

Cunninghame House,
Irvine.

22 June 2017

North Ayrshire Council

You are requested to attend a Statutory Meeting of the above mentioned Committee of North Ayrshire Council to be held in the Council Chambers, Cunninghame House, Irvine on **WEDNESDAY 28 JUNE 2017** at **2.00 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

1. Apologies

2. Declarations of Interest

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

3. Previous Minutes (Page 13)

The accuracy of the Minutes of the meeting held on 17 May 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).

4. Provost's Report

The Provost will report.

5. Leader's Report

The Leader of the Council will report.

- 6. North Ayrshire Council Minute Volume (issued under separate cover)**
Submit for noting, the Minutes of meetings of committees of the Council held in the period 23 May to 20 June 2017.

7. Appointments to Committees

(a) In terms of Standing Order 7.2, note the undernoted resignations and subsequent appointments by the SNP Group:-

Committee	Resignation/Vacancy	Appointment
Licensing Committee	Cllr Scott Davidson	Cllr Jean McClung
	Cllr John Glover	Cllr Angela Stephen
	Cllr Jimmy Miller	Vacant

(b) Consider the undernoted nominations:-

Committee	Position	Nominations
Audit and Scrutiny Committee	Vice Chair	Cllr Margaret George
Local Development Plan Committee	Vice Chair	Cllr Ronnie McNicol Cllr Tom Marshall
Police and Fire and Rescue Committee	Vice Chair	Cllr John Glover

8. Appointments to Outside Bodies

(a) Note the undernoted resignations and the exercise by the Chief Executive of delegated powers to implement the appointments as a matter of urgency:-

Outside Body	Resignation/Vacancy	Appointment
Licensing Board	Cllr Scott Davidson	Cllr Jean McClung
	Cllr John Glover	Cllr Angela Stephen
	Cllr Jimmy Miller	Vacant

(b) Note the undernoted appointments which arise as a result of the Member's designation either as a portfolio-holder or local Member:-

Outside Body	Designation	Appointment
Business Gateway Governance Board (for consideration by COSLA)	Economy Portfolio-holder	Cllr Alex Gallagher
Highlands and Islands European Partnership Board		
Highlands and Islands Territorial Committee		
Industrial Communities Alliance		
Millport Economic Forum	Ward 8 Members	Cllr Alex Gallagher Cllr Alan Hill Cllr Tom Marshall Cllr Ian Murdoch
West of Scotland European Forum	Economy Portfolio-holder	Cllr Alex Gallagher

(c) Consider the undernoted nominations:-

Outside Body	Position	Nominations
Arran Ferry Committee	1 vacancy	Cllr Ellen McMaster Cllr Timothy Billings Cllr Donald L Reid
Ayrshire Educational Trust	1 vacancy	Cllr Margaret George
Ayrshire Valuation Joint Board	3 vacancies	Cllr Donald L Reid Cllr John Glover
Clyde Muirshiel Park Authority Joint Committee	Vice Chair (from among current representatives)	Cllr Todd Ferguson
Glasgow Prestwick Airport Joint Consultative Committee	1 vacancy (+ 1 substitute vacancy)	Cllr Donald L Reid Cllr Angela Stephen
Industrial Communities Alliance	1 Substitute vacancy	Cllr Louise McPhater
Landfill Fund Panel (3 vacancies - 2 Administration and 1 Opposition, one of whom to be appointed as Chair)	2 Administration 1 Opposition	Cllr Donald Reid Cllr Jim Montgomerie Cllr McNicol Cllr John Glover

National Association of Councillors	1 Substitute vacancy	Cllr Donald L Reid Cllr Scott Gallacher
North Ayrshire Outdoor Access Forum	1 Substitute vacancy	Cllr Robert Foster Cllr Donald L Reid
Response to Nuclear Decommissioning Steering Group	1 Substitute vacancy	Cllr Todd Ferguson
Strathclyde Partnership for Transport	1 Substitute vacancy	Cllr Robert Foster Cllr Scott Gallacher
West of Scotland European Forum	1 Substitute vacancy	Cllr Louise McPhater Cllr Margaret George

9. Unaudited Annual Accounts 2016/17 (Page 21)

Submit report by the Executive Director (Finance and Corporate Support) on the Council's unaudited Annual Accounts for the year to 31 March 2017 and the Council's financial performance for the year (copy enclosed).

10. North Ayrshire Charitable Trusts: Unaudited Trustees' Annual Reports 2016/17 (Page 75)

Submit report by the Executive Director (Finance and Corporate Support) on the unaudited Trustees' Annual Reports for the year to 31 March 2017 (copy enclosed).

11. Treasury Management Annual Report 2016/17 (Page 179)

Submit report by the Executive Director (Finance and Corporate Support) Treasury Management Annual Report and Prudential Indicators for 2016/17 (copy enclosed).

12. Strategic Planning, Commissioning and Delivery of Health and Social Care Services within Ayrshire and Arran (Page 199)

Submit report by the Chief Executive on the arrangements for the Planning, Commissioning and Delivery of Health and Social Care Services in North Ayrshire (copy enclosed).

13. Suspension of Standing Orders

Resolve, in terms of Standing Order 21, to suspend Standing Order 23, to allow consideration of Motion (e) within Agenda Item 14.

14. Questions

In terms of Standing Order No. 12 submit:-

- (a) A question by Councillor McNicol to the Cabinet Member for Place in the following terms:-

"On 30th May, 2017 Land Engineering (Scotland) Limited, the company contracted by Irvine Bay Regeneration Company to develop work at Countess Street, Saltcoats went into Administration. Work to the street was not completed.

Will the Portfolio Holder for Place inform the Elected Members what is being done to complete the unfinished work to the specification agreed in the contract by Irvine Bay Regeneration Company, will he provide a date when the work will be completed and will he confirm to Members if Land Engineering (Scotland) Ltd received full payment for the contract prior to going into Administration?"

- (b) A question by Councillor Davidson to the Cabinet Member for Education in the following terms:-

"Can you confirm, for each primary and secondary school in North Ayrshire, the number of individual classroom assistants full and part-time, temporary and permanent, employed in each school in August 2016 and how many will be employed in each school in August 2017?"

- (c) A question by Councillor Larsen to the Leader of the Council in the following terms:-

"To ask the Portfolio Holder for Finance what was the pay rise for Council staff for 2017-18?"

- (d) A question by Councillor Burns to the Cabinet Member for Economy in the following terms:-

"In the 2017/18 budget, Council agreed to increase Modern Apprenticeship starts from 85 to 105. In it's manifesto for the council elections, the administration committed to further expanding the number of MAs and to the payment of a 'fair wage.' Can the portfolio holder say how many additional starts are planned, how he would define a 'fair wage' and how that would fit into the existing wage structures of the council?"

- (e) A question by Councillor Marshall to the Cabinet Member for Education in the following terms

"How does the Portfolio Holder view the attempts by the SNP Government to roll back 10 years of decline in Scottish Education by offering Head Teachers new Statutory Powers over attainment, staffing, curriculum and funding and by establishing new "regional improvement collaboratives/ boards" which will impact on the powers and functions of Education Authorities".

- (f) A question by Councillor Brahim to the Cabinet Member for Place in the following terms:-

"Following delays due to an increase in envisaged project costs, I notice the Council's administration has committed itself to delivering the realignment of the B714. I would like to ask the Portfolio Holder for Place what the timescale is for delivery of this project and where funding is anticipated to be drawn from."

- (g) A question by Councillor Murdoch to the Cabinet Member for Place in the following terms:-

"As agreed by the previous council has the funding been allocated to progress the work within the Largs Master Plan? Will part of Largs Prom be resurfaced Northwards from the Pier? Will Gallowgate Square be redeveloped? If so will the project be completed by the end of 2017 or by the latest before Easter 2018?"

- (h) A question by Councillor Gurney to the Cabinet Member for Place in the following terms:-

"To ask the portfolio holder for Place to update the Council on the administration's commitment to deliver more district heating schemes throughout North Ayrshire following the SNP's work on the Irvine scheme.

- (i) A question by Councillor Gurney to the Cabinet Member for Place in the following terms:-

"To ask the portfolio holder for Place whether he will join me in warmly welcoming the SNP government's commitment of £44 million in funds for new affordable housing; agree that it provides a welcome boost to our plans to deliver sweeping improvements to our housing stock; and further agree that it will be a cornerstone in our aims to tackle poverty and reduce inequalities throughout North Ayrshire.

- (j) A question by Councillor Gurney to the Cabinet Member for Place in the following terms:-

"To ask the portfolio holder for Place whether the Council's flatted accommodation in Irvine and Saltcoats have any of the same design flaws, particularly in relation to cladding, that contributed to the tragedy of Grenfell Towers in London; whether he has ordered a survey of the buildings in question; and what assurances he can give to the tenants of those buildings in relation to the safety of the buildings."

15. Motions

In terms of Standing Order 22(a), notice is hereby given of the following Motions for consideration by the Council at its next ordinary meeting:-

- (a) A Motion by Councillor Bell seconded by Councillor Foster in the following terms:-

"This Council is disappointed that the Scottish Government have ignored the response to their educational governance review consultation and have announced plans for educational regions, with regional educational directors appointed by the Scottish Government, which COSLA state will result in "no meaningful local democratic accountability for Education in Scotland."

The Scottish Government's own consultation report states that "there was widespread support for the current governance system" and they "were not seen as a barrier to improvement".

On educational regions it states "there was strong opposition to the uniform establishment of educational regions" from "local authorities, schools, agencies, parent councils and individuals".

It goes on to state, "specifically, respondents thought that budget cuts and staffing issues were the two key barriers for improvement."

Furthermore the report states "evidence shows that improvement (in education) will not be achieved as a result of changes to structures."

This Council does believe that more needs to be done to improve Scottish education and reduce the attainment gap. However, like the consultation respondents, we believe that the best way to achieve this is by ending austerity, protecting council budgets and providing the necessary funding to invest in education. We are disappointed that the Deputy First Minister failed to mention funding once during his statement to parliament.

This Council believes the Deputy First Minister's announcement is wrongheaded and completely ignores the views expressed by experts, teachers and trade unions during the consultation. We believe that local authorities such as North Ayrshire Council have shown excellent strategic leadership which is reducing the attainment gap and that, with increased funding and resources, further progress can be achieved which enables more collaborative working between teachers, schools and indeed local authorities but maintains local democratic control of our education system within the existing governance system. We contest that the consultation responses support this view. We therefore resolve to ask the Chief Executive to write to the Deputy First Minister to express our view in the strongest possible terms."

- (b) A Motion by Councillor Gallacher seconded by Councillor Stephen in the following terms:-

"North Ayrshire Council agrees to amend paragraph 4 of the Council's Flag Flying Protocol to provide that on all days not otherwise provided for in the Protocol, the Union Flag and Saltire will be flown".

- (c) A Motion by Councillor Ferguson seconded by Councillor Gallacher in the following terms:-

"That this Council continues to support the development of Hunterston C Nuclear Power Station. This Council needs to ensure that we will protect over 1200 current jobs and create many new jobs within North Ayrshire by supporting Hunterston C contrary to the Scottish Government position of not allowing the construction of new Nuclear Power Stations in Scotland."

- (d) A Motion by Councillor Bell seconded by Councillor Foster in the following terms:-

"This council believes that the shortage of teachers across Scotland should not be resolved with the introduction of a Scottish "Teach First" programme.

Teachers in our primary and secondary schools are currently well trained and capable of delivering a robust curriculum having completed a high quality qualification and at least 12 months probationary training supervised by an experienced head teacher.

Allowing prospective teachers to deliver curriculum objectives without this level of training, qualification and experience will drive down education quality and leave our children and young people with a sub-standard education experience and impact on any desire to raise the attainment gap.

The "Teach First" programme that is delivered in England and Wales allows participants to deliver 80% of teaching in classrooms with as little as 5 weeks training.

The council agrees with the EIS trade union and we strongly oppose any approach which places delivering education cheaply above guaranteeing quality education provision for all Scotland's young people. We do not support any erosion of that provision nor do we believe that placing unqualified graduates in schools will lead to better or more equal outcomes for those children.

The council asks that the Leader of the council writes to the Cabinet Secretary for Education and Life Long Learning outlining our opposition to the Scottish Government tendering for a "Scottish Teach First" programme or any initiative that will see unqualified teachers delivering a poorer quality curriculum in our classrooms."

- (e) A Motion by Councillor Billings seconded by Councillor Marshall in the following terms:-

"North Ayrshire Council recognises that the decision to close the Public Toilets on Arran has caused unnecessary bad publicity for the Council and is adversely affecting the Tourist Trade on Arran, and agrees to the immediate release of £12,000 from the Community Investment Fund to enable the closed toilets to be immediately reopened and kept open for at least the next 4 months until a permanent solution is agreed."

- (f) A motion by Councillor Gurney seconded by Councillor McMaster in the following terms:-

"This Council warmly congratulates all those involved in the highly successful campaign to retain the Ardrossan to Brodick ferry route. The campaign was a shining example of community involvement, demonstrated the passion of our citizens and provides a model for future community participation and action.

The efforts of local people such as Michael McCulloch, Margaret Grey, Nancy MacLeod, and countless others, who contributed incalculable hours of their own time raising awareness, collecting signatures and campaigning for the service's retention are to be highly commended.

Council further resolves to provide a reception for all those involved in the campaign in recognition of their efforts and as a small token of our thanks."

North Ayrshire Council

Sederunt:

Ian Clarkson (Provost)
Robert Barr (Depute Provost)
John Bell
Timothy Billings
Joy Brahim
Marie Burns
Joe Cullinane
Scott Davidson
Anthea Dickson
John Easdale
Todd Ferguson
Robert Foster
Scott Gallacher
Alex Gallagher
Margaret George
John Glover
Tony Gurney
Alan Hill
Christina Larsen
Shaun Macaulay
Jean McClung
Ellen McMaster
Ronnie McNicol
Louise McPhater
Davina McTiernan
Tom Marshall
Jimmy Miller
Jim Montgomerie
Ian Murdoch
Donald Reid
Donald L Reid
Angela Stephen
John Sweeney

Attending:

Apologies:

Meeting Ended:

North Ayrshire Council
17 May 2017

IRVINE, 17 May 2017 - At a Meeting of North Ayrshire Council at 2.00 p.m.

Present

Ian Clarkson, Robert Barr, John Bell, Timothy Billings, Joy Brahim, Marie Burns, Joe Cullinane, Scott Davidson, Anthea Dickson, John Easdale, Todd Ferguson, Robert Foster, Scott Gallacher, Alex Gallagher, Margaret George, John Glover, Tony Gurney, Alan Hill, Christina Larsen, Shaun Macaulay, Tom Marshall, Jean McClung, Ellen McMaster, Ronnie McNicol, Louise McPhater, Davina McTiernan, Jimmy Miller, Jim Montgomerie, Ian Murdoch, Donald Reid, Donald L. Reid, Angela Stephen, John Sweeney

In Attendance

E. Murray, Chief Executive; L. Friel, Executive Director (Finance and Corporate Support); C. Hatton, Executive Director (Place); J. Butcher, Executive Director (Education and Youth Employment); K. Yeomans, Executive Director (Economy and Communities); S. Brown, Interim Director (Health and Social Care Partnership); and A. Fraser, Head of Democratic Services, C. Andrew, Senior Manager (Legal Services), M. Gilmour, Senior Communications Officer and J. Hutcheson, Communications Officer (Media and Internal Communications) and M. Anderson, Committee Services Team Leader (Chief Executive's Service).

Chair

The Returning Officer (Items 1 to 5). The Provost (Items 6-13).

1. Chair's Remarks

The Returning Officer invited the Council, in terms of Standing Order 2.2, to consider a written request from the Irvine Herald to 'live stream' the proceedings.

The Council unanimously agreed to permit 'live streaming' of the proceedings.

2. Apologies

The Chief Executive invited intimation of apologies for absence. No apologies were recorded.

3. Declarations of Interest

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

4. Report of Returning Officer

Submitted report by the Chief Executive, in her capacity as Returning Officer, on the outcome of the elections to North Ayrshire Council held on 4 May 2017.

The report gave formal notice that the following 33 persons had been duly elected to North Ayrshire Council, namely:-

Ward 1: Irvine West

Ian Clarkson
Scott Gallacher
Shaun Macauley
Louise McPhater

Ward 2: Irvine East

Marie Burns
John Easdale
Angela Stephen

Ward 3: Kilwinning

Joe Cullinane
Scott Davidson
John Glover
Donald Reid

Ward 4: Stevenston

Davina McTiernan
Jimmy Miller
John Sweeney

Ward 5: Ardrossan and Arran

Timothy Billings
Tony Gurney
Ellen McMaster

Ward 6: Dalry and West Kilbride

Robert Barr
Joy Brahim
Todd Ferguson

Ward 7: Kilbirnie and Beith

John Bell
Anthea Dickson
Donald L. Reid

Ward 8: North Coast and Cumbraes

Alex Gallagher
Alan Hill
Tom Marshall
Ian Murdoch

Ward 9: Saltcoats

Jean McClung
Ronnie McNicol
Jim Montgomerie

Ward 10: Irvine South

Robert Foster
Margaret George
Christina Larsen

Noted.

5. Election and Designation of Provost

In terms of Section 4(1) of the Local Government etc (Scotland) Act 1994, the Council is required to elect a Convener from among its Councillors, to be known as the "Provost".

The Chief Executive invited nominations to fill the office of Provost of North Ayrshire Council.

Councillor Cullinane, seconded by Councillor Bell, moved that Councillor Clarkson be appointed as Provost. There being no amendment, the motion was declared carried and Councillor Clarkson declared Provost.

Following a short recess during which he was presented with the Chain of Office, the Provost assumed the Chair. He thanked Members for the faith they had placed in him and expressed his intention to work with all Members in the service of North Ayrshire.

6. Election and Designation of Deputy Provost

In terms of Section 4(2) of the Local Government etc (Scotland) Act 1994, the Council may elect a Convener from among its Councillors, to be known as the "Deputy Provost".

The Chief Executive invited nominations to fill the office of Deputy Provost of North Ayrshire Council.

Councillor Marshall, seconded by Councillor Ferguson, moved that Councillor Gallacher be appointed as Deputy Provost. As an amendment, Councillor Burns, seconded by Councillor Larsen, moved that Councillor Barr be appointed as Deputy Provost.

On a division, there voted for the amendment 26 and for the motion 7 and the amendment was declared carried. Accordingly, Councillor Barr was appointed to the office of Depute Provost of North Ayrshire Council.

Councillor Barr was presented with the Chain of Office and assumed the Depute Provost chair.

7. Declarations of Acceptance of Office

The Head of Democratic Services confirmed that all Councillors had signed the Declaration of Acceptance of Office in accordance with the relevant provisions of Local Government (Scotland) Act 1973.

Noted.

8. Formation of Party Political Groups on the Council - Indication of Political Groups on the Council

8.1 The Chief Executive advised that the following political groups had been intimated:-

- the "Labour Group" consisting of the 11 Members of the Scottish Labour Party
- the "SNP Group" consisting of the 11 Members of the Scottish National Party (SNP); and
- the "Conservative Group" consisting of the 7 Members of the Scottish Conservative and Unionist Party.

The Council agreed to recognise the political groups intimated.

8.2 The Provost sought indications of whether the party whip was to be applied to any item of business.

There were no declarations of the party whip.

Noted.

9. Appointment of Leader and Depute Leader of the Council

The Provost invited nominations for the positions of Leader and Depute Leader of the Council. This would determine which Group formed the Administration.

Councillor Donald Reid, seconded by Councillor Gallagher, moved that Councillors Cullinane and Bell be appointed as Leader and Depute Leader of the Council, respectively. As an amendment, Councillor Davidson, seconded by Councillor Dickson, moved that Councillors Burns and Hill be appointed as Leader and Depute Leader of the Council, respectively.

On a division, there voted for the amendment 11 and for the motion 16 and the motion was declared carried.

Accordingly the Council agreed:-

- (a) to appoint Councillors Cullinane and Bell as Leader of the Council and Depute Leader of the Council, respectively; and
- (b) that the Labour Group would form the Administration.

The Provost, on behalf of the Council, congratulated the new Leader and Depute Leader on their appointments, and offered the unsuccessful nominees his commiserations.

10. Report on Governance Documents

Submitted report by the Chief Executive on the following key governance documents regulating the operation of the Council, its committees and officers:-

- Standing Orders relating to Meetings
- Scheme of Administration
- Scheme of Delegation to Officers
- Guidelines on Member/Officer Relations
- Standing Orders for Contracts
- Financial Regulations

The Head of Democratic Services referred Members to the amendment which had been circulated and published in respect of the Scheme of Delegation to Officers appendix (page 111 of the Council Agenda) with regard to employability and business development functions.

Members considered each of the appendices in turn, asking questions and seeking clarification on provisions contained therein.

With regard to the Scheme of Administration, Members unanimously agreed that:-

- membership of the Planning Committee, Local Review Body and Licensing Committee should revert to 10 Members (comprising 3 members of the Administration, 3 from the Opposition and 4 others);
- the Policy Development Committee should be excluded for the time being pending further consideration of its remit and composition; and
- the functions referred to the Staffing and Recruitment Committee should include the selection and appointment of Heads of Service.

The Council agreed to:-

- (a) approve the following with immediate effect, namely (i) the Standing Orders for Meetings of the Council, set out at Appendix 1 to the report, (ii) the Scheme of Administration set out at Appendix 2 to the report, subject to the amendments set out above, (iii) the Scheme of Delegation to Officers, set out at Appendix 3 to the report (as amended), subject to the removal of the delegation in terms of the selection and appointment of Heads of Service, (iv) the Guidelines on Member/Officer Relations set out at Appendix 4 to the report, (v) the Standing Orders for Contracts set out at Appendix 5 to the report and (vi) the Financial Regulations set out at Appendix 6 to the report; and
- (b) to note the appointments made to Statutory Officer posts referred to in Section 2.8 of the report.

11. Councillors' Remuneration: Senior Councillors

Submitted report by the Executive Director (Finance and Corporate Support) which advised of the Councillors' remuneration levels per the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007.

Members asked questions and received clarification in respect of the budget provision for Members' remuneration and the requirement for a Council decision on remuneration levels.

The Council agreed to:-

- (a) note the recommended remuneration and expenses outlined in the Regulations;
- (b) approve the appointment of the following posts, in addition to the Leader and Provost, as Senior Councillors, viz:- (i) Deputy Leader (75% of the Leader's salary, £25,392), (ii) the Leader of the Opposition (75% of the Leader's salary, £25,392), (iii) Deputy Provost at £21,160, (iv) those Cabinet Members with portfolio responsibility for services, at £21,160, (v) the Chair of the Audit and Scrutiny Committee at £21,160, (vi) the Chair of the Licensing Committee/Board at £21,160 and (vii) the Chair of the Planning Committee at £21,160; and
- (c) note that a decision on the appointment, as a Senior Councillor at £21,160, of a Chair of the Policy Development Committee would be dependent upon the outcome of future consideration by the Council of the Scheme of Administration pertaining to that committee.

12. Committee Timetable: Remainder of 2017

Submitted report by the Chief Executive which on a draft timetable of Council and committee meetings for the period from May until the end of December 2017. The draft timetable was set out at Appendix 1 to the report.

The Council agreed to:-

- (a) approve the draft timetable set out at Appendix 1 to the report, subject to the removal of references to meetings of the Policy Development Committee; and
- (b) note that arrangements for Locality Partnership meetings and any ad hoc or Special Meetings would be intimated to Members separately.

13. Appointments to Committees

Submitted report by the Chief Executive on arrangements for the appointment of Elected Members and, where appropriate, lay representatives, to committees of the Council in line with the Scheme of Administration, including confirmation of the appointment of Chairs (and Vice Chairs where appropriate).

Nominations were invited in respect of other appointments to committees of the Council as provided for in the Scheme of Administration, including nominations to the positions of Chair (and Vice Chair if appropriate) of each committee. A summary of nominations submitted by the Administration, Opposition, Conservative Group and Independents was circulated at the meeting.

Members gave consideration in the first instance to the appointment of committee Chairs and Vice Chairs and, thereafter, committee members, as set out in Appendix NAC1.

The Council agreed to:-

- (a) note that all Elected Members are automatically members of the full Council and the Local Development Plan Committee;
- (b) note that all Elected Members are members of the Locality Partnership which covers their respective ward, that Members of Ward 5 could potentially choose to be members of both the Arran and Three Towns Locality Partnerships and that Members of Ward 6 could potentially choose to be members of the Three Towns, North Coast and Garnock Valley Locality Partnership;
- (c) approve the appointment of Chairs and, where appropriate, Vice Chairs of committees of the Council summarised in Appendix NAC1 to this Minute;
- (d) approve the appointments to the Appeals Committee, Audit and Scrutiny Committee, Ayrshire Shared Services Joint Committee, the Cabinet, Education Appeal Committee, Licensing Committee, Local Review Body, North Ayrshire Integration Joint Board, Planning Committee, Police and Fire and Rescue Committee and Staffing and Recruitment Committee summarised in Appendix NAC1 to this Minute;
- (e) to note that any outstanding vacancies in terms of the Chair, Vice Chair and membership of the committees referred to in (c) and (d) above, would be the subject of further consideration at the next meeting of the Council;

- (f) approve the filling by the Administration and Opposition of any remaining vacancies which they are entitled to fill in terms of the Scheme of Administration, such appointments to take effect 4 Clear Working Days after intimation to the Chief Executive;
- (g) approve the following arrangements for the appointment to the Cabinet of additional Members when it considers Education Authority business (i) to appoint the Very Reverend Matthew Canon McManus and Ms Elizabeth Highton as the Roman Catholic Church and Church of Scotland representatives, respectively; (ii) to issue a public notice seeking nominations from church or denominational groups to fill the third Church representative position; (iii) to approve the appointment of a non-voting representative to be nominated by the Local Negotiating Committee for Teachers; (iv) to appoint two non-voting pupil representatives (one male, one female), to be drawn from a pool of Youth Council members on a meeting-by-meeting business and (v) to remit to Cabinet to agree such appointments; and
- (h) approve the appointment of Karine Emberson, Val Gibson, Gloria Killin, Edith Milroy, Ann Smyth, Jim Smith and Karen Wallace as lay representatives to the Education Appeal Committee.

14. Appointments to Outside Bodies

Submitted report by the Chief Executive on appointments made to Outside Bodies and on nominations to fill positions.

