on different budget scenarios and presents graphical data which can be easily understood by stakeholders.

1.5 Horizons take into account information gathered from a variety of sources. The main factors considered are:-

- Road Condition – based on detailed visual inspection and the Scottish Road Maintenance Conditions Survey (SRMCS).

- Road Hierarchy – this takes account of the strategic importance of the road and is determined from our Local Transport Plan.

- Assistance to Council and Community Priorities – this takes account of other priorities such as economic development, access to shops, amenity housing or schools.

1.6 Carriageways and footways are both condition assessed and scored in accordance with the assessment table below. The condition score for carriageways is input into Horizons. For footways where the condition assessment score (referring to table below) is assessed as being 11 or more,

then a priority assessment is carried out, in accordance with the Scheme Assessment Form attached as Appendix 3.

Assessment Table

Extent	CONDITION			
	1 (Acceptable)	2 (Safe but poor appreance)	3 (Minor deterioration)	4 (Major deterioration)
1 - Up to 25%		5	9	13
2 – 25% to 50%		6	10	14
3 – 50% to 75%		7	11	15
4 – 75% to 100%	4	8	12	16

Each location that progresses onto the prioritisation process is rated using the additional criteria contained in the Scheme Assessment Form and is placed on the strategic list of priorities relative to its score. Each location is also reviewed at least once a year depending on its location within the Roads Hierarchy as part of the routine inspection process.

1.7 There are various types of surfacing materials and processes available depending on the particular road type, location and level of existing deterioration. Options available for treatment include preventative measures such as surface dressing, micro surfacing or asphalt preservation. Resurfacing options such as screeding, resurfacing (inlay and overlay), retread and overlay and depending on the severity of deterioration full reconstruction may be the most effective option.

1.8 The level of investment associated with the varying treatment types identified in the table below was established using the Society of Chief Officers of Transportation in Scotland's cost projection model, developed as part of the Roads Asset Management Planning project. The model assists with identifying the effect of various treatments on the on-going condition of the carriageway. This enables a more accurate design life for the treatments currently available to be developed and ensuring value for money on their use. An option appraisal matrix has also been developed to assist with the identification of the most appropriate treatment to be used at each location.

Treatment Option Table

Treatment Option	Cost / Sqm	Extension to life
Surface Dressing	£5.30	Up to 10 years
Micro Surfacing	£11.35	7 – 10 years
Asphalt Preservation	£5.00	Up to 5 years
Screeding	£12.49	5 – 10 years
Retread	£22.50	Up to 20 years
Inlay HRA	£22.20	Up to 20 years
Inlay SMA	£22.24	Up to 10 years
Overlay <100mm	£20.70	Up to 20 years
Inlay 100mm	£27.26	Up to 20 years
Reconstruction 300mm	£112.40	Up to 20 years

1.8 Street Lighting column replacement is prioritised through non-destructive strength testing to determine the level of deterioration associated with the columns. Following testing, columns are categorised within the Asset Management database for road lighting.

1.9 Testing is carried out in accordance with the Institute of Lighting Engineer's Technical Report No.22 Managing a Vital Asset: Lighting Supports as well as UK Lighting Board Code of Practice: Well-lit Highways.

1.10 Once results are input, the database then compares these results against the more general age profile to determine a final list of priority repairs. This produces recommendations in order of priority for both individual units and whole streets or areas.

1.11 Recommendations are generally categorised as Category A through K as follows:

A: Immediate replacement

B: Replace urgently or reinspect within 6 months

C1: Column Material failure, replace as soon as possible or reinspect within 1 year

C2: Bracket failure, sleeve where possible or replace unit within 1 year

D: Foundation failure, realign, reinstate and reinspect within 6 months

E: Material approaching failure, replace as part of planned maintenance programme or reinspect within 2 years

F: Material approaching failure, replace as part of planned maintenance programme or reinspect within 5 years

G: Condition reasonable, but age expired and certified insured for 2 year periods until replaced

H: Condition reasonable, but age expired and certified insured for 5 year periods until replaced

I: Acceptable condition but age expired and insured for 5 years periods until replaced.

J: Sound condition but age expired & visually poor (evidence of concrete cracking etc.)

K: Sound condition and not age expired – no current requirement for strength structural inspection, visual only at planned maintenance cycle.

1.12   Where non-urgent replacement recommendations (Category F through to J) are on an individual column basis, the data is further analysed to determine a percentage value for recommended replacement numbers against the balance of units in a street. If this figure exceeds 30% then the entire street will be considered for higher prioritisation which will address the design class standard of the street beyond individual replacement for safety reasons only.

North Ayrshire Council - Roads

Footway & Footpath Scheme Assessment Form

Town: Area:

Road Name:

Location:

Comments:

Category: **CONDITION RATING**   Type: **FOOTWAY**

Rated By: Date of Rated:

Criteria	Score (S)	Weighting (W)	Priority Score (S x W)
1. Condition		**4**	
2. Importance / Accessibility		**2**	
3. Public Liability Claims / Fault Reports / Complaints		**1**	
4. Assistance to Other Priorities		**2**	
		Total Priority Score:	

Treatment Type:					
Length:		**Breadth:**		**Area:**	
Kerbing Required:	**Length:**				

Additional Comments

Assessed By:		Reassessed By:	
Assessment Date:		Reassessment Date:	
Checked By:		Checked By:	

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

General

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

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

1. Condition

Taken from initial Condition Assessment Score generated during inspection

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

2. Importance / Accessibility

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

3. Public Liability Claims / Fault Reports / Complaints

Score according to the type / source of complaint / fault report / request for service received for the location
- **1** - Public Complaint or Fault Report resulting in a confirmed defect
- **2** - Multiple Requests for service or Fault Reports resulting in confirmed defects
- **4** - Elected Member Complaint or Request for Service
- **6** - Public Liability Claim

4. Assistance to Other Priorities

Use your own knowledge of the surrounding area to rate the location in relation to:
- **1** - Shared Cycle / Footways
- **2** - Adjacent to Local Shops
- **4** - Adjacent to Schools, Leisure Facilities and Tourist Attractions
- **6** - Adjacent to Amenity Housing, Residential Care Homes and Medical Centres
- **8** - Local Bus Route, access to Train Stations and Park & Ride facilities
- **10** - Town Centre

NORTH AYRSHIRE COUNCIL

Agenda Item 12

14 March 2017

Cabinet

Title:	**Utilisation of Surplus Affordable Housing Grant 2016/17**
Purpose:	To seek Cabinet approval for the receipt and expenditure of surplus Scottish Government affordable housing grant to expedite the acquisition of development land associated with sites noted in the Strategic Housing Investment Plan (2017/18-2021/22).
Recommendation:	That Cabinet approves the utilisation of surplus Scottish Government affordable housing grant for 2016/17 (a) to acquire land assets at Corsehillhead, Kilwinning, Sharon Street, Dalry, St. Michael's Wynd, Kilwinning, and Tarryholme Drive, Irvine (see site plans at Appendix 2) from the General Fund and transfer to the Housing Revenue Account for the sum of £1,233,500; and (b) for Cunninghame Housing Association to acquire Balnagowan, Skelmorlie; Sharphill, Phase 4, Saltcoats and Montgomerie Street, Ardrossan (see site plans at Appendix 3) for the sum of £2,250,000.

1. **Executive Summary**

1.1 The Strategic Housing Investment Plan (SHIP) 2017 – 2022 was approved by Cabinet on 22 November 2016 and sets out how Scottish Government Grant for affordable housing will be prioritised within North Ayrshire during the period.

1.2 The Scottish Government has subsequently advised that surplus funding, arising from slippage in the development of other local authority programmes, is available to be spent during the 2016/17 financial year. Through discussion with Government officials the Council can secure £4,887,000 of the surplus for investment within North Ayrshire.

1.3   Officers and RSL partners have identified opportunities to accelerate existing projects within the approved SHIP and also investigated further development opportunities within the approved plan in order to ensure that the available funding is spent within North Ayrshire. The proposal is to utilise the additional funding as follows:

- £1,233,500 associated with the acquisition of sites within SHIP Table 1 (Corsehillhead, Killwinning; Sharon Street, Dalry; St Michael's Wynd, Kilwinning; and Tarryholme Drive, Irvine)
- £2,250,000 associated with the acquisition of sites within the SHIP Further Development Opportunities Table (Balnagowan, Skelmorlie; Sharphill, Phase 4, Saltcoats; and Montgomerie Street, Ardrossan) with the further development of these sites pending availability of additional funding in future years and/or slippage of sites within Table 1 and/or 2
- £1,403,500 associated with accelerated expenditure on developments currently in progress

1.4   This report seeks Cabinet approval for the use of windfall grant funds from Scottish Government to acquire assets from the General Fund, as set out above, to allow North Ayrshire Council to acquire sites which are already scheduled for future development within the SHIP. Cabinet approval is also sought for Cunninghame Housing Association to acquire sites which have been identified as further development opportunities to be explored, subject to future review and the provision of sufficient additional grant funding being available in future years in excess of that already committed within the SHIP and/or delay in other projects.

2.   Background

2.1   The Scottish Government has confirmed that windfall surplus funding is available to be spent during the 2016/17 financial year. Discussions with Government officials has identified opportunities to secure £4,887,000 of this funding for investment within North Ayrshire.

2.2   This funding is available as other local authorities within Scotland are unable to spend their allocation by 31 March 2017. A condition of accessing this funding is that all money is spent and any transactions concluded by 31 March 2017.

Strategic Housing Investment Plan

2.3   The Strategic Housing Investment Plan (SHIP) 2017 – 2022 (see Appendix 1) sets out the priorities for affordable housing investment in North Ayrshire over the next five years, in order to support the outcomes set out within the Local Housing Strategy.

2.4 When preparing the SHIP, the Council and its RSL partners committed to delivering the projects detailed within Table 1 of the SHIP. However, the nature of development means that unexpected delays or constraints may emerge. Scottish Government guidance therefore indicates that a slippage programme is required. This provides alternative projects which can be progressed should projects in the main programme become undeliverable for any reason, or as in this case, where additional funding is identified.

2.5 As reported to Cabinet on 22 November 2016, should slippage occur or additional funding become available the Council will first aim to bring forward projects scheduled for later years within the main programme (from Table 1 and 2 of the SHIP). Thereafter, the sites within the Further Development Opportunities can be explored.

Opportunities within Tables 1 & 2 of the SHIP

2.6 In order to maximise the additional available funding for 2016/17 it is proposed that the following sites which are all owned by the Council's General Fund are transferred to the Housing Revenue Account at a cost of £1,233,500 before 31 March 2017:

Table 1: Sites for Transfer from the General Fund to the Housing Revenue Account

Site	Land Value	Site Area (Hectares)	Indicative Site Capacity
Corsehillhead, Kilwinning	£130,500	0.26Ha	10
Sharon Street, Dalry	£263,000	0.61Ha	33
St. Michael's Wynd, Kilwinning	£840,000	1.52Ha	60
Total	**£1,233,500**	**2.39Ha**	**103**

2.7 Valuations were instructed for all three sites and the District Valuer's report recommends the land values detailed in Table 1 above. The total income to the General Fund from the Housing Revenue Account will be £1,233,500, subject to deduction of any abnormal costs anticipated as part of the development. These costs will be finalised from site investigations which are underway and which are due for completion during Spring 2017. The abnormal costs are estimated at £100,000 across the three sites, based on intelligence from other site investigations and development projects in close proximity to each of the sites. Plans of the sites are available at Appendix 2.

2.8   All of the sites comply in principle with the Local Development Plan and are currently classified as high priority within the Council's SHIP and scheduled for affordable development by the Council's Housing Service by March 2021.

2.9   The site at Corsehillhead, Kilwinning, is allocated for affordable housing within the Local Development Plan. The sites at St. Michael's Wynd, Kilwinning, and Watt Court (Sharon Street), Dalry, have previously been marketed for sale with no interest from the open market.

Corsehillhead, Kilwinning

2.10   The Corsehillhead site is located within an area of mixed residential uses and situated to the north east of Kilwinning town centre. The housing stock in the immediate vicinity comprises homes in private ownership and homes for social rent, with the adjacent site being developed in the near future by Cunninghame Housing Association. The site has recently been in agricultural use for grazing purposes and the asset transfer will see the site being redeveloped for housing by North Ayrshire Council.

2.11   It is intended that the new development will provide a best-practice example of sustainable construction and design. Two sustainable demonstrator houses will be constructed to test and showcase affordable homes of the future alongside a further 8 homes for affordable rent. The project is expected to begin on site in Summer 2017 and be complete by March 2018. Officers are working in collaboration with BRE Scotland, a national independent trust specialising in construction quality and innovation, on the project.

St. Michael's Wynd, Kilwinning

2.12   St. Michael's Wynd, Kilwinning is adjacent to one of the Council's first new build affordable housing developments and occupies the site of the former St. Michael's Academy. The wider locale comprises of a mix of social and private housing. The site is conveniently located within walking distance of many local primary schools, and the secondary school. It also has good transport links and is located close to the town centre. The project is expected to conclude by Spring 2021. The new development will provide 60 homes, some of which will be designed specifically for older people and those with specialist requirements.

<u>Watt Court, Dalry</u>

2.13   The project located at Watt Court (Sharon Street), Dalry aims to develop a new build sheltered housing complex in which the residents of the existing Watt Court will be relocated. The project will be phased to allow residents to move into part of the new complex whilst the existing Watt Court is demolished, thereafter the works to complete the sheltered housing complex will be completed. In addition 8 amenity bungalows, a community hub and new local housing office will be developed on the site.

<u>Tarryholme Drive, Irvine</u>

2.14   An opportunity has emerged for the creation of 20 no. new housing units designed for those with learning disabilities as part of a wider redevelopment of the former British Red Cross House in Tarryholme Drive, Irvine. There is existing provision within Table 1 of the SHIP for an additional site to be identified for 31 units, 20 of these units will be those proposed at Tarryholme Drive, Irvine. This project was the subject of a detailed report to Cabinet on 28 February 2017.

Further Development Opportunities

2.15   In order to fully utilise the additional funding available, further development opportunities have been identified for Cunninghame Housing Association to purchase the following sites:

Table 2: Further Development Opportunities

Site	Land Value	Indicative Site Capacity
Balnagowan, Skelmorlie	£550,000	28
Sharphill Ph 4, Saltcoats	£1,500,000	80
Montgomerie Street, Ardrossan	£200,000	10
Total	**£2,250,000**	**118**

2.16   It should be noted that no further Government funding has been allocated to fully develop these sites at this time, nor have they been prioritised within the Strategic Housing Investment Plan 2017 - 2022. This position can only be reviewed if additional funding is made available from the Scottish Government which exceeds the levels already committed to within the SHIP in future years beyond 2016/17, and/or other sites within SHIP Tables 1 and 2 are delayed.

2.17   Site plans are provided within Appendix 3.

<u>Balnagowan, Skelmorlie</u>

2.18 Balnagowan, Skelmorlie is a 28 unit site currently in private ownership which has been cleared ready for development. The site will provide a mixture of 2 and 3 bedroom homes for affordable rent. The site is currently allocated for residential development within the Local Development Plan.

<u>Sharphill Phase 4, Saltcoats</u>

2.19 Sharphill Phase 4A, Saltcoats, presents the opportunity for Cunninghame Housing Association to acquire a site adjacent to their current site at Sharphill which is presently owned by a private developer. The purchase of this additional land would allow the Association to better masterplan the overall site area and provide an additional 80 units on the site (the SHIP originally estimated the site capacity at 72 units). Phase 4A of the site is currently allocated for residential development in the Local Development Plan.

<u>Montgomerie Street, Ardrossan</u>

2.20 Montgomerie Street, Ardrossan provides the Association with the opportunity to acquire a 10 unit site immediately adjacent to their site at Ardrossan Harbour. If the site is not developed, it would remain an area of open ground sitting adjacent to the new homes for rent. The site is currently allocated for residential development in the Local Development Plan and would comprise of 8 homes for older people and 2 general needs houses. The SHIP indicated the capacity for an additional 22 units on this site however Cunninghame Housing Association is currently only able to acquire part of this site for development.

2.21 In summary, the acquisition of the Council owned sites, and the acceleration of grant spend for existing sites within the programme, represents a £2.637m windfall for the current SHIP programme (the remainder of the additional grant funding secured is associated with sites in the Further Development Opportunities Table). This is likely to create an opportunity to increase capacity in the future years of the programme. This increased capacity is achieved by accelerating expenditure through the windfall grant funding, which will not be deducted from the future year allocations.

3. Proposals

3.1 It is proposed that Cabinet approves the utilisation of the surplus funding as follows:

a) to transfer assets from the General Fund to the Housing Revenue Account for the sum of £1,233,500, less any deductions for abnormal costs as per the plans at Appendix 2.

b) for Cunninghame Housing Association to utilise £2,250,000 of the additional grant funding to acquire sites from the private market at Balnagowan, Skelmorlie; Sharphill (Phase 4), Saltcoats and Montgomerie Street, Ardrossan as per the plans at Appendix 3.

4. Implications

Financial:	The Council has identified a budget of £45m to deliver its increased build programme, as approved by Cabinet on 8 November 2016. This includes the cost of acquiring 4 sites in para 2.6 - 2.15. The Council led sites within the SHIP will be funded in part through £38m Scottish Government grant, and the expenditure of the proposed windfall grant of £2.637m as detailed within this report is expected to create an opportunity to increase capacity in the future years of the programme. The Council's General Fund will receive £1,233,500, less any abnormal deductions, which will be confirmed once site investigations are concluded.
Human Resources:	There are no human resource issues arising from this report.
Legal:	There is the requirement to conclude the transfer of assets and acquisitions by 31 March 2016 to enable the windfall Scottish Government funding to be utilised.
Equality:	The provision of new housing will have a positive impact on those who require specialist accommodation, older people, those who are homeless, or at risk of homelessness, and those for whom purchasing a home is not a financial

	option.
Environmental & Sustainability:	New homes should have a low environmental impact, with the aim of reducing fuel use and associated fuel costs. All projects will be delivered in accordance with Building Standards regulations for energy efficiency. In addition, the majority of the projects will meet the Scottish Government's 'Greener Standard'. Innovative approaches to fuel efficient development will be considered on a site by site basis (e.g. biomass boilers, solar photovoltaic panels, smart technologies etc). New Council homes contribute to the Council's Sustainability agenda. All new Council units are required to achieve an Eco-Homes Rating of Very Good or Equivalent.
Key Priorities:	The provision of new affordable housing supports the Council Plan priority of supporting all of our people to stay safe, healthy and active.
Community Benefits:	All new development projects will contribute to the regeneration of North Ayrshire by: investing in the area; contributing to the Community Benefit scheme (or RSL equivalent schemes) which provide apprenticeships to young people; improving the visual amenity of the area; and supporting further private sector development by introducing infrastructure to sites allocated in the Local Development Plan for residential development.

5.   Consultation

5.1   The Council has taken a collaborative approach to the identification of sites to accelerate the available funding, and the following stakeholders have been involved in the process:

- ANCHO
- Cunninghame Housing Association
- Irvine Housing Association
- Trust Housing Association
- Council officers from Housing, Finance, Planning, Education and Property Management and Investment.
- The Scottish Government

CRAIG HATTON
Executive Director (Place)

Reference : YB/DH
For further information please contact David Hammond, Senior Manager (Sustainability & Directorate Performance)/Interim Senior Manager (Housing HQ) on 01294 324764