Nominations were invited to represent the Council on a number of outside body. A summary of nominations submitted by the Administration, Opposition, Conservative Group and Independents was circulated at the meeting.

Members considered each of the appointments in turn.

The Council agreed to:-

- (a) approve the appointments to outside bodies set out at Appendix NAC2 to this Minute; and
- (b) delegate authority to the Chief Executive to make officer appointments to the positions set out in Appendix 2 to the report and (b) note the appointments set out therein.

The Meeting ended at 4.50 p.m.

NORTH AYRSHIRE COUNCIL

Agenda Item 9

28 June 2017

North Ayrshire Council

Title: **Unaudited Annual Accounts 2016/17**

Purpose: To (i) provide the Council with an overview of the Council's unaudited Annual Accounts for the year to 31 March 2017; (ii) provide an overview of the Council's financial performance for the year; and (iii) outline how the 2016/17 outturn impacts on the Council's overall financial position.

Recommendation: That the Council agrees to:

(a) approve, subject to audit, the Council's Annual Accounts for 2016/17;

(b) authorise the Audit and Scrutiny Committee to consider and approve for signature the audited annual accounts within the required timeframe;

(c) note that Deloitte LLP plan to complete their audit of the Accounts by mid September 2017 and will present their annual audit report to the Council's Audit and Scrutiny Committee by 30 September 2017;

(d) note that Cabinet approval has already been granted to carry forward £1.206m to fund service expenditure in 2017/18;

(e) approve the carry forward of a further £1.370m to fund service expenditure in 2017/18, as detailed in Appendix 9;

(f) note the unaudited General Fund position of break even after allowing for the approved and planned carry forwards, including the earmarking of £2.770m to support the non recurring investment identified as part of the 2017-18 revenue budget;

(g) note the balance of uncommitted funds of £6.380m on the General Fund (equivalent to 2.0% of annual budgeted expenditure) being held in reserve;

(h) note the unaudited Housing Revenue Account (HRA) surplus for the year of £3.554m; and

(i) note the earmarking and carry forward of the HRA balance as outlined in 2.20.

1. Executive Summary

- 1.1 The Council prepares its Accounts on an annual basis to 31 March and is required, by the Local Authority Accounts (Scotland) Regulations 2014, to submit these Accounts to the appointed auditor by 30 June of each year. Deloitte LLP plan to complete their audit of the Accounts by mid September 2017 and will present their annual audit report to the Council's Audit and Scrutiny Committee by 30 September 2017. An abbreviated version of the Council's unaudited Accounts, containing the key financial statements, for the year to 31 March 2017 has been issued directly for Members' approval prior to their submission to the appointed auditor. A copy of the full set of accounts can be found in the Members' Lounge or by following the attached link:

<http://www.north-ayrshire.gov.uk/council/performance-and-spending/budgets-and-finance.aspx>

- 1.2 The 2016/17 Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (ACOP) and requirements of International Financial Reporting Standards (IFRS). The ACOP seeks to achieve comparability of financial performance across all local authorities and therefore prescribes the format to be used in presenting income and expenditure information. IFRS seek to provide international comparability of financial information across all types of large organisation, both public and private sector.
- 1.3 The Annual Accounts provide an overview of the financial performance of the various funds managed by the Council. The Management Commentary outlines the key messages in relation to the Council's financial planning and performance for 2016/17 and how this has supported delivery of the Council's priorities. It also outlines the Council's future financial plans and the challenges and risks which the Council will face moving forward. At 31st March 2017 the General Fund closed with a break even position after earmarking £2.770m to support the non recurring investment identified as part of the 2017-18 revenue budget. The balance on the General Fund unearmarked funds is £6.380m (equivalent to 2.0% of annual budgeted expenditure). The balance of earmarked funds is £32.049m and is detailed in section 2.21.
- 1.4 The unaudited Housing Revenue Account (HRA) surplus for the year is £3.554m. Earmarked funds are outlined at 2.20 leaving an uncommitted balance of £1.000m.

- 1.5 In 2016/17 General Fund capital expenditure of £48.712m and Housing capital expenditure of £22.935m was incurred with full details outlined in sections 2.30 to 2.37.
- 1.6 Common Good Funds closed with a balance of £1.829m and Trust Funds with a balance of £0.502m as outlined in sections 2.37 to 2.38.

2. Background

- 2.1 The Annual Accounts provide an overview of the financial performance of the various funds managed by the Council:
- North Ayrshire Council General Fund (capital and revenue)
 - Housing Revenue Account (capital and revenue)
 - Six Common Good Funds
 - Trust Funds
- 2.2 The statements also include 'group accounts', which recognise the material interest the Council has in other organisations, mainly:
- Strathclyde Passenger Transport
 - North Ayrshire Ventures Trust Limited
 - North Ayrshire Leisure Limited
 - North Ayrshire Health and Social Care Partnership
 - Irvine Bay Regeneration Company
 - Irvine Bay Development Company
 - Ardrossan North Shore LLP
- 2.3 The financial position of the Council and its Group is presented in the following statements:
- Expenditure and Funding Analysis (page 22);
 - Comprehensive Income and Expenditure Statements for the Council and the Group (page 23);
 - Movement in Reserves Statement (page 24);
 - Balance Sheets for the Council and the Group (page 25).

The Expenditure and Funding Analysis is a new statement introduced in 2016/17 which analyses net income and expenditure across services as reported to Cabinet during the year and reconciles this to the accounting entries required for inclusion in the Comprehensive Income and Expenditure Statement.

- 2.4 The Local Authority Accounts (Scotland) Regulations 2014 require various disclosures about the remuneration and pension benefits of senior councillors and senior employees. The remuneration report can be found on page 10 of the financial statements.
- 2.5 The Council is legally required to make its draft accounts available for public inspection for a 3-week period during the audit. A notice has been published on the Council website and an advert was placed in the local papers week commencing 5 June 2017, advising that the accounts will be available for inspection at Cunninghame House, Irvine between 3 and 21 July 2017.
- 2.6 Under the Local Authority Accounts (Scotland) Regulations 2014, a local authority, or committee of that authority whose remit includes audit or governance functions, must meet to approve the audited Annual Accounts for signature no later than 30th September each year. Under the current timetable, Council is not scheduled to meet before the statutory deadline. To ensure compliance with the requirements of the Regulations, authority is sought to delegate authority to the Audit and Scrutiny Committee to consider the audited annual accounts and approve them for signature.

Financial Performance 2016/17

- 2.7 This section of the report provides an overview of the financial performance of each of the main budgets managed by the Council.

General Fund Revenue Budget

- 2.8 As shown on page 4 of the Annual Accounts, the General Fund Revenue Account achieved an underspend of £5.346m in the year, before earmarking of funds. The final position is break after the earmarking of funds including £2.770 to support the non recurring investment identified as part of the 2017-18 revenue budget. This compares to the reported in year surplus of £2.745m, net of £1.206m of carry forwards, as at 31 January 2017. The following table details the final position on a service by service basis.

	Appendix No	Annual Budget	Actual Outturn to 31 March 2016	Projected Variance for year (Fav)/Adv	Request for Carry Forward Approved @ P10	New Requests for Carry Forward	Variance for Year After Carry Forward (Fav)/Adv
		£000's	£000's	£000's	£000's	£000's	£000's
Service Expenditure							
Chief Executive and Democratic Services	1	3,599	3,506	(93)	-	-	(93)
Finance & Corporate Support	2	15,745	14,813	(932)	160	173	(599)
Education and Youth Employment	3	99,699	99,266	(433)	-	229	(204)
Place	4	59,326	59,019	(307)	-	307	-
Economy and Communities	5	24,965	24,160	(805)	346	272	(187)
Other Corporate Services	6	9,927	6,979	(2,948)	700	3,101	853
Sub Total		213,261	207,743	(5,518)	1,206	4,082	(230)
Health and Social Care Partnership	7 & 8	82,382	82,382	-	-	-	-
Balance for Services		295,643	290,125	(5,518)	1,206	4,082	(230)
Financing Charges	9	26,457	26,399	(58)	-	58	-
Transferred to Earmarked Funds	9	816	816	-	-	-	-
Total Planned Expenditure		322,916	317,340	(5,576)	1,206	4,140	(230)
Planned Income							
Aggregate External Finance	9	(268,486)	(268,484)	2	-	-	2
Council Tax	9	(48,136)	(47,908)	228	-	-	228
Use of Capital Fund	9	(4,236)	(4,236)	-	-	-	-
Use of Earmarked Funds	9	(2,058)	(2,058)	-	-	-	-
Total Planned Income		(322,916)	(322,686)	230	-	-	230
Net Expenditure/ (Income)		-	(5,346)	(5,346)	1,206	4,140	-

2.9 Analysis of final outturn – detailed explanations for the significant variances in service expenditure compared to the approved budgets, together with information on funding to be carried forward to finance expenditure in 2017/18, are provided in Appendices 1 to 10 of this report. A summary of the proposed carry forward of earmarked funds to 2017/18 can be found in Appendix 9. In summary, the year-end underspend is mainly attributable to:

- Resources set aside for the expansion of Additional Early Learning and Childcare for 2 year olds and free school meals has been less than anticipated with the funds for the recycle blue bins contract no longer required (£1.9m);
- Vacancy management and the early delivery of future year efficiencies (£1.2m);
- The impact of general inflation being less than anticipated at the start of the year (£0.9m); and
- Higher than budgeted income across a range of services (£0.7m).

Chief Executive

- 2.10 Chief Executive service was underspent by £0.093m (3% of the annual budget) for the year. This compares to a projected overspend for the year at 31 January 2017 of £0.013m. The main reason for the final underspend is reduced employee costs across the service due to vacant posts (£0.045m) and an underspend in administration costs (£0.013m).

Finance & Corporate Support

- 2.11 Finance & Corporate Support was underspent by £0.932m (6% of the annual budget) for the year. This compares to a projected underspend for the year at 31 January 2017 of £0.456m. The main reasons for the final underspend are :

- Reduced employee costs across the service due to vacant management and early realisation of savings (£0.533m);
- Additional income recovered from the recovery of benefit overpayments and additional income from DWP (£0.328m);
- Underspend in administration and supplies and services costs mainly linked to IT costs (£0.064m).

Cabinet has previously approved carry forwards of £0.160m. In addition, Council is asked to approve a carry forward of £0.065m of ring fenced DWP funding and £0.108m linked to software commitments and mobile working. After the earmarking of £0.333m for carry forward, the service was underspent by £0.599m (4%).

Education and Youth Employment

- 2.12 Education and Youth Employment was underspent by £0.433m (0.4%) of the annual budget for the year. This compares to a projected underspend for the year at 31 January 2017 of £0.400m. The significant final variances are as follows:

- An underspend relating to PPP schools due to contract deductions and reductions in the unitary charge (£0.249m);
- An underspend in payment to private partner providers for Early Years (£0.226m) linked to current demand;
- An underspend within Early Years due to difficulties in recruiting to teacher vacancies (£0.262m);
- An underspend within Education Other related to vacancy management (£0.257m); and

- An underspend on the additional funds for Developing the Young Workforce (£0.088m) which is required to be carried forward to meet commitments in 2017/18.

This is partly offset by an overspend within Primary Education (£0.408m) due to increased numbers of pupils with additional support needs.

Council is requested to carry forward £0.088m for Developing the Young Workforce, £0.129m linked to the DMR Scheme and £0.012m of ring fenced funding from Skills Development Scotland. After the earmarking of £0.229m for carry forward, the service was underspent by £0.204m (0.2%).

Place

- 2.13 Place was underspent by £0.307m (1% of the annual budget) for the year. This compares to a projected underspend for the year of £0.005m at 31 January 2017.

There are various over and underspends across all divisions of the service which are summarised below:

- An underspend within Internal Transport (£0.436m) mainly due to improved utilisation of internal resources and current costs for fuel;
- Facilities Management (£0.321m) is underspent due increased uptake in school meals and improved commercial income;
- An underspend within Roads (£0.212m) due to milder winter conditions; and
- Property Management and Investment (£0.108m) underspend mainly linked to carbon allowances.

This is offset by an overspend in Waste Services (£0.413m) due to additional landfill tax and additional temporary staffing to reflect seasonal and operational requirements. Building Services (£0.337m) are also overspent largely due to reduced income related to a reduction in the number of void properties and access issues in relation to the windows and kitchen replacement programmes.

Council is requested to approve a carry forward of £0.307m to meet the following expenditure in 2017/18:

- Largs Car Park - earmarked fund (£0.016m)
- Property Maintenance - PMB (£0.101m)
- Winter Roads Maintenance (£0.125m)
- Roads Asphalt Recycling Unit Arran (£0.065m)

After the earmarking of £0.307m for carry forward, the service will have a break even position.

Economy and Communities

2.14 Economy and Communities was underspent by £0.805m (3% of the annual budget) for the year. This compares to a projected underspend for the year of £0.346m at 31 January 2017. The significant final variances are as follows:

- An underspend in Economic Development (£0.567m) mainly as a result of lower than anticipated expenditure in economic development programmes (£0.617m). Spend will be increased across these programmes as they are rolled out over the next 3-4 years. An overspend in Modern Apprentices (£0.349m) due to higher than estimated costs linked to age profiles and qualifications has been partly off-set by reduced expenditure on employee costs (£0.283m) as a result of vacancies.
- An underspend in Connected Communities (£0.176m) as a result of property costs in relation to the Townhouse being less than budgeted and additional income at the Arran Outdoor Centre.

Cabinet have previously approved carry forwards of £0.346m. This included a carry forward of £0.321m to reflect underspends in core funding linked to ESF employability projects which has now been revised to £0.300m to reflect the latest commitments. In addition, Council is asked to approve a carry forward of £0.293 to meet anticipated costs linked to the Ayrshire Growth Deal (£0.226m) and regeneration projects (£0.067m).

After the earmarking of £0.618m for carry forward, the service was underspent by £0.187m (0.7%).

Other Corporate Items

2.15 Other Corporate Items was underspent by £2.948m compared to a projected underspend of £2.685m at 31 January 2017. The significant variances are;

- Resources set aside for the expansion of Additional Early Learning and Childcare for 2 year olds has been less than anticipated (£1.271m).
- Centrally held funds in respect of previously identified pressures related to Community Justice transitional funding, pension autoenrolment, the living wage, fuel and utility costs, free school meals uptake and the recycle blue bins contract have not been fully drawdown, (£1.724m).

Cabinet have previously approved carry forwards of £0.700m. This included a carry forward of £0.040m for Members ICT which has now been revised to £0.012m. In addition, Council is asked to approve a carry forward of £0.359m to meet the following expenditure in 2017/18:

- Community Justice earmarked funding (£0.050m)
- GIRFEC - earmarked funding (£0.150m)
- CTR Admin - earmarked funding (£0.043m)
- Gov Tech Start Up (£0.041m)
- Scottish Open Golf (£0.050m)
- Catering Equipment (£0.025m)

Health and Social Care Partnership

- 2.16 The Council's contribution to the Health and Social Care Partnership reported a breakeven position for the year reflecting the level of funding the Council provide to the Health and Social Care Partnership, however, the Health and Social Care Partnership has reported an overspend for the year of £3.246m on the Council services element (3% of the annual budget) This compares to a projected overspend for the year of £2.545m at 31 January 2017. The significant final variances are as follows:

- **Community Care and Health - £1.220m overspent**

The majority of this overspend is linked to increased demand for services within Care at Home (£0.378m), Care Homes (£0.636m) and Community Alarms (£0.127m) including unbudgeted additional costs arising from taking services in-house. Within Care at Home there was an increase in referrals which were eligible for service and whose needs have been assessed as substantial or critical. Care Homes also experienced 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.

- **Children's Services and Criminal Justice - £1.260m overspent**

Children's Services experienced exceptional demand linked to Looked After and Accommodated Children with an increase in demand for residential and secure placement (£1.001m). These placements are only considered when every other option for care provision has been exhausted.

- **Mental Health Services - £0.791m overspent**

Learning Disability overspend (£0.859m) was mainly linked to the non delivery of savings in 2016/17 and under recovery of charging income.

A summary of the outturn positions is included within Appendices 7 and 8 and members can be provided with copies of the full Integration Joint Board report if required. The Partnership closed with a deficit position linked to Council services in 2016/17 which will require to be recovered in future years. The Health and Social Care Partnership is currently developing plans to recover this position and this will be reflected in an updated Medium Term Financial Plan produced in 2017/18.

- 2.17 The Code of Practice requires the Council to account for the budget delegated to the Health and Social Care Partnership within expenditure, matched by income which was delegated back from the Partnership. The entries within the Comprehensive Income and Expenditure Account have been adjusted to reflect the required accounting entries for the cost of the Council delivering services on behalf of the Health and Social Care Partnership. This results in an increase in expenditure and income of £82.382m.

Council Tax/ Community Charge income

- 2.18 Income from Council tax is £0.228m lower than budgeted at the start of the financial year. This is mainly related to additional provision being made for net discounts and reliefs for prior years in line with previous trends.

Housing Revenue Account

- 2.19 As shown on Appendix 10 the Housing Revenue Account delivered an in-year underspend of £3.554m compared to the underspend of £2.002m anticipated at 31 January 2017. The main factors contributing to the final underspend at 31 March 2017 are as follows:

- A net saving in loan charges as a result of external borrowing falling below anticipated levels due to the availability and continued use of internal funds instead of new borrowing (£0.931m);
- Due to House Building programme expenditure being carried forward to future years and significant capital receipts from Council House sales following the end of Right to Buy, there has been a reduced requirements to fund capital from current revenue (£3.205m).
- An underspend on void repairs due to a reduction in the number of void properties for the year (£0.442m);
- The above underspends were partially offset by increased expenditure on Planned Maintenance related to additional Asbestos works (£0.834m).

The balance brought forward at 1 April 2016 was £12.224m. £1.074m was utilised during 2016/17 for sheltered housing unit works, infrastructure improvements and major refurbishment works. When the 2016/17 surplus of £3.554m is applied, this results in a cumulative balance of £14.704m at 31 March 2017.

2.20 In total, the following sums have been approved by Cabinet for earmarking within the HRA:

- £8.082m for Council House Building;
- £3.000m to mitigate the impact of Welfare Reform;
- £0.156m for sheltered housing unit works;
- £0.613m for infrastructure improvements;
- £0.762m for major refurbishment works;
- £1.091m for Tarryholme; and
- £1.000m as a contingency to meet unforeseen costs.

Fund Balances and Reserves

2.21 The Local Government (Scotland) Act 1975 empowers local authorities to administer specific funds in addition to the General Fund, namely Repairs and Renewals, Insurance and Capital Funds. In addition the Council holds a number of other funds and these are detailed in the table below which summarises the movement on each of the Council's Funds during the year, the closing balance at 31 March 2017 and the estimated future commitments:

	Balance as at 31/3/2016	Transfer included in Budget Paper February 2016	Transfer included in Budget Paper March 2017	(Expenditure) / Income	Balance as at 31/3/2017	Identified Commitments / Forecast Income	Estimated Available Balance
	£000's	£000's	£000's	£000's	£000's		£000's
General Fund - Unearmarked	8,950	-	(2,570)	-	6,380	-	6,380
General Fund Earmarked:							
Education DMR	584	-	-	129	713	(713)	-
Affordable Housing	3,486	-	-	843	4,329	(3,461)	868
Earmarked funds	8,299	-	2,570	3,873	14,742	(14,742)	-
Equal Pay	1,011	-	-	-	1,011	(1,011)	-
Change & Service Redesign	5,505	-	-	(1,556)	3,949	(3,010)	939
Legacy Fund	51	-	-	-	51	(51)	-
Loans Fund Reserve	-	816	-	58	874	(874)	-
General Fund Sub Total	27,886	816	-	3,347	32,049	(23,862)	8,187
Other Reserves:							
Repairs & Renewals Fund	286	-	-	-	286	(232)	54
Insurance Fund	2,598	-	-	1	2,599	(2,599)	-
Capital Fund	12,729	-	-	(5,067)	7,662	(7,662)	-
Total General Fund	43,499	816	-	(1,719)	42,596	(34,355)	8,241
Housing Revenue Account	12,224	-	-	2,480	14,704	(13,704)	1,000
Total Reserves	55,723	816	-	761	57,300	(48,059)	9,241

2.22 General Fund (unearmarked) – The General Fund surplus for the year was £5.346m. After recognising the earmarking of funds to be carried forward (£5.346m) this leaves a break even position on the General Fund.

The uncommitted balance at 31 March 2016 was £8.950m, equivalent to 2.8% of the Council's annual budgeted expenditure. Best practice recommends that local authorities should retain uncommitted reserves of between 2% and 4%, equivalent to between £6.4m and £12.8m for North Ayrshire Council. On 1 March 2017 the Council agreed to retain uncommitted reserves at 2% of budgeted net expenditure, equivalent to £6.380m, with the balance of uncommitted reserves, £2.570m, to be used to support the HSCP Challenge Fund during 2017/18. The Council's reserves policy will continue to be reviewed, particularly as the level of total reserves reduces due to the delivery of commitments over the next few years.

- 2.23 **Affordable Housing** – Council policy provides for 10% council tax discount on properties that are not a sole or main residence. Of the 90% levied, 50% is retained by the Council and recorded as council tax income in the Accounts and the remaining 40% is earmarked for the provision of new build affordable housing. At the start of the year the opening balance on this fund was £3.486m. In 2016/17, income of £1.151m was earmarked for this fund, whilst the expenditure during the year totalled only £0.308m leaving a balance of £4.329m at 31 March 2017. After allowing for known commitments in respect of specific projects and contributions towards new house building in future years the remaining balance on the fund is estimated to be £0.868m at 31 March 2021
- 2.24 **Earmarked Sums and School Funds** – These funds relate to specific projects for which monies have been identified prior to 31 March 2017, but for which spending plans exist in 2017/18 and beyond. The balance of £14.742m will therefore be required in future years.
- 2.25 **Equal Pay** – A significant number of claims for retrospective compensation have been lodged against the council by employees who consider their jobs to be of ‘equal value’ to other specific posts within the council that are paid at a higher rate. Appropriate financial provision has been included within the 2016/17 accounts and £1.011m will continue to be earmarked for Equal Pay claims.
- 2.26 **Change & Service Redesign Fund** – £1.556m was incurred during the year in delivering the council’s change programme. After recognising the known commitments in 2017/18 and later years, including the proposed cost of upgrades to ICT infrastructure and replacement of the Financial Management System, an estimated uncommitted balance of £0.939m remains in the Change Fund at 31 March 2019.
- 2.27 **Repairs and Renewals Fund** - £0.232m is earmarked for Schools PPP works, leaving an uncommitted balance of £0.054m at 31 March 2017.
- 2.28 **Insurance Fund** - this fund represents the amount required to deal with potential uninsured claims and Municipal Mutual Insurance (MMI) underwriting costs. The insurance fund was independently assessed during 2015/16 and the sum earmarked continues to reflect the value recommended by this assessment.

- 2.29 **Capital Fund** -The fund accrued interest of £0.038m during the year. In addition to the £4.236m utilised to support revenue expenditure in relation to relocation costs for Largs Academy and the winding up of the Irvine Bay Regeneration Company, £0.869m was used to fund capital projects during the year. The balance of £7.662m will be used to fund the capital programme as set out in the 2017-18 to 2025-26 capital programme.

General Services Capital

- 2.30 The Council approved its General Services capital budget for 2016/17 on 17 February 2016. The Cabinet received regular reports on the capital programme throughout the year and approved various adjustments to reflect identified slippage and under/ overspends on projects. The last report to the Cabinet in March 2017 outlined a revised capital budget of £57.241m as at 31 January 2017.
- 2.31 Gross capital expenditure in 2016/17 was £48.712m compared to the final revised budget of £52.318m, i.e. slippage of £3.606m. This is related to underspends across a range of projects within the programme of which £2.871m is required to be carried forward to 2017/18, resulting in a true underspend of £0.736m within the programme.
- 2.32 The Corporate Asset and Property Group will continue to monitor performance in relation to capital programme delivery. Details of the final General Services capital outturn against budgets for individual projects is provided in Appendix 11 to the report.
- 2.33 Several major projects were completed successfully during the year including the Portal and Garnock Campus with excellent progress being made on the Largs Campus and development progressing in the Irvine Enterprise Area, Quarry Road and Tarryholme Drive.

HRA Capital

- 2.34 The Council approved its HRA capital budget for 2016/17 on 17 February 2016. The Cabinet received regular reports on the capital programme throughout the year and approved various adjustments to reflect identified slippage and under/overspends on projects. The last report to the Cabinet in March 2017 outlined a revised capital budget of £22.390m at 31 January 2017.
- 2.35 Gross capital expenditure in 2016/17 was ahead of profile at £22.935m compared to the final revised budget of £22.830m. £0.182m of this relates to projects which have been brought forward from the 17/18 programme, off-set by a true underspend on the programme of £0.078m.

2.36 Details of the final HRA capital outturn against budgets for individual projects is provided in Appendix 12 to the report.

2.37 During 2016/17 the Council continued with its plans to build 750 new houses by 2021, with 197 houses completed at 31 March 2017.

Common Good Funds

2.38 A summary of the revenue and capital balances on the Common Good Funds is provided below, with further details provided on page 29 of the financial statements. All funds have accumulated surpluses at 31 March 2017.

Common Good Fund	Balance at 1 April	Movement in Year Increase / (Decrease)	Balance at 31 March
	£millions	£millions	£millions
Ardrossan	0.119	0.039	0.158
Irvine	0.970	0.053	1.023
Largs	0.430	-	0.430
Millport	0.053	0.007	0.060
Saltcoats	0.017	-	0.017
Stevenston	0.198	(0.054)	0.144

Trusts

2.39 A summary of the revenue and capital balances on the Trust Funds administered by the Council is provided below, with further details provided within page 30 of the financial statements. All funds have accumulated surpluses at 31 March 2017. North Ayrshire Council's Trust Funds, where the Council is the sole trustee, are required to prepare their own Accounts and Trustees' Annual Report. These are subject to separate external audit and are the subject of their own report to Council.

Trusts	Balance at 1 April	Movement in Year Increase / (Decrease)	Balance at 31 March
	£millions	£millions	£millions
North Ayrshire Charitable Trust	0.077	0.002	0.079
Town Trusts	0.195	0.001	0.196
Douglas Sellers Trust	0.002	-	0.002
Anderson Trust	0.001	-	0.001
Margaret Archibald Trust	0.176	0.004	0.180
Other Bequests	0.046	(0.002)	0.044

3. Proposals

General Fund:

- 3.1 The General Fund ended the year with a break even position after the earmarking of funds including £2.770m to support the non recurring investment identified as part of the 2017-18 revenue budget. At 31 March 2017 the Council has an accumulated unearmarked General Fund balance of £6.380m (equivalent to 2.0% of annual budgeted expenditure). Due to the risks in the planning assumption in North Ayrshire's medium term financial plan and the uncertainty around future funding it is proposed that this balance remains unearmarked.

Housing Revenue Account:

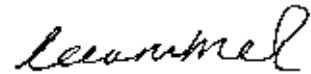
- 3.2 When applied to the balance brought forward from 2015/16 of £12.224m, the accumulated HRA balance at 31 March 2017 is £14.704m, before recognising earmarking of funds. As outlined at paragraph 2.19 above, £13.704m has already been set aside for various initiatives, leaving an uncommitted balance of £1.000m.
- 3.3 It is proposed that this balance is held in reserve to meet any funding requirements arising from the review of the 30 year HRA business plan.

4. Implications

Financial:	The financial implications are as outlined within the report.
Human Resources:	None
Legal:	None
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	This report aligns to the Council's strategic priorities by "making the best use of all resources" and ensuring a "sound financial position".
Community Benefits:	None

5. Consultation

- 5.1 Discussions have taken place between Executive Directors and Finance on Services' financial performance throughout the year to 31 March 2017.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

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

Background Papers

Revenue Budget 2016/17 : Financial Performance to 31 January 2017 -
Cabinet - 14 March 2017

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Legal	392	385	(7)	(2%)	1
Policy, Performance & Community Planning	983	924	(59)	(6%)	
Communications	465	461	(4)	(1%)	
Civil Contingencies	70	72	2	3%	
Committee Services	669	659	(10)	(1%)	2
Members Services	1020	1005	(15)	(1%)	3
Totals	3,599	3,506	(93)	(3%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	3,150	3,118	(32)	(1%)
Property Costs	7	7	-	-
Supplies and Services	272	259	(13)	(5%)
Transport and Plant Costs	16	14	(2)	(13%)
Administration Costs	1,002	962	(40)	(4%)
Other Agencies & Bodies	337	272	(65)	(19%)
Transfer Payments	-	-	-	-
Other Expenditure	40	40	-	-
	-	-	-	-
Gross Expenditure	4,824	4,672	(152)	(3%)
Income	(1,225)	(1,166)	59	(5%)
Net Expenditure	3,599	3,506	(93)	(3%)

CHIEF EXECUTIVE SERVICE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
Note 1			Policy, Performance & Community Planning
			Movement - There is a movement of (£0.037m) from Period 10 mainly relating to changes in employee costs
999	(45)	-5%	Employee Costs - There is an underspend of £0.045m mainly due to an employee secondment to Corporate Procurement
39	(13)	-33%	Admin Costs - There is an underspend of £0.013m mainly relating to Staff Training Course Fees
88	(1)	-1%	Other minor variances
	(59)		
Note 2			Committee Services
			Movement - There is movement of (£0.015m) from Period 10 mainly relating to lower than anticipated printing costs
(183)	(5)	3%	Income - There is an overrecovery of £0.005m due to recharges which are offset by costs incurred elsewhere
743	(5)	-1%	Other minor variances
	(10)		
Note 3			Members Services
			Movement - There is a movement of (£0.008m) from Period 10 mainly in Administration Costs
755	(11)	-1%	Members Allowances - There is an underspend of £0.011m due to delay in filling vacancies and reduction in number of Committee Chairs
290	(4)	-1%	Other minor variances
	(15)		

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate	(13)	(7)	6	(46%)	
Audit & Risk	427	398	(29)	(7%)	
Finance					
Head of Service	(15)	(9)	6	(40%)	
FMS Project	161	161	-	-	
Financial Services	1,719	1,665	(54)	(3%)	1
Corporate Procurement	660	586	(74)	(11%)	2
People & Transformation					
Head of Service	(11)	(7)	4	(36%)	
Change Programme	859	798	(61)	(7%)	3
Human Resources	1,956	1,854	(102)	(5%)	4
Customer & Digital Services					
Head of Service	20	(8)	(28)	(140%)	
ICT	2,565	2,474	(91)	(4%)	5
Customer Services & Registration	2,089	1,980	(109)	(5%)	6
Business Support	2,147	2,066	(81)	(4%)	7
Revenues & Benefits	3,181	2,862	(319)	(10%)	8
Totals	15,745	14,813	(932)	(6%)	
Less Carry Forward	-	333	333		
Net Total	15,745	15,146	(599)	(4%)	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	14,044	13,436	(608)	(4%)
Property Costs	43	49	6	14%
Supplies and Services	1,626	1,574	(52)	(3%)
Transport and Plant Costs	41	36	(5)	(12%)
Administration Costs	1,338	1,336	(2)	(0%)
Other Agencies & Bodies	2,013	2,040	27	1%
Transfer Payments	56,731	56,687	(44)	(0%)
Other Expenditure	28	167	139	496%
Gross Expenditure	75,864	75,325	(539)	(1%)
Income	(60,119)	(60,512)	(393)	1%
Net Expenditure	15,745	14,813	(932)	(6%)

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Financial Services
			Movement - There is a movement of £0.003m from Period 10 mainly due to changes within employee costs.
1,742	(50)	-3%	Employee Costs - There is an underspend of £0.050m due to early realisation of savings.
38	(4)	-11%	Other Minor Movements
(54)			
Note 2			Corporate Procurement
			Movement - There is a movement of (£0.014m) from Period 10 mainly due to changes in employee costs and an additional rebate received
588	(46)	-8%	Employee Costs - There is an underspend of £0.046m due to vacancies, long term absence and maternity leave
(20)	(21)	105%	Income - There is an over recovery of £0.021m due to supplier rebates received exceeding target
119	(7)	-6%	Other Minor Movements
(74)			
Note 3			Change Programme
			Movement - There is a movement of (£0.016m) from Period 10 mainly due to changes within employee costs
861	(60)	-7%	Employee Costs - There is an underspend of £0.060m mainly due to early realisation of savings. It is requested that £0.015m of the underspend is earmarked for use in 2017/18 in relation to iconnects software.
38	(1)	-3%	Other Minor Movements
(61)			
Note 4			HR
			Movement - There is a movement of (£0.086m) from Period 10 due to employee costs and renegotiation of Software contracts.
1,671	(36)	-2%	Employee costs - There is an underspend of £0.036m due to vacancy management.
104	(26)	-25%	Supplies and Services - There is an underspend of £0.026m mainly due to reduction in Software Licences and renegotiations of the Frontier contract.
304	(8)	-3%	Admin Costs - There is an underspend of £0.008m mainly due to cancellation of E Learning materials.
315	(6)	-2%	Payment to Other Bodies - There is an underspend of £0.006m due to cessation of the EAP contract during the year.
(366)	(23)	6%	Income - There is an over-recovery of £0.023m due to Occupational Health recharges admin fee, childcare vouchers NI saving and course cancellation fees.
5	(3)	-60%	Other Minor Movements
			It is requested that £0.051m of the underspend is earmarked for use in 2017/18 in relation to the mobile working pilot.
(102)			
Note 5			ICT
			Movement - There is a movement of (£0.085m) from Period 10 mainly within Software licences.
2,705	(58)	-2%	Employee Costs - There is an underspend of £0.058m due to vacancy management.
1,095	(49)	-4%	Supplies and Services - There is an underspend of £0.049m within software licences relating to PC Maintenance, System Supp Unix, Communications Equipment and Internet. It is requested that £0.042m of the underspend is earmarked for use in 2017/18 in relation to Software Licences.
50	(6)	-12%	Admin Costs - There is an underspend of £0.006m mainly due to reduced telephone costs.
(863)	23	-3%	Income - There is an under recovery of £0.023m due to a reduced recharge to Education for IT Managed Service.
28	(1)	-4%	Other Minor Movements
(91)			

FINANCE & CORPORATE SUPPORT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 6			Customer Services And Registration
			Movement - There is a movement of (£0.046m) from Period 10 mainly due to an increased underspend in Employee Costs and Clothing and Footwear Grants and a reduction in under-recovery of Registration Income.
1,803	(85)	-5%	Employee Costs - There is an underspend of £0.085m due to early realisation of savings.
177	16	9%	Supplies and Services - There is an overspend of £0.016m due to software licences and support £0.012m and Office equipment and consumables £0.004m.
271	(44)	-16%	Transfer Payments - There is an underspend of £0.044m within footwear and clothing grants.
(337)	4	-1%	Income - There is an underrecovery of £0.004m mainly due to reduced income from Registration Services.
(109)			
Note 7			Business Support
			Movement - There is a movement of £0.007m from Period 10 mainly due to changes within employee costs and admin costs.
2,097	(109)	-5%	Employee Costs - There is an underspend of £0.124m due to early realisation of savings.
133	29	22%	Admin Costs - There is an overspend of £0.029m due to postages £0.017m, staff training £0.007m, £0.003m photocopying and £0.002m stationery. Work is ongoing to maximise the delivery of the approved postage saving.
(1)			Other Minor Movements
(81)			
Note 8			Revenues and Benefits
			Movement - There is a movement of (£0.226m) from Period 10, mainly due to recovery of Housing Benefit overpayments, statutory additions and DWP income.
2,133	(89)	-4%	Employee Costs - There is a underspend of £0.089m due to vacancy management.
143	(2)	-1%	Supplies & Services - There is an underspend of £0.003m within Software Licences due to early realisation of savings, offset with an overspend within Medical Fees.
371	(18)	-5%	Admin Costs - There is an underspend of £0.018m mainly due to an overspend of £0.036m on postages offset with £0.019m underspend in bank charges, £0.017m underspend in SO Commission, £0.004m in External printing and £0.011m within Welfare Reform.
1,216	19	2%	Payments to Other Bodies - There is an overspend of £0.019m due to additional Scottish Welfare Fund payments £0.014m and a £0.005m payment to Capita.
-	138	-	Other Expenditure - Overspend of £0.138m due to an increase in bad debt provision for Housing Benefit overpayments and £0.006m due to debtor account write offs.
57,295	(367)	-1%	Income - There is an overrecovery of £0.360m mainly due to an over recovery of the DWP Subsidy as a result of overpayment recovery activity in year (0.263m), additional DWP Income of £0.065m, CT/NDR Statutory Additions £0.013m over recovered and further income received from uncashed cheques/compensation £0.026m.
			It is requested that £0.065m of the additional DWP income is earmarked for use in 2017/18 for Universal Credit implementation.
(319)			

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Early Years Education	11,066	10,614	(452)	(4%)	1
Primary Education	35,639	36,131	492	1%	2
Secondary Education	41,569	41,356	(213)	(1%)	3
Additional Support Needs	6,689	6,725	36	1%	4
Education - Other	4,736	4,440	(296)	(6%)	5
Totals	99,699	99,266	(433)	(0%)	
Less Carry Forward		229	229		
Net Total	99,699	99,495	(204)	(4%)	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	86,939	87,148	209	0%
Property Costs	213	218	5	2%
Supplies and Services	8,642	8,366	(276)	(3%)
Transport and Plant Costs	216	200	(16)	(7%)
Administration Costs	980	931	(49)	(5%)
Other Agencies & Bodies	7,293	6,994	(299)	(4%)
Transfer Payments	580	575	(5)	(1%)
Other Expenditure	34	35	1	3%
Capital Financing	62	62	-	-
Gross Expenditure	104,959	104,529	(430)	(0%)
Income	(5,260)	(5,263)	(3)	0%
Net Expenditure	99,699	99,266	(433)	(0%)

EDUCATION AND YOUTH EMPLOYMENT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Early Years Education
			Movement - Underspend has increased by £0.158 mostly due to employee costs.
8,556	(271)	-3%	Employee Costs - Underspends on Teachers (£0.262m) due to the difficulty in recruiting Teachers. Non Early Years Centre based staff has underspent (£0.182m) due to vacancies and further delays in filling posts. This is partly offset by an overspend of £0.173m on Early Years Practitioners related to the reallocation of £0.257m of expenditure following a review of ASN Response budgets.
1,533	(226)	-15%	Payments made to Private Partner Providers underspent due to lower than anticipated uptake of services.
332	60	18%	Payments made to Childminders overspent due to higher than anticipated uptake of services.
	(15)		Other 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.
	(452)		
Note 2			Primary Education
			Movement - Overspend has increased by £0.133m mostly due to employee costs.
28,624	76	0%	Employee Costs - Teachers Salaries are monitored at a high level throughout the year. This has consistently been showing an underspend in anticipation that each school (through the DMR scheme) would vire amounts each year based on previous year trends. This year schools have vired out £0.076m more than previous years. This budget has moved to Materials to reflect additional expenditure.
5,465	408	7%	Employee Costs - Overspend of £0.408m 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.
	8		Other numerous smaller variances.
			Within Primary it is requested that the amount to be carried forward in relation to Delegated Management of Resources is increased by £0.069m.
	492		
Note 3			Secondary Education
			Movement - Underspend has increased by £0.004m.
30,747	137	0%	Employee Costs - Teachers Salaries are monitored at a high level throughout the year. This has consistently been showing an underspend in anticipation that each school (through the DMR scheme) would vire amounts each year based on previous year trends. This year schools have vired out £0.137m more than previous years. This budget has moved to Materials to reflect additional expenditure.
11,294	(61)	-1%	PPP unitary charge underspend mainly as a result of lower than expected RPI.
403	(111)	-28%	PPP utility charges underspend as a result of lower than expected consumption.
(54)	(77)	143%	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.
88	(88)	-100%	There is an underspend of £0.088m in respect of Developing the Young Workforce project which spanned many financial years. It is requested that this underspend is earmarked for use in 2017/18.
	(13)		Other numerous smaller variances.
			Within Secondary it is requested that the amount to be carried forward in relation to Delegated Management of Resources is increased by £0.080m.
	(213)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 4			ASN
			Movement - The overspend has decreased by £0.023m, mainly due to underspend on external day placements.
1,342	38	3%	Employee Costs - Additional classroom assistants were required in ASN schools as a result of specific demands.
1,147	34	3%	Overspend on external specialist residential placements. There were a number of unexpected admissions late in the financial year.
1,049	(75)	-7%	Underspend on external day placements. This is in part due to local services such as the Astra Base in Ardrossan.
(554)	90	-16%	Income - 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.
	(51)		Other numerous smaller variances.
			Within ASN it is requested that the amount to be carried forward in relation to Delegated Management of Resources is decreased by £0.020m.
36			
Note 5			Education Other
			Movement - Underspend has decreased by £0.019m due to employee costs.
1,694	(257)	-15%	Employee Costs - Mostly in HQ there are underspends from vacancies and changes to work patterns through better work life balance arrangements.
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.
			It is requested that £0.012m of the under spend is earmarked for use in 2017/18 in respect of a Contextual learning project which spanned two financial years.
680	20	3%	National Grid For Learning - recharge from IT for specific school IT support.
65	33	51%	Ayrshire Technician Service - overspend due to delays in terminating the service.
	42		Other numerous smaller variances.
(296)			

PLACE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Directorate and Support	(30)	(19)	11	(37%)	
Physical Environment					
Building Services	(2,305)	(1,968)	337	(15%)	1
Property Management & Investment	2,292	2,184	(108)	(5%)	2
Housing Assets & Investment	(70)	(70)	-	-	
Property Running Costs	8,036	8,182	146	2%	3
Property Maintenance	4,660	4,577	(83)	(2%)	4
Facilities Management	11,737	11,416	(321)	(3%)	5
Other Housing	4,634	4,573	(61)	(1%)	6
Commercial Services					
Management and Admin	19	1	(18)	(95%)	
Roads	6,645	6,433	(212)	(3%)	7
Streetscene	5,351	5,376	25	0%	
Internal Transport	10,337	9,901	(436)	(4%)	8
Waste Services	8,020	8,433	413	5%	9
Total	59,326	59,019	(307)	(1%)	
Less Carry Forward		307	307		
Net Total	59,326	59,326	-	-	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	41,578	41,573	(5)	(0%)
Property Costs	17,538	17,735	197	1%
Supplies and Services	11,043	10,909	(134)	(1%)
Transport and Plant Costs	10,951	10,856	(95)	(1%)
Administration Costs	3,008	2,899	(109)	(4%)
Other Agencies & Bodies	15,167	16,127	960	6%
Transfer Payments	1,738	1,759	21	1%
Other Expenditure	128	128	-	-
Capital Financing	557	557		
Gross Expenditure	101,708	102,543	835	1%
Income	(42,472)	(43,307)	(835)	2%
Net Expenditure	59,236	59,236	-	-

PLACE
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Building Services
			Movement - There has been an increase in the overspend of £0.338m largely due to a reduction in income anticipated
8,878	(82)	(1%)	Employee Costs - There is an underspend of £0.082m due to vacancies arising throughout the year.
4,098	(178)	(8%)	Supplies and Services - There is an underspend of £0.178m mainly relating to a reduction in materials costs as a result of the types of work undertaken during the year.
282	50	12%	Transport and Plant costs - there is an overspend of £0.050m relating to Street Lighting External Hires and Plant costs.
276	(59)	12%	Administration costs - There is an underspend in Administration costs of £0.059m due to underspends on Staff Training, Insurance and subsistence.
1,801	757	46%	Other Agencies - There is an overspend of £0.757m 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 £0.582m.
(3,192)	462	(16%)	Void Income - Under-recovery in income of £0.439m due to a reduction in the number of void properties.
(5,374)	(70)	58%	Planned Income - As previously reported, the change in repairs policy has resulted in an over-recovery in planned repairs of £0.070m in 2016/17. The full impact of the policy change will continue to be monitored in 2017/18.
(1,284)	(52)	9%	Aids and Adaptions - The current programme of works has resulted in an over-recovery of £0.052m to reduce waiting times.
(4,427)	296	12%	Projects - there is a shortfall of £0.296m within Projects due to access issues at some addresses in the year in relation to replacement windows and kitchens.
(495)	(585)	102%	Other income - An over-recovery of £0.585m has occurred largely due to additional work for Asbestos removal £0.633m and Tenant Recharges £0.037m less a reduction in Insurance related repairs of £0.083m.
(2,696)	(172)	5%	Non Housing - There is a £0.172m over-recovery of income from additional works for non-housing projects.
	(30)		Other minor movements
	337		
Note 2			Property Management & Investment
			Movement - The underspend has increased since P10 by £0.062m largely due to an underspend in Carbon Allowances.
397	(82)		Other Agencies, Bodies & Persons - There is an underspend of £0.082m in relation to Carbon Allowances.
	(26)		Other minor movements
	(108)		
Note 3			Property Costs
			Movement - There have been minor movements which have reduced the overspend by £0.005m since period 10.
5,450	197		Rates - There is a £0.197m overspend in rates due to alterations to empty property relief, rates incurred in relation to Red Cross House and delays in property rationalisation. In addition the rates for Garnock campus have been greater than anticipated
(415)	(45)		Income - There is an over -recovery of income in relation to FIT and RHI and Exported Energy £0.045m
	(6)		Other minor movements
	146		
Note 4			Property Maintenance
			Movement - The underspend has increased by £0.083m since P10. This is largely due to slippage in works at the Mcfadzean war memorial and delay in payment of grant in relation to public toilets.
4,580	(83)		Property Costs - There is an underspend of £0.083m largely as a result of slippage on works at the Mcfadzean war memorial and delay in payment of grant in relation to public toilets. It is requested that £0.101m be earmarked to meet the cost of these commitments and support the PMB programme in 2017/18.
	0		Other minor movements
	(83)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 5			Facilities Management
			Movement - There is a £0.225m increase in the underspend from period 10. This is largely attributable to the £0.147m charge in cleaning to sheltered housing. There is also an increase in income of £0.040m from improved commercial income.
(3,499)	(342)		Income - There is an over-recovery of income of £0.342m largely due to the increased uptake in school meals and improved commercial income. In addition £0.147m income, that was not anticipated at the start of the financial year, was received for sheltered housing cleaning. The commercial income increased at year end to provide £0.040m higher than budget income.
	21		Other minor movements
	(321)		
Note 6			General Housing
			Movement - The underspend has decreased by £0.167m since period 10 due to increased non HRA strategy costs and an under-recovery of income in relation to recharges to HRA.
1,607	(113)		There is an underspend of £0.185m 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. This is partially offset by an overspend of £0.084m reflecting an increased costs of Non HRA Strategy works.
(3,977)	69		Income - there is an under recovery of income of £0.069m largely as a result of a reduction in recharges to HRA in relation to Anti Social Behaviour works.
	(17)		Other Minor Movements
	(61)		
Note 7			Roads
			Movement - there is now an underspend of £0.212m since P10 largely due to an underspend in Winter Maintenance.
677	(192)		Winter Maintenance - There was an £0.192m underspend as a result of milder winter conditions. It is requested that £0.190m of this underspend be earmarked for use in 2017/18 to support further essential work on the String Road in Arran, as a result of further deterioration over the winter months, and for the purchase of a new Asphalt Recycling unit for Arran.
	(20)		Other minor movements
	(212)		
Note 8			Internal Transport
			Movement - The underspend has increased by £0.276m since period 10. This is largely due to an increase in income of £0.104m and a decrease in repairs and maintenance costs of £0.104m.
1,763	(113)		Fuel Costs - the year end underspend on fuel reflects the current lower cost of fuel.
4,392	(130)		Transport Provision Costs - there is an overall underspend as a result of improved utilisation of internal resources and the application of a contract deflation adjustment together with early realisation of savings.
1,903	(84)		Repairs and Maintenance and Other Transport Costs - fleet replacements has resulted in a reduction in high value repairs of £0.084m.
(25)	(104)		Income - There is an over-recovery of Additional income of £0.104m in relation to external taxi recharges and social work transport income
	(5)		Other minor movements
	(436)		
Note 9			Waste Services
			Movement - There have been minor movements which have increased the overspend by £0.045m since period 10.
4,590	255		Employee Costs - there is an overspend of £0.271m due to a requirement to temporarily supplement current resources to reflect seasonal and operational requirements.
5,318	256		Payments to Other Bodies - There is a £0.256m overspend largely relating to £0.281m Landfill tax. There are 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 diverted waste costs of £0.023m and additional special uplift costs of £0.031m. These overspends are partially offset by an underspend on the Blue Bin contract of £0.207m as a direct result of an increase in the market values for recyclates.
(2,886)	(84)		Income - Additional income of £0.084m largely as a result of Increased purchasing of vouchers by commercial contractors of £0.057m.
	(14)		Other Minor Movements
	413		

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Management	670	708	38	6%	
Economic Growth					
Planning & Protective Services	1,571	1,471	(100)	(6%)	1
Economic Development	8,032	7,465	(567)	(7%)	2
Connected Communities	14,692	14,516	(176)	(1%)	3
	24,965	24,160	(805)	(3%)	
Less Carry Forward	-	618	618		
Net Total	24,965	24,778	(187)	(1%)	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	12,219	12,309	90	1%
Property Costs	1,902	1,822	(80)	(4%)
Supplies and Services	1,288	1,338	50	4%
Transport and Plant Costs	156	146	(10)	(6%)
Administration Costs	305	259	(46)	(15%)
Other Agencies & Bodies	13,656	13,931	275	2%
Transfer Payments	-	-	-	-
Other Expenditure	58	62	4	7%
Gross Expenditure	29,584	29,867	283	1%
Income	(4,619)	(5,707)	(1,088)	24%
Net Expenditure	24,965	24,160	(805)	(3%)

ECONOMY AND COMMUNITIES
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Planning & Protective Services
			Movement - There is movement of £0.144m from Period 10 mainly due to higher than projected income from Planning application fees (£0.038m) and Building warrant fees (£0.043m).
362	(41)	-11%	Planning Services - there is an overall underspend mainly due to Employee costs (£0.37m).
1,347	(59)	-4%	Protective services - there are underspends in Contaminated Land - Payments to Contractors (£0.031m) and Environmental Health - Payments to Public Analysts (£0.025m). The underspend in Contaminated Land is due to a delay in projects being carried out this year. The underspend in Environmental Health is due to the fact that the number of sampling requests can vary depending on demand eg. complaints and public health outbreaks. There is also an over recovery of Building Warrants income £0.039m. Employee costs are overspent by £0.032m due to turnover savings not achieved through a lack of vacancies.
	(100)		
Note 2			Economic Development
			Movement - There is a movement of £0.247m from Period 10 mainly due to £0.125m Nuclear Decommissioning Agency income not reflected in Period 10 projections and £0.075m underspend in the Pan Ayrshire YEI project.
2,133	(283)	-13%	Employee Costs - The underspend is due to vacancies following a restructure.
1,166	(617)	-53%	Employability - This includes an underspend (£0.358m) in Other Agencies and Bodies which relates to an NAC core underspend in various projects including £0.254m on External Modern Apprentices and £0.075m on the Pan Ayrshire YEI project. This is partly offset by an under recovery of core NAC income (£0.082) relating to several contracts including SDS ERI (£0.060m). There is also an underspend (£0.341m) in various grant funded projects: Pipeline and YEI. This underspend is matched to a 3/4 year ESF project with spend increasing as more services are rolled out and more people take up the support that is available.
815	349	43%	Modern Apprentices - 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.
	(16)		Other minor variances
			It is requested that £0.293m of the underspend is earmarked for use in 2017/18 to support the Ayrshire Growth Deal / Regional Partnership Development pilot (£0.226m) and Regeneration Projects (£0.067m).
	(567)		
Note 3			Connected Communities
			Movement - There is a movement of £0.060m from Period 10 Cabinet report mainly as a result of employee costs.
7,068	33	0%	Employee Costs - Overspends in Libraries of £0.211m due to restructuring costs and in Community Facilities of £0.103m from increased use of weekly/casual/sessional workers. These are offset against underspends in Childrens Services of £0.224m which is early realisation of future savings.
305	(81)	-27%	Property Costs - £0.082m of property costs for the Townhouse has not been required this year. This budget will be transferred to Place in 17/18 once costs are incurred.
1,039	42	4%	Supplies & Services - primarily related to equipment replacement within Outdoor Education £0.030m.
7,677	22	0%	Payments to Other Bodies - an overspend of £0.128m in relation to works carried out on the Trinity Church has been partly offset by underspends including (£0.070m) in relation to tourism events.
(1,384)	(165)	12%	Income - mostly £0.128m of income from The Ayrshire Community Trust in respect of works carried out on the Trinity Church.
	(27)		Other minor variances
	(176)		