Background Papers
North Ayrshire Strategic Housing Investment Plan 2017 - 2022

STRATEGIC HOUSING INVESTMENT PLAN 2017/18-2021/22

Table 1 - Affordable Housing Supply Programme - Years 1-3   2017/18-2019/20

PROJECT	SUB-AREA	Priority Low/Medium/High	GEOGRAPHIC COORDINATES (X:EASTING Y:NORTHING)	Geographic Code	DEVELOPER	UNITS - TENURE Social Rent	Total Units	UNITS - BUILT FORM Rehab	Off the Shelf	New Build	Total Units	UNITS - TYPE General Needs	Amenity	W'chair Accessible	Sheltered Housing	Total Units by Type	GRNR STRDS Enter Y or N	APPROVAL DATE Financial Year (Estimated or Actual)	SHIP Carried forward from Previous SHIP	SITE STARTS PRE 2017/18	2017/18	2018/19	2019/20	COMPLETIONS 2017/18	2018/19	2019/20	SG FUNDING PRE 2017/18	2017/18	2018/19	2019/20	TOTAL SG FUNDING REQUIRED OVER SHIP PERIOD
Fencedyke	IK	High	X: 234057 Y: 639325	9	NAC	35	35			35	35	19	10	6		35	Y	2015/16	Y	35				35			2.065				0.000
Ardrossan Harbour Phase 1	3T	High	X: 222903 Y: 642703	5	CHA	70	70			70	70	55	13	2		70	Y	2015/16	Y	70				70			5.839				0.000
Glencairn House (Redev 3)	3T	High	X: 226723 Y: 641801	9	NAC	28	28			28	28			1	27	28	Y	2016/17	Y	28				28			0.596	1.000			1.000
Canal Court (Redev 1)	3T	High	X: 225125 Y: 641348	9	NAC	36	36			36	36			2	34	36	Y	2016/17	Y	36				36			0.128	1.996			1.996
Dickson Drive Phase 2¹	IK	High	X: 232299 Y: 640473	9	NAC	12	12			12	12	10	2			12	Y	2016/17	N	12				12				0.708			0.708
Corsehill Sustainable	IK	High	X: 231315 Y: 643098	9	NAC	2	2			2	2	2				2	Y	2016/17	N	2				2				0.118			0.118
Corsehill General	IK	High	X: 231315 Y: 643098	9	NAC	8	8			8	8	6		2		8	Y	2016/17	N	8				8				0.472			0.472
Affordable Hsg Policy Site 1²	TBA	High	TBA	10	NAC	31	31			31	31	22	9			31	TBA	2016/17	N			31				31				1.767	1.767
Robert W Service Ct³ (Rfb 2)	IK	High	X: 230295 Y: 642586	10	NAC	23	23	23			23			1	22	23	N	2016/17	Y	23				23			1.311				0.000
Stanley PS (Road)	3T	High	X: 223327 Y: 643537	5	CHA	28	28			28	28	26		2		28	Y	2016/17	Y	28				28			1.015	1.134			1.134
New Street	3T	High	X: 226680 Y: 641717	5	CHA	10	10			10	10		10			10	Y	2016/17	Y	10				10			0.435	0.333			0.333
Additional Site TBA	TBA	High	TBA	5	CHA	12	12		12		12		12			12	Y	2016/17	Y	12				12			0.450	0.414			0.414
Weirston (Corsehillhead)	IK	High	X: 231372 Y: 643196	5	CHA	55	55		55		55	48	6	1		55	Y	2016/17	Y	55					55		1.200	3.120			3.120
Dickson Court (Refurb 1)	GV	High	X: 235030 Y: 654062	10	NAC	22	22	22			22				22	22	N	2016/17	Y	22				22				1.254			1.254
Redevelopment Project 2	TBA	High	TBA	9	NAC	24	24			24	24				24	24	Y	2017/18	Y		24					24				1.416	1.416
Redevelopment Project 4	TBA	High	TBA	9	NAC	33	33			33	33		11		22	33	Y	2017/18	Y		33					33	0.200	1.747			1.947
St Michael's Wynd	IK	High	X: 229260 Y: 643070	9	NAC	60	60			60	60	32	2	2	24	60	Y	2017/18	N		60										0.000
Tarryholme Phase 1	IK	High	X: 233023 Y: 637910	6	IHA	86	86			86	86	60	14	12		86	Y	2017/18	Y		86				86				6.192		6.192
Sharphill Phase 3	3T	High	X: 225343 Y: 643182	5	CHA	28	28			28	28	26		2		28	Y	2017/18	Y		28				28		0.400	0.504	1.296		1.800
Refurb Project 4	TBA	High	TBA	10	NAC	16	16	16			16				16	16	N	2017/18	N		16				16		0.300	0.612			0.912
Flatt Road Phase 1	NC	High	X: 220870 Y: 659464	9	NAC	80	80			80	80	16	36		28	80	Y	2018/19	N			80			40	40	0.500	0.500	3.720		4.720
Flatt Road Phase 2	NC	High	X: 220870 Y: 659464	9	NAC	42	42			42	42	38		4		42	Y	2018/19	N			42									0.000
Brathwic Terrace	ARN	High	X: 201898 Y: 635460	9	NAC	26	26			26	26	22	2	2		26	Y	2018/19	N			26				26			1.534		1.534
Refurb Project 5	TBA	High	TBA	10	NAC	22	22	22			22				22	22	N	2018/19	Y			22				22				1.254	1.254
Refurb Project 6	TBA	High	TBA	10	NAC	19	19	19			19				19	19	N	2018/19	N			19				19				1.083	1.083
Harbourside	IK	High	X: 230545 Y: 638096	9	NAC	80	80			80	80	71	6	3		80	Y	2019/20	N				40			40					0.000
Redevelopment Project 5	TBA	High	TBA	9	NAC	25	25			25	25				25	25	Y	2019/20	N				25								0.000
Additional Site TBA	TBA	High	TBA	9	NAC	31	31			31	31	31				31	Y	2019/20	N				31								0.000
Tarryholme Phase 2	IK	High	X: 233023 Y: 637910	6	IHA	109	109			109	109	TBC	TBC	TBC		109	Y	2019/20	N				109			50				4.000	4.000
2nd Hand BB Phase 2	TBA	High	TBA	10	NAC	10	10		10		10	10				10	N	At Comp	N		10			10				0.400			0.400
Empty Homes BB Phase 2	TBA	High	TBA	10	NAC	8	8		8		8	8				8	N	At Comp	N		2	2	2	2	2	2		0.080	0.080	0.080	0.240
2nd Hand BB (IHA)	TBA	High	TBA	6	IHA	10	10		10		10	10				10	N	At Comp	N		3	3	4	3	3	4		0.120	0.120	0.160	0.400
Total						**1081**	**1081**	**102**	**95**	**884**	**1081**	**512**	**133**	**42**	**285**	**1081**				**341**	**262**	**225**	**211**	**301**	**230**	**291**	**13.439**	**12.653**	**12.081**	**13.480**	**38.214**

Table 2 - Affordable Housing Supply Programme - Years 4-5 2020/21-2021/22

PROJECT	SUB-AREA	Priority	COORDINATES	Geo Code	DEV	Social Rent	Total Units	Rehab	Off the Shelf	New Build	Total Units	General Needs	Amenity	W'chair	Sheltered	Total Units by Type	GRNR Y/N	APPROVAL DATE	SHIP	SITE STARTS PRE 2020/21	2020/21	2021/22	COMPLETIONS 2020/21	2021/22	SG FUNDING PRE 2020/21	2020/21	2021/22	Total Over SHIP
St Michael's Wynd	IK	High	X: 229260 Y: 643070	9	NAC	60	60			60	60	32	2	2	24	60	Y	2017/18	N	60			60			3.540		3.540
Flatt Road Phase 2	NC	High	X: 220870 Y: 659464	9	NAC	42	42			42	42	38		4		42	Y	2018/19	N	42			42			2.478		2.478
Harbourside	IK	High	X: 230545 Y: 638096	9	NAC	80	80			80	80	71	6	3		80	Y	2019/20	N	80			40			4.720		4.720
Redevelopment Project 5	TBA	High	TBA	9	NAC	25	25			25	25	25				25	Y	2019/20	N	25			25			1.475		1.475
Additional Site TBA	TBA	TBA	TBA	9	NAC	31	31			31	31	31				31	Y	2019/20	N	31			31			1.829		1.829
Tarryholme Phase 2	IK	High	X: 233023 Y: 637910	6	IHA	109	109			109	109	TBC	TBC	TBC		109	Y	2019/20	N	109			59		4.000	3.848		3.848
Empty Homes BB Phase 2	TBA	High	TBA	10	NAC	8	8		8		8	8				8	N	At Comp	N	TBA			2		0.240	0.080		0.080
Total						**355**	**355**	**0**	**8**	**347**	**355**	**205**	**8**	**9**	**24**	**355**				**347**	**0**	**0**	**259**	**0**	**4.240**	**17.970**	**0.000**	**17.970**

Further Development Opportunities

Site	SHMA	Priority	Coordinates	Dev	Units
2nd Hand Buy Backs	TBA	TBA	TBA	TBA	TBA
67-73 Nelson Street, Largs	NC	TBA	TBA	CHA	19
Affordable Housing Policy Site 2⁴	IK	TBA	TBA	NAC	45
Afton Court	3T	TBA	X: 226645 Y: 641875	NAC	10
Allanpark Street, Largs	NC	TBA	TBA	CHA	12
Ardrossan Harbour Phase 2	3T	TBA	TBA	CHA	22
Balnagowan, Skelmorlie	NC	TBA	TBA	CHA	22
Caley Court	3T	TBA	X: 226725 Y: 641478	NAC	22
Lawhill Farm	NC	TBA	X: 221236 Y: 647985	CHA	64
Nethermains	IK	TBA	X: 230505 Y: 642457	TBA	TBA
North Shore, Ardrossan	3T	TBA	TBA	NAC	80
Sharphill Phase 4⁵	3T	TBA	X: 225343 Y: 643182	CHA	72
Victoria Hotel ⁶	NC	TBA	TBA	CHA	12
					380

¹Subject to being able to build on Common Good Land
²Subject to an Affordable Housing Contribution being secured on a private developer site
³A fully wheelchair accessible property is also now being developed on this site
⁴Subject to an Affordable Housing Contribution being secured on a private developer site
⁵Approval for acquisition only
⁶Subject to approval for change of use and redevelopment

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

PHYSICAL ENVIRONMENT

Corsehillhead, Kilwinning
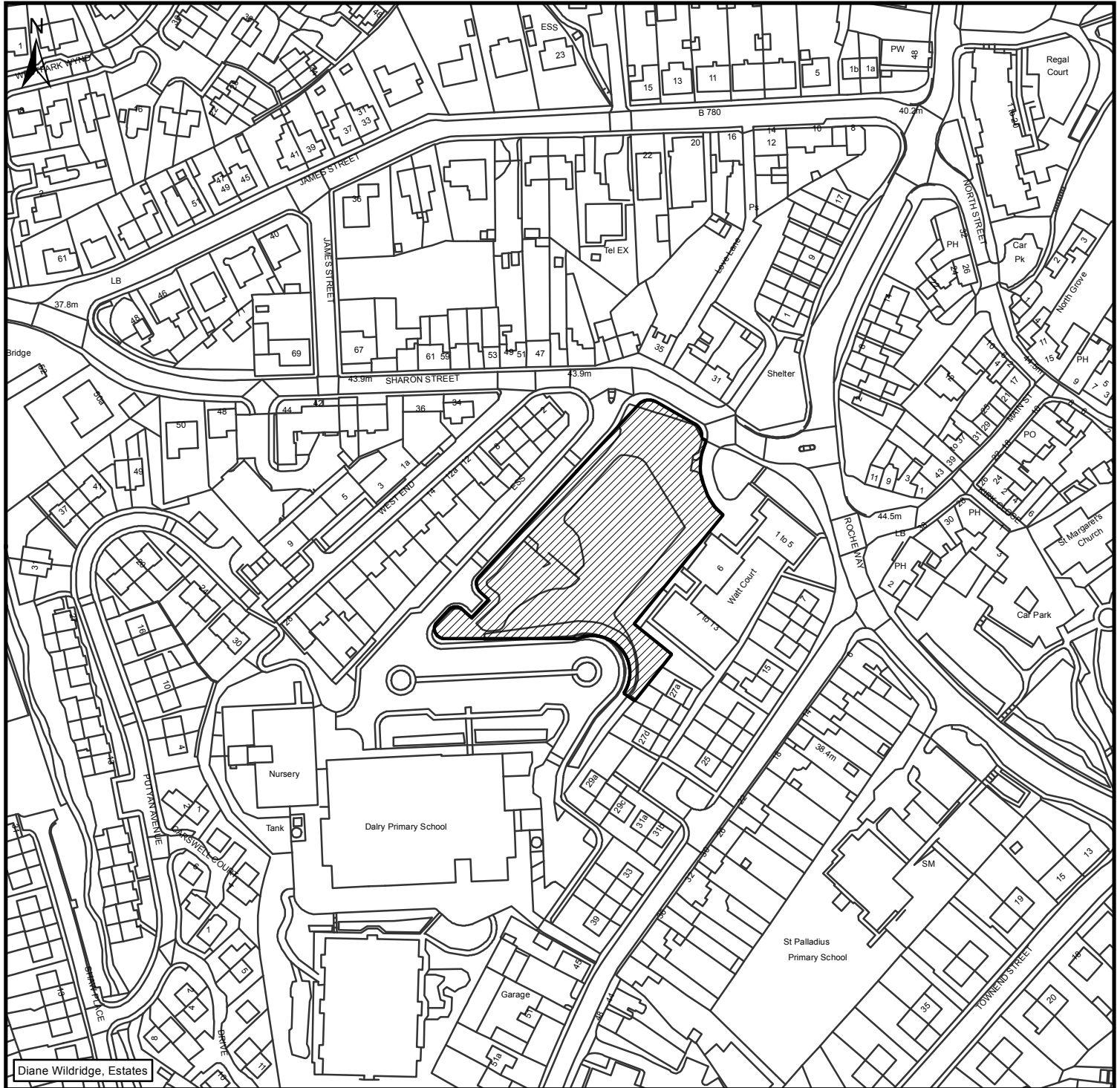## 0.26 hectares

**ESTATES SECTION
PHYSICAL ENVIRONMENT
NORTH AYRSHIRE COUNCIL, PERCETON HOUSE, IRVINE KA11 2AL
TEL: (01294) 225135 FAX: (01294) 225044**

225

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Diane Wildridge, Estates

Sharon Street, Dalry
0.61 hectares

ESTATES SECTION
PHYSICAL ENVIRONMENT
NORTH AYRSHIRE COUNCIL, PERCETON HOUSE, IRVINE KA11 2AL
TEL: (01294) 225135 FAX: (01294) 225044

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N

Diane Wildridge, Estates

St Michael's Wynd, Kilwinning
4.36 hectares

ESTATES SECTION
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NORTH AYRSHIRE COUNCIL, PERCETON HOUSE, IRVINE KA11 2AL
TEL: (01294) 225135 FAX: (01294) 225044

227

BRADBURY GLEBE

HRA Circulation
area 265m2

HRA 955m2

Garden Area
1680m2

New timber fence 1.8m high
and allow for path gates

All rooms to
be refurbished

LD and autism supported
accommodation

New Entrance
and Parking

| Project: |
| Proposed Refurbishment & Extension Tarryholme Drive Project Irvine |
| Drawing Title: |
| LD Support Centre HRA Areas |
| Client : Health & Social Care |
| Town : Irvine |
| UPRN : |
| Property Name : Tarryhome Drive Project |

Purpose Of Issue: Costing		File: IRV/493/001	
Scale: 1:200	Drawn: BI	Drawing No:	Rev:
Date: Feb 16	Checked:		

PROPERTY MANAGEMENT
& INVESTMENT
CUNNINGHAME HOUSE, IRVINE, KA12 8EE
TEL: (01294) 310000

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

228

Balnagowan, Skelmorlie

1.8m high double boarded timber boundary fencing

1.8m high double boarded timber boundary fencing

play area/

potential future linkage

shared surface access

existing masonry walling maintained

shared surface access

shared surface access

shared surface access

1.8m high double boarded timber boundary fencing

existing pathway maintained

golf course road

shared surface access

NORTH

LEGEND

▦ blue	5 Person, 4 Apartment House	▦ dark green	Public Soft Landscaped Areas
▦ magenta	4 Person, 3 Apartment House	▦ grey	Dedicated Pedestrian Routes
▦ yellow	Main Primary Road Carriageway	▦ teal	Play Area
▦ red	Secondary Road Carriageway	▦ orange	Private Hard Landscaped Areas
▦ tan	Overrun and Public Hard Surfaces	▦ light green	Private Garden Areas

Proposal Delivers 28 Affordable House Units as
3 of 5Person/4 Apartment + 25 of 4 Person/3 Apartment

229

Sharphill Phase 4, Saltcoats

4C

4B

4A

230

Montgomerie Street - Phase 2
Ardrossan

PHASE 2A

PHASE 2B

3P WHCF/4P CF

2P CF

2P CF

2P CF

4P AME

4P AME

4P AME

4P AME

4P AME

GARAGE

3P WHCF/4P CF

2P CF

2P CF

2P CF

2P CF

VP

VP

4P AME

MONTGOMERIE STREET

38

MOONLIGHT PLACE

MONTGOMERIE PIER ROAD

Notes
Indicative Site Boundary

Rev	Description	Date	Issued
A	Future road connection omitted.	28.09.16	GB
B	Revision to site layout per client comments.	06.12.16	GB
C	Revision to Phase 2b to include cottage flats.	24.01.17	CS
D	Revisions to reflect change to house mix as per NAC/CHA comments.	07.02.17	GB

Client
Cunninghame Housing Association

Scale	Sheet Size	Job No.
1:250	A1	2837

Originator	Checked	Date
CS	GB	Feb 17

Project
Montgomerie Street Phase 2 Ardrossan

Drawing Title
Proposed Site Layout - Option 1

Drawing No.	Rev
L(20)010	D

231

Agenda Item 13

14 March 2017

Cabinet

Title:	Health and Care Governance Arrangements
Purpose:	To consider and approve the proposed Health and Care Governance Framework for Integrated Health and Social Care
Recommendation:	The Cabinet is asked to:

The Cabinet is asked to:
1. Consider and approve the proposed Clinical and Care Governance Framework and reporting arrangements for Integrated Health and Social Care Partnerships.
2. Consider and support the proposed arrangements for Complaints and Feedback, Risk, Public Protection, Staff Governance, Workforce Planning and Internal Audit.

1. Executive Summary

1.1 The establishment and continuous review of robust arrangements for governance of Partnership Services is essential to the delivery statutory,policy and professional requirements; and also the achievement of Partnership quality ambitions. This paper outlines proposals for specific elements of governance for consideration by SPOG to meet statutory requirements and the commitments outlined in each Integration Joint Board Integration Scheme and provide the NHS board with assurance that robust arrangements are in place.

1.2 It is proposed that each Partnership adopts the framework for Clinical and Care Governance (outlined at Appendix 1) to delegate responsibility for Clinical and Care Governance consistently, while allowing scope for tailored application within each Partnership.
The core elements of this framework are as follows:

- Definition of Clinical and Care Governance
- The process of Clinical and Care Governance
- Accountability's/Structure for Clinical and Care Governance
- Arrangements for the delivery of specific elements of Clinical and Care Governance (as outlined in the Integration Scheme)

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2. Background

2.1 Each Partnership has been developing Clinical and Care Governance arrangements in line with the commitments and requirements contained in each Integration Scheme. This paper outlines further proposals that have been developed by stakeholders from each Partnership, under the direction of the Director of the North HSCP, to provide a consistent approach for discharging responsibility for each specific element of governance.

2.2 A consultation on the draft framework ran from 2nd May to 29th July, with dissemination across NHS Ayrshire and Arran, Local Authorities and each Health and Social Care Partnership (including professional committees and partnership groups). All comments were reviewed by subject experts and the framework was revised accordingly. It is acknowledged that a number of professional/operational stakeholders contributed to the development of framework.

3. Proposals

Framework for Clinical and Care Governance

3.1 Clinical and Care Governance is the system by which Health Boards and Local Authorities are accountable for ensuring the safety and quality Health and social care services and for creating appropriate conditions within which the highest standards of service can be promoted and sustained. Annex C of the Public Bodies (Joint Working)(Scotland) Act 2014 Clinical and Care Governance Framework sets out in some detail working definition to be applied to Integrated Health and Social Care Services in Scotland.

3.2 It is proposed that each Partnership adopts the framework for Clinical and Care Governance (outlined at Appendix 1) to delegate responsibility for Clinical and Care Governance consistently, while allowing scope for tailored application within each Partnership. The core elements of this framework are as follows:

- Definition of Clinical and Care Governance
- The process of Clinical and Care Governance
- Accountabilities /Structure for Clinical and Care Governance
- Arrangements for the delivery of specific elements of Clinical and Care Governance (as outlined in the Integration Scheme)

Other specific elements of Governance:

3.3   Complaints and other Feedback

3.3.1   It is proposed that Partnership adopts a single policy (Appendix 2) for the management of Managing Customer Feedback: Service Requests, Comments, Concerns and Complaints. This policy sets out the principles and standards by which the Partnerships will manage its Feedback Procedure. The aim of this policy is to ensure a fair and consistent approach to managing customer requests, comments, concerns and complaints. This policy recognises the requirement to align existing NHS and Local Authority processes in   the short term (as outlined in each Integration Scheme) with a view to a fully integrated process in the medium term. The proposed complaints procedure meets the requirements of the forthcoming model complaints handling process for health and social care. Each Health and Social Care Partnership Clinical and Care Governance Group will submit six monthly integrated complaints reports in line with the requirement of the Integration Scheme.

3.4   Risk Management

3.4.1   It is proposed that the Partnerships adopt a single Risk Management Strategy (Appendix 3) for the management of risk. The strategy has been developed in conjunction wiht NHS A&A and North Ayrshire HSCP. To avoid extensive duplication the strategy must be read in conjunction with the parent organisation's risk management strategies.

3.4.2   The primary objectives of the strategy is to: promote awareness of risk and define responsibility for managing risk within the IJB;   establish communication and sharing of risk information through all areas of the IJB; initiate measures to reduce the IJB exposure to risk and potential loss; and establish standards and principles for the efficient management of risk, including regular monitoring,
reporting and review.

3.5   Health, Safety and Wellbeing

3.5.1   The Heads of Health and Safety from the four organisations have been meeting on a regular basis for some time now. An integrated Health, Safety and Wellbeing report has been designed and reporting to Chief Officers takes place quarterly. The group is currently looking at areas where we can further develop to ensure an Ayrshire wide approach. This includes the potential for a common risk assessment procedure and training standards (including manual handling, violence and aggression).

3.6 Corporate Governance- Internal Audit

3.6.1 The Performance and Audit Committee of each IJB will receive internal audit reports which should be focused at a strategic level; however the IJB may also wish to see internal audit reports on operational services which they are commissioning.

3.6.2 The Corporate Business Manager in NHS Ayrshire & Arran is liaising with the internal auditors across all partners to ensure there is a shared understanding and overview of all internal audit plans pan Ayrshire for Health and Social Care.

3.6.3 PricewaterhouseCoopers (PwC), NHS Ayrshire & Arran's internal auditors, have confirmed that any internal audit reports they produce can be presented to any of the IJB Performance and Audit Committees to provide assurance on a particular area. It should be noted that no reports should be presented or discussed in a public meeting.

3.7 Reporting arrangements

3.7.1 In line with the scheme of delegation, links between NHS Ayrshire and Arran and the Integration Joint Boards have been considered and considered and accountability lines have been established.   North Ayrshire HSCP will provide an annual clinical and care governance report to North Ayrshire Cabinet and to NHS Healthcare Governance Committee.   The Chief Social Work Officer (CSWO) will report on the statutory responsibilities of the Council through the North Ayrshire Council Chief Executive to North Ayrshire Council on an annual basis.

3.8 Workforce Planning and Staff Governance

3.8.1 CEL32(2O11), Revised Workforce Planning Guidance, sets out the extant requirements for NHS A&A in terms of producing an annual workforce plan which is approved by the NHS Board and submitting annual workforce projections to SGHSCD. The guidance is however outdated as it does not cover IJBs despite the Everyone Matters:2020 Workforce Vision Implementation Plan 2016/17 detailing the requirements for IJBs to have a workforce plan. It is likely that SGHSCD will produce revised workforce planning guidance during 2016/2017, which will encompass IJB workforce planning requirements, and reaffirm the established principles and practice of workforce planning in the NHS. Pragmatically to address this situation it has been agreed that each IJB will have a distinct workforce plan which fulfils the requirements of the IJB scheme of establishment and is contributory and complementary to the overarching NHSA&A workforce plan. The IJB workforce plans will develop incrementally over time, being adaptable to fulfil forthcoming national guidance with reporting to the NHS Workforce Planning Group.

3.8.2   Each Partnership has established a Partnership Forum. There is representation from NHS Staff Side on all Integration Joint Boards. Health and Social Care Partnership Directors, Partnership Facilitators and Human Resource Managers are invited to attend Staff Governance Committee meetings on a regular basis to provide assurance to the Committee that service areas are implementing the five elements of the Staff Governance Standard, to speak to their Staff Governance Improvement Plans and to update the Committee on the actions being taken to address areas identified within the Staff Survey results.

3.9   Public Protection

3.9.1   It is proposed that each HSCP establishes an Adverse Events Review Group (AERG) This Review Group should reflect the constituent components of the Partnership and should deal with all adverse events within their areas and for any pan-Ayrshire services they deliver. Appendix 4 outlines the process which should be adopted and the criteria for SAER.
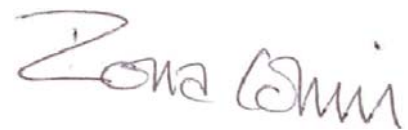
3.9.2   The process for referral to external review processes for child protection, adult protection and public protection are also contained in the Appendix 4. These processes should be implemented when the criteria for Initial Case Review (ICR) is met. The criteria for child protection and adult protection are contained with Appendix 4. The criteria for public protection is that any offender subject to MAPPA, who commits a further offence, will be subject to ICR. Further guidance will be developed.

4.   Implications

Financial:	None
Human Resources:	None
Legal:	None
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	To meet the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and the Health and Social Care Integration Scheme.
Community Benefits:	N/A

5.   Consultation

5.1   A consultation on the draft framework ran from 2nd May to 29th July, with dissemination across NHS Ayrshire and Arran, Local Authorities and each Health and Social Care Partnership (including professional committees and partnership and Social Care Partnership (including) professional committees and partnership groups). All comments were reviewed by subject experts and the framework was revised accordingly. It is acknowledged that a number of professional/operational stakeholders contributed to the development of framework.

IONA COLVIN
Director (North Ayrshire Health and Social Care Partnership)

Reference : IC/LMcM
For further information please contact Iona Colvin, Corporate Director for North Ayrshire Health and Social Care Partership on 01294 317700.

Background Papers
None

Ayrshire and Arran
Integrated Health and Social Care Partnerships
Clinical and Care Governance Framework

Version: 8.0
Lead Reviewer: Strategic Planning and Operational Group
Review Date: April 2018

1.0 Introduction

1.1 The main purpose of the integration of health, social work and social care services in Ayrshire and Arran is to improve the wellbeing of people who use such services. The Integration Schemes drawn up for each of Ayrshire and Arran's three Health and Social Care Partnerships (HSCP) are intended to achieve improved outcomes for the people of Ayrshire and Arran, in line with the National Health and Wellbeing Outcomes.

1.2 The Public Bodies (Joint Working) (Scotland) Act 2014 also contains a number of integration principles, which sets the context for the planning and delivery of integrated services within each HSCP. To achieve the spirit and requirements of the Act, professionals and the wider workforce, will need to work in a way that removes artificial barriers, challenges professional boundaries, to support the outcomes that inidividuals seek from the care and support they receive. It is important to note that the Act does not change the current or future regulatory framework within which each health and social care professionals practice, or the established professional accountabilities that are currently in place within the NHS and local authority.

1.3 Within this governance framework, accountability is understood as a complex phenomenon (given the number of bodies responsible for governance) with three core elements:

- Inidividual professional accountability for the quality of practice (work), in line with the requirements of the relevant professional regulatory bodies.
- The accountability of inidividual professionals to the requirements of the organisation in which they work.
- The accountability of senior officers for the organisations performance, and more widely for the quality of the provision of services to the people it serves.

1.4 The establishment and continuous review of robust arrangements for Clinical and Care Governance of Partnership Services are essential to the delivery of statutory, policy and professional requirements; and also the achievement of Partnership quality ambitions. This framework aims to provide guidance for each Partnership to discharge responsibility for Clinical and Care Governance consistently, while allowing scope for tailored application within each Partnership. The core elements of this framework are as follows:

- Definition of Clinical and Care Governance
- The process of Clinical and Care Governance
- Accountabilities/ Structure for Clinical and Care Governance
- Arrangements for the delivery of specific elements of Clinical and Care Governance

2.0 Definition of Clinical and Care Governance

2.1 Clinical and Care governance is the system by which Health Boards and Local Authorities are accountable for ensuring the safety and quality of health and social care services, and for creating appropriate conditions within which the highest standards of service can be promoted and sustained. The following definition of health and care governance underpins the framework outlined in this paper.

2.2 Annex C of the Public Bodies (Joint Working) (Scotland) Act 2014 Clinical and Care Governance Framework sets out in some detail the working definition to be applied to Integrated Health and Social Care Services in Scotland. This working definition is as follows:-

(a) Clinical and Care governance is the process by which accountability for the quality of health and social care is monitored and assured. It should create a culture where delivery of the highest quality of care and support is understood to be the responsibility of everyone working in the organisation - built upon partnership and collaboration within teams and between health and social care professionals and managers.

(b) It is the way by which structures and processes assure Integration Joint Boards, Health Boards and Local Authorities that this is happening – whilst at the same time empowering clinical and care staff to contribute to the improvement of quality – making sure that there is a strong voice of the people and communities who use services, and their carer's.

(c) Clinical and Care governance should have a high profile, to ensure that quality of care is given the highest priority at every level within integrated services. Effective health and care governance will provide assurance to patients, service users, carers, clinical and care staff, managers, Directors alike that:

- Quality of care, effectiveness and efficiency drive decision-making about the planning, provision, organisation and management of services;
- The planning and delivery of services take full account of the perspective of patients, service users and carers;
- Unacceptable clinical and care practice will be detected and addressed.

(d) Effective clinical and care governance is not the sum of all these activities; rather it is the means by which these activities are brought together into this structured framework and linked to the corporate agenda of HSCP's, NHS Boards and Local Authorities.

(e) A key purpose of clinical and care governance is to support staff in continuously improving the quality and safety of care. However, it will also ensure that wherever possible poor performance is identified and addressed. All health and social care professionals will remain accountable for their individual clinical and care decisions.

(f) Many clinical and care governance issues will relate to the organisation and management of services rather than to individual clinical professional decisions. All aspects of the work of HSCP's, Health Boards and Local Authorities should be driven by and designed to support efforts to deliver the best possible quality of health and social care. Clinical and care governance is principally concerned with those activities which directly affect the care, treatment and support people receive whether delivered by individuals or teams.

(g)   Where a Partnership has Lead responsibility for a service delivered across the three HSCP's then the Lead Partnership will have accountability for clinical and care governance arrangements, which include formal linkages with the clinical and care governance structures in the other HSCP's.

3.0   Professional Governance

3.1   Professional Governance is the accountability framework that empowers health and social care professionals at the frontline to collaborate effectively in the delivery of integrated services. The elements of professional governance include such core elements as professional regulation, standards of practice, evidence based practice and continuous quality improvement.

3.2   Professional governance is achieved through the agreed accountable professional officers, namely the Nurse Director and the Medical Director. Leadership, assurance and accountability of health and social work professionals within each partnership is discharged via the senior clinicians (including the Clinical Director, Lead Nurse, Lead AHP) who directly report to the Chief Officer (Partnership Director) and professionally report to the Nurse or Medical Director. The Chief Social Work Officer holds professional and operational accountability for the delivery of safe and effective social work services and reports to the Chief Executive of the respective Local Authority.

4.0   The Process of Health and Care Governance

4.1   The Chief Officers (Partnership Director's) in each of Ayrshire and Arran's three HSCPs, the Chief Executive Officer (CEO) for NHS Ayrshire and Arran and the CEOs for each of the three Local Authorities will have in place, management structures that ensure accountability and responsibility for Clinical and Care governance in each HSCP. Annex C of the Health and Social Care Integration Public Bodies (Joint Working) (Scotland) Act 2014 Clinical and Care Governance Framework sets out a series of five process steps to support health and care governance as follows:-

(a)   Information on the safety and quality of care is received (this includes external scrutiny reports and action plans)
(b)   Information is scrutinised to identify areas for action.
(c)   Actions arising from scrutiny and review of information are documented.
(d)   The impact of actions is monitored, measured and reported.
(e)   Information on impact is reported against agreed priorities.

4.2   The process outlined above will directly inform the strategic outcomes for each partnership as part of an integrated performance framework (as part of the wider governance arrangements established by each Partnership Director and their IJB to fulfil those responsibilities and scrutinise there discharge).

5.0   Accountabilities for Health and Care Governance

5.1   Chief Executives (NHS and three Local authorities)

The Chief Executive Officers of NHS Ayrshire and Arran and the three local authorities hold ultimate accountability for the delivery of Health and Care Governance.

5.2   Chief Officers (Partnership Directors)

Each Partnership Director is the accountable officer for Health and Social care Integration to the Integrated Joint board. Responsibility for Health and Care Governance has been delegated to each Partnership Director by the NHS Chief Executive and the respective Local Authority Chief Executive. Each Partnership Director will be required to establish appropriate arrangements to fulfill those responsibilities and scrutinise there discharge.

5.3   Chief Social Work Officer (CSWO)

The CSWO holds professional and operational accountability for the delivery of safe and effective social work services within each Partnership. The CSWO provides professional advice to the Local Authority, Chief Officer and the IJB.

5.4   Senior Clinicians/Professional Advisors to IJB

The Senior Partnership Clinicians (including including the Clinical Director, Lead Nurse, Lead AHP/ AHP Associate director) have a responsibility to provide professional advice to the Chief Officer and the IJB. They are also accountable for the development of clinical and care governance frameworks, systems and processes within each partnership.

Specifically:

- The Nurse Director is accountable for professional standards of care for Nurses, Midwives and Allied Health Professionals.The professional nurse member on the IJB is accountable to the Nurse Director of the health board for professional governance. The professional nurse advisor to the IJB knows when and how to escalate issues to the Chief Officer and the Nurse Director of the health board.

- The Medical Director is accountable for professional standards of care for Medical Professionals. The professional medical advisor to the IJB is accountable to the Medical Director of the health board for professional governance. The the professional nurse member on the IJB knows when and how to escalate issues to the Chief Officer and the Nurse Director of the health board.

5.5   The schematic outline of Health and Care Governance Arrangements for each Partnership is outlined at Appendix 1.

6.0   Arrangements for the delivery of specific elements of Health and Care Governance

6.1   The Integration Scheme between each Ayrshire Local Authority and the NHS Board outlines the requirement to establish a **Clinical and Care Governance Group** which should be chaired by a voting member of the Integration Joint Board or the Chief Officer. Membership of the Health and Care Governance Group at a minimum will include:

- the Senior Management Team of the Partnership;
- the Clinical Director;
- the Lead Nurse;

- the Lead from the Allied Health Professions;
- Chief Social Work Officer;
- Director of Public Health or representative;
- Service user and carer representatives; and
- Third Sector and Independent Sector representatives.

Each Health and Care Governance Group may wish to invite appropriately qualified individuals from other sectors to join its membership as it determines.

6.2   The remit of the Clinical and Care Governance Group will include the following:

- To provide assurance to the IJB (and Chief Officer if not the Chair) on the quality of services delivered by the partnership.
- To support the governance of public protection within the Partnership, including child, adult protection and MAPPA.
- To oversee the processes within the Partnership to ensure that appropriate action is taken in response to adverse events, scrutiny reports/action plans, safety action notices, feedback, complaints and litigation, and that examples of good practice and lessons learned are disseminated within and across the Partnership(s) and beyond as appropriate.
- To monitor the Partnerships Risk Register from a health and care governance perspective and escalate to the IJB any unresolved risks that require executive action or that pose significant threat to patient care, service provision or the reputation of the Partnership.
- To ensure that mechanisms are in place for services to routinely listen, learn and develop from service user experience.
- To ensure that quality and self-evaluation mechanisms are in place to inform a culture of continuous improvement.
- To provide an annual report on Clinical and Care Governance to the IJB and NHS Ayrshire and Arran Healthcare Governance Committee and the Cabinet of the local authority.

6.3   Health and Care Governance Group Agenda

In order to ensure a consistent approach to the discharge of the remit of each Partnership Health and Care Governance Group the following elements of Health and care governance will be standing agenda items:

- Quality standards (including scrutiny reports)
- Health and Care Governance Risks (including adverse events)
- Service user experience (including feedback and complaints)
- Learning and Improvement
- Infection control and prevention

6.4   Professional Governance

Further assurance for Clinical and Care Governance will be provided via:

- The responsibility of the Chief Social Work Officer to report directly to the Council, and the responsibility of the Health Leads to report directly to the Medical Director and Nurse Director who in return report to the NHS Board on professional matters;
- The Healthcare Governance Committee, who provide assurance to the NHS Board that systems and procedures are in place to monitor healthcare governance in line with the Board's statutory duty for quality of care. There should be agreement between the Clinical and Care Governance Group and Healthcare Governance Committee on how often assurance reports will be provided to to the Healthcare Governance Committee throughout the year. It is recommended that this should be at least twice per year. It is also proposed that a representing Chief Officer attends the Healthcare Governance Committee to ensure all aspects of healthcare governance are joined up.

6.5   Adverse Events

Each Partnership will establish an Adverse Events Review Group (AERG), (taking into consideration existing arrangements e.g. Mental Health Adverse Events Review Group) to provide a co-ordinated and integrated approach to managing adverse events occurring within Partnership Services. As a sub-group of the Health and Care Governance Group, the AERG will provide evidence and assurance that adverse events are being addressed appropriately (the AERG will take into consideration all statutory public protection requirements). The AERG will also identify and share learning arising from the review of adverse events (including a mechanism for sharing learning across the Ayrshire and Arran health and social care system).

7.0   Review

This framework for Clinical and Care governance will be reviewed and updated on at least an annual basis.

Appendix 1: Clinical and Care Governance Arrangements for each Partnership

North Ayrshire Health and Social Care Partnership
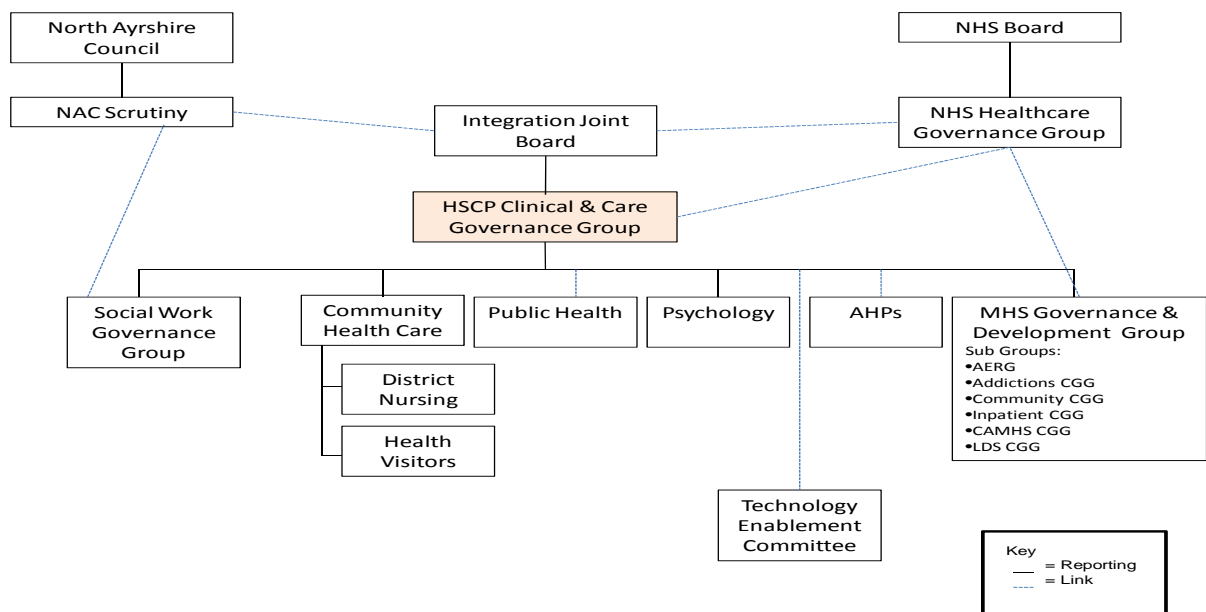
South Ayrshire Health and Social Care Partnership

East Ayrshire Health and Social Care Partnership

East Ayrshire Council

East Ayrshire
Health and Social Care Partnership

NHS Board

EAC Scrutiny

Integration Joint Board

NHS Healthcare
Governance Committee

HSCP Clinical & Social Care
Governance Group

Social Work
Governance

Nursing
(Professional

Public
Health

AHPs

Technology Enabled
Care Programme

Primary Care Quality
and Safety Assurance
Committee

Inpatient

District
Nursing

School Nurse
Health Visit

Practice
Nurses

Children, Young People &
Criminal Justice Services

Health & Community
Care Services

Sub Groups:
• Prison Governance
  Group
• Independent
  Contractors
• ADOC Governance
  Group
• Managed Dental
  Governance Group

Key
——— = Reporting
----- = Link

Existing Guidance on Governance and Accountability

Clinical and Care Governance Framework (2015)
Scottish Government
http://www.gov.scot/Resource/0046/00465077.pdf

Clinical and care governance across integrated services: what needs to be in place at a strategic level? (2015)
Royal College of Nursing (Scotland)
https://www.rcn.org.uk/-/media/royal-college-of-nursing/documents/policies-and-briefings/scotland/policies/2015/scot-pol-clinical-governance-guide.pdf

Nursing and Midwifery Professional Assurance Framework for Scotland (2014).
Scottish Executive Nurse Directors & Chief Nursing Officer for Scotland.

Codes of Practice for Social Service Workers and Employers (2014)
Scottish Social Services Council
http://www.sssc.uk.com/about-the-sssc/multimedia-library/publications/60-protecting-the-public/61-codes-of-practice/1020-sssc-codes-of-practice-for-social-service-workers-and-employers

Governance for Healthcare Quality in Scotland – An Agreement. (2013)
Scottish Government Health Directorates
http://www.tinyurl.com/qualitygovernance

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Social Work Scotland – available via the Social Work Scotland website
http://www.socialworkscotland.org/

Practice Governance Framework: Responsibility and Accountability in Social Work Practice (2011)
http://www.scotland.gov.uk/Resource/Doc/347682/0115812.pdf

The Role of the Chief Social Work Officer (2010)
Scottish Government
http://www.scotland.gov.uk/Publications/2010/01/27154047/0

The Role of Registered Social Worker in Statutory Interventions: Guidance for local authorities (2010)
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http://www.scotland.gov.uk/Resource/Doc/304823/0095648.pdf

Governance for Joint Services. Principles and Advice. (2007)
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http://www.chp.scot.nhs.uk/wp-content/uploads/Governance-for-joint-Services.pdf

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http://www.sehd.scot.nhs.uk/mels/HDL2001_74.htm

NHS MEL (2000) 29 Clinical Governance.
Scottish Executive
http://www.sehd.scot.nhs.uk/mels/2000_29final.htm

NHS MEL (1998)75 Clinical Governance
Scottish Executive
http://www.sehd.scot.nhs.uk/mels/1998_75.htm

Ayrshire and Arran Health and Social Care Partnerships
Policy for
Managing Customer Feedback: Service Requests, Comments, Concerns and Complaints

2015

Version: 3.0
Lead Reviewer: SPOG
Review Date: April 2018

1. INTRODUCTION

1.1 Ayrshire and Arran Health and Social Care Partnerships recognise the value in listening to and acting on feedback from customers. Each Partnership (Integration Joint Board) is accountable for providing a fair, transparent and easily accessible Customer Feedback Procedure in regard to the services delegated to each Partnership by the respective Local Authority and the NHS Board.

1.2 The Partnerships recognise that sometimes things can go wrong which prevent us from delivering the best possible services to our customers. We view the Feedback Procedure as an opportunity to engage with customers, understand when to put things right, and learn how to continually improve our customer service.

1.3 This policy sets out the principles and standards by which the Partnerships will manage its Feedback Procedure. The aim of this policy is to ensure a fair and consistent approach to managing customer requests, comments, concerns and complaints. This policy recognises the requirement to align existing NHS and Local Authority processes in the short term (as outlined in each Integration Scheme) with a view to a fully integrated process in the medium term (recognising the need for legislative change).

1.4 This policy complies with the Scottish Public Services Ombudsman's (SPSO) Guidance for the Model Complaints Handling Procedure as laid down by the Public Services Reform (Scotland) Act (2010) and the Patients Rights (Scotland) Act (2011).

1.5 In practice the local authority process will be applied to feedback and complaints regarding partnership social care services and the NHS process will be applied to feedback and complaints regarding partnership health services. All complaints will be co-ordinated to ensure customers receive a single response. This document sets out the process for:

- Submitting feedback including complaints (i.e. routes to make a complaint)
- How a complaint will be managed (i.e. that complaints relating to social work complaints will be managed through the social work complaints process; that complaints about health services within the partnership will be managed through the health complaints process; and that complaints which cover both will be responded to in a single response with each aspect considered and progressed under the process which applies).

2. KEY PRINCIPLES

2.1 Each Partnership is committed to ensuring that our services are available and accessible to all our customers. We recognise that people's needs are different and know that to continuously improve our services we must ensure that our services meet the needs and expectations of the whole community. As such, we want to guarantee that there are no barriers to customers who want to provide us with comments or complaints. Customers can therefore provide feedback in a range of ways as detailed below, according to their preference:

- Face to face;
- By telephone;
- By email;

- On-line through the Council's website/ NHS Ayrshire and Arran website or via patient/care opinion (https://www.patientopinion.org.uk or https://www.careopinion.org.uk/)
- By letter.

2.2   We will ensure that all our staff are trained to meet the diverse needs of our customers and we will also work to make certain that the provision of feedback is tailored to the requirements of individual service users where appropriate. This includes making reasonable adjustments for disabled customers, as well as providing information in a range of formats and languages at the request of service users.

2.3   To safeguard the welfare of children, young people and vulnerable adults, arrangements, such as advocacy services, will be put in place. The Partnerhsip will make every effort to resolve complaints quickly and at first of point of contact.

2.4   Each Partnership is committed to continuous improvement and information from the feedback and complaints process will be used to inform service and policy development and contribute to an improved quality of service for customers.

2.5   All complaints will be investigated and dealt with in strict confidence. All information relating to complaints will be held in compliance with the Data Protection Act. Any detail of a complaint that could allow a complainant to be identified will not be revealed as part of any statistical analysis or improvements to services.

2.6   Performance against standards will be regularly monitored and reviewed by each Partnership Integrated Joint Board and will also be published on an annual basis.

2.7   A complaint covering more than one service area will receive one co-ordinated response managed by one Complaints Investigator.

2.8   Anonymous complaints will be accepted and progressed in line with the established Feedback and Complaints process although clearly feedback on the outcome of the complaint cannot be provided to the complainant.

2.9   Customers have the right to complain directly to a Councillor, MSP or MP. Where a customer requests it, his/her Councillor, MSP or MP can represent the customer in a complaint. The Partnership will obtain the written consent of the customer, in such circumstances.

3.   FEEDBACK (COMMENTS AND CONCERNS)

3.1   Each Partnership encourages all comments and feedback, whether positive or negative.

3.2   Each Partnership will use existing local authority and NHS processes to receive and acknowledge all feedback received and, where appropriate, provides information on any action taken.

3.3   Any service requests e.g. a routine first request for a service will be dealt with using existing processes.

4. COMPLAINTS

4.1 Definition of a Complaint:

Each Partnership has adopted the Scottish Public Services Ombudsman (SPSO) definition of a complaint:

A complaint is an expression of dissatisfaction by one or more members of the public about the Council's action or lack of action, or about the standard of service provided by or on behalf of the Council.