OTHER CORPORATE ITEMS
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Final Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,409	2,409	-	-	
SPT Concessionary Fares	283	283	-	-	
Ayrshire Joint Valuation Board	780	780	-	-	
Other Corporate Costs					
Pension Costs	3,016	3,016	-	-	
Other Corporate Items			-	-	
Non-Distributed Costs	-	-	-	-	
Central Telephones	85	78	(7)	(8%)	
Other Corporate Items (incl Procurement Savings, Cash in Transit & External Audit Fees)	3,478	413	(3,065)	(88%)	1
Insurance Account	(124)	-	124	(100%)	2
	9,927	6,979	(2,948)	(30%)	
Less Carry Forward		1,031	1,031		
Net Total	9,927	8,010	(1,917)	(4%)	

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Budget £000	Outturn Variance £000	Variance as % of budget	Section
	Note 1		Other Corporate Items
			Movement - There has been an increase in the underspend of £0.421m since Period 10 related to centrally held funds not drawn down during the year.
3,478	(3,065)	-88%	The underspend is related to additional funding of £1.271m received as part of the 2016/17 Finance Settlement in respect of Additional Early Learning and Childcare for 2 year olds which has not been drawn down during 2016/17. In addition, £1.724m of centrally held funds in respect of previously identified pressures related to Community Justice transitional funding, pension autoenrolment, the living wage, fuel and utility costs, free school meals uptake and the recycle blue bins contract have not been fully drawndown. It is requested that £0.359m of this underspend is earmarked for use in 2017/18 to support the projects in relation to GIRFEC (£0.150m), Community Justice transitional funding (£0.050m) and software modifications within the Revenues and Benefits service (£0.084m), Scottish Open Golf (£0.050m) and Catering Equipment (£0.025m).
	(3,065)		
	Note 2		Insurance Account
			Movement - increased overspend of £0.124m due to increased premiums over a period of years
(124)	124	-100%	Overspend due to increased premiums over a period of years
	124		
	(2,941)		TOTAL

2016/17 Budget Monitoring Report – Period 12 Objective Summary

Partnership Budget - Objective 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
COMMUNITY CARE AND HEALTH	49,000	50,220	1,220	10,664	10,763	99	59,664	60,983	1,319
: Locality Services	21,470	21,932	462	3,466	3,604	138	24,936	25,536	600
: Community Care Service Delivery	25,552	26,220	668	0	0	0	25,552	26,220	668
: Rehabilitation and Reablement	700	783	83	1,992	1,992	0	2,692	2,775	83
: Long Term Conditions	887	921	34	2,941	2,874	(67)	3,828	3,795	(33)
: Integrated Island Services	391	364	(27)	2,265	2,293	28	2,656	2,657	1
MENTAL HEALTH SERVICES	20,963	21,754	791	48,789	48,789	0	69,752	70,543	791
: Learning Disabilities	16,017	16,876	859	482	482	0	16,499	17,358	859
: Community Mental Health	3,676	3,699	23	1,792	1,792	0	5,468	5,491	23
: Addictions	1,270	1,179	(91)	1,041	1,041	0	2,311	2,220	(91)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	45,474	45,474	0	45,474	45,474	0
CHILDREN'S SERVICES AND CRIMINAL JUSTICE	26,846	28,106	1,260	4,181	4,183	2	31,027	32,289	1,262
: Intervention Services	3,811	3,570	(241)	292	312	20	4,103	3,882	(221)
: Looked After & Accomodated Children	15,104	16,301	1,197	0	0	0	15,104	16,301	1,197
: Fieldwork	6,260	6,627	367	0	0	0	6,260	6,627	367
: CCSF	469	470	1	0	0	0	469	470	1
: Criminal Justice	11	63	52	0	0	0	11	63	52
: Early Years	333	274	(59)	1,815	1,797	(18)	2,148	2,071	(77)
: Policy & Practice	858	801	(57)	0	0	0	858	801	(57)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	2,074	2,074	0	2,074	2,074	0
PRIMARY CARE	0	0	0	48,095	47,929	(166)	48,095	47,929	(166)
MANAGEMENT AND SUPPORT COSTS	3,789	3,938	149	1,036	1,101	65	4,825	5,039	214
CHANGE PROGRAMME	1,204	1,030	(174)	2,254	2,254	0	3,458	3,284	(174)
LEAD PARTNERSHIP AND SET ASIDE	0	0	0	200	200	0	200	200	0
TOTAL	101,802	105,048	3,246	115,219	115,219	0	217,021	220,267	3,246

2016/17	
Over/ (Under) Spend Variance at P10	Movement in projected budget variance from P10
£'000	£'000
1,772	(453)
787	(187)
669	(1)
374	(291)
(48)	15
(10)	11
1,717	(926)
427	432
(72)	95
(84)	(7)
1,446	(1,446)
1,217	45
(207)	(14)
1,052	145
191	176
(26)	27
0	52
(87)	10
(28)	(29)
322	(322)
(198)	32
126	88
(689)	515
0	0
3,945	(699)

2016/17 Budget Monitoring Report

Period 12 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	51,693	53,280	1,587	53,394	53,836	442	105,087	107,116	2,029
Property Costs	436	360	(76)	16	36	20	452	396	(56)
Supplies and Services	2,026	2,378	352	6,065	6,004	(61)	8,091	8,382	291
Prescribing Costs	0	0	0	30,785	30,785	0	30,785	30,785	0
Primary Medical Services	0	0	0	17,310	17,143	(167)	17,310	17,143	(167)
Transport and Plant	546	680	134	0	0	0	546	680	134
Admin Costs	1,061	1,303	242	1,940	1,758	(182)	3,001	3,061	60
Other Agencies & Bodies	68,847	72,177	3,330	6,674	6,599	(75)	75,521	78,776	3,255
Transfer Payments	2,452	2,399	(53)	0	0	0	2,452	2,399	(53)
Other Expenditure	166	213	47	0	0	0	166	213	47
Capital Expenditure	0	0	0	0	0	0	0	0	0
Income	(25,425)	(27,742)	(2,317)	(965)	(942)	23	(26,390)	(28,684)	(2,294)
TOTAL	101,802	105,048	3,246	115,219	115,219	0	217,021	220,267	3,246

MISCELLANEOUS ITEMS
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	26,457	26,399	(58)	0%	1
Aggregate External Finance	(268,486)	(268,484)	2	0%	
Council Tax	(48,136)	(47,908)	228	0%	2
Use of Capital Fund	(4,236)	(4,236)	-	0%	
Use of Earmarked Funds	(2,058)	(2,058)	-	0%	
Totals	(296,459)	(296,287)	172	0%	

Note 1 Financing Charges

Financing Charges have reported an underspend of £0.058m. 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. It is requested that this underspend is transferred to the Loans Fund Reserve and utilised to support borrowing linked to the Capital investment programme in future years.

Note 2 Council Tax

Income from Council Tax has under recovered by £0.228m. This is mainly related to additional provision being made for net discounts and reliefs for prior years in line with previous trends.

Carried Forward Funds to 2017-18	£000
Previously approved	
Match Funding for ESF Projects	300
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	12
Grants / External Funding	
Developing the Workforce - Grant Funding	88
Contextual Learning - SDS Funding	12
Community Justice Transitional Funding	50
GIRFEC Funding	150
CTR admin - software modification	43
Largs Car Park Fund	16
DWP Real Time Activity	6
DWP Extra Burdens	5
DWP Universal Credit	54
Commitments	
Software commitments	42
iConnects Software	15
GovTech Start Up	41
Education DMR	129
Ayrshire Growth Deal	226
Regeneration Projects	67
Mobile Working	51
Property Maintenance PMB	101
Scottish Open Golf	50
Other	
Roads Winter Maintenance	125
Roads Asphalt Recycling unit for Arran	65
Catering Equipment	25
Loans Fund Reserve	58
Totals	2,576

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017

Objective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Employee Costs	4,877	4,663	(214)	(4%)	1
Property Costs					
Responsive Repairs	3,133	3,138	5	0%	2
Void Repairs	3,165	2,723	(442)	(14%)	
Planned & Cyclical maintenance	6,654	7,254	600	9%	
Estate Based Projects	412	412	-	-	
Roads & Lighting Maintenance	182	154	(28)	(15%)	
Aids & adaptations	1,624	1,769	145	9%	
Other property costs	1,518	1,718	200	13%	
Supplies and Services	228	222	(6)	(3%)	
Transport and Plant Costs	42	40	(2)	(5%)	
Administration Costs	2,931	3,396	465	16%	3
Other Agencies & Bodies	308	201	(107)	(35%)	4
Transfer Payments	151	136	(15)	(10%)	
Other Expenditure	742	337	(405)	(55%)	5
Capital Financing	21,598	17,460	(4,138)	(19%)	6
Gross Expenditure	47,565	43,623	(3,942)	(8%)	
Income					
Council House Rents	(45,507)	(45,054)	453	(1%)	7
Other Rents	(362)	(405)	(43)	12%	
Recharges	(1,696)	(1,718)	(22)	1%	
Net Expenditure	0	(3,554)	(3,554)		

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE 2016/17

REPORT FOR THE YEAR TO 31 MARCH 2017




Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Employee Costs
			Movement - There have been no significant movements since period 10.
4,877	(214)	-4%	There is an underspend on employee costs of £0.214m due to effective vacancy management.
(214)			
Note 2			Property Costs
			Movement - The overspend has increased by £0.312m from Period 10 largely as a result of Increased Planned Repairs spend of £0.175m and increased Contract Cleaning charges of £0.177m
3,165	(442)		Void repairs - there is an underspend of £0.442m projected due to a reduced number of Void Properties for the year.
6,654	601		Planned Maintenance - there is an overspend of £0.601m This comprises of £0.834m of additional Asbestos works together with overspends on landscaping - £0.110m, Guttering works of £0.077m and Catch up repairs £0.056m. These costs are partially offset by an underspend in Central Heating Maintenance of £0.405m and Storm Damage £0.078m
1,624	145		Aids and Adaptions - there is an overspend of £0.145m which reflects the target of reducing waiting times.
1,518	200		Other Property costs - there is an overspend of £0.200m largely due to £0.177m of contract cleaning charges relating to Communal Areas at Sheltered Housing complexes.
504			
Note 3			Administration Costs
			Movement - There is an overspend in Administration costs of £0.465m
2,931	465		There is an overspend of £0.465m based on year end recharges reflecting a greater amount of time spent on HRA revenue works by other departments and General fund Housing. This is partially offset by an underspend of £0.264m in relation to professional management charges to the HRA capital account which reflects the reduction in time spent on capital works.
465			
Note 4			Other Agencies and Bodies
			Movement - The underspend has increased by £0.014m from P10
308	(107)		There is an underspend of £0.107m largely attributable to reduced requirement for consultants (£0.065m) and cessation of WAN Recharges (0.032m)
(107)			
Note 5			Other Expenditure
			Movement - The underspend has increased by £0.137m due a decrease in the Bad Debt provision of £0.085m and a decrease in the rent arrears write off of 0.052m
742	(405)		There is an underspend of £0.405m largely attributable to lower rent arrears write off of £0.240m. Collection levels are currently higher than anticipated and based on this there is less requirement for write-offs. There has been a decrease in the Bad Debt provision for the year of £0.085m and in addition, efficiency savings of £0.080m have been identified during the year.
(405)			
Note 6			Capital Financing
			Movement - The projected underspend has increased by £1.850m since period 10 largely as a result of House Building expenditure carried forward to future years resulting in lower requirement for Capital Funded from Current Revenue.
21,558	(4,138)	-19%	Capital Financing charges are underspent by £0.931m. 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 underspent by £3.205m due to House Building programme expenditure carried forward to future years, and significant capital receipts from Council House sales following the end of Right to Buy.
(4,138)			
Note 7			Income
			Movement - The under-recovery of income has increased slightly by £0.009m from Period 10
(47,445)	388	-1%	There is an under-recovery of Council house rent income of £0.453m mainly due to, increased council house sales and slippage and amendments to New Build properties available to rent. There is also a shortfall in tenant charges of £0.237m which is offset by increased insurance and arrears recoveries of £0.211m. Additional heaps funding of £0.051m has also been received. There is also additional income from Factoring of £0.028m
388			

HRA reserves and balances	B/fwd from 2015/16	Period 12 Revenue	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Balance at 31/03/17
	£m	£m	£m		£m	£m
Council House Building Fund	5.775	-	-	2.307	-	8.082
Welfare Reform	3.000	-	-	-	-	3.000
Contingency Balance	1.000	-	-	-	-	1.000
Sheltered Housing Unit Works	0.439	-	(0.283)	-	-	0.156
Infrastructure Improvements	0.654	-	(0.041)	-	-	0.613
Major Refurbishment Works	1.300	-	(0.750)	0.212	-	0.762
Tarryholme	-	-	-	1.091	-	1.091
Uncommitted Balance	0.056	3.554	-	(3.610)	-	-
	12.224	3.554	(1.074)	-	-	14.704




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

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	Actual Expenditure to 31 March 2017	Actual Over/ (Under) Spend for 2016/17	True Over/ (Under) Spend	Carry Forward to 2017/18
	£	£	£	£	£	£	£	£	£
EXPENDITURE									
Economy & Communities									
Regeneration	38,173,803	8,878,860	38,175,989	2,186	4,956,549	4,369,163	(587,386)	2,186	(589,572)
Strategic Planning & Infrastructure	8,898,331	5,053,072	8,856,383	(41,948)	1,896,246	1,417,467	(478,779)	(41,948)	(436,831)
Sport & Activity	22,071,207	21,842,147	22,070,483	(724)	8,326,451	8,097,391	(229,060)	(724)	(228,336)
Information & Culture	2,249,548	1,243,615	2,236,242	(13,306)	435,296	114,364	(320,932)	(13,306)	(307,626)
SUB TOTAL	71,392,888	37,017,695	71,339,096	(53,792)	15,614,542	13,998,385	(1,616,157)	(53,792)	(1,562,365)
Education & Youth Employment									
Nursery Education	6,319,854	1,204,256	6,319,510	(344)	429,571	387,058	(42,513)	(344)	(42,169)
Primary Schools	15,582,186	12,460,248	15,586,271	4,085	135,437	129,911	(5,526)	4,085	(9,611)
Secondary Schools	87,690,051	42,326,867	87,679,096	(10,955)	20,199,454	20,066,840	(132,614)	(10,955)	(121,659)
Special Education	25,175,652	172,245	25,180,970	5,318	30,024	47,299	17,275	400	16,875
SUB TOTAL	134,767,743	56,163,618	134,765,847	(1,896)	20,794,486	20,631,108	(163,378)	(6,814)	(156,564)
Finance & Corporate Support									
Financial Services	348,296	341,940	361,431	13,135	217,580	211,224	(6,356)	13,135	(19,491)
Information Technology	3,855,249	2,321,142	3,855,249	0	491,117	393,151	(97,966)	0	(97,966)
Council IT Strategy	3,877,949	2,271,471	3,877,194	(755)	993,509	897,031	(96,478)	(755)	(95,723)
SUB TOTAL	8,081,493	4,934,553	8,093,873	12,380	1,702,206	1,501,405	(200,801)	12,380	(213,181)
Health & Social Care									
Management & Support	554,596	416,218	554,596	0	34,204	28,146	(6,058)	0	(6,058)
Older People	10,973,103	7,681,903	10,973,103	0	851,775	916,575	64,800	0	64,800
SUB TOTAL	11,527,699	8,098,121	11,527,699	0	885,979	944,721	58,742	0	58,742
Place									
Roads	34,047,389	8,585,551	34,048,349	960	6,306,405	5,759,278	(547,127)	960	(548,087)
Office Accommodation	15,894,943	15,899,901	15,894,943	0	1,807,389	1,833,800	26,411	0	26,411
Other Property	4,946,937	4,143,332	4,946,937	0	616,269	544,051	(72,218)	0	(72,218)
Housing Non HRA	134,906	13,800	134,906	0	101,106	0	(101,106)	0	(101,106)
Streetscene	1,360,928	1,288,188	1,360,928	0	103,278	86,851	(16,427)	0	(16,427)
Transport	2,035,358	2,033,313	2,035,358	0	2,035,358	2,033,313	(2,045)	0	(2,045)
Waste Services	14,667,073	13,526,583	14,667,073	0	120,854	39,410	(81,444)	0	(81,444)
Building Services	111,092	117,335	117,334	6,242	380	6,622	6,242	6,242	0
Renewable Energy	5,728,802	5,501,926	5,716,804	(2,500)	1,381,185	1,166,606	(214,579)	(11,998)	(202,581)
Cleaning Client	300,000	298,284	298,284	(1,716)	167,792	166,076	(1,716)	(1,716)	0
SUB TOTAL	79,227,427	51,408,212	79,220,915	2,986	12,640,016	11,636,008	(1,004,008)	(6,512)	(997,496)
Other									
Other	680,767	0	0	(680,767)	680,767	0	(680,767)	(680,767)	0
SUB TOTAL	680,767	0	0	(680,767)	680,767	0	(680,767)	(680,767)	0
Total Project Expenditure	305,678,018	157,622,198	304,947,431	(721,089)	52,317,996	48,711,627	(3,606,369)	(735,505)	(2,870,864)
Total Project Income					(52,317,996)	(48,711,627)	3,606,369	735,505	2,870,864
Total Net Expenditure					0	0	0	0	0

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

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

The following classifications have been used to highlight delivery performance against

-  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 March 2017	Actual Over/ (Under) Recovery to 31 March 2017
	£	£		£	£	£	£
CAPITAL BORROWING							
Prudential Borrowing	37,703,251	(937,496)	(53,314)	(14,748,254)	21,964,187	23,253,354	1,289,167
SUB TOTAL	37,703,251	(937,496)	(53,314)	(14,748,254)	21,964,187	23,253,354	1,289,167
SCOTTISH GOVERNMENT FUNDING							
Specific Capital Grants							
Chargeplace Scotland Network			22,000		22,000	15,520	(6,480)
Non Domestic Energy Efficiency Programme			50,000		50,000	40,502	(9,498)
Cycling / Walking /Safer Streets	150,000			-	150,000	-	(150,000)
Vacant & Derelict Land Funding			1,426,981		1,426,981	587,916	(839,065)
Quarry Road			965,000		965,000	965,000	-
Capital Grants							
General Capital Grant	10,403,000		2,147,000	(558,894)	11,991,106	11,991,106	-
SUB TOTAL	10,553,000	-	4,610,981	(558,894)	14,605,087	13,600,044	(1,005,043)
OTHER INCOME TO PROGRAMME							
Use of Funds							
Capital Fund	10,804,597	(440,909)	-	(6,777,117)	3,586,571	868,437	(2,718,134)
Change & Service Redesign Fund	100,279	222,762	-	304,157	627,198	632,013	4,815
CFCR	529,187	72,605	-	1,216,139	1,817,931	1,786,664	(31,267)
Grants & Contributions	30,000	1,758,191	2,573,654	28,157	4,390,002	4,248,586	(141,416)
Capital Receipts	4,366,848	927,172	-	33,000	5,327,020	4,322,529	(1,004,491)
Sale of Land and Buildings	3,800,000	1,454,020			5,254,020	4,210,943	(1,043,078)
Sale of Vehicles	40,000				40,000	77,738	37,738
Insurance Recoveries (Vehicles)				33,000	33,000	33,849	849
Montgomerie Park Masterplan	526,848	(526,848)		-	-	(0)	(0)
SUB TOTAL	15,830,911	2,539,821	2,573,654	(5,195,664)	15,748,722	11,858,229	(3,890,493)
TOTAL CAPITAL PROGRAMME FUNDING	64,087,162	1,602,325	7,131,321	(20,502,812)	52,317,996	48,711,627	(3,606,369)

CAPITAL MONITORING 2016/17

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17						MILESTONE	DELIVERY STATUS		Comments
	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 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£				
ECONOMIC GROWTH														
Regeneration														
TOURISM INFRASTRUCTURE	305,263	304,768	304,768	(495)	5,495	5,495	5,000	(495)	(495)	0	Complete			
IRVINE ENTERPRISE AREA	7,999,032	1,411,418	7,999,032	0	1,247,000	1,247,000	1,411,418.14	164,418		164,418	Contractor Appointed			
TOWN CENTRE REGENERATION	3,497,643	695,216	3,497,643	0	17,083	17,083	20,621	3,538		3,538	Various			
IRVINE HIGH STREET	600,000	0	600,000	0	0	0	0	0		0	Future Years			
LARGS MASTERPLAN	440,000	6,626	440,000	0	0	0	0	0		0	Future Years			
KILBIRNIE CARS (KNOX INST)	200,000	0	200,000	0	0	0	0	0		0	Future Years			
MILLPORT CARS	400,000	0	400,000	0	0	0	0	0		0	Future Years			
MILLPORT FIELD CENTRE	3,068,787	3,071,468	3,071,468	2,681	161,304	161,304	163,985	2,681	2,681	(0)	Complete	Complete	Complete	
MONTGOMERIE PARK MASTERPLAN	1,645,680	1,501,527	1,645,680	0	900,454	900,454	880,301	(20,153)		(20,153)	Further Design			Infrastructure works still to be done in 17-18
PENNYBURN ROUNDABOUT	2,000,000	0	2,000,000	0	0	0	0	0		0	Future Years			
PURCHASE OF STRATEGIC ASSETS	1,113,417	1,069,927	1,113,417	0	1,056,917	1,056,917	1,069,927	13,010		13,010	Complete			
Ayrshire Growth Deal	9,000,000	0	9,000,000	0	0	0	0	0		0	Future Years			
Quarry Road	2,965,000	642,472	2,965,000	0	541,315	541,315	642,472	101,157	0	101,157	In development			
Biomass Supply Chain	120,000	40	120,000	0	120,000	120,000	40	(119,960)	0	(119,960)	In development			
Lochshore, Kilbirnie	30,000	5,000	30,000	0	30,000	30,000	5,000	(25,000)	0	(25,000)	In development			
Ardeer, Stevenston Masterplan	30,000	5,000	30,000	0	30,000	30,000	5,000	(25,000)	0	(25,000)	In development			
Ardrossan North Shire	30,000	4,000	30,000	0	30,000	30,000	4,000	(26,000)	0	(26,000)	In development			
Irvine Kyle Road Site Prep	352,000	48,439	352,000	0	352,000	352,000	48,439	(303,561)	0	(303,561)	In development			
Greenwood Interchange	65,000	19,915	65,000	0	65,000	65,000	19,915	(45,085)	0	(45,085)	In development			
Moorpark Road West	399,981	93,045	399,981	0	399,981	399,981	93,045	(306,936)	0	(306,936)	In development			
VACANT & DERELICT LAND FUNDING 2017-18	1,750,000	0	1,750,000	0	0	0	0	0		0	In development			
COMMUNITY INVESTMENT FUNDS	2,162,000	0	2,162,000	0	0	0	0	0		0	In development			
Total Regeneration	38,173,803	8,878,860	38,175,989	2,186	4,956,549	4,956,549	4,369,163	(587,386)	2,186	(589,572)				

CAPITAL MONITORING 2016/17

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17						MILESTONE	DELIVERY STATUS		Comments
	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 March 2017	Actual Over/(Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	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	(150,000)	0	(150,000)	Various	✓	⚠	Expenditure and income part of Access Paths Network Programme. Both expenditure and income budget requested to be carried forward to 17-18 due to delays with licencing permissions
ACCESS PATH NETWORK PROGRAMME	6,864,285	4,564,477	6,864,285	0	1,260,111	1,260,111	1,100,303	(159,808)	0	(159,808)	Various	✓	⚠	Budget carried forward for project to complete in 17-18
CAR PARK STRATEGY	327,253	97,874	327,253	0	179,139	179,139	52,117	(127,022)		(127,022)	Commenced	✓	✓	Budget slipped into 17-18 due to delays in the delivery of signage by the the main contractor and local road improvements
A841 BRODICK TO LOCHRANZA *	150,000	150,000	150,000	0	150,000	150,000	150,000	0		0	In development	✓	✓	
HAWKHILL ROUNDABOUT *	155,000	115,048	115,048	(39,952)	155,000	155,000	115,048	(39,952)	(39,952)	(0)	In development	✓	✓	Project funded by SPT income . Income reduced accordingly
IRVINE TOWN CENTRE BUS *	0	0	0	0	0	0	0	0		0	In development	✓	✓	
BUS CORRIDOR IMPROVEMENTS *	1,996	41,877	0	(1,996)	1,996	1,996	0	(1,996)	(1,996)	0	In development	✓	✓	Project funded by SPT income . Income reduced accordingly
Total Strategic Planning & Infrastructure	8,898,331	5,053,072	8,856,383	(41,948)	1,896,246	1,896,246	1,417,467	(478,779)	(41,948)	(436,831)				
CONNECTED COMMUNITIES														
Sports & Activity														
LARGS SPORTS DEVELOPMENT	300,000	296,335	299,276	(724)	72,249	72,249	68,584	(3,665)	(724)	(2,941)	Complete	✓	✓	
IRVINE LEISURE CENTRE	21,771,207	21,545,812	21,771,207	0	8,254,202	8,254,202	8,028,807	(225,395)	0	(225,395)	Complete	⚠	⚠	Final account still be agreed
Total Sports & Activity	22,071,207	21,842,147	22,070,483	(724)	8,326,451	8,326,451	8,097,391	(229,060)	(724)	(228,336)				

CAPITAL MONITORING 2016/17

ECONOMY & COMMUNITIES

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17						MILESTONE	DELIVERY STATUS		Comments
	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 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Information & Culture														
COMMUNITY DEVELOPMENT FUND	251,223	0	251,223	0	251,223	251,223	0	(251,223)		(251,223)	Holding Code	Holding Code	Holding Code	
CASTLES & HISTORIC MONUMENTS	563,132	0	563,132	0	88,132	88,132	0	(88,132)		(88,132)	Holding Code	Holding Code	Holding Code	
ARDROSSAN CASTLE	158,604	158,604	158,604	0	0	0	0	0	0	0	Complete	Complete	Complete	
ABBAY TOWER	85,000	288	85,000	0	0	0	288	288		288	Design	✓	✓	
KERELAW CASTLE	83,214	83,214	83,214	0	0	0	0	0		0	Complete	Complete	Complete	
EGLINTON PARK CAR PARK WORKS	220,000	218,701	218,701	(1,299)	1,299	1,299	0	(1,299)	(1,299)	0	Complete	Complete	Complete	
ST BRIDE'S CHAPEL, ARRAN	175,000	81,441	175,000	0	50,000	50,000	81,441	31,441		31,441	Construction	✓	✓	
KILBIRNIE LIBRARY HUB	44,910	32,903	32,903	(12,007)	44,642	44,642	32,635	(12,007)	(12,007)	(0)	Complete	✓	✓	
Total Information & Cultural	2,249,548	1,243,615	2,236,242	(13,306)	435,296	435,296	114,364	(320,932)	(13,306)	(307,626)				
Total Economy & Communities	71,392,888	37,017,695	71,339,096	(53,792)	15,614,542	15,614,542	13,998,385	(1,616,157)	(53,792)	(1,562,365)				