ALL COMPLAINTS

4.2 Stages of Complaint – Stage 1: Frontline Resolution

4.2.1 The majority of complaints will be addressed at this stage. These complaints are likely to be more straightforward, easily resolved and will require limited or no investigation.

4.2.2 Complaints at Stage 1 will be allocated to a Complaints Investigator (via existing processes) who will be responsible for progressing the complaint and responding to the Customer.

4.2.3 All complaints at Stage 1 will be acknowledged immediately on receipt when accepted face-to-face, by telephone or online. Complaints received in writing will be acknowledged within two working days.

4.2.4 Complaints being dealt with at Stage 1 will be responded to within a maximum of 5 working days. In exceptional circumstances, there may be reasons why a full response or resolution cannot be issued within this timescale. If this happens, the customer will be advised and given an explanation as to why the timescale cannot be met. The extension to the timescales in this situation will be no later than 10 working days from the date of the initial complaint being received.

4.2.5 The method of responding to Customers at Stage 1 will be determined by the Customer's initial method of contact, or by their stated preference. This will usually be face to face or by telephone.

4.2.6 The response to the Customer will indicate the outcome of the complaint and whether it has been upheld, partially upheld, not upheld, or diverted to an alternative procedure.

4.2.7 Where the Customer remains dissatisfied, they will be advised of their right of appeal to Stage 2 – Investigation.

4.3 Stages of Complaint – Stage 2: Investigation

4.3.1 Complaints which are subject to appeal at Stage 1 will be progressed to Investigation.

4.3.2 In some circumstances, a customer may request, or the Partnership may decide on the initial review of a complaint, that it should progress directly to Stage 2. This may be due to the complex or serious nature of the complaint or the requirement to carry out a more detailed investigation which is likely to extend beyond the timescales for Stage 1.

4.3.3 Complaints at Stage 2 will be allocated to a Complaints Investigator who will be responsible for early engagement the customer. The emphasis is on early resolution and this is usually done best through face to face engagement. There is a requirement to keep the customer informed of progress providing them with a note of agreed actions to achieve resolution.

4.3.4 All complaints at Stage 2 will be acknowledged within three working days and responded to within a maximum of 20 working days. In exceptional circumstances, there may be reasons why a full response or resolution cannot be issued within this timescale. If this happens, the customer will be advised and given an explanation as to why the timescale cannot be met.

4.3.5 Responses to complaints at Stage 2 will usually be in the form of a meeting note and covering letter. A full written response will provided only at the request of the customer.

4.3.6 Stage 2 responses will reflect the Partnerships final response on the complaint and will be signed off by the Chief Officer or a Designate. The exception to this is where an additional internal review is in place which has been agreed by the SPSO's Complaints Standards Authority.

4.3.7 At the end of Stage 2 customers will be advised that if they remain dissatisfied they have the right to appeal to the SPSO and request that an independent investigation be carried out. The SPSO may refer complaints back to the Partnership if the Customer has not complied with the Partnership's procedures.

4.3.8 Responses to customers at both Stage 1 and 2 will include, where relevant, an apology, specifics of the investigation carried out and the outcome, including details of any quality improvement action to be taken. If the complaint is not upheld it will also include the reason for this.

4.3.9 The Partnership will respond to all complaints which relate to circumstances or events which occurred within the previous six months. However discretion may be applied in certain circumstances if there is a substantial reason which has prevented the complaint being raised within this timescale.

5. EXCEPTIONS AND EXCLUSIONS

5.1 This policy provides a framework to ensure consistency of standards, procedures and monitoring of complaints handling. However it is also recognised that some complaints will not follow these procedures as there is an alternative procedure in place. These will include complaints relating to, Schools and Early Years Establishments and other services which are subject to alternative processes of review or statute including all aspects of public protection (adult support and protection, child protection and mappa).

5.2   Complaints against Integrated Joint Board (IJB).

Complaints against individual members will be dealt with under the respective Code of Conduct for members of the IJB. Complaints regarding Policy Decisions would be dealt with under the direction of the Chair and Chief Officer of the IJB following the process outlined in Section 4.0.

http://www.publicstandardscommissioner.org.uk/contact-us

6.   ROLES AND RESPONSIBILITIES

6.1   All Partnership employees will undertake customer service training which will include training on feedback and complaints procedures and will be responsible for complying with the principles and standards in this Policy.

6.2   Employees who have a specific responsibility and role within the Feedback and Complaints procedures, who provide direct customer services and are responsible for supporting, co-ordinating or investigating complaints will receive detailed and comprehensive role specific training in both health and social work processes.

6.3   There are two specific roles within the process:

- Complaints Co-ordinator
- Complaints Investigator

6.4   Complaints Co-ordinator will:

- Co-ordinate complaints across service(s);
- Allocate complaints to a Complaints Investigator at Stage 1 & 2;
- Maintain an overview of complaints across service(s) and ensure Complaints Officers and Complaints Investigator are progressing complaints within the agreed timescales, ensuring there is a single Partnership response.
- Monitor the complaints being received and co-ordinate the analysis of trends
- Ensure that information obtained through the Feedback and Complaints is used to inform service and policy development and contribute to an improved quality of service for customers.

6.5   Complaints Investigators will:

- Take responsibility for complaints allocated to them
- Make early engagement with the customer, focusing on early resolution through a preferred method of contact.
- Carry out an investigation of the complaint
- Track the progress of the investigation through ensuring all associated tasks are recorded through the systems which support feedback and complaints
- Progress the investigation to conclusion and meet with the customer (where possible) to advise them of the outcome of their complaint within the agreed timescales.
- Ensure that any written responses to customers are checked and signed by the Chief Officer or Designate and issued to the customer in the appropriate format
- Ensure systems are maintained which record all outcomes, highlighting action taken

6.6   An employee may undertake one or more of these roles simultaneously based on the specific requirements of each service.

6.7   Overall responsibility for ensuring that complaints are managed in accordance with the Feedback and Complaints procedures lies with the Chief Officer.

7.   GUIDANCE DOCUMENTS

7.1   A feedback and complaints leaflet has been developed for customers, which outlines the process for providing feedback and making a complaint about social work or health services.

7.2   Each Council and NHS Ayrshire and Arran has produced a Guide for Managers, and Employees on Managing Feedback and Complaints. These resources are available to support managers and employees in practice.

8.   UNACCEPTABLE ACTIONS BY COMPLAINANTS

8.1   Whilst each Partnership does not consider assertive behaviour as unacceptable it will not tolerate abusive behaviour or acts of harassment towards staff, verbal or otherwise.

8.2   A complainant may be deemed to be acting unacceptably if they:

- Are abusive to, or harass Partnership employees;
- Persistently make the same complaint despite the complaint having been fully investigated under the Feedback and Complaints Procedure;
- Seek an unrealistic outcome and intend to persist until the outcome is achieved;
- Complain about a historical complaint that cannot be undone or remedied;
- Repeatedly change aspects of their complaint or their desired outcome part way through an investigation at either Stage 1 or 2, or after any formal response has been issued.

8.3   If an employee considers that a complainant's behaviour is unacceptable they will refer the matter to a Complaints Co-ordinator who will consider whether the complaint should be rejected and on what grounds, and inform the customer of any decision in writing.

8.4   The customer will be informed of the appeals process against any such decision to reject a complaint.

9.   REPORTING AND MONITORING

9.1   The Partnership will use information from the feedback and complaints process to report on and provide analysis on all feedback and complaints received. This information will be used to identify and deliver quality improvements. Learning arising from the feedback and complaints process will be shared via clinical and care governance processes

9.2   Analysis of feedback and complaints information will be reported to and monitored by Partnership Management Teams. Regular reports will be submitted to relevant partnership and parent body committee's (including the IJB) in line with the requirements of each Integration Scheme.

9.3   The Partnership will publish annually complaints performance information in line with SPSO requirements.

9.4   This Policy will be reviewed on an Annual basis.

Draft Process Map for Heath and Social Care Complaints

Complaints can be made in person, by phone, online, by email or in writing. Complaints should be logged by the receiving agency.

STAGE 1
Frontline Resolution

Stage 2 – investigation

1. Investigate where a person is still dissatisfied after Stage 1 decision.

2. Move to Stage 2 where it is clear that the complaint is particularly complex, high risk or will require detailed investigation.

Stage 1 – frontline resolution

For issues which are straightforward / easily resolved requiring little or no investigation.
Always try to resolve the complaint quickly and to the person's satisfaction wherever possible.

Lead agency to log and provide a decision on the complaint **within five working days** *unless* there are exceptional circumstances (10 working days).

Acknowledge within **3 working days**. Investigation within 20 working days

Complaints about care standards and registered care providers can be made separately to the Care Inspectorate at any point in the process

Always aim to meet with the complainant or discussing complaint as part of investigation

Is the person who made the complaint satisfied with the decision?

NO

Is the person who made the complaint satisfied with the decision and the way the complaint has been handled?

YES

Recording and Reporting

- Performance reported to Chief Officer and outcomes analysed
- Changes to service delivery made where appropriate
- Complaints performance publicised externally
- Customers advised about service improvements.
- Complaints recorded
- Complaint co-ordinated by business unit in each partnership

NO

YES

Social Work: refer direct to SPSO
Health: refer direct to SPSO.

Complaint closed and outcome recorded.

Complaint closed and outcome recorded on relevant system

Integration Joint Board

Risk Management Strategy

Version No:	
	1.0
Prepared By:	
	NHS and Local Authority Risk Leads
Effective From (replacing version 5.1):	
	xx/xxx/xx
Review Date:	
	xx/xxx/xx
Lead Reviewer:	
	Iona Colvin Chief Officer NA H&SCP
Dissemination Arrangements:	

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"This Strategy underpins the commitment to robust risk management across the three Ayrshire Health and Social Care Partnership and must be read in conjunction with NHS Ayrshire & Arran and Council Risk Management Strategies" – CE Officer

CONTENTS

Policy – the risk management approach

Integration Joint Boards (IJB's) are committed to a culture where their workforce is encouraged to develop new initiatives, improve performance and achieve goals safely, effectively and efficiently by appropriate application of good risk management practice.

Appropriate and effective risk management practice will be embraced throughout the IJB as an enabler of success, whether delivering better outcomes for the people of Ayrshire, protecting the health, safety and wellbeing of everyone who engages with the IJB or for maximising opportunity, delivering innovation and best value, and increasing performance.

Key benefits of effective risk management:

- risk 'aware' not risk 'averse' decisions are based on a balanced appraisal of risk and enable acceptance of certain risks in order to achieve a particular goal or reward;

- high achievement of objectives and targets;

- high levels of morale and productivity;

- better use and prioritisation of resources;

- high levels of user experience/ satisfaction with a consequent reduction in adverse incidents, claims and/ or litigation; and

- a positive reputation established for the IJB.

In doing so the Joint Boards aims to provide safe and effective care and treatment for patients and clients, and a safe working environment within the IJB and others who interact with the services delivered under the direction of the IJB.

The Joint Boards purposefully seeks to promote an environment that is risk 'aware' and strives to place risk management information at the heart of key decisions. This means that the IJB can take an effective approach to managing risk in a way that both address significant challenges and enable positive outcomes.

Risk appetite is the amount of risk which is judged tolerable and justifiable. It is the amount of risk that any organisation is prepared to tolerate, or be exposed to at any one point in time. A formal risk appetite statement requires to be agreed annually by each IJB.

The Joint Board promotes the pursuit of opportunities that will benefit the delivery of the Strategic Plan. Opportunity related risk must be carefully evaluated in the context of the anticipated benefits for patients, clients and the IJB.

The Joint Board will receive assurance reports from their Partnership Senior Management Team (PSMT) not only on the adequacy but also the effectiveness of its risk management arrangements and will consequently evaluate the contribution that risk management makes to the wider governance arrangements of the IJB.

The Joint Boards, through the following risk management strategy, has established a Risk Management Framework, (which covers risk policy, procedure, process, systems, risk management roles and responsibilities).

This document represents the risk management framework to be implemented across the Joint Boards and will contribute to the IJB's wider governance arrangements.

Strategy - Implementing the policy

Introduction

The primary objectives of this strategy will be to:

- promote awareness of risk and define responsibility for managing risk within the IJB;

- maximise opportunity to improve service delivery;

- establish communication and sharing of risk information through all areas of the IJB;

- initiate measures to reduce the IJB exposure to risk and potential loss; and,

- establish standards and principles for the efficient management of risk, including regular monitoring, reporting and review.

This strategy takes a positive and holistic approach to risk management. The scope applies to all risks, whether relating to the clinical and care environment, employee safety and wellbeing, business risk, opportunities or threats.

Strategic/Corporate[1] **risks** represent the potential for the IJB to achieve (opportunity) or fail to meet (threat) its desired outcomes and objectives as set out within the Strategic Plan, and typically these risks require strategic leadership in the development of activities and application of controls to manage the risk.

Operational risks represent the potential for impact (opportunity or threat) within or arising from the activites of an individual service area or team operating within the scope of the IJB's activities. Parent bodies will retain responsibility for managing operational risks as operational risks will be more 'front-line' in nature and the development of activities and controls to respond to these risks can be led by local managers and team leaders. Where an operational risk impact across multiple service areas or, because of interdependencies, require more strategic leadership, then these can be proposed for escalation to 'strategic/corporate risk' status for the IJB and where required the parent organisation.

All risks will be analysed consistently with an evaluation of risk as being **very high/high/moderate/low & red/amber/yellow/green**. Further information can be found at Appendix 1.

Risk management process

Risk Management is about the culture, processes and structures that are directed towards realising potential opportunities whilst managing adverse effects[2] It is pro-active in understanding risk and uncertainty, it learns and builds upon existing good practice and is a continually evolving process that has an important role in ensuring that defensible and beneficial decisions are made.

The IJB embeds risk management practice by consistent application of the risk management process shown in the diagram on the right, across all areas of service delivery and business activities. Further information in relation to the Risk Managment Process can be found at Appendix 1.

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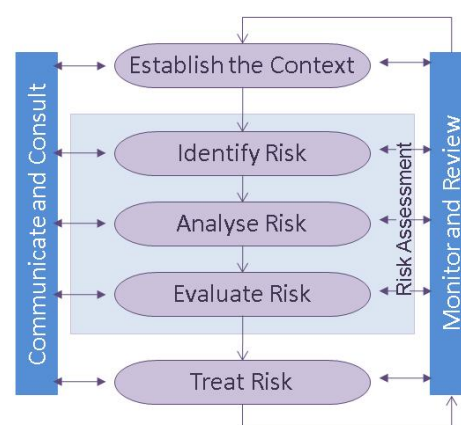
[1] Differences in terminology of risk currently exists, Strategic is used with the LA whilst Corporate is used with NHS.
[2] Australia/ New Zealand Risk Management Standard, AS/NZS 4360: 2004

Figure 1 Risk Management Process

Application of good risk management across IJB activities

The following standard procedures will be implemented across all areas of activity that are under the direction of the IJB in order to achieve consistent and effective implementation of the Risk Managment Strategy.

Implementation of the risk management process. This means that risk management information should (wherever possible) be used to guide major decisions in the same way that cost and benefit analysis is used.

Identification of risk using standard methodologies, and involving subject experts who have knowledge and experience of the activity or process under consideration.

Categorisation of risk under the headings below:

- Strategic / Corporate Risks: such as risks that may arise from Political, Economical, Social, Technological, Legislative and Environmental factors that impact on the delivery of the Strategic Plan outcomes.

- Operational Risks: such as risks that may arise from or impact on Clinical Care and Treatment, Social Care and Treatment, Customer Service, Employee Health, Safety & Well-being, Business Continuity/ Supply Chain, Information Security and Asset Management.

Appropriate ownership of risk. Specific risks will be owned by/ assigned to whoever is best placed to manage the risk and oversee the development of any new risk controls required.

Consistent application of the agreed risk matrix. Necessary to analyse risk in terms of consequences and likelihood of occurrence, taking into account the effectiveness of risk control measures in place. The risk matrix to be used is attached in Appendix 1.

Consistent response to risk that is proportionate to the level of risk. This means that risk may be terminated; transferred elsewhere (ie to another partner or third party); tolerated as it is; or, treated with measures to bring it to a level where it is tolerable for the IJB in keeping with its appetite/ tolerance for risk. In the case of opportunities, the IJB may 'take' an informed risk in terms of tolerating it if the opportunity is judged to be (1) worthwhile pursuing and (2) the IJB is confident in its ability to achieve the benefits and manage/ contain the associated risk. Further information can be found at Appendix 1.

Implementation and maintenance of risk registers. Used as a means of collating risk information in a consistent format allowing comparison of risk evaluations, informed decision-making in relation to prioritising resources and ease of access to information for risk reporting.

Reporting of strategic/corporate risks and key operational risks to the IJB on a six monthly basis. Operation of a procedure for movement of risks between strategic and operational risk registers that will be facilitated by the PSMT.

Routine reporting of risk information. Required within and across teams and a commitment to a 'lessons learned' culture that seeks to learn from both good and poor experience in order to replicate good practice and reduce adverse events and associated complaints and claims.

Governance, roles and responsibilities

This section should be read in conjunction with Ayrshire and Arran Integrated Health and Social Care Partnerships Health and Care Governance Framework

Integration Joint Board

Members of the Integration Joint Board are responsible for:
- Oversight of risk through the Performance and Audit Committee;
- Seeking assurances from the Partnership Senior Managment Team that effective risk management arrangements are in place;
- Receipt and review of reports on strategic/corporate risks and any key operational risks that require to be brought to the IJB's attention; and,
- Ensuring they are aware of any risks linked to recommendations from the Chief Officer concerning new priorities/ policies/ emerging risks, opportunities and the like.

Chief Officer

The Chief Officer has overall accountability for the IJB's risk management framework, ensuring that suitable and effective arrangements are in place to manage the risks relating to the functions within the scope of the IJB. The Chief Officer will keep the Chief Executives of the IJB's partner bodies and members of the IJB informed of any significant existing or emerging risks that could seriously impact the IJB's ability to deliver the outcomes of the Strategic Plan or the reputation of the IJB

Chief Financial Officer

The Chief Financial Officer will be responsible for promoting arrangements to identify and manage key business risks, risk mitigation and insurance.

Partnership Senior Management Team

Members of the Senior Management Team are responsible (either collectively, or by nominating a specific member of the team) for:
- supporting the Chief Officer and Chief Financial Officer in fulfilling their risk management responsibilities;
- arranging professional risk management support, guidance and training from partner bodies;
- receipt and review of regular risk reports on strategic/corporate, shared and key operational risks and escalating any matters of concern to the IJB;
- ensure the impact of decisions made in terms of risk and opportunities do not have a negative impact on insurance and self insurance arrangments. Key specialist advisors should be involved in decision making processes at the earliest opportunity where practicable; and
- ensuring that the standard procedures set out in this doucment and supporting documentation are actively promoted across their teams and within their areas of responsibility.

<u>Individual Risk Owners</u>

It is the responsibility of each risk owner to ensure that:

- understand their responsibiliy in relation to the managment of risk;
- risks assigned to them are analysed in keeping with the agreed risk matrix;
- measure effectivness of existing controls;
- risk mitigation are in place to manage the risk are proportionate to the context and level of risk;.
- monitor the timely implementation of additional mitigation where required;
- risk is reviewed not only in terms of likelihood and impact of occurrence, but takes account of any changes in context that may affect the risk; and
- risks are defined clearly to make explicit the scope of the challenge, opportunity or hazard and the consequences that may arise.

<u>All persons working under the direction of the IJB</u>

Risk management should be integrated into daily activities with everyone involved in identifying current and potential risks where they work. Individuals have a responsbility to make every effort to be aware of situations which place them or others at risk, report identified hazards and implement safe working practices developed within their service areas. This approach requires everyone to understand:

- the risks that relate to their roles and activities;
- how their actions relate to their own, their patients, their services users / clients and public safety;
- their accountability for particular risks and how they can manage them;
- the importance of flagging up incidents and/ or near misses to allow lessons to be learned and contribute to ongoing improvement of risk management arrangements; and,
- that good risk management is a key part of the IJB's culture.

<u>Partner Bodies</u>

It is the responsibility of relevant specialists from the partner bodies, (such as internal audit, external audit, clinical and non clinical risk managers and health and safety advisers) to attend meetings as necessary to consider the implications of risks and provide relevant advice. It is the responsibility of the partner bodies to ensure they routinely seek to identify any residual risks and liabilities they retain in relation to the activities under the direction of the IJB.

Resourcing risk management

Resourcing the risk management framework

The work on developing and leading the ongoing implementation of the risk management framework and accociated training for the IJB and employeeswill be resourced through the Partnership Senior Management Team's arrangements.

Training, learning and development

Risk management training and development opportunities

To implement effectively this strategy, it is essential for staff to have the competence and capacity for managing risk and handling risk judgements with confidence, to focus on learning from events and past experience in relation to what has worked well or could have been managed better, and to focus on identifying malfunctioning 'systems' rather than people.

Training is important and is essential in embedding a positive risk management culture across all activities under the direction of the IJB and in developing risk management maturity. The PSMTwill regularly review risk management training and development needs and source the relevant training and development opportunities required.

Monitoring activity and performance

Monitoring risk management activity and performance

A suitable system is required to ensure risk managment activity and performance is monitored. Monitoring will include review of the IJB's risk profile at Senior Management Team level.

The PSMT is responsible for providing assurance to the IJB that the Risk Managment Strategy is being applied effectively across the Partnership.

Key Perfomance Indicators (KPIs) will be linked where appropriate to specific risks to provide assurance on the performance of certain control measures. For example, specific clinical incident data can provide assurance that risks associated with the delivery of clinical care are controlled, or, budget monitoring PIs (Performance Indicators) can provide assurance that key financial risks are under control.

The performance data linked to the Strategic Plan will also inform the identification of new risks or highlight where existing risks require more attention.

Reviewing the IJB's risk management arrangements on a regular basis will also constitute a 'Plan/ Do/ Study/ Act' review cycle that will shape future risk management priorities and activities of the IJB, inform subsequent revisions of this policy and strategy and drive continuous improvement in risk management across the IJB.

It is expected that partner bodies will use IJB risk reports to keep their own organisations updated on the management of the risks, highlighting any IJB risks that might impact on the partner organisation.

Communicating risk management

Communicating, consulting on and reviewing the risk management framework

Effective communication of key risk management information across the IJB is essential to developing a consistent and effective approach to risk management.

Copies of this policy and strategy will be widely circulated via the Partnership Senior Management Team and will form the basis of any risk management training arranged by the IJB.