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

CAPITAL MONITORING 2016/17

EDUCATION & YOUTH EMPLOYMENT

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments	
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18		Current Project Stage	Delivery Status Financial		Delivery Status Physical
	£	£	£	£	£	£	£	£	£					
Nursery Education														
HAYOCKS PRIMARY SCHOOL NURSERY ADAPTS	208,862	206,800	208,862	0	2,062	0	(2,062)	0	(2,062)	Complete	Complete	Complete		
GLENCAIRN PRIMARY SCHOOL NURSERY ADAPTS	101,398	100,573	101,273	(125)	125	0	(125)	(125)	0	Complete	Complete	Complete		
LOUDON MONT PRIMARY SCHOOL NURSERY ADAPTS	734,330	284,914	734,330	0	304,566	280,647	(23,919)		(23,919)	Design	✔	🔴	Contractor currently reporting 5 weeks behind programme due to drainage issues not previously identified by the Engineer.	
ST JOHN OGILVIE PRIMARY SCHOOL NURSERY ADAPTS	249,725	249,511	249,510	(215)	5,807	5,592	(215)	(215)	0	Complete	Complete	Complete		
EARLY LEARNING & CHILDCARE	1,509,314	0	1,509,314	0	10,443	0	(10,443)		(10,443)	Holding Code	Holding Code	Holding Code		
DYKESMAINS PRIMARY SCHOOL NURSERY ADAPTS	1,239,707	90,855	1,239,707	0	25,352	24,517	(835)		(835)	On hold	✔	On hold	Awaiting business case.	
WEST KILBRIDE PRIMARY SCHOOL NURSERY ADAPTS	29,011	28,295	29,011	0	0	(716)	(716)		(716)	Complete	Complete	Complete		
WHITLEES COMM CTR NURSERY ADAPTS	151,820	147,626	151,820	0	50,045	45,851	(4,194)	0	(4,194)	Complete	Complete	Complete		
ARRAN QUIET ROOM	4	0	0	(4)	4	0	(4)	(4)	0	Complete	✔	✔		
ANNICK PRIMARY EXT - EARLY YRS PROVISION	2,000,000	0	2,000,000	0	0	0	0		0	Future Years	✔	✔		
WEST KILBRIDE COMMUNITY NURSERY	31,167	31,167	31,167	0	31,167	31,167	(0)	0	(0)	Complete	Complete	Complete		
Total Nursery Education	6,319,854	1,204,256	6,319,510	(344)	429,571	387,058	(42,513)	(344)	(42,169)					
Primary Schools														
CORRIE PS ANNEXE - STRUCTURAL	181,698	181,698	181,698	0	0	0	0	0	0	Complete	Complete	Complete		
ST LUKES PS-EXTENSION PHASE 2	929,312	929,312	929,312	0	0	0	0	0	0	Complete	Complete	Complete		
FREE SCHOOL MEALS P1 - P3	(147)	0	0	147	(147)	0	147	147	0	Complete	Complete	Complete		
WEST KILBRIDE PS KITCHEN WORKS	174,889	178,826	178,827	3,938	0	3,938	3,938	3,938	(1)	Complete	Complete	Complete		
ELDERBANK PS	11,174,100	11,047,305	11,174,100	0	2,867	2,867	(0)	0	(0)	Main Works Complete. Additional works ongoing	✔	✔		
Castlepark primary - remodelling	122,334	98,872	122,334	0	110,131	98,872	(11,259)	0	(11,259)	Complete	✔	✔		
MOORPARK PRIMARY EXTENSION	3,000,000	24,236	3,000,000	0	22,586	24,236	1,650		1,650	On Hold	✔	On Hold	Awaiting business case.	
Total Primary Education	15,582,186	12,460,248	15,586,271	4,085	135,437	129,911	(5,526)	4,085	(9,611)					

CAPITAL MONITORING 2016/17**EDUCATION & YOUTH EMPLOYMENT**

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Secondary Schools													
KILWINNING SECONDARY ESTATE LEARNING ENVT	3,350,000	44,753	3,350,000	0	44,753	44,753	0		0		✓	✓	
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVT	3,509,822	46,375	3,509,822	0	59,000	46,375	(12,625)		(12,625)		✓	✓	
GARNOCK CAMPUS	41,830,547	38,962,571	41,830,547	0	18,378,724	18,302,066	(76,658)		(76,658)	Complete	✓	✓	
IRVINE ROYAL/COLLEGE ADAPTS	2,269,413	1,320,543	2,269,413	0	463,477	451,131	(12,346)		(12,346)	Construction	✓	✓	
LARGS ACADEMY	4,723,269	1,546,581	4,723,269	0	838,302	818,272	(20,030)		(20,030)	Construction	✓	✓	
LEARNING ACADEMY AUCHENHARVIE	417,000	406,045	406,045	(10,955)	415,198	404,243	(10,955)	(10,955)	0	Complete	✓	✓	
ARDROSSAN NEW BUILD	31,590,000	0	31,590,000	0						Future Years	✓	✓	
Total Secondary Education	87,690,051	42,326,867	87,679,096	(10,955)	20,199,454	20,066,840	(132,614)	(10,955)	(121,659)				
Special Education													
STANECastle SCHOOL WORKS	119,652	120,052	119,652	0	24	424	400	400	(0)	Complete	Complete	Complete	
JAMES MCFARLANE	0	5,318	5,318	5,318	0	0	0	0	0	Complete	Complete	Complete	
NEW BUILD ASN SCHOOL	25,056,000	46,875	25,056,000	0	30,000	46,875	16,875		16,875	Future Years	✓	✓	
Total Special Education	25,175,652	172,245	25,180,970	5,318	30,024	47,299	17,275	400	16,875				
Total Education & Skills	134,767,743	56,163,618	134,765,847	(1,896)	20,794,486	20,631,108	(163,378)	(6,814)	(156,564)				

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

CAPITAL MONITORING 2016/17

FINANCE & CORPORATE SUPPORT

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments		
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18		Current Project Stafe	Delivery Status Financial		Delivery Status Physical	
	£	£	£	£	£	£	£	£	£						
Financial Services															
DEFIBRILLATORS	157,231	137,740	157,231	0	26,515	7,024	(19,491)		(19,491)	Ongoing		✔	🔴	Original project now complete. Budget carried forward in relation to additional workstreams	
FMS SYSTEM	132,065	145,200	145,200	13,135	132,065	145,200	13,135	13,135	0		✔	✔			
SAFECOM	59,000	59,000	59,000	0	59,000	59,000	0		0	Complete	✔	✔			
Total Financial Services	348,296	341,940	361,431	13,135	217,580	211,224	(6,356)	13,135	(19,491)						
Information Technology															
PC REPLACEMENT/VIRTUAL DESKTOP *	195,836	163,601	195,836	0	195,836	163,601	(32,235)		(32,235)	On-going		✔	✔		
MICROSOFT OFFICE UPGRADE *	1,538,052	796,912	1,538,052	0	0	0	0		0	On-going		✔	✔		
WINDOWS SERVER MIGRATION	840,059	800,813	840,059	0	69,570	75,324	5,754		5,754	On-going		✔	🟡	Budget carried forward to 17-18. Delay due to PSN work	
DATA RATIONALISATION & STORAGE	809,617	161,712	809,617	0	0	2,095	2,095		2,095	Future Years		✔	✔		
PSN COMPLIANCE *	384,000	348,409	384,000	0	138,025	102,434	(35,591)		(35,591)	On-going		✔	✔		
AGILE WORKING *	87,686	49,697	87,686	0	87,686	49,697	(37,989)		(37,989)	On-going		✔	🔴	Budget carried forward to 17-18 due to delays in 2nd phase of project	
Total Information Technology	3,855,249	2,321,142	3,855,249	0	491,117	393,151	(97,966)	0	(97,966)						
Council IT Strategy															
WIRELESS ACCESS IN SCHOOLS *	480,984	465,135	480,984	0	32,765	16,916	(15,849)		(15,849)	On-going		✔	✔	Budget carried forward due to availability of infrastructure on Arran	
MANAGED WAN SERVICES	773,583	637,737	773,583	0	81,866	56,020	(25,846)		(25,846)	On-going		✔	🔴		
IP TELEPHONY (IPT)	410,058	409,303	409,303	(755)	65,554	64,799	(755)	(755)	0	Complete		✔	✔		
SCHOOLS ICT INVESTMENT *	638,324	632,354	638,324	0	638,324	632,354	(5,970)		(5,970)	On-going		✔	✔		
BUSINESS CONTINUITY	400,000	0	400,000	0	0	0	0		0	Future Years		✔	✔		
INFRASTRUCTURE ENHANCEMENTS *	100,000	65,567	100,000	0	100,000	65,567	(34,433)		(34,433)	On-going		✔	✔		
Microsoft Enterprise Agreement	825,000	0	825,000	0	0	0	0		0	Future Years		✔	✔		
HSCP ICT Investment to Support Integration	250,000	61,375	250,000	0	75,000	61,375	(13,625)		(13,625)	On-going		✔	✔		
Total IT Strategy	3,877,949	2,271,471	3,877,194	(755)	993,509	897,031	(96,478)	(755)	(95,723)						
Total Finance & Corporate Support	8,081,493	4,934,553	8,093,873	12,380	1,702,206	1,501,405	(200,801)	12,380	(213,181)						

CAPITAL MONITORING 2016/17**HEALTH & SOCIAL CARE**

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17						MILESTONE	DELIVERY STATUS		Comments
	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 March 2017	Actual Over/ (Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£				
Management & Support														
CAREFIRST IT DEVELOPMENT	120,678	84,620	120,678	0	34,204	34,204	28,146	(6,058)		(6,058)	Implementation	✓	⚠	Budget carried forward to 17-18 for work on integration with new FMS System
HOME CARE SYSTEM	433,918	331,598	433,918	0	0	0	0	0		0	Implementation	✓	⚠	Budget carried forward to 17-18 linked to fragility of service providers and potential for the work to be handed back to NAC
Total Management & Support	554,596	416,218	554,596	0	34,204	34,204	28,146	(6,058)	0	(6,058)				
Older People														
PURCHASE OF RED CROSS HOUSE	851,775	851,775	851,775	0	851,775	1,451,775	851,775	0		0	Complete	✓	✓	
MONTROSE HSE REDESIGN FACILIT	5,733,284	5,733,284	5,733,284	0	0	0	0	0	0	0	Complete	Complete	Complete	
LARGS OLDER PEOPLE RES CTRE	943,718	943,718	943,718	0	0	0	0	0	0	0	Complete	Complete	Complete	
LD DAY CENTRES	88,326	88,326	88,326	0	0	0	0	0		0	Complete	✓	✓	
TARRYHOLME	3,356,000	64,800	3,356,000	0	0	0	64,800	64,800		64,800	Design	✓	✓	
Total Older People	10,973,103	7,681,903	10,973,103	0	851,775	1,451,775	916,575	64,800	0	64,800				
Total Health & Social Care	11,527,699	8,098,121	11,527,699	0	885,979	1,485,979	944,721	58,742	0	58,742				

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

CAPITAL MONITORING 2016/17

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/(Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£				
PHYSICAL ENVIRONMENT													
Roads													
ROADS IMPROVE/RECONSTRUCTION *	1,978,549	2,011,706	1,978,549	0	1,978,549	2,011,706.33	33,157		33,157	Multiple Projects	✓	✓	
B714 UPGRADE	2,065,092	427,660	2,065,092	0	600,000	246,197	(353,803)		(353,803)	On Hold	✓	✓	
LIGHTING *	1,212,747	1,114,587	1,212,747	0	1,212,747	1,114,587	(98,160)		(98,160)	Multiple Projects	✓	✓	
STREET LIGHTING MAINLAND	3,728,000	3,168,789	3,728,000	0	1,602,817	1,643,607	40,790		40,790	On-Going	✓	⚠	Budget carried forward to 2017/18. Last few packages likely to carry over to June
UPPER GARNOCK FLOOD PROTECTION	17,400,001	1,085,742	17,400,001	0	100,000	31,823	(68,177)		(68,177)	Preliminary Design	✓	✓	
BANNOCH BURN KILW'G FLOOD WORK	225,000	136,631	225,000	0	159,292	70,923	(88,369)		(88,369)	Work Commenced	✓	⚠	Property flood protection work still ongoing
MILLPORT COASTAL FLOOD PROTECTION	6,970,000	300,547	6,970,000	0	280,000	300,547	20,547		20,547	Option Appraisal	✓	✓	
LAMLASH GREEN COASTAL DEFENCE	95,000	71	95,000	0	0	71	71		71	Design complete	✓	⚠	Delays in transferring ownership of Green to NAC will delay work being done until new financial year
GLENCLOY BANK REPAIRS	33,000	33,960	33,960	960	33,000	33,960	960	960	(0)	Complete	✓	✓	
BRIDGES INFRASTRUCTURE PROG *	340,000	305,857	340,000	0	340,000	305,857	(34,143)		(34,143)	Work Commenced	✓	✓	
Total Roads	34,047,389	8,585,551	34,048,349	960	6,306,405	5,759,278	(547,127)	960	(548,087)				
									0				
Office Accommodation													
BRIDGEGATE HOUSE REFURB	9,614,276	9,603,649	9,614,276	0	41,222	45,627	4,405		4,405	Complete	Complete	Complete	
CUNNINGHAME HOUSE PHASE 1	1,531,013	1,531,013	1,531,013	0	0	0	0		0	Complete	Complete	Complete	
CUNNINGHAME HOUSE PHASE 2	1,177,471	1,176,278	1,177,471	0	1,193	0	(1,193)	0	(1,193)	Complete	Complete	Complete	
CUNNINGHAME HOUSE PHASE 3-4	2,138,040	2,083,995	2,138,040	0	353,835	299,790	(54,045)	0	(54,045)	Complete	✓	✓	
PROPERTY LIFECYCLE INVESTMENT *	517,805	597,642	517,805	0	517,805	597,642	79,837		79,837	Design	✓	✓	
RECORDS UNIT REPLACEMENT	250,808	248,861	250,808	0	230,132	233,106	2,974	0	2,974	Complete	✓	✓	
Cunninghame Hse Phase 5	665,530	658,463	665,530	0	663,202	657,635	(5,567)	0	(5,567)	Complete	✓	✓	
Total Office Accommodation	15,894,943	15,899,901	15,894,943	0	1,807,389	1,833,800	26,411	0	26,411				

CAPITAL MONITORING 2016/17

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/(Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Other Property													
CORP ASSET MANAGEMENT SYSTEM	86,392	76,135	86,392	0	35,421	25,164	(10,257)		(10,257)	Ongoing	✓	✓	
SALTCOATS TOWN HALL	3,770,148	3,591,673	3,770,148	0	115,451	43,363	(72,088)		(72,088)	Ongoing	✓	✓	
INDUSTRIAL PORTFOLIO *	90,397	118,316	90,397	0	90,397	118,316	27,919		27,919	Ongoing	✓	✓	
SALTCOATS PUBLIC REALM	1,000,000	357,207	1,000,000	0	375,000	357,207	(17,793)	0	(17,793)	Ongoing	✓	⚠	Programme of works span into 17-18. IBRC funding
Total Property	4,946,937	4,143,332	4,946,937	0	616,269	544,051	(72,218)	0	(72,218)				
Housing Non HRA													
IMPROVEMENT GRANTS *	86,106	0	86,106	0	86,106	0	(86,106)		(86,106)	Ongoing	✓	✓	
CARE & REPAIR	15,000	0	15,000	0	15,000	0	(15,000)		(15,000)	Ongoing	✓	✓	
CCTV GENERAL	33,800	13,800	33,800	0	0	0	0		0	Future Years	✓	✓	
Total Housing Non HRA	134,906	13,800	134,906	0	101,106	0	(101,106)	0	(101,106)				
Streetscene													
STREETSCENE SCHEDULING SYSTEM	115,221	115,221	115,221	0	21,000	21,000	0		0	Implementation	✓	✓	
SKELMORLIE CEMETERY WALL	132,648	129,490	132,648	0	3,158	0	(3,158)		(3,158)	Complete	Complete	Complete	
CEMETERY WALLS & INFRASTRUCTURE	713,432	713,432	713,432	0	0	0	0		0	Holding Code	Holding Code	Holding Code	
CEMETERY EXTNS, WALLS & INFRA *	22,939	26,538	22,939	0	22,939	26,538	3,599		3,599	Holding Code	Holding Code	Holding Code	
LAMLASH CEMETERY EXTENSION	15,771	15,831	15,771	0	9,719	9,779	60	0	60	Complete	Complete	Complete	
KILWINNING CEMETERY	60,000	3,850	60,000	0	4,681	3,850	(831)		(831)	Ongoing	✓	✓	
ARDROSSAN CEMETERY WORKS	146,466	145,466	146,466	0	5	0	(5)	0	(5)	Complete	Complete	Complete	
DREGHORN CEMETERY, IRVINE	0	0	0	0	0	0	0	0	0				
OLD BARONY CEMETERY WORKS	66,541	60,836	66,541	0	5,705	0	(5,705)		(5,705)	Complete	✓	✓	
HIGH KIRK CEMETERY WORKS	52,911	52,911	52,911	0	1,071	1,071	0		0	Complete	Complete	Complete	
LYCH GATE, LOCHRANZA, ARRAN	35,000	24,614	35,000	0	35,000	24,614	(10,386)		(10,386)	Ongoing	✓	✓	
Total Streetscene	1,360,928	1,288,188	1,360,928	0	103,278	86,851	(16,427)	0	(16,427)				
COMMERCIAL SERVICES													
Cleaning Client													
CASHLESS CATERING SYSTEM	300,000	298,284	298,284	(1,716)	167,792	166,076	(1,716)	(1,716)	0	Complete	✓	⚠	Project now complete
Total Cleaning Client	300,000	298,283.98	298,283.50	-1,716.00	167,792	166,076	(1,716)	(1,716)	0				
Transport													
VEHICLES *	2,035,358	2,033,313	2,035,358	0	2,035,358	2,033,313	(2,045)		(2,045)	Ongoing	✓	✓	
Total Transport	2,035,358	2,033,313	2,035,358	0	2,035,358	2,033,313	(2,045)	0	(2,045)				
Waste Services													

CAPITAL MONITORING 2016/17

PLACE

Project Description	TOTAL PROJECT				CURRENT YEAR 2016/17					MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2016/17	Actual Expenditure to 31 March 2017	Actual Over/(Under) Spend for 16/17	True Over/(Under) Spend	Carry Forward to 2017/18	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
SHEWALTON LANDFILL	14,402,485	13,272,542	14,402,485	0	110,308	39,410	(70,898)		(70,898)	Ongoing	✓	✓	
ICT WASTE MANAGEMENT SYS	195,000	184,454	195,000	0	10,546	0	(10,546)		(10,546)	Complete	✓	✓	
BARTONHOLM HWRC	69,587	69,587	69,587	0	0	0	0		0	Complete	Complete	Complete	
<u>Total Waste Services</u>	<u>14,667,073</u>	<u>13,526,583</u>	<u>14,667,073</u>	<u>0</u>	<u>120,854</u>	<u>39,410</u>	<u>(81,444)</u>	<u>0</u>	<u>(81,444)</u>				
<u>Building Services</u>													
BUILDING SERVICES IT SYSTEM	111,092	117,335	117,334	6,242	380	6,622	6,242	6,242	0	Complete	Complete	Complete	
<u>Total Building Services</u>	<u>111,092</u>	<u>117,335</u>	<u>117,334</u>	<u>6,242</u>	<u>380</u>	<u>6,622</u>	<u>6,242</u>	<u>6,242</u>	<u>0</u>				
<u>Renewable Energy</u>													
RENEWABLE ENERGY PROGRAMME	81,737	51,018	81,737	0	30,719	0	(30,719)		(30,719)	Holding code	Holding code	Holding code	
BIOMASS RETROFIT PROGRAMME	3,400,362	3,369,562	3,400,362	0	891,913	861,113	(30,800)	0	(30,800)	Construction	✓	✓	
SOLAR PV RETROFIT PROGRAMME	1,874,203	1,853,140	1,874,203	0	240,357	219,294	(21,063)		(21,063)	Construction	✓	✓	
SOLAR ARRAYS	200,001	187,704	200,001	0	45,696	45,696	0		0	Feasibility	✓	⚠	Resources reallocated to 2017/18 to meet installed capacity obligations and address grid restrictions
IRVINE DISTRICT HEATING SYSTE	2,500	0	0	(2,500)	2,500	0	(2,500)	(2,500)	0	Feasibility	✓	✓	
SOLAR PV RETROFIT EXTENSION	120,000	0	120,000	0	120,000	0	(120,000)		(120,000)	Implementation	✓	✓	
NON DOMESTIC ENERGY EFFICIENCY PROGRAMME	50,000	40,502	40,502	(9,498)	50,000	40,502	(9,498)	(9,498)	(0)	Complete	✓	✓	
<u>Total Renewable Energy</u>	<u>5,728,802</u>	<u>5,501,926</u>	<u>5,716,804</u>	<u>(2,500)</u>	<u>1,381,185</u>	<u>1,166,606</u>	<u>(214,579)</u>	<u>(11,998)</u>	<u>(202,581)</u>				
<u>Total Place</u>	<u>79,227,427.41</u>	<u>51,408,212.12</u>	<u>79,220,915.41</u>	<u>2,986</u>	<u>12,640,016</u>	<u>11,636,008</u>	<u>(1,004,008)</u>	<u>(6,512)</u>	<u>(997,496)</u>				

* 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	Actual Expenditure to 31 March 2017	Over/ (Under) Spend for 16/17
	£	£	£	£	£	£	£
FLEXIBILITY	680,767	0	0	(680,767)	680,767	0	(680,767)
Total Other Budgets	680,767	0	0	(680,767)	680,767	0	(680,767)

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 March 2017	Year to Date Variance	Carry forward to 17/18	True underspend	Comments
£000	£000	£000	£000	£000	£000	£000	£000			
MORTGAGE TO RENT					0	0	0		0	
COUNCIL HOUSE BUILDING GENERAL	1,110,707	0	(201,000)	909,707	909,707	1,507,275	597,568	597,568	0	The availability of Government grant in 16/17 for Land Acquisitions for Tarryholme and St Michael's Wynd have accelerated spend on these projects
CAP EXP BOURTREEHILL CAR PARKING PILO	0	0	41,700	41,700	41,700	41,700	0	0	0	New Pilot commenced 2016/17
ACQUISITION OF HOUSES ON OPEN MARKET	400,000	0	430,700	830,700	830,700	747,254	(83,446)	(83,446)	0	Carryforward relates to delay in completing refurbishments to Empty Homes
NEW BUILD FENCEDYKE	3,876,364	42,737	(1,378,101)	2,541,000	2,541,000	2,539,319	(1,681)	(1,681)	0	Slippage in Build Programme to be carried forward to 17/18
WINDOW REPLACEMENT	598,482	(22,879)	7,000	582,603	582,603	173,957	(408,646)	(408,646)	0	Slippage on this programme to be carried forward to 2017/18
BATHROOM PROGRAMME	1,787,109	(70,011)	83,300	1,800,398	1,800,398	2,085,424	285,026	285,026	0	Programme ahead of schedule, budget will be accelerated from 2017/18
KITCHEN PROGRAMME	2,068,948	148,506	83,200	2,300,654	2,300,654	2,060,430	(240,224)	(240,224)	0	Slippage on this programme to be carried forward to 2017/18
OTHER CAPITAL WORKS	265,225	191,508	207,736	664,469	664,469	697,094	32,625	32,625	0	Programme ahead of schedule, budget will be accelerated from 2017/18
NEW BUILD DICKSON DRIVE	0	0	200	200	200	0	(200)		(200)	True underspend resulting from balance on Final Account
NEW BUILD MONTGOMERY COURT	390,000	448,240	33,000	871,240	871,240	802,995	(68,245)		(68,245)	In year underspend - utilised against undemoted regeneration project
REGENERATION - MONTGOMERY COURT	403,000	30,810	30,300	464,110	464,110	737,751	273,641		273,641	True overspend to be met from current year underspend
NEW BUILD KILN COURT	0	9,000	400	9,400	9,400	0	(9,400)		(9,400)	True underspend as budget not required
NEW BUILD GLENGCAIRN HOUSE SHU	1,500,000	(57,608)	(775,288)	667,104	667,104	870,518	203,414	203,414	0	Programme ahead of schedule, budget will be accelerated from 2017/18
NEW BUILD CANAL COURT SHU	150,000	(29,150)	179,150	300,000	300,000	315,705	15,705	15,705	0	Programme ahead of schedule, budget will be accelerated from 2017/18
NEW BUILD DICKSON DRIVE PHASE 2	0	0	1,300	1,300	1,300	0	(1,300)		(1,300)	True underspend as budget not required
NEW BUILD WATT COURT	0	0	274,300	274,300	274,300	275,940	1,640		1,640	Programme ahead of schedule, budget will be accelerated from 2017/18
CORSILLHEAD KILWINNING	0	0	5,600	5,600	5,600	136,100	130,500	130,500	0	Programme ahead of schedule, budget will be accelerated from 2017/18
CENTRAL HEATING	1,777,523	(26,764)	(242,400)	1,508,359	1,508,359	1,400,891	(107,468)	(107,468)	0	Slippage on this programme to be carried forward to 2017/18
INSULATED RE-RENDERING	1,416,505	208,302	75,900	1,700,707	1,700,707	1,847,183	146,476	146,476	0	Programme ahead of schedule, budget will be accelerated from 2017/18
ELECTRICAL REWIRING	760,532	(129,338)	(86,594)	544,600	544,600	477,931	(66,669)	(66,669)	0	Slippage on this programme to be carried forward to 2017/18
REFURBISHMENT SCHEMES			100	100	100	0	(100)		(100)	True underspend as budget not required
ROOFING & RENDERING	3,781,854	44,863	163,965	3,990,682	3,990,682	3,993,184	2,502	2,502	0	Programme ahead of schedule, budget will be accelerated from 2017/18
DOOR ENTRY SYSTEMS			200	200	200	0	(200)		(200)	True underspend as budget not required
SHELTERED HOUSING UNITS	1,200,100	24,789	(1,224,889)	0	0	0	0		0	
REFURB - ROBERT W SERVICE CT SH	1,800,000	(52,150)	(354,915)	1,392,935	1,392,935	1,156,615	(236,320)	(236,320)	0	Underspend due to slippage in Build Programme Carried Forward to 17/18
REFURB - DICKSON COURT			121,000	121,000	121,000	32,747	(88,253)	(88,253)	0	Underspend due to slippage in Build Programme Carried Forward to 17/18
ENERGY EFFICIENCY STANDARD	1,040,400	(40,178)	42,500	1,042,722	1,042,722	1,034,613	(8,109)		(8,109)	Part of budget allocated for heating - will not be spent due to no access
PROFESSIONAL MANAGEMENT CHARGES	1,611,536	(516,800)	(830,465)	264,271	264,271	0	(264,271)		(264,271)	True underspend on PMI Management Fees based on projects delivered during 2016/17
CEILINGS	21,848	0	(21,848)	0	0	0	0		0	Moved to revenue P5
COMMUNAL FLOORS	37,454	0	(37,454)	0	0	0	0		0	Moved to revenue P5
TOTAL EXPENDITURE	25,997,587	203,877	(3,371,403)	22,830,061	22,830,061	22,934,625	104,565	182,749	(78,184)	
SALE OF COUNCIL HOUSES	(1,263,462)	0	0	(1,263,462)	(1,263,462)	(4,820,396)	(3,556,934)		(3,556,934)	Additional RTB Sales Following Closure of scheme in July 2016. 152 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)	(16,680)	(54,000)	(37,320)		(37,320)	Property Sales in year - not budgeted
CFCR	(13,668,194)	516,800	(730,698)	(13,882,092)	(13,882,092)	(10,677,620)	3,204,472		3,204,472	Reduction in CFCR required due to increased RTB receipts and underspends in the Build Programme
OTHER INCOME - HOUSE BUILDING	0	0	0	0	0	(44,941)	(44,941)		(44,941)	Fencedyke £44k - Scottish Water funding
CAPITAL GRANTS - HOUSE BUILDING	(3,754,000)	306,768	(679,725)	(4,126,957)	(4,126,957)	(6,254,950)	(2,127,993)	(724,093)	(1,403,900)	Capital grants across a range of projects
CAPITAL GRANTS - ENERGY FUNDING	0	0	0	0	0	(774,718)	(774,718)		(774,718)	Eco Funding From N Power and HEEPS
AFFORDABLE HOUSING CONTRIBUTION	(1,008,000)	0	0	(1,008,000)	(1,008,000)	(308,000)	700,000	700,000	0	Unused Contribution from Affordable Housing Reserve carried forward
PRUDENTIAL BORROWING	(6,303,931)	(1,010,765)	4,781,826	(2,532,870)	(2,532,870)	0	2,532,870	(158,656)	2,691,526	Requirement to borrow reduced due to increased income from other sources
TOTAL INCOME	(25,997,587)	(203,877)	3,371,403	(22,830,061)	(22,830,061)	(22,934,625)	(104,564)	(182,749)	78,185	

NORTH AYRSHIRE COUNCIL

Agenda Item 10

28 June 2017

North Ayrshire Council

Title: **North Ayrshire Charitable Trusts: Unaudited Trustees' Annual Reports 2016/17**

Purpose: To present the unaudited Trustees' Annual Reports for the year to 31 March 2017 to the Council, as trustees, for approval.