This strategy will be reviewed every three years or earlier if required to ensure that it reflects current standards and best practice in risk management and fully reflects the Integration Joint Board's business environment.

Appendix 1 Risk Management – A Quick Guide

Risk Management – A Quick Guide

What is Risk Management and why do we have to do it?

Risk is something that may have an impact on the achievement of our objectives. This could be an opportunity as well as a threat. Good risk management means that we have a better understanding of what risks and opportunities an IJB may face and how it can best manage them.

This quick guide provides basic details on the risk management process more detailed information in relation to using risk register software, directorate risk registers, peer review process, etc can be found in the supporting Management of Risk Guidance document.

Understanding and managing threats or risks comes down to four very simple questions:

1. What are the worst things that could happen to us?
2. What is the likelihood of them happening?
3. What would be the impact?
4. What can we do about it? (How can we prevent it from happening, or what can we put in place to manage it if it should?)

There are several tools which can be used to answer these questions. For simplicity and ease of understanding our approach is to use a simple 4 stage process of identification, assessment, management and review to ensure our risks are recorded and effectively managed. This approach is shown in Figure 2 and described in the four sections below.
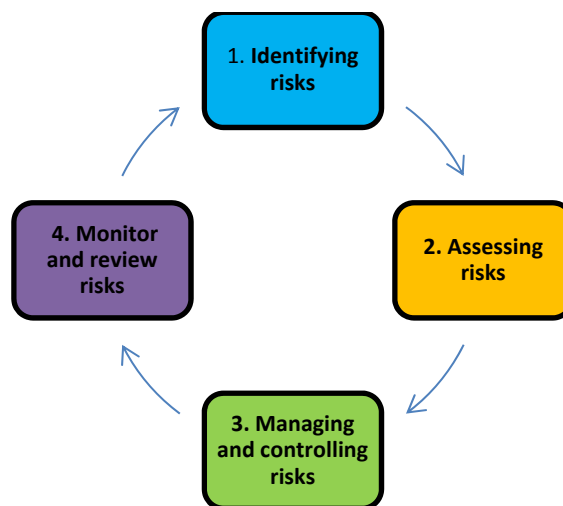
Figure 2 – Four Steps to Managing Risk

1. Identifying risks

To identify risks think through the things that could prevent or hinder your team from achieving its business objectives. There are three parts to a risk – an event that has a consequence that leads to an impact on our objectives. Typical risk phrasing could be:

Loss of…
Failure of…..
Failure to...
Lack of…
Development of…
Opportunity for

lead to …...

results in……

You will also need to identify whether the risk is:

- Strategic/Corporate: risks that are significant in size and duration and will impact on the reputation and performance of the IJB and parent organisations as a whole and in particular its ability to deliver Board objectives;
- Operational: risks specific to the delivery of individual services/service performance/project.

2. Assessing risks

Residual/Net risk   =   the level of risk remaining after managing it through treatment and/or control measures.

To identify the Residual/Net Risk we simply identify the consequence score from the appropriate domain listed in Table 2 after we have identified the control measure. We then multiple the consequence score by the likelihood of the event occurring. The likelihood score is taken from the matrix at Table 3.

Multiplying the consequence x likelihood then provides us with the Residual Risk. The Residual risk score helps to make decisions about the significance of risks to the IJB and how they will be managed, the controls required and the treatment of the risk. This can be found in Table 4.

SEVERITY CONSEQUENCE MATRIX - Description and definition of the CONSEQUENCE / IMPACT of the risk should it occur (these are a guide)

Severity

"Domains"	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
Objectives and projects	▪ Barely noticeable reduction in scope / quality / schedule	▪ Minor reduction in scope / quality / schedule	▪ Reduction in scope or quality, project objectives or schedule.	▪ Significant reduction in ability to meet project objectives or schedule.	▪ Inability to meet project objectives, reputation of the organisation seriously damaged and failure to appropriately manage finances.
Injury (physical and psychological) to patients/staff.	▪ Adverse event leading to minor injury not requiring first aid.	▪ Minor injury or illness, first-aid treatment needed. No staff absence required.	▪ Significant injury requiring medical treatment and/or counselling.	▪ Major injuries or long term incapacity/ disability (loss of limb), requiring medical treatment and/or counselling.	▪ Incident leading to death or major permanent incapacity.
Patient experience / outcome	▪ Reduced quality of patient experience / clinical outcome not directly related to delivery of clinical care.	▪ Unsatisfactory patient experience / clinical outcome directly related to care provision – readily resolvable	▪ Unsatisfactory patient experience / clinical outcome, short term effects – expect recovery < 1Wk	▪ Unsatisfactory patient experience / clinical outcome, long term effects - expect recovery > 1Wk	▪ Unsatisfactory patient experience / clinical outcome, continued ongoing long term effects.
Complaints / claims	▪ Locally resolved complaint	▪ Justified complaint peripheral to clinical care	▪ Below excess claim. ▪ Justified complaint involving lack of appropriate care.	▪ Claim above excess level. ▪ Multiple justified complaints.	▪ Multiple claims or single major claim.
Staffing and competence	▪ Short term low staffing level (< 1 day), where there is no disruption to patient care.	▪ Ongoing low staffing level results in minor reduction in quality of patient care ▪ Minor error due to ineffective training / implementation of training.	▪ Late delivery of key objective / service due to lack of staff. ▪ Moderate error due to ineffective training / implementation of training. ▪ Ongoing problems with staffing levels	▪ Uncertain delivery of key objective / service due to lack of staff. ▪ Major error due to ineffective training / implementation of training.	▪ Non delivery of key objective / service due to lack of staff. ▪ Loss of key staff. ▪ Critical error due to insufficient training / implementation of training.

Service / business interruption	▪ Interruption in a service which does not impact on the delivery of patient care or the ability to continue to provide service	▪ Short term disruption to service with minor impact on patient care.	▪ Some disruption in service with unacceptable impact on patient care. ▪ Temporary loss of ability to provide service.	▪ Sustained loss of service which has serious impact on delivery of patient care resulting in major contingency plans being invoked.	▪ Permanent loss of core service or facility. ▪ Disruption to facility leading to significant "knock on" effect.
Financial	▪ Negligible organisational financial loss (£< 1k).	▪ Minor organisational financial loss (£1-10k).	▪ Significant organisational financial loss (£10-100k).	▪ Major organisational financial loss (£100k-1m).	▪ Severe organisational financial loss (£>1m).
Inspection / assessment / audit	▪ Small number of recommendations which focus on minor quality improvement issues.	▪ Minor recommendations made which can be addressed by low level of management action.	▪ Challenging recommendations but can be addressed with appropriate action plan.	▪ Enforcement Action. ▪ Low rating. ▪ Critical report.	▪ Prosecution. ▪ Zero Rating. ▪ Severely critical report.
Adverse publicity / reputation	▪ No media coverage, little effect on staff morale.	▪ Local Media – short term. ▪ Minor effect on staff morale / public attitudes.	▪ Local Media – long term. ▪ Impact on staff morale and public perception of the organisation.	▪ National Media (< 3 days). ▪ Public confidence in the organisation undermined. ▪ Usage of services affected.	▪ National Media (> 3 days). ▪ MP / MSP Concern (Questions in Parliament).
Organisational / Personal Security, and Equipment	▪ Damage, loss, theft (£< 1k).	▪ Damage, loss, theft (£1-10k).	▪ Damage, loss, theft (£10-100k).	▪ Damage, loss, theft (£100k-1m).	▪ Damage, loss, theft (£>1m).

Table 2 – Consequence/Impact Matrix

Likelihood

	1 Remote	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
Probability	▪ Will only occur in exceptional circumstances.	▪ Unlikely to occur but definite potential exists.	▪ Reasonable chance of occurring – has happened before on occasions.	▪ Likely to occur – strong possibility.	▪ The event will occur in most circumstances.

Table 3 – Likelihood Matrix

Risk Rating

LIKELIHOOD	SEVERITY				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
5 Almost Certain	5	10	15	20	25
4 Likely	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Remote	1	2	3	4	5

Table 4 – Risk Rating

Level of Risk	Risk	How the risk should be managed
Very High (20-25)	Immediate Action Required Intolerable	Requires active management to manage down and maintain the exposure at an acceptable level. Escalate upwards. The activity or process should not be started or allowed to continue until the risk level has been reduced. While the control measures selected should be cost-effective, legally there is an absolute duty to reduce the risk. Review every 3 months.
High (10-16)	Immediate Action Required Unacceptable	Contingency plans may suffice together with early warning mechanisms to detect any deviation from the profile. Escalate upwards. If a new activity or process, it should not be started until the risk has been reduced. Considerable resources may have to be allocated to reduce the risk. Where the risk involves an existing activity or process, the problem should normally be remedied within one to three months. Review every 6 months.
Moderate (4-9)	Action Required	Efforts should be made to reduce the risk, but the cost of reduction should be carefully measured and limited. Risk reduction measures should normally be implemented within three to six months. Re-assess frequently
Low (1-3)	Acceptable	No further preventative action is necessary, but consideration should be given to more cost-effective solutions or improvements that impose no additional cost burden. Monitoring is required to ensure that the controls are maintained. Review periodically to ensure conditions have not changed.

Table 5 – How Risks should be managed

3. Managing and controlling risks

THE FOUR T's

The level of the inherent risk will help determine the best treatment for a risk, whether strategic, corporate, partnership or operational. Once the type of risk has been determined, consideration must be given to the most appropriate to treat the risk, action plan will be require to be drawn up and implemented. The rating and prioritisation of the risk will determine the speed with which the risk action plan should be implemented and at which level of the organisation the risk needs to be reported.

Tolerating	The IJB may tolerate a risk where: • the risk is effectively mitigated by internal controls, even if it is a high risk • the risk cannot be mitigated cost effectively • the risk opens up greater benefits These risks must be monitored and contingency plans should be put in place in case the risks occur.
Treating	This is the most widely used approach. The purpose of treating a risk is to continue with the activity which gives rise to the risk, but to bring the risk to an acceptable level by taking action to control it in some way through either: • containment actions (these lessen the likelihood or consequences of a risk and are applied before the risk materialises) or • contingency actions (these are put into action after the risk has happened, thus reducing the impact. These must be pre-planned)
Terminating	Doing things differently and therefore removing the risk. This is particularly important in terms of project risk, but is often severely limited in terms of the strategic risks of an organisation.
Transfer	Transferring some aspects of the risk to a third party, e.g. via insurance, or by paying a third party to take the risk in another way. This option is particularly good for mitigating financial risks, or risks to assets. However it is a limited option.

Table 6 – The Four T's

CONTROLS

Any action, procedure or operation undertaken to either contain a risk to an acceptable level (the impact), or to reduce the likelihood. Where future actions are planned these should have a date by which they will be implemented.

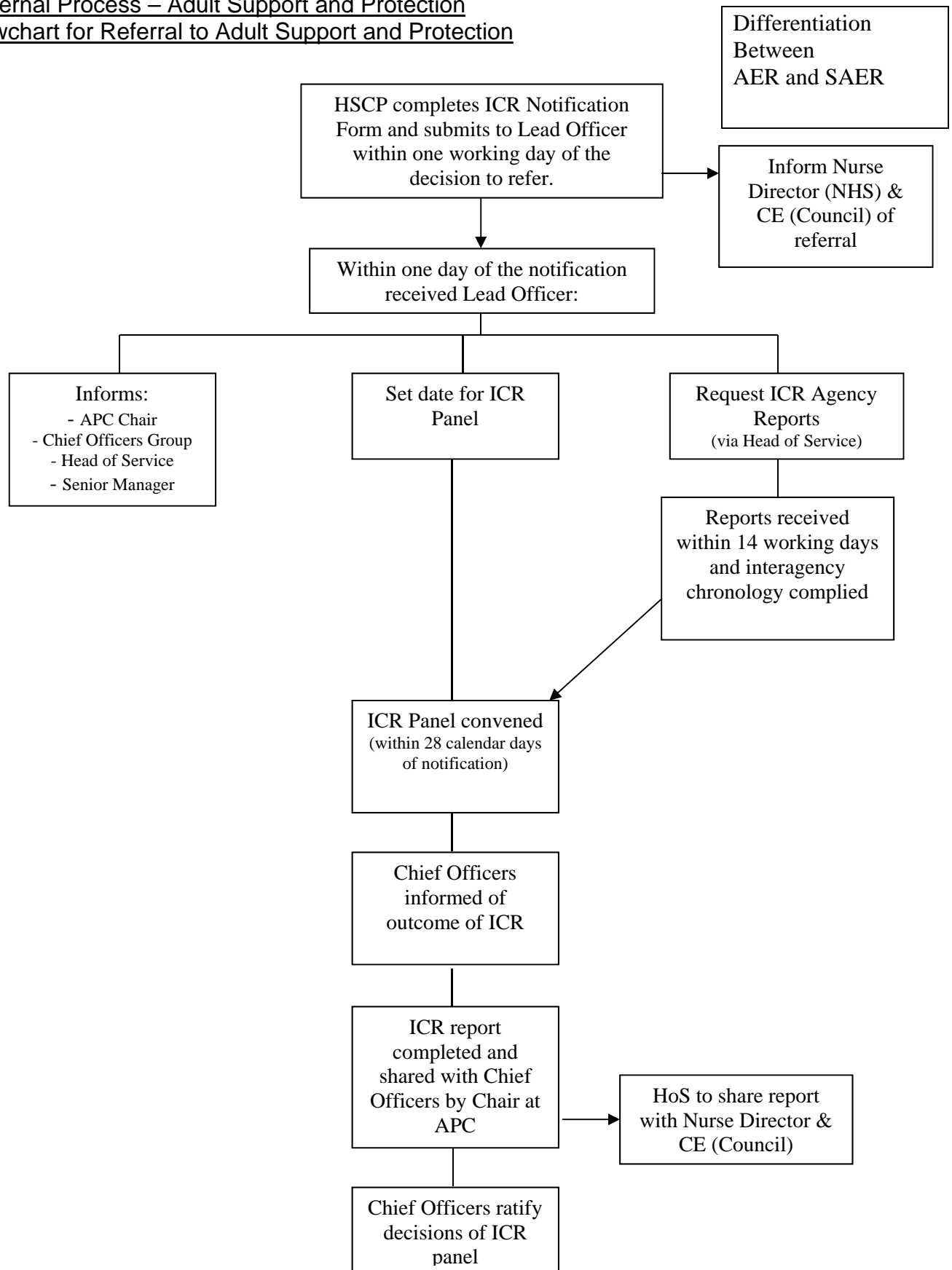# 4. Monitor and Review Risks

REPORTING RISK

Nothing stays the same forever. By talking to your staff and monitoring incident rates and control measures, you will be able to judge whether your risk control measures are effective. Managers and staff must be given responsibility to oversee the process and develop reporting procedures, discussing and helping to implement solutions, as well as monitoring the solutions for effectiveness.

Your risks should be reviewed regularly to ensure that the risk has not changed and that no further control measures are needed. A risk should also be reviewed if any changes occur that may increase the risk of an adverse event occurring.
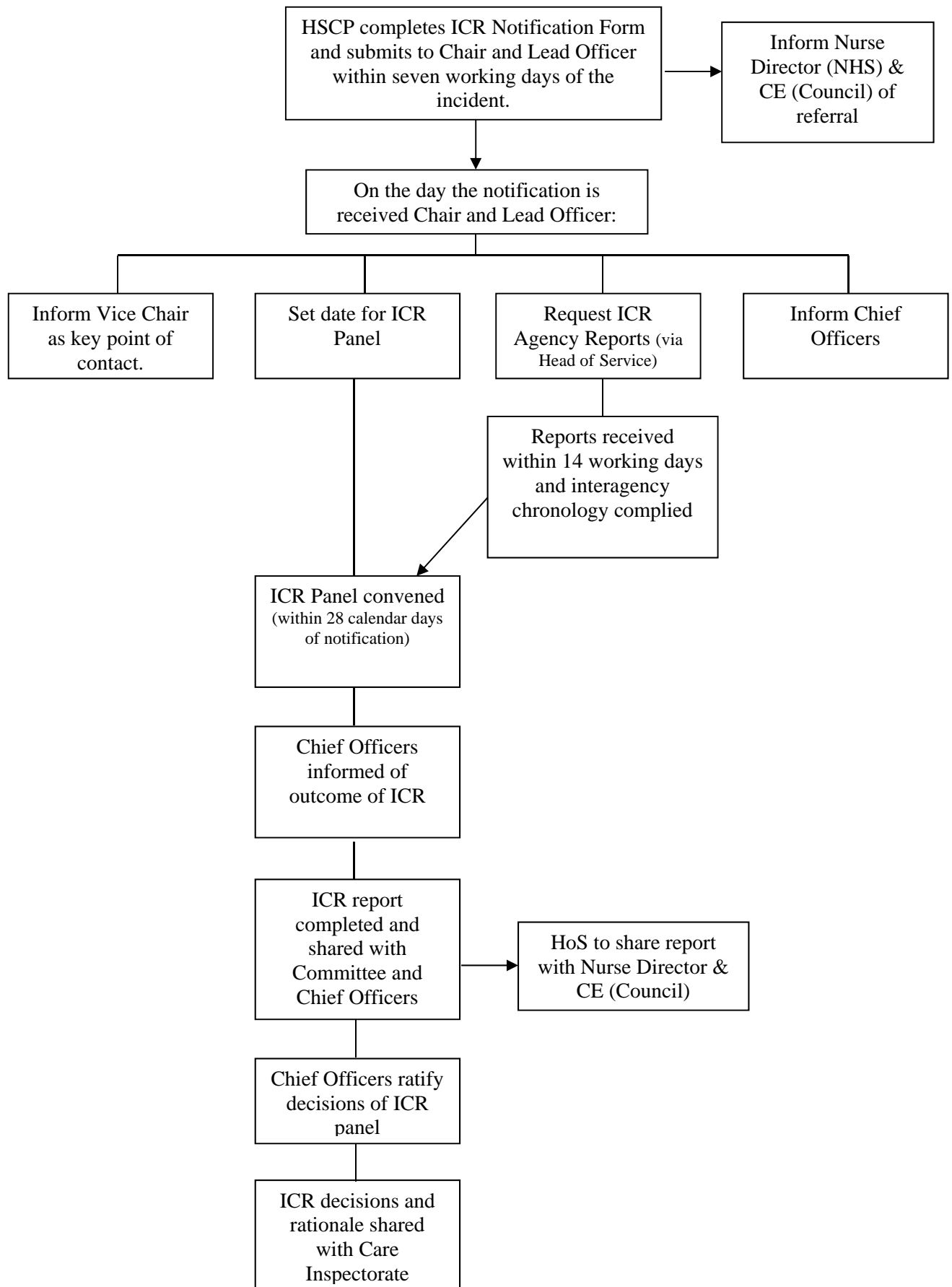
There is no legal time frame for when you should review your risk assessment. However, the IJB has adopted the process that it is at your discretion to decide when a review is deemed necessary, but the risk assessment is a working document and, as your business experiences change, this information should be recorded and updated. As a guide, it is recommended that risk assessments be reviewed on an annual basis.

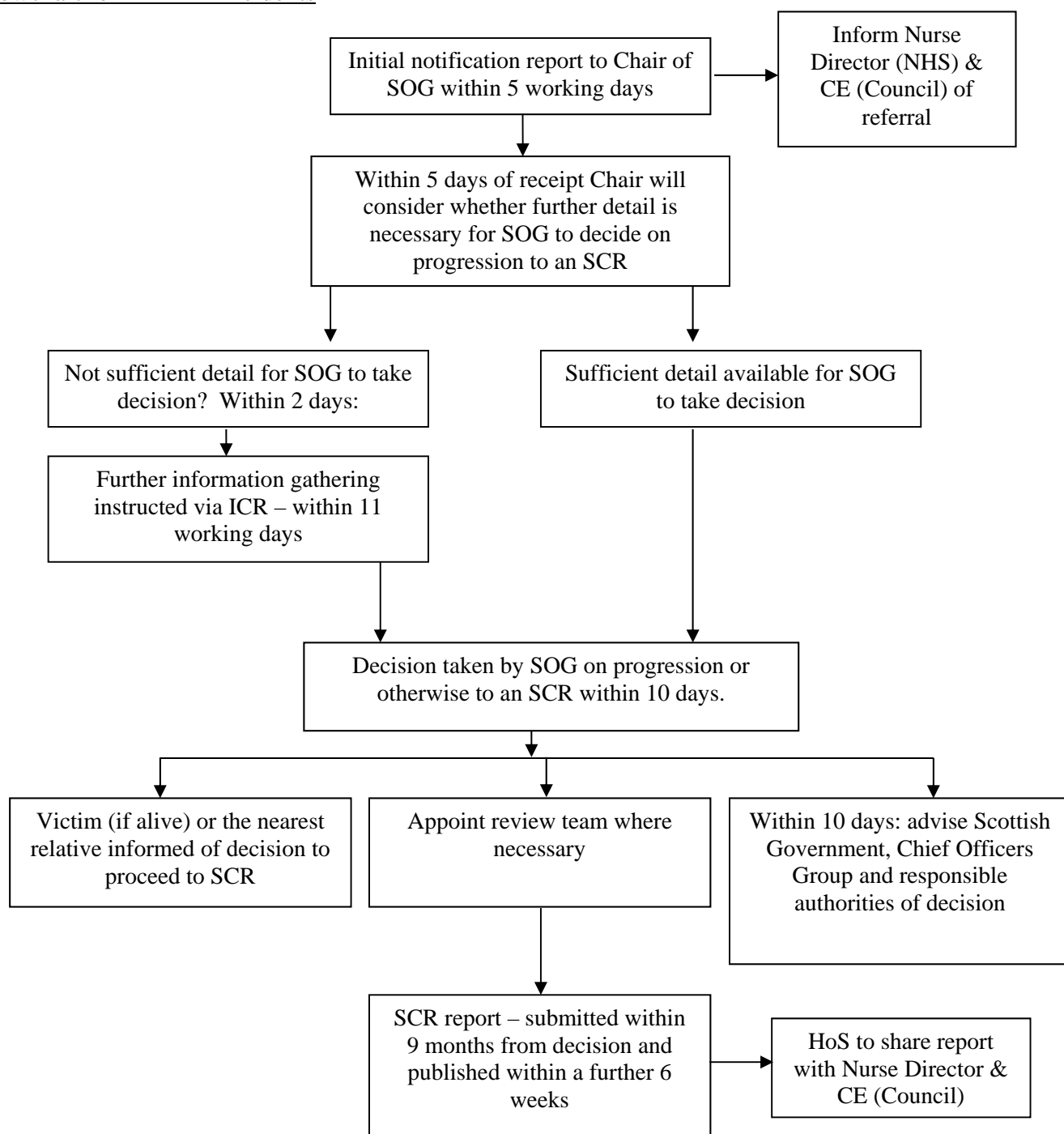Appendix 4 - Internal Process for Services Provided within the Partnerhsip

External Process – Adult Support and Protection
Flowchart for Referral to Adult Support and Protection

Differentiation Between AER and SAER

HSCP completes ICR Notification Form and submits to Lead Officer within one working day of the decision to refer.

Inform Nurse Director (NHS) & CE (Council) of referral

Within one day of the notification received Lead Officer:

Informs:
- APC Chair
- Chief Officers Group
- Head of Service
- Senior Manager

Set date for ICR Panel

Request ICR Agency Reports (via Head of Service)

Reports received within 14 working days and interagency chronology complied

ICR Panel convened (within 28 calendar days of notification)

Chief Officers informed of outcome of ICR

ICR report completed and shared with Chief Officers by Chair at APC

HoS to share report with Nurse Director & CE (Council)

Chief Officers ratify decisions of ICR panel

HSCP completes ICR Notification Form and submits to Chair and Lead Officer within seven working days of the incident.

Inform Nurse Director (NHS) & CE (Council) of referral

On the day the notification is received Chair and Lead Officer:

Inform Vice Chair as key point of contact.

Set date for ICR Panel

Request ICR Agency Reports (via Head of Service)

Inform Chief Officers

Reports received within 14 working days and interagency chronology complied

ICR Panel convened (within 28 calendar days of notification)

Chief Officers informed of outcome of ICR

ICR report completed and shared with Committee and Chief Officers

HoS to share report with Nurse Director & CE (Council)

Chief Officers ratify decisions of ICR panel

ICR decisions and rationale shared with Care Inspectorate

Extenral Process - MAPPA
Flowchart for MAPPA Incidents

```
┌────────────────────────────────┐         ┌──────────────────┐
│ Initial notification report to │────────▶│ Inform Nurse     │
│ Chair of SOG within 5 working  │         │ Director (NHS) & │
│ days                           │         │ CE (Council) of  │
└────────────────────────────────┘         │ referral         │
                │                           └──────────────────┘
                ▼
┌────────────────────────────────┐
│ Within 5 days of receipt Chair │
│ will consider whether further  │
│ detail is necessary for SOG to │
│ decide on progression to an    │
│ SCR                            │
└────────────────────────────────┘
        │                    │
        ▼                    ▼
┌──────────────────┐  ┌──────────────────┐
│ Not sufficient   │  │ Sufficient       │
│ detail for SOG   │  │ detail available │
│ to take          │  │ for SOG to take  │
│ decision? Within │  │ decision         │
│ 2 days:          │  └──────────────────┘
└──────────────────┘           │
        │                      │
        ▼                      │
┌──────────────────┐           │
│ Further          │           │
│ information      │           │
│ gathering        │           │
│ instructed via   │           │
│ ICR – within 11  │           │
│ working days     │           │
└──────────────────┘           │
        │                      │
        ▼                      ▼
┌────────────────────────────────┐
│ Decision taken by SOG on       │
│ progression or otherwise to an │
│ SCR within 10 days.            │
└────────────────────────────────┘
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Victim (if alive) or the nearest relative informed of decision to proceed to SCR

Appoint review team where necessary

Within 10 days: advise Scottish Government, Chief Officers Group and responsible authorities of decision

SCR report – submitted within 9 months from decision and published within a further 6 weeks

HoS to share report with Nurse Director & CE (Council)

Criteria for Intial Case Review

Child Protection

When a child dies and the incident or accumulation of incidents (a case) gives rise to significant/serious concerns about professional and/or service involvement or lack of involvement, and **one or more of the following apply :**

- Abuse or neglect is known or suspected to be a factor in the child's death;
- The child is on, or has been on, the Child Protection Register (CPR) or a sibling is or was on the CPR. This is regardless of whether or not abuse or beflet is known or

suspected to be a factor in the child's death unless it is absolutely clear to the Child Protection Committee that the child having been on the CPR has no bearing on the case;

- The death is by suicide or accidental death;
- The death is by alleged murder, culpable homicide, reckless conduct or act of violence;
- At the time of their death the child was looked after by, or was receiving aftercare or continuing care from, the local authority.

When a child has not died but has sustained **significant** harm or risk of significant harm as defined in the National Guidance for Child Protection Scotland, **and** in addition to this, the incident or accumulation of incidents (a case) gives rise to serious concerns about professional and/or service involvement or lack of involvement, and the relevant Child Protection Committee determines that there may be learning to be gained through conduction a Significant Case Review.

Adult Protection

- An SCR should be considered when:
- An adult who is known or believed to meet the criteria of an adult at risk dies (including death by suicide), and abuse or neglect is known or suspected to be a factor in their death.
- An adult at risk has sustained any of the following:
- A life threatening injury through abuse or neglect or lack of care
- Serious sexual abuse
- Serious or permanent impairment of development through abuse and/or neglect.

OR

- Where serious abuse occurred in an institutional setting.
- A culture of abuse was identified
- Multiple abusers were involved.

AND

The case(s) give rise to serious concerns about the way in which local professionals and services work together to safeguard adults at risk.

A "Significant" Case need not comprise just one significant incident any of the serious circumstances above in 2.2 could suggest that an SCR may be required. The threshold for seriousness can be considered as the "impact on the victim, the intent of the perpetrator, whether the abuse constitutes a criminal offence and whether there is continued risk to the same person or other potential persons" (DOH 2000) therefore the severity of harm and the impact is the first screening process (Brown 2009).

An important point to consider as the aforementioned research highlights is that many situations involving adults who agencies know or believe may meet the criteria of an adult at risk of harm can be extremely complex however if the local support and protection practice has been able to deal with this there can be learning but it is not necessary to initiate an SCR .

What is provided in this section is a guide for helping the Adult Protection Committee, professionals and all agencies make professional decisions about the way forward. The list should not be seen to exclude cases that may not precisely fit the criteria but which nevertheless clearly trigger significant professional concern. These cases should be left to professional judgement and the Adult Protection Committee decision on how to proceed.

Incident Categories and Levels

Although there is no single definition of an incident, in general terms an incident is an event which has led to or has the potential to lead to an unwanted outcome in relation to a service user/patient and/or their family.

Incidents that relate to health and safety issues (including staff subject to incidents of violence and aggression) should be recorded on DATIX and/or the local authority health and safety system as appropriate.

Significant Adverse Events to be reported through SAER processes are categorised as follows:

This list of Significant Adverse Events describes distinct events categorised by the organisation as ones that must always be reported when they may have resulted in:

Unexpected Death	• Death of a service user/patient involving suicide, murder, misadventure or suspicious circumstances
	• Death of a child open to services (with the exception of children who die as a result of a life-limiting condition)
	• Death of a service user/patient subject to statutory measures or ongoing investigation/inquiry defined in statute
	• Death of an individual recently discharged from services or recently refused access to services (within 1 year), where the death involves suicide, murder, misadventure or suspicious circumstances
	• Death of others caused by the actions of a service user/patient
	• Death of service user/patient as a result of service action/inaction
Significant Harm (defined as physical, sexual or emotional abuse/neglect/self-harm incident or avoidable accident leading to substantial impact on an individual's mental or physical well-being)	• Significant harm (potential significant harm) caused to/experienced by a service user/patient as a result of an act of commission or omission by staff acting on behalf of the organisation
	• Significant harm caused to/experienced by a service user/patient whilst in the presence of a staff member

	• Significant harm caused to/experienced by a service user/patient whilst within any Partnership establishment or premise • Significant harm caused to/experienced by a service user/patient whilst living in an independent establishment commissioned by the Partnership to look after them • A further sexual offence committed by a Registered Sex Offender on license • Significant harm to others caused by the actions of a service user/patient • Medication error – wrong drug, wrong dose, wrong patient, wrong time, wrong rate, wrong preparation or wrong route of administration • Significant harm caused to member of staff through engagement with service user/patient • Significant damage to property or premises of the Partnership by deliberate act of service user/patient

Criminal events such as wilful administration of care process, treatment or medications to cause harm, physical assault or sexual assault may require review using the SAER process. These events will initially be subject to review by police.

NORTH AYRSHIRE COUNCIL

Agenda Item 14

14 March 2017

Cabinet

Title:	**Care at Home Outsourced Service Provision**
Purpose:	To review the current care at home in-house and outsourced service provision and to seek a decision/approval regarding the future split of provision. In addition to approve a tender exercise to appoint suitable Service Providers to deliver care at home services to service users of North Ayrshire Health and Social Care Partnership (NAHSCP).
Recommendation:	1. That the Cabinet endorses tendering for Care at Home Services based on the IJB endorsed future split of care at home delivery between inhouse and outsourced service provision with a maximum in-house provision of 70% and minimum outsourced service of 27.5% depending on the market locally. This would represent a maximum 9% shift..

1.   Executive Summary

1.1   Care at Home Services are currently delivered by in-house provision across the six localities of North Ayrshire and partially outsourced across five of those localities – Arran is completely inhouse.

1.2   In order to comply with the Council's Standing Orders and The Public Contracts (Scotland) Regulations 2015 and Procurement Reform (Scotland) Act 2014, a formal tendering exercise should be undertaken.

1.3   It will be important to ensure that the tender process is designed and delivered to reflect the changing nature of Care at Home service provision into the future, with a local commitment to transition from a traditional model of service delivery to one in which the care staff are at the heart of multi-disciplinary team working.

1.4   This will see care staff, with appropriate training and support, taking on additional, more complex tasks, offering more holistic assessments and care alongside Social Work Teams, District Nurses, Allied Health Professions etc.   In doing so, the Care at Home service of the future will offer a professional career in its own right, as well as invaluable skills and experience for those wishing to pursue a career in other caring roles.

1.5   The successful delivery of this shift will be dependent on the providers of the service, whether in-house or outsourced, creating the type of learning and development environment necessary to support staff adopt these new roles while continuing to provide the highest quality care to local people.

2.   Background

2.1   In 2010 the position of care at home delivery was 70% in-house and 30% outsourced and at that time it was agreed to move from that position to a 50%-50% split. This decision was taken as it was viewed, at that time, that increasing the outsourced provision would achieve savings. Subsequently there was a tender exercise undertaken which resulted in five framework contracts being awarded. The five framework contracts were split into geographical lots – (i) Irvine and Kilwinning; (ii) Ardrossan, Saltcoats and Stevenston (3Towns); (iii) Largs, Fairlie, West Kilbride and Skelmorlie, (North Coast); (iv) Kilbirnie, Dalry and Beith, (Garnock Valley); (v) Island of Arran. The five framework service providers agreed to use the Council's selected electronic call monitoring system, called CM2000, from 1 February 2014.

2.2   The framework contract award was effective from 1 May 2011 for a four year period to 31 March 2015 with an extension option of two twelve month periods taking this to 31 March 2017. Initially at the stage of the framework award in 2011 it was envisaged that the incoming framework providers would deliver all the care at home provision for their allocated areas and that the non-framework providers who were delivering services via call off would no longer be utilised. However this did not happen due to some difficulties with the Framework Providers thus the non-framework providers have continued to deliver services via call off contracts.

2.3   Due to some of the ongoing difficulties with service providers; the fragility of the service provision; business mergers and take overs; by 2015 there were only two framework providers remaining delivering services within Irvine and Kilwinning, Three Towns and Garnock Valley. A further fragility around the market and limited availability of providers resulted in the call off contracts being extended till 31 March 2017. A separate report was submitted to Cabinet on 14th February 2017 in connection with procurement in general and a request for exceptions, for a variety of contracts, to be extended for a further period without immediate tendering. The existing care at home contracts, both framework and call off, were included in that report.

2.4   Since the commencement of the 50-50 split in 2011, there have been issues, some more significant than others, with three of the framework service providers that has affected the delivery of services and had financial implications for the Partnership. Some of these issues have included: (i) placing moratoriums on providers due to the risks regarding provision; (ii) concerns about the quality of care provision; (iii) the level of missed visits; (iv) handing back of care packages/service users to the NAHSCP in-house service at short notice; (v) level of complaints regarding delivery of provision.

2.5   The Shadow Integration Board (SIB) agreed in December 2014, due to some of the significant issues that had taken place, that two of the framework service providers would not have their contracts extended beyond 31 March 2015. The SIB further agreed that, in the North Coast locality, staff from the two framework providers who were not being given an extension would TUPE across to the NAHSCP with the two providers' staff in the other localities being TUPE'd to the two remaining framework providers.

2.6   Market testing was carried out in year 2015 to determine if there were other suitable service providers who could provide care at home services.   Service providers were contacted who had already been verified by way of tender processes carried out by East Ayrshire Council, South Ayrshire Council, Inverclyde Council and Renfrewshire Council with no Service Providers able to meet the capacity required by North Ayrshire Council.   Furthermore, the Scotland Excel Social and Care Agency Workers Framework Agreement was explored for the provision of support workers without a positive outcome.

The NAHSCP has supported the establishment of two small medium enterprises (SME's) in the North Coast to provide services to meet option 1 and option 2 of Self Directed Support, however, the SME's would not be in a position to meet the capacity required to deliver further provision through option 3 of Self Directed Support.

2.7   The Council's in-house cost is £17.98 per hour, including unsocial allowances, superannuation/national insurance costs; on costs for holiday cover, training etc and the wider management costs. At the same time, the current approved hourly rate for Care at Home outsourced services is £15.51 per hour.

2.8   That said, it is important to note that an element of the management costs associated with the in-house service is attributable to the management of the contracts for the outsourced services.   This covers the initial request of work to the providers; the ongoing update requests; the cancellation of services; restarts of service; the monthly and quarterly meetings to monitor service provision; the management of complaints about outsourced provision; the monthly checking of invoices and subsequent queries in relation to this; locating service users when a provider is unable to gain access or where service is unable to be provided; the management and reallocation of work when care packages are handed back; and the handling of enquiries from providers in both the in-hours and out-of-hours period.

2.9   These activities account for up to 20% of the management costs associated with the in-house service and the true cost of the in-house Care at Home service is therefore £17.57 per hour.

2.10   For the financial year 2016/17 the care at home budgets are as follows:

£9,301,986   - care at home in-house staffing - allocated across all localities.

£5,576,317 – care at home outsourced budget - allocated across all localities excluding Arran.

£ 392,978 – Direct Payments allocated across all localities, including Arran, which sits within the outsourced budget resource.

This means that percentage of service provision is allocated as 61% in-house; 36.5% outsourced via service providers; 2.5% allocated to Direct Payments. Any shift of percentage split between in-house and outsourced provision will require the associated financial resources to be transferred accordingly.

2.11   Over and above the directly purchased services, the budget also supports Direct Payment provision where there is care at home elements of care packages. There is currently, in 2016/17, an annual budget allocation of £438,426 within care at home set against Direct Payments.

2.12   That the Cabinet gives approval to undertake a tender exercise for a two year multi-lot Framework Agreement with the option to extend the Framework Agreement by two twelve month periods.

2.13   The framework shall be an agreement between North Ayrshire Council (NAC) and service providers with established terms, split by four geographical locations – Irvine and Kilwinning; Ardrossan, Saltcoats and Stevenston making up the Three Towns area;   Largs, Fairlie, West Kilbride, Skelmorlie and Cumbrae making up the North Coast area;   Kilbirnie, Dalry, and Beith making up the Garnock Valley area. The Island of Arran will continue to receive services purely from in-house provision.

To safeguard positive outcomes for service users, the framework shall include quality measures ensuring that the service providers adhere and evidence adherence to National Care Standards, National Health and Wellbeing Outcomes and the Partnership's Strategic Plan 2016 to 2018. This shall be managed by way of the Partnership's Contract Management Framework.

2.14   When looking at a Risk Analysis of the options available regarding the service provision split between in-house and outsourcing then the following should be considered for each of the proposed percentage splits:

- **61% inhouse and 36.5% outsourced**
  This reflects the status quo. Currently within the care at home service the budget allocation is based on a 61% in-house and 36.5% outsourced split (with the remaining 2.5% of the care at home budget outsourced budget allocated to Direct Payments). There would not be any major changes to the availability of provision or flexibility of service. Depending on the outcome of any tender exercise TUPE may apply but it would be between providers and not anything the Council would require to enter into.

- **70% inhouse and 27.5% outsourced**
  This would mean transferring 9% of the service currently being delivered via outsourced providers to in-house provision. The 9% increase to in-house provision would not give the in-house service much additional increased flexibility in either time or ability to respond to hospital discharges/prevention of hospital admissions. The 9% reduction in outsourced provision would have minimal impact on the overall hours currently purchased from the service providers as the nature of the service can see the hours fluctuate across providers due to hospital admissions, care home admissions and sadly, individuals passing away. There would be no TUPE requirements.

- **80% inhouse and 17.5% outsourced**
  This would mean moving 19% of the service currently being delivered via outsourced providers to in-house provision. Some of the benefits of increasing the in-house provision by 19% are: (i) increased flexibility and a faster response to hospital discharges/prevention of hospital admissions across localities; (ii) the hourly rate for in-house provision is more economic than the rate for outsourced provision; (iii) a reduction in the waiting list of individuals who have requested a return to in-house provision and (iv) it would also reduce budget costs for the care at home service in relation to the electronic call monitoring provider, CM2000, as the Service pays an administrative fee for every service user who receives their provision via a service provider.

Some of the disadvantages of increasing the inhouse provision by 19% are: (i) there would be financial and human resource implications for the service providers;   (ii) TUPE would apply therefore there would be a requirement to TUPE some staff from the service providers into the Council thus reducing the service provider's staffing establishments; (iii) by increasing the Council's staffing establishments there are costs associated with annual leave, training and potential sickness absence; (iv) reduction in work being referred to the service providers would have financial implications for the service providers and their business viability and profitability.

It is worth noting that the current service providers might not necessarily be the same providers delivering services following the completion of a tender exercise – other service providers could be successful in the awards. That has happened previously and the tender awards have been allocated to completely different organisations. Therefore the TUPE of staff; the reduction in work (or indeed the cessation of all work) for existing service providers could still be a reality under the tender process.

- **97.5% inhouse**
  Over and above the benefits already highlighted in the previous segment further benefits of 97.5% of provision delivered in-house are: (i) it would eradicate all the risks associated with work being handed back permanently, at short notice, by a service provider or where the service provider cannot cover their allocated provision due to sickness absence they ask the in-house service to take the work back on a temporary basis; (ii) It would afford the staff working within the sector a more permanent employment status and career pathway; (iii) increase flexibility to respond to demands from acute services.

  The additional disadvantages moving to 97.5% of provision delivered inhouse are: (i) Significant financial implications for the service providers and their business profitability and continuity and despite all of the potential benefits to providing 97.5% of Care at Home through in-house service, if Cabinet were to take such a decision, it should note that some providers may no longer be able to sustain their business as they only deliver services in North Ayrshire; (ii) removal of mixed economy of care.
  Consideration could be given to moving to 97.5% in-house incrementally over the financial years 2018/19 and 2019/20. An incremental reduction to the current service providers over two fiscal years would give the service providers an opportunity to forecast and establish business plans accordingly. If service users wish to remain with the service provider they currently have their provision with they have that option under the Self Directed Support legislation.

2.15 The services commissioned by Framework ends on 31 March 2017. However, an application to extend the framework Service Provider's contracts to 30 June 2018 shall be subject to IJB report - "Procurement - EU Tender Plan and Contracting for Services".

2.16 The services commissioned by call-off ended on 31 March 2016 with an option to extend for one remaining year until 31 March 2017. However, an application to extend the call-off Service Provider's contracts to 30 June 2018 shall be subject to IJB report – "Procurement – EU tender plan and contracting for services".

2.17 The service is integral to meeting the needs of people who require support in their own home. Failure to provide this service would have serious implications for people who are living at home and also for their carers.

3. Proposals
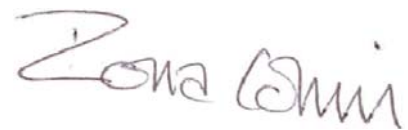
3.1 Cabinet is requested to approve going to tender for the Care at Home Services based on the IJB approved split of in-house and outsourced care at home provision from it's current position of 61% in-house and 36.5% outsource to a maximum of 70% in-house and minimum of 27.5% outsourced from financial year 2018/19 depending on the response from the market locally. This would represent a maximum 9% shift. This is in line with the assessment of affordability set out in Section 4. In additional the Cabinet is requested to approve the undertaking of a tender exercise to secure the delivery of these services.

3.2 Cabinet is requested to take cognisance of the previous market testing that was carried out. Similarly, the Cabinet is also requested to take cognisance of the lack of stability of service and the delivery of provision from service providers since 2011.

4. Implications

Financial:	The Partnership Section 95 Officer and Head of Service for Health & Community Care have reviewed the financial implications of moving to a maximum 70% in-house provision and concluded that this is affordable within the recurring budget being made available to IJB in 2017/18.
Human Resources:	Transfer of Undertaking (Protection of Employment) Regulations (TUPE) implications for external service providers could apply dependent on the percentage split. Once the percentage split is known then further work will be undertaken to fully understand the HR implications.
Legal:	The procurement is above EU Public Procurement thresholds for services classified within the light touch regime of The Public Contracts (Scotland) Regulations 2015. The Corporate Procurement Team as well as NAC Legal Services will be fully involved in the procurement process.
Equality:	The equality credentials of the Service Providers who submit tender applications will be scrutinised as part of the procurement process. The provision of the service would offer appropriate support to service users of NAHSCP whom require care in their own home. Those service users are not anticipated as being disadvantaged by the provision of the service.
Environmental & Sustainability:	There are no environmental implications in connection with the tender.
Key Priorities:	The provision of this service fits with the NAHSCP's Strategic Priorities: Priority 1 - Tackling Inequalities Priority 4 - Prevention and Early Intervention Priority 5 - Improving Mental Health and Well-being
Community Benefits:	

5.   Consultation

5.1   Consultation has taken place with the Corporate Procurement and with NAC Legal Services.

5.2   Consultation with service users and carers has taken place and still does at time of referral regarding their preference for their provider. However in terms of the tender exercise further consultation with service users and carers will take place during the tender exercise process and service users/carers will be invited to be part of the evaluation panel.

IONA COLVIN
Director (North Ayrshire Health and Social Care Partnership)

Reference : HMcA
For further information please contact David Rowland, Head of Community Care & Health or Helen McArthur, Senior Manager Community Care (Service Delivery) on 01294 317797

Background Papers
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NORTH AYRSHIRE COUNCIL

Agenda Item 15

14 March 2017

Cabinet

Title:	**Vacant and Derelict Land Funding**
Purpose:	To seek approval for the expenditure of funds allocated by the Scottish Government through the Vacant and Derelict Land Fund in 2017/18 and beyond.
Recommendation:	It is recommended that Cabinet: a) note the VDLF award of £1.751M for 2017/18; b) agree to the submission of a local delivery plan for the expenditure of funds in 2017/18 to the Scottish Government; and, c) agree to the principle of the majority of future funding beyond 2017/18 being allocated to Irvine Enterprise Area, Lochshore, Irvine Harbourside/Ardeer and Ardrossan North Shore as priority projects.

1.   Executive Summary

1.1   North Ayrshire contains a significant legacy of vacant and derelict land due to the decline in former industrial uses within the area. Major industrial closures such as ICI, Volvo, Ayrshire Metal Products and Shell are examples. The Scottish Government administered Vacant and Derelict Land Fund aims to tackle long term vacant and derelict land by providing funding to authorities where the issue and its impact on communities is greatest.