Recommendation: That the Council, as trustees of the North Ayrshire Council charitable trusts, approves the annual reports for 2016/17, subject to audit.

1. Executive Summary

- 1.1 The Council administers a number of Trusts, largely composed of bequests made by individuals many years ago. These have been amalgamated into six Town Trusts; Beith & Gateside, Dalry, Irvine, Kilbirnie & Glengarnock, Kilwinning, and Largs.
- 1.2 In addition to the Town Trusts, there are four other trusts registered with the Office of the Scottish Charity Regulator (OSCR), the Anderson Park Trust, Douglas Sellers Trust, Margaret Archibald Trust and North Ayrshire Council Charitable Trust, the latter of which collates several bequests that are not specific to any particular location within North Ayrshire.
- 1.3 The Council, as trustees of the North Ayrshire Council charitable trusts, is asked to approve the annual reports for 2016/17, subject to audit.

2. Background

- 2.1 Each trust registered with OSCR at 31 March 2017 is required to prepare a Trustee Report for 2016/17, which must be independently audited. For 2016/17, Deloitte LLP are the appointed auditors. The reports are attached at Appendix 1.

2.2 At 31 March 2017 seven trusts and three bequests registered to North Ayrshire Charitable Trust have been identified as being dormant, having made no disbursements for at least one year. The period of dormancy for each trust is detailed in the attached trustees annual reports. The dormant trusts are:

- Anderson Park Trust;
- Douglas Sellers Trust;
- North Ayrshire Council (Beith & Gateside) Charitable Trust;
- North Ayrshire Council (Irvine) Charitable Trust;
- North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust;
- North Ayrshire Council (Kilwinning) Charitable Trust;
- North Ayrshire Council (Largs) Charitable Trust;
- McGavin Park bequest (included within the North Ayrshire Charitable Trust);
- Largs War Memorial bequest (included within the North Ayrshire Charitable Trust); and
- North Ayrshire Museum bequest (included within the North Ayrshire Charitable Trust).

2.3 The Council, as trustees of the North Ayrshire Council charitable trusts, has delegated authority for the approval of individual disbursements from all Trusts to the Locality Partnerships. During 2016/17 officers have been seeking options for the appropriate use of these funds which will be presented to the Locality Partnerships for consideration when available. This could involve the depletion of capital and / or winding up of certain trusts, subject to approval by OSCR.

3. Proposals

3.1 The Council, as trustees of the ten registered charitable trusts administered by North Ayrshire Council, has a responsibility for the preparation of Trustees' Annual Reports in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations (Scotland) 2006.

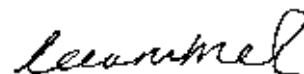
- 3.2 It is proposed that the Council, as trustees of the aforementioned trusts, approves, subject to audit, the ten 2016/17 Trustees' Annual reports attached at Appendix 1.

4. Implications

Financial:	The cost of the audit for 2016/17 is £360 per Annual Report; this is borne by North Ayrshire Council and not passed onto the Trusts.
Human Resources:	None
Legal:	Trustees have an obligation to act in the interests of the individual Trusts and comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 to keep and report proper financial records.
Equality:	Some of the trusts are specifically intended to benefit those in old age, or with ill-health or disabilities.
Environmental & Sustainability:	None
Key Priorities:	Administration of the trusts supports North Ayrshire Council's priorities of "Working together to develop stronger communities"; "Helping all of our people to stay healthy and active"; and "Protecting and enhancing the environment for future generations".
Community Benefits:	N/A

5. Consultation

- 5.1 Legal Services were consulted during the preparation of the Trustees' Annual Reports 2016/17.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

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

Background Papers

Audit Scotland Report to Those Charged With Governance on the 2015/16
Audit - Registered Charitable Trusts
- North Ayrshire Council - 9 November 2016



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

ANDERSON PARK TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name Anderson Park Trust

Charity Number SC042136

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

Anderson Park Trust is registered with the Office of the Scottish Charity Regulator (OSCR).

The governing document is a Trust Disposition and Settlement established and signed on 8 July 1960.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the Anderson Park Trust have been delegated by the Council to the North Coast Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 5).

4. OBJECTIVES AND ACTIVITIES

The objective of the Anderson Park Trust is the provision of recreational facilities or the organisation of recreational activities in the Burgh of Largs, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

5. PERFORMANCE

Income to the Anderson Park Trust comes from interest on balances held with the Council.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

Trustees' Annual Report for the Year Ended 31 March 2017

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, Anderson Park Trust made a surplus of £5.

The trust held cash and bank balances at 31 March 2017 of £803.

Future Plans

The Anderson Park Trust has been dormant for over five years. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income, generated from capital that has not been disbursed at 31 March each year, is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

Independent Auditor's Report

Independent auditor's report to the trustees of Anderson Park Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

Statement of Receipts and Payments for year ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Recreation	Total 2016/17	Total 2015/16
		£	£	£
RECEIPTS				
Income from investments	3	5	5	8
Total Receipts		5	5	8
PAYMENTS				
Charitable Activities – Grants	4	-	-	-
Total Payments		-	-	-
Surplus / (Deficit) for the Year		5	5	8

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Note	Restricted Funds - Recreation	Total 2016/17	Total 2015/16
Bank and Cash in Hand		£	£	£
Opening Balance		798	798	790
Surplus / (Deficit) for the year		5	5	8
Closing Balance		803	803	798

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

Notes to the Financial Statements

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Taxation

The Anderson Park Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

3. Trustee Remuneration, Expenses and Related Party Transactions

- a) No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- b) The Trust received interest of £5 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c) The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

4. Grants

There were no grants awarded during 2016/17.

5. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

6. Investments

There are no investments held by the charity.

7. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

8. Fixed Assets

The Anderson Park Trust has no fixed assets. In 1960, Mr Anderson bequeathed the land now known as Anderson Park to the Burgh of Largs. In 1976, there was a disposition of the park by the trustees of the late Mr Anderson to the former Cunninghame District Council with the restriction that the land is always used as a park.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

DOUGLAS SELLERS TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name Douglas Sellers Trust

Charity Number SC042101

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

Douglas Sellers Trust is registered with the Office of the Scottish Charity Regulator (OSCR).

The governing document is a Trust Disposition and Settlement established and signed on 21 January 1955.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of Douglas Sellers Trust have been delegated by the Council to the Irvine Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 5).

4. OBJECTIVES AND ACTIVITIES

The objectives of the Douglas Sellers Trust fund are:

- the maintenance, improvement and advancement of recreational facilities within the Burgh of Irvine; and
- the maintenance, improvement and floral decoration of open spaces, within the Burgh of Irvine.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

5. PERFORMANCE

Income to Douglas Sellers Trust comes from interest on balances held with the Council.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

Trustees' Annual Report for the Year Ended 31 March 2017

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the Douglas Sellers Trust made a surplus of £12.

The trust held cash and bank balances at 31 March 2017 of £1,808.

Future Plans

The Douglas Sellers Park Trust has been dormant for over five years. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

Independent auditor's report to the trustees of Douglas Sellers Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Recreation	Total 2016/17	Total 2015/16
RECEIPTS		£	£	£
Income from investments	3	12	12	17
Total Receipts		12	12	17
PAYMENTS				
Charitable Activities – Grants	4	-	-	-
Total Payments		-	-	-
Surplus / (Deficit) for the Year		12	12	17

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Restricted Funds - Recreation	Total 2016/17	Total 2015/16
	£	£	£
Bank and Cash in Hand			
Opening Balance	1,796	1,796	1,779
Surplus / (Deficit) for the year	12	12	17
Closing Balance	1,808	1,808	1,796

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

Notes to the Financial Statements

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Taxation

The Douglas Sellers Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

3. Trustee Remuneration, Expenses and Related Party Transactions

- a) No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- b) The Trust received interest of £12 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c) The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

4. Grants

There were no grants awarded during 2016/17.

5. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

6. Investments

There are no investments held by the charity.

7. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

8. Fixed Assets

The Douglas Sellers Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

**MARGARET ARCHIBALD BEQUEST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017**

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name Margaret Archibald Bequest

Charity Number SC042117

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The Margaret Archibald Bequest is registered with the Office of the Scottish Charity Regulator (OSCR).

The governing document is a Trust Deed, established and signed on 22 July 1992.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the Margaret Archibald Bequest have been delegated by the Council to the Garnock Valley Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 5) and invested in stocks and shares in a variety of companies (see note 6).

4. OBJECTIVES AND ACTIVITIES

The objective of the Margaret Archibald Bequest is the relief of those in need who are aged 65 years and over and who reside in the Parish of Dalry.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

5. PERFORMANCE

Income to the Margaret Archibald Bequest comes from share dividends and investment returns.

In the year to 31 March 2017 five awards of grant totalling £6,395 were disbursed.

Trustees' Annual Report for the Year Ended 31 March 2017

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the Margaret Archibald Bequest made a surplus of £3,954.

The trust held cash and bank balances at 31 March 2017 of £40,602.

In addition, the Trust held investments in the form of stocks and shares in a variety of companies with a market value of £243,789 at 31 March 2017 (see note 6).

Future Plans

The Margaret Archibald Bequest will continue to promote its activities and to consider applications submitted by individuals who meet the criteria.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

Independent auditor's report to the trustees of the Margaret Archibald Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
RECEIPTS		£	£	£
Income from investments		10,349	10,349	8,973
Total Receipts		10,349	10,349	8,973
PAYMENTS				
Charitable Activities – Grants	4	6,395	6,395	6,700
Total Payments		6,395	6,395	6,700
Surplus / (Deficit) for the Year		3,954	3,954	2,273

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Note	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
Bank and Cash in Hand		£	£	£
Opening Balance		36,648	36,648	34,375
Surplus / (Deficit) for the year		3,954	3,954	2,273
Closing Balance		40,602	40,602	36,648
Investments				
Market Value at 31 March	6	243,789	243,789	199,673
Total Investments		243,789	243,789	199,673

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Taxation

The Margaret Archibald Bequest is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

3. Trustee Remuneration, Expenses and Related Party Transactions

- a. No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- b. The Trust received interest of £251 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c. The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

4. Grants

Five awards of grant, totalling £6,395, were awarded to community groups during 2016/17.

5. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

Notes to the Financial Statements

6. Investments

The charity holds the following investments:

Stock Held	Nominal Value	Market Value at	Market Value at
		31 March 2017	31 March 2016
	£	£	£
GlaxoSmithKline plc	1,183	78,528	66,816
Marks & Spencer plc	400	4,971	5,988
Diageo plc	400	32,654	26,912
Barclays plc	336	3,025	2,016
Royal Dutch Shell plc	563	13,540	10,879
Unilever plc	37	47,471	37,982
British American Tobacco plc	300	63,600	49,080
		243,789	199,673

7. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

8. Fixed Assets

The Margaret Archibald Bequest has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

**THE NORTH AYRSHIRE COUNCIL CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017**

Table of Contents

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council Charitable Trust

Charity Number SC025083

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council Charitable Trust was registered as a charity on 1 January 1992; now regulated by the Office of the Scottish Charity Regulator (OSCR). Details of the trust funds that are incorporated into the North Ayrshire Council Charitable Trust, along with their purposes, can be found on page 10.

There is no overall governing document for the North Ayrshire Council Charitable Trust; however available documents for the incorporated trusts are as follows:

- Spier's Trust: Trust Scheme established in 1978;
- North Ayrshire Museum: Scheme for Administration of North Ayrshire Museum (1958) and Minute of Agreement (1974) between the Provost, etc. of the Burghs of Ardrossan, Saltcoats and Stevenston and Others;
- Hugh Watt Bursary Fund: Deed of Trust by John Hugh Watt established in 1873;
- John Hugh Watt Scholarship Prize: Deed of Gift by the family of John Hugh Watt registered in 1920; and
- McGavin Park: Trust Disposition and Settlement by John McGavin established in 1881.

There are no available governing documents for the three remaining trusts, being Largs War Memorial Fund, the Robert Fleck Award for Irvine schools and the Sir James Dyer Prize for Largs Academy. However, the establishment of restricted funds ensures that any funds are spent in accordance with the purpose of these trusts.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council Charitable Trust have been delegated by the Council to relevant Locality Partnerships, where applicable.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 6) or are invested in stocks and shares (see note 8).

Trustees' Annual Report for the Year Ended 31 March 2017

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council Charitable Trust fund are as follows:

- the encouragement and promotion of education among students, including bursaries and prizes awarded;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the upkeep of war memorials.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

5. PERFORMANCE

Income to the North Ayrshire Council Charitable Trust comes from property rents, £2,660, and investment returns, £3,268. In the year to 31 March 2017 sixteen awards of grant totalling £4,219 were disbursed.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council Charitable Trust made a surplus of £1,709. The trust held cash and bank balances at 31 March 2017 of £65,469. In addition, the Trust held investments in the form of stocks and shares in a variety of companies with a market value of £67,485 at 31 March 2017 (see note 8).

Future Plans

The North Ayrshire Council Charitable Trust will continue to promote its activities and to consider applications submitted by individuals who meet the criteria.

Three of the component trusts, being McGavin Park, Largs War Memorial Fund and North Ayrshire Museum, have incurred no expenditure for over five years. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital that has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

**Independent auditor's report to the trustees of The North Ayrshire Council Charitable Trust and the
Accounts Commission for Scotland**

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Education	Restricted Funds - Recreation	Restricted Funds - Other	Total 2016/17	Total 2015/16
RECEIPTS						
Income from Investments		1,615	1,650	3	3,268	3,408
Income from sale of investments	8	-	-	-	-	1,334
Income from Property Rents	7	2,660	-	-	2,660	2,660
Total Receipts		4,275	1,650	3	5,928	7,402
PAYMENTS						
Charitable Activities – Grants	5	4,219	-	-	4,219	2,730
Maintenance/Insurance Costs	11	-	-	-	-	1,157
Total Payments		4,219	-	-	4,219	3,887
Surplus / (Deficit) for the Year		56	1,650	3	1,709	3,515

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Note	Restricted Funds - Education	Restricted Funds - Recreation	Restricted Funds - Other	Total 2016/17	Total 2015/16
Bank and Cash in Hand		£	£	£	£	£
Opening Balance		40,290	22,990	480	63,760	60,245
Surplus / (Deficit) for the year		56	1,650	3	1,709	3,515
Closing Balance		40,346	24,640	483	65,469	63,760
Land & Buildings						
Book Value at 31 March	7	135,000	-	-	135,000	135,000
Investments						
Market Value at 31 March	8	42,506		24,979	67,485	53,571
Total Investments		177,506	-	24,979	202,485	188,571

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

During the period 2012 to 2014, North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of eight new Town Trusts. The North Ayrshire Council Charitable Trust now comprises those registered charitable funds (outlined on page 9) that were not amalgamated on a geographical basis.

3. Taxation

The North Ayrshire Council Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- a. No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- b. The Trust received interest of £413 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c. The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

Sixteen grants, totalling £4,219, were disbursed to individuals and community groups during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration.

The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Land and Buildings

Income from property relates to grazing rents at Marshallands Grazings, Barrmill Road, Beith. The land was purchased for £25,000 in 2004 by the Spier's Trust was last revalued in 2014/15, to a current book value of £135,000. There is no depreciation charged.

8. Investments

The charity holds the following investments:

Stock Held	Purchase Price / Nominal Value £	Market Value at 31 March 2017 £	Market Value at 31 March 2016 £
JPM UK Higher Income Fund	1,790	7,282	7,282
Diageo	217	17,697	14,586
Zeneca Group plc	68	13,264	10,535
Merchants Trust	406	8,304	6,581
Alliance Trust	73	20,938	14,587
		67,485	53,571

9. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

10. Reorganisation

The charity was registered on 1 January 1992. Following re-organisation, as detailed in Note 2, this was an amalgamation of the following trusts and their purpose:

Name of Trust Fund	Purpose
McGavin Park	Upkeep of McGavin Park, Kilwinning
North Ayrshire Museum	For Benefit of North Ayrshire Museum
War Memorial Fund	Largs War Memorial Fund
Sir James Dyer Simpson	Educational prize for Largs Academy
Spier's Trust	Educational bursaries for the Garnock Valley
Robert Fleck Award	Educational prize for Saltcoats schools
Hugh Watt Bursary Fund	Educational prize for Irvine schools
John Hugh Watt Scholarship Prize	Educational prize for Irvine Royal Academy

11. Maintenance Costs

Maintenance costs of £1,157 during 2015/16 related to work on the boundary wall in connection with the property owned by the Spier's Trust.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

THE NORTH AYRSHIRE COUNCIL (BEITH & GATESIDE) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Trustees Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Beith & Gateside) Charitable Trust

Charity Number SC043498

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Trustees Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Beith & Gateside) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 October 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 7 September 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Beith & Gateside) Charitable Trust have been delegated by the Council to the Garnock Valley Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

All funds of the charity are deposited with North Ayrshire Council (see notes 6 and 7).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Beith & Gateside) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended;
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage; and
- the advancement of education.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Trustees Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Beith & Gateside) Charitable Trust comes from interest on balances held with the council. Prior to 10 July 2015, income from Treasury Stock was also received, however this stock has now been redeemed.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Beith & Gateside) Charitable Trust made a surplus of £61.

The trust held cash and bank balances at 31 March 2017 of £9,787.

Future Plans

The North Ayrshire Council (Beith & Gateside) Charitable Trust has been dormant since 2015/16. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Beith & Gateside) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Statement of Receipts and Payments for year ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Poverty	Restricted Funds - Education	Total 2016/17	Total 2015/16
		£	£	£	£
RECEIPTS					
Income from investments		44	17	61	99
Income from sale of investments	7	-	-	-	440
Total Receipts		44	17	61	539
PAYMENTS					
Charitable Activities – Grants	5	-	-	-	59
Total Payments		-	-	-	59
Surplus / (Deficit) for the Year		44	17	61	480

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

Note	Restricted Funds - Poverty	Restricted Funds - Education	Total 2016/17	Total 2015/16
Bank and Cash in Hand	£	£	£	£
Opening Balance	6,995	2,731	9,726	9,246
Surplus / (Deficit) for the year	44	17	61	480
Closing Balance	7,039	2,748	9,787	9,726

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Notes to the Financial Statements

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Beith & Gateside) Charitable Trust on 1 October 2013. This was an amalgamation of the following former Trusts and their purpose:

Former Fund	Charity Number	Purpose
Border Trust	SC042115	relief for poverty / education
Orr Charity	SC025083	relief for poverty
Mrs Ralston Patrick Treame	SC025083	relief for poverty

3. Taxation

The North Ayrshire Council (Beith & Gateside) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- The Trust received interest of £61 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were no grants awarded during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Beith & Gateside) Charitable Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

THE NORTH AYRSHIRE COUNCIL (DALRY) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Table of Contents

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Dalry) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Dalry) Charitable Trust

Charity Number SC043644

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Dalry) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 October 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 26 November 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Dalry) Charitable Trust have been delegated by the Council to the Garnock Valley Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

All funds of the charity are deposited with North Ayrshire Council (see notes 6 and 7).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Dalry) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Dalry) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Dalry) Charitable Trust comes from interest on balances held with the council. Prior to 1 April 2015, income from Conversion Stock was also received, however this stock has now been redeemed.

During the year to 31 March 2017 one grant of £700 was disbursed.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Dalry) Charitable Trust incurred a deficit of £639. Trustees decided to disburse a higher level of grants than the anticipated income for the year.

The trust held cash and bank balances at 31 March 2017 of £9,192.

Future Plans

The North Ayrshire Council (Dalry) Charitable Trust will continue to promote its activities and to consider applications submitted by individuals who meet the criteria.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Dalry) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Dalry) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified Accounts will be presented to the Council for approval post audit.

The North Ayrshire Council (Dalry) Charitable Trust

Statement of Receipts and Payments for the Year Ended 31 March 2017

Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Poverty	Total 2016/17	Total 2015/16
		£	£	£
RECEIPTS				
Income from investments		61	61	108
Income from sale of investments	7	-	-	640
Total Receipts		61	61	748
PAYMENTS				
Charitable Activities – Grants	5	700	700	800
Total Payments		700	700	800
Surplus / (Deficit) for the Year		(639)	(639)	(52)

The North Ayrshire Council (Dalry) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Note	Restricted Funds - Poverty	Total 2016/17	Total 2015/16
Bank and Cash in Hand		£	£	£
Opening Balance		9,831	9,831	9,883
Surplus / (Deficit) for the year		(639)	(639)	(52)
Closing Balance		9,192	9,192	9,831

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Dalry) Charitable Trust on 1 October 2013. This was an amalgamation of the following former Trusts and their purposes:

Former Fund	Charity Number	Purpose
John Logan Bequest	SC025083	relief for poverty
Jessie K Holburn	n/a	relief for poverty

3. Taxation

The North Ayrshire Council (Dalry) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- The Trust received interest of £61 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

One grant for £700 was awarded to a community group during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Dalry) Charitable Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

**THE NORTH AYRSHIRE COUNCIL (IRVINE) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017**

Table of Contents

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Irvine) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Irvine) Charitable Trust

Charity Number SC043372

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Irvine) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 October 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 20 July 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Irvine) Charitable Trust have been delegated by the Council to the Irvine Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 6).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Irvine) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Irvine) Charitable Trust
Trustees' Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Irvine) Charitable Trust comes from interest on balances held with the council.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Irvine) Charitable Trust made a surplus of £144.

The trust held cash and bank balances at 31 March 2017 of £22,924.

Future Plans

The North Ayrshire Council (Irvine) Charitable Trust has been dormant since 2015/16. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Irvine) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

The North Ayrshire Council (Irvine) Charitable Trust

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Poverty	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
		£	£	£	£
RECEIPTS					
Income from investments	4	68	76	144	220
Total Receipts		68	76	144	220
PAYMENTS					
Charitable Activities – Grants	5	-	-	-	122
Total Payments		-	-	-	122
Surplus / (Deficit) for the Year		68	76	144	98

The North Ayrshire Council (Irvine) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

Note	Restricted Funds - Poverty	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
Bank and Cash in Hand	£	£	£	£
Opening Balance	10,688	12,092	22,780	22,682
Surplus / (Deficit) for the year	68	76	144	98
Closing Balance	10,756	12,168	22,924	22,780

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Irvine) Charitable Trust on 1 October 2013. This was an amalgamation of the following former Trusts and their purposes:

Former Fund	Charity Number	Purpose
James Blair	SC025083	relief for poverty
Connel Bequest	SC025083	relief for poverty
Miss Jane Falls	SC025083	relief for poverty/age/ ill health/disability
R R Holmes	SC025083	relief for age/ill health/disability/hardship
J Speir	SC025083	relief for age/ill health/disability/hardship
Miss J Walker	SC025083	relief for age/ill health/disability/hardship
Ann C Holmes	SC025083	relief for poverty
Fuel Relief Fund	SC025083	relief for poverty/age/ ill health/disability

3. Taxation

The North Ayrshire Council (Irvine) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- a. No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- b. The Trust received interest of £144 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c. The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were no grants awarded during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Irvine) Charitable Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

THE NORTH AYRSHIRE COUNCIL (KILBIRNIE & GLENGARNOCK) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Charity Number SC043600

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Paul Craig
Audit Scotland
4th Floor, The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 October 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 23 October 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust have been delegated by the Council to the Garnock Valley Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 6).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust comes from interest on balances held with the Council.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust made a surplus of £34.