1.2   Following a review of the funding criteria, in February 2016 the Scottish Government announced the inclusion of North Ayrshire in the funding settlement for the fund from 2016/17. A funding allocation of £1.751M was also recently confirmed for the 2017/18 financial year. This paper advises Members of intentions for the expenditure of the funding award for the financial year 2017/18 through the submission of a Local Delivery Plan. It also proposes a focus on major priority sites should the funding availability be maintained.

2. Background

2.1 Vacant land is defined by the Scottish Government as 'unused land viewed as an appropriate site for development, having either had prior development on it or preparatory work in anticipation of future development'. Derelict land is that 'damaged by development, so that it is incapable of development for beneficial use without some remedial works'. Both are sometimes referred to as 'brownfield' sites.

2.2 The Scottish Vacant and Derelict Land Survey (SVDLS) provides a national data source for vacant and derelict land. In 2015, there were 3,851 vacant and derelict sites covering 10,365 hectares of land in Scotland, a 4.6% decrease from the previous year. North Ayrshire contains the third highest level of vacant and derelict land in Scotland with 1,333 ha of land, 11% of the Scottish total, across 260 sites. The figure includes large sites such as Ardeer (628ha), Riverside (104ha), Hunterston (67ha) and Lochshore North (40ha).

2.3 The Scottish Government's Vacant and Derelict Land Fund (VDLF) aims to tackle the presence of long-term vacant and derelict land in Scotland and in doing so stimulate economic growth/job creation, an improved environment and quality of life. Following its inception in 2007 and until 2016, access to the Fund was restricted to 5 local authorities to focus resource, and to reflect the extent of vacant and derelict land and levels of deprivation. Representations were made by officers to a review of the fund in 2015. As a result of this and revisions to the criteria the Council were advised in February 2016 that it was to be one of five authorities to benefit from access to the fund for the financial year 2016/17 and the settlement period to 2019/20. The other four authorities which will benefit from the funding are South Lanarkshire, North Lanarkshire, Fife and Glasgow City.

2.4 Further to Cabinet approval in March 2016 and the agreement of SG to expenditure in July 2016, expenditure of funding in 2016/17 was focused on the following sites:

Site	Proposal and end use
Quarry Road, Irvine	Contribution to the proposed mixed use commercial and leisure development
Kyle Road, Irvine	Site remediation and provision of development platforms to facilitate industrial development/marketing
Moorpark Road West, Stevenston	Excavation and disposal, landscaping and provision of footpath.
Lochshore	Feasibility study into remediation and reuse of site in line with Cabinet approval of 31st January 2017.
Ardrossan North Shore	Feasibility work into redevelopment of site and regeneration of Harbour area
Ardeer	Feasibility study into remediation and reuse of Irvine Harbourside/Ardeer area through Ayrshire Growth Deal proposals
Various	Feasibility into the growth of short rotation forestry on V&DL sites to provide a biomass fuel facility including site investigations
Total	£1.427M

2.5 A Local Delivery Plan requires to be submitted to the Scottish Government to allow Ministerial approval of our intentions for expenditure of the funding within the new financial year. The criteria by which the funds may be allocated is contained at Appendix 1. It should be noted that this criteria restricts interventions to sites which have been on the register since 2000 and of over 0.1 ha. In addition the funds may not be used on housing, infrastructure or flood defence projects. In recommending an allocation of funds for 2017/18, the following factors have been considered:

- The Scottish Government funding criteria (Appendix 1);
- The economic development focus of the funding;
- The need to balance feasibility and site preparation work, with interventions that see physical space and employment created, and the SG aspiration for around 25% of funding to be spent on site greening
- The need to secure a spread of interventions in terms of type and geography; and,
- The deliverability of projects within the 2017/18 financial year. Allocations will be confirmed in June 2017 and projects need to then be delivered by March 2018.

2.6 Appendix 2 provides a table of the sites which qualify for funding against the SG funding criteria, and an appraisal of their suitability based upon the above factors. The table focuses on sites within the ownership of the public sector due to deliverability and guidance from SG. On the basis of the appraisal of these sites against the criteria, it is proposed that funding in the 2017/18 financial year is focused on the following:

Site	Proposal and end use	Indicative Cost
Lochshore, Kilbirnie	Development of a masterplan for the site in line with the Cabinet approval of 31st January. Some initial site remediation and preparation to support masterplan delivery .	£200k
Quarry Road, Irvine	Follow on from 16/17 funding. Contribution to phase two of the mixed use commercial and leisure development. This will see the provision of buildings and outcomes rather than preparatory works.	£750k
Ardrossan North Shore (subject to site purchase and agreement with JV partner).	Revision of masterplan with Peel Land and Property as Joint Venture Partners, and site investigation works.	£50k
Kyle Road, Irvine	Follow on from 16/17 funding. This will see the provision of 3 x 100 sq m workshop units and 1 x 200 sq m unit.	£581k
Gasworks, Dalry	Site improvement works including the removal of the Japanese Knotweed invasive species.	£90k
McDowall Place, Ardrossan	Site improvement works including the removal of the Japanese Knotweed invasive species.	£80k
Total		**£1.751M**

2.7 Looking beyond 2017/18 and given the need for certainty on the development of major projects, it is proposed that the major sites emerging from the assessment should be identified as priorities for future funding allocations. This is dependant upon confirmation of the next SG settlement period and the VDLF allocation from that. It is proposed that sites at Irvine Enterprise Area, Lochshore, Ardrossan North Shore and Irvine Harbourside/Ardeer are identified as priorities based on their scale, prominence and economic development potential. This would see an indicative 80% of funds allocated to these sites in future years. Recognition of this would be of benefit in terms of providing certainty to support the development of projects and securing match funding for each of the sites. The intentions for these sites will be as follows:

- Irvine Enterprise Area - a mechanism will be explored for a means by which additional new commercial space may be created utilising VDLF funding and other sources. This may also see additional land purchase and site preparation within the IEA;
- Lochshore - following the development of a masterplan and the appointment of a project officer reported to Cabinet in January 2017, VDLF funding will promote employment, open space and infrastructure works;
- Ardrossan North Shore - funding will require to be focused on temporary greening, permanent open space and the commercial element of the masterplan; and,
- Irvine Harbourside/Ardeer - support towards the Ayrshire Growth Deal project.

3. Proposals

3.1 It is recommended that Cabinet:

a) note the VDLF award of £1.751M for 2017/18;
b) agree to the submission of a local delivery plan for the expenditure of funds in 2017/18 to the Scottish Government; and,
c) agree to the principle of the majority of future funding beyond 2017/18 being allocated to Irvine Enterprise Area, Lochshore, Irvine Harbourside/Ardeer and Ardrossan North Shore as priority projects.

3.2 Projects will be subject to assessment by Scottish Government officers and approval by Ministers is envisaged in June 2017.

4.   Implications

Financial:	£1.751M has been allocated by the Scottish Government in the financial year 2017/18 for expenditure on relevant projects. The final detail of projects and expenditure will be agreed with Scottish Government and North Ayrshire Council Finance Department. Future funding allocations are subject to confirmation of the next SG settlement period and the VDLF allocation from that.
Human Resources:	There are no human resource implications arising from the report.
Legal:	There are no legal implications arising from the report.
Equality:	There are no equality implications arising from the report.
Environmental & Sustainability:	The proposals will see considerable environmental benefit through the positive reuse of several vacant or derelict sites.
Key Priorities:	This proposal supports the Council Plan core priority 1 – 'Growing our economy, increasing employment and regenerating towns.'
Community Benefits:	Any construction contracts let will see the provision of appropriate community benefit in line with the Councils community benefit policy.

5.   Consultation

5.1   Consultation has taken place with officers of the Scottish Government, and relevant Corporate Services. The proposals were also informed by the North Ayrshire Vacant and Derelict Land Strategy.

                                KAREN YEOMANS
                    Executive Director (Economy and Communities)

Reference :
For further information please contact Sandra Taylor, Regeneration Manager on 01294 324776

Background Papers
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Local Delivery Plans – Guidance – 2016/17

1. Following a review conducted in conjunction with COSLA in 2015, the objectives of the fund have been update to ensure that they fully reflect the emphasis on tackling inequalities set out in the Scottish Government's Programme for Government and Scottish Economic Strategy.

2. The key objectives of the VDLF are to:

   - Objective 1: Tackle Long Term[1] Vacant[2] and Derelict[3] Land (VDL)
   - Objective 2: Stimulate economic growth and job creation
   - Objective 3: Develop a diverse sustainable environment with a focus on temporary and permanent greening.
   - Objective 4: Support Communities to flourish and tackle inequalities

3. Access to the fund will remain limited to five Local Authorities in order to maximise the impact of the fund. Local Authorities cannot hold some of the fund on behalf of others.

4. Due to the size of the fund, it is unlikely to make a meaningful impact on large site of 100+ hectares. Therefore these sites will remain excluded from the funding eligibility calculations and Local Delivery Plans.

5. It has been agreed that delivery plans can cover a full spending review period. As 2016/17 is a single year spending review period, delivery plans should cover the period 2016/17 only. The delivery plan will remain a live document that can be amended and adapted in agreement with ourselves until such time as a grant offer issues. Thereafter it can be reconsidered as your work programme progresses and if amendments are required.

Link to Government's Purpose

6. The content of your LDP should relate to your authority's Single Outcome Agreement, reflecting Scottish Government's Pupose - To focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth – and outcomes.

7. Outcomes which have a direct read across to the objectives of the VDLF, as follows:

   We value and enjoy our built and natural environment and protect it and enhance it for future generations.

   We realise our full economic potential with more and better employment opportunities for our people.

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[1] For the purposes of the 2016/17 allocation long term is defined as land out of use since at least 2000. For future spending review periods this date will be rolled forward.

[2] Vacant land is land which is unused for the purposes for which it is held and is viewed as an appropriate site for development. This land must either have had prior development on it or preparatory work has taken place in anticipation of future development.

[3] Derelict land (and buildings) is land which has been so damaged by development, that it is incapable of development for beneficial use without rehabilitation. In addition the land must currently not be used for the purpose for which it is held or a use acceptable in the local plan. Land also qualifies as derelict if it has an un-remedied previous use which could constrain future development. For both vacant and derelict land, site records must be at least 0.1 hectares in size to be included.

Victoria Quay, Edinburgh EH6 6QQ
www.scotland.gov.uk

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We live in well-designed, [sustainable places](#) where we are able to access the amenities and services we need.

We have strong, resilient and supportive [communities](#) where people take responsibility for their own actions and how they affect others.

We have tackled the significant [inequalities](#) in Scottish society.

8. It would be useful to show in your delivery plan the link to these outcomes and any others you feel are relevant to the Fund, and therefore how the VDLF will contribute to the delivery of your SOA. In turn, this will allow you to demonstrate how the VDLF feeds into the Government's overarching Purpose, i.e. *To focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.* The attached spreadsheet should help you capture this information. More detail on the Purpose and the related Strategic Objectives can be found here http://www.scotland.gov.uk/About/purposestratobjs

9. The LDP should also demonstrate clearly how they fit with the holistic outcomes of the Regeneration Strategy.

Link to Local Plans and Priorities

10. Where possible links should be made between delivery plans and other local strategies / plans / priorities, e.g. wider regeneration strategies, land use plans. Your SOA should also already contain detail of how local outcomes and indicators feed into the national outcomes, and again it would be helpful if you could identify the link between these and your delivery plan in the attached spreadsheet.

Expected Outputs

11. As well as information on outcomes, delivery plans should provide information on the likely outputs of the proposals. These will relate to the information we will be requesting in your annual reports, and in the short term, this might cover reductions in quantity of vacant and derelict land, sites acquired, estimates of land that will be: temporarily greened; park/landscaped; used for sport/recreation; number of houses and jobs on site. The attached spreadsheet has been set up to help you capture this information.

Evidence of Partnership Approach

12. The delivery plan should, where appropriate, be agreed with key stakeholders and demonstrate how you plan to work with local partners and communities to deliver specific projects.

Support of the Community and Other Interests

13. Where relevant, evidence should be provided that delivery plans have the support of local partners, the local community, and other interested groups.

Support for the Natural Environment

14. Access to good quality natural environments can have a strong positive influence on health and health inequalities. Plans should be able to provide evidence of support for the natural environment, such as temporary and permanent greening, and for the aims of the Central Scotland Green Network:
http://www.centralscotlandgreennetwork.org/

Demonstration of Added Value / Additionality

15. Delivery plans should demonstrate clearly the added value that will be gained from use of the Fund, for example through levering in additional resources from other sources, including the private sector and European funding. Plans should also be able to demonstrate that additionality is being achieved and that the Fund is not therefore being used for projects that would otherwise have been funded through existing budgets.

Local management of VDLF resources

16. Delivery plans should identify the agreed grant recipient for the Fund. This will depend on the nature of the proposals being put forward and the most efficient way of complying with different funding rules e.g. State Aid Rules; VAT regulations etc.

Progress reporting

17. Local authorities will be expected to submit light-touch annual reports, reporting spend against agreed outcomes, and half-yearly progress reports. Early warning should be given outside these times of need for end year flexibility.

Monitoring and evaluation arrangements

Scottish Vacant and Derelict Land Survey

18. The annual Scottish Vacant and Derelict Land Survey, will be used to track overall rates of change in relation to the amount of vacant and derelict land within each of the local authority areas covered by the Fund. The survey questionnaire, which will be used to collect information from relevant local authorities, enables us to see if the Fund has had a direct impact on reducing levels of vacant and derelict land in your area.

Eligible Costs

19. The Fund can be used to cover a range of costs associated with the remediation of vacant and derelict land e.g.

   - Feasibility costs;
   - Professional fees, eg, surveyor's costs;
   - Acquisition costs associated with packaging land in multiple ownership – delivery plans will have to demonstrate that the benefits of increased land value remain within the communities or areas where land remediation work is being carried out and does not leak away from these areas if land is sold on to third parties;

- Maintenance costs associated with the greening of sites that are unlikely to be developed in the short/ medium term;
- Demolition costs.

20. Please note that, while purchase costs are eligible, they should not represent 100% of a project's requested funding.

21. We want the VDLF to be as flexible as possible and would welcome discussion on other uses of the Fund that you may be considering. If you are in doubt about whether costs are eligible or not, you should seek early clarification from us.

Ineligible Projects and expenditure

22. The fund is not intended be a primary source of funding for:

- Housing projects.
- Major infrastructure projects relating to transport.
- Purchase of moveable infrastructure, furniture and fittings.
- Projects relating solely to hotel or retail developments are unlikely to be supported if there are no clear regeneration outcomes.
- Projects that focus solely on public realm improvements, new roads / paths or upgrades are unlikely to be funded. However, these will be eligible if they are elements within wider regeneration projects which will produce economic and social outcomes.
- Flood protection/work/upgrades are not eligible.
- Staffing Costs

Timetable

23. To ensure the Fund is operational as soon as possible we will require to adhere as closely as possible to the following timescale.

Action	Date
Delivery plans submitted	By 28 February 2016
Appraisal of delivery plans by Government	March 2016
Initial feedback on plans by Government	April /May 2016
Ministerial approval of delivery plans	By end May 2016
Final grant offer letters issued	By end June 2016
Mid year progress reports submitted	End October 2016
Annual reports submitted	End June 2017

Vacant or Derelict Sites over 0.1 ha within NAC or public sector ownership - Consideration of Funding for 17/18

Site	Owner	Prominence	Leverage of Funding	Proposed End Use	Deliverability	SIMD	Total	Comments
IRVINE								
Quarry Road	NAC	2	3	3	2	2	12	Preparatory works funded 16/17
Irvine Harbourside	NAC	3	3	2	1	3	12	AGD project
Annickbank, IEA	NAC	2	2	3	3	1	11	Construction of second phase underway
Kyle Road, Irvine IE	NAC	1	2	2	2	3	10	Preparatory works funded 16/17
Strategic Investment, IEA	NAC	1	3	3	2	1	10	Site infrastructure in place
Portland Road, Irvine IE	NAC	1	2	2	1	3	9	Contamination and groundwater issues
Greenwood Interchange, IEA	NAC	1	2	2	2	1	8	Scope for assembly with adjacent SE land
Heatherhouse Rd, Heatherhouse IE	NAC	1	2	2	1	2	8	
Greenwood Interchange	SE	1	2	2	1	1	7	Scope for assembly with adjacent NAC land
Dykehead Bing	NAC	1	1	1	2	2	7	Re-profiling; drainage and greening
Ayrshire Central Hospital	NHS							Housing proposed
KILWINNING								
Nethermains 1	NAC	1	2	2	1	3	9	Flooding Issues
Nethermains 2	NAC	1	2	2	1	3	9	Flooding Issues
St Michaels Academy								Housing proposed
THREE TOWNS								
Ardrossan North Shore	IBRC/Peel Joint	3	3	2	1	2	11	Any proposals subject to JV agreement
Moorpark Road West	NAC	1	1	2	3	3	10	Improvement works funded 16/17
McDowall Place Ardrossan	NAC	1	1	1	2	3	8	Decontamination and Greening Opportunity
Stevenston Beach Park	NAC	2	1	1	3	2	9	Greening Opportunity
South Crescent Road	NAC	2	1	1	2	2	8	Greening Opportunity
Duguid Drive	NAC	1	1	2	2	2	8	Greening or Community Garden Opportunity
Corrie Crescent	NAC	1	1	1	2	2	7	Greening or Community Garden Opportunity
Ardoch Court	NAC	1	1	1	2	2	7	Greening Opportunity
North of Stanley Primary	NAC							Housing proposed

GARNOCK VALLEY								
Lochshore	Scottish Enterprise	3	3	2	2	1	11	Approval Jan 17 for m'plan & project officer
Former Gasworks, Dalry	NAC	2	1	1	3	2	9	Greening Opportunity
Paddockholm Road, Kilbirnie 1	NAC	1	2	2	2	1	8	Assimilate into Lochshore proposals
Paddockholm Road, Kilbirnie 2	NAC	1	2	2	2	1	8	Assimilate into Lochshore proposals
Blair Road, Dalry	NAC	2	1	1	3	1	8	Greening Opportunity

NORTH AYRSHIRE COUNCIL

Agenda Item 16

14 March 2017

Cabinet

Title:	**Consultation of the Future of the Scottish Planning System**
Purpose:	To respond to the Scottish Government's Consultation "Places, People and Planning - 18 January, 2017"
Recommendation:	It is recommended that the Cabinet approve the Council's response to the Scottish Government consultation on the findings of the independent review of the planning system.

1. Executive Summary

1.1 In September, 2015, the then Cabinet Secretary for Social and Justice Communities and Pensioners Rights, Mr Alex Neil announced that an independent review would consider further planning reform in Scotland. The Minister appointed an independent panel to consider evidence to inform the review of the planning system. The findings of the panel were published in May, 2016. "Empowering Planning to Live in Great Places".

1.2 In response to these findings, the Scottish Government has published "Places, People and Planning", a consultation on the future of the Scottish Planning System, which contains 20 recommendations, and seeks the parties views on the proposals. The Council's response is attached in Appendix 1.

2. Background

2.1 In September, 2015 the Scottish Government published the "Programme for Government 2015-2016" setting out key actions for legislation to deliver a more successful country. One of the actions was to undertake a fresh review of the planning system.

2.2 North Ayrshire Council provided evidence to the review and this was approved by Cabinet in November 2015.

2.3   Following the findings of the independent panel as detailed in the paper "Empowering Planning to Deliver Great Places" dated May, 2016, the Scottish Government has published a consultation document "Places, People and Planning" seeking views on 20 recommendations

2.4   Views to the review are sought through a series of questions and these form the basis of the Council's reply.

2.5   The responses to the question are informed by current Council policy and practice with an exception related to a question on the use of strategic development plans and regional partnership working.

2.6   Members will be aware that there is not an Ayrshire Strategic Plan, and whilst there is consultation arrangements in place related to our respective local plans there is not an arrangement in place for setting regional targets for housing or coordination of infrastructure delivery.

2.7   Given the progress in developing an Ayrshire Growth Deal and the current Regional Partnership Pathfinder that the Council is a partner to, it will be important to acknowledge a regional approach to supporting future Local Development Plans, and our commitment to working with partners to explore Regional Partnership options. Discussion has taken place with colleagues from both East and South Ayrshire Councils to ensure that a collective response is delivered in terms of the regional partnership approach.

3.   Proposals

3.1   It is recommended that the Cabinet approve the Council's response to the Scottish Government consultation on the findings of the independent review of the planning system.

4.   Implications

Financial:	None. People, Places and Planning is a planning review consultation document, and will not directly result in changes to the delivery of the Council's Planning Service. The response to this consultation, will inform any proposals for change, which will be brought forward by Scottish Government at a future date. Implications of those changes will be considered as and when proposed.
Human Resources:	None
Legal:	None. People, Places and Planning is a planning review consultation document, and will not directly result in changes to the delivery of the Council's Planning Service. The response to this consultation, will inform any proposals for change, which will be brought forward by Scottish Government at a future date. Implications of those changes will be considered as and when proposed.
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	Protecting and Enhancing the Environment for Future Generations.
Community Benefits:	None

5.   Consultation

5.1   None required.

KAREN YEOMANS
Executive Director (Economy and Communities)

Reference : Planning Review
For further information please contact James Miller, Senior Manager Planning Services on 01294 324315

Background Papers
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A consultation on the future of the Scottish planning system

Response by North Ayrshire Council

February 2017

1. Do you agree that local development plans should be required to take account of community planning?

Agree. North Ayrshire has integrated community and spatial planning as evidenced in the approach to the preparation of the Main Issues Report for LDP2, which included collaboration between the Council's community planning team and planning officers in the locality planning meetings. This has helped to position community planning interests as a key driver of LDP2.

In these circumstances we see no need for statutory provision on these matters. Further guidance of best practice based on working examples may be advisable.

2. Do you agree that strategic development plans should be replaced by improved regional partnership working?

NAC is not part of a strategic development plan area and would not wish to comment on the replacement or removal of the strategic tier of planning. However, we welcome and support efforts to improve regional partnership working.

As part of the government's review of the skills and enterprise, Ayrshire has been agreed as a Regional Partnership Pathfinder. This is designed to pilot and test a new regional model to deliver economic growth. As part of this, consideration will be given to what issues are best addressed at a regional level and of particular relevance will be planning for future infrastructure requirements.

We would support a role for strategic partnerships in setting out spacial aims to inform future LDPs. For example, setting regional housing targets, coordination of infrastructure delivery and the location of strategic employment land.

3. Should the National Planning Framework (NPF), Scottish Planning Policy (SPP) or both be given more weight in decision making?

Agree. The Council supports the proposals to improve the regional focus within NPF to provide a strategic guide to the aspirations for long-term change within regions. It is appropriate for this context to be set nationally as local authority boundaries are not reflective of how places function and connect economically, socially and environmentally.

The Council also supports the proposals to establish standard development management policies in SPP to allow development plans to be more engaging documents that are expressions of the future direction of change in places, rather than text-based policy documents. In reality much of the content of local development plans is a local interpretation of SPP in any case; and this proposal may re-purpose development plans in a positive way.

4. Do you agree with our proposals to simplify the preparation of development plans?

Agree. North Ayrshire Council considers that there is merit in extending the lifespan of development plans. Under the current system, there is often little in the way of significant change in the period immediately following the adoption of a development plan. There is, therefore, merit in the proposals to extend the period before a review of the LDP is required, and, for that period to allow resources to be guided to assisting delivery of development.

The Council would seek clarity from Scottish Government on the architecture of any revised system, particularly how the addition of an LDP gate check, substitution of MIR with draft plan and more onerous effectiveness and delivery testing can be achieved without increasing the length of time required to prepare LDPs.

North Ayrshire Council does not oppose the removal of supplementary guidance, in principle. However, it is noted that additional guidance may be introduced, at national level, to guide development management assessments. The Council considers that, should local supplementary guidance be removed, the system should strike an appropriate balance between locally influenced spatial plans and national guidance.

5. Do you agree that LDP examinations should be retained?

We support the retention of examinations but the recommendations made by Reporters should be discretionary in order to provide local democratic accountability.

It is noted above further clarity is required on the proposed gate check procedure. For example, the gate check should scope out the strategic direction of the plan and scope out arguments relating to housing land supply.

6. Do you agree that an allocated site in a local development plan should <u>not</u> be afforded planning permission in principle?

Agree that the allocation of a site in an LDP should not constitute planning permission in principle. North Ayrshire's second LDP is heavily focussed on deliverability of development. This is centred on a collaborative approach between proponents of new allocations and developing market intelligence through partnership with Homes for Scotland. LDP2 is unlikely to allocate additional land for development without a high degree of confidence in its effectiveness (unless there are other strategic reasons for allocation – such as supporting strategic redevelopment opportunities).

Notwithstanding this position, the proposals for change to the effectiveness testing for LDP allocations outlined in the consultation document appear to go a significant part of the way towards planning permission in principle. This will have a significant impact on resourcing the development plan system for developers and planning authorities and local communities. This is likely to require additional resources and skills for planning authorities and developers to prepare and assess the viability of development proposals to identify whether there may be abnormal costs that render development proposals unviable. It is unclear how this could be achieved, while, at the same time, streamlining timescales for preparing development plans. North Ayrshire Council considers its approach to preparing LDP2 demonstrates that the current system can increase the effectiveness of the planning process in delivering development, by aligning spatial strategy priorities with expectations of development and infrastructure interests.

7. Do you agree that plans could be strengthened by the following measures:

7(a) Setting out the information required to accompany proposed allocations
7(b) Requiring information on the feasibility of the site to be provided
7(c) Increasing requirements for consultation for applications relating to non-allocated sites
7(d) Working with the key agencies so that where they agree to a site being included in the plan, they do not object to the principle of an application.

SEE ANSWER 6

8. Do you agree that stronger delivery programmes could be used to drive delivery of development? What should they include?

North Ayrshire Council agrees that requiring developers to set out more clearly their delivery programme could potentially help to inform decision-making.

However, it would be inappropriate for the Council to set out a delivery programme akin to a detailed capital programme as part of the Local Development Plan. If responsibility is placed on North Ayrshire Council for collecting, setting, and enabling delivery programmes then there would be a significant resource and reputational risk for the Council.

Delivery programmes submitted by developers (as a part of a processing agreement) could form a material consideration in the assessment of planning applications and could also inform Action Plans.

9. Should communities be given an opportunity to prepare their own local place plans?

We disagree because it would clutter the current decision making framework. However, the locality planning partnership approach as adopted by North Ayrshire Community Planning Partnership provides the mechanism to incorporate spatial planning for communities as part of the community plan for an area.

10. Should local authorities be given a new duty to consult community councils on preparing the statutory development plan?

No new duty is appropriate. North Ayrshire Council currently consults community councils as part of the development plan preparation as a matter of good practice, however not all communities have a Community Council. The responsibility if for LA to consult with their respective communities and it will be important that the most effective means of doing that is decided locally and is not prescriptive.

10(a). Should Local Authorities be required to involve communities in the preparation of the Development Plan Scheme?

No. Consultation on the Development Plan Scheme would not be appropriate given that it is a project management tool. It is unlikely that such consultation would add any benefit or long term value to an LDP.

11. How can we ensure people are involved?

We welcome that the Scottish Government has commissioned research to explore the factors limiting involvement in the planning system. Solutions could include a specific resource network (training, advice, best practice) to support planning professionals on aspects of public consultation and to promote innovation through, for example, the skills development programme.

In addition, we welcome some measures to improve community engagement, particularly greater alignment of community planning, reforms to PAC process, more map based plans etc.

Further planning reform has potential to innovative ways of engaging people. We think it is time for plan-making to go more digital, both for mapping, and consultation. Smarter and greater use of social media, online visualisations, webinars, digital e-consultation and mapping systems can offer the public and other interested parties

with greater opportunities to get involved, supporting a more inclusive and sustainable planning system across Scotland.

12. Should requirements for pre-application consultation with communities be enhanced? Please explain your answer(s).

Yes, in order to ensure that there is a feedback loop in order to settle more issues before a major planning application is lodged.

12(a). What would be the most effective means of improving this part of the process?

There should be a second opportunity during the (minimum) 12 week period to report back along the lines of 'You Said, We Did' as used by North Ayrshire Council for a new school campus in Largs.

To strengthen community engagement in the planning process, the PAC process has to be seen to be a meaningful opportunity to influence the outcome.

12(b). Are there procedural aspects relating to pre-application consultation (PAC) that should be clarified?

There needs to be clarification of whether a public event needs to be repeated in advance of a renewal of planning permission application.

12(c). Are the circumstances in which PAC is required still appropriate?

For areas of Scotland, such as North Ayrshire, that contain islands and rural communities, a significant development can be much less than the current thresholds. Therefore, it is recommended that regulations are amended to give local planning authorities the power to require PAC in circumstances where it is considered there would be a significant impact on the local community.

Power to require PAC for applications seeking approval of matters specified in conditions may also be desirable in certain circumstances, given that permission in principle does not provide the opportunity for detailed consideration of layout, siting, and design during the initial PAC. This may provide a more meaningful discussion with local communities, since PAC at the PPP stage often raises more questions that can be answered.

12(d). Should the period from the serving of the Proposal of Application Notice for PAC to the submission of the application have a maximum time-limit?

No, since the relevance of information received at a public event will become dated over time as circumstances change. 1 year should probably be the maximum period between the Proposal of Application Notice and the submission of an application.

13. Do you agree that the provision for a second planning application to be made at no cost following a refusal should be removed?

Agree. A further application should be subject to the full fee payable, in most circumstances. This would avoid opportunistic re-submissions and help to ensure that revised proposals are well thought out and address reasons for refusal (in some cases refusals are based on matters of detail even when the principle of development is acceptable). However, it is not considered appropriate to impose this change on householder applications.

14. Should enforcement powers be strengthened by increasing penalties for non-compliance with enforcement action?

It is not clear if 'increased penalties' relates to the potential fines for being found guilty through prosecution or in relation to Fixed Penalty Notices. Generally speaking, North Ayrshire Council would welcome any proposal to make the penalties for breaches of planning control commensurate with the benefit which the offender has gained.

Currently the potential fines in relation to prosecution for non-compliance with an Enforcement Notice are effectively unlimited and at the discretion of the Sheriff. Sentencing guidance which requires a consideration of the benefit the offender has gained, for example in operating an unauthorised use, would be useful.

Fines for other types of breach, such as non-compliance with a Breach of Condition Notice, should be removed from the standard scale and put in line with Enforcement Notice non-compliance. A fine of up to £1000, as the current level, is considered to be wholly inadequate particularly where the breach relates to a significant development.

With respect to Fixed Penalty Notices, it is not considered that increasing the potential fine would address the flaw with such Notices; namely that they effectively allow offenders to buy immunity from prosecution. This could be considered to undermine the integrity of planning. It is noted that the LUC (planning and environmental consultant) report 'Planning Enforcement in Scotland,' December 2016, commissioned by the Scottish Government did not find a single instance of their sample planning authorities having used Fixed Penalty Notices.
It is noted that it is proposed to make it easier for planning authorities to receive costs associated with enforcement action, including introduction of charging orders. This is welcomed by the Council.

It is also noted that it is proposed to increase fees for retrospective applications. The Council would welcome such a move in respect of major applications or changes of use. In this type of development it is likely that the offender has gained by commencing without permission and this should be reflected in any attempt to regularise. However, it is considered that this could be counterproductive if introduced in respect of householder or development relating to flats. Planning authorities only take formal

enforcement action where it is considered expedient to do so. Where an invitation is made to apply for permission in respect of development at a dwelling house or flats, it is normally because such development is likely to be acceptable and it would not be expedient to take further action. Where such applications are made, neighbours, who are likely to have reported the matter, will have a chance to comment and are often satisfied that an application has been made. Any increase in fees for retrospective development falling into these classes could result in fewer applications being made without any formal enforcement action being taken, as it is not expedient to do so. It is noted that Scottish Government advice states that the purpose of enforcement is to resolve the problem rather than to punish the mistake.

15. Should current appeal and review arrangements be revised:

15(a). for more decisions to be made by local review bodies?

Yes.

15(b). to introduce fees for appeals and reviews?

Yes.

15(c). for training of elected members involved in a planning committee or local review body to be mandatory?

Yes, in accordance with the existing code of conduct for councillors.

15(d). Do you agree that Ministers, rather than reporters, should make decisions more often?

No, Ministers should only make decisions on national developments or developments of national significance.

16. What changes to the planning system are required to reflect the particular challenges and opportunities of island communities?

North Ayrshire's islands have specific challenges relating to their geographic remoteness, population decline, physical infrastructure (such as transport and digital connectivity) and supporting sustainable economic growth. Through a recent Main Issues Report (and influenced by the emerging Islands Bill), the Council has identified our islands of Arran and Cumbrae as a specific main issue for our next Local Development Plan. Our recommendations include:

- "Island-proofing" all local planning policies and guidance to reflect and support the islands' distinct development priorities, drawing distinction between the planning requirements for the islands and mainland North Ayrshire where appropriate;

- Simplifying planning policies for rural and 'edge of settlement' housing to develop a more supportive framework to encourage self-build homes to facilitate more for people's aspirations;
- Greater collaborative working with key stakeholders, such as the Arran Economic Group, to explore potential housing sites for island workers, improved provision of employment land and also opportunities for marine recreation.

17. Do you agree with the proposed improvements to defining how much housing land should be allocated in the development plan?

We agree with the independent panel's findings that there is too much time spent debating numbers rather than delivering development. We support a role for a national framework to set regional targets which would be informed by the work of the regional partnerships. In turn, these findings would inform the land supply for the LDPs.

The Scottish Government must be mindful of the impact on imposing targets on local communities if this restricts their ability to influence or debate the outcome.

18. Should there be a requirement to provide evidence on the viability of major housing developments as part of information required to validate a planning application?

Yes. This would deter wholly speculative applications that generate considerable work without any prospect of implementation. Community engagement would also be more meaningful since the groups and individuals who take the time and make the effort to get involved would not feel that their time had been wasted.

Such evidence would not be binding on the applicant nor provide a guarantee of future development, but some form of 'market testing' is needed to deter applications that are simply made for reasons relating to book value.

There is an associated need for skills development on the topic of development viability in planning education and within all parts of the planning profession.

19. Do you agree that planning can help to diversify the ways we deliver homes? What practical tools can be used to achieve this?

Yes, through the use of masterplanning, SPZs, place-making, town centre regeneration, infrastructure provision, ambitious social housing investment programmes and through incentivised payment mechanisms for the development of publicly owned land.

North Ayrshire Council, as reported in the MIR for LDP2, has developed a strategic infrastructure group for planning to lead corporate management of the impact of development on infrastructure.

We do not see the widespread use of CPOs as being an effective delivery mechanism given the long time period required to prepare, negotiate and make orders. Councils would also be exposed to potential risks with regard to delivery of development once a CPO has been completed, with only a window of 3 years in which to act.

In order to incentivise development, and ensure that development proposals are more realistically deliverable, the Scottish Government could also consider including penalties for failure to deliver allocated sites, such as land tax or equivalent or presumption in favour of deallocation where sites are not delivered in line with commitments made in promoting the site through LDPs. In the same way as commercial buildings and properties are rated, it is suggested that a resource stream could be created through taxation of the uplift value which flows from granting planning permission. Monies could then be used for local infrastructure improvements and/or redistributed nationally. This would operate outside of the planning system and it is not suggested that this revenue would be used to resource the administrative costs of the planning service. Incentivising development would assist to ensure LDPs provide new land for development that is more likely to be deliverable, as it would discourage speculative bids for development plan allocations. This would be valuable to development planning in sub-prime market locations, as it would ensure a more up-to-date and realistic picture of the land available for development.

20. What are your views on greater use of zoning to support housing delivery?

North Ayrshire Council is one of the pilot authorities leading the implementation of a Simplified Planning Zone (SPZ) for housing. The Council considers there is value in the approach to the use of SPZ as a mechanism to stimulate development and widen delivery channels at a strategic housing expansion location.

The Council's SPZ will work in conjunction with other delivery incentives, such as favourable land payment mechanisms and infrastructure funding. It will be important to reflect on the impact of the SPZ pilots to identify opportunities for broader use of SPZ, including where private strategic land owners can be incentivised to bring forward delivery. The introduction and wider use of SPZs, including through a development plan process, relates to the review questions on effectiveness and deliverability assessments and potential for planning permission in principle to be granted through LDPs. The Council would urge that consideration should be given to how this could be resourced as part of the development planning process, if is found to be effective at stimulating development.

21. Do you agree that rather than introducing a new infrastructure agency, improved national co-ordination of development and infrastructure delivery in the shorter term would be more effective.

North Ayrshire Council is supportive of the principle of co-ordinated approach for the delivery of infrastructure to service new development. The Council considers that a formal group with established governance procedures would ensure there is sufficient

weight behind the output of that working arrangement to maximise success in planning infrastructure for growth. This would also present the most effective mechanism to administer a levy. It is also imperative that planning authority representation, presumably through Heads of Planning Scotland, is included in the group to ensure leadership of the planning profession. Spatial planning is designed to coordinate delivery in the best places and to best utilise infrastructure, and this principle applies to any working group. Investment in infrastructure should be led by strategic planning, otherwise, it will be reactive to investment programmes of agencies.

The Council supports efforts to coordinate infrastructure delivery at a national level, as economies of scale mean effective output is more likely to be successful. North Ayrshire Council considers that it is vital that any arrangement to coordinate infrastructure delivery (including administration of an infrastructure levy), nationally, is balanced and supports growth in sub-prime investment areas, rather than focus solely on commercially competitive regions. This mechanism, as with additional powers suggested above, would offer sub-prime market regions a broader range of tools to stimulate the delivery of development.

22. Would the proposed arrangements for regional partnership working support better infrastructure planning and delivery?

SEE ANSWER 2.

23. Should the ability to modify or discharge Section 75 planning obligations (Section 75A) be restricted?

Yes. A stronger emphasis on development viability during the consideration of planning applications would remove the need to modify S75 following the grant of planning permission.

24. Do you agree that future legislation should include new powers for an infrastructure levy?

SEE ANSWER 21.

25. Do you agree that Section 3F of the Town and Country Planning (Scotland) Act 1997, as introduced by Section 72 of the Climate Change (Scotland) Act 2009, should be removed?

Agree. This issue would be more effectively addressed through the building standards legislation.

26. What measures can we take to improve leadership of the Scottish planning profession?

At the North Ayrshire level, planning is now integral to the community planning approach and it sits with the local infrastructure group, set up to manage the impact of

development on infrastructure and better align investment with development programmes. Planning has achieved much during recent years to foster a better understanding of its role within North Ayrshire as an enabling service to deliver successful outcomes.

At Scottish Government level, planning should be seen as a positive influence in delivering change. Government must recognise that a renewed focus on leadership and delivery will only be effective if some of the fringe issues that planning has been tasked with in recent times are removed from the regulatory framework.

27. What are the priorities for developing skills in the planning profession?

North Ayrshire Council agrees with the opinion that education is key to greater involvement in Planning and that planning graduates have a vital role to play in developing the profession. We understand that RTPI Scotland have been tasked with looking into opportunities for a graduate intern scheme, which we agree with.

We consider that as well as graduate development, greater funding should be provided to local authority and agency planners to support the development and skills of existing staff. Funding through the Improvement Service to support career development is one route as well as ensuring that Planning costs are fully recovered through planning fees. The focus for developing skills in the planning profession must be aligned to planning reform priorities.

28. Are there ways in which we can support stronger multi-disciplinary working between built environment professions?

We support the alignment of legislation and consenting processes to deliver a cohesive and more efficient system i.e. Planning, Building Standards, RCC, water sewerage, utilities etc. While we encourage multidisciplinary working between built environment professions, we await further details on how such an arrangement would work on a day to day basis.

29. How can we better support planning authorities to improve their performance as well as the performance of others involved in the process?

North Ayrshire Council currently exceeds Scottish Government targets and is one of the top performing planning authorities in Scotland. This is achieved through a robust Scheme of Delegation and an efficient project management system used by staff. Planners can manage their own performance, however, we would note that local authorities cannot control the performance of others involved in the process. Planning performance in Scotland is improving but much of the delay in delivery is related to issues external to the service including issues impacting on the private sector and the economy.

As part of the Enterprise Area designation in Irvine, North Ayrshire Council has been committed to delivering consents through a "one stop shop" approach which has been successful in streamlining the delivery of new developments on the ground.

The Scottish Government should take a more proactive role in bringing to account those who do not deliver development and support local authority planning departments more positively.

A review and update of all Planning, Listed Building and Advertisement legislation should be carried out to ensure that they remain fit for purpose as an essential component of the current review.

30. Do you agree that we should focus more on monitoring outcomes from planning?

Yes.

30 (a) Do you have any ideas how this could be achieved?

In addition to statistical information which could be compiled and customer feedback surveys, this could involve the peer review of the work undertaken by other authorities.

31. Do you have any comments on our early proposals for restructuring fees?

We support full cost recovery that takes into account both development management and the preparation of the development plans upon which the decision making process is based. While we support the proposals, we oppose the agencies having the ability to charge the local authority for services. Any charges for agency services should be billed directly to the developer and not the local authority.

We consider that discretionary fees would align with the principles of full cost recovery.

32. What types of development would be suitable for extended permitted development rights?

We would support those proposals for extending permitted development rights and await the findings of the current work being carried out by HOPS in this regard.

33. What targeted improvements should be made to further simplify and clarify development management procedures?

33(a). Should we make provisions on the duration of planning permission in principle more flexible by introducing powers to amend the duration after permission has been granted? How can existing provisions be simplified?

We consider that s.42 of the Act needs to be updated to reflect changes to s.58 of the Act with respect to the default 3 year commencement period.

Whilst the 3 year default can be adjusted by direction at the time of making a decision, there is no clear mechanism currently in place for extending the lifespan of an unimplemented consent, whether or not extended by direction.

The 3 year consent is implicit in all decisions unless directions state otherwise. However, S42 does not apply thus leading to the need for 'renewal' applications to include further PAC and the payment of the full fee.

This requirement can be particularly onerous in areas where land economics has been badly affected by the prolonged recession and is a barrier to regeneration and recovery.

It is considered that this issue could be resolved without significant amendment to the primary legislation.

33(b). Currently developers can apply for a new planning permission with different conditions to those attached to an existing permission for the same development. Can these procedures be improved?

Firstly, conditions should be discussed in advance with applicants before being imposed. This may help to avoid misunderstandings after decisions are taken.

Secondly, planning permissions should have clear amendment procedures under the law in a similar way to building warrants. This would mean that a planning permission could be amended in its own right - rather than a 'fresh' permission being granted which leaves the original permission intact. Developers would apply for amendments to conditions (either non-material or material) with an appropriate processing route then taking place. The subsequent implementation of a planning permission would then become more logical.

Once a development commences under the Notification of Initiation Procedures, subsequent amendments would be under the same planning permission with amendments to either conditions or details processed as required under the heading of the same planning permission. Upon completion, the one permission would then be 'signed off'. The present system can result in multiple consents being 'commenced' and the original consent never 'completed.' It is considered that these are flaws in the current system which could be corrected in the interests of transparency, accountability and logic.

33(c). What changes, if any, would you like to see to arrangements for public consultation of applications for approvals of detail required by a condition on a planning permission in principle?

See also answer to 12(c). Any development of significance could go through the PAC process at the MSC stage (e.g. layouts of housing sites). This would be a discretionary power rather than a duty.

33(d). Do you have any views on the requirements for pre-determination hearings and determination of applications by full council?

The current process is onerous and should be simplified to align more with Planning Committee.

34. What scope is there for digitally enabling the transformation of the planning service around the user need?

Question 11 covered some of the issues raised. In addition, whilst it is felt that digital media, such as 3D visuals/photomontages, can add value to the development management process, they should not be required for all applications.

Instead, we consider that planning services should be encouraged to utilise digital and social media to engage with our communities as fully as possible. This should be extended to removing the need for costly advertisements in local newspapers and the Edinburgh Gazette since there is limited evidence to show that this adds value to community engagement in the planning process. Instead, greater use of social media, local libraries, digital versions of newspapers and a central website for all local planning authority adverts is recommended.

Planning fees should reflect the costs of publicity. Zero rated applications which require to be advertised (such as listed building consent) should also be subject to a charge to cover the costs of publicity.