The trust held cash and bank balances at 31 March 2017 of £5,482.

Future Plans

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust has been dormant for over five years. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Statement of Receipts and Payments for year ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Recreation	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
		£	£	£	£
RECEIPTS					
Income from investments	4	26	8	34	51
Total Receipts		26	8	34	51
PAYMENTS					
Charitable Activities – Grants	5	-	-	-	-
Total Payments		-	-	-	-
Surplus / (Deficit) for the Year		26	8	34	51

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

Note	Restricted Funds - Recreation	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
Bank and Cash in Hand	£	£	£	£
Opening Balance	4,154	1,294	5,448	5,397
Surplus / (Deficit) for the year	26	8	34	51
Closing Balance	4,180	1,302	5,482	5,448

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust

Notes to the Financial Statements

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust in 1 October 2013. This was an amalgamation of the following former Trusts and their purposes:

Former Fund	Charity Number	Purpose
Mary P Herriot Trust	SC025083	relief for age/ill health/disability/hardship
Kilbirnie & Glengarnock Common	SC042110	relief for recreation

3. Taxation

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- The Trust received interest of £34 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were no grants awarded during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

THE NORTH AYRSHIRE COUNCIL (KILWINNING) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Kilwinning) Charitable Trust
Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Kilwinning) Charitable Trust

Charity Number SC043374

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

The North Ayrshire Council (Kilwinning) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Kilwinning) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 April 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 20 July 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Kilwinning) Charitable Trust have been delegated by the Council to the Kilwinning Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

The funds of the charity are deposited with North Ayrshire Council (see note 6).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Kilwinning) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Kilwinning) Charitable Trust
Trustees' Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Kilwinning) Charitable Trust comes from investment returns.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Kilwinning) Charitable Trust made a surplus of £817.

The trust held cash and bank balances at 31 March 2017 of £130,470.

Future Plans

The North Ayrshire Council (Kilwinning) Charitable Trust has been dormant since 2015/16. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Kilwinning) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for +-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

The North Ayrshire Council (Kilwinning) Charitable Trust

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Poverty	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
		£	£	£	£
RECEIPTS					
Income from investments	3	812	5	817	1,252
Total Receipts		812	5	817	1,252
PAYMENTS					
Charitable Activities – Grants	5	-	-	-	703
Total Payments		-	-	-	703
Surplus / (Deficit) for the Year		812	5	817	549

The North Ayrshire Council (Kilwinning) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

Note	Restricted Funds - Poverty	Restricted Funds - Age/Health /Disability	Total 2016/17	Total 2015/16
Bank and Cash in Hand	£	£	£	£
Opening Balance	128,937	716	129,653	129,104
Surplus / (Deficit) for the year	812	5	817	549
Closing Balance	129,749	721	130,470	129,653

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Kilwinning) Charitable Trust on 1 April 2013. This was an amalgamation of the following former Trusts and their purposes:

Former Fund	Charity Number	Purpose
Sir Malcolm Campbell Fund	SC025083	relief for poverty
John Dickie	SC025083	relief for poverty
John Logan (Kilwinning) Bequest	SC042121	relief for age/ill health/disability/hardship
Woodgreen Mortification	SC025083	relief for poverty
Crawford Mortification	n/a	relief for poverty
John Lyon Bequest	n/a	relief for poverty

3. Taxation

The North Ayrshire Council (Kilwinning) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- The Trust received interest of £817 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were no grants awarded during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Kilwinning) Charitable Trust has no fixed assets.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

**THE NORTH AYRSHIRE COUNCIL (LARGS) CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 March 2017**

Table of Contents

Trustees' Annual Report	2
Independent Auditor's Report	5
Statement of Receipts and Payments for year ended 31 March 2017	6
Statement of Balances as at 31 March 2017	7
Notes to the Financial Statements	8

The North Ayrshire Council (Largs) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2017.

ADMINISTRATION INFORMATION

Charity Name The North Ayrshire Council (Largs) Charitable Trust

Charity Number SC043494

Contact Address North Ayrshire Council
Finance
Cunninghame House
Irvine
Ayrshire
KA12 8EE

Current Trustees	Robert Barr	John Hunter
	John Bell	Tom Marshall
	Matthew Brown	Elizabeth McLardy
	John Bruce	Grace McLean
	Marie Burns	Catherine McMillan
	Ian Clarkson	Peter McNamara
	Joe Cullinane	Ronnie McNicol
	Anthea Dickson	Louise McPhater
	John Easdale	Jim Montgomerie
	John Ferguson	Alan Munro
	Alex Gallagher	Irene Oldfather
	William Gibson	David O'Neill
	Anthony Gurney	Donald Reid
	Jean Highgate	Robert Steel
	Alan Hill	Joan Sturgeon

Auditor Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

Trustees' Annual Report for the Year Ended 31 March 2017

2. STRUCTURE AND GOVERNANCE

The North Ayrshire Council (Largs) Charitable Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 1 October 2013 as part of the reorganisation of the North Ayrshire Council Trusts.

The governing document is a Trust Deed, established and signed on 7 September 2012.

The trustees of the charity are the elected members of North Ayrshire Council and are appointed through their election to the Council.

The Executive Director (Finance & Corporate Support) is the designated officer within North Ayrshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Executive Director (Finance & Corporate Support) is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The Executive Director (Finance & Corporate Support) has considered and taken steps to address any risks to which the charity may be exposed, in particular those related to its operation and finances. Trustees are satisfied that adequate systems are in place to mitigate exposure to such risks.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

Decisions regarding the management of the North Ayrshire Council (Largs) Charitable Trust have been delegated by the Council to the North Coast Locality Partnership.

The trustees rely on the expertise of North Ayrshire Council to manage the investments to ensure the maximum return and the least risk to the charity. In this way, the income stream for the future benefit of the charity is protected.

All funds of the charity are deposited with North Ayrshire Council (see notes 6 and 7).

4. OBJECTIVES AND ACTIVITIES

The objectives of the North Ayrshire Council (Largs) Charitable Trust fund are as follows:

- the prevention or relief of poverty;
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

Income received is expended on awards and, where necessary, supplemented by revenue reserves.

The North Ayrshire Council (Largs) Charitable Trust

Trustees' Annual Report for the Year Ended 31 March 2017

5. PERFORMANCE

Income to the North Ayrshire Council (Largs) Charitable Trust comes from interest on balances held with the council. Prior to 10 June 2015, income from Consolidated Stock was also received, however this stock has now been redeemed.

In the year to 31 March 2017 no applications were received and no disbursement of funds was made.

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2017, the North Ayrshire Council (Largs) Charitable Trust made a surplus of £113.

The trust held cash and bank balances at 31 March 2017 of £18,060.

Future Plans

The North Ayrshire Council (Largs) Charitable Trust has been dormant since 2013/14. North Ayrshire Council will continue to identify options for utilising trust balances and these will be presented to trustees when available.

Reserves Policy

Reserves are held by North Ayrshire Council on behalf of the Trust and revenue income generated from the capital which has not been disbursed at 31 March each year is invested in North Ayrshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

The North Ayrshire Council (Beith & Gateside) Charitable Trust

Independent Auditor's Report

Independent auditor's report to the trustees of The North Ayrshire Council (Largs) Charitable Trust and the Accounts Commission for Scotland

The audit of the Trust's Accounts for 2016-17 is not yet complete. The certified accounts will be presented to Council for approval post audit.

The North Ayrshire Council (Largs) Charitable Trust

Statement of Receipts and Payments for the Year Ended 31 March 2017

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

The funds are classed as 'Restricted' because they have specific objectives, as set out in Section 4 of the Trustees' Annual Report.

	Note	Restricted Funds - Poverty	Total 2016/17	Total 2015/16
		£	£	£
RECEIPTS				
Income from investments		113	113	189
Income from sale of investments	7	-	-	2,000
Total Receipts		113	113	2,189
PAYMENTS				
Charitable Activities – Grants	5	-	-	-
Total Payments		-	-	-
Surplus / (Deficit) for the Year		113	113	2,189

The North Ayrshire Council (Largs) Charitable Trust

Statement of Balances as at 31 March 2017

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

	Note	Restricted Funds - Poverty	Total 2016/17	Total 2015/16
Bank and Cash in Hand		£	£	£
Opening Balance		17,947	17,947	15,758
Surplus / (Deficit) for the year		113	113	2,189
Closing Balance		18,060	18,060	17,947

The unaudited accounts were issued on the 28 June 2017.

Signed on behalf of the Trustees on 28 June 2017 by:

Laura Friel
Executive Director (Finance & Corporate Support)
North Ayrshire Council

Councillor Joe Cullinane
Leader
North Ayrshire Council

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of the Trust for the financial year.

2. Reorganisation

North Ayrshire Council undertook a review of Sundry Trusts that resulted in the creation of the North Ayrshire Council (Largs) Charitable Trust on 1 October 2013. This was an amalgamation of the following former Trusts and their purposes:

Former Fund	Charity	
	Number	Purpose
John Clark Bequest	SC025083	relief for poverty
M Craig's Bequest	SC025083	relief for poverty
George Elder Bequest	SC025083	relief for poverty
M E Ewen's Fund	SC025083	relief for poverty
John Gloag Bequest	SC025083	relief for poverty
Hamilton Trust	SC025083	relief for poverty
Hamilton Bequest	n/a	relief for poverty
Largs Trawler Fund	n/a	relief for poverty

3. Taxation

The North Ayrshire Council (Largs) Charitable Trust is not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to the trustees or any connected persons during the year 2016/17;
- The Trust received interest of £113 from North Ayrshire Council at 31 March 2017 and all transactions incoming and outgoing are made via the Council's bank accounts;
- The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were no grants awarded during 2016/17.

6. Cash and Bank Balances

During the year the trust's balances were held by North Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Investments

There are no investments held by the charity.

8. Audit Fee

The audit fee for the year of £360 was borne by North Ayrshire Council.

9. Fixed Assets

The North Ayrshire Council (Largs) Charitable Trust has no fixed assets.

NORTH AYRSHIRE COUNCIL

Agenda Item 11

28 June 2017

North Ayrshire Council

Title: Treasury Management Annual Report 2016/17

Purpose: To report to Council on the Treasury Management Annual Report and Prudential Indicators for 2016/17.

Recommendation: That the Council notes (a) the contents of the Treasury Management Annual Report for 2016/17 (Appendix 1); and (b) the Prudential and Treasury Indicators contained therein.

1. Executive Summary

- 1.1 The Council is required by regulations issued under the Local Government in Scotland Act 2003 to produce an annual review of treasury management activities. The purpose of the annual review is to report the performance of the Council's treasury operations and how this measures up against the Council's Annual Treasury Management and Investment Strategy, updated in the Mid-Year Report. This is done through the publication of actual prudential and treasury indicators for 2016/17.
- 1.2 This Treasury Management Annual Report meets the requirements of the the Scottish Government's investment regulations, the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.3 The Treasury Management Annual Report 2016/17 for North Ayrshire Council is attached at Appendix 1. Key points to note from the report are as follows:
 - During 2016/17, the Council complied with its legislative and regulatory requirements in relation to treasury activities. As reported to Cabinet on 22 November 2016 there were three minor breaches of the £10m counterparty limit, following the introduction of a new limit. There has been no further breaches this year;
 - Capital expenditure was below the level anticipated at the start of the year;
 - There was an increase in the Capital Financing Requirement (CFR) due to funding being deferred to future years to match the profiling of expenditure;

- The continued use of internal funds as highlighted in the Annual Treasury Management and Investment Strategy has also contributed to low levels of borrowing in 2016/17;
- The affordability indicators reflect the delay in new borrowing;
- the average loans fund pool rate fell from 4.45% to 4.09% reflecting debt which matured during the year with an average rate of 3.3% and the increased use of temporary borrowing at an average rate of 0.4%.
- Lower investment returns relative to budget and last year's returns reflect the shorter investment periods linked to the Council's cash flow requirements.

2. Background

2.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management requires elected members to be provided with regular reports on treasury management activities. The Annual Treasury Management and Investment Strategy was approved by Council on 17 February 2016 and the mid-year report was submitted to the Cabinet on 22 November 2016. This final outturn report ensures full compliance with the CIPFA Code of Practice.

2.2 The 2016/17 annual report is attached at Appendix 1 and covers:

- Prudential and treasury indicators;
- Investment rate and outturn;
- Performance measures.

2.3 Current Position

Statutory Requirements

2.4 During 2016/17 the Council complied with its legislative and regulatory requirements. It is a statutory duty for the Council to determine and keep under review its approved borrowing limits and prudential indicators. Details within the report demonstrate that the Council has operated within the treasury limits and prudential indicators as set out in the Council's 2016/17 Annual Treasury Management Strategy Statement (TMSS).

Reclassification of Lender Option Borrower Option (LOBO)

- 2.5 The Council has £53.1m in market loans known as a LOBO (Lender Option Borrower Option) with maturity terms ranging from 2020 to 2078. This type of loan provides the lender with an option on pre-determined call dates to impose a new interest rate on the loan for the remaining term. The borrower (the Council) would have the option to accept the new rate or repay the loan. Table 6 within the annual report has been updated to reflect that £35.9m of these loans have a call date within the next twelve months and therefore have the potential to mature within the next twelve months, if the lender imposed a new interest rate and the Council chose to repay the loan. It should be noted that these loans have been held since 1985, and to date the lenders have not used the call in to increase interest rates. This change is required to ensure reporting reflects the true nature of these loans. It should be noted that the risk of call in is considered to be very low.

2.6 General Services

- 2.6.1 **Interest on Revenue Balances** - the Council budgeted for £0.387m of interest to the General Fund on its revenue balances in 2016/17. Actual interest on revenue balances amounted to £0.155m which reflects lower interest rates offered by counterparties due to the short term nature of investments to align cash flows commitments during 2016/17 alongside the actual profile of expenditure.
- 2.6.2 **Capital Financing Costs** - the Council budgeted £18.058m for financing costs and expenses on debt for 2016/17. Actual costs totalled £16.953m.

The main reasons for the underspend of £1.105m are

- the continuing strategy to delay new external borrowing by utilising cash balances, resulting in savings on external interest costs and
- the use of temporary borrowing from local authorities at an average rate of 0.42%

2.7 Housing Revenue Account

- 2.7.1 **Interest on HRA Revenue Balances** - the Council budgeted £0.058m of interest to the HRA on revenue balances held in 2016/17. Actual interest on HRA revenue balances amounted to £0.033m which reflects lower interest rates offered by counterparties due to the short term nature of investments to align cash flow commitments during 2016/17 alongside the actual profile of expenditure.

2.7.2 **Capital Financing Costs** - the Council budgeted £7.993m for financing costs and expenses for debt in 2016/17 whilst actual costs totalled £6.736m.

The main reasons for the underspend of £1.257m are

- the continuing strategy to delay new external borrowing by utilising cash balances, resulting in savings on external interest costs and
- the use of temporary borrowing from local authorities at an average rate of 0.42%.

3. Proposals

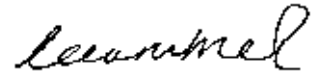
3.1 It is proposed that the Council notes (a) the contents of the Treasury Management Annual Report for 2016/17 (Appendix 1); and (b) the Prudential and Treasury Indicators contained therein.

4. Implications

Financial:	Financial implications are as detailed in Appendix 1.
Human Resources:	None
Legal:	None
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	This report aligns to the Council's strategic priorities by "making the best use of all resources" and ensuring a "sound financial position".
Community Benefits:	None

5. Consultation

5.1 The Council's treasury advisors were consulted during the preparation of this report.



LAURA FRIEL
Executive Director (Finance and Corporate Support)

Reference :

For further information please contact Margaret Hogg on 01294 324560

Background Papers

Treasury Management Strategy 2016/17, North Ayrshire Council, 17 February 2016;

Treasury Management Mid Year Report 2016/17, Cabinet, 22 November 2016.



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Annual Treasury Management Report

2016/17



Contents

1.	Purpose	2
2.	Executive summary	3
3.	Prudential and Treasury Indicators for 2016/17	5
a.	The Council's capital expenditure and financing 2016/17 <i>(Prudential Indicator 1)</i>	5
b.	The Council's overall borrowing need <i>(Prudential Indicator 2-3)</i>	6
c.	Limits to borrowing activity <i>(Prudential Indicator 4-6)</i>	6
d.	Treasury position at 31 March 2017 <i>(Prudential Indicator 7-9)</i>	8
e.	Affordability PIs <i>(Prudential Indicator 10-12)</i>	11
4.	Investment rates and outturn 2016/17	13
5.	Performance measurement	13

Annual Treasury Management Report 2016/17

1. Purpose

The Council is required by regulations issued under the Local Government in Scotland Act 2003 to produce an annual review of treasury management activities. The purpose of this annual review is to report the performance of the Council's treasury operation and how this measures up against the Council's Annual Treasury Management and Investment Strategy, updated in the Mid-Year Report. This is done through the publication of actual prudential and treasury indicators for 2016/17.

This report meets the requirements of the Scottish Government's investment regulations, the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2016/17 the minimum requirement was that the following reports should be submitted to Elected Members:

- an annual treasury management and investment strategy (submitted to the Council on 17 February 2016)
- a mid-year treasury update report (submitted to the Cabinet on 22 November 2016)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

Regulations place responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

2. Executive Summary

During 2016/17, the Council complied with its legislative and regulatory requirements.

The **key prudential and treasury indicators** detailing the impact of capital expenditure activities during the year, with comparators, are summarised below. In order to provide consistency within all the tables in this report, all figures exclude the Council's liabilities in respect of PPP, unless otherwise stated.

TABLE 1

Prudential and treasury indicators	2015/16 Actual £m	2016/17* Estimate £m	2016/17 Actual £m
Capital expenditure (Indicator 1)			
General services	56.190	55.172	48.712
HRA	19.972	21.574	22.935
Total	76.162	76.746	71.647
Capital Financing Requirement (CFR):			
General services	169.476	182.050	183.800
HRA	119.089	117.080	117.116
Total	288.565	299.130	300.916
Gross borrowing (Indicator 4)	220.399	262.979	257.863
Operational Boundary (Indicator 5)	310.546	331.243	329.526
Authorised Limit (Indicator 6)	341.601	364.367	362.479
Investments (Indicator 7)			
• Longer than 1 year	-	-	-
• Under 1 year	9.850	10.000	15.450
• Total	9.850	10.000	15.450

** All figures in this report reflect the latest estimate contained within the 2017/18 Annual Treasury Management and Investment Strategy*

A summary of performance is provided below with more detailed information provided in the body of the report.

Overall **Capital Expenditure** was below the level anticipated due to changes in the profile of projects.

The **Capital Financing Requirement (CFR)** is the underlying borrowing requirements of the Council. The increase to the requirement during 2016/17 is due to funding being deferred to future years to match the profiling of expenditure

Gross Borrowing reflects the actual borrowing which has been undertaken, this was lower than anticipated due the revised profile of capital projects and the use of internal funds, the latter being a key element of the Treasury Management Strategy to minimise costs.

The **Operational Boundary** is the maximum we would anticipate borrowing to fund the current year capital programme building in flexibility for the timing of the different funding streams and principal repayments. The in-year variance is linked to the increasing under-borrowed position arising from the use of internal funds as well as the re-profiling of the capital programme.

The **Authorised Limit** is set at 10% above the Operational Boundary to give some flexibility to raise funds for future year capital investment.

As noted above the Council continues to use its internal funds to delay borrowing, minimising costs. £50m of **new borrowing** took place in 2016/17.

The **average loans fund pool rate** fell from 4.45% to 4.09%. This can be attributed as follows:

- £12m of PWLB loans, whose average interest rate was 3.3%, matured during 2016/17;
- £50m of new short term borrowing with other local authorities with an average rate of 0.4%

The **maturity profile** and balance between **fixed and variable rate borrowing** mitigates the Council's exposure to interest rate variations either now or when loans require to be refinanced. 20% of the Council's loans are at a variable rate.

Affordability of borrowing is measured by a number of indicators;

- Impact of additional borrowing on Council Tax; this was not estimated in the 2016/17 Treasury Strategy due to the ongoing Council Tax freeze, however a notional value has been calculated for this report. This shows a notional annual reduction of £30.24 per annum for Council Tax.
- Impact of additional borrowing on Housing Rents; this showed a lower than estimated "notional" impact of £3.18 per week.
- Percentage of financial costs relative to the net revenue stream of the General Fund and Housing Revenue Account, the percentage values were lower than estimated for the Housing Revenue Account and in line with the estimate for the General Fund. Actuals for 2016/17 were 15% for Housing Revenue Account and 5% for General Fund.

The **average internal investment** rate was 0.31%, compared to a target of 0.5%, the 0.55% secured in 2015/16 and the 2016/17 performance of other Scottish local authorities of 0.31%. This reflects the short term nature of our investments and the market rates on offer for this term and is comparable with other local authorities.

As reported to Cabinet on 22 November 2016 there were three **breaches** of the £10m counterparty limit, following the introduction of a new limit. Daily control paperwork has now been updated to reflect this change and there has been no further breaches this year.

Other prudential and treasury indicators and supporting information can be found in the main body of this report.

Conclusion

The Executive Director (Finance and Corporate Support) confirms that long-term borrowing is only undertaken for a capital purpose and that the statutory borrowing limit (the authorised limit) has not been breached.

3. Prudential and Treasury Indicators for 2016/17

The Prudential Code establishes a framework to ensure that councils demonstrate effective control over levels of, and decisions relating to, capital investment activity, including borrowing. Treasury indicators are used to ensure that risk is managed and controlled effectively. Together the Prudential and Treasury Indicators consider the affordability and impact of capital expenditure decisions and set out the Council's overall capital framework.

These indicators help the Council to demonstrate public accountability in relation to borrowing and investments. As part of this accountability this report will summarise the following: -

- The Council's Capital Expenditure and Financing (section a);
- The Council's Overall Borrowing Need (section b);
- Limits to Borrowing Activity (section c);
- Treasury Position at 31 March 2017 (section d); and
- Affordability Prudential Indicators (section e);

(a) The Council's Capital Expenditure and Financing 2016/17 (Prudential Indicator 1)

The Council incurs capital expenditure when it invests in its long-term assets. Capital Expenditure can be funded in two main ways:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply other resources, then capital expenditure will give rise to borrowing which needs to be approved as part of the Council's capital investment plans.

The tables below show the actual capital expenditure incurred in 2016/17 compared with the planned investment alongside the amount financed immediately and the amount which gave rise to borrowing.

TABLE 2

General Fund	2015/16 Actual £m	2016/17 Estimate £m	2016/17 Actual £m
Capital expenditure (Indicator 1)	56.190	55.172	48.712
Financed in year	26.363	33.669	25.459
Unfinanced capital expenditure	29.827	21.503	23.253

HRA	2015/16 Actual £m	2016/17 Estimate £m	2016/17 Actual £m
Capital expenditure (Indicator 1)	19.972	21.574	22.935
Financed in year	14.787	21.574	22.935
Unfinanced capital expenditure	5.185	-	-

(b) The Council's Overall Borrowing Need (the Capital Financing Requirement) (Prudential Indicators 2 and 3)

This indicator outlines the Council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not been paid from either a capital or revenue resource and therefore needs to be funded from borrowing. It is essentially a measure of the Council's underlying borrowing need.

Part of the Council's treasury activity is to meet the funding requirements for this borrowing need. The treasury management section organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the Council.

The Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. The Council is required to make an annual revenue charge, called the Loans Fund Principal Repayment. This is effectively a repayment of the borrowing need and it is charged to revenue over the life of the asset. This charge reduces the CFR each year. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- increasing the annual revenue charge

The Council's CFR for the year is a key prudential indicator and is shown below. The opening balance includes the PPP scheme on the balance sheet, which increases the Council's borrowing need; this is shown to give a complete picture of the Council's debt, however no borrowing is actually required against these schemes, as a borrowing facility is included in the contract and as such, this is removed from the bottom line.

Table 3 shows that based on historic capital expenditure and this year's capital expenditure the Council has a cumulative underlying need to borrow of £300.916m at 31 March 2017.

TABLE 3

CFR	2015/16 Actual £m	2016/17 Estimate £m	2016/17 Actual £m
Opening balance	264.239	288.565	288.566
Add new PPP liability	66.986	65.343	66.462
Revised Opening Balance	331.225	353.908	355.028
Add unfinanced capital expenditure (General Fund)	29.827	21.503	23.253
Add unfinanced capital expenditure (HRA)	5.185	-	-
Less Loans Fund Principal Repayments	(10.685)	(10.938)	(10.903)
Sub-total	355.552	364.473	367.378
Less PPP lease repayments	(66.986)	(65.343)	(66.462)
Closing balance (Indicator 2)	288.566	299.130	300.916
Annual Change (Indicator 3)	24.327	10.565	12.350

(c) Limits to Borrowing Activity (Prudential Indicators 4 - 6)

Borrowing activity is constrained by the prudential indicators for CFR and gross borrowing and by the authorised limit, to ensure that the Council operates its activities within well-defined limits.

Gross borrowing and the CFR

There is a need to ensure that gross debt does not, except in the medium term, exceed the total CFR (i.e. the Council does not borrow more than it needs to fund its capital programme). In exceptional circumstances Councils are allowed to borrow to cover the current financial year plus the next two financial years (i.e. to 2018/19). This provides some flexibility to borrow in advance where this is appropriate.

Table 4 highlights the Council's gross borrowing position against the CFR and confirms that the Council has complied with this prudential indicator as gross borrowing is currently within its CFR. The Council is currently under borrowed by £43.053m due to the continuing strategy to delay new external borrowing by utilising internal cash balances.

TABLE 4

	2015/16* Actual £m	2016/17 Estimate £m	2016/17 Actual £m
Gross borrowing position (Indicator 4)*	220.399	262.979	257.863
CFR	288.565	299.130	300.916
(Under)/Over Borrowed Position	(68.166)	(36.151)	(43.053)

**2015/16 has been restated to include interest free loans of £0.420m previously omitted in error*

As part of its Annual Treasury Management Strategy the Council sets limits for external borrowing which it is not normally expected to exceed. These limits are explained below.

The Operational Boundary (Indicator 5)

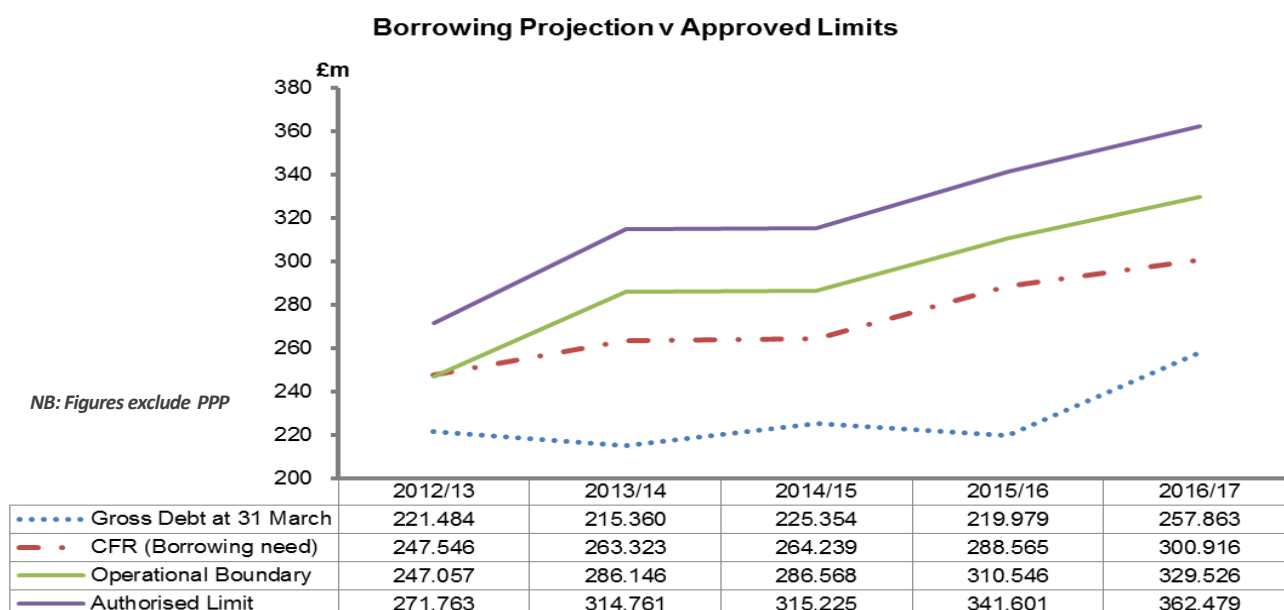
The operational boundary is the expected maximum borrowing position of the Council during the year, taking account of the timing of various funding streams and the recharge of principal repayments from the revenue account. Periods where the actual position varies from the boundary is acceptable subject to the authorised limit not being breached.

The Authorised Limit (Indicator 6)

The authorised limit represents a limit beyond which external debt is prohibited. This limit is set by Council and can only be revised by Cabinet approval. It reflects the level of external borrowing which, while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The current limit is set at 10% of the Operational Boundary.

The graph opposite demonstrates that during 2016/17 the Council's gross borrowing was within both the operational boundary and its authorised limit by a very significant margin, due to the continuing strategy to delay new external borrowing by utilising internal cash balances and due also to some slippage in the overall capital programme, which has reduced the requirement for borrowing.

Further information on capital slippage can be found in the 'Unaudited Annual Accounts 2016/17' report, being presented to North Ayrshire Council on 28 June 2017.



(d) Treasury Position at 31 March 2017 (Prudential Indicators 7 -9)

The Council's debt and investment position is organised by the treasury management service to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within agreed parameters. Procedures and controls to achieve these objectives are well established both through Member reporting and through the Council's Treasury Management Practices.

Borrowing Strategy for 2016/17

The Borrowing Strategy for 2016/17 anticipated low but rising bank interest rates, starting in quarter 3 of 2016, and gradual rises in medium and longer-term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, meaning that investments continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

Given this scenario, the treasury strategy is to postpone some long-term borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

Borrowing Outturn for 2016/17

At the beginning and the end of 2016/17 the Council's treasury position was as follows:

TABLE 5

	31 March 2016 Principal £m	Rate/ Return %	31 March 2017 Principal £m	Rate/ Return %
Fixed rate funding:				
- PWLB	166.879	5.58%	154.379	5.43%
-Local Authorities	0.000		50.000	0.42%
-Market	0.420	0.00%	0.384	0.00%
Variable rate funding:				
- Market	53.100	5.35%	53.100	5.35%
Total debt	220.399	5.51%	257.863	4.43%
CFR	288.565		300.916	
Over / (under) borrowing	(68.166)		(43.053)	
Investments:				
- Internally managed	9.850	0.45%	15.450	0.30%
Total investments	9.850		15.450	

The Council's gross debt position increased by £37.464m during 2016/17. A summary of the movement is outlined below.

Category of Debt	Activity	£m
Fixed - PWLB	Repayment	(12.500)
Fixed - Local Authorities	New Borrowing	50.000
Fixed - Market	Repayment	(0.036)
Net Increase in Debt		37.464

Due to investment concerns, both in terms of counterparty risk and low returns on investment, the Council used internal short-term cash reserves to temporarily fund its remaining borrowing requirement.

Rescheduling

No rescheduling was done during the year as the average differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

All investments at 31 March 2017 mature within one year in line with the Annual Treasury Management and Investment Strategy. **(Indicator 7)**

The maturity structure of the debt portfolio **(Indicator 8)** at 31 March 2017 was as follows and shows the period when the Council is required to repay and/or refinance debt. It is important to ensure a reasonable

spread of debt to mitigate against high exposure levels in respect of refinancing. The current profile ensures this:

TABLE 6

	31 March 2016 Actual £m	31 March 2017 Actual £m
Under 12 months	12.536	85.986
12 months and within 24 months	0.036	0.036
24 months and within 5 years	26.903	27.168
5 years and within 10 years	0.312	1.161
10 years and within 20 years*	21.500	20.000
20 years and within 30 years	-	-
30 years and within 40 years*	35.525	72.012
40 years and within 50 years*	92.587	51.500
50 years and above*	31.000	-
Total Borrowing	220.399	257.863

* please note that LOBO's of £35.950m have been reclassified in 2016/17 to under 12 months to reflect the ability of these to be called in by the investor at any time. This does not change the maturity date but simply reflects the nature of the debt. The likelihood of these being called in is very low.

The next indicator is used to manage risk and reduce the impact of adverse movement in interest rates. This sets a limit on the Council's exposure to fixed and variable interest rates (**Indicator 9**) and was as follows:

TABLE 7

	2015/16 Actual £m	2016/17 Estimate £m	2016/17 Actual £m
Limit on fixed rate (principal or interest)*	76%	311.267	204.763
Limit on variable rate (principal or interest)*	24%	53.100	53.100

* Please note as previously reported in the Annual Treasury Management and Investment Strategy that from 2016/17 this will be measured in £'s rather than as a %

Estimates of prudent Loans Fund repayment

The purpose of the Loans Fund is to record advances from the loan fund for expenditure incurred, or loans made to third parties, which a local authority has determined are to be financed from borrowing as set out in Regulation 2 of The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 ["the Regulations"]. The Loans Fund Advance is effectively the repayment of the 'principal' linked to the expenditure classified above which is unfinanced and is required to be funded from borrowing. Repayment of Loans Fund advances are required to be made in line with Scottish Government statutory guidance on Loans Fund Accounting.

The Authority's latest estimates of its Loans Fund account information are as follows:

Year	Opening Balance £m	Advances to GF £m	Advances to HRA £m	Repayment by GF £m	Repayment by HRA £m	Closing Balance £m
2015/16 actual	264.240	29.826	5.185	-8.282	-2.403	288.566
2016/17	288.566	23.253	0.000	-8.930	-1.973	300.916
2017/18 - 21/22	300.916	44.178	48.278	-37.709	-14.927	340.736
2022/23 - 26/27	340.736	8.375	9.678	-28.625	-29.955	300.210
2027/28 - 31/32	300.210	0.000	5.200	-21.190	-28.956	255.263
2032/33 - 36/37	255.263	0.000	1.130	-25.216	-36.499	194.679
2037/38 - 41/42	194.679	0.000	0.000	-29.345	-24.924	140.410
2042/43 - 46/47	140.410	0.000	0.000	-29.302	-17.680	93.429
2047/48 - 51/52	93.429	0.000	0.000	-30.138	-12.213	51.078
2052/53 - 56/57	51.078	0.000	0.000	-27.067	-10.504	13.507
2057/58 - 61/62	13.507	0.000	0.000	-7.761	-5.746	0.000
2062/63 & later	0.000	0.000	0.000	0.000	0.000	0.000

(e) Affordability Prudential Indicators (Prudential Indicators 10 - 12)

These Prudential Indicators assess the affordability of capital investment plans and provide an indication of the impact of capital investment plans on the Council's overall finances.

Actual financing costs as a proportion of net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream and is a measure of affordability for debt repayment and shows a reduction in General Services and HRA from 2015/16.

TABLE 8

Estimate of ratio of financing costs to net revenue stream	2015/16 Actual	2016/17 Estimate	2016/17 Actual
General Services	5.1%	5.2%	5.0%
HRA	18.5%	17.7%	15.0%

Incremental impact of capital investment decisions on council tax

This indicator identifies the impact on Council Tax charges of changes to capital investment and borrowing plans since budgets were approved. The indicator appears as a reduction where the amount of capital investment and borrowing is less than the approved budget. In 2016/17 there was no increase to Council Tax, this indicator is purely illustrative and demonstrates what the impact could have been.

Incremental impact of capital investment decisions on housing rents

This indicator identifies the impact, on weekly housing rents, of changes to capital investment and borrowing plans since budgets were approved. The indicator appears as a reduction where the amount

of capital investment and borrowing has fallen compared to the approved budgets. The values are purely indicative and do not reflect actual decreases in the housing rents which are set in accordance with the 30-year Business Plan.

TABLE 9

	2015/16 Actual	2016/17 Actual
Impact on Council Tax (Band D) per annum (Indicator 11)	-£5.47	-£30.24
Impact on average housing rent per week (Indicator 12)	-£1.27	-£3.18

4. Investment Rates and Outturn 2016/17

Interest Rates

In August the Bank of England base rate changed from 0.50% to 0.25%. Market expectations was that rates would increase from quarter 3 2016. Current thinking now anticipates that rates will remain stable for the foreseeable future. Deposit rates have remained depressed during 2016/17 as a result.

Investment Policy

The Council's investment policy is governed by Scottish Government investment regulations, which have been implemented in the annual investment strategy approved by the Council on 17 February 2016. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

As reported in the mid-year report during April and May there were three breaches of the £10m counterparty limit, following the introduction of a new limit. Daily control paperwork has now been updated to reflect this change and there has been no further breaches this year.

Resources

The Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's cash resources were as follows:

TABLE 10

Cash Balances	2015/16 Actual	2016/17 Actual
	£m	£m
1 April	29.450	9.850
31 March	9.850	15.450
Change in year	(19.600)	5.600

Investments held by the Council

The Council maintained an average balance of £4.638m of internally managed funds and utilised cash balances during the year in support of the under-borrowed position. The internally managed funds earned a weighted average rate of return of 0.31%. This compares to a rate of 0.55% in 2015/16. Performance was below the target rate of 0.5% and reflects a reduction in interest rates now being offered by the market for short term investments.

5. Performance Measurement

One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide.

The Council's treasury management advisors are Arlingclose Limited. Arlingclose have six Scottish unitary authorities in their client group and provide regular investment benchmarking information to the Council. In terms of performance in 2016/17, North Ayrshire Council's average weighted rate of return on investments of 0.31% compared to the group average rate of 0.31%. This reflects the short term nature of our investments and the market rates on offer for this term.

Emphasis will continue to be placed on investing with approved counterparties in accordance with the approved strategy.

NORTH AYRSHIRE COUNCIL

Agenda Item 12

28 June 2017

North Ayrshire Council

Title: **Strategic Planning, Commissioning and Delivery of Health and Social Care Services within Ayrshire and Arran**

Purpose: The purpose of this report is to 1) seek approval for a review of the arrangements for the planning, commissioning and delivery of Health and Social Care Services in North Ayrshire; 2) to request a review of the Integration Scheme between North Ayrshire Council and NHS Ayrshire & Arran; and 3) to specifically consider opportunities for increased integration at a pan-Ayrshire and Arran level, which may include a single Integration Joint Board.

Recommendation: That subject to agreement by NHS Ayrshire and Arran, East Ayrshire Council and South Ayrshire Council to undertake simultaneous reviews of the other Ayrshire Integration Schemes, that 1) North Ayrshire Council and NHS Ayrshire and Arran jointly carry out a review of the North Ayrshire Integration Scheme in terms of section 45(2) of the Public Bodies (Joint Working) (Scotland) Act 2014; 2) Council considers and approves the process for the implementation of the review of the North Ayrshire Integration Scheme; and 3) agrees to receive a future report detailing the outcome of the review.

1. Executive Summary

- 1.1 This report seeks a review of the arrangements for the planning, commissioning and delivery of Health and Social Care Services in North Ayrshire and a review of the Integration Scheme between North Ayrshire Council and NHS Ayrshire and Arran, which forms the statutory basis for the integration of health and social care in terms of the Public Bodies (Joint Working) (Scotland) Act 2014. Similar reports are being submitted this month to NHS Ayrshire and Arran, East Ayrshire Council and South Ayrshire Council, seeking review of all three Ayrshire Integration Schemes. The intention of these parallel reviews is to consult on opportunities for increased Integration at a pan -Ayrshire and Arran level, which may include a single Integration Joint Board.

2. Background

- 2.1 In the lead up to the 2011 Scottish Parliamentary elections there was cross party support for increased integration of health and social care services. Following Parliamentary process the Public Bodies (Joint Working) (Scotland) Act 2014 received Royal Assent on 1 April 2014.
- 2.2 In Ayrshire and Arran, there was early recognition of the opportunities for improved outcomes for communities that integration could offer, building on existing partnership arrangements through Community Planning and Community Health Partnerships. While at that early stage North Ayrshire Council had been keen to explore a pan-Ayrshire Integration Scheme, the model eventually adopted was to have three separate Integration Schemes, covering the three local authority areas. Each adopted the same integration model of a delegation of functions to a body corporate known as the Integration Joint Board (IJB).
- 2.3 High levels of commitment and leadership were provided by the NHS Board and the three Councils and as a result the three Ayrshire and Arran Integration Joint Boards, aligned to local authority boundaries, were the first to be approved in Scotland with a commencement date of 2 April 2015. For the past three years it has been widely acknowledged that Ayrshire has been at the leading edge of integration. Proposals within this report seek to make arrangements to review learning over this period and build on this for the future.
- 2.4 To meet the aspirations of integration as outlined below, the scope of Integrated services agreed in Ayrshire was inclusive of a broad range of services that extend beyond the scope required by legislation , including Children's and Justice Services..
- 2.5 The main purpose of the legislation through the integration planning and delivery principles is to improve the wellbeing of service-users and to ensure that those services are provided in ways which:
 - Are integrated from the point of view of service-users;
 - Take account of the particular needs of different service-users;
 - Take account of the particular needs of service-users in different parts of the area in which the service is being provided;
 - Take account of the particular characteristics and circumstances of different service-users;
 - Respect the rights of service-users;
 - Take account of the dignity of service-users;

- Take account of the participation by service-users in the community in which service-users live;
- Protect and improves the safety of service-users;
- Improve the quality of the service;
- Are planned and led locally in a way which is engaged with the community (including in particular, service-users, those who look after service-users and those who are involved in the provision of health or social care);
- Best anticipates needs and prevents them arising; and
- Make the best use of the available facilities, people and other resources.

2.6 In Ayrshire and Arran we have, through these principles set aims within the integration agenda that seek to:

- Give our children and young people the best start in life
- Promote healthy living and health improvement
- Deliver high quality accessible services to meet the needs of communities
- Seek to address the impact of inequalities for individuals and communities

Integration in Ayrshire and Arran

2.7 The integration of Health and Social Care has benefitted from a high level of leadership from NHS Ayrshire & Arran and the three Councils through both the formal Boards and Committees and also the Chief Executive Group.

2.8 The formation of the IJBs has seen delivery of the Integration principles in bringing together a wider stakeholder group to the strategic planning decision making forum. Alongside Elected Members and NHS Board Members, the third and independent sector, employee representatives, people who use services, unpaid carers, professional leaders and service managers are all engaged. This has supported development of a wider Wellbeing agenda that goes beyond the delivery of services through the Health and Social Care Partnership.

2.9 The model of integration takes a pragmatic and person centred approach to service design. The majority of local services are delegated to each of the three Integration Joint Boards for both planning and delivery with a recognition that building blocks are around localities involving local people, communities and professionals.

- 2.10 It was also recognised that the delivery of safe and effective services could in a range of circumstances be achieved through “Lead Partnership” arrangements where, in effect the IJBs delegated to each other. The result of this is;

East Ayrshire IJB is Lead Partnership for;

- Primary Care
- Out of Hours Community Response Services (including ADOC, Social Work and Nursing)

North Ayrshire IJB is Lead Partnership for;

- Mental Health
- A range of pan Ayrshire Children’s Services

South Ayrshire IJB is Lead Partnership for;

- Allied Health Professionals
- Technology Enabled Care

- 2.11 The integration of Health and Social Care has already evidenced the opportunities for partners to work together across Ayrshire and Arran towards strategic objectives. At an operational level there are examples of excellence in practice in each of the Partnerships that have the potential to be spread to benefit individuals and communities.

- 2.12 The Integration Schemes are comprehensive in governance arrangements around delegation between IJBs for pan Ayrshire working. From the experience gained it is becoming evident that there is potential for complexity and challenge between IJBs around Performance and Financial Governance in these arrangements.

- 2.13 The emerging policy agenda sees the need to look towards real engagement and empowerment of local communities with public services being delivered through arrangements that take advantage of scale and co-ordination across traditional boundaries.

- 2.14 The Ayrshire Partnerships are working together to deliver change through new models of care in localities, through developing locality profiles and working in partnership with;

- Local people
- Community and third sector groups
- Local professionals that are often focused around GP practices or schools but can also be around communities of interest such as learning disability or addiction.

2.15 It is also recognised that each of the Partnerships face similar challenges and in a number of areas are interdependent. As a consequence a pan-Ayrshire programme of transformation has been agreed that extends to;

- i. Children and Young people - implementation of new legislation
- ii. Models of Care for Older People with Complex Needs
- iii. Mental Health
- iv. Primary Care
- v. Planned Care
- vi. Unscheduled Care

The above are all supported by a cross cutting workstream of Technology Enabled Care.

2.16 In order to deliver these coordinated outcomes the level of engagement across IJBs/NHS/Councils is extensive. To be inclusive of all parties planning and decision making can be complex, unavoidably slow and resource intensive.

2.17 The extent of Partnership work across Ayrshire both within delegated integration functions and with legacy services within Council and NHS is recognised widely as at the leading edge of developments across Scotland. This has attracted opportunities such as funding to develop;

- Out of Hours Urgent Care Hub
- National Mental Health Adolescent Unit
- Technology Enabled Care

2.18 At a local level, establishment of GP clusters has progressed at the forefront of national developments and the direction of travel sees this well placed to deliver better outcomes for communities alongside multi-disciplinary health and social care teams and wider locality arrangements.

2.19 Over the past three years from the experience gained the three IJB's have very similar agendas and priorities. The IJBs have worked hard alongside NHS and the three Councils to make best use of resources across the system in avoiding duplication of effort or conflicting agendas.

2.20 In terms of the policy agenda to deliver a balanced Health and Care System that sees a move to deliver health and care services as close to home as possible, it is evident that this can only be achieved if community based services work in a coordinated way with acute based services. This means that the transformation agendas of;

- North and East Ayrshire HSCP need to be aligned with University Hospital Crosshouse
- South and East Ayrshire HSCP need to be aligned with University Hospital Ayr

- 2.21 The work through the Strategic Planning and Operational Group with the three IJB Chief Officers, Director of Acute Services and NHS Head of Service - Planning and Performance meeting weekly has supported this model of working.
- 2.22 All three Partnerships developed initial Strategic Plans that cover the first three years of operation, 2015/18. This was in recognition of the need to embed change and lay foundations for a more transformational agenda in the future.

Integration Scheme

- 2.23 The Public Bodies (Joint Working) (Scotland) Act 2014 is the Act that provides the framework for the integration of local authority services with health services. An Integration Scheme is the Partnership agreement between the Council and NHS Board to establish an Integration Joint Board for their local area.
- 2.24 Each Integration Scheme requires to be reviewed every five years, or earlier on the request of the local authority or the Health Board in terms of section 45(2). The local authority and Health Board must jointly carry out a review of the scheme for the purpose of identifying whether any changes to the scheme are necessary or desirable. This would be a separate review by each local authority with the Health Board.
- 2.25 Given that all three Partnerships have been established for a three year period with the initial three year Strategic Plans coming under substantial review this would be an opportune time to consider a review of the Integration Scheme to consider greater coordination of strategic priorities to effect the change envisioned by the legislation.
- 2.26 The provisions of Section 3-6 of the Act apply to any such review, which means that regard must be had to the integration planning principles and the national health and wellbeing outcomes. The same consultation provisions apply as to a new Integration Scheme. The standard consultees who must be consulted are health professionals, users of health care, carers of users of health care, non-commercial providers of health care, social care professionals, users of social care, carers of users of social care, commercial providers of social care, non-commercial providers of social care, staff of the health board and local authorities who are not health professionals or social care professionals, non-commercial providers of social housing and third sector bodies carrying out activities related to health or social care.

- 2.27 After taking account of any views of those consulted, the local authority and Health Board must decide whether any changes to the scheme are necessary or desirable. Section 47 of the Act states that if the Council and Health Board, having carried out a Section 45 review, wish to change the Local Authority which prepares the Integration Scheme (e.g. move to a single pan-Ayrshire Integration Scheme) then they must prepare a new Integration Scheme. Section 2(4) then allows Local Authorities within a single Health Board area to prepare a Joint Integration Scheme. The new scheme is subject to all the same requirements, including consultation and the requirement for Ministerial approval, as the original integration scheme.
- 2.28 Section 48 provides that as part of approval of such a new Integration Scheme, Scottish Ministers can wind up an existing Joint Board and make appropriate provisions on transfer of staff, properties, rights, liabilities and obligations of such an IJB. Before making a scheme the Ministers must carry out further consultations. Scottish Ministers also require to make a statutory instrument to disband the existing IJBs and create a new IJB.
- 2.29 There are a number of key elements to the timetable associated with a review of the Integration Schemes.

Review Programme for Integration Scheme

Agreement to review the Integration Schemes to identify whether any changes to the scheme are necessary or desirable (Councils/Health Board/IJBs) and agree consultation	June 2017
Confirm intent and timetable with Integration Joint Boards, Scottish Ministers and Civil Servants	June 2017
Consultation on review to identify whether any changes to the scheme are necessary or desirable, including the option to merge the existing Integration Schemes	July 2017 – August 2017
Outcome of the consultation submitted to Councils, Health Board and IJBs – to include any proposals to consult on a new Integration Scheme	September 2017
Consultation on a new Integration Scheme.	October - November 2017
Consultation on a new single Strategic Plan	October 2017 - February 2018
Draft scheme negotiated with Scottish Government	December 2017 – January 2018
Agreement to submit new Integration Scheme to Scottish Ministers	February 2018

Final sign-off and approval by Councils, Health Board and Scottish Government of a new Integration Scheme.	March 2018
New Single Strategic Plan signed off by single Integration Joint Board	April 2018

2.30 In summary, the legislation envisages a three stage process before a single pan-Ayrshire IJB could be created. Firstly there would be three separate but simultaneous reviews of each Integration Scheme, each involving extensive consultation by the relevant Council and NHS Ayrshire and Arran. Thereafter if all three Councils and NHS Ayrshire and Arran were of the opinion that their Integration Schemes require change and that it was best to have a pan-Ayrshire IJB, a new Integration Scheme would be prepared for further consultation. This would be subject to the same extensive consultation process. This will include consideration of all future governance requirements. Thereafter, if the intention was still to move to a single IJB, Scottish Ministers would hold a final consultation.

2.31 It is important at this stage that Councils and NHS Ayrshire and Arran do not prejudge the initial review of their Integration Schemes. The views of consultees require to be taken into account before any decision is taken to move to a pan-Ayrshire IJB. That proposal would then be subject to further consultation before a new Scheme could be submitted to Scottish Ministers for final approval. However it is important that any decision to formally consult on a single IJB is informed by the views of consultees on this question. For this reasons it is recommended that responses are sought on this issue as part of the initial consultation.

2.32 It is proposed that a Review Team be established, with support from wider advisers as required, to take forward the timetable, with representation drawn from the three Health and Social Care Partnerships and NHS Ayrshire and Arran (under the leadership of Strategic Planning and Operational Group).

3. Proposals

3.1 It is recommended that subject to agreement by NHS Ayrshire and Arran, East Ayrshire Council and South Ayrshire Council to undertake similar simultaneous reviews of the other Ayrshire Integration Schemes, that 1)- North Ayrshire Council and NHS Ayrshire and Arran jointly carry out a review of the North Ayrshire Integration Scheme in terms of section 45(2) of the Public Bodies (Joint Working) (Scotland) Act 2014; 2) Council considers and approves the process for implementation of the review of the North Ayrshire Integration Scheme and 3) agrees to receive a future report detailing the outcome of the review.

4. Implications

Financial:	Strategic Planning for Health and Social Care requires to be delivered within the resources available and take cognisance of public sector funding limitations. The review will seek to support arrangements that match local and national aspirations for positive health and wellbeing within the delegated resource.
Human Resources:	The legislation provides for employees to be consulted as part of the review of the Integration Scheme
Legal:	The review of the Integration Scheme is in compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and associated Regulations and Guidance
Equality:	A core purpose of the Integration of Health and Social care is to seek to address the impact of inequalities for individuals and communities
Environmental & Sustainability:	There are no environmental or sustainability implications of a review of the Integration Scheme
Key Priorities:	Review of the Integration Scheme supports delivery of the Council's Strategic Priorities.
Community Benefits:	There are no community benefit implications.

5. Consultation

- 5.1 There has been consultation between senior officers of East Ayrshire Council, North Ayrshire Council, South Ayrshire Council, NHS Ayrshire and Arran and the three Ayrshire Integration Joint Boards.



ELMA MURRAY
Chief Executive

Reference :

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

Background Papers

